

7.3 June 2023 Quarterly Financial Report

Executive Summary

Purpose

The Quarterly Financial Report for June 2023 provides detailed reporting on financial performance against both the Budget and the Boroondara Community Plan 2021-31 for the year.

Background

The full year actual and annual budget figures referred to in this report reflects the 2022-23 Amended Budget, approved by Council on 14 November 2022 which includes the carry forward funding from 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 undertaken during the year.

Key Issues

Full year actual vs. 2022-23 Amended Budget

The full year net operating surplus of \$24.24 million is \$21.96 million favourable against the 2022-23 Amended Budget surplus of \$2.28 million. The favourable variance is attributable to a number of factors which are outlined in **Section 2 of Attachment 1 - Financial Overview**.

Full year actual vs. Full year forecast

The full year forecast was presented to Council on 22 May 2023. The full year net operating surplus of \$24.24 million is \$11.28 million favourable against the full year forecast surplus of \$12.96 million.

Capital works actual expenditure is \$56.64 million which is \$17.06 million below the 2022-23 Amended Budget of \$73.70 million. Priority Projects expenditure of \$22.65 million is \$12.15 million below the 2022-23 Amended Budget of \$34.80 million.

The overall financial position at 30 June 2023 is satisfactory with a working capital ratio of 2.24 to 1 (including reserve funds of \$25.57 million and 0.5% cash contingency for emergency response works).

Officers' recommendation

That Council resolve to

1. Receive and note the Quarterly Financial Report for June 2023 and adopt the final forward commitment listing and amendments for capital works and priority projects as outlined in (**Attachment 1**).
2. Receive and note the results of the Local Government Performance Reporting Framework (LGPRF) sustainable capacity and financial indicators (**Attachment 2**).
3. Adopt the amendments to the 2023-24 Fees and Charges Schedule (**Attachment 3**).

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

1. Purpose

The purpose of this report is to provide Council the June 2023 Quarterly Financial Report for the period ended 30 June 2023 (refer **Attachment 1**). This report is designed to provide financial performance reporting on the Annual Budget 2022-23.

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 June 2023 Quarterly Financial Report provides detailed reporting on financial performance against both the Boroondara Community Plan 2021-31 and Budget for the year.

The full year annual budget figures 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 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.

Attachment 1: June 2023 Quarterly Financial Report (Incorporating financial performance which includes the final forward commitment listing for capital works and priority projects)

Attachment 2: Results of Local Government Performance Reporting Framework (LGPRF) sustainable capacity and financial indicators

Attachment 3: Amendments to the 2023-24 Fees and Charges Schedule

4. Outline of key issues/options

Financial performance

Full year actual vs. 2022-23 Amended Budget

The full year net operating surplus of \$24.24 million is \$21.96 million favourable against the 2022-23 Amended Budget surplus of \$2.28 million. The favourable variance is attributable to a number of factors which are outlined in **Section 2 of Attachment 1 - Financial Overview**.

Full year actual vs. Full year forecast

The full year forecast was presented to Council on 22 May 2023. The full year net operating surplus of \$24.24 million is \$11.28 million favourable against the full year forecast surplus of \$12.96 million.

Highlights of significant favourable variances across income and expenditure lines above the full year forecast include the following:

- Fair value adjustment of \$8.48 million for Council's investment properties. This is due to a change in accounting policy requested by the Victorian Auditor General's office (VAGO) on Investment Properties in the 2022-23 financial year to align with Australian Accounting Standard AASB 140 - Investment Properties. This has resulted in the investment properties being accounted for the first time at fair value - being the price that would be received to sell the investment properties between market participants. Given that the investment properties were previously accounted for at the cost they were acquired for, the movement in values between the prior year and the current year is a material movement to that experienced in previous years. Under the accounting standard, the movement in investment property values is now accounted for in the Income Statement.
- Higher operating grants of \$5.77 million primarily due to the timing of the Victorian Local Government Grants Commission (VLGGC) 2023-24 allocation being wholly brought forward to the 2022-23 financial year.
- Interest on investments \$1.43 million higher due to current market conditions.
- \$522,000 - disposal of property, infrastructure, plant and equipment lower than anticipated.

This is partially offset by:

- Lower capital grants of \$4.68 million - mainly due to the reporting requirements of accounting standard AASB15 - Revenue from Contracts with Customers. The variance represents unspent grants where performance obligations have not been met at 30 June 2023 and have been transferred to unearned revenue in the balance sheet. The income will be recognised when the performance obligations have been satisfied in 2023-24.
- Bad and doubtful debts unfavourable by \$2.28 million primarily due to a revision of the assumptions surrounding the collectability of outstanding parking management debts. The revised assumptions have resulted in an increase in the portion of parking management debts considered doubtful.
- \$1.52 million - Council's share (net loss) of the Joint Venture at the Regional Landfill Clayton South. This is an accounting policy entry only (non-cash) and the interim result is based on unaudited financial statements of Regional Landfill Clayton South.

Balance Sheet and Cash Flow Statement

Cash and investment holdings and financial assets are \$146.25 million as at 30 June 2023 which has decreased by \$4.09 million from 30 June 2022.

The Balance Sheet as at 30 June 2023 indicates a satisfactory result with total current assets of \$173.56 million and total current liabilities of \$77.46 million.

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

Capital works

Council's full year actual performance in gross Capital Works expenditure is \$56.64 million which is \$17.06 million below the 2022-23 Amended Budget of \$73.70 million.

Priority projects

Council's full year actual performance in gross priority projects expenditure is \$22.65 million which is \$12.15 million below the 2022-23 Amended Budget of \$34.80 million.

Refer to **Attachment 1 page 4 and 5 Executive overview** for graphical representation of capital works and priority projects year to date budget, actual and committed expenditure. Further information is detailed on **page 12 and 19-20 in Attachment 1**.

Local Government Performance Reporting Framework (LGPRF)

There are 7 sustainable capacity and 11 financial mandatory performance indicators included in the Framework, which will be audited and included in Council's performance statement. Refer to **Attachment 2** for further detail on LGPRF sustainable capacity and financial indicator results.

Amendments to the 2023-24 adopted fees and charges schedule are provided in **Attachment 3**.

5. Consultation/communication

The Executive Leadership Team has reviewed and approved the report.

6. Financial and resource implications

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

7. Governance issues

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

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

8. Social and environmental issues

There are no direct impacts resulting from the report.

Manager: Amy Montalti, Chief Financial Officer

Report officer: Sapphire Allan, Coordinator Management Accounting



Quarterly Financial Report

June 2023

Contents

1. Executive Overview	1
1.1 Introduction and overview	1
1.2 Key financial highlights and overview	1
2. Financial overview	6
2.1 Income Statement	6
2.2 Balance Sheet and Cash Flow Statement	11
2.3 Priority Projects	12
2.4 Capital Works	19
3. Financial Statements	28
3.1 Income Statement	28
3.2 Income statement by Directorate	29
3.3 Balance Sheet	30
3.4 Statement of Cash Flows	31
3.5 Capital Works expenditure by asset group	32
3.6 Debtors	33
3.6.1 Rate debtors	33
3.6.2 Sundry debtors	33
3.6.3 Infringement debtors	34
4. Corporate governance	35
4.1 Publicly tendered contracts greater than \$500,000 (excluding GST) for goods, services and works	35
4.2 Councillor expenses	36
4.3 Chief Executive Officer expenses	37
4.4 Citizen decision and process review	37
4.5 Excess annual leave analysis	37
4.6 Confidentiality Agreements	38
5. Grants progress report	39
5.1 Grant applications completed/pending for the June 2023 Quarter	39

1. Executive Overview

1.1 Introduction and overview

The Quarterly Financial Report for June 2023 has been prepared in accordance with Australian Accounting Standards.

The June 2023 report is designed to identify major variations against the 2022-23 Amended Budget at an organisational level.

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

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

1.2 Key financial highlights and overview

Key financial summary	ANNUAL ORIGINAL BUDGET \$'000	FULL YEAR					ANNUAL		
		FULL YEAR ACTUAL (1) \$'000	2022-23 AMENDED BUDGET (2) \$'000	ACTUAL TO 2022-23 AMENDED BUDGET VARIANCE (1) - (2) \$'000	VARIANCE %	STATUS FULL YEAR VARIANCE	FULL YEAR FORECAST (3) \$'000	ACTUAL TO FULL YEAR FORECAST VARIANCE (1) - (3) \$'000	STATUS FULL YEAR VARIANCE
Surplus/(Deficit) for the year	6,607	24,236	2,280	21,956	963%	✓	12,956	11,280	✓
Recurrent income	255,177	269,496	249,618	19,878	8%	✓	253,359	16,137	✓
Recurrent expenditure	226,608	229,876	226,757	3,119	1%	—	227,738	2,138	—
Capital works									
Expenditure *	78,890	56,645	73,702	(17,057)	(23%)	✓	68,125	(11,480)	✓
Priority projects									
Expenditure *	23,148	22,649	34,799	(12,150)	(35%)	✓	26,420	(3,771)	✓
Closing cash and investments **	87,121	66,751	115,616	(48,865)	(42%)	✗	128,170	(61,419)	✗

* Please refer to page 12 and 19-20 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 30 June 2023 is satisfactory with a working capital ratio of 2.24 to 1 (including cash contingency for emergency response works and reserve funds of \$25.57 million).

Surplus Result

Full year actual vs. 2022-23 Amended Budget

The full year net operating surplus result of \$24.24 million is \$21.96 million favourable against the 2022-23 Amended Budget surplus of \$2.28 million primarily due to a number of factors which are outlined in **Section 2 Financial Overview**.

Full year actual vs Full year forecast

The full year net operating surplus of \$24.24 million is \$11.28 million favourable against the full year forecast surplus of \$12.96 million.

Highlights of significant favourable variances across income and expenditure lines above the full year forecast include the following:

- Fair value adjustment of \$8.48 million for Council's investment properties. This is due to a change in accounting policy requested by Victorian Auditor General's office (VAGO) on Investment Properties in the 2022-23 financial year to align with Australian Accounting Standards AASB 140 - Investment Properties. This has resulted in the investment properties being accounted for the first time at fair value - being the price that would be received to sell the investment properties between market participants. Given that the investment properties were previously accounted for at the cost they were acquired for, the movement in values between the prior year and the current year is a material movement to that experienced in previous years. Under this accounting standard, the movement in investment property values is now accounted for in the Income Statement.
- Higher operating grants of \$5.77 million primarily due to the timing of the Victorian Local Government Grants Commission (VLGGC) 2023-24 allocation being wholly brought forward to the 2022-23 financial year.
- Interest on investments \$1.43 million higher due to current market conditions.
- \$522,000 - disposal of property, infrastructure, plant and equipment lower than anticipated.

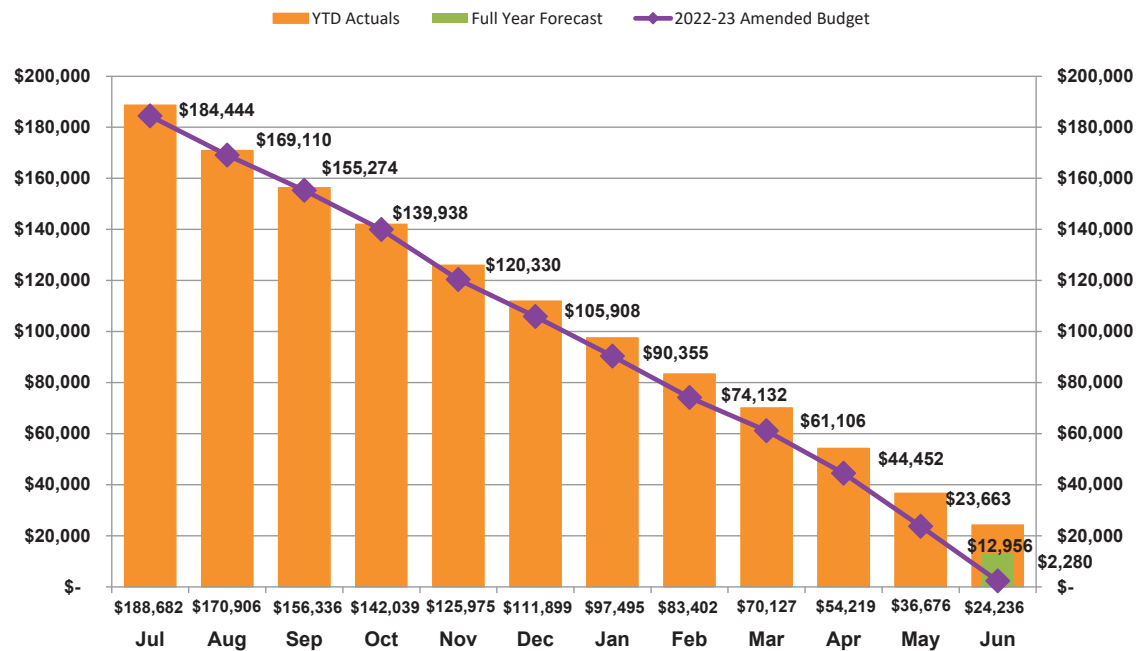
This is partially offset by:

- Lower capital grants of \$4.68 million - mainly due to the implementation of accounting standard AASB15 - Revenue from Contracts with Customers. The variance represents unspent grants where performance obligations have not been met at 30 June 2023 and have been transferred to unearned revenue in the balance sheet. The income will be recognised when the performance obligations have been satisfied in 2023-24.
- Bad and doubtful debts unfavourable by \$2.28 million primarily due to a revision of the assumptions surrounding the collectability of outstanding parking management debts. The revised assumptions have resulted in an increase in the portion of parking management debts considered doubtful.
- \$1.52 million - Council's share (net loss) of the Joint Venture at the Regional Landfill Clayton South. This is an accounting policy entry only (non-cash) and the interim result is based on unaudited financial statements of Regional Landfill Clayton South. This is primarily due to the movement in the net result of the landfill which has been driven by an increase in the discount and inflation rates utilised in the landfill rehabilitation provision calculation, in determining future estimated costs for the landfill. These rates are derived from market valuations and conditions, where both factors have seen a significant increase in the 2022-23 financial year.

