Bass Coast Shire Council

Council Plan 2020-21

Major Initiatives and Initiatives Report

Quarter ending: December 2020

Vision

Bass Coast Shire will be recognised as a unique place of environmental significance where our quality of life and sense of community is balanced by sustainable and sensitive development, population and economic growth.

Mission

To take a leading role in partnership with other levels of government, businesses, community groups and individuals to make our community's vision a reality.

Our Values

Values

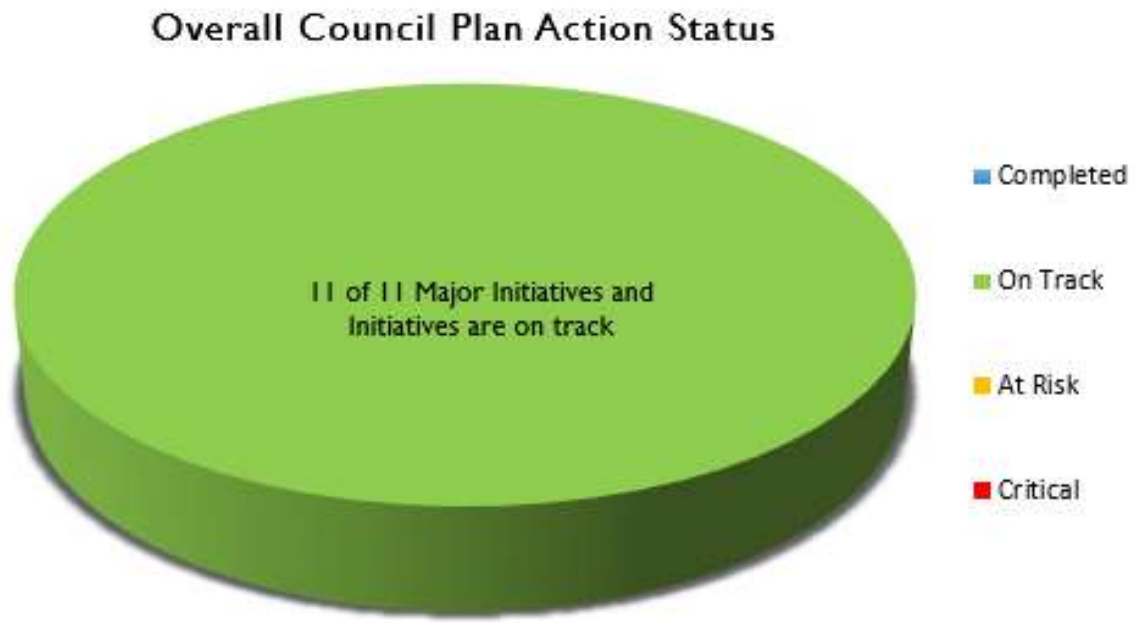
- Customer Focus
- Continuous Improvement
- Pride
- Integrity
- Respect
- Commitment

Strategic Documents and Objectives

Strategic Documents	1	Council Plan
Objectives	*1.1*	*Advocacy*
	1.2	*Economic Development*
	1.3	*Environment*
	1.4	*Governance*
	1.5	*Health and Wellbeing*
	1.6	*Liveability*
	1.7	*Our Character*

Council Operational Plan 2020-21 – Overall Performance

This report provides an update of the 2020-21 Operational Plan as at the end of December 2020.



Objectives: 1.1 Advocacy

ACTION	STATUS	% COMP	PROGRESS COMMENTS	COMP DATE	PROGRESS
Continue to implement the Advocacy Strategy	On track	50%	• Country Universities Centre Bass Coast Centre Manager appointed and refurbishment underway. Project is on track to open for semester 1, 2021. • Cowes Cultural Community Centre received $2.5m via the State Government Growing Suburbs Fund. • Grant application submitted to the TAC Local infrastructure Program for $100,000 towards Powlett Street pathway. (was this successful) • Wonthaggi Recreation Reserve advocacy. Successful in receiving $500,000 from the World Game Facilities Fund. • $100,000 for Council meetings to be delivered remotely. • Three applications submitted for the Sustainability Grant Program; Guide Park, Outdoor Furniture and Cowes Rhyll Boardwalk. • Successful $350,000 grant for Grantville Glen Alvie Road through the Agrilinks Upgrade Program. • Submission of the Gippsland Regional Plan. • Advocacy for an extension to the Working for Victoria program. • Council continued discussions with the Save the Holden Bushland Group. A meeting with the new owners of the site VinFast arranged for February 2021. • Continued advocacy for Wonthaggi Discover our Secrets campaign. Including Media Launch in December 2020, completion of Public Art installation, media report in The Age newspaper and Wonthaggi video screen before movies at WUCAC. • Officers continue to coordinate meetings and updates to government to identify appropriate funding opportunities of Wonthaggi Opportunity Unlocked. Ongoing discussions with Federal Department of Infrastructure to continue to progress advocacy for the Wonthaggi North East Precinct Development.	30/06/2021	

			• COVID-19 pandemic has focused advocacy for business and community support from government including $250,000 Outdoor Eating and Entertainment Grant and subsequent town outdoor dining initiatives rolled out in Grantville, Cowes, Inverloch and Wonthaggi in December 2020.		

Objectives: 1.2 Economic Development

ACTION	STATUS	% COMP	PROGRESS COMMENTS	COMP DATE	PROGRESS
Implement relevant Year 2-5 actions in the Phillip Island and San Remo Visitor Economy Strategy 2035, Growing Tourism	On track	40%	Council officers implemented key year four actions as identified in the Phillip Island and San Remo Visitor Economy Strategy 2035. Specific projects include the roll out of the 'My Phillip Island' Ambassador Program and continuing to pursue Global Sustainable Tourism Certification.	30/06/2021	

Objectives: 1.3 Environment

ACTION	STATUS	% COMP	PROGRESS COMMENTS	COMP DATE	PROGRESS
Climate Change Action Plan 2020-2030 – Major Initiative	On track	75%	Drafting of the Climate Change Action Plan has been completed and endorsed by Council. Consultants have been engaged and are progressing through the five key actions. Communication collateral has been completed. Draft implementation plan has been completed with final Action Plan to be endorsed by Council April 2021.	30/06/2021	

Objectives: 1.4 Governance

ACTION	STATUS	% COMP	PROGRESS COMMENTS	COMP DATE	PROGRESS
Implement the Local Government Act 2020 - Major Initiative	On track	50%	Council has implemented the required changes as at 31 December 2020 including the revised Oath of Office, Mayor and Deputy Mayor election process, setting of Councillor allowances, completion of personal interest returns and commencement of the Councillor Induction Program. Council is on track to meet future requirements.	30/06/2021	
Develop the Council Plan 2021-2025 – Major Initiative	On track	10%	Council is required to adopt the Council Plan by 31 October 2021. The Council Plan must be developed using deliberative engagement methods. As at 31 December Council had commenced the review of the Community Engagement Policy which will help guide the engagement processes used through the development of the Council Plan.	30/06/2021	
Continue Implementation of the Business Transformation program including the One Council Solution	On track	50%	**One Council** Implementation of the One Council solution continued throughout the reporting period. Key progress was made on the following modules, Property & Rating (customer portals, planning and building), Human Resources (e-recruitment and transitions), and Asset Management (Kerbs, Pathways, Open Space and Buildings). **Business Transformation** The business transformation has focused on supporting the One Council implementation, continuing the implementation of the project management framework, progressing the organisation metrics and workplace transitions projects. A service review of the Environmental Health service was completed.	30/06/2021	

Objectives: 1.5 Health and Wellbeing

ACTION	STATUS	% COMP	PROGRESS COMMENTS	COMP DATE	PROGRESS
Continue the development of the Reconciliation Action Plan	On track	60%	The development of the Reconciliation Action Plan has commenced with a draft document completed and prepared with further community consultation to commence in early 2021. In line with this, Council appointed an Aboriginal Development Officer and is commencing the recruitment to an Aboriginal Community Development Trainee.	30/06/2021	

Objectives: 1.6 Liveability

ACTION	STATUS	% COMP	PROGRESS COMMENTS	COMP DATE	PROGRESS
Commence the Municipal Affordable Housing Feasibility Study	On track	30%	A consultant's brief has been prepared and will be opened for quotations in early 2021. A project control group has been commenced and will assist in the development of the Strategy.	30/06/2021	
Commence design and construction of the Cowes Cultural and Community Centre – Major Initiative	On track	Design 75%	Jackson Clements Burrows Architect are currently in the Detail Design phase. Expressions of Interest for the Principal Construction Companies has also been sorted with shortlist companies anticipated to be selected in Q3.	30/06/2021	
Commence implementation of the Wonthaggi North East Precinct Structure Plan and Developer Contributions Plan – Major Initiative	On track	75%	The Precinct Structure Plan and Developer Contributions Plan were adopted by Council in March 2020. The planning scheme amendment will be completed by the Victorian Planning Authority.	30/06/2021	
Commence feasibility and design of the Bass Coast Aquatics facility and Phillip Island Aquatics facility	On track	Feasibility 80%	Otium Planning Group appointed to conduct Feasibility analysis for Phillip Island and Bass Coast Aquatics.	30/06/2021	

Financial Report

Quarter ending 31 December 2020

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1 Executive Summary

The 2020/21 budget was delayed to allow Council time to revise budget assumptions to determine the best community support required as a result of the COVID19 pandemic. The quarter two forecast for 2020/21 is largely aligned to budget. These adjustments included a $2.8 million COVID response and recovery package for our community, with the provision of direct support through direct support programs and economic stimulus.

Material variances seen in the quarter two forecast are largely as a result of Council's success in securing the receipt of additional grant funding for delivery of capital projects and grant funding to help provide employment to those in Victoria whose substantive employment was adversely impacted by the pandemic.

The below key metrics highlight Council's forecast financial position for 2020/21.

	Budget	Forecast
Net Result ($'000s)	3,105	5,433
Adjusted Underlying Result	0.22%	-0.99%
Funding Surplus ($'000s)	0	417
Renewal Gap	1.05	1.08
Liquidity	1.93	2.10

Net Result has been favourably impacted by the confirmation of funds to be received from Better Boating Victoria ($4.5 million) for works on the Rhyll boat ramp and Growing Suburbs ($2.5 million) for application on the planned works for the Cowes Cultural Centre. Of this additional $7 million of confirmed funding, $2 million is forecast to be recognised during the 2020/21 financial year. In addition, recognition of cash contributions from the Pioneer Special Charge scheme of $2.2 million are expected during the 2020/21 financial year as the works on this drainage project accelerate.

Additional funding of $4 million was secured at the start of the 2020/21 year, through the Working for Victoria initiative. This funding which is provided by the State Government supports Council by providing short term employment opportunities to around 100 Victorians whose substantive roles were adversely impacted by the pandemic. In addition, this funding has contributed to the additional service levels required for public amenities and business support and recovery as a result of the pandemic. This funding has no overall impact on our financial results, as the increased revenue is directly offset through increased labour costs.

Continued works on projects which were not complete within the 2019/20 financial year have an adverse impact on both our net result and adjusted underlying result. These projects include the allocation of $0.7 million in COVID19 community grants which were expected to be paid late June 2020 but instead were paid in early July 2021. These projects were fully funded through the 2019/20 budget and therefore the delayed financial completion has no impact on Council's cash position.

Our cash position, as shown in our funding statement is forecast to be largely in line with budget, with a forecast surplus of $0.4 million projected for the financial year. Council's balance sheet was unfavourably impacted by the required recognition of deferred income (AASB15) and lease liabilities (AASB16) during 2019/20. Regardless of this, Council's liquidity ratio remains within VAGO's low risk category, meaning that Council continues to have the ability to be able to pay debts as they fall due.

Council has forecast a capital works program totalling $28.2 million for 2020/21. While the total capital works program has increased by $3.5 million resulting from the receipt of the unbudgeted grant funding from Better Boating Victoria and Growing Suburbs, these funds are expected to be expended by the next financial year. As we continue through the financial year, the delivery of the 2020/21 capital works program will continue to be monitored.

The Chief Executive Officer, as required under Section 97(3) of the Local Government Act 2020 is of the opinion a revised budget is not required.

