

3.1 2022/23 FINANCIAL MANAGEMENT AND CAPITAL WORKS PROGRESS REPORT – THIRD QUARTER 31 MARCH 2023

(YN:PM)

Responsible Officer(s): Danny Wain, Chief Financial Officer

Yanthi Nilam, Manager Finance

RECOMMENDATION*That Council:*

1. *Notes the Quarterly Financial Management and Capital Works Progress Report for the period ending 31 March 2023, presented in accordance with Section 97 of the Local Government Act 2020.*

2. *Approves the project variations contained therein.*

BACKGROUND

The Quarterly Financial Statements are prepared for formal presentation to the Council in accordance with Section 97 of the *Local Government Act 2020* (the Act).

The Quarterly Financial Statements include a comparison of year-to-date (YTD) actual revenue and expenditure with budgeted (YTD and forecast end-of-year) revenue and expenditure for the current financial year.

Council's 2022/23 Adopted Budget included four financial statements (refer Attachment A):

- Comprehensive Income Statement;
- Balance Sheet;
- Statement of Cash Flows; and
- Statement of Capital Works.

This report also provides a review of the 2022/23 Capital Works Program. In particular the Capital Works Progress report aims to:

- inform Council of funding changes to the program as a result of extra monies received from external sources;
- seek approval for new projects and project variations; and
- quantify the variation in project expenditure due to project changes.

This information forms part of the financial analysis in Attachment A. An update on the status of agreed major projects from the capital works portfolio can be found in Attachment B.

ANALYSIS**COMPREHENSIVE INCOME STATEMENT****Year-to-date Summary**

As at 31 March 2023, the YTD net surplus from ordinary operations was \$46.6M, representing a 1.0% (\$0.5M) unfavourable variance against the YTD budget (\$47.1M). The full Income Statement is included in Appendix A - Financial Statements & Indicators.

	YTD Actual \$'000	YTD Mgmt Budget \$'000	YTD Variance		Adopted	Full Year	Forecast Variance		
			\$'000	%	Budget	Forecast	\$'000	%	
					2022/23	2022/23			
Total income	198,116	200,109	(1,993)	(1.0%)	224,823	226,678	1,855	0.8%	●
Employee Costs	65,601	65,795	194	0.3%	90,711	90,711	0	0.0%	●
Materials, Services & Contracts	58,690	59,624	934	1.6%	79,498	79,248	250	0.3%	●
Depreciation & Other Expenses	27,192	27,579	387	1.4%	36,224	36,114	110	0.3%	●
Total expenses	151,483	152,997	1,514	1.0%	206,433	206,073	360	0.2%	●
Surplus (deficit) for the year	46,633	47,111	(478)	(1.0%)	18,390	20,605	2,215	10.7%	●
Transfers to reserve	0	0	-	0.0%	0	0	0	0.0%	●
Surplus (deficit) after transfers to reserves	46,633	47,111	(478)	(1.0%)	18,390	20,605	2,215	-12.0%	●
Less Capital Income (non-recurrent)	(8,567)	(10,120)	(1,553)	0.0%	(16,161)	(17,990)	1,829	11.3%	●
Adjusted underlying surplus/ (deficit)	38,066	36,992	1,074	2.9%	2,229	2,615	386	-17.3%	●

This result is mainly due to unfavourable overall income of \$1.9M. Capital income grants are currently unfavourable (\$2.1M) although agreed grant income is still expected to be received. Contributions also are currently unfavourable (\$1.3M) which relates to open space developer contributions which are now forecast to be lower than budget. Employee costs and materials and services expenditure are favourable to budget and are expected to be favourable at year end even after incurring additional gas utility costs and some additional depreciation/amortisation expenditure.

COVID-19 Update

The financial results for the 2022/23 financial year are expected to include a return to pre-covid normal operating levels. This will make comparisons to the previous two financial years difficult as both were impacted by ongoing pandemic restrictions for Victoria. Council is well placed to return to normal high quality operating service levels across a range of services.

Forecast Summary

At this stage of the financial year, operating income is expected to achieve budget with the inclusion of additional investment income due to increased interest rates. Expenditure budgets are expected to be achieved although some additional cost is expected from gas utility charges.

BALANCE SHEET

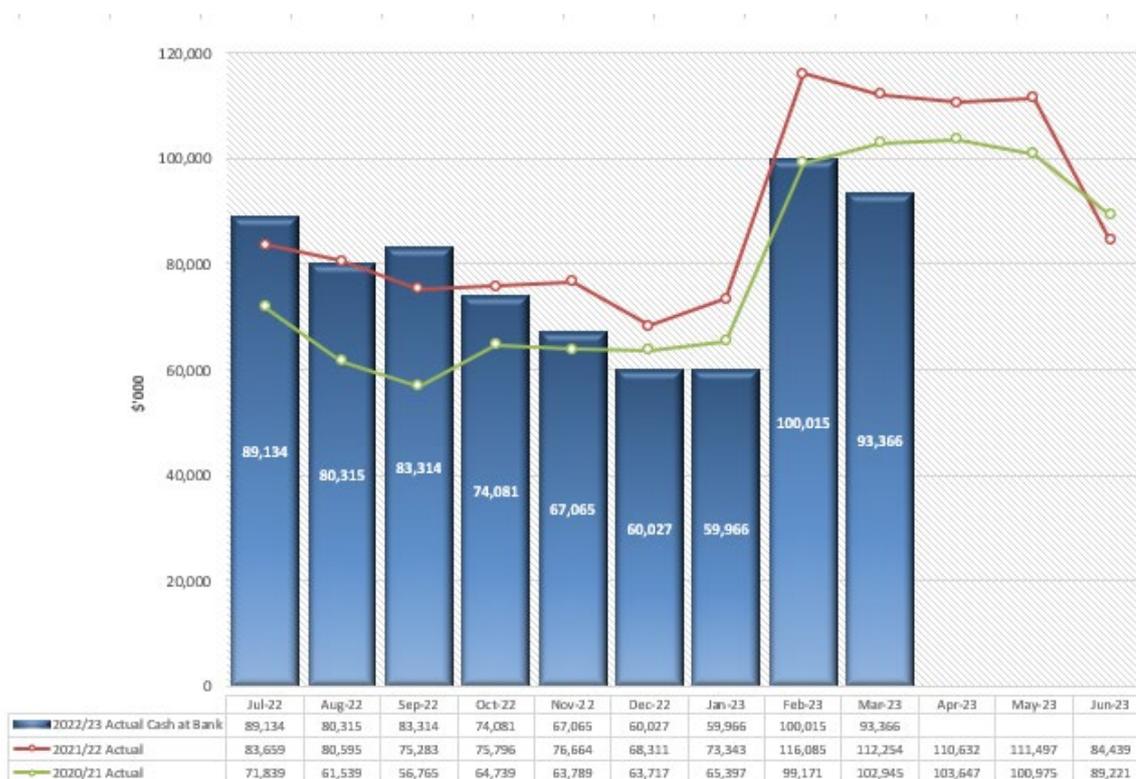
The Working Capital Ratio (WCR) assesses Council's liquidity position, this demonstrates if Council can generate sufficient cash to pay creditors on time. The WCR is strong with a ratio of 224.2% as at 31 March 2023. It comprises current assets of \$139.7M and current liabilities totalling \$62.3M. The budgeted figure for 30 June 2023 is a WCR of 115% (Appendix A).

The unrestricted cash position as at 31 March 2023 is \$54.75M, which is a favourable variance of \$31.55M compared to the budgeted figure of \$23.20M. This comprises restricted cash required by legislation of \$23.34M (\$8.4M drainage, \$4.4M parking reserve and \$10.5M public open space) and trust funds and deposits of \$15.3M. Total Cash and Investments is \$93.4M which is higher than budget (\$59.4M) by \$33.9M. (refer Appendix A).

