

COUNCIL MEETING

AGENDA



(Open to the public)

6.30pm, Monday 24 July 2023

Council Chamber, 8 Inglesby Road, Camberwell

Date of Issue: 14 July 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 meeting on 26 June 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 Audit and Risk Committee Appointment of Chairperson
 - 7.2 Contract No. 2023/13 - Victoria Road Reserve Reconstruction
 - 7.3 Proposed sale of land from discontinued road - Rear 4/980 Burke Road, Balwyn
 - 7.4 Proposed discontinuance and sale of drainage reserve - Adjoining 4 View Street and rear 36 and 38 Hopetoun Avenue, Canterbury
 - 7.5 Camberwell High School, 100A Prospect Hill Road, Canterbury - Proposed Discontinuance and sale of Carriageway Easement/Road
 - 7.6 May 2023 Monthly Financial Report
- 8 General business**

9 Urgent business

10 Confidential business

11 Close of meeting

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3 Deputations, presentations, petitions, and public submissions

Council has received one (1) petition. Details of the petition are set out below.

No.	Ref. no.	Title / Description	No. of signatures	Referred to
1	CAS1434959	Palomino Bronco causing danger to residents in Jersey Street, Balwyn. Request Council to ask owner to park somewhere safer as residents cannot see past the campervan when exiting the property.	20	DUL

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

4 Informal Meetings of Councillors

Chapter 6 of the Council Governance Rules requires that a summary of matters discussed at an Informal Meeting of Councillors be reported to a Council meeting as soon as practicable.

The attached record of Informal Meetings of Councillors (**Attachment 1**) is reported to Council in accordance with the requirements of the Governance Rules.

Officers' recommendation

That Council resolve to receive and note the summary 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 5 June 2023	Cr Sinfield Cr Stavrou Cr Hollingsworth Cr Gault Cr Parke Cr Biggar Cr Addis Cr Thompson Cr Watson Cr Gillies	Phillip Storer (CEO) Daniel Freer (DPS) Kate McCaughey (DCS) Scott Walker (DUL) Bryan Wee (MGL) David Cowan (MPP) Fiona Brown (MCPD) Christian Wilmsen (CSP) Arturo Ruiz (HoP) Katherine Wright (SCSPR) Kirstin Ritchie (CG) Nick Brennan (SSP) Robert Costello (SPP) Albert Chong (SPO) Liam Merrifield (SGO)	<ul style="list-style-type: none"> Homelessness & begging Draft Camberwell Junction Structure and Place Plan 2023 Updated Draft Glenferrie Place Plan and Parking options - Community Engagement Outcomes Appointment of Chairperson of Audit and Risk Committee Update Installation of mayoral Photos Premiere Daniel Andrew's comments on Victorian Council's rate increases as explanation for high taxation in the State Councillor Newsletters - Aboriginal and Torres Strait islander Voice 	Nil
Councillor Briefing & Discussion 26 June 2023	Cr Sinfield Cr Stavrou Cr Hollingsworth Cr Gault Cr Parke Cr Biggar Cr Addis Cr Watson Cr Gillies	Phillip Storer (CEO) Daniel Freer (DPS) Jeanine Nieuwenhuizen (ADUL) Mans Bassi (DCT) Amy Montalti (CFO) Bryan Wee (MGL) David Cowan (MPP) Arturo Ruiz (HP) Jessica Donaldson (PSP) Elizabeth Manou (SGIO) Julian Filer (MO)	<ul style="list-style-type: none"> Public Question Time Boroondara Tennis Centre Design Excellence Guidelines 	Nil
Councillor Briefing & Discussion 10 July 2023	Cr Sinfield Cr Stavrou Cr Hollingsworth Cr Gault Cr Parke Cr Biggar Cr Addis Cr Thompson Cr Watson Cr Gillies	Phillip Storer (CEO) Daniel Freer (DPS) Jeanine Nieuwenhuizen (ADUL) Mans Bassi (DCT) Kate McCaughey (DCT) Amy Montalti (CFO) Bryan Wee (MGL) Fiona Brown (MCPD) Nicole White (MSP) Clare Davey (LPS) Michael Hutchison (HSPR) Cassandra Rae (CUP) Andrea Lomdahl (PPM) Kalai Chu (CSIL) Liam Merrifield (SGO) John Scales (JWS external presenter)	<ul style="list-style-type: none"> Camberwell High School, 100A Prospect Hill Road, Canterbury - Proposed Discontinuance and sale of Carriageway Easement Road Level Crossing Removal Project Public Open Spaces and Naming Communication Plan in relation to the State Government's Sex Work Consultation JWS Customer Satisfaction Survey Neighbourhood Housing Funding CEO Employment Matters State Government acquisition of underutilised golf courses 	Cr Gillies Cr Thompson

7 Presentation of officer reports

7.1 Audit and Risk Committee Appointment of Chairperson

Executive Summary

Purpose

The purpose of this report is to seek a Council appointment to the position of Chairperson of Council's Audit and Risk Committee.

Background

The Local Government Act 2020 (the Act) requires Council to establish an Audit and Risk Committee and approve a charter to enable the Audit and Risk Committee to discharge its functions and responsibilities under the Act.

The Act also requires Audit and Risk Committee to be chaired by a committee member who is not a Councillor. The incumbent Chair of the Audit and Risk Committee, Mr John Watson, reaches the end of his two-year term on 27 July 2023. Consequently, Council must appoint a new chair choosing from independent members that nominate.

Key Issues

A selection panel comprising the Mayor (Cr Sinfield) and the councilor members of the Audit and Risk Committee (Crs Parke and Stavrou) was formed to review candidates and make a recommendation to Council for an appointment to the role of Chairperson.

Nominations were called for from among the independent members, and one nomination was received from the incumbent chair, Mr John Watson. Having reviewed the nomination, the selection panel has determined to recommend to Council that Mr John Watson be appointed to the position of chairperson of the Audit and Risk Committee for a second term, effective 27 July 2023 to 26 July 2025.

Next Steps

The panel has considered Mr John Watson's nomination and recommends he be appointed to the position of Chairperson of the Audit and Risk Committee for a second term effective from 27 July 2023 to 26 July 2025 inclusive.

Officers' recommendation

That Council resolve:

1. To appoint Mr John Watson to the position of Chairperson of Council's Audit and Risk Committee for the period 27 July 2023 to 26 July 2025 inclusive in accordance with the provisions of Council's Audit and Risk Committee Charter.
2. To authorise the Chief Executive Officer or his delegate to communicate the effect of this Resolution to the extent necessary to give effect to it.

Responsible director: Phillip Storer, Chief Executive Officer

1. Purpose

The purpose of this report is to seek a Council appointment to the position of Chairperson of Council's Audit and Risk Committee.

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

This report is consistent with the following themes and strategies in the Council Plan 2021-25 and Theme 7 of the Boroondara Community Plan 2021-31 - "Ensure decisions are financially and socially responsible through transparent and ethical processes."

It reflects strategies 7.1 and 7.2 in that theme:

7.1 Decision-making is transparent and accountable through open governance processes with timely communication and reporting.

7.2 Resources are responsibly allocated and used through sound financial and asset planning, procurement, and risk management practices.

This report is also presented in accordance with the conditions of Council's Audit and Risk Committee Charter.

3. Background

The incumbent Chairperson of the Audit and Risk Committee, Mr John Watson, reaches the end of his two-year term on 27 July 2023. Consequently, Council must appoint a new chair choosing from independent members that nominate.

Section 53 (4) of the Local Government Act 2020 states "*the Chairperson of an Audit and Risk Committee must not be a Councillor of the Council*" and thus the vacancy for the position of Chairperson will need to be filled from amongst the independent members of the Audit and Risk Committee.

4. Outline of key issues/options

Council's Audit and Risk Committee Charter states:

"The Chairperson is appointed by Council (or its delegate (s)) for a two-year term from the independent members of the Audit and Risk Committee on the basis that any independent member (including the incumbent Chair) may nominate for the role".

Accordingly, nominations for the vacant position of Chairperson were called for from among the independent members. One nomination was received from independent member Mr John Watson. A selection panel comprising the Mayor (Cr Sinfield) and the councilor members of the Audit and Risk Committee (Crs Stavrou and Parke) was formed to review the nominations and make a recommendation for an appointment to the role of Chairperson of Council's Audit and Risk Committee.

The panel has considered Mr John Watson's nomination and recommends he be appointed to the position of Chairperson of the Audit and Risk Committee for a second term effective from 27 July 2023 to 26 July 2025 inclusive.

5. Consultation/communication

The proposed appointment to Council's Audit and Risk Committee has been recommended by the selection panel comprising the Mayor, Councillor Sinfield, Councillor Parke and Councillor Stavrou.

Following the outcome of Council's decision on this matter, the Chief Executive Officer or his delegate will communicate the effect of the Council resolution to the extent necessary to give effect to it.

6. Financial and resource implications

Sitting fees for independent members of the Audit and Risk Committee are contained within the operating budget of the Governance and Legal department.

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

No social and environmental issues arise from consideration of this report.

Manager: **Bryan Wee, Manager Governance and Legal**

Report officer: Mai Mostafa, Senior Audit and Assurance Officer

7.2 Contract No. 2023/13 - Victoria Road Reserve Reconstruction

Executive Summary

Purpose

The purpose of this report is for Council to consider the award of Contract No. 2023/13, Victoria Road Reserve Reconstruction.

Background

Council requires a suitably qualified organisation to provide works for the reconstruction of the sports oval and surrounding sporting infrastructure at Victoria Road Reserve, Hawthorn East, as part of the Turf Management Capital Works program and in accordance with the requirements of the technical specifications.

The works include:

- demolition of existing infrastructure;
- bulk earthworks, including new irrigation and drainage systems with turf resurfacing works;
- upgrade of cricket net facilities, synthetic cricket wicket, player benches and sportsground lighting;
- new AFL goal posts; and
- replacement of the sportsground fencing;

The works are expected to be completed by April 2024.

Key Issues

For these works to be completed, Victoria Road Reserve will be closed to the public including use by the summer allocated club, Boroondara Cricket Club (BCC) as well as the winter allocated club Hawthorn Citizens Junior Football Club (HCJFC) for pre-season training.

Due to the impact of the closure, Council Officers will offer support to BCC in the form of an alternative training venue within the City of Boroondara for season 2023/24. As well as work with HCJFC on alternative training options.

Next Steps

Upon award of the contract, Council will oversee the management of the principal contractor engaged to deliver the works.

Confidentiality

Confidential information is contained in **Confidential Attachment 1**, as circulated in the confidential section of the agenda attachments, 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:

1. To award Contract No. 2023/13, Victoria Road Reserve Reconstruction, to Hendriksen Contractors Pty Ltd (ABN 98 093 866 758) for a total cost of \$1,813,984.63 (including GST). The cost to Council after the return of GST Input Credits is \$1,649,076.94.
2. To authorise the Director Places and Spaces to sign and execute the contract on behalf of the Council and to authorise invoices to an amount not exceeding \$1,649,076.94 excluding GST.
3. To note that expenditure under this contract is in accordance with Council's 2023/24 adopted budget and expenditure in future years will be 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. 2023/13, Victoria Road Reserve Reconstruction.

