

Management report to Council

Agenda item 6.4

Quarterly Financial Performance Report and Budget

Council

Presenter: Michael Tenace, Chief Financial Officer

31 August 2021

Purpose and background

1. The purpose of this report by the Chief Executive Officer (CEO), is to inform Council of its financial performance for the financial year ending 30 June 2021 in accordance with the *Local Government Act 2020* (the Act) and to provide information on supplementary valuations adopted under delegation (refer Attachment 3).

Key issues

2. The preliminary result from ordinary activities for the financial year ending 30 June 2021 is an underlying net deficit (excluding gains on sales of assets) of \$38.2 million versus a budget deficit of \$58.4 million. The variance of \$20.2 million is mainly driven by favourable statutory and user fees given COVID-19 financial assistance was facilitated through rate deferrals as compared to rate relief assumed in budget. This result is broadly in line with the March 2021 Forecast (\$35.2 million deficit).
3. The result includes estimated COVID-19 impacts of \$76.5 million largely due to reduced parking revenue (\$41.0 million), lower statutory and other user fees (\$16.3 million), lower other income (\$8.6 million) and additional COVID-19 related expenditure (\$10.5 million).
4. In addition to the underlying deficit, in accordance with accounting standards, the Council is also required to reflect a comprehensive result in the Annual Report. The comprehensive result includes capital contribution revenue and additional non-cash items including revaluation of Council assets. The Council has a net asset base in excess of \$4.6 billion with land, parkland, roads, footpaths, buildings, kerbs and channels and infrastructure assets being the most significant items.
5. Given the asset base size, revaluations often generate significant non cash gains or (losses) that are unlikely to be realised but do need to be reflected to comply with accounting standards.
6. The comprehensive result for Council in 2020–21 is a surplus of \$38.8 million (\$205.2 million surplus in 2019-20) and includes a revaluation asset increment of \$12.9 million and capital contribution revenue of \$60.8 million in the current year.
7. The preliminary results remain subject to statutory account adjustments (including subsequent events) and final audit review outcomes.
8. A detailed analysis of revenue and expenditure is included in Attachment 2.

Recommendation from management

9. That Council:
 - 9.1. Accepts the preliminary underlying deficit of \$38.2 million (excluding gains on sales of assets) in the Financial Year Ending 2020–21.
 - 9.2. Accepts the preliminary comprehensive surplus of \$38.8 million for Council including asset sales and revaluations of \$12.9 million for the Financial Year Ending 2020–21.
 - 9.3. Approves submission of Consolidated Financial Statements and Performance Statements to the Audit and Risk Committee on 3 September 2021 and then to Council.
 - 9.4. Requests the Lord Mayor call a Special Council meeting on 14 September 2021 to consider and approve in principle the Consolidated Financial Statements and Performance Statements.

Attachments:

1. Supporting Attachment (Page 2 of 36)
2. Financial Performance Report Year Ending 2020-21 (Page 3 of 36)
3. Supplementary Valuations (Page 17 of 36)
4. Overview of Supplementary Valuation Returns (Page 18 of 36)
5. Capital Works Program Adjustments Quarter Four (Page 21 of 36)
6. Capital Works Carry Forward listing of projects (Page 36 of 36)

Supporting Attachment

Legal

1. Section 97(1) of the Act provides that as soon as practicable after the end of each quarter of the financial year, the CEO must ensure that a quarterly budget report (Report) is presented to a Council meeting which is open to the public.
2. Section 97(2) of the Act provides that the Report must include:
 - 2.1 a comparison of the actual and budgeted results to date
 - 2.2 an explanation of any material variations
 - 2.3 any other matters prescribed by regulations under the Act (none at present).
3. Section 99 of the Act provides that as soon as practicable after the end of the financial year, the Council must cause to be prepared its performance statement and financial statements for the financial year. The statements must:
 - 3.1 be prepared in accordance with section 98 of the Act
 - 3.2 after being approved in principle by the Council, be submitted to the auditor for reporting on the audit.

Finance

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

Conflict of interest

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

Health and Safety

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

Stakeholder consultation

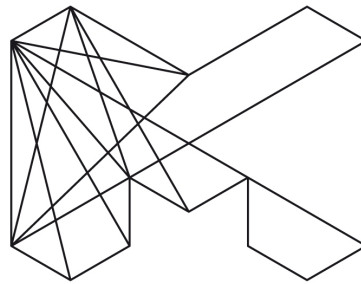
6. Consultation with the various branches of Council has been undertaken in preparation of this report.

Relation to Council policy

7. This is not applicable for purpose of Council policies with regard to the recommendations

Environmental sustainability

8. The financial performance for the year ended 30 June 2021 reflects many activities impacting on environmental sustainability. There is no direct impact on environmental sustainability from the recommendations in this report.

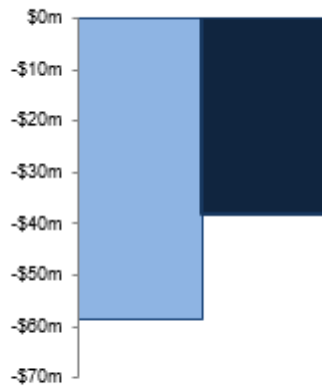


CITY OF MELBOURNE

FINANCIAL PERFORMANCE REPORT

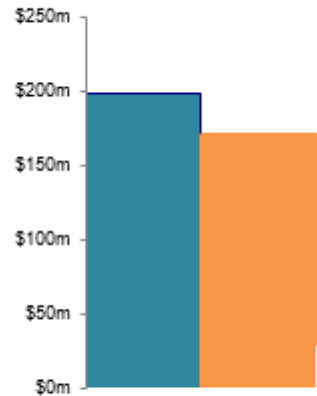
June 2020-21

Underlying Surplus/(Deficit)



■ YTD Budget	(\$58.5m)
■ YTD Actual	(\$38.2m)
YTD Variance	\$20.2m

Council Works Program



■ YTD Budget	\$199.0m
■ YTD Actual	\$170.6m
YTD Variance	\$28.4m

*Underlying surplus/(deficit) excludes one-off compensation for asset sales throughout this report

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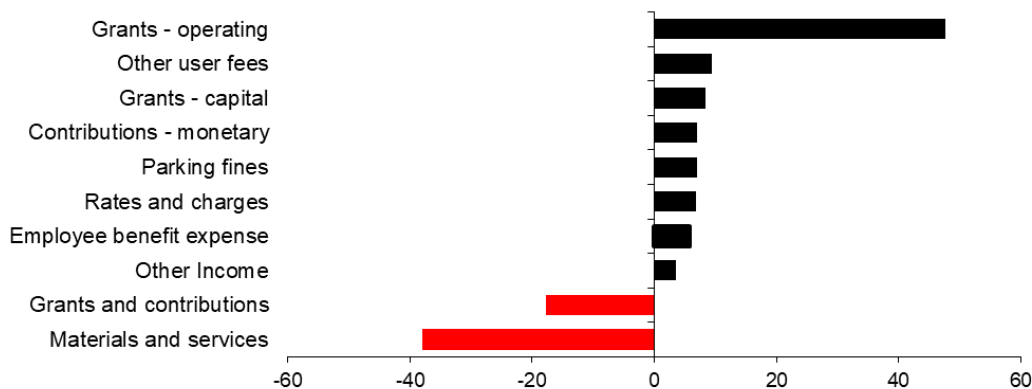
Executive Summary

Underlying Operating Results:

2019-20 Actual	2020-21 Budget	\$ Thousands	FY 2020-21 (\$'000)		
			Budget	Actual	Variance
527,717	430,670	Revenue	452,070	543,692	91,622
483,702	463,565	Operating Expenditure	463,565	521,116	(57,552)
44,015	(32,895)	Results from Ordinary Activities	(11,495)	22,576	34,070
23,605	1,100	Net gain/(loss) on disposal of property, infra, plant and equip	1,100	(1,114)	(2,214)
5,378	0	Fair value adjustments for investment properties	0	3,939	3,939
0	0	Contributions - non monetary	0	490	490
0	0	Writedown on Investment	0	0	0
72,998	(31,795)	Profit/(Loss)	(10,395)	25,891	36,286
(61,160)	(25,572)	Less External Contributions to Capital	(46,972)	(60,804)	(13,832)
(5,378)	0	Less Gain on Investment Revaluation	0	(3,939)	(3,939)
0	0	Less Contributed Assets	0	(490)	(490)
(23,605)	0	Less Gain on disposal of asset	(1,100)	1,114	2,214
(17,145)	(57,367)	Underlying Surplus/(Deficit)	(58,467)	(38,228)	20,239

Key Financial Variances:

Top 10 Variances (\$millions)



The FY 2020-21 result excluding gain on disposal of properties was an underlying deficit of \$38.2 million, \$20.2 million favourable versus budget. The COVID-19 impacts are estimated to be \$76.5 million (compared with normal business environment).

The favourable variances are due to:

- Grants - operating (\$47.7 million favourable) mainly as a result of \$32.1m City Reactivation Activity Grants, \$9.3m Working for Victoria Fund and \$7.4m City Dining Scheme
- Other User Fees (\$9.5 million favourable) primarily due to \$18.8 million rates assistance being in the form of rate deferrals rather than waivers which has been partially offset by lower fees income from extended COVID-19 lockdown restrictions in Victoria
- Employee Benefit expense (\$5.8 million favourable) due to vacant positions held across the organisation and secondment of staff to DHHS/DoJ
- Grants – capital (\$8.4 million favourable) due mainly to CBD protective Security Works project
- Contributions - monetary (\$7.1 million favourable) as a result higher Public Open Space contributions (capital revenue is excluded from underlying surplus)
- Rates and charges (\$6.9 million favourable) due to higher supplementary rates revenue
- Parking Fines and Fees (\$10.4 million favourable) due mainly to city activities recovering more quickly than expected compared to budget expectations

Partially offset by:

- Materials & Services (\$38.0 million unfavourable) impacted by City Reactivation Activity expenditure, COVID-19 related contract payments (fully offset by operating grants) and WIP Capitalisation reassessment
- Grants and contributions (\$17.6 million unfavourable) primarily due to COVID-19 support and activating expenditure.

COVID-19 Impacts

- There has been an unprecedented impact on the City of Melbourne operations as a result of COVID-19. Total revenue impacts for the full year are estimated at \$76.5 million.
- The full year major financial impacts for COVID-19 compared to prior year include:
 - \$41.0 million lower Parking Fee and Fine revenue
 - \$16.3 million lower statutory and other user fees
 - \$8.6 million lower Other Income items
 - \$10.5 million additional COVID-19 related expenditure
- As at 30 June 2021, net rates debtors has increased to \$18.8 million which is higher than the balance of \$15.1 million in 30 June 2020.

Council Works Program

The value of works completed is \$170.6 million (or 86% of the full year Budget of \$199.0 million) which is the largest ever annual spend. The result was \$28.4 million below Budget given COVID-19 restriction on construction during the first half of the year.

Borrowings & Liquidity position

A stronger than forecast financial result along with the receipt of grants to support projects from the Victorian Government has meant that Council has not needed to borrow this financial year. It is forecast that in the 2021/22 financial year with increased capital spending for the rejuvenation of Melbourne initiatives, borrowings of up to \$147m will be required this financial year. Treasury will continue to monitor its monthly cash requirements and look to utilise existing borrowing facilities when needed.

