



Council Chambers
14 February 2025

An Ordinary Meeting of Council will be held on Cammeraygal lands at the Council Chambers, North Sydney at 7.00pm on Monday 24 February 2025. The agenda is as follows.

THERESE COLE
CHIEF EXECUTIVE OFFICER

North Sydney Council is an Open Government Council. The records of Council are available for public viewing in accordance with this policy, with the only exception being made for certain confidential documents such as legal advice, matters required by legislation not to be divulged, and staff matters.

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- 1. Opening of Meeting**
 - 2. Acknowledgement of Country**
 - 3. Apologies and applications for leaves of absence or attendance by audio-visual link by councillors**
 - 4. Confirmation of Minutes**
 - 5. Disclosures of Interests**
 - 6. Public Forum**
 - 7. Items by Exception**
 - 8. Mayoral Minutes**
Nil
 - 9. Reports of Committees**
Nil
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10. Reports to Council

- 10.1 Matters Outstanding to 9 December 2024
- 10.2 Quarterly Budget Review - December 2024
- 10.3 Q2 Review of the Delivery Program/Operational Plan 2024/25
- 10.4 Investment and Loan Borrowings Report as at 31 December 2024 and 31 January 2025
- 10.5 Consultation on Reforms to Council Meeting Practices
- 10.6 2025 Australian Local Government Association Annual Conference (National General Assembly)
- 10.7 Code of Conduct Statistics 2023/24
- 10.8 Disclosure of Pecuniary Interests by Councillors
- 10.9 1st & 2nd Quarterly Commercial Property Portfolio Report FY2024/25
- 10.10 Tender 19/2024 - Supply, delivery, installation, commissioning, and maintenance of gym equipment - North Sydney Olympic Pool
- 10.11 North Sydney Olympic Pool - redevelopment project update

11. Notices of Motion/Questions with Notice

- 11.1 Notice of Motion 6/25: Rugby World Cup 2027 - Opportunities for North Sydney - Cr Beregi

12. Matters of Urgency

Raised by Councillors

13 Closure of Meeting

In the spirit of open, accessible, and transparent government, the Council meetings of North Sydney Council will be streamed live via Council's website. By speaking at a Council meeting, members of the public agree to being recorded and must ensure their speech to the Council is respectful and use appropriate language. A person who uses defamatory, discriminatory, or offensive language may be exposed to liability for which Council takes no responsibility. Any part of the meeting that is held in Closed Session will not be recorded.

TO: The Mayor Zoë Baker, and Councillors Antonini, Beregi, Carr, Holding, Hoy, Keen, Santer, Spenceley, and Welch

MEETING OF COUNCIL TO BE HELD ON MONDAY 24 FEBRUARY 2025

1. OPENING MEETING

2. ACKNOWLEDGEMENT OF COUNTRY

3. APOLOGIES AND APPLICATIONS FOR LEAVES OF ABSENCE OR ATTENDANCE BY AUDIO-VISUAL LINK BY COUNCILLORS

4. CONFIRMATION OF MINUTES

THAT THE MINUTES of the Ordinary Council meeting held on Monday 10 February 2025 be taken as read and confirmed.

5. DISCLOSURES OF INTEREST

6. PUBLIC FORUM

7. ITEMS BY EXCEPTION

8. MINUTES OF THE MAYOR

9. REPORTS OF COMMITTEES

Nil

10. REPORTS TO COUNCIL

10.1 Matters Outstanding to 9 December 2024

Report of Ian Curry, Manager Council & Committee Services

The purpose of this report is to update Council regarding the status of resolutions arising from Mayoral Minutes, Notices of Motion, and Questions Without Notice.

Each month, a report is presented to Council on the status of resolutions arising from Mayoral Minutes, Notices of Motion, and Questions Without Notice.

The attached table has been updated to include resolutions up to the 9 December 2024 Ordinary Meeting of Council.

