

**Management report to Council****Agenda item 6.1****Quarterly performance reporting – Council Plan Major Initiatives, Finances and Capital Program****Council****Presenter:** Alison Leighton, Chief Executive Officer**28 November 2023****Purpose and background**

1. The purpose of this report is to inform the community of the performance of Council at the end of quarter one of the financial year, as set out in the attachments, outlining:
  - 1.1. Council's quarterly performance against the Council Plan 2021–25 strategic objectives
  - 1.2. the quarterly financial performance of the Council Works Program, including the progress of Council's major projects
  - 1.3. the quarterly financial performance of the Council and Budget, in accordance with the *Local Government Act 2020 (Act)*.

**Key issues**

2. This report provides an overall view of Council performance and delivery against the Council Plan 2021–25, Council Works Program and the Budget 2023–24.
3. Attached are the:
  - 3.1. Council Plan quarter one summary report (Attachment 2).
  - 3.2. Council Plan quarter one performance report (Attachment 3).
  - 3.3. Council Works Program quarter one summary report (Attachment 4).
  - 3.4. Council Works Program quarter one report – record of program adjustments (Attachment 5).
  - 3.5. Financial Performance Summary Report and Budget for quarter one (Attachment 6).
  - 3.6. Financial Performance Report for quarter one (Attachment 7).
  - 3.7. Supplementary Valuations Report (Attachment 8).
  - 3.8. Overview of Supplementary Valuations Returns (Attachment 9).
4. Achievements in the delivery of the Council Plan 2021–25 for this quarter include:
  - 4.1. Under 'Economy of the future', the Docklands' Firelight Festival was held in July, resulting in an economic impact of \$4.7 million and 97,000 attendance with 93 per cent of festival attendees stating that it was the main reason for their visit.
  - 4.2. Under 'Melbourne's unique identity and place', the new Queen's Food Hall hit a major renewal program milestone with the handover to market management.
  - 4.3. Under 'Aboriginal Melbourne', Storyscape and Wurundjeri Woi-wurrung Elders developed 'Truth-telling talks – Yalinguth' - it tells important stories along the Birrarung from Enterprise Park to the MCG to be delivered next quarter.
  - 4.4. Under 'Climate and Biodiversity Emergency', the initial FOGO dehydrator pilot program is progressing well, with the Spring Street site electing to extend their pilot by a further six months after a successful 12 month pilot period. The existing dehydrator machines across all six pilot sites have diverted 11.3 tonnes of food waste from landfill with 22.3 tonnes of carbon dioxide equivalent saved.

- 4.5. Under 'Access and Affordability', a six-monthly update on neighbourhood priorities has been published on the neighbourhood portals, providing community members with visibility on progress. Updates have included seven new community stories highlighting "faces of the neighbourhoods" promoting community connection and local activities.
  - 4.6. (Under 'Safety and Wellbeing', engagement on the draft Future Streets Framework has begun with more than 11,000 participate page views and 1,500 report downloads in the first 8 weeks.
5. In the financial year 2023–24, the capital works portfolio encompassed 157 programs and projects, approved by the Council with a budget totaling \$289 million. This allocation comprises \$276.5 million for capital works made up of \$217.5 million for new projects and \$59 million for renewals, as well as \$12.5 million designated for maintenance works. There was an inclusion of \$34.5 million carried forward from the previous financial year (2022–23).
- 5.1. As of the first quarter, the year-to-date delivery amounted to \$47.8 million, falling short of the planned \$51.6 million. A net portfolio adjustment of \$3.4 million was made, resulting in a revised budget of \$292 million for the financial year 2023–24.
  - 5.2. Key project adjustments included:
    - 5.2.1. ACCA Forecourt Renewal – This project is fully funded through a grant. However, an initial investment of \$0.19 million is necessary to initiate the project, considering the time required for grant application processing and recognition in the Council's financial records. The incurred cost will be reimbursed to the Council once the grant becomes available.
    - 5.2.2. Shrine Reserve - Hostile Vehicle Mitigation – The project, totaling \$3.4 million, is entirely funded through a grant.
    - 5.2.3. University Square Stage 2 Redevelopment – A deferral of \$5.65 million from the financial year 2023–24 to the financial year 2025–26 has been decided to align with the budget requirements for scheduled works in the current fiscal year.
    - 5.2.4. Exhibition Street Theatre Precinct Streetscape – \$3.07 million was requested to complete the project as only \$0.05 million was carried forward into FY2023–24 to finalise Department of Transport and Planning approvals. The evaluation Report and recommendation to award the contract was approved by Council during October 2023.
    - 5.2.5. Tan Track Clock Renewal – A grant of \$0.18 million has been received from the Bennelong Foundation for the redesign of the Tan Track Clock. This funding will support the promotion of physical exercise around the Tan, streamline the best runner's lap scoreboard, improve time readability, and create opportunities for a more interactive and engaging installation.
  - 5.3. As work continues on the Make Room Refurbishment project, and efforts continues to build on the momentum achieved with fundraising to date, with corporate organisations, foundations and philanthropists, in order to meet short term construction commitments the following adjustments are recommended in Quarter 2 in the FY2023–24 budget:
    - 5.3.1. Make Room Refurbishment projects – Adjust \$8.0 million external funding and \$2.5 million grant funded to \$10.5 million CoM funding.
    - 5.3.2. To enable the above change:
      - 5.3.2.1. N + W Melb and Docklands Transport and Amenity Program – \$5.0 million re phased to future years as result of revised approval timeframes.
      - 5.3.2.2. North Melbourne Community Centre Redevelopment - \$2.0 million re phased to future years due to further scope and options analysis in FY2023–24
      - 5.3.2.3. Community Sports Pavilion Upgrade (Ryder Pavilion) - \$1.50m re phased to FY2024–25 due to tender process beginning later than planned.

- 5.4. Projects with significant variances are: The Queen Victoria Market Precinct Renewal project experienced a \$3 million underspend due to program contingency and timing. It is anticipated to be made up this financial year. The Technology and Digital Innovation programs saw a \$1.75 million underspend attributed to market forces. The Make Room Refurbishment project faced \$0.8 million underspend due to delays in receiving anticipated philanthropic funds. Additionally, the Greenline project underspent by \$1.5 million.
  - 5.5. The maintenance portfolio delivered 97 per cent of its year to date budget, while the Asset Renewal portfolio achieved 94 per cent of its budget within the same period.
  - 5.6. By the end of the first quarter, 103 projects were classified as green, while 33 were amber, indicating a slight increase, and seven projects were reported as red based on their overall status assessment.
6. The year to date FY 2023–24 September result (excluding gain on disposal of properties) was an underlying surplus of \$15.2 million, \$9.1 million favourable versus Budget (\$6.1 million). The favourable variance is due mainly to favourable operating revenue mainly in building and planning fees (\$0.9 million), higher events related income (\$0.6 million), and below budget expenses across employee costs (\$0.8 million net of agency costs), timing of investment Melbourne grants expenditure (\$2.2 million), timing of street cleaning expense (\$0.9 million), maintenance spend (\$1.8 million) and licence payments (\$1.1 million).

### **Recommendation from management**

7. That Council:
- 7.1. Notes the Council Plan 2021–25 quarter one summary report and performance report (refer Attachments 2 and 3 of the report from management) and the proposal to publish this information on the City of Melbourne website, and authorises the Chief Executive Officer to make editorial changes, corrections, formatting and design necessary to finalise the report prior to publication.
  - 7.2. Notes the 2023–24 Council Works Program quarter one summary report (Attachment 4 of the report from management).
  - 7.3. Approves program adjustments in the Council Works Program, within the overall adopted budget funding envelope, as follows (Attachment 5 of the report from management):
    - 7.3.1. No new budget allocation.
    - 7.3.2. Additional budget from external funding for:
      - 7.3.2.1. Tan Track Clock Renewal – receipt of \$0.18 million grant funding from Bennelong Foundation for re-design of Tan Track Clock.
      - 7.3.2.2. Shrine Reserve - Hostile Vehicle Mitigation – \$3.4 million is fully grant funded.
    - 7.3.3. Additional budget from internal funding for:
      - 7.3.3.1. Exhibition Street Theatre Precinct Streetscape –\$3.07 million is required to continue with the works beyond financial year 2022-23 as the Department of Transport and Planning approval was not yet in place
      - 7.3.3.2. ACCA Forecourt Renewal - \$0.19 million is required to commence the project, and it will be reimbursed back to Council once the grant is available.
    - 7.3.4. Reduce budget for:
      - 7.3.4.1. University Square Stage 2 Redevelopment – deferral of \$5.65 million from financial year 2023-24 to financial year 2025-26 to reflect the budget requirement for scheduled works in the current financial year.
    - 7.3.5. No funding and accounting adjustments.

- 7.4. Notes the 2023–24 first quarter Financial Performance Report (Attachments 6 to 9 of the report from management).

**Attachments:**

1. Supporting Attachment (Page 4 of 52)
2. Council Plan quarter one summary report (Page 6 of 52)
3. Council Plan quarter one performance report (Page 7 of 52)
4. Council Works Program quarter one summary report (Page 26 of 52)
5. Council Works Program quarter one report – record of program adjustments (Page 34 of 52)
6. Financial Performance Summary Report and Budget for quarter one (Page 36 of 52)
7. Financial Performance Report for quarter one (Page 37 of 52)
8. Supplementary Valuations Report (Page 51 of 52)
9. Overview of Supplementary Valuations Returns (Page 52 of 52)

**Supporting Attachment**

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**Legal**

1. Section 97(1) of the Act provides that as soon as practicable after the end of each quarter of the financial year, the Chief Executive Officer must ensure that a quarterly budget report is presented to a Council meeting which is open to the public.
2. Section 97(2) of the Act provides that the report must include:
  - 2.1. a comparison of the actual and budgeted results to date
  - 2.2. an explanation of any material variations
  - 2.3. any other matters prescribed by regulations under the Act (none at present).

**Finance**

3. The financial implications are detailed in the body of the report and attachments.

**Conflict of interest**

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

**Health and Safety**

5. In developing this proposal, no occupational health and safety issues or opportunities have been identified.

**Stakeholder consultation**

6. Not applicable.

**Relation to Council policy**

7. The report provides an update on progress towards delivering the Council Plan 2021–25.

**Environmental sustainability**

8. Environmental sustainability issues or opportunities are not directly related to this report, but are covered as part of the matters raised in the attachments to this report.

## Council Plan quarter one summary report July to September 2023

### Background

1. The Council endorsed the City of Melbourne's Council Plan 2021–25 (including the Public Health and Wellbeing Plan) on 29 June 2021.
2. The Council Plan outlines the Council's commitment to the community, including Council's four-year strategic objectives, priorities, major initiatives and indicators of success.
3. Each year, as required under the *Local Government Act 2020*, the Council produces a public annual report of progress on the implementation of the Council Plan.
4. In addition, the City of Melbourne provides a quarterly public progress report on the implementation of major initiatives under each Council strategic objective. This enables the Council to provide a regular account of performance to the community while highlighting any notable achievements or issues.

### Key issues

5. The public quarterly report for the period July to September 2023 is attached, covering progress against the Council's strategic objectives; these being:
  - 5.1. Economy of the future
  - 5.2. Melbourne's unique identity and place
  - 5.3. Aboriginal Melbourne
  - 5.4. Climate and biodiversity emergency
  - 5.5. Access and affordability
  - 5.6. Safety and wellbeing.
6. The majority of the 52 major initiatives are on track, with one completed in the 2021–22 financial year, one completed in 2022–23 financial year and one discontinued at the end of the 2022–23 financial year. Ten initiatives are delayed, although the delivery of all major initiatives within the Council Plan term is on track.
7. The quarterly report for July to September 2023 will be made available on the City of Melbourne website.

## Strategic Objective: Economy of the Future

We will focus on driving economic recovery and creating the conditions for a strong, adaptive, sustainable and thriving future city economy supported by a diverse mix of industries and jobs that provide dignity and opportunity.

