

Kogarah City Council

19 April 2016

GOVERNANCE AND CORPORATE SERVICES WORKING PARTY MEETING

Council will hold its next Governance and Corporate Services Working Party Meeting in the Council Chambers, 2 Belgrave Street, Kogarah on Monday, 18 April 2016, commencing at 6:00pm.

I enclose your Agenda for the Meeting.



Paul Woods
General Manager

AGENDA:

A. Apologies

B. Disclosures of Interest

C. Reports from Officers

- C1. Southern Sydney Regional Organisation Of Councils (SSROC) Supply and Delivery of Print, Associated Products and Services 1
- C2. Tender: Lease of Parkside Drive Tennis Courts, No. 276 Princes Highway, Kogarah Bay 5
- C3. Monthly Budget Review for March 2016..... 7
- C4. Draft Model Code of Conduct 9

D. Closed Session

- D1. Confidential Item - Staff Movements 12

Members of the Working Party

Cr Nathaniel Smith (Chairperson)
Cr Nick Katris
Cr Kathryn Landsberry
Cr Lachlan McLean
Cr Jacinta Petroni
Cr Michael Platt
Cr Sam Stratikopoulos
Cr Annie Tang (Deputy Mayor)

Paul Woods (General Manager)
Evan Hutchings (Director Governance and Corporate Services)
John Maunder (Chief Financial Officer)

Kogarah City Council

To attend as required

Cathryn Bush (Manager Governance)
Cassandra Vanderplas (Manager Human Resources)

- Item C1:** **Southern Sydney Regional Organisation Of Councils (SSROC)
Supply and Delivery of Print, Associated Products and Services**
- Author:** Evan Hutchings - Director Governance and Corporate Services (MG)
- Reason for report:** To consider the recommendations of the SSROC tender evaluation panel for a contract for Supply and Delivery of Print, Associated Products and Services.

Recommendation:

- a) That in accordance with the recommendations of the Southern Sydney Regional Organisation of Councils (SSROC) tender evaluation panel (Confidential report dated February 2016 annexed to the report) for Supply and Delivery of Print, Associated Products and Services, the tender submissions from the parties as listed in paragraph 10 of the report be accepted for a term of three years subject to satisfactory performance as determined by SSROC, with an option to extend the agreement for a further two years (1 + 1 years).
- b) That the pre-approved panel referred to in (a) above be utilised to conduct a request for quote and execute commissioning agreements with the successful suppliers, and Council appoint its own panel under this agreement.

Background

1. Late last year, SSROC facilitated a tender for Supply and Delivery of Print, Associated Products and Services. The tender is for the following four categories: print, envelopes, graphic design and promotional materials.
2. In addition to Kogarah City Council, eleven SSROC councils agreed to participate in the tender. The aim was to make the tender as flexible as possible to accommodate all the SSROC councils involved, providing quality suppliers that councils could create their own panels from, to suit their specific needs. Kogarah City Council was the host Council for the tender.
3. The initial term of the proposed contract is for three years with an option to extend the contract for a further two years (1+1 years).
4. The tender assessment panel comprised:
 - Jessica Lee – Business Innovation Facilitator, Hurstville City Council
 - Joe Cavagnino – Procurement and Contracts Coordinator, Leichhardt City Council
 - Marea Getsios – Coordinator Procurement, Kogarah City Council
 - Sarah Nguyen – Contracts and Procurement Manager, SSROC

Item C1 (cont.)

5. The common issue identified amongst all councils participating in the tender is that for relatively small spends that this category attracts, there were too many suppliers being utilised by all councils. For instance, Kogarah City Council has engaged over twelve different suppliers in the last two years across these four categories. The spend in this category is on average around \$70,000 per annum. Collectively, it is anticipated that this category will attract a spend of over \$3 million across the SSROC councils.
6. All participating councils agreed that it would be beneficial to consolidate the spend and create a panel of suppliers whereby councils could exercise their own procurement process and create their own group of preferred suppliers under the contract.

