

Relevant Information for Council

FILE: S096187 **DATE:** 19 November 2018

TO: Lord Mayor and Councillors

FROM: Bill Carter, Chief Financial Officer

THROUGH: Monica Barone, Chief Executive Officer

SUBJECT: Information Relevant To Item 6.2 – 2018/19 Quarter 1 Review - Delivery Program 2017 - 2021, Attachment B - Capital Expenditure Financial Results

For Noting

This memo is for the information of the Lord Mayor and Councillors.

Purpose

To advise Councillors of an amended schedule within the Quarter 1 2018/19 Capital Works Budget Adjustments table which forms part of 2018/19 Quarter 1 Review - Delivery Program 2017 - 2021, Attachment B - Capital Expenditure Financial Results.

Background

Attachment B - Capital Expenditure Financial Results, forms part of the 2018/19 Quarter 1 Review - Delivery Program 2017 - 2021, to inform progress against the City's current year and total capital works budgets.

The final table is the schedule of Quarter 1 2018/19 Capital Works Budget Adjustments to identify proposed budget adjustments recommended for Council approval, and the impact upon the Total Project Budgets.

In reviewing the table, an administrative error has been identified, in that while the proposed budget adjustments are all in order and in line with the recommendation, the total project budgets shown were incorrect.

An amended Attachment B is attached.

Memo from Bill Carter, Chief Financial Officer

Prepared by: Bob Wallace, Financial Planning and Reporting Manager

Attachments

Attachment A. Updated Attachment B - Capital Expenditure Financial Results

Approved

A handwritten signature in black ink, appearing to read 'P.M. Barone', with a long horizontal flourish extending to the right.

**MONICA BARONE, CHIEF EXECUTIVE
OFFICER**

Attachment B

Capital Expenditure Financial Results

Capital Works Expenditure Summary City of Sydney | Q1 2018/19

Prior Year Expenditure	Sep YTD Budget	Sep YTD Actual	YTD Variance Fav/(Unfav)	Prior Years + YTD	Full Year 2018/19 Current Forecast	Full Year Budget vs Full Year Forecast	4 Years Budget Total	2023/24 - 2022/23 Budget Years Total			
								Total Project Budget	Total Project Forecast	Variance	
33,852	1,029	644	386	34,496	1,442	268	1,711	0	35,563	35,294	268
Alexandra Canal Depot	299	71	228	30,895	415	90	505	0	31,329	31,239	90
14,088	10,825	7,025	3,800	21,113	31,633	21,813	82,266	4,438	100,791	100,791	(0)
Green Square Aquatic Centre and Gunyama Park	10,825	7,025	3,800	21,113	31,633	21,813	82,266	4,438	100,791	100,791	(0)
26,574	1,174	890	284	27,463	9,665	4,091	29,239	20,550	76,363	76,577	(215)
Green Infrastructure	1,174	890	284	27,463	9,665	4,091	29,239	20,550	76,363	76,577	(215)
Parks Water Reuse Projects	0	0	0	2,274	1,000	0	1,985	2,200	6,459	6,359	100
Renewable Energy Fund Projects - Solar Panel	427	637	(210)	4,601	2,404	(0)	5,181	0	9,145	9,145	(0)
Green Square Water Reuse - Non Potable	55	63	(9)	8,504	80	604	1,426	0	9,867	9,863	4
Renewable Energy Programs Other (LGA)	0	0	0	132	0	0	0	10,600	10,732	10,732	0
Water Master Plan LGA	0	0	0	538	1,922	0	7,842	7,750	16,130	16,130	0
Town Hall Trigeneneration Precinct	140	34	106	9,843	1,111	(0)	1,111	0	10,920	10,920	(0)
Major Properties Efficiency Improvements	57	41	16	576	1,378	552	5,271	0	5,807	6,053	(246)
56,384	1,207	460	747	56,844	994	777	1,771	0	58,155	57,378	777
Green Square Library and Plaza	1,207	460	747	56,844	994	777	1,771	0	58,155	57,378	777
Green Square Community Library and Plaza	1,207	460	747	56,844	994	777	1,771	0	58,155	57,378	777
37,148	1,042	805	238	37,953	4,540	656	59,495	5,000	101,643	101,754	(111)
Green Square Community Facilities and Open Space	1,042	805	238	37,953	4,540	656	59,495	5,000	101,643	101,754	(111)
GS Creative Ctr, Community Shed and Matron Ruby Grant Park	5	11	(6)	30,702	11	(0)	11	0	30,702	30,702	(0)
Drying Green Park	65	27	38	1,581	475	1,247	17,577	0	19,130	19,234	(104)

