

**Management report to Council**

**Agenda item 6.10**

**Queen Victoria Market Precinct Renewal (QVMPR) Program Reserve  
Quarterly Report**

**Council**

**Presenter:** Joanne Wandel, QVMPR Program Director

**30 August 2016**

**Purpose and background**

1. The purpose of this report is to inform the Council on the financial performance of the Queen Victoria Market Precinct Renewal (QVMPR) Program Reserve (QPR) for the quarter ending 30 June 2016, in accordance with the Council resolution of December 2015.

**Key issues**

2. The 2015-16 QVMPR Program budgeted expenditure to the end of June 2016 was \$4.96 million which was inclusive of the prior year carry forward and an absorption of the Queen Street pedestrian crossing project budget into renewal works. Actual expenditure for 2015-16 was \$4.26 million. The underspend of \$0.7 million, is largely due to the deferment of pilot project works which will now be delivered in 2016-17 as part of a broader precinct enhancement package in strategic alignment with delivery of the Implementation Framework.
3. Key projects delivered through the QPR for 2015-16 include:
  - 3.1. Finalisation of the QVMPR Implementation Framework for public release. The Implementation Framework outlines the intended approach for delivery of the QVM renewal program over the next five years, with a new 1.5 hectare public space, restored heritage sheds and improved trader and customer facilities at its heart.
  - 3.2. The appointment of a preferred development partner for the Munro site, which will deliver 56 affordable housing units, a 120 place childcare facility, family and children's services centre, community centre and kitchen, artist studios and market customer car parking.
  - 3.3. Progression of the Melbourne Planning Scheme Amendment C245, including the receipt of a report from Planning Panels Victoria which was adopted by Council with amendments in July 2016 and which has now been forwarded to the Minister for Planning for approval. The Planning Scheme Amendment will help to deliver on the QVM Precinct Renewal Master Plan by better connecting the city with the market precinct and facilitating the creation of a significant new public space.
  - 3.4. Submission of a Cultural Heritage Management Plan (CHMP) for the precinct (excluding the Old Melbourne Cemetery) to Aboriginal Victoria for assessment. A separate CHMP will be prepared for the Cemetery land.
  - 3.5. Development of a Precinct Sustainability Plan to support the delivery of sustainability goals outlined in the QVM Precinct Renewal Master Plan and advancement of the Green Star Communities submission to the Green Building Council of Australia.
4. Budgeted expenditure for 2016–17, including the carry forward of \$0.7 million, is \$9.17 million. As reflected in the Implementation Framework, key projects to be completed during this period include the design and delivery of the new market pavilions, delivery of precinct wide amenity improvements, commencement of construction of the new market customer car park and retail and community facilities as part of the Munro site redevelopment, design of market infrastructure projects, completion of the CHMP for the Old Melbourne Cemetery site and preparation of an updated Conservation Management Plan for key heritage buildings and sheds.
5. Total QPR funding approved since the establishment of the fund in December 2015 stands at \$15.81 million. With total QVMPR Program expenditure to date at \$6.57 million, the reserve balance at 30 June 2016 is \$9.24 million. Refer Attachment 2 for full financial summary.

**Recommendation from management**

6. That Council accepts the quarterly Queen Victoria Market Renewal Program Reserve report as at 30 June 2016.

**Attachments:**

1. Supporting Attachment (page 2 of 3)
2. Queen Victoria Market Precinct Renewal (QVMPR) Program Reserve Summary (page 3 of 3)

**Supporting Attachment**

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**Legal**

1. Whilst no direct legal issues arise from the recommendation from management, legal advice has and will continue to be provided on all aspects of the QVMPR Program.

**Finance**

2. Financial implications applicable to the QPR are contained in the body of this report.

**Conflict of interest**

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

**Stakeholder consultation**

4. Internal consultation with relevant branches of Council has been undertaken in the preparation of this report.

**Environmental sustainability**

5. Delivery of the QVMPR Program will allow for the development of a sustainable Queen Victoria Market which is guided by a Precinct Sustainability Plan, rated through the use of the Green Star – Communities tool and which delivers on the six sustainability principles detailed in the QVMPR Masterplan.

**Queen Victoria Market Precinct Renewal (QVMPR) Program Reserve Summary**

Item	Authorisation for inclusion in QPR	QVMPR Funding \$M
2013-14 Underlying Surplus	Council resolution (29 April 2014)	1.20
2014-15 Annual Plan and Budget allocation	Council adopted budget (24 June 2014)	0.50
2014-15 Gains from the sale of surplus or redundant land holdings.	Council resolution (29 April 2014)	1.48
2014-15 Once off contribution from higher than budgeted underlying surplus	Council resolution (25 August 2015)	8.00
2015-16 Annual Plan and Budget allocation	Council adopted budget (30 June 2015)	4.64
Total funding approved to date (excluding the Munro site)		15.81
Item		QVMPR Expenditure \$M
2014-15 QVM Renewal expenditure to 30 June 2015		-2.31
2015-16 QVM Renewal expenditure to 30 June 2016		-4.23
Total expenditure to date (excluding acquisition of the Munro site)		-6.54
Remaining reserve balance as at 30 June 2016		9.27