



CITY FINANCE AND GOVERNANCE COMMITTEE MINUTES

for the meeting

Tuesday, 16 May 2023

in the Colonel Light Room, Adelaide Town Hall

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Present – The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith
Councillor Dr Siebentritt (Chair)
Councillor Li (Vice-Chair)
Councillors Abrahamzadeh, Couros, Davis, Elliott, Giles, Hou, Martin, Noon and Snape

1 Acknowledgement of Country

The Chair stated:

‘Council acknowledges that we are meeting on traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognize and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.’

2 Apologies and Leave of Absence

Nil

Clare Mockler, Chief Executive Officer welcomed Michael Sedgman, new Chief Operating Officer to the City of Adelaide and thanked Stephen Zaluski for Acting in the role.

3 Confirmation of Minutes - 18/4/2023

Moved by Councillor Davis,
Seconded by Councillor Noon -

That the Minutes of the meeting of the City Finance and Governance Committee held on 18 April 2023, be taken as read and be confirmed as an accurate record of proceedings.

Carried

4 Reports for Recommendation to Council

5 Item 4.1 - 2023/24 Business Plan and Budget - Review of Fees and Charges

Michael Sedgman, Chief Operating Officer, City of Adelaide provided a precis of the item.

Discussion ensued, during which:

- Councillor Davis left the meeting at 5.49 pm.
- Councillor Couros left the Colonel Light Room at 5.49 pm and re-entered at 5.53 pm.

It was then –

Moved by Deputy Lord Mayor (Councillor Martin),
Seconded by Councillor Snape -

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

That Council:

1. Adopts the schedule of Fees and Charges set by Council for the 2023/24 Business Plan and Budget as included in Attachment A to Item 4.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023, with the following change.
 - 1.1. An additional fee for fixed outdoor dining furniture to a rate that reflects a 50% increase on the relevant standard outdoor dining rate, (\$23.15 per sqm per year for the Central Activities and Mainstreets locations, and \$20.20 per sqm per year in all other locations).
2. Resolves to provide a transitional approach to the fees being reinstated following waives in recent years, so that they commence being charged from 1 October 2023, instead of 1 July 2023. This applies specifically to the activities of outdoor dining, events held in park lands, and parklets.

3. Notes the schedule of Fees and Charges set under delegation by Council for the 2023/24 Business Plan and Budget as included in Attachment B to Item 4.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023.
4. Adopts the schedule of Fees and Charges set by Council for Adelaide Economic Development Agency for the 2023/24 Business Plan and Budget as included in Attachment C to Item 4.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023.
5. Notes the schedule of General Fees and Charges set by Statute included in Attachment D to Item 4.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023. These fees will be updated once gazetted by State Government in June 2023.
6. Notes the schedule of Commercial Business Fees and Charges set under delegation by Council for the 2023/24 Business Plan and Budget as included in Attachment E to Item 4.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023.
7. Notes the base level increase of 5% being applied to most fees and charges, which is in consideration of current levels of inflation and the most recent forecast for 2023/24 CPI from Deloitte Economics being 4.1%, and a reflection of recent years in which Council's fees and charges have not increased.

Discussion continued, during which with the consent of the mover and seconder, the Chair advised the meeting that the motion would be taken in parts.

Amendment –

Moved by Councillor Noon,
Seconded by Councillor Couros –

That Part 3 of the motion be amended to included the words 'excluding any on-street parking increases', after the date '16 May 2023.'

The amendment was put and lost
Part 1 of the motion, was then put and carried
Part 1.1 of the motion, was then put and lost
Part 2 of the motion, was then put and carried
Parts 3 - 7 of the motion were then put and carried

6 Item 4.1 - Undertaking - 2023/24 Business Plan and Budget - Review of Fees and Charges

In response to queries Committee Members, undertakings were given to provide Committee Members with clarification on the increase of fees for rental spaces and how the fees are applied, and a map which delineates the zones used for applying fees for outdoor dining.

7 Item 4.2 - Q3 Business Update

Michael Sedgman, Chief Operating Officer, City of Adelaide provided a precis of the item.

Discussion ensued

It was then –

Moved by Councillor Abrahamzadeh,
Seconded by Councillor Couros -

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

That Council:

1. Approves the changes for the 2022/23 Business Plan and Budget as identified in this report and reflected in the Quarter 3 update presented in Attachment A to Item 4.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023.
2. Approves the Uniform Presentation of Finances as presented in Attachment A to Item 4.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023 and the revised Annual Financial Summary as identified in this report, which include:
 - 2.1. Total estimated operating income of \$213.446 million (\$213.446 million in Q2)
 - 2.2. Total estimated operating expenditure (including depreciation) of \$213.359 million (\$213.359 million in Q2)

