

FINANCE AND GOVERNANCE COMMITTEE NO. 2024(02)**16 JULY 2024**

REPORT

COUNCILLORS' ATTENDANCE:

Councillor Paul Tully (Chairperson); Councillors Jacob Madsen (Deputy Chairperson), Mayor Teresa Harding, Deputy Mayor Nicole Jonic, Andrew Antonioli, Jim Madden, David Cullen (Observer via audio-link), Marnie Doyle (Observer), Pye Augustine (Observer)

COUNCILLOR'S APOLOGIES:

Nil

OFFICERS' ATTENDANCE:

Chief Executive Officer (Sonia Cooper), General Manager Corporate Services (Matt Smith), Acting General Manager Environment and Sustainability (Phil A Smith), General Manager Community, Cultural and Economic Development (Ben Pole), General Manager Asset and Infrastructure Services (Matt Anderson), General Manager Planning and Regulatory Services (Brett Davey), Chief Financial Officer (Jeff Keech), ICT Category Specialist (Earaj Khan), Chief Information Officer (Angela Jackson), ERP Program Manager (Gerard Nelson), Corporate Governance Manager (Shasha Ingbritsen), Senior Governance Officer (Melissa Friske), Acting Procurement Manager (Ross Muller), Property Services Manager (Alicia Rieck), Manager, Legal and Governance (General Counsel) (Tony Dunleavy), Manager, Libraries and Customer Services (Samantha Chandler), Manager, Resource Recovery (David McAlister), Senior Communications and Policy Officer (Jodie Richter) and Theatre Technician (Harrison Cate)

ACKNOWLEDGEMENT OF COUNTRY

Councillor Jacob Madsen delivered the Acknowledgement of Country

DECLARATIONS OF INTEREST IN MATTERS ON THE AGENDA

Nil

BUSINESS OUTSTANDING

Nil

CONFIRMATION OF MINUTES

1. **CONFIRMATION OF MINUTES OF THE FINANCE AND GOVERNANCE COMMITTEE NO. 2024(01) OF 11 JUNE 2024**

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Councillor Andrew Antonioli:

That the minutes of the Finance and Governance Committee held on 11 June 2024 be confirmed.

AFFIRMATIVE

Councillors:

Tully

Madsen

Harding

Jonic

Antonioli

Madden

NEGATIVE

Councillors:

Nil

The motion was put and carried.

OFFICERS' REPORTS

2. **ADOPTION OF ARTIFICIAL INTELLIGENCE POLICY**

This is a report concerning the adoption of an Artificial Intelligence Policy.

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Councillor Andrew Antonioli:

That the policy titled 'Artificial Intelligence Policy' as set out in Attachment 1 be adopted.

AFFIRMATIVE

Councillors:

Tully

Madsen

Harding

Jonic

Antonioli

Madden

NEGATIVE

Councillors:

Nil

The motion was put and carried.

3. UPDATE ON THE IVOOLVE BUSINESS CASE

This is a report concerning the review and updating of the iVolve Business Case. The amendments to the Business Case aim to guide Council toward successful adoption while addressing risks, maintaining continuity with the original Business Case, and ensuring financial prudence. The report provides a concise overview of these updates and associated risk and impacts.

“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 Paul Tully:

Seconded by Deputy Mayor Nicole Jonic:

That the update report on the iVolve Business Case be received and the contents noted.

AFFIRMATIVE

Councillors:

Tully

Madsen

Harding

Jonic

Antoniolli

Madden

NEGATIVE

Councillors:

Nil

The motion was put and carried.

4. URBAN UTILITIES STATEMENT OF STRATEGIC INTENT (SOSI) AND PARTICIPATIONS RETURNS POLICY (PRP) AND PARTICIPATION AGREEMENT (PA)

This is a report in relation to the following two matters regarding Urban Utilities (UU):

1. Approval of proposed amendments to the Participation Agreement and the Participation Returns Policy.
2. Approval of UU’s Statement of Strategic Intent 2029 (“SOSI”)

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

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Councillor Andrew Antonioli:

- A. That Council approve the amendments to the Participation Agreement between the Central SEQ Distributor-Retailer Authority (trading as Urban Utilities) and Ipswich City Council as a Participant to the Participation Agreement as per Confidential Attachment 1 to this report.**
- B. That Council approve the amended Participation Return Policy per Confidential Attachment 3 to this report.**
- C. That Council approve Urban Utilities' 2029 Statement of Strategic Intent contained in Confidential Attachment 4 to this report.**
- D. That the Chief Executive Officer be authorised to sign a Variation Agreement that formalises the approved amendments to the Participation Agreement and Participation Returns Policy, and to do any other acts necessary to implement Council's decisions in accordance with section 13(3) of the *Local Government Act 2009*.**

AFFIRMATIVE

Councillors:

Tully

Madsen

Harding

Jonic

Antonioli

Madden

NEGATIVE

Councillors:

Nil

The motion was put and carried.