Recommending:

1. THAT the report be received.

10.2 Quarterly Budget Review - December 2024

Report of Christian Munday, Financial Controller, Daniel Peacock, Senior Financial Accountant, and Aigul Utegenova, Chief Financial Officer

The purpose of this report is to:

- monitor budget progress for the second quarter of the 2024/25 financial year as of 31 December, highlighting income and expense changes and addressing any shortfalls or surpluses;
 - recommend adjustments and reallocations; and
 - ensure transparency and support decision-making.
 - **Decrease in Operating Deficit (before Capital Grants and Contributions):** The deficit decreased by \$1.0 million to \$5.5 million, primarily due to savings from Council holding vacant roles to assist liquidity (\$1 million), an increase in revenue from financial investments (\$1 million) and increased other income (\$300 thousand). This was partially offset by a \$2 million loss in user charges, mainly from hoarding fees and parking station income.
 - **Increase in Operating Surplus (including Capital Grants and Contributions):** The surplus increased by \$0.8 million, reaching \$4.2 million.
 - **Grants and Contributions:** Council has proactively secured grants to support the delivery of community services through external funding. Based on the second quarter, an additional \$2.6 million in new grants reserved by the Council in this financial year.
 - **External Borrowings:** In addition to the \$20 million loan received in July 2024, Council is planning to secure an additional \$10 million loan in quarter 4 to address severe liquidity concerns raised as part of the September Quarterly Budget Review.
 - **Unrestricted Current Ratio:** Including the proposed \$10 million loan the projected ratio for 30 June 2025 is 1.22, falling short of the Office of Local Government's benchmark of 1.50.
 - **Capital Budget Reduction:** The capital budget has been reduced by \$5.4 million, primarily due to delays in the Young Plaza development, the deferral of plant renewals and the deferral of some Council-funded capital projects to address the severe liquidity issues.
 - **Grants and Contributions:** The Council has successfully obtained grants to support the delivery of community services through external funding. Based on the second
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quarter, an additional \$2.6 million in new grants has been reserved by the Council in this financial year.

Recommending:

1. **THAT** Council adopt the Quarterly Budget Review Statement – December 2024 report in accordance with clause 203 of the Local Government (General) Regulation 2021.
2. **THAT** Council endorse the budget variations in this report.

10.3 Q2 Review of the Delivery Program/Operational Plan 2024/25

Report of Jenny Gracey, Corporate Planning Coordinator

This Quarterly Review presents a progress update against the Delivery Program/Operational Plan 2024/25 for the second quarter (Q2), 1 October to 31 December 2024; and includes project status (traffic lights) and the corporate scorecard.

The Operational Plan 2024/25 (Year 3 of the Delivery Program 2022-2026) was adopted by Council on 24 June 2024 and commenced on 1 July 2024.

In Q2 2024/25, 192 projects were scheduled to commence, or continue. Of these,

- 1 was completed (blue status)
- 160 were on track (green status)
- 28 were delayed (amber status)
- 3 were not progressing (red status)
- no projects were discontinued.

Recommending:

1. **THAT** the Quarterly Review (October-December 2024) of the Operational Plan be received.
2. **THAT** Council notes the remedial action for the projects that were not on track for the period ending 31 December 2024.

10.4 Investment and Loan Borrowings Report as at 31 December 2024 and 31 January 2025

Report of Christian Menday, Financial Controller, Daniel Peacock, Senior Financial Accountant, and Aigul Utegenova, Chief Financial Officer

Recommending:

The purpose of this report is to provide details of the performance of Council's investments and loans for the months ending 31 December 2024 and 31 January 2025. All investments have been made in accordance with the Local Government Act and Regulations and Council's Financial Investments Policy.

For the month of December, the total investment portfolio (Term Deposits, Floating Rate Notes and Bonds) provided a return of +0.34% (actual), or +4.11% p.a. (annualised), under-performing the benchmark AusBond Bank Bill Index return of +0.38% (actual), or +4.53% p.a. (annualised).

Returns on investments exceed the December YTD budget by \$1,098,000.

For the month of January, the total investment portfolio (Term Deposits, Floating Rate Notes and Bonds) provided a return of +0.35% (actual), or +4.19% p.a. (annualised),

under-performing the benchmark AusBond Bank Bill Index return of +0.38% (actual), or +4.59% p.a. (annualised).

Returns on investments exceed the January YTD budget by \$1,357,000.

