

3.1 2022/23 FINANCIAL MANAGEMENT AND CAPITAL WORKS PROGRESS REPORT – FIRST QUARTER 30 SEPTEMBER 2022

(YN:PM)

Responsible Senior Officer: Danny Wain, Chief Financial Officer

RECOMMENDATION*That Council:*

1. *Notes the Quarterly Financial Management and Capital Works Progress Report for the period ending 30 September 2022, 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 Appendix 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.

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

As at 30 September 2022, the YTD net surplus from ordinary operations was \$108.8M, representing a 0.7% (\$0.8M) unfavourable variance against the YTD budget (\$109.7M). The full Income Statement is included in Appendix A - Financial Statements & Indicators.

	YTD	YTD Mgmt	YTD Variance		Adopted	Full Year	Forecast Variance		
	Actual	Budget	\$'000	%	Budget	Forecast	\$'000	%	
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	%	
Total income	158,975	161,261	(2,286)	(1.4%)	224,823	224,823	0	0.0%	●
Employee Costs	22,236	22,675	439	1.9%	90,701	90,701	0	0.0%	●
Materials, Services & Contracts	18,836	19,877	1,041	5.2%	79,508	79,508	0	0.0%	●
Depreciation & Other Expenses	9,057	9,056	(1)	(0.0%)	36,224	36,224	0	0.0%	●
Total expenses	50,129	51,608	1,479	2.9%	206,433	206,433	0	0.0%	●
Surplus (deficit) for the year	108,846	109,653	(807)	(0.7%)	18,390	18,390	0	0.0%	●
Transfers to reserve	0	0	0	0.0%	0	0	0	0.0%	●
Surplus (deficit) after transfers to reserves	108,846	109,653	(807)	-0.7%	18,390	18,390	0	0.0%	●
Less Capital Income (non-recurrent)	(1,028)	(4,028)	(3,001)	0.0%	(16,104)	(16,104)	0	0.0%	●
Adjusted underlying surplus/ (deficit)	107,818	105,625	2,194	2.1%	2,286	2,286	0	0.0%	●

This result is mainly due to lower capital income grants and development contributions received to date which are expected later in the year. Employee costs and materials and services expenditure are favourable even though some payments for insurance premium and software support costs have been paid which are 'up-front' for the year.

Income is unfavourable year-to-date (\$2.3M) which is mainly related to capital income grants which are still expected to be received and expenditure is favourable year to date (\$1.5M).

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 2 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 early stage of the financial year, both operating income and expenditure budgets are expected to be achieved. Additional costs may be incurred for general materials and services as the economy is heading towards higher inflation levels. This will be monitored going forward and offsetting budget expenditure may need to occur in various programs.

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 361.2% as at 30 September 2022. It is comprised of current assets of \$218.5M and current liabilities totalling \$60.5M. The budgeted figure for 30 June 2022 is a WCR of 115% (Appendix A).

The unrestricted cash position at 30 September 2022 is \$45.2M, which is a favourable variance of \$22.0M compared to the budgeted figure of \$23.2M. This is an indication of Council’s cash position not secured for statutory purposes and refers to cash that can be used for other discretionary purposes. This comprises restricted cash required by legislation of \$23.3M (\$8.4M drainage, \$4.4M parking reserve and \$10.5M public open space) and trust funds and deposits of \$14.7M. Total Cash and Investments is \$83.3M which is higher than budget (\$59.4M) by \$23.9M. (refer Appendix A).

STATEMENT OF CASH FLOWS

The Cash Flow Statement shows Council’s cash position at the end of September 2022 at \$83.3M, an increase of \$3.1M above the year-to-date budget of \$80.25M.

The forecast cash position at this early stage of the financial year is \$57.2M which is just below the adopted budget cash position due to capital works forecast expenditure expected at the end of the financial year.



