

Recommendations of the City Finance and Governance Committee – 20 June 2023

Tuesday, 27 June 2023
Council

Strategic Alignment - Enabling Priorities

Public

Approving Officer:
Michael Sedgman, Chief
Operating Officer

EXECUTIVE SUMMARY

The City Finance and Governance Committee considered the following Items at its meeting held on 20 June 2023 and resolved to present to Council the following recommendations for Council determination:

- Item 5.1 – Draft 2023/24 Business Plan & Budget Consultation Close-out
- Item 5.2 – Adelaide Aquatic Centre Redevelopment Project Agreement and Principles
- Item 5.3 – Events and Festivals Sponsorship Funding Recommendations for 2023/24
- Item 5.4 – Strategic Internal Audit Plan 23/24

Since the meeting of the City Finance and Governance Committee on 20 June 2023, Kadaltilla/Adelaide Parklands Authority have met and provided advice on **Recommendation 2** – Item 5.2 - Adelaide Aquatic Centre Redevelopment Project Agreement and Principles. This advice is included in the report for Council's consideration.

RECOMMENDATION

1. **Recommendation 1** – Item 5.1 – Draft 2023/24 Business Plan & Budget Consultation Close-out

THAT COUNCIL:

1. Notes the consultation outcomes on the 2023/24 Draft Business Plan and Budget, as set out in the updated Attachment A to Item 5.1 as tabled and attached to the minutes for the meeting of the City Finance and Governance Committee held on 20 June 2023 and that the outcomes will inform the 2023/24 Annual Business Plan and Budget that will be presented to Council for adoption on 27 June 2023.
2. Receives the submissions and from the community on the 2023/24 Draft Business Plan and Budget, as set out in the updated Attachment B to Item 5.1 as tabled and attached to the minutes for the meeting of the City Finance and Governance Committee held on 20 June 2023.

2. **Recommendation 2** – Item 5.2 - Adelaide Aquatic Centre Redevelopment Project Agreement and Principles

THAT COUNCIL:

1. Receives the information on the Adelaide Aquatic Centre Redevelopment, noting the revised State Government project timeline, revised facility site, overview and guiding principles of the proposed Project Agreement between the Minister for Infrastructure and Transport and The Corporation of the City of Adelaide, impacts of the Redevelopment on Denise Norton Park / Pardipardinnyilla (Park 2) Lessee Blackfriars Priory School and on workforce planning at the existing facility, as per Attachment A to Item 5.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 June 2023.
2. Authorises the Lord Mayor, CEO or delegate to negotiate and execute the final Project Agreement for the New Adelaide Aquatic Centre between the Minister for Infrastructure and Transport and The Corporation of the City of Adelaide on behalf of the Council, subject to:
 - 2.1. negotiation of a long-term lease that does not exceed 42 years and meets the Lease and Licence Policy requirements of Council.
 - 2.2. a commitment to make good on any areas impacted outside of the Redevelopment site that were required or damaged during construction.

- 2.3. the design of the Return to Park Land Zone is undertaken in consultation with the Council and in accordance with the Planning, Development and Infrastructure Act 2016 (PDI Act) and any statutory instruments issued under the PDI Act or otherwise relevant;
- 2.4. the demolition of the Original Centre and the Return to Park Land Works of the Return to Park Land Zone are undertaken by DIT, noting 2.3 would be required to be part of the Development Application for the Adelaide Aquatic Centre Redevelopment.
- 2.5. a commitment to funding that only extends to the demolition of the existing venue and the provision of a new playing field.
- 2.6. agreement on a licence for the purpose of commencing construction that is in line with Council policy.
- 2.7. the Redevelopment site being confirmed at 70 metres from Barton Terrace West.