STATEMENT OF CASH FLOWS

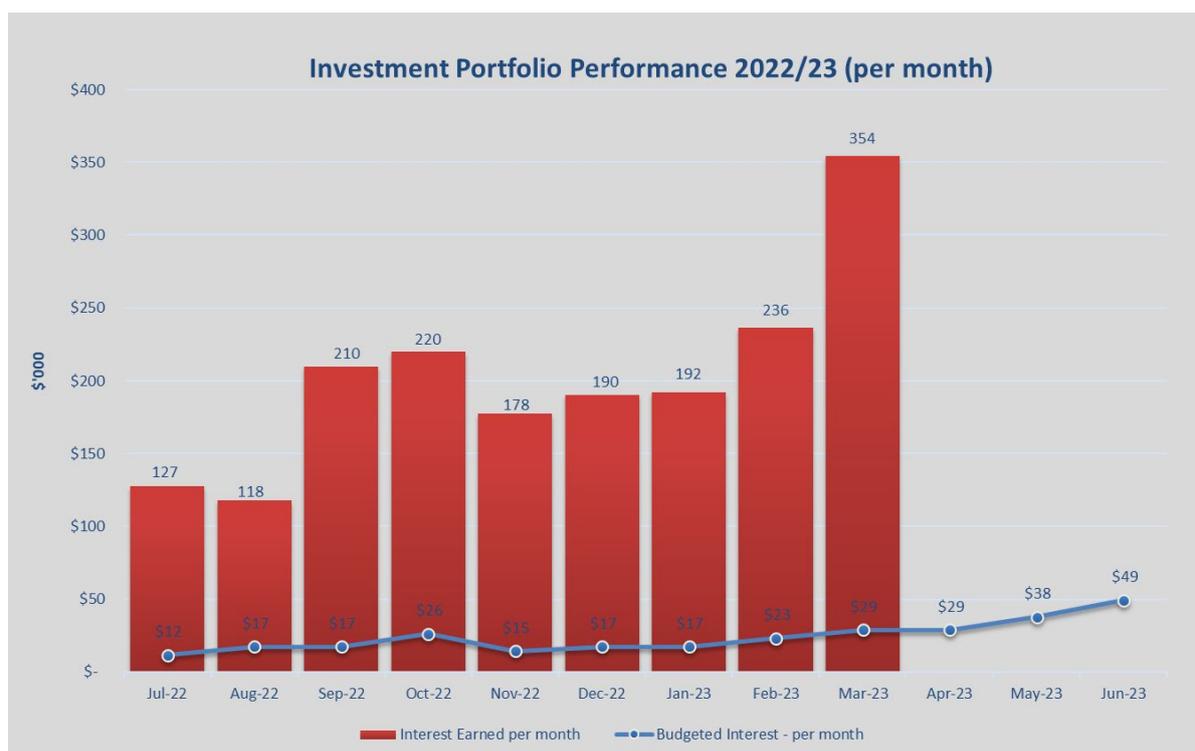
The Cash Flow Statement shows Council’s cash position at the end of March 2023 at \$93.4M an increase of \$27.2M above the year-to-date budget of \$66.2M.

The forecast cash position at this stage of the financial year is \$73.9M which is higher than the adopted budget cash position due to carrying forward some capital works expenditure into next year.



Investment Interest Performance

The following graph highlights the monthly interest performance on total cash invested. Interest performance is higher than anticipated due to a higher cash balance and improving investment interest rates.



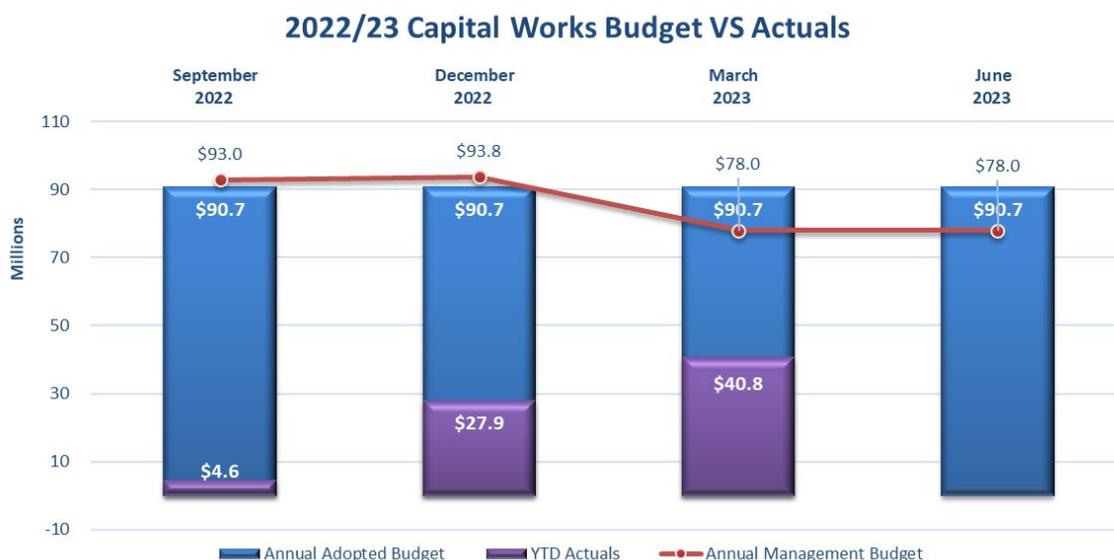
Liquidity of Investments

Type of investments	Term	Amount Invested
Call accounts	At Call	-
Term deposits	30 days or less	-
Term deposits	31 to 60 days	20,000,000
Term deposits	61 days to 90 days	5,000,000
Term deposits	91 days to 120 days	30,000,000
Term deposits	121 days to 365 days	23,500,000
Term deposits	365 days +	-
	Total funds invested	78,500,000

STATEMENT OF CAPITAL WORKS

The Statement of Capital Works presents Council’s performance against the adopted 2022/23 Capital Works Budget (\$90.7M). The annual plan target is to achieve a minimum of 90% expenditure of the agreed Capital Works Budget. As at 31 March 2023, expenditure to date is \$40.8M; some project variations have been received which will impact the total program which is Council’s highest ever capital works budget.

Given economic considerations of cost escalation, supply chain shortages and also contractor availability, the program is currently under review to determine projects that may be impacted and require carry forward into next financial year.



Adjustments to the 2022/23 Capital Works Expenditure Budget

The adopted 2022/23 Capital Budget of \$90,702,038 has been adjusted to a management budget of \$77,977,312 as at 31 March 2023, taking account of new projects with external income and either reduced or additional expenditure required for completion of the program (Appendix A).

The below table summarises the funding adjustments and budget movement since the December report.

Summary of Adjustments to the 2022/23 Capital Works Budget – at 31/03/2023

Description	Budget
2022/23 Adjusted Management Budget - 31 Dec 2022	\$ 93,797,345
Additional budget required on 22/23 projects	3,764,300
New Project budget in 22/23	520,000
Surplus funds	-4,051,630
Carry forward budget from 22/23 to 23/24	<u>-16,052,703</u>
Net Capital Budget movement	<u>-15,820,033</u>
Agreed Capital Works Budget at 31 Mar 2023	\$ 77,977,312

The decrease in project budgets since December is \$15.8M. The movement listing New Projects, Additional Funding and proposed Carry Forwards for the Quarter is included in Attachment A – Capital Works Project Details (Pages 12-14).

A project status update on agreed high profile projects can be found at Attachment B – Capital Works Project Details (Pages 15-29).

CONCLUSION

Council's financial position reflects an overall positive performance against budget year to date, made up of a number of variances, both favourable and unfavourable, across Council's operational services. These variances will continue to be monitored for the remainder of the financial year and a favourable result is expected.

The Capital Works adopted budget of \$90.7M is the largest capital works program undertaken by Council. Some projects have been identified incurring delays which will require carry forward into next financial year. The adjusted management budget for the capital program is \$78.0M which becomes the adjusted target for the year.

