

GOVERNANCE AND TRANSPARENCY COMMITTEE NO. 2022(05)**16 JUNE 2022****REPORT**

COUNCILLORS' ATTENDANCE: Deputy Mayor Jacob Madsen (Chairperson); Councillors Russell Milligan (Deputy Chairperson), Mayor Teresa Harding, Marnie Doyle, Kate Kunzelmann and Nicole Jonic

COUNCILLOR'S APOLOGIES: Nil

OFFICERS' ATTENDANCE: Chief Executive Officer (Sonia Cooper), Acting General Manager Corporate Services (Jeff Keech), Acting Chief Financial Officer (Paul Mollenhauer), General Manager Community, Cultural and Economic Development (Ben Pole), General Manager Planning and Regulatory Services (Peter Tabulo), General Manager Infrastructure and Environment (Sean Madigan), Procurement Manager (Richard White), Chief of Staff – Office of the Mayor (Melissa Fitzgerald), Senior Policy and Communications Officer (David Shaw), Chief Information Officer (Sylvia Swalling), Manager, Compliance (Alisha Connaughton), Animal Management and Biosecurity Manager (Haiden Taylor), Manager Procurement (Richard White), Manager Economic and Community Development (Cat Matson), Community Development Manager (Melissa Dower), Acting Property Services Manager (Kerry Perrett), Senior Property Officer (Acquisitions and Disposals)(Alicia Rieck), Property Officer (Judi Howard), Property Officer (Tara Wall) and Theatre Technician (Trent Gray)

WELCOME TO COUNTRY/ACKNOWLEDGEMENT OF COUNTRY

Deputy Mayor Jacob Madsen (Chairperson) delivered the Acknowledgement of Country

ADJOURN MEETING

Deputy Mayor Jacob Madsen moved that the meeting be adjourned at 10.15 am to reconvene at 10.35 am.

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

NEGATIVE

Councillors:

Nil

Jonic

The motion was put and carried.

The meeting reconvened at 10.35 am.

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

Nil

BUSINESS OUTSTANDING

Nil

CONFIRMATION OF MINUTES

1. **CONFIRMATION OF MINUTES OF THE GOVERNANCE AND TRANSPARENCY COMMITTEE NO. 2022(04) OF 5 MAY 2022**

RECOMMENDATION

Moved by Councillor Russell Milligan:
Seconded by Councillor Marnie Doyle:

That the minutes of the Governance and Transparency Committee held on 5 May 2022 be confirmed.

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

OFFICERS' REPORTS

2. ANNUAL REVIEW OF DELEGATIONS TO CHIEF EXECUTIVE OFFICER

This is a report concerning the annual review of delegations to the Chief Executive Officer for 2022.

RECOMMENDATION

Moved by Councillor Russell Milligan:
Seconded by Councillor Marnie Doyle:

- A. That the delegation listed in Attachment 1 which has previously been delegated from Council to the Chief Executive Officer be repealed.**
- B. That under s257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer (CEO), the power contained and detailed in Attachment 2 of the report dated 17 May 2022 by the Governance Project Officer.**

AFFIRMATIVE

Councillors:

Madsen
Milligan
Harding
Doyle
Kunzelmann
Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

3. DISCONTINUATION OF DISCOUNTED DOG REGISTRATION CLASSIFICATIONS FOR OBEDIENCE TRAINED DOGS, DOGS QUEENSLAND MEMBERS AND FARM DOGS

This report provides clarification about changes to the Fees & Charges that were adopted by Council in April 2022 as they relate to the discontinuation of discounted dog registration classifications for Obedience Trained Dogs, Dogs Queensland Members and Farm Dogs.

RECOMMENDATION

Moved by Councillor Nicole Jonic:
Seconded by Councillor Kate Kunzelmann:

That the report be received and the contents noted.

Deputy Mayor Jacob Madsen proposed that this report be referred to the ordinary council meeting on 30 June 2022.

Seconded by Councillor Marnie Doyle

The mover and seconder of the original motion agreed to the proposed change to the recommendation.