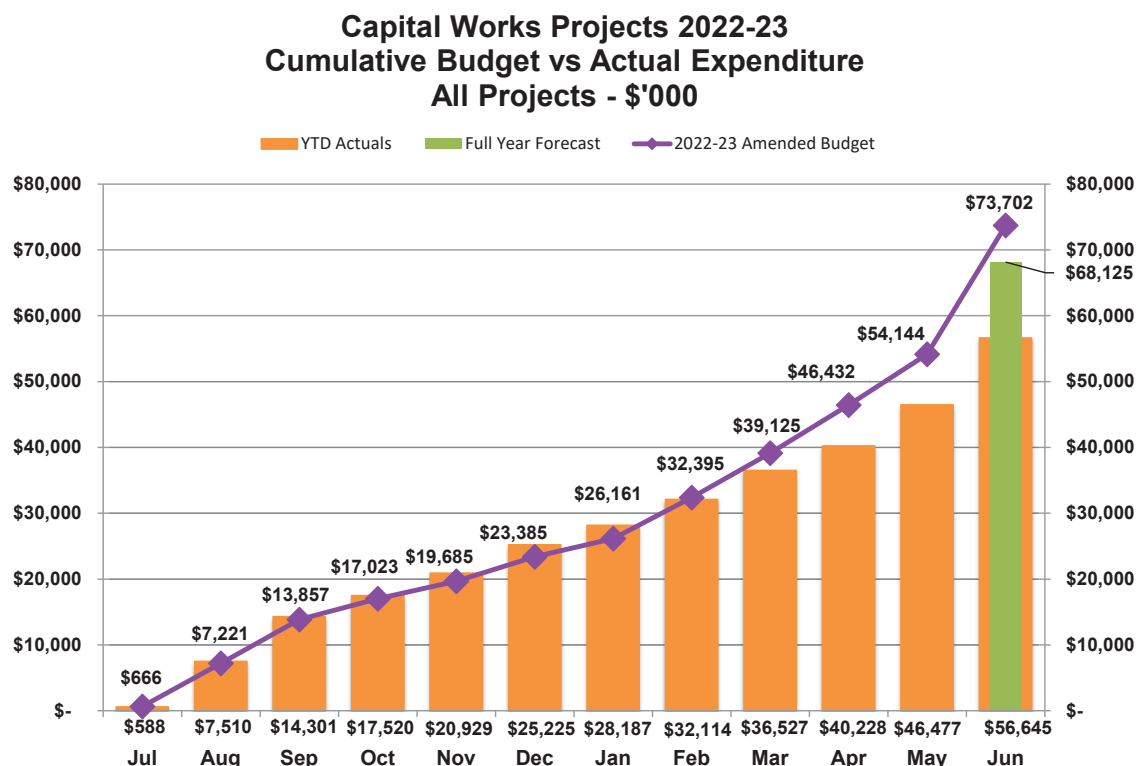
In addition to the above variances, a further \$3.40 million has been identified in net forward commitments for priority projects to be completed in 2023-24. Total forward commitments to 2023-24 is \$13.08 million.

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

Surplus Result 2022-23 Surplus Result vs Annual Amended Budget \$'000



Capital Works



Council completed 78% of the 2022-23 Amended Budget Capital Works expenditure. A total of 85% (or 402 of 474) of projects were completed during the financial year. The calculation for percentage completion is based on the most recent amended budget adjusted for deferred projects approved by Council.

The Full Year Forecast was presented to Council on 22 May 2023. Council completed 83% of the Full Year Forecast capital works expenditure.

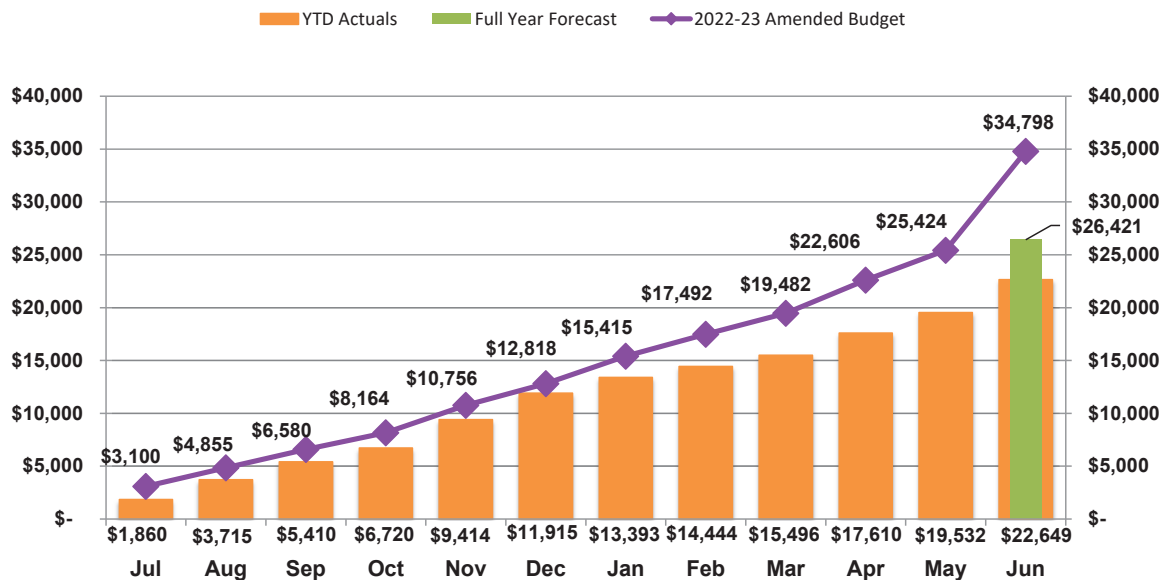
Council's full year actual performance in gross capital works expenditure is \$56.64 million which is \$17.06 million below the 2022-23 Amended Budget of \$73.70 million. This is primarily due to expenditure delays resulting in planned capital works being delayed.

A total of \$5.55 million was identified and carried forward in the 2023-24 Adopted Budget with an additional \$5.63 million (net) recognised as at 30 June 2023.

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

Priority Projects

Priority Projects 2022-23 Cumulative Budget vs Actual Expenditure All Projects - \$'000



Council's full year actual performance in gross priority project expenditure is \$22.65 million which is \$12.15 million below the full year budget of \$34.80 million, primarily expenditure delays. \$8.38 million of this variance was reflected in the Full Year Forecast.

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

2. Financial overview

2.1 Income Statement

This section details Council's financial performance for the period ended 30 June 2023.

While the annual budget referred to in this report reflects the 2022-23 Amended Budget approved by Council on 14 November 2022, it should be noted that the Full Year Forecast presented to Council on 22 May 2023 predicted a net operating surplus result of \$12.96 million.

Operating budget

The full year net operating surplus of \$24.24 million is \$21.96 million favourable against the 2022-23 Amended Budget surplus of \$2.28 million. The result against full year budget is due to a number of factors which are outlined below.

Full year total recurrent and non-recurrent income is above budget by \$14.86 million comprising recurrent income of \$19.88 million and non-recurrent income of (\$5.02 million), while year to date total recurrent and non-recurrent expenditure is (\$9.03 million) below budget comprising of \$3.12 million of recurrent expenditure and (\$12.15 million) of non-recurrent expenditure.

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

Full year actual vs. 2022-23 Amended Budget variations

Income	
Income line	Explanation Full year actual vs 2022-23 Amended Budget variations
Rates and charges (including waste) \$247,000	Higher than budgeted income: <ul style="list-style-type: none"> \$247,000 - rates and charges income, primarily in rates interest.
Statutory fees and fines (\$238,000)	Lower than budgeted income: <ul style="list-style-type: none"> (\$583,000) - lodgement fee income, primarily in scheme control income. (\$159,000) - street furniture permits income. Offset by higher than budgeted income: <ul style="list-style-type: none"> \$411,000 - parking management income. \$190,000 - skip bins income.
User fees (\$796,000)	Lower than budgeted income: <ul style="list-style-type: none"> (\$438,000) - registrations income primarily in health services and animal registrations. (\$424,000) - service fees and charges primarily in Freeway Golf Course and Asset Protection. (\$110,000) - other charges income primarily in Transfer Station & Yard Maintenance. Offset by higher than budgeted income: <ul style="list-style-type: none"> \$118,000 - infringements court charges. \$80,000 - box office income across Hawthorn Arts Centre facilities.

Income	
Income line	Explanation Full year actual vs 2022-23 Amended Budget variations
Grants - operating \$6.13 million	<p>Higher than budgeted income:</p> <ul style="list-style-type: none"> \$5.35 million - Victorian Local Government Grants Commission (VLGCC) - the Commonwealth advised in June 2023 that \$5.35 million (100%) of the 2023-24 allocation would be brought forward and paid in June 2023. \$530,000 - recognition of additional prior years income upon finalisation of the Commonwealth Home Support Programme upon a revision to the 2019-2021 acquittal outcome. \$412,000 - food and garden organics grant funding. \$103,000 - School Crossing Supervisor funding. <p>Offset by lower than budgeted income:</p> <ul style="list-style-type: none"> (\$357,000) - grant funding across a number of departments primarily in community transport (\$118,000) and assessment (\$95,000) - due to the implementation of the accounting standard AASB15 - Revenue from Contracts with Customers.
Contributions - Cash \$903,000	<p>Higher than budgeted income:</p> <ul style="list-style-type: none"> \$738,000 - developers open space contributions. \$166,000 - local contributions primarily associated with Balwyn rotary contribution to small annual community grants program.
Rental income \$413,000	<p>Higher than budgeted income:</p> <ul style="list-style-type: none"> \$239,000 - lease income at Hawthorn Arts Centre. \$201,000 - rental/hire income, primarily at Hawthorn Arts Centre from October to December with some venue hirers returning for the first time since 2019. \$86,000 - leasing of Council premises. <p>Offset by lower than budgeted income:</p> <ul style="list-style-type: none"> (\$170,000) - lease income at Camberwell Fresh Food Market.
Other income \$912,000	<p>Higher than budgeted income:</p> <ul style="list-style-type: none"> \$661,000 - other income, primarily in road and footpath occupation income. \$83,000 - materials and services cost reimbursements. \$81,000 - employee costs, training and professional development reimbursements primarily at Hawthorn Arts Centre.
Interest \$3.83 million	<p>Higher than budgeted income:</p> <ul style="list-style-type: none"> \$3.83 million - managed interest - due to interest on investments.
Fair value adjustments for investment properties \$8.48 million	<p>Higher than budgeted income:</p> <ul style="list-style-type: none"> \$8.48 million - due to a change in accounting policy requested by Victorian Auditor General's office (VAGO) on Investment Properties in the 2022-23 financial year to align with Australian Accounting Standards AASB 140 - Investment Properties. This has resulted in the investment properties being accounted for the first time at fair value - being the price that would be received to sell the investment properties between market participants. Given that the investment properties were previously accounted for at the cost they were acquired for, the movement in values between the prior year and the current year is a material movement to that experienced in previous years. Under this accounting standard, the movement in investment property values is now accounted for in the Income Statement.

Expenditure	
Expense line	Explanation Full year actual vs 2022-23 Amended Budget variations
Employee costs \$851,000	<p>Lower than budgeted expenditure:</p> <ul style="list-style-type: none"> \$5.04 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. \$214,000 - apprenticeships/traineeships. <p>Offset by higher than budgeted expenditure:</p> <ul style="list-style-type: none"> (\$3.93 million) - temporary staff filling vacancies across the organisation. (\$690,000) - overtime and casuals and relievers filling vacancies across the organisation.
Materials and services (\$3.30 million)	<p>Lower than budgeted expenditure:</p> <ul style="list-style-type: none"> \$872,000 - professional services and advice across the organisation. \$440,000 - legal fees expense. \$420,000 - waste recycling disposal expense. \$412,000 - application support expense. \$287,000 - mowing contractors expense. \$199,000 - telephone/internet/data sim cards expense. \$185,000 - other rates and taxes expense. \$148,000 - below excess claims fleet expense. \$142,000 - postage expense. \$120,000 - painting services expense. \$115,000 - mechanical equipment maintenance expense. \$103,000 - water supply expense.

Expenditure	
Expense line	Explanation Full year actual vs 2022-23 Amended Budget variations
Materials and services cont.	<ul style="list-style-type: none"> • \$85,000 - online subscriptions expense. • \$85,000 - postage expense. • \$84,000 - vandalism and graffiti removal expense. • \$81,000 - consultants expense. • \$80,000 - traffic management device maintenance contract expense. • \$78,000 - insurance premiums, decrease to Council's public liability and building insurance expenses influenced by movements in the insurance markets. <p>Offset by higher than budgeted expenditure:</p> <ul style="list-style-type: none"> • (\$1.58 million) - specialist tree work, high voltage works, block, root and park tree pruning in Environmental Sustainability and Open Space. • (\$1.34 million) - concrete expense. • (\$557,000) - capital works in progress (items expensed due to not meeting the asset capitalisation criteria - this is a non-cash accounting entry). • (\$470,000) - licensing/maintenance contracts expense. • (\$278,000) - drainage cleaning and maintenance expense. • (\$255,000) - recruitment costs expense. • (\$242,000) - plumbing services expense. • (\$237,000) - distillate expense. • (\$179,000) - equipment purchase expense. • (\$178,000) - instant turf expense. • (\$172,000) - externally managed facilities - operating cost expense. • (\$165,000) - infringements court filing fees expense. • (\$136,000) - open space contract - variations expense. • (\$136,000) - security/cash collections expense. • (\$135,000) - spares expense. • (\$133,000) - lighting upgrade/maintenance expense. • (\$127,000) - tipping fees non landfill expense. • (\$122,000) - tipping fees expense. • (\$99,000) - turf renovations expense. • (\$86,000) - hardware expense.
Finance costs - leases \$76,000	<p>Lower than budgeted expenditure:</p> <ul style="list-style-type: none"> • \$76,000 - finance costs leases due to the timing of replacement lease vehicles coming on board.
Bad and Doubtful Debts (\$2.28 million)	<p>Higher than budgeted expenditure:</p> <ul style="list-style-type: none"> • \$2.28 million - bad and doubtful debts expense primarily in parking management. A review of the doubtful debt methodology and underlying assumptions around collectability of outstanding parking infringements was undertaken during the 2022-23 financial year. As part of this process, some of the key assumptions required updating to better align with current collectability rates. The revised assumptions have resulted in an increase in the portion of parking management debts considered doubtful.

Expenditure	
Expense line	Explanation Full year actual vs 2022-23 Amended Budget variations
<p>Amortisation - right of use assets \$712,000</p> <p>Other expenses - low value or short term leases (\$218,000)</p>	<p>Implementation of the new Accounting standard, Australian Accounting Standards Board 16 Leases (AASB 16 Leases) has taken effect and requires Council to bring the majority of operating leases (primarily fleet charges and leased assets) on-balance sheet.</p> <p>Lower than budgeted expenditure:</p> <ul style="list-style-type: none"> \$712,000 - Amortisation - right of use assets represents the depreciation charge on all right of use assets recognised in the Balance Sheet and is primarily offset by an increase in short term leased assets under other expenses as noted below. <p>Offset by higher than budgeted expenditure:</p> <ul style="list-style-type: none"> (\$218,000) - 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.
Other expenses (excluding low value or short term leases) \$1.02 million	<p>Lower than budgeted expenditure:</p> <ul style="list-style-type: none"> \$687,000 - grants and subsidies primarily in small annual grants and senior citizen centres. \$168,000 - conferences seminars training expense across the organisation. \$83,000 - subscriptions/publications expense.