ATTACHMENT A – Financial Statements and Indicators

Comprehensive Income Statement

Comprehensive Income Statement for the period ending 31 March 2023							
	YTD Actual \$'000	YTD Budget \$'000	YTD Variance \$'000	2022/23 Adopted Budget \$'000	2022/23 Forecast \$'000	Forecast Var \$'000	Forecast Var %
Revenue from Ordinary Activities							
Rates & Charges	139,752	140,070	(318)	140,074	140,032	(42)	(0.0%)
Statutory Fees & Fines	7,980	7,709	271	10,278	10,278	-	0.0%
User Fees	19,114	19,543	(429)	24,846	24,846	-	0.0%
Grants - Operating	13,409	14,279	(870)	19,038	19,038	-	0.0%
Grants - Capital	8,567	10,666	(2,099)	18,354	20,183	1,829	10.0%
Contributions - cash	5,487	6,802	(1,315)	10,977	9,245	(1,732)	(15.8%)
Other Revenue	3,478	1,041	2,437	1,256	3,056	1,800	143.3%
Profit from Sale of Assets	329	0	329	0	0	-	0.0%
Total Revenue	198,116	200,109	(1,993)	224,823	226,678	1,855	0.8%
Expenses from Ordinary Activities							
Employee Costs	65,601	65,795	194	90,711	90,711	0	0.0%
Materials & Services	58,690	59,624	934	79,498	79,748	(250)	-0.3%
Depreciation	23,611	23,718	107	31,625	31,625	0	0.0%
Amortisation - Intangible Assets	1,832	1,574	(258)	2,099	2,099	0	0.0%
Amortisation - Right of Use Assets	1,161	1,548	387	1,548	1,438	110	7.1%
Bad and doubtful debts	1	0	(1)	10	10	0	0.0%
Finance costs	92	130	38	130	130	0	0.0%
Other Expenses	495	609	114	812	812	0	0.0%
Total Expenses	151,483	152,997	1,514	206,433	206,573	-140	-0.1%
Net Surplus/(Deficit) from Ordinary Operations	46,633	47,111	(478)	18,390	20,105	1,715	9.3%

Balance Sheet

Balance Sheet					
as at 31 March 2023					
	31 March 2023 Actual \$'000	2022/23 Adopted Budget \$'000	2022/23 Annual Forecast \$'000	Forecast Var \$	Forecast Var %
ASSETS					
Current Assets					
Cash & Cash Equivalents	93,366	59,436	73,766	14,330	24.1%
Trade and Other Receivables	44,941	19,616	19,616	0	0.0%
Non-current assets classified as held for sale	2,905	4,609	4,609	0	0.0%
Other Assets	(1,533)	(3,330)	(3,330)	0	0.0%
Total Current Assets	139,679	80,331	94,661	14,330	17.8%
Non-Current Assets					
Property, Plant & Equipment	3,645,322	3,423,931	3,411,206	(12,725)	(0.4%)
Right of use assets	5,187	4,476	4,586	110	2.5%
Intangibles	6,168	5,944	5,944	0	0.0%
Other Assets	0	115	115	0	0.0%
Total Non-Current Assets	3,656,677	3,434,466	3,421,851	(12,615)	(0.4%)
Total Assets	3,796,356	3,514,797	3,516,512	1,715	0.0%
LIABILITIES					
Current Liabilities					
Trade and Other Payables	22,760	35,431	35,431	0	0.0%
Trust Funds and Deposits	19,028	13,518	13,518	0	0.0%
Provision	19,973	19,714	19,714	0	0.0%
Lease Liability	540	891	891	0	0.0%
Total Current Liabilities	62,301	69,554	69,554	0	0.0%
Non-Current Liabilities					
Provision	1,673	3,786	3,786	0	0.0%
Other Liabilities	0	3,324	3,324	0	0.0%
Lease Liability	4,844	3,759	3,759	0	0.0%
Total Non-Current Liabilities	6,517	10,869	10,869	0	0.0%
Total Liabilities	68,818	80,423	80,423	0	0.0%
Net Assets	3,727,538	3,434,374	3,436,089	1,715	0.0%
EQUITY					
Accumulated Surplus	1,082,445	1,049,572	1,051,287	1,715	0.2%
Reserves	2,645,093	2,384,802	2,384,802	0	0.0%
Total Equity	3,727,538	3,434,374	3,436,089	1,715	0.05%

Statement of Cash Flows

Statement of Cash Flows for the period ending 31 March 2023								
	YTD Actual \$'000	YTD Budget \$'000	YTD Variance \$'000	2022/23 Adopted Budget \$'000	2022/23 Forecast \$'000	Forecast Var \$	Forecast Var %	
	Inflows (Outflows)	Inflows (Outflows)	Fav (Unfav)	Inflows (Outflows)	Inflows (Outflows)	Fav (Unfav)	Fav (Unfav)	
Cash Flows from Operating Activities								
Receipts								
Rates & Charges	121,735	113,616	8,119	140,074	140,032	(42)	(0.0%)	
Statutory Fees & Fines	7,980	7,157	823	10,276	10,276	0	0.0%	
User Fees	21,240	20,540	700	25,564	25,564	0	0.0%	
Grants - Operating	11,182	17,721	(6,538)	19,038	19,038	0	0.0%	
Grants - Capital	7,159	8,278	(1,120)	18,297	20,126	1,829	10.0%	
Contributions - cash	5,487	7,210	(1,723)	11,034	9,302	(1,732)	(15.7%)	
Interest Revenue	1,374	205	1,169	290	2,090	1,800	620.7%	
GST reimbursed by Australian Tax Office	9,873	13,089	(3,216)	15,392	15,392	0	0.0%	
Other Revenue	1,586	762	824	1,016	1,016	0	0.0%	
Employee Costs	(63,814)	(61,583)	(2,231)	(89,986)	(89,986)	0	0.0%	
Materials, Services and Contracts	(73,929)	(68,073)	(5,857)	(81,832)	(82,082)	(250)	0.3%	
Other Expenses	(1,257)	(1,304)	47	(1,739)	(1,739)	0	0.0%	
GST paid to Australian Tax Office	(496)	(779)	283	(822)	(822)	0	0.0%	
Operating Activities	48,120	56,841	(8,721)	66,602	68,207	1,605	2.4%	
Cash Flows from Investing Activities								
Payments for Property, Plant and Equipment	(39,486)	(78,422)	38,936	(98,865)	(86,140)	12,725	12.9%	
Proceeds from Sale of Property, Plant and Equipment	451	4,627	(4,176)	6,169	6,169	-	0.0%	
Investing Activities	(39,035)	(73,795)	34,760	(92,696)	(79,971)	12,725	13.7%	
Cash Flows from Financing Activities								
Trusts and Refundable Deposits	1,081	0	1,081	0	0	-	0.0%	
Interest paid - Lease Liability	(92)	(98)	5	(130)	(130)	-	0.0%	
Repayment of Lease Liability	(1,087)	(1,145)	58	(1,527)	(1,527)	-	0.0%	
Financing Activities	(98)	(1,243)	1,145	(1,657)	(1,657)	-	0.0%	
Net increase (decrease) in cash and cash equivalents	8,987	(18,197)	27,184	(27,751)	(13,421)	14,330	(51.6%)	
Cash and cash equivalents at the beginning of the financial year	84,379	84,379	-	87,186	87,186	-	0.0%	
Cash and cash equivalents at the end of the period	93,366	66,182	27,184	59,435	73,765	14,330	24.1%	

