

COUNCIL MEETING

AGENDA



(Open to the public)

6.30pm, Monday 26 June 2023

Council Chamber, 8 Inglesby Road, Camberwell

Date of Issue: 16 June 2023

Please note: No audio, video, photographic or any other recording of proceedings at Council or Delegated Committee meetings is permitted without written authority from Council.

Order of Business

- 1 Adoption and confirmation of the minutes of the Council meetings on 1 May 2023 and 22 May 2023**
- 2 Declaration of conflict of interest of any councillor or council officer**
- 3 Deputations, presentations, petitions and public submissions**
- 4 Informal Meetings of Councillors**
- 5 Public question time**
- 6 Notices of motion**
- 7 Presentation of officer reports**
 - 7.1 2023/26 Triennial Operational Grants Report
 - 7.2 Contract No.2023/19 - Maintenance of Leisure Centre Pool Plant and Equipment
 - 7.3 Contract No. 2022/72 - 5 x Rear Load Compactor Trucks - Supply and Lease
 - 7.4 April 2023 Monthly Financial Report
 - 7.5 Proposed discontinuance and sale of drainage reserve - Adjoining 15 and 19 Gardiner Road, Hawthorn
- 8 General business**

9 Urgent business

10 Confidential business

Close of meeting

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3 Deputations, presentations, petitions and public submissions

Report abstract

Council has received two (2) petitions. Details of the petitions are set out below.

No.	Ref. no.	Title / Description	No. of signatures	Referred to
1	CAS-1411070	Requesting Council 'not adopt a Heritage Overlay within the High Street, Ashburton Village Shopping Precinct.'	Over 200	DUL
2	CAS-1416663	Save the Gervasoni Pavilion Kew	Over 200	DCS

Legend:

DCS

Director Community Support

DUL

Director Urban Living

DC&T

Director Customer and Transformation

DP&S

Director Places & Spaces

GOV

Governance & Legal

Officers' recommendation

That Council resolve:

1. To receive and note the petitions.
2. To note that the petitions have been referred to the relevant director for consideration and to advise the first named signatory to the petitions that they will receive a response from the Mayor in due course advising of Council's action.

4 Informal Meetings of Councillors

Abstract

Chapter 6 of the Council Governance Rules requires a summary of the matters discussed at a meeting of Councillors that:

- is scheduled or planned for the purpose of discussing the business of Council or briefing Councillors;
- is attended by a majority of councillors;
- is attended by at least one member of Council staff; and
- is not a Council meeting, Delegated Committee meeting or Community Asset Committee meeting

are tabled at the next convenient Council meeting.

The attached record of Informal Meetings of Councillors (**Attachment 1**) is reported to Council in accordance with this requirement.

Officers' recommendation

That Council resolve to receive and note the record of Informal Meetings of Councillors, as annexed to the minutes.



Record of Informal Meetings of Councillors

Assembly details	Councillor attendees	Officer attendees	Matters discussed	Conflict of Interest disclosures
Councillor Briefing & Discussion 8 May 2023	Cr Sinfield Cr Stavrou Cr Hollingsworth Cr Gault Cr Parke Cr Biggar Cr Addis Cr Thompson Cr Gillies Cr Franco	Phillip Storer (CEO) Daniel Freer (DPS) Kate McCaughey (DCS) Scott Walker (DUL) Mans Bassi (DCT) Sapphire Allan (aCFO) Bryan Wee (MGL) Fiona Brown (MCPD) Nicole White (MSTRP) Nick Lund (MLC) Gail Power (MAC) Tina Bourekas (MLIB) Christian Wilmsen (CSTRP) Katherine Stakula (HoSC) Freda Duraku (CRL) Liam Merrifield (SGO)	<ul style="list-style-type: none"> Strategic Planning Work Program 2023-2026 Actions arising from changes to the Sex Work Businesses March 2023 Quarterly Performance Report IDAHOBIT 2023 Plaques Tendering Future discussions 	Nil
Councillor Briefing & Discussion 22 May 2023	Cr Sinfield Cr Stavrou Cr Hollingsworth Cr Gault Cr Parke Cr Addis Cr Thompson Cr Watson Cr Gillies Cr Franco	Phillip Storer (CEO) Daniel Freer (DPS) Kate McCaughey (DCS) Scott Walker (DUL) Amy Montalti (CFO) Bryan Wee (MGL) David Shepard (MES) Fiona Brown (MCPD) Katherine Wright (SCSP&R) Kirstin Ritchie (COG) Cassandra Chatwin-Smith (SIO) Jacqui Buckland (CDO)	<ul style="list-style-type: none"> Draft Disability Access and Inclusion Plan 2023-27 2023-26 Triennial Operational Grants Allocation Sportsground Condition Update Homelessness & Begging 	Nil

7.1 2023/26 Triennial Operational Grants Report

Executive Summary

Purpose

To present 2023-26 Triennial Operational Grants recommendations for Council endorsement.

Background

The 2023-26 Triennial Operational Grants opened on Monday 10 October and closed on Sunday 28 November 2022.

Triennial Operational Grants support the long-term development of programs and services, including operating and program costs associated with the delivery of community services, celebrations and events in the City of Boroondara. Triennial Operational Grants also address key priorities in the Boroondara Community Plan 2021-31.

There are four streams in the Triennial Operational Grants:

- Healthy Community
- Sustainable Community
- Creative Community and
- Vibrant Retail Precincts.

Funding varies across the streams ranging from \$15,000 to \$50,000 per annum.

Key Issues

The funding pool for the 2023-26 Triennial Operational Grants (TOG) is \$468,922 per annum. This includes \$302,439.56 of funds carried forward from the 2022-23 Annual Community Strengthening Grants program, which equates with \$100,813 per annum across 2023-26, as depicted in the table below. These additional funds were allocated equally to the Vibrant Retail Precincts and Creative Community streams to respond to the increased demand and costs associated with delivering events.

Year	Triennial Grants	Carried Forward Annual	Total TOG
2023-24	\$ 368,109	\$100,813	\$468,922
2024-25	\$ 368,109	\$100,813	\$468,922
2025-26	\$ 368,109	\$100,813	\$468,922
Total 23-26	\$1,104,327	\$302,439	\$1,406,766

Fifty-six applications totalling \$979,361.01 were received. Full or partial funding totalling \$470,608 is recommended for 46 out of the 56 applications. Partial funding was allocated for 44 of the funded 46 applications to enable as many projects to be funded as possible, as demand exceeded the available funding.

Confidentiality

Confidential information is contained in **Attachments 1 and 2**, as circulated in the confidential section of the agenda attachments. The information in this attachment is deemed to be confidential in accordance with Section 66(2)(a) and the definition of 'confidential information' in Section 3(1) of the Local Government Act 2020. The information relates to personal information, being information which if released would

result in unreasonable disclosure of information about any person or their personal affairs and private commercial information, being information provided by a business that if released would unreasonably expose the business to disadvantage. If discussion of the confidential information in the attachments to this report is required for Council to make a decision, Council may resolve to discuss the matter in a confidential session or to defer the matter to the confidential section of the agenda.

If discussion of the confidential information in the attachments to this report is required for Council to make a decision, Council may resolve to discuss the matter in a confidential session or defer the matter to the confidential section of agenda.

Officers' recommendation

That Council resolve to endorse the 2023-26 Triennial Operational Grants as listed in **Attachment 3**, as annexed to the minutes.

Responsible director: Kate McCaughey, Director Community Support

1. Purpose

To present 2023-26 Triennial Operational Grants recommendations for Council endorsement.

2. Policy implications and relevance to community plan and council plan

The Boroondara Community Plan 2021-31 is Council's key strategic document, and it describes the community's 10-year vision and priorities. It guides Council's decision making, and directly informs the budget processes and Council strategies, plans, policies and actions.

The Boroondara Community Plan 2021-31 is structured around seven themes our community told us were important to them and each includes a strategic objective describing the outcomes we are seeking to achieve. The four strategies of relevance for this report are:

Strategy 1.2 under the Priority Theme of Community, Services and Facilities.

Health and wellbeing is improved through delivering, facilitating an advocating for services and programs that are accessible and affordable.

Strategy 1.3 under the Priority Theme of Community, Services and Facilities.

Arts and culture are showcased by increasing opportunities to participate in artistic and cultural programming.

Strategy 3.1 under the Priority Theme of The Environment.

Community resilience and capacity to live sustainably is increased through advocacy, education and resources.

Strategy 6.3 under the Priority Theme of Local Economy

Showcase and promote the City's attractions to increase visitation and spending locally.

In addition, the health priorities of improving mental wellbeing and social connection, tackling climate change and its impacts on health, and increasing active living will also be contributed to through these projects.

Policy context

Council adopted an updated Community Strengthening Grants Policy 2023 in February this year. The Policy outlines funding allocation parameters for the 2023-26 Triennial Operational Grants. The policy integrates Council's grant funding activities, so they strategically align to community needs, as identified in the Boroondara Community Plan 2021-2031.

The allocations recommended support commitments contained in the Boroondara Arts Plan 2020-23, the Multicultural Action Plan 2019-23, Disability Action Plan 2018-22, Add life to your years - Healthy Ageing in Boroondara Plan, Sport and Recreation Strategy, Climate Action Plan, Children and Young People Action Plan, and Reconciliation Strategy 2022-26.

3. Background

Program Overview

Triennial Operational Grants support the long-term development of programs and services that address key priorities for Council in meeting the needs of the community. Triennial Operational Grants support operating (including salary) and program costs associated with delivering community services, celebrations and events in Boroondara, and deliver practical community strengthening outcomes.

Applicants can apply for a Triennial Operational Grant under four streams:

- Healthy Community
- Sustainable Community
- Creative Community
 - Creative and Cultural Groups
 - Community Events
- Vibrant Retail Precincts.

Assessment and review process

Council officers assessed all applications in accordance with the program guidelines criteria. Applications were scored using a rating scale from 0 to 10, with scores aligned to one of the following four categories:

- highly recommended overall (81% - 100%)
- good overall (66% - 80%)
- fair only (50% - 65%)
- not recommended overall (under 50%).

Officer recommendations are based on the merits of each application, the application of program guidelines and an analysis of the financial investment against the potential community benefit from the project. Recommended applications align with Council's strategic objectives and priorities and deliver outcomes in alignment with the grant stream objectives and criteria.

The Community Strengthening Grants Review Panel (the Panel) provided feedback on the officer recommendations.

The Panel comprised Mayor Sinfield (Chair), Councillors Parke and Stavrou and Councillor Hollingsworth as a substitute. Three officers from the Community Planning and Development Department provided administrative support to the Panel. Relevant department managers and officers also attended the meetings to provide additional advice to the Panel. A full list of attendees is listed in **Confidential Attachment 1**.

4. Outline of key issues/options

Fifty-six applications totalling \$979,361.01 were received. There were 12 more applications than the 2020-23 Triennial Operational Grant round and 16 new applicants to the 2023-26 Triennial Operation Grants program.

The Healthy and Sustainable stream received 20 applications of which 10 were new, the Creative Community stream received 29 applications and eight were new to this stream and Vibrant Retail Precincts stream received seven applications and all were previous applicants.

Officers have recommended a total allocation of \$470,608 to support 46 applications across four streams. Of these, two applications were recommended for full funding and 44 applications were recommended for partial funding. All recommended allocations, including project summaries, are listed in **Attachment 3**.

Despite the increased funding pool, demand for Triennial Operational Grant funding exceeded the funds available, resulting in 44 of the 46 applications being recommended for partial funding despite 24 of 44 receiving a highly recommended assessment score.

Table 1 shows the community demand for funding compared to funds available (per stream) and the funding recommended. Triennial Operational Grant funding is allocated across three streams, with Sustainable Community and Healthy Community stream combined.

Table 1 Community Demand versus available funds (per annum)

Grants Stream	Applications received	Applications recommended	Amount Requested	Total Available Funds	Amount Allocated
Creative Community	29	28	\$364,894.49	\$182,611	\$182,613
Healthy Community & Sustainable Community	20	11	\$344,307.31	\$145,416	\$145,495
Vibrant Retail Precincts	7	7	\$270,159.21	\$140,895	\$142,500
Total	56	46	\$979,361.01	\$468,922	\$470,608

While the recommendations exceeded the available grant funds by \$1,686, this shortfall will be offset by a reduction in the operational budget.

Applications not recommended for funding are listed in **Confidential Attachment 2**. There were no ineligible applications.

5. Consultation/communication

The 2023-26 Triennial Operational Grants program was promoted through:

- The Fuse e-newsletter
- Boroondara Creative Network e-newsletter
- the Boroondara Volunteer Resource Centre (BVRC) Member Bulletin
- Sports Club Fortnightly update

- Electronic Direct Mail (EDM) to previous Triennial Operational Grant recipients
- Council's social media
- City of Boroondara website on a dedicated webpage
- a website news item.

The website included information and guidance to assist groups and organisations in submitting an application.

6. Financial and resource implications

The funding pool for the 2023-26 Triennial Operational Grants is \$468,922 per annum. This includes \$302,439.56 of funds carried forward from the 2022-23 Annual Community Strengthening Grants program, which equates with \$100,813 per annum across 2023-26, as depicted in Table 2. These additional funds were allocated equally to the Vibrant Retail Precincts and Creative Community streams to respond to the increased demand and costs associated with delivering events.