Balance Sheet

Prior Year 2019-20 Actual (\$'000)	Balance Sheet	Current Jun-21 Actual (\$'000)	Movement 2019-20 Actual (\$'000)
	Assets		
	Current Assets		
42,598	<i>Ref 1</i> Cash and cash equivalents	143,871	101,273
36,764	<i>Ref 2</i> Trade and other receivables	39,595	2,831
64,000	<i>Ref 1</i> Other financial assets	30,000	(34,000)
13,687	<i>Ref 3</i> Other assets	7,862	(5,825)
157,049	Total Current Assets	221,328	64,279
	Non current assets		
63,488	<i>Ref 1</i> Other financial assets	33,626	(29,862)
26,356	Investment in subsidiaries and trust	26,356	0
4,156,594	<i>Ref 7</i> Property, infrastructure, plant and equipment	4,242,467	85,873
210,922	<i>Ref 7</i> Investment property	188,518	(22,404)
41,886	Intangible assets	36,798	(5,088)
5,493	Right of Use Asset	5,656	163
4,504,739	Total Non-Current Assets	4,533,421	28,682
4,661,788	TOTAL ASSETS	4,754,749	92,961
	Liabilities		
	Current Liabilities		
(70,188)	<i>Ref 4</i> Trade and other payables	(122,447)	(52,259)
(13,356)	<i>Ref 5</i> Trust funds and deposits	(13,677)	(321)
(36,217)	<i>Ref 6</i> Provisions	(37,312)	(1,095)
(1,411)	Lease Liability	(1,961)	(550)
	Interest-bearing loans and borrowing	0	0
(121,172)	Total Current Liabilities	(175,397)	(54,225)
	Non- current Liabilities		
(3,909)	Provisions	(3,992)	(83)
0	Interest-bearing loans and borrowings	0	0
(1,388)	Trust funds and deposits	(1,526)	(138)
(4,237)	Lease Liability	(3,922)	315
(9,534)	Total Non-Current Liabilities	(9,440)	94
(130,706)	TOTAL LIABILITIES	(184,837)	(54,131)
4,531,082	NET ASSETS	4,569,912	38,829
	Equity		
(2,169,912)	Accumulated Surplus	(2,180,371)	(10,459)
(2,361,170)	Reserves	(2,389,541)	(28,371)
(4,531,082)	TOTAL EQUITY	(4,569,912)	(38,829)

Balance Sheet

Comparison to June 2020 Actual

1. The increase in cash and cash equivalents is a net result of inflows from Other Financial Assets of term deposit maturities (\$34 million), an increase in cash from revenue over the prior year (in particular rates \$20 million, and capital and operating grants, \$13 million and \$70 million respectively) and proceeds from partial sale of the Munro site (\$26 million), which was partially offset by capital expenditure.
2. The increase in trade and other receivables is due to increases over June 2020 in Debtors– Rates (\$3.7 million), Debtors Control (\$3.4 million). \$7.3 million of Debtors at year end related to an outstanding amount from the Victorian State Government for grants. These increases were partially offset by a net decrease in PINS Debtors (\$1.4 million) over the year.
3. The decrease in other assets is mainly a result of the reversal of accrued income recorded at year end for the CBD Security project (\$10 million) which is offset by a higher Citywide dividend accrual.
4. Trade and other payables are higher as a result of increases in income in advance and accruals at year end over 2020-21. Government grants transferred to income in advance from revenue at 30 June 2021 are \$39.1 million, with \$33.4 million being for operating and \$5.7 million in capital. Accruals have increased over prior year, and have finished at \$64.0 million of which \$50 million relate to creditor invoices and open purchase orders, and \$13.9 million are for payroll.
5. Trust funds and deposits have remained stable throughout the year.
6. Provisions have increased slightly over the year as staff took leave as requested. Annual leave increased by \$950,000, long service leave by \$200,000. Insurance provision reduced by \$72,000.
7. The increase in property plant and equipment and investment property assets of \$63.5 million is the result of revaluation of land \$8.6 million which is mainly land related, a net transfer from projects of \$118 million, a net increase in Work In Progress of \$35 million, which is partially offset by the sale of the ground level portion of the Munro site development to PDG Corporation at (\$26 million), the accelerated write-down of computer equipment (\$4.4 million), and depreciation (\$75 million).

Cash Flow Statement

2019-20 Actual (\$'000)	Statement of Cash Flows	2020-21 Actual (\$'000)
	Cashflows from Operating Activities	
	Receipts	
292,563	Rates and charges	312,419
62,814	Statutory fees and fines	37,338
67,454	User fees	56,194
19,485	Grants - operating	90,633
24,962	Grants - capital	37,819
5,295	Contributions - monetary	4,594
2,290	Interest	804
2,063	Dividends	2,018
3,582	Trust funds and deposits taken	(1,149)
14,303	Other receipts	11,699
28,156	Contributions on Public Open Spaces (Reserve)	27,105
522,967		579,474
	Payments	
(168,437)	Employee Costs	(160,312)
(193,704)	Materials & Services	(211,472)
(32,108)	Other Payments	(48,612)
(394,249)		(420,396)
128,718	Net Cash Inflow / (Outflow) from Operating Activities	159,078
	Cashflows from Investing Activities	
(127,838)	Payments for property, infrastructure, plant & equipment	(145,665)
9,035	Proceeds from sale of property, infrastructure, plant & equipment	26,370
14,975	Compensation for City Square	0
(73,000)	TD Deposit Reclassification	64,000
0	Loan to QVM	0
(176,828)	Net Cash Inflow / (Outflow) from Investing Activities	(55,296)
	Cashflows from Financing Activities	
(339)	Finance Costs	(82)
(28,482)	Repayments of borrowings	0
0	Interest paid - Lease Liability	(173)
0	Repayment of Lease Liability	(2,254)
(28,821)	Net Cash Inflow / (Outflow) from Financing Activities	(2,509)
(76,931)	Net Cash Inflow / (Outflow) from all Activities	101,273
119,529	Cash at beginning of the financial period	42,598
42,598	Cash at the end of Jun-21	143,871
(76,931)	Movement in cash equivalents	101,273

2019-20 Actual (\$'000)	Statement of Cash Flow (reconciliation)	2020-21 Actual (\$'000)
38,488	Net Surplus (exc Public Open Space Contributions)	(1,215)
	Add Back Non-Cash Items	
70,774	Depreciation/Amortisation	75,219
5,558	WIP Write Off	3,117
0	Impairment Loss on Tree Reserve	4,298
(5,378)	Fair value adjustments for investment property	(3,939)
(23,605)	Profit/(loss) on disposal of property, plant and equipment	1,114
0	Contributions - Non-monetary assets	(490)
0	Transfer Assets to External Parties	0
0	Writedown on Investment	0
85,837	Operating Surplus/(Deficit) before Non cash items	78,104
14,388	Net Movement in Working Capital	51,286
(127,839)	Capital Expenditure	(145,591)
0	Loan to QVM	0
9,035	Proceeds from sale of assets	26,370
14,975	Compensation on City Square	0
28,156	Contributions on Public Open Spaces (Reserve)	27,105
(73,000)	TD Deposit Reclassification	64,000
(28,482)	Repatriation of CEFC Loan	0
0	Proceeds of borrowings	0
(76,931)	Net Cash inflow/(outflow)	101,273

For year 2020-21, Council has a total cash inflow of \$101.3 million which is comprised of:

- An operating surplus of \$78.1 million
- A net inflow of working capital of \$51.3 million
- Capital expenditure of \$145.6 million
- Proceeds from partial sale of Munro site \$26.4 million; and
- An increase in longer term deposits from cash \$64.0 million.

Income Statement

2019-20 Actual (\$'000)	2020-21 Budget (\$'000)	Income Statement		FY 2020-21 (\$'000)		
				Budget	Actual	Variance
			REVENUE			
301,764	309,251	Ref 3.1	Rates and charges	309,251	316,147	6,896
			Statutory fees and fines			
38,197	17,510	Ref 3.2	Parking fines	17,510	24,502	6,992
13,694	13,556	Ref 3.3	Other	13,556	11,749	(1,807)
			User fees			
46,639	28,578	Ref 3.4	Parking	28,578	32,009	3,431
24,515	6,186	Ref 3.5	Other	6,186	15,645	9,459
19,485	14,948	Ref 3.6	Grants - operating	14,948	62,594	47,646
24,962	24,267	Ref 3.7	Grants - capital	24,267	32,626	8,359
39,805	3,193	Ref 3.8	Contributions - monetary	24,593	31,699	7,106
		Ref 3.9	Other income			
2,290	979		Interest	979	804	(175)
2,063	2,060		Dividends	2,060	4,218	2,158
5,701	5,010		Investment property/market rentals	5,010	3,561	(1,448)
2,487	1,013		Intercompany revenue - Citywide	1,013	3,423	2,410
20	0		Intercompany revenue - Queen Vic Market	0	(19)	(19)
5,728	3,962		Sales & recoveries	3,962	4,469	509
367	158		Project income	158	264	105
527,717	430,670		Total Revenue	452,070	543,692	91,622
			EXPENDITURE			
169,798	172,928	Ref 4.1	Employee benefit expense	172,928	167,150	5,778
196,744	178,068	Ref 4.2	Materials and services	178,067	216,065	(37,998)
14,464	5,909	Ref 4.3	Bad and doubtful debts	5,909	7,263	(1,354)
70,774	73,317	Ref 4.4	Depreciation and amortisation	73,317	75,219	(1,902)
339	500	Ref 4.5	Borrowing Costs	500	82	418
9,134	8,671	Ref 4.6	Other expenses	8,671	9,222	(551)
22,449	24,172	Ref 4.7	Grants and contributions	24,172	41,817	(17,645)
0	0	Ref 4.8	Impairment Loss	0	4,298	(4,298)
483,702	463,565		Total Operating Expenditure	463,565	521,116	(57,552)
23,605	1,100		Net gain/(loss) on disposal of property, infra, plant and equip	1,100	(1,114)	(2,214)
5,378	0		Fair value adjustments for investment properties	0	3,939	3,939
0	0		Contributions - non monetary	0	490	490
0	0		Writedown on Investment	0	0	0
72,998	(31,795)		Profit/(Loss)	(10,395)	25,891	36,286
(61,160)	(25,572)		Less External Contributions to Capital	(46,972)	(60,804)	(13,832)
(5,378)	0		Less Gain on Investment Revaluation	0	(3,939)	(3,939)
0	0		Less Contributed Assets	0	(490)	(490)
(23,605)	0		Less Gain on disposal of asset (irregular)	(1,100)	1,114	2,214
(17,145)	(57,367)		Underlying Surplus/(Deficit)	(58,467)	(38,228)	20,239

Analysis of Revenue Variances

Budget \$452.1m	Actual \$543.7m	Variance \$91.6m Favourable
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3.1 Rates and charges **2.2% Variance** **\$6.9m Fav**

This favourable variance is due to higher supplementary rates revenue.

3.2 Parking fines **39.9% Variance** **\$7.0m Fav**

Parking infringements are more favourable to budget expectations, noting that there is a significant year on year decline of 43% compared to pre COVID levels.

3.3 Other statutory fees and fines **-13.3% Variance** **(\$1.8m) Unfav**

This unfavourable variance is due mainly to \$1.2 million lower local law litter fines as a result of COVID-19 and \$0.5 million lower election fine revenue.