5. PROCUREMENT: CLOUDLIBRARY LIBRARY ERESOURCES

This is a report seeking a resolution by Council to enter into a contractual arrangement with OCLC (UK) Limited (OCLC) for the provision of electronic Resource (eResources) platforms CloudLibrary, CloudLink and ComicsPlus.

As a result of an acquisition of the suite of CloudLibrary products by OCLC UK Limited from previous owners, Bibliotheca Australia Pty Ltd in April 2024, a Council resolution for an exception under Section 235(b) of the Local Government Regulation 2012 applying to specialised services is sought to ensure continuity of service under the new product owners. The product has been part of library offerings to borrowers since 2017 and enjoys solid and increasing usage.

Previously the supply of CloudLibrary platforms was contracted under Contract 21689 Cloud Library Electronic Library Resources with Bibliotheca Australia Pty Ltd, under exception s234 of the Local Government Regulations – engaged via the Local Buy Local Government Arrangement.

OCLC acquired the CloudLibrary elements of Bibliotheca Australia Pty Ltd organisation, and Contract 21689, following Legal advice, was novated to OCLC in May 2024 for the remaining two (2) months of the Contract to ensure continuity of these library e-resources. OCLC assumed all rights, benefits, and obligations associated with the previous contract. OCLC is a nonprofit organisation who have maintained the same user-friendly interface, extensive catalogue, and convenient access to digital content through CloudLibrary and have assured customer experience will not be impacted in any way. OCLC do not hold a Local Government Arrangement membership with LocalBuy.

This subscription product is utilised by multiple Australian Libraries to provide content to their communities and Council is able to leverage consortia agreements with other south-east Queensland Libraries, thereby rendering it more costly and disadvantageous to Council to tender for other products.

A resolution of Council is sought to approve the annual subscription for the CloudLibrary eResources with OCLC for a term of up to three (3) years as an initial one (1) year term with an additional two (2) X one (1) year options to allow annual analysis of utility and value for money. This is an estimated total cost of approximately six-hundred thousand dollars (\$600,000) excluding GST for the term of the three year contract.

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Councillor Jim Madden:

- A. That pursuant to Section 235(b) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies because of the specialised AND/OR confidential nature of the services that are sought and it would be impractical AND/OR disadvantageous to invite quotes OR tenders for the provision of CloudLibrary Library eResources.**
- B. That Council enter into a contractual arrangement (Council file reference number 5185) with OCLC (UK) Limited, at an approximate purchase price of \$600,000 excluding GST over the entire term, being an initial term of one (1) year, with options for extension at the discretion of Council (as purchaser), of an additional two (2) X one (1) year terms.**

AFFIRMATIVE

Councillors:

Tully

NEGATIVE

Councillors:

Nil

Madsen
Harding
Jonic
Antoniolli
Madden

The motion was put and carried.

6. PROCUREMENT: INCREASE IN CONTRACT VALUE- MICROSOFT EA LICENCEING

This is a report seeking a resolution by Council to increase the approved value of existing contract 18620 for the provision of Microsoft Enterprise Licencing by \$414,000+GST.

The contract commenced 1 August 2022 and since this time the number of Council Full Time Employees has increased further than initially estimated. Council's original estimated expenditure was approved at \$4.431M excluding GST for the total contract period of 3 years with no option for extension. This was adopted at Council Ordinary Meeting of 30 June 2022.

The new estimated sum is \$4,845,000 excluding GST and does not affect the term of the contract.

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Mayor Teresa Harding:

- A. That Council approve an increase in expenditure for the provision of Microsoft EA Licencing Renewal with supplier Data#3 Limited from \$4,431,000 to \$4,845,000 excluding GST for the current contracted period up to 31 July 2025. This constitutes an increase of \$414,000 excluding GST.**
- B. 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:

Tully

Madsen

Harding

Jonic

Antoniolli

Madden

NEGATIVE

Councillors:

Nil

The motion was put and carried.

7. PROCUREMENT: ARCGIS ONLINE CREATOR & MOBILE WORKER SOFTWARE LICENCING, MAINTENANCE (2024)

This is a report seeking a resolution by Council to enter into a contract with Esri Australia Pty Ltd for the provision of ArcGIS Online Creator and Mobile Worker software licencing, maintenance that are operationally utilised as part of Council's existing spatial services.

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 specialised nature of the ArcGIS Online Creator and Mobile Worker licencing, maintenance and other related ancillary items for these operationally necessary products. The proprietary nature of the incumbent supplier's products means that the products are specialised in nature and Esri Australia Pty Ltd are the only supplier able to provide the support and maintenance for the products. It would be impractical and disadvantageous for Council to invite quotes or tenders as no other supplier is able to provide these specialised products. Further, due to the current implementation of an enterprise spatial solution by Council, it is more costly and disadvantageous to Council to tender for other software products when delivery of the enterprise spatial project will provide a replacement solution.