2 Financial Summary

2.1 Financial Sustainability Risk Indicators

The financial sustainability risk indicators for the month of December 2020 are provided in the table below. The indicators are the same indicators prepared by the Victorian Auditor General and reported by the Victorian Auditor General on an annual basis.

	Actual 2019/20	Budget 2020/21	Actual 31/12/20	Forecast 2020/21	Risk assessment criteria		
					High	Medium	Low
Net result	**21.43%**	**3.76%**	**45.39%**	**5.93%**	Less than negative 10%	Negative 10% - 0%	Greater than 0%
Adjusted Underlying Result	**3.08%**	**0.21%**	**45.18%**	**-0.99%**	Less than 0%	0% - 5%	Greater than 5%
Liquidity	**1.76**	**1.93**	**2.34**	**2.10**	Less than 0.75	0.75–1.0	Greater than 1.0
Internal financing	**117%**	**48%**	**216%**	**90%**	Less than 75%	75–100%	Greater than 100%
Indebtedness	**21.78%**	**41.20%**	**24.61%**	**44.48%**	Greater than 60%	40–60%	40% or less
Capital replacement	**1.22**	**1.83**	**0.73**	**1.90**	Less than 1.0	1.0–1.5	Greater than 1.5
Renewal gap	**1.04**	**1.05**	**1.19**	**1.08**	Less than 0.5	0.5–1.0	Greater than 1.0

Sustainability Risk Indicator Major Variances

Net Result is forecast to be higher than budget due to higher forecast revenue in the 2020/21 year, largely due to the recognition of unbudgeted revenue received from State Government Working for Victoria Initiative ($4 million) Better Boating Victoria ($0.45 million) and Growing Suburbs ($0.9 million). The YTD actual net result is significantly higher than the full year budget as the annual rate revenue is raised at the beginning of the year, resulting in a significant YTD surplus.

Adjusted Underlying Result is forecast to be lower than budget, largely due to the issue of $0.7 million in community grants as part of Council's COVID19 community recovery program. This grant program was funded through savings in the 2019/20 financial year. See page 6 for further explanation.

Liquidity is forecast to be slightly higher than budget, due to an increase in the forecast cash balance at year end arising from carry-over of projects to 2021/22. This has been largely offset by an increase in current liabilities following changes to accounting standards AASB15 (Deferred Income) and AASB16 (Leases). See page 8 for further information on the balance sheet.

Internal Financing is forecast to increase compared to budget due to an increase in the forecast net operating cash flow to be received during the year. This is as a result of unbudgeted cash of $9 million forecast to be received from the following sources: State Government Working for Victoria initiative ($4 million), Better Boating Victoria ($0.6 million) Growing Suburbs ($2.5 million), Distinctive Area Landscapes ($0.4 million) and other minor grants ($1.5 million).

Indebtedness is forecast to be higher than budget due to an increase in Council's non-current liabilities. This increase is due to higher landfill rehabilitation provision recorded in 2019/20 and the recognition of lease liabilities in line with changes in the accounting standard AASB 16.

Capital Replacement Ratio and Renewal Gap are forecast to improve against budget as unfinished projects budgeted in 2019/20 are expected to be completed during the 2020/21 year. The actual result reflects that timing of capital expenditure is behind budget year to date – see page 12 for further detail.

A description of each indicator and how the indicator is calculated is provided below.

Indicator	***How is it calculated?***	***Description***
Net result (%)	Net result / Total revenue	A positive result indicates a surplus, and the larger the percentage, the stronger the result. A negative result indicates a deficit. Operating deficits cannot be sustained in the long term. Net result and total revenue is obtained from the comprehensive operating statement.
Adjusted Underlying Result (%)	Adjusted underlying surplus (or deficit)/ Adjusted underlying revenue	Indicator of the broad objective that an adjusted underlying surplus should be generated in the ordinary course of business. A surplus or increasing surplus suggests an improvement in the operating position. The adjusted underlying result is obtained from the comprehensive operating statement and specifically excludes non-recurrent capital grants, non-monetary contributions and capital cash contributions.
Liquidity (ratio)	Current assets / Current liabilities	This measures the ability to pay existing liabilities in the next 12 months. A ratio of one or more means there are more cash and liquid assets than short-term liabilities.
Internal financing (%)	Net operating cash flow / Net capital expenditure	This measures the ability of an entity to finance capital works from generated cash flow. The higher the percentage, the greater the ability for the entity to finance capital works from their own funds. Net operating cash flows and net capital expenditure are obtained from the cash flow statement.
Indebtedness (%)	Non-current liabilities / Own-sourced revenue	Comparison of non-current liabilities (mainly comprised of borrowings) to own-sourced revenue. The higher the percentage, the less able to cover non-current liabilities from the revenues the entity generates itself. Own-sourced revenue is used—rather than total revenue—because it does not include capital grants, which are usually tied to specific projects.
Capital replacement (ratio)	Cash outflows for property, infrastructure, plant and equipment / Depreciation	Comparison of the rate of spending on infrastructure with its depreciation. Ratios higher than 1:1 indicate that spending is faster than the depreciating rate. This is a long-term indicator, as capital expenditure can be deferred in the short term if there are insufficient funds available from operations, and borrowing is not an option. Cash outflows for infrastructure are taken from the cash flow statement. Depreciation is taken from the comprehensive operating statement.
Renewal gap (ratio)	Renewal and upgrade expenditure / depreciation	Comparison of the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 1:1 indicate that spending on existing assets is faster than the depreciation rate. Similar to the investment gap, this is a long-term indicator, as capital expenditure can be deferred in the short term if there are insufficient funds available from operations, and borrowing is not an option. Renewal and upgrade expenditure are taken from the statement of capital works. Depreciation is taken from the comprehensive operating statement.

Source: Victorian Auditor-General's Report Results of 2018-19 Audits Local Government

2.2 Funding Statement

For the six months ending 31 December 2020

	31 Dec 2020 YTD Actual $000's	31 Dec 2020 YTD Budget $000's	31 Dec 2020 YTD Variance $000's	30 Jun 2021 Budget $000's	30 Jun 2021 Forecast $000's
Revenue					
Rates and charges	64,304	64,249	55	64,586	64,831
Statutory fees and fines	1,213	1,233	(20)	2,467	2,733
User fees	1,411	1,910	(500)	3,926	3,290
Grants - operating	4,776	2,032	2,745	6,745	12,188
Contributions - monetary - operating	210	49	161	103	329
Interest revenue	171	200	(29)	401	260
Other income	258	268	(10)	466	443
Total Revenue	**72,343**	**69,942**	**2,401**	**78,693**	**84,073**
Proceeds					
Sale of assets	3	3,017	(3,013)	3,183	361
Total Proceeds	**3**	**3,017**	**(3,013)**	**3,183**	**361**
Expenses					
Employee costs	(16,597)	(14,370)	(2,227)	(28,583)	(31,904)
Materials and services	(12,588)	(16,323)	3,735	(31,412)	(33,418)
Bad and doubtful debts	0	(5)	5	(10)	(7)
Borrowing costs	(173)	(159)	(14)	(317)	(341)
Land management rebate	(644)	(624)	(20)	(634)	(634)
Other expenses	(1,667)	(1,743)	76	(3,139)	(3,765)
Total Expenses	**(31,669)**	**(33,224)**	**1,554**	**(64,096)**	**(70,070)**
Financing Movements					
Proceeds from Borrowings	0	0	0	17,239	17,239
Repayments of Borrowings	(440)	(314)	(126)	(12,504)	(12,630)
Repayments of Finance Leases	(114)	0	(114)	0	(219)
Net Financing Movements	**(554)**	**(314)**	**(240)**	**4,735**	**4,390**
Reserve Fund Movements					
Transfers from Reserves	2,850	0	2,850	6,298	23,842
Transfers (to) Reserves	0	0	0	(4,621)	(22,050)
Transfers from Unearned Income	397	0	397	0	1,927
Transfers (to) Unearned Income	(6,496)	0	(6,496)	0	(4,449)
Net Reserve Movements	**(3,249)**	**0**	**(3,249)**	**1,677**	**(730)**
Capital Expenditure and Income					
Grants - capital	4,942	1,554	3,388	3,107	6,777
Contributions - monetary - capital	1,290	323	968	645	3,859
Capital works	(5,431)	(13,972)	8,542	(27,944)	(28,243)
Net Capital Works Funded from Operations	**801**	**(12,096)**	**12,897**	**(24,192)**	**(17,607)**
Funding Surplus / (Deficit)	**37,675**	**27,324**	**10,351**	**(0)**	**417**

Year to Date Actuals against Budget variances

The year to date favourable variance of $10.3 million is largely due to the delays in year to date capital works spend ($8.5 million), with works being limited to ongoing and renewal projects during the caretaker period coupled with COVID19 restrictions. Lower year to date expenditure on materials and services ($3.7 million) is attributable to the timing of various contractor payments, all which are

expected to be in line with budget at full year. The increase in operating grants is due to the unbudgeted receipt of funding through the Working for Victoria initiative, aimed to provide short term employment opportunities to Victorians whose employment have been adversely effected by COVID-19. This favourable variance is offset by an increase in employee expenditure.

Full year Budget against Forecast Major variances

Council has forecast the 2019/20 funding statement result to be favourable to budget by $0.4 million.

Council's funding statement has had the following impacts as a result of COVID-19. Increased issue of community grants ($0.7 million) provided for community relief can be seen through an increase in other expenditure. In addition, user fee revenue has reduced due to lower ticket sales, merchandise and accommodation booking commission as a result of closed facilities. User fee revenue has also been impacted by reduced commercial gate fees at the Grantville Waste Centre as a result of COVID-19 restrictions.

Operating grants are forecast to be $5.4 million higher than budget largely due to $4 million to be received through the Working for Victoria (WFV) initiative, $0.4 million received from Distinctive Area Landscape for works in Jam Jerrup/Kilcunda, and $0.25 million received from the State Government for the outdoor dining initiative. The WFV funding provided by the State Government supports Council in providing short term employment opportunities to around 100 Victorians whose substantive roles were adversely impacted by the pandemic. In addition, this funding has contributed to the additional service levels required for public amenities and business support and recovery in response to the pandemic. In line with this, employee expenditure is forecast to increase by $3.3 million. The funding received for the Bass Coast outdoor dining initiative and for works in Jam Jerrup/Kilcunda are offset by a corresponding $0.75 million increase in Materials and Service expenditure representing the cost of works to complete these projects.

Proceeds from sale of assets is forecast to be lower than budget as a result of the expected land sale of $2.8 million occurring at the end of the previous financial year. Proceeds from this sale were held in reserve at the end of 2019/20 and have therefore been transferred from reserves in 2020/21, resulting in a net nil impact on Councils total cash position.

Total net reserve movements for the 2020/21 year are forecast to be in line with budget. This is largely due to the $3.3 million net effect of carryovers ($15.6 million from 2019/20 offset by forecast carryovers to 2021/22 of $18.9 million) being outweighed by the above mentioned $2.8 million transfer for the timing of land sales. Carryovers have a net nil effect on the funding statement as a whole, however they do affect multiple line items within the funding statement. The net impacts of carryovers is as follows; Materials and Services ($1.2 million), other expenses ($0.7 million), Capital works ($3.3 million), capital monetary contributions ($2.2 million) and operating grants ($0.3 million).

Capital grants are forecast to be higher than budget as a result of additional unbudgeted grants of $3.7 million forecast to be received during 2020/21. These include $2.5 million in relation to the development of the Cowes Cultural Centre, $0.06 million for the Wonthaggi Historical Society Building Expansion, $0.35 million State Government Agrilinks funding for Grantville Glen Alvie Road upgrades, $0.45 million from SRV for Wonthaggi Field Lighting improvements and $0.6 million from Better Boating Victoria for the upgrade of Rhyll boat ramp. As we do not expect to meet the full spending requirements of these grants before the end of the financial year, transfers to deferred income have increased by an additional $2.6 million. Deferred income is a new addition to the funding statement, coming as a result of the updates in revenue recognition standard AASB 15 which came into effect during the 2019/20 financial year. Deferred income was not accounted for in the 2020/21 budget and the effects of this balance are largely offset within the funding statement.