3.4 Parking fees **12.0% Variance** **\$3.4m Fav**

This favourable variance is due to higher towaway revenue as a result of increased non-compliance, noting that there is a significant year on year decline of 41% compared to pre COVID levels.

3.5 Other user fees **152.9% Variance** **\$9.4m Fav**

This favourable variance is due to \$18.8 million hardship financial assistance taking the form of rates deferral rather waivers which is partially offset by lower user fees as a result of COVID-19 lockdown restrictions including:

- \$6.2 million unfavourable building services fees;
- \$1.9 million unfavourable fees and income from various facilities (including recreation centres, Town Hall, libraries, community centres and etc.); and
- \$0.8m unfavourable carnival income from Moomba event.

3.6 Grants – operating **large% Variance** **\$47.6m Fav**

This favourable variance is a result of:

- \$24.8 million due to the timing of spend of the Melbourne City Recovery Fund (MCRF) grants;
- \$7.4 million City Dinning scheme;
- \$5.7 million Laneway Revitalisation grants: and
- \$9.3 million Working for Victoria Fund and \$1.4 million Business Support grants.

3.7 Grants – capital **34.4% Variance** **\$8.4m fav**

This favourable variance is due to additional \$7.8 million funds received for CBD Security project and Swanston Street Security works.

3.8 Contributions – monetary **28.9% Variance** **\$7.1m Fav**

This favourable variance is due to \$5.7 million higher Public Open Space funds and \$1.2 million higher children subsidy contributions.

3.9 Other income **26.9% Variance** **\$3.5m Fav**

This favourable variance is due mainly to higher Citywide revenue.

Analysis of Expense Variances

Budget \$463.6m	Actual \$521.1m	Variance \$57.6m Unfavourable
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4.1 Employee benefit expense

3.3% Variance

\$5.8m Fav

This favourable variance is largely due to holding vacant positions across Council and external secondments of staff to DHHS/DoJ.

4.2 Materials & Services

-21.3% Variance

(\$38.0m) Unfav

Variances of note have occurred in the following categories:

- Contract payments \$23.8 million unfavourable (see below)
- General Maintenance \$6.8 million unfavourable driven by City Reactivation projects
- Internal Revenue/Charges \$3.1 million unfavourable due to lower internal recoveries from capital works given below budget spend.
- Consultant \$2.7 million unfavourable due to higher legal costs and City Activation marketing costs.

Contract payments (unfavourable \$23.8 million) mainly due to;

- \$13.5 million additional COVID-19 related contract costs (including Work for Victoria cleaning \$11 million and City of Melbourne facility cleaning \$2.6 million);
- \$4.7 million Lane Revitalisation contract costs;
- \$3.0 million WIP Capitalisation reassessment;
- \$1.3 million higher towaway contract costs (offset by additional revenue); and
- \$1.2 million supporting Small Business Recovery.

4.3 Bad and doubtful debts

-22.9% Variance

(\$1.4m) Unfav

This unfavourable variance is due to higher than expected parking infringement provision costs given collectability uncertainty associated with COVID-19.

4.4 Depreciation and amortisation

-2.6% Variance

(\$1.9m) Unfav

This unfavourable variance is driven by the capitalisation timing of capital projects.

4.5 Borrowing costs

83.6% Variance

\$0.4m Fav

This favourable variance is due mainly to improved cash positions.

4.6 Other expenses

-6.4% Variance

(\$0.5m) Unfav

This unfavourable variance is due to \$0.5 million QVM land tax.

4.7 Grants and contributions

-73.0% Variance

(\$17.6m) Unfav

This unfavourable variance is due mainly to:

- \$8.7 million MCRF grants payment;
- \$8.0 million CBD City Dining scheme payments;
- \$1.4 million CBD Business Support grants.

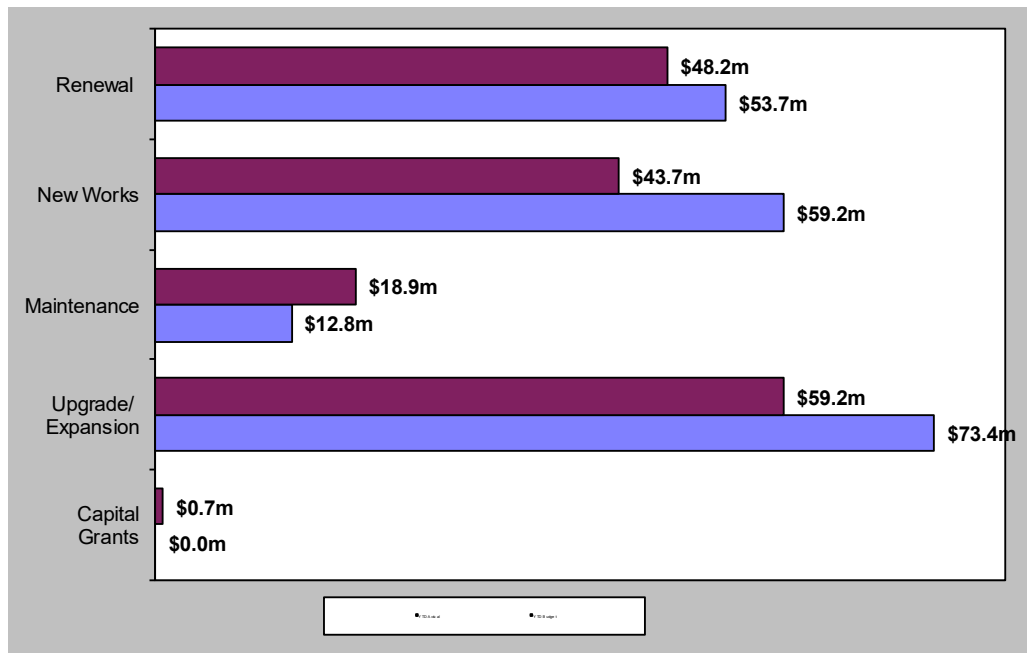
4.8 Impairment Loss

-100.0% Variance

(\$4.3m) Unfav

This unfavourable variance is due to lower valuation on tree reserves.

Council Works – Expenditure



Period: Jun-21

Council Works Area	2019-20 (\$'000)		
	Budget	Actual	Variance
Maintenance			
Capital Grants	0	700	(700)
Maintenance	12,793	18,854	(6,061)
Total Maintenance	12,793	19,554	(6,762)
Capital Works			
Expansion	18,188	10,801	7,387
Upgrade	55,162	48,379	6,783
New Works	59,182	43,662	15,520
Renewal	53,705	48,214	5,492
Total Capital Expenditure	186,237	151,055	35,182
Total Council Works Program	199,030	170,610	28,421

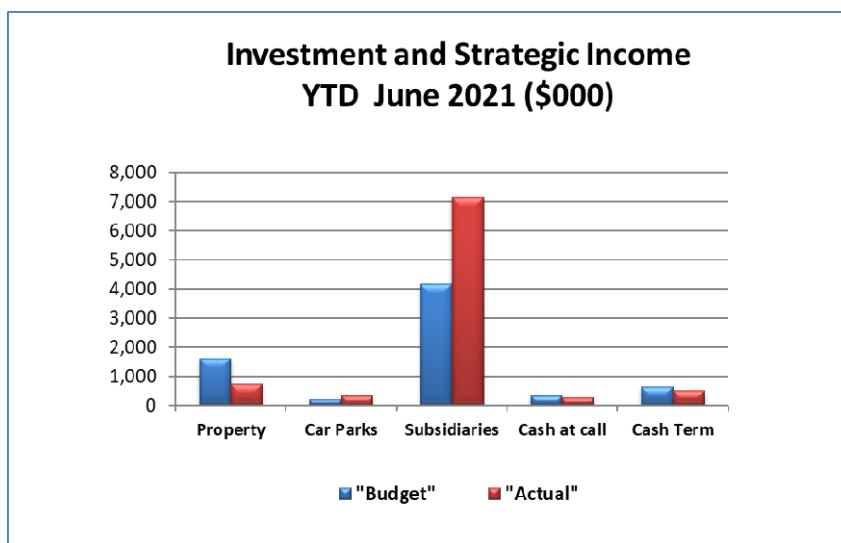
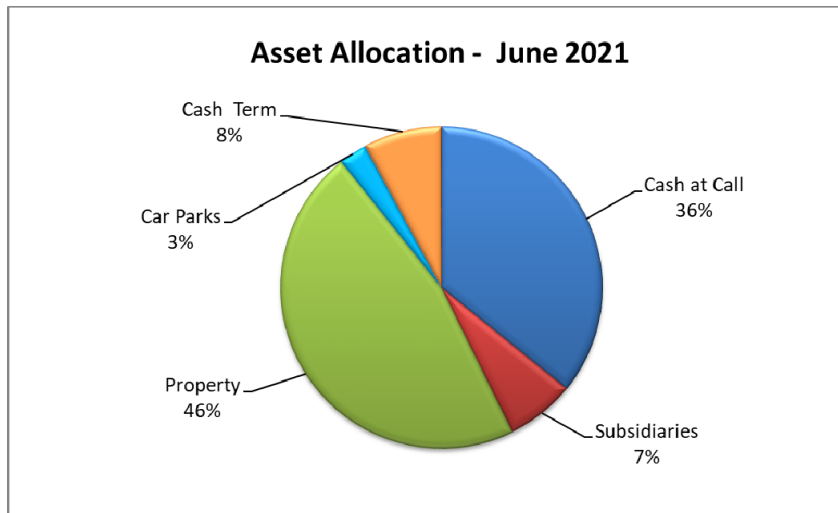
Council Works variance was driven by the COVID-19 restrictions to construction works during September and October 2020. In spite of those restrictions, variance has been mitigated through the acceleration of maintenance works, and revised delivery methodologies on some of our projects and programs. These adjustments enabled projects to be accelerated over the following two final quarters, thereby reducing the impact of restrictions on the portfolio. For projects requiring carry forward into 2021-22, please refer Attachment #6.

Through to June 2021, program adjustments have been endorsed. Please refer to Attachment #5.

Investment Portfolio Performance

The Investment Portfolio returned \$9.0 million for the year which was \$2.0 million above the \$7.0 million Budget.

- Investment Properties - YTD returned \$0.9 million unfavourable against budget mainly due to the land tax of \$0.9 million (currently under dispute) and \$1.3 million negative COVID-19 impacts on revenue as a result of rent relief and a small number of vacancies due to market condition.
- Car Parks – overall favourable against budget with Council House returned \$0.3 million & Elgin St returned \$29K
- Citywide – returned \$3.0 million higher than budget due to an increase in dividend and taxes for the financial year.
- Procurement Australasia paid dividend in December of \$17.5K (7 cents @ 250,000 ordinary shares)
- Cash Investments – interest income was unfavourable by \$0.2 million due to the historical low interest rates offered for the at-call accounts and term deposits.