Table 2 - Triennial Operational Grant Funds

Year	Triennial Operational	Carried Forward Annual	Total
2023-24	\$ 368,109	\$100,813	\$468,922
2024-25	\$ 368,109	\$100,813	\$468,922
2025-26	\$ 368,109	\$100,813	\$468,922
Total 23-26	\$1,104,327	\$302,439	\$1,406,766

As noted above, 56 applications totalling \$979,361.01 were received for the 2023-26 Triennial Operational Grant round. Officers recommended full or partial funding for 46 applications of the 56 applications received totalling \$470,608. Recommendations for the Healthy Community, Vibrant Retail Precincts and Creative Community streams allocated \$1,686 more than grant funds available, and this shortfall will be offset by a reduction in the operational budget.

7. Governance issues

No officers involved in the preparation of this report have a general or material conflict of interest requiring disclosure under chapter 5 of the Governance Rules of Boroondara City Council.

The recommendation contained in this report is compatible with the Charter of Human Rights and Responsibilities 2006 as it does not raise any human rights issues.

Conflict of interest declarations for all Panel members and officers are listed in **Confidential Attachment 1**.

8. Social and environmental issues

The outcomes from the 46 applications recommended for funding will have a positive social and environmental impact within the Boroondara community. Working in partnership with local retail traders and community organisations, the grants will:

- build connected and inclusive communities,
- strengthen community wellbeing,
- enhance environmental awareness,
- foster cultural innovation and artistic practice, and
- support service delivery, celebrations and events.

Many of the proposed triennial funding grants address barriers to participation in community life by residents, and include opportunities, services and initiatives for low-income residents, those with disability or suffering mental ill-health.

Triennial Operational Grants provide organisations with the financial certainty they need to undertake longer term planning and attract other resources. It also improves their capacity to plan and deliver community and, environmental programs, celebrations, events and cultural services, and to build partnerships with other organisations that strengthen the social fabric in Boroondara.

Manager: **Fiona Brown, Manager Community Planning and Development**

Report officer: Jacqui Buckland, Community Development Officer (Grants and Partnerships)

2023-26 Triennial Operational Grants - Recommended

	Organisation Name	Project Title	Project Description	Recommendation	Conflict of Interest	Triennial Operational Grant stream
1	Armenian Film Festival Australia Inc	The Armenian Film Festival	Funding is requested for the operation of the Armenian Film Festival to celebrate the rich Armenian culture and share this with members of the wider Australian community, thus promoting harmony within the multicultural landscape in Boroondara and the broader community in general.	\$4,800.00	No conflict of interest declared.	Creative Community
2	ART ETC Collective Inc.	ART ETC Collective Inc Yearly Program	Funding is requested to support a yearly calendar of activities for members and the broader community. Activities include art programs and workshops in partnership First Nations and local musical groups, networking sessions and the ART ETC concert series.	\$5,000.00	No conflict of interest declared.	Creative Community
3	Ashburton Shopping Centre Traders Association	Ashburton Community Festival	Funding is requested to support a high quality, local festival for families of Ashburton and Boroondara.	\$29,500.00	No conflict of interest declared.	Vibrant Retail Precincts
4	Australian Boys Choral Institute	ABCI - community Engagement	Funding is requested to support operations to build ongoing alliances with local schools for the pre-audition and recruitment program.	\$4,000.00	No conflict of interest declared.	Creative Community
5	Auto Classico Event steering Group	Maling Road Auto Classico	Funding is requested for a community event displaying classic cars and bikes along the entire Maling Road Shopping Precinct in addition to stalls, rides and activities in collaboration with local business and community organisations.	\$10,000.00	No conflict of interest declared.	Vibrant Retail Precincts
6	Blind Sports and Recreation Victoria	A Vision for Inclusive Sport and Recreation in Boroondara	Funding is requested to deliver, coordinate and expand the group fitness, recreation, and walking programs for people who are blind or vision impaired in Boroondara. This includes capacity building training for Boroondara-based volunteers and Vision Loss Awareness training for tertiary students, recreation staff, and the broader community.	\$12,495.00	No conflict of interest declared.	Healthy and Sustainable Community
7	Boroondara Brass Incorporated	Boroondara Brass Inc. - Strengthening Our community	Funding is requested for support operational costs to enable strategic planning and delivery of multiple events to the Boroondara community.	\$9,500.00	No conflict of interest declared.	Creative Community
8	Boroondara Stroke Support Group Incorporated	Part-time Administrator for BSSG	Funding is requested for the continued support of paid administrator which will enable group volunteers to engage with clients referred to the support service, as demand continues to increase.	\$15,000.00	No conflict of interest declared.	Healthy and Sustainable Community
9	Boroondara Symphonic Band Incorporated	Boroondara Symphonic Band Operational Grant	Funding is requested to support operational costs of delivering multiple performances to the Boroondara community.	\$5,200.00	No conflict of interest declared.	Creative Community

10	BrainSTEM Limited	BrainSTEM Boroondara Empowering Environment and Sustainability Challenge (BrainSTEM BEES Challenge)	Funding is requested for the BrainSTEM BEES Challenge, which is designed to educate and empower Year 9-10 students in Boroondara with the skills and knowledge to support sustainability in their local environment through experienced mentoring and project management.	\$10,000.00	No conflict of interest declared.	Healthy and Sustainable Community
11	Burwood Village Traders Association	Triennial Grant - Summer Event Series	Funding is requested to support the Summer Event series delivered by Burwood Village Traders Association (BVTA) in the Melton Road open space. Four events will be held annually.	\$19,000.00	No conflict of interest declared.	Vibrant Retail Precincts
12	Camberwell Chorale Incorporated	Sounds Glorious	Funding is requested to support the Camberwell Chorale major performance program and their attendance at community events.	\$7,500.00	No conflict of interest declared.	Creative Community
13	Camberwell Salvation Army	Hot Meals Program	Funding is requested for the continuation of The Hot Meals program - a service provided every Friday and Sunday throughout the year for people who may be suffering from social isolation, homelessness, inadequate income, disability, or other issues.	\$15,000.00	No conflict of interest declared.	Healthy and Sustainable Community
14	Canterbury Council of Churches	Carols in Canterbury	Funding is requested for the continued support to organise the carols in Canterbury Gardens to celebrate Christmas.	\$5,000.00	No conflict of interest declared.	Creative Community
15	Canterbury History Group Inc.	Catalogue conversion, uploading and digitising. Payment of operating costs	Funding is requested to support the costs of digitising the catalogue of memorabilia to preserve the history of Canterbury for current and future generations and encourage sustainability for the group.	\$2,913.00	No conflict of interest declared.	Creative Community
16	Eastern Community Legal Centre	Promoting Legal and Social Wellbeing in Boroondara	Funding is requested to continue the provision of legal services to members of the Boroondara community who are experiencing vulnerability or disadvantage, particularly those with complex social and legal needs.	\$15,000.00	No conflict of interest declared.	Healthy and Sustainable Community
17	Friends of the Auburn Tower Inc	Annual Concert under the Auburn Tower	Funding is requested to support an annual concert at Auburn Uniting Church auditorium. The concert engages local artists, particularly younger musicians who have participated in the Boroondara Eisteddfod, providing an opportunity for paid public performance.	\$3,000.00	No conflict of interest declared.	Creative Community
18	Friends of the Hawthorn Tram Depot Inc	Administration and Coordination services provided under subcontract by a volunteer	Funding is requested for a coordinator to ensure the continued operation of the Hawthorn Tram Depot Museum. The coordinator will oversee all aspects of general operations plus implement and coordinate the projects.	\$10,000.00	No conflict of interest declared.	Creative Community

19	Glenferrie Road Hawthorn Shopping Centre Association	Glenferrie Festival	Funding is requested for continued support to deliver the 'Glenferrie Festival', the largest one-day free community festival in Boroondara, which is a collaboration with many local residents, businesses and community groups and organisations.	\$40,000.00	No conflict of interest declared.	Vibrant Retail Precincts
20	Grace Park Community Carols Inc.	Carols at Grace Park	Funding is requested to deliver the annual Carols at Grace Park event, a family-friendly and fun event for the Hawthorn community in partnership with Boroondara Brass, local primary schools, local businesses and a range of other solo and group performers.	\$9,000.00	No conflict of interest declared.	Creative Community
21	Greythorn Traders Association	Halloween at Greythorn Central	Funding is requested to support delivery of Greythorn Central's Halloween festival. This free event offers rides and entertainment and aims to attract people of all ages and abilities.	\$12,500.00	No conflict of interest declared.	Vibrant Retail Precincts
22	Hawthorn and Kew Bands Inc.	Hawthorn and Kew Bands Inc (Glenferrie Brass) operational grant	Funding is requested to maintain and enhance the band's role as an active, respected, and sought-after community music group performing at a professional standard. Funding will ensure the band's sustainability and further development of the junior band program.	\$9,000.00	No conflict of interest declared.	Creative Community
23	Hawthorn Community House, Access Health and Community	Bands and Burgers	Funding is requested to support delivery of the annual Band and Burgers event, which is a celebration of community connections, good music, great food, and engages local community groups and other members of the Mental Health Alliance to provide information on mental health services in Boroondara.	\$7,500.00	No conflict of interest declared.	Healthy and Sustainable Community
24	Hawthorn Historical Society Incorporated	Community Engagement and Operational Costs	Funding is requested to support operational and community engagement costs to deliver a range of activities both in person and online.	\$4,200.00	No conflict of interest declared.	Creative Community
25	Hawthorn Pipe Band Incorporated	Creating great pipe band music in Boroondara	Funding is sought to enable the band to continue operations and focus time on practices and performances. Formed in 1914, Hawthorn Pipe Band is the current Victorian and Australian champions.	\$5,800.00	No conflict of interest declared.	Creative Community
26	Kew Historical Society Inc	Advocating for history and heritage in Kew	Funding is requested to maintain and extend a range of community programs including exhibitions, cataloguing, research and lectures.	\$5,000.00	No conflict of interest declared.	Creative Community
27	Kew Junction Business Assoc	Halloween Festival Kew	Funding is sought to expand on the previous Halloween Festival to include satellite events including Haunted Kew Court House, a sideshow alley and zombie disco.	\$17,500.00	No conflict of interest declared.	Vibrant Retail Precincts

28	Kew Philharmonic Society Inc.	Kew Philharmonic operational funding	Funding is requested to support operational costs to enable delivery of choir performances and development of membership audience base.	\$3,800.00	No conflict of interest declared.	Creative Community
29	Lyon Foundation Limited T/A Lyon House-museum Galleries	Engaging with the Arts	Funding is requested to support a program of talks, forums, exhibitions, events and programs specifically designed to promote active engagement and participation by the Boroondara community.	\$8,400.00	No conflict of interest declared.	Creative Community
30	Maling Road Business Association (MRBA)	Kristkindl	Funding is requested to support extending the KristKindl event, a Christmas festival, from one evening to three days and one evening to enable more attendance. .	\$14,000.00	No conflict of interest declared.	Vibrant Retail Precincts
31	Melbourne Hindustani Classical Music Society	Melbourne International Festival of Hindustani Classical Music	Funding is sought to support operating costs of the annual Melbourne International Festival of Hindustani Classical Music. Melbourne Hindustani Classical Musical Society aspires to make the festival an annual fixture in the international calendar of Hindustani classical music.	\$3,500.00	No conflict of interest declared.	Creative Community
32	Melbourne Scottish Fiddle Club Inc	Keeping the Tradition Alive	Funding will enable Melbourne Scottish Fiddlers to keep alive the tradition of vibrant Scottish music within the multicultural City of Boroondara, facilitating music-making and coming together as a community.	\$3,000.00	No conflict of interest declared.	Creative Community
33	North Balwyn Interchurch Council	Carols in the Park	Funding is requested to deliver the Carols in the Park, an annual cultural celebration that engages all residents, promotes health, safety, and wellbeing in Macleay Park. Participants of all ages and diverse cultural, linguistic, social and economic backgrounds perform together, led by three professional soloists.	\$9,500.00	No conflict of interest declared.	Creative Community
34	Servants Community Housing Limited	Connecting and Educating Boroondara's Diverse Communities	Funding is sought to engage a part-time staff member (Community Engagement Officer) to deliver projects that aim to increase awareness of health promotion, volunteering and networking opportunities, and increase social cohesion and connections between marginalised groups in Boroondara.	\$18,000.00	No conflict of interest declared.	Healthy and Sustainable Community
35	St Hillary's Hope Inc.	Kew Community Carols	Funding is requested to support delivery of Kew Community Christmas Carols, an annual event to bring the community together to celebrate and enjoy the Christmas season's spirit. The event engages volunteer local bands, choirs and local talent, and is streamed online to reach the socially isolated.	\$4,000.00	No conflict of interest declared.	Creative Community
36	St. Oswald's Anglican Church Glen Iris	Indigenous Well-Being, Culture and Education Centre	Funding is requested to grow the existing centre as a safe and healthy place for local Indigenous and non-Indigenous people in the community to meet. The centre's activities will enable greater interaction and engagement of many more residents on First Nations' issues through education and other learning opportunities	\$11,000.00	No conflict of interest declared.	Healthy and Sustainable Community