3. **Recommendation 3** – Item 5.3 - Events and Festivals Sponsorship Funding Recommendations for 2023/24

THAT COUNCIL

1. Notes the Events and Festivals Sponsorship funding recommendations for 2023/24 are subject to the adoption of the City of Adelaide Business Plan and Budget.
2. Approves the following funding recommendations:
 - 2.1. UniSport Australia Ltd – 2023 Australian Masters Games: \$50,000;
 - 2.2. South Australian Contemporary Music Company Ltd – 2023 Good Music Month: \$30,000;
 - 2.3. South Australian Motor Sport Board – 2023 Bridgestone World Solar Challenge: \$35,000;
 - 2.4. St John Ambulance South Australia Inc – 2023 Carols by Candlelight: \$50,000; and
 - 2.5. Team AVCon Inc – 2023 Adelaide’s Anime and Video Game Festival: \$10,000 subject to funds being used in an appropriate manner excluding capital expenditure and travel expenses.
3. Authorises the Chief Executive Officer to assess any significant change to the proposed activity for any event / festival and make variations to the funding commitments and / or conditions in the recommendations above or honour the commitments made if the proposed change is deemed to continue to meet Events and Festivals Sponsorship Program objectives.

4. **Recommendation 4** – Item 5.4 - Strategic Internal Audit Plan 23/24

THAT COUNCIL:

1. Approves the City of Adelaide one-year Internal Audit Plan, contained in Attachment A to Item 5.4 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 June 2023, noting the recommendation of the Audit and Risk Committee that KPMG conduct a review of the Strategic Property Action Plan, in addition to those KPMG will undertake in the delivery of the Strategic Internal Audit Plan 2023/24.

DISCUSSION

1. The City Finance and Governance Committee met on Tuesday 20 June 2023. The Agenda with public reports for the meeting can be viewed [here](#).
2. The following matters were the subject of deliberation:

- 2.1. Item 5.1 – Draft 2023/24 Business Plan & Budget Consultation Close-out

THAT THE FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

THAT COUNCIL:

1. Notes the consultation outcomes on the 2023/24 Draft Business Plan and Budget, as set out in the updated Attachment A to Item 5.1 as tabled and attached to the minutes for the meeting of the City Finance and Governance Committee held on 20 June 2023 and that the outcomes will inform the 2023/24 Annual Business Plan and Budget that will be presented to Council for adoption on 27 June 2023.
 2. Receives the submissions and from the community on the 2023/24 Draft Business Plan and Budget, as set out in the updated Attachment B to Item 5.1 as tabled and attached to the minutes for the meeting of the City Finance and Governance Committee held on 20 June 2023.
- 2.2. Item 5.2 - Adelaide Aquatic Centre Redevelopment Project Agreement and Principles

THAT THE FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

THAT COUNCIL:

1. Receives the information on the Adelaide Aquatic Centre Redevelopment, noting the revised State Government project timeline, revised facility site, overview and guiding principles of the proposed Project Agreement between the Minister for Infrastructure and Transport and The Corporation of the City of Adelaide, impacts of the Redevelopment on Denise Norton Park / Pardipardinyilla (Park 2) Lessee Blackfriars Priory School and on workforce planning at the existing facility, as per Attachment A to Item 5.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 June 2023.
2. Authorises the Lord Mayor, CEO or delegate to negotiate and execute the final Project Agreement for the New Adelaide Aquatic Centre between the Minister for Infrastructure and Transport and The Corporation of the City of Adelaide on behalf of the Council, subject to:
 - 2.1. negotiation of a long-term lease that does not exceed 42 years and meets the Lease and Licence Policy requirements of Council.
 - 2.2. a commitment to make good on any areas impacted outside of the Redevelopment site that were required or damaged during construction.
 - 2.3. the design of the Return to Park Land Zone is undertaken in consultation with the Council and in accordance with the Planning, Development and Infrastructure Act 2016 (PDI Act) and any statutory instruments issued under the PDI Act or otherwise relevant;
 - 2.4. the demolition of the Original Centre and the Return to Park Land Works of the Return to Park Land Zone are undertaken by DIT, noting 2.4 and 2.5 would be required to be part of the Development Application for the Adelaide Aquatic Centre Redevelopment.
 - 2.5. a commitment to funding that only extends to the demolition of the existing venue and the provision of a new playing field.
 - 2.6. agreement on a licence for the purpose of commencing construction that is in line with Council policy.
 - 2.7. the Redevelopment site being confirmed at 70 metres from Barton Terrace West.

Please note Part 2.4 of the recommendation above to Council has been revised to refer to the correct paragraph.

