

**Management report to Council****Agenda item 6.2****Queen Victoria Market Precinct Renewal Program –  
Quarterly Report****Council****Presenter:** Roger Teale, General Manager Property, Infrastructure and Design**28 March 2023****Purpose and background**

1. The purpose of this report is to provide Council with a progress update and expenditure breakdown of the Queen Victoria Market Precinct Renewal (QVMPR) program for the period July to December 2022.

**Key issues**

2. As at 31 December 2022, the total QVMPR program expenditure since 2013 was \$122 million and the total expenditure for December 2022 year to date was \$25.99 million. Please refer to Attachment 2 for a breakdown of program expenditure.
3. Since the last report to Council in November 2022 on the July to September 2022 period, key project elements delivered by the QVMPR program for the period October to December 2022 include:
  - 3.1 Food Hall – In major milestones for the Food Hall, the steel frame for the new building is complete and the roof installation was completed in early 2023. While these milestones reduce the risk of inclement weather, risk still remains due to the ongoing challenges faced by the construction industry. However, the remaining works are progressing well with the Victoria Street Terraces tenancies handed over to the Queen Victoria Market Pty Ltd in early 2023 for the installation of tenancy waste connections and commencement of tenancy fit-outs.
  - 3.2 Heritage shed restoration – Sheds E and F were completed in December 2022. The fifth and final stage of the Heritage Shed restoration project Sheds H and I commenced in January 2023 and is anticipated to conclude mid-year. However, traders will remain in their temporary locations for an estimated three-year period as Sheds H and I will be used by the Market Infrastructure builder for site sheds and hard storage to ensure safety of the traders and public.
  - 3.3 Market infrastructure – The project team is continuing to work with the contractor to finalise the design and detailed plans for the Trader Shed, Northern Shed and the Queen Street public realm. Managing delivery of the works in a live operating environment is a key focus. Construction is anticipated to commence later this year.
  - 3.4 Market Square – Market Square design and procurement planning is progressing.
 

Testing Grounds have been operating in the Market Square Pop Up space since October 2022 and have been handed over to Arts Melbourne, Creative City branch to manage this space and occupancy.
  - 3.5 Southern Precinct – the Southern Precinct commercial-in-confidence divestment process is in the final stages.

**Recommendation from management**

- 4 That Council accepts the Queen Victoria Market Precinct Renewal Program Quarterly Report which confirms a total program expenditure of \$122 million as at 31 December 2022.

**Attachments:**

1. Supporting Attachment (Page 2 of 3)
2. QVMPR Program Expenditure (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 QVMPR program are contained in the body of this report.

**Conflict of interest**

3. Michael Tenace, the General Manager Finance and Corporate is a Board director of Queen Victoria Market Pty Ltd. No other 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**

4. In developing this proposal, no Occupational Health and Safety issues or opportunities have been identified.

**Stakeholder consultation**

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

**Relation to Council policy**

6. The recommendation within this report aligns with aspirations as identified in the Council Plan 2021-25 to protect Queen Victoria Market as a traditional open-air market through heritage restoration and the provision of essential services and facilities that enhance the customer and trader experience while also delivering precinct improvements through quality public open space, new connections to the city, community services and facilities.

**Environmental sustainability**

7. Delivery of the QVMPR program will allow for the development of a sustainable market which is guided by the six sustainability principles detailed in the QVMPR Master Plan.

**Queen Victoria Market Precinct Renewal (QVMPR) Program Expenditure as at 31 December 2022**

Works package	Total Program budget (\$m)	Expenditure	
		Program spend to date (\$m)	Program spend YTD Dec 22 (\$m)
Transitional trader accommodation and precinct improvements	1.71	1.71	.00
Quarter 1: Market Infrastructure, Meat, Fish and Dairy Halls, Food Court and Terraces	67.01	15.73	6.24
Quarter 2: Shed restoration, Trader format improvements	56.37	29.56	3.49
Quarter 3: String Bean Alley, Market Square, Southern Site and Franklin Street streetscapes	76.33	18.65	15.02
Quarter 4: Munro Site	32.95	33.11	.02
Utilities and soil removal	2.91	.90	.00
Program delivery	30.31	22.34	1.23
<b>GROSS TOTAL</b>	<b>267.59</b>	<b>122.00</b>	<b>25.99</b>