Public Open Space Contributions

DATE PAID	SUBDIVISION REG. NO	ADDRESS OF DEVELOPMENT	SUBURB	Proposed Fee Figure
16/07/2020	SA-2019-93	346-362 Queen Street	MELBOURNE	\$6,092,074
11/08/2020	SA-2019-86	374 Lonsdale Street	MELBOURNE	\$6,707,000
11/08/2020	SA-2019-86	374 Lonsdale Street	MELBOURNE	-\$847,200
12/10/2020	SA-2019-108	81 Manningham Street	PARKVILLE	\$67,500
26/10/2020	SA-2019-89	141 Arden Street	NORTH MELBOURNE	\$130,000
16/10/2020	SA-2011-70	Crowne Plaza 1-5 Spencer Street	DOCKLANDS	\$2,750,000
13/11/2020	SA-2019-92	185 Rosslyn Street	WEST MELBOURNE	\$2,271
30/11/2020	SA-2019-78	22-28 Courtney Street	NORTH MELBOURNE	\$374,180
08/12/2020	SA-2019-32	134-160 Spencer Street	MELBOURNE	\$3,229,950
01/12/2020	SA-2019-14	404-408 Spencer Street	WEST MELBOURNE	\$625,000
24/12/2020	SA-2020-9	233-239 Dryburgh Street	NORTH MELBOURNE	\$303,580
12/03/2021	SA-2019-47	2 Lothian Street	NORTH MELBOURNE	\$90,000
16/04/2021	SA-2019-95	316-322 Queen St & 343-351 La Trobe St	MELBOURNE	\$1,412,000
02/06/2021	SA-2021-20	30 Anderson Street	SOUTH YARRA	\$750,000
31/05/2021	SA-2017-95	146W-150W Toorak Road	SOUTH YARRA	\$900,000
01/06/2021	SA-2019-3	244-276 Spencer Street	MELBOURNE	\$3,530,000
25/06/2021	SA-2018-110	620-648 Lt Bourke Street	MELBOURNE	\$988,400
			Total	\$27,104,755

SUPPLEMENTARY VALUATIONS

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

In the April to June 2021 quarter, there were three supplementary valuation returns; the total of these returns are as follows:

Return Date	NAV Change	Total Rate Change	New Rates	Exemptions	Objections
8 March 2021	\$3,674,171	(\$468,329.65)	(\$141,937.22)	(\$324,992.17)	(\$1,400.26)
1 April 2021	\$9,103,700	\$192,997.92	\$229,114.46	(\$27,255.44)	(\$8,861.10)
3 May 2021	(\$310,850)	(\$3,921.32)	(\$3,921.32)	\$0.00	\$0.00
Total	\$12,467,021	(\$279,253.05)	\$83,255.92	(\$352,247.61)	(\$10,261.36)

The 2020-21 supplementary new rates budget is \$6.2 million. The year to date actual for new rates is \$11.8 million.

Category	Address	Effective Date	Rates 2020-21	Rates Previous Years	Total Rates	NAV Change	Comments
8 March 2021 (approved April 2021)							
EXEMPTIONS	720-750 Collins Street DOCKLANDS	09-Mar-21	(\$180,754.78)	\$0.00	(\$180,754.78)	(\$1,017,800)	Occupied by education provider Monash College.
	130 Lonsdale Street MELBOURNE	01-Jul-20	(\$110,092.80)	\$0.00	(\$110,092.80)	\$19,518	Tenant vacated now occupied by Uniting Church.
	239 Bourke Street MELBOURNE	01-Jul-20	(\$21,556.21)	\$0.00	(\$21,556.21)	\$1,346,450	Tenant vacated now occupied by RMIT.
	Balance of smaller Exemptions		(\$4,941.75)	(\$7,646.63)	(\$12,588.38)	\$2,642,600	
	TOTAL		(\$317,345.54)	(\$7,646.63)	(\$324,992.17)	\$2,990,768	
OBJECTIONS	Balance of smaller Objections		\$0.00	(\$1,400.26)	(\$1,400.26)	\$0	
	TOTAL		\$0.00	(\$1,400.26)	(\$1,400.26)	\$0	
NEW RATES	130 Little Collins Street MELBOURNE	01-Jul-20	\$64,030.55	\$0.00	\$64,030.55	\$0	Exempt occupier vacated building
	295-305 King Street MELBOURNE	01-Jul-20	\$52,284.25	\$0.00	\$52,284.25	\$1,184,000	Consolidation of sites
	18-20 Lincoln Square NORTH CARLTON	01-Jul-20	\$24,287.45	\$0.00	\$24,287.45	\$0	Building demolished, no longer exempt.
	505-535 Collins Street MELBOURNE	05-Feb-21	\$10,342.04	\$0.00	\$10,342.04	\$585,500	Reapportionment of values in line with tenancy schedule
	107-117 Coode Road WEST MELBOURNE	01-Jul-18	\$0	(\$173,389.25)	(\$173,389.25)	\$0	Previous year valuation changes to reflect partial lease surrender by Patricks
	318-332 Flinders Street MELBOURNE	01-Jul-19	\$0	(\$60,478.04)	(\$60,478.04)	\$0	Trading figures supplied resulted in a decrease in previous years NAV
	Balance of smaller supps		(\$33,152.38)	(\$25,861.84)	(\$59,014.22)	(\$1,086,097)	
	TOTAL		\$117,791.91	(\$259,729.13)	(\$141,937.22)	\$683,403	
	TOTAL		(\$199,553.63)	(\$268,776.02)	(\$468,329.65)	\$3,674,171	

Category	Address	Effective Date	Rates 2020-21	Rates Previous Years	Total Rates	NAV Change	Comments
1 April 2021							
EXEMPTIONS	Level 8 570 Bourke Street MELBOURNE	16-Nov-20	(\$23,505.81)	\$0.00	(\$23,505.81)	\$0	Now occupied by Dept of Treasury and Finance
	221 Victoria Street WEST MELBOURNE	18-Dec-20	(\$1,947.28)	\$0.00	(\$1,947.28)	(\$2,000)	Occupied by charitable entity
	95 Drummond Street CARLTON	22-Mar-21	(\$1,802.35)	\$0.00	(\$1,802.35)	\$0	Occupied by charitable entity
	Treasury Gardens 2-18 Spring Street EAST MELBOURNE	01-Jul-20	\$0.00	\$0.00	\$0.00	(\$2,380,000)	Correction to valuations
	Balance of smaller Exemptions		\$0.00	\$0.00	\$0.00	(\$18,500)	
	TOTAL		(\$27,255.44)	\$0.00	(\$27,255.44)	(\$2,400,500)	
OBJECTIONS	Balance of smaller Objections		(\$8,861.10)	\$0.00	(\$8,861.10)	(\$207,000)	
	TOTAL		(\$8,861.10)	\$0.00	(\$8,861.10)	(\$207,000)	
NEW RATES	93-129 Therry Street MELBOURNE	04-Dec-20	\$72,696.00	\$0.00	\$72,696.00	(\$870,000)	Land sold to developer, now rateable
	557-591 Swanston Street CARLTON	02-Apr-21	\$71,478.08	\$0.00	\$71,478.08	\$7,152,250	Construction of a new student accommodation
	1-13 Lincoln Square South CARLTON	02-Apr-21	\$64,094.42	\$0.00	\$64,094.42	\$4,967,850	Construction of a new student accommodation
	Balance of smaller Supps		\$20,870.29	(\$24.33)	\$20,845.96	\$461,100	
	TOTAL		\$229,138.79	(\$24.33)	\$229,114.46	\$11,711,200	
	TOTAL		\$193,022.25	(\$24.33)	\$192,997.92	\$9,103,700	

Category	Address	Effective Date	Rates 2020-21	Rates Previous Years	Total Rates	NAV Change	Comments
3 May 2021							
	Unit 22, 57 Flinders Lane MELBOURNE	14-Oct-20	\$0.00	\$0.00	\$0.00	\$0	Site Value amended
	Unit 75, 57 Flinders Lane MELBOURNE	06-Nov-20	\$0.00	\$0.00	\$0.00	\$0	Site Value amended
NEW RATES	239-241 King Street MELBOURNE	01-Jul-19	\$0.00	\$0.00	\$0.00	\$0	Site Value amended
	Levels 2-3, 6 & 9-15 239 Bourke Street MELBOURNE	01-Jul-20	(\$3,921.32)	\$0.00	(\$3,921.32)	(\$88,800)	Valuations amended for rateable RMIT occupancies
	Level 1-11 239 Bourke Street MELBOURNE	01-Jul-20	\$0.00	\$0.00	\$0.00	(\$222,050)	Valuations amended for exempt RMIT occupancy
	TOTAL		(\$3,921.32)	\$0.00	(\$3,921.32)	(\$310,850)	
	TOTAL		(\$3,921.32)	\$0.00	(\$3,921.32)	(\$310,850)	

Record of Program Adjustments 2020–21

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Parking Levy	Public Open Space Funds	Grants	Revised Budget	Comments
Total Adjustments			172,449,354	741,777	(274,095)	0	(4,893,966)	19,480,237	187,503,307	
Quarter Four										
Apr-21	18B3410N	Melbourne Innovation District (MID) Urban Realm Year 2	500,000	(300,000)					200,000	City Strategy has been working with the City Projects and State Infrastructure branches over the past twelve months to secure resource this project with suitably qualified project managers. This has not been resolved and due to the lack of available City Projects project management resource, the scope for this year has been adjusted to reflect a scaled-down program of works. The funding for the remainder of 2020-21 will be used for preparatory works for separated bike lanes to be constructed and installed in 2021-22. This will capitalise on the current Metro Tunnel works by re-purposing road reserve while Grattan Street remains partially closed and, critically, ensures that the eventual street alignment will tie in with the works for Parkville Station. The installation of the separated bike lines will also deliver short-term interventions that contribute to the longer-term vision for the Grattan Street corridor. Site investigation and design work will commence in 2021-22 pending the availability of a project manager.
May-21	19B4429N	Outdoor Fitness Equipment Installation	20,000	(20,000)					0	Project is not proceeding due to lack of staff to manage it. While a consultant was proposed to prepare the report it also required substantial internal discussion and investigation.
Apr-21	20B1372N	Swanston Street HVM Works (SSH) Project	0					3,107,000	3,107,000	The funding is provided to facilitate delivery of the following scope of works: (i) Installation of Vehicle Security Barriers including bollards and other barriers at Federation Square, in accordance with the Department's specified design, set out in Attachment 2. (ii) Rectification of the underlying Swanston Street bridge structure to the required Vic Roads or Department of Transport standard, but only to the extent needed to undertake and complete the works described in item (i) above. Funding will be received in June 2021 by the Department of Justice and Community Safety once the Funding Agreement is executed by both parties. Funds are to be paid in advance as the funding lapses in 2020-21 and will no longer be available beyond June 2021. Any residual funds required for works in 2021-22 will need to be carried forward. Project will be cost neutral for Council as it is 100% funded by the State.
Apr-21	20B1412N	Climate Adaptation Urban Landscapes New Works	1,661,700				(515,665)	515,665	1,661,700	Grant funding was sought and secured from the DELWP Local Parks Program to deliver the Bedford Street park expansion project. The first payment from DELWP was received in March 2021. The overall budget has not changed. The budget contribution from the Public Open Space Reserve has been reduced by the amount of the DELWP payment, reflecting that the 20B1412N program expenses will primarily be delivering streetscape upgrades rather than open space. Construction works on Bedford Street park expansion are not expected until mid-2022, with community engagement and detailed design to occur from April 2021 onwards.