Statement of Capital Works

Statement of Capital Works for the period ending 31 March 2023						
	YTD Actual \$'000	2022/23 Adopted Budget \$'000	% Complete	2022/23 Management Budget \$'000	Variance to Adopted Budget Var \$	Var %
Property						
Land	-	-	0.0%	-	-	-
Land Improvements	283	127	223.7%	450	(324)	-255.1%
Total land	283	127	223.7%	450	(324)	-255.1%
Buildings and Building Improvements	12,935	29,388	44.0%	21,867	7,521	25.6%
Total buildings and building Improvements	12,935	29,388	44.0%	21,867	7,521	25.6%
Total property	13,218	29,515	44.8%	22,317	7,198	24.4%
Plant & Equipment						
Plant, machinery and equipment	506	3,470	14.6%	2,244	1,226	35.3%
Fixtures, fittings and furniture	370	502	73.7%	582	(80)	-15.9%
Computers and telecommunications	3,511	5,280	66.5%	4,576	704	13.3%
Library books	1,042	1,369	76.1%	1,369	-	-
Total plant and equipment	5,429	10,622	51.1%	8,772	1,850	17.4%
Infrastructure						
Roads	5,391	11,475	47.0%	11,924	(449)	-3.9%
Bridges	123	1,380	8.9%	528	852	61.7%
Footpaths and cycleways	4,001	5,022	79.7%	5,100	(78)	-1.6%
Drainage	2,516	4,683	53.7%	4,380	303	6.5%
Recreational, leisure and community facilities	7,618	22,971	33.2%	19,600	3,371	14.7%
Waste management	84	267	31.4%	267	-	-
Parks, open space and streetscapes	1,532	3,692	41.5%	4,080	(388)	-10.5%
Other infrastructure	889	1,076	82.6%	1,009	67	6.2%
Total Infrastructure	22,153	50,566	43.8%	46,889	3,677	7.3%
Total capital works expenditure	40,800	90,702	45.0%	77,977	12,725	14.0%
Represented by:						
New Asset expenditure	491	1,091	45.0%	938	(934)	-85.6%
Asset renewal expenditure	25,444	56,565	45.0%	48,629	(48,441)	-85.6%
Asset expansion expenditure	8,905	19,796	45.0%	17,019	(16,953)	-85.6%
Asset upgrade expenditure	5,960	13,250	45.0%	11,391	(11,347)	-85.6%
	40,800	90,702	45.0%	77,977	(77,675)	-85.6%
Funding sources represented by:						
Grants	8,567	18,297	46.8%	20,183	1,886	10.3%
Contributions	-	57	-	325	268	470.2%
Council cash	32,233	72,348	44.6%	57,469	(14,879)	-20.6%
Borrowings	-	-	-	-	-	-
Total capital works expenditure	40,800	90,702	45.0%	77,977	12,725	14.0%

Financial Indicators

Indicator	Measure	YTD Actual 2022/23	Full Year Budget 2022/23
<i>Operating position</i>			
Adjusted Underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	20.5%	1.1%
<i>Liquidity</i>			
Working Capital	Current assets / current liabilities	224.2%	115.5%
Unrestricted cash	Unrestricted cash / current liabilities	77.21%	48.6%
<i>Obligations</i>			
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	0.00%	0.00%
Loans and borrowings	Interest and principal repayments / rate revenue	0.00%	0.00%
Indebtedness	Non-current liabilities / own source revenue	4.3%	6.2%
Asset renewal	Asset renewal expenditure / depreciation	19.4%	178.9%
<i>Stability</i>			
Rates concentration	Rate revenue / adjusted underlying revenue	73.3%	67.1%
Rates effort	Rate revenue / CIV of rateable properties in the municipality	0.2%	0.2%
<i>Efficiency</i>			
Expenditure level	Total expenses / No. of property assessments	\$1,768	\$2,409
Revenue level	Residential rate revenue/No. of residential assessments	\$1,502	\$1,502
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year	3.2%	11.0%

Capital Works Project Details

This report provides a review of the 2022/23 Capital Works Program. In particular, the Capital Works Progress report aims to:

- seek approval for new projects and project variations; and
- inform Council of funding changes to the program as a result of variations approved in project expenditure.

Capital Works Project Details

The Capital Works budget movements from December 2022 to March 2023 include:

- Projects with a cost variation (Table 1);
- Projects with new budget requirement (Table 2);
- Project variations – surplus funds (Table 3); and
- Projects to be carried forward (Table 4).

Table 1: Project variations – additional budget requested

Project Name	Updated Management Budget as at Q2	\$ Change to Management Budget	Updated Management Budget as at Q3
2019-20 Building Services Renewal Program - MARC Pool Water Heating Boiler (previously MARC Swimming Pool Heating Water Boilers)	314,011	82,792	396,803
2021 - 22 Avendon Estate Cypress Windrow Replacement Program	109,385	99,615	209,000
2021-2022 Building Structures Renewal Program - Building Structural Elements	118,275	14,725	133,000
2021-22 Reactive Playground Improvements	3,780	1,220	5,000
2022 - 2023 Avendon Estate Cypress Windrow Replacement Program	425,500	206,727	632,227
2022-2023 Fleet and Plant Renewal Program	3,444,632	290,931	3,735,563
Bridge Rehabilitation - Duerdin Street Notting Hill (Construction)	900,000	680,000	1,580,000
Carlson Reserve Cricket Net Redevelopment	450,000	42,681	492,681
Carlson Reserve Playspace Upgrade and Forecourt Construction	7,543	12,353	19,896
Central Plant System at Clayton Community Centre - part of the Zero Net Carbon Action Plan - Energy Performance Contracts project	637,000	1,020	638,020
Columbia Park ELC Extension	176,243	44,274	220,517
Davies Reserve Athletics Track Redevelopment	-	211,334	211,334
Drummies Bridge Underpass Works	26,380	2,000	28,380
Ecosave Watch - BMS & Analytics Tuning for Zero Net Carbon Action Plan - Energy Performance Contracts project	44,523	2,160	46,683
Hughesdale Kindergarten Refurbishment	400,000	249,600	649,600
Installation of Boiler and Heat pump at Oakleigh Recreation Centre - part of the Zero Net Carbon Action Plan - Energy Performance Contracts project	63,998	698	64,696
Intersection modifications - O'Sullivan Road/Kingsway/Snedden Drive & O'Sullivan Road/Springvale Road, Glen Waverley	100,000	60,000	160,000
Major Category Public Lighting Renewal	1,373,776	600,000	1,973,776
Maureen Street, Kathleen Avenue, Mount Waverley – Development Contribution Program (construction)	65,475	14,518	79,993
Mt Waverley Library Toilets Refurbishment - Year 1 Design	21,300	3,200	24,500
Mulgrave Reserve Pavilion	2,661,149	729,600	3,390,749
Princes Highway Reserve Cricket Net Redevelopment	303,000	90,000	393,000
Safer Roads - Oakleigh Activity Centre Safe Pedestrian Project	400,000	10,000	410,000
Samada Street Reserve Improvements	126,564	113,000	239,564
Scammell Reserve Sportsground Boundary Fence Renewal	97,000	40,796	137,796
Tally Ho Reserve Sportsground Redevelopment	165,000	18,047	183,047
Wellington Child & Family Hub	29,645	6,089	35,734
Jack Edwards Reserve Pavilion Redevelopment	240,870	54,678	295,548
Cambridge Street Reserve & Playground Upgrade	27,749	35,000	62,749
2022 - 2023 Reserve Improvement Program	200,000	47,242	247,242
	12,932,798	3,764,300	16,091,559

Table 2: Project variations – new project budgets requested (December 2022 – March 2023)

Project Name	Updated Management Budget as at Q2	\$ Change to Management Budget	Updated Management Budget as at Q3
LRCI - Community Facilities Signage Upgrade	-	260,000	260,000
MWCC - Bringing the Environment Inside	-	230,000	230,000
Pinewood Reserve Cricket Net Feasibility & Design Project	-	30,000	30,000
	-	520,000	520,000