2.2 Balance Sheet and Cash Flow Statement

Cash and investment holdings are \$146.25 million as at 30 June 2023 which has decreased by \$4.09 million from 30 June 2022.

Total cash and investment holdings are \$48.87 million lower than the 2022-23 Amended Budget and primarily relates to the timing and classification of investments held at 30 June 2023 in accordance with accounting standards.

The beginning and end of year cash and cash equivalents balances should be read in conjunction with the proceeds / (payments) for investments line.

At balance date, Council held \$79.50 million in investments that did not qualify as a cash equivalent because their maturity dates were greater than three months and are represented in the net proceeds / (payments) for investments line item (\$79.00 million proceeds less payments of \$79.50 million = (\$500,000)).

The 2022-23 Amended Budget classified all investments held by Council as cash equivalents as these are difficult to predict and for the purposes of management reporting is clearer and does not require a distinction to be made.

Factors contributing to the lower cash and investment holdings are as follows:

- Net proceeds / (payments) for investments represent term deposits redeemed during the year and/or invested for greater than three months at 30 June 2023. The term deposits at balance date will be redeemed during 2023-24 (primarily in July and August totalling \$79.50 million) and transferred to cash or term deposits with a shorter maturity than three months. The classification is in accordance with Australian Accounting Standards.
- Lower than budgeted capital grants received of (\$7.80 million) primarily due to the implementation of accounting standard AASB15-Revenue from Contracts with Customers. The variance represents unspent grants where performance obligations have not been met at 30 June 2023 and have been transferred to unearned revenue in the balance sheet. The income will be recognised when the performance obligations have been satisfied in 2023-24.

Partially offset by:

- Materials and services are lower than budget by \$12.05 million due to timing of cash outflows, including proposed forward commitments for priority projects.
- Grants - operating higher than budget by \$10.95 million primarily due to the implementation of the accounting standard AASB15 - Revenue from Contracts with Customers requiring grant funding to be on-balance sheet until grant funding has been fully expended.
- Lower payments for property, infrastructure, plant and equipment of \$9.99 million due to timing of cash outflows relating to the capital works program and proposed forward commitment expenditure.
- Higher than budgeted interest received of \$3.13 million due to interest on investments.
- User charges and receipts from customers are \$2.70 million higher than budget primarily due to timing and settlement of debtors.

The Balance Sheet as at 30 June 2023 indicates a satisfactory result with total current assets of \$173.56 million and total current liabilities of \$77.46 million (working capital of 2.24 to 1) depicts a satisfactory financial position.

2.3 Priority Projects

Council's full year actual performance in gross priority project expenditure is \$22.65 million which is \$12.15 million below 2022-23 amended budget of \$34.80 million primarily due to expenditure delays, the most significant being:

- **Transforming Boroondara Program - (\$9.55 million)**
The Transforming Boroondara Program is on track to its revised delivery schedule, as endorsed at the October 2022 Program Board and Steering Committee. The revised project delivery schedule and associated expenditure is within the parameters of the initial budget. The delay in this project is attributed to the vendor delay in starting of the Core Initiative. Total proposed forward commitment to 2023-24 is \$9.55 million.
- **80955. Tree Strategy Action Plan implementation - (\$1.05 million)**
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. Total proposed forward commitment to 2023-24 is \$1.05 million.
- **81033. Energy Safe Victoria (ESV) power line clearance program - (\$645,000)**
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. Total proposed forward commitment to 2023-24 is \$645,000.
- **81028. Statutory Planning Paper Files Scan on Demand - (\$257,000)**
The new Statutory Planning file scanning and digitisation process has been rolled out and has entered the ongoing file scan on demand phase. Council received funding from the Victorian Government Regulation Reform Incentive Fund to implement this project, and continue this process into early 2024. Funding will enable the continued digital scanning of paper files through to March 2024. Total proposed forward commitment to 2023-24 is \$257,000.
- **81029. Information Asset Audit - (\$224,000)**
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. Total proposed forward commitment to 2023-24 is \$224,000.

Priority Project income of \$1.66 million has been received which is \$1.31 million below the 2022-23 Amended Budget of \$2.97 million.

Total proposed forward commitments (net) \$13.08 million to 2023-24

An additional \$3.40 million (net) forward commitments have been identified to the amount foreshadowed in the 2023-24 Adopted Budget. The total net forward commitments to be completed in 2023-24 is \$13.08 million. The full listing is provided on the following pages.

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS					
PLACES & SPACES					
Environmental Sustainability & Open Spaces					
80955. Tree Strategy Action Plan Implementation	\$751,845	\$299,777	\$1,051,622	\$0	This is a multi-year project for various tree renewals in parks and streets. Street tree renewals to be carried out in the 2023-24 financial year include; Jolie Vue Ave, Balwyn North; Gordon Avenue, Kew; and Loloma Court, Glen Iris; and the Stage Two planting for Mont Albert Road. Further street tree renewal projects will be completed by June 2024 and are expected to continue into 2024-25.
81033. Energy Safe Victoria (ESV) power line clearance program	\$1,296,278	(\$651,703)	\$644,575	\$0	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.
81104. Increased Street Tree Planting	\$0	\$17,227	\$17,227	\$615	Project delivery was impacted by the process to engage contractors, which lead to project delivery being pushed back slightly. This project was completed in July 2023 with more than one thousand more trees planted than our regular annual program.
81137. Myrtle and Macleay Masterplan	\$0	\$77,273	\$77,273	\$0	Following initial site assessments and procurement, lead consultants were appointed. The associated planning, preparation of content and engagement timeframes required to produce a quality report based on meaningful engagement means the project overlaps financial years. This project is expected to be completed by June 2024.
Total Environmental Sustainability & Open Spaces	\$2,048,123	(\$257,426)	\$1,790,697	\$615	
Traffic and Transport					
80747. Integrated Transport Strategy implementation	\$0	\$10,251	\$10,251	\$91	This is a multi-year project, supporting the development of a new wayfinding strategy for the Ashburton Shopping Centre and will be used to supplement grant funding received for the wayfinding strategy. A consultant will be awarded the contract by end August 2023 and the strategy is expected to be finalised by December 2023.
81105. Box Hill to Hawthorn Strategic Cycling Corridor - Investigation	\$197,313	\$47,650	\$244,963	\$84,964	Project delivery was impacted by complexity of the feasibility studies involving a number of stakeholders from VicTrack, Metro Trains and the Department of Transport and Planning. There are three feasibility studies of which two are in progress. It is anticipated that the project will be completed by June 2024.
81106. Back Creek Bridge - Investigation, Design and Implementation	\$0	\$2,234	\$2,234	\$2,234	As a result of significant delays in obtaining relevant flood data from Melbourne Water, the commencement of the design was impacted. A draft feasibility study report including concept plans are currently being reviewed and will be updated incorporating feedback from Council officers and key technical stakeholders before finalising the study. The report is anticipated to be finalised by end of September 2023.
81111. Shared paths - pedestrian priority and accessibility	\$0	\$34,920	\$34,920	\$370	The Mont Albert Road ramp connection to the Anniversary Trail feasibility study report is being updated and key technical stakeholders will be notified. The study is expected to be finalised by September 2023 and grant opportunities will then be pursued through both the Victorian and Federal governments. Consultant fee proposals for a design into the widening of the Gardiners Creek Trail at the Hawthorn Velodrome have exceeded the budget allocation. The scope will be refined and fee proposals sought with a view to appointing a consultant by end August 2023. Subject to a cost effective proposal, the design is expected to be completed by December 2023.
81154. Ashburton Wayfinding Signage Project	\$0	\$54,000	\$54,000	\$0	This is a multi-year project funded by grant funding. A consultant will be awarded the contract by end July 2023 and the strategy is expected to be finalised by December 2023. The wayfinding signs are due to be installed by June 2024.
Total Traffic and Transport	\$197,313	\$149,055	\$346,368	\$87,659	

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS					
Capital Projects					
80628. Project Management staff for delivery of Major Projects	\$86,000	\$18,406	\$104,406	\$47,892	Funding for project management support is aligned with the multi-year construction program for Kew Recreational Centre. The major project funding has been adjusted to reflect the delayed works program associated with roof collapse and adjusted project management services. Further details regarding likely project timelines will be shared once all necessary investigations have been complete.
Total Capital Projects	\$86,000	\$18,406	\$104,406	\$47,892	
Major Projects Interface					
81068. Removal of Union Rd Level Crossing - Advocacy to State Government	\$50,000	(\$50,000)	\$0	\$40,485	The Union Road, Surrey Hills level crossing removal is a multi-year State Government major transport project led by the Level Crossing Removal Project. The level crossing removal is expected to be completed by December 2023. Carry forward for this project is no longer required.
Total Major Projects Interface	\$50,000	(\$50,000)	\$0	\$40,485	
Facilities, Waste & Infrastructure					
81034. Graffiti Removal Pilot Program	\$0	\$141,586	\$141,586	\$20,434	There was a delay in receiving funding from the State Government to complete graffiti removal from public assets, which shortened the time to complete works this financial year. This project is expected to be completed by August 2023.
Total Facilities, Waste & Infrastructure	\$0	\$141,586	\$141,586	\$20,434	
TOTAL PLACES & SPACES	\$2,381,436	\$1,621	\$2,383,057	\$197,085	
URBAN LIVING					
Planning and Placemaking					
81026. Placemaking Implementation	\$121,092	\$62,609	\$183,701	\$99,418	This is a multi-year project. The Placemaking coordination and implementation for Camberwell Junction, Glenferrie and Maling Road placemaking projects are progressing well, after project delays in 2022. Public consultation for the updated Draft Glenferrie Place Plan has closed and revisions are being worked on. Implementation on Maling Road projects are progressing with consultation on streetscape options due to commence in April 2023. The Draft Camberwell Junction Structure and Place Plan is nearing completion and will be released for public consultation in mid 2023. Project tasks assigned for 2023-24 financial year are anticipated to be completed by June 2024.
81028. Statutory Planning Paper Files Scan on Demand	\$234,600	\$22,018	\$256,618	\$0	The new Statutory Planning file scanning and digitisation process has been rolled out and has entered the ongoing file scan on demand phase. Council received funding from the Victorian Government Regulation Reform Incentive Fund to implement this project, and continue this process into early 2024. Funding will enable the continued digital scanning of paper files through to March 2024.
81135. Maling Road Placemaking	\$0	\$97,181	\$97,181	\$0	The Maling Road Placemaking project will continue into 2023-24 following conclusion of community consultation. A preferred option will be selected by Council and project funds will be utilised to prepare the detail design package by March 2024.
Total Planning and Placemaking	\$355,692	\$181,808	\$537,500	\$99,418	
TOTAL URBAN LIVING	\$355,692	\$181,808	\$537,500	\$99,418	
COMMUNITY SUPPORT					
Community Planning and Development					
81153. Vic Health Alcohol Prevention Grant 2023	\$0	\$2,886	\$2,886	\$0	Grant funding was received from Vic Health in late January 2023 with the majority of the work completed during 2022-23. Project is expected to be completed by November 2023.
81160. Volunteering Boroondara: SARC 2022-2024	\$0	\$50,000	\$50,000	\$0	The Strong and Resilient Communities (SARC) Activity Volunteering Grant was received in May 2023, with the project commencing in June 2023. Project is anticipated for completion by June 2024.
Total Community Planning and Development	\$0	\$52,886	\$52,886	\$0	

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS					
Library Services					
81027. Investigate Library Service Measures	\$0	\$6,375	\$6,375	\$0	Stage 1 of this project has been completed successfully. Software upgrades to provide access codes to community room bookings instead of physical keys will be completed during 2023-24 year. The project is scheduled to be completed by June 2024.
81045. Project support for delivery of Major Projects - Libraries	\$56,879	\$10,074	\$66,953	\$0	Funding for project management support is aligned with the multi-year construction program for Kew Library redevelopment, which is a multi-year project. The major project funding has been adjusted to reflect the works program and provide project management services until project completion. Kew Library is scheduled for completion in the 2025-26 financial year.
81155. Digital Literacy for Seniors Program Jan23-Dec23	\$0	\$31,486	\$31,486	\$455	This is a calendar year project funded by the Victorian Government concentrating on digital literacy for seniors. This project is scheduled for completion by end of December 2023.
Total Library Services	\$56,879	\$47,935	\$104,814	\$455	
Arts and Cultural Services					
81151. Victoria Remembers - Depart Families Fairness & Housing	\$0	\$7,190	\$7,190	\$0	This is a multi-year project funded by the Victorian Government. The project is to develop a digital education resource and associated exhibition, commemorating three Boroondara Victoria Cross recipients. This project is scheduled for completion by December 2023.
Total Arts and Cultural Services	\$0	\$7,190	\$7,190	\$0	
Liveable Communities					
80691. Christmas in Boroondara Program	\$0	\$36,614	\$36,614	\$0	Due to supply chain issues during COVID-19, the replacement decoration replacement was required to span over two financial years and was not fully expended during the 2022-23 financial year. This project is scheduled to be completed by June 2024.
80950. Community Service Partnership	\$0	\$60,315	\$60,315	\$21,122	The activities associated with the community service partnership were delayed due to COVID-19 impacts (Victorian pandemic declaration ended October 2022). The project is expected to be completed by December 2023.
81010. Support for Residents of Canterbury Memorial Home Units	\$0	\$33,750	\$33,750	\$0	This project is required to provide support for the residents of Canterbury Memorial Home Units and to ensure Council's compliance with the Retirement Villages Act. Project delivery will provide additional support to residents of Canterbury Memorial Home Units with expenditure occurring as required to meet the needs of residents. Project is anticipated for completion by June 2024.
81110. Local economy recovery from impacts of COVID-19	\$0	\$6,687	\$6,687	\$0	This funding is from a State Government grant. Expenditure was delayed due to Council extending COVID-19 support projects. This project will be fully expended by December 2023.
81130. Outdoor Dining - Council Parklet Program	\$120,000	\$23,273	\$143,273	\$0	Project finalisation was impacted by delays in receiving Department of Transport and Planning approval for parklets on State roads. Project is anticipated for completion by September 2023.
81152. Council COVID-19 Rapid Antigen Test Program	\$0	\$47,072	\$47,072	\$0	This project is funded by the Victorian Government to distribute Rapid Antigen Tests and Masks to members of the public. Additional funding was received in June 2023 and project is extended periodically by the Victorian Government.
81161. Cooking Up Connections	\$0	\$50,000	\$50,000	\$0	Council received a State Government Grant in May 2023. Activities relating to this funding will be delivered in full during 2023-24 financial year. Project is expected for completion by June 2024.
Total Liveable Communities	\$120,000	\$257,711	\$377,711	\$21,122	