**Capital Works Expenditure Summary
City of Sydney | Q1 2018/19**

	Prior Year Expenditure	2018/19				YTD Variance Fav/(Unfav)	Prior Years + YTD	2018/19		Full Year Budget vs Full Year Forecast	4 Years Budget Total	2023/24 - 2022/23	
		Sep YTD Budget	Sep YTD Actual	Full Year Current Forecast	Full Year Forecast			Budget Years Total	Total Project Budget			Total Project Forecast	Variance
Geddes Avenue & Paul Street (North)	14,439	1,277	1,285	(7)	15,724	2,038	1,655	383	4,058	0	18,497	18,164	333
Hinchcliffe St (North), Woolpack St & Barker St (South)	253	38	0	38	253	136	52	84	6,547	0	6,800	6,800	0
Zetland Ave (West) - Paul St to Portman St	592	34	23	12	615	175	92	83	11,078	0	11,670	11,667	3
Joynton Av upgrade (Hansard St to Elizabeth St)	2,850	977	1,507	(531)	4,357	12,277	3,617	8,660	14,515	0	17,365	18,673	(1,307)
Zetland Avenue – East (Joynton Av to Victoria Park Pde)	849	38	89	(51)	938	7,900	1,009	6,890	8,772	0	9,621	9,710	(89)
Green Square to Ashmore Connection	709	153	77	76	786	7,556	1,000	6,556	26,291	0	27,000	27,000	0
Town Centre Interface Works	5,642	802	865	(63)	6,506	1,424	1,783	(358)	1,854	0	7,496	7,496	0
McDonald Street Widening Works	167	77	95	(18)	263	555	484	71	13,109	0	13,277	13,277	0
Light Rail – CBD to South East	115,300	63,600	63,600	0	178,900	102,200	102,200	0	104,700	0	220,000	220,000	0
Light Rail – CBD to South East	115,300	63,600	63,600	0	178,900	102,200	102,200	0	104,700	0	220,000	220,000	0
Erskineville Trunk Drainage	296	104	(48)	152	248	520	247	272	19,704	0	20,000	39,428	(19,428)
Significant Projects - Active	445,908	86,367	80,352	6,016	526,260	228,815	173,597	55,218	469,521	59,802	975,232	991,760	(16,528)

Capital Works Expenditure Summary
City of Sydney | Q1 2018/19

	Prior Year Expenditure	Sep YTD Budget		Sep YTD Actual	YTD Variance Fav/(Unfav)	Prior Years + YTD	Full Year 2018/19 Current Budget	Full Year 2018/19 Current Forecast	Full Year Budget vs Full Year Forecast	4 Years Budget Total	2023/24 - 2022/23 Budget Years Total		Total Project Budget	Total Project Forecast	Variance
		Budget	Actual								Budget Years Total	Total			
Bicycle Related Works		1,264	609	609	655	609	8,488	4,621	3,867	41,866	23,653	65,518	69,926	(4,408)	
Community, Cultural and Recreation Property Related Projects		2,321	944	944	1,378	944	9,929	8,938	991	23,799	77,204	101,003	101,593	(590)	
Corporate and Investment Property Related Projects		146	65	65	82	65	1,164	1,116	48	2,914	0	2,914	2,914	(0)	
Open Space & Parks		2,123	652	652	1,471	652	11,494	6,798	4,696	58,039	65,539	123,578	124,509	(931)	
Public Art LGA		1,002	129	129	873	129	15,637	11,811	3,826	20,757	310	21,067	20,991	76	
Public Domain		57	42	42	16	42	4,766	4,752	14	28,546	34,227	62,773	62,773	0	
Stormwater Drainage		378	52	52	327	52	9,966	696	9,270	17,386	20,951	38,336	38,292	44	
Capital Programs Asset Enhancement - Active		7,293	2,492	2,492	4,801	2,492	61,444	38,731	22,713	193,305	221,893	415,188	38,731	(5,893)	
Community, Cultural and Recreation Property Related Projects		1,045	613	613	432	613	11,843	9,446	2,397	42,674	76,071	118,745	126,090	(7,345)	
Corporate and Investment Property Related Projects		1,442	594	594	848	594	9,799	5,418	4,380	63,083	77,191	140,274	142,008	(1,733)	
Infrastructure - Roads Bridges Footways		2,822	2,630	2,630	192	2,630	11,985	13,290	(1,306)	41,093	104,700	145,793	145,498	294	
Open Space & Parks		2,574	1,938	1,938	635	1,938	12,022	11,183	839	64,214	127,307	191,521	190,922	600	
Public Art LGA		77	78	78	(1)	78	572	582	(10)	2,326	3,150	5,476	5,486	(10)	
Public Domain		3,140	2,495	2,495	645	2,495	13,466	10,604	2,862	57,031	73,275	130,306	126,877	3,428	
Stormwater Drainage		30	96	96	(66)	96	1,734	1,600	134	7,734	26,000	33,734	33,600	134	
Capital Programs Asset Renewal - Active		11,131	8,445	8,445	2,686	8,445	61,421	52,124	9,297	278,155	487,694	765,849	52,124	(4,631)	
Contingency - Active		1,250	0	0	1,250	0	5,000	5,000	0	5,000	0	5,000	5,000	0	
Grand Total	445,908	106,041	91,289	91,289	14,752	537,196	356,681	269,453	87,228	945,982	769,379	2,163,269	269,453	(26,989)	