Underperformance against the benchmark for both months is due to Council holding term deposits made in a low inflation environment, and a higher than usual percentage held as cash to pay for expected project costs.

10.5 Consultation on Reforms to Council Meeting Practices

Report of Ian Curry, Manager Council & Committee Services

The purpose of this report is to seek Council's approval for a submission to the Office of Local Government's discussion paper titled 'A new model code of meeting practice'. The Office of Local Government (OLG) is inviting feedback on proposed amendments to the Model Code of Meeting Practice for Local Councils in NSW (Model Meeting Code).

The reform of the Code and procedures governing how Councillors gather, debate, and make decisions, was flagged by the Minister for Local Government as part of the discussion paper issued in September 2024: "Councillor conduct and meeting practice: a new framework".

It is anticipated that the new Model Meeting Code will be prescribed in 2025.

A draft submission to the OLG is attached to this report.

Recommending:

1. THAT Council approve the draft submission to the Office of Local Government's A new model code of meeting practice discussion paper.

10.6 2025 Australian Local Government Association Annual Conference (National General Assembly)

Report of Ian Curry, Manager Council & Committee Services

The purpose of this report is to consider the appointment of delegates to attend the 2025 Australian Local Government Association (ALGA) National General Assembly, and any proposed Motions.

This year's Australian Local Government Association (ALGA) National General Assembly (NGA) will be held in Canberra from 25 to 27 June 2025.

The theme for this year's NGA will be "National Priorities Need Local Solutions." ALGA is seeking motions that align with this theme and identify opportunities for new federal programs and policies that will support councils to build stronger communities. Motions are due by 31 March 2025.

In addition, Council may resolve the appointment of delegates to attend the 2025 NGA. The early bird deadline for registrations is 23 May 2025.

Recommending:

1.THAT Council consider any proposed Motions for submission to the Conference, noting the deadline of 31 March 2025.

2.THAT any Councillor wishing to attend the Conference advise the Chief Executive Officer before 16 May 2025.

10.7 Code of Conduct Statistics 2023/24

Report of Ian Curry, Manager Council & Committee Services

To report on the Code of Conduct complaints for the period 1 September 2023 to 31 August 2024, as required by the Office of Local Government (OLG).

In accordance with Council's *Code of Conduct - Councillors and Staff*, Council's Complaints Coordinator must report on a range of complaints statistics to Council and to the Office of Local Government by 31 December, for the period to the end of September.

The number of Code of Conduct complaints received since 2019 is as follows:

2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Two	Nil	Five	Two	Eight

Recommending:

1. THAT Council receive the Code of Conduct Statistics Report and note that it has been provided to the Office of Local Government in accordance with Clause 11.2 of the *Procedures for the Administration of The Model Code of Conduct for Local Councils in NSW, 2020*.

10.8 Disclosure of Pecuniary Interests by Councillors

Report of Ian Curry, Manager Council & Committee Services

The purpose of this report is to report on compliance as required under the *Local Government Act 1993* (LGA) and *Local Government (General) Regulation 2021*.

Councillors must complete and lodge a Disclosure of Pecuniary Interests Return.

Under the Model Code of Conduct for Local Councils in NSW (Model Code of Conduct) all Councillors must lodge a written return of interests with the General Manager within three months of their election (i.e., 2 January 2025) or appointment, unless they have submitted a return within the previous three months.

At the September 2024 local government elections, five new Councillors were elected. All Returns have been duly completed and lodged within the prescribed period by Councillors.

Pecuniary Interest Returns are available for inspection on Council's website.

Recommending:

1. THAT the report be received, and Council note the tabling of Returns as required under Clause 4.25 of the Model Code of Conduct.

10.9 1st & 2nd Quarterly Commercial Property Portfolio Report FY2024/25

Report of Alistair White, Commercial Property Specialist

The purpose of this report is to provide an overview of the performance of Council's property portfolio and activities for the 1st and 2nd quarters of financial year 2024/2025, covering the period from 1 July 2024 to 31 December 2024.

1st Quarter 24/25 - The total actual income for the 1st quarter (Q1) July to September 2024 of the 2024/2025 financial year, received on a cash basis, amounted to \$1,603,318. This was above the forecasted budget of \$1,602,160 for the quarter by \$1,158, representing (when rounded) a 0% variance from the forecasted budget.

