

AGENDA

Finance and Governance Committee

Monday, 08 July 2024

6:00 PM

Waratah Room

Georges River Civic Centre

Hurstville



OATH OF OFFICE OR AFFIRMATION OF OFFICE

All Georges River Councillors are reminded of their Oath of Office or Affirmation of Office made at the time of their swearing into the role of Councillor.

All Councillors are to undertake the duties of the office of Councillor in the best interests of the people of the Georges River Council area and are to act faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act to the best of their ability and judgement.

DISCLOSURES OF INTEREST

All Georges River Councillors are reminded of their obligation to declare any conflict of interest (perceived or otherwise) in a matter being considered by Council or at any meeting of Council.

FINANCE AND GOVERNANCE COMMITTEE MEETING

ORDER OF BUSINESS

OPENING

ACKNOWLEDGEMENT OF COUNTRY

Council acknowledges the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

APOLOGIES / LEAVE OF ABSENCE

REQUEST TO JOIN VIA AUDIO VISUAL LINK

NOTICE OF WEBCASTING

DISCLOSURES OF INTEREST

PUBLIC FORUM

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

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CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Item: FIN026-24 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 11 June 2024

Author: Executive Services Officer

Directorate: Office of the General Manager

Matter Type: Previous Minutes

FIN026-24

RECOMMENDATION:

That the Minutes of the Finance and Governance Committee Meeting held on 11 June 2024, be confirmed.

ATTACHMENTS

Attachment [↓](#)1 Minutes of the Finance and Governance Committee Meeting held on 11 June 2024



MINUTES

Finance and Governance Committee

Tuesday, 11 June 2024

6:00 PM

Waratah Room

Georges River Civic Centre

Hurstville

UNCONFIRMED



PRESENT

COUNCIL MEMBERS

Mayor Councillor Elmir, Councillor Christina Jamieson (Chairperson), Councillor Elise Borg, Councillor Veronica Ficarra (online), Councillor Nick Katris and Councillor Colleen Symington.

COUNCIL STAFF

Director Business and Corporate Services - Danielle Parker, Acting Chief Finance Officer – Scott Henwood, Head of Strategic Property - Bernard Morabito, Senior Property Officer – Kristen O’Grady, Chief Audit Executive Steven Baker, Executive Services Officer – Nickie Paras, Acting Executive Assistant - Barb Presti, (Minutes) Technology Business Support Officer - Earl Santos

OPENING

The Chairperson, Councillor Cr Jamieson, opened the meeting at 6.02.

ACKNOWLEDGEMENT OF COUNTRY

The Chairperson, Councillor Cr Jamieson acknowledged the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

REQUEST TO ATTEND VIA AUDIO VISUAL LINK

MOTION: Councillor Symington, Councillor Katris

That approval be granted for Councillor Ficarra to attend the meeting via Audio Visual Link.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

APOLOGIES/LEAVE OF ABSENCE

MOTION: Deputy Mayor, Councillor Borg, Councillor Jamieson

That an apology be accepted for Councillor Mahoney and a leave of absence granted.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

NOTICE OF WEBCASTING

The Chairperson, Councillor Councillor Jamieson advised staff and the public that the meeting is being recorded for minute-taking purposes and is also webcast live on Council’s website, in accordance with section 5 of Council’s Code of Meeting Practice. This recording will be made available on Council’s Website.

CODE OF MEETING PRACTICE

Council's Code of Meeting Practice prohibits the electronic recording of meetings without the express permission of Council.

DISCLOSURES OF INTEREST

There were no disclosures of interest made.

PUBLIC FORUM

There were no registered speakers.

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

FIN021-24 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 13 May 2024
(Report by Executive Services Officer)

RECOMMENDATION: Deputy Mayor, Councillor Borg, Councillor Symington

That the Minutes of the Finance and Governance Committee Meeting held on 13 May 2024, be confirmed.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

COMMITTEE REPORTS

PROCEDURAL MOTION

ORDER OF BUSINESS

MOTION: Councillor Katris, Councillor Symington

That in accordance with Clause 8.5 of Council's Code of Meeting Practice, Council alter the Order of Business of this meeting to allow for the following item to be considered in the Confidential Closed Session of the Agenda:

FIN022-24 Property Matter - Proposed Reclassification and Sale of Part Moore Park, Beverley Park

THAT in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the matters dealt with in this report be considered in closed Council Meeting at which the press and public are excluded. In accordance with Section 10A(2) (c) it is considered the matter information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN023-24 Internal Audit Plan 2024-2028
(Report by Chief Audit Executive)

RECOMMENDATION: Deputy Mayor, Councillor Borg, Councillor Symington

That the Audit, Risk and Improvement Committee endorsed Internal Audit Plan 2024-2028 be received, noted and endorsed by the Council.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN024-24 Audit, Risk and Improvement Committee - Minutes of Meeting held on 28 February 2024 (Confirmed) and 23 May 2024 (Unconfirmed)
(Report by Chief Audit Executive)

RECOMMENDATION: Deputy Mayor, Councillor Borg, Councillor Katris

- (a) That the confirmed Minutes of the Audit, Risk and Improvement Committee meeting held on 28 February 2024 be received and noted by Council.
- (b) That the unconfirmed Minutes of the Audit, Risk and Improvement Committee meeting held on 23 May 2024 be received and noted by Council.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN025-24 Investment Report as at 30 April 2024
(Report by Senior Financial Accountant - Reporting)

RECOMMENDATION: Deputy Mayor, Councillor Borg, Councillor Symington

That the Investment Report as at 30 April 2024 be received and noted by Council.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

PROCEDURAL MOTION
MOVE TO CLOSED SESSION

MOTION: Deputy Mayor, Councillor Borg, Councillor Katris

At this stage of the meeting being 6.11pm the Chair, Councillor Jamieson advised that the meeting would move into Closed Session to allow consideration of matters in Closed Session in accordance with Section 10A of The Local Government Act 1993. Accordingly, members of the press and public are excluded from the closed session and access to the correspondence and reports relating to the items considered during the course of the closed session will be withheld.

