

3.1 2022/23 FINANCIAL MANAGEMENT AND CAPITAL WORKS PROGRESS REPORT – SECOND QUARTER 31 DECEMBER 2022

(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 December 2022, presented in accordance with Section 97 of the Local Government Act 2020.*
2. *Approves the project variations contained therein.*
3. *Accepts the opinion of the Chief Executive Officer, as required under section 97(3) of the Local Government Act 2020, that a revised budget is not required.*

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 31 December 2022, the YTD net surplus from ordinary operations was \$78.3M, representing a 3.1% (\$2.4M) favourable variance against the YTD budget (\$76.0M). 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	%	2022/23	2022/23	\$'000	%	
Total income	182,872	181,048	1,824	1.0%	224,823	226,623	1,800	0.8%	●
Employee Costs	44,688	44,713	25	0.1%	90,701	90,701	-	-	●
Materials, Services & Contracts	42,276	42,254	(22)	(0.1%)	79,508	79,758	(250)	(0.3%)	●
Depreciation & Other Expenses	17,583	18,112	529	2.9%	36,224	36,224	-	-	●
Total expenses	104,547	105,079	532	0.5%	206,433	206,683	(250)	(0.1%)	●
Surplus (deficit) for the year	78,325	75,969	2,356	3.1%	18,390	19,940	1,550	(8.4%)	●
Transfers to reserve	-	-	-	-	-	-	-	-	●
Surplus (deficit) after transfers to reserves	78,325	75,969	2,356	3.1%	18,390	19,940	1,550	(8.4%)	●
Less Capital Income (non-recurrent)	(6,189)	(6,103)	86	-	(16,104)	(16,104)	-	-	●
Adjusted underlying surplus/ (deficit)	72,136	69,866	2,270	3.2%	2,286	3,836	1,550	(67.8%)	●

This result is due to favourable overall expenditure (\$0.5M) and favourable income (\$1.8M). Employee costs and materials and services expenditure variances offset even though some payments for insurance premiums and software support costs have been paid 'up-front' for the year which is the normal practice.

Income is favourable overall year-to-date mainly due to user fees and charges raised for the use of various facilities. Services are experiencing a return to normal operating levels with higher activity and service provision than the past 2 financial years. Capital grant income and contributions are unfavourable at the moment (\$1.4M) but income for both is still expected to be received as the capital program progresses.

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 interest income is expected due to higher interest rates which will offset some additional expenditure requirements for general materials and services as the economy is currently in a higher inflation environment. This will be monitored going forward and offsetting budget expenditure savings may need to occur in various programs.

BALANCE SHEET

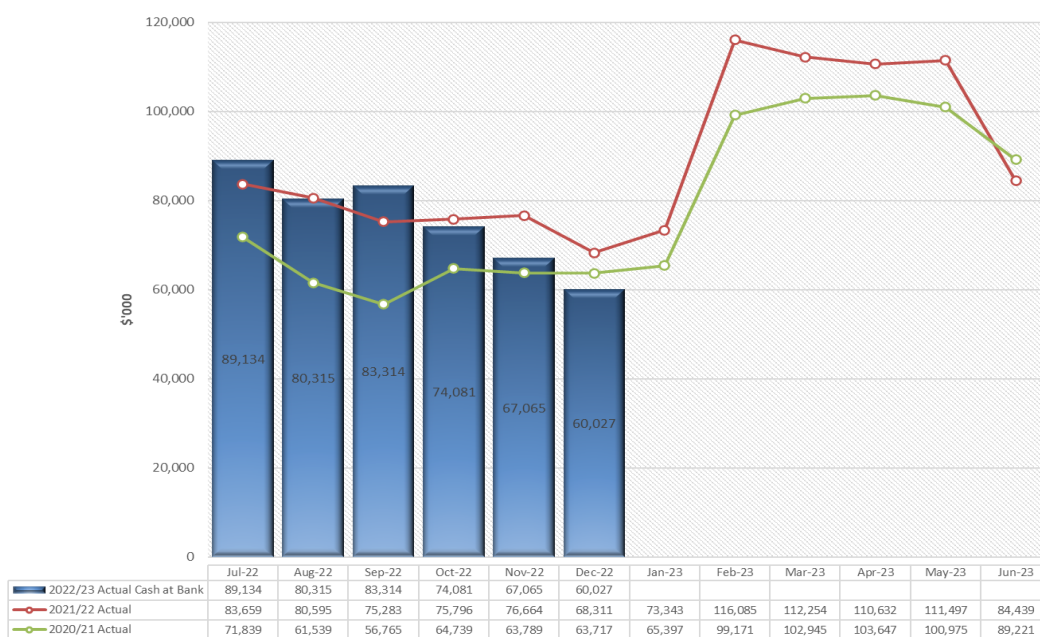
The Working Capital Ratio (WCR) assesses Council’s liquidity position, this demonstrates if Council can generate sufficient cash to pay creditors on time. The WCR is strong with a ratio of 280.6% as at 31 December 2022. It comprises current assets of \$175.0M and current liabilities totalling \$62.4M. The budgeted figure for 30 June 2023 is a WCR of 115% (Appendix A).