RECOMMENDATION

Moved by Councillor Nicole Jonic:

Seconded by Councillor Kate Kunzelmann:

That the report be referred to the ordinary council meeting on 30 June 2022.

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

4. PROCUREMENT - CONTRACT 16117 HUMAN RESOURCE INFORMATION SYSTEM - HRIS - DELOITTE CONSULTING

This a report seeking a resolution by Council to vary contract 16117 with existing supplier Deloitte Consulting Pty Ltd (Deloitte) to add five (5) further one (1) year extension options to continue the uninterrupted provision and servicing of critical Council internal systems whilst awaiting an iVolve outcome to be determined and actioned. The contract is for the provision of hosted managed services, support and related integrated licencing and subscriptions for Council's core operational Human Resources Information System (HRIS), including payroll, payroll timecard management, tax office payroll data reporting and employee push communications.

This matter is required as officers seek Council resolution that the exception under section 235(a) of the *Local Government Regulation 2012* applies to the uninterrupted continuation of the key HRIS system and associated components for the operational functionality and compliance required. The complex integration of the solution provided by the incumbent supplier means that there is only one supplier who is reasonably available to continue providing the system. Further, due to the identified iVolve dependency of the Human Resources

Information System, it is more costly and disadvantageous to Council to tender for a different system until iVolve is able to deliver a final solution.

A resolution of Council is sought to vary the contractual arrangement with Deloitte for five (5) further one (1) year extension options. This will increase the total value of the contract to approximately eight million two hundred thousand dollars (\$8,200,000.00) excluding GST for the full 10-year term of the contract if all extension options are exercised.

RECOMMENDATION

- A. That pursuant to Section 235(a) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies as it is satisfied that there is only one supplier who is reasonably available for the ongoing provision of the Deloitte HRIS system and associated components.
- B. That the contractual arrangement 16117 (formerly 10805) with Deloitte Consulting Pty Ltd (Supplier) for the Deloitte HRIS system and associated components be extended by five (5) further one (1) year options at an approximate value of \$4,000,000.00 + GST over the additional term (increasing the approximated contract value to \$8,200,000.00 + GST over the entire extended term of the contract).
- C. That Council enter into a Deed of Variation with the Supplier to appropriately amend the existing contractual arrangement.
- D. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take “*contractual action*” pursuant to section 238 of the Regulation, in order to implement Council’s decision.

RECOMMENDATION

Moved by Deputy Mayor Jacob Madsen:
Seconded by Councillor Kate Kunzelmann:

That the report be referred to the ordinary council meeting on 30 June 2022.

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

5. PROCUREMENT - MICROSOFT ENTERPRISE LICENSING 3 YEAR AGREEMENT

This is a report concerning the financial approval for the renewal of the Microsoft Enterprise Licencing for a three (3) year period commencing 1 August 2022.

A request for quotation was released under the LGA arrangement BUS274 ICT Solutions and Services. After evaluation of responses it was determined supplier Data#3 Limited offered the most value for Council for the following three (3) year period commencing 1 August 2022.

The cost of the engagement for the provision of Microsoft Enterprise licencing for the 3-year period is estimated at \$1.48 million (ex GST) per annum or \$4.431 million (ex GST) for the contract term of three (3) years. The estimate is based upon current volumes and anticipated future resource requirements as quoted by Data#3 Limited in the RFQ response.

RECOMMENDATION

Moved by Mayor Teresa Harding:

Seconded by Councillor Kate Kunzelmann:

- A. That pursuant to Section 234 of the *Local Government Regulation 2012* (Regulation), Council utilise LGA Arrangement ICT Solutions and Services BUS274 by Local Buy Pty Ltd for the provision of Microsoft Enterprise Licencing (Council file reference number 18620), with Data#3 Limited (Supplier) who is a party to the LGA Arrangement.**
- B. That under the LGA Arrangement with the Supplier, the approximate purchase price is \$4.431 Million excluding GST over the entire term, the end date of the initial term being 31st July 2025, with no current options for extension.**
- C. That pursuant to Section 257(1)(b) of the *Local Government Act 2009*, Council resolve to delegate to the Chief Executive Officer the power to take “contractual action” pursuant to section 238 of the Regulation, in order to implement Council’s decision.**

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

5.1. MATTER ON NOTICE - NUMBER OF LICENCES REQUIRED FOR MICROSOFT LICENSING AGREEMENT

Mayor Teresa Harding queried the number of licences required for this agreement.