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Parking Levy	Public Open Space Funds	Grants	Revised Budget	Comments
Apr-21	20B1406R	Climate Adaptation Urban Landscapes Renewal Works (CASP)	900,000		91,539				991,539	The Canning Street Roundabout Biodiversity Planting project was funded by City West Water as part of their community projects programme. This programme enables City West Water to deliver projects that would provide improved amenity to the community who experienced disturbances because of the City West Water pipeline renewal project. The project was delivered by City of Melbourne and paid for through budget code 20B1406R. The City West Water funds will recharge this budget code.
May-21	20B1336R	Roadway Renewal	2,859,000		75,897				2,934,897	External funding \$75,897 received from CYP for reinstatement of bike separator kerbs along Linlithgow Avenue.
Apr-21	20B1371N	Parking Technology Services Contract No 3623	0	1,283,000					1,283,000	Council at it's meeting on 30 March 2021 (Item 14.2) awarded a tender to tender for the provision of parking technology services for three years with an extension option for up to two years. Funding is required for the following: On Street Support and Compliance transition costs - \$75,000 Infrastructure and Assets transition costs - \$100,000 Initial vendor transition costs - \$463,000 Purchase sensors - \$645,000.
May-21	20B0301R	Technology Modernisation Renew	6,702,270	1,033,965					7,736,235	The Technology and Digital Innovation (TDI) Branch was requested to carry out an upgrade of staff technology equipment to support the move to a more flexible and modern way of working, inside and outside the office, as part of the Return to Workplace program (this included new laptops, monitors, etc). ELT supported a proposal to move to a modern workplace on 23 September 2020 (DM#13983155). Additionally TDI supported the stand up of Business Concierge digital services and COVID-19 related Data and Analytics work. These were unbudgeted and unplanned capital works during 2020-21. TDI requested additional capital funding in October 2020 to support leasing of the required laptop equipment. Instead of allocating new funds, the Capital Works committee requested \$1,302,270 be reallocated from 20B0303N Technology and Digital Innovation - New to 20B0301R to cover these costs. Due to a subsequent inability to lease the equipment, purchase was required, with expenditure on the equipment now totalling \$2,023,062. See DM#14661894 for a reconciliation on Return to Work Equipment purchased as this budget. This change request equates to a total of \$1,033,965 to fund the following: • \$720,792 Return to Work equipment and roll out (funding gap) • \$313,173 unplanned COVID-19 related activities (Business Concierge digital service delivery and Data and Analytics work).
Apr-21	20B3715R	Town Hall Renewal and Priority Roof Works	4,000,000	1,000,000					5,000,000	Additional scope: 1) Full depth substrate waterproofing of roof 7 (Collins Street flat roofs) 2) Window and door repairs and painting 3) Main hall box gutter replacement 4) Main hall mural repair 5) Upgrade of safe access systems on three mansard roofs 6) Additional Stone Façade repairs 7) Mansard access upgrades 8) Mural repairs in Main Hall Project management and contingency figure of 20%. Original budget contingency figure covers these additional works however an additional \$1.0 million will be required for completion of scope. Carry forward \$880,000 to 2021-22 where the date for Practical Completion is October 2021.

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Parking Levy	Public Open Space Funds	Grants	Revised Budget	Comments
May-21	16B4504N	Lady Huntingfield Family and Children's Service Centre	1,778,800	572,700					2,351,500	<p>Increase in budget to accommodate works completed or underway in 2020-21:</p> <ul style="list-style-type: none"> - Contractor's extension of time claims and delay costs - Additional scope to satisfy service approval licencing from the Department of Education and Training. - Additional scope for safety/risk items raised - Plant enclosure modifications required to mitigate noise issue - Additional replacement/repair and modification works required following two break ins to the facility. <p>Additional budget to carry forward in 2021-22 to accommodate additional scope requested by client including:</p> <ul style="list-style-type: none"> - Signage/Wayfinding (outstanding scope from 2020-21) - Low level louvre solution - Gate to bottom of stair - Safety mirrors - Level One balcony sun shading - Level One foyer balustrade long term solution - Additional blinds - Planter box covers - Plant enclosure roof - Ground Floor additional shading to metalwork
May-21	18B4116N	Public Art Melbourne – Growth Areas	2,000,000	500,000				(500,000)	2,000,000	<p>June 2017, Council approved the allocation of \$2.0 million per year to the Capital Works Project - Public Art Growth Areas. The 2020-21 budget has a Council allocation of \$1.5 million with a further \$500,000 to be funded through a State Government grant. No funding has or was sought from State Government in support of this budget line. This change requests reallocates the \$500,000 Grant funding to Council funding to maintain the original \$2.0 million budget.</p>
Apr-21	20B3309M	Market Street Open Space Capital Grant	0	400,000					400,000	<p>Traffic signals valued at \$400,000 have been gifted as a capital grant to the Department of Transport. The expenditure relates to 2020-21. A change request reducing the budget for project 19B3331N Market Street Open Space has been submitted to reclassify the \$400,000 as a capital grant i.e. gift to be reflected as a maintenance expense.</p>
Apr-21	19B3331N	Market Street Open Space	3,885,718	(400,000)					3,485,718	<p>Traffic signals valued at \$400,000 have been gifted as a capital grant to the Department of Transport. The expenditure relates to 2020-21. Change request is to reclassify the \$400,000 as a capital grant i.e. gift to be reflected as a maintenance expense. This is offset by an out of cycle bid requesting the funds be classified as a capital grant.</p>
Apr-21	18B2004N	Melbourne Town Hall Restoration and Refurbishment (MTHRR)	3,987,035	325,000					4,312,035	<p>Melbourne Town Hall Reimagining Ground Floor Works were completed in November 2020. As part of the project, City Design partnered with TDIS for delivery of certain aspects of the projects namely:</p> <ul style="list-style-type: none"> - Melbourne City DNA Fit-out and Service Delivery - Technology Modernisation – Renewal <p>The fit-out works comprising of projectors, video wall and touch screens were procured via the Town Hall budget (18B2004N) with the expectation that the funds will be transferred from TDIS budget at a later date. We are now requesting transfer of \$325k from the TDIS budget to Town Hall budget.</p>
Apr-21	19B3413R	Melbourne City DNA Fitout and Service Delivery	289,700	(125,000)					164,700	<p>Surplus \$125,000 to fund projectors, video wall and touch screens relating to project 18B2004N Melbourne Town Hall Restoration and Refurbishment (MTHRR).</p>
Apr-21	20B0301R	Technology Modernisation - Renewal	6,902,270	(200,000)					6,702,270	<p>Surplus \$200,000 to fund projectors, video wall and touch screens relating to project 18B2004N Melbourne Town Hall Restoration and Refurbishment (MTHRR).</p>

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Public Open Space Funds	Grants	Revised Budget	Comments
May-21	20B2601M	Elizabeth Street Streetscape Improvements Capital Grant	0	300,000				300,000	Traffic signals valued at \$300,000 have been gifted as a capital grant to the Department of Transport. The expenditure relates to 2020-21. A change request reducing the budget for project 19B2601N Elizabeth Street Streetscape Improvements has been submitted to reclassify the \$300,000 as a capital grant i.e. gift to be reflected as a maintenance expense.
May-21	19B2601N	Elizabeth Street Streetscape Improvements	2,655,000	(300,000)				2,355,000	Traffic signals valued at \$300,000 have been gifted as a capital grant to the Department of Transport. The expenditure relates to 2020-21. Change request is to reclassify the \$300,000 as a capital grant i.e. gift to be reflected as a maintenance expense.
May-21	20B1355M	Street Lighting Maintenance (OMR Charges)	1,152,000	100,000				1,252,000	Additional funding required to undertake repair and maintenance of City of Melbourne owned street lights and feature lights until the end of this financial year. There is a shortfall in the current budget due to under estimation of anticipated maintenance and repair works required to keep street lights operational. Additional funding transferred from 20B1376M Street Lighting Upgrade.
May-21	20B1367M	Street Lighting Upgrade	915,000	(100,000)				815,000	There is a budget shortfall in 20B1355M Street Lighting Maintenance (OMR Charges) budget due to under estimation of anticipated maintenance and repair works required to keep street lights operational. Surplus funding \$100,000 from 20B1367M Street Lighting Upgrade budget to be reallocated into 20B1355M Street Lighting Maintenance (OMR Charges) budget.
Total Quarter Four			40,208,493	4,069,665	167,436	0	(515,665)	3,122,665	47,052,594
Quarter Three									
Mar-21	20B1502M	City Activation	19,500,000				(12,000,000)	7,500,000	The Detailed project is not fully scoped and is still under development. \$12 million 100% Grant funded has been added to Budget 2021-22; this has been communicated during ELT Budget Sessions.
Feb-21	14G8111N	Transforming Southbank Boulevard and Dodds Street	13,058,301				(4,538,301)	8,520,000	Excess funding is being handed back from the Southbank Boulevard budget code, as the final two stages of the project will be delivered during the 2021-22 financial year. Two Stages are complete, funding which is being retained will contribute to the following: - completion of delivery of stage three of the project - commencement and progress of stage four which has recently commenced construction - associated fees and project costs related to these stages - development of planning and documentation for the final stages of the project. Surplus funds will be required in the 2021-22 financial year in order to complete the delivery of the Southbank Boulevard Upgrade project \$2.31 million and Dodds Street linear park total \$2.23 million with \$160,000 to be spent in 2020-21.

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Public Open Parking Levy	Public Open Space Funds	Grants	Revised Budget	Comments
Jan-21	19B1376N	Exhibition Street Bike Lane	6,000,000	(3,044,800)	(905,200)			625,000	2,675,000	<p>Council was initially seeking rapid implementation. Two distinct stakeholder profiles along the street were identified and a decision was made to break up design to resolve distinct challenges separately.</p> <ul style="list-style-type: none"> - Stage 1 - South of Bourke Street – shop holders, residents - Lower risk - Stage 2 - North of Bourke Street – theatres/hotels, safety/functionality/aesthetic concerns - Higher risk <p>An opportunity to uplift the streetscape was identified and project scope was increased to include theatre block footpath expansions, works in the central median, additional tree planting. PCG decision was sought to increase the scope and budget accordingly and that was approved – May 2020.</p> <p>Stage one has been delivered as part of the COVID-19 accelerated bike lane program.</p> <p>Stage two is to be delivered as a separate project: bike lane implementation as part of the COVID-19 accelerated bike lane program with permanent works being delivered as a standalone project.</p> <p>Project budget (\$6.0 million) was available for 2020-21. Due to the increase in the scope, design for the permanent works and streetscape is still in progress. Therefore, allocated funds won't be fully spent in 2020-21. Permanent works will need to be delayed until 2021-22. COVID-19 accelerated bike lane will still be delivered in the current financial year as reflected in the proposed budget for 2020-22.</p> <p>A contribution of up to \$2.0 million from the Tree Removal Reserve is part of the approved budget. This amount won't be entirely required this financial year. It is estimated that around \$1.2 million will be used in 2020-21 with the outstanding amount to be made available for 2021-22.</p>
Mar-21	20B3712R	Property Services CH2 Renewal Works	2,500,000	(2,450,000)					50,000	<p>Due to COVID-19 there was delay in procurement of services. Further the works impact CH2 occupants and extensive consultation is required for relocation of staff on various floors for 8 weeks period to alternative venue.</p> <p>Further discussions with procurement has resulted in need to re-tender the project.</p>
Feb-21	20B3102N	Gateway to GMH Turner Street Works	3,750,400					(1,906,400)	1,844,000	<p>In September 2020 a new project (20B3102N) was set up for delivery of a state government-funded streetscape project in Fishermans Bend. The project's funding will be provided through Department of Jobs, Precincts and Renewals (DJPR). The 'Out of Cycle 2020-21' bid submitted in September 2020 (DM#14009294) reflected the total multi-year CAPEX budget of \$3.75 million instead of the forecast spend for the current financial year. This change request seeks to rectify this so that the budget reflects the DJPR contribution that has been received for 2020-21.</p> <p>A Detailed Project Plan for the Gateway to GMH project was signed off by CoM and DJPR in mid-December, which marked the beginning of the project's planning phase. The scope for 2020-21 is limited to consultant engagement, site investigations and the beginning of the design process, so it is anticipated that only \$200,000 will be required for this financial year. Any surplus external funds will be carried forward into 2021-22 for the project's main plan and delivery phase. This is in line with the accounting standard around recognising grant income in the year it is received.</p> <p>Please note, the DJPR funding agreement has a funding deadline of 30 June 2022.</p>