2nd Quarter 24/25 - The total actual income for the 2nd quarter (Q2) October to December 2024 of the 2024/2025 financial year, received on a cash basis, amounted

to \$1,506,241. This was below the forecasted budget of \$1,558,370 for the quarter by \$52,129, representing a 3% negative variance from the forecasted budget.

The actual full year income received year to date at the end of the 2nd quarter of the financial year 2024/25 on an accrual basis amounted to \$3,109,558. The forecasted full year budget for income on an accrual basis is \$3,160,530. The variance for the full year is negative 2%.

Council's Property Portfolio vacancy rate at the end of June 2024 was 5.8%, a decrease from the previous 6.63% due to the leasing of a few retail spaces. All of the now vacant space is office accommodation, which remains the most challenging commercial property sector post-pandemic due to the widespread changes in working patterns.

The confidential attachment includes monetary information relating to property income including Outdoor Dining, leasing transactions, arrears data, and carpark income. Should Council wish to discuss this report it is noted that the attached confidential document includes information that would, if disclosed, confer a commercial advantage on a competitor of the Council. Further, release of the information would, on balance, be contrary to the public interest as it would affect Council's ability to obtain value for money services.

If Council wishes to discuss the report, the meeting should be closed to the public to do in accordance with Section 10A(2)(a) of the Local Government Act (LGA).

Recommending:

1. THAT the report be received.

2. THAT Council resolves that the identified attachment to this report is to be treated as confidential in accordance with section 11(3) of the Local Government Act for the following reason under Section 10A (2) of the Local Government Act:

(d) commercial information of a confidential nature that would, if disclosed (ii) confer a commercial advantage on a competitor of the Council. It is further noted that the release of this information would, on balance, be contrary to the public interest as it would affect Council's ability to obtain value for money services.

10.10 Tender 19/2024 - Supply, delivery, installation, commissioning, and maintenance of gym equipment - North Sydney Olympic Pool

Report of Duncan Rennie, Manager Leisure & Aquatics

This report provides Council with the assessment of Tender 19/2024 - Supply, Delivery, Installation, Commissioning, and Maintenance of Gym Equipment for North Sydney Olympic Pool (NSOP).

Tenders were called and received until 3pm Thursday 29 August 2024 for the submission of tenders to undertake the supply, delivery, installation, commissioning, and maintenance of gym equipment at NSOP.

Tenders were subsequently assessed in accordance with Council's Procurement Policy and s55 of the Local Government Act (1993) and a preferred tenderer identified.

The outcome of the tender process was presented to the Council meeting on the 25 November 2024. Council subsequently resolved to defer this matter to a councillor briefing.

If Council wishes to discuss the report, the meeting should be closed to the public to do so, in accordance with:

(d)(i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it and because consideration of the matter would, on balance be contrary to the public interest as publication of all tendered amounts would discourage potential tenderers from submitting commercial information in future and would affect Council's ability to obtain value for money services.

(d)(ii) commercial information of a confidential nature that would, if disclosed confer a commercial advantage on a competitor of the Council and because consideration of the matter in open Council would be, on balance, contrary to the public interest as it would affect Council's ability to obtain value for money services.

Recommending:

1. THAT Council accept the tender of the highest ranked tenderer for Tender 19/2024: Supply, Delivery, Installation, Commissioning, and Maintenance of Gym Equipment at North Sydney Olympic Pool.

2. THAT the Chief Executive Officer be authorised to take any necessary action to implement the decision including entering into contracts associated with Tender 19/2024: Supply, Delivery, Installation, Commissioning, and Maintenance of Gym Equipment at North Sydney Olympic Pool.

3. THAT Council resolves that the identified attachment to this report is to be treated as confidential in accordance with section 11(3) of the Local Government Act for the following reason under section 10A(2) of the Local Government Act:

(d)(i) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it and because consideration of the matter would, on balance be contrary to the public interest as publication of all tendered amounts would discourage potential tenderers from submitting commercial information in future and would affect Council's ability to obtain value for money services.

