

AMENDED ITEM



Item No: 2.2
Title: 2019-20 Q3 Business Report
Department: Finance

25 May 2020 Ordinary Council Meeting

Trim Reference: F2019/00464 - D13745715

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Report Purpose

The report covers the financial performance of Council for the period to 31 March 2020. The financial performance covers the period from 1 July 2019 to 31 March 2020.

Recommendation

- 1 That Council receive the Q3 Business Report on Central Coast Council's 2019-20 year to date financial performance.**
- 2 That Council note that Council's Responsible Accounting Officer has declared the Council has sufficient funds to pay its vendors and staff and that the financial impacts from COVID-19 is changing based on the changes to the services which Council is permitted to provide. The Responsible Accounting Officer report is on page 11 of attachment 1.**
- 3 That Council approve the proposed budget amendments included in Central Coast Council's Q3 Business Report for 2019-20.**

Context

The enclosed report is the 2019-20 Q3 Business Report for Central Coast Council. It incorporates a Quarterly Budget Review Statement that includes a revised estimate of income and expenditure for the 2019-20 financial year.

Clause 203 of the *Local Government (General) Regulation 2005* requires that no later than two months after the end of each quarter (except the June quarter), the Responsible Accounting Officer of Council must prepare and submit to Council a Quarterly Budget Review Statement.

Delivery Program and annual Operational Plan

Council's performance against the Delivery Program and annual Operational Plan is usually reported on a quarterly basis to coincide with the Quarterly Budget Review Statement. However, due to COVID-19 Council has determined for Quarter Three only to include a Quarterly Budget Review Statement. As required under sub-section 404(5) of the *Local Government Act 1993*, performance against the Delivery Program and annual Operational Plan is required at least every 6 months. The Quarter Two Business Report meets this requirement, with the Annual Report to provide the full 2019-20 financial year performance against the Delivery Program and annual Operational Plan.

This quarterly report is presented in the necessary format and is considered to satisfy the legislative requirements.

Current Status

The 2019-20 Q3 Business Report, is included as an attachment, and reports on progress for the year to 31 March 2020 (Q3 YTD), against the 2019-20 Council's operating and capital budgets.

Financial Overview

The Q3 year to date (YTD) operating result (excluding capital grants and contributions) is showing an unfavourable, variance of \$19.4M, consisting of an actual surplus of \$14.5M compared to a budget surplus of \$33.9M. For more information please refer to sections 1.1 and 2.2 of Attachment 1.

The Q3 year to date (YTD) operating result (including capital grants and contributions) is showing an unfavourable variance of \$22.0M, consisting of an actual surplus of \$42.3M compared to a budget surplus of \$64.3M. For more information please refer to sections 1.1 and 2.2 of Attachment 1.

These results are reported in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) which requires Council to recognise rates

income at the beginning of the financial year when levied. The impact of this on Council's operating results is a large surplus at the beginning of the financial year which will reduce as the year progresses as Council incurs expenditure from delivering services to the community.

Q3 YTD capital expenditure was \$137.4M compared to a year to date budget of \$151.4M. The variance of \$14.0M is the result of a number of factors, including project savings through efficiencies and optimisation of delivery methods; changes in project scope, delivery of projects in stages; availability of external consultants or contractors; reductions or delays due to Council resolutions, and delays due to natural disasters and COVID-19.

This Q3 review proposes a decrease to the capital expenditure program of \$21.2M, resulting in a full year budget of \$236.2M.

Consultation

All Units of Council were consulted during the development of this Report.

Options

Quarterly reporting of Council's financial performance is mandatory under the *Local Government (General) Regulation 2005*.

Financial Impact

The proposed budget adjustments included in the Q3 report take into consideration the impacts of COVID-19 (based on the restrictions in place at the beginning of April 2020) as well as the business as usual impacts that were evident prior to COVID-19 in March 2020.

COVID-19 is an unprecedented event and Council's priority is the health of staff and the community and continuing to deliver essential services.