The unrestricted cash position budget variance as at 31 December 2022 was favourable by 2.6% (\$0.6M). 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 \$15.1M. Whilst cash and investments are higher than budget, total statutory reserve balances and trust funds are also higher than budget.

STATEMENT OF CASH FLOWS

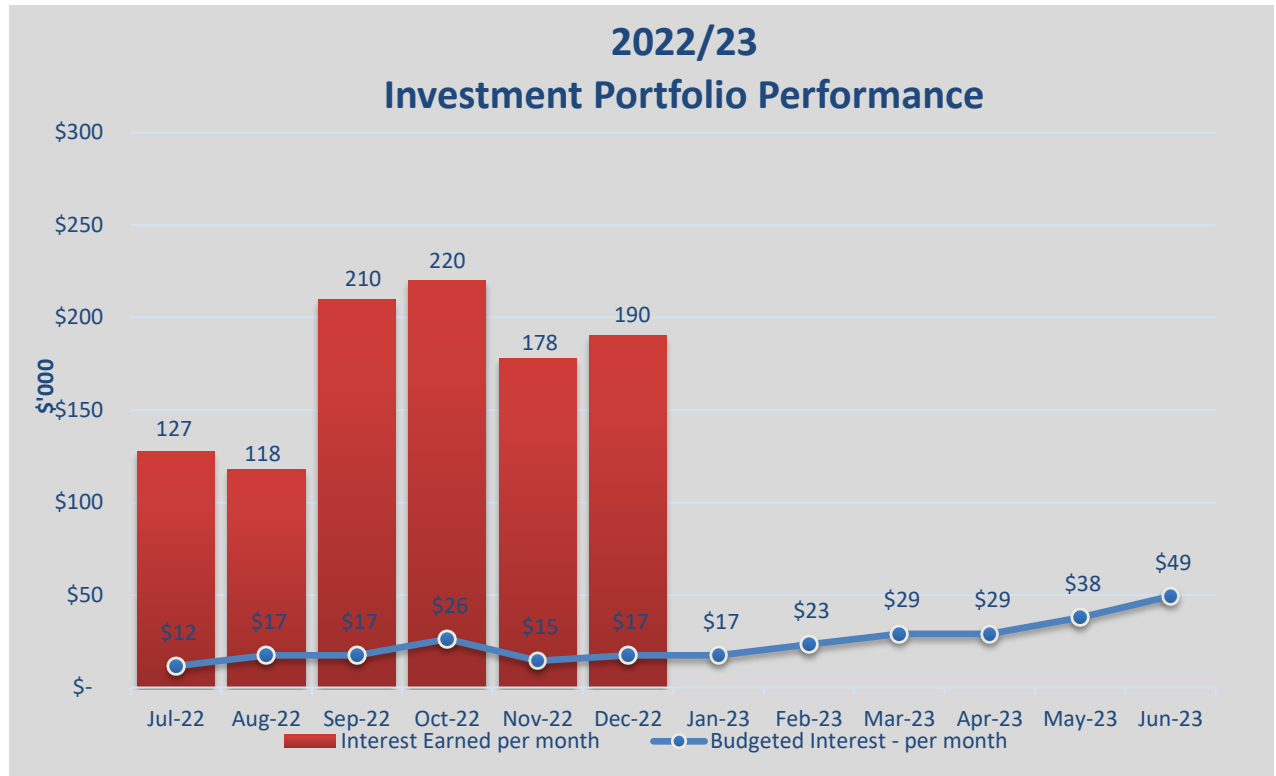
The Cash Flow Statement shows Council’s cash position at the end of December 2022 at \$60.0M whilst the budgeted level is \$62.0M; lower by \$2.0M which is capital grant income related.