### Key developments this quarter (July to September 2023)

#### What we achieved against our Strategic Objective:

- The fourth Invest Melbourne Advisory Board was held in August, with a focus on development of clean tech, med/bio tech and tech value propositions and associated actions.
- Events continued to drive visitation and spend across the city with eleven Dusk till Dawn activations completed or in progress, Now or Never Festival delivered from 17 August to 3 September with an estimated attendance of 150,000 and the Docklands' Firelight Festival was held in July, resulting in an economic impact of \$4.7M and 97k attendance with 93% of festival attendees stating that it was the main reason for their visit.
- The Lord Mayor hosted the Welcome event for the Global Entrepreneurship Conference, attracting approximately 2500 attendees. 300 guests, comprising of GEC delegates, Melbourne entrepreneurs and government representatives at the Town Hall.
- To maintain momentum from the Docklands Summit, two stakeholder group meetings were convened, during which key focus areas, including Community Connection, Safer Neighbourhoods and Docklands as a Distinct Water Precinct, were identified as main priorities of focus for working groups.
- A Sustainable Development Goals (SDG) 90 Day Innovation Program was launched for staff who are subject matter experts from across the organisation to work together to fast track SDG progress.
- A 'Winter in the City' marketing activation focused on daytime economy and the city worker included 'Melbourne's Hottest Ice Cream' which saw 2,125 free, limited-edition treats given away to the public over two days at the State Library. Earning media coverage that reached 1.6 million people, with an additional reach of 2.1 million through social media.
- The Social Enterprise Grants program round is supporting ten recipients with up to \$20,000 each.
- Melbourne was officially recognised as the best student city in Australia and fourth in the world in the QS Best Student City index. We engaged over 3000 international students and 70 industry partners in welcome initiatives for semester two.


### Risks and issues this quarter

Delivery of our major initiatives within the Council Plan term is on track.














The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Continue to strengthen Melbourne's economic recovery, including through precinct activation, interventions to reduce shopfront vacancies and initiatives to grow the night time economy.	Deliver	On track	✓
Make it easier to establish and run a business in Melbourne and through Invest Melbourne facilitate headquarter attraction, business support and fast-tracked permits.	Deliver	On track	✓
Drive economic growth and resilience by implementing the <a href="#">Economic Development Strategy</a> , focusing support on existing and emerging industry sectors. This will include close collaboration with industry and universities, development of globally competitive innovation districts (particularly in our renewal areas), strengthening of the creative sector, facilitation of digital and technology innovation, support for re-establishment of international education and efforts to unlock climate capital.	Deliver Partner	On track	✓

The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Work in partnership with the Victorian Government and other stakeholders to advocate for and deliver integrated high-quality public and active transport in urban renewal areas including Melbourne Metro 2, tram to Fishermans Bend and tram to connect the Arden precinct.	Partner	On track	☑
Establish Experience Melbourne and refresh the program of City of Melbourne-owned and <u>sponsored events</u> to maximise opportunities to drive visitation and spend. The program will be diverse, accessible and affordable, and showcase Melbourne's unique culture and creative strengths.	Deliver Partner	On track	☑
Market and promote Melbourne as a great place to live for all, while ensuring key workers have access to affordable housing.	Deliver	Completed	☑
Increase visitation to Docklands by partnering with the Victorian Government and key stakeholders to enable reconstruction and redevelopment in Central Pier and surrounds.	Partner Advocate	On track	☑
Review Melbourne's international relationships to optimise future and existing partnerships to enable mutual growth and opportunity.	Deliver	On track	☑
Partner with industry to support the development of globally competitive innovation ecosystems, including through international engagement, emerging technology trials and digital infrastructure delivery.	Partner Deliver	On track	☑
Develop a corporate strategy for the City of Melbourne to drive exemplary customer service, digitise services and operations, improve productivity and identify new revenue opportunities.	Deliver	On track	☑
Embed the <u>Sustainable Development Goals</u> in the way City of Melbourne plans, prioritises its investments, reports and benchmarks against other cities.	Deliver	On track	☑

### How we're tracking based on our measures of success:

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Capital city gross local product.</p>	 <p>Increase</p>	\$107.4 billion (2022)	\$114.0 billion (2023)	No new results this quarter. Result reported annually, at financial year end.
 <p>Number of businesses in the municipality.</p>	 <p>Increase</p>	14,513 (2022)	13,829 (2023)	No new results this quarter. Result reported annually, at financial year end.



Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Number of startups in the municipality.</p>	 <p>Increase</p>	1180 (2022)	1251 (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Vacancy rate of retail premises.</p>	<p>Decrease</p> 	14% (Q4)	13.8% (September 2023)	The shopfront vacancy rate continues to trend downwards and is more than half the rate (31.2 per cent) measured November 2021.
 <p>Proportion of residents employed in the municipality.</p>	 <p>Increase</p>	54.9% (2016)	57.6% (2021)	<i>No new results this quarter. Result reported every five years.</i>
 <p>Gross local product per capita per person employed.</p>	 <p>Increase</p>	\$230,741 (2021-22)	\$237,200 (December 2022)	<i>No new results this quarter. Result reported annually.</i>
 <p>Number of jobs in the municipality.</p>	 <p>Increase</p>	465,600 (2021-22)	480,600 (2022-23)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Number of visitors to the municipality.</p>	 <p>Increase</p>	6,318,523 (Mar 2022)	12,367,872 (Mar 2023)	<i>No new results this quarter. Result reported annually.</i>
 <p>Planning applications decided within required timeframes.</p>	<p>100%</p>	65.9% (Q4)	72.7% (Q1)	<p>Number of planning application decisions made within 60 days (regular permits): 150</p> <p>Number of VicSmart permit decisions made within 10 days: 36</p> <p>Total decisions/permits within time frame: 186</p> <p>Total decisions made: 256</p>

## Strategic Objective: Melbourne's Unique Identity and Place

We will celebrate and protect the places, people and cultures that make Melbourne a unique, vibrant and creative city with world-leading liveability.

### Key developments this quarter (July to September 2023)

#### What we achieved against our Strategic Objective:

- The Birrarung Trial Floating Wetlands saw a nesting pair of black swans at the Yarra's Edge floating wetland, currently incubating a second clutch of eggs with their first clutch resulting in 3 cygnets. The floating wetland in front of the Library at the Dock currently has a pair of swans incubating their first clutch of eggs. Both clutches will be due for hatching in November.
- The new Queen's Food Hall hit a major renewal program milestone with the handover to market management with planning underway for an anticipated early to mid-November opening.
- City of Melbourne assisted The Chain of Ponds Group with funding for a trial litter removal cleaner and education program in the lower reaches of Moonee Ponds Creek which will commence in October and run to April 2024.
- Amendment C403 North Melbourne Heritage Review was adopted by Council and will be submitted to the Minister for Planning.
- The City of Melbourne has allocated more than \$2.5 million, and an additional \$412,000 in-kind support, to assist 45 events for the 2024 Event Partnership Program (EPP).
- The Bedford Street Pocket Park construction tender was awarded by Council on 26 September. Construction is scheduled to commence in late 2023.
- Installation of the artwork commissions and collection items for internal display at the Munro Library has progressed, with framed artworks installed and their lighting completed.
- The City of Melbourne supported the Festival of Footy and AFL Grand Final Parade, which attract large visitation numbers into the city, through the waiving of fees and marketing initiatives.
- 12 events were supported this quarter via both EPP and City Revitalisation Event Support Program including Now or Never Art Trail, FIFA Women's World Cup Fan Festival, Electric Kingdom and Open House Melbourne.

### Risks and issues this quarter

Challenges facing the construction sector due to rising costs continue to impact delivery timelines for the Queen Victoria Market Precinct Renewal.

There is a high-level of uncertainty regarding property availability in Southbank and urban renewal areas.

Delivery of our major initiatives within the Council Plan term is on track.

The major initiatives we're delivering	Council's role	Progress toward milestones for 2023-24	Confidence in delivery by Council Plan term end
Partner with the Victorian Government and other stakeholders to deliver specific components of <u>Greenline</u> along the north bank of the Yarra River (including the implementation of the Yarra River – Birrarung Strategy).	Deliver Partner	On track	<input checked="" type="checkbox"/>
Protect <u>Queen Victoria Market</u> as a traditional open-air market, through heritage restoration and the provision of essential services and facilities that enhance the customer and trader experience, including projects such as the Shed Restoration, Food Hall, Trader Shed, Market Square, waste and logistics facility and future developments to the south of the market.	Deliver	Delayed	<input checked="" type="checkbox"/>

The major initiatives we're delivering	Council's role	Progress toward milestones for 2023-24	Confidence in delivery by Council Plan term end
Deliver <a href="#">Queen Victoria Market</a> precinct improvements through quality public open space, new connections to the city, community services and facilities such as the Munro Community Hub.	Deliver Partner	On track	✓
Deliver public art projects that reflect Melbourne's unique culture and heritage, attract visitors to the city and help stimulate our city's recovery.	Deliver	On track	✓
Increase the amount of public open space in the municipality with a focus on areas of greatest need, such as Southbank and emerging urban renewal areas.	Deliver	Delayed	✓
Play a lead role in facilitating the delivery of high-quality and climate adapted urban renewal in <a href="#">Arden</a> and <a href="#">Macaulay</a> , <a href="#">Fishermans Bend</a> , and Docklands to deliver the emerging and future neighbourhoods of Melbourne in partnership with the Victorian Government and other partners. In Arden and Fishermans Bend, realise the place and investment conditions to support globally competitive innovation districts.	Partner (with Victorian Government)	Delayed	✓
Facilitate increased investment in unique Melbourne events to further activate and celebrate the city.	Partner	On track	✓
Celebrate, partner and advocate for investment in the city's three key waterways, the <a href="#">Yarra River-Birrarung</a> , the Maribyrnong and Moonee Ponds Creek, to connect these key recreational and biodiversity assets of our city.	Partner Advocate	On track	✓
Adopt Municipal Planning Strategy and associated City Spatial Plan. Advance municipal-wide policy for priority matters, including signage, urban design and infrastructure funding.	Deliver	Delayed	✓
Complete heritage reviews and implement associated planning scheme amendments to protect and celebrate heritage in our municipality.	Deliver	On track	✓
Champion high-quality development and public realm design through delivery of the <a href="#">Design Excellence Program</a> , including implementing the Melbourne Design Review Panel, Design Excellence Advisory Committee and Design Competition Guidelines.	Deliver	On track	✓

### How we're tracking based on our measures of success:

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
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Proportion of residents within 300m of public open space. ♥
















Increase

96.3%  
(2022)

94.7%  
(2023)

No new results this quarter. Result reported annually, at financial year end.

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Proportion of people surveyed who visit a park in the municipality on a regular basis. ♥</p>	 <p>Increase</p>	84.5% (2022)	87.5% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Area of new public open space in Southbank.</p>	1.1ha by 2025	0ha (Q4)	0.44ha (Q1)	An additional 0.44 ha has become permanent open space in Southbank. This figure includes four areas along Southbank Boulevard from Sturt Street to Fawkner Street, including the newly completed and popular play space.
 <p>Neighbourhoods in the municipality with up-to-date local heritage studies and controls</p>	100%	43% (2022)	57% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Proportion of people who support the city being made up of different cultures. ♥</p>	100%	94.2% (2022)	95.2% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Value of the creative sector to the local economy.</p>	 <p>Increase</p>	\$7.37 billion Gross Value Added (2022)	\$7.54 billion Gross Value Added (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>The area of creative spaces in the municipality.</p>	 <p>Increase</p>	1,041,171 m <sup>2</sup> (2020-21 data)	1,004,589 m <sup>2</sup> (2021 Census)	<i>No new results this quarter. Result reported annually, at financial year end.</i>

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>The number of artists supported by City of Melbourne through city planning, design and city operations.</p>	 <p>Increase</p>	14 (2022)	185 (2023)	<p><i>No new results this quarter. Result reported annually, at financial year end.</i></p>
 <p>The number of design reviews of major projects.</p>	 <p>Increase</p>	8 (Q4)	18 (Q1)	<p>A total of 18 design reviews of major projects were recorded in Q1, this includes:</p> <ul style="list-style-type: none"> <li>• 3 projects reviewed by the Melbourne Design Review Panel</li> <li>• 15 projects reviewed through design referral processes including (4 planning applications of high significance, 11 planning applications of medium significance)</li> </ul> <p>Due to enhanced methodology, the results reported for 2022-23 financial year quarters have been revised to: Q1 5, Q2 4, Q3 5, Q4 8.</p>

## Strategic Objective: Aboriginal Melbourne

For the Wurundjeri, Bunurong, Taungurung, Dja Dja Wurrung and Wadawurrung peoples of the Eastern Kulin, the place now known as Melbourne has always been an important meeting place and location for events of political, cultural, social and educational significance. We will ensure that First Peoples' culture, lore, knowledge, and heritage enrich the city's growth and development.

### Key developments this quarter (July to September 2023)

#### What we achieved against our Strategic Objective:






- The Stolen Generations Marker artist EOI went live in August with extensive works on artist information sessions and video creation.
- Aboriginal Melbourne and City Data have commenced scoping of creation of a phone app for the digital map.
- Storyscape and Wurundjeri Woi-wurrung Elders developed 'Truth-telling talks – Yalinguth' - it tells important stories along the Birrarung from Enterprise Park to the MCG to be delivered next quarter
- Draft terms of reference for the First Nations Advisory Committee are in development, along with a delivery process and scope for the committee's implementation.