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS					
Health and Wellbeing Services					
81019. Digital Early Years Hub	\$0	\$35,095	\$35,095	\$0	The project is supporting a key aspect of the Digital Early Years Hub, the kindergarten central enrolment software, to ensure it remains a useful tool for parents living in Boroondara. An updated platform is being provided and is scheduled for completion by June 2024.
81047. Vicroads TAC L2P Program	\$0	\$1,450	\$1,450	\$0	This is a multi-year community-based program assisting eligible young learner drivers to gain the driving experience required for a probationary license. Project is funded on annual basis, with current agreement in place until end of June 2024.
81129. Engage 2022-2024	\$0	\$28,346	\$28,346	\$0	This is a multi-year project which delivers annual youth development programs and events including the youth awards, activities at the Boroondara Youth Hub, and a student leadership event. Funding for this project is from the Victorian Government. This project is scheduled for completion by December 2024.
81131. DET Kindergarten Planning Grant 2021	\$0	\$15,233	\$15,233	\$0	This is a multi-year project funded by a State Government grant. Activities relating to this funding will be delivered in full during the 2023-24 financial year with project scheduled for completion by July 2024.
81133. Implement an Infrastructure Grant for Leased Sporting Clubs	\$50,000	\$31,091	\$81,091	\$1,620	This is a multi-year project which will help support leased sporting clubs in the maintenance of their assets. A full audit has now been completed and the funds will be used to help support the priority actions developed. Project is scheduled for completion by July 2024.
81144. DET Kinder Planning Grant 2022	\$61,160	(\$29,595)	\$31,565	\$0	This is a multi-year project funded by a State Government grant. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by July 2024.
81159. Department of Education KISP Support Grant	\$0	\$81,743	\$81,743	\$2,690	This is a multi-year project funded by a State Government grant. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by July 2024.
81162. MERSRS Fair Access Policy	\$0	\$25,500	\$25,500	\$0	This is a multi-year joint project with a number of other Councils, to comply with the Victorian Government's Fair Access Roadmap. The funding will support policy development. Project is expected to be completed by June 2024.
81163. Victorian Youth Fest 2023	\$0	\$2,000	\$2,000	\$0	Grant income received in advance from the State Government. Activities relating to this funding will be delivered across September 2023. Project is scheduled for completion by December 2023.
81165. Menopause Series	\$0	\$5,000	\$5,000	\$0	Funding from North Eastern Public Health Unit received in advance. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by June 2024.
Total Health and Wellbeing Services	\$111,160	\$195,863	\$307,023	\$4,310	
TOTAL COMMUNITY SUPPORT	\$288,039	\$561,585	\$849,624	\$25,887	

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS					
PEOPLE, CULTURE and DEVELOPMENT					
People, Culture and Development					
80844. Online OHS contractor management induction training	\$0	\$24,092	\$24,092	\$0	Implementation has occurred but further work is required to develop associated procedures and training for contract managers. Project is expected to be completed by mid September 2023.
80861. People Culture and Development - Programs and Resources	\$0	\$89,735	\$89,735	\$0	Procurement for leadership development has been completed. The delay in project delivery was due to scope adjustments and refinement to ensure the program delivered on our leadership and organisational requirements. Project is scheduled for completion in December 2023.
81101. Health Safety and Wellbeing Specialist - Manual Handling	\$0	\$33,907	\$33,907	\$0	These funds are used to support the procedure development for manual handling in high risk roles and Occupational Violence Aggression initiatives. This will continue to support proactive initiatives as part of Council's refreshed Occupational Health and Safety (OHS) strategy. A review of our OHS system has been undertaken to better inform our initiatives which has caused a delay. Project delivery is expected to be completed by March 2024.
81112. Return to Workplace Support Post COVID-19	\$0	\$127,345	\$127,345	\$0	These funds are used to accommodate design work to support our return to work for our COVID-19 normal working practices and hybrid principles. Scope work for the project had begun to create collaborative spaces and was put on hold, however desire for this project to proceed has recently been discussed. Project is expected to be completed by March 2024.
81113. Diversity and Inclusion and Workforce Planning - Project Officer	\$0	\$117,108	\$117,108	\$0	These funds are intended for the continued delivery of the Diversity & Inclusion Strategy and Workforce Plan. The remaining funds are to complete the requirements of the Gender Equality Action Plan and those required by the Commission. The project has been delayed due to the Commission's data to be released in August 2023. Project and associated activities is expected to be delivered by June 2024.
Total People, Culture and Development	\$0	\$392,187	\$392,187	\$0	
TOTAL PEOPLE, CULTURE AND DEVELOPMENT	\$0	\$392,187	\$392,187	\$0	
CUSTOMER AND TRANSFORMATION					
Transformation & Technology					
80954. Data Mobility Project	\$0	\$32,414	\$32,414	\$0	Project was impacted by delays due to resource constraints. It is now anticipated that the project will be completed by October 2023.
Total Transformation & Technology	\$0	\$32,414	\$32,414	\$0	
Customer and Communication					
81029. Information Asset Audit	\$200,000	\$24,087	\$224,087	\$0	Implementation of the digital disposal initiatives will align to the Core Uplift and will be delivered through the Transforming Boroondara initiative. Project is expected to be completed by June 2024.
81142. Dept Treasury and Fin. Digitising Planning Files	\$0	\$155,946	\$155,946	\$36,364	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 by January 2024.
Total Customer and Communication	\$200,000	\$180,033	\$380,033	\$36,364	
Transforming Boroondara Program					
Transforming Boroondara Program	\$6,452,756	\$3,097,152	\$9,549,908	\$16,366,104	The Transforming Boroondara Program is on track to its revised delivery schedule, as endorsed at the October 2022 Program Board and Steering Committee. The revised project delivery schedule and associated expenditure is within the parameters of the initial budget. The delay in this project is attributed to the vendor related delay in starting of the Core Initiative.
81143. Depart Treasury and Fin. Acct Login Permit applications	\$0	\$54,166	\$54,166	\$45,000	Council has received funding from Department of Treasury and Finance. Project is being finalised and anticipated to be completed by early 2023-24.
Total Boroondara Customer First Program	\$6,452,756	\$3,151,318	\$9,604,074	\$16,411,104	
TOTAL CUSTOMER AND TRANSFORMATION	\$6,652,756	\$3,363,765	\$10,016,521	\$16,447,468	
TOTAL FORWARD COMMITMENTS TO 2023-24	\$9,677,923	\$4,500,966	\$14,178,889	\$16,769,858	

PRIORITY PROJECTS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
PRIORITY PROJECT INCOME - CARRIED FORWARD					
81034. Graffiti Removal Pilot Program	\$0	(\$141,586)	(\$141,586)	\$0	Balance of grant funding to be recognised in 2023-24.
80931. North East Link	\$0	(\$332,966)	(\$332,966)	\$0	Balance of grant funding from the North East Link Project (NELP) to be recognised in 2023-24.
81153. Vic Health Alcohol Prevention Grant 2023	\$0	(\$2,886)	(\$2,886)	\$0	Balance of grant funding to be recognised in 2023-24.
81160. Volunteering Boroondara: SARC 2022-2024	\$0	(\$50,000)	(\$50,000)	\$0	Grant income has been received in advance. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by June 2024.
81152. Council COVID-19 Rapid Antigen Test Program	\$0	(\$47,072)	(\$47,072)	\$0	Balance of grant funding to be recognised in 2023-24.
81155. Digital Literacy for Seniors Program Jan23-Dec23	\$0	(\$31,486)	(\$31,486)	\$0	Balance of grant funding to be recognised in 2023-24.
81161. Cooking Up Connections	\$0	(\$50,000)	(\$50,000)	\$0	Grant income has been received in advance. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by June 2024.
81142. Dept Treasury and Fin. Digitising Planning Files	\$0	(\$155,946)	(\$155,946)	\$0	Balance of grant funding to be recognised in 2023-24.
81143. Depart Treasury and Fin. Acct Login Permit applications	\$0	(\$54,166)	(\$54,166)	\$0	Balance of grant funding to be recognised in 2023-24.
81129. Engage 2022-2024	\$0	(\$28,346)	(\$28,346)	\$0	Balance of grant funding to be recognised in 2023-24.
81131. DET Kindergarten Planning Grant 2021	\$0	(\$19,500)	(\$19,500)	\$0	Balance of grant funding to be recognised in 2023-24.
81144. DET Kinder Planning Grant 2022	\$0	(\$31,565)	(\$31,565)	\$0	Balance of grant funding to be recognised in 2023-24.
81159. Department of Education KISP Support Grant	\$0	(\$81,743)	(\$81,743)	\$0	Balance of grant funding to be recognised in 2023-24.
81163. Victorian Youth Fest 2023	\$0	(\$2,000)	(\$2,000)	\$0	Grant income has been received in advance. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by December 2023.
81165. Menopause Series	\$0	(\$5,000)	(\$5,000)	\$0	Grant income has been received in advance. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by June 2024.
81154. Ashburton Wayfinding Signage Project	\$0	(\$54,000)	(\$54,000)	\$0	Grant income has been received in advance. Activities relating to this funding will be delivered in full during the 2023-24 financial year. Project is scheduled for completion by June 2024.
81151. Victoria Remembers - Depart Families Fairness & Housing	\$0	(\$7,190)	(\$7,190)	\$0	Balance of grant funding to be recognised in 2023-24.
TOTAL INCOME CARRIED FORWARD TO 2023-24	\$0	(\$1,095,452)	(\$1,095,452)	\$0	
TOTAL NET FORWARD COMMITMENTS TO 2023-24	\$9,677,923	\$3,405,514	\$13,083,437	\$16,769,858	

2.4 Capital Works

Council's full year performance in gross capital works expenditure is \$56.64 million which is \$17.06 million below the 2022-23 Amended budget. This is primarily due to expenditure delays with the most significant being:

- **72607, 72686 & 72766 Kew Recreation Centre - (\$1.68 million)**
This is a multi-year project. Works have been delayed due to the structural steel collapse on the 20th October 2022. Demolition of the partially collapsed steel roof structure has been completed. Further minor works will be undertaken on site while expert investigations continue and planning is undertaken for the re-build. Industry experts will support planning to ensure all elements of this project are examined before construction resumes. Once a revised construction timeframe is confirmed, we will update the community. Total proposed forward commitment to 2023-24 is \$1.68 million.
- **72798. Lewin Reserve - (\$1.28 million)**
On site construction progress has been delayed due to adverse weather conditions. Works are scheduled to be completed August 2023 with demolition of the old pavilion to occur in September 2023. Total proposed forward commitment to 2023-24 is \$1.28 million.
- **72377. Sportsground Reconstruction Program - (\$966,000)**
The Victoria Park Reserve construction was delayed due to insufficient responses to the initial tender. Works have been retendered and will commence in September 2023. Total proposed forward commitment to 2023-24 is \$932,000.
- **72665. Library IT Hardware Renewal - (\$981,000)**
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. Total proposed forward commitment to 2023-24 is \$981,000.
- **72901. Climate Action Plan - (\$954,000)**
Multiple projects underway. Contracts for solar panels and electric vehicle charges are in place for works to be completed in September 2023. Total proposed forward commitment to 2023-24 of \$612,000.
- **72939. Concrete drain relining - (\$946,000)**
Project delivery was delayed due to contractor availability. Works commenced in May 2023 with works program scheduled for completion by August 2023. Total proposed forward commitment to 2023-24 is \$920,000.
- **72769, 72770, 72771 & 72772. Canterbury Community Precinct (Renewal) - (\$895,000)**
This is a multi-year project. Stage 1 works were completed in March 2023 after initial delays caused by COVID-19, industry supply chain shortages and latent conditions. Stage 2 works have commenced, with some delays due to latent conditions and are expected to be completed by December 2023. Total proposed forward commitment to 2023-24 is \$895,000.

- **72918. Balwyn Pedestrian operated signals - (\$665,000)**
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 September 2023 and be awarded in October 2023. Installation of signals is expected by January 2024. Total proposed forward commitment to 2023-24 is \$665,000.
- **72968. Fritsch Holzer Stadium and Sportsground - (\$650,000)**
This is a multi year project. This is a potential contribution toward a Victoria School Building Authority (VBSA) project at Fritsch Holzer Reserve. Discussions with the VSBA are ongoing. Total proposed forward commitment to 2023-24 is \$650,000.
- **71794. Future Information Technology Expenditure - (\$642,000)**
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. Total proposed forward commitment to 2023-24 is \$500,000.
- **72684. New Public toilets - (\$535,000)**
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 August 2023. Total proposed forward commitment to 2023-24 is \$445,000.

Full year Capital Works income of \$10.30 million has been received which is \$3.71 million below the 2022-23 Amended Budget of \$14.01 million. This is primarily due to implementation of the Accounting Standard AASB15 - Revenue from Contracts with Customers, which requires grant funding to be moved on-balance sheet until projects are completed. \$3.97 million is currently sitting in unearned income for Capital Works projects with the most significant being for Canterbury Sportsground, Local Roads and Community Infrastructure funding (Round 3) and Balwyn Pedestrian operated signals.

Total proposed forward commitments (net) \$11.18 million to 2023-24

An additional \$5.63 million (net) forward commitments have been identified to the amount foreshadowed in the 2023-24 Adopted Budget. The total net forward commitments to be completed in 2023-24 is \$11.18 million. The full listing is provided on the following pages.