Tender Submissions

7. There was considerable interest in this tender with a total of 21 submissions received from the following organisations (in alphabetical order):
 - Advertising Printing Australia Pty Ltd;
 - Anchorage Media Pty Ltd;
 - Cliff Lewis Printing;
 - ecoDesign ecoPrint (Universal Graphics & Printing Australia);
 - Embellish Creative Pty Ltd;
 - ES Wigg & Son;
 - Focus Print Group (Trustee for Print Warehouse Australia Trust);
 - Graphitype Printing Services;
 - Masterprint Pty Ltd;
 - Oxford Printing and Promotions;
 - Print Media Group;
 - Print Media (The Trustee for Daniel Sawan Family Trust and the Trustee for Derar Sawan Family Trust and the Trustee for Petrovic Investment Trust);
 - Realtime Promotions;
 - Sema Operations Pty Ltd;
 - Snap Burwood (Trustee of Winnacle Unit Trust);
 - Staples Australia Pty Ltd;
 - Sister Kate Marketing (Trustee for Bendle Family Trust);
 - The Camerons Group;
 - The Flagstaff Group Limited;
 - TMA Group of Companies Pty Ltd; and
 - Worldwide Printing Solutions Kogarah (Trustee for Breakaway Imaging Trust).

No late tenders were received.

8. Serious non-conformity to tender requirements was identified in four tender submissions, which were consequently rejected. These were from:

Item C1 (cont.)

- ES Wigg & Son;
- Realtime Promotions;
- Snap Burwood (Trustee of Winnacle Unit Trust);
- Sister Kate Marketing (Trustee for Bendle Family Trust);

Tender Assessment

9. During the evaluation process it was difficult to rank suppliers as there were numerous benefits across all the complying responses. These ranged from environmental, social and local benefits. It was agreed at the beginning of the tender process that councils could benefit by applying their own procurement process and appoint their own preferred suppliers from the list of approved SSROC suppliers. Therefore the panel of suppliers has to be substantial to allow flexibility for all councils involved. This panel of suppliers will address all the individual requirements of the participating councils, particularly when there will be pressure to order large quantities of print with tight deadlines in peak periods.
10. Following the tender evaluation, the assessment panel recommended that the region's member councils accept a large and diverse panel of seventeen preferred suppliers across the four categories, for the supply and delivery of print, associated products and services. Some of these suppliers on this list are only suitable for envelope supply, graphic design or promotional products and not across all four categories. This allows for specialists in specific categories.

The recommendation of a large panel ensures continuity of supply and a diverse range in choice of suppliers across our metropolitan wide Southern Sydney area.

The following suppliers, in alphabetical order, have been recommended for selection on the panel:

- Advertising & Printing Australia Pty Ltd;
- Anchorage Media Pty Ltd;
- Cliff Lewis Printing;
- ecoDesign ecoPrint (Universal Graphics and Printing Australia);
- Embellish Creative Pty Ltd;
- Focus Print Group (The Trustee of Print Warehouse Australia Trust);
- Graphitype Printing Services;
- Masterprint Pty Ltd;
- Oxford Printing & Promotions;
- Print Media (The Trustee of DANIEL SAWAN FAMILY TRUST);
- Print Media Group;
- Sema Operations Pty Ltd;
- Staples Australia Pty Ltd;
- The Camerons Group;
- The Flagstaff Group Limited;
- TMA Group of Companies Pty Ltd; and
- Worldwide Printing Solutions Kogarah (The Trustee for Breakaway Imaging Trust).

Item C1 (cont.)

11. It is recommended that Council adopt the recommendation of SSROC's assessment panel however, it is envisaged that once a request for quote has been undertaken, Kogarah City Council will engage with no more than three preferred suppliers from the above panel. It will be during this process that the full value proposition will be realised. It is estimated, through preliminary analysis, that cost savings of between 15-20% can be achieved in this category.