Table 3: Project variations – surplus funds

Project Name	Updated Management Budget as at Q2	\$ Change to Management Budget	Updated Management Budget as at Q3
2020-21 Building Services Parent Program - Oakleigh Outdoor Pool Filtration	134,400	- 110,000	24,400
2021 - 2022 Cricket Net Renewal Designs	25,680	- 9,227	16,453
2021-2022 Building Fit Out Program - Building Refurbishments (Alvie Hall refurbishments)	138,000	- 3,000	135,000
2021-2022 Building Structures Renewal Program - Roof Renewal	721,325	- 196,325	525,000
2021-2022 Golf Course Renewal Projects	109,725	- 66,225	43,500
2021-2022 Irrigation System Improvement Program	109,525	- 8,371	101,154
2021-22 Reserve Improvement Program	47,242	- 47,242	-
2022 - 2023 Reserve Improvement Program	247,242	- 48,500	198,742
2022-2023 Golf Course Renewal Projects	416,215	- 41,215	375,000
22/23 Electronic Injury and Incident Management System	150,000	- 132,533	17,467
27 Danien Street Retaining Wall Reconstruction	72,640	- 58,893	13,747
4 Layton Court, Glen Waverley - CONSTRUCTION(DCP Funding)	88,550	- 43,550	45,000
42 Ashwood Dr Retaining Wall Reconstruction	78,882	- 29,441	49,441
Ashwood Community Hall External Works	200,000	- 30,000	170,000
Atheldene Drive Reserve Playspace Upgrade Design	8,830	- 2,530	6,300
Batesford Reserve Cricket Net Design	25,000	- 2,000	23,000
Building Renewal - Fit Out Program	1,260,000	- 200,000	1,060,000
Building Renewal - Services Program	55,000	-	55,000
Cabena Crescent Veranda Refurbishment	10,000	- 10,000	-
Caloola Reserve Cricket Net Renewal	152,822	-	152,822
Cambridge Street Reserve & Playground Upgrade	62,749	- 22,749	85,498
Cambro Road Reserve Playspace Upgrade	28,641	- 3,765	24,876
Cameron Avenue Reserve and Pitt Street Works	585,313	- 1,473	583,840
Clayton Community Centre Various works	100,000	- 100,000	-
Clayton Community Hall Various works	200,000	- 145,000	55,000
Clayton Seniors Centre	200,000	- 100,000	100,000
DESIGN PHASE - Ashwood Community Hall	50,000	- 20,000	30,000
DESIGN PHASE - Monash Inn Bathroom Amenity & Kitchen Upgrade	50,000	- 10,000	40,000
Diamond Avenue Reserve Playspace Upgrade	28,641	- 3,765	24,876
Doubell Close, Glen Waverley - Development Contribution Plan (DCP) Program	386,621	- 19,889	366,732
Drainage Rehabilitation, View Street, Clayton(construction)	257,000	- 51,341	205,659
Flora Road Reserve Playspace Upgrade Design	15,095	- 8,215	6,880
Fregon Community Hall Upgrade	150,000	- 30,000	120,000
Galbally Reserve Public Toilet Design & Installation	185,200	- 18,995	166,205
Gardiners Reserve (Octavia Court) Playspace Upgrade Construct	6,000	- 1,564	4,436
Gardiners Reserve South Pitch & Lighting Redevelopment - Design	150,000	- 65,000	85,000
Garnett Street Playspace Upgrade Construction	6,000	- 3,003	2,997
Herriotts Boulevard Reserve Playspace Upgrade Design	7,944	- 2,544	5,400
Highview Park Playspace Upgrade	41,720	- 13,195	28,525
Installation of Solar at Monash Operations Centre - part of the Zero Net Carbon Action Plan - Energy Performance Contracts project	61,699	- 12,828	48,871
Jordan Reserve Cricket Net Design	30,000	- 3,000	27,000
Local Drainage Improvements 42-50 Morton Road, Burwood (construction)	37,882	- 15,807	22,075
LRCI - Reserve Furniture and Signage Project	22,636	- 22,636	-

MARC Energy efficiency and BMS upgrade. - part of the Zero Net Carbon Action Plan - Energy Performance Contracts project	331,000	-	80,000	251,000
MARC Pool Accessibility	75,000	-	896	74,104
Mayfield Park Tennis Club Lighting Upgrade - Courts 3 & 4	68,852	-	4,947	63,905
Mount Waverley Reserve Playspace Upgrade	41,720	-	9,963	31,757
Napier Park Reserve Public Toilet	50,000	-	45,000	5,000
Open Space Reserve Infrastructure	35,131	-	741	34,390
ORC Pool Filters Replacement - Construction	1,320,000	-	420,000	900,000
Pinewood Child and Family Hub	4,444,544	-	150,000	4,294,544
Portland Street North Reserve Playspace Upgrade	41,720	-	13,195	28,525
Progress Park Playspace Upgrade Construct	6,301	-	776	5,525
Rembrandt Drive Reserve Playspace Upgrade	28,641	-	2,765	25,876
Retaining Wall - 37 Cash Grove Mt Waverley	107,190	-	43,190	64,000
Rivett Crescent Reserve Playspace Upgrade Design	44,048	-	41,148	2,900
Schematic Design – Glen Waverley Civic Precinct Project	1,890,000	-	1,131,500	758,500
Site remediation and EOI for Social Housing - 333 Waverley Road, Mt Waverley	508,224	-	58,224	450,000
Sportsground Lighting Conversion to LED - Nottinghill Pinewood Tennis Club	198,162	-	33,217	164,945
Stan Riley Erosion Control & Pedestrian Link - Investigation	60,000	-	60,000	-
Vision Street, Chadstone - Road Rehabilitation (Construction)	900,000	-	139,442	760,558
Westerfield Drive Playspace Construction	27,655	-	2,805	24,850
Wetland Water and Sediment Management Program	345,000	-	100,000	245,000
	17,237,407	-	4,051,630	13,231,275

Table 4: Project variations – carry forward requests

Project Name	Updated Management Budget	\$ Change to Management Budget	Updated Management Budget as at Q3
2022-2023 Fleet and Plant Renewal Program	3,735,563	-	2,219,000
Bridge Rehabilitation - Duerdin Street Notting Hill (Construction)	1,580,000	-	380,000
Bridge Rehabilitation - Napier Park, Glen Waverley (Over Melbourne Water Overland Flow Path) - Construction	400,000	-	40,000
Carlson Reserve Pavilion Redevelopment - Design	276,928	-	50,928
Carlson Reserve Public Multi-Sports Court Design & Construction	785,050	-	15,050
Centre Road West Landscape and Stage 2 Playspace Works	70,543	-	-
Drainage Rehabilitation, 161 Police Road, Mulgrave -CONSTRUCT	153,123	-	15,000
Electronic Document Management System Replacement Project	810,000	-	261,000
Essex Heights Reserve Multi-purpose Net Redevelopment	408,000	-	45,000
Extension of Bogong Multi Level Car Park	1,500,000	-	500,000
Fregon Reserve Sports Lighting Upgrade	450,040	-	442,040
Glen Waverley Sports Hub Project	15,571,912	-	12,500,000
Hughesdale Activity Centre - Additional Streetscape Enhancement Works	185,000	-	35,000
Jingella Avenue, Ashwood - Road Rehabilitation (Construction)	1,624,735	-	800,000
Kangaroo Road, Hughesdale - Road Rehabilitation	110,000	-	55,000
Kingsway Redevelopment Consultation and Design	95,750	-	20,000
Kingsway Redevelopment Consultation and Design - Year 2	222,750	-	-
LRCI Phase 3 - Traffic Signals Lanterns to LED	353,036	-	301,557
LXRA Centre Road West Community Playspace	127,420	-	-
Major Category Public Lighting Renewal	1,973,776	-	1,118,194
Mt Waverley 3 Year old Kindergarten Refurbishment (Year 1)	1,000,000	-	80,000
Mt Waverley Library Toilets Refurbishment -Year 2 Construct	258,000	-	95,000
Mt Waverley Reserve Pavilion Redevelopment - Pavilion Upgrade Design "	365,040	-	200,000
Mulgrave Reserve Cricket Net Redevelopment	324,000	-	40,000
MWCC - Bringing the Environment Inside	230,000	-	115,000
Oakleigh Station Precinct Public Realm Upgrade - Design 2022/23	254,000	-	-
Our Project Place - Financial Upgrade and System Enhancements	45,000	-	22,440
Princes Highway Reserve Cricket Net Redevelopment	393,000	-	203,000
Retaining Wall - 2022/23 - 311 Gallaghers Road Glen Waverley	157,000	-	15,000
Retaining Wall - 54 Wave Avenue MOUNT WAVERLEY - 2022/23	58,000	-	10,000
Scoping study at Oakleigh Library precinct	150,000	-	20,000
Syndal Activity Centre streetscape improvements	70,000	-	50,000
Talbot Park Playspace Upgrade - Construct	1,091,489	-	112,543
The Gateway Retail Strip Upgrade - Design 2022/23 (Year 1)	153,000	-	98,700
Stocks Road, Mount Waverley- Strategic Drainage (Construction)	980,000	-	50,000
	35,962,155	-	19,909,452