Investment Interest Performance

The graph below 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

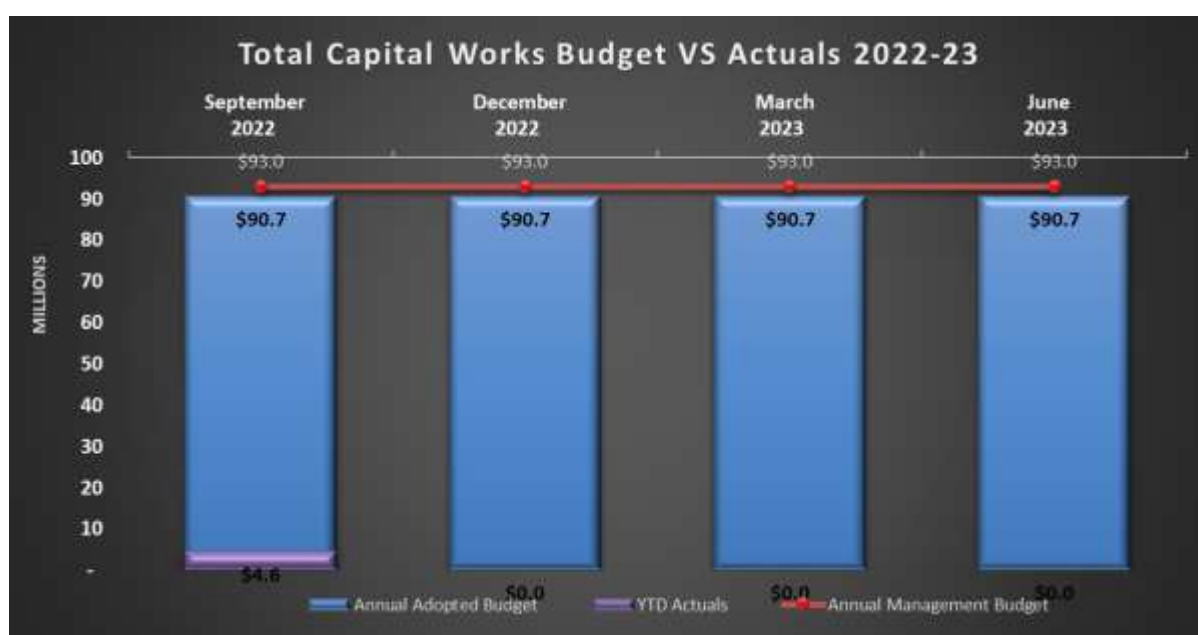
Type of investments	Term	Amount Invested
Call accounts	At Call	-
Term deposits	30 days or less	-
Term deposits	31 to 60 days	-
Term deposits	61 days to 90 days	-
Term deposits	91 days to 120 days	43,000,000
Term deposits	121 days to 365 days	23,500,000
Term deposits	365 days +	-
Total funds invested		66,500,000

STATEMENT OF CAPITAL WORKS

The Statement of Capital Works presents Council’s performance against the Adopted 2022/23 Capital Works Budget of \$90.7M total expenditure.

The Annual Plan target is to achieve a minimum of 90% expenditure of the agreed Capital Works Budget. As at 30 September 2022, expenditure to date is \$4.5M; 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 \$92,966,896 as at 30 September 2022, 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 required to the Adopted 2022/23 Capital Works Budget.

Summary of Adjustments to the 2022/23 Capital Works Budget – at 30/09/2022

Description	Budget
2022-23 Adopted Budget	\$ 90,702,038
Additional project funding carried forward from 2021/22	\$ 7,039,377
Additional project funding requests/variatio	-\$ 4,774,519
Adjusted Capital Works Budget at 30 SEP 2022	\$ 92,966,896

The net increase in projects since budget adoption is \$2.26M. The movement listing New Projects, Additional Funding and proposed Carry Forwards is included in Appendix A – Capital Works Project Details (Pages 12-17).

A project status update on agreed high profile projects can be found at Appendix A – Capital Works Project Details (Pages 18-32).

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.

The Capital Works adopted budget of \$90.7M is the largest capital works program undertaken by Council. Unfinished projects from 2021/22 - since budget adoption – have increased this amount further but some projects have been identified incurring delays which will require carry forward into next financial year. There is ongoing review of project progress, project savings and project delivery which will inform the end of year result intended on achieving the adjusted target for the year.