That the Manager, Procurement advise councillors the number of licences required in relation to Item 5 for the Microsoft Licensing 3 Year Agreement prior to the council ordinary meeting on 30 June 2022.

6. PROCUREMENT - WASTE SERVICES COMMERCIAL MANAGEMENT SYSTEM

This a report seeking a resolution by Council to enter into a new agreement with Council's current vendor AMCS Australia Pty Ltd (AMCS) to transition from the old waste services commercial management system currently in use at Council (RMSWin) that is being retired by the manufacturer to the current cloud-based technology offering of the product in order to continue the uninterrupted provision of a critical Council service, being commercial waste services scheduling and billing.

This matter is required as officers seek Council resolution that the exception under section 235(b) of the *Local Government Regulation 2012* applies to the uninterrupted provision the waste services commercial management system and other related ancillary items for the operationally necessary functionality required. The specialised and proprietary nature of the incumbent supplier's products means that there is only one supplier who is reasonably available to provide such a solution and transition Council's data from the old proprietary system into the new proprietary cloud-based system. It would therefore be costly and disadvantageous to Council to tender for other software products for such a specialised component of the current waste system technology stack.

A resolution of Council is sought to enter into a new contractual arrangement with AMCS for the implementation, migration to and provision of the new cloud based Wastedge system and other related ancillary items as required for an initial term of two (2) years with options for extension of an additional one (1) year term and a further nine (9) month term. This is an estimated total cost of approximately four hundred and sixty-two thousand dollars (\$462,000.00) excluding GST for the full term of the contract if all extension options are exercised.

RECOMMENDATION

- A. That pursuant to Section 235(b) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies because of the specialised

nature of the services that are sought and it would be impractical and disadvantageous to invite tenders for the provision of the proprietary Wastedge waste services commercial management system and related ancillary items.

- B. That Council enter into a contractual arrangement (Council file reference number 18941) with AMCS Australia Pty Ltd, at an approximate purchase price of \$462,000.00 excluding GST over the entire term, being an initial term of two (2) years, with options for extension at the discretion of Council (as purchaser), of an additional one (1) year term and a further nine (9) month term.

Mayor Teresa Harding queried how the price compares to the price from 2019. Deputy Mayor Jacob Madsen requested that this be recorded as a Matter on Notice for response prior to the next ordinary council meeting on 30 June 2022.

RECOMMENDATION

Moved by Councillor Nicole Jonic:
Seconded by Councillor Kate Kunzelmann:

- A. That pursuant to Section 235(b) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies because of the specialised nature of the services that are sought and it would be impractical and disadvantageous to invite tenders for the provision of the proprietary Wastedge waste services commercial management system and related ancillary items.**
- B. That Council enter into a contractual arrangement (Council file reference number 18941) with AMCS Australia Pty Ltd, at an approximate purchase price of \$462,000.00 excluding GST over the entire term, being an initial term of two (2) years, with options for extension at the discretion of Council (as purchaser), of an additional one (1) year term and a further nine (9) month term.**
- C. That the Manager of Procurement take this matter on notice to advise councillors on how the price compares to the price from 2019 prior to the ordinary council meeting on 30 June 2022.**

AFFIRMATIVE

Councillors:

Madsen

Milligan

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Harding

The motion was put and carried.

7. PROPOSED DISPOSAL OF A SUBTERRANEAN EASEMENT LOCATED AT EASTERN HEIGHTS

This is a report concerning the proposed disposal of a subterranean easement (Easement 601111652) which connects Lots 237, 238, and 239 RP221971 (Subterranean Land) owned by Ipswich City Council (Council) to two hundred and twenty-one (221) surface lots located within Eastern Heights. The disposal of the subterranean easement will occur by way of a surrender of the easement.