City of Sydney | Q1 2018/19 Capital Works Commenced projects - Individual Projects > \$5M

Project Name	Project to date Cost \$M	Proposed Project Budget \$M	Q1 September 2018 Status Comments
Sydney Town Hall External Works Stage 2	8.0	24.5	Sandstone conservation of western and (portion of) southern facades of Sydney Town Hall and the stained glass windows in the main hall to commence mid-2019.
Darling Exchange Library - Fit-Out Works	2.5	10.0	Building construction complete. Internal fit out construction under way.
Hyde Park Tree Replacement & Other Works	16.6	19.7	Hyde Park Path Rationalisation and Pool of Reflection projects complete. Hyde Park Café construction in 2019
Perry Park- Recreational Facilities	10.8	13.4	Project is nearing completion with the facility due to be operational early 2019.
Belmore Park	0.4	6.4	Project scope review is underway as part of City South (Central and Belmore Park) Public Domain plan and due for completion before mid 2018.
City Centre Playground Works	0.2	5.3	Head Design Consultant engaged and progressing preliminary concept design. Community and Stakeholder engagement late 2018
Urban Skate Park - Sydney Park	0.8	6.6	Project is currently out to tender with works due to begin mid-2019.
George Street Spine - Cloud Arch	2.1	11.3	The Footings and Arch have been given development approval. Tenders for the Arch have been called. Negotiations for site access underway.
King St Cycleway - Stage 2	0.9	7.1	Project on hold pending Light Rail and Metro completion by State Government.
Bondi Junction to City Cycleway	0.9	15.3	Design complete. State Government funding for construction is not yet confirmed, construction program awaiting the outcome of the funding application.
Wilson and Burren St cycleway	1.2	9.9	Construction tender out to market. Construction start early 2019.
Green Square to Randwick Cycleway	0.6	7.2	Construction tender closed and currently being assessed. Construction start end 2018.
Joynton Avenue Stormwater Drainage Upgrade	2.2	13.9	Following the unsuccessful tendering process, a revised scope of works has been developed. REF for the revised scope on exhibition following which a new tender will be called.
Gunyama Park Aquatic and Recreation Centre	21.1	100.8	Latent conditions (contaminated soil, additional concrete slabs/foundations) have hampered contractors ability to demolish site
Renewable Energy Fund Projects - Solar Panel	4.6	9.1	The program is progressing as planned with 9 sites identified and planned for installation in 2018/19 in addition to 4 sites currently in construction. Priority around these sites may change subject to the potential capacity and financial criteria.
Green Square Water Reuse - Non Potable	8.5	9.9	Harvesting and treatment plant is completed an operational. Further connections to future developments will take place as they are delivered. The trigeneration turbines are generating power as expected for use in Town Hall House and Sydney Town Hall. To add to the HVAC cooling potential of the absorption chiller, which uses waste heat from the turbines, a number of improvements are being made to the buildings' cooling system. These include modifications to the cooling towers and the installation of new low load chiller in the mid-level plant room. The result will be a better integrated cooling system overall.
Town Hall Trigereneration Precinct	9.8	10.9	Project completed and operational. Library opened to community on 10 September and the official community launch scheduled for 27 October 2018.
Green Square Community Library and Plaza	56.8	58.2	
Drying Green Park	1.6	19.1	Project proceeding on an alternative delivery model to reduce the risk to the City
Harold Park - New Park Construction	14.0	14.2	Project is complete with the entire park now open to the public
The crescent lands at Johnstons creek	1.6	8.1	Project is currently out to tender with works due to begin early 2019.
Chinatown Public Domain Improvement - Thomas & Hay Streets	7.6	8.1	Catenary artwork installed and ancillary site works completed. The project opened during Chinese New Year 2018. Potential savings between \$250K and \$300K.