The forecast cash position at this early stage of the financial year is \$57.9M which is below the adopted budget cash position due to additional capital works forecast expenditure for the year. (there will be further capital works program reviews undertaken in Q3).



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	11,000,000
Term deposits	91 days to 120 days	15,000,000
Term deposits	121 days to 365 days	23,500,000
Term deposits	365 days +	-
Total funds invested		49,500,000

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 31 December 2022, expenditure to date is \$27.9M; 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 \$93,797,345 as at 31 December 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 31/12/2022

Description	Budget
2022/23 Adopted Budget	\$ 90,702,038
Unspent Budgets from 21/22 to 22/23	7,039,377
Carry forward budget from 22/23 to 23/24	-5,852,683
Additional budget required on 22/23 projects	1,509,277
New Project budget in 22/23	1,290,696
Surplus funds	-891,360
Additional Capital Budget Required	<u>3,095,307</u>
Agreed Capital Works Budget at 31 Dec 2022	\$ 93,797,345

The net increase in projects since budget adoption is \$3.1M. The movement listing New Projects, Additional Funding and proposed Carry Forwards for the Quarter is included in Appendix A – Capital Works Project Details (Pages 12-13).

A project status update on agreed high profile projects can be found at Appendix A – Capital Works Project Details (Pages 14-26).

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 31 December 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	139,030	138,673	357	140,074	140,074	0	0.0%
Statutory Fees & Fines	5,136	5,139	(3)	10,278	10,278	0	0.0%
User Fees	16,010	14,923	1,087	24,846	24,846	0	0.0%
Grants - Operating	10,309	9,519	791	19,038	19,038	0	0.0%
Grants - Capital	6,189	6,649	(460)	18,297	18,297	0	0.0%
Contributions - cash	4,573	5,517	(944)	11,034	11,034	0	0.0%
Other Revenue	1,459	628	831	1,256	3,056	1,800	143.3%
Profit from Sale of Assets	166	0	166	0	0	0	0.0%
Total Revenue	182,872	181,048	1,824	224,823	226,623	1,800	0.8%
Expenses from Ordinary Activities							
Employee Costs	44,688	44,713	25	90,701	90,701	0	0.0%
Materials, Services & Contracts	42,276	42,254	(22)	79,508	79,758	(250)	(0.3%)
Depreciation	15,735	15,813	78	31,625	31,625	0	0.0%
Amortisation - Intangible Assets	1,275	1,049	(226)	2,099	2,099	0	0.0%
Amortisation - Right of Use Assets	188	774	586	1,548	1,548	0	0.0%
Bad and doubtful debts	0	5	5	10	10	0	0.0%
Finance costs	69	65	(4)	130	130	0	0.0%
Other Expenses	316	406	90	812	812	0	0.0%
Total Expenses	104,547	105,079	532	206,433	206,683	(250)	(0.1%)
Net Surplus/(Deficit) from Ordinary Operations	78,325	75,969	2,356	18,390	19,940	1,550	8.4%