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments to 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
CAPITAL WORKS EXPENDITURE - PROPOSED FORWARD COMMITMENTS					
PLACES and SPACES					
Capital Projects					
71659. Bicycle Strategy Implementation	\$0	\$32,710	\$32,710	\$0	Works program was delayed to align with contractor availability. Works for the provision of bicycle counters and feature survey will be completed in September 2023.
71866. Park Playground Replacement Program Implementation	\$0	\$468,914	\$468,914	\$126,499	Construction of Mary MacKillop playground was delayed due to a redesign of play equipment to protect tree roots uncovered during demolition. Works are scheduled for completion in September 2023. Final payment for construction of Grovedale Playground was delayed due to supply of a swing set, with completion now anticipated in August 2023.
72116. Crossing Facilities	\$0	\$47,147	\$47,147	\$12,527	This project is for Balwyn North Primary and Balwyn High school crossing and safety initiatives. Works program was delayed to align with contractor availability and works are now expected to be completed in October 2023.
72585. Walmer Street bridge	\$0	\$885,135	\$885,135	\$1,052,182	Works were delayed due to latent conditions and the removal of contaminated materials prior to being able to receive new materials on site. Civil works are anticipated to be completed in September 2023 along with some minor landscaping works. Yarra City Council has commenced works on their side of the bridge. The bridge will remain closed until Yarra City Council's works have been completed.
72684. New Public Toilets	\$0	\$445,013	\$445,013	\$9,485	A carry forward is required to complete public toilet works at Lynden Park Pavilion and at Camberwell Fresh Food Market (CFFM) to improve access to amenities. Work was delayed at the CFFM following upgrades to shop 13. Works scheduled to commence in August 2023 and will be completed late 2023.
72698. Park Playground Replacement Program - Investigation & Design	\$20,000	\$9,830	\$29,830	\$2,947,997	This is a multi-year project to deliver Hays Paddock Playground, with the design consultant requesting for invoices and inspections at key milestones. Works commenced in July 2023 and are anticipated to be completed in April 2024.
72699. Shopping Centre Improvement Plan - Investigation and Design	\$20,000	\$50,000	\$70,000	\$300	This is a multi-year project. Detailed design and authority approval to occur in 2023-24 for construction of Dickens Corner Shopping Centre in 2024-25.
72712. Willsmere Park pavilion	\$0	\$39,201	\$39,201	\$160,113	This is a multi-year project. Detailed design was delayed due to extended community consultation extending the design and procurement program to late 2023. Delivery of works anticipated to commence in early 2024.
72757. Dog Off Leash Park minor improvement program	\$0	\$26,015	\$26,015	\$0	Construction of John August Reserve was paused due to wet site conditions. Works are anticipated to commence in September 2023 (weather permitting) and will be completed by late 2023.
72768. Diversity Inclusion and Participation (DIP) Pavilion program	\$0	\$234,313	\$234,313	\$0	Diversity and inclusion works were delayed as the Lynden Park Pavilion project went out to tender a second time to seek more competitive tender estimates delaying the construction commencement date. Construction works commenced in July 2023 and is anticipated to be completed by June 2024.
72797. Rathmines Reserve	\$0	\$15,000	\$15,000	\$0	Balance of the Diversity Inclusion and Participation Pavilion program funding will be used for Lynden Park Pavilion. Works were delayed as the Lynden Park Pavilion project went out to tender a second time to seek more competitive tender estimates delaying the construction commencement date. Construction works commenced in July 2023 and is anticipated to be completed by June 2024.
72798. Lewin Reserve	\$585,147	\$690,126	\$1,275,273	\$1,304,080	On site construction has been delayed due to adverse weather conditions. Works are scheduled to be completed by August 2023 with demolition of the old pavilion occurring in September 2023.
72848. Neighbourhood Shopping Centre Improvements Pilot - Maling Road	\$0	\$636,470	\$636,470	\$73,004	The laneways project has been delayed due to challenges obtaining authority approvals. Final approval is anticipated by September 2023 with construction to commence post peak Christmas trade period in early 2024.
72863. Fordham Avenue Kindergarten	\$218,007	\$0	\$218,007	\$97,433	Project delivery has been delayed so work can be completed during the school holiday period to minimise impacts to kindergarten services. The final stage of works is planned for completion by September 2023.
72864. Through Road Childcare Centre	\$0	\$68,184	\$68,184	\$0	This project has been completed. The final contract payment is anticipated to be processed in August 2023.
72865. Y Street Ashburton - Community Services Building	\$0	\$106,532	\$106,532	\$18,451	This project has been completed with the opening of the building occurring in July 2023. Final contract payment to be completed by August 2023.
72869. Public Toilet works	\$0	\$100,000	\$100,000	\$0	A carry forward is required to complete public toilet works at Lynden Park Pavilion. The project went out to tender a second time delaying the construction commencement date. Construction commenced in July 2023 with completion scheduled for mid 2024.

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments to 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
CAPITAL WORKS EXPENDITURE - PROPOSED FORWARD COMMITMENTS					
PLACES and SPACES					
Capital Projects continued					
72902. Riversdale Depot Masterplan	\$75,000	\$75,000	\$150,000	\$0	This is a multi-year project. Commencement of feasibility investigations has been delayed pending finalisation of the project brief. Feasibility investigation works are scheduled for completion by June 2024.
72911. Frog Hollow Pavilion	\$50,000	\$48,966	\$98,966	\$223,202	This is a multi-year project. Community consultation was extended with the most recent consultation completed in July 2023. Detailed design to be completed in September 2023. Construction anticipated to commence mid 2024.
72921. Ferndale Park	\$100,047	\$37,569	\$137,616	\$256,155	This is a multi-year project. Works carried forward due to extensive community consultation process. Construction is planned for 2023-24 and 2024-25.
72922. Canterbury Sportsground	\$55,000	\$74,668	\$129,668	\$107,981	This is a multi-year project. Feedback on the concept design was received back from the club and incorporated into the final design. Community consultation on the plan occurred in March 2023. Construction is planned for 2023-24 and 2024-25.
72925. Rowen Street Kindergarten	\$200,000	(\$90,671)	\$109,329	\$1,375	The main construction works are underway and the project has reached the practical completion stage. Minor works have been completed in July 2023.
72926. North Balwyn Senior Citizens Centre - Marwal Avenue	\$0	\$154,634	\$154,634	\$123,448	Project reached practical completion in July 2023. Funds carried forward to finalise contract payments upon project completion.
72928. Anderson Road Family Centre	\$150,000	\$263,011	\$413,011	\$1,346,734	Construction works have been delayed due to latent conditions and additional staging to minimise disruption to the services and tenants which have remained on site. The works are scheduled for completion September 2023.
72935. Lynden Park	\$195,000	(\$195,000)	\$0	\$4,148,703	This is a multi-year project. Initial tender submission construction cost estimates were higher than anticipated for this project. The project went out to tender a second time to seek more competitive tender estimates delaying the construction commencement date. Construction commenced in July 2023 and will continue through to June 2024.
72939. Concrete drain relining	\$0	\$920,000	\$920,000	\$1,111,833	Contract has been awarded, however there is a delay to the supply of materials. Works to commence August 2023 and are anticipated to be completed in October 2023.
72951. Hawthorn Community House - Feasibility Works	\$30,000	\$10,000	\$40,000	\$0	Delivery of minor works has been delayed due to limited availability of specialist contractors. Works will be completed in early 2023-24 financial year.
72964. Playgrounds (in Community Hubs, Neighbourhood Houses & Maternal Child Health Centres) - Investigation and Design	\$0	\$167,660	\$167,660	\$15,917	Construction of Maude Street, Balwyn and Kew Neighbourhood Centre playgrounds delayed due to extended consultation extending the design program. Tenders closing August 2023 for Maude Street with works anticipated to be completed in October 2023. Kew Neighbourhood Centre to be tendered August 2023 with works anticipated for completion early 2024.
72968. Fritsch Holzer Stadium and Sportsground	\$650,000	\$0	\$650,000	\$0	This is a multi-year project. This is a potential contribution towards a Victoria School Building Authority (VSBA) project at Fritsch Holzer Reserve. Discussions with the VSBA are ongoing.
72970. Surrey Hills Shopping Centre	\$47,897	(\$40,090)	\$7,807	\$98,326	Due to the State Government Level Crossing Removal Project (LXRP) construction has been delayed. Access to the area controlled by LXRP occurred in June 2023. The project is anticipated to be completed by June 2024.
72972. Victoria Road Reserve - Diversity Inclusion and Participation	\$0	\$17,056	\$17,056	\$0	Balance of the Diversity Inclusion and Participation Pavilion program funding will be used for Lynden Park Pavilion. Works were delayed as the Lynden Park Pavilion project went out to tender a second time to seek more competitive tender estimates delaying the construction commencement date. Construction works commenced in July 2023 and are anticipated to be completed by June 2024.
72977. Solar lighting in parks	\$0	\$162,741	\$162,741	\$166,725	Solar light installation commenced in Ashburton carpark near the pavilion to improve community safety. Lights to be installed by August 2023 with stage 2 of works to consolidate electrical meters to be completed late 2023.
72980. Eric Raven Reserve - Pavilion improvement - weather protection	\$0	\$102,598	\$102,598	\$1,880	The project went out to tender a second time, delaying the construction commencement date. Works are now underway and project is anticipated to be completed September 2023.
72981. Maranoa Gardens Community Room and Groundskeeper Building	\$120,000	(\$40,279)	\$79,721	\$174,582	The concept design has been further developed for this project. The costing will be reviewed and design further refined in 2023-24, with construction planned for 2025-26.

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments to 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
CAPITAL WORKS EXPENDITURE - PROPOSED FORWARD COMMITMENTS					
PLACES and SPACES					
Capital Projects continued					
73004. Victoria Park South - DIPP	\$0	\$8,478	\$8,478	\$0	Balance of the Diversity Inclusion and Participation Pavilion program funding will be used for Lynden Park Pavilion. Works were delayed as the Lynden Park Pavilion project went out to tender a second time to seek more competitive tender estimates delaying the construction commencement date. Construction works commenced in July 2023 and are anticipated to be completed by June 2024.
73006. St James Park - DIPP	\$0	\$1,153	\$1,153	\$0	Balance of the Diversity Inclusion and Participation Pavilion program funding will be used for Lynden Park Pavilion. Works were delayed as the Lynden Park Pavilion project went out to tender a second time to seek more competitive tender estimates delaying the construction commencement date. Construction works commenced in July 2023 and are anticipated to be completed by June 2024.
73019. Belford Road Kew East	\$0	\$107,602	\$107,602	\$0	Works were delayed due to contractor availability. Works to commence August 2023 and will be completed in September 2023.
73039. Demolition of Ferguson Stand (Glenferrie Oval & Grace Park)	\$0	\$201,630	\$201,630	\$258,379	Ferguson Stand demolition works have been completed. Scheduled community consultation to shape the future use of the site was delayed with final feedback to the community in September 2023. Works anticipated to commence late 2023 and be completed by mid 2024.
73050. Hartwell Community Resilience Wall	\$0	\$67,632	\$67,632	\$958	Building Permit for hoarding works was initially anticipated to be received in July 2023. Hoarding works were delayed to provide additional information requested as part of permit application. During this time the hoarding contractor went into receivership resulting in commencement of a new procurement process to install the hoarding. The hoarding works are now anticipated to be undertaken in September 2023.
73053. Patterson Reserve Pavilion Structural wall rectification works	\$0	\$2,065	\$2,065	\$2,065	Structural works completed. Retention funds to be held during defects period will be returned in February 2024 following the final completion inspection.
Total Capital Projects	\$2,516,098	\$5,911,013	\$8,427,111	\$13,840,334	
Environmental Sustainability and Open Space					
71868. Oval Fences Renewal Program	\$140,000	\$0	\$140,000	\$0	Due to low submissions in the initial tender process the project was rescoped and retendered. The tender appointment will be considered in July with works to commence in September 2023 and be completed by March 2024.
71869. Cricket Practice Nets Renewal Program	\$207,570	\$0	\$207,570	\$0	
72377. Sportsground Reconstruction Program	\$959,815	(\$27,793)	\$932,022	\$0	
72378. Sportsground Drainage Program	\$53,315	\$0	\$53,315	\$0	
72754. Field Sports Strategy Implementation	\$171,930	\$0	\$171,930	\$0	
73049. South Oval Upgrade Victoria Park, Kew	\$86,202	\$0	\$86,202	\$0	Multiple projects are underway. The electric vehicle (EV) and solar photovoltaic (PV) contracts, with a value of over \$400,000, have been awarded with works to commence in July 2023. Works are anticipated to be completed in September 2023.
72901. Climate Action Plan - emissions reduction work	\$300,000	\$311,916	\$611,916	\$154,737	
Total Environmental Sustainability and Open Space	\$1,918,832	\$284,123	\$2,202,955	\$154,737	
Facilities, Waste & Infrastructure					
72097. Park lighting - renewal program	\$0	\$81,000	\$81,000	\$0	Contract has been awarded for works to commence in August 2023. The works are anticipated to be completed by June 2024.
72840. Implementation of Public Safety Security Measures	\$0	\$426,938	\$426,938	\$16,350	Design options for security measures are still being considered and involve multiple stakeholders to ensure the best design outcome. A Hawthorn Arts Centre design and review has been undertaken, with works planned for delivery during 2023-24.
Total Facilities, Waste & Infrastructure	\$0	\$507,938	\$507,938	\$16,350	
Traffic and Transport					
71493. Road Safety Strategy Implementation	\$0	\$17,992	\$17,992	\$0	Project works were delayed pending approvals from electrical authorities to install street lighting for proposed traffic treatments. The light upgrades are expected to be undertaken in the first quarter of 2023-24 financial year.
71793. Traffic Treatments Lighting replacement	\$0	\$5,906	\$5,906	\$5,105	
72763. Shared Path and Park Lighting	\$0	\$395,493	\$395,493	\$41,713	Energy efficient amber lighting along the Anniversary Trail between Whitehorse Road and Mont Albert Road is proposed to be installed. There were complexities associated with the design for this new lighting scheme which have been resolved. Tender is expected to be awarded early in the 2023-24 financial year with works due to be completed by October 2023.
72918. Balwyn Pedestrian operated signals	\$300,000	\$365,048	\$665,048	\$1,785	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 September 2023 and be awarded in October 2023. Installation of signals is expected by January 2024.