This action was taken to allow discussion of the following item(s):

FIN021A-24 Property Matter - 6 Dora Street, Hurstville

(Report by Senior Property Officer)

THAT in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the matters dealt with in this report be considered in closed Council Meeting at which the press and public are excluded. In accordance with Section 10A(2) (c) it is considered the matter information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

THAT in accordance with Section 10D it is considered that if the matter were discussed in an open Council Meeting, it would on balance, be contrary to the public interest as it information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

FIN022-24 Property Matter - Proposed Reclassification and Sale of Part Moore Park, Beverley Park

(Report by Senior Property Officer)

THAT in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the matters dealt with in this report be considered in closed Council Meeting at which the press and public are excluded. In accordance with Section 10A(2) (c) it is considered the matter information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

THAT in accordance with Section 10D it is considered that if the matter were discussed in an open Council Meeting, it would on balance, be contrary to the public interest as it information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

Councillor Jamieson asked the Director Business and Corporate Services if any representations had been received from the public that the item should not be discussed in closed session.

The Director replied that no representations had been received to the item in closed session.

Councillor Jamieson asked if there were any members of the public gallery who would like to speak on the reasons Council proposes to consider the items in closed session.

Note: Councillor Ashvini Ambhaipahar joined the meeting gallery at 6.18pm.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

**CLOSED CONFIDENTIAL SESSION
CONSIDERATION OF CONFIDENTIAL RECOMMENDATIONS**

FIN022-24 Property Matter - Proposed Reclassification and Sale of Part Moore Park, Beverley Park

(Report by Senior Property Officer)

RECOMMENDATION: Councillor Katris, Councillor Symington

That this report be deferred to the next Council meeting scheduled for 24 June 2024, as a separate report.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN021A-24 Property Matter - 6 Dora Street, Hurstville
(Report by Senior Property Officer)

RECOMMENDATION: Deputy Mayor, Councillor Borg, Councillor Katris

That the General Manager be authorised to enter, negotiate and/or amend lease terms for the property at 6 Dora Street, Hurstville as detailed in this report.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

PROCEDURAL MOTION
OPEN SESSION

MOTION: Mayor, Councillor Elmir

That the meeting revert to Open Session, the time being 6.38pm.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

OPEN SESSION
CONFIRMATION OF RECOMMENDATIONS FROM CLOSED SESSION

MOTION: Deputy Mayor, Councillor Borg, Councillor Katris

That the recommendations from the Closed Session be confirmed as recommendations of the Committee without any alteration or amendment thereto.

Record of Voting

For the Motion: Mayor, Councillor Elmir, Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

CONCLUSION

The Meeting was closed at 6.42pm.

Chairperson

UNCONFIRMED

COMMITTEE REPORTS

Item: FIN027-24 Investment Report as at 31 May 2024

Author: Senior Financial Accountant - Reporting

Directorate: Business and Corporate Services

Matter Type: Committee Reports

FIN027-24

RECOMMENDATION:

That the Investment Report as at 31 May 2024 be received and noted by Council.

EXECUTIVE SUMMARY

1. This report details Council's performance of its investment portfolio as at 31 May 2024 and compares its performance against key benchmarks.
2. This report also includes the estimated market valuation of Council's investment portfolio, loan liabilities and any required update on Council's legal action against various parties.
3. Council's annualised rate of return as at 31 May 2024 is 4.48% which is 0.16% above benchmark with income from interest on investments totalling \$9,843,000 which is \$1,345,000 higher than the year-to-date adopted budget of \$8,498,000.

BACKGROUND

4. Council's Responsible Accounting Officer is required to report monthly on Council's investment portfolio and certify that the investments are held in accordance with Council's Investment Policy, section 625 of the Local Government Act 1993 and Local Government (General) Regulation 2021.

INVESTMENT PERFORMANCE COMMENTARY

5. Council's performance against the benchmark for returns of its investment portfolio for May 2024, are as follows:

	1 Month	3 Month	12 Month
Portfolio Performance	0.397%	1.179%	4.48%
Performance Index	0.375%	1.098%	4.32%
Excess Performance	0.022%	0.081%	0.16%

Notes:

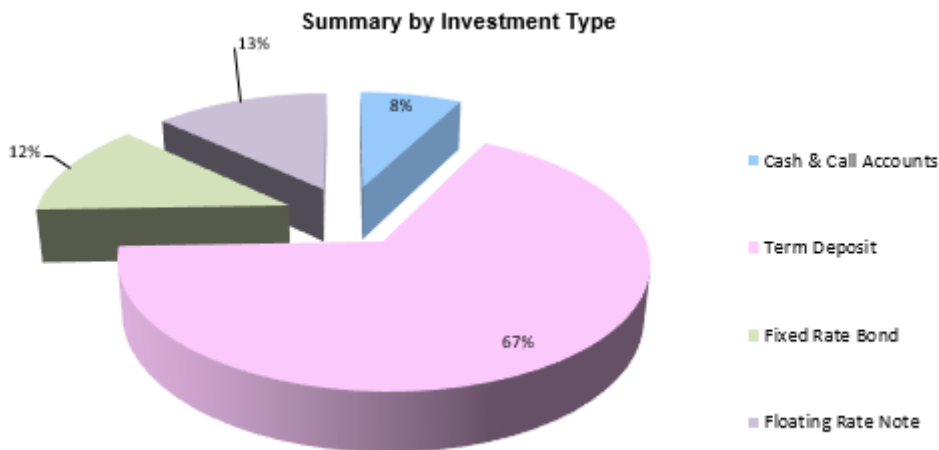
- (a) Portfolio performance is the rate of return of the portfolio over the specified period.
- (b) The Performance Index is the Bloomberg Ausbond Bank Bill Index.
- (c) Excess performance is the rate of return of the portfolio in excess of the (b) Performance Index.

6. Council’s investment portfolio as at the end of May 2024 was as follows:

Security Type	Market Value \$000's	% Total Value
At Call Deposit	218	0.09%
Consolidated Cash Fund	18,249	7.54%
Term Deposit	161,700	66.80%
Fixed Rate Bond	30,300	12.52%
Floating Rate Note	31,580	13.05%
Portfolio Total	242,048	100%

- 7. At the end of May 2024, total cash and investments were \$242 million, which was an increase of \$3 million from the previous month (April 2024: \$239 million).
- 8. Council continues to utilise the Federal Government’s current guarantee (\$250,000) investing in term deposits with a range of Authorised Deposit Taking Institutions (ADI’s).

TYPE OF INVESTMENTS



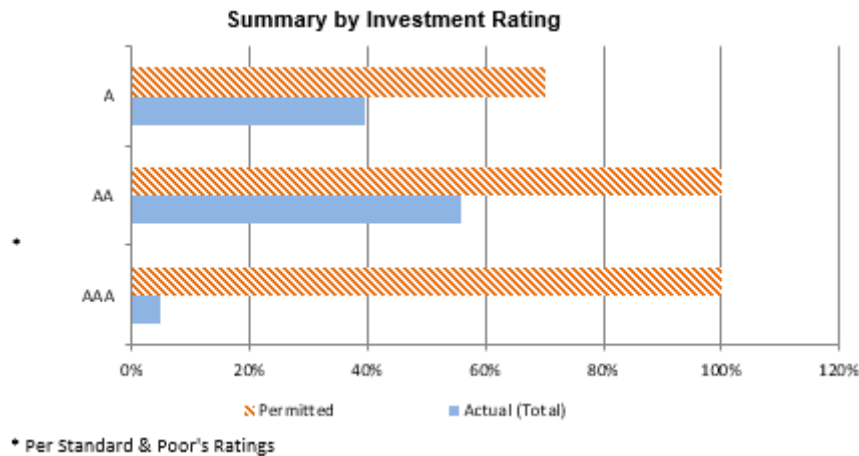
- 9. The majority of Council’s investment portfolio is made up of term deposits, which account for approximately 67% of total investments.
- 10. Floating Rate Notes (FRN) can offer liquidity and a higher rate of income accrual, which is highly recommended by our Investment Advisors (CPG Research & Advisory).
- 11. The following are the types of investments held by Council:
 - a) Cash and Call Accounts refer to funds held at a financial institution and can be recalled by Council either same day or on an overnight basis.
 - b) A Floating Rate Note (FRN) is a debt security issued by a company with a variable interest rate. This can either be issued as Certificates of Deposit (CD) or as Medium-Term Notes (MTN). The interest rate is floating, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.
 - c) A Term Deposit is a debt security issued by a company with a fixed or floating interest rate over the term of the deposit, where the adjustments to the interest

rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.

- d) A Fixed Rate Bond is a debt security can be issued by a company or government in a form of fixed rate of interest at a specified time.

POLICY LIMITS

- 12. The graph below shows the investment rating limits, as a percentage of total cash investments, which are allowed under Council’s Investment Policy. All funds invested are within the limits set in the Investment Policy.



INVESTMENT INCOME

- 13. Income from interest on investments totals \$9,843,000 which is \$1,345,000 higher than the year-to-date adopted budget of \$8,498,000.
- 14. Investments have been made in accordance with the Local Government Act 1993, Minister’s Guidelines, Regulations and Council’s Investment Policy.