Balance Sheet

Balance Sheet					
as at 31 December 2022					
	31 December 2022 Actual \$'000	2022/23 Adopted Budget \$'000	2022/23 Annual Forecast \$'000	Forecast Var \$	Forecast Var %
ASSETS					
Current Assets					
Cash & Cash Equivalents	60,027	59,436	57,891	(1,545)	(2.6%)
Trade and Other Receivables	113,004	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	(944)	(3,330)	(3,330)	0	0.0%
Total Current Assets	174,992	80,331	78,786	(1,545)	(1.9%)
Non-Current Assets					
Property, Plant & Equipment	3,640,208	3,423,931	3,427,026	3,095	0.1%
Right of use assets	5,857	4,476	4,476	0	0.0%
Intangibles	6,702	5,944	5,944	0	0.0%
Other Assets	0	115	115	0	0.0%
Total Non-Current Assets	3,652,767	3,434,466	3,437,561	3,095	0.1%
Total Assets	3,827,759	3,514,797	3,516,347	1,550	0.0%
LIABILITIES					
Current Liabilities					
Trade and Other Payables	23,155	35,431	35,431	0	0.0%
Trust Funds and Deposits	17,947	13,518	13,518	0	0.0%
Provision	20,558	19,714	19,714	0	0.0%
Lease Liability	714	891	891	0	0.0%
Total Current Liabilities	62,374	69,554	69,554	0	0.0%
Non-Current Liabilities					
Provision	1,506	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	6,156	10,869	10,869	0	0.0%
Total Liabilities	68,530	80,423	80,423	0	0.0%
Net Assets	3,759,229	3,434,374	3,435,924	1,550	0.0%
EQUITY					
Accumulated Surplus	1,114,136	1,049,572	1,051,122	1,550	0.1%
Reserves	2,645,093	2,384,802	2,384,802	0	0.0%
Total Equity	3,759,229	3,434,374	3,435,924	1,550	0.0%

Statement of Cash Flows

Statement of Cash Flows For the Period Ending 31 December 2022							
	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	49,019	47,625	1,394	140,074	140,074	0	0.0%
Statutory Fees & Fines	5,136	5,138	(2)	10,276	10,276	0	0.0%
User Fees	15,197	12,782	2,415	25,564	25,564	0	0.0%
Grants - Operating	9,424	9,519	(95)	19,038	19,038	0	0.0%
Grants - Capital	5,760	7,149	(1,389)	18,297	18,297	0	0.0%
Contributions - cash	4,573	3,517	1,056	11,034	11,034	0	0.0%
Interest Revenue	954	145	809	290	2,090	1,800	620.7%
GST reimbursed by Australian Tax Office	6,706	7,696	(990)	15,392	15,392	0	0.0%
Other Revenue	427	508	(81)	1,016	1,016	0	0.0%
Employee Costs	(42,554)	(44,993)	2,439	(89,986)	(89,986)	0	0.0%
Materials, Services and Contracts	(52,485)	(48,612)	(3,873)	(81,832)	(82,082)	(250)	(0.3%)
Other Expenses	(896)	(870)	(26)	(1,739)	(1,739)	0	0.0%
GST paid to Australian Tax Office	(316)	(411)	95	(822)	(822)	0	0.0%
Operating Activities	945	(807)	1,751	66,602	68,152	1,550	2.3%
Cash Flows from Investing Activities							
Payments for Property, Plant and Equipment	(25,576)	(26,605)	1,028	(98,865)	(101,960)	(3,095)	(3.1%)
Proceeds from Sale of Property, Plant and Equipment	155	3,085	(2,930)	6,169	6,169	-	0.0%
Investing Activities	(25,421)	(23,520)	(1,901)	(92,696)	(95,791)	(3,095)	(3.3%)
Cash Flows from Financing Activities							
Trusts and Refundable Deposits	997	0	997	0	0	-	0.0%
Interest paid - Lease Liability	(69)	(65)	(4)	(130)	(130)	-	0.0%
Repayment of Lease Liability	(804)	(764)	(41)	(1,527)	(1,527)	-	0.0%
Financing Activities	124	(829)	953	(1,657)	(1,657)	-	0.0%
Net increase (decrease) in cash and cash equivalents	(24,352)	(25,155)	803	(27,751)	(29,296)	(1,545)	(5.6%)
Cash and cash equivalents at the beginning of the financial year	84,379	87,186	(2,807)	87,186	87,186	-	0.0%
Cash and cash equivalents at the end of the period	60,027	62,031	(2,004)	59,435	57,890	(1,545)	(2.6%)