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Public Open Space Funds	Grants	Revised Budget	Comments
Feb-21	19B3328N	Seafarers Rest Park	952,141	(892,141)				60,000	<p>Budget proposed to be retained in the current 2020-21 financial year is \$60,000. This is for ongoing coordination and design review. Currently included within the 2020-21 is a Council contribution for structural remediation works which will not be required in the current financial year.</p> <p>Future Financial Years Budget requested for the 2021-22 financial year is \$40,000. This is for ongoing coordination and design review. Council has agreed to contribute \$750,000 for structural remediation works, to enable the delivery of Seafarers Rest Park, the MOU detailing this agreement is still being finalised. This will be paid to the adjacent property developer/land owner, Asset1, who is responsible to complete the structural remediation works, and later delivering the Seafarers Rest Park. The structural remediation works are currently expected to start in December 2022. The structural remediation works funds (\$750,000) will be required in the 2022-23 financial year to meet Councils obligations. An additional \$102,141 will be required in the 2022-23 financial year for coordination and design review. A total of \$852,141 is requested for the 2022-23 financial year.</p>
Feb-21	20B2511M	Birrarung Trial Floating Wetland	700,000				(600,000)	100,000	<p>Total funds were received from DELWP this financial year. However, it is anticipated that only planning and design would occur in 2020-21 with implementation and monitoring scheduled for 2021-22. Project planning is being done with CoM resources and minimal engagement of external consultants. Therefore the amount to be spent this financial year \$100,000 reflects this and it is aligned with the project key milestones stated in the fund agreement with DELWP. The balance of the funds \$600,000 will be added to the budget 2021-22. Funding can only be used for the purpose of delivering this project as per agreement with DELWP. Executed funding agreement is DM#14323217.</p>
Mar-21	20B2301N	N+W Melb and Docklands Transport + Amenity Program (TAP)	1,700,000	(200,000)			(200,000)	1,300,000	<p>Two TAP projects that were proposed to begin this financial year have been postponed to next financial year, due to ongoing negotiations with DoT and the West Gate Tunnel Authority.</p>
Mar-21	20B1344N	Major Streetscape Improvements	2,004,978				(50,000)	1,954,978	<p>The Franklin Street Streetscape Improvements project is undergoing a feasibility assessment this financial year to help guide the final project's design scope and integration with the two major developments nearby, QVMPR and Metro. Preparation of the concept design – which is embedded in the feasibility scope – was delayed by two months and this is resulting in a budget underspend of an estimated \$125,000. The Franklin Street project is co-funded through the Transport Amenity Program (TAP). Budget change proposed for external funds only: The estimated underspend of \$125,000 includes a reduction of external funds by \$50,000 and a reallocation of Council funds to the amount of \$75,000 to Market St streetscape upgrade project. Please refer to the 'Proposed New Scope' section on page 2. No funds have been received from state government yet for this project so this change does not require further engagement with the funding body.</p>

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Parking Levy	Public Open Space Funds	Grants	Revised Budget	Comments
Jan-21	20B1370R	Local Roads and Community Infrastructure Program (LRCI)	468,698					1,866,629	2,335,327	An additional \$5,016,626 has been received from the Commonwealth Local Roads and Community Infrastructure Program (LRCI) Phase 2 program. Please refer to DM#14323670 for signed funding agreement. From this funding \$1,866,629 has been allocated to the 2020-21 road and footpath renewal/upgrade projects under the above project code. Another \$650,000 has been allocated to Market St streetscape project (separated change request has been submitted for this amount). The balance (\$2.5 million) will be used for 2021-22 road and footpath renewal projects.
Feb-21	20B4122N	Creative Laneways Program Working for Victoria Fund	0	650,000				1,824,500	2,474,500	<p>Key Objectives</p> <ul style="list-style-type: none"> To employ 156 people to undertake a major renewal of the laneway network from October 2020 – June 2021 To renew 40 CBD laneways by commissioning art, music and lighting projects Intersect with the Little Streets and Eat Streets Projects To enhance the social, economic and cultural qualities of the CBD laneways by drawing people back to the city To improve public safety, amenity and increase business participation To collect wayfinding and navigation data to inform an assessment of CBD renewal. <p>Scope</p> <ul style="list-style-type: none"> Site preparation including deep cleaning and refurbishment Stakeholder engagement Lighting of approximately 15 CBD laneways to improve public safety 80 art and music commissions in CBD laneways. <p>State Government plus 25% CoM input plus contingency \$650,000.</p>
Jan-21	19B3331N	Market Street Open Space	3,235,718					650,000	3,885,718	<p>The project is the creation of a new park in the centre of the city. Cbus managed has delivered park and contributed approximately \$4.1 million whilst City of Melbourne is investing \$3.43 million. City of Melbourne are managing and delivering modifications to the roadway.</p> <p>The authority costs budget has been exceeded due to actual authority costs coming in higher than expected (\$180,000) , contingency budget for latent conditions (asbestos, abandoned in ground services etc. was insufficient (additional \$70,000) and increase scope (extension of Park to the south to utilize unused road pavement - \$400,000). Additional budget is required to complete the scope of works included in the original budget; upgrade Market Street in between Collins Street and Flinders Lane adjacent to the newly completed Market street Open Space.</p> <p>The upgrade of Market was tendered in November 2021 and a contractor at \$650,000 has been recommended. Subject to additional Budget approval works can be planned to commence early March 2021 and completed by May 2021.</p> <p>The additional \$650,000 is being funded by the Commonwealth Local Roads and Community Infrastructure Program (LRCI) Phase 2 program. Please refer to DM#14323670 for signed funding agreement.</p>
Jan-21	20B1336R	Roadway Renewal	2,500,000		109,000				2,609,000	\$109,000 external funding received from QICP Pty Ltd as a contribution towards full reconstruction of Pink Alley related to building works at 80 Collins Street.
Jan-21	20B1367M	Street Lighting Upgrade	900,000					15,000	915,000	\$15,000 grant received from DOT as a contribution towards lighting upgrade/maintenance works on Swan Street Bridge.
Jan-21	20B1330R	DDA Compliance - Infrastructure	500,000		13,602				513,602	\$13,600 external funding received from CYP for design and construction of an access ramp in Swanston Street north of Little Latrobe Street related to Metro Tunnel Works.
Feb-21	20B1366M	Banner Pole Maintenance	30,000		8,630				38,630	\$8,630 external funding received from the developer of 12 Bourke Street for removal of a banner pole to facilitate the development and reinstatement after the completion of building works.

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Public Open Space Funds	Grants	Revised Budget	Comments
Mar-21	18B4507N	Carlton Central Learning Precinct – ELC and Family Services	43,962	176,038				220,000	<p>The Carlton Learning Precinct development was completed and opened in 2020. Post occupancy a number of additional works have been requested by the services operating out of the centre seeking to address improved security for staff and children, OH&S items (additional sunshading) and 'access for all' provisions. These include:</p> <ul style="list-style-type: none"> • New perimeter fencing to the Early Learning Centre to address security issues. • Provision of a secure electric bike storage facility including charging points for Family Services/ELC staff • Additional (retractable) sun shading devices to certain areas of the outdoor play space • Additional electronic security measures • Changes to reception desk based on a recent OH&S audit • Modifications to further improve accessibility for children with a disability within the centre • Late Invoicing impact on allocated 2020-21 budget • Project Fees
Feb-21	14G8129N	Dodds Street linear park, Southbank	0			160,000		160,000	<p>Delivery of the Dodds street linear park, in conjunction with the Southbank Major Public Art Commission.</p> <p>The Dodds Street linear park will deliver an additional 2,700 m2 of open space in Southbank, and deliver on a number of Council strategies such as the overall Transforming Southbank Boulevard project, the Urban Forest Strategy and Precinct Plans, and Open Space Strategy.</p> <p>The open space works are being developed and delivered in coordination with a number of significant art pieces.</p> <p>Funding is being transferred from 14G8111N - Transforming Southbank Boulevard and Dodds Street. Total funds transferred \$2,227,000 with balance expected to be spent in 2021-22.</p>
Feb-21	20B0901N	Homelessness - Make Room	0	77,837				77,837	<p>This project is an API 2.9 (2020-21) - Reduce homelessness in the city. This project has the working title of Let's Make Room (the Project). On 10 December 2019, Council resolved to repurpose specific Council owned buildings for the purpose of providing safe and supported accommodation for people sleeping rough or at risk of homelessness. 602 Little Bourke Street was identified and supported as an available asset. . A confidential Council briefing paper providing a project update was submitted 12 August 2020. The Project is managed internally by a PCG that meets fortnightly. A monthly PRG also occurs with CEO and LM.</p> <p>City of Melbourne (CoM) submitted an Expression of Interest (EoI) for the Victorian Government's Housing Stimulus Funding package on 23 July 2020. EoI assessments took place during August 2020. To assist with the assessment process, CoM was requested to provide further clarification in relation to the submission.</p> <p>The Victorian Government advised CoM in December 2020 of its success in securing \$9.0 million towards the project. Conditional to receiving the funding and to meet is the commencement of preparatory building works. This will ensure the site is 'shovel ready' before the end of 2021, to commence work. A detailed Project Plan and cash flow analysis have been completed. To enable this preparatory works to commence, the project is seeking out of cycle capital works funding.</p>