#### Risks and issues this quarter

The work on governing with First Nations is being re-scoped. Senior management changes at the traditional owner Corporations have not allowed the progress of an Annual gathering of the Eastern Kulin. Delivery of our major initiatives within the Council Plan term is on track.

The major initiatives we're delivering this year	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Explore and deliver opportunities for 'truth-telling' to facilitate learning, healing, and change within Melbourne and beyond. This will be an opportunity to impart knowledge of thousands of years of rich history, language and stories, as well as provide a form of restorative justice by acknowledging Aboriginal peoples' experiences of dispossession and inequity.	Partner	On track	✓
Implement the Declaration of Recognition and Commitment in good faith which signals and elevates the City of Melbourne's shared commitment for reconciliation across the whole of the organisation.	Deliver	Completed	✓
Govern with Sovereign First Nations to enable true self-determination, where deliberative engagement is proactive, responsive and consistent.	Deliver	Delayed	✓
Commence planning for a co-designed First Nations Cultural Precinct with First Peoples – a place to retain, maintain and recreate in a culturally specific geography, where First Peoples can practice continuity of customs and traditions, through uninterrupted connection to lands and waters.	Partner	Closed	✗
Support a partnership forum – an annual gathering of the Eastern Kulin (noting the history of Tanderrum).	Partner	Delayed	✓

## How we're tracking based on our measures of success:

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p><b>Proportion of people surveyed who demonstrate an understanding of Melbourne's Aboriginal heritage and culture.</b></p>	100%	19% (2022)	21% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p><b>Proportion of people surveyed who believe the relationship with Aboriginal people is important. ♥</b></p>	100%	94% (2022)	93% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p><b>Delivery of the City of Melbourne's Reconciliation Action Plan.</b> <small>(To enable meaningful data collection and reporting on a quarterly basis, the methodology has been changed. This means that comparison to periods prior to March 2023 is not possible).</small></p>	100%	80% (as at June 2023)	93% (as at September 2023)	As at 30 September 2023, 93% of the RAP had been finalised. The methodology continued to be refined for more accurate reporting and the result is unable to be compared to periods prior to March 2023.
 <p><b>Level of involvement of Traditional Custodians in city governance.</b></p>	 <p>Increase</p>	65 (2021-22)	155 (2022-23)	<i>No new results this quarter. Result reported annually, at financial year end.</i>

## Strategic Objective: Climate and Biodiversity Emergency

We will prioritise our environment and take urgent action to reduce emissions and waste in order to protect public health, strengthen the economy and create a city that mitigates and adapts to climate change. The City of Melbourne declared a climate and biodiversity emergency in 2019.

### Key developments this quarter (July to September 2023)

#### What we achieved against our Strategic Objective:

- The City of Melbourne has been an active partner in direct and collective advocacy to state and federal government on zero carbon buildings through ministerial engagement and joint campaigns such as supporting the Council of Capital City Lord Mayors to advocate for city led programs as part of the National Energy Performance Strategy.
- The Citizen Foresters have been active in Fitzroy Gardens undertaking hollow mapping, with over 40 people involved in looking at each of the 1457 trees and recording those with habitat hollows and mistletoe within the garden.
- The Go Full Circle program, which up-skills local businesses in circular economy practices via mentoring and group workshops, commenced on 30 August and has so far completed 3 out of 4 of the workshops, with a wrap-up networking event scheduled for early November to celebrate the program and provide the participants with an opportunity to meet.
- The initial FOGO dehydrator pilot program is progressing well, with the Spring Street site electing to extend their pilot by a further six months after a successful 12 month pilot period, whilst the existing dehydrator machines across all six pilot sites have diverted 11.3 tonnes of food waste from landfill with 22.3 tonnes of carbon dioxide equivalent saved.
- Power Melbourne completed extensive community consultation across the municipality, with a series of in-person events, neighbourhood pop-ups, and workshops with Community Champions, reaching over 500 people who shared with us their strong support for renewable energy and support for community batteries being part of the solution.

#### Risks and issues this quarter

The planning scheme amendment to improve the environmental performance of buildings has received Authorisation from the Planning Minister, delay is now due to time required to complete further work relating to the assessment of submissions.











Delivery of our major initiatives within the Council Plan term is on track.

The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
To enhance Melbourne's position as a global leader on climate action, we will undertake bold advocacy on behalf of our community.	Advocate	On track	✓
Create an enabling environment for Melbourne businesses and universities to become the employment centre of a resilient zero-carbon economy.	Partner	On track	✓
Progress a planning scheme amendment to improve the environmental performance of buildings, in order to reduce emissions to zero by 2040.	Deliver	Delayed	✓
Deliver on our Urban Forest Strategy including tree canopy, private greening incentives and city greening.	Deliver	On track	✓
Lead the reduction of food waste and diversion of waste from landfill, by continuing the food organics, green organics rollout through high-rise apartment innovation and by addressing food-waste reduction.	Deliver Partner	On track	✓



The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Support the development of a circular economy through bold leadership and community neighbourhood projects, including the container deposit scheme, alternative waste technologies, circular economy guidelines and partnered or aggregated demand to stimulate end markets.	Partner	On track	✓
Support the development of battery storage and renewable energy in the municipality through the Power Melbourne initiative.	Partner Advocate	On track	✓
Implement the Climate and Biodiversity Emergency action plan.	Deliver	On track	✓

### How we're tracking based on our measures of success:

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p><b>Municipal greenhouse gas emissions.</b></p>	33% reduction (from 2015 baseline by 2025) 	4,231,629 tCO <sub>2</sub> -e <small>(calendar year data 2021)</small>	4,554,280 tCO <sub>2</sub> -e <small>(calendar year data 2022)</small>	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p><b>On-road transport emissions.</b></p>	Decrease 	457,890 tCO <sub>2</sub> -e <small>(calendar year data 2021)</small>	481,833 tCO <sub>2</sub> -e <small>(calendar year data 2022)</small>	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p><b>Installed battery storage capacity in the municipality.</b></p>	Increase 	56kW <small>(2021-22)</small>	163kW <small>(2022-23)</small>	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p><b>Household waste produced.</b></p>	10% reduction (by 2025) 	10,105 t (Q4)	10,063 t (Q1)	Household waste produced during the quarter has slightly decreased, even though the number of high-rise buildings serviced by City of Melbourne has increased.
 <p><b>Municipal waste diverted from landfill.</b></p>	50% diversion (by 2025) 	29.4% (Q4)	29.2% (Q1)	The municipal waste diverted from landfill has decreased since the last quarter in part due to a seasonal reduction in organic waste collected. Feedback from our landfill and recycling processing contractor has indicated significant recycling in the landfill bins which is a trend across other similar councils.

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Percentage of alternative water used for Council's operations.</p>	 <p>Increase</p>	23% (2022)	23% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Percentage of total nitrogen removed from stormwater entering waterways.</p>	 <p>Increase</p>	13% (2022)	13% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Heat health alerts this year. ♥</p>	<p>Decrease</p> 	3 heat health alerts recorded (2022)	3 heat health alerts recorded (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Percentage of tree canopy cover in the public realm. ♥</p>	27% (by 2025)	24.78% (2022)	24.82% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Number of trees planted in the municipality. ♥</p>	<p>&gt;2400 or = 3000</p>	2554 cumulative number of trees planted (Q4)	887 cumulative number of trees planted (Q1)	In response to customer requests, the team continues to focus their attention on replanting vacant sites throughout residential streets and the Central Activity District. Renewing the tree population in residential streets and the central city will have the greatest impact on urban heat and the municipality's canopy cover long term. Based on first quarter result, we are on track to exceed last year's plantings, dependant on seasonal impacts.
 <p>Area of native understorey habitat in the public realm.</p>	 <p>Increase</p>	489,943 m <sup>2</sup> (2021-22)	490,663 m <sup>2</sup>	<i>No new results this quarter. Result reported annually, at financial year end.</i>

## Strategic Objective: Access and Affordability

We will reduce economic and social inequality by ensuring universal access to housing, core services and information.

### Key developments this quarter (July to September 2023)

#### What we achieved against our Strategic Objective:

- Construction of the Brens Pavilion is complete and clubs are now using the new facilities. Final defects rectification work is underway.
- A six-monthly update on neighbourhood priorities has been published on the neighbourhood portals, providing community members with visibility on progress. Updates have included seven new community stories highlighting “faces of the neighbourhoods” promoting community connection and local activities.
- The Elizabeth Street Pop-up library continues to operate, attracting new users and preparing existing patrons for the new narm ngarrgu library opening in November 2023. The total number of visitors for this quarter was 13,000.
- The Toy Library integration is complete and the service is well-attended with new users from the library network. Over the next two months it will be offered at Library at The Dock, increasing community access.
- Work commenced to update and improve the communication boards used by CoM at key locations to assist people with non-verbal communication.
- Members of the Disability Advisory Committee provided feedback and lived experience advice to the Future Streets Strategy and the Queen Victoria Market renewal
- 11 Mel-Van outreach sessions were conducted, reaching out to 461 participants at various locations.
- Digital literacy programs continue to be an in demand area for the community with 16 workshops held with 239 people.
- The Makerspace inductions continue to grow in popularity with 292 new users this quarter and 2348 people accessing the service.
- 108 people have successfully been housed through the Melbourne Service Coordination Project this quarter

#### Risks and issues this quarter

Further work is being undertaken on the future approach to service planning for City of Melbourne core services under the corporate strategy.

Delivery of our major initiatives within the Council Plan term is on track.

The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Increase and upgrade accessible, inclusive spaces for women in City of Melbourne sports facilities	Deliver	On track	✓
Implement a neighbourhood model by working with communities to develop neighbourhood plans and neighbourhood service centres that respond to the local community's existing and projected needs.	Deliver	On track	✓

The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Deliver a revitalised library network, including pop-up libraries, to increase access for our diverse community and to help revitalise the city.	Deliver	On track	✓
Deliver the <a href="#">Disability Access Plan 2020–2024</a> to reduce and eliminate barriers in our built, social and informational environment to the equitable and full participation of people with disability in our city.	Deliver Partner	On track	✓
Develop and deliver initiatives and programs that will provide food relief to vulnerable members of our community and improve local food production by supporting communities to grow their own food.	Deliver Partner Advocate	On track	✓
As part of a new corporate strategy for the City of Melbourne, ensure our core services remain accessible and affordable.	Deliver	On track	✓
In partnership with the Victorian Government commence construction on a replacement North Melbourne Community Centre precinct for the Melrose St community and growing Macaulay population.	Deliver Partner	Delayed	✗
Deliver programs that will build digital literacy skills and capabilities, improve access to free Wi-Fi from our community facilities and advocate for appropriate digital infrastructure, to improve digital inclusion for all, particularly for vulnerable groups.	Deliver	On track	✓
Create a new entity 'Homes Melbourne', to coordinate and facilitate more affordable housing for key workers and people on low-incomes and progress a demonstration project on Council-owned land, support the Make Room accommodation project and new homeless support hubs for vulnerable citizens to access essential support services including food, showers, lockers, information, and housing and homelessness advice.	Partner	On track	✓

### How we're tracking based on our measures of success:

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
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Number of people recorded as experiencing chronic homelessness and sleeping rough. ♥





Zero

73  
(Q4)

83  
(Q1)

Analysis of the BNL data shows inflows to the city continue to increase leading to greater visibility of people sleeping rough. Therefore continuing to illustrate the need for temporary, supported and long term housing pathways.

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Number of people experiencing chronic homelessness and sleeping rough, who have been supported to access transitional, social or private rental housing ♥</p>	200 (by 2025)	29 (Q4)	30 (Q1)	Housing outcomes can mostly be attributed to people who have case management support and are connected to the Victorian Government Homelessness to a Home Program. As this program has ended, less people in coming months will be eligible for this pathway out of homelessness, however people with priority Victorian Housing Register applications and are connected with other service will receive housing offers.
 <p>The number of affordable housing units approved through a planning permit. ♥</p>	200 (by 2025)	N/A	Zero (Q1)	There have been no affordable housing units approved through a planning permit between July and September 2023. There are applications with affordable housing currently being assessed, but these sites have not yet received permit approvals. The application tracking tool is in development and will be presented to councillors in November. Affordable Housing is a purely voluntary.
 <p>Number of new demonstration social and affordable housing units facilitated on City of Melbourne land. ♥</p>	100 (by 2025)	Zero	50 units under construction via the Make Room project	The Make Room project commenced the conversion of a Council-owned building at 602 Little Bourke Street into secure, safe and supported accommodation (50 units) for people experiencing homelessness and sleeping rough.
 <p>Proportion of people reporting food insecurity. ♥</p>	25% reduction (by 2025)	31.7% (2022)	31.7% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Proportion of people surveyed who participate in lifelong learning in the municipality.</p>	Increase	69.0% (2022)	74.7% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Proportion of people surveyed who participate in arts and cultural activities in the municipality. ♥</p>	 <p>Increase</p>	19.1% (2022)	24.0% (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>
 <p>Number of City of Melbourne programs that are inclusive and respond to the needs of people with disability. ♥</p>	 <p>Increase</p>	222 (2022)	486 (2023)	<i>No new results this quarter. Result reported annually, at financial year end.</i>

## Strategic Objective: Safety and Wellbeing

We will plan and design for the safety and wellbeing of those who live, visit, work and do business in Melbourne, regardless of their background.