Forecast capital works for 2020/21 has been impacted by the carryover of works from 2019/20 ($15.6 million) offset by forecast carryovers to 2021/22 ($18.9 million), additional projects added to the program as a result of additional funding received ($3.1 million), and an increase to the fleet renewal program ($0.2 million) to support the Working for Victoria initiative. (Further detail in section 2.6)

2.3 Comprehensive Income Statement

For the six months ending 31 December 2020

	YTD Actual $000's	YTD Budget $000's	YTD Variance $000's	30 June 21 Budget $000's	30 June 21 Forecast $000's
Income					
Rates and charges	64,304	64,249	55	64,586	64,831
Statutory fees and fines	1,213	1,233	(21)	2,467	2,732
User fees	1,507	1,910	(403)	3,926	3,400
Contributions - cash	73	371	(298)	748	2,406
Contributions - non monetary assets	0	0	0	0	0
Grants - Operating	4,716	2,032	2,684	6,745	12,443
Grants - Capital	205	1,554	(1,349)	3,107	4,771
Net gain on disposal of property, infrastructure and equipment	(2)	(49)	48	117	28
Net profits from associates and joint ventures	0	0	0	0	0
Other Income	438	469	(31)	867	712
Total Income	72,454	71,768	685	82,563	91,322
Expenses					
Employee benefits	(16,766)	(14,370)	(2,396)	(28,583)	(32,073)
Materials and services	(12,595)	(16,234)	3,638	(31,412)	(33,524)
Bad and doubtful debts	0	(5)	5	(10)	(7)
Depreciation	(7,556)	(7,556)	0	(15,111)	(15,111)
Amortisation - intangible assets	(113)	(113)	0	(225)	(225)
Amortisation - right of use assets	(57)	(13)	(44)	(26)	(228)
Finance costs	(160)	(159)	(1)	(317)	(322)
Other expenses	(2,311)	(2,367)	55	(3,773)	(4,399)
Total Expenses	(39,557)	(40,815)	1,258	(79,458)	(85,889)
Surplus (deficit) for the year	32,897	30,954	1,944	3,105	5,433
Less Contributions - monetary	73	371	(298)	748	2,406
Less Contributions - non monetary	0	0	0	0	0
Less Grants - capital (non-recurrent)	205	1,092	(887)	2,184	3,847
Adjusted underlying surplus/(deficit)	32,619	29,490	3,129	174	(819)

Year to date Actuals against Budget Major Variances

Operating grants received are higher than budget due to an additional $2.6 million received year to date in relation to the Working for Victoria initiative, aimed to provide short term employment opportunities to Victorians whose employment have been adversely effected by COVID-19. This favourable variance is offset by a corresponding increase in employee expenditure.

Variances shown in capital grants and cash contributions are due to the timing of revenue recognition in the income statement as defined by the updates to AASB 15. This standard delays the recognition of revenue to a time where the related expenditure has been incurred whereas budget assumed recognition upon receipt.

User fee revenue has reduced due to lower ticket sales, merchandise and accommodation booking commission as a result of closed facilities. User fee revenue has also been impacted by reduced commercial gate fees at the Grantville Waste Centre as a result of COVID-19 restrictions.

Materials and services is lower than budget due to timing of contractor payments.

2.3 Comprehensive Income Statement (Continued)

Full year Budget against Forecast Major Variances

Council's budgeted surplus of $3.1 million has increased to a forecast surplus of $5.4 million. The major variances seen in our income statement are as follows;

Council's income statement has had the following impacts as a result of COVID-19. Increased issue of community grants ($0.7 million) to help provide community relief can be seen through an increase in other expenditure. User fee revenue has reduced due to lower accommodation booking commission, ticket sales and merchandise sales as a result of closed facilities ($0.3 million). User fee revenue has been impacted further by lower commercial gate fees at the Grantville Waste Centre as a result of COVID-19 restrictions ($0.2 million).

Operating grants are forecast to be $5.7 million higher due to an unbudgeted $4.3 million to be received through the Working for Victoria (WFV) initiative, $0.4 million received from Distinctive Area Landscape for works in Jam Jerrup/Kilcunda, and $0.25 million received from State Government for the outdoor dining initiative. The WFV funding provided by the State Government supports Council in providing short term employment opportunities to around 100 Victorians whose substantive roles were adversely impacted by the pandemic. In addition, this funding has contributed to the additional service levels required for public amenities and business support in response to the pandemic. In line with this, employee expenditure is forecast to increase by $3.3 million.

Cash contributions are forecast to be $1.6 million higher than budget largely due to the revenue receivable for the Pioneer Bay Special Charge Scheme ($2.2 million). This Revenue was originally expected to be received in previous financial years. This favourable variance has been partially offset by the unbudgeted deferral ($0.5 million) in the recognition of developer contribution revenue in accordance with the updates provided in Accounting Standard AASB 15. This standard now requires a delay the recognition of revenue to a time where the related expenditure has been incurred whereas budget assumed recognition upon receipt. While we forecast developer cash contributions ($0.9 million) to be $0.4 million higher than budget, in line with AASB 15, $nil will be recognised as revenue during this financial year. These developer contributions will be placed on the balance sheet as deferred income and recognised in the year in which the associated funding is spent.

Capital grants are forecast to be $1.6 million higher than budget as a result of the recognition of unbudgeted funding. This includes recognition of $0.6 million from Better Boating Victoria for the upgrade of Rhyll boat ramp and $0.6 million from Growing Suburbs for spend on the development of Cowes Cultural Centre. The remaining funds received for these initiatives ($3.5 from Better Boating Victoria and $1.9 from Growing Suburbs) will remain on the balance sheet as deferred income, with the expectation for them to be recognised in the 2021/22 year. In addition, $0.4 million is forecast to be recognised in relation to the Fixing Country Roads funding received during the 2019/20 financial year, with the project now being complete. This is in line with the recent updates to AASB 15 which now requires a delay the recognition of revenue to a time where the related expenditure has been incurred whereas budget assumed recognition upon receipt.

Materials and services are forecast to be $2.1 million higher than budget due to the forecast spend ($1.3 million) of project funds carried over from the 2019/20 financial year. This includes the core system implementation, Grantville activity centre plan and Smiths Beach master plan. In addition, following the unbudgeted receipt of grant funding outlined in operating grants above, $0.5 million is forecast to be spent on the Distinctive Area Landscape works in Jan Jerrup/Kilcunda and $0.25 million for outdoor dining.

2.4 Balance Sheet

For the six months ending 31 December 2020

	YTD Actual 31 December 2020 $'000	Budget 30 June 2021 $'000	Forecast 30 June 2021 $'000
Current Assets			
Cash and cash equivalents	9,946	27,858	26,214
Current trade and other receivables	49,345	7,214	9,740
Current other financial assets	49,790	40	29,240
Inventories	69	71	69
Current assets - other	1,674	1,349	1,059
Total Current Assets	110,824	36,532	66,321
Non-Current Assets			
Non current investments equity method	1,804	1,601	1,804
Property infrastructure plant and equipment	721,064	732,845	735,993
Intangible assets	1,238	1,125	1,125
Right of use assets	1,313	17	1,143
Total Non-Current Assets	725,419	735,589	740,065
Total Assets	**836,242**	**772,120**	**806,386**
Current Liabilities			
Current trade and other payables	2,660	5,524	4,770
Current trust funds and deposits	13,242	4,459	7,305
Current provisions	6,985	7,213	6,278
Current interest bearing liabilities	12,061	1,741	1,620
Current lease liabilities	220	0	219
Unearned Income	12,267	0	8,690
Total Current Liabilities	47,436	18,937	28,881
Non-Current Liabilities			
Non current provisions	12,544	11,262	12,452
Non current interest bearing liabilities	3,015	18,385	18,505
Non current lease liabilities	1,041	0	938
Total Non-Current Liabilities	16,601	29,647	31,895
Total Liabilities	**64,036**	**48,584**	**60,776**
Net Assets	**772,206**	**723,536**	**745,609**
Equity			
Accumulated Surplus	301,843	273,009	274,188
Reserves	470,363	450,528	471,422
Total Equity	**772,206**	**723,536**	**745,609**

Major variances

Forecast adjustments resulting from the completion of 2019/20 financial statements have materially affected both the cash and cash equivalents and current other financial assets balances. This is due to the value of term deposits which are held for greater than 90 days at year end being required to be disclosed under current other financial assets rather than cash and cash equivalents. Total cash balances are forecast to be higher than budget due to the identification of capital works projects which are forecast to be paid in future financial years.

The increase in forecast of property plant and equipment is due to the recognition of $15 million worth of donated assets received during the previous financial year, which has been partly offset by capital works projects forecast to be paid in future financial years.

Increased development within the shire has seen an increase in trust monies held for outstanding developer works.

Forecasts seen in Right of use asset, Unearned income and Lease liabilities is as a result of adjustments made in line with updates to AASB 15 and AASB 16, which were not quantified during the budgeting process.

2.5 Cash Flow Statement

For the six months ending 31 December 2020

	YTD Actual $000's	30 June 21 Budget $000's	30 June 21 Forecast $000's
Cash flows from operating activities			
Rates and charges	22,009	63,453	62,342
Statutory fees and fines	1,213	2,428	2,732
User fees	4,263	3,863	6,557
Grants - operating	4,776	6,638	12,188
Grants - capital	4,942	3,058	6,778
Contributions - monetary	1,500	748	4,188
Interest received	171	401	260
Dividends received	2	2	2
Trust funds and deposits taken	9,512	87	9,476
Other receipts	377	554	785
Net GST refund	1,019	4,582	4,041
Employee costs	(16,003)	(32,626)	(32,218)
Materials and services	(15,846)	(35,562)	(36,306)
Short-term, low value and variable lease payments	(56)	0	(231)
Trust funds and deposits repaid	(3,495)	0	(9,433)
Other payments	(2,671)	(4,703)	(6,054)
Net cash provided by/(used in) operating activities	**11,713**	**12,923**	**25,107**
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	(5,429)	(30,639)	(28,243)
Proceeds from sale of property, infrastructure, plant and equipment	3	3,501	361
Payments for investments	(20,550)	0	0
Net cash provided by/(used in) investing activities	**(25,976)**	**(27,138)**	**(27,882)**
Cash flows from financing activities			
Finance costs	(177)	(317)	(341)
Proceeds from borrowings	0	17,239	17,239
Repayment of lease liabilities	(114)	0	(219)
Repayment of borrowings	(440)	(12,504)	(12,630)
Net cash provided by/(used in) financing activities	**(731)**	**4,418**	**4,049**
Net increase (decrease) in cash and cash equivalents	(14,994)	(9,797)	1,274
Cash and cash equivalents at the beginning of the financial year	24,940	37,655	24,940
Cash and cash equivalents at the end of the period	**9,946**	**27,858**	**26,214**

2.6 Statement of Capital Project Expenditure

For the six months ending 31 December 2020

	31 December 20 Actual $000's	31 December 20 Budget $000's	YTD Variance $000's	30 Jun 21 Budget $000's	30 Jun 21 Forecast $000's
Property					
Land	436	500	64	1,000	2,429
Land improvements	910	1,501	591	3,002	3,407
Total land	1,347	2,001	654	4,002	5,835
Buildings	1,186	6,803	5,616	13,605	7,639
Total buildings	1,186	6,803	5,616	13,605	7,639
Total Property	2,533	8,804	6,271	17,607	13,474
Plant and equipment					
Plant, machinery and equipment	550	798	248	1,595	1,897
Computers and telecommunications	251	343	91	685	815
Art works	-	-	-	-	150
Total plant and equipment	801	1,140	339	2,280	2,862
Infrastructure					
Roads	1,193	2,241	1,048	4,482	8,357
Bridges	22	44	22	88	142
Footpaths and cycleways	695	593	(102)	1,186	1,426
Drainage	19	326	307	651	1,037
Waste management	127	800	673	1,600	854
Other infrastructure	40	25	(15)	50	91
Total infrastructure	2,096	4,029	1,933	8,057	11,908
Total capital works expenditure	5,429	13,972	8,543	27,944	28,244
Represented by:					
Asset renewal expenditure	2,602	6,642	4,040	13,283	13,138
Asset upgrade expenditure	525	1,401	876	2,801	5,659
Asset expansion expenditure	635	1,230	595	2,460	1,738
New asset expenditure	1,667	4,700	3,033	9,400	7,709
Total capital works expenditure	5,429	13,972	8,543	27,944	28,244

Major variances

Council's record 20/21 capital works budget of $28 million has increased due to a capital works carry over from the previous financial year of $15.7 million and additional project funding with a 20/21 forecast value of $3.5 million. Additional project funding relates to grants totalling $7 million that Council has obtained from Better Boating Victoria and the Growing Suburbs fund with $3 million of this applied to the capital program in 20/21.