APPENDIX A – Financial Statements and Indicators

Comprehensive Income Statement

Comprehensive Income Statement for the period ending 30 September 2022							
	YTD Actual \$'000	YTD Budget \$'000	YTD Variance \$'000	2022/23 Adopted Budget \$'000	2022/23 Forecast \$'000	Forecast Var \$	Forecast Var %
Revenue from Ordinary Activities							
Rates & Charges	139,104	140,074	(970)	140,074	140,074	0	0.0%
Statutory Fees & Fines	2,676	2,570	106	10,278	10,278	0	0.0%
User Fees	7,105	6,211	894	24,846	24,846	0	0.0%
Grants - Operating	6,566	4,759	1,807	19,038	19,038	0	0.0%
Grants - Capital	1,028	4,574	(3,547)	18,297	18,297	0	0.0%
Contributions - cash	1,475	2,758	(1,283)	11,034	11,034	0	0.0%
Other Revenue	892	314	578	1,256	1,256	0	0.0%
Profit from Sale of Assets	130	0	130	0	0	0	0.0%
Total Revenue	158,976	161,261	(2,285)	224,823	224,823	0	0.0%
Expenses from Ordinary Activities							
Employee Costs	22,236	22,675	439	90,701	90,701	0	0.0%
Materials, Services & Contracts	18,836	19,877	1,041	79,508	79,508	0	0.0%
Depreciation	7,906	7,906	0	31,625	31,625	0	0.0%
Amortisation - Intangible Assets	524	525	1	2,099	2,099	0	0.0%
Amortisation - Right of Use Assets	516	387	(129)	1,548	1,548	0	0.0%
Bad and doubtful debts	0	3	3	10	10	0	0.0%
Finance costs	0	33	33	130	130	0	0.0%
Other Expenses	111	203	92	812	812	0	0.0%
Total Expenses	50,129	51,608	1,479	206,433	206,433	0	0.0%
Net Surplus/(Deficit) from Ordinary Operations	108,847	109,653	(806)	18,390	18,390	0	0.0%

Balance Sheet

Balance Sheet					
as at 30 September 2022					
	30 September 2022 Actual \$'000	2022/23 Adopted Budget \$'000	2022/23 Annual Forecast \$'000	Forecast Var \$	Forecast Var %
ASSETS					
Current Assets					
Cash & Cash Equivalents	83,314	59,436	57,171	(2,265)	(3.8%)
Trade and Other Receivables	133,224	19,616	19,616	0	0.0%
Non-current assets classified as I	2,905	4,609	4,609	0	0.0%
Other Assets	(937)	(3,330)	(3,330)	0	0.0%
Total Current Assets	218,506	80,331	78,066	(2,265)	(2.8%)
Non-Current Assets					
Property, Plant & Equipment	3,627,312	3,423,931	3,426,196	2,265	0.1%
Right of use assets	5,529	4,476	4,476	0	0.0%
Intangibles	5,001	5,944	5,944	0	0.0%
Other Assets	0	115	115	0	0.0%
Total Non-Current Assets	3,637,842	3,434,466	3,436,731	2,265	0.1%
Total Assets	3,856,348	3,514,797	3,514,797	0	0.0%
LIABILITIES					
Current Liabilities					
Trade and Other Payables	16,336	35,431	35,431	0	0.0%
Trust Funds and Deposits	21,926	13,518	13,518	0	0.0%
Provision	20,715	19,714	19,714	0	0.0%
Lease Liability	1,518	891	891	0	0.0%
Total Current Liabilities	60,495	69,554	69,554	0	0.0%
Non-Current Liabilities					
Provision	1,452	3,786	3,786	0	0.0%
Other Liabilities	0	3,324	3,324	0	0.0%
Lease Liability	4,650	3,759	3,759	0	0.0%
Total Non-Current Liabilities	6,102	10,869	10,869	0	0.0%
Total Liabilities	66,597	80,423	80,423	0	0.0%
Net Assets	3,789,751	3,434,374	3,434,374	0	0.0%
EQUITY					
Accumulated Surplus	1,144,658	1,049,572	1,049,572	0	0.0%
Reserves	2,645,093	2,384,802	2,384,802	0	0.0%
Total Equity	3,789,751	3,434,374	3,434,374	0	0.0%