### Key developments this quarter (July to September 2023)

#### What we achieved against our Strategic Objective:

- Engagement on the draft Future Streets Framework has begun with more than 11,000 participate page views and 1,500 report downloads in the first 8 weeks.
- The City of Melbourne also supported the first ever Refugee Community Organisations of Australia conference, which brought together refugees and other stakeholders to highlight and share the voice of people with lived experience.
- In September the City of Melbourne supported community members to participate in the Afropreneurs Summit, empowering current and future African-Australian entrepreneurs.
- Operation Protocol continued to operate every Monday, Wednesday and Friday, providing joint outreach and support to people sleeping rough.
- The Rapid Response Clean Team removed 17,200 m2 of graffiti and 996 tonnes of rubbish this quarter with a special clean program delivered in the lead up to spring and grand final week. The program pressure washed more than 18,000 m2 of footpaths in high pedestrian and transport hub locations.
- As part of the Graffiti Prevention and Management Plan, anti-graffiti coatings were applied to Southbank and Northbank Promenade bluestone walls, improving the ability to remove any new graffiti. The first mural as part of the plan has been installed at an identified graffiti hotspot in Equitable Place.
- A Community Resilience workshop was delivered with North and West Melbourne residents in September to understand vulnerabilities and strengths, and hear ideas to build resilience.
- Work continues with operators of e-scooters to introduce designated parking to reduce e-scooter clutter on footpaths. Lime and Neuron ran an e-scooter safety event in September at Southbank

### Risks and issues this quarter



Limited access to sites have resulted in delays to some pedestrian and bicycle infrastructure projects.

Delivery of our major initiatives within the Council Plan term is on track.













The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Continue to implement the <a href="#">Transport Strategy 2030</a> including delivery of a protected bike lane network, station precincts as key gateways, little streets as streets for people, safer speed limits, micro mobility trials, more efficient traffic signal timing, developing an approach to support electric vehicles, and bicycling encouragement programs.	Advocate Partner Deliver	On track	☑
Deliver the North and West Melbourne and Docklands Transport and Amenity Program in partnership with the Victorian Government.	Deliver Partner	Delayed	☑
As part of the delivery of the City Road Master Plan, the City of Melbourne will design and deliver the upgrades to the City Road northern under croft by end of 2023-2024 and advocate for the full delivery of upgrades to the City Road East and West.	Deliver Advocate	Delayed	☑

The major initiatives we're delivering	Council's role	Progress on meeting our milestones for 2023-24	Confidence in delivery by Council Plan term end
Adopt (2021–22) and then implement (2022–25) an <u>Inclusive Melbourne Strategy</u> that will increase access to opportunities for all people and outline how the City of Melbourne will respond to the diversity of religions, cultures, age groups, genders, sexual orientation and abilities among the people who live, work, study in, and visit the city.	Deliver	On track	☑
We will be a leading organisation on equality and inclusion, and deliver programs in communities that will reduce physical and psychological harm to all people. We will adopt and deliver the Prevention of Violence Against Women Action Plan (endorsed as the Women's Safety and Empowerment Action Plan) 2021–24, and meet our obligations under the Gender Equality Act 2020.	Deliver	On track	☑
We will continue to work with Victoria Police and other agencies to deliver a range of initiatives that improve safety on the streets of Melbourne.	Partner Deliver	On track	☑
Deliver and maintain a clean city through the Rapid Response Clean Team initiative.	Deliver	On track	☑
Engage and prepare residents and communities to enhance their resilience to hazards, disasters and the health impacts of climate change.	Deliver	On track	☑

### How we're tracking based on our measures of success:

Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Proportion of people who report feeling safe in the city. ♥</p>	90% by day, 65% by night	81% by day 49% by night (2022)	82% by day 51% by night (2023)	No new results this quarter. Result reported annually, at financial year end.
 <p>Melburnians' self-reported sense of belonging to community. ♥</p>	At least 70 on a scale of 100	64.6% (2022)	63.1% (2023)	No new results this quarter. Result reported annually, at financial year end.



Strategic indicator	Target or desired trend	Previous result, where available	Latest result	Comments on new results this quarter
 <p>Rate of recorded family violence incidents. ♥</p>	<p>Decrease</p> 	<p>1398.8 per 100,000 (2022)</p>	<p>1241.3 per 100,000 (2023)</p>	<p>No new results this quarter. Result reported annually, at financial year end.</p>
 <p>Complaints of discrimination based on sexual orientation, sexuality, disability, sex, gender, race, religious or political beliefs or other grounds for unlawful discrimination. ♥</p>	<p>Decrease</p> 	<p>5 racial vilification reports 10 race discrimination reports 4 disability discrimination reports (2022)</p>	<p>N/A</p>	<p>No new results this quarter. Result reported annually, at financial year end. This data is unavailable at local government level for 2022-23</p>
 <p>Proportion of adults who get adequate physical exercise. ♥</p>	<p>Increase</p> 	<p>46% (2022)</p>	<p>46% (2023)</p>	<p>No new results this quarter. Result reported annually, at financial year end.</p>
 <p>Rate of ambulance attendance for alcohol and drug misuse in the municipality. ♥</p>	<p>Decrease</p> 	<p>2116 per 100,000 population (2021-22)</p>	<p>2280 per 100,000 population (2022-23)</p>	<p>No new results this quarter. Result reported annually, at financial year end.</p>
 <p>Number of transport related injuries and fatalities. ♥</p>	<p>Decrease</p> 	<p>56 (Q4)</p>	<p>55 (Q1)</p>	<p>Preliminary reports indicate a downward trend from previous quarter. The report includes DTP-managed arterial roads. As data is continuously updated and consolidated by Department of Transport Crashstats, quarterly reported figures is subject to change.</p>
 <p>Proportion of trips made by public transport, bicycle or on foot. ♥</p>	<p>Increase</p> 	<p>63.4% (2018)</p>	<p>63.4% (2018)</p>	<p>No new results this quarter. Result reported every two years, with a pause due to pandemic restrictions. Next published results scheduled for late 2024 release.</p>

Council Works Program quarter one summary report

## Capital Works Portfolio FY2023-24

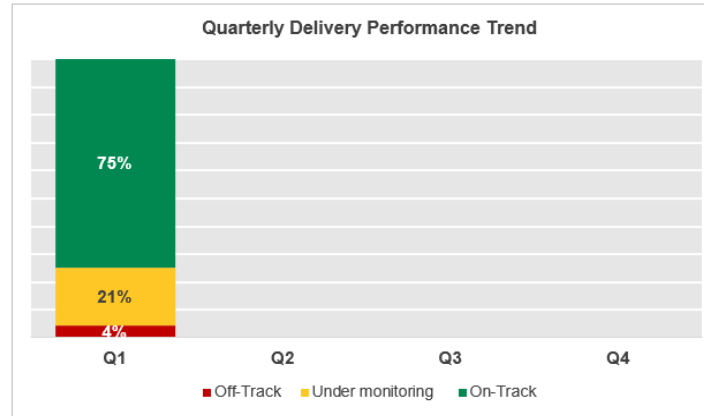
The Capital Projects Portfolio comprises programs and projects that the City of Melbourne delivers to achieve the initiatives set out in the Council Plan. To achieve the Council’s strategic objectives and respond to the many challenges faced by our municipality, such as population growth, climate change, economic growth and post-pandemic urban revitalisation, the Council endorsed a \$289 million Council works budget for FY23-24.

This budget incorporates \$276 million capital works (\$217.5 million new works and \$59 million renewals works), \$12.5 million maintenance works, including \$34.5 million approved carried forward from last year. Together, the current and following three years of the Council Works budget total almost \$876.5 million in the four-year cycle.


### Highlights for quarter one (July to September 2023)


In the first quarter of the FY 2023-24, the City of Melbourne successfully delivered \$47.8 million worth of their capital works portfolio. This achievement represents a delivery rate of 96% of the planned year-to-date budget, and our highest rate of delivery YTD compared to previous years.





We also achieved significant milestones with the completion of Queen’s Food Hall (QVM) and Munro Library and Community Hub.




- **On-Track** The latest result has achieved the targets for all measures.
- ▲ **Under Monitoring** The latest result experienced a minor miss in relation to one or more measures and is under monitoring.
- ◆ **Off-Track** There is a notable variation from the targeted result for one or more measures.



Project Title	Description	Quarterly Update	Completion Date	Project Photo
<b>Melbourne City Baths Urgent Works</b>	<p>Melbourne City Baths is an iconic heritage building in the heart of the CBD.</p> <p>Over the past 12 months significant upgrade works have been undertaken internally in the building. The works include DDA and compliance and safety improvements within the building. These important upgrade works will continue in 2023 and 2024</p>	<p>In this quarter, design development and tender documentation for upgrade works has been completed for tender issue for late 2023. Works are anticipated to commence from February 2024.</p> <p><b>Budget: \$425,000 YTD Actuals: \$47,240</b></p>	June 2024	



Project Title	Description	Quarterly Update	Completion Date	Project Photo
<p><b>Queen Victoria Market Precinct Renewal Program</b></p>	<p>Guided by the 2015 Master Plan, the Queen Victoria Market Precinct Renewal (QVMPR) will secure the market's place as a traditional open air market, through heritage restoration, and provision of essential market infrastructure to improve the customer and trader experience. Alongside the heritage market, the renewal program will also deliver precinct improvements for the community, through quality open space, community services and facilities. Key projects in 2022-23 include: delivery of the new Food Hall, restoration of the heritage sheds start of construction of essential market infrastructure (Trader and Northern Sheds) the appointment of the Southern Site developer, progression of the design of Market Square, and precinct streetscape improvements.</p>	<p>Progress has been ongoing on significant market renewal projects, including:</p> <p><b>Queen's Food Hall:</b> A key milestone was achieved with the handover of the new Queen's Food Hall to Queen Victoria Market Pty Ltd, who are overseeing the fit-out of the retail spaces.</p> <p><b>Heritage Sheds Restoration:</b> With the exception of the western gable end of Sheds H and I, which will be completed alongside the Market Infrastructure works, the Heritage Sheds repair and restoration project marks the most substantial restoration effort for these sheds in the past four decades. The project involved crucial trader services installation (power and water) accessible through designated bollards. Solar panels have been integrated into the new insulated roofing, and power and lighting systems have been upgraded.</p> <p><b>Therry Street Streetscape Renewal:</b> A significant milestone was achieved with the completion of the Therry Street streetscape renewal project.</p> <p><b>Trader Shed:</b> Early works are underway, focusing on enhancing visitor and trader access around the site. Temporary facilities for traders are being constructed in anticipation of the major works, following the handover of Sheds H and I to the builder.</p> <p><b>Market Square:</b> The month-long Market Square community engagement process concluded in early October. Design efforts are currently underway, incorporating feedback received during the community engagement process.</p> <p><b>Budget: \$60,000,000 YTD Actuals: \$7,823,354</b></p>	<p>September 2027</p>	