Operational Plan Budget

12. No budget impact for this report.

Attachments/Annexures

<u>1</u>	Confidential Report SSROC Regional Tender Recommendation Report - Supply and Delivery of print, Associated products and Services 2016 - <i>Confidential</i>	13 Pages	Annexure
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End of Report

Item C2: **Tender: Lease of Parkside Drive Tennis Courts, No. 276 Princes Highway, Kogarah Bay**

Author: Evan Hutchings - Director Governance and Corporate Services (KA)

Reason for report: To consider tenders received for the Lease of the Parkside Drive Tennis facility for a period of five years with a further five year option.

Recommendation:

That the tender submission received from Graeme Wardrop be accepted in the amount of \$33,800 (excluding GST) for Year 1 for the lease over the Parkside Drive Tennis facility for a period of five years with a further five year option.

Background

1. At its meeting of 28 July 2014 Council considered leasing options for the Parkside Drive Tennis facility and resolved, in part, as follows (Min No. 84/2014):

“e) That tenders be invited using the open tender method, for the lease of the Parkside Drive Tennis facility for a period of five (5) years with a further five (5) year option...”

Tender Introduction

2. In accordance with the resolution the Tender was advertised in the Sydney Morning Herald on 10 and 17 November 2015, and in the St George Leader on 10 and 17 November 2015. Tenders closed on 15 December 2015 and a total of four submissions were received from the following:
 - Graeme Wardrop
 - Play Tennis World Pty Ltd
 - Damien Barry Latcham (24 Points Tennis)
 - Terry Palapanis (Golden Goal Pty Ltd)

Tender Assessment

3. An assessment panel comprising of the following three Council Officers was convened to assess the tenders:
 - Marea Getsios, Coordinator Procurement;
 - Glen Moody, Manager Parks & Waterways; and
 - Katherine Allin, Property Officer.
4. The tenders were assessed against the following criteria outlined below:
 - Tenderer’s Financial Capacity – Pass/fail Criterion
 - Services Offered – 15%
 - Experience – 15%

Item C2 (cont.)

- Lease offer amount – 60%
 - Referees – 5 %
 - WHS and Environmental Schedules Component – 5%
5. A copy of the Confidential Tender Criteria Matrix table, including amounts offered is annexed to the report.

Conclusion

6. As summarised in the Confidential Annexure, the tender submitted by Graeme Wardrop, in the amount of \$33,800 (excluding GST) was rated by the assessment panel as clearly the preferred tenderer.

Recommendation

7. It is therefore recommended that the tender submission received from Graeme Wardrop, in the amount of \$33,800 (excluding GST) for 1 year be accepted for the lease over the Parkside Drive Tennis facility for a period of five years with a further five year option.

Operational Plan Budget

8. Within budget allocation.

Attachments/Annexures

1	Tender Criteria Matrix - <i>Confidential</i>	1 Page	Annexure
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End of Report

Item C3: Monthly Budget Review for March 2016**Author:** Evan Hutchings - Director Governance and Corporate Services (FM)**Reason for report:** To provide an update on the status of the monthly budget review conducted for the month to 31 March 2016.**Recommendation:**

That the proposed budget variations, described in the report, be adopted with the variations increasing Council's restricted working funds by \$18,209 and decreasing Council's unrestricted working funds by \$1,087.