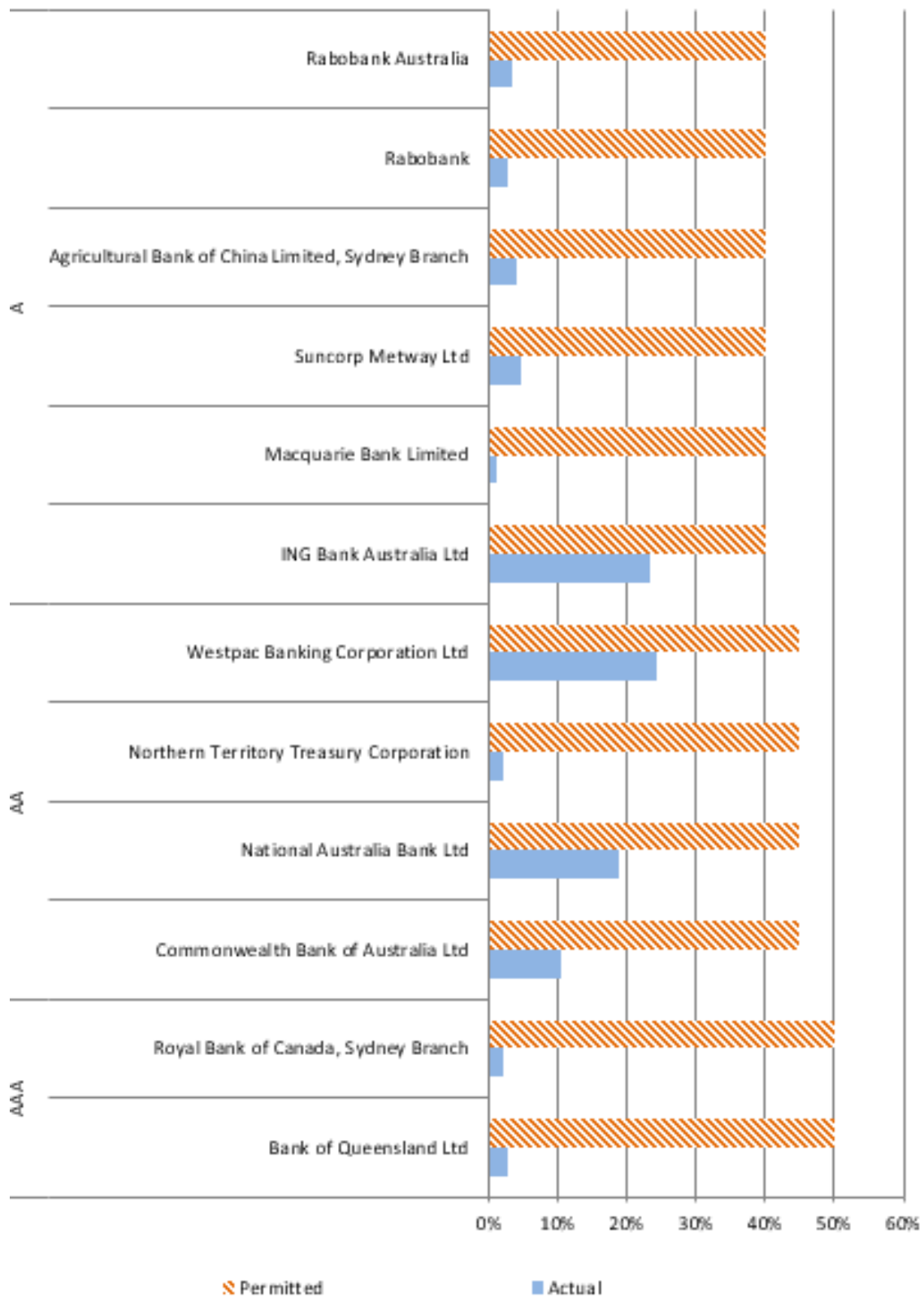
ANALYSIS OF INVESTMENTS

- 15. Investment Duration

Investment Term	Market Value \$000's	% Total Value	Policy Limits %
0 to < 1 Year	82,997	34.29%	100%
1 to < 3 Years	62,501	25.82%	60%
3 to < 5 Years	96,550	39.89%	40%
Portfolio Total	242,048	100.00%	

- 16. Council’s portfolio is moderately liquid, with 34% of assets maturing within 12 months. All future new investments will be placed in the 3 years and below categories until the 3 to 5 years category decrease to around 35%. FRNs, At-Call Funds and Fixed Rate Bonds also provide additional liquidity in an emergency. The following graph shows the analysis of the total cash investment by institution as at 31 May 2024.

Investment by Institution



FIN027-24

CREDIT RATING

17. Credit ratings are generally a statement as to an institution's credit quality. Council's investment advisors (CPG Research & Advisory) use standard & poor's credit ratings to classify the investments held by Council. Ratings ranging from AAA to A are considered investment grade.
18. A general guide for the meaning of each credit rating that Council deals with is as follows:
- AAA: The highest possible quality. An obligor's capacity to meet its financial commitments on the obligation is extremely strong.
- AA: The best quality companies, reliable and stable. An obligor's capacity to meet its financial commitments on the obligation is very strong.
- A: The obligor's capacity to meet its financial commitments on the obligation is still strong but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.
19. The credit quality of Council's portfolio is high with 100% of assets rated 'A' or higher.