Project Title	Description	Quarterly Update	Completion Date	Project Photo
<p><b>Southbank Promenade Stage 1</b></p>	<p>Stage 1 of Southbank Promenade stretches 300 metres along Southbank Promenade, between Princes Bridge and Evan Walker Bridge. The area has been prioritised because of the condition of trees, pavements, and longstanding issues with fast cyclist speeds. Due to pending multimillion-dollar Southgate development, Council decided in April 2021 to proceed with an early works package, limited to extension of the upper promenade on the west.</p>	<p>The remaining phase of Stage 1 works were completed in mid-July 2023.</p> <p><b>Budget: \$200,000    YTD Actuals: \$17,384</b></p>	<p>Completed July 2023</p>	
<p><b>Kensington Community Recreation Centre redevelopment</b></p>	<p>The City of Melbourne is committed to redeveloping the Kensington Community Recreation Centre to improve its facilities for the local community to include three new full-sized indoor multipurpose courts, health and wellness facilities, an eight-lane x 25 metre indoor pool, children's water play, three large flexible spaces suitable for a range of classes and community uses, and accessible change rooms. The budget for this multiyear project is \$68.2 million.</p>	<p>Piling for the new footings has been completed, and underground services have been installed successfully. Work on the ground and first floor slabs has commenced, and the installation of pre-fabricated walls and pillars is ongoing. Additionally, progress continues on the pool shell and plenum works.</p> <p><b>Budget: \$28,000,000    YTD Actuals: \$7,202,544</b></p>	<p>2025</p>	
<p><b>narrm ngarrgu Library and Family Services (noted in previous report as Munro Library and Community Hub)</b></p>	<p>Deliver a revitalised library network, to increase access for our diverse community and to help revitalise the city. Identify and secure a location for a new city library. Finalise design plan and tender documentation. Award contract for building works. Complete fit out works and opening of the new facility</p>	<p>In September 2023, we reached a major milestone by completing the fit-out works within the allocated timeframe and budget constraints. The facility is currently being prepared for public use, with ongoing activities such as book deliveries and artworks installations. Anticipated to be operational by the end of November 2023, the library and family services will soon be accessible to the community.</p> <p><b>Budget: \$10,625,238    YTD Actuals: \$8,381,807</b></p>	<p>Nov 2023</p>	
<p><b>Cycle Infrastructure</b></p>	<p>We are committed to making the City of Melbourne a bike friendly city. We are continuing cost effective treatments to accelerate the delivery of new kerbside protected bike lanes along strategic cycling routes. All designs will be approved by Department of Transport as trials and evaluated post implementation. The projects in this program will complete works in progress from FY2020-21.</p>	<p>Work is continuing with design development and approval from Department of Transport and Planning on key projects which include:</p> <p><b>Grattan Street:</b> designs have been finalised including coordination works with the rail project interface at Parkville Station.</p> <p><b>Arden Street and Macaulay Road:</b> community engagement completed and designs and approvals are progressing well.</p> <p>Design development on several projects to reduce bike infrastructure gaps in the network are also progressing.</p>	<p>June 2024</p>	

Project Title	Description	Quarterly Update	Completion Date	Project Photo
		<p><b>Budget: \$6,353,208 YTD Actuals: \$160,769</b></p>		
<p><b>The Greenline project</b></p>	<p>Partner with the Victorian Government and other stakeholders to deliver specific components of The Greenline Project along the north bank of the Yarra River (including the implementation of the Yarra River–Birrarung Strategy).</p>	<p><b>The Greenline Project Final Master Plan</b> - The Final Master Plan commenced development in September 2023, and along with an engagement summary report is scheduled to be presented to FMC on 5 December 2023.</p> <p><b>Partnerships and Funding Strategy</b> - A Draft P&amp;F Strategy is being developed to outline the approach to partnerships and securing further funding to enable project delivery.</p> <p><b>Funding</b> - The final stage of an eligibility criteria assessment is complete, and a funding agreement is under development to receive a \$20M PCIP grant from Federal Government.</p> <p><b>Precinct Plans</b> - The development of 5 Precinct Plans for the Greenline Project commenced in September 2023. These Precinct Plans will enable further engagement with Stakeholders and Authorities to ensure agreement on, and the feasibility of the Greenline Project proposals.</p> <p><b>Birrarung Trial Floating Wetlands</b>, a partnership project between the City of Melbourne and DEECA, is complete. Maintenance, establishment, monitoring and education is ongoing.</p> <p><b>Birrarung Marr Site 1</b> – a Design &amp; Construct contract has been executed with Symal, and schematic design is nearing completion, with land owner consent granted for further on-site testing and investigations.</p> <p><b>The Seafarers Rest Park</b> is expected to commence construction in 2024 when the main Seafarers development is nearing completion.</p> <p><b>Budget: \$17,000,000 YTD Actuals: \$796,403</b></p>	<p>30 June 2030</p>	
<p><b>City Road Master Plan</b></p>	<p>The City Road master plan is a public realm plan that aims to improve the safety, amenity and environmental sustainability of City Road and adjacent spaces.</p>	<p>The Northern Undercroft project is awaiting confirmation of a grant funding application for delivery. The delivery of the pedestrian crossing is postponed until early 2025.</p> <p><b>Budget: \$3,823,121 YTD Actuals: \$11,941</b></p>	<p>Date to be confirmed on receipt of funding</p>	<p>Project is at concept design phase</p>





Project Title	Description	Quarterly Update	Completion Date	Project Photo
<p><b>North and West Melbourne and Docklands Transport and Amenity Program</b></p>	<p>The North Melbourne, West Melbourne and Docklands Transport and Amenity Program (TAP) is a suite of streetscape improvement projects that will help alleviate some of the effects and leverage the benefits that the West Gate Tunnel Project will have on local and arterial roads in the City of Melbourne.</p>	<p>Projects are progressing and waiting for Ministerial approval for the planning and delivery stages.</p> <p>Concept designs have been finalised for several subprojects with Hawke Street and Franklin Street going to design development.</p> <p>Spencer Street North Masterplan is progressing to community engagement in FY2023-24.</p> <p><b>Budget: \$6,000,000 YTD Actuals: \$291,928</b></p>	<p>December 2025</p>	
<p><b>Gateway to GMH Turner Street Works</b></p>	<p>From the \$4.68m building works stimulus grant, \$3.75m is allocated to the 'Gateway to GMH' project and funded from September 2020 to December 2022. The project comprises designing and constructing a bike path along Turner Street in Fishermans Bend. The funding will also cover greening, digital infrastructure and some creative place making if capital expenditure is applicable. The balance of this grant will fund operational costs.</p>	<p>The shared path, line-marking and nature strip works have been completed along Turner St. Minor civil works comprising the remaining traffic installations in Graham St are nearing completion.</p> <p><b>Budget: \$797,473 YTD Actuals: \$89,141</b></p>	<p>December 2023</p>	
<p><b>North Melbourne Community Centre Redevelopment</b></p>	<p>This project is a Capital Works Major Initiative (MI 42) in 2021-22 and is the continuation of an API 2020-21. The purpose of this project is to ensure the services, indoor community activity space and outdoor recreation needs of the growing Macaulay population in the Melrose Precinct in North Melbourne are met while contributing to Council's affordable housing objectives.</p>	<p>Progressing with internal planning with community engagement aimed at this financial year.</p> <p><b>Budget: \$3,000,000 YTD Actuals: \$43,180</b></p>	<p>June 2026</p>	<p>Project is at option analysis and no photo or architectural render is available</p>




Project Title	Description	Quarterly Update	Completion Date	Project Photo
<p><b>Waste and Resource Recovery Hub Expansion Program</b></p>	<p>Expanding the waste and resource recovery hub network across the central city is a key action of the City of Melbourne's ambitious Waste and Resource Recovery Strategy 2030. The strategy will move us towards a city that produces less waste and transforms the way we collect and process waste.</p> <p>An additional two new communal waste and recycling hubs, plus an uplift in existing hubs for improved recycling options, will be introduced for city businesses to improve business recycling rates and divert waste from landfill. The new facilities will remove nearby private bins stored permanently in public space, reduce the number of waste collection vehicle movements in the central city and improve amenity of the surrounding area.</p>	<p>Community engagement on first two new Hubs has concluded. Future Hubs engagement underway. Bespoke compactor technology is being fabricated by a local manufacturer, supporting local economy and jobs. Also, unique collection vehicles will be piloted as a world first in urban environments.</p> <p>Business food waste service expansion continues to be successful. Over 70 tonnes of food waste collected this quarter that prevented over 140 tonnes of greenhouse gas emissions. Further expansion of business food waste service being explored.</p> <p><b>Budget: \$1,264,646 YTD Actuals: \$76,772</b></p>	<p>June 2026</p>	
<p><b>Dodds Street linear park, Southbank</b></p>	<p>Dodds Street Linear Park will deliver public open space, trees, plants, bluestone pathways and gathering spaces in Southbank.</p> <p>A public artwork has been commissioned for the space – planning and design is underway.</p> <p>The project delivers on multiple Council strategies including the Transforming Southbank Boulevard Project, the Urban Forest Strategy and Precinct Plans, and the Open Space Strategy.</p>	<p>Stage 2 (Southbank Blvd – service lane) completed and opened to public on 30 Oct 2023. Major stakeholders, MTC and Buxton, now have full access to their premises via Dodds St. Accessible parking bays and loading zones are reinstated in Dodds St.</p> <p>Stage 3 (south of service lane) started in late August 2023 and is in progress. Latent soil condition triggered redesign of footings and caused minor delay. Project completion expected in early March 2024.</p> <p><b>Budget: \$4,181,506 YTD Actuals: \$759,760</b></p>	<p>March 2024</p>	

Project Title	Description	Quarterly Update	Completion Date	Project Photo
<p><b>Royal Park Pavilions</b></p>	<p>City of Melbourne is upgrading three pavilions in Royal Park to provide universally accessible change facilities and more room for the growing demand in community sport, particularly the growth in female participation in sport.</p> <p>The pavilions include:</p> <ul style="list-style-type: none"> <li>• Western Pavilion located near Park Street</li> <li>• Brens Pavilion located between Melbourne Zoo and Royal Parade</li> <li>• Ryder Pavilion located near the corner of Park Street and The Avenue.</li> </ul>	<p><b>Western Pavilion</b> – Completed in 2022.</p> <p><b>Brens Pavilion</b> – Construction of the pavilion is complete with sporting clubs actively utilising the new facilities. Stage 2 landscaping and carpark is now complete. The official pavilion opening event was held 21 October 2023.</p> <p><b>Ryder Pavilion</b> –Construction is now expected to commence in early 2024 pending a successful tendering process.</p> <p><b>Budget: \$4,117,432 YTD Actuals: \$340,766</b></p>	<p>Feb 2025</p>	
<p><b>Exhibition Street Theatre Precinct Streetscape</b></p>	<p>This project will deliver upgraded footpaths, new trees, a safer bike lane and bigger pedestrian spaces outside Her Majesty’s Theatre and the Comedy Theatre on Exhibition Street. This is the second stage of the project, which commenced in 2020. \$3.07 million has been allocated in the Capital Works budget to deliver the project in FY23-24.</p>	<p>The contract is set to be awarded in November 2023, with construction expected to commence in early 2024 and conclude by June 2024.</p> <p><b>Budget: \$50,000 YTD Actuals: \$16,870</b></p>	<p>June 2024</p>	
<p><b>Princes Bridge Bluestone Repair works</b></p>	<p>Heritage conservation works including bluestone repairs and replacement, drainage works, painting of bridge elements and rationalisation electrical supply. This is year 1 of a 3-year rolling programme of works.</p>	<p>The initial Pier #7 bluestone has been sourced from a quarry and is currently undergoing processing into large blocks by the stone mason. The Contractor has recently set up their on-site operations adjacent to Alexandra Gardens for the duration of the three-year project.</p> <p><b>Budget: \$5,330,422 YTD Actuals: \$221,634</b></p>	<p>August 2025 (southern half) August 2026 (northern half – currently unfunded)</p>	






Project Title	Description	Quarterly Update	Completion Date	Project Photo
<p><b>Pocket Parks</b></p>	<p>The Pocket Parks program contributes towards the delivery of Major Initiative 16 Increase Public Open Space. The major initiative will provide high-quality, functional, useful and beautiful parks and gardens close to where people live and work.</p> <p>Creation and development of pocket parks in areas of need, such as North Melbourne, West Melbourne, Docklands, Southbank and Melbourne 3000, increasing the proportion of residents living within 300 metres of public open space.</p>	<p>The contract for constructing the Bedford Street Pocket Park project in North Melbourne was awarded through a public tender process in September 2023. Construction activities are slated to begin in November 2023, with the anticipated completion in early 2025.</p> <p>Simultaneously, feasibility studies and preliminary design investigations for the expansion projects at Miles and Dodds Street Reserve in Southbank and Chapman Street Pocket Park in North Melbourne are in progress.</p> <p><b>Budget: \$6,580,000 YTD Actuals: \$118,402</b></p>	<p>Early 2025 (Bedford Street Pocket Park construction)</p> <p>Late-2025 (Miles and Dodds Street Reserve and Chapman Street Pocket Park construction)</p>	
<p><b>Urban Renewal Open Spaces</b></p>	<p>Urban renewal open spaces contributes towards the delivery of Major Initiative 16 Increase Public Open Space. The major initiative will provide high-quality, functional, useful and beautiful parks and gardens close to where people live and work.</p> <p>Acquisition, creation and development of new open space in the Arden, Macaulay, City North and Fishermans Bend urban renewal areas. Structure planning is currently in progress and the proposed open space networks and delivery mechanisms will likely be understood in 2021–22. Proactive acquisition of suitable parcels for open space ahead of development is required.</p>	<p>Continued feasibility and preliminary design assessments were conducted for the Chelmsford Street Open Space project in Kensington. Additionally, the ongoing efforts include search for suitable properties that can be acquired and transformed into public open spaces.</p> <p><b>Budget: \$280,000 YTD Actuals: \$45,200</b></p>	<p>June 2026 (Chelmsford Street Open Space construction)</p>	




# Proposed Record of Program Adjustments 2023-24 - Quarter ONE



**Symbols:**  Budget increase  
 New project or no change in the amount  
 Budget reduction

**Attachment 5**  
**Agenda item 6.1**  
**Council**  
**28 November 2023**

Month	Project No.	Project Name	Council Approved Budget	Project Funding Source			Revised Budget	Adjustment Type	YTD Actual	Comments
				Council Funds	External Funds	Grants				
Sep-23	23B1442R	Uni Square Stage 2 Redevelopment	6,000,000	(5,655,000)	0	0	345,000		107,000	With Metro Tunnel works in Parkville now well progressed, and through the Future Melbourne Committee's approval of a Master Plan Refresh and Draft Concept Design for community consultation, project timeframes can now be revised. Design Development will commence after the conclusion of the community consultation process in early 2024. As a result of the program update, a deferral of \$5.65 million from FY23/24 to FY25/26.
Aug-23	23B1340R	ACCA Forecourt Renewal	1,500,000	190,000		(190,000)	1,500,000		6,014	While project is fully grant funded, \$0.19 million of council funding is required to commence the project design development and feasibility studies to provide the information/documentation to facilitate release of grant funding.
Sep-23	23B2512R	Tan Track Clock Renewal	0			181,000	181,000		0	The Tan Track Clock is being renewed with funding received from the Bannellong Foundation. It aims to promote physical exercise and engagement around the Tan.