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 1 - Community, Services and Facilities

Strategy 1.1: Neighbourhoods and community spaces facilitate social connections and belonging by providing, maintaining and activating places for people to meet, organise activities and celebrate events.

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

Theme 2 - Parks and Green Spaces

Strategy 2.1: Parks and green spaces enable sport and recreation opportunities by maintaining and improving recreation spaces and equipment.

Strategy 2.3: Parks and green spaces are accessible and appealing through maintaining, improving and increasing amenities.

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

3. Background

Each calendar year the Council sportsgrounds including all assets are audited and scored against an asset condition scale. Additional data collected on community and sports club usage assists to develop a priority list for the Capital Works Renewal Program which determined Victoria Road Reserve, Hawthorn East required a complete reconstruction.

Council requires a suitably qualified organisation to undertake the reconstruction of Victoria Road Reserve to be completed by April 2024.

Invitation to tender

In accordance with Council's Procurement Policy 2021-25, Council invited public tenders from suitably qualified organisations to provide works for the reconstruction of the sports oval and surrounding sporting infrastructure at Victoria Road Reserve, Hawthorn East.

An invitation to tender was advertised in the Local Government tenders section of "The Age" newspaper on Saturday 25 March 2023 and on Council's e-tendering portal VendorPanel. The closing date for submissions was 2pm, Friday 5 May 2023.

In response to the advertisement, Council received five (5) submissions:

- Hendriksen Contractors Pty Ltd;
- Joslyn Group Pty Ltd;
- RMS Groundworks Pty Ltd;
- SJM Turf and Civil Pty Ltd; and
- Turf One Pty Ltd.

4. Outline of key issues/options

The specification has been developed to ensure that all works under this contract are to be performed by an experienced Contractor with safe work practices a clear priority.

It is anticipated that some disruption to material supply may occur. To avoid delay of the works, the successful tenderer will be requested to secure supply of key materials as a priority action upon award of the Contract.

For the duration of the contract works, Victoria Road Reserve will be closed for use. Council Officers will offer an alternative training and match venue to the Boroondara Cricket Club within the City of Boroondara for season 2023/24 and work with the Hawthorn Citizens Junior Football Club on alternative training options.

5. Collaborative Procurement Opportunities

Due to the specialised nature of the works, there is no opportunity for collaborative procurement for this contract.

6. Consultation/communication

On Wednesday 23 February 2022, approximately 1,500 resident letters and project information sheets were distributed to residents within an approximate 300m radius of Victoria Road Reserve. Four corflute A3 signs were placed around the reserve and information was also uploaded to Council's website.

Victoria Road Reserve winter and summer clubs (Hawthorn Citizens Junior Football Club and Boroondara Cricket Club) were consulted on the project and were supportive.

The clubs were also sent the resident letter and project information sheet as part of the consultation. The nearby scout group (2nd/6th Hawthorn Scout Group) were also sent the material via email. Other groups in the area were made aware via Council contacts.

Community feedback was encouraged, with responses received by 9 residents. Council Officers reviewed and assessed all responses in detail and outcomes of the consultation were communicated to all relevant parties.

Due to the required closure of Victoria Road Reserve during the scheduled works, officers continue to engage with the Boroondara Cricket Club and the Eastern Cricket Association to provide an alternative training and match day venue within the municipality for season 2023/24.

7. Financial and resource implications

Council's 2023-24 adopted budget contains a total allocation of \$1,677,630.00 for the reconstruction of the sports oval and surrounding sporting infrastructure at Victoria Road Reserve.

The Project Budget is available from the following 2023-24 Adopted Budget as follows:

72377. Sportsground Reconstruction Program	\$ 959,815.00
71624. Sportsground Training Lights Renewal Program	\$ 285,000.00
71869. Cricket Practice Net Renewal Program	\$ 207,570.00
72754. Field Sports Strategy Implementation	\$ 171,930.00
72378. Sportsground Drainage Program	<u>\$ 53,315.00</u>
Total Project Available Budget	\$ 1,677,630.00

Proposed Project Expenditure:

Construction Cost (Contract No 2023/13)	\$ 1,570,549.47
Other Contract costs	<u>\$ 78,527.47</u>
Total Project Expenditure	\$ 1,649,076.94

8. 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.

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

9. Social and environmental issues

The reconstruction of the Victoria Road Reserve sports oval and surrounding sports infrastructure will have a significant positive impact on both the allocated sporting clubs by improving the condition of the playing field and training facilities. The reconstruction will also play a vital role in improving and maintaining the health and wellbeing of the wider community in the Victoria Road Reserve area.

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. 2023/13, Victoria Road Reserve Reconstruction to:

- Hendriksen Contractors Pty Ltd (ABN 98 093 866 758)

Manager: David Shepard, Manager Environmental Sustainability & Open Spaces

Report officer: Steven Vernon, Project Planning & Delivery Officer

7.3 Proposed sale of land from discontinued road - Rear 4/980 Burke Road, Balwyn

Executive Summary

Purpose

This report is to consider commencement of the statutory procedures to sell the land from the previously discontinued road at the rear of 4/980 Burke Road, Balwyn.

Background

Council discontinued the road at the rear of 976 to 988 Burke Road and 6 to 14 Wills Street, adjoining 2 Eyre Street, Balwyn in 2016 and sold most of the land from the discontinued road. The land at the rear of 4/980 Burke Road, Balwyn ("the Land") remains unsold.

Council recently received a request from the owner of 4/980 Burke Road, Balwyn for the purchase of the Land.

Key Issues

- The Land is in the name of the original subdivider.
- The Land is considered by officers to be of little value to Council.
- The Land has been enclosed within 4/980 Burke Road, Balwyn for in excess of 15 years.
- Any sale of Council land requires Council to comply with section 114 of the *Local Government Act 2020*.
- Council will take title to the remaining unsold land from the discontinued road.

Confidentiality

Confidential information is contained in **Confidential 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 is Council business information which 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 sell the land from the discontinued road at the rear of 4/980 Burke Road, Balwyn, shown hatched in **Attachment 2** and as Lot 7 on title plan TP954351K in **Attachment 3** and as annexed to the minutes ("the Land"), to the owner of the adjoining property at 4/980 Burke Road, Balwyn, by private treaty in accordance with Council's Discontinuance of Roads and Reserves Policy 2022 ("Council's Policy").
2. Give notice of its intention to sell the Land on Council's website stating that Council proposes to sell the Land to the owner of 4/980 Burke Road, Balwyn by

private treaty, and to transfer to itself the remaining unsold land from the discontinued road, in accordance with Council's Policy.

3. Invite both written and verbal submissions on the proposed 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 sale in full, in part or not to proceed with the 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 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 sale of the Land to the owner of 4/980 Burke Road, Balwyn for the sum of \$19,780.00 (inclusive of GST), in accordance with Principle 3 of Council's Policy.
7. Notwithstanding the present intention to sell the Land to the owner of 4/980 Burke Road, Balwyn, should submissions be received from other adjoining property owners or interested parties, Council reserves the right to sell the Land 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 sell the land from the previously discontinued road at the rear of 4/980 Burke Road, Balwyn, shown hatched in **Attachment 2** and as Lot 7 on title plan TP954351K in **Attachment 3** (“the Land”).

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 (“Council’s Policy”).

Principle 3 of section 4.2.8 of Council’s Policy has been used in determining the purchase price of the Land.

Principle 3

“When a residential property owner can demonstrate exclusive occupation of a non-Council titled road or reserve for 15 years or longer and the purchase price of a parcel of land is substantially higher than the cost of an adjoining owner acquiring the land via an adverse possession claim (where adverse possession claim criteria are satisfied) the purchase price maybe discounted to an amount equal to adverse possession costs (estimated at \$11,000 as at the date of adoption of this policy). This amount will be reviewed annually to ensure it reflects the current costs of an adverse possession claim.”

This report is consistent with the Boroondara Community Plan 2021-31 (“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

On 4 February 2016, Council discontinued the 3.05m wide section of road at the rear of 976 to 988 Burke Road and 6 to 14 Wills Street, adjoining 2 Eyre Street, Balwyn, shown hatched on **Attachment 1**.

The land from the discontinued road remains in the name of the original subdivider but ‘vests’ in Council following the discontinuance. Most of the land from the discontinued road was sold following the discontinuance.

The land at the rear of 4/980 Burke Road, Balwyn, with an area of 22m², shown hatched in **Attachment 2** and as Lot 7 on title plan TP954351K in **Attachment 3** (“the Land”), remains unsold.

Council recently received a request from the owner of 4/980 Burke Road, Balwyn for the purchase of the Land.

See **Attachment 4** for an aerial view.

4. Outline of key issues/options

The Land is considered by officers to be of little value to Council and has been occupied by the adjoining property at 4/980 Burke Road, Balwyn for in excess of 15 years.

Council will take title to the remaining unsold land from the discontinued road in accordance with Council's Policy.

5. Consultation/communication

Stakeholder engagement

The owner of 4/980 Burke Road, Balwyn has made a conditional offer to purchase the Land, in accordance with Council's Policy. The owner has also agreed to meet Council's costs associated with undertaking the sale of the Land.

As the road has already been formally discontinued, there is no requirement to seek formal feedback from other service authorities and internal Council departments.

Statutory community engagement

The procedures under section 114 of the *Local Government Act 2020* require that Council publish a notice of its intention to sell the Land 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 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 sell the Land.

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 sale of the Land, including the execution of all relevant documentation.

6. Financial and resource implications

If Council proceeds with the sale of the Land, 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 sale are proposed to be recouped from the proposed purchaser.

The owner of 4/980 Burke Road, Balwyn has signed a conditional offer to purchase the Land from Council for the sum of \$19,780.00 (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	\$11,000.00
Reimbursement of Council's costs	\$8,780.00
Total	\$19,780.00

See **Confidential Attachment 1** for a copy of the valuation report.

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 sale of the Land is not expected to have a positive or negative impact on the community, social wellbeing or the environment.