Statement of Capital Works

Statement of Capital Works for the period ending 31 December 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%
Land Improvements	250	126	198.4%	508	(382)	-303%
Total land	250	126	198.4%	508	(382)	-303%
Buildings and Building Improvements	10,562	29,388	35.9%	25,775	3,613	12%
Total buildings and building Improvements	10,562	29,388	35.9%	25,775	3,613	12%
Total property	10,812	29,514	36.6%	26,283	3,231	11%
Plant & Equipment						
Plant, machinery and equipment	119	3,445	3.5%	3,470	(25)	-1%
Fixtures, fittings and furniture	210	503	41.7%	582	(79)	-16%
Computers and telecommunications	2,221	5,305	41.9%	5,280	25	0%
Library books	704	1,369	51.4%	1,370	(1)	0%
Total plant and equipment	3,254	10,622	30.6%	10,702	(80)	-1%
Infrastructure						
Roads	3,229	11,335	28.5%	13,071	(1,736)	-15%
Bridges	33	1,380	2.4%	1,406	(26)	-2%
Footpaths and cycleways	2,607	4,837	53.9%	5,250	(413)	-9%
Drainage	936	4,683	20.0%	5,564	(881)	-19%
Recreational, leisure and community facilities	5,147	22,922	22.5%	25,066	(2,144)	-9%
Waste management	80	267	30.0%	267	-	0%
Parks, open space and streetscapes	937	3,957	23.7%	4,876	(919)	-23%
Other infrastructure	849	1,185	71.6%	1,312	(127)	-11%
Total Infrastructure	13,818	50,566	27.3%	56,812	(6,246)	-12%
Total capital works expenditure	27,884	90,702	30.7%	93,797	(3,095)	-3%
Represented by:						
New Asset expenditure	335	1,091	30.7%	1,128	(37)	-3%
Asset renewal expenditure	17,389	56,565	30.7%	58,495	(1,930)	-3%
Asset expansion expenditure	6,086	19,796	30.7%	20,471	(675)	-3%
Asset upgrade expenditure	4,073	13,250	30.7%	13,702	(452)	-3%
	27,884	90,702	30.7%	93,797	(3,095)	-3%
Funding sources represented by:						
Grants	6,189	18,297	33.8%	19,748	(1,451)	-8%
Contributions	0	57	0.0%	354	(297)	-521%
Council cash	21,695	72,348	30.0%	73,695	(1,347)	-2%
Borrowings	0	0	0.0%	0	-	0%
Total capital works expenditure	27,884	90,702	30.7%	93,797	(3,095)	-3%

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	41.2%	1.1%
<i>Liquidity</i>			
Working Capital	Current assets / current liabilities	280.6%	115.5%
Unrestricted cash	Unrestricted cash / current liabilities	23.67%	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	29.1%	178.9%
<i>Stability</i>			
Rates concentration	Rate revenue / adjusted underlying revenue	78.2%	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	\$1,220	\$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 October 2022 to December 2022 include:

- 1 Endorsing project variations, these being:
 - 1.1 Projects with surplus funds (Table 1); and
 - 1.2 Projects with a cost variation (Table 2).
- 2 Quantifying the variation in project expenditure, previously approved by council in November 2022 (Table 3).

Table 1: Project variations – surplus funding to council

Number	Project Name	Comments to Council	Updated Management Budget as at Q2	\$ Change to Management Budget	\$ Council Contribution
C01649	Bogong Reserve Playspace Upgrade	Design of this playspace is on hold until ISP completed for the reserve. Funds to be returned and project to be reactivated when information is received.	\$0	-\$55,904	-\$55,904

Table 2: Project variations to be endorsed (October – December 2022)

Number	Project Name	Comments to Council	Updated Management Budget as at Q2	\$ Change to Management Budget	\$ Council Contribution
C09366	Mayfield Park Tennis Club Lighting Upgrade – Courts 3 & 4	Request for additional council funds to cover increase in prices. Club is paying 50% of Expenditure and PM fee.	\$68,852	\$10,852	\$ 8,465

Table 3: Project variations approved by Council (29 November 2022)