## Proposed Record of Program Adjustments 2023-24 - Quarter ONE

**Symbols:**  Budget increase  
 New project or no change in the amount  
 Budget reduction

Month	Project No.	Project Name	Council Approved Budget	Project Funding Source			Revised Budget	Adjustment Type	YTD Actual	Comments
				Council Funds	External Funds	Grants				
Sep-23	19B1376N	Exhibition Street Theatre Precinct Streetscape	50,000	3,074,467	0	0	3,124,467		16,870	A total of \$0.05 million was carried forward into FY2023-24 to finalise Department of Transport and Marriott Hotel approvals. With approvals now obtained, the trial bicycle lane and works in front of the Marriott Hotel which can now to proceed, with \$3.07 million carried over to enable delivery to proceed.
Aug-23	23B2603M	Shrine Reserve - Hostile Vehicle Mitigation	0	0	0	3,411,577	3,411,577		25,497	A fully grant funded project, the unspent grant of \$3.41 million is available to be rolled over to FY2023-24.
<b>Total Adjustment</b>			<b>7,550,000</b>	<b>(2,390,533)</b>	<b>0</b>	<b>3,402,577</b>	<b>8,562,044</b>		<b>155,381</b>	

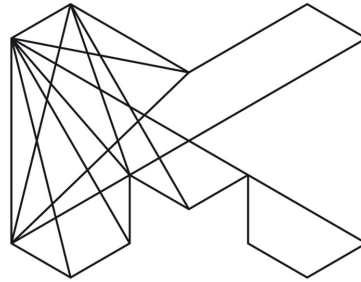
## Financial Performance Report and Budget 2023-24 for the First Quarter

### Purpose and background

1. The purpose of this report by the Chief Executive Officer (CEO), is to inform Council of its financial performance for the first quarter ending 30 September 2023 in accordance with the Local Government Act 2020 (the Act) and to provide information on supplementary valuations adopted under delegation (**refer Attachment 8 and 9**).
2. The year to date FY 2023–24 September result (excluding gain on disposal of properties) was an underlying surplus of \$15.2 million, \$9.1 million favourable versus Budget (\$6.1 m). The favourable variance is due mainly to favourable operating revenue mainly in building and planning fees (\$0.9m), higher events related income (\$0.6m), and below budget expenses across employee costs (\$0.8m net of agency costs), timing of investment Melbourne grants expenditure (\$2.2m), timing of street cleaning expense (\$0.9m), maintenance spend (\$1.8m) and licence payments (\$1.1m).
3. In addition, monetary income for Public Open Space contributions (\$4.6 m) is \$0.6 million below Budget. As these monies are retained in the Balance Sheet, this does not impact the Underlying Surplus/(Deficit).

### Key issues

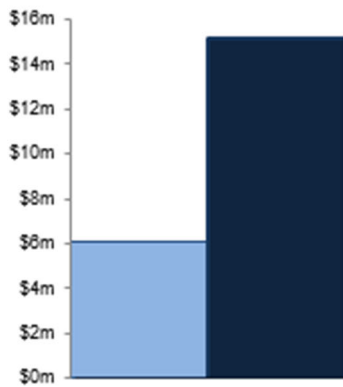
4. As at 30 September 2023, CoM's total cash balance was \$48 million inclusive of \$110 million borrowings (2022: \$47 million inclusive of \$20 million borrowings). Consistent with prior year, liquidity has been bolstered by strong quarterly instalment receipts for rates in September which are offset by continued high creditor payments.
5. A detailed analysis of revenue and expenditure is included in **Attachment 7**.



**CITY OF MELBOURNE**

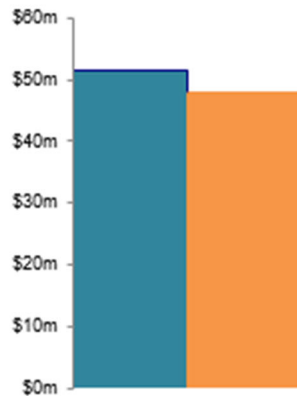
# FINANCIAL PERFORMANCE REPORT September 2023

**Underlying Surplus/(Deficit)**



■ YTD Budget	\$6.1m
■ YTD Actual	\$15.2m
YTD Variance	\$9.1m

**Council Works Program**



■ YTD Budget	\$51.7m
■ YTD Actual	\$47.9m
YTD Variance	\$3.8m

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Investment Portfolio Performance	13
Public Open Space Contribution	14

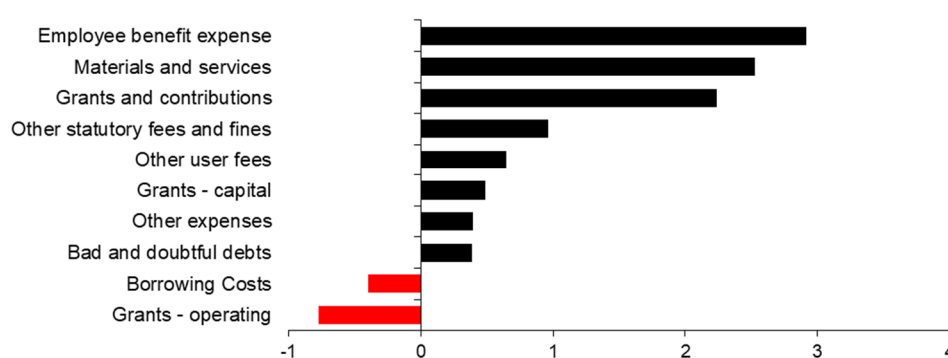
## Executive Summary

### Underlying Operating Results:

2022-23 Actual	2023-24 Budget	\$ Thousands	FY 2023-24 (\$'000)		
			Budget	Actual	Variance
561,710	610,414	Revenue	148,863	150,005	1,142
542,401	583,593	Operating Expenditure	132,521	124,571	7,949
19,309	26,821	<b>Results from Ordinary Activities</b>	16,342	25,434	9,090
(57)	1,615	Net gain/(loss) on disposal of property, infra, plant and equip	250	610	360
5,713	0	Fair value adjustments for investment properties	0	0	0
0	0	Writedown on Investment	0	0	0
<b>24,965</b>	<b>28,436</b>	<b>Profit/(Loss)</b>	<b>16,592</b>	<b>26,044</b>	<b>9,451</b>
(44,849)	(44,323)	Less External Contributions to Capital	(10,286)	(10,283)	3
(5,713)	0	Less Gain on Investment Revaluation	0	0	0
0	0	Less Contributed Assets	0	0	0
57	(1,615)	Net Gain/(Loss) on disposal of property, infra, plant and equip	(250)	(610)	(360)
<b>(25,540)</b>	<b>(17,502)</b>	<b>Underlying Surplus/(Deficit)</b>	<b>6,056</b>	<b>15,151</b>	<b>9,094</b>

### Key Financial Variances:

Top 10 Variances (\$millions)



The year to date FY 2023–24 September result (excluding gain on disposal of properties) was an underlying surplus of \$15.2 million, \$9.1 million favourable versus Budget.

The favourable variances are due mainly to:

- Employee benefit expense (\$2.9 million favourable) due mainly to year to date vacancy savings which is largely offset by using of backfilling agency staffs
- Materials and services (\$2.5 million favourable) due mainly to timing of contractor, maintenance and technology license expenditure
- Grants and contributions (\$2.2 million favourable) as a result lower than expected Investment Melbourne grants expenditure
- Other statutory fees and fines (\$1.0 million favourable) due mainly to higher than expected construction zone permit revenue.
- Other User Fees (\$0.6 million favourable) due mainly to higher than expected events related revenue

*Partially offset by:*

- Grants - operating (\$0.8 million unfavourable) as a result lower than expected Affordable House project grants income

## **Council Works Program**

The financial year delivery against the Council Works budget continues to be positive, with a 93% delivery rate (\$47.9 million, \$3.8 million lower than budget \$51.7 million). New Works portfolio spent 89% of its planned budget, whilst renewal delivered 94% of its budget, and maintenance surpassed its planned budget of 5% (i.e. reaching 105% of its YTD budget).

## **Borrowings & Liquidity position**

As at 30 September 2023, CoM's total cash balance was \$48 million with \$110 million borrowings (2022: \$47 million inclusive of \$20 million borrowings). Consistent with prior year, liquidity has been bolstered by strong quarterly instalment receipts for rates in September which are offset by continued high creditor payments.



Prior Year 2022-23 Actual (\$'000)	Balance Sheet	Current Year Sep-23 Actual (\$'000)	Movement 2023-24 Actual (\$'000)
	<b>Balance Sheet</b>		
	<b>Assets</b>		
	<b>Current Assets</b>		
97,790	<i>Ref 1</i> Cash and cash equivalents	47,814	(49,976)
63,050	<i>Ref 2</i> Trade and other receivables	416,566	353,516
0	Other financial assets	0	0
13,933	<i>Ref 3</i> Other assets	15,359	1,426
<b>174,773</b>	<b>Total Current Assets</b>	<b>479,739</b>	<b>304,966</b>
	<b>Non current assets</b>		
34,749	Other financial assets	35,114	365
28,477	Investment in subsidiaries and trust	28,477	0
4,729,712	<i>Ref 6</i> Property, infrastructure, plant and equipment	4,753,950	24,238
230,751	<i>Ref 6</i> Investment property	230,751	0
43,858	<i>Ref 6</i> Intangible assets	44,071	213
4,629	Right of Use Asset	4,441	(188)
<b>5,072,176</b>	<b>Total Non-Current Assets</b>	<b>5,096,804</b>	<b>24,628</b>
<b>5,246,949</b>	<b>TOTAL ASSETS</b>	<b>5,576,543</b>	<b>329,594</b>
	<b>Liabilities</b>		
	<b>Current Liabilities</b>		
(92,662)	<i>Ref 4</i> Trade and other payables	(326,130)	(233,468)
(19,090)	<i>Ref 5</i> Trust funds and deposits	(87,938)	(68,848)
(42,694)	Provisions	(43,752)	(1,058)
(1,632)	Lease Liability	(1,653)	(21)
<b>(156,078)</b>	<b>Total Current Liabilities</b>	<b>(459,473)</b>	<b>(303,395)</b>
	<b>Non- current Liabilities</b>		
(3,850)	Provisions	(3,850)	0
(110,000)	Interest-bearing loans and borrowings	(110,000)	0
(2,649)	Trust funds and deposits	(3,014)	(365)
(3,329)	Lease Liability	(3,120)	209
<b>(119,828)</b>	<b>Total Non-Current Liabilities</b>	<b>(119,984)</b>	<b>(156)</b>
<b>(275,905)</b>	<b>TOTAL LIABILITIES</b>	<b>(579,457)</b>	<b>(303,552)</b>
<b>4,971,045</b>	<b>NET ASSETS</b>	<b>4,997,087</b>	<b>26,042</b>
	<b>Equity</b>		
(2,175,909)	Accumulated Surplus	(2,197,362)	(21,453)
(2,795,136)	Reserves	(2,799,725)	(4,590)
<b>(4,971,045)</b>	<b>TOTAL EQUITY</b>	<b>(4,997,087)</b>	<b>(26,042)</b>

## Balance Sheet

### Comparison to June 2023 Actual

1. The decrease in cash and cash equivalents to \$47.8 million is due mainly to YTD capital expenditure and creditors' payments.
2. The increase in trade and other receivables over 2022–23 levels is mainly the result increases in debtors rates (\$319.1 million) and fire service levy Debtors (\$58.2 million). This will decrease through the year as rates and the fire service levies are paid.
3. An increase in prepayments for insurance premiums.
4. Trade and other payables have increased due to rates in advance (\$278.1 million) which is partially offset by current accruals (\$21.0 million) and a reduction in creditors (\$14.8 million).
5. Trust funds and deposits are higher due to fire service levy payable (\$70.0 million).
6. The net movement in infrastructure, property plant and equipment, investment property assets, and intangible assets of \$24.4 million includes value of works accruals taken up during the quarter.