ATTACHMENT B: 2022/23 CAPITAL WORKS MAJOR CONSTRUCTION PROJECTS THIRD QUARTER PROGRESS REPORT (as at the end of Q3)

No.	Project Title	Page No.
1	Mulgrave Reserve Pavilion	16
2	Road Reconstruction, Normanby Street, Hughesdale, Between Dallas Avenue and Kangaroo Road (Construction)	18
3	Pinewood Child and Family Hub	19
4	Mt Waverley Reserve Pavilion Redevelopment - Design	21
5	Extension of Bogong Multi Level Car Park	21
6	Glen Waverley Sports Hub Project	22
7	Jack Edwards Reserve Pavilion Redevelopment	23
8	Jingella Avenue, Ashwood - Road Rehabilitation (Construction)	24
9	Schematic design - Glen Waverley Civic Precinct Project	25
10	Mt Waverley 3-Year-old Kindergarten Refurbishment	26
11	ORC Pool Filters Replacement - Construction	26
12	Talbot Park Playspace Upgrade – Construct	27
13	2022-2023 Footpath Renewal Program	28
14	2022-2023 Road Resurfacing Program	28
15	2022-2023 Kerb & Channel Renewal Program	29

Mulgrave Reserve Pavilion

Summary of project:

This project is strategically supported through the adopted Mulgrave Reserve Master Plan which highlights a pavilion refurbishment as one of the primary action items.

Funding has been sourced through the Victoria Government – Sport and Recreation Victoria as a (2018) election commitment and Council has committed to match the funding dollar for dollar.

The project will include and entails the design and construction of the Mulgrave Reserve sports pavilion which is planned to be delivered across multiple financial years. Elements incorporated into the design include:

- the current and future needs of the community by providing flexible spaces that can be accessed by multiple users;
- meeting State Sport Associations - Cricket Australia and AFL Victoria Preferred Facility Guidelines where relevant;
- optimal viewing of the sportsgrounds including better integration for the West sportsground;
- flexible social spaces appropriate for the level of usage for club social events
- a home base for the tenant sport clubs (cricket, football) that includes female friendly facilities and is fully accessible;
- meets Building Code Australia (BCA), Disability Discrimination Act (DDA) accessibility standards and Council's Environmentally Sustainable Design (ESD) principles;
- 4 change rooms and amenities for sports clubs that are accessible to all, family and female friendly, fit-for-purpose, robust and easy to maintain;
- adequate storage space for the existing (3) tenant groups; and
- refurbishment of kitchen/canteen/kiosk areas.

Progress this quarter:

Clubs have had full use of the building since early February. Defect rectification works to the building nearly complete. Landscape works complete. Civil works complete. Official opening by the Premier complete. Variation for additional funds for completion of project approved by Council. Works to complete the installation of the remaining two panels of the front canopy and the polycarbonate infill panels underway (steel fabrication). Anticipated to be completed by June 30.



Road Reconstruction, Normanby Street, Hughesdale, Between Dallas Avenue and Kangaroo Road (Construction)

Summary of project:

Normanby Street is in poor condition as identified through proactive asset condition inspections and have been identified as a priority for renewal / reconstruction. These roads can no longer be cost effectively maintained to a reasonable standard with routine maintenance.

The reconstruction of Normanby Street will improve the visual amenity, improve safety, improve local drainage issues, reduce maintenance costs and will assist in making Monash a more connected and greener City as well as maintaining a level of service expected by the residents.

Progress this quarter:

- Construction 100% completed on Feb 23.
- Finalising project closure currently (finances).



Pinewood Child and Family Hub

Summary of project:

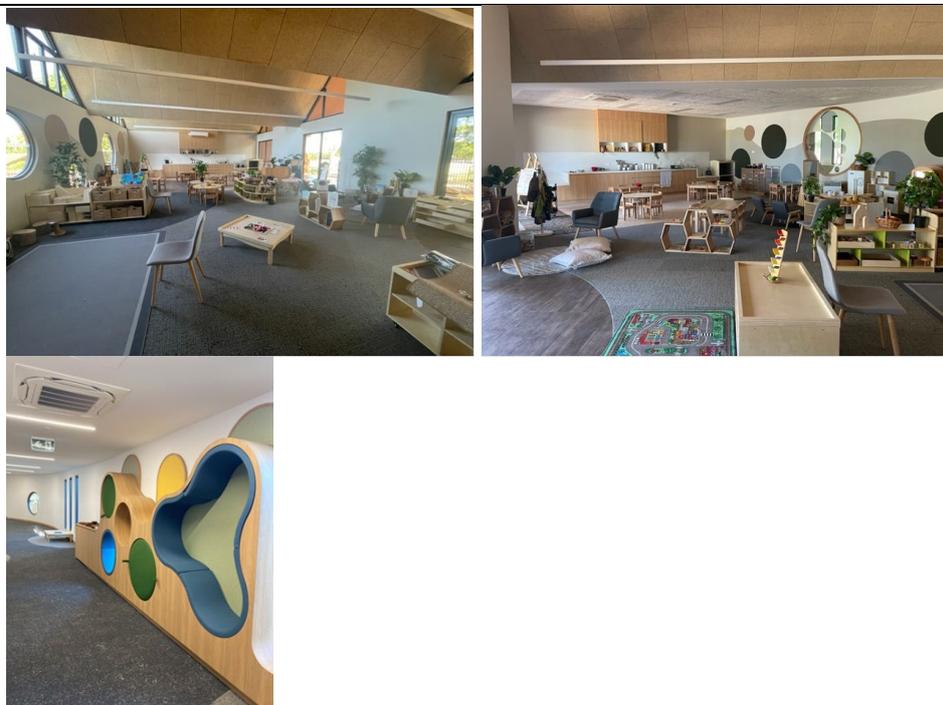
The City of Monash is planning for early years’ services, including the provision of facilities in response to Victorian Government policy announcement. Children’s Services Centres and Integrated Child & Family Hubs are planned within the context of existing early years facilities, local schools, Council and community services, health services and the community need. Children’s Services Centres and Integrated Child and Family Hubs will provide facilities which will meet the needs of the local communities. Services within these centres operate through a “one door” philosophy and will support the health and wellbeing of children and their families.