Statement of Cash Flows

Statement of Cash Flows For the Period Ending 30 September 2022							
	YTD Actual \$'000	YTD Budget \$'000	YTD Variance \$'000	2022/23 Adopted Budget \$'000	2022/23 Forecast \$'000	Forecast Var \$	Forecast Var %
	Inflows	Inflows	Fav	Inflows	Inflows	Fav	Fav
	(Outflows)	(Outflows)	(Unfav)	(Outflows)	(Outflows)	(Unfav)	(Unfav)
Cash Flows from Operating Activities							
Receipts							
Rates & Charges	29,691	35,019	(5,328)	140,074	140,074	0	0.0%
Fire Services Levy	0	0	0	0	0	0	0.0%
Statutory Fees & Fines	2,676	2,569	107	10,276	10,276	0	0.0%
User Fees	5,705	6,391	(686)	25,564	25,564	0	0.0%
Grants - Operating	5,749	4,760	990	19,038	19,038	0	0.0%
Grants - Capital	176	4,574	(4,399)	18,297	18,297	0	0.0%
Contributions - cash	1,475	2,759	(1,284)	11,034	11,034	0	0.0%
Interest Revenue	(201)	73	(274)	290	290	0	0.0%
GST reimbursed by Australian Tax Office	2,873	3,848	(975)	15,392	15,392	0	0.0%
Other Revenue	713	254	459	1,016	1,016	0	0.0%
Employee Costs	(19,055)	(22,497)	3,442	(89,986)	(89,986)	0	0.0%
Materials, Services and Contracts	(21,830)	(20,458)	(1,372)	(81,832)	(81,832)	0	0.0%
Other Expenses	(355)	(435)	80	(1,739)	(1,739)	0	0.0%
GST paid to Australian Tax Office	(111)	(206)	95	(822)	(822)	0	0.0%
Operating Activities	7,507	16,651	(9,144)	66,602	66,602	0	0.0%
Cash Flows from Investing Activities							
Payments for Property, Plant and Equipment	(9,236)	(24,716)	15,480	(98,865)	(101,130)	(2,265)	(2.3%)
Proceeds from Sale of Property, Plant and Equipment	119	1,542	(1,423)	6,169	6,169	0	0.0%
Investing Activities	(9,117)	(23,174)	14,057	(92,696)	(94,961)	(2,265)	(2.4%)
Cash Flows from Financing Activities							
Trusts and Refundable Deposits	545	0	545	0	0	0	0.0%
Interest paid - Lease Liability	0	(33)	33	(130)	(130)	0	0.0%
Repayment of Lease Liability	0	(382)	382	(1,527)	(1,527)	0	0.0%
Financing Activities	545	(414)	959	(1,657)	(1,657)	0	0.0%
Net increase (decrease) in cash and cash equivalents	(1,065)	(6,938)	5,872	(27,751)	(30,016)	(2,265)	8.2%
Cash and cash equivalents at the beginning	84,379	87,186	(2,807)	87,186	87,186	0	0.0%
Cash and cash equivalents at the end of the period	83,314	80,248	3,065	59,435	57,171	(2,264)	(3.8%)

Statement of Capital Works

Statement of Capital Works for the period ending 30 September 2022						
	YTD Actual \$'000	2022/23 Adopted Budget \$'000	% Complete	2022/23 Management Budget \$'000	Variance to Adopted Budget Var \$ Var %	
Property						
Land	0	0	0.0%	0	0	0.0%
Land Improvements	15	126	11.9%	508	(382)	(303.0%)
Total land	15	126	11.9%	508	(382)	(303.0%)
Buildings and Building Improvements	1,176	29,388	4.0%	26,453	2,935	10.0%
Total buildings and building Improvements	1,176	29,388	4.0%	26,453	2,935	10.0%
Total property	1,191	29,514	4.0%	26,961	2,553	8.6%
Plant & Equipment						
Plant, machinery and equipment	33	3,445	1.0%	3,445	0	0.0%
Fixtures, fittings and furniture	27	503	5.4%	583	(80)	(15.9%)
Computers and telecommunications	434	5,305	8.2%	5,305	0	0.0%
Library books	393	1,369	28.7%	1,369	0	0.0%
Total plant and equipment	887	10,622	8.4%	10,702	(80)	(0.8%)
Infrastructure						
Roads	688	11,335	6.1%	11,678	(343)	(3.0%)
Bridges	0	1,380	0.0%	1,406	(26)	(2%)
Footpaths and cycleways	869	4,837	18.0%	5,065	(228)	(4.7%)
Drainage	126	4,683	2.7%	5,265	(582)	(12.4%)
Recreational, leisure and community facilities	50	22,922	0.2%	25,085	(2,163)	(9.4%)
Waste management	49	267	18.4%	267	0	0.0%
Parks, open space and streetscapes	367	3,957	9.3%	5,157	(1,200)	(30.3%)
Other infrastructure	345	1,185	29.1%	1,379	(194)	(16.4%)
Total Infrastructure	2,494	50,566	4.9%	55,304	(4,738)	(9.4%)
Total capital works expenditure	4,572	90,702	5.0%	92,967	(2,265)	(2.5%)
Represented by:						
New Asset expenditure	0	1,091	0.0%	1,118	(27)	(2.5%)
Asset renewal expenditure	4,572	56,565	8.1%	57,977	(1,412)	(2.5%)
Asset expansion expenditure	0	19,796	0.0%	20,290	(494)	(2.5%)
Asset upgrade expenditure	0	13,250	0.0%	13,581	(331)	(2.5%)
	4,572	90,702	5.0%	92,967	(2,265)	(2.5%)
Funding sources represented by:						
Grants	1,028	18,297	5.6%	18,297	0	0.0%
Contributions	0	57	0.0%	57	0	0.0%
Council cash	3,544	72,348	4.9%	74,613	(2,265)	(3.1%)
Borrowings	0	0	0.0%	0	0	0.0%
Total capital works expenditure	4,572	90,702	5.0%	92,967	(2,265)	(2.5%)