### Cash Flow Statement

2022-23 Actual (\$'000)	Statement of Cash Flows	2023-24 Actual (\$'000)
	<b>Cashflows from Operating Activities</b>	
	<b>Receipts</b>	
352,659	Rates and charges	57,926
47,083	Statutory fees and fines	26,364
66,797	User fees	24,298
30,931	Grants - operating	2,591
15,360	Grants - capital	405
7,723	Contributions - monetary	1,434
1,234	Interest	550
38	Dividends	0
6,330	Trust funds and deposits taken	10,603
12,280	Other receipts	2,624
16,282	Contributions on Public Open Spaces (Reserve)	4,633
<b>556,716</b>		<b>131,429</b>
	<b>Payments</b>	
(187,769)	Employee Costs	(46,804)
(218,151)	Materials & Services	(82,991)
(34,118)	Other Payments	(4,102)
<b>(440,038)</b>		<b>(133,897)</b>
<b>116,678</b>	<b>Net Cash Inflow / (Outflow) from Operating Activities</b>	<b>(2,469)</b>
	<b>Cashflows from Investing Activities</b>	
(165,719)	Payments for property, infrastructure, plant & equipment	(50,754)
0	Purchase of Munro Community Hub	0
(0)	Proceeds from sale of property, infrastructure, plant & equipment	5,265
0	TD Deposit Reclassification	0
<b>(165,719)</b>	<b>Net Cash Inflow / (Outflow) from Investing Activities</b>	<b>(45,489)</b>
	<b>Cashflows from Financing Activities</b>	
(35,000)	Repayment of borrowings	0
145,000	Proceeds from borrowings	0
(519)	Finance Costs	(1,263)
(165)	Interest paid - Lease Liability	(39)
(2,285)	Repayment of Lease Liability	(717)
<b>107,031</b>	<b>Net Cash Inflow / (Outflow) from Financing Activities</b>	<b>(2,019)</b>
<b>57,990</b>	<b>Net Cash Inflow / (Outflow) from all Activities</b>	<b>(49,976)</b>
39,800	Cash at beginning of the financial period	97,790
97,790	Cash at the end of Sep-23	47,814
<b>57,990</b>	<b>Movement in cash equivalents</b>	<b>(49,976)</b>

2022-23 Actual (\$'000)	Statement of Cash Flow (reconciliation)	2023-24 Actual (\$'000)
8,681	<b>Net Surplus (exc Public Open Space Contributions)</b>	21,413
	<b>Add Back Non-Cash Items</b>	
80,571	Depreciation/Amortisation	21,122
6,385	WIP expense reclassification	0
(5,713)	Fair value adjustments for investment property	0
57	Profit/(loss) on disposal of property, plant and equipment	(610)
<b>89,982</b>	<b>Operating Surplus/(Deficit) before Non cash items</b>	<b>41,925</b>
7,448	Net Movement in Working Capital	(51,058)
(165,720)	Capital Expenditure	(50,739)
0	Purchase of Munro Community Hub	0
(0)	Proceeds from sale of assets	5,265
16,282	Contributions on Public Open Spaces (Reserve)	4,633
0	TD Deposit Reclassification	0
145,000	Proceeds from borrowings	0
(35,000)	Repayment of borrowings	
<b>57,990</b>	<b>Net Cash inflow/(outflow)</b>	<b>(49,976)</b>

For year to date, Council has a total cash outflow of \$50.0 million which is primarily comprised of:

- An operating surplus of \$41.9 million
- A net outflow of working capital of \$51.1 million
- Capital expenditure of \$50.7 million
- Proceeds from sale of asset \$5.3 million
- Public Open Space Contributions of \$4.6 million.

## Income Statement

2022-23 Actual (\$'000)	2023-24 Budget (\$'000)	Income Statement		FY 2023-24 (\$'000)		
				Budget	Actual	Variance
			<b>REVENUE</b>			
349,163	376,604	Ref 3.1	Rates and charges	96,414	96,742	328
			Statutory fees and fines			
31,953	39,094	Ref 3.2	Parking fines	8,667	8,523	(144)
16,759	17,078	Ref 3.3	Other	4,635	5,602	967
			User fees			
45,647	50,950	Ref 3.4	Parking	11,693	11,363	(330)
24,862	27,096	Ref 3.5	Other	6,639	7,287	648
32,090	27,776	Ref 3.6	Grants - operating	6,451	5,678	(773)
23,679	31,198	Ref 3.7	Grants - capital	5,078	5,568	490
24,005	24,150	Ref 3.8	Contributions - monetary	6,446	6,067	(379)
13,552	16,468	Ref 3.9	Other income	2,840	3,175	335
<b>561,710</b>	<b>610,414</b>		<b>Total Revenue</b>	<b>148,863</b>	<b>150,005</b>	<b>1,142</b>
			<b>EXPENDITURE</b>			
190,853	206,589	Ref 4.1	Employee benefit expense	45,839	42,923	2,916
221,263	238,035	Ref 4.2	Materials and services	54,475	51,950	2,525
12,627	12,538	Ref 4.3	Bad and doubtful debts	2,843	2,455	388
80,571	84,055	Ref 4.4	Depreciation and amortisation	21,014	21,122	(108)
519	3,100	Ref 4.5	Borrowing Costs	863	1,263	(400)
11,152	12,905	Ref 4.6	Other expenses	2,594	2,202	392
25,416	26,371	Ref 4.7	Grants and contributions	4,892	2,656	2,236
0	0		Impairment Loss	0	0	0
<b>542,401</b>	<b>583,593</b>		<b>Total Operating Expenditure</b>	<b>132,521</b>	<b>124,571</b>	<b>7,949</b>
(57)	1,615		Net gain/(loss) on disposal of property, infra, plant and equip	250	610	360
5,713	0		Fair value adjustments for investment properties	0	0	0
0	0		Contributions - non monetary	0	0	0
0	0		Writedown on Investment	0	0	0
<b>24,965</b>	<b>28,436</b>		<b>Profit/(Loss)</b>	<b>16,592</b>	<b>26,044</b>	<b>9,451</b>
(44,849)	(44,323)		Less External Contributions to Capital	(10,286)	(10,283)	3
(5,713)	0		Less Gain on Investment Revaluation	0	0	0
0	0		Less Contributed Assets	0	0	0
57	(1,615)		Net gain/(loss) on disposal of property, infra, plant and equip	(250)	(610)	(360)
<b>(25,540)</b>	<b>(17,502)</b>		<b>Underlying Surplus/(Deficit)</b>	<b>6,056</b>	<b>15,151</b>	<b>9,094</b>

### Analysis of Revenue Variances

<b>Budget \$148.9m</b>	<b>Actual \$150.0m</b>	<b>Variance \$1.1m Favourable</b>
------------------------	------------------------	-----------------------------------

<b>3.1 Rates and charges</b>	<b>0.3% Variance</b>	<b>\$0.3m Fav</b>
This favourable variance is due mainly to higher supplementary waste levy.		
<b>3.2 Parking fines</b>	<b>-1.7% Variance</b>	<b>\$0.1m Unfav</b>
Parking infringements notices (PINs) are below budget reflecting higher PINs withdraws and less additional penalties.		
<b>3.3 Other statutory fees and fines</b>	<b>20.9% Variance</b>	<b>\$1.0m Fav</b>
This favourable variance is primarily due to higher than expected statutory planning fee volumes (mainly construction zone and temporary occupancy permits) and increases in Food & Health Act registrations income.		
<b>3.4 Parking fees</b>	<b>-2.8% Variance</b>	<b>\$0.3m Unfav</b>
This unfavourable variance is due to towaway fees income being less than expected.		
<b>3.5 Other user fees</b>	<b>9.8% Variance</b>	<b>\$0.6m Fav</b>
This unfavourable variance is due mainly to higher than expected events (mainly from event Now or Never) related fees revenue and higher volume of space occupancy rental fees.		
<b>3.6 Grants – operating</b>	<b>-12.0% Variance</b>	<b>\$0.8m Unfav</b>
This variance is due to the timing of Make Room affordable housing project related grants, library and arts grants income which is partially offset by additional project grant for Shrine of Remembrance.		
<b>3.7 Grants – capital</b>	<b>9.6% Variance</b>	<b>\$0.5m Fav</b>
This variance mainly relates to grant fund for Moonee Ponds Creek Stormwater Harvesting project and Collins Street Studio project.		
<b>3.8 Contributions – monetary</b>	<b>-5.9% Variance</b>	<b>\$0.4 Unfav</b>
This favourable variance is due timing of public open space contributions.		
<b>3.9 Other income</b>	<b>11.8% Variance</b>	<b>\$0.3m Fav</b>
This unfavourable variance comprises higher interest revenue from higher cash balances which is partially offset by food/beverage sales income from the Now or Never event.		

### Analysis of Expense Variances

<b>Budget \$132.5m</b>	<b>Actual \$124.6m</b>	<b>Variance \$7.9m Favourable</b>
------------------------	------------------------	-----------------------------------

**4.1 Employee benefit expense** **6.4% Variance** **\$2.9m Fav**

This favourable variance is largely due the level of vacant positions held across. This has been partially offset by agency costs included in materials and services.

**4.2 Materials & Services** **4.6% Variance** **\$2.5m Fav**

Variances of note have occurred in the following categories:

**Information Technology** (favourable \$1.2 million) relates to timing of annual licence and equipment expenditure.

**General maintenance** (favourable \$0.9 million) due mainly to timing of spending on Make Room Refurbishment Project.

**Admin/Supplies** (favourable \$0.4 million) relates to lower overall administration costs

**4.3 Bad and doubtful debts** **13.6% Variance** **\$0.4m Fav**

This favourable variance is due mainly to lower than expected Parking fine debtors.

**4.4 Depreciation and amortisation** **-0.5% Variance** **\$0.1m Unfav**

Minor unfavourable variance.

**4.5 Borrowing Costs** **-46.3% Variance** **\$0.4m Unfav**

This unfavourable variance is driven by timing of borrowings.

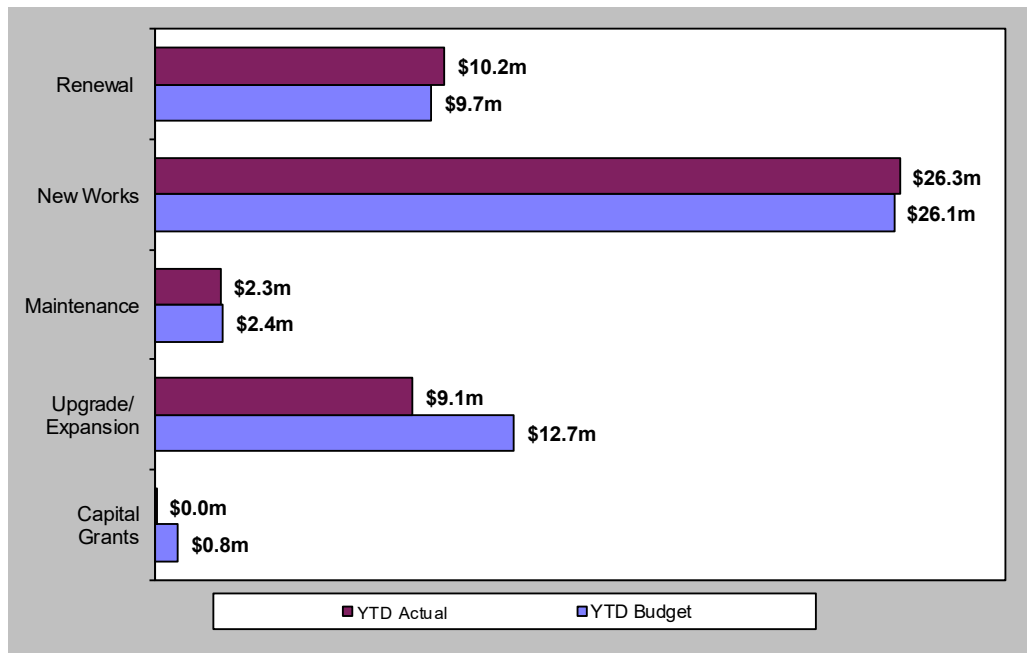
**4.6 Other Expense** **15.1% Variance** **\$0.4m Fav**

This favourable variance is due mainly to lower than expected landfill levies and bank charges.