Project Name

Project to
date Cost
\$MProposed
Project
Budget \$M

Q1 September 2018 Status Comments

Child Care - Hospital site Green Square	8.6	8.9	Construction works completed and Waranara Early Learning Centre in operation.
Harbour Village North and City North Public Domain	0.6	13.6	Public domain furniture installation program (seats) completed for Martin Place. Feasibility study for Block 2 underway per approved plan. Investigation works (services checks) programmed to provide more clarity on VPA scope (for AMP development) and costs for Loftus Street.
Ebsworth St, Tweed Pl, Fellmonger Pl, Barker St (North)	13.7	16.7	Construction Certificate Documentation lodged for Planning approval
Zetland Avenue - Mid (Joynton Ave to Portman St)	0.7	5.6	Project on hold - Pending land transfer under a development agreement
Existing Streets (Portman St) Upgrade	0.5	12.0	Design documentation is progressing through to construction certificate stage. Community consultation has commenced.
Green Square Trunk Drain-Link Road to Alexandra Canal	76.3	87.9	Based on forecasted cost-to-complete by the DG Alliance and forecasted Project Owner costs by Sydney Water. There is a potential savings to be confirmed at Q2.
Geddes Avenue & Paul Street (North)	15.7	18.5	The works are now complete and roads open to the public.
Hinchcliffe St (North), Woolpack St& Barker St (South)	0.3	6.8	Construction Certificate Documentation lodged for Planning approval
Joynton Av upgrade (Hansard St to Elizabeth St)	4.4	17.4	Following termination of the previous contractor, a revised procurement strategy is now being finalised.
Zetland Avenue – East (Joynton Av to Victoria Park Pde)	0.9	9.6	Following termination of the previous contractor, a revised procurement strategy is now being finalised.
Green Square to Ashmore Connection	0.8	27.0	Head Design Consultant has now been appointed. Procurement process underway to commence demolition works in Q2 2019.
Town Centre Interface Works	6.5	7.5	Portman Lane works are now complete. Further works to Botany Road frontage of the Library Plaza will commence in late 2018.
McDonald Street Widening Works	0.3	13.3	Main Consultant undertaking initial site investigations to develop detailed design.
Ersineville Trunk Drainage	0.2	20.0	Project currently in design stage. Collaborating with partnership with Sydney Water
Light Rail – CBD to South East	178.9	220.0	Works are progressing by ALTRAC with a revised opening date of March 2020 announced by TfNSW.