Background

1. Council requires that budget reviews be undertaken and reported on a monthly basis.
2. A review of Council's budget up to 31 March 2016, has identified some proposed variations to existing budgets. Further details of the budget variations proposed as well as monthly key performance indicators are annexed to this report.
3. In brief, the budget variations are summarised as follows:
 - The forecast restricted budget income has increased by \$57,901 being forecast grant income for Poulton Park Habitat Development & Management (\$15,000); Hawkesbury-Nepean Catchment Management (\$8,225) and St George Men's Shed grant (\$34,676); and
 - The forecast restricted budget expenditure has decreased by \$23,902 being the completion of asset management project for Sans Souci Park playground shade cover (\$396) and Carlton Stormwater Harvesting Plant Stage II (\$23,506);
 - The forecast restricted budget expenditure has increased by \$63,594 being the expenditure for Bush regeneration contract for Poulton Park (\$15,000), Southern Sydney Fox Management Project (\$8,225), completion of asset management project Carss Bush Park men's shed building improvement (\$34,676) and Poulton Park sports field upgrade (\$5,693); and
 - Forecast unrestricted budget expenditure has increased by \$1,087 being completion of asset management projects for street tree planting (\$534) and Poulton Park playground upgrade (\$553).

Financial Comment

4. Council has been operating within budget for the month to 31 March 2016.
5. After reviewing the budget figures to date, Council's yearly forecasts should be achieved.
6. The Council's projected level of available working funds at year-end remains in a satisfactory position as at 31 March 2016.

Item C3 (cont.)

7. One of Council's key performance measures is maintaining a surplus in its forecast unrestricted working funds result.
8. Taking into account variations already adopted by Council, the forecast unrestricted budget result will be in surplus by \$32,855.
9. Council has still maintained uncommitted unrestricted working funds greater than five percent (5%) of operating income for unforeseen circumstances in accordance with Council's long-term financial plan.
10. All of Council's investments have been made in accordance with the Local Government Act (NSW) 1993, the Local Government (General) Regulation 2005, Council's Investment Policy and Council's Investment Strategy.

Operational Plan Budget

11. No net impact on Council's working funds.

Attachments/Annexures

1	Monthly Budget Review 31-03-16	9 Pages	Annexure
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End of Report

Item C4: Draft Model Code of Conduct**Author:** Evan Hutchings - Director Governance and Corporate Services (CB)**Reason for report:** To consider the adoption of a draft Code of Conduct that incorporates the provisions of the Office of Local Government's revised Model Code of Conduct November 2015.**Recommendation:**

That the draft Code of Conduct annexed to the report be adopted as Kogarah City Council's Code of Conduct.

Background

1. Under Section 440 of the Local Government Act 1993 councils must adopt a Code of Conduct that incorporates the provisions of the Model Code within twelve (12) months after a general election.
2. The Department of Local Government's Model Code of Conduct for Local Councils in NSW first came into effect on 1 January 2005. In 2008 the Model Code was reviewed by the Department and Council adopted this Code in July 2008. The Model Code was further amended in July 2009 to include the provision of a Conduct Committee. The Division of Local Government again reviewed the Model Code of Conduct and in March 2013 issued a revised Model Code with a relatively large number of changes and new provisions introduced. Some of the key changes were:
 - Greater flexibility to resolve non-serious complaints, minimising costs to councils;
 - Improved complaints management, with complaints about councillors and the general manager managed from start to finish by qualified and independent conduct reviewers;
 - Greater fairness and rigour in the investigation process through clearer procedures;
 - Stronger penalties for ongoing disruptive behaviour and serious misconduct to more effectively deter and address such behaviour, allowing councils to focus on the business of serving their communities; and
 - Description of a cash-like gift has been extended to include but not limited to gift vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internal credit, memberships or entitlements to discounts.
3. Another requirement of the revised Model Code of Conduct in 2013 was the appointment of members of staff other than the General Manager to act as a complaints coordinator and an alternate Complaints Coordinator. It was resolved that the Director Governance and Corporate Services be appointed Complaints Coordinator and the Manager Governance be appointed as the Alternate Complaints Coordinator.
4. A further requirement was the panel of conduct reviewers be appointed using the selection process prescribed under the new procedures in September 2013. This has also been undertaken.

Item C4 (cont.)