COUNCIL'S INVESTMENT POWERS

20. Council's investment powers are regulated by Section 625 of the Local Government Act 1993, which states:
- A council may invest money that is not, for the time being, required by the council for any other purpose.
 - Money may be invested only in a form of investment notified by order of the Minister published in the Gazette.
 - An order of the Minister notifying a form of investment for the purposes of this section must not be made without the approval of the Treasurer.
 - The acquisition, in accordance with Section 358, of a controlling interest in a corporation or an entity within the meaning of that section is not an investment for the purposes of this section.
21. Council's Investment Policy and strategy requires that all investments are to be made in accordance with:
- *Local Government Act 1993 - Section 625*
 - *Local Government Act 1993 - Order (of the Minister) dated 12 January 2011*
 - *The Trustee Amendment (Discretionary Investments) Act 1997 - Sections 14A (2), 14C (1) & (2)*
 - *Local Government (General) Regulations 2021*
 - *Investment guidelines issued by the Department of Local Government*

LEGAL MATTERS

22. Georges River Council is participating in a Group Class Action since January 2019 against Fitch Ratings Inc and Fitch Ratings Ltd (collectively Fitch), in respect to losses suffered in relation to products Council acquired which were rated by Fitch, specifically the Corsair (Cayman Islands) No.4 Ltd Series 6 Kakadu Collateralised Debt Obligation (CDO) notes (rated AA by Fitch but estimated in fact BB).

23. Council suffered a capital loss of \$215,000 on these investments dating back to December 2006 and will seek damages of the capital loss including lost interest, as part of the action.
24. As a Group Member, Council will not incur any legal costs or disbursements, or be liable for any adverse costs order that the Court may make in the proceedings.
25. The Banton Group Pty Ltd (Banton) is the legal firm acting for Council in relation to the class action proceedings against Fitch, engaged on November 2020. Banton has been working on the matter and conferring with experts on a new potential fraud issue within Fitch's ratings methodology. The latest correspondence on this matter was in early March 2024, where Banton is still conferring with Counsel and experts regarding the arguments and alternative strategies in this matter. A request for an update has been made.

FIN027-24

FINANCIAL IMPLICATIONS

26. Income from interest on investments totals \$9,843,000 which is \$1,345,000 higher than the year-to-date adopted budget of \$8,498,000.
27. The majority of Council's cash is restricted for specific purposes, with less than 10% available as unrestricted operating cash. Around 60% of the cash is externally restricted by legislation or formal agreements, mainly involving developer contributions and unspent grants. Internally restricted, about 30% of the funds are reserved for governance and sustainability to support funding strategies and asset renewal. This financial structure highlights the need for effective management of these restricted funds to ensure the Council's financial health and operational requirements.

RISK IMPLICATIONS

28. 'Financial Sustainability' is Council's number 1 strategic risk. This report provides a monthly update on Council's cash balance and management of investments in accordance with the relevant Act, Regulations and Council's adopted Investment Policy.

COMMUNITY ENGAGEMENT

29. No community consultation is required.

FILE REFERENCE

D24/143909

ATTACHMENTS

Attachment [↓](#)1 P11. Investment Portfolio as at 31 May 2024





INVESTMENT REPORT

As at 31 May 2024



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1. Portfolio as at 31 May 2024
2. Portfolio Valuation by Categories as at 31 May 2024



Investment Report
Georges River Council
as at 31 May 2024

1. Portfolio Valuation As At 31 May 2024

	Fixed Interest Security	ISIN	Face Value Original	Market Value	% Total Value
Cash at Bank					
	CBA Consolidated operating 70 & 18		18,249,404.95	18,249,404.95	7.54%
			18,249,404.95	18,249,404.95	7.54%
At Call Account					
	CBA Cash deposit 167242		218,317.16	218,317.16	0.09%
	CBA Online saver 7676		-	-	0.00%
			218,317.16	218,317.16	0.09%
Fixed rate bond					
	NTTC 1.0 15 Dec 2024 1206DAY Fixed		5,000,000.00	5,000,000.00	2.07%
	NAB 4.95 25 Nov 2027 1826DAY Fixed	AU3CB0294502	7,400,000.00	7,400,000.00	3.06%
	ING 4.70 8 Dec 2025 1096DAY Fixed	AU3CB0294759	3,750,000.00	3,750,000.00	1.55%
	Suncorp 4.80 14 Dec 2027 1826DAY Fixed	AU3CB0294957	5,200,000.00	5,200,000.00	2.15%
	Rabobank 5.71 21 Nov 2028 1827DAY Fixed	AU3CB0304525	6,750,000.00	6,750,000.00	2.79%
	Suncorp 4.75 19 Mar 2029 1826DAY Fixed	AU3CB0307809	1,200,000.00	1,200,000.00	0.50%
	ING 4.84 22 Mar 2027 1095DAY Fixed	AU3CB0307908	1,000,000.00	1,000,000.00	0.41%
			30,300,000.00	30,300,000.00	12.52%
Floating rate note					
	MACQ 0.48 09 Dec 2025 FRN	AU3FN0057709	3,000,000.00	2,975,280.00	1.23%
	Suncorp 0.45 24 Feb 2026 FRN	AU3FN0058343	2,100,000.00	2,075,377.50	0.86%
	BOQ 1.07 14 May 2025 FRN	AU3FN0054086	6,500,000.00	6,529,380.00	2.70%
	RBCSyd 0.73 30 Jun 2026 FRN	AU3FN0079133	5,000,000.00	5,000,000.00	2.07%
	Suncorp 1.05 12 Jul 2028 FRN	AU3FN0079406	3,000,000.00	3,000,000.00	1.24%
	CBA 0.95 17 Aug 2028 FRN	AU3FN0080396	2,000,000.00	2,000,000.00	0.83%
	ABOCSyd 0.90 4 Sep 2026 FRN	AU3FN0080859	10,000,000.00	10,000,000.00	4.13%
			31,600,000.00	31,580,037.50	13.05%