A resolution of Council is sought to approve the continuation of the licencing and maintenance for the ArcGIS software products including Online Creator and Mobile Worker licencing with Esri Australia Pty Ltd for a term of one (1) year (commencing 14 August 2024), with no extension option. This is an estimated total cost of approximately thirty-five thousand dollars (\$35,000) excluding GST for the full term of the contract.

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Councillor Jim Madden:

- A. That pursuant to Section 235(b) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies because of the specialised AND/OR confidential nature of the services that are sought and it would be impractical AND/OR disadvantageous to invite quotes OR tenders for the provision of the ArcGIS Software licencing including, ArcGIS Online Creator and Mobile Worker licencing and maintenance of the software products and related ancillary items.**

- B. That Council enter into a contractual arrangement (Council file reference 5186) with Esri, Australia Pty Ltd, at an approximate purchase price of \$35,000.00 excluding GST over the entire term, being an initial term of one (1) year, with no extension option.**

AFFIRMATIVE

Councillors:

Tully

Madsen

Harding

Jonic

Antoniolli

Madden

NEGATIVE

Councillors:

Nil

The motion was put and carried.

8. PROCUREMENT - CULTURE AMP EMPLOYEE EXPERIENCE SURVEY PLATFORM

This is a report seeking a resolution by Council to engage Culture Amp Pty Ltd. Culture Amp has been contracted with Council (contract 16674) for the past three years to provide a platform supporting improved Employee Experience (EX) through whole of Council employee satisfaction surveys, benchmarking analysis, results and support.

The annual Employee Experience Survey is a deliverable under the People and Culture Strategy 2021 - 2026 and is also a key focus of our CEO and Executive Leadership Team.

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 specialised services provided by the Culture Amp platform. The proprietary nature of the incumbent supplier's product means that there is only one supplier who is reasonably available to provide the required product.

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Councillor Jacob Madsen:

- A. That pursuant to Section 235(b) of the *Local Government Regulation 2012* (Regulation), Council resolve that the exception applies because of the specialised AND/OR confidential nature of the services that are sought and it would be impractical AND/OR disadvantageous to invite quotes OR tenders for the provision of an.**

- B. That Council enter into a contractual arrangement Culture Amp Pty Ltd, at an approximate purchase price of \$295,740.00 excluding GST over the entire term, being an initial term one (1) year, with options for extension at the discretion of Council (as purchaser), of an additional two (2) X one (1) year terms.**

AFFIRMATIVE

Councillors:

Tully

Madsen

Harding

Jonic

Antoniolli

Madden

NEGATIVE

Councillors:

Nil

The motion was put and carried.

9. PROCUREMENT: EXTENSION AND INCREASE IN SPEND ON COMMERCIAL CLEANING - CONTRACT 13902

This is a report concerning the recommendation to approve the final one (1) year extension (December 2024 to December 2025) option and increased expenditure under contract 13902 Commercial Cleaning.

This increase is due to a growth in scope and inclusion of additional assets along with an increase in CPI costs which have risen above the anticipated forecast.

Council's original estimated expenditure was approved at \$6.9M excluding GST for the total contract period of two (2) years with the option to extend the contract by three (3) x one (1) year periods. This was adopted at Council Ordinary Meeting of 22 October 2020 (Objective ID. A10327181)

Prior to the contract execution it was proposed to extend the scope of the contract to include the cleaning of, the then soon to be opened, Tulumur Place. The estimated new sum of the contract including all extensions was estimated to be \$8,331,317.82 ex. GST. This proposal was approved under a CEO Briefing Note in November 2020 (Objective ID. A6646565).

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Mayor Teresa Harding:

- A. That Council approve an increase in expenditure for the provision of Commercial Cleaning with the supplier, Total Building Maintenance (TBM) from \$6,900,000 to \$10,500,000 excluding GST for the current contracted period up**

to December 2024 and include future 1 x 12 month extension option to December 2025. This constitutes an increase of \$3,600,000 excluding GST.

- B. 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

NEGATIVE

Councillors:

Councillors:

Tully

Jonic (Abstain)

Madsen

Harding

Antoniolli

Madden

The motion was put and carried.

10. PROPOSAL TO ACQUIRE PROPERTY LOCATED AT 2B THOMPSON STREET BUNDAMBA FOR DRAINAGE PURPOSE

This is a report concerning the proposed acquisition of a residential property in Bundamba. The property is encumbered by drainage infrastructure that has been the subject of historical and ongoing concerns to the land.