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	68.5%	1.1%
<i>Liquidity</i>			
Working Capital	Current assets / current liabilities	361.2%	115.5%
Unrestricted cash	Unrestricted cash / current liabilities	62.90%	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	4.1%	6.2%
Asset renewal	Asset renewal expenditure / depreciation	57.8%	178.9%
<i>Stability</i>			
Rates concentration	Rate revenue / adjusted underlying revenue	87.5%	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	\$585	\$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

The Capital Works budget movements from July 2022 to September 2022 include:

- 1 Endorsing project carry forwards from 2021/22 not included in the adopted 2022/23 Budget (June 2022) (Table 1). This project information, when endorsed, will result in a net increase in the 2022/23 capital portfolio as well as an increase to the associated budget envelope.
- 2 Endorsing project variations and new projects identified in Q1, these being:
 - 2.1 Projects with surplus funds on receiving external grants (Table 2)
 - 2.2 New projects to be added as a result of grant funding (Table 3). These projects are requested to be added as new projects in the 2022/23 portfolio. Projects are primarily a result of being successful in significant external funding, resulting in the need to be added to the portfolio.
 - 2.3 Projects with a cost variation (Table 4).

Table 1: EOFY carry forward projects from 2021/22 (variations not included in 2022/23 adopted budget (June 2022))

Number	Project Name	2021/22 project budgets to be carried forward to 2022/23
C01087	2019-20 Building Services Renewal Program - MARC Pool Water Heating Boiler (previously MARC Swimming Pool Heating Water Boilers)	\$101,935
C01139	Ashwood Chadstone Pathways to equality	\$45,125
C01141	Mulgrave Reserve Pavilion	\$678,842
C01220	Doubell Close, Glen Waverley - Development Contribution Plan (DCP) Program (construction)	\$386,621
C01234	Pinewood Reserve Sports Ground Lighting Upgrade	\$124,179
C01239	Sportsground Lighting Renewal Program Mulgrave	\$183,755
C01259	Wellington Child & Family Hub	\$29,645
C01282	Major Category Public Lighting Renewal	\$326,565
C01304	Mt Waverley Library Toilets Refurbishment -Year 1 Design	\$21,300
C01322	Traffic Management Treatments - Windsor Avenue, Mount Waverley	\$45,000
C01408	Galbally Reserve Public Toilet Design & Installation	\$35,200
C01449	Cabena Crescent Veranda Refurbishment	\$10,000
C01552	Cambridge Street Reserve & Playground Upgrade	\$16,600
C01553	Minor Miscellaneous Drainage Improvements	\$36,627
C01555	Road Reconstruction, Normanby Street, Hughesdale, Between Dallas Avenue and Kangaroo Road (Construction)	\$334,529
C01569	2020-21 Building Services Parent Program - Monash Aquatic Centre - Domestic Hot Water	\$337,609