9. Evaluation and review

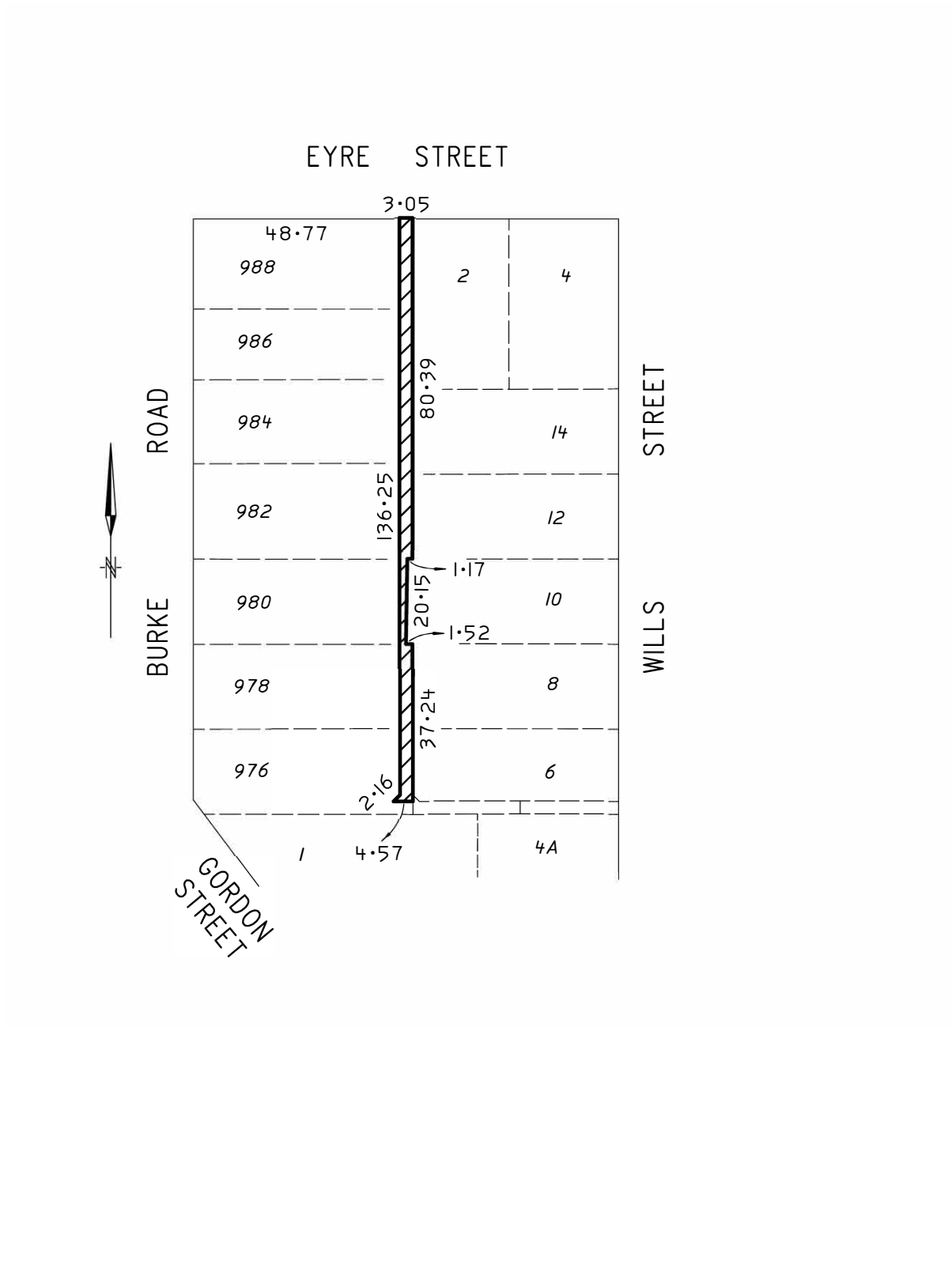
Council's intended course of action has been reviewed from a legislative compliance perspective by Council's consultants, Macquarie Local Government Lawyers, and no issues have been identified.

10. Conclusion

It is considered appropriate procedures be commenced for the sale of the Land to the adjoining property owner at 4/980 Burke Road, Balwyn in accordance with Council's Policy. Progressing the proposal will formalise the occupation of the Land by 4/980 Burke Road, Balwyn, which has prevailed for many years.

Manager: Amy Montalti, Chief Financial Officer


Report officer: Michael Hutchison, Head Strategic Property and Revenue





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TITLE PLAN			EDITION 1		TP954351K	
LOCATION OF LAND Parish: BOROONDARA ELGARS CROWN SPECIAL SURVEY (PART) Section: _____ Crown Allotment: _____ Crown Portion: _____ Last Plan Reference: LOT 1 TP853727C (part) & LP2920 Derived From: Vol 2456 Fol 158 (part) Depth Limitation: DOES NOT APPLY			Notations WARNING: THIS PLAN REPRESENTS AN EXPECTED DIVISION OF LAND. ANY ONE LOT MAY NOT HAVE BEEN CREATED. CHECK THE LOT/PLAN INDEX FOR UPDATED INFORMATION THIS PLAN IS NOT BASED ON SURVEY ANY REFERENCE TO MAP IN THE TEXT MEANS THE DIAGRAM SHOWN ON THIS TITLE PLAN			
Easement Information						THIS PLAN HAS BEEN PREPARED FOR LAND VICTORIA FOR TITLE DIAGRAM PURPOSES DATE: 21/6/2016 C.MEADEN Assistant Registrar of Titles
Legend: A - Appurtenant Easement E - Encumbering Easement R - Encumbering Easement (Road)						
Easement Reference	Purpose	Width (Metres)	Origin	Land Benefited/In Favour of		
LOTS 3 & 8	AS PROVIDED FOR IN Sec 207C LGA 1989	SEE DIAG	Sec 207C LGA1989	BOROONDARA CITY COUNCIL YARRA VALLEY WATER CORPORATION		
SEE SHEET 2 FOR PLAN DIAGRAM						
 Hellier McFarland <small>Development Consultants Town Planners Land Surveyors</small> <small>342 Hawthorn Rd, Caulfield South, VIC 3162</small> <small>Tel: 03 9532 9651 Fax: 03 9532 9941</small> <small>www.hmf.com.au hmf@hmf.com.au</small>		LICENSED SURVEYOR RAYMUND FRANCIS EARLS SIGNATURE DATE / / REF 9531S/3 VERSION A CAD REF: 9531S_3A.lcd			GOVERNMENT GAZETTE No. DEALING/FILE No. DEALING CODE Original sheet size A3 SHEET 1 OF 2	



VERSION **A**

Aerial view



7.4 Proposed discontinuance and sale of drainage reserve - Adjoining 4 View Street and rear 36 and 38 Hopetoun Avenue, Canterbury

Executive Summary

Purpose

This report is to consider commencement of the statutory procedures to remove the reserve status and sell the drainage reserve adjoining 4 View Street and the rear of 36 and 38 Hopetoun Avenue, Canterbury.

Background

Council received a request from the owner of 4 View Street, Canterbury for the removal of the reserve status and sale of the drainage reserve adjoining the property and the rear of 36 and 38 Hopetoun Avenue, Canterbury ("the Reserve").

Key Issues

- The Reserve is in the name of the original subdivider.
- 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 4 View Street, Canterbury 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 is a Council drain located within the Reserve.

Confidentiality

Confidential information is contained in **Confidential 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 Council business which 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 from the 0.91m wide drainage reserve adjoining 4 View Street and the rear of 36 and 38 Hopetoun Avenue, Canterbury, shown hatched in **Attachment 1** and as Lot 1 on the proposed plan of subdivision PS915811K in **Attachment 2** and as annexed to the minutes ("the Reserve"), to the owner of the adjoining property at 4 View Street Canterbury, by private treaty in accordance with Council's Discontinuance of Roads and Reserves Policy 2022 ("Council's Policy").

2. Give notice of its intention to remove the reserve status and to sell the Reserve on Council's website stating that Council proposes to remove the reserve status and sell the Reserve to the owner of 4 View Street, Canterbury by private treaty, in accordance with Council's policy.
3. Invite both written and verbal submissions on the proposed removal of the reserve status 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 removal of the reserve status and sale in full, in part or not to proceed with the removal of the reserve status 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 removal of the reserve status 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 removal of the reserve status and sale of the Reserve to the owner of 4 View Street, Canterbury for the sum of \$31,530.00 (inclusive of GST), in accordance with Principle 3 of Council's Policy.
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 Reserve from the rest of the drainage reserve in preparation for sale and future consolidation with the title of 4 View Street, Canterbury.
8. Notwithstanding the present intention to sell the Reserve to the owner of 4 View Street, Canterbury, 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 4 View Street and the rear of 36 and 38 Hopetoun Avenue, Canterbury, shown hatched in **Attachment 1** and as Lot 1 on the proposed plan of subdivision PS915811K in **Attachment 2** ("the Reserve").

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 ("Council's Policy").

Principle 3 of section 4.2.8 of Council's Policy has been used in determining the purchase price of the Reserve.

Principle 3

"When a residential property owner can demonstrate exclusive occupation of a non-Council titled road or reserve for 15 years or longer and the purchase price of a parcel of land is substantially higher than the cost of an adjoining owner acquiring the land via an adverse possession claim (where adverse possession claim criteria are satisfied) the purchase price maybe discounted to an amount equal to adverse possession costs (estimated at \$11,000 as at the date of adoption of this policy). This amount will be reviewed annually to ensure it reflects the current costs of an adverse possession claim."

This report is consistent with the Boroondara Community Plan 2021-31 ("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 4 View Street, Canterbury for the removal of the reserve status and sale of the 0.91m wide drainage reserve adjoining the property at the rear of 36 and 38 Hopetoun Avenue, Canterbury, with an area of 38m², shown hatched in **Attachment 1** ("the Reserve").

The proposed plan of subdivision PS915811K 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 4 View Street, Canterbury for in excess of 15 years.

It is noted that there is a Council drain located within the Reserve. A drainage easement will be created in favour of Council over the Reserve to protect the drain.

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 Reserve from the rest of the drainage reserve in preparation for sale and future consolidation with the title of 4 View Street, Canterbury.

5. Consultation/communication

Stakeholder engagement

The owner of 4 View Street, Canterbury 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 removal of the reserve status and sale of the Reserve.

An information letter and questionnaire have been distributed to the other adjoining property owners at 36 and 38 Hopetoun Street, Canterbury and no objections were received.

Service authorities have been consulted and no objections were received. None of the authorities have any assets within the Reserve nor have any requirements over the Reserve.

Internal Council departments have been consulted and no objections were received. As indicated, Council has a drain within the Reserve. Accordingly, a drainage easement will be created in favour of Council over the Reserve, shown as E-1 on the proposed plan of subdivision PS915811K in **Attachment 2**.

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 removal of the reserve status 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 removal of the reserve status and sale of the Reserve, including the execution of all relevant documentation.

6. Financial and resource implications

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

The owner of 4 View Street, Canterbury has signed a conditional offer to purchase the Reserve from Council for the sum of \$31,530.00 (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	\$11,000.00
Reimbursement of Council's costs	\$20,530.00
Total	\$31,530.00

See **Confidential Attachment 1** for a copy of the valuation report.

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 removal of the reserve status 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

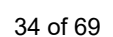
It is considered appropriate procedures be commenced for the removal of the reserve status and sale of the Reserve to the adjoining property owner at 4 View Street, Canterbury in accordance with Council's Policy. Progressing the proposal will formalise the occupation of the Reserve by 4 View Street, Canterbury, which has prevailed for many years.

Manager: Amy Montalti, Chief Financial Officer

Report officer: Michael Hutchison, Head Strategic Property and Revenue



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Aerial view



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7.5 Camberwell High School, 100A Prospect Hill Road, Canterbury - Proposed Discontinuance and sale of Carriageway Easement/Road

Executive Summary

Purpose

This report is to seek Council's feedback on considering the commencement of the statutory procedures to discontinue the 3.05m wide carriageway easement/road located within the title boundary of Camberwell High School, 100A Prospect Hill Road, Camberwell and to sell and transfer, for nominal consideration plus costs, the land in the road (if discontinued) to the Minister for the Crown administering the Education and Training Acts.

Background

Camberwell High School ("the School") has expressed concerns around the safety and security of students, staff and school visitors associated with unrestricted access to its Year 7 and 8 student play and learning areas via a carriageway easement. These safety and security concerns have been exacerbated in recent years following a number of incidents where drivers of motor vehicles have attempted to travel in a northerly direction along the carriageway easement toward Prospect Hill Road.