Project Name	Funds to bring Forward from Future Yrs into 2018/19					Proposed Budget Adjustments				Total Project Budget	Total Project Budget Proposed	Q1 September 2018 Status Comments	
	Full Year Budget 2018/19	Contingency Fund	Intra Year Budget Adjustments	Proposed Adjusted Budget 2018/19	Funds to bring Forward from Future Yrs into 2018/19	Proposed Budget Adjustment 2019/20	Proposed Budget Adjustment 2020/21	Proposed Budget Adjustment 2021/22	Proposed Budget Adjustment 2022/23				Proposed Budget Adjustment 2023/24 - 2025/28
Joseph Sargeant Centre	0.7		0.2	0.9							0.8	1.0	Additional budget required for community space refurbishment.
Child Care - Fast Track Development of New Childcare	0.0		(0.2)	0.2	0.0					(0.2)	13.4	13.2	As per above
Alexandra Canal Depot - New Office Fitout Works	0.0		0.4	0.4							0.0	0.4	New project to repurpose and refit three surplus spaces in the Administration Hub building to accommodate 25 additional staff.
Property Related Projects- Future Years	0.0		(0.4)	0.4	0.0					(0.4)	90.9	90.6	As per above
Huntley Street Recreation Centre - Development	0.0		0.3	0.3		1.2	8.4	0.6			0.0	10.5	New project to reuse the existing industrial property into a contemporary recreation centre.
Future Community & Recreational Facilities	0.0		(0.3)	0.3	0.0	0.0	(10.5)	0.0			61.7	51.2	As per above
Johnstons Creek Naturalisation - Upgrade of City's Asset	0.0		0.0	0.0		0.4					0.0	0.4	New project to replace the existing concrete footbridge and boardwalk.
Bridges Major Works Program	1.4		(0.0)	1.3		(0.4)					11.0	10.6	As per above
3 Joynnton Ave Precinct Wayfinding & Operational Readiness	0.0		0.3	0.3							0.0	0.3	New project to deliver site wide wayfinding signage, and miscellaneous building works to meet operational requirements.
Property Related Projects- Future Years	0.0		(0.3)	0.3	0.0					(0.3)	90.9	90.6	As per above
Wayfinding Signage Implementation and Rollout	0.5		0.4	0.9							7.6	7.6	Bring forward budget to accommodate wayfinding signage rollout for Glebe, King Street and Green Square villages.
Lawrence Hargraves Reserve	0.0		0.2	0.2		0.8	0.1				0.0	1.1	Prioritise Lawrence Hargraves reserve upgrade.
Parks General Capital Works	0.3		(0.2)	0.3		(0.6)	(0.5)				40.4	39.2	As per above
Cook & Phillip Aquatic and Fitness Centre - Works Package	1.9			1.9		1.2					3.0	4.1	Additional budget required to fund additional project scope.
Property Related Projects- Future Years	0.0			0.0		0.0	(1.2)				90.9	89.7	As per above
Chippendale Child Care Centre - Upgrade Outdoor Play Space	0.1		0.2	0.4							0.2	0.4	Additional budget required to upgrade the outdoor play space.
Child Care - Fast Track Development of New Childcare	0.0		(0.2)	0.2	0.0						13.4	13.1	As per above
Town Hall Trigereneration Precinct	1.1		0.5	1.6							10.9	11.4	Additional budget to install a new low-load electric chiller at Town Hall House.
Major Properties Efficiency / Improvements	1.9		(0.5)	1.5							5.8	5.3	As per above
Wimbo Park Surry Hills	0.1		0.1	0.1		0.2	0.7	(0.0)			4.2	5.2	Additional budget required due to project prolongation related to extended coordination with TfNSW/ Altrac.
Future Open Space - New Parks	0.0			0.0		0.0	0.0				45.0	44.0	As per above
Reginald Murphy Activity Club, Activity Centre Upgrade	0.2		0.1	0.3							0.3	0.4	Additional budget required to include shower and laundry space in the project scope.
Kings Cross Library - Children and Family Area on Mezzanine	0.1		(0.1)	0.1	0.0	(0.1)					0.2	0.0	As per above
The crescent lands at Johnstons creek	0.8			0.8		1.4	1.3				8.1	10.9	Additional budget required after pre-tender estimate increases.

City of Sydney | Q1 2018/19 Capital Works Budget Adjustments
 \$M

Q1 September 2018 Status Comments

Project Name

Project Name	Funds to bring Forward from Future Yrs into 2018/19					Proposed Budget Adjustments					Total Project Budget	Total Project Budget Proposed	Comments
	Full Year Budget 2018/19	Contingency Fund	Intra Year Budget Adjustments	Future Yrs Budget 2018/19	Proposed Adjusted Budget 2018/19	2019/20	2020/21	2021/22	2022/23	2023/24 - 2025/28			
Future Open Space - New Parks	0.0			0.0	0.0	0.0	0.0	0.0		(2.8)	45.0	42.2	As per above
Urban Skate Park - Sydney Park	1.7			1.7	1.5	0.2					6.6	8.3	Additional budget required after pre-tender estimate increases.
Future Open Space - New Parks	0.0			0.0	0.0	0.0	0.0			(1.7)	45.0	43.3	As per above
Parks Signage Program	0.4			0.5	0.1	0.1	(0.3)			(0.5)	5.9	5.9	Budget required to be brought forward to accelerate the park signage program.
Public Toilets: George Street North & South - Upgrade of Fem	0.1			0.1	0.3	0.3	0.2				0.5	1.4	Additional budget required to fund stonework remediation works.
Future Year Community Properties Renewal	0.0			0.0	(0.3)	(0.3)	(0.2)				93.1	92.3	As per above
Smartpole Redeployment Program	0.2			0.4	(0.4)						6.0	6.0	Budget required to be brought forward to accelerate the smartpole redeployment program.
Cutler Footway and Burton Street Viaduct Restoration	3.7			3.7	0.9						4.0	4.9	Additional budget required based on returned tenders.
Bridges Major Works Program	1.4			1.4	(0.9)						11.0	10.1	As per above
Kings Cross Exeloo Refurbishment	0.6	0.1		0.8							0.6	0.8	Additional budget required based on returned tenders.
Capital Works Contingency	5.0	(0.1)		4.9							5.0	4.9	
Total	22.2	0.0	0.0	3.0	25.2	5.3	(1.9)	0.3	(0.5)	(6.3)	721.3	721.3	