37	Surrey Hills Historical Society	Surrey Hills Historical Society Inc move to Canterbury community Precinct	Funding is requested to support operating and program costs to maximise the opportunity provided by relocating to the Canterbury Community Precinct. Funding will enable the Society to enhance partnerships with local organisations and community networks to better represent the heritage of Surrey Hills to the wider community of Boroondara.	\$3,500.00	No conflict of interest declared.	Creative Community
38	Surrey Hills Neighbourhood Centre Inc	Surrey Hills Music Festival	Funding is requested to support delivery of the Surrey Hills Music Festival, showcasing local performers as part of the engaging community event.	\$12,500.00	No conflict of interest declared.	Creative Community
39	The ReelGood Film Festival	ReelGood Film Festival	Funding is requested for ReelGood Film Festival (RGFF), a one day event for the local Boroondara community to view works by emerging Australian filmmakers, and engage in talks and awards.	\$7,000.00	No conflict of interest declared.	Creative Community
40	The Salvation Army - Homelessness East	Assertive Homelessness Outreach	Funding is requested to support the operational costs of an outreach program and case management for clients in Boroondara who are homeless or at imminent risk of homelessness or living in low-cost accommodation settings.	\$15,000.00	No conflict of interest declared.	Healthy and Sustainable Community
41	The Scout Association of Australia, Victorian Branch	Camberwell Showtime	Funding is requested to support multiple activities associated with the development and delivery of Camberwell Showtime, a stage production presented by Scouts and Girl Guides in Boroondara.	\$11,000.00	No conflict of interest declared.	Creative Community
42	The Tudor Choristers Inc	Tudor Choristers Operational Costs	Funding is sought to support the engagement of choristers in regular rehearsals providing an opportunity to continue their music education, and deliver high-quality performances for the Boroondara community.	\$3,000.00	No conflict of interest declared.	Creative Community
43	The Uniting Church in Australia Property Trust (Victoria)	Boroondara Community Outreach	Funding is requested for continued support of the cost of running the Boroondara Community Outreach emergency relief program, community lunches, weekly group activities and homelessness supports.	\$19,000.00	No conflict of interest declared.	Healthy and Sustainable Community
44	Villa Alba Museum Incorporated	Highlighting Villa Alba in Boroondara	Funding is requested to support operational costs for the delivery of artistic and cultural activities to foster community engagement in heritage, culture and the arts.	\$6,000.00	No conflict of interest declared.	Creative Community
45	You Matter (Aus.) Ltd	You Matter Volunteer Support Strategy	Funding is requested to support operational costs to assist delivery and enhancement of the Volunteer Support Strategy - a volunteer management system to support the end-to-end process of volunteer recruitment, screening, onboarding, deployment and ongoing training and support.	\$15,000.00	No conflict of interest declared.	Healthy and Sustainable Community
46	Zelman Memorial Symphony Orchestra Inc	Zelman Memorial Symphony Orchestra Part Funding Conductor and Concertmaster	Funding is requested to support the delivery of four concerts annually that engage participants from 14 to 92 years in performances offered at low cost to the Boroondara community	\$10,000.00	No conflict of interest declared.	Creative Community

7.2 Contract No.2023/19 - Maintenance of Leisure Centre Pool Plant and Equipment

Executive Summary

Purpose

The purpose of this report is for Council to consider the award of Contract No. 2023/19 Maintenance Leisure Centre Pool Plant and Equipment.

Background

Council requires the services of a suitably qualified and experienced contractor to provide Pool Plant and Equipment maintenance at Ashburton Pool and Recreation Centre, Boroondara Sports Complex and Hawthorn Aquatic and Leisure Centre.

The proposed contract replaces an existing Contract No. 2015/133 which is due to expire in the coming months.

Key Issues

The key considerations used in the assessment and determination of the outcome of this tender process were:

- ability to plan, schedule and perform the works in strict accordance with the specified outcomes;
- a proven track record undertaking similar works in the past;
- access to appropriately skilled personnel and subcontractors; and
- value for money within the constraints of the Council budget.

The officer recommendation is considered the best value for money within the constraints of the Council budget.

Next Steps

Upon award of the contract, Council will oversee the management and execution of these services.

Confidentiality

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments. The information in this attachment is deemed to be confidential in accordance with Section 66(2)(a) and the definition of 'confidential information' in Section 3(1) of the Local Government Act 2020. The information relates to private commercial information, being information provided by a business, commercial or financial undertaking that—(i) relates to trade secrets; or (ii) if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage.

If discussion of the confidential information in the attachments to this report is required for Council to make a decision, Council may resolve to discuss the matter in a confidential session or to defer the matter to the confidential section of the agenda.

Officers' recommendation

That Council resolve to:

1. Award Contract No. 2023/19 Maintenance Leisure Centre Pool Plant and Equipment to Roejen Services Pty Ltd (ACN 007 332 407) The Trustee for Roejen Services Unit Trust (ABN 30 273 382 860), at their tendered annual lump sum rate for an initial period of two (2) years, with up to two increments of one (1) year each, to a maximum contract term of up to four (4) years. The estimated value over the maximum contract term is \$1,938,002 (including GST). The estimated cost to Council after return of GST Input Credits is \$1,761,820.
2. Authorise the Director Places and Spaces to execute the contract agreement with the above Contractor.
3. Authorise the Director Places and Spaces to negotiate and execute optional extension periods.
4. Note that expenditure under this contract is in accordance with Council's adopted budget for financial year 2023 - 24. Future years expenditure is foreshadowed and in accordance with the approved budget allocations.

Responsible director: Daniel Freer, Director Places and Spaces

1. Purpose

The purpose of this report is to seek Council support to award Contract No. 2023/19 Maintenance Leisure Centre Pool Plant and Equipment. The selected contractor will provide routine maintenance and repair of pool filtration equipment at Council's Leisure and Aquatic facilities.

2. Policy implications and relevance to community plan and council plan

This contract aligns with the following themes and strategies in the Boroondara Community Plan (2021-31) and Council Plan (2021- 25):

Theme One - "Your Community, Services and Facilities"

Strategy 1.4 - Maintain facilities, sports precincts and leisure centers to ensure they are operational, inviting, and appropriately supported to encourage equal access, increase social connection and health and wellbeing.

This procurement process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

3. Background

Council requires a suitably qualified contractor to perform preventive maintenance on all Pool Plant and Equipment in Council's Leisure and Aquatic facilities in accordance with the requirements of the specification.

The works to be performed by the contractor shall include, but not be limited to:

- periodic preventative maintenance of all pool equipment to maintain the equipment in good, efficient and safe operating condition, preventing breakdowns and prolonging the life of the asset; and
- Respond to urgent calls outs, in a timely manner and provide reliable services to ensure Leisure and Aquatic facilities are operating and accessible to the community.

Invitation to tender

In accordance with Council's Procurement Policy 2021-25, Council invited public tenders from suitably experienced and qualified organisations to perform preventive maintenance on all pool plant and equipment installed in the Boroondara Leisure and Aquatic facilities.

An Invitation to tender was advertised in the local government tenders' section of "The Age" newspaper on Saturday 4 March 2023, and on Council's e-tendering portal VendorPanel. The closing date for submissions was 2pm, Monday 22 March 2023.

In response to the advertisement, Council received two (2) submissions:

- Flowgistics Plumbing and Pool Services (ACN 660 284 524) The Trustee for Halmore Group Trust (ABN 78 206 453 169); and

- Roejen Services Pty Ltd (ACN 007 332 407) The Trustee for Roejen Services Unit Trust (ABN 30 273 382 860).

4. Outline of key issues/options

The preventative maintenance of pool plant and equipment in Council's Leisure and Aquatic facilities assists with the prevention and early detection of operational problems early to ensure quality operating outcomes and the avoidance of facility downtime and costly service interruptions. Appropriate maintenance of pool plant and equipment directly relates to providing safe and operational community facilities for staff and visitors.

Without the upkeep and maintenance of this plant, service standards and user health and safety is significantly compromised. This service contract is crucial to ensuring the adequacy of these buildings in responding to community needs.

5. Collaborative Procurement Opportunities

Council Officers are often in discussions with neighbouring local governments to determine the suitability of a collaborative procurement process however this occasion no other local government required the same services at this time therefore, collaborative procurement wasn't appropriate in achieving a better value outcome.

6. Consultation/communication

Internal consultation across the appropriate services within the Facilities, Waste and Infrastructure team informed the review and development of the specification and associated tender documents.

7. Financial and resource implications

Council's 2023-24 adopted budget provides the following allocation:

Item	Ex GST
Pool Filtration Equipment Maintenance	\$140,455
Leisure Centre – Pool Plant and Equipment	\$300,000
Total Adopted Budget 2023-24	\$440,455

This is a Schedule of Rates contract; expenditure of this contract will be in accordance with Council's 2023-24 adopted budget.

The amount of work performed will be in accordance with the need and budgetary allocations each year. Payment will be made in line with the respective Tenderer's Schedule of Rates.

The expenditure under this contract is in accordance with current budget allocations, this may increase in future years due to additional budget allocations to implement condition audit recommendations.

8. Governance issues

The recommendation contained in this report is compatible with the Charter of Human Rights and Responsibilities 2006 as it does not raise any human rights issues.

No officers involved in the preparation of this report have a general or material conflict of interest requiring disclosure under chapter 5 of the Governance Rules of Boroondara City Council.

This tender process has been carried out in accordance with the requirements of the Council's Procurement Policy 2021-25.

9. Social and environmental issues

Well maintained pool plant and equipment enhances the operation of aquatic features for Sports and Leisure facilities, which creates greater opportunities for usage and social connection while promoting health and wellbeing within the community.

10. Evaluation and review

The evaluation report is provided as **Confidential Attachment 1.**

As a result of the evaluation, the evaluation panel recommends that Council award Contract No. 2023/19 - Maintenance of Leisure Centre Pool Plant and Equipment to the following company:

- Roejen Services Pty Ltd (ACN 007 332 407) The Trustee for Roejen Services Unit Trust (ABN 30 273 382 860).

Manager: George Batsakis, Manager Facilities, Waste and Infrastructure

Report officer: Michael Robins, Coordinator Facilities Maintenance

7.3 Contract No. 2022/72 - 5 x Rear Load Compactor Trucks - Supply and Lease

Executive Summary

Purpose

This report seeks Council endorsement for the award of Contract No. 2022/72, 5 x Rear Loading Compactor Vehicles – Supply and Lease.

Background

Council directly delivers waste collection services for hard, general and Food Organics Garden Organics (FOGO) waste streams through staffing, leasing of vehicles and contracted material processing.

Prior to the introduction of FOGO in 2020 the waste service had a backup rear loader to ensure continuity of service to cover breakdowns and scheduled servicing.

When the FOGO service commenced, it required four (4) rear-loading compactor vehicles to provide the service; the backup rear loader was used for this service, resulting Council not having a spare rear-loading compacting vehicle. A fifth (5) vehicle was hired to cover breakdowns and scheduled servicing of the existing fleet and Christmas tree collections.

With the introduction of FOGO in May 2020, the service levels changed for general waste from weekly to fortnightly and green waste from fortnightly to weekly, commercial properties remained the same; with this change, there were more bins being collected due to:

- Pre-FOGO, green waste was an opt-in service, whereas, with the introduction of FOGO every property received the service.
- FOGO was introduced to Multi-Unit Developments (MUD's).

Each vehicle travels approximately 30,000km per year, operating in residential and commercial areas.

This contract includes the supply and lease of five (5) purpose-built rear-loading compactor vehicles to provide waste collection services. The estimated cost for this contract is \$2,325,424 (including GST). The estimated cost after the return of GST Input Credits is \$2,114,022.

Confidential information is contained in **Attachment 1**, as circulated in the confidential section of the agenda attachments, in accordance with Section 66(2)(a) and the definitions of 'confidential information' in section 3(1) of the *Local Government Act 2020*. The information relates to

- a. private commercial information, being information provided by a business, commercial or financial undertaking that—
 - i. relates to trade secrets; or
 - ii. if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage;

The item has been included in the public agenda to facilitate transparency and accountability in Council's decision making.

If discussion of the confidential information in the attachments to this report is required in order for Council to make a decision, this item will be deferred to the confidential section of the agenda.

Officers' recommendation

That Council resolve to:

1. Award Contract No. 2022/72, 5 x Rear Load Compactor Vehicles - Supply and Lease, to Bucher Municipal Pty Ltd (ABN 68 004 992 090) being the authorised representative for the supply of the five (5) Mercedes Econic Trucks, based upon non-maintained operating lease agreements provided by Toyota Finance Australia (ABN 48 002 435 181). The leasing agreement for a five (5) year term (60 months) is \$2,325,424 (including GST). The estimated cost to Council after the return of GST Input Credits is \$2,114,022.
2. Authorise the Director Places and Spaces to execute the contract lease agreement with Toyota Finance Australia (ABN 48 002 435 181).
3. Note that expenditure under this contract is in accordance with Council's Proposed 2023-24 annual budget (municipal waste charge). Future years expenditure is foreshadowed and in accordance with the approved budget allocations raised through the municipal waste charge.

Responsible director: Daniel Freer, Director Places and Spaces

1. Purpose

The purpose of this report is for Council to give consideration to the awarding of Contract No. 2022/72, 5 x Rear Loading Compactor Vehicles – Lease, Supply and Delivery.

2. Policy implications and relevance to community plan and council plan

This contract aligns with the following themes and strategies in the Boroondara Community Plan (2021-31) and Council Plan (2021- 25):

Theme One - Your Community, Services and Facilities

Strategy 1.4 Facilities and sports precincts encourage equal access through social planning, delivery, asset maintenance and renewal activities.

Theme Three - The Environment

Strategy 3.3 Municipal and household waste is reduced through initiatives to prevent, reduce, reuse and recycle.

This procurement process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

3. Background

Council requires 5 x Rear Load Compactor Vehicles, to replace its existing fleet of four rear loading vehicles, which are leased and one which is under a hire arrangement used to collect hard, general, food organics/garden organics (FOGO) and provide Christmas tree collections. Council's current rear-loading compactor fleet have reached the end of its financial lease agreements.

Extending the existing lease(s) further is not considered to be a cost-effective option, as the upkeep on those rear-loading vehicles means that they are becoming less economically viable to operate. Therefore, this contract is for the direct replacement of these rear-loading vehicles.