Term Deposit

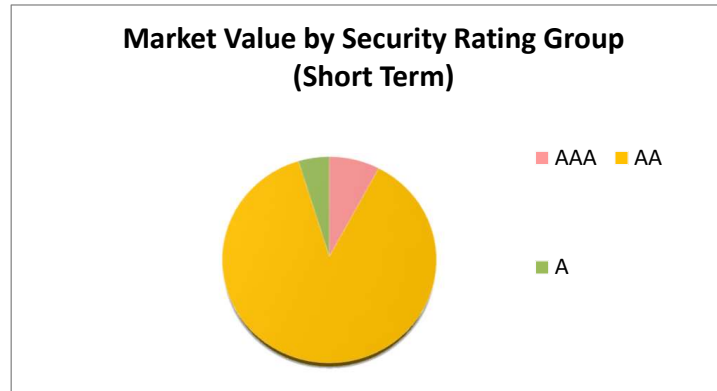
WBC 0.80 09 Sep 2024 1098DAY TD	4,000,000.00	4,000,000.00	1.65%
NAB 0.82 06 Sep 2024 1095DAY TD	3,000,000.00	3,000,000.00	1.24%
WBC 0.88 08 Oct 2024 1099DAY TD	4,000,000.00	4,000,000.00	1.65%
ING 3.90 08 Aug 2025 1096DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 4.67 30 Aug 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.07%
CBA 4.36 05 Sep 2025 1096DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.07%
ING 5.00 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 4.76 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 5.08 18 Oct 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 5.15 10 Nov 2027 1826DAY TD	10,000,000.00	10,000,000.00	4.13%
ING 4.65 14 Dec 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.07%
ING 5.13 06 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	2.07%
ING 4.85 14 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	2.07%
NAB 5.30 07 Jun 2024 365DAY TD	5,000,000.00	5,000,000.00	2.07%
ING 5.20 15 Jun 2028 1827DAY TD	4,000,000.00	4,000,000.00	1.65%
ING 5.41 19 Jun 2025 731DAY TD	4,000,000.00	4,000,000.00	1.65%
WBC 5.41 07 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.24%
NAB 5.45 16 Jul 2024 365DAY TD	10,000,000.00	10,000,000.00	4.13%
NAB 5.40 17 Jul 2024 365DAY TD	5,000,000.00	5,000,000.00	2.07%
WBC 5.06 20 Jul 2026 1098DAY TD	2,200,000.00	2,200,000.00	0.91%
WBC 5.12 24 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.24%
ING 5.37 18 Aug 2025 731DAY TD	5,000,000.00	5,000,000.00	2.07%
ING 5.01 24 Aug 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.24%
NAB 5.20 27 Aug 2024 365DAY TD	3,000,000.00	3,000,000.00	1.24%
ING 5.00 04 Sep 2026 1096DAY TD	5,000,000.00	5,000,000.00	2.07%
NAB 5.20 09 Sep 2024 367DAY TD	5,000,000.00	5,000,000.00	2.07%
NAB 5.20 10 Sep 2024 365DAY TD	5,000,000.00	5,000,000.00	2.07%
ING 5.30 03 Oct 2025 730DAY TD	2,500,000.00	2,500,000.00	1.03%
ING 5.20 16 Oct 2024 366DAY TD	2,000,000.00	2,000,000.00	0.83%
ING 5.19 19 Feb 2029 1827DAY TD	1,000,000.00	1,000,000.00	0.41%
Rabo 5.15 26 Feb 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.24%
Rabo 5.06 5 Mar 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.24%
WBC 5.29 29 Apr 2025 365DAY TD	3,000,000.00	3,000,000.00	1.24%
NAB 5.30 06 May 2025 365DAY TD	2,000,000.00	2,000,000.00	0.83%
Rabo 5.30 15 May 2025 365DAY TD	2,000,000.00	2,000,000.00	0.83%
	161,700,000.00	161,700,000.00	66.80%
Portfolio Total		242,047,759.61	100%



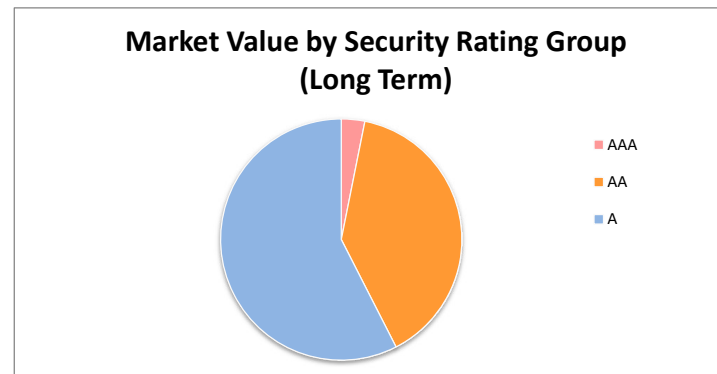
Investment Report
Georges River Council
as at 31 May 2024

2. Portfolio Valuation By Categories As At 31 May 2024

Short Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	6,529,380	2.70%
AA	72,467,722	29.94%
A	4,000,000	1.65%
Portfolio Total	82,997,102	34.29%