The School's title shows a 3.05m wide carriageway easement, refer highlighted yellow and yellow-hatched in **Attachment 1**. While shown as an easement on the School's title, Council's solicitors are of the view that the northern part of the easement, refer yellow-hatched in **Attachment 1** with an area of 132m² (approximately), may have become a public highway for the purposes of the *Local Government Act 1989* ("the Road").

In order to improve safety and security for the School, the Victorian School Building Authority ("the VSBA") on behalf of the School has requested that Council discontinue the Road (shown yellow-hatched in **Attachment 1**) and transfer the land in the Road (if discontinued) to the Minister of the Crown administering the Education and Training Acts.

As a temporary measure, the VSBA had previously requested that Council urgently install bollards at the southern end of the Road to physically prevent vehicles from entering the Road. These temporary bollards were installed by Council in May 2022.

Key Issues

- The School owns the land comprising the easement/road and Council is the responsible authority for discontinuing the Road.
- Both the School and the VSBA are seeking to have the Road discontinued over safety and security concerns.
- If the Road is discontinued, it will remove any public rights to traverse or access the land in the future.
- The Road is considered by Council officers to not be reasonably required for public access.

Officers' recommendation

That Council resolve to:

1. Commence the statutory procedures under section 206 clause 3 of Schedule 10 of the *Local Government Act 1989* to discontinue and sell the 3.05m wide carriageway easement/road located within the title boundary of Camberwell High School, 100A Prospect Hill Road, Camberwell, shown yellow-hatched in **Attachment 1** and as Lot 1 on the proposed title plan TP965742G in **Attachment 2** and as annexed to the minutes ("the Road"), to the Minister of the Crown administering the Education and Training Acts, by private treaty in accordance with Council's Discontinuance of Roads and Reserves Policy 2022 ("Council's Policy").
2. Give public notice under section 223 of the *Local Government Act 1989* in the appropriate newspaper and on Council's website stating that Council proposes to discontinue the Road and sell the land from the Road to the Minister of the Crown administering the Education and Training Acts by private treaty, in accordance with Council's Policy.
3. Invite both written and verbal submissions on the proposed discontinuance and sale of the Road.
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 discontinuance and sale of the Road in full, in part or not to proceed with the discontinuance 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 discontinuance and sale of the Road 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 discontinuance and sale of the Road to the Minister of the Crown administering the Education and Training Acts for the sum of \$1.00 plus associated costs in accordance with Principle 4 of Council's Policy.

Responsible director: Phillip Storer, Chief Executive Officer

1. Purpose

This report is to seek Council's feedback on considering the commencement of the statutory procedures to discontinue the 3.05m wide carriageway easement/road located within Camberwell High School, 100A Prospect Hill Road, Camberwell and to sell and transfer the land in the Road (if discontinued) to the Minister of the Crown administering the Education and Training Acts for nominal consideration plus costs.

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 ("Council's Policy"). Principle 4 of section 4.2.8 of the Council's Policy has been utilised used to in determining the purchase price of the Road:

Principle 4

"In exceptional circumstances Council may consider a price negotiation on the market value. Exceptional circumstances will be determined by Council in Council's absolute discretion."

In this instance, the section of carriageway easement/road is within the School's title. The discontinuance process would remove the section of 3.05m wide carriageway easement/road from the School's title and vest it in Council. As part of the process, Council would be required to sell and transfer the discontinued road land back to the School. This is an unusual and exceptional circumstance that Council has been asked to facilitate on behalf of the School by the Victorian School Building Authority ("the VSBA") for reasons of safety and security.

Council officers have independently considered the request and the results of this assessment by Council officers, which are wider in character than the basis for the School's request, are set out in this report.

The reasons for the proposed discontinuance, in the opinion of Council officers, are:

- the road is not reasonably required for public use/access;
- the discontinuance, if implemented, will enhance public health, safety, security and wellbeing;
- the discontinuance, if implemented, will provide for the fair, orderly, economic and sustainable use and development of land; and
- the discontinuance, if implemented, will provide good governance in the Council's municipal district for the benefit and wellbeing of the municipal community.

This report is consistent with the Boroondara Community Plan 2021-31 (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 has in recent years discussed with representatives of the VSBA the appropriateness and future use of both the 3.05m wide right of way, shown highlighted pink in **Attachment 1**, and the adjoining 3.05m wide carriageway easement, shown highlighted yellow and yellow-hatched in **Attachment 1** which are contained within the title boundary of Camberwell High School (“the School”).

This report focuses on the latter carriageway easement (shown highlighted yellow and yellow-hatched in **Attachment 1**).

The School’s title, shown as Lot 1 in Plan of Subdivision PS823781D in **Attachment 3** contains a 3.05m wide carriageway easement (shown E-4 and highlighted green) along its eastern boundary.

Whilst shown as an easement on title, Council’s solicitors are of the view that the northern part of the easement, shown yellow-hatched in **Attachment 1**, with an area of 132m² (approximately), may have already, become a public highway (“the Road”) for the purposes of the *Local Government Act 1989*. The only way to remove the public highway status from the land would be for Council to formally discontinue the Road.

The north/south section of easement has been constructed in concrete with the southern part of the easement adjacent to the open right of way used for car parking. The northern, yellow-hatched section presents as both part of the School grounds and as a pedestrian walkway connecting Prospect Hill Road with the open right of way to the south. Vehicle access from or to Prospect Hill Road is not possible due to both the lack of a vehicle crossover and pedestrian safety fencing along the Prospect Hill Road frontage.

4. Outline of key issues/options

School safety

The School has in the past expressed concerns over the safety and security of students, staff and school visitors associated with unrestricted access to its Year 7 and 8 student play and learning areas via the Road at the Prospect Road Hill end. These safety and security concerns have been exacerbated in recent years following a number of incidents where drivers of motor vehicles have attempted to travel in a northerly direction along the Road toward Prospect Hill Road. As this is not possible, there have been vehicles that have become stuck and an instance where one needed to be towed out.

In order to improve safety and security, the VSBA on behalf of the School has requested that Council discontinue the Road (shown yellow-hatched in **Attachment 1**).

As a temporary measure, in early 2022, the VSBA requested that Council urgently install bollards at the southern end of the Road to physically prevent vehicles from entering the Road. Following review by Council’s Traffic and

Transport department, temporary bollards were installed by Council in May 2022.

If the Road is discontinued, it would enable the School to install permanent barriers and fencing to prevent both public pedestrian and vehicular access and to improve safety and security for students and teachers alike and to otherwise exercise full and unrestricted rights of ownership and control over the land currently comprising the Road.

Legal advice

Whilst shown as an easement on title, Council's solicitors are of the view that the northern part of the easement, from the School's entrance in Prospect Hill Road to the car park (as shown in **Attachment 4**), may, through long use of the land for the purpose of access and passage by members of the public, have become a public highway.

Under section 45, schedule 5, clause 14 of the *Road Management Act 2004* a private right of way or easement cannot develop or co-exist with a public right of way. Accordingly, as the land may already have become a public highway then the carriageway easement would already have been extinguished and replaced by a public highway. This report seeks to remove any doubt arising from any uncertainty attaching to this position.

Council's solicitors have also advised that, if the land is not already a public highway, it still (because it is a carriageway easement) a 'road' for the purposes of the *Local Government Act 1989*.

A road discontinuance under the *Local Government Act 1989*, if successful, would remove, not only the carriageway easement encumbering the land, but importantly, any public highway status from the land and, for the avoidance of any possible doubt in the future, obviate any ambiguity as to the status of the land.

Traffic movement survey

Detailed surveys undertaken on a school day (Thursday 3 December 2020) and a non-school day (Saturday 12 December 2020) confirmed high use by the school population and relatively low use by the general public.

Table 1: Movement survey summary

Location	Day	Time	Pedestrians	Cyclists	Vehicles
At Prospect Hill Rd	Thursday, 3 Dec 2020	8.00 - 9.00am	325	5	0
		2.30 - 3.30pm	295	22	0
		7am - 7pm	862	27	0
	Saturday, 12 Dec 2020	9.30 - 10.30am	15	3	0
		2.15 - 3.15pm	13	1	0
		7am - 7pm	57	8	0
	Weekend				
Behind the units at 3 Byron St	Thursday, 3 Dec 2020	8.15 - 9.15am	127	16	12
		2.30 - 3.30pm	168	55	7
		7am - 7pm	579	82	41
	Saturday, 12 Dec 2020	9.30 - 10.30am	13	4	3
		1.15 - 2.15pm	12	2	4
		7am - 7pm	54	12	13
	Weekend				

Council's Traffic and Transport Department have outlined that this data:

- Indicates that during the weekend, it appears that the majority of pedestrians and cyclists enter or exit the subject section of Road from Prospect Hill Road and then continue their way south towards Riversdale Park.
- Demonstrates that the very high school use on weekdays provides all the more reason to avoid/prevent members of the public from walking through the location.

Although carried out in late 2020, Council officers believe the data is still presently relevant. Council officers concur with the School's view that unrestricted public access to the students' play and learning areas within the School via the Road is undesirable and unsafe. Additionally, given the amount of demonstrated public use, the nature and extent of that use, the presence of alternative pedestrian and cyclist routes in the area via Byron Street to the east and the Anniversary Trail to the west, Council officers are of the view that the Road is not reasonably required for public use/access and is otherwise amenable to formal discontinuance.

While there is an alternative route available to those pedestrians currently using the Road subject to this report, the existence of that alternative route does not on its own justify a decision to support the discontinuance. It is a matter Council can consider along with other relevant considerations when determining whether the road is reasonably required for public access.

See **Attachment 4** for an aerial view of the Road proposed to be discontinued.

VSBA proposal

By facilitating the road discontinuance process on behalf of the School, the discontinued Road would be removed from the School's title and vest in Council. The VSBA on behalf of the School has confirmed the Department of Education and Training's interest in the Road, shown as Lot on Title Plan TP965742G in **Attachment 2**, being sold and transferred back to the Crown for the sum of \$1.00 plus costs, should the Road be discontinued.

The VSBA, as mentioned, has also agreed to reimburse Council its reasonable legal and administrative costs, estimated at \$26,100, in undertaking the proposed discontinuance and the sale and transfer of the land process on behalf of the School.

5. Consultation/communication

Stakeholder engagement

Service authorities have been consulted and no objections were received. None of the authorities have any assets within the Road nor have any requirements over the Road.

Internal Council departments have been consulted and no objections were received. Council does not have any assets within the Road nor have any requirements over the Road.

Statutory community engagement and consultation

The statutory procedures set out in this report require Council to give public notice of the proposal and invite submissions from affected parties. Public notice will be given on both the Council's website and in The Age newspaper.

In addition, property owners and occupiers within the vicinity will be advised of the proposal in writing and a copy of the public notice will be placed at either end of the Road for the duration of the submission period.

Submitters may request to be heard by Council or a Committee of Council, prior to any final decision being made by Council on whether to proceed (or otherwise) with the proposal.

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 to hear any submitters) and for a decision on whether to proceed with the discontinuance of the Road and transfer of the land in full or, in part or not to discontinue and sell and transfer the Road.