All non-warranty servicing and maintenance of the trucks will be undertaken by Council's Operations Centre located at the Riversdale Depot, Camberwell.

The National Procurement Network (NPN) is an alliance of state and territory local government association procurement organisations including Municipal Association of Victoria Procurement (MAVP). As a member of the MAVP, Council has access to a number of supplier contracts that were initiated via public tendering processes to which Council formally appointed MAVP to act as their tendering agent. Compliance with Sections 108 and 109 of the Local Government Act 2020 has been met by Council through this arrangement.

The Request for Quote documents were issued via Council's e-tendering portal VendorPanel, which allowed Council to receive responses from suppliers who have been prequalified and established under the following MAV Procurement supply contracts:

- NPN 04-13, Supply of Trucks, and
- ST20092, Supply of Specialised Trucks & Bodies.

4. Council Request for Quotation No. 2022/72

In accordance with Council's procurement procedures and Section 108 and 109 of the Local Government Act 2020, Council issued a Request for Quotation for Contract No.2022/72, 5 x Rear Loading Compactor Vehicles, - Supply and Lease, to three of the prequalified truck manufacturers under MAVP NP-13 and two prequalified body manufacturers under Contract ST20092.

The manufacturers were selected based on their vehicle range and relationships with body manufacturers (compactors) for the plant of suitable size and capacity.

The Request for Quotation was issued on Wednesday 3 August 2022 via the MAVP's Vendor Panel online quotation portal with a closing date for submissions of Monday, 30 August 2022.

In response, to the invitation, Council received submissions from three respondents and associated financial quotations, detailing various cab chassis and compactor bodies as detailed in table 4.1 below:

No.	Respondents	Vehicle Combination	Lease Provider
1	Bucher Municipal Pty Ltd (Whitehorse Truck Centre)	Mercedes Econic+ Bucher Urbin Series 11 20m3	Toyota Fleet Management
2	Penske Commercial Vehicles-Dennis Eagle Australia -	Dennis Eagle + Bucher 20m3	Maia Financial Pty Limited
3		Dennis Eagle + Superior Pak 20m3	
4	Mercedes Benz Commercial Vehicles (Whitehorse Truck Centre)	Mercedes Econic + Bucher 20m3	Daimler Truck Financial Services Aust. Pty Ltd
5		Mercedes Econic + Superior Pak 20m3	

Volvo Trucks was invited to submit a quotation for the cab chassis, however declined to participate for this new contract award.

5. Outline of key issues/options

Electric vehicles were considered for this contract, with tenderers indicating that this technology requires further improvement and future tenders will seek pricing from the marketplace.

6. Collaborative Procurement Opportunities

Compliance with sections 108 and 109 of the Local Government Act 2020 and Council's Procurement Policy 2021-25 has been met by issuing the Request for Quotation via Council's e-tendering portal VendorPanel inviting prequalified suppliers under the Municipal Association of Victoria Procurement (MAVP) agreements NPN 04-13 and ST20092.

7. Consultation/communication

The operation and maintenance of the rear loading vehicles is the responsibility of the Facilities, Waste and Infrastructure department staff, including the drivers and operators that have been fully involved throughout this Request for Quote process. The procurement process was facilitated by officers from the Chief Financial Office whose participation has ensured transparency and probity. No other consultation/communication has been considered necessary.

8. Financial and resource implications

The new vehicles are anticipated to transition into operation in January 2024.

Council's proposed 2023-24 foreshadowed budget contains a total allocation of \$212,911 for this new contract award.

Prices in table 8.1 exclude GST and indicate the proposed cost of new 5 x lease vehicles over the 2023-24 financial year. It is anticipated that the new vehicles will transition into operation from January 2024 and be in place for six (6) months during the 2023-24 financial year, with the old vehicle lease costs going through until December 2023. Foreshadowed funding in the LTFS will be updated to reflect the new annual lease cost for these vehicles.

Proposed Budget 2023-24	(ex. GST)
Allocated Proposed Budget	\$ 212,911
2023-24 Lease payments for 4 x current (existing) vehicles 6 months (account no's 23654, 23701 and 23702)	\$ 19,707*
<u>2023-24 Budget for 6 months of lease payments - 5 x vehicles (new)</u>	\$ 211,402*
Total 2023-24 Budget Required	\$ 231,109*
2023-24 Funding Deficit	-\$ 18,198

Table 8.1

**Note: Pricing in table above is in Australian Dollars and may reflect some anomalies with regards to the rounding of values.*

For future years, Council's Long Term Financial Strategy contains an allocation of \$212,911 per annum in foreshadowed lease costs across the term of the contract. The estimated cost of the new leases is \$422,804 per annum, leaving a budget shortfall of \$209,893 per annum. Refer to table 8.2.

Proposed Budget 2024-25	(ex. GST)
Allocated Proposed Budget	\$ 212,911
5 x vehicles annual lease payments	\$ 422,804*
Funding Deficit	-\$ 209,893

Table 8.2

**Note: Pricing in table above is in Australian Dollars and may reflect some anomalies with regards to the rounding of values.*

The shortfall in funding of \$209,893 is partially due to the lease costs for Council's existing four (4) rear loader trucks under the Contract No. 2016/29 being heavily discounted as the built date on the vehicles were up to two (2) years old but were not used and in storage by the manufacturer. At that time, Council opted to take up these vehicles through this contract at a lower lease cost.

Additionally, the replacement lease costs have come in higher than originally anticipated when the 2022-23 Adopted Budget was under development. At the time of budget development, it was anticipated the replacement cost would be approximately \$52,000 per vehicle per annum versus the \$84,560 per vehicle per annum.

Council's lease obligations in accordance with AASB 16 Leases are reviewed and updated on an annual basis as part of the development of the draft annual budget cycle. The draft 2023-24 Annual budget has been prepared based on the new vehicles coming into operation from January 2024.

9. Governance issues

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

The officers responsible for this report have no general or material interests requiring disclosure.

This tender process has been carried out in accordance with the requirements of Council's Procurement Policy 2021-25.

10. Social and environmental issues

The leasing of the trucks subject to this Contract will ensure a continuation of Council's high quality waste collection services.

The environmental benefits of the new rear loading vehicles include an Engine Advance option that allows the vehicle to run at a lower rev range. This allows the vehicle to operate quieter, which is ideal for high density areas, early morning collections and promotes fuel savings.

11. Evaluation and review

The evaluation report is provided as **Confidential Attachment 1**.

As a result of the quotation evaluation, the evaluation panel recommends that Contract No. 2022/72, 5 x Rear Loading Compactor Vehicles – Supply and Lease, be awarded as follows:

- Bucher Municipal Pty Ltd (ACN 004 992 090) under a five (5) year (60 months) non maintained leasing term and at a cost for the five (5) rear loading vehicles of \$2,325,424 (including GST). The estimated cost to Council after return of GST Input Credits \$2,114,022.

- The associated leasing contract for the five (5) vehicles is a non-maintained operating lease to be provided by Toyota Finance Australia (ABN 48 002 435 181).

The recommended Respondent submitted the lowest quotation, and the proposed vehicle met all key specification criteria as issued by Council.

Manager: **George Batsakis, Manager Facilities, Waste and Infrastructure**

Report officer: Wes Gunn, Coordinator Waste Operations, Facilities, Waste and Infrastructure.

7.4 April 2023 Monthly Financial Report

Executive Summary

Purpose

The purpose of this report is to provide Council the Monthly Financial Report for April 2023. The Monthly Financial Report is designed to identify and explain major variances at an organisational level and is provided in **Attachment 1**.

Background

The year to date annual budget referred to in this report reflects the 2022-23 Amended Budget, approved by Council on 14 November 2022 which includes the carry forward funding for final 2021-22 priority projects and capital works forward commitments.

The 2022-23 Full Year Forecast reflects the final result of the full year review of the annual financials to be undertaken during the year.

Key Issues

Year to date actuals vs. 2022-23 Amended Budget

Council's favourable operating result against year to date budget of \$54.22 million is \$9.77 million or 22% above 2022-23 Amended Budget of \$44.45 million primarily due to a number of factors which are outlined in **Section 2 of Attachment 1 - Financial Overview**.

Capital works actual expenditure is \$40.23 million which is \$6.20 million below year to date budget phasing of \$46.43 million. Priority projects expenditure of \$17.61 million is \$5.00 million below year to date budget phasing of \$22.61 million.

Council's Balance Sheet and cash position are sound and depict a satisfactory result. At the end of April Council's cash position stood at \$164.56 million or \$18.26 million above year to date budget.

Officers' recommendation

That Council resolve to receive and note the Monthly Financial Report for April 2023 (**Attachment 1**).

Responsible director: Phillip Storer, Chief Executive Officer

1. Purpose

The purpose of this report is to provide Council the Monthly Financial Report for April 2023. The Monthly Financial Report is designed to identify and explain major variances at an organisational level and is provided in **Attachment 1**.

2. Policy implications and relevance to community plan and council plan

This report is consistent with the Boroondara Community Plan 2021-31, incorporating the 10-year Community Vision, Council Plan 2021-25 and Municipal Public Health and Wellbeing Plan 2021-25 (MPHWP). In particular, the Council Plan theme of Leadership & Governance and the strategy "Resources are responsibly allocated and used through sound financial and asset planning, procurement and risk management practices".

3. Background

The year to date annual budget referred to in this report reflects the 2022-23 Amended Budget, approved by Council on 14 November 2022 which includes the carry forward funding for final 2021-22 priority projects and capital works forward commitments.

The 2022-23 Full Year Forecast reflects the final result of the full year review of the annual financials to be undertaken during the year.

4. Outline of key issues/options

Year to date actual vs. year to date 2022-23 Amended Budget

The favourable operating result against year to date budget of \$54.22 million is \$9.77 million or 22% above the 2022-23 Amended Budget of \$44.45 million primarily due to a number of factors which are outlined in **Section 2 Financial Overview**.

Full Year Forecast vs 2022-23 Amended Budget

The 2022-23 Full Year Forecast of \$12.96 million represents an increase in the surplus result by \$10.68 million above the 2022-23 Amended Budget surplus of \$2.28 million.

Closing cash and investments are forecast to be \$128.17 million which is \$12.55 million above the 2022-23 Amended Budget of \$115.62 million. This is primarily due to items noted above and the recognition of capital works forward commitments of \$5.55 million and priority projects forward commitments of \$9.68 million which will be carried forward to 2023-24.

Balance Sheet and Cash Flow Statement

Cash and investment holdings are \$164.56 million as at 30 April 2023, or \$18.26 million higher than year to date budget of \$146.30 million. This represents an increase of \$14.22 million from 30 June 2022.

The Balance Sheet as at 30 April 2023 indicates a satisfactory result with total current assets of \$210.02 million and total current liabilities of \$66.62 million.

Please refer to **page 8 of Attachment 1** for further detail.

Capital Works

Council's year to date performance in gross capital works expenditure is \$40.23 million which is \$6.20 million below year to date budget phasing of \$46.43 million. Year to date actual and commitments as at 30 April 2023 equates to \$70.07 million.

Priority Projects

Council's year to date performance in gross priority project expenditure is \$17.61 million which is \$5.00 million below year to date budget phasing of \$22.61 million. Year to date actual and commitments as at 30 April 2023 equates to \$34.82 million.

Refer to **page 3 and 4 of Attachment 1** for graphical representation of capital works and priority projects year to date budget, actual and committed expenditure.

5. Consultation/communication

The Executive Leadership Team has reviewed and approved the report.

6. Financial and resource implications

Council's current operating and cash flow position is sound. Council continues to monitor and review the financial impacts of COVID-19 on Council's operating budget.

7. Governance issues

No officers involved in the preparation of this report have a general or material conflict of interest requiring disclosure under chapter 5 of the Governance Rules of Boroondara City Council.

The recommendation contained in this report is compatible with the Charter of Human Rights and Responsibilities 2006 as it does not raise any human rights issues.

8. Social and environmental issues

There are no direct impacts resulting from this report.

Manager: Amy Montalti, Chief Financial Officer

Report officer: Sapphire Allan, Coordinator Management Accounting



Monthly Financial Report

April 2023

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1. Executive Overview

1.1 Introduction and overview

The Monthly Financial Report for April 2023 has been prepared in accordance with Australian Accounting Standards.

This monthly report is designed to identify major variations against the 2022-23 Amended Budget at an organisational level.

The year to date and annual budget referred to in this report reflects the 2022-23 Amended Budget adopted by Council on 14 November 2022 which includes the carry forward funding for final 2021-22 priority projects and capital works forward commitments.

The 2022-23 Full Year Forecast reflects the final result of the full year review of the annual financials to be undertaken during the year.

1.2 Key financial highlights and overview

Key financial summary	ANNUAL ORIGINAL BUDGET \$'000	YTD ACTUAL (1) \$'000	YTD BUDGET (2) \$'000	YTD VARIANCE (1) - (2) \$'000	YTD VARIANCE (1) / (2) %	STATUS YTD VARIANCE	FULL YEAR FORECAST (3) \$'000	2022-23 AMENDED BUDGET (3) \$'000	FORECAST VARIANCE (3) - (4) \$'000	STATUS FULL YEAR VARIANCE
Surplus/(Deficit) for the year	6,607	54,219	44,452	9,767	22%	✓	12,956	2,280	10,676	✓
Recurrent income	255,177	245,423	242,558	2,865	1%	✓	253,359	249,618	3,741	✓
Recurrent expenditure	226,608	178,591	181,347	2,756	2%	✓	227,738	226,757	(981)	—
Capital works										
Expenditure *	78,890	40,228	46,432	6,204	13%	✓	68,125	73,702	5,577	✓
Priority projects										
Expenditure *	23,148	17,610	22,606	4,996	22%	✓	26,420	34,799	8,379	✓
Closing cash and investments **	87,121	164,563	146,301	18,262	12%	✓	128,170	115,616	12,554	✓

* Please refer to page 11 for further explanation of variances.