Number	Project Name	Comments to Council	Updated Management Budget as at Q2	\$ Change to Management Budget	\$ New Council Contribution
C09231	Jingella Avenue, Ashwood - Road Rehabilitation (Construction)	Additional funds in 22/23	\$1,624,735	\$374,735	\$374,735
C09233	Panoramic Grove, Glen Waverley - Development Contribution Plan (DCP) (Construction)	Additional funds in 22/23	\$589,023	\$99,023	\$99,023
C09234	Gemini Court, Domino Court, Rochelle Court & Aquarius Court, Wheelers Hill - Development Contribution Plan (DCP) (Construction)	Additional funds in 22/23, to be sourced from Developer Contribution Program	\$499,406.00	\$84,906	\$84,906
C09238	47-59 Willesden Road, Hughesdale - Drainage Renewal (Construction)	Additional funds in 22/23, to be sourced from Developer Contribution Program	\$172,596.99	\$23,917	\$23,917
C09241	Ladner Court, Torquay Avenue & Ashby Court, Chadstone - Road Rehabilitation (Construction)	Additional funds in 22/23, to be sourced from Developer Contribution Program	\$1,164,044	\$464,044	\$464,044
C09418	Florence Street, Burwood - Local Drainage (Construction)	Additional funds in 22/23	\$308,777	\$91,177	\$91,177
C09281	Scotchmans Creek Trail - Stanley Avenue Road Narrowing & Trail Widening, Mount Waverley	Additional funds in 22/23, to be transferred from 2022-23 Footpath Renewal Program C09403	\$200,000	\$80,000	\$0
C09403	2022-2023 Footpath Renewal Program	Transfer of funds to Scotchmans Creek Trail project (C09281) requiring additional funds to complete scope of work	\$4,220,000	-\$80,000	\$0
			\$8,778,582	\$1,137,802	\$1,137,802

ATTACHMENT 2022/23 CAPITAL WORKS MAJOR CONSTRUCTION PROJECTS SECOND QUARTER PROGRESS REPORT (as at the end of Q2)

No.	Project Title	Page No.
1	Mulgrave Reserve Pavilion	15
2	Road Reconstruction, Normanby Street, Hughesdale, Between Dallas Avenue and Kangaroo Road (Construction)	16
3	Pinewood Child and Family Hub	17
4	Mt Waverley Reserve Pavilion Redevelopment - Design	19
5	Extension of Bogong Multi Level Car Park	19
6	Glen Waverley Sports Hub Project	20
7	Jack Edwards Reserve Pavilion Redevelopment	21
8	Jingella Avenue, Ashwood - Road Rehabilitation (Construction)	22
9	Schematic design - Glen Waverley Civic Precinct Project	23
10	Mt Waverley 3-Year-old Kindergarten Refurbishment	23
11	ORC Pool Filters Replacement - Construction	24
12	Talbot Park Playspace Upgrade – Construct	25
13	2022-2023 Footpath Renewal Program	26
14	2022-2023 Road Resurfacing Program	27
15	2022-2023 Kerb & Channel Renewal Program	27

1. 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

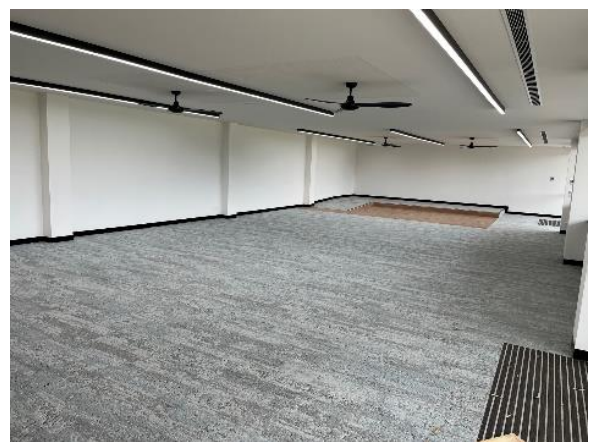
Subject to funding, the project may also include a refurbishment of kitchen/canteen/kiosk areas and address relevant landscaping areas as part of the pavilion refurbishment.

