

#### **4 ADVERTISING SERVICES - Councillor Jeff Salvestro-Martin**

Note: A confidential Memorandum dated 27 February 2013 was tabled in relation to this Item and a copy is ON FILE.

**RESOLUTION:** (Moved by Councillors Salvestro-Martin and Etmekdjian)

Noting the Confidential Advice in the Memorandum – Advertising Contract Renewal dated 27 February 2013, that the Acting General Manager:

- (i) fast track the Communication Strategy review;
- (ii) develop tender documents to allow Council's advertising services to be tendered and contracts issued at the end of the extended contract period, being effective from 1 October 2013;
- (iii) that formulation of the tender be consistent with the memorandum;
- (iv) that consideration also be given to the option of producing a publication to replace the need for advertising in local newspapers and information provided in the City View. That this proposal include the option of sponsorship.

**Record of Voting:**

For the Motion: Unanimous

Note: Councillor Salvestro-Martin left the meeting at 12.21 am on Wednesday 27 March 2013 and did not return.

#### **LEAVE OF ABSENCE**

Councillor Perram and the Mayor, Councillor Petch requested a Leave of Absence from Wednesday 27 March 2013 to Monday 8 April 2013.

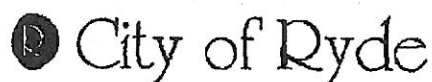
**RESOLUTION:** (Moved by Councillors Perram and Etmekdjian)

That Councillor Perram's and the Mayor's, Councillor Petch Leave of Absence from Wednesday 27 March 2013 to Monday 8 April 2013 be approved.

**Record of Voting:**

For the Motion: The Mayor, Councillor Petch and Councillors Chung, Etmekdjian, Laxale, Maggio, Pendleton, Perram, Simon and Yedelian OAM

Against the Motion: Councillor Pickering



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## MEMORANDUM

**To:** Acting General Manager  
**From:** Service Unit Manager – Community Capacity and Events  
**Date:** 27 February 2013  
**Subject:** Advertising Contract renewal

CONFIDENTIAL

### Summary:

Council is currently in a contract with Newslocal, A Division of Nationwide News Pty Ltd, Northern District Times, (NDT) for the provision of Advertising Services from 1 April 2012 to 30 March 2013. This was a resolution of Council with a provision to extend for a further 12 months if performance is deemed satisfactory. As the initial contract period is coming to its end, this memo recommends the extension of the contract for a further six months.

### Background:

Council has engaged the NDT for the provision of Advertising Services, from 1 April 2012 - 27 February 2013 they have completed the following:

Printed and distributed 23 copies of Ryde City View as per agreement with an additional 2 copies to be published in March 2013

Published 51 pages of paid advertising, this is in line with our approximate use of advertising space as determined in the assessment of the original tender (estimated 52 pages of paid advertising annually).

Total cost: \$109,748.94 (20 (2) 13 FY) *commission for 2011/12 was \$106521.03.*

This does not include 2.5 pages used for the Council elections which were not factored into our annual usage calculations.

Incentives: Provided the following in support of Community events.

Granny Smith Festival - produced a wraparound feature of event and one full page advertising free of charge

Australia Day - Provided one full page of advertising free of charge

Cinema in the Park - Provided one full page of advertising free of charge

Value: \$6,455.82

We have had confirmation from Council's Legal Counsel on the following matters:

**Council Resolution on 28 February 2012:**

*"That Council accept the Tender from Newslocal a Division of Nationwide News Pty Limited (Northern District Times) for the provision of Advertising Services for the period 1 January 2012 till 31 December 2012 with provision to extend a further 12 months if performance is deemed satisfactory" – As the report was not dealt with by Council till 28 February 2012, the contract period commenced 1 April 2012.*

Can the approval to extend contract be by the Acting General Manager?

NSW ICAC  
EXHIBIT

BM: The report is silent on this. My view is that if it was intended for Council to consider granting the extension, then the resolution would have said so. In these circumstances, the Acting General Manager can grant the extension without the need to defer to Council for further resolution.

Could the current contract (with price rises as detailed in contract) be extended for a period of 6 months from 1 April 2013?

BM: Yes

Could Council cancel the contract if extended by 6 months at any time during that period?

BM: Yes but damages would be payable by Council

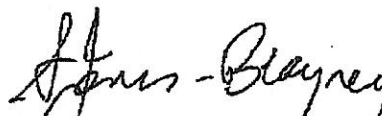
It is recommended to extend the contract for a period of only six months as a review of Councils advertising and publication (Ryde City View) is being undertaken in the coming months with an outcome expected in July/August. The six month term will allow Council to implement changes from the review of our advertising and Ryde City View.

**Recommendation:**

That the Acting General Manager approve the extension of the existing contract COR-RFT 17/11 to Newslocal, A Division of Nationwide News Pty Ltd from 1 April 2013 to 30 September 2013.



Derek McCarthy  
Service Unit Manager  
Community Capacity and Events



Angela Jones-Blayney  
Service Unit Manager  
Media and Communications

Approved on the basis that any tenderer  
needs to have clarity on the future of the  
City News contract.

New tender to include the separable  
portions of A - Advertising  
B - Insert  
and A+B as tender options.



5/7/13  
Danielle Dickson