** Please refer to page 10 for further details and explanation of closing cash and investments.

Status legend:

✓	Above budgeted revenue or under budgeted expenditure.
—	Below budgeted revenue or over budgeted expenditure by <10%.
✗	Below budgeted revenue or over budgeted expenditure by >10%.

The overall financial position at 30 April 2023 is satisfactory with a working capital ratio of 3.15 to 1 (including cash contingency for emergency response works and reserve funds of \$23.47 million).

Surplus Result

Year to date actual vs. 2022-23 Amended Budget

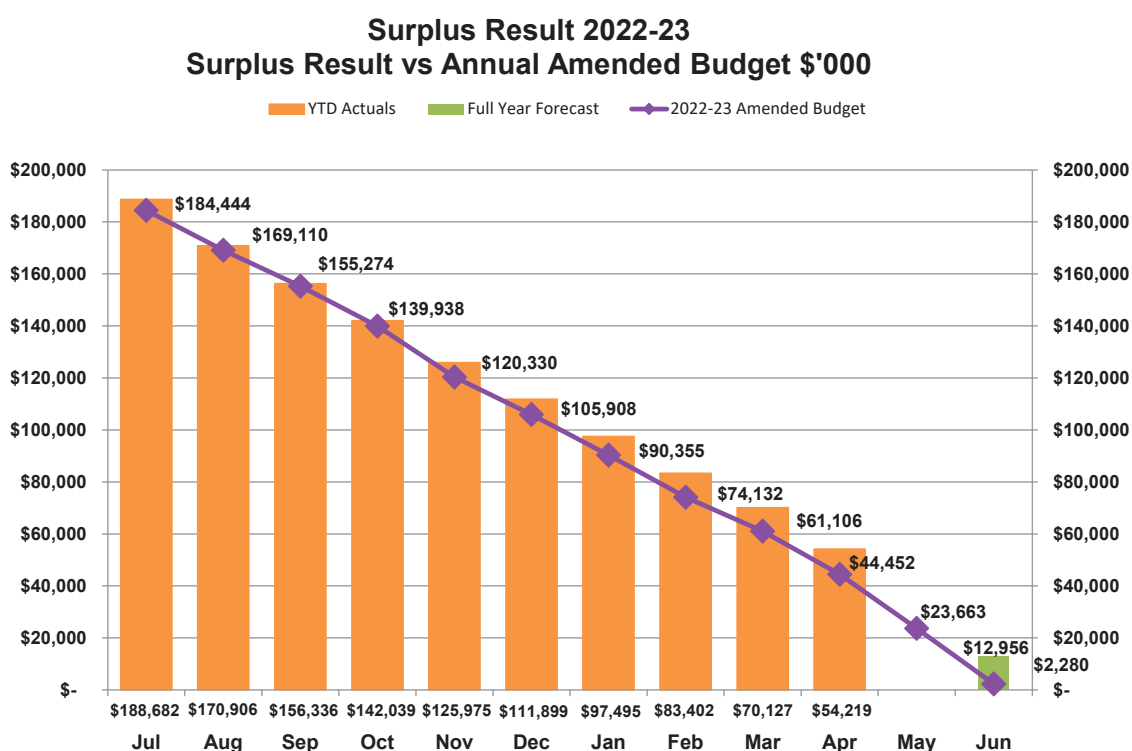
The year to date surplus result of \$54.22 million as per the budget is due to the striking of full year annual rates in August 2022. The surplus result will reduce over the course of the year as Council delivers services to the community. In addition, the favourable result against year to date budget of \$9.77 million or 22% is due to timing differences for income and expenditure across Council. Refer to **Section 2 Financial Overview** for details on Council's financial performance.

Full Year Forecast vs 2022-23 Amended Budget

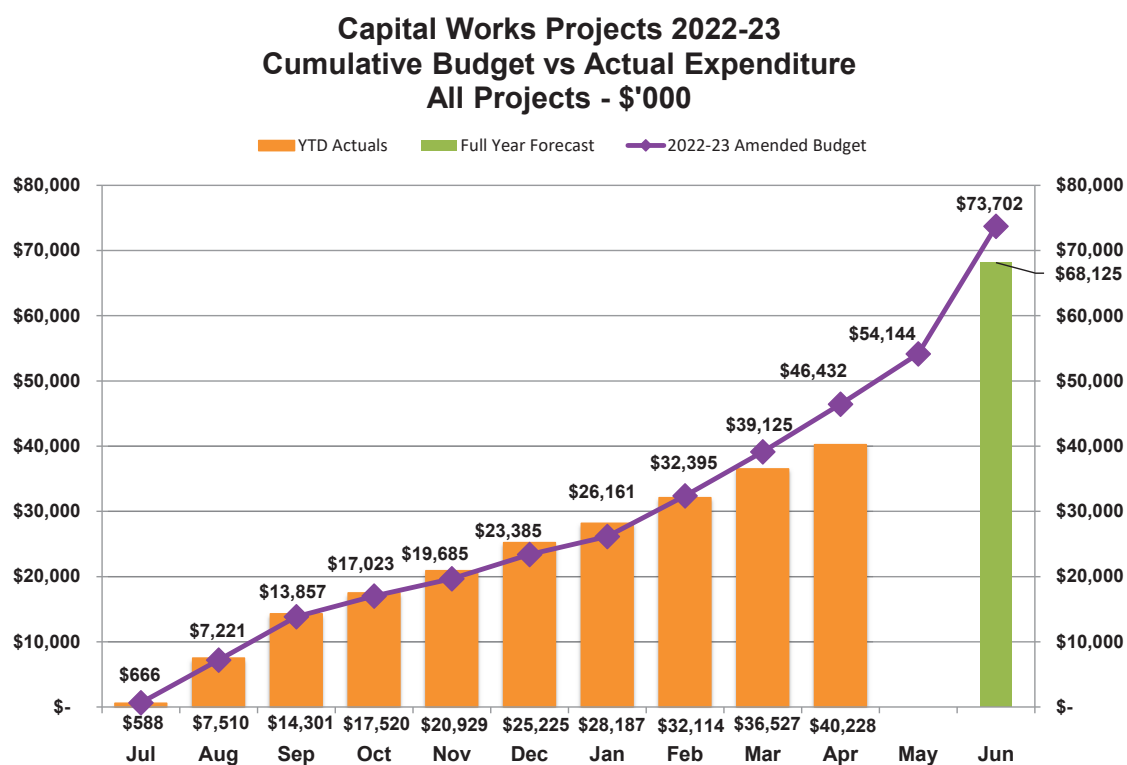
The 2022-23 Full Year Forecast of \$12.96 million represents an increase in the surplus result by \$10.68 million compared to the 2022-23 Amended Budget surplus of \$2.28 million.

The full year forecast is the subject of an extensive review undertaken with departments during the March quarter. The current forecast position indicates an improved surplus outcome due to higher interest income of \$2.40 million, employee cost savings of \$1.28 million, lower expenditure for amortisation - right of use assets of \$707,000 and net priority project carry forwards of \$9.68 million. This is partially offset by an increase in materials and services expenditure of \$3.14 million and a decrease in user fees of (\$523,000), priority projects income of (\$498,000) and statutory fees and fines income (\$355,000).

Please refer to the graphical representation below of actual year to date surplus result versus the 2022-23 Amended Budget.



Capital Works

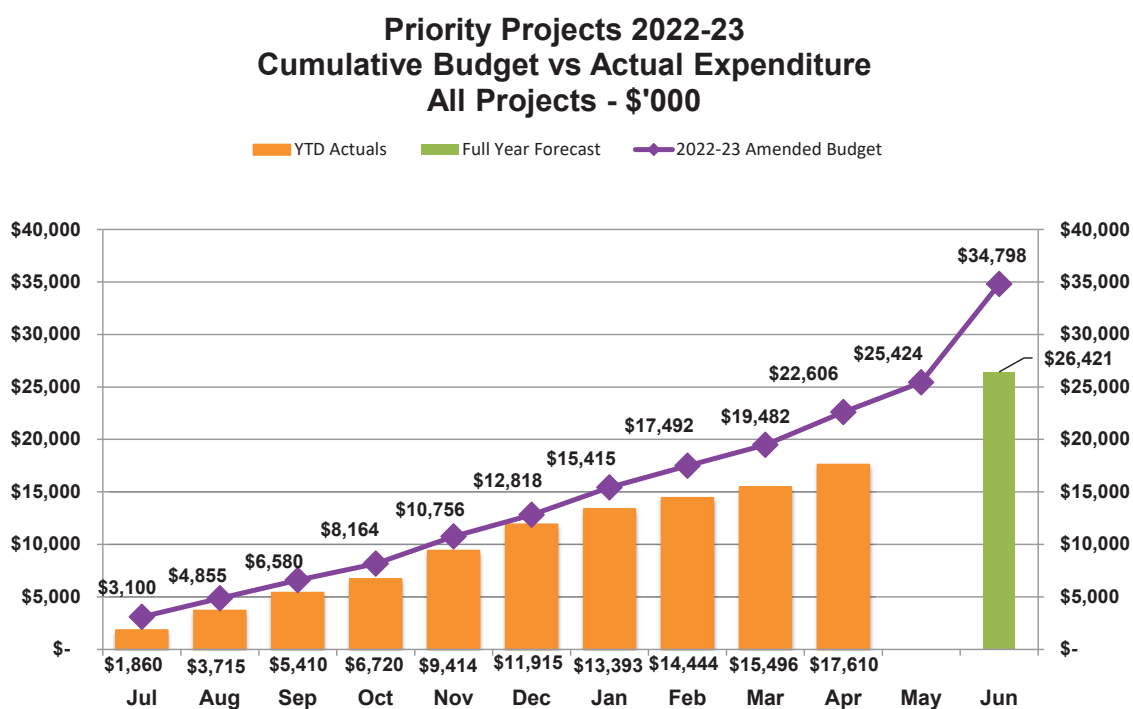


Council's year to date performance in gross capital works expenditure is \$40.23 million which is \$6.20 million below year to date budget phasing of \$46.43 million.

Capital works committed expenditure as at 30 April 2023 is \$29.84 million (year to date actual and commitments equates to \$70.07 million).

Please refer to **Section 2.4 Capital Works** for further explanation.

Priority Projects



Council's year to date performance in gross priority project expenditure is \$17.61 million which is \$5.00 million below year to date budget phasing of \$22.61 million.

Priority projects committed expenditure as at 30 April 2023 is \$17.21 million (year to date actual and commitments equates to \$34.82 million).

Please refer to **Section 2.3 Priority Projects** for further explanation.

2. Financial overview

2.1 Income Statement

The year to date surplus result of \$54.22 million is \$9.77 million above the 2022-23 Amended Budget surplus of \$44.45 million. The favourable result against year to date budget is due to a number of factors which are outlined below.

Year to date total recurrent and non-recurrent income is above budget by \$2.04 million comprising recurrent income of \$2.86 million and non-recurrent income of (\$822,000), while year to date total recurrent and non-recurrent expenditure is \$7.75 million (\$2.75 million + \$5.00 million) below budget.

The following table includes explanations on major income and expenditure line variances over \$75,000 against the year to date budget.

Definitions

Timing (T) = Year to date expenditure or income level is less/more than anticipated in the budget phasing. Anticipated this variance will correct by end of financial year without management action.

Permanent (P) = The dollars outlined as a permanent variance are anticipated to add/reduce the end of year result.

Forecast = Where a permanent variance has been determined, an expected full year forecast variance has been noted.

Phasing = When anticipated spread of expenditure/income across the financial year is expected to be spent/received.

Year to date actual vs. year to date budget variations.