The COVID-19 Stage 4 restrictions coupled with the Caretaker Period during the Council transition have had a major impact on the timeliness of the capital program delivery. Officers have carried out an in depth review of the projected capital program delivery including the forecast carry over. Based on these projections while Council expects to deliver a total of $28.2 million in capital works, it is forecast that $18.9 million in capital projects will be carried over to 21/22. The delayed commencement of a number of projects, significant carry over from the previous year and new funded projects have contributed to this elevated carry over projection. Forward planning for future capital programs needs to consider internal resourcing levels and matching these to the scale of the program to improve deliverability outcomes.

2.7 Carry Overs from 2019/20

Projects budgeted in previous financial years which were not completed prior to 30 June 2020 are listed in the following pages. The financial impact of continued works on these projects in the 2020/21 financial year are reflected in the forecast figures in this report. These projects have been funded through previous year's budgets and therefore have a net nil impact on Council's total cash balances.

Project Name	Expenses $(000's)	Revenue $(000's)	Total $(000's)
Operating			
Cape Paterson Bay Beach Development Plan Detailed Design	15		15
Cape Paterson Surf Lifesaving Club Upgrade	94		94
OneCouncil System Implementation (core system upgrade)	279		279
Amendment C136 Cape Paterson	30		30
Implementation of Domestic Animal Management Plan 2017-2020	6		6
Municipal Public Health and Wellbeing Plan Implementation 2018-19 Actions	26		26
Disability Action Plan Implementation Actions	18		18
Youth Action Plan Implementation Actions	7		7
Creative Gippsland	22		22
Sustainability Zero Emission Strategy	12		12
Sustainabilbity Water Efficiency Project	26		26
Sustainability Energy Efficiency Project	33		33
Implementation of OSAMP/BAMP	20		20
Implementation of RAMP	10		10
Feasibility Study Pathway between Rose Av and Coghlan Rd	25		25
Grantville Activity Centre (Tennis, Play, Skate)	173	(330)	(157)
Rhyll Jetty Activity Area Precinct Plan	30		30
Ambassador Program	8		8
Distinctive Areas and Landscapes	120		120
Heritage Gaps	30		30
Wonthaggi Secondary College Senior Campus Structure Plan	50		50
Smiths Beach Master Plan	129		129
Shetland Heights Road Special Charge Scheme Planning and Concept Design	11		11
Addressing Wildlife Roadkill on Phillip Island	9		9
Business and Community Resilience Grants Program	700		700
Community Activation and Social Isolation Initiative	34		34
Rural Access	69		69
Total	**1,987**	**(330)**	**1,657**

2.7 Carry Overs from 2019/20 (Continued)

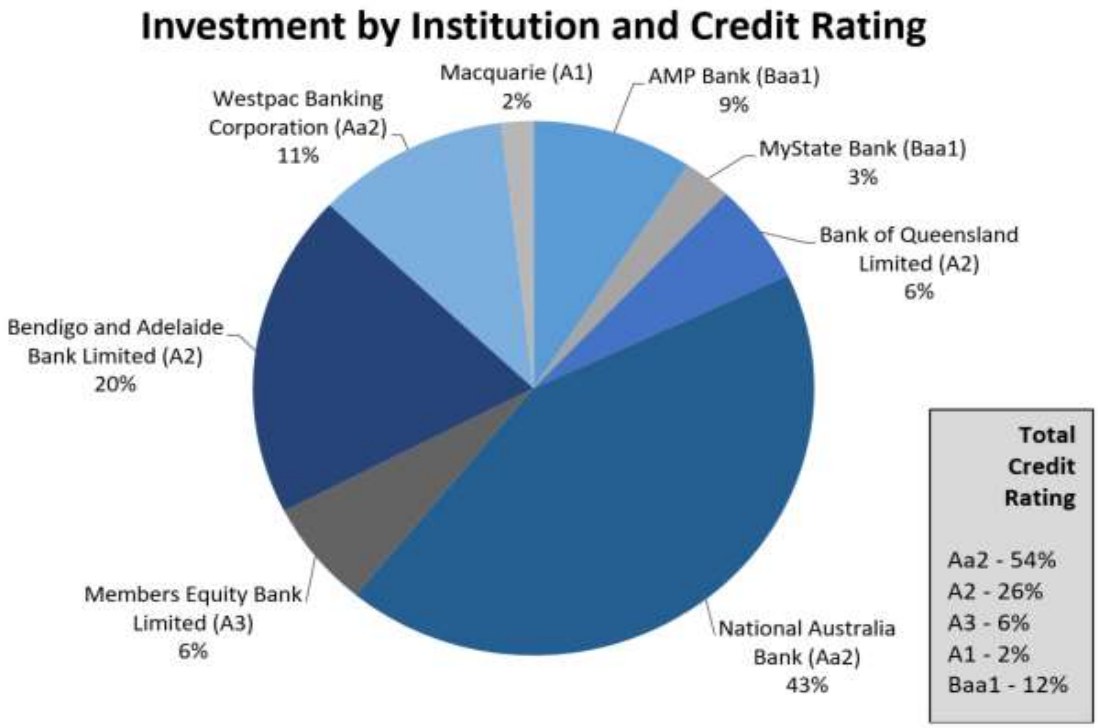
Project Name	Expenses $(000's)	Revenue $(000's)	Total $(000's)
Capital			
Ren Bridge & Culvert Renewal Program	54		54
Pioneer Bay Drainage Strategy Outfall works	369		369
Cowes Transit Centre and All-Day Parking	20		20
Cowes Cultural and Community Centre	315		315
Cowes Jetty Triangle and Piazza Redevelopment	114		114
Pioneer Bay roads and drainage special charge scheme	4,271	(2,184)	2,088
Strategic land acquisition Phillip Island	1,993		1,993
PBN Surf Parade Inverloch Veronica St to Goroke St	1,519		1,519
Aspirational Pathways	103		103
Min Plant Equ Public Art	41		41
Buildings - Building renewal design program for next year	9		9
Buildings - Dalyston Pavillion replacement	103		103
Recreation Group - Harold Hughes Reserve - Playground	18		18
Ren Plant Equ Light Fleet Renewal Program	105		105
Storm Water Group - Seagrove Estate - WSUD	8		8
Carpark - Cowes Leisure Centre Car Park	25		25
Street Decoration Banner Pole Renewal	19		19
Ren Land Impr Street Decoration Renewal	44		44
Min Roads Corinella Boat Ramp Carpark & Pathway	30		30
Regional Skate Park & Play Space	1,686	(650)	1,036
Phillip Island Croquet Club Pavilion Detailed Design	13		13
Cowes PICAL building	1,384		1,384
Other EWaste/Depot Infrastructure Cowes Wonthaggi Inverloch	184		184
Maj Waste Infrastructure Phillip Island Transfer Station	206		206
Maj Land Imp Wonthaggi Activity Centre Plan Priorities	395		395
Corinella Tennis Court Renewal	422		422
Local Road Safety Improvement Program - Soldiers/Agar Rd Int Soldiers Rd / Agar Rd Inte	177		177
Computers and telecommunications	46		46
Storm Water Group - Bayview Ave Tenby Point - WSUD	216		216
Open Space Renewal Design Pier Rd Jetty Sea Wall	38		38
Open Space Renewal Design Grantville Jetty	52		52
Open Space Renewal Design Newhaven Jetty	69		69
Open Space Renewal Cape Paterson Boat Ramp Retaining Wall	2		2
Open Space Renewal Coastal Signage Kilcunda	27		27
Buildings - Renewal Design 2020/21 Drysdale Street Kinder	50		50
Buildings - Renewal Design 2020/21 Inverloch Kinder	50		50
Inverloch Community Hub	46		46
Ren Bldgs OpSp Cowes Band Rotunda Jetty Triangle	80		80
Maj Land Impr Climate Change Action Plan	84		84
Wonthaggi Historical Society Building Expansion	196		196
Rural Pavement - Grantville Glen Alvie Rd Loch Kernot Rd W From Loch Kernot Rd	872		872
Rural Road Design - Loch Wonthaggi Rd Intn G'ville Glen Alvi Intersection Grantville	35		35
Recreation Group - Inverloch Tennis Court Renewal	26		26
Building Renewal - Council Meeting Rooms OH&S	45		45
Cowes/Rhyll Shared Path - Design	100		100
Total	**15,660**	**(2,834)**	**12,826**
Grand Total	**17,647**	**(2,504)**	**14,483**

2.8 Treasury

Funds are held as cash at bank to ensure sufficient liquidity to meet payment obligations. Surplus cash is placed in interest bearing term deposits to maximise investment returns while ensuring availability if required. All investments are made in accordance with Council's Funds Investment Policy. The following table details investments held by Council at the end of quarter 2.

Investments held by Council as at 31 December 2020	Principal	Interest Rate	Term (Days)	Maturity Date
Bendigo and Adelaide Bank Limited*	5,000,000	0.65%	163	9 March 2021
National Australia Bank	1,000,000	0.55%	90	4 January 2021
Bank of Queensland Limited	2,000,000	0.45%	90	4 January 2021
MyState Bank*	1,500,000	0.70%	365	7 October 2021
Bank of Queensland Limited	1,250,000	0.45%	90	18 January 2021
Bendigo and Adelaide Bank Limited*	1,700,000	0.35%	91	18 January 2021
National Australia Bank	6,050,000	0.45%	91	18 January 2021
Members Equity Bank Limited*	3,000,000	0.45%	91	1 February 2021
Members Equity Bank Limited*	500,000	0.40%	91	15 February 2021
AMP Bank	5,000,000	0.60%	91	15 February 2021
National Australia Bank	2,500,000	0.40%	91	15 February 2021
Bendigo and Adelaide Bank Limited*	500,000	0.35%	91	15 February 2021
National Australia Bank	8,200,000	0.40%	91	1 March 2021
Bendigo and Adelaide Bank Limited*	3,400,000	0.30%	98	15 March 2021
National Australia Bank	5,400,000	0.40%	98	15 March 2021
Macquarie	1,000,000	0.65%	180	21 June 2021
Westpac Banking Corporation*	6,000,000	0.27%	181	21 June 2021
* *ethical*				
Weighted average return on investment	**0.45%**			

Investments are included as components of current assets balances in the balance sheet. Investments are classified as either; Cash and cash equivalents or current other financial assets based on the length of their investment term.



3 Appendix – Divisional Reports

Overviews of the operating performance per division and per department are outlined below. Please note that these figures do not include capital or operating projects. Refer to Statement of Capital Project Expenditure and key operating projects summary.

Business Transformation

	YTD Actual $000's	YTD Budget $000's	YTD Variance $000's	Full Year Forecast $000's	Full Year Budget $000's	Variance $000's
Transformation and Technology	1,028	1,531	503	3,021	2,824	(197)
People & Culture	646	876	230	1,451	1,696	245
Department Total	**1,674**	**2,407**	**733**	**4,472**	**4,520**	**48**
Key Operating Projects						
OneCouncil System Implementation	1,007	926	(81)	1,934	1,655	(279)

Business Transformation Major Variances

Transformation & Technology

Year to date favourable variance is attributed to timing of invoice payments.

Unfavourable variance to budget for full year forecast is due to centralisation of additional mobile phone, data and licensing fees required to support remote working and additional staff funded by the Working for Victoria initiative. Additional costs have also been required for data backup to meet data retention requirements.