“The attachment/s to this report are confidential in accordance with section 254J(3)(g) of the *Local Government Regulation 2012*.”

RECOMMENDATION

Moved by Mayor Teresa Harding:
Seconded by Councillor Russell Milligan:

- A. That Council declare the subterranean easement described as Easement 601111652 surplus to Council requirements and available for disposal.**
- B. That Council resolve pursuant to section 236(2) of the *Local Government Regulation 2012* (the regulation) that the exception referred to in section 236(1)(c)(iv) of the Regulation applies to the disposal of the subterranean easement described as Easement 601111652.**
- (i) Easement 601111652 is not suitable to be offered for disposal by tender or auction due to its sub-surface location;
 - (ii) It is in the public interest to dispose of Easement 601111652 without a tender process; and;
 - (iii) The disposal is otherwise in accordance with sound contracting principles.
 - (iv) To Council’s knowledge there are no surface landowners who have expressed a wish to acquire the interest created by the Easement; if a surface landowner did express an interest, then they would also be required to purchase the adjoining subterranean land which is connected to the surface land by the Easement.
- C. That Council resolve under section 257(1)(b) of the *Local Government Act 2009* to delegate the power to the Chief Executive Officer, to be authorised to negotiate and finalise the terms of the disposal, by way of surrender, of Easement 601111652.**

AFFIRMATIVE
Councillors:
Madsen
Milligan
Harding

NEGATIVE
Councillors:
Nil

Doyle
Kunzelmann
Jonic

The motion was put and carried.

8. DISPOSAL OF COUNCIL FREEHOLD LAND - ACCESS RESTRICTION STRIP LOCATED AT LOTS 67 AND 68 UNNAMED ROAD, PINE MOUNTAIN

This is a report concerning the disposal of freehold land for road purposes located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618 owned by Ipswich City Council (Council). Both lots are identified as an Access Restriction Strip (ARS) and are preventing the adjoining landowners from making an application to the Department of Resources (DoR) for a permanent road closure.

“The attachment/s to this report are confidential in accordance with section 254J(3)(g) of the *Local Government Regulation 2012*.”

RECOMMENDATION

Moved by Councillor Russell Milligan:
Seconded by Councillor Marnie Doyle:

- A. That Council declare the Access Restriction Strip located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618, surplus to Council requirements and available for disposal for road purposes.**
- B. That Council resolve pursuant to section 236(2) of the *Local Government Regulation 2012* (the Regulation) that the exception referred to in section 236(1)(b)(i) of the Regulation apply to the disposal of the Access Restriction Strip located at Unnamed Road, Pine Mountain, described as Lots 67 and 68 on RP132618, to the State of Queensland (represented by the Department of Resources ('DoR')).**
- C. That Council resolve under section 257(1)(b) of the *Local Government Act 2009* to delegate the power to the Chief Executive Officer, to be authorised to negotiate and finalise the terms of disposal of the ARS described in recommendation B for road purposes.**

AFFIRMATIVE
Councillors:
Madsen
Milligan
Harding
Doyle

NEGATIVE
Councillors:
Nil

Kunzelmann
Jonic

The motion was put and carried.

9. REPEAL OF PREVIOUS COUNCIL DECISION FOR RENEWAL OF LEASE - KIOSK 1
KARALEE SHOPPING VILLAGE, 39 JUNCTION ROAD, CHUWAR - CVS LANE CAPITAL
PARTNERS PTY LTD TO IPSWICH CITY COUNCIL

This is a report requesting the repeal of a previous decision of the Governance and Transparency Committee, Item No. 3 on the 10 March 2022 and adopted at the Council Ordinary meeting of 24 March 2022 concerning the renewal of lease via a lease amendment from CVS Lane Capital Partners Pty Ltd over premises located at Kiosk 1, Karalee Shopping Village, 39 Junction Road, Chuwar and that Council now enter into a new lease.