Income			
Income line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Statutory fees and fines (\$909,000)	T/P T T P	Lower than budgeted income: <ul style="list-style-type: none"> • (\$541,000) - lodgement fee income - primarily in scheme control income. • (\$343,000) - parking management income. • (\$150,000) - street furniture permits. Offset by higher than budgeted income: <ul style="list-style-type: none"> • \$158,000 - skip bins income. 	(\$500,000) \$231,000

Income			
Income line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
User fees (\$1.06 million)	P	Lower than budgeted income: <ul style="list-style-type: none"> • (\$520,000) - service fees and charges primarily in Freeway Golf Course and Asset Protection. 	(\$662,000)
	T/P	<ul style="list-style-type: none"> • (\$439,000) - registrations income primarily in health services and animal registrations behind planned budget phasing. 	\$102,000
	P	<ul style="list-style-type: none"> • (\$84,000) - other charges income primarily in Transfer Station & Yard Maintenance. 	(\$106,000)
	T/P	Offset by higher than budgeted income: <ul style="list-style-type: none"> • \$103,000 - Infringements Court Charges. 	\$38,000
Contributions - Cash \$952,000	T/P	Higher than budgeted income: <ul style="list-style-type: none"> • \$823,000 - developers open space contributions received higher than planned budget phasing. 	\$500,000
	T/P	<ul style="list-style-type: none"> • \$129,000 - local contributions primarily associated with Balwyn rotary contribution to small annual community grants program. 	\$115,000
Rental income \$361,000	T/P	Higher than budgeted income: <ul style="list-style-type: none"> • \$310,000 - rental/hire income - primarily at Hawthorn Arts Centre from October to December with some venue hirers returning for the first time since 2019 and Formal Gardens higher than planned budget phasing. 	\$250,000
Other income \$517,000	P	Higher than budgeted income: <ul style="list-style-type: none"> • \$513,000 - other income primarily in road and footpath occupation income higher than planned budget phasing. 	\$581,000
Interest \$2.90 million	T/P	Higher than budgeted income: <ul style="list-style-type: none"> • \$2.90 million - managed interest - due to interest on investments. 	\$2.40 million

Expenditure			
Expense line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Employee costs \$1.04 million	T/P	Lower than budgeted expenditure: • \$4.53 million - salaries and associated costs primarily due to staff vacancies across the organisation.	\$3.74 million
	T/P	• \$187,000 - apprenticeships/traineeships.	\$132,000
	T/P	Offset by higher than budgeted expenditure: • (\$3.16 million) - temporary staff filling vacancies across the organisation.	(\$2.21 million)
	T/P	• (\$454,000) - overtime and casuals and relievers filling vacancies across the organisation.	(\$323,000)
Materials and services \$487,000	T/P	Lower than budgeted expenditure: • \$993,000 - professional services and advice across the organisation.	\$264,000
	T	• \$389,000 - application support expense.	
	T/P	• \$386,000 - legal fees expense.	\$99,000
	P	• \$343,000 - consultants expense.	(\$171,000)
	T/P	• \$231,000 - telephone/internet/data sim cards expense.	(\$34,000)
	T/P	• \$210,000 - mowing contractors expense.	\$79,000
	T/P	• \$161,000 - trade services across the organisation.	(\$918,000)
	T/P	• \$153,000 - below excess claims fleet expense.	\$67,000
	T/P	• \$152,000 - other rates and taxes expense.	(\$304,000)
	T/P	• \$150,000 - painting services expense.	\$45,000
	T/P	• \$138,000 - online subscriptions expense.	(\$74,000)
	T/P	• \$138,000 - postage expense.	\$4,000
	P	• \$133,000 - water supply expense.	\$107,000
	P	• \$121,000 - waste recycling disposal expense.	\$261,000
	P	• \$103,000 - mechanical equipment maintenance expense.	\$118,000
	P	• \$80,000 - electricity expense.	(\$63,000)
	T	• \$78,000 - insurance premiums, decrease to Council's public liability and building insurance expenses influenced by movements in the insurance markets.	

Expenditure			
Expense line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
<i>Materials and services cont.</i>	<p>T/P</p> <p>T/P</p> <p>T</p> <p>P</p> <p>T/P</p> <p>T/P</p> <p>T/P</p> <p>P</p> <p>T/P</p> <p>P</p> <p>T/P</p> <p>T</p> <p>T/P</p> <p>P</p> <p>P</p>	<p>Offset by higher than budgeted expenditure:</p> <ul style="list-style-type: none"> • (\$867,000) - concrete expense. • (\$737,000) - specialist tree work, high voltage works, block, root and park tree pruning in Environmental Sustainability and Open Space. • (\$646,000) - capital works in progress (items expensed due to not meeting the asset capitalisation criteria - this is a non-cash accounting entry). • (\$221,000) - distillate expense. • (\$215,000) - recruitment costs expense. • (\$193,000) - licencing/maintenance contracts expense. • (\$180,000) - plumbing services expense. • (\$178,000) - instant turf expense. • (\$143,000) - infringements court filing fees expense. • (\$125,000) - equipment purchase expense. • (\$123,000) - tipping fees expense. • (\$122,000) - drainage cleaning and maintenance expense. • (\$114,000) - open space contract - variations expense. • (\$99,000) - turf renovations expense. • (\$96,000) - spares expense. • (\$86,000) - externally managed facilities - operating cost expense. • (\$76,000) - hardware expense. 	<p>(\$670,000)</p> <p>(\$176,000)</p> <p>(\$154,000)</p> <p>(\$259,000)</p> <p>(\$81,000)</p> <p>(\$154,000)</p> <p>(\$133,000)</p> <p>(\$35,000)</p> <p>(\$39,000)</p> <p>(\$140,000)</p> <p>(\$122,000)</p> <p>(\$218,000)</p> <p>(\$45,000)</p> <p>(\$20,000)</p> <p>(\$93,000)</p> <p>(\$107,000)</p>
Amortisation - right of use assets \$586,000	P	<p>Lower than budgeted expenditure:</p> <ul style="list-style-type: none"> • \$565,000 - a review was undertaken of right of use assets and has been reflected in the Full Year Forecast. The favourable variance has been partially offset by increase in short term assets below in "other expenses". 	\$707,000

Expenditure			
Expense line	Expected variance (P)ermanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Other expenses \$593,000	T/P	Lower than budgeted expenditure: • \$229,000 - conferences seminars training expense across the organisation.	\$38,000
	T/P	• \$184,000 - special rates expenditure behind planned budget phasing.	\$8,000
	P	• \$166,000 - grants and subsidies behind planned budget phasing primarily in small annual grants.	\$350,000
	P	Offset by higher than budgeted expenditure: • (\$173,000) - Leased assets across the organisation that are short term (less than 12 months) or low value in nature. In accordance with the requirements of the new accounting standard AASB 16 - Leases short term or low value leases will be expensed to the income statement.	(\$248,000)

2.2 Balance Sheet and Cash Flow Statement

Cash and investment holdings are \$164.56 million as at 30 April 2023 which has increased by \$14.22 million from 30 June 2022.

Total cash and investment holdings are \$18.26 million higher than year to date budget primarily due to:

- Lower than budgeted materials and services \$4.62 million due to timing of cash outflows.
- Lower payments for Property, infrastructure, plant and equipment of \$4.17 million due to timing of cash outflows relating to the capital works program.
- Higher than budgeted interest received of \$2.00 million due to interest on investments.
- Higher than budgeted developer open space contributions of \$1.62 million due to timing.
- Employee costs are lower than budgeted due to staff vacancies across the organisation.

Partially offset by:

- Lower than budgeted statutory fees and charges of (\$2.55 million) due to timing.

The Balance Sheet as at 30 April 2023 indicates a satisfactory result with total current assets of \$210.02 million and total current liabilities of \$66.62 million.

The working capital ratio of 3.15 to 1 (includes a 0.5% or \$848,000 cash contingency for emergency response works and reserve funds of \$23.47 million) reflects the increase in current debtors resulting from the striking of the rates which will reduce by 30 June 2023 as Council funds its operating programs and capital works. The rate debt will be repaid over the remainder of the financial year in accordance with the payment options chosen by ratepayers.

2.3 Priority Projects

Council's year to date performance in gross priority project expenditure is \$17.61 million which is \$5.00 million below year to date budget phasing primarily due to expenditure delays, the most significant being:

- **81084. System Development and Implementation - (\$3.76 million)**
In October 2022 the Transforming Boroondara Program Board and Transforming Boroondara Steering Committee endorsed the change request for the Program. This was due to the vendor delays in commencing the Core Initiative. A proposed forward commitment to 2023-24 of \$6.45 million has been reflected in the full year forecast.
- **81028. Statutory Planning Paper Files Scan on Demand - (\$253,000)**
After initial delays due to the ongoing COVID-19 restrictions, work has now commenced for the safe collection of files from Council offices by the contractor. Council has received funding from the Victorian Government Regulation Reform Incentive Fund to continue this project. It is anticipated the project will be completed in the 2023 calendar year. A proposed forward commitment to 2023-24 of \$234,600 has been reflected in the full year forecast.
- **80955. Tree Strategy Action Plan implementation - (\$236,000)**
This is a multi-year project for various tree renewals in parks and streets. A number of tree removals and replacement planting projects will be completed by June 2023. Further street tree renewal projects will be completed by June 2024 and are expected to continue into 2024-25. A proposed forward commitment to 2023-24 of \$751,845 has been reflected in the full year forecast.
- **81029. Information Asset Audit - (\$216,000)**
Implementation of the digital disposal initiatives will align to the core uplift and will be delivered through the Transforming Boroondara program. The project is expected to be completed by June 2024. A proposed forward commitment to 2023-24 of \$200,000 has been reflected in the full year forecast.

Priority projects committed expenditure as at 30 April 2023 is \$17.21 million (year to date actual and commitments equates to \$34.82 million).

Refer to **page 4 Executive overview** for graphical representation of priority projects year to date budget, actual and committed expenditure.

2.4 Capital Works

Council's year to date performance in gross capital works expenditure is \$40.23 million which is \$6.20 million below year to date budget phasing with the most significant being:

- **72939. Concrete drain relining - (\$929,000)**
Project delivery was delayed due to contractor availability. Works commencing in May 2023 with works planned for completion by June 2023.
- **72684. New Public toilets - (\$552,000)**
New public toilets project is funding works to be undertaken at Lynden Park Pavilion and Camberwell Fresh Food Market to improve toilets and accessibility. The works program was delayed to align with the construction timeline for Lynden Park Pavilion.
- **72665. Library IT Hardware Renewal - (\$495,000)**
Return chutes and sorters have been ordered for Hawthorn and Ashburton Libraries. This is a multi-year project that involves building related works to be undertaken at each site to accommodate the upgraded sorters and return chutes. The building works need to be completed before the new equipment can be installed. It is now anticipated the project will be completed by March 2024. A proposed forward commitment to 2023-24 of \$660,224 has been reflected in the full year forecast.
- **72901. Climate Action Plan - (\$492,000)**
Multiple projects underway. Electric vehicle (EV) contracts and solar photovoltaic (PV) contracts with value over \$400,000 are about to be awarded. Works will continue into 2023-24 financial year and are expected to be completed in September 2023.
- **72769. Canterbury Community Precinct (Renewal) - (\$470,000)**
This is a multi-year project. There have been a number of COVID-19 restrictions, including workforce reductions, construction industry shutdowns and supply chain delays which have resulted in the works program being slightly delayed. The delayed program will extend the work scheduled, with stage 1 works recently completed in March 2023, and stage 2 works commenced in April 2023. It is anticipated the completion of stage 2 works will be in 2023.
- **71794. Future Information Technology Expenditure - (\$396,000)**
Due to on-going global shortages of certain equipment and component parts, along with supply chain issues, the project has been delayed. The project is expected to be completed by December 2023. A proposed forward commitment to 2023-24 of \$200,000 has been reflected in the full year forecast.
- **72863. Fordham Avenue Kindergarten - (\$323,000)**
Project delivery has been delayed so work can be completed during Easter and school holiday periods to minimise impacts to kindergarten services. The project is anticipated to be completed by September 2023. A proposed forward commitment of \$218,007 has been reflected in the full year forecast.

Capital works committed expenditure as at 30 April 2023 is \$29.84 million (year to date actual and commitments equates to \$70.07 million).

Refer to **page 3 Executive overview** for graphical representation of capital works year to date budget and actual expenditure.

3. Financial Statements

3.1 Income Statement

	ANNUAL ORIGINAL BUDGET	YTD ACTUAL (1)	YTD BUDGET (2)	YTD VARIANCE (1) - (2)	YTD VARIANCE %	FULL YEAR FORECAST (3)	2022-23 AMENDED BUDGET (3)	FORECAST VARIANCE (3) - (4)
	\$'000s	\$'000s	\$'000s	\$'000s	%	\$'000s	\$'000s	\$'000s
Recurrent income								
Rates and charges	203,580	203,656	203,627	29	0%	203,619	203,627	(8)
Statutory fees and fines	14,245	12,102	13,011	(909)	-7%	15,159	15,514	(355)
User fees	16,728	9,293	10,348	(1,055)	-10%	11,344	11,867	(523)
Grants - operating	10,257	6,231	6,163	68	1%	7,446	7,093	353
Contributions - cash	5,079	5,186	4,234	952	22%	5,694	5,079	615
Rental income	2,430	2,220	1,859	361	19%	2,814	2,430	384
Other income	2,508	2,583	2,066	517	25%	3,383	2,508	875
Interest	350	4,152	1,250	2,902	232%	3,900	1,500	2,400
Total recurrent income	255,177	245,423	242,558	2,865	1%	253,359	249,618	3,741
Recurrent expenditure								
Employee costs	97,599	74,836	75,879	1,043	1%	94,842	96,119	1,277
Materials and services	73,556	58,441	58,928	487	1%	76,798	73,655	(3,143)
Bad and doubtful debts	1,818	628	614	(14)	-2%	2,139	2,140	1
Depreciation and amortisation ¹	38,454	32,032	32,032	-	0%	38,454	38,454	-
Amortisation - right of use assets	4,331	3,022	3,608	586	16%	3,624	4,331	707
Borrowing costs	2,781	3,313	3,313	-	0%	3,952	3,952	-
Finance costs - leases	322	207	268	61	23%	248	322	74
Other expenses	7,747	6,112	6,705	593	9%	7,681	7,784	103
Total recurrent expenditure	226,608	178,591	181,347	2,756	2%	227,738	226,757	(981)
Net recurrent operating surplus	28,569	66,832	61,211	5,621	9%	25,621	22,861	2,760
Non-recurrent income								
Priority projects income	1,333	1,403	2,169	(766)	-35%	2,472	2,970	(498)
Capital works income	2,616	3,622	3,678	(56)	-2%	14,983	14,011	972
Total non-recurrent income	3,949	5,025	5,847	(822)	-14%	17,455	16,981	474
Non-recurrent expenditure								
Priority projects expenditure	23,148	17,610	22,606	4,996	22%	26,420	34,799	8,379
Total non-recurrent expenditure	23,148	17,610	22,606	4,996	22%	26,420	34,799	8,379
Net non recurrent operating surplus (deficit)	(19,199)	(12,585)	(16,759)	4,174	-25%	(8,965)	(17,818)	(8,853)
Net gain (loss) on disposal of property, infrastructure, plant and equipment	(2,763)	(28)	-	(28)	100%	(3,700)	(2,763)	(937)
Surplus/(Deficit) for the year ²	6,607	54,219	44,452	9,767	22%	12,956	2,280	10,676

Note: All numbers are rounded to the nearest thousand.