Number	Project Name	2021/22 project budgets to be carried forward to 2022/23
C01570	2020-21 Building Services Parent Program - Oakleigh Outdoor Pool Filtration	\$24,400
C01574	Southern Reserve Lighting Upgrade	\$142,521
C01575	Capital Reserve Sportsground Lighting Upgrade	\$165,292
C01576	Meade Reserve Sportsground Lighting Upgrade	\$180,826
C01592	2021 - 22 Avendon Estate Cypress Windrow Replacement Program	\$109,385
C01601	Jingella Avenue, Ashwood - Road Reconstruction Program(design)	\$8,615
C01602	Site remediation and EOI for Social Housing - 333 Waverley Road, Mt Waverley	\$381,724
C01613	Local Drainage Improvements 42-50 Morton Road, Burwood (construction)	\$5,000
C01614	Maureen Street, Kathleen Avenue, Mount Waverley – Development Contribution Program (construction)	\$65,475
C01620	Retaining Wall - 37 Cash Grove Mt Waverley	\$32,190
C01626	Carlson Reserve Playspace Upgrade and Forecourt Construction	\$7,543
C01629	2021/22- Major Activity Centres Renewal Program	\$181,758
C01636	2021-22 Sports Reserve Infrastructure Program	\$42,822
C01637	Freeway Reserve Sportsground Lighting Upgrade	\$175,666
C01638	Drummies Bridge Underpass Works	\$26,380
C01642	Garnett Street Playspace Upgrade Construction	\$6,000
C01645	Talbot Park Playspace Upgrade	\$26,248
C01650	Caloola Reserve Cricket Net Renewal	\$152,822
C01651	2021 - 2022 Cricket Net Renewal Designs	\$25,680
C01652	Atheldene Drive Reserve Playspace Upgrade Design	\$5,830
C01656	Flora Road Reserve Playspace Upgrade Design	\$12,375
C01658	2021-2022 Irrigation System Improvement Program	\$87,953
C01659	2021-2022 Monash Gallery of Art Collection Development and Acquisitions	\$927
C01661	Monash Gallery of Art Retail and Community spaces renewal	\$15,000
C01667	Gardiners Reserve (Octavia Court) Playspace Upgrade Construct	\$6,000
C01668	Wellington Reserve Sportsground Boundary Fence Renewal and Walking Path/Fitness Pod Project	\$59,283
C01670	Extension of Bogong Multi Level Car Park	\$187,676
C01672	Scotchmans Creek Trail Widening - Blackburn Road to Waverley Road - Design Only	\$33,421
C01684	Open Space Reserve Infrastructure	\$35,131
C01690	2021-22 Reserve Improvement Program	\$47,242
C01691	Centre Road West Landscape and Stage 2 Playspace Works	\$18,459
C01701	Westerfield Drive Playspace Construction	\$27,655

Number	Project Name	2021/22 project budgets to be carried forward to 2022/23
C01716	Scotchmans Creek Trail in Mount Waverley - Stanley Avenue Road Narrowing & Trail Widening - Design Only	\$850
C01723	Progress Park Playspace Upgrade Construct	\$5,525
C01728	2021-2022 Building Services Program	\$100,000
C01730	2021-2022 Building Structures Renewal Program - Roof Renewal	\$321,325
C01731	2021-2022 Building Structures Renewal Program - Building Structural Elements	\$18,275
C01732	2021-2022 Building Fit Out Program - Building Refurbishments	\$78,555
C01734	42 Ashwood Dr Retaining Wall Reconstruction	\$49,441
C01735	27 Danien Street Retaining Wall Reconstruction	\$22,640
C01757	2021-22 Reactive Playground Improvements	\$3,780
C01761	Cameron Avenue Reserve and Pitt Street Works	\$579,235
C01766	Glen Waverley Sports Hub Project	\$137,868
C01786	Holmesglen Reserve Public Toilet Design & Installation	\$48,500
C01787	4 Layton Court, Glen Waverley – CONSTRUCTION (DCP Funding)	\$88,550
C01788	Installation of solar at MARC - part of the Zero Net Carbon Action Plan - Energy Performance Contracts project	\$110,916
C01789	Ecosave Watch - BMS & Analytics Tuning for Zero Net Carbon Action Plan - Energy Performance Contracts project	\$7,791
C01790	Installation of Solar at CAHC - part of the Zero Net Carbon Action Plan - Energy Performance Contracts project	\$15,333
C01792	Installation of Boiler and Heat pump at Oakleigh Recreation Centre - part of the Zero Net Carbon Action Plan - Energy Performance Contracts project	\$63,998
C01799	Rivett Crescent Reserve Playspace Upgrade Design	\$37,904
C01809	Lever Street Car Park & Brick Makers Park Improvements	\$108,354
C01810	LRCI - Reserve Furniture and Signage Project	\$22,636
C01822	Jack Edwards Reserve Pavilion Redevelopment	\$60,870
C08019	Oakleigh Recreation Centre Redevelopment	\$48,975
C09125	LXRA Centre Road West Community Playspace	\$26,500
C09226	Kingsway Redevelopment, Consultation and Design	\$15,750
C09400	Scammell Early Years Hub	\$42,625
C09458	Shared Path Feasibility Study - Huntingdale Road to Mayfield Drive, Mount Waverley	\$12,350