If no submissions are received, the Chief Executive Officer, or any such other person as the Chief Executive Officer appoints and authorises, will undertake the necessary procedural steps to complete the formal procedures for the discontinuance of the Road and sell and transfer of the land, including the execution of all relevant documentation.

6. Financial and resource implications

Council has been requested to facilitate this process on behalf of the School. The carriageway easement/road currently forms part of the School's title, being Lot 2 on plan of Subdivision PS823781D shown in **Attachment 2** with an area of 132m² (approximately).

Notwithstanding the current situation, if the Road is discontinued, the discontinued Road will then vest in Council. As a result, it will be necessary to sell and transfer the land forming the discontinued Road back to the School/the Crown.

All of Council's associated costs with the proposed discontinuance and transfer will be met by the VBSA. These are currently estimated to be in the order of \$26,100.

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 proposal does not give rise to any social or environmental issues.

9. Evaluation and review

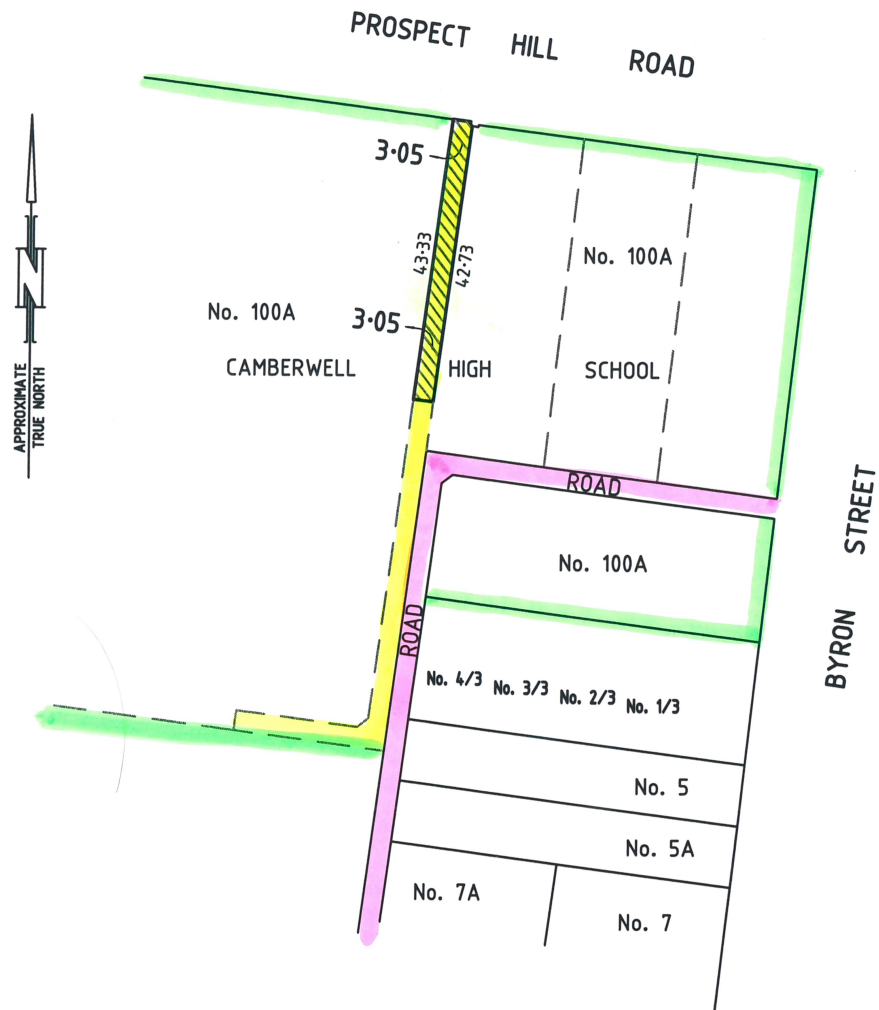
Council's intended course of action has been reviewed from a legislative compliance perspective by Council's consultants Macquarie Local Government Lawyers and no issues have been identified.

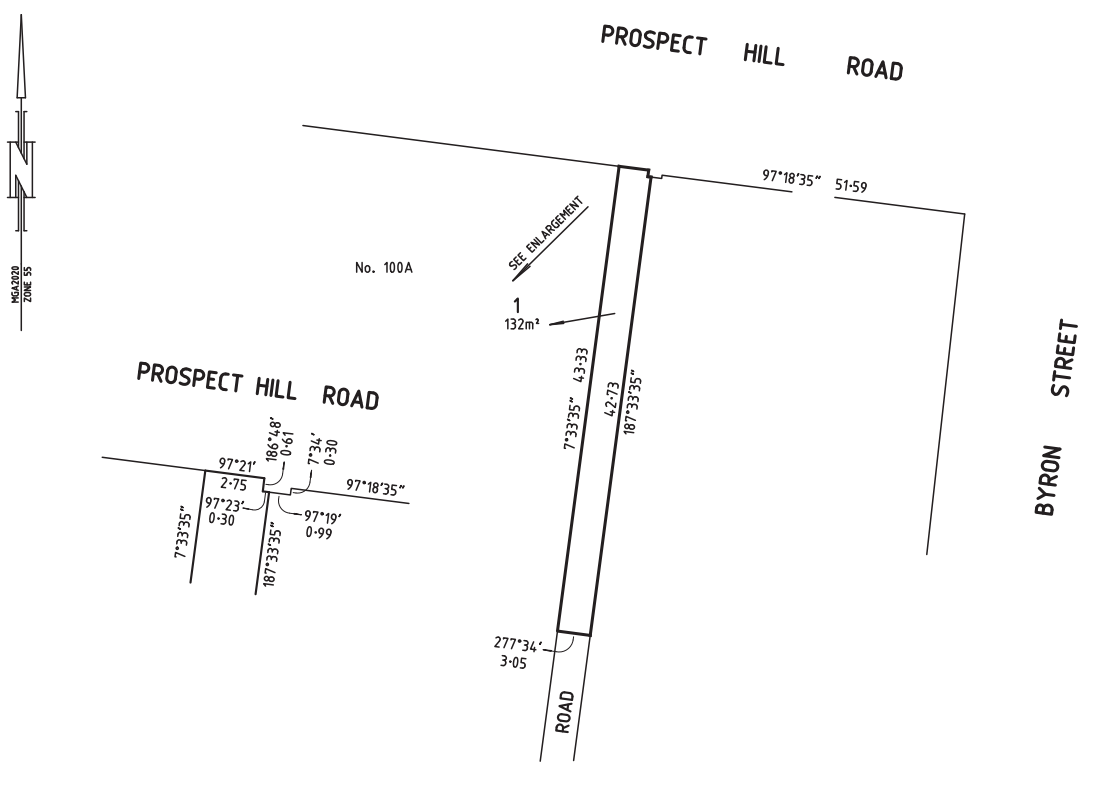
10. Conclusion

It is considered by officers that Road is not reasonably required as a 'road' for public use and as such (together with the other reasons set out in this report) can be considered for discontinuance. Therefore, it is considered appropriate that procedures be commenced for the discontinuance of the Road and sale and transfer of the land from the Road (if discontinued) to the Crown (Minister for Education and Training) in accordance with Council's *Discontinuance of Roads and Reserves Policy 2022*.

Manager: Amy Montalti, Chief Financial Officer

Report officer: Michael Hutchison, Head of Strategic Property and Revenue



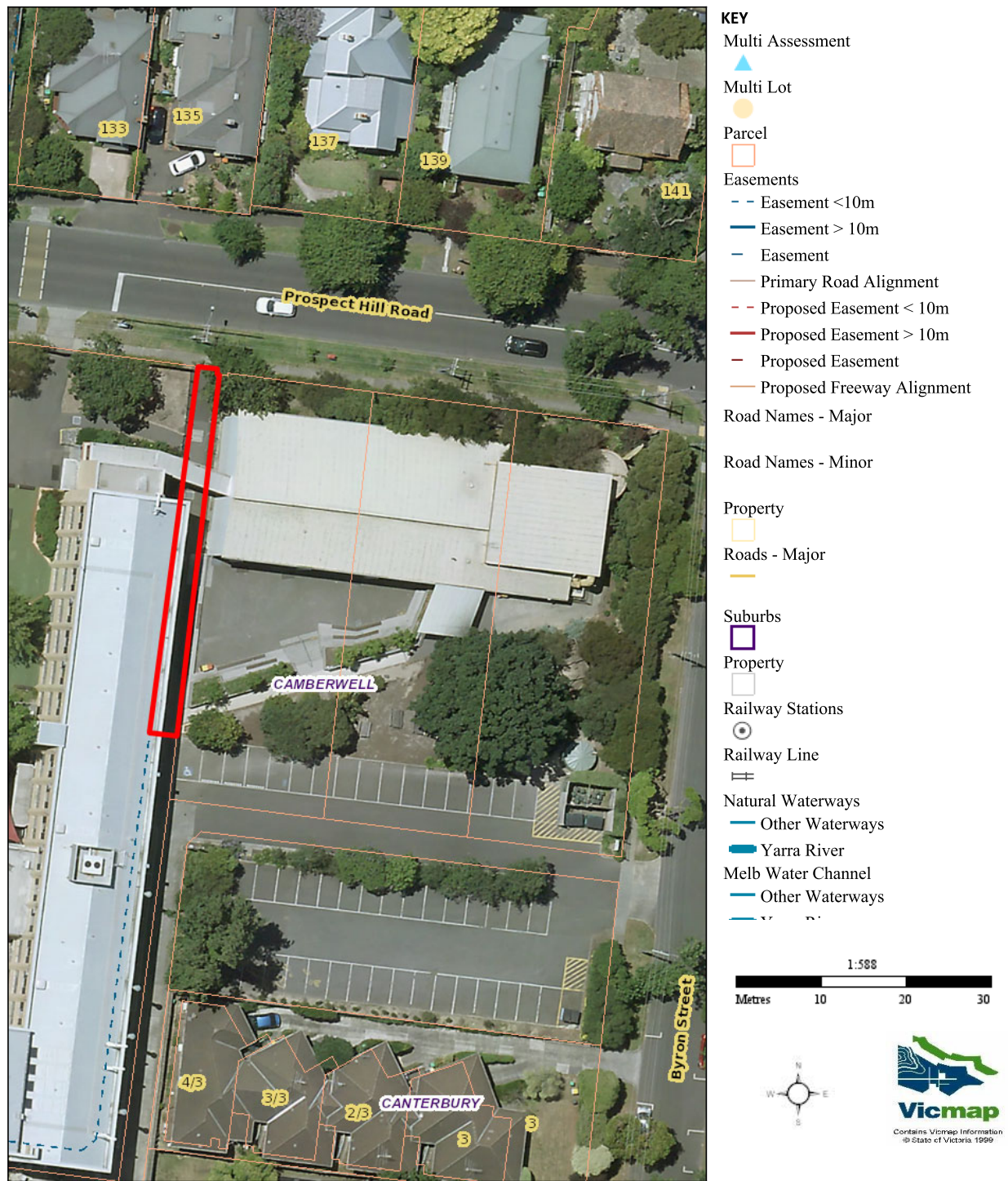
TITLE PLAN				EDITION 1		TP965742G	
<div>LOCATION OF LAND</div> <div>PARISH: BOROONDARA</div> <div>TOWNSHIP: _____</div> <div>SECTION: _____</div> <div>CROWN ALLOTMENT: _____</div> <div>CROWN PORTION: 128 & 129 (PARTS)</div> <div>TITLE REFERENCE: VOL. 12362 FOL. 108</div> <div>LAST PLAN REFERENCE: PS823781D, LOT 1</div> <div>DEPTH LIMITATION: DOES NOT APPLY.</div>				<div>WARNING: THIS PLAN REPRESENTS AN EXPECTED DIVISION OF LAND; ANY ONE LOT MAY NOT HAVE BEEN CREATED; CHECK THE LOT/PLAN INDEX FOR CURRENT INFORMATION;</div> <div>NOTATIONS</div>			
EASEMENT INFORMATION						THIS PLAN HAS BEEN PREPARED FOR LAND VICTORIA TITLE DIAGRAM PURPOSES. Date: Assistant Registrar of Titles	
Easement Reference	Purpose/ Authority	Width (Metres)	Origin	Land Benefited/ In Favour Of			
							