COVID-19 restrictions have resulted in the closure or reduction of some Council services to the public:

1. Cancellation of all non-essential Council run programs and events
2. Closure of the following facilities - leisure centres, gyms and pools, Central Coast Stadium, Gosford Regional Gallery and Edogawa Commemorative Garden, Laycock Street Community Theatre, The Peninsula Theatre, The Art House Wyong, The Entrance Visitor Information Centre, Gosford Smart Work Hub, Gosford and Wyong administration buildings, all community facilities such as halls, public play spaces, outdoor fitness equipment and skate parks
3. Reduction of service in libraries (libraries are closed to the public however we have click and deliver service available and online author events), holiday parks and campgrounds (our parks at Budgewoi, Canton Beach, Norah Head and Toowoan Bay are still accommodating permanent residents and those who have no other place of permanent residence. The Patonga Campground is closed to all.) and waste management facilities

(for essential trips/travel only as we encourage our residents to utilise kerb side collection services).

The NSW Premier is making changes to restrictions for COVID-19 in response to the number of cases and advice from Public Health. This will impact on the services which Council is able to provide to the Community which impacts the cost of providing services and any potential income from the services impacted. The Q3 budget review estimates the financial impact COVID-19 will have on the remainder of the 2019-20 financial year were developed based on the restrictions in place at the beginning of April 2020. As no-one can predict the end of this crisis, it is very difficult to accurately forecast the full financial impact.

The biggest impact comes from lost operating revenues in Pools and Leisure Centres, Holiday Parks and Camping grounds, Development Assessment related fees and charges, Property lease and rental income, Open Space fees and charges, Property related certificate fees and Baker Street Car Parking revenue. In addition, capital developer contributions are forecast to reduce in the remainder of 2019-20 financial year. These losses are partially offset by some cost savings due to closure of facilities and reduced service provision.

It is unknown how long the closures and physical distancing practices will remain in effect but for this Q3 budget review purpose we have assumed they will remain in place in some form until the end of June 2020.

Adjustments proposed to be adopted as part of the Q3 budget review include:

Unfavourable

- Depreciation - increase in forecast depreciation expense of \$7.8M. During the 2018-19 financial year over \$185.2M was capitalised from Work In Progress with a significant portion capitalised in the final quarter of the 2018-19 financial year. The budget for 2019-20 was developed prior to the completion of the asset capitalisations for 2018-19. This is a non-cash item.
- Water and Sewer – increase in expenditure of \$7.5M as expenditure allowed in the pricing determination was based on 2017-18 expenditure with some expenditure adjustments which resulted in a significant reduction from Council's budget submission by approximately \$10.0M. Savings of \$2.5M have been found.
- Development Assessment and Environment and Certification fees – reduction of \$2.7M. There has been a decrease in application income (fees for lodgement of applications). A significant proportion of this is a result of changes to State Significant Development (SSD) provisions, including specific provisions of the Gosford City Centre. Under these circumstances applications are lodged (and fees paid) directly to the Department of Planning Industry & Environment. These SSD provisions are generally for larger applications and therefore the fees are significant on a per application basis. Note that Council officers are still required to undertake assessment work for these applications, through formal referral processes, so whilst the fees are reduced, the level of work remains approximately the same.

2.2 2019-20 Q3 Business Report (contd)

- Holiday Parks and Camping Grounds – unfavourable impact of \$1.4M – with income forecast to reduce by \$2.4M offset by a reduction in expenses of \$1.0M due to the reduction in services able to be provided based on COVID-19 restrictions.
- Pools and Leisure Centres – unfavourable impact of \$1.0M – with income forecast to reduce by \$1.8M offset by a reduction in expenses of \$0.8M due to the reduction in services able to be provided based on COVID-19 restrictions.
- Certificate Fees - reduction in revenue from fees and certificates (including s149 and s360 certificates) \$0.7M
- Building Maintenance - additional building maintenance on closed premises due to COVID-19 of \$0.3M
- Parking Fees - reduction in income at Baker Street Car Park, Gosford \$0.2M
- Open Space – reduction of open space fees and charges \$0.2M

Favourable

- Information Management and Technology (IM&T) – realignment of forecast expenditures for the remainder of 2019-20 \$1.6M
- Electricity – reduction in the realignment of forecast expenditures for the remainder of 2019-20 \$1.0M
- Staff Training - reduction in staff training costs as only essential training will be completed in Q4 and year to date underspend \$1.1M
- Legal Services – reduced funding required as courts and tribunals are closed. Matters will continue in 2020-21 \$0.3M.