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

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Councillor Jim Madden:

- A. That Council resolve to purchase or acquire land located at 2B Thompson Street, BUNDAMBA, more particularly described as Lot 4 on Registered Plan 116873 (Council file reference 6179), for drainage purpose.**
- B. That in the first instance, the method of acquisition shall be as a purchase by agreement with the affected person/s pursuant to the *Property Law Act 1974*.**
- 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.**
- D. That Council be kept informed as to the progress and outcome of the acquisition.**

| | |
|--------------|--------------|
| AFFIRMATIVE | NEGATIVE |
| Councillors: | Councillors: |
| Tully | Nil |
| Madsen | |
| Harding | |
| Jonic | |
| Antoniolli | |
| Madden | |

The motion was put and carried.

11. AMENDING SUBORDINATE LOCAL LAW - OFF STREET REGULATED PARKING, 134 PARKLAND DRIVE SPRINGFIELD CENTRAL

This is a report concerning the proposal to make *Subordinate Local Law (Amending) Subordinate Local Law No. 5.1 (Parking) 2024* and a consolidated version of *Subordinate Local Law No. 5.1 (Parking) 2013* following public consultation on one proposed amendment.

The purpose of the amendment is to regulate off street parking at 134 Parkland Drive Springfield Central pursuant to the resolution of Council on 23 May 2024. Regulated off street parking has been in place at this site since January 2024 when *Interim Local Law No.1 (Parking) 2024* commenced. It is due to expire on 25 July 2024 as an interim local law expires after 6 months. The change proposed to the local law in this report will allow this regulation to continue.

RECOMMENDATION

Moved by Councillor Paul Tully:

Seconded by Deputy Mayor Nicole Jonic:

- A. **That it be noted that 4 submissions were received during the public consultation period for the proposed *Subordinate Local Law (Amending) Subordinate Local Law No. 5.1 (Parking) 2024* and actioned as per the report.**
- B. **That the proposed *Subordinate Local Law (Amending) Subordinate Local Law No. 5.1 (Parking) 2024* does not contain any anti-competitive provisions.**
- C. **That Council make proposed *Subordinate Local Law (Amending) Subordinate Local Law No. 5.1 (Parking) 2024* as set out in Attachment 1 of the report, as advertised.**
- D. **That pursuant to Section 32 of the *Local Government Act 2009*, Council adopt the consolidation version of *Subordinate Local Law No.5.1 (Parking) 2013*, as set out in Attachment 3 of the report.**

| AFFIRMATIVE | NEGATIVE |
|--------------|--------------|
| Councillors: | Councillors: |
| Tully | Nil |
| Madsen | |
| Harding | |
| Jonic | |
| Antoniolli | |
| Madden | |

The motion was put and carried.

MOVE INTO CLOSED SESSION

RECOMMENDATION

Moved by Councillor Paul Tully:
Seconded by Councillor Jim Madden:

That in accordance with section 254J(3)(g) of the *Local Government Regulation 2012*, the meeting move into closed session to discuss Item 12 titled Swifts Leagues Club Cameron Park.

The meeting moved into closed session at 11.12 am.

| AFFIRMATIVE | NEGATIVE |
|--------------|--------------|
| Councillors: | Councillors: |
| Tully | Nil |
| Madsen | |
| Harding | |
| Jonic | |
| Antoniolli | |
| Madden | |

The motion was put and carried.

MOVE INTO OPEN SESSION

RECOMMENDATION

Moved by Councillor Paul Tully:
Seconded by Deputy Mayor Nicole Jonic:

That the meeting move into open session.

The meeting moved into open session at 11.29 am.

| AFFIRMATIVE | NEGATIVE |
|--------------|--------------|
| Councillors: | Councillors: |
| Tully | Nil |

Madsen
Harding
Jonic
Antoniolli
Madden

The motion was put and carried.

12. SWIFTS LEAGUES CLUB CAMERON PARK

This is a report concerning potential revised terms to the existing Lease to Swifts Leagues over part of freehold land located at 95A Brisbane Road Booval.

“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 Andrew Antoniolli:

Seconded by Deputy Mayor Nicole Jonic:

- A. **That the report in relation to Swifts Leagues Club Cameron Park, be received and noted.**
- B. **That Council approve the proposed framework and the commercial approach to any variations to the existing lease, as outlined in the confidential Attachment 1 to this report.**
- 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 action in relation to the variation of the existing Lease or the creation of a new Lease.**
- D. **That the matter be brought back to Council for approval of any amendments to the existing lease or new Lease.**

AFFIRMATIVE

Councillors:

Tully

Madsen

Jonic

Antoniolli

Madden

NEGATIVE

Councillors:

Harding

The motion was put and carried.

NOTICES OF MOTION

Nil

MATTERS ARISING

Nil

PROCEDURAL MOTIONS AND FORMAL MATTERS

The meeting commenced at 10.42 am.

The meeting closed at 11.30 am.