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:

- Building locked up with all windows and doors installed;
- Plastering to internal walls and ceilings complete and painting nearly complete throughout;
- External walls to existing building bagged and painted;
- All roofing works complete;
- All external cladding works complete;
- Civil works complete and landscape rectification works commenced;
- All services roughed in and fit off nearly complete;
- All floor coverings complete;
- Joinery works complete; and
- Some temporary sporting club sheds have been removed off site.

The expected completion date of the main pavilion building is 3 February with defect repairs and external works to continue into February and March.



2. 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, 95% completed
- Asphaltting works programmed for early February 2023
- No risks associated with this project at this stage



3. 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 30 January 2023 with the kindergarten commencing on 6 February and the MCH 20 February.
- The works are at 99% complete.
- External landscaping near completed.
- Internal works complete, builder just completing defects.
- Awaiting main switchboard, imminent arrival but has caused delays.
- The project has been delivered well under budget.



4. 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:

- Recreation consultant engaged to assist with club discussions and scope of works. Funding announcements expected shortly.
- Architect has been awarded and commenced design works including pavilion, sports ground, lighting, cricket nets, multi-purpose courts and car parking.
- 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.

5. 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:

- Milestone 4 - Detailed Design and Cost Plan C completed.
- Currently in Milestone 5 - construction documentation. First draft tender pack received for review by Project Working Group (PWG). Lawyers have prepared contract.
- Application to amend permit completed (due to relocation of core)
- Parking technology (enforcement) still being considered as requires careful consideration to the technology requirements to ensure integration with existing Council system.

- Variation claims to be reported to Council's January meeting.
- Parking contingency plan (for when Bogong is out of action) actively being worked on together with a communications plan.
- On track to release tender mid Feb.
- Next Council report - April 2023 to award construction contract.



6. 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 preliminary works for tennis / golf facilities has commenced with temporary facilities and car park being commissioned with tenant moving into temporary facilities. Demolition of existing facility and earth works is underway.
- Jells Rd and Waverley Rd intersection works have been completed. Traffic signals to be activated in late January following tree pruning works.
- 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.



7. 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. Additional funding required to complete full scope. Design Brief and Reference Design completed.
- Architectural Services to be awarded at January council meeting and to commence February.

8. 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 to start in early February 2023, estimated completion August 2023

9. 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:

- Return Brief completed.
- Schematic Design Report - 80% complete. Presented to Project Working Group (PWG) on 20 December 2022. Received for review on 21 December 2022.
- Next Project Control Group (PCG) meeting on 2 February 2023. ARM Architecture to present schematic design report and discuss Environmentally Sustainable Design (ESM) inclusions.

10. 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:

- Documentation Design drawings has been completed. The drawings have also been reviewed by Access Consultant, Building Surveyor and reviewed by Council stakeholders
- Architect has commenced preparing Tender drawings.
- The tender drawings are to be completed by mid-February 2023.
- Construction has been confirmed to the kindergarten as they will need to be closed during construction works; the construction may need to be scheduled to occur from Term 3 2023 holidays (October to January).

11. 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:

The tender for this project has been awarded to WR Pratt, they are a very skilled operator in this field.

The long term delivery equipment was procured early and works are to commence on the plant rooms once the seasonal pool shuts on End March.

The works will take about 2 months and will be expected to be completed prior to June 30.

The project tender has come in under budget and we will identify the savings once the contractor commences works and identifies any unknown issues.



12. 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:

The design of playground (C01645) is progressing well with revised draft design received 16 January 2023 for review by stakeholders. Final tender documents expected by end of February 2023.

Stage 1 drainage works are planned to go out for tender on 1 February to complete drainage from Centre Road to the edge of the existing playground. Stage 2 will be constructed during the playground upgrade.

Construction commencement is delayed due to extensive additional geotechnical and environmental investigation required on the area of works and surround. Construction is planned to be completed in FY 23/24.



13.2022-2023 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

134 Ashwood Drive, Ashwood



620 Huntingdale Road, Mount Waverley



14.2022-2023 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 February 2023.

15.2022-2023 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 February 2023.