Table 2: Project variations – surplus funding to council

Number	Project Name	Comments to Council	\$ Surplus	Updated Management Budget as at Q1
C09353	Mulgrave Reserve Cricket Net Redevelopment	Grant fund of \$750,000 received. The overall project costs have increased to \$933,705, yielding an overall project budget surplus of \$380,295. It is recommended this surplus be redirected to other projects in same asset class (Essex Heights Tennis Club Court Design, Tally Ho Reserve Sportsground Lighting Upgrade, and Active Recreation Opportunities Strategy Implementation)	\$380,295	\$993,705

Table 3: New projects to be added to 2022/23 portfolio

Number	Project Name	Comments to Council	\$ Council Contribution	Updated Management Budget as at Q1
CO1678	Essex Heights Tennis Club Court Design	Request for council funds for new project in 22/23 (funds redirected from surplus funding form C09353, Mulgrave Reserve Cricket Net Redevelopment)	\$54,000	\$54,000
C09347	Tally Ho Reserve Sportsground Lighting Upgrade	Request for council contribution to match grant funds received for new project in 22/23 (funds redirected from surplus funding form C09353, Mulgrave Reserve Cricket Net Redevelopment)	\$ 178,295	\$356,590
C09440	Active Recreation Opportunities Strategy Implementation	Request for council contribution to match grant funds received for new project in 22/23 (funds redirected from surplus funding form C09353, Mulgrave Reserve Cricket Net Redevelopment)	\$ 148,645	\$318,106
C09454	LRCI Phase 3 - Traffic Signals Lanterns to LED	Grant received to fully fund new project in 22/23. No Council contribution required.	\$ -	\$353,036
C09456	Columbia Park ELC Extension	New project in 22/23 (construction phase) requires council contribution to add to substantial external funding. This is a new project with a significant grant.	\$33,462	\$176,243

Table 4: Project variations to be endorsed (July – September 2022)

Number	Project Name	Comments to Council	Additional Council Project Contribution Request	Updated Management Budget as at Q1
C01530	Samada Street Reserve Improvements	Additional funds in 22/23	\$21,564	\$126,564
C01552	Cambridge Street Reserve & Playground Upgrade	Additional funds in 22/23	\$11,149	\$27,749.25
C01670	Bogong Car Park Extension	Funds carried forward to 23/24 reducing 22/23 management budget to reflect anticipated delivery schedule	-\$4,052,676	\$1,500,000
C01658	2021-2022 Irrigation System Improvement Program	Additional funds in 22/23	\$21,572	\$109,525.00
C01676	Sportsground Lighting Conversion to LED - Nottingham Pinewood Tennis Club	Additional council funds in 22/23 to match external (club) contributions for increased scope	\$48,536	\$198,161.70
C01794	Central Plant System at Clayton Community	Funds carried forward to 23/24 reducing 22/23 management budget by \$800,306 as the construction materials will not arrive until 23/24	-\$800,306	\$637,000
C09298	Scammell Reserve Sportsground Boundary Fence Renewal	Additional external funds received in 22/23 for increased scope (CAR #SR-746)	\$-	\$97,000.00
C09326	Fregon Reserve Sports Lighting Upgrade	Additional funds in 22/23	\$93,450	\$450,450.00
C09339	Rivett Crescent Reserve Playspace Upgrade Construct	Additional funds in 22/23 following community consultation request for increase in scope. (Councillor budget bid)	\$45,967.00	\$172,800.00
C09370	Hybrid Heat Pump / Condensing Boiler System - Clayton Community Centre energy efficiency upgrade	Funds carried forward to 23/24 reducing 22/23 management budget by \$200,016 as the construction materials will not arrive until 23/24	-\$200,016	\$216,000
C09353	Mulgrave Cricket Nets	Funds carried forward to 23/24 reducing 22/23 management budget by \$699,705. The	-\$669,705	\$324,000

Number	Project Name	Comments to Council	Additional Council Project Contribution Request	Updated Management Budget as at Q1
		designs will be completed this year and construction started but completed in 23/24		
C09391	MARC Energy Efficiency and BMS upgrade	Funds carried forward to 23/24 reducing 22/23 management budget by \$199,685 as the construction materials will not arrive until 23/24	-\$199,685	\$331,000
C09435	Essex Heights Multi Purpose Nets	Funds carried forward to 23/24 reducing 22/23 management budget by \$300,000. The designs will be completed this year and construction started but completed in 23/24	-\$300,000	\$408,000

ATTACHMENT 2022/23 CAPITAL WORKS MAJOR CONSTRUCTION PROJECTS FIRST QUARTER PROGRESS REPORT (as at the end of Q1)

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

Subject to funding, the project may also include a refurbishment of kitchen/canteen/kiosk areas and address relevant landscaping areas as part of the pavilion refurbishment.