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments to 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
CAPITAL WORKS EXPENDITURE - PROPOSED FORWARD COMMITMENTS					
PLACES and SPACES					
Traffic and Transport (continued)					
72974. Wayfinding Strategy for Shared paths	\$0	\$54,775	\$54,775	\$18,515	Stage one of the project has been completed involving an audit of existing signs and their locations. The draft strategy report is being reviewed and will be finalised early in 2023-24 financial year with the recommendations being implemented by June 2024.
72975. Safe on road bike lanes	\$0	\$285,100	\$285,100	\$10,000	A consultant has been appointed to prepare detailed designs to improve safety along three Council managed road sections, namely, Auburn Road between Riversdale Road and Toorak Road; Kilby Road including Willsmere Road and Robinson Road. Concept plans have been developed and approval from the Department of Transport and Planning is likely to be received early in the 2023-24 financial year. The concept designs will then be finalised and distributed for community consultation in September 2023. Subject to consultation and Council consideration and approval, works will be issued for construction by January 2024.
72983. Shared paths - pedestrian priority and accessibility	\$0	\$179,920	\$179,920	\$27,220	This project involved the formalisation of an existing goat-track at the northern end of Hays Paddock. There is a unique situation at this location with demand for various park uses. A design is being prepared in consultation with Archery Victoria, Kew Bowman's Club and Council that meets the needs of the club and the broader community. The proposal will be finalised and issued for construction in August 2023.
72984. Bicycle Strategy Implementation - additional works	\$0	\$18,235	\$18,235	\$0	Several initiatives including the installation of 2 x bicycle/pedestrian counters are being considered. Criteria, feedback and approval were sought from the Department of Transport and Planning (DTP) for a compliant supplier and product that meets DTP's requirements for these counters which will provide the data to their public web portal. The tender for installation is anticipated to be awarded early in 2023-24 with the works are anticipated to be completed in September 2023.
Total Traffic and Transport	\$300,000	\$1,322,469	\$1,622,469	\$104,338	
TOTAL PLACES AND SPACES	\$4,734,930	\$8,025,543	\$12,760,473	\$14,115,759	
COMMUNITY SUPPORT					
Liveable Communities					
71920. HACC - Minor Capital Grant	\$5,000	\$1,493	\$6,493	\$4,761	This funding is from a State Government grant for minor capital associated with Council's aged care services. It is expected to be fully expended by the end of the 2023-24 financial year.
73010. Outdoor Dining - Semi/Permanent Outdoor Precinct Establishment	\$0	\$25,683	\$25,683	\$0	This funding is from a State Government grant for COVID-19 outdoor activations. Project is near completion and awaiting the delivery on the last item committed for purchase. The project is expected to be completed in December 2023.
Total Liveable Communities	\$5,000	\$27,176	\$32,176	\$4,761	
Arts and Culture					
73025. Town Hall Gallery Collection - Public Art	\$0	\$5,040	\$5,040	\$17,520	Conservation of the Greythorn Icons required the temporary removal of the artworks. The final scope of restoration of the artworks prevented completion during the 2022-23 financial year. The project will be completed and artworks reinstated in the second quarter of the 2023-24 financial year.
Total Arts and Culture	\$0	\$5,040	\$5,040	\$17,520	
Library Services					
71568. Library & Office Furniture	\$10,000	\$40,863	\$50,863	\$0	In addition to the furniture upgrade for Camberwell Library, furniture will also be ordered for the outside area to help activate the outdoor space. The project is anticipated to be completed in September 2023.
72665. Library IT Hardware Renewal	\$660,224	\$321,001	\$981,225	\$500,786	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 anticipated the project will be completed by March 2024.
72751. Library Shelving	\$53,645	\$0	\$53,645	\$465	This is a multi year project. Shelving for newly created "Most Wanted" collection across all Boroondara Libraries and new magazine shelving at Camberwell completed. High library shelving (up to 2.1 metres) is found across multiple libraries. To enable equitable access to collection items and improved Occupational Health and Safety outcomes, a program for the replacement of high shelving will be developed and rolled out across upcoming years.
Total Library Services	\$723,869	\$361,864	\$1,085,733	\$501,251	
TOTAL COMMUNITY SUPPORT	\$728,869	\$394,080	\$1,122,949	\$523,532	

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments to 2023-24	Movement	Total Final Forward Commitments to 2023-24	Commitments as at 30 June 2023	Commentary
CAPITAL WORKS EXPENDITURE - PROPOSED FORWARD COMMITMENTS					
CUSTOMER and TRANSFORMATION					
Transformation & Technology					
71794. Future Information Technology Expenditure	\$200,000	\$300,000	\$500,000	\$212,837	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.
72756. Youth Services Case Management System	\$55,513	\$0	\$55,513	\$0	Due to dependency on completion of the Enterprise Booking Tool project, which is now scheduled to be completed in December 2023, planned works have been deferred to early 2024. The project is expected to be completed by June 2024.
72761. Payroll System Upgrade	\$100,000	\$76,524	\$176,524	\$201,496	Project is well underway, with delays caused by vendor resource constraints impacting delivery. The project is expected to be completed by October 2023.
72828. Audio-visual equipment replacement	\$0	\$27,517	\$27,517	\$5,030	Project delayed due to vendor availability to provide electrical works and the delivery of remaining equipment to complete the Audio-visual equipment replacement project. The project is anticipated to be completed in September 2023.
Total Transformation & Technology	\$355,513	\$404,041	\$759,554	\$419,363	
CUSTOMER and TRANSFORMATION					
Customer and Communication					
72903. Smart Safe in Customer Service	\$20,000	\$0	\$20,000	\$0	Delivery of a new smart safe to support secure cash collection needs to align to the development of a new Property and Rating system which will be delivered as part of Transforming Boroondara and the Core System upgrade. The project is anticipated to be completed by the end of the 2023-24 financial year.
Total Customer and Communication	\$20,000	\$0	\$20,000	\$0	
TOTAL CUSTOMER AND TRANSFORMATION	\$375,513	\$404,041	\$779,554	\$419,363	
MAJOR PROJECTS					
Major Projects					
72769. Canterbury Precinct (Renewal)	\$0	\$262,163	\$262,163	\$293,386	This is a multi-year project. Stage 1 works were completed in March 2023 after initial delays caused by COVID-19, industry supply chain shortages and latent conditions. Stage 2 works have commenced, with some delays due to latent conditions and are expected to be completed by December 2023.
72771. Canterbury Precinct (New)	\$0	\$405,010	\$405,010	\$406,096	
72772. Canterbury Precinct (Expansion)	\$0	\$228,246	\$228,246	\$230,124	
72852. Camberwell Community Centre (Expansion)	\$20,000	(\$20,000)	\$0	\$0	Reversal of March Forecast carry forward as minor acoustic improvement works were completed at 30 June 2023. Project Completed.
72607. Kew Recreation Centre (Renewal)	\$740,360	\$405,441	\$1,145,801	\$7,128,613	This is a multi-year project. Works have been delayed due to the structural steel collapse on the 20th October 2022. Demolition of the partially collapsed steel roof structure has been completed. Further minor works will be undertaken on site while expert investigations continue and planning is undertaken for the re-build. Industry experts will support planning to ensure all elements of this project are examined before construction resumes. Once a revised construction timeframe is confirmed, we will update the community.
72686. Kew Recreation Centre (New)	\$0	\$461,921	\$461,921	\$4,692,182	
72776. Kew Recreation Centre (Expansion)	\$0	\$74,785	\$74,785	\$1,636,571	
73043. Library redevelopment Kew (New)	\$0	\$49,257	\$49,257	\$4,380	This is a multi-year project. The project design brief is currently being finalised. It is anticipated that a consultant team will be engaged early in the new financial year.
73044. Tuck Stand (New)	\$0	\$75,035	\$75,035	\$2,198	This is a multi-year project. The project has been delayed due to ongoing condition and compliance investigations, latent conditions and scope confirmation. The estimated completion date for this project is June 2026.
73045. Tuck Stand (Upgrade)	\$0	\$70,853	\$70,853	\$32,590	
73047. Tuck Stand (Renewal)	\$0	\$182,015	\$182,015	\$0	
TOTAL MAJOR PROJECTS	\$760,360	\$2,194,726	\$2,955,086	\$14,426,140	
Made up of:					
NEW CAPITAL - FORWARD COMMITMENTS TO 2023-24	\$1,509,827	\$3,579,005	\$5,088,832	\$6,278,617	
UPGRADE CAPITAL - FORWARD COMMITMENTS TO 2023-24	\$141,715	\$1,636,465	\$1,778,180	\$1,157,776	
EXPANSION CAPITAL - FORWARD COMMITMENTS TO 2023-24	\$175,047	\$1,025,074	\$1,200,121	\$2,272,544	
RENEWAL CAPITAL - FORWARD COMMITMENTS TO 2023-24	\$4,773,083	\$4,777,846	\$9,550,929	\$19,775,857	
GRAND TOTAL FORWARD EXPENDITURE COMMITMENTS TO 2023-24	\$6,599,672	\$11,018,390	\$17,618,062	\$29,484,794	

CAPITAL WORKS - PROPOSED FORWARD COMMITMENTS TO 2023-24					
Project Name & Number	Total Proposed Forward Commitments to 2023-24	Movement	Total Final Forward Commitments to 2022-23	Commitments as at 30 June 2023	Commentary
CAPITAL WORKS INCOME					
71637. Full Road Reconstruction & Kerb Replacements	\$0	(\$885,070)	(\$885,070)	\$0	Balance of grant funding to be received in 2023-24.
71866. Park Playground Replacement Program Implementation	\$0	(\$120,000)	(\$120,000)	\$0	Balance of grant funding to be received in 2023-24.
72436. Roof Replacement	\$0	(\$100,000)	(\$100,000)	\$0	Balance of grant funding to be received in 2023-24.
72585. Walmer Street bridge	(\$1,050,000)	(\$99,973)	(\$1,149,973)	\$0	Balance of grant funding to be received and recognised in 2023-24.
72607. Kew Recreation Centre (renewal)	\$0	(\$200,000)	(\$200,000)	\$0	Balance of grant funding to be received and recognised in 2023-24.
72693. Hawthorn Rowing Ramp	\$0	(\$317,000)	(\$317,000)	\$0	Balance of grant funding to be received and recognised in 2023-24.
72763. Shared Path and Park Lighting	\$0	(\$77,224)	(\$77,224)	\$0	Balance of grant funding to be received and recognised in 2023-24.
72798. Lewin Reserve	\$0	(\$292,000)	(\$292,000)	\$0	Balance of grant funding to be recognised in 2023-24.
72836. Victoria Park Regional Playground	\$0	(\$38,182)	(\$38,182)	\$0	Balance of grant funding to be recognised in 2023-24.
72863. Fordham Avenue Kindergarten	\$0	(\$270,000)	(\$270,000)	\$0	Balance of grant funding to be recognised in 2023-24.
72911. Frog Hollow Pavilion	\$0	(\$30,000)	(\$30,000)	\$0	Balance of grant funding to be recognised in 2023-24.
72918. Balwyn Pedestrian operated signals	\$0	(\$700,000)	(\$700,000)	\$0	Balance of grant funding to be recognised in 2023-24.
72919. Doncaster Road 40km/h shopping centre speed limit	\$0	(\$90,000)	(\$90,000)	\$0	Balance of grant funding to be recognised in 2023-24.
72921. Ferndale Park	\$0	(\$50,000)	(\$50,000)	\$0	Balance of grant funding to be recognised in 2023-24.
72922. Canterbury Sportsground	\$0	(\$1,250,000)	(\$1,250,000)	\$0	Balance of grant funding to be recognised in 2023-24.
72925. Rowen Street Kindergarten	\$0	(\$138,300)	(\$138,300)	\$0	Balance of grant funding to be recognised in 2023-24.
72928. Anderson Road Family Centre	\$0	(\$201,032)	(\$201,032)	\$0	Balance of grant funding to be recognised in 2023-24.
72935. Lynden Park	\$0	(\$352,000)	(\$352,000)	\$0	Balance of grant funding to be recognised in 2023-24.
73010. Outdoor Dining - Semi/Permanent Outdoor Precinct Establishment	\$0	(\$26,633)	(\$26,633)	\$0	Balance of grant funding to be recognised in 2023-24.
73048. Golf Course Additional Works NEL	\$0	(\$153,760)	(\$153,760)	\$0	Balance of income to be received in 2023-24.
TOTAL INCOME CARRIED FORWARD TO 2023-24	(\$1,050,000)	(\$5,391,174)	(\$6,441,174)	\$0	
TOTAL NET FORWARD COMMITMENTS TO 2023-24	\$5,549,672	\$5,627,216	\$11,176,888	\$29,484,794	

2.5 Major Projects Capital Works Performance

Major Projects - Progress Update Expenditure For the period ending 30 June 2023

		FULL YEAR			ANNUAL		
		ACTUALS	2022-23 AMENDED BUDGET	ACTUAL TO 2022-23 AMENDED BUDGET VARIANCE	FULL YEAR FORECAST	ACTUAL TO FULL YEAR FORECAST VARIANCE	FORECAST VARIANCE
Kew Recreation Centre	1	4,417,493	6,100,000	1,682,507	5,359,640	942,147	18%
Canterbury Community Precinct	2	3,587,154	4,482,580	895,426	4,482,580	895,426	20%
Tuck Stand	3	141,604	469,764	328,160	469,764	328,160	70%
Library Redevelopment Kew	4	112,497	164,188	51,691	164,188	51,691	31%
Total		8,258,748	11,216,532	2,957,784	10,476,172	2,217,424	21%

All projects overseen by Project Control Groups.

1. Kew Recreation Centre

This is a multi-year project. Works have been delayed following a partial collapse of the steel roof structure on the 20 October 2022. Demolition of the partially collapsed steel roof structure has been completed. Further minor works will be undertaken on site while expert investigations continue and planning is undertaken for re-build. Industry experts will support planning to ensure all elements of this project are examined before construction resumes. Once a revised construction timeframe is confirmed, we will update the community. Total proposed carry forward commitment to 2023-24 is \$1.68 million.

2. Canterbury Community Precinct

This is a multi-year project. Stage 1 works were completed in March 2023 after initial delays caused by COVID-19, industry supply chain shortages and latent conditions. Stage 2 works have commenced, with some delays due to latent conditions and are expected to be completed by December 2023. Total proposed forward commitment to 2023-24 is \$895,000.

3. Tuck Stand

This is a multi-year project. The project has been delayed due to ongoing condition and compliance investigations and scope confirmation. The estimated construction commencement date for this project is June 2026. Total proposed forward commitment to 2023-24 is \$328,000.

4. Library Redevelopment Kew

This is a multi-year project. The project design brief is currently being finalised. It is anticipated that a consultant team will be engaged early in the 2024 calendar year. Total proposed forward commitment to 2023-24 is \$49,000.