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Parking Levy	Public Open Space Funds	Grants	Revised Budget	Comments
Jan-21	18B3362N	Victoria Emergency Services Memorial in Treasury Gardens	0	46,607					46,607	This project was completely funded externally by CFA and EMV. We have received a total funding of \$ 2,268,869 for the project. The project construction was completed last year in 2019-20. Funds were received in 2019-20 but not carried forward at the end of the financial year. Recognised unspent portion of income received from CFA is \$46,607, which is required for the following; <ul style="list-style-type: none"> • Establishment of plants • Planting of two garden beds • Installation of Pit • Ongoing maintenance of the plants
Feb-21	20B1336R	Roadway Renewal	2,609,000	250,000					2,859,000	The Princes Bridge deck waterproofing and road resurfacing works has to be deferred to next Financial year due to delay in Yarra Trams (YT) doing their Tram track renewal works on the Princess Bridge. Council was planning to undertake waterproofing and road resurfacing works on the bridge after YT completed their works in April this FY. Only \$20,000 out of \$270,000 allocated to bridge waterproofing works will be required to complete investigation and design works this financial year. The remaining \$250,000 to be used for road renewal works this year and the Roadway renewal budget (20B1336R) to be increased by \$250,000. Additional funding allocated to Road Renewal budget will be used for completing three additional road renewal projects brought forward from next year to this year. Bridge waterproofing and road resurfacing works will be funded from next year's Roadway renewal budget.
Feb-21	20B1354R	Princess Bridge - Waterproofing of bridge deck	270,000	(250,000)					20,000	Yarra Trams (YT) has deferred their Tram track renewal works on the Princess Bridge from April to early July 2021. Council was planning to undertake waterproofing and road resurfacing works on the bridge after YT completed their works in April this FY. Due to YT delaying their works, Council will not be able to complete proposed Council works by the end of this FY. Only \$20,000 out of \$270,000 will be required to complete investigation and design works this financial year. This budget (20B1354R) to be reduced by \$250,000 and the Roadway renewal budget (20B1336R) to be increased by \$250,000. Additional funding allocated to Road Renewal budget will be used for completing three other road renewal projects brought forward from next year to this year. Bridge waterproofing and road resurfacing works will be funded from next year's Roadway renewal budget. This is to avoid having to carry forward the remaining budget to complete the rest of the works on the bridge next year.
Feb-21	20B4120R	ArtPlay Kiosk Renewal	50,250	10,000					60,250	RFQ tender results over budget allocation. Scope to include addition of air conditioning unit. Additional funding transferred from 20B3707R Property Services Renewal Works.
Feb-21	20B3707R	Property Services Renewal Works	4,000,000	(10,000)					3,990,000	Transfer of \$10,000 surplus funds to project 20B4121R Art Play Kiosk Renewal to fund air conditioning unit.
Total Quarter Three			64,773,448	(5,636,459)	(773,968)	0	(4,378,301)	(9,775,271)	44,209,449	

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Public Open Space Funds	Grants	Revised Budget	Comments
Quarter Two									
Oct-20	20B1502M	City Activation	0				19,500,000	19,500,000	The City of Melbourne (CoM) has been severely impacted by the COVID-19 emergency. Traders within Melbourne's CBD have suffered severe losses to business due to the loss of the daily influx of workers and students, who were the primary customers. ABS payroll data indicates inner Melbourne is the third hardest-hit region in Australia. An estimated 31.7 per cent of local businesses have applied for JobKeeper, a CoM survey shows 7.5 per cent of food businesses have closed permanently and a further 8 per cent are considering closing. The pedestrian use of streets within the Hoddle Grid has fallen dramatically under COVID-19 – by around 90 percent. To address this issue the Victorian State Government and CoM have reached an agreement to reactivate the city. The Melbourne Central City Recovery fund is aimed at activating the city through supporting local business. As part of that fund \$40.0 million (\$20.0 million State & \$20.0 million CoM) of funding will be used to support hospitality through extending dining footprints. CoM's contribution \$20.0 million is from existing projects already funded through the 2020-21 Capital Works budget. This Out of Cycle bid is to capture the \$20.0 million contribution from State Government. Maintenance will total \$19.5 million.
Oct-20	20B1501N	City Activation	0				500,000	500,000	The City of Melbourne (CoM) has been severely impacted by the COVID-19 emergency. Traders within Melbourne's CBD have suffered severe losses to business due to the loss of the daily influx of workers and students, who were the primary customers. ABS payroll data indicates inner Melbourne is the third hardest-hit region in Australia. An estimated 31.7 per cent of local businesses have applied for JobKeeper, a CoM survey shows 7.5 per cent of food businesses have closed permanently and a further 8 per cent are considering closing. The pedestrian use of streets within the Hoddle Grid has fallen dramatically under COVID-19 – by around 90 percent. To address this issue the Victorian State Government and CoM have reached an agreement to reactivate the city. The Melbourne Central City Recovery fund is aimed at activating the city through supporting local business. As part of that fund \$40.0 million (\$20.0 million State & \$20.0 million CoM) of funding will be used to support hospitality through extending dining footprints. CoM's contribution \$20.0 million is from existing projects already funded through the 2020-21 Capital Works budget. This Out of Cycle bid is to capture the \$20.0 million contribution from State Government. New Works will total \$500,000.
Nov-20	20B1350N	Latrobe Street Bridge - Installation of Protection Screens	1,850,000	878,000			500,000	3,228,000	Onerous rail authority requirement for isolations, permits and limited ALBF (after last before first train) windows to complete the works has resulted in tender pricing well in excess of the budget. Additional budget funding has been sought from the Department of Transport (DoT). City of Melbourne (CoM) contributions as detailed will be required for the shortfall. DoT has verbally advised of a \$500,000 additional contribution and is seeking formal approval of the change in parallel with this bid. The original agreement with DoT was for cost share. Under this arrangement, CoM is carrying around one third of the projected total cost.
Oct-20	17B3347N	Memorials - St Andrews Place Family Violence Memorial	0				463,000	463,000	Construction of a permanent memorial for victims and survivors of family violence. Recognise unspent portion of grant received in 2019-20 \$231,500. Recognise second half of the Grant which will be received in 2020-21 \$231,500. It is expected the construction phase of the new memorial will commence in January/February 2021.

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Nov-20	17B3334N	North Bank Open Space & Public Realm Projects	1,607,957	195,571				1,803,528	The current allocated budget will be sufficient to award the tender, however additional funding will be required to cover such costs as contingency, fees (Project Management, Landscape Architect and Melbourne Metro) and current commitments already in place for this project.
Oct-20	20B2513N	Chinatown Illuminated Rectangular Frames	0	160,000				160,000	The concept is to infill the existing catenary frames in Chinatown with mesh and lighting. The mesh infills will be illuminated at night adding vitality and interest to the Chinatown Precinct and completing a long term strategy for lighting upgrades in the area. The budget breakdown is as follows, <ul style="list-style-type: none"> • Fabrication and installation of the wire mesh and lighting \$150,000 • Fees \$10,000
Oct-20	19B4425R	Princes Hill Tennis Club Courts Renewal	334,140	150,000				484,140	Request for additional funds to upgrade the tennis courts at Princess Hill Tennis Club (Club) to an acceptable standard. As part of the 2019-20 Budget; Club was allocated \$244,140 by City of Melbourne and with \$90,000 by the Club to convert four (4No) courts to synthetic playing surface. The current Budget is insufficient to convert all four courts. Proposed revised scope so that the current courts are upgraded to an acceptable standard. Hard Courts (2 No) – crack repair and new sports acrylic surface at \$50,000. Red Porous courts (2 No) – compact existing surface and construct new synthetic grass surface on a concrete base. \$386,694. Revised Budget for 2020-21 \$484,140 (included \$90,000 from Club).
Oct-20	20B5104R	Melbourne Knowledge Week Hub	70,000	45,000				115,000	Due to physical distancing requirements and attendance caps on attendees in the main Melbourne Knowledge Week (MKW) Hub at the Meat Market, additional venues will need to be activated as "satellite Hubs" to allow audiences to attend across multiple sites. These satellite Hubs will be located throughout the city and can be accessed by foot, public transport or bike. Venues planned include Town Hall Commons, State Library Victoria, The Wheeler Centre and ACMI. This dispersed Hub model will require the additional venues to have some fitout and theming to be congruent with the main Hub fitout. In moving some of the programming outdoors in response to COVID-19, Prototype City will replace Prototype Street, showcasing existing testbeds and infrastructure. This will be supported by shopfront and Spacecube placements at key sites throughout the city, increasing the "stumble upon" factor and supporting broader City initiatives to re-energise the economy. The satellite sites will also be linked by "play zones" to manage queues and building access in a creative and playful way to encourage participants to be in an optimal mindset to positively engage with the MKW content. Not part of the original scope, which was established, pre-COVID-19, the additional funds will be used to purchase signage structures engineered for outdoors, built set pieces, play spaces (skate ramps and other built items for games) and outdoor seating. These purchases can be used for future MKW events and other Premier Events. Full details of the proposed MKW21 plan can be seen here - DM #13912479.

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Oct-20	20B0301R	Technology Modernisation - Renewal	5,600,000	1,302,270				6,902,270	<p>The Technology and Digital Innovation Branch (TDI) has been requested to carry out an upgrade of staff technology equipment to support the move to a more flexible and modern way of working, inside and outside the office, as part of the Return to Workplace program. A presentation was made to ELT on 23 September and the proposal to move to a modern workplace was supported by the ELT committee. (DM#13983155).</p> <p>The proposal will see the majority of City of Melbourne staff provided with a Mobile Working Kit comprising a laptop, headset, phone, bag, keyboard and mouse.</p> <p>To support this request, TDI are requesting additional capital funding. A decision has been made to lease the laptops.</p> <p>Further, 400 laptops have already been purchased this financial year to support the transition of staff to work from home (many of these were purchased to replace laptops required by Win 10 project that were used during the March/April transition period). These costs are included below as they had not previously been incorporated in other budgets. The vendor has advised that this equipment may be transitioned to leasing should that option be taken up.</p> <p>The request for these funds have been offset by a surplus from project 20B0303N Technology and Digital Innovation - New.</p>
Oct-20	20B0303N	Technology and Digital Innovation - New	11,555,458	(1,302,270)				10,253,188	Transfer of \$1,302,270 surplus funds to project 20B0301R Technology Modernisation - Renewal to fund a Mobile Working Kit for staff as part of the Return to Workplace program.
Total Quarter Two			21,017,555	1,428,571	0	0	0	20,963,000	43,409,126
Quarter One									
Sep-20	20B1427R	Rapid Greening Melbourne	3,052,952				(508,825)	2,544,127	<p>The budget for 2020-21 is reduced by \$508,825 as it was accounted for in 2019-20.</p> <p>CityWide commenced the works in 2019-20 with the costs for the amount of \$508,825 fully offset by grant income from the Victorian Government received in 2019-20.</p> <p>The Net impact for 2020-21 is zero as the reduction to budget is offset by the reduction in expenses.</p>
Sep-20	20B31__N	Gateway to GMH Turner Street Works	0				3,750,400	3,750,400	<p>Minister Pakula on behalf of the Department of Jobs, Precincts and Regions has granted the City of Melbourne \$4.69 million in stimulus funding out of the Building Works stimulus package for the 'Gateway to GMH' project, funded from September 2020 to June 2022. Of this funding, \$3.75 million is capital expenditure for the design and construction of a bike path along Turner Street in Fishermans Bend. The funding will also cover greening, digital infrastructure and some creative placemaking if capital expenditure is applicable. The other portion of the funding is for operational expenditure. The grant agreement was signed by Justin Hanney on 22 September 2020 and can be found at DM#14016078. A high-level project concept drafted by DJPR can be found at DM#13967710.</p>
Aug-20	20B1350N	Latrobe Street Bridge - Installation of Protection Screens	0				1,850,000	1,850,000	<p>Department of Transport (DoT) has agreed to fully fund the cost of installation of protection screen on the La Trobe Street Bridge. Council will deliver the installation of protection screen on the La Trobe Street Bridge to address the concerns about safety at the La Trobe Street Bridge permanently. This project has been brought forward by one year from 2021-22 where it was originally reflected as 50/50 funding. This project is fully funded by DoT and must be completed by the end of 2020-21.</p> <p>Please refer to DM#13902906 Funding Contribution Agreement.</p>