- 2.3. An operating surplus of \$87,000 (\$87,000 in Q2)
- 2.4. Council borrowings (debt) projected to \$9.9 million (\$37.9 million in Q2).
3. Approves the proposed changes to Operating Position of:
 - 3.1. New offsets across both expenditure and revenue totalling \$1.988 million towards the \$4.83 million savings target set by Council.
4. Approves the revised Capital Budget for 2022/23 of:
 - 4.1. Major Projects expenditure of \$17.1 million (previously \$30.5 million in Q2)
 - 4.2. New and Upgrades expenditure of \$6.5 million (previously \$11.3 million in Q2)
 - 4.3. Renewals expenditure of \$38.2 million (previously \$42.6 million in Q2)
 - 4.4. Capital Program Management expenditure of \$9.8 million (no change from the \$9.8 million in Q2)
 - 4.5. Grant funding to support capital expenditure on new/upgraded assets of \$11.7 million (previously \$11.5 million in Q2).
5. Approves an allocation of \$20,000 to the Adelaide Crows Foundation for a strategic partnership with the City of Adelaide to enable the delivery of the Kumankga Cup, a cultural festival using AFL to create safe spaces for middle school students to learn about reconciliation and Kaurna culture and history, culminating in all 300 City of Adelaide students and 50 Tjindu Foundation/SEDA indigenous students participating in the AFL Sir Doug Nicholls round at Adelaide Oval, Saturday 20 May.
6. Notes the Adelaide Central Market Authority Quarter 3 report 2022/23 (Attachment B to Item 4.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023).
7. Notes the Adelaide Economic Development Agency Quarter 3 report 2022/23 (Attachment C to Item 4.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023).
8. Notes the Kadaltilla / Park Lands Authority Quarter 3 report 2022/23 (Attachment D to Item 4.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023).
9. Notes the Brown Hill Keswick Creek Quarter 3 report 2022/23 (Attachment E to Item 4.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023).
10. Notes that at the end of this Quarter 92% of Projects were capitalised within 10 Weeks, exceeding the 70% target set by the Audit and Risk Committee at its meeting of 5 February 2021.

Discussion continued, during which with the consent of the mover and seconder, the Chair advised the meeting that the motion would be taken in parts.

Parts 1 – 4 of the motion, were then put and carried

Further discussion ensued

Part 5 of the motion, was then put and carried

Parts 6 – 10 of the motion, were then put and carried unanimously

Councillor Couros left the Colonel Light Room at 6.41 pm.

8 Item 4.2 - Undertaking - Q3 Business Update

In response to a query from the Deputy Lord Mayor, Councillor Martin, an undertaking was given to provide Committee Members with information in relation to the City Safe CC Network (page 16) upgrade and the key component that was missed in the design and how it was missed.

9 Item 4.3 - Award of Contract

Michael Sedgman, Chief Operating Officer, City of Adelaide provided a precis of the item.

Discussion ensued, during which:

- With the consent of the mover and seconder, the Chair advised the meeting that the motion would be taken in parts.
- Councillor Couros re-entered the Colonel Light Room at 6.43 pm.

It was then –

Moved by Councillor Couros,
Seconded by Councillor Hou -

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

That Council:

1. Approves the award of contracts to the preferred tenderers as identified by the evaluation panels for the following goods and services:
 - 1.1 Project 1: Adelaide Town Hall Façade Conservation
 - 1.2 Project 2: Rymill Park Lake Renewal and Surrounds.
2. Authorises the Chief Executive Officer or delegate to execute the relevant contract(s) including the approval of any variation (financial and non-financial) to the contract based on the procurement process conducted.

Part 1 and 1.1 of the motion, were then put and carried unanimously

Part 1.2 of the motion, was then put and carried

Part 2 of the motion, was then put and carried unanimously

10 Item 4.3 - Undertaking - Award of Contract

In relation to queries from Committee Members, undertakings were given to provide Committee Members with:

- The State Government contribution towards the Rymill Park Lake Renewal and Surrounds project.
- An overview and briefing of the end to end procurement and contract management approach utilised by the City of Adelaide.

11 Item 4.4 - Council Member Behavioural Support Policy

Michael Sedgman, Chief Operating Officer, City of Adelaide provided a precis of the item.

Discussion ensued

It was then –

Moved by Councillor Snape,
Seconded by Councillor Giles -

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL

That Council:

1. Notes the requirements of 75F of the Local Government Act 1999, for the Council to consider if it will adopt a Council Member Behavioural Support Policy.
2. Having met the requirement of section 75F of the Local Government Act 1999, supports adopting a Council Member Behavioural Support Policy.

Carried

12 Item 4.5 - Employee Behavioural Standards

Moved by the Lord Mayor,
Seconded by Councillor Couros -

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

That Council:

1. Supports the adoption of employee behavioural standards.
2. Delegates, pursuant to the power contained in Section 44 (1) of the Local Government Act 1999 (SA), to the Chief Executive Officer, the powers, and functions under Section 120A of the Local Government Act 1999 (SA) – Employee Behavioural Standards.

Carried

13 Item 4.6 - Sister City Proposal with Athens, Greece

Moved by the Lord Mayor,
Seconded by Councillor Couros -

THAT THE CITY FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

That Council:

1. Notes the keen interest expressed by the South Australian business community and members of the South Australian Parliament, Attachments A, B and C to Item 4.6 on the Agenda for the meeting of the City Finance and Governance Committee held on 16 May 2023, in developing a Sister City relationship with Athens, Greece.
2. Authorises the Administration to enter discussions with Athens, Greece to determine the nature and themes of a proposed Memorandum of Understanding.
3. Notes that before a relationship can be entered into, intent to do so must be registered with the Foreign Arrangements Scheme and approval given.

Carried unanimously

Closure

The meeting closed at 6.59 pm

Councillor Dr Siebentritt
City Finance and Governance Committee Chair

Documents Attached:

Nil