As the lease amendment was not executed by the Lessor before the lease term expiry, Council must now enter into a new lease (versus an amendment) with CVS Lane Capital Partners Pty Ltd, on the same terms as the March resolution.

“The attachment/s to this report are confidential in accordance with section 254J(3)(g) of the *Local Government Regulation 2012*.”

RECOMMENDATION

Moved by Councillor Marnie Doyle:
Seconded by Councillor Russell Milligan:

- A. That the previous decision of Council, as per Item No. 3 of the Governance and Transparency Committee, on 10 March 2022 and adopted at the Council Ordinary meeting of 24 March 2022, be repealed.**
- B. That Council enter into a lease (Council reference 5542) with CVS Lane Capital Partners Pty Ltd ACN 155 490 154 as trustee (the Lessor):**
- (i) at an annual rent of \$23,766.92 excluding GST payable by Council, from the commencement of the new lease; and**
 - (ii) for a term of three (3) years, with no options for extension.**

AFFIRMATIVE
Councillors:
Madsen
Milligan
Harding
Doyle
Kunzelmann

NEGATIVE
Councillors:
Nil

Jonic

The motion was put and carried.

10. INVOLVE PROJECT QUARTERLY STATUS UPDATE

This report provides a status update on the iVolve Program to the Governance and Transparency Committee from both the Program Director and Strategic Advisor regarding Stage 3 project controls and milestones.

The Project has progressed the following key outcomes and objectives during this reporting period:

- Completion of functional and non-functional requirements gathering workshops.
- Completion of the draft Application Solution Architecture and Integration Overview.
- Progression on the preparation of procurement documentation.
- Produced Assurance Gate Report.

It is noted that the ICT Branch have presented an Oracle Risk Report to ELT during this reporting period which highlights the risks and issues in the current Oracle solution and options for mitigating these risks.

These risks and the options are detailed in Attachment 2 – Strategic Advisor Report by Strategic Directors.

At the 12 May meeting, ELT endorsed recommendations regarding planned remediation activities, and resetting the iVolve schedule as a dependency of these activities, this work is currently in progress.

RECOMMENDATION

Moved by Mayor Teresa Harding:

Seconded by Councillor Marnie Doyle:

That the report be received and the contents noted.

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

11. 2020-2021 ANNUAL FINANCIAL STATEMENTS FOR CONTROLLED ENTITIES

This is a report concerning the 2020-2021 Annual Financial Statements for the following controlled entities of Ipswich City Council (Council):

- Ipswich City Properties Pty Ltd;
- Ipswich City Enterprises Pty Ltd; and
- Ipswich City Enterprises Investments Pty Ltd.

RECOMMENDATION

Moved by Mayor Teresa Harding:

Seconded by Councillor Marnie Doyle:

That the report be received and the contents noted.

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

12. REVISED ALCOHOL CONSUMPTION AND SALE IN PUBLIC PLACES POLICY

This is a report seeking Governance and Transparency Committee approval to repeal the existing “Alcohol Consumption and Sale in Public Places Policy” and adopt the revised “Alcohol Consumption and Sale in Public Places Policy”, managed by Community and Cultural Services Branch within the Community, Cultural and Economic Development Department.

**RECOMMENDATION

Moved by Councillor Marnie Doyle:

Seconded by Councillor Russell Milligan:

- A. That the policy titled, “Alcohol Consumption and Sale in Public Places Policy” (current) as detailed in Attachment 1 be repealed.
- B. That the Policy titled, “Alcohol Consumption and Sale in Public Places Policy” (revised) as detailed in Attachment 2 be adopted.

AFFIRMATIVE

Councillors:

Madsen

Milligan

Harding

Doyle

Kunzelmann

Jonic

NEGATIVE

Councillors:

Nil

The motion was put and carried.

NOTICES OF MOTION

Nil

MATTERS ARISING

Nil

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 10.14 am.

The meeting closed at 11.13 am.

**** Refer Council Ordinary Meeting of 30 June 2022 for amendment**