<div>SCALE</div> <div>4 0 4 8 12 16</div> <div>LENGTHS ARE IN METRES</div>				SCALE		ORIGINAL SHEET	
<div>1:400</div>				SIZE A3		FILE NO:	
<div>Millar Merrigan</div> <div>Land Development Consultants</div> <div>(03) 8720 9500 R (03) 5134 8611</div> <div>www.millarmerrigan.com.au</div> <div>survey@millarmerrigan.com.au</div> <div>SAI GLOBAL Quality ISO 9001</div>				SURVEYORS REF		LGD	
29056S1				DEALING CODE: LGA		SHEET 1 OF 1	
VERSION 2 DATE 17/6/22							

TITLEPL.DWG



Camberwell High School

Proposed section for discontinuance



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7.6 May 2023 Monthly Financial Report

Executive Summary

Purpose

The purpose of this report is to provide Council the Monthly Financial Report for May 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 \$36.68 million is \$13.02 million or 55% above 2022-23 Amended Budget of \$23.66 million primarily due to a number of factors which are outlined in **Section 2 of Attachment 1 - Financial Overview**.

Capital works actual expenditure is \$46.48 million which is \$7.66 million below year to date budget phasing of \$54.14 million. Priority projects expenditure of \$19.53 million is \$5.89 million below year to date budget phasing of \$25.42 million.

Council's Balance Sheet and cash position are sound and depict a satisfactory result. At the end of May Council's cash position stood at \$164.45 million or \$32.97 million above year to date budget.

Officers' recommendation

That Council resolve to receive and note the Monthly Financial Report for May 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 May 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 \$36.68 million is \$13.02 million or 55% above the 2022-23 Amended Budget of \$23.66 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 \$164.45 million as at 31 May 2023, or \$32.97 million higher than year to date budget of \$131.48 million. This represents an increase of \$14.11 million from 30 June 2022.

The Balance Sheet as at 31 May 2023 indicates a satisfactory result with total current assets of \$194.87 million and total current liabilities of \$88.87 million.

Please refer to **page 11 of Attachment 1** for further detail.

Capital Works

Council's year to date performance in gross capital works expenditure is \$46.48 million which is \$7.66 million below year to date budget phasing of \$54.14 million. Year to date actual and commitments as at 31 May 2023 equates to \$75.49 million.

Priority Projects

Council's year to date performance in gross priority project expenditure is \$19.53 million which is \$5.89 million below year to date budget phasing of \$25.42 million (year to date actual and commitments as at 31 May 2023 equates to \$36.45 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

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

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

May 2023

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1. Executive Overview

1.1 Introduction and overview

The Monthly Financial Report for May 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	YTD ACTUAL (1)	YTD BUDGET (2)	YTD VARIANCE (1) - (2)	YTD VARIANCE (1) / (2) %	STATUS YTD VARIANCE	FULL YEAR FORECAST (3)	2022-23 AMENDED BUDGET (3)	FORECAST VARIANCE (3) - (4)	STATUS FULL YEAR VARIANCE
	\$'000	\$'000	\$'000	\$'000			\$'000	\$'000	\$'000	
Surplus/(Deficit) for the year	6,607	36,676	23,663	13,013	55%	✓	12,956	2,280	10,676	✓
Recurrent income	255,177	250,107	246,069	4,038	2%	✓	253,359	249,618	3,741	✓
Recurrent expenditure	226,608	198,548	203,154	4,606	2%	✓	227,738	226,757	(981)	—
Capital works										
Expenditure *	78,890	46,477	54,144	7,667	14%	✓	68,125	73,702	5,577	✓
Priority projects										
Expenditure *	23,148	19,532	25,424	5,892	23%	✓	26,420	34,799	8,379	✓
Closing cash and investments **	87,121	164,447	131,478	32,969	25%	✓	128,170	115,616	12,554	✓

* Please refer to page 12 for further explanation of variances.

** Please refer to page 11 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 31 May 2023 is satisfactory with a working capital ratio of 2.19 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

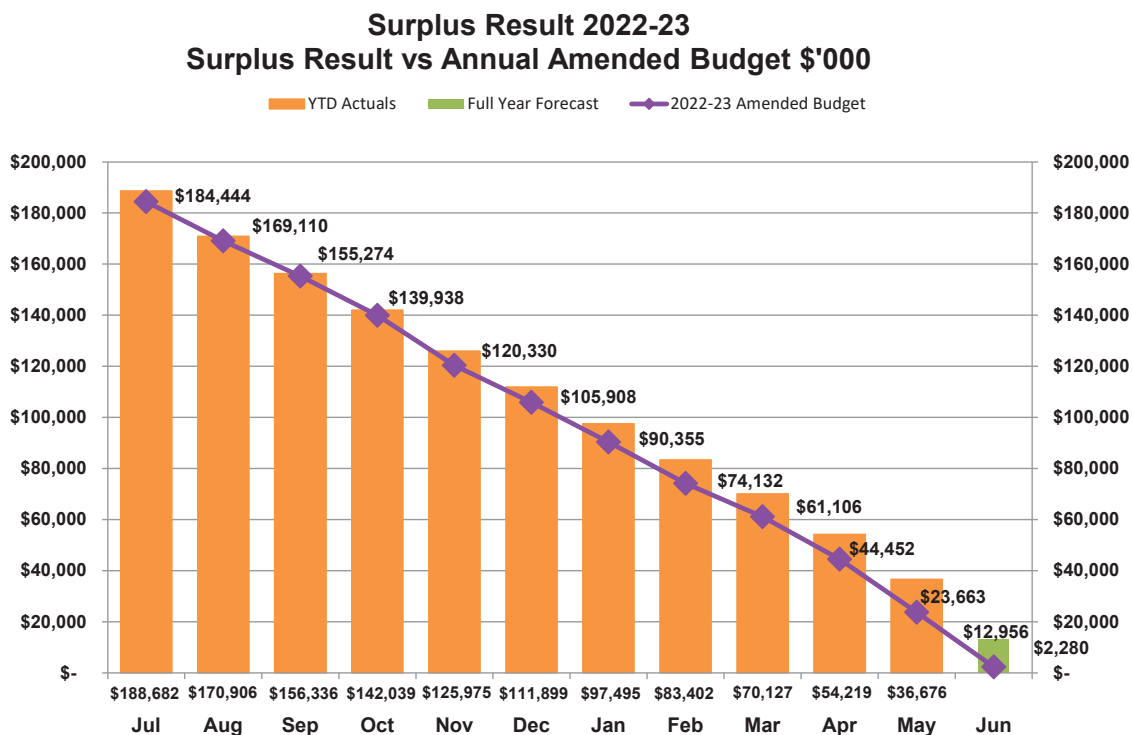
The year to date surplus result of \$36.68 million as per the budget is due to the striking of full year annual rates in August 2022. The surplus result will reduce over the course of the year as Council delivers services to the community. In addition, the favourable result against year to date budget of \$13.02 million or 55% 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

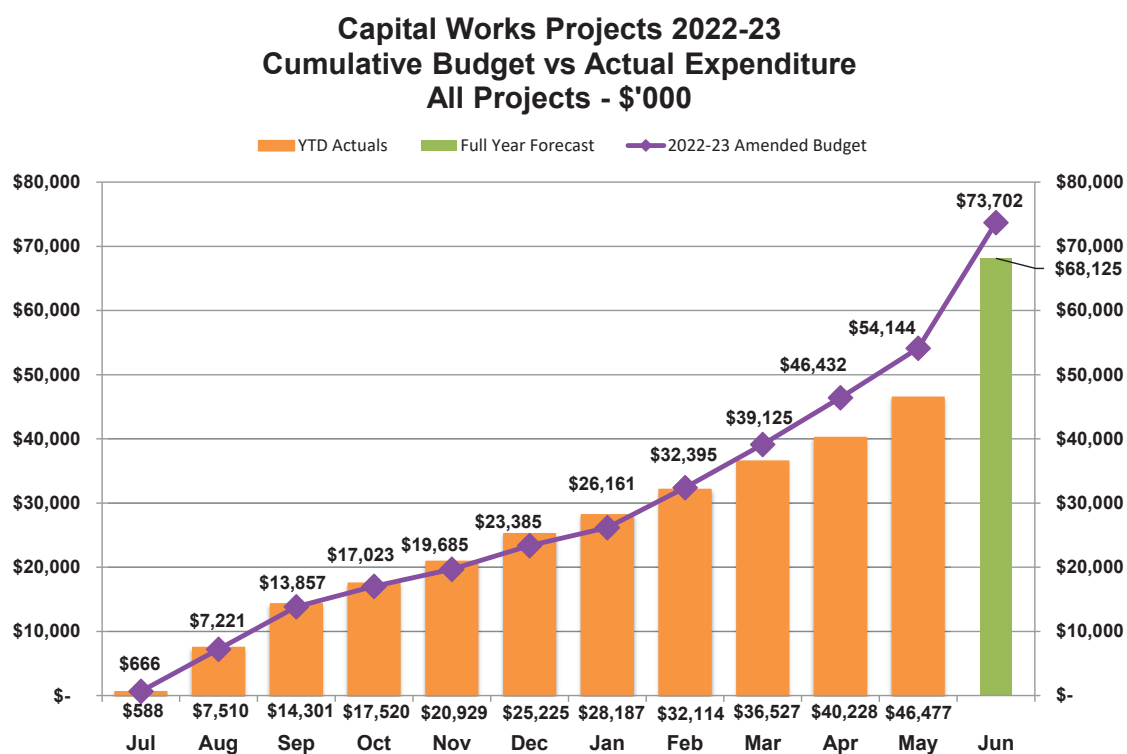
The 2022-23 Full Year Forecast of \$12.96 million represents an increase in the surplus result by \$10.68 million compared to the 2022-23 Amended Budget surplus of \$2.28 million.