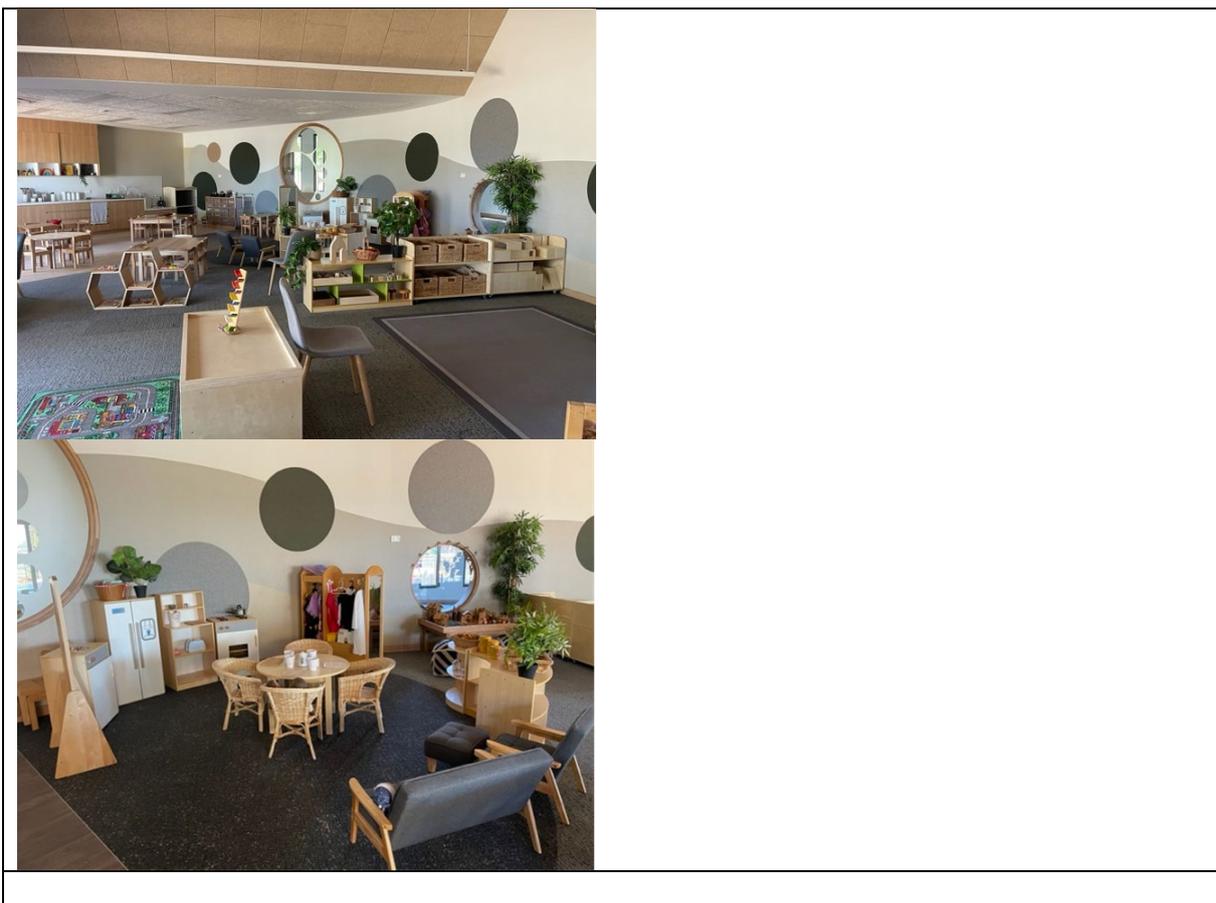
Having a variety of services collocated and collaborating can produce powerful synergies and strong outcomes for residents, including improving access to and participation in services for families; connection to school; attendance, academic achievement and behaviour; and increasing family involvement in children’s schooling.

The Pinewood Child and Family Hub project results in the co-location of the Pinewood Kindergarten, Maternal & Child Health Centre Services. The construction of the Pinewood Integrated Child and Family hub will meet the needs of the Mt Waverley children and families, as identified in the Kindergarten Infrastructure Service Plan (KISP). Application to DET for a Capacity Building VSBA Building Blocks grant was successful.

Progress this quarter:

This project is completed and has been occupied by the kindergarten and the MCH





Mt Waverley Reserve Pavilion Redevelopment - Design

Summary of project:

Mt Waverley Reserve Pavilion is home to two of Monash Council's largest sporting clubs being the Waverley Blues Football Club and Mt Waverley Cricket Club.

Council recently developed and endorsed the Mt Waverley Reserve Master Plan that identifies and prioritises key reserve infrastructure and building improvement projects.

Listed under Stage one actions within the Master Plan is the redevelopment of the sporting pavilion and public toilet amenities.

This project aims to deliver on this plan by commencing the site investigation, consultation process with tenant clubs and reserve users, and formalising design documentation. In particular, local Members indicated that this project would be considered favourably for State Government funding and the design work will ensure that Council is in a position to apply for any such funding.

Progress this quarter:

- Architect has been awarded and commenced design works of full reserve and pavilion design. Awaiting further funding announcements.
- Design services package including pavilion, sports ground, lighting, cricket nets, multi-purpose courts and car parking.
- Concept Designs and Cost plans currently being reviewed by Working Group.
- Melbourne water fortnightly meetings occurring to negotiate new water main alignment, program and scope of works Project Working group meeting fortnightly.

Extension of Bogong Multi Level Car Park

Summary of project:

Council is committed to the provision of car parking in the Glen Waverley Activity Centre (GWAC).

The GWAC is in desperate need for additional car parking and if Council does not identify a solution to provide additional parking asap the impact will be felt in the longer term when further construction commences in GWAC. The existing Council multi-level car park in Bogong Avenue presents a real opportunity to be part of the solution. Council has commenced a project to assess the construction options of this site. Council will keep its community informed of the results of the assessment via media releases, correspondence and social media.

Progress this quarter:

- Design is Complete. Currently under evaluation for the Construction tender for anticipated award at May Council meeting.
- Parking Contingency plan and Communications plan well advanced for car park closure during construction.
- Anticipate June construction commencement.



Glen Waverley Sports Hub Project

Summary of project:

The subject area for the proposed Monash Tennis Centre project is approximately 3.4 hectares, situated on the western boundary of the Glen Waverley Golf Course, 915 Waverley Road, Glen Waverley. Within this area lays a 125m outdoor driving range, a practice chipping area, the old green keeper's house now known as the Halcyon Centre where Council runs a service for people with dementia and an open space area used for informal overflow car parking and a dog off lease zone.

In 2019, Council commenced an Integrated Site Planning process to explore potential site development options in response to a number of site constraints for golf. The existing driving range is both constrained by its size and proximity to adjoining properties. Council developed a Tennis discussion paper and a tennis plan that addressed tennis within the municipality, driving specifically by the Monash Tennis Clubs. The plan called out the need for bigger more vibrant clubs and centres where Council should priorities future infrastructure spend at these locations.

Working with the existing golf contractor, Glen Waverley and Glenvale Tennis Clubs, Council identified the opportunity to locate a tennis facility on the site as a potential solution to a range of local issues. Supported by Council's Tennis Plan, Council expanded the draft design to accommodate the requirements of NELP and considered activating the space through the introduction of multi-functional spaces and entertainment options to maximise the site's utility and community benefit.

The development of the project was further enhanced with an opportunity to submit and EOI to NELP that looked to replace the infrastructure from the Boroondara existing 23-court tennis centre which is set to make way for two crucial interchanges for the North East Link, connecting the M80 to an upgraded Eastern Freeway.

Based on Council's significant strategic planning on tennis and golf in our municipality, the North East Link Project (NELP) formally invited Monash to submit a proposal for a new tennis facility at the golf course site. Council was successful in obtaining a \$21,000,000 grant to fund the proposed project.

Progress this quarter:

- Construction sub grade and foundation works being undertaken for tennis courts and new pavilion. Final earth works and underground utilities being completed. Steel and block work for new pavilion currently in progress.
- Jells Rd and Waverley Rd intersection works have been completed. Traffic signals are operational.
- Regular ongoing PWG /PCG/ Steering Committee meetings being held.
- Consultation updates continue with local residents and Monash Shape page.
- Project tracking on time and budget.



Jack Edwards Reserve Pavilion Redevelopment

Summary of project:

Through the club advocacy, the State Government has provided a grant for the redevelopment of a new soccer pavilion at Jack Edwards Reserve. The proposal is for a multi-purpose double storey football (Soccer) pavilion redevelopment and community stadium at Jack Edwards Reserve, Oakleigh.

The design will include a facility that accommodates the requirements of a National Premier League (NPL) 1 venue with aspirations of hosting FFA cup finals and potential B-League fixtures:

- 4 unisex change rooms with amenities – two to be fully fitted home club rooms with lockers and provision for signage. One amenities unit to contain provision of player recovery facilities
- Players lecture/briefing room
- 2 match official rooms
- 2 massage rooms
- Training room / gym
- First Aid Room
- Storage (indoor and outdoor)
- Spectator amenities
- Cleaners rooms
- Kiosk and bar
- Social room, with kitchen and bar facilities to cater for community events
- Secondary meeting room
- Media Zones
- Players races
- 1,500 seat capacity with covered grandstand
- Lift

Secondary facility:

- Venue entrance
- Ticket box
- Kiosk and social space to serve both spectators in the eastern grandstand but the social activities associated with adjoining synthetic pitch
- Outdoor plaza, seating, shelter, screens to enhance spectator experience, support outdoor eating during matches and during training

Associated Infrastructure:

- Modular changerooms for FIFA Women's World Cup in 2023, to be completed by Mid-May 2023 prior to the site being selected as a training venue. Refer to 10.19
- Pathway connections
- Reinstatement of perimeter boundary and pitch fencing
- Landscaping, incorporating easy access portable goal storage
- LED sportslighting redevelopment/pole relocation
- New venue entry/vehicle access and loading bay/car park
- Wayfinding signage
- Drinking Fountains
- Rubbish Bins and bin enclosure

- Coaches boxes
- Spectator/Accessible toilets

Progress this quarter:

- Project Working /Control Group formed.
- Options Analysis and feasibility brief has been completed with estimated costings.
- This has been presented to Councillors, ELT, PCG and PWG feedback and then approval. Budget of \$14.7M.
- Architect and Quantity surveyor has been engaged and preparing cost plan and Concept Design works currently being reviewed by working group. Preliminary site investigations currently being completed.