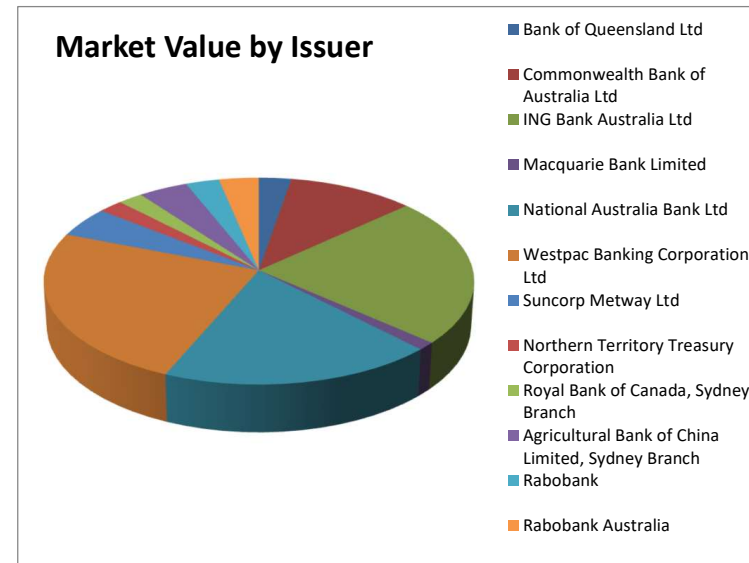
Long Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	5,000,000	2.07%
AA	62,600,000	25.86%
A	91,450,658	37.78%
Portfolio Total	159,050,658	65.71%





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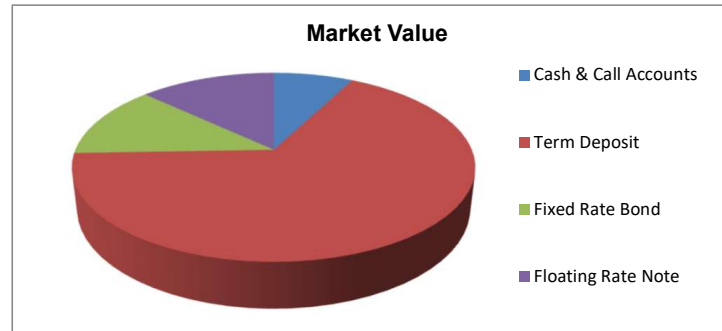
Issuer	Market Value	% Total Value
Bank of Queensland Ltd	6,529,380	2.70%
Commonwealth Bank of Australia Ltd	25,467,722	10.52%
ING Bank Australia Ltd	56,250,000	23.24%
Macquarie Bank Limited	2,975,280	1.23%
National Australia Bank Ltd	45,400,000	18.76%
Westpac Banking Corporation Ltd	59,200,000	24.46%
Suncorp Metway Ltd	11,475,378	4.74%
Northern Territory Treasury Corporation	5,000,000	2.07%
Royal Bank of Canada, Sydney Branch	5,000,000	2.07%
Agricultural Bank of China Limited, Sydney Branch	10,000,000	4.13%
Rabobank	6,750,000	2.79%
Rabobank Australia	8,000,000	3.31%
Portfolio Total	242,047,760	100.00%





Investment Report
Georges River Council
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Security Type	Market Value	% Total Value
Cash & Call Accounts	18,467,722	7.63%
Term Deposit	161,700,000	66.80%
Fixed Rate Bond	30,300,000	12.52%
Floating Rate Note	31,580,038	13.05%
Portfolio Total	242,047,760	100.00%

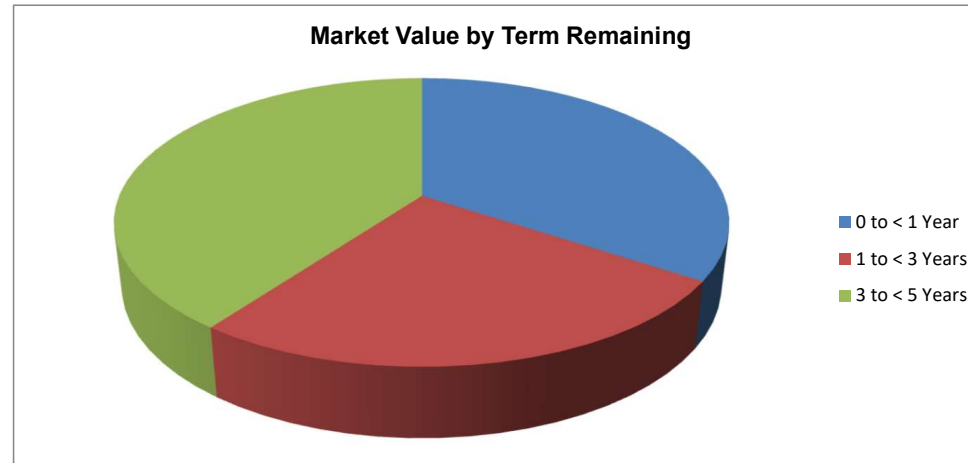




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Term Remaining	Market Value	% Total Value	Policy Limits %
0 to < 1 Year	82,997,102	34.29%	100%
1 to < 3 Years	62,500,658	25.82%	60%
3 to < 5 Years	96,550,000	39.89%	40%
Portfolio Total	242,047,760	100.0%	

Note: Term Remaining is calculated using a weighted average life date (WAL) where appropriate and available otherwise the interim (initial) maturity date is used.