- 2.3. Item 5.3 - Events and Festivals Sponsorship Funding Recommendations for 2023/24

THAT THE FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

THAT COUNCIL:

1. Notes the Events and Festivals Sponsorship funding recommendations for 2023/24 are subject to the adoption of the City of Adelaide Business Plan and Budget.

2. Approves the following funding recommendations:
 - 2.1. UniSport Australia Ltd – 2023 Australian Masters Games: \$50,000;
 - 2.2. South Australian Contemporary Music Company Ltd – 2023 Good Music Month: \$30,000;
 - 2.3. South Australian Motor Sport Board – 2023 Bridgestone World Solar Challenge: \$35,000;
 - 2.4. St John Ambulance South Australia Inc – 2023 Carols by Candlelight: \$50,000; and
 - 2.5. Team AVCon Inc – 2023 Adelaide’s Anime and Video Game Festival: \$10,000 subject to funds being used in an appropriate manner excluding capital expenditure and travel expenses.
3. Authorises the Chief Executive Officer to assess any significant change to the proposed activity for any event / festival and make variations to the funding commitments and / or conditions in the recommendations above or honour the commitments made if the proposed change is deemed to continue to meet Events and Festivals Sponsorship Program objectives.

2.4. Item 5.4 - Strategic Internal Audit Plan 23/24

THAT THE FINANCE AND GOVERNANCE COMMITTEE RECOMMENDS TO COUNCIL:

THAT COUNCIL:

1. Approves the City of Adelaide one-year Internal Audit Plan, contained in Attachment A to Item 5.4 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 June 2023, noting the recommendation of the Audit and Risk Committee that KPMG conduct a review of the Strategic Property Action Plan, in addition to those KPMG will undertake in the delivery of the Strategic Internal Audit Plan 2023/24.

3. The Committee also participated in a workshop on the Code of Practice for Meeting Procedures.

Update From Kadaltilla/Adelaide Park Lands Authority

4. Since this meeting, Kadaltilla/Adelaide Parklands Authority have met and provided advice on Recommendation 2 – Item 5.2 - Adelaide Aquatic Centre Redevelopment Project Agreement and Principles. This advice is below. The additions to the City Finance and Governance Committee recommendation are in red.

THAT THE KADALTILLA / ADELAIDE PARK LANDS AUTHORITY ADVISES COUNCIL:

That the Kadaltilla / Adelaide Park Lands Authority:

1. Receives the information on the Adelaide Aquatic Centre Redevelopment, presented by the Department for Infrastructure and Transport (DIT).
2. Endorses the following principles relating to the values of the Park Lands and their management and protection including any built form, and the granting or operation of leases and licences to be negotiated and executed by the Lord Mayor, CEO or delegate in the Final Project Agreement for the New Adelaide Aquatic Centre between the Minister for Infrastructure and Transport and The Corporation of the City of Adelaide on behalf of the Council,
 - 2.1. negotiation of a long-term lease that does not exceed 42 years and meets the Lease and Licence Policy requirements of Council.
 - 2.2. a commitment for the State Government to make good on any areas impacted outside of the Redevelopment site that were required or damaged during construction.
 - 2.3. the design of the Return to Park Lands Zone is undertaken in consultation with the Council and in accordance with the Planning, Development and Infrastructure Act 2016 (PDI Act) and any statutory instruments issued under the PDI Act or otherwise relevant **and in accordance with the Adelaide Park Lands Management Strategy and the Adelaide Park Lands Building Design Guidelines.**
 - 2.4. the demolition of the Original Centre and the Return to Park Lands Works of the Return to Park Lands Zone are undertaken by DIT, noting 2.4 and 2.5 would be required to be part of the Development Application for the Adelaide Aquatic Centre Redevelopment.
 - 2.5. agreement on a licence for the purpose of commencing construction that is in line with Council policy.
- 3 **Recommends consideration of a reduction in the size of all hard stand areas and the number of carparks.**

- 4 Expresses concern about the potential loss of up to 15 significant and /or regulated trees and recommends all measures be taken to reduce the loss through the design phase and building process.
5. Request a commitment from DIT to a net increase in the tree canopy in the area of the proposed lease.

DATA AND SUPPORTING INFORMATION

Link 1 – City Finance and Governance Committee Agenda

ATTACHMENTS

Nil

- END OF REPORT -