3. Financial Statements

3.1 Income Statement

	ANNUAL ORIGINAL BUDGET	FULL YEAR				ANNUAL		
		FULL YEAR ACTUAL (1)	2022-23 AMENDED BUDGET (2)	ACTUAL TO 2022-23 AMENDED BUDGET VARIANCE (1) - (2)	VARIANCE %	FULL YEAR FORECAST (3)	ACTUAL TO FULL YEAR FORECAST VARIANCE (1) - (3)	FORECAST VARIANCE %
	\$'000s	\$'000s	\$'000s	\$'000s	%	\$'000s	\$'000s	%
Recurrent income								
Rates and charges	203,580	203,874	203,627	247	0%	203,619	255	0%
Statutory fees and fines	14,245	15,275	15,513	(238)	(2%)	15,159	116	1%
User fees	16,728	11,072	11,868	(796)	(7%)	11,344	(272)	(2%)
Grants - operating	10,257	13,220	7,093	6,127	86%	7,446	5,774	78%
Contributions - cash	5,079	5,982	5,079	903	18%	5,694	288	5%
Rental income	2,430	2,843	2,430	413	17%	2,814	29	1%
Other income	2,508	3,420	2,508	912	36%	3,383	37	1%
Interest	350	5,333	1,500	3,833	256%	3,900	1,433	37%
Fair value adjustment for investment properties	-	8,477	-	8,477	100%	-	8,477	0%
Total recurrent income	255,177	269,496	249,618	19,878	8%	253,359	16,137	6%
Recurrent expenditure								
Employee costs	97,599	95,268	96,119	(851)	(1%)	94,842	426	(0%)
Materials and services	73,556	76,952	73,655	3,297	4%	76,798	154	(0%)
Bad and doubtful debts	1,818	4,416	2,140	2,276	106%	2,139	2,277	(106%)
Depreciation and amortisation ¹	38,454	38,449	38,454	(5)	(0%)	38,454	(5)	0%
Amortisation - right of use assets	4,331	3,619	4,331	(712)	(16%)	3,624	(5)	0%
Borrowing costs	2,781	3,938	3,952	(14)	(0%)	3,952	(14)	0%
Finance costs - leases	322	246	322	(76)	(24%)	248	(2)	1%
Other expenses	7,747	6,988	7,784	(796)	(10%)	7,681	(693)	9%
Total recurrent expenditure	226,608	229,876	226,757	3,119	1%	227,738	2,138	(1%)
Net recurrent operating surplus	28,569	39,620	22,861	16,759	73%	25,621	13,999	55%
Non-recurrent income								
Priority projects income	1,333	1,661	2,970	(1,309)	(44%)	2,472	(811)	(33%)
Capital works income	2,616	10,299	14,011	(3,712)	(26%)	14,983	(4,684)	(31%)
Total non-recurrent income	3,949	11,960	16,981	(5,021)	(30%)	17,455	(5,495)	(31%)
Non-recurrent expenditure								
Priority projects expenditure	23,148	22,649	34,799	(12,150)	(35%)	26,420	(3,771)	14%
Total non-recurrent expenditure	23,148	22,649	34,799	(12,150)	(35%)	26,420	(3,771)	14%
Net non recurrent operating surplus (deficit)	(19,199)	(10,689)	(17,818)	7,129	(40%)	(8,965)	(1,724)	19%
Net gain (loss) on disposal of property, infrastructure, plant and equipment	(2,763)	(3,178)	(2,763)	(415)	15%	(3,700)	522	14%
Share of net profits of associates and joint ventures accounted for by the equity method	-	(1,517)	-	(1,517)	100%	-	(1,517)	0%
Surplus/(Deficit) for the year ²	6,607	24,236	2,280	21,956	963%	12,956	11,280	87%

Note: All numbers are rounded to the nearest thousand.

1. Depreciation and amortisation primarily relates to property, plant, equipment and infrastructure assets.
2. The full year net operating surplus of \$24.24 million is \$21.96 million favourable against the 2022-23 Amended Budget surplus of \$2.28 million. Refer to **Section 2 Financial Overview** for details on Council's financial performance.

3.2 Income statement by Directorate

	ANNUAL ORIGINAL BUDGET	FULL YEAR				ANNUAL		
		FULL YEAR ACTUAL	2022-23 AMENDED BUDGET	ACTUAL TO 2022-23 AMENDED BUDGET		FULL YEAR FORECAST	ACTUAL TO FULL YEAR FORECAST	FORECAST VARIANCE
				VARIANCE				
		(1)	(2)	(1) - (2)		(3)	(1) - (3)	
	\$'000s	\$'000s	\$'000s	\$'000s	%	\$'000s	\$'000s	%
Income								
Rates and waste charges *	202,206	202,461	202,206	255	0%	202,206	255	0%
Places & Spaces	2,605	2,752	2,605	147	6%	2,677	75	3%
Community Support	16,063	9,625	8,361	1,264	15%	8,855	770	9%
Urban Living	24,385	25,462	25,474	(12)	0%	25,717	(255)	(1%)
Customer & Transformation	-	1	-	1	100%	1	-	0%
CEO's Office	52	49	52	(3)	(6%)	54	(5)	(9%)
Chief Financial Office	2,912	2,705	2,912	(207)	(7%)	2,942	(237)	(8%)
People Culture & Development	-	(1)	-	(1)	100%	-	(1)	0%
Total income	248,223	243,054	241,610	1,444	1%	242,452	602	0%
Expenditure								
Places & Spaces	72,540	76,442	73,066	3,376	5%	74,751	1,691	(2%)
Community Support	38,338	35,540	36,732	(1,192)	(3%)	36,389	(849)	2%
Urban Living	25,469	27,427	25,791	1,636	6%	25,610	1,817	(7%)
Customer & Transformation	26,930	26,418	27,002	(584)	(2%)	26,418	-	0%
CEO's Office	6,535	5,834	6,362	(528)	(8%)	6,226	(392)	6%
Chief Financial Office	5,886	5,954	5,886	68	1%	6,448	(494)	8%
People, Culture & Development	3,752	3,720	3,752	(32)	(1%)	3,707	13	(0%)
Depreciation and amortisation **	38,454	38,449	38,454	(5)	(0%)	38,454	(5)	0%
Total expenditure	217,904	219,784	217,045	2,739	1%	218,003	1,781	1%
Net non departmental ***	(1,750)	16,351	(1,704)	18,055	(1060%)	1,172	15,179	1295%
Net loss on disposal of property, infrastructure, plant and equipment	(2,763)	(3,179)	(2,763)	(416)	15%	(3,700)	521	14%
Share of net gain (loss) of joint venture accounted for by the equity method	-	(1,517)	-	(1,517)	100%	-	(1,517)	0%
Capital income	2,616	10,299	14,011	(3,712)	(26%)	14,983	(4,684)	31%
Net priority projects	(21,815)	(20,988)	(31,829)	10,841	(34%)	(23,948)	2,960	12%
Surplus/(Deficit) for the year	6,607	24,236	2,280	21,956	963%	12,956	11,280	87%

* Rate income includes interest on rates but excludes special rates which are included under the Community Support Directorate.

** Depreciation and amortisation primarily relates to property, plant, equipment and infrastructure assets.

*** Non departmental includes - Victorian Local Government Grants Commission funding, finance costs, interest on investments, open space developers contributions.

3.3 Balance Sheet

	30 Jun 2023	30 Jun 2022
	\$'000	\$'000
Current assets		
Cash and cash equivalents ¹	66,751	71,342
Other financial assets ¹	79,500	79,000
Trade and other receivables	24,135	26,093
Prepayments	3,177	2,373
Total current assets	173,563	178,808
Non-current assets		
Financial assets	4	4
Property, plant and equipment, infrastructure	4,442,982	4,410,083
Right of use assets	7,176	8,552
Intangible assets	15	269
Investment property	18,105	8,756
Total non-current assets	4,468,282	4,427,664
Total assets	4,641,845	4,606,472
Current liabilities		
Trade and other payables	22,505	27,671
Interest-bearing liabilities	8,117	7,579
Provisions	19,844	19,749
Trust funds and deposits	16,032	13,411
Unearned income	7,981	11,985
Lease liabilities	2,980	3,206
Total current liabilities	77,459	83,601
Non-current liabilities		
Provisions	2,244	2,120
Interest-bearing liabilities	77,216	83,960
Provision for investments in joint ventures	7,557	6,040
Lease liabilities	4,266	5,447
Total non-current liabilities	91,283	97,567
Total liabilities	168,742	181,168
Net assets	4,473,103	4,425,304
Equity		
Accumulated surplus	958,843	935,341
Asset revaluation reserve	3,488,693	3,466,496
Reserves ²	25,567	23,467
Total equity	4,473,103	4,425,304
Working capital ratio	2.24	

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 (\$15.63 million) and Defined Benefits Superannuation future call up reserve (\$9.50 million).

3.4 Statement of Cash Flows

	ANNUAL ORIGINAL BUDGET \$'000	FULL YEAR			2022-23 AMENDED BUDGET \$'000
		FULL YEAR ACTUAL (1) \$'000	2022-23 AMENDED BUDGET (2) \$'000	ACTUAL TO 2022-23 AMENDED BUDGET VARIANCE (unfav) (1) - (2) \$'000	
Cash flows from operating activities					
Rates and waste charges	205,981	203,086	201,537	1,549	201,537
Statutory fees and fines	11,757	12,054	12,852	(798)	12,852
User charges and other fines ¹	18,401	15,752	13,056	2,696	13,056
Grants - operating ²	12,618	15,856	4,911	10,945	4,911
Grants - capital ³	2,616	6,037	13,836	(7,799)	13,836
Contributions - monetary	5,079	7,082	5,254	1,828	5,254
Interest received ⁴	350	4,631	1,500	3,131	1,500
Other receipts	5,432	7,558	5,432	2,126	5,432
Net GST refund	14,221	11,012	16,203	(5,191)	16,203
Trust funds and deposits taken	100	2,621	100	2,521	100
Employee costs	(103,667)	(103,718)	(105,691)	1,973	(105,691)
Materials and services ⁵	(101,138)	(100,351)	(112,405)	12,054	(112,405)
Short-term, low value and variable lease payments	(596)	(823)	(596)	(227)	(596)
Other payments	(8,002)	(7,081)	(8,112)	1,031	(8,112)
Net cash provided by/(used in) operating activities	63,152	73,716	47,877	25,839	47,877
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment ⁶	(78,889)	(63,716)	(73,702)	9,986	(73,702)
Proceeds from sale of property, plant and equipment	4,720	5	4,720	(4,715)	4,720
Net proceeds / (payments) for investments ⁷	-	(500)	79,000	(79,500)	79,000
Net cash used in investing activities	(74,169)	(64,211)	10,018	(74,229)	10,018
Cash flows from financing activities					
Finance costs	(2,859)	(3,967)	(4,272)	305	(4,272)
Proceeds from borrowings	19,700	19,700	19,700	-	19,700
Repayment of borrowings	(26,362)	(25,906)	(25,907)	1	(25,907)
Interest paid - lease liability	(323)	(247)	(323)	76	(323)
Repayment of lease liabilities	(3,733)	(3,676)	(2,819)	(857)	(2,819)
Net cash provided by (used in) financing activities	(13,577)	(14,096)	(13,621)	(475)	(13,621)
Net increase (decrease) in cash and cash equivalents	(24,594)	(4,591)	44,274	(48,865)	44,274
Cash and cash equivalents at beginning of year ⁷	111,715	71,342	71,342	-	71,342
Cash and cash equivalents at end of year	87,121	66,751	115,616	(48,865)	115,616

Note: All numbers are rounded to the nearest thousand.

1. User charges and receipts from customers are \$2.70 million higher than budget primarily due to timing and settlement of debtors.
2. Grants - operating higher than budget of \$10.95 million primarily due to 100% of the Victorian Local Government Grants Commission 2023-24 allocation being brought forward to 2022-23 and the allocation of unearned grants being recognised in June 2023 once performance obligations have been met.
3. Capital grants lower than budgeted (\$7.80 million) due to the allocation of unspent grants where performance obligations have not been met at 30 June 2023, have been transferred to unearned revenue in the balance sheet.
4. Higher than budgeted interest received of \$3.13 million due to interest on investments.
5. Materials and Services are lower than budget due to timing of cash outflows \$12.05 million.
6. Payments for property, plant and equipment differs from that presented in the capital works statement due to settlement of the 30 June 2023 creditors and proposed forward commitment expenditure.
7. The proceeds / (payments) for investments should be read in conjunction with the beginning and end of year cash and cash equivalents line item. At balance sheet date Council held \$79.50 million in investments that did not qualify as a cash equivalent because their maturity dates were greater than three months and are represented in the net proceeds / (payments) for investments line item (\$79.00 million proceeds less payments of \$79.50 million = (\$500,000)). The 2022-23 Amended Budget classified all investments held by Council as cash equivalents as these are difficult to predict.

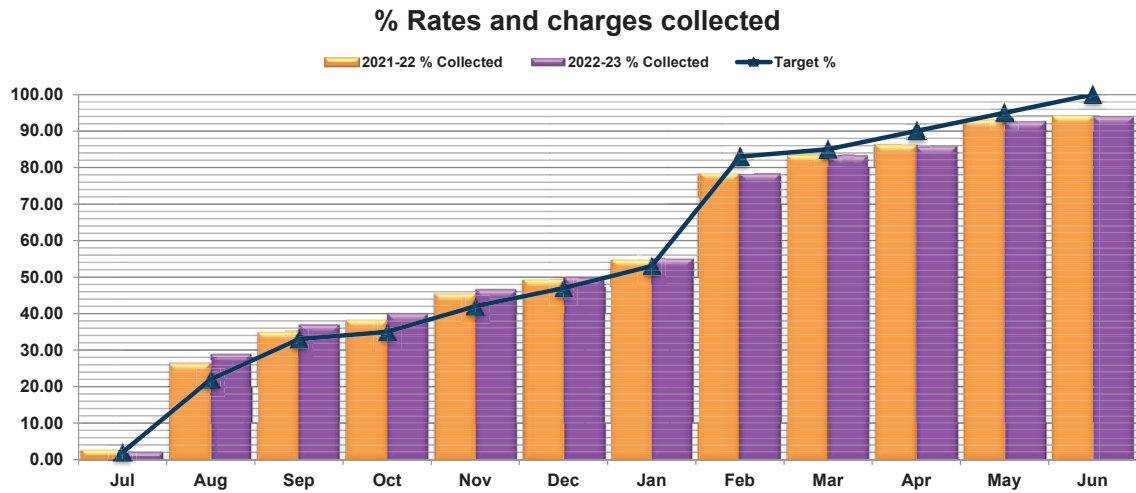
3.5 Capital Works expenditure by asset group