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

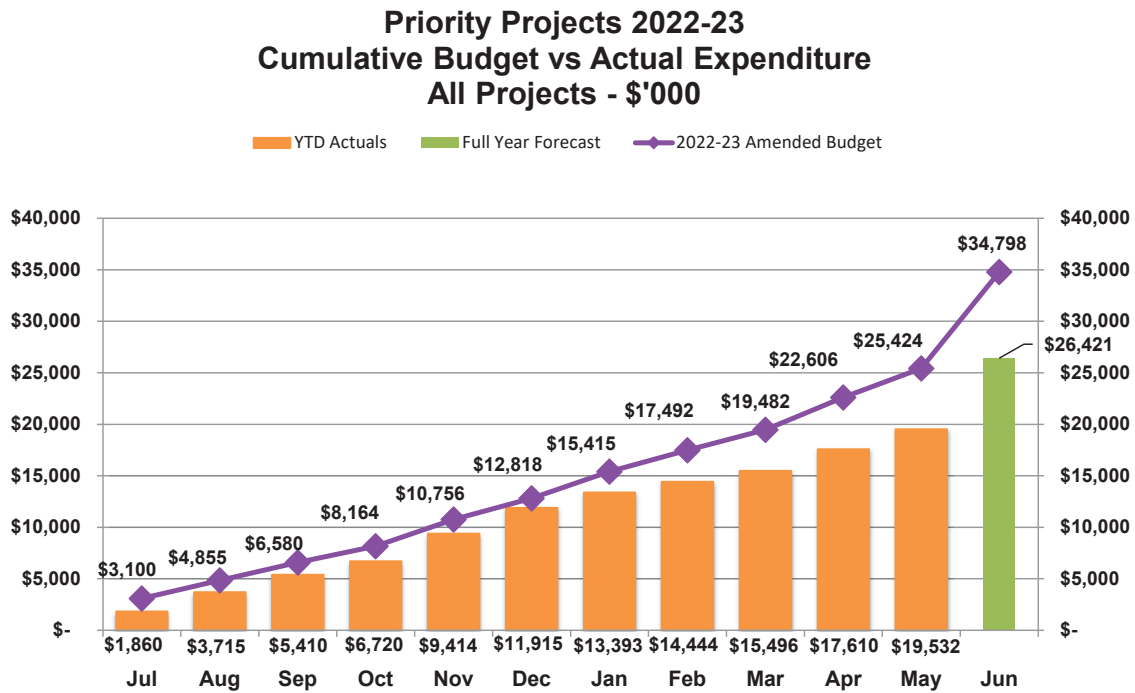


Council's year to date performance in gross capital works expenditure is \$46.48 million which is \$7.66 million below year to date budget phasing of \$54.14 million.

Capital works committed expenditure as at 31 May 2023 is \$29.01 million (year to date actual and commitments equates to \$75.49 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 \$19.53 million which is \$5.89 million below year to date budget phasing of \$25.42 million.

Priority projects committed expenditure as at 31 May 2023 is \$16.92 million (year to date actual and commitments equates to \$36.45 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 \$36.68 million is \$13.02 million above the 2022-23 Amended Budget surplus of \$23.66 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 \$4.65 million comprising recurrent income of \$4.04 million and non-recurrent income of \$610,000, while year to date total recurrent and non-recurrent expenditure is \$10.50 million (\$4.61 million + \$5.89 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)permanent (T)iming	Explanation Year to date actual vs year to date budget variations	Full Year Forecast permanent variance from Amended Budget
Rates and charges \$171,000	T	Higher than budgeted income: <ul style="list-style-type: none"> \$171,000 - rates and charges income, primarily in rates interest. 	
Statutory fees and fines (\$765,000)	T/P T T P	Lower than budgeted income: <ul style="list-style-type: none"> (\$550,000) - lodgement fee income - primarily in scheme control income. (\$160,000) - parking management income. (\$150,000) - street furniture permits. Offset by higher than budgeted income: <ul style="list-style-type: none"> \$176,000 - 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 (\$903,000)	P	Lower than budgeted income: <ul style="list-style-type: none"> • (\$467,000) - service fees and charges primarily in Freeway Golf Course and Asset Protection. 	(\$662,000)
	T/P	<ul style="list-style-type: none"> • (\$445,000) - registrations income primarily in health services and animal registrations behind planned budget phasing. 	\$102,000
	P	<ul style="list-style-type: none"> • (\$91,000) - 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"> • \$144,000 - Infringements Court Charges. 	\$38,000
Grants - operating \$116,000	P	Higher than budgeted income: <ul style="list-style-type: none"> • \$103,000 - School Crossing Supervisor funding received higher than planned budget phasing. 	\$103,000
	P	<ul style="list-style-type: none"> • \$330,000 - food and garden organics funding received higher than planned budget phasing. 	\$412,000
	T/P	Offset by lower than budgeted income: <ul style="list-style-type: none"> • (\$172,000) - Home care funding received lower than planned budget phasing. 	(\$134,000)
	T	<ul style="list-style-type: none"> • (\$132,000) - Assessment funding received lower than planned budget phasing. 	
	T	<ul style="list-style-type: none"> • (\$83,000) - Immunisation services funding received lower than planned budget phasing. 	
Contributions - Cash \$958,000	T/P	Higher than budgeted income: <ul style="list-style-type: none"> • \$790,000 - developers open space contributions received higher than planned budget phasing. 	\$500,000
	T/P	<ul style="list-style-type: none"> • \$169,000 - local contributions primarily associated with Balwyn rotary contribution to small annual community grants program. 	\$115,000
Rental income \$373,000	T/P	Higher than budgeted income: <ul style="list-style-type: none"> • \$321,000 - 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. 	\$264,000

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
Other income \$745,000	P T/P T/P	Higher than budgeted income: <ul style="list-style-type: none"> \$571,000 - other income primarily in road and footpath occupation income higher than planned budget phasing. \$98,000 - materials and services cost reimbursements. \$76,000 - employee costs, training and professional development reimbursements primarily at Hawthorn Arts Centre. 	\$581,000 \$29,000 \$62,000
Interest \$3.34 million	T/P	Higher than budgeted income: <ul style="list-style-type: none"> \$3.34 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 \$1.95 million	T/P T/P T/P T/P	Lower than budgeted expenditure: <ul style="list-style-type: none"> \$5.16 million - salaries and associated costs primarily due to staff vacancies across the organisation. \$491,000 - fringe benefits tax across the organisation primarily due to the closure of the reserve road carpark in December 2022. \$202,000 - apprenticeships/traineeships. Offset by higher than budgeted expenditure: <ul style="list-style-type: none"> (\$3.23 million) - temporary staff filling vacancies across the organisation. (\$597,000) - overtime and casuals and relievers filling vacancies across the organisation. 	\$3.74 million \$132,000 (\$2.21 million) (\$323,000)

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
Materials and services \$1.35 million	T/P	Lower than budgeted expenditure: • \$942,000 - professional services and advice across the organisation.	\$264,000
	T/P	• \$455,000 - legal fees expense.	\$99,000
	T/P	• \$440,000 - waste recycling disposal expense.	\$261,000
	T	• \$390,000 - application support expense.	
	T/P	• \$387,000 - trade services across the organisation.	(\$918,000)
	T/P	• \$274,000 - telephone/internet/data sim cards expense.	(\$34,000)
	P	• \$233,000 - consultants expense.	(\$171,000)
	T/P	• \$231,000 - mowing contractors expense.	\$79,000
	T	• \$229,000 - capital works in progress (items expensed due to not meeting the asset capitalisation criteria - this is a non-cash accounting entry).	
	T/P	• \$182,000 - cleaning buildings internal expense.	(\$146,000)
	T/P	• \$177,000 - online subscriptions expense.	(\$74,000)
	T/P	• \$173,000 - below excess claims fleet expense.	\$67,000
	T/P	• \$165,000 - other rates and taxes expense.	(\$304,000)
	T/P	• \$146,000 - painting services expense.	\$45,000
	T/P	• \$126,000 - postage expense.	\$4,000
	P	• \$102,000 - mechanical equipment maintenance expense.	\$118,000
	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>T/P</p> <p>T/P</p> <p>P</p> <p>T/P</p> <p>P</p> <p>P</p> <p>T/P</p> <p>T/P</p> <p>T/P</p> <p>T</p> <p>P</p> <p>T/P</p> <p>P</p>	<p>Offset by higher than budgeted expenditure:</p> <ul style="list-style-type: none"> • (\$1.03 million) - concrete expense. • (\$732,000) - specialist tree work, high voltage works, block, root and park tree pruning in Environmental Sustainability and Open Space. • (\$258,000) - licensing/maintenance contracts expense. • (232,000) - recruitment costs expense. • (\$203,000) - plumbing services expense. • (\$181,000) - drainage cleaning and maintenance expense. • (\$178,000) - instant turf expense. • (\$176,000) - distillate expense. • (\$139,000) - equipment purchase expense. • (\$132,000) - infringements court filing fees expense. • (\$115,000) - externally managed facilities - operating cost expense. • (\$115,000) - tipping fees non landfill expense. • (\$113,000) - open space contract - variations expense. • (\$99,000) - turf renovations expense. • (\$98,000) - tipping fees expense. • (\$98,000) - spares expense. • (\$83,000) - hardware expense. 	<p>(\$670,000)</p> <p>(\$176,000)</p> <p>(\$154,000)</p> <p>(\$81,000)</p> <p>(\$133,000)</p> <p>(\$218,000)</p> <p>(\$35,000)</p> <p>(\$259,000)</p> <p>(\$140,000)</p> <p>(\$39,000)</p> <p>(\$93,000)</p> <p>(\$33,000)</p> <p>(\$45,000)</p> <p>(\$122,000)</p> <p>(\$20,000)</p> <p>(\$107,000)</p>
Amortisation - right of use assets \$644,000	P	<p>Lower than budgeted expenditure:</p> <ul style="list-style-type: none"> • \$620,000 - 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 \$595,000	P	Lower than budgeted expenditure: <ul style="list-style-type: none"> \$274,000 - grants and subsidies behind planned budget phasing primarily in small annual grants. 	\$350,000
	T/P	<ul style="list-style-type: none"> \$172,000 - conferences seminars training expense across the organisation. 	\$38,000
	T/P	<ul style="list-style-type: none"> \$100,000 - special rates expenditure behind planned budget phasing. 	\$8,000
	T	<ul style="list-style-type: none"> \$97,000 - internal audit fees expense. 	
	T/P	<ul style="list-style-type: none"> \$94,000 - subscriptions/publications expense. 	\$15,000
	P	Offset by higher than budgeted expenditure: <ul style="list-style-type: none"> (\$195,000) - 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 \$164.45 million as at 31 May 2023 which has increased by \$14.11 million from 30 June 2022.

Total cash and investment holdings are \$32.97 million higher than year to date budget primarily due to:

- Property, infrastructure, plant and equipment of \$7.14 million due to timing of cash outflows relating to the capital works program.
- Rates and waste charges of \$7.07 million higher than anticipated due to timing of rates receivables.
- Lower than budgeted materials and services \$5.97 million due to timing of cash outflows.
- Higher than budgeted interest received of \$2.35 million due to interest on investments.
- Higher than budgeted user charges and receipts from customers of \$1.98 million due to timing and settlement of debtors.
- Higher than budgeted developer open space contributions of \$1.88 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 (\$2.74 million) due to timing.

The Balance Sheet as at 31 May 2023 indicates a satisfactory result with total current assets of \$194.87 million and total current liabilities of \$88.87 million.