Jingella Avenue, Ashwood - Road Rehabilitation (Construction)

Summary of project:

Jingella Avenue, Ashwood is in poor condition as identified through proactive asset condition inspections and has been identified as a priority for renewal / reconstruction. This road can no longer be cost effectively maintained to a reasonable standard with routine maintenance.

The works include new kerb & channel, drainage pipes and pits, footpath and pavement rehabilitation including new wearing course asphalt.

The reconstruction will improve safety, address local drainage issues, reduce maintenance costs, improve the visual amenity and will assist in making Monash a more connected and greener City as well as maintaining a level of service expected by our community.

Progress this quarter:

- Construction on track expected to be completed by end of August 2023
- Project is tracking within approved budget.



Schematic design - Glen Waverley Civic Precinct Project

Summary of project:

The City of Monash's Glen Waverley Library is nearing the end of its useful life. In addition, Council's principal administration base has gradually become restricted in space and is split over two locations. Neither location includes a sufficient range of meeting spaces (in particular, a large civic hall (function space)).

Both facilities are located within the central Civic Precinct, an important site within the Glen Waverley Activity Centre that is recognised in the Local Planning Framework as a priority for major intensification and a centre for commercial, retail, entertainment and government services.

Knowing this, Council has completed a feasibility study that explored the opportunities to redevelop the civic precinct and construct a multi-purpose facility and an upgrade of Council's existing principal administration base to include a large function space. The feasibility study worked through Council's spatial needs for all functions of the civic centre resulting in a preferred concept with a functional brief to inform the next stage of schematic design.

The next stage of this project includes completion of a concept plan and schematic design report (or stage 2 design services). The outcome of this work will further inform ELT and Council with development of a business case for proceeding with this project.

Progress this quarter:

- Schematic Design Report and costings complete.
- Pending report to Council for decision on community engagement and next stage.



Mt Waverley 3-Year-old Kindergarten Refurbishment

Summary of project:

The State Government introduced policy to provide funded three-year-old kindergarten programs for up to 15 hours per week. As a result, infrastructure planning through Kindergarten Infrastructure Support Plans (KISP), have been completed which have identified areas of high needs for new kindergarten places / infrastructure. Mt Waverley has been identified as an area of need for increased 3-year-old kindergarten places.

The Mt Waverley Maternal & Child Health (MCH) service will relocate to the Pinewood Child and Family Hub, upon completion of construction in December 2022. This will result in the existing Mt Waverley MCH space becoming vacant.

This provides capacity to refurbish the existing MCH space as a 22-place kindergarten room. This results significantly increased kindergarten capacity at that site.

Progress this quarter:

- Tender drawings have been completed and currently seeking comments internally from Council stakeholders.
- This is a multi-year project. Construction is scheduled to occur between September 18 and finish by mid-January 2024.
- Project is on track and within budget.

ORC Pool Filters Replacement - Construction

Summary of project:

The existing filtration system at Oakleigh Recreation Centre (ORC) is utilising atlas filters with perlite filter media. The site has had long term issues with the filters in terms of their maintenance and operation and as a result, the existing filters are to be removed and replaced with deep bed glass media filters.

There are two filtration systems on the site as follows:

- 50m pool and dive pool located within main plant room accessible from Park Road;
- Warm Water Pool Toddler pool and splash pad located at the east end of the ORC site and accessed from the shared pathway running along the north boundary to Park Road.

Both plant rooms are required to house the equipment required to service the various pools/water bodies.

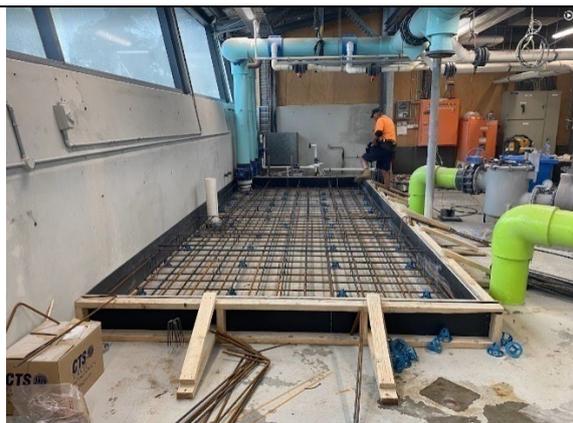
The existing CO2 gas supply (bottled gas) is currently delivered to both plant rooms via a forklift. The warm water plant only has access via the Scotchman's Creek Trail which requires closure and traffic management of this section of the shared pathway to facilitate safe delivery & transportation of CO2 gas bottles.

The extent of the project is limited to replacement of the filters and any modifications required to the existing filtration system to operate, utilizing the existing pumps & fixtures which are in good condition. The project also includes rationalisation of CO2 gas bottle storage adjacent to the main plant room off Park Road with an underground supply feed

line to the warm water pool plant room thereby eliminating the need to transport and store bottles near the warm water pool plant room at the east end of the ORC site.

Progress this quarter:

- This contract is well underway,
- Demolition of the old filters and pipework is completed,
- New filters are on site and the plinths are being prepared for pouring
- Project is on track for a mid-June 2023 completion.



Talbot Park Playspace Upgrade - Construct

Summary of project:

This project is the construction of a District Standard playground in 2022-23 at Talbot Park Oakleigh South. This upgrade project is needed, as the current playspace is dated and requires an upgrade in order to create a space that is fit for purpose and relevant for the community. The Playground Redevelopment Program 2020-2025 has been directly informed by playground priorities identified in the Active Monash Capital Works Priorities Framework 2018.

The design and community consultation for this project occurred in 2021-22

The site is a former landfill site that shows significant settlement and movement of the surface. Outfall drainage is also required to drain areas that no longer naturally drain due to the land settlement.

Progress this quarter:

- Talbot Park Drainage Stage 1 awarded.
- Works expected to start in May.
- Playground upgrade funds carried forward until 2023/24.



2022-2023 Footpath Renewal Program

Summary of project:

The Footpath Rehabilitation Program addresses the rehabilitation and replacement of failed areas of footpath which are beyond the scope of minor maintenance. The rehabilitation and replacement of footpaths is a key priority for Council in ensuring the walkability of our city.

Progress this quarter:

- Renewal work continues in Oakleigh, Oakleigh East and Glen Waverley areas.
- Project is tracking within budget.

2022-2023 Road Resurfacing Program

Summary of project:

The Road Resurfacing Program addresses the resurfacing of local roads and the replacement of failed area of pavement which are beyond the scope of minor maintenance. The resurfacing of local roads is a key priority for Council in delivering a safe and effective road network across Monash.

Progress this quarter:

- Construction work has commenced and will be continued to be delivered during March, April and May. Program on track for delivery within time and budget.

2022-2023 Kerb & Channel Renewal Program

Summary of project:

The Kerb and Channel Replacement Program addresses the rehabilitation and replacement of failed kerb and channel across Monash. These works are beyond the scope of minor maintenance. The Kerb and Channel Replacement Program is associated with Council's Local Road Resurfacing Program where identified sections across the road network are replaced prior to road resurfacing.

Progress this quarter:

- Works being delivered as per the program.
- No issues with delivery and will be completed within time and budget.