Progress this quarter:

Poor weather and ongoing design issues have significantly impacted progress against schedule, but significant progress has been made in the last quarter including:

- Internal stud framing in existing progressing
- High level demolition progressing
- Screw piles to veranda viewing area progressing
- Electrical rough-in to existing progressing
- Plumbing rough-in to existing progressing
- Roofing progressing
- Toilet block handover
- Internal structural stiffening columns and wind bracing completed
- Structural steel to extension completed
- Structural steel to breezeway completed
- Internal stud framing to extension commenced

- Toilet block retaining walls and DDA ramp progressing
- Some temporary sporting club sheds have been removed off site

The expected completion date of the main pavilion building is 28 November with defect repairs and external works to continue into December.



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 under way, 70% completed
- On track to complete the project by the end of January 2023
- No risks associated with this project at this stage



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:

- Project is on track for the completion by 19 December 2022.
- Structural steel is completed.
- 90% of timber framing complete
- Timber trusses are being installed.
- Roof is 40% complete.
- Regular meeting with the Construction Manager has ensured the required trades and material are available to support the 19 December 2022 completion date.



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:

- Planning has commenced. Recreation consultant engaged to assist with club discussions and scope of works. Funding announcement expected shortly.
- Project design brief and site investigations currently being undertaken by City Design in preparation for Lead Architect procurement for all design services package including pavilion, sports ground, lighting, cricket nets, multi-purpose courts and car parking. Tender to be released in November.
- Traffic Consultant audit has been completed.
- Anticipated further funding announcements to be announced so final scope can be confirmed.
- Melbourne water pipeline proposal requires further discussion and negotiation.

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:

- Currently reaching end of Milestone 4 – Detailed Design and Cost Plan C progressing well and planned to be presented to Council at a briefing on 15 November
- Council expected to consider report on planning permit in October cycle.
- Design will include specialist lighting.
- Parking technology discussed with Community Amenity. To include guidance and enforcement technology but enforcement requires careful consideration to the technology requirements which is being explored in detail.
- Tendering for project management services with awarding expected November.
Upcoming activities subject to Council approval:
Tender for construction early 2023.
Last
Awarding of construction tender March 2023.



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 an 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 contract awarded by council at August meeting. Planning of preliminary works for tennis/ golf facilities has commenced with temporary facilities to be commissioned in November.
 - Jells Rd and Waverley Rd intersection works progressing well with completion expected November 2022. Traffic signals to be activated in mid-December. Sub workgroup set up to manage traffic and parking for Xmas carols.
 - 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
- 1 * 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. Additional funding required to complete full scope.
- Design brief being completed for tender in November for Architectural Services.

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:

Project not yet commenced. Tender process completed and Construction. Recommendation report to award Contract scheduled to go to Council in November 2022.

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:

- Architects have reached 50% of schematic design and are working through feedback received from officers.
- The independent Quantity Surveyor has completed a peer review of cost escalations.
- Architects will focus on costs and consider value management options.
- Presentation to Glen Waverley Steering Committee (GWSC) proposed for 8 November followed by presentation to Council on 15 November.
- Draft Communication Plan prepared.

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 Waverly 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:

- Reference Design and Functional Brief has been completed.
- Architect has commenced and preparing Concept drawings.
- Design to be completed by December 2022. Construction to be confirmed as the kindergarten will need to be closed during construction works; the construction may need to be scheduled to occur during Term 3 2023 (July to September).

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:

Tender process completed and recommendation to award construction contract will be presented to Council in the November cycle. Works are scheduled to commence April 2023 after pools close for the season.



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:

Construction commencement is delayed due to extensive additional geotechnical and environmental investigation required on the area of works and surround. Construction is still planned to be completed in FY 22/23.

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 Map 19, 4, 5 and 20

18 Queens Avenue, Oakleigh



Mount Waverley Primary School, Torriam Road Mount Waverley



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:

Planning and preparation of program on track. Delivery is scheduled to commence from January 2023.

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.

Asphalt resurfacing of the road pavement and crack sealing will follow in January 2023