	ANNUAL ORIGINAL BUDGET \$'000s	FULL YEAR				COMMIT \$'000s	ANNUAL		
		FULL YEAR ACTUAL (1) \$'000s	2022-23 AMENDED BUDGET (2) \$'000s	ACTUAL TO 2022-23 AMENDED BUDGET VARIANCE (1) - (2) \$'000s			FULL YEAR FORECAST (3) \$'000s	ACTUAL TO FULL YEAR FORECAST VARIANCE (1) - (3) \$'000s	FORECAST VARIANCE %
				VARIANCE %					
Infrastructure									
Bridges	1,459	3,015	2,265	750	33%	1,052	3,900	(885)	23%
Drainage	4,218	4,578	5,443	(865)	(16%)	1,314	5,596	(1,018)	18%
Footpaths and cycleways	2,100	1,859	2,481	(622)	(25%)	47	2,241	(382)	17%
Off street carparks	721	395	671	(276)	(41%)	171	464	(69)	15%
Parks, open space and streetscapes	4,693	4,371	6,509	(2,138)	(33%)	3,768	6,565	(2,194)	33%
Recreational, leisure & com facilities	3,639	3,401	5,878	(2,477)	(42%)	79	3,864	(463)	12%
Roads	12,551	11,683	13,446	(1,763)	(13%)	687	11,908	(225)	2%
Total Infrastructure	29,381	29,302	36,693	(7,391)	(20%)	7,118	34,538	(5,236)	15%
Plant and Equipment									
Computers and telecommunications	1,062	1,185	2,123	(938)	(44%)	424	1,763	(578)	33%
Fixtures, fittings and furniture	1,655	625	2,208	(1,583)	(72%)	571	1,515	(890)	59%
Library books	995	1,003	995	8	1%	-	995	8	(1%)
Plant machinery and equipment	1,363	1,321	1,654	(333)	(20%)	92	1,492	(171)	11%
Total Plant and Equipment	5,075	4,134	6,980	(2,846)	(41%)	1,087	5,765	(1,631)	28%
Property									
Building	22,740	14,880	18,706	(3,826)	(20%)	9,061	17,278	(2,398)	14%
Building improvements	58	46	58	(12)	(21%)	-	58	(12)	21%
Major Projects	21,636	8,283	11,265	(2,982)	(26%)	14,426	10,486	(2,203)	21%
Total Property	44,434	23,209	30,029	(6,820)	(23%)	23,487	27,822	(4,613)	17%
Total capital works expenditure	78,890	56,645	73,702	(17,057)	(23%)	31,692	68,125	(11,480)	17%
Represented by:									
Asset renewal expenditure	53,595	43,489	53,849	(10,360)	(19%)	21,841	48,598	(5,109)	11%
Asset upgrade expenditure	2,315	4,351	4,419	(68)	(2%)	1,164	5,969	(1,618)	27%
New asset expenditure	16,946	7,439	12,915	(5,476)	(42%)	6,414	11,284	(3,845)	34%
Asset expansion expenditure	6,034	1,366	2,519	(1,153)	(46%)	2,273	2,274	(908)	40%
Total capital works expenditure	78,890	56,645	73,702	(17,057)	(23%)	31,692	68,125	(11,480)	17%

Note: All numbers are rounded to the nearest thousand.

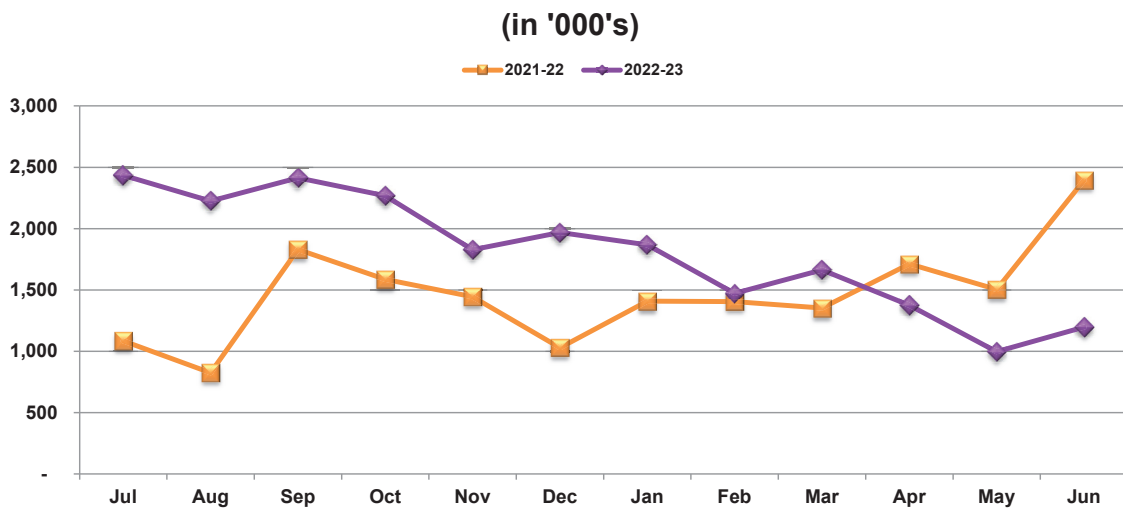
3.6 Debtors

3.6.1 Rate debtors



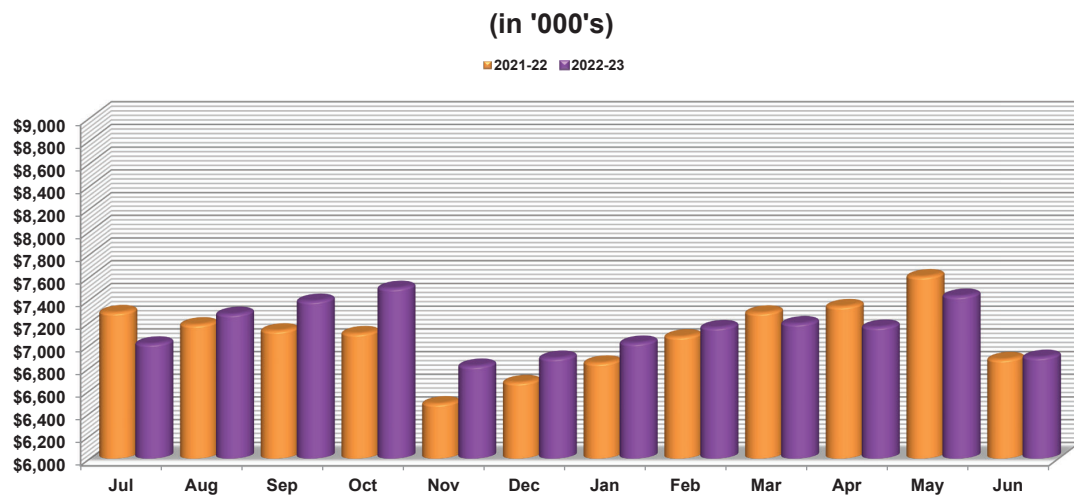
Rates and charges collection percentage for 2022-23 is 93.99% and is lower than the anticipated target of 100%, which is primarily due to cost of living pressures on household budgets. This is down from the 2021-22 result of 94.14%.

3.6.2 Sundry debtors



The sundry debtors balance at the end of 30 June 2023 is \$1.20 million and is \$1.12 million lower than the prior year. Balances will vary from year to year depending on individual transactions processed.

3.6.3 Infringement debtors



The outstanding 'infringement debtors' balance of \$6.89 million is \$19,000 higher than the corresponding prior year period. This is primarily due to Parking Infringements debtors.

In accordance with Victorian Government legislation, the majority of these fines are now in the hands of Fines Victoria for the management and collectability of the fines. Council has no control over Fines Victoria debt collection performance.

Attachment 2

LGPRF Performance Indicators - Sustainable Capacity and Financial Performance Indicators							
For the period ending 30 June 2023							
Indicator/measure	Annual 2018-19	Annual 2019-20	Annual 2020-21	Annual 2021-22	Annual 2022-23	Annual Difference 2021-22 vs 2022-23	Annual Materiality threshold
Sustainable Capacity Indicators							
Population							
Expenses per head of municipal population [Total expenses / Municipal population]	\$1,167	\$1,265	\$1,363	\$1,375	\$1,509	\$134	+ / - \$200
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$4,772	\$4,903	\$5,052	\$5,752	\$6,237	\$485	+ / - \$1,000
Population density per length of road [Municipal population / Kilometres of local roads]	321.86	323.22	321.66	269.92	258.29	-11.63	+ / - 10 people
Population in the municipality decreased by 7,200 people in the year.							
Own-source revenue							
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,206	\$1,214	\$1,167	\$1,288	\$1,479	\$192	+ / - \$100
Recurrent grants							
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$79	\$73	\$69	\$89	\$82	-\$8	+ / - \$50
Disadvantage							
Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	10.00	10.00	10.00	10.00	10.00	0.00	+ / - 1 decile

Attachment 2

LGPRF Performance Indicators - Sustainable Capacity and Financial Performance Indicators							
For the period ending 30 June 2023							
Indicator/measure	Annual 2018-19	Annual 2019-20	Annual 2020-21	Annual 2021-22	Annual 2022-23	Annual Difference 2021-22 vs 2022-23	Annual Materiality threshold
Workforce turnover							
Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	8.1%	9.5%	12.8%	17.1%	18.8%	1.7%	+ / - 2%
This years workforce turnover was impacted by the transfer of in home aged care services to MECWA as part of the Commonwealth Home Support Programme from 31 July 2022. Excluding figures associated with this transfer and redundant positions, the turnover rate for this year was 12.52%. This reflects the lowest since 2020. Turnover continues to be closely monitored.							
Financial Performance Indicators							
Efficiency							
Expenditure level *							
Expenses per property assessment [Total expenses / Number of property assessments]	\$2,723	\$2,952	\$3,159	\$3,047	\$3,195	\$148	+ / - \$200
Revenue level *							
Average rate per property assessment [General rates and Municipal charges / Number of property assessments]	New in 2020	\$2,006	\$2,050	\$2,082	\$2,119	\$37	+ / - \$100
Liquidity							
Working capital							
Current assets compared to current liabilities [Current assets / Current liabilities] x100	300.8%	272.4%	177.3%	213.9%	224.1%	10.2%	+ / - 80%
Unrestricted cash							
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	160.6%	131.9%	49.8%	22.1%	20.6%	-1.6%	+ / - 70%

Attachment 2

LGPRF Performance Indicators - Sustainable Capacity and Financial Performance Indicators							
For the period ending 30 June 2023							
Indicator/measure	Annual 2018-19	Annual 2019-20	Annual 2020-21	Annual 2021-22	Annual 2022-23	Annual Difference 2021-22 vs 2022-23	Annual Materiality threshold
Obligations							
Loans and borrowings							
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	14.7%	13.2%	12.1%	46.1%	42.1%	-3.9%	+ / - 10%
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	11.3%	1.6%	1.5%	1.5%	14.8%	13.3%	+ / - 2%
Indebtedness							
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	13.4%	15.9%	17.7%	42.9%	36.4%	-6.5%	+ / - 5%
Asset renewal and upgrade *							
<i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	126.8%	153.2%	142.3%	125.5%	-16.8%	+ / - 30%
Council refinanced loan borrowings of \$19.70 million during the 2022-23 year.							
Operating position							
Adjusted underlying result *							
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	9.7%	2.1%	-9.2%	0.9%	3.9%	3.0%	+ / - 5%

Attachment 2

LGPRF Performance Indicators - Sustainable Capacity and Financial Performance Indicators							
For the period ending 30 June 2023							
Indicator/measure	Annual 2018-19	Annual 2019-20	Annual 2020-21	Annual 2021-22	Annual 2022-23	Annual Difference 2021-22 vs 2022-23	Annual Materiality threshold
Stability							
Rates concentration *							
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	76.2%	79.4%	83.8%	81.0%	76.1%	-5.0%	+ / - 5%
Rates effort							
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.14%	0.17%	0.16%	0.16%	0.15%	0.0%	+ / - 0.10%

* This is an annual indicator. Timing of revenue and expenditure can vary throughout the year, distorting quarterly results.

Attachment 3

2023-24 FEES AND CHARGES SCHEDULE

Fees and charges to be changed	Statutory Fee	UNIT	ADOPTED GST inclusive 2023-24 fee \$	PROPOSED GST inclusive 2023-24 fee \$	Fee increase \$	Fee increase %	GST applied at 10%	Policy / Strategy Act / Regulation	Pricing Policy Category
NEW FEES									
Places and Spaces - Asset & Capital Planning									
Other Fees and Charges									
Drainage Design - Amendment Fee	N	Per Application	\$ -	\$120.00	∞	∞	Y	Pricing Policy	Market Pricing
Commentary for fees: <i>The Drainage Design - Amendment fee will be applied on the third submission for assessment for a drainage plan. The initial Drainage Design assessment fee will cover the initial design submission.</i>									
Urban Living - Building Services									
Swimming Pool and Spa Regulations									
Pool or Spa Decommission/Removal Inspection	N	Per Application	\$ -	\$170.00	∞	∞	Y	Pricing Policy	Market Pricing
Pool or Spa Additional Inspection	N	Per Inspection	\$ -	\$170.00	∞	∞	Y	Pricing Policy	Market Pricing
Report and Consent									
Report and Consent Extension of time	N	Per Application	\$ -	\$170.00	∞	∞	Y	Pricing Policy	Market Pricing
Commentary for new fees: <i>Inspection to confirm the removal/ decommission of a pool or spa from the property to update Council's register, an additional pool or spa inspection for decommission/removal where required or extension of time relating to an Report and Consent Application.</i>									
AMENDED FEES									
Building permit fees (within the City of Boroondara) For dwelling (class 1a) and outbuildings (class 10a and 10b)									
Timber and steel fences (not incorporating retaining walls), deck / verandah / pergola (up to \$5,000) and above ground swimming pools. *Note: Pools and Spas also incur Issue of Certificate of Compliance Fee of \$253	N	Per Permit	Minimum \$725.00 or POA	Minimum \$725.00 or POA	∞	∞	Y	Pricing Policy	Market Pricing
Garages, carports, sheds, deck / verandah / pergola, minor alterations and in ground swimming pools (up to \$15,000). *Note: Pools and Spas also incur a Certificate of Compliance Fee of \$253	N	Per Permit	Minimum \$1,100.00 or POA	Minimum \$1,100.00 or POA	∞	∞	Y	Pricing Policy	Market Pricing

Attachment 3

2023-24 FEES AND CHARGES SCHEDULE

Fees and charges to be changed	Statutory Fee	UNIT	ADOPTED GST inclusive 2023-24 fee \$	PROPOSED GST inclusive 2023-24 fee \$	Fee increase \$	Fee increase %	GST applied at 10%	Policy / Strategy Act / Regulation	Pricing Policy Category
Minor alterations to pool barrier (Inclusive of a Certificate of Compliance Fee of \$253).	N	Per Permit	\$ 495.00	\$ 748.00	∞	∞	Y	Pricing Policy	Market Pricing
Commentary for amended fees: Amendment to wording that an additional fee applies for building permits relating to pools and spas *Note: Pools and spas also incur a Certificate of Compliance Fee of \$253 or Inclusive of a Certificate of Compliance Fee of \$253.									