Item: FIN028-24 T24/002 Carss Park Café Lease

Author: Senior Procurement and Contracts Business Partner and Head of Strategic Property

Directorate: Business and Corporate Services

Matter Type: Committee Reports

FIN028-24

RECOMMENDATION:

- (a) That in accordance with 178(1)(b) & 178(3)(e) of the Local Government (General) Regulation 2021 Council declines to accept any of the tenders for T24/002 Carss Park Café Lease and resolve to enter into negotiations with one or more parties with a view to entering into a contract in relation to the subject matter of the tender.
- (b) That in accordance with 178(4) of the Local Government (General) Regulation 2021, the reason for Council to decline all tenders is that none of the tenders achieved a satisfactory standard. By resolving to enter into negotiations with one or more parties it is anticipated that a satisfactory outcome will be achieved on demonstrated capacity and ability to provide services under a commercial lease arrangement with a competitive lease income paid to Council.
- (c) That Council authorise the General Manager to undertake negotiations and any other documentation required to give effect to the resolution.
- (d) That a further report be provided to Council at its November 2024 meeting detailing the outcome of the negotiation process and a recommendation to award.
- (e) That Council notify all Tenderers that Council declined to accept any of the Tenders.

EXECUTIVE SUMMARY

1. The purpose of this report is to advise Council of the results of the procurement process completed in accordance with Part 3, Division 1, Section 55 of the Local Government Act 1993 for T24/002 Carss Park Café Lease.
2. This report provides the background information for Council to decline to accept any of the tenders. The report details the Request for Tender process undertaken with the confidential matters outlined in the confidential attachments.

BACKGROUND

3. Council's commercial assets hold high strategic importance to Council and the community as per Council's Strategic Plan 2022–2032 Pillar 4 – Our Built Environment (Goal 5 - Council-led development and assets provide quality, long term benefits to everyone).
4. Carss Bush Park is one of Council's most regionally significant parks, located on the shores of Kogarah Bay off the Princes Highway. Carss Park Café which is the subject of this request is located at 72 Carwar Avenue Carss Park, erected on community land within Carss Bush Park and is a Council owned asset.
5. The premise incorporates approximately 457m² comprising of a cafeteria, kitchen, storage areas, office, outdoor seating/dining terrace and outdoor toilet amenities which is currently under a lease arrangement for the purpose of providing a valuable service to the community as a café/licensed restaurant, improving the lifestyle for residents and visitors to the area whilst also generating an annual lease income for Council.

6. Councils current lease arrangement has expired for this licensed restaurant and is running on a month-to-month basis until such notice by Council.
7. In January 2024 it was determined that a Request for Tender (RFT) process would be undertaken to engage a suitably qualified and experienced operator to lease, equip, run and manage the business of a licensed restaurant within Carss Bush Park for a period of five (5) years with an option to extend the lease for a further five (5) years.
8. The Café would be leased as an unfurnished bare shell enabling the successful applicant the opportunity to invest in the establishment to revitalise and refurbish as part of their business and marketing plan to promote business, including the existing attached outside toilet amenities as exclusive for patrons, upon approval by Council.
9. Accordingly, an Evaluation Panel was established to develop and finalise the RFT documents and Evaluation Plan. The selection criteria as determined by the Evaluation Panel was as follows:
 - Company Structure and Relevant Experience
 - Transition Plan
 - Business Plan
 - Marketing Plan
 - Local Economic Development
 - Value for money
 - Quality Assurance
 - WHS
 - Environmental Practices
10. Tenders were advertised via VendorPanel on Tuesday 30 April 2024 with a mandatory site inspection and briefing held on Tuesday 7 May 2024 at 3.30pm. Tender closed on Tuesday 28 May 2024 at 2:00pm. There were four (4) submissions received, with no late submissions. The submissions received were from:
 - By The Bay Café & Grill Pty Ltd
 - Grill 022
 - The Di Pacci Coffee Company
 - The Kay Family Trust
11. The Evaluation Panel commenced evaluation of the tender submissions and their recommendation to decline all tenders and enter into negotiations is detailed in the confidential attachment.

FINANCIAL IMPLICATIONS

12. Financial implications are contained within confidential attachment 1.

RISK IMPLICATIONS

13. No risk impact for this report.

COMMUNITY ENGAGEMENT

14. Community engagement will be conducted in accordance with the community provisions of the Local Government Act 1993

FILE REFERENCE

D24/156254

ATTACHMENTS

- Attachment 1 Confidential Attachment A - T24 002 Carss Park Cafe Lease (Confidential)
- Attachment 2 Confidential Attachment B - Evaluation and Scoring Summary Report (Confidential)

FIN028-24

CONFIDENTIAL ITEMS (CLOSED MEETING)

Council's Code of Meeting Practice allows members of the public present to indicate whether they wish to make representations to the meeting, before it is closed to the public, as to whether that part of the meeting dealing with any or all of the matters listed should or should not be considered in closed session.

RECOMMENDATION

That in accordance with the provisions of Part 1 of Chapter 4 of the Local Government Act 1993, the following matters be considered in closed Meeting at which the press and public are excluded.

That in accordance with the provisions of Section 11(2) of the Act, the reports and correspondence relating to these matters be withheld from the press and public.