5. This version of the Model Code was subsequently adopted by Council and currently applies.
6. It is now proposed to adopt the recently revised Model Code of Conduct 2015.

New Amendments to the Model Code of Conduct

7. Amendments to the Local Government Act 1993 made by the Local Government Amendment (Councillor Misconduct and Poor Performance) Act 2015 commenced on 13 November 2015. This has resulted in a consequent amendment to the Model Code of Conduct for Local Councils in NSW. This revised 'Model Code of Conduct for Local Councils in NSW' was published in November 2015.
8. As Councillors are aware the recent changes to the Local Government Act (the Act) prevent Councillors from participating in the consideration of the making, amendment, alteration or repeal of an environmental planning instrument applying to the whole or a significant part of their local government area they have pecuniary interest in unless:
 - The only interests affected by the changes are the interests they or their relatives have in their principal places of residence; and
 - They have made a special disclosure of the affected interests.
9. This amendment is complemented by an amendment to clause 4.29 of the Model Code. The amendment means that Councillors with significant non-pecuniary conflicts of interests in the making, amendment, alteration or repeal of an environmental planning instrument applying to the whole or a significant part of their local government area are no longer permitted to participate in consideration of those matters unless:
 - The only interests affected by the changes relate to the interest a person (eg. A close friend or affiliate of a Councillor) has in their principal place of resident; and
 - The Council has disclosed the affected interests.
10. The amendments detailed in paragraphs 8 and 9 above were applied during consideration of the New City Plan at the Extraordinary Council Meeting of 4 April 2016 and in other briefing sessions conducted earlier in the year.
11. The other amendment was to paragraph three of the introduction of the Model Code of Conduct where the following additional sentence was added;
"A councillor who has been suspended on three or more occasions for misconduct is automatically disqualified from holding civic office for five years."
12. In accordance with the requirements of the Local Government Act Council is now required to adopt a Code of Conduct which incorporates the provisions of this new Model Code.

Item C4 (cont.)

13. Council staff have reviewed the Model Code of Conduct in conjunction with Council's previous Code of Conduct and developed a draft Code that incorporates all of the provisions of the new Model Code in addition to certain Kogarah specific provisions. A copy of this draft Code of Conduct dated April 2016 is annexed to this report.
14. The Kogarah specific provisions that are in addition to the Model Code have been highlighted throughout the document. There is no addition items to those previously adopted by Council however slight administrative updates regarding policy name changes and current practices have been amended accordingly.
15. Some of the Kogarah Specific provisions are Council's values; related documents and policies, staff, delegates, General Manager and Councillor responsibilities; the provisions of Sections 451 (4) and (5) of the Local Government Act 1993 in relation to pecuniary interests of Councillors in principal environmental planning instruments (applying to the whole or significant part of the Council's area); use of Council resources, equipment and information; drugs and alcohol; child protection; media and public comment.
16. Councillors, administrators, members of staff, independent conduct reviewers and members of council committees including delegates of the council must comply with the provisions of council's Code of Conduct in carrying out their functions as council officials. It is proposed that training on the revised Code of Conduct be provided to Councillors and staff.

Conclusion

17. Councils are required to amend their adopted Code of Conduct as soon as possible to reflect the amendment to clause 4.29 referred to above and the amendment to paragraph three of the introduction.

Recommendation

18. It is recommended that the revised Code of Conduct (incorporating the Model Code of Conduct for Local Councils in NSW – November 2015) be adopted.

Operational Plan Budget

19. No budget impact for this report.

Attachments/Annexures

1	Draft Model Code of Conduct	27 Pages	Annexure
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End of Report

Item D1: **Confidential Item - Staff Movements**

Author: Paul Woods - General Manager (CV)

Reason for report: To advise of staff movements from 26 February - 31 March 2016.

Note: A confidential report on this matter has been sent to all Councillors separately.

Confidential Reason: Section 10A (2) (a) personnel matters concerning particular individuals.