1. Depreciation and amortisation primarily relates to property, plant, equipment and infrastructure assets.
2. The year to date surplus result of \$54.22 million as per the budget is due to the striking of full year annual rates in August 2022. The surplus result will reduce over the course of the year as Council delivers services to the community. In addition, the favourable result against year to date budget of \$9.77 million or 22% is due to timing differences for income and expenditure. Refer to Section 2 Financial Overview for details on Council's financial performance.

3.2 Balance Sheet

	30 Apr 2023 \$'000	30 Jun 2022 \$'000	30 Apr 2022 \$'000
Current assets			
Cash and cash equivalents ¹	164,563	71,342	108,671
Other financial assets ¹	-	79,000	-
Trade and other receivables	44,455	26,093	42,208
Prepayments	999	2,373	1,295
Total current assets	210,017	178,808	152,174
Non-current assets			
Financial assets	4	4	4
Property, plant and equipment, infrastructure	4,416,085	4,410,083	4,055,528
Right of use assets	7,207	8,552	8,811
Intangible assets	269	269	584
Investment property	8,759	8,756	8,745
Total non-current assets	4,432,324	4,427,664	4,073,672
Total assets	4,642,341	4,606,472	4,225,846
Current liabilities			
Trade and other payables	11,750	27,671	15,314
Interest-bearing liabilities	3,634	7,579	651
Provisions	19,293	19,749	20,187
Trust funds and deposits	17,121	13,411	12,198
Unearned income	11,611	11,985	10,171
Lease liabilities	3,206	3,206	8,939
Total current liabilities	66,615	83,601	67,460
Non-current liabilities			
Provisions	2,120	2,120	2,024
Interest-bearing liabilities	83,960	83,960	21,539
Provision for investments in joint ventures	6,040	6,040	6,727
Lease liabilities	4,083	5,447	-
Total non-current liabilities	96,203	97,567	30,290
Total liabilities	162,818	181,168	97,750
Net assets	4,479,523	4,425,304	4,128,096
Equity			
Accumulated surplus	989,560	935,341	979,961
Asset revaluation reserve	3,466,496	3,466,496	3,125,668
Reserves ²	23,467	23,467	22,467
Total equity	4,479,523	4,425,304	4,128,096
Working capital ratio	3.15		

Note: All numbers are rounded to the nearest thousand.

1. Cash reflects balances in the general ledger not actual bank account balances.

2. Reserve funds comprise of Strategic Acquisition Fund (\$434,000), Open Space Development Fund (\$14.03 million) and Defined Benefits Superannuation future call up reserve (\$9.00 million).

3.3 Statement of Cash Flows

	ANNUAL ORIGINAL BUDGET	YEAR TO DATE			2022-23 AMENDED BUDGET
		ACTUAL (1)	YTD ANNUAL AMENDED BUDGET (2)	VARIANCE (unfav) (1) - (2)	
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Rates and waste charges	205,981	184,733	183,265	1,468	201,537
Statutory fees and fines ¹	11,757	9,853	12,398	(2,545)	12,852
User charges and other fines	18,401	12,163	11,382	781	13,056
Grants - operating	12,618	8,198	9,075	(877)	4,911
Grants - capital	2,616	2,973	3,679	(706)	13,836
Contributions - monetary ²	5,079	5,856	4,239	1,617	5,254
Interest received ³	350	3,254	1,250	2,004	1,500
Other receipts	5,432	5,530	4,317	1,213	5,432
Net GST refund	14,221	10,839	11,248	(409)	16,203
Trust funds and deposits taken ⁴	100	3,710	-	3,710	100
Employee costs ⁵	(103,667)	(82,200)	(85,366)	3,166	(105,691)
Materials and services ⁶	(101,138)	(86,806)	(91,429)	4,623	(112,405)
Short-term, low value and variable lease payments	(596)	(683)	(504)	(179)	(596)
Other payments	(8,002)	(6,132)	(7,015)	883	(8,112)
Net cash provided by/(used in) operating activities	63,152	71,288	56,539	14,749	47,877
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment ⁷	(78,889)	(47,768)	(51,933)	4,165	(73,702)
Proceeds from sale of property, plant and equipment	4,720	(2)	-	(2)	4,720
Net proceeds / (payments) for investments	-	79,000	79,000	-	79,000
Net cash used in investing activities	(74,169)	31,230	27,067	4,163	10,018
Cash flows from financing activities					
Finance costs	(2,859)	(2,082)	(2,082)	-	(4,272)
Proceeds from borrowings	19,700	-	-	-	19,700
Repayment of borrowings	(26,362)	(3,945)	(3,945)	-	(25,907)
Interest paid - lease liability	(323)	(208)	(270)	62	(323)
Repayment of lease liabilities	(3,733)	(3,062)	(2,350)	(712)	(2,819)
Net cash provided by (used in) financing activities	(13,577)	(9,297)	(8,647)	(650)	(13,621)
Net increase (decrease) in cash and cash equivalents	(24,594)	93,221	74,959	18,262	44,274
Cash and cash equivalents at beginning of year	111,715	71,342	71,342	-	71,342
Cash and cash equivalents at end of year	87,121	164,563	146,301	18,262	115,616

Note: All numbers are rounded to the nearest thousand.

1. Statutory Fees and Fines are (\$2.55 million) lower than budget primarily due to timing.
2. Higher than planned developer contributions \$1.62 million due to timing.
3. Higher than budgeted interest received of \$2.00 million due to interest on investments.
4. Trust funds and deposits includes the fire services property levy received which relates to the timing of fire services property levy and levy interest amounts received and subsequently remitted to the State Revenue Office (SRO) which are to be made in four payments in accordance with Section 41(1) of the FSPL Act. An instalment is due and payable to the Commissioner of State Revenue 28 days after the due date of rates instalments. Levy monies are to be remitted to the SRO by the following dates each financial year - 28 October; 28 December; 28 March; and 28 June.
5. Employee Costs are \$3.17 million lower than budgeted primarily due to staff vacancies across the organisation.
6. Materials and Services are lower than budget due to timing of cash outflows \$4.62 million.
7. Payments for property, plant and equipment differs from that presented in the capital works statement due to settlement of the 30 June 2022 creditors and forward commitment expenditure. Works delivered in the 2021-22 financial year have previously been brought to account and accrued against the 2021-22 capital works statement.

3.4 Capital Works expenditure by asset group

	ANNUAL ORIGINAL BUDGET	YTD ACTUAL (1)	YTD BUDGET (2)	YTD VARIANCE (1) - (2)	YTD VARIANCE %	COMMIT	FULL YEAR FORECAST (3)	2022-23 AMENDED BUDGET (3)	FULL YEAR FORECAST VARIANCE (3) - (4)
	\$'000s	\$'000s	\$'000s	\$'000s	%	\$'000s	\$'000s	\$'000s	\$'000s
Infrastructure									
Bridges	1,459	2,282	2,200	(82)	-4%	1,255	3,900	2,265	(1,635)
Drainage	4,218	2,434	3,682	1,248	34%	870	5,596	5,443	(153)
Footpaths and cycleways	2,100	1,239	1,579	340	22%	182	2,241	2,481	240
Off street carparks	721	246	514	268	52%	73	464	671	207
Parks, open space and streetscapes	4,693	3,266	4,003	737	18%	1,056	6,565	6,509	(56)
Recreational, leisure & com facilities	3,639	2,262	2,548	286	11%	763	3,864	5,878	2,014
Roads	12,551	8,458	8,326	(132)	-2%	866	11,908	13,446	1,538
Total Infrastructure	29,381	20,187	22,852	2,665	12%	5,065	34,538	36,693	2,155
Plant and Equipment									
Computers and telecommunications	1,062	733	1,182	449	38%	659	1,763	2,123	360
Fixtures, fittings and furniture	1,655	273	1,137	864	76%	747	1,515	2,208	693
Library books	995	691	797	106	13%	177	995	995	-
Plant machinery and equipment	1,363	980	1,063	83	8%	136	1,492	1,654	162
Total Plant and Equipment	5,075	2,677	4,179	1,502	36%	1,719	5,765	6,980	1,215
Property									
Building	22,740	9,419	10,862	1,443	13%	8,262	17,278	18,706	1,428
Building improvements	58	13	58	45	78%	20	58	58	-
Major Projects	21,636	7,932	8,481	549	6%	14,777	10,486	11,265	779
Total Property	44,434	17,364	19,401	2,037	10%	23,059	27,822	30,029	2,207
Total capital works expenditure	78,890	40,228	46,432	6,204	13%	29,843	68,125	73,702	5,577
Represented by:									
Asset renewal expenditure	53,595	29,461	33,412	3,951	12%	19,201	48,598	53,849	5,251
Asset upgrade expenditure	2,315	3,197	3,381	184	5%	1,641	5,969	4,419	(1,550)
New asset expenditure	16,946	6,260	8,048	1,788	22%	6,792	11,284	12,915	1,631
Asset expansion expenditure	6,034	1,310	1,591	281	18%	2,209	2,274	2,519	245
Total capital works expenditure	78,890	40,228	46,432	6,204	13%	29,843	68,125	73,702	5,577

Note: All numbers are rounded to the nearest thousand.

7.5 Proposed discontinuance and sale of drainage reserve - Adjoining 15 and 19 Gardiner Road, Hawthorn

Executive Summary

Purpose

This report is to consider commencement of the statutory procedures to remove the reserve status and sell the drainage reserve adjoining 15 and 19 Gardiner Road, Hawthorn.

Background

Council received a request from the owner of 19 Gardiner Road, Hawthorn for the reserve status removal and sale of the drainage reserve adjoining the property and 15 Gardiner Road, Hawthorn ("the Reserve").

Key Issues

- The Reserve is in the name of Council.
- The Reserve is considered by officers to be no longer required for the purpose for which it was reserved and is of little value to Council.
- The Reserve has been enclosed within 19 Gardiner Road, Hawthorn for in excess of 15 years.
- Any sale of Council land requires Council to comply with section 114 of the *Local Government Act 2020*.
- There are no Council or service authority assets located within the Reserve.

Confidentiality

Confidential information is contained in **Attachment 4**, as circulated in the confidential section of the agenda attachments. The information in this attachment is deemed to be confidential in accordance with Section 66(2)(a) and the definition of 'confidential information' in Section 3(1) of the *Local Government Act 2020*. The information relates to Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released.

If discussion of the confidential information in the attachments to this report is required for Council to make a decision, Council may resolve to discuss the matter in a confidential session or to defer the matter to the confidential section of the agenda.

Officers' recommendation

That Council resolve to:

1. Commence the statutory procedures under section 114 of the *Local Government Act 2020* to remove the reserve status and sell the land comprising the 0.91m wide drainage reserve adjoining 15 and 19 Gardiner Road, Hawthorn, shown hatched in **Attachment 1** and as Lot 1 on the proposed plan of subdivision PS913924G in **Attachment 2** and as annexed to the minutes ("the Reserve"), to the owner of the adjoining property at 19 Gardiner Road, Hawthorn, by private treaty in accordance with Council policy.
2. Give notice of its intention to remove reserve status and sell the Reserve on Council's website stating that Council proposes to remove the reserve status and sell the Reserve to the owner of 19 Gardiner Road, Hawthorn by private treaty, in accordance with Council policy.
3. Invite both written and verbal submissions on the proposed reserve status removal and sale.
4. Note a further report will be presented to a future meeting of the Services Delegated Committee of Council should any submissions be received to enable consideration of the submissions and for a decision on whether to proceed with the proposed reserve status removal and sale in full, in part or not to proceed with the reserve status removal and sale.
5. Authorise the Chief Executive Officer, or such other person as the Chief Executive Officer approves, to undertake the necessary procedural steps to complete the formal procedures for the reserve status removal and sale if no submissions are received.
6. Authorise the Chief Executive Officer, or such other person as the Chief Executive Officer approves, to sign all necessary documentation for the reserve status removal and sale of the Reserve to the owner of 19 Gardiner Road, Hawthorn for the sum of \$144,980.00 (inclusive of GST), in accordance with Principle 2 of Council's Discontinuance of Roads and Reserves Policy 2022.
7. Note procedures will be undertaken pursuant to part 4 of the *Planning and Environment Act 1987* and section 24A of the *Subdivision Act 1988* to remove the reserve status and subdivide the land from the rest of the drainage reserve in preparation for sale and future consolidation with the title of 19 Gardiner Road, Hawthorn.
8. Notwithstanding the present intention to sell the Reserve to the owner of 19 Gardiner Road, Hawthorn, should submissions be received from other adjoining property owners or interested parties, Council reserves the right to sell the Reserve to any other interested property owners.

Responsible director: **Phillip Storer, Chief Executive Officer**

1. Purpose

This report is to consider commencement of the statutory procedures to remove the reserve status and sell the 0.91m wide drainage reserve adjoining 15 and 19 Gardiner Road, Hawthorn, shown hatched in **Attachment 1** and as Lot 1 on the proposed plan of subdivision PS913924G in **Attachment 2**.

2. Policy implications and relevance to community plan and council plan

This matter is addressed under Council's *Discontinuance of Roads and Reserves Policy 2022* ("Policy").