People & Culture

Year to date and full year forecast favourable variances are due to savings as a result of resource vacancies and the utilisation of funding through the Working for Victoria initiative for funded positions.

Key Operating Projects Summary

OneCouncil System Implementation

Year to date actual expenditure and full year forecast expenditure are on track for delivery within overall project budget, noting $279k was carried over from 2019/20.

3.1 Partnerships, Advocacy and Economy

	YTD Actual $000's	YTD Budget $000's	YTD Variance $000's	Full Year Forecast $000's	Full Year Budget $000's	Variance $000's
Investment & Visitor Economy	975	1,135	160	2,034	2,002	(32)
Customer Service	532	665	133	1,137	1,311	174
Advocacy, Communications & Engagement	256	317	61	631	620	(10)
Department Total	**1,764**	**2,118**	**354**	**3,801**	**3,933**	**132**
Key Operating Projects						
Business and Event Recovery Support COVID-19	-	47	47	190	55	(135)
Local Councils Outdoor Eating and Entertainment Package	(129)	-	129	-	-	-

Partnerships, Advocacy and Economy Major Variances

Investment & Visitor Economy

Year to date favourable variance due to restricted visitor service operations and a reduction in events support due to COVID-19. The full year forecast is slightly unfavourable to budget due to extension of Business Support Officers to assist with the business recovery initiative. This is funded by savings in operating projects arising from event cancellations. In addition, as COVID-19 restrictions ease, visitor service operations are expected to increase however a reduction in income from accommodation, ticket and merchandise sales are expected to continue for the remainder of the financial year.

Customer Service

Year to date and full year favourable variance due to customer service centres utilities budget being centralised in the infrastructure maintenance department. Year to date salary savings and reduced operational costs as customer service centres were closed due to COVID-19 are offset in the second half of the financial year as centres reopen.

Advocacy, Communications & Engagement

Year to date favourable variance due to the timing of payments made with increased levels of community engagement in the second half of the financial year. The full year forecast slightly unfavourable to budget due to realignment of salaries that were budgeted in the customer service department.

Key Operating Projects Summary

Business and Event Recovery Support COVID-19

Approximately $190,000 in savings from cancellation of events have been allocated to business and event recovery support, which will be used to implement programs to support business and event recovery.

Local Councils Outdoor Eating and Entertainment Package

State Government funding of $250,000 has been received for the Local Councils Outdoor Eating and Entertainment Package. Council has activated public space areas and supported hospitality businesses to increase their outdoor dining capacity.

3.2 Place Making

	YTD Actual $000's	YTD Budget $000's	YTD Variance $000's	Full Year Forecast $000's	Full Year Budget $000's	Variance $000's
Strategy & Growth	773	1,163	390	2,194	2,401	207
Infrastructure Asset Management	606	764	157	1,380	1,484	104
Major Projects	161	208	47	444	458	15
Department Total	**1,540**	**2,134**	**594**	**4,018**	**4,343**	**325**
Key Operating Projects						
Public Realm Improvements Plan Cowes	29	125	96	250	250	-
Wonthaggi Secondary College Senior Campus – Structure Plan	-	50	50	20	100	80
Gap Road Feasibility Assessment & Plan	-	50	50	100	100	-
Wonthaggi Activity Centre Plan	1	10	9	11	10	(1)
Heritage Gaps	21	-	(21)	30	-	(30)
Smiths Beach Master Plan	13	-	(13)	129	-	(129)
Developer Contributions	(232)	-	232	(232)	-	232
Open Space Contributions	(394)	(63)	331	(477)	(125)	352
Wonthaggi North East Developer Contributions	(631)	(250)	381	(881)	(500)	381

Place Making Major Variances

Strategy & Growth

Full year forecast favourable variance in revenue across the Strategy & Growth department will be partially utilised to create the Growth Areas Team and increase resources within the Statutory Planning team. The year to date favourable variance will be partially offset by the end of the financial year as new positions are filled.

Infrastructure Asset Management

Year to date and full year favourable variance due to increased fee revenue for Legal Point of Discharge permit applications and reduced employee costs due to positions being funded by the State Government's Working for Victoria initiative.

Major Projects

Year to date and full year forecast is favourable due to positions being funded by the State Government's Working for Victoria initiative.

Key Operating Projects Summary

Public Realm Improvements Plan Cowes

Work has commenced on the $250,000 Cowes public realm improvement plan with engagement of access and movement consultants and a design team. Work is progressing well and is anticipated to be complete by June 2021 within budget.

Wonthaggi Secondary College Senior Campus – Structure Plan

A delay in the ownership transfer of the old Wonthaggi Secondary School site has meant some works programmed for this year have also been delayed, and the $100,000 is expected to be partially expended. Once the ownership arrangements have been completed we will be able to reschedule the planning works accordingly.

Gap Road Feasibility Assessment & Plan

The Gap Road Feasibility Assessment and Plan is scheduled to commence in quarter three of this financial year within $100,000 budget.

Wonthaggi Activity Centre Plan, Heritage Gaps

The Wonthaggi Activity Centre Plan and Heritage Gaps projects are complete and will be presented at a future Council meeting.

Smiths Beach Master Plan

Work is progressing on the Smith's Beach Master Plan with traffic and planning consultants engaged to complete the project. Forecasted expenditure of $128,580 on this project is supported by carryover from the 19/20 budget.

Developer Contributions, Open Space Contributions, Wonthaggi North East Developer Contributions

An increased level of development activity has resulted in an additional $1.5 million of developer and open space contributions.

3.3 Resilient Communities

	YTD Actual $000's	YTD Budget $000's	YTD Variance $000's	Full Year Forecast $000's	Full Year Budget $000's	Variance $000's
Sustainable Environment	5,291	6,106	815	11,930	11,631	(299)
Infrastructure Maintenance	4,926	5,701	775	11,144	11,140	(4)
Community Recreation & Culture	3,327	3,610	283	7,401	7,162	(239)
Infrastructure Delivery	508	563	55	950	1,013	63
Department Total	**14,052**	**15,980**	**1,928**	**31,425**	**30,947**	**(478)**

Key Operating Projects	YTD Actual $000's	YTD Budget $000's	YTD Variance $000's	Full Year Forecast $000's	Full Year Budget $000's	Variance $000's
Dinosaur Park Materplan	4	125	121	250	250	-
Tenby Point Planting	-	5	5	10	10	-
Indigenous Liaison Implementation	19	16	(3)	32	33	-

Resilient Communities Major Variances

Sustainable Environment

Favourable year to date variance due to timing of waste contractor payments.

Unfavourable full year variance anticipated due to reduced commercial revenue at Grantville Waste Centre, coupled with additional expenditure required for further monitoring and installation of bores.

Infrastructure Maintenance

Year to date favourable variance due to timing of expenditure for maintenance works typically scheduled for the second half of the financial year.

No significant variances are expected for the remainder of the 2020/21 financial year, with works to be undertaken to expend unbudgeted funding received from the Department of Transport ($92k) for boat ramp maintenance and additional Grants Commission Local Road Funding ($26k).

Community Recreation & Culture

Favourable year to date variance due to timing of expenditure for Leisure Centres not anticipated until later in the financial year.

Unfavourable full year variance is largely due to a reduction in income received during the 20/21 year. As a result of the impacts of COVID-19, a reduction of income has been experienced through reduced hire of open space facilities, reduced footpath trading and infringement fees issued and reduced ticket sales and goods sales due to the closure of the Wonthaggi Union Community Arts Centre.

Infrastructure Delivery

Year to date, and full year favourable variance due to due to positions being funded by the State Government's Working for Victoria initiative.

Key Operating Projects Summary

Dinosaur Park Masterplan

Formulation of a master plan to develop a world class dinosaur discovery trail in Bass Coast is well underway. Completion of the master plan is expected midyear in line with $250,000 budget.

Tenby Point Planting

Tenby Point planting project will commence later in the financial year. This period provides more favourable weather conditions to reduce the mortality rate in the planting project allowing a better outcome for the community. The $10,000 budget will be fully committed and exhausted on this project in the 2020/21 financial year.

Indigenous Liaison Implementation

Continued to develop Bass Coast's first Reconciliation Action Plan, which included all Council staff undertaking an online Cultural Capability Training Program.

3.4 Governance & Financial Performance

	YTD Actual	YTD Budget	YTD Variance	Full Year Forecast	Full Year Budget	Variance
Financial Services	508	1,327	819	2,102	2,478	376
Governance & Property	948	1,234	286	2,019	1,972	(47)
Department Total	**1,456**	**2,561**	**1,104**	**4,121**	**4,449**	**329**
Non-Departmental	**(57,671)**	**(57,950)**	**(279)**	**(54,771)**	**(54,337)**	**434**

Governance & Financial Performance Major Variances

Financial Services

Year to date favourable variance is largely due to fleet cost savings attributable to reduced travel due to COVID-19 restrictions and COVID-19 hardship support. In addition, the receipt of $50K unbudgeted Fire Services Levy administration fee and a higher volume of fees received through Land Information Certificates requests has also impacted this variance.

Lower full year forecast against budget is due to higher income expected through increased Land Information Certificate requests ($50K), a fire services administration fee income not originally budgeted ($50K) and fleet cost savings attributable to reduced travel due to COVID-19 restrictions.

Governance & Property

Year to date favourable variance is attributable to the timing of the payment for Election related expenditure.

Full year unfavourable variance is due to extra record software licensing costs required to support Working for Victoria employees not budgeted for, as well as extra costs expected to be incurred as a result of the new Local Government Act. This has been offset slightly by savings for room hire and catering as a result of meetings occurring remotely.

Non-Departmental

Full year forecast is predicted to be lower than budget due to receiving higher than budget waste revenue and forecasting lower employee benefits taken during the year. These are offset by lower than budget interest income ($140K) as a result of low interest rates and higher amortisation expense ($200K) following analysis of landfill provisions made at the end of the 2019/20 financial year.