**4.7 Grants and contributions** **45.7% Variance** **\$2.2 Fav**

This favourable variance mainly relates to lower expenditure associated with various programs run by Investment Melbourne.

## Council Works – Expenditure



Period: Sep-23

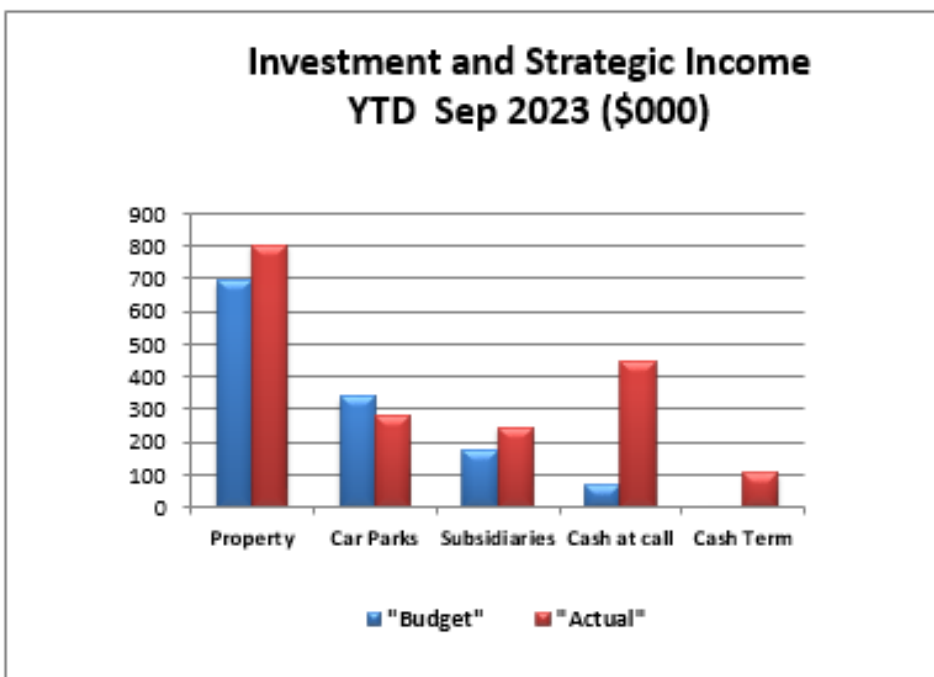
Council Works Area	2021-22 (\$'000)		
	Budget	Actual	Variance
<b>Maintenance</b>			
Capital Grants	800	24	776
Maintenance	2,382	2,290	91
<b>Total Maintenance</b>	<b>3,182</b>	<b>2,314</b>	<b>867</b>
<b>Capital Works</b>			
Expansion	1,395	810	584
Upgrade	11,274	8,273	3,001
New Works	26,062	26,262	(200)
Renewal	9,743	10,215	(472)
<b>Total Capital Expenditure</b>	<b>48,474</b>	<b>45,561</b>	<b>2,913</b>
<b>Total Council Works Program</b>	<b>51,656</b>	<b>47,875</b>	<b>3,780</b>



### Investment Portfolio Performance

The Investment Portfolio returned \$1.9 million for the first quarter, \$0.6 million above the Q1 Budget for FY2023–24 of \$1.3 million.

- Investment Properties - returned \$0.1 million favourable against YTD Budget due to higher commercial rental income of \$42K and recovery Munro shared costs of \$23K.
- Car Parks – overall unfavourable against YTD Budget by \$0.1 million from Council House and Elgin St.
- Subsidiaries – returned \$0.1 million favourable to budget due to higher payroll tax received.
- Cash Investments – interest income was favourable to budget by \$0.5 million due to interest earnings from high cash balances in July resulting from the borrowings of \$110 million drawn down in the last two weeks of June 2023.



## Public Open Space Contributions

DATE PAID	SUBDIVISION REG. NO	ADDRESS OF DEVELOPMENT	SUBURB	Proposed Fee Figure
09/08/2023	SA-2023-1	332-346 La Trobe Street	MELBOURNE	\$3,883,000
24/08/2023	SA-2023-7	127-153 Stanley Street	WEST MELBOURNE	\$750,000
			<b>Total</b>	<b>\$4,633,000</b>

## SUPPLEMENTARY VALUATIONS REPORT

Supplementary valuations are undertaken for a variety of reasons and these are prescribed in the *Valuation of Land Act 1960*. Pursuant to the Council resolution of February 2013, supplementary valuations are reported quarterly to Council.

In the July to Sep 2023 quarter there was one supplementary valuation returns (July 2023) processed; the year to date total of supplementary valuations is as follows:

Supplementary Valuations	2023-24 Annual Budget	Year to date	July 2023 Return
<b>Return Date</b>			<b>01-Jul-23</b>
<b>Qtr. Processed</b>			<b>Jul-Sep 2023</b>
<b>General Rates</b>			
Exemptions	-\$800,000.00	-\$154,297.44	(\$154,297.44)
Objections	-\$900,000.00	\$2,063.20	\$2,063.20
New Rates	\$7,000,000.00	\$3,550,602.86	\$3,550,602.86
<b>Total</b>	<b>\$5,300,000.00</b>	<b>\$3,398,368.62</b>	<b>\$3,398,368.62</b>
<b>Waste Charges</b>		<b>\$2,912,773.75</b>	\$2,912,773.75
<b>Total</b>		<b>\$6,311,142.37</b>	<b>\$6,311,142.37</b>

As detailed above the net effect of supplementary valuations is an increase of \$6.3 million in general rates and waste service charges for the July to Sep 2023 quarter.

A review of properties not receiving waste services conducted in July 2023 found a number of these properties are being serviced by CoM. These properties account for \$1.9m of the \$2.9m waste charges raised in the July batch. The remaining \$1m is due to normal supplementary valuations.

Of \$2.9m raised in the July batch \$2.5 million has been transferred to the Income in advance - Waste Levy account. These funds may be required in the 2023-24 financial year which will be determined at year end upon reconciliation of waste expenditures against waste revenue charges.

The financial impact of each category of general rates is detailed in Attachment 9.

Summary of supplementary valuations highlights to date						
Category/Supp Return	Address	Description	General Rates	Waste Charges	Total Rates & Charges	Change In NAV
			\$'000	\$'000	\$'000	\$'000
<b>Exemptions</b>						
July 2023 Supp 1	259-263 Collins Street MELBOURNE	Occupied by exempt educational institution	-34.6	-1.5	-36.1	0.0
July 2023 Supp 1	100-186 La Trobe Street MELBOURNE	Occupied by exempt educational institution	-22.8	-4.1	-26.9	0.0
July 2023 Supp 1	11-15 Lloyd Street WEST MELBOURNE	Tenant vacated VicTrack property	-18.6	-0.8	-19.4	0.0
July 2023 Supp 1	Part Level 3 271 Collins Street MELBOURNE	Level 3 north floor plate occupied by CoM	-17.5	-3.5	-21	0.0
July 2023 Supp 1	52-60 Chetwynd Street WEST MELBOURNE	Occupied by exempt educational institution	-16.3	-0.4	-16.7	0.0
July 2023 Supp 1	Level 4 399 Lonsdale Street MELBOURNE	Occupied by exempt educational institution	-16.3	-3.4	-19.7	0.0
July 2023 Supp 1	Various other properties (6)		-28.2	-2.3	-30.5	816.0
<b>Total Exemptions</b>			<b>-154.3</b>	<b>-16.0</b>	<b>-170.3</b>	<b>816.0</b>
<b>Objections</b>						
July 2023 Supp 1	376-378 Bourke Street MELBOURNE	VCAT or Court Order	-2.6	0.0	-2.6	0.0
July 2023 Supp 1	597-603 Lonsdale Street MELBOURNE	VCAT or Court Order	-2.5	-0.5	-3.0	-59.0
July 2023 Supp 1	Various other properties (6)		7.1	-0.5	6.6	0.0
<b>Total Objections</b>			<b>2.0</b>	<b>-1.0</b>	<b>1.0</b>	<b>-59.0</b>
<b>New Rates</b>						
<b>New Developments</b>						
July 2023 Supp 1	244-276 Spencer Street MELBOURNE	Construction of two major residential buildings	1,571.2	831.1	2,402.3	41,417.5
July 2023 Supp 1	539-557 Collins Street MELBOURNE	Construction of an office building	670.8	138.1	808.9	15,882.0
July 2023 Supp 1	200-222 Victoria Parade EAST MELBOURNE	Construction of an office building	176.4	34.3	210.7	4,176.0
July 2023 Supp 1	293-303 La Trobe Street MELBOURNE	Construction of a student accommodation building	175.6	-9.3	166.3	4,762.8
July 2023 Supp 1	45-55 Dudley Street WEST MELBOURNE	Construction of a residential development	143.7	-6.8	136.9	3,888.0
July 2023 Supp 1	60 Waterfront Way DOCKLANDS	Construction of a hotel	134.7	27.7	162.4	3,188.3
July 2023 Supp 1	17-23 Wills Street MELBOURNE	Construction of a student accommodation building	134	-7.5	126.5	3,639.0
July 2023 Supp 1	192-204 A'Beckett Street MELBOURNE	Construction of a student accommodation building	131.7	-10.8	120.9	3,623.8
July 2023 Supp 1	404-418 Spencer Street WEST MELBOURNE	Construction of a 161 unit residential development	121	-3.5	117.5	3,243.3
July 2023 Supp 1	Various other properties (12)		252.4	21.3	273.7	6,393.1
			<b>3,511.5</b>	<b>1,014.6</b>	<b>4,526.1</b>	<b>90,213.8</b>
<b>Exempt properties becoming rateable</b>						
July 2023 Supp 1	194-204 Lorimer Street DOCKLANDS	Development Victoria sold property to a rateable entity	40.0	8.2	48.2	0.0
July 2023 Supp 1	65-69 Laurens Street NORTH MELBOURNE	VicTrack property leased by a rateable tenant	10.0	2.0	12.0	0.0
July 2023 Supp 1	Various other properties (4)		26.0	5.5	31.5	18.3
			<b>76.0</b>	<b>15.7</b>	<b>91.7</b>	<b>18.3</b>
<b>Correction to valuations and valuation models</b>						
July 2023 Supp 1	147-185 William Street MELBOURNE	Occupancy realignment	89.3	18.4	107.7	2,115.3
July 2023 Supp 1	Fed Square 2 Swanston Street MELBOURNE	Corrections to valuations	19.4	2.0	21.4	2,891.5
July 2023 Supp 1	Various other properties (88)		-122.2	-20.2	-142.4	-3,882.9
			<b>-13.5</b>	<b>0.2</b>	<b>-13.3</b>	<b>1,123.9</b>
<b>Property refurbishments; extensions; change of use &amp; other improvements</b>						
July 2023 Supp 1	611-669 Elizabeth Street MELBOURNE	Completion of an office building; adjust to Vals	31.6	-0.5	31.1	747.0
July 2023 Supp 1	332 St Kilda Road SOUTHBANK	Refurbishment of building	21.8	4.2	26	516.5
July 2023 Supp 1	620-632 Little Bourke Street MELBOURNE	Plan of subdivision to create two lots	19.2	3.9	23.1	454.0
July 2023 Supp 1	10-16 McKillop Street MELBOURNE	Office Bld refurbishment and addition of levels	14.1	2.9	17	334.7
July 2023 Supp 1	Various other properties (125)		-110	-14.5	-124.5	-922.9
			<b>-23.3</b>	<b>-4.0</b>	<b>-27.3</b>	<b>1,129.3</b>
<b>Properties added to the waste collection service.</b>						
July 2023 Supp 1	59 properties assigned a waste charge as at 1 July 2023		0.0	1,903.2	1,903.2	0.0
<b>Total New Rates &amp; Charges</b>			<b>3,550.7</b>	<b>2,929.7</b>	<b>6,480.4</b>	<b>92,485.3</b>
<b>Total Supplementary Valuations for General Rates and Charges</b>			<b>3,398.4</b>	<b>2,912.7</b>	<b>6,311.1</b>	<b>93,242.3</b>