The working capital ratio of 2.19 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 \$19.53 million which is \$5.89 million below year to date budget phasing primarily due to expenditure delays, the most significant being:

- **81084. System Development and Implementation - (\$3.65 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.
- **80955. Tree Strategy Action Plan implementation - (\$593,000)**
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.
- **81033. Energy Safe Victoria (ESV) power line clearance program - (\$499,000)**
This is a multi-year project to improve compliance with powerline regulations, while retaining our canopy cover. Pruning works have been undertaken as per the Energy Safe Victoria powerline clearance audit and removal of trees identified as being in poor condition through Council's cyclic tree inspection program. Further works of this nature will continue into the first half of the 2023-24 financial year. A proposed forward commitment to 2023-24 of \$1,296,278 has been reflected in the full year forecast.
- **81028. Statutory Planning Paper Files Scan on Demand - (\$221,000)**
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.
- **81029. Information Asset Audit - (\$236,000)**
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 31 May 2023 is \$16.92 million (year to date actual and commitments equates to \$36.45 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 \$46.48 million which is \$7.66 million below year to date budget phasing with the most significant being:

- **72939. Concrete drain relining - (\$1.48 million)**
Project delivery was delayed due to contractor availability. Works commenced in May 2023 with works program scheduled for completion by August 2023.
- **72684. New Public toilets - (\$554,000)**
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. Works were delayed at the Camberwell Fresh Food Market due to contractor availability and are now expected to commence in July 2023.
- **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 - (\$603,000)**
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) - (\$458,000)**
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 - (\$486,000)**
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.
- **72918. Balwyn Pedestrian operated signals - (\$400,000)**
The detailed designs for the proposed pedestrian operated signals in Balwyn Road at Gordon Barnard Reserve are in the final stages of approval from the Department of Transport and Planning (DTP), formerly VicRoads. Subject to the final approval, the tender advertisement will occur in July 2023 and be awarded in August 2023. Installation of signals is expected by December 2023.

Capital works committed expenditure as at 31 May 2023 is \$29.01 million (year to date actual and commitments equates to \$75.49 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	203,798	203,627	171	0%	203,619	203,627	(8)
Statutory fees and fines	14,245	13,528	14,293	(765)	-5%	15,159	15,514	(355)
User fees	16,728	10,204	11,107	(903)	-8%	11,344	11,867	(523)
Grants - operating	10,257	6,845	6,729	116	2%	7,446	7,093	353
Contributions - cash	5,079	5,616	4,658	958	21%	5,694	5,079	615
Rental income	2,430	2,388	2,015	373	19%	2,814	2,430	384
Other income	2,508	3,011	2,266	745	33%	3,383	2,508	875
Interest	350	4,717	1,374	3,343	243%	3,900	1,500	2,400
Total recurrent income	255,177	250,107	246,069	4,038	2%	253,359	249,618	3,741
Recurrent expenditure								
Employee costs	97,599	85,332	87,286	1,954	2%	94,842	96,119	1,277
Materials and services	73,556	63,762	65,114	1,352	2%	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	35,236	35,236	-	0%	38,454	38,454	-
Amortisation - right of use assets	4,331	3,325	3,969	644	16%	3,624	4,331	707
Borrowing costs	2,781	3,637	3,643	6	0%	3,952	3,952	-
Finance costs - leases	322	226	295	69	23%	248	322	74
Other expenses	7,747	6,402	6,997	595	9%	7,681	7,784	103
Total recurrent expenditure	226,608	198,548	203,154	4,606	2%	227,738	226,757	(981)
Net recurrent operating surplus	28,569	51,559	42,915	8,644	20%	25,621	22,861	2,760
Non-recurrent income								
Priority projects income	1,333	1,623	2,169	(546)	-25%	2,472	2,970	(498)
Capital works income	2,616	5,159	4,003	1,156	29%	14,983	14,011	972
Total non-recurrent income	3,949	6,782	6,172	610	10%	17,455	16,981	474
Non-recurrent expenditure								
Priority projects expenditure	23,148	19,532	25,424	5,892	23%	26,420	34,799	8,379
Total non-recurrent expenditure	23,148	19,532	25,424	5,892	23%	26,420	34,799	8,379
Net non recurrent operating surplus (deficit)	(19,199)	(12,750)	(19,252)	6,502	-34%	(8,965)	(17,818)	(8,853)
Net gain (loss) on disposal of property, infrastructure, plant and equipment	(2,763)	(2,133)	-	(2,133)	100%	(3,700)	(2,763)	(937)
Surplus/(Deficit) for the year ²	6,607	36,676	23,663	13,013	55%	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 \$36.68 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 \$13.02 million or 55% 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

	31 May 2023 \$'000	30 Jun 2022 \$'000	31 May 2022 \$'000
Current assets			
Cash and cash equivalents ¹	164,447	71,342	109,837
Other financial assets ¹	-	79,000	-
Trade and other receivables	28,781	26,093	26,987
Prepayments	1,646	2,373	1,296
Total current assets	194,874	178,808	138,120
Non-current assets			
Financial assets	4	4	4
Property, plant and equipment, infrastructure	4,416,899	4,410,083	4,063,435
Right of use assets	7,163	8,552	8,608
Intangible assets	269	269	594
Investment property	8,759	8,756	8,745
Total non-current assets	4,433,094	4,427,664	4,081,386
Total assets	4,627,968	4,606,472	4,219,506
Current liabilities			
Trade and other payables	13,091	27,671	24,905
Interest-bearing liabilities	22,624	7,579	-
Provisions	19,378	19,749	20,325
Trust funds and deposits	18,952	13,411	12,490
Unearned income	11,614	11,985	10,209
Lease liabilities	3,206	3,206	8,735
Total current liabilities	88,865	83,601	76,664
Non-current liabilities			
Provisions	2,120	2,120	2,024
Interest-bearing liabilities	64,923	83,960	21,539
Provision for investments in joint ventures	6,040	6,040	6,727
Lease liabilities	4,040	5,447	-
Total non-current liabilities	77,123	97,567	30,290
Total liabilities	165,988	181,168	106,954
Net assets	4,461,980	4,425,304	4,112,552
Equity			
Accumulated surplus	972,017	935,341	964,417
Asset revaluation reserve	3,466,496	3,466,496	3,125,668
Reserves ²	23,467	23,467	22,467
Total equity	4,461,980	4,425,304	4,112,552
Working capital ratio	2.19		

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 ¹	205,981	200,519	193,446	7,073	201,537
Statutory fees and fines ²	11,757	10,938	13,679	(2,741)	12,852
User charges and other fines ³	18,401	14,196	12,218	1,978	13,056
Grants - operating	12,618	9,295	9,668	(373)	4,911
Grants - capital	2,616	4,478	4,004	474	13,836
Contributions - monetary ⁴	5,079	6,539	4,663	1,876	5,254
Interest received ⁵	350	3,729	1,375	2,354	1,500
Other receipts	5,432	6,353	4,708	1,645	5,432
Net GST refund	14,221	10,839	12,769	(1,930)	16,203
Trust funds and deposits taken ⁶	100	5,541	-	5,541	100
Employee costs ⁷	(103,667)	(94,220)	(97,539)	3,319	(105,691)
Materials and services ⁸	(101,138)	(94,288)	(100,259)	5,971	(112,405)
Short-term, low value and variable lease payments	(596)	(750)	(547)	(203)	(596)
Other payments	(8,002)	(6,395)	(7,292)	897	(8,112)
Net cash provided by/(used in) operating activities	63,152	76,774	50,893	25,881	47,877
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment ⁹	(78,889)	(52,504)	(59,644)	7,140	(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)	26,494	19,356	7,138	10,018
Cash flows from financing activities					
Finance costs	(2,859)	(2,576)	(2,576)	-	(4,272)
Proceeds from borrowings	19,700	-	-	-	19,700
Repayment of borrowings	(26,362)	(3,992)	(4,655)	663	(25,907)
Interest paid - lease liability	(323)	(228)	(297)	69	(323)
Repayment of lease liabilities	(3,733)	(3,367)	(2,585)	(782)	(2,819)
Net cash provided by (used in) financing activities	(13,577)	(10,163)	(10,113)	(50)	(13,621)
Net increase (decrease) in cash and cash equivalents	(24,594)	93,105	60,136	32,969	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	164,447	131,478	32,969	115,616

Note: All numbers are rounded to the nearest thousand.

1. Rates and waste charges are \$7.07 million higher than budget due to timing of rates receivables.
2. Statutory Fees and Fines are (\$2.74 million) lower than budget primarily due to timing.
3. User charges and receipts from customers are \$1.98 million higher than budget primarily due to timing and settlement of debtors.
4. Higher than planned developer contributions \$1.88 million due to timing.
5. Higher than budgeted interest received of \$2.35 million due to interest on investments.
6. 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.
7. Employee Costs are \$3.32 million lower than budgeted primarily due to staff vacancies across the organisation.
8. Materials and Services are lower than budget due to timing of cash outflows \$5.97 million.
9. 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	2,720	2,230	(490)	-22%	1,318	3,900	2,265	(1,635)
Drainage	4,218	2,713	4,504	1,791	40%	1,957	5,596	5,443	(153)
Footpaths and cycleways	2,100	1,445	2,129	684	32%	154	2,241	2,481	240
Off street carparks	721	246	585	339	58%	73	464	671	207
Parks, open space and streetscapes	4,693	3,733	4,619	886	19%	830	6,565	6,509	(56)
Recreational, leisure & com facilities	3,639	2,687	2,784	97	3%	681	3,864	5,878	2,014
Roads	12,551	9,968	10,461	493	5%	1,114	11,908	13,446	1,538
Total Infrastructure	29,381	23,512	27,312	3,800	14%	6,127	34,538	36,693	2,155
Plant and Equipment									
Computers and telecommunications	1,062	744	1,362	618	45%	641	1,763	2,123	360
Fixtures, fittings and furniture	1,655	417	1,372	955	70%	702	1,515	2,208	693
Library books	995	789	879	90	10%	130	995	995	-
Plant machinery and equipment	1,363	988	1,125	137	12%	242	1,492	1,654	162
Total Plant and Equipment	5,075	2,938	4,738	1,800	38%	1,715	5,765	6,980	1,215
Property									
Building	22,740	11,983	13,165	1,182	9%	6,471	17,278	18,706	1,428
Building improvements	58	28	58	30	52%	17	58	58	-
Major Projects	21,636	8,016	8,871	855	10%	14,687	10,486	11,265	779
Total Property	44,434	20,027	22,094	2,067	9%	21,175	27,822	30,029	2,207
Total capital works expenditure	78,890	46,477	54,144	7,667	14%	29,017	68,125	73,702	5,577
Represented by:									
Asset renewal expenditure	53,595	34,656	39,637	4,981	13%	18,535	48,598	53,849	5,251
Asset upgrade expenditure	2,315	3,875	3,461	(414)	-12%	1,609	5,969	4,419	(1,550)
New asset expenditure	16,946	6,635	9,246	2,611	28%	6,665	11,284	12,915	1,631
Asset expansion expenditure	6,034	1,311	1,800	489	27%	2,208	2,274	2,519	245
Total capital works expenditure	78,890	46,477	54,144	7,667	14%	29,017	68,125	73,702	5,577

Note: All numbers are rounded to the nearest thousand.