Project Number	Project	Asset Class	Percent Complete	Status	2020/21 Approved Budget	2019/20 Carryover	Approved Budget + 2020/21 Carryover	Last Posted Forecast	Forecasted Carryover 21/22	YTD Actual Expenditure	Variance (between YTD Actuals and Last Posted Forecast)	PROGRESS COMMENTS Q2	Risk
Buildings & Property													
100121	Cowes Cultural and Community Centre Redevelopment	Buildings and Property	35%	Multi-Year	4,000,000	-	4,000,000	2,102,622	2,212,420	702,622	1,400,000	Demolition works have been completed. Linked to project number100124.	
100124	Cowes Cultural and Community Centre (detailed design)	Buildings and Property	50%	Multi-Year	-	315,043	315,043	-	-	-	-	Council awarded detailed design in May 2020. Detailed design progressing well and construction documentation anticipated to be completed within Quarter 4.	
100392	Buildings - Building renewal design program for 2020/21	Buildings and Property	50%	Planning/Design/Approval	-	8,500	8,500	43,500	-	1,710	41,790	Design for the community hall buildings have been completed. Additional building design works to be considered within this program during Quarter 3 and Quarter 4.	
100396	Buildings - Dalyston Pavilion replacement	Buildings and Property	85%	Underway	-	103,468	103,468	103,468	-	9,796	93,672	New Pavilion was completed in July 2019. Outstanding works are associated with the demolition of the existing pavilion and old change room. These works are subject to the installation of a new shed which is expected to be completed in Quarter 3. Demolition works will follow.	
100480	Phillip Island Croquet Club Pavilion Detailed Design	Buildings and Property	100%	Completed	-	12,826	12,826	10,500	-	10,500	-	Project completed in September 2020.	
100484	Cowes PICAL building	Buildings and Property	25%	Multi-Year	-	1,383,709	1,383,709	449,709	934,000	17,321	432,388	The concept has been approved by PICAL. The consultant has started with the schematic design for this project. This is a multi-year project.	
100528	Buildings - Renewal Design 2020/21 Drysdale Street Kinder	Buildings and Property	100%	Deferred	-	49,863	49,863	-	49,863	-	-	This project has been deferred subject to future Capital budgets. This budget will be reallocated to 100529.	
100529	Buildings - Renewal Design 2020/21 Inverloch Kinder	Buildings and Property	55%	Underway	-	50,000	50,000	50,000	-	5,055	44,945	Works to start early Quarter 3 and be completed by the end of January 2021 (start of the school year).	
100530	Buildings - Renewal Design 2020/21 The Hub Inverloch	Buildings and Property	70%	Underway	-	46,373	46,373	46,372	-	32,827	13,545	This project is being undertaken in conjunction with project number 100697. Preliminary design is underway for the Inverloch Hub and the detailed design expected to be completed in Quarter 3. Solar Panel renewal works above the Library are expected to start in Quarter 3 and take up to 4 weeks to complete. This will be a multi-year project.	
100589	Wonthaggi Historical Society Building Expansion	Buildings and Property	100%	Completed	-	195,779	195,779	261,878	-	196,858	65,020	Project completed in December 2020.	
100609	Building Renewal - Council Meeting Rooms	Buildings and Property	100%	Completed	-	45,000	45,000	44,999	-	31,231	13,768	Project completed in August 2020.	
100657	Aquatic Centre Bass Coast	Buildings and Property	10%	Multi-Year	2,825,000	-	2,825,000	250,000	2,575,000	41,097	208,903	Feasibility study is underway for the Bass Coast Aquatics and Leisure Centre. A review is due for completion in Quarter 4. This will be a multi-year project.	
100680	WUCAC Backstage Renewal Works	Buildings and Property	50%	Underway	250,000	-	250,000	250,000	-	4,696	245,305	Works are expected to start and be completed with Quarter 3, subject to contractor availability and program scheduling at Community Arts Centre.	
100685	Building Renewal - Wonthaggi Civil Centre Lighting	Buildings and Property	100%	Completed	50,000	-	50,000	49,999	-	21,300	28,699	Project completed in December 2020.	
100686	Building Renewal - Cowes Children's Hub	Buildings and Property	55%	Underway	70,000	-	70,000	70,000	-	-	70,000	Floor covering works are expected to start in Quarter 3 and take up to 3 weeks. These works are programmed during school holidays.	
100697	Inverloch Community Hub Hall Air Conditioning and Solar	Buildings and Property	70%	Multi-Year	1,109,201	-	1,109,201	200,000	909,201	10,367	189,633	This project is being undertaken in conjunction with project number 100530. Preliminary design is underway for the Inverloch Hub and the detailed design expected to be completed in Quarter 3. Solar Panel renewal works above the Library are expected to start in Quarter 3 and take up to 4 weeks to complete. This will be a multi-year project.	

Project Number	Project	Asset Class	Percent Complete	Status	2020/21 Approved Budget	2019/20 Carryover	Approved Budget + 2020/21 Carryover	Last Posted Forecast	Forecasted Carryover 21/22	YTD Actual Expenditure	Variance (between YTD Actuals and Last Posted Forecast)	PROGRESS COMMENTS Q2	Risk
Total Buildings & Property			**16**	**16**	**8,304,201**	**2,210,561**	**10,514,762**	**3,933,048**	**6,680,484**	**1,085,381**	**2,847,667**		
Open Space													
100096	Dalyston Recreation Reserve Netball Courts Renewal	Open Space	55%	Underway	1,350,000	-	1,350,000	1,350,002	-	9,828	1,340,174	Contracts awarded and project underway with demolition works completed. Anticipated to be completed late Quarter 3 prior to netball season.	
100251	Cowes Jetty Triangle and Piazza redevelopment (design & cons	Open Space	100%	Completed	-	114,000	114,000	74,000	-	49,013	24,987	Rectification works was completed in December 2020.	
100383	Public Art Program	Open Space	60%	Underway	50,000	41,479	91,479	91,479	-	16,487	74,992	Artist has been selected and the location of proposed art work is to be in Cape Paterson. Delays experienced due to securing the required permits. Project is expected to be completed in Quarter 3. EOI for public artists underway for Newhaven Art project. Committee to decide on selection of artist in late January 2021.	
100387	Beachcomber YCW Activity Area Master Plan BBQ Shelter	Open Space	100%	Deferred	-	-	-	-	-	-	-	This project has been deferred.	
100397	Open Space Renewal - Shaft 20	Open Space	50%	Planning/Design/Approval	100,000	-	100,000	80,000	-	875	79,125	Scope completed and Heritage Victoria permit secured. Works expected be completed in Quarter 3.	
100399	Open Space Asset Renewal Program	Open Space	50%	Underway	150,000	-	150,000	125,000	-	3,822	121,178	Grantville Overtopping seawall project works excepted to start in Quarter 3. The detailed design and permits for the Cape Paterson Sea wall project have been completed. Linked to project numbers 100526 and 100655.	
100532	Open Space Renewal - Jetty Triangle Rotunda Cowes	Open Space	45%	Multi-Year	700,000	80,000	780,000	200,000	580,000	28,569	171,431	The detailed design is expected to be completed in Quarter 3 with construction works anticipated to begin in Quarter 4.	
100684	Public Toilet Renewal - Kilcunda Foreshore / Harold Hughes / Guide Park	Open Space	50%	Underway	1,100,000	-	1,100,000	1,099,999	-	10,899	1,089,100	Works anticipated to start in Quarter 3 and be completed by the end of Quarter 4.	
100406	Recreation Group - Harold Hughes Reserve - Playground renewal	Open Space	100%	Completed	-	17,800	17,800	17,800	-	17,800	-	Project completed in August 2020	
100459	Regional Skate Park and Play space	Open Space	100%	Deferred	-	1,685,683	1,685,683	40,121	1,645,600	38	40,083	This project has been deferred.	
100477	Playground detailed design - Wonthaggi Guide Park	Open Space	100%	Completed	-	-	-	-	-	-	-	Project completed in July 2020.	
100490	Wonthaggi Activity Centre Plan priorities 2019/20	Open Space	90%	Underway	250,000	394,981	644,981	445,543	199,438	174,709	270,834	The Apex Park Masterplan detailed design will be completed in Quarter 3. An Access and Movement study has been completed and from this study an Intersection design for Biggs Drive and Murray Street will be undertaken in Quarter 3.	
100491	Bass Coast Entry Signage	Open Space	40%	Underway	200,000	-	200,000	200,000	-	388	199,612	Consultant has commenced the detailed design with completion and installation expected Quarter 3.	
100492	Bass Field Lighting	Open Space	100%	Completed	-	-	-	18,929	-	18,929	-	Project completed in September 2020.	
100493	Corinella Tennis Court Renewal	Open Space	100%	Completed	-	421,952	421,952	266,000	-	193,266	72,734	Project completed in December 2020.	
100494	Cowes Activity Centre Plan	Open Space	0%	Not Started	100,001	-	100,001	-	100,000	-	-	This project is expected to start in Quarter 3	
100499	Wonthaggi Tennis Court Renewal and Multi Use Space	Open Space	95%	Underway	-	-	-	175,127	-	81,127	94,000	Installation of light poles and switchboard have been completed. Commissioning of lights expected to be completed in Quarter 3. All other works have been completed and the courts are being used by the public.	
100515	Inverloch Recreation Reserve Netball Court Upgrade	Open Space	100%	Completed	-	-	-	3,087	-	3,087	-	Project completed in July 2020.	
100519	Open Space Renewal Design Pier Rd Jetty Sea Wall	Open Space	100%	Completed	-	38,242	38,242	38,242	-	4,929	33,313	Project completed in September 2020.	
100520	Open Space Renewal Design Grantville Jetty	Open Space	75%	Planning/Design/Approval	-	51,554	51,554	51,554	-	19,499	32,055	Design works underway will be completed in Quarter 3.	
100521	Open Space Renewal Design Newhaven Jetty	Open Space	75%	Planning/Design/Approval	-	69,165	69,165	54,165	-	17,548	36,617	Design works underway will be completed in Quarter 3.	

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100522	Open Space Renewal Cape Paterson Boat Ramp Retaining Wall	Open Space	100%	Completed	-	2,250	2,250	21,408	-	11,408	10,000	Project completed in December 2020.	
100523	Open Space Renewal Ventnor Board Walk	Open Space	100%	Completed	140,000	-	140,000	86,001	-	2,803	83,198	Project completed in November 2020.	
100525	Open Space Renewal Coastal Signage Kilcunda	Open Space	100%	Completed	-	26,625	26,625	26,625	-	7,157	19,468	Project completed in September 2020.	
100526	Open Space Renewal Marine Structures	Open Space	50%	Underway	170,000	-	170,000	170,000	-	650	169,350	Grantville seawall works are excepted to start in Quarter 3. The detailed design and permits for the Cape Paterson Sea wall project have been completed. Linked to project numbers 100399 and 100655.	
100541	Wallace Avenue Park Shade Structure	Open Space	100%	Completed	-	-	-	33,751	-	33,751	-	Project completed in October 2020.	
100608	Recreation Group - Inverloch Tennis Court Renewal	Open Space	100%	Completed	-	25,546	25,546	73,709	-	70,709	3,000	Project completed in September 2020.	
100610	Coronet Bay Wetlands design	Open Space	100%	Completed	-	-	-	-	-	-	-	Project was completed in July 2020.	
100654	Open Space Renewal - Goods Shed Wonthaggi Historical Society	Open Space	100%	Completed	230,902	-	230,902	80,000	-	3,673	76,327	Project completed in December 2020.	
100681	Ere won Point Carousel Reserve Cowes	Open Space	100%	Completed	50,000	-	50,000	50,000	-	33,803	16,196	Project completed in October 2020.	
100682	Rainbow Park Inverloch design	Open Space	25%	Planning/Design/Approval	30,000	-	30,000	30,000	-	1,645	28,355	Scope of project complete. Design works are expected to start in Quarter 3.	
100683	Wonthaggi Recreation Reserve Old Rovers Room design	Open Space	55%	Planning/Design/Approval	40,000	-	40,000	40,000	-	2,486	37,514	Detailed design underway. Design works expected to be completed in Quarter 3.	
100690	Land Improvements Phillip Island Recreation Reserve	Open Space	0%	Not Started	150,000	-	150,000	150,000	-	-	150,000	This project is been delayed due to the land acquisition process and is expected to start in Quarter 4.	
100691	Land Improvements Dalyston Recreation Reserve Floodlighting	Open Space	100%	Deferred	44,585	-	44,585	-	44,585	-	-	This project has been deferred due to the grant funding application being unsuccessful.	
100692	Wonthaggi Guide Park	Open Space	45%	Planning/Design/Approval	1,385,513	-	1,385,513	150,000	1,235,508	34,665	115,335	The detailed design is underway with the tender anticipated for Quarter 3.	
100703	Wonthaggi Field Lighting	Open Space	25%	Planning/Design/Approval	250,000	-	250,000	250,000	-	8,245	241,755	The detailed design is underway. Additional electrical designs are being prepared by a Consultant for the upgrade of the Wonthaggi Recreation Reserve switchboard.	
100704	Design for Sport and Recreation Reserves	Open Space	25%	Planning/Design/Approval	100,000	-	100,000	100,000	-	7,155	92,845	The concept design and consultation for Thompson Reserve, Inverloch is underway. Newhaven Recreation Reserve Soccer pavilion quotation is underway and community consultation for Wonthaggi Netball Pavilion is underway.	
100709	BBV Rhyll Boat Ramp and Jetty	Open Space	30%	Multi-Year	-	-	-	450,000	150,000	50,992	399,008	A Contract was awarded for the design of new boating facility in Quarter 2. The design for the playspace and is expected to be awarded in Quarter 3. Expressions of Interest to build the new boating facility will open in Quarter 3. This will be a multi-year project.	
100711	Tenby Point Notice Board	Open Space	50%	Planning/Design/Approval	2,000	-	2,000	2,000	-	-	2,000	Community feedback has been received for the noticeboard and the location. Project expected to be completed in Quarter 4	
100713	Grantville Amphitheatre Shelter	Open Space	15%	Underway	25,000	-	25,000	25,000	-	-	25,000	Community consultation is underway for amphitheatre shelter.	
100718	Kilcunda Skate Park	Open Space	0%	Not Started	42,187	-	42,187	42,187	-	-	42,187	Project expected to begin in Quarter 3.	
100721	Municipal Street Art	Open Space	75%	Underway	-	-	-	150,000	-	23,320	126,680	This project includes mural street art in Grantville and Wonthaggi which were completed in December 2020. Further sites being considered within Bass Coast.	
Total Open Space		**42**		**42**	**6,660,188**	**2,969,277**	**9,629,465**	**6,261,730**	**3,955,131**	**943,276**	**5,318,455**		
Roads, Drainage and Bridges													
100003	Urban Pavement - Coughlan Rd Cowes from Cowes Rhyll Rd	Roads, Drainage and Bridges	100%	Completed	-	-	-	-	-	-	-	Project completed in June 2019.	
100007	Rural Pavement - Loch Wonthaggi Rd West Creek	Roads, Drainage and Bridges	100%	Completed	-	-	-	0	-	1,428	(1,428)	Project completed in June 2019.	