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Sep-20	20B2511M	Birrarung Trial Floating Wetland	0				700,000	700,000	The project is an action identified in the City of Melbourne's Yarra River - Birrarung Strategy (2019) – Action 2. Deliver a trial project for floating vegetation on the Yarra River - Birrarung in collaboration with State Government. Project will be fully funded through a \$700,000 grant from the State Government. An agreement was signed with the Department of Environment, Land, Water and Planning (DELWP) in September 2020 and certain milestones need to be met during the . Awaiting receipt of List Financial Year 2020-21. This is a multi-year project to be delivered by 30 June 2022.
	20B1370R	Local Roads and Community Infrastructure Program (LRCI)	0				468,698	468,698	Commonwealth grant to fund road and footpath renewal works under the Local Roads and Community Infrastructure Program. Total funding \$468,698: <ul style="list-style-type: none"> No.1. Punt Road \$320,698 No.2. Flinders Lane \$148,000 This project is fully funded by Commonwealth and must be completed by the end of 2020-21.
Sep-20	14G8111N	Transforming Southbank Boulevard and Dodds Street	12,815,864		242,437			13,058,301	Unbudgeted income from Taverners Property Pty Ltd ATF Taverners Property Unit Trust No. 7 for footpath reinstatement works to be undertaken by Council on behalf of the Developer, as per planning permit conditions.
Aug-20	20B3714R	Property Services City Baths Renewal Works	3,429,456	800,000				4,229,456	A budget of \$3.43 million is allocated in the 2020-21 to carry out urgent repairs at City Baths. Works include replacing skylights, structural repairs to roof trusses, columns, beams and balustrades, paint pool halls and repair feature windows. Project scope now needs to include urgent repairs to Turrets because of the recent incident a roof shingle from one turret was blown off the building during high winds on Tuesday 8 September. Worksafe and the municipal building surveyor have inspected the building and issued a directive to make the turrets safe in the interim and plan to address the issue permanently. Turrets have been wrapped with a mesh to stop any further shingles from falling and this is only a temporary solution. Turret shingles and Bali Rope ridges are required to be fabricated by hand and need significant lead time. This change request is to increase the budget to include rectification works for turrets roofs, estimate for the works is around \$800,000. Additional scope includes: Install external Scaffolding, Remove existing turrets shingles, Structural repairs to turret roof frames, Install new shingles to turrets roof and roof stormwater drainage.
Sep-20	20B2512N	Princess Bridge Planters	0	170,000				170,000	The concept is to realise a long term strategy for the permanent inclusion of integrated planter boxes on Princes Bridge. 21 new stainless steel containers are to be placed between existing concrete HVM barriers on either side of the bridge to further establish its role as an important gateway and threshold to the central city, linking pedestrians, cyclists and drivers from the CBD to Melbourne's arts precinct. The planters hold soil and are connected to an irrigation system. The budget breakdown is as follows, <ul style="list-style-type: none"> Fabrication of Containers \$81,250 Plumbing \$18,750 including software Soil and planting \$40,000 Installation of containers \$20,000 Fees \$10,000 Total \$170,000

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Public Open Space Funds	Grants	Revised Budget	Comments
Aug-20	20B0303N	Technology and Digital Innovation - New	10,365,688	1,189,770				11,555,458	The Technology Modernisation (New) Budget is managed by Technology and Digital Innovation under governance of the Technology Strategy Committee (TSC) and the Organisation Strategy ELT Sub-Committee (OSELTSC). At the end of 2019-20, \$2,045,280 of the 19B0302N budget remained unspent and has been carried forward into the new financial year. Continuing projects required \$855,510 to complete planned deliverables for the 2019-20 financial year. The remaining \$1,189,770 was designated to allocate to new technology projects in 2020-21, adding to the budget of \$10.0 million already approved by capital works and the \$365,688 transferred from the 2019-20 budgets for Source to Contract. To simplify the governance and reporting of this latter amount (\$1,189,770), it is proposed that it be moved to the 2020-21 budget so that all new technology projects for 2020-21 are funded from the one budget code.
Aug-20	19B0302N	Tech Mod – New	2,045,280	(1,189,770)				855,510	The Technology Modernisation (New) Budget is managed by TDI under governance of the Technology Strategy Committee (TSC) and the Organisation Strategy ELT Sub-Committee (OSELTSC). At the end of 2019-20, \$2,045,280 of the 19B0302N budget remained unspent and has been carried forward into the new financial year. Continuing projects required \$855,510 to complete planned deliverables for the 2019-20 financial year. The remaining \$1,189,770 was designated to allocate to new technology projects in 2020-21, adding to the budget of \$10 million already approved by capital works and the \$365,688 transferred from the 2019-20 budgets for Source to Contract. To simplify the governance and reporting of this latter amount (\$1,189,770), it is proposed that it be moved to the 2020-21 budget so that all new technology projects for 2020-21 are funded from the one budget code.
Sep-20	19B1352N	Major Streetscape Improvements	0	545,022				545,022	Funds required for Streetscape Upgrade Works in Hardware Lane, Russell St and Franklin Street. This is to reflect the unspent portion (\$545,022) of Parking Levy (PL) which was received last year but was not carried forward to 2020-21. ELT Sub-Committee Capital Works (ELTS-CCW) did not agree to carry forward the unspent PL funding as there were sufficient funds in 2020-21 Council budget. This amount will be offset against 2020-21 Annual Budget on 20B1344N (Major Streetscape Improvements) by the same amount. There will not be any net increase in 2020-21 Council budget. This is in line with the PL agreement.
Sep-20	20B1344N	Major Streetscape Improvements	3,350,000	(545,022)			(800,000)	2,004,978	The Franklin Street project will undergo a feasibility assessment during 2020-21 and the original external funds from Department of Transport (under the Transport Amenity Program – TAP) will no longer be required in full. Original estimated cost was \$2 million (\$1 million from Council and \$1 million from TAP). Revised cost for the proposed works in 2020-21 is \$400,000 (\$200,000 from Council and \$200,000 from TAP). As a result remaining \$800,000 Council funds will be reallocated to other Major Streetscapes projects managed by the Infrastructure and Assets branch. In addition, Council funding will be reduced by \$545,022 as per the out of cycle bid (#13982757) to offset against 19B1352N (Parking Levy received in 2019-20).

Month	Project No.	Project Name	Council Approved Budget	Council Funds	External Funds	Parking Levy	Public Open Space Funds	Grants	Revised Budget	Comments
Sep-20	19B1373N	Cycle Infrastructure	0	494,076					494,076	Funds required for completion of separated bike lanes in Kavanagh Street, Southbank – and other minor carry forward projects. This is to reflect the unspent portion (\$494,076) of Parking Levy (PL) which was received in 2019-20 but was not carried forward to 2020-21. ELT Sub-Committee Capital Works (ELTS-CCW) did not agree to carry forward the unspent PL funding as there were sufficient funds in 2020-21 Council budget. This amount will be offset against 2020-21 Annual Budget on 20B1329N (Cycle Infrastructure) by the same amount. There will be zero net impact to 2020-21 Council budget. This is in line with the PL agreement.
Sep-20	20B1329N	Cycle Infrastructure	10,000,000	(494,076)					9,505,924	Please refer to E-Docs # 13995656 - Out of Cycle Bid Request Form. This form requests \$494,076 to be allocated to the 2019-20 Cycle Infrastructure Budget (19B1373N) for Streetscape Upgrade Works in Hardware Lane, Russell St and Franklin Street. This amount will be offset against 2020-21 Annual Budget on 20B1329N (Cycle Infrastructure) by the same amount. There will be zero net impact to 2020-21 Council budget. This is in line with the PL agreement.
Aug-20	19B1341R	Victorian Grants Commission - Local Road Funding	383,024	(383,024)					0	It is proposed to transfer funds from project 19B1341R Victorian Grants Commission - Local Road Funding due to income budgeted in 2020-21 against project 20B1352R Victorian Grants Commission - Local Road Funding received in 2019-20 with the full amount being carried forward \$383,024.
Aug-20	20B1352R	Victorian Grants Commission - Local Road Funding	673,454	383,024				(290,430)	766,048	It is proposed to transfer to current year project 20B1352R Victorian Grants Commission - Local Road Funding due to income received in 2019-20 against project 19B1341R Victorian Grants Commission - Local Road Funding. The full amount was carried forward \$383,024. This is represented by an increase in Council Funds offset by a decrease in Grants. Recognise increase in Grants \$92,594 to match total fund relating to 2020-21 ie \$766,048.
Aug-20	19B4425R	Princes Hill Tennis Club Courts Renewal	334,140	(90,000)	90,000				334,140	External Funds to be contributed by the Club \$90,000. These funds were budgeted for 2019-20 but not received. The project budget should have been revised down via a change request last financial year; instead it wasn't with the whole surplus carried forward. This is a true up of funds ie reduce City of Melbourne and increase External Funds which are expected to be received in 2020-21.
Total Quarter One			46,449,858	880,000	332,437	0	0	5,169,843	52,832,138	



Recommended Carry Forward of Capital Funds into 2021-22

Attachment 6
Agenda item 6.4
Council
31 Aug 2021

Project No.	Project Name	Carry Forward	Justification for Carry Forward
19B3331N	Market Street Open Space	992,718	Access to site
19B4430N	Public Toilet Installation	352,081	Community feedback
20B1501N	City Activation	231,250	External advance contribution
20B4122N	Creative Laneways Program Working for Victoria Fund	1,527,909	External advance contribution
20B3102N	Gateway to GMH Turner Street Works	1,764,982	External advance contribution
20B1350N	La trobe Street Bridge - Installation of Protection Screens	1,930,892	External advance contribution
17B3347N	Memorials	407,274	External advance contribution
20B1412N	New Climate Adaptation Urban Landscapes	492,032	External advance contribution
20B1372N	Swanston Street HVM (SSH) Works Project	2,356,978	External advance contribution
18B4507N	Carlton Central Learning Precinct – ELC and Family Services	152,483	Other
16B3333N	Lincoln Square (Landscape Concept Plan)	457,470	Other
17B3334N	North Bank Open Space & Public Realm Projects	1,224,101	Other
18B2005N	Office Accommodation	984,644	Other
20B3714R	Property Services City Baths Renewal Works	1,764,401	Other
20B4118N	Southbank Library Upgrade	129,765	Other
20B1801N	Waste and Resource Recovery Hub Expansion Program	701,862	Other
18B4419N	Sporting Pavilion Food Handling Regulation Improvements	341,497	Project resourcing
20B0303N	Technology and Digital Innovation - New	1,196,955	Project resourcing
20B1329N	Cycle Infrastructure	2,025,383	Scope clarification required
16B4504N	Lady Huntingfield Child Care Centre - Upgrade	444,014	Scope clarification required
19B3106N	Our HOOD City of Melbourne Heritage Database	179,294	Scope clarification required
19B4425R	Princes Hill Tennis Club Courts Renewal	327,390	Scope clarification required
20B3715R	Town Hall Renewal and Priority Roof Works	1,900,000	Scope clarification required
19B2601N	Elizabeth Street Streetscape Improvements	363,000	Statutory permit/approval
20B4416N	Community Sports Pavilion Upgrade - Western	2,432,427	Tender delays
18B1201N	New OCS Equipment	301,456	Tender delays
20B4428N	Royal Park Tennis Club reconstruction of three courts	121,936	Tender delays
14G8111N	Southbank Boulevard Upgrading	2,549,057	Tender delays
19B3101R	City Road Master Plan	594,992	Third party negotiations
	Total Carry Forward into 2021-22	28,248,243	