(d)(ii) commercial information of a confidential nature that would, if disclosed confer a commercial advantage on a competitor of the Council and because consideration of the matter in open Council would be, on balance, contrary to the public interest as it would affect Council's ability to obtain value for money services.

It is further noted that the release of this information would, on balance, be contrary to the public interest as publication of all tendered documents would discourage potential tenderers from submitting commercial information in future and would affect Council's ability to obtain value for money services.

10.11 North Sydney Olympic Pool - redevelopment project update

Report of Gary Parson, Director Open Space & Infrastructure

This report provides Council with an update on the North Sydney Olympic Pool redevelopment project.

The revised contractual date for Practical Completion remains 11 July 2024, Council's contractor Icon is disputing this date is now reporting a forecast a target completion date of 19 June 2025.

Icon have claimed and continue to claim Extensions of Time (EoTs) for delays associated with the structural steel roof over the 25m indoor pool, which are the subject of a formal Notice of Dispute that has now reached mediation.

The revised construction contract sum is currently \$91.74m. Project costs remain within the total forecast costs to completion of \$122m, however Council is aware of significant variation claims that are still to be lodged.

Recommending:

- 1. THAT** the meeting be closed to the public in accordance with Section 10A (2): *(c) information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business and because consideration of the matter in open Council would be, on balance, contrary to the public interest as it would affect Council's ability to obtain value for money services.*
- 2. THAT** the confidential report and related attachments be treated as confidential and remain confidential unless Council determines otherwise.
- 3. THAT** Council note the contents of this report in relation to the redevelopment of the North Sydney Olympic Pool.

11. NOTICES OF MOTION

11.1 Notice of Motion 6/25: Rugby World Cup 2027 - Opportunities for North Sydney - Cr Beregi

1. THAT Council liaise with Rugby Australia, Destination NSW, and other relevant agencies in relation to:

- hosting Live Site(s) including at North Sydney Oval for the quarter finals, semi-finals, and final of the 2027 Rugby World Cup;
- hosting pool games at North Sydney Oval for the 2027 Rugby World Cup;
- using North Sydney Oval and Bon Andrews Oval as training grounds for teams competing in the 2027 Rugby World Cup 2027;
- using the North Sydney Olympic Pool complex as a training facility for teams competing in the 2027 Rugby World Cup; and
- funding and sponsorship opportunities.

2. THAT Council seek a meeting with the NSW Minister for Sport seeking support for grant funding to upgrade the facilities at North Sydney Oval.

3. THAT Council hold a roundtable with accommodation, hospitality, tourism, and other businesses in the North Sydney Local Government Area (LGA) to discuss and formulate strategies to maximise opportunities for the North Sydney LGA in relation to both the 2027 Men's Rugby World Cup and the 2029 Women's Rugby World Cup.

Background

The Men's Rugby World Cup is the third-largest sporting event in the world. According to news reports, the 2027 Rugby World Cup is projected to generate AUD \$1.3 billion in direct visitor expenditure, with an estimated 250,000 international visitors expected to attend.

In 2029, the 2029 Women's Rugby World Cup will be played in Australia for the first time, with NSW hosting the event.

The Men's Rugby World Cup will see 20 nations compete with the first game being held on 1 October 2027.

Sydney will be centrepiece of the 2027 Men's Rugby World Cup and will host 13 games including five pool matches, two round-of-16 matches, two quarter-finals (both semi-finals), the bronze final, and the final which will be played at Stadium Australia on 13 November 2027.

According to the NSW Government website:

Destination NSW estimates the tournament will inject more than \$610 million into the state's visitor economy and be Sydney's biggest sport event in over 20 years.

In addition to the direct social and economic benefits, the right to host the finals will mean Sydney is centre stage for the global television audience, providing immeasurable marketing impact for the NSW visitor economy.

Sydney has a proud Rugby World Cup history, having hosted six games during the inaugural tournament in 1987 and 16 games – including the final – when Australia last hosted in 2003. NSW will also host the Women's Rugby World Cup 2029.

In the lead up to the event Chair of Destination NSW Sally Loane will lead a committee tasked with maximising the tourism opportunities of hosting the Men's Rugby World Cup.

12. Matters of Urgency

Nil

13. CLOSURE