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100041	Rural roads Group - Line Marking Program	Roads, Drainage and Bridges	25%	Underway	100,000	-	100,000	100,000	-	3,020	96,980	Quotes are being sought and works expected to start in Quarter 3.	
100053	Bridges group renewal program	Roads, Drainage and Bridges	20%	Planning/Design/Approval	87,683	54,355	142,038	142,038	-	21,690	120,348	Planning investigations are underway for the renewal of the Wreck Creek culvert at Surf Parade, Inverloch	
100112	Pioneer Bay Road and Drainage Improvement Project	Roads, Drainage and Bridges	100%	Completed	-	-	-	336	-	336	-	Refer to Project 100374.	
100113	Pioneer Bay Drainage Strategy Outfall works	Roads, Drainage and Bridges	75%	Underway	-	368,526	368,526	368,526	-	2,030	366,496	Works are underway for the Melbourne Water trunk drain improvements in October 2020 and are anticipated to be completed in Quarter 3. This is Council's contribution to Melbourne Water trunk drain and diversion pit which integrates with Council's road and drainage upgrade project 100374.	
100120	Cowes Transit Centre and All-Day Parking	Roads, Drainage and Bridges	100%	Completed	-	20,000	20,000	20,000	-	12,756	7,244	This project was completed in October 2020.	
100374	Pioneer Bay roads and drainage special charge scheme	Roads, Drainage and Bridges	20%	Multi-Year	-	4,271,099	4,271,099	3,397,499	873,600	315,966	3,081,533	This project is being undertaken alongside Melbourne Water. Stage 1 drainage works continue in Whiting Street, Sonia Crescent and Wendy Street. Stage 2 works for Beach Boulevard, Daisy Avenue, Alec Street north and Loter Avenue to begin in early February 2021. There have been some delays due to access and detours around the trunk drain works in Kallay Drive and drainage connection works to the outfall from the wetland in Beach Boulevard. It is anticipated Melbourne Water works to be completed in Quarter 3.	
100376	PBN Surf Parade Inverloch - Veronica St to Goroke St	Roads, Drainage and Bridges	25%	Multi-Year	-	1,518,559	1,518,559	37,804	1,480,755	7,804	30,000	Officers awaiting on outcome of permit applications with Department of Environment, Land Water and Planning (DELWP).	
100377	Aspirational Pathways	Roads, Drainage and Bridges	95%	Underway	-	102,524	102,524	-	-	-	-	This project is for Cowes Rhyll Shared Pathway Stage 1 (end of existing concrete path near Coghlan Road to informal carpark). This is a partnership project with Phillip Island Nature Park. Due to a delay in materials for the boardwalk construction, works are anticipated to be completed in Quarter 3. This project is in conjunction with project numbers 100612 and 100661.	
100385	Anderson Boat Ramp East Carpark Upgrade, Cowes	Roads, Drainage and Bridges	25%	Planning/Design/Approval	378,971	-	378,971	189,000	189,971	13,477	175,523	There has been a delay on this project due to Council caretaker period. The detailed design and permits are expected to be completed in Quarter 3. Discussions with neighbouring landowners will take place prior to works commencing.	
100404	Rail Trail Renewal - 2nd Bridge East Mouth of Powlett	Roads, Drainage and Bridges	100%	Deferred	500,000	-	500,000	4,976	495,023	4,976	-	Council did not award tender in late December 2020. This project has been deferred due to insufficient funds being available, contractor and supplier availability, expected start and duration of this project due to possible unfavourable weather and access conditions. Project to be considered in future Capital works programs.	
100410	Rural Roads Group - Spray Sealing Program	Roads, Drainage and Bridges	100%	Completed	350,000	-	350,000	350,000	-	129,961	220,039	Project completed in December 2020.	
100413	Rural Roads Group - Rural Pavement Ventnor Beach Rd	Roads, Drainage and Bridges	100%	Completed	-	-	-	-	-	-	-	Project completed in December 2020. Project undertaken with project number 100666.	
100414	Rural Roads Group - Shoulder Pavement Program	Roads, Drainage and Bridges	15%	Underway	140,000	-	140,000	140,000	-	4,757	135,243	Shoulder pavement works are underway with expected completion in Quarter 3.	
100416	Urban Roads Group - Urban Spray Seal renewal	Roads, Drainage and Bridges	100%	Completed	370,724	-	370,724	370,723	-	197,770	172,953	Project completed in December 2020	
100417	Urban Roads Group - Urban Asphalt Seal	Roads, Drainage and Bridges	35%	Underway	262,000	-	262,000	262,000	-	17,112	244,888	Works have been delayed due to contractor availability. It is anticipated that all asphalt sealing works to start and completed in mid Quarter 3.	

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100419	Urban Roads Group - Kerb Renewal Golf Street from Freda Street, Inverloch	Roads, Drainage and Bridges	100%	Completed	104,000	-	104,000	104,001	-	98,520	5,481	Project completed in September 2020.	
100422	Storm Water Group - Seagrove Estate - WSUD	Roads, Drainage and Bridges	100%	Completed	-	8,446	8,446	8,663	-	217	8,446	Project completed in July 2021	
100428	Unseals Roads - Gravel Resheeting Program	Roads, Drainage and Bridges	25%	Underway	474,596	-	474,596	474,594	-	81,131	393,463	Works expected to be completed in Quarter 3.	
100441	Carpark - Cowes Leisure Centre C/P - Cowes	Roads, Drainage and Bridges	100%	Completed	-	25,000	25,000	36,213	-	36,213	-	Project completed in August 2020.	
100451	Corinella Boat Ramp Carpark and Pathway	Roads, Drainage and Bridges	35%	Underway	26,400	30,000	56,400	56,400	-	-	56,400	Design has been finalised and works are expected to start in Quarter 3.	
100496	Local Road Safety Improvement Program - Soldiers/Agar Rd Intersection	Roads, Drainage and Bridges	35%	Planning/Design/Approval	-	176,500	176,500	96,500	80,000	4,359	92,141	Detailed design expected to be completed in Quarter 3. Land acquisition process is underway. Works to include new signs, linemarking, street lighting and improved sight lines (subject to permits) for intersection to be constructed and completed by end of Quarter 4.	
100505	Storm Water Group - Bayview Ave Tenby Point - WSUD	Roads, Drainage and Bridges	100%	Deferred	-	215,890	215,890	305	215,890	305	-	This project has been deferred.	
100590	Rural Pavement - Grantville Glen Alvie Rd Loch Kernot Rd W	Roads, Drainage and Bridges	45%	Underway	-	872,362	872,362	372,362	850,000	28,811	343,551	Detailed design has been completed with construction expected to be completed in Quarter 4.	
100591	Rural Road Design - Loch Wonthaggi Rd Intersection Grantville - Glen Alvie Road	Roads, Drainage and Bridges	60%	Planning/Design/Approval	-	35,000	35,000	35,000	-	115	34,885	Detailed design is underway and is expected to be completed in Quarter 4.	
100592	Storm Water Group - Beaton Place Carpark Inverloch	Roads, Drainage and Bridges	100%	Completed	-	-	-	3,122	-	3,122	-	Design completed in July 2020	
100593	Storm Water Group - San Remo Pde San Remo	Roads, Drainage and Bridges	100%	Completed	-	-	-	4,598	-	4,598	-	Design completed in July 2020	
100600	Drainage Renewal - Alexander Road South Dudley	Roads, Drainage and Bridges	100%	Completed	-	-	-	188	-	188	-	Project completed in July 2020	
100595	Storm Water Group - 51 Cashin St Inverloch	Roads, Drainage and Bridges	100%	Completed	-	-	-	1,258	-	1,258	-	Design completed in July 2020	
100607	Pathways Group - Dunsmore Rd Cowes Jenner Ave to Settlement Rd	Roads, Drainage and Bridges	100%	Completed	-	-	-	34,285	-	34,285	-	Project completed in July 2020	
100612	Cowes/Rhyll Shared Path - Design	Roads, Drainage and Bridges	95%	Underway	-	100,000	100,000	-	-	-	-	This project is being undertaken in conjunction with project numbers 100377 and 100660.	
100652	Rail Trail Kilcunda Diversion Project stage 1	Roads, Drainage and Bridges	35%	Planning/Design/Approval	-	-	-	27,060	-	6,419	20,641	Final permit approvals are underway. Works are anticipated to start in Quarter 3.	
100655	Marine Structures and Unused Rail Trail Bridge	Roads, Drainage and Bridges	50%	Underway	150,000	-	150,000	150,000	-	-	150,000	This project is being undertaken with project numbers 100399 and 100526. the project scope is being developed for the Unused rail trail bridge located in Kilcunda. Works are expected to start in Quarter 3.	
100659	Aspirational Pathways - Cowes Rhyll Rd Thompson to Redwood	Roads, Drainage and Bridges	100%	Completed	90,000	-	90,000	88,182	-	35,353	52,829	Project completed in December 2020.	
100660	Aspirational Pathways - Cowes Rhyll Rd Coghlan Rd to Rhyll	Roads, Drainage and Bridges	95%	Underway	100,000	-	100,000	215,000	79,785	139,044	75,956	This project is being undertaken in conjunction with project numbers 100377 and 100612.	
100661	Aspirational Pathways - Wonthaggi Inverloch Shared Path design	Roads, Drainage and Bridges	15%	Planning/Design/Approval	118,000	-	118,000	118,000	-	8,088	109,912	Project brief completed. Preliminary investigations underway and is expected to be completed by end of Quarter 3.	
100662	Bay Beach Lower Carpark / Beach Access, Cape Paterson	Roads, Drainage and Bridges	85%	Planning/Design/Approval	55,731	-	55,731	55,731	-	115	55,616	Detailed design has been completed. Feedback with key stakeholders continuing.	
100664	Urban Roads Group - Urban Pavement Sandymount Ave Inverloch	Roads, Drainage and Bridges	100%	Completed	354,000	-	354,000	354,000	-	231,693	122,307	Project completed in November 2020.	
100665	Urban Roads Group - Pavement Rehabilitation Fincher Street	Roads, Drainage and Bridges	55%	Underway	923,666	-	923,666	923,666	-	6,731	916,935	Tender awarded at Council's Ordinary meeting in December 2020. Works expected to start in Quarter 3 and be completed in Quarter 4.	
100666	Rural Roads Group - Pavement Ventnor Beach Road final section	Roads, Drainage and Bridges	100%	Completed	210,000	-	210,000	210,000	-	8,416	201,584	Project completed in December 2020.	
100667	Rural Roads Group - Pavement Berry Road Watts Road to Carpark	Roads, Drainage and Bridges	100%	Completed	742,602	-	742,602	742,602	-	10,662	731,940	Project completed in December 2020.	
100668	Rural Roads Group - Pavement Kernot Krowera Road	Roads, Drainage and Bridges	15%	Underway	244,860	-	244,860	244,860	-	1,091	243,769	Works expected to start in Quarter 3.	
100669	Rural Roads Group - Pavement Loch Wonthaggi Road 2554 to Baum	Roads, Drainage and Bridges	10%	Planning/Design/Approval	30,000	-	30,000	30,000	-	1,625	28,375	Feature and level survey work shave been completed. Design works are expected to start in Quarter 3.	