Principle 2 of section 4.2.8 of the Council's *Discontinuance of Roads and Reserves Policy 2022* has been used in determining the purchase price of the Reserve.

Principle 2

"Council titled land will be offered at market value."

Under Council's *Discontinuance of Roads and Reserves Policy 2022*, the market value is as determined by Council's contract valuers. The valuation will reflect the additional value the subject parcel of land will add to the value of the existing property of the potential acquirer and will take into consideration the market value of land within the immediate locale having regard to the location of the subject land and characteristics including whether the land:

- Is incapable of being developed in its own right given the small land area;
- Is only marketable to the adjoining owners;
- Is long and narrow, and/or;
- Is encumbered with an easement.

This report is consistent with the Boroondara Community Plan 2012-31 (BCP), incorporating the 10-year Community Vision, Council Plan 2021-25 and Municipal Public Health and Wellbeing Plan 2021-25.

In particular, strategy 7.1 which states "Decision-making is transparent and accountable through open governance processes with timely communication and reporting" is applicable.

It also supports Strategic Objective 7 of BCP, to "Ensure decisions are financially and socially responsible through transparent and ethical processes".

3. Background

Council received a request from the owner of 19 Gardiner Road, Hawthorn for the reserve status removal and sale of the 0.91m wide drainage reserve adjoining the property at 15 Gardiner Road, Hawthorn, with an area of 54m² (approximately), shown hatched in **Attachment 1** ("the Reserve").

The owner of 19 Gardiner Road, Hawthorn has conditionally offered to purchase the Reserve.

The proposed plan of subdivision PS913924G in **Attachment 2** has been prepared, showing the Reserve proposed for sale as Lot 1.

See **Attachment 3** for an aerial view.

4. Outline of key issues/options

The Reserve is considered by officers to be no longer required for the purpose for which it was reserved and is of little value to Council. The Reserve has been occupied as part of 19 Gardiner Road, Hawthorn for in excess of 15 years. It is noted that the Reserve is Council titled and cannot be claimed by adverse possession.

It is noted that there are no Council or service authority assets located within the Reserve.

Council will be required to undertake procedures under part 4 of the *Planning and Environment Act 1987* and section 24A of the *Subdivision Act 1988* to remove the reserve status and subdivide the land from the rest of the drainage reserve in preparation for sale and future consolidation with the title of 19 Gardiner Road, Hawthorn.

5. Consultation/communication

Stakeholder engagement

The owner of 19 Gardiner Road, Hawthorn has made a conditional offer to purchase the Reserve, in accordance with Council's Policy. The owner has also agreed to meet Council's costs associated with undertaking the reserve status removal and sale of the Reserve.

An information letter was forwarded to the other adjoining property owner, at 15 Gardiner Road and no objections were received.

Service authorities have been consulted and no objections were received.

Internal Council departments have been consulted and no objections were received.

None of the Council departments consulted have any assets within the drainage reserve nor have any requirements over the reserve.

Statutory community engagement

The procedures under section 114 of the *Local Government Act 2020* require that Council publish a notice of its intention to remove the reserve status and sell the Reserve on Council's website and undertake a community engagement process in accordance with its community engagement policy before the sale of any land.

In order to provide a mechanism for feedback from interested parties as part of Council's community engagement process, the notice on Council's website will invite written submissions for consideration. The notice will advise any person can make a submission in relation to the proposed reserve status removal and sale.

Advice will also include information advising submitters may request to be heard in support of their written submission at a meeting of the Council or its committee on a date, time and place to be determined by Council prior to a decision being made.

In addition to the notice on Council's website, all abutting property owners will be advised of the proposal in writing and informed of the opportunity to make a submission.

If any submissions are received, a further report will be presented to a future meeting of the Services Delegated Committee of Council to enable the consideration of any submissions and for a decision on whether to remove the reserve status and sell the Reserve.

If no submissions are received, the Chief Executive Officer, or any such other person as the Chief Executive Officer approves, will undertake the necessary procedural steps to complete the formal procedures for the reserve status removal and sale of the Reserve, including the execution of all relevant documentation.

6. Financial and resource implications

If Council proceeds with the reserve status removal and sale of the Reserve, the sale will generate once off income for Council together with the ability to rate the land in the future. All costs associated with the reserve status removal and sale are proposed to be recouped from the proposed purchaser.

The owner of 19 Gardiner Road, Hawthorn has signed a conditional offer to purchase the Reserve from Council for the sum of \$144,980.00 (inclusive of GST). The purchase price comprises the following amounts shown in Table 1:

Table 1: Land sale revenue

Item	Amount (GST inclusive)
Land sale price	\$124,740.00
Reimbursement of Council's costs	\$20,240.00
Total	\$144,980.00

See **Confidential Attachment 4** for a copy of the valuation report. The valuers have advised that there has not been any significant market movement since the date of valuation based on the limited market evidence available.

7. Governance issues

No officers involved in the preparation of this report have a general or material conflict of interest requiring disclosure under chapter 5 of the Governance Rules of Boroondara City Council.

The recommendation contained in this report is compatible with the Charter of Human Rights and Responsibilities 2006 as it does not raise any human rights issues.

8. Social and environmental issues

The proposed reserve status removal and sale of the Reserve is not expected to have a positive or negative impact on the community, social wellbeing or the environment.

9. Evaluation and review

Council's intended course of action has been reviewed from a legislative compliance perspective by Council's consultants, Macquarie Local Government Lawyers, and no issues have been identified.

10. Conclusion

It is considered appropriate procedures be commenced for the reservation status removal and sale to the adjoining property owner at 19 Gardiner Road, Hawthorn in accordance with Council's *Discontinuance of Roads and Reserves Policy 2022*. Progressing the proposal will formalise the occupation of the Reserve by 19 Gardiner Road, Hawthorn, which has prevailed for many years.

Manager: Amy Montalti, Chief Financial Officer

Report officer: Michael Hutchison, Head Strategic Property and Revenue

PLAN A



Data Source: Vicmap Property

0 5 10 15 20 25 30 35 40 45 50m
Scale of Metres (1:800)

MGA Zone 55
Melways- 59 D2 (ed.42) Vicroads- 437 E10 (ed.8)
Created 03:05 PM on Aug 19, 2022

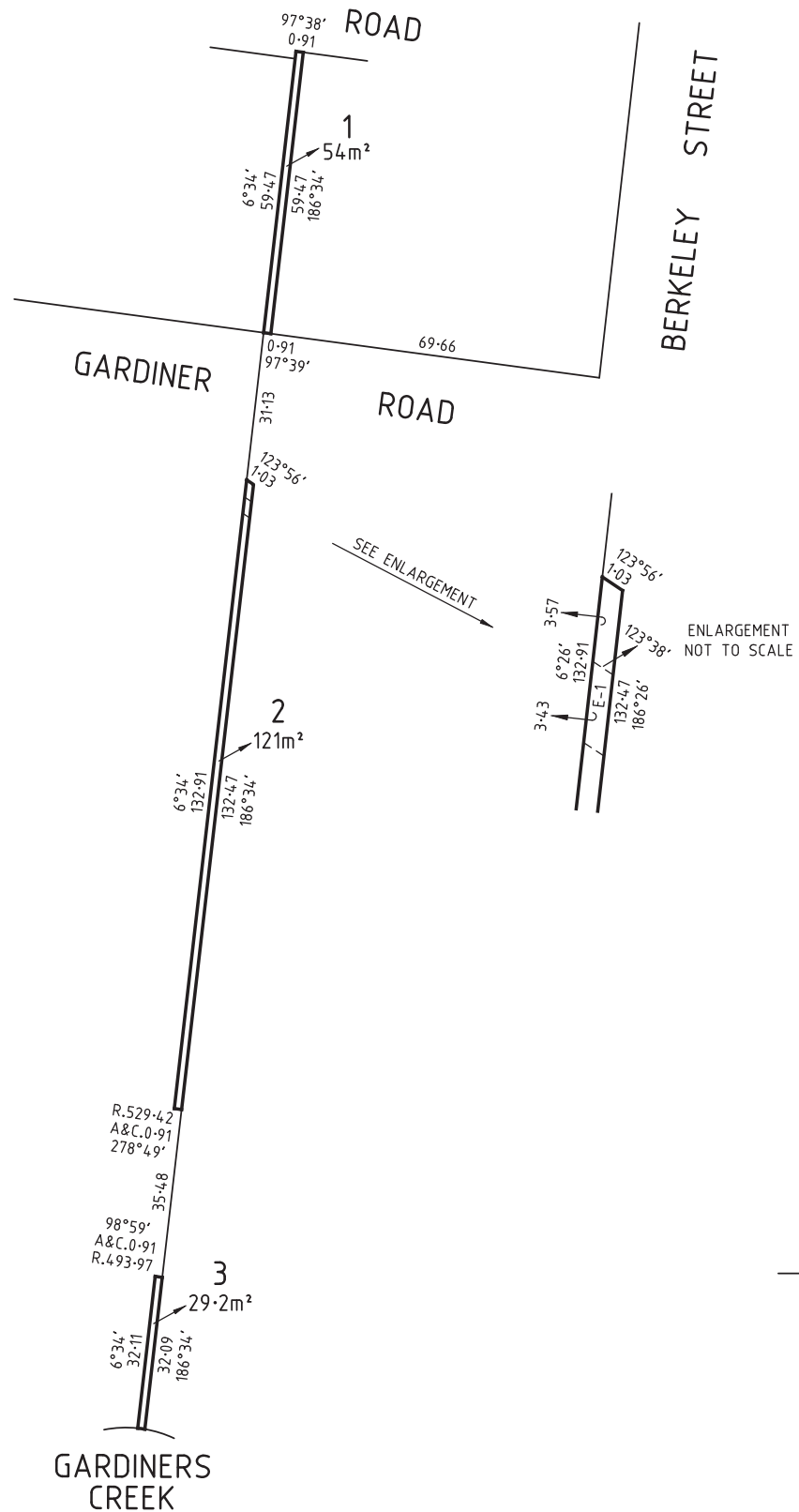
Co-ordinates of Plot Corners
NW 327059,5810734
SW 327063,5810554
MGA Zone 55

WARNING:
No warranty is given as to the accuracy or completeness of this map.
Dimensions are approximate.
For property dimensions, undertake a Title search.

Co-ordinates of Plot Corners
NE 327202,5810737
SE 327206,5810557
MGA Zone 55

PLAN OF SUBDIVISION UNDER SECTION 24A OF THE SUBDIVISION ACT 1988				EDITION 1		PS913924G	
LOCATION OF LAND PARISH: BOROONDARA CROWN PORTION: 4 (PART) TITLE REFERENCE: VOL.11569 FOL.141 LAST PLAN REFERENCE: TP947581G LOT 1 POSTAL ADDRESS: GARDINER ROAD (at time of subdivision) HAWTHORN, 3122 MGA CO-ORDINATES E: 327 095 ZONE: 55 (at approx centre of land N: 5810 630 GDA2020 in plan)				BOROONDARA CITY COUNCIL			
VESTING OF ROADS AND/OR RESERVES				NOTATIONS			
IDENTIFIER		COUNCIL/BODY/PERSON		PURPOSE OF THE PLAN: (i) REMOVAL BY THE BOROONDARA CITY COUNCIL OF THE RESERVATION FROM THOSE PARTS OF THE DRAINAGE RESERVE ON LP6220 CONTAINED IN VOL.11569 FOL.141 AND SHOWN AS LOTS 1, 2 & 3 ON THIS PLAN. (ii) REMOVAL BY BOROONDARA CITY COUNCIL OF ALL EASEMENTS SET OUT IN LP6220 & TP947581G FROM LOTS 1, 2 & 3 ON THIS PLAN. GROUND FOR REMOVAL: AS DIRECTED BY BOROONDARA CITY COUNCIL PLANNING PERMIT No. SOME DETAILS HAVE BEEN EXAGGERATED FOR CLARITY			
NIL		NIL					
NOTATIONS							
DEPTH LIMITATION DOES NOT APPLY							
SURVEY: Lot 1 on this plan is based on survey. STAGING This is not a staged subdivision. Planning Permit No. This survey has been connected to permanent marks No(s). 58, 102 In Proclaimed Survey Area No. ---							
EASEMENT INFORMATION							
LEGEND: A - Appurtenant Easement E - Encumbering Easement R - Encumbering Easement (Road)							
Easement Reference	Purpose	Width (Metres)	Origin	Land Benefited/In Favour Of			
E-1	SEWERAGE	SEE DIAGRAM	THIS PLAN	YARRA VALLEY WATER			
Millar Merrigan Land Development Consultants M(03) 8720 9500 R (03) 5134 8611 www.millarmerrigan.com.au survey@millarmerrigan.com.au SAI GLOBAL Quality ISO 9001			SURVEYOR'S REF: 29761S1 21/04/2023 LICENSED SURVEYOR Christopher Morelli VERSION NO.2 This is not a digitally signed plan.		ORIGINAL SHEET SIZE: A3 SHEET 1 OF 2		

PS913924G



SCALE 1:1000	10 0 10 20 30 40 LENGTHS ARE IN METRES
ORIGINAL SHEET SIZE: A3	SHEET 2

Millar | Merrigan

Land Development Consultants

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survey@millarmerrigan.com.au

SAI GLOBAL Quality ISO 9001

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Regional 156 Commercial Road, Monwell 3840
Mail PO Box 247 Croydon, Victoria 3136

SURVEYOR'S REF: 29761S1

21/04/2023

LICENSED SURVEYOR
Christopher Morelli VERSION NO.2
This is not a digitally signed plan.

Aerial view



Map Produced: 24 May, 2023 13:00:57



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