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100670	Rural Roads Group - Pavement Berrys Beach Road	Roads, Drainage and Bridges	10%	Planning/Design/Approval	50,000	-	50,000	50,001	-	11,966	38,035	This project for the design from Ventnor Beach Road roundabout to Ventnor Road. Feature and level survey works have been completed. Design work has been delayed and is now expected to start in Quarter 3.	
100671	Off street Carpark Renewal	Roads, Drainage and Bridges	10%	Planning/Design/Approval	107,888	-	107,888	96,676	-	12,621	84,055	This project has changed to support the Bass Coast University Centre Carpark. Works are expected to be completed in Quarter 3.	
100672	Stormwater Group - Birt St to Laneway Cape Paterson	Roads, Drainage and Bridges	100%	Completed	60,000	-	60,000	59,999	-	6,282	53,717	Project completed in November 2020.	
100673	Stormwater Group - Alexander Pde South Dudley outfall	Roads, Drainage and Bridges	50%	Underway	535,404	-	535,404	535,405	-	1,194	534,210	Detailed design has been completed with works expected to start in Quarter 3.	
100674	Pathways Group - Bass Highway Grantville Hall to Blackwood Rd	Roads, Drainage and Bridges	100%	Completed	35,498	-	35,498	35,498	-	31,452	4,046	Project completed in October 2020.	
100675	Pathways Group - Wonthaggi CBD Accessible Pathway Crossover	Roads, Drainage and Bridges	15%	Planning/Design/Approval	50,000	-	50,000	50,001	-	540	49,461	Design underway and is anticipated to be completed in Quarter 3.	
100676	Pathways Group - Roydon Rd Cowes	Roads, Drainage and Bridges	15%	Underway	10,000	-	10,000	16,500	-	502	15,998	Works expected to be completed in Quarter 3.	
100677	Pathways Group - Dunsmore Cowes, Settlement Rd, Jenner Ave	Roads, Drainage and Bridges	100%	Completed	25,000	-	25,000	-	-	-	-	Project completed in July 2020.	
100678	Pathways Group - Merrin Cr Wonthaggi Bilson St to Queen St	Roads, Drainage and Bridges	100%	Completed	40,000	-	40,000	31,999	-	31,664	335	Project completed in September 2020.	
100679	Pathways Group - Seascape Ave Cowes	Roads, Drainage and Bridges	100%	Completed	60,000	-	60,000	60,500	-	60,291	209	Project completed in October 2020.	
100693	Pathways - Settlement Road Maxwell St to Red Rocks Rd	Roads, Drainage and Bridges	15%	Underway	40,000	-	40,000	45,000	-	3,118	41,883	Works expected to start in Quarter 3.	
100694	Pathways - Red Rocks Rd /Settlement Rd to Foreshore	Roads, Drainage and Bridges	15%	Planning/Design/Approval	90,000	-	90,000	85,000	-	6,360	78,640	Pathway construction works between Settlement Road to Cypress Court are expected to start in Quarter 3. Detailed design of the pathway from Cypress Court to foreshore is expected to be completed in Quarter 4.	
100695	Pathways - Justice Rd / Settlement Rd to Church Stage 1	Roads, Drainage and Bridges	100%	Completed	28,000	-	28,000	28,000	-	2,730	25,270	Project completed in December 2020, awaiting final invoice.	
100698	Local Road Safety Improvement Program	Roads, Drainage and Bridges	0%	Not Started	100,000	-	100,000	5,000	-	-	5,000	This program will be allocated to design work for the intersection design for Tarooh Street and Seaward Drive, Cape Paterson and Dalyston Glen Forbes Road and Eden Road, Glen Forbes. Project scope to be undertaken in Quarter 3.	
100699	Pathway Gaps - Storey St Wentworth Rd to Korumburra Rd, Wonthaggi	Roads, Drainage and Bridges	25%	Underway	95,000	-	95,000	110,000	-	1,129	108,870	Works expected to start in Quarter 3.	
100700	Pathway Gaps - Shared Path Link Five Ways Cowes	Roads, Drainage and Bridges	100%	Completed	50,000	-	50,000	68,248	-	67,936	312	Project completed in December 2020	
100701	Pathway Gaps - Powlett Street Inverloch	Roads, Drainage and Bridges	100%	Completed	180,000	-	180,000	196,411	-	192,199	4,212	Project completed in December 2020	
100702	Surf Beach Sunderland Bay Drainage Improvement - Consultation	Roads, Drainage and Bridges	0%	Not Started	55,324	-	55,324	55,324	-	-	55,324	Community consultation is expected to start in Quarter 3.	
100708	Land Acquisitions - Drainage	Roads, Drainage and Bridges	60%	Underway	500,000	-	500,000	436,126	-	436,126	-	Property acquisition process is underway with completion in Quarter 2. Further civil works to be scoped and implemented in Quarter 3.	
100714	Pathway Gaps - Ullathornes Road Inverloch	Roads, Drainage and Bridges	0%	Not Started	37,500	-	37,500	37,500	-	-	37,500	Works expected to start in Quarter 3.	
100715	Pathway Gaps - Cashin St Inverloch	Roads, Drainage and Bridges	0%	Not Started	47,500	-	47,500	47,500	-	-	47,500	Works expected to start in Quarter 3.	
100716	Pathway Gaps - Settlement Rd Concourse / CFA Area Cowes	Roads, Drainage and Bridges	100%	Completed	67,000	-	67,000	72,830	-	72,830	-	Project completed in November 2020.	
100724	Landslip - Sheepways Road, Krowera	Roads, Drainage and Bridges	15%	Planning/Design/Approval	-	-	-	1,939	-	1,939	-	This project requires emergency funding. Seeking Council support in Quarter 3.	
100717	Pathway Gaps - Bass Cenotaph Pathway and Culvert to Shed	Roads, Drainage and Bridges	10%	Planning/Design/Approval	22,600	-	22,600	47,600	-	-	47,600	Project has been rescoped and new quotes received. Works are expected to start in Quarter 3.	
100730	Aspirational Pathways - Guy Road Bass Valley Primary School to Corinella	Roads, Drainage and Bridges	0%	Not Started	-	-	-	-	2,500,000	-	-	Project has been included in the 20/21 Program as required under the Growing Suburbs fund conditions. Design is being finalised with the commencment of tender documentation to start in Quarter 3.	
Total Roads, Drainage, Bridges (Civil Projects)		**69**	**69**		**8,099,947**	**7,798,261**	**15,898,208**	**11,942,548**	**6,765,024**	**2,416,320**	**9,526,227**		

Project Number	Project	Asset Class	Percent Complete	Status	2020/21 Approved Budget	2019/20 Carryover	Approved Budget + 2020/21 Carryover	Last Posted Forecast	Forecasted Carryover 21/22	YTD Actual Expenditure	Variance (between YTD Actuals and Last Posted Forecast)	PROGRESS COMMENTS Q2	Risk
Plant & Equipment, IT and Other													
100116	Computer and IT Microwave Link Replacement	Plant, Equipment, IT and Other	40%	Underway	70,000	-	70,000	70,000	-	14,500	55,500	Program is underway with expected completion in Quarter 4.	
100375	Strategic land acquisition - Phillip Island	Plant, Equipment, IT and Other	85%	Multi-Year	-	1,992,635	1,992,635	1,992,635	-	-	1,992,635	Land acquisition process is underway.	
100408	Light Fleet & Equipment replacement	Plant, Equipment, IT and Other	90%	Underway	600,000	105,000	705,000	816,790	-	444,295	372,495	Fleet replacement program is underway.	
100409	Plant & Equipment Renewal program	Plant, Equipment, IT and Other	0%	Not Started	950,000	-	950,000	950,000	-	-	950,000	Plant replacement program has been delayed due to Covid-19. This program is expected to be completed in Quarter 4.	
100442	Computer and IT renewal - End User Devices	Plant, Equipment, IT and Other	65%	Underway	255,000	-	255,000	255,000	-	173,880	81,120	Program is underway with expected completion in Quarter 4.	
100443	Computer and IT renewal - Switches and Routers	Plant, Equipment, IT and Other	50%	Underway	125,000	-	125,000	125,000	-	-	125,000	Program is underway with expected completion in Quarter 4.	
100444	Computer and IT renewal - Communications and Multifunction Devices	Plant, Equipment, IT and Other	10%	Underway	75,000	-	75,000	74,764	-	2,264	72,500	Program is underway with expected completion in Quarter 4.	
100445	Computer and IT renewal - Mobile Phone Replacement	Plant, Equipment, IT and Other	15%	Underway	50,000	-	50,000	30,000	-	18,480	11,520	Program is underway with expected completion in Quarter 4.	
100446	Street Decoration - Banner Pole Renewal	Plant, Equipment, IT and Other	75%	Underway	-	19,400	19,400	19,400	-	8,877	10,523	Works underway. This project includes the replacements of flags. All works expected to be completed by Quarter 4	
100447	Street Decorations Renewal	Plant, Equipment, IT and Other	100%	Completed	45,045	44,160	89,205	129,999	-	105,397	24,602	Project completed in December 2020.	
100502	Placeholder 2019-20 LTFP Computers and telecommunications	Plant, Equipment, IT and Other	90%	Underway	-	46,385	46,385	46,385	-	42,169	4,216	This project is expected to be completed in Quarter 3.	
100663	Computer and IT renewal - UPS Replacement	Plant, Equipment, IT and Other	25%	Underway	110,000	-	110,000	110,000	-	-	110,000	Program scoping is underway. Expected completion in Quarter 4.	
100688	Land Acquisition - Wonthaggi NE	Plant, Equipment, IT and Other	0%	Not Started	500,000	-	500,000	-	500,000	-	-	It is anticipated that the Precinct Structure Plan will be finalised in March/April 2021. It is likely that these funds will be required to be carried forward to 2021/22.	
100689	Infrastructure Other Waste / Depot Infrastructure	Plant, Equipment, IT and Other	20%	Underway	1,252,000	-	1,252,000	626,409	625,591	62,887	563,522	Asphalt resurfacing, green waste area improvements and electrical upgrade to E-Waste shed completed at Grantville Transfer Station. Tender for landfill solar flares for Grantville Transfer Station is underway. The Cowes Transfer Station hardstand improvements and new barriers have been installed. The designs for recycling sheds and concrete hardstands for Wonthaggi and Cowes have been completed. Consideration of repairs continuing for the existing retaining wall at the Inverloch Transfer Station. These projects are being undertaken in conjunction with project number 100488.	
100729	IT Audio and Visual Conferencing	Plant, Equipment, IT and Other	0%	Not Started	-	-	-	104,336	-	-	104,336	Grant received to improve audio and visual conferencing capability.	
Total Plant & Equipment, IT and Other		**15**		**15**	**4,032,045**	**2,207,580**	**6,239,625**	**5,350,717**	**1,125,591**	**872,748**	**4,477,969**		
Waste													
100110	Grantville Cell 7 Construction	Waste	100%	Completed	-	-	-	-	-	-	-	Project completed in July 2020.	
100488	Other EWaste/Depot Infrastructure Cowes Wonthaggi Inverloch	Waste	35%	Planning/Design/Approval	-	184,099	184,099	94,099	90,000	2,170	91,929	This project is in conjunction with project number 100689	
100489	Phillip Island Transfer Station	Waste	25%	Multi-Year	250,000	206,066	456,066	78,378	377,688	16,278	62,100	Concept design is underway and anticipated to be completed in Quarter 3.	
100534	Climate Change Action Plan	Waste	30%	Planning/Design/Approval	500,000	84,000	584,000	528,625	-	48,100	480,526	Climate change draft action plan has been endorsed. Implementation plan is underway	
100696	Grantville Wheel Wash Renewal	Waste	100%	Completed	98,000	-	98,000	55,000	-	45,463	9,537	Project completed in December 2020.	
Total Waste		**5**		**5**	**848,000**	**474,165**	**1,322,165**	**756,103**	**467,688**	**112,011**	**644,092**		

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TOTAL 2020/21 CAPITAL WORKS PROGRAM		**147**	**62%**		**$ 27,944,381**	**$ 15,659,845**	**$ 43,604,226**	**$ 28,244,146**	**$ 18,993,918**	**$ 5,429,736**	**$ 22,814,410**		