Summary of Impacts to Operating Result	COVID-19	Non COVID-19	Total
Net Operating Deficit excluding capital income	\$3.5M	\$13.6M	\$17.1M
Net Operating Deficit including capital income	\$9.2M	\$16.2M	\$25.4M

The Q3 proposed operating deficit *excluding capital grants and contributions* is forecast to be \$41.6M and proposed operating deficit *including capital grants and contributions* is forecast to be \$0.1M.

Proposed Consolidated Income Statement

2.2

2019-20 Q3 Business Report (contd)

Consolidated Income Statement	March Year To Date				Summary				
	Actuals \$'000	Budget \$'000	Variance \$'000	Variance %	Original Budget \$'000	Q1 Full Year Annual Budget \$'000	Q2 Full Year Annual Budget \$'000	Q3 Proposed Adjustments \$'000	Proposed Full Year Annual Budget \$'000
Operating Income									
Rates and Annual Charges	301,558	304,455	(2,896)	(1.0%)	318,787	326,305	326,305	102	326,407
User Charges and Fees	100,118	106,057	(5,939)	(5.6%)	144,701	142,765	142,821	(8,701)	134,120
Interest & Investment Revenue	10,553	9,472	1,081	11.4%	14,416	12,416	12,416	0	12,416
Other Revenue	9,999	10,081	(82)	(0.8%)	13,738	13,557	13,461	(834)	12,627
Operating Grants and Contributions	21,284	19,978	1,306	6.5%	44,657	40,048	40,029	4,300	44,329
Gain on Disposal	521	1,493	(972)	(65.1%)	1,493	1,493	1,493	(370)	1,123
Total Income Attributable to Operations	444,033	451,535	(7,502)	(1.7%)	537,791	536,583	536,524	(5,503)	531,021
Operating Expenses									
Employee Costs	159,557	154,456	(5,101)	(3.3%)	207,631	206,915	207,003	2,706	209,709
Borrowing Costs	11,429	11,328	(100)	(0.9%)	16,836	16,836	16,836	0	16,836
Materials & Contracts	78,707	75,584	(3,124)	(4.1%)	98,037	100,295	102,913	4,577	107,490
Depreciation and Amortisation	111,138	104,427	(6,711)	(6.4%)	138,953	138,953	138,953	7,753	146,706
Other Expenses	68,132	71,856	3,724	5.2%	94,924	95,299	95,289	(3,382)	91,907
Loss on Disposal	609	-	(609)		-	-	-	-	-
Total Expenses Attributable to Operations	429,573	417,651	(11,921)	(2.9%)	556,381	558,298	560,994	11,654	572,648
Operating Result before Capital Amounts	14,460	33,884	(19,424)	(57.3%)	(18,590)	(21,715)	(24,470)	(17,157)	(41,627)
Capital Grants and Contributions	27,874	30,436	(2,562)	(8.4%)	52,419	47,693	49,805	(8,246)	41,559
Grants and Contributions Capital Received	27,874	30,436	(2,562)	(8.4%)	52,419	47,693	49,805	(8,246)	41,559
Net Operating Result	42,334	64,320	(21,986)	(34.2%)	33,829	25,978	25,335	(25,403)	(68)

For more information please refer to section 3.1 of Attachment 1.

Council's capital works program is continually reviewed to identify differences from the original capital works plan to better understand whether these deviations are due to delays, variation to estimates, phasing, changed priorities, weather, and availability of grant funding or other factors. Council's review of capital projects has resulted in a proposed budget decrease of \$21.2 million, reducing the full year capital works program from \$257.4 million to \$236.2 million.

The reduction to the capital works program is due to project savings through efficiencies (contractual, construction and alternate waste management strategies); optimisation of delivery methods; delivery of projects in stages; availability of external consultants or contractors; delay in projects due to changes in project scope, changes in procurement strategies, requirement for additional studies or detailed design and latent conditions at project sites; and reductions or delays due to Council resolutions. There are also 36 projects that have been delayed due to the impact of COVID-19.

For more information please refer to section 3.3 of Attachment 1.

Critical Dates or Timeframes

Sub-clause 203(1) of the *Local Government (General) Regulation 2005* requires a Council's Responsible Accounting Officer to prepare and submit a quarterly budget review statement to the Council within two months of the end of each quarter (excluding June). The Q3 Business Report therefore would ordinarily be required to be presented to by Council before 31 May 2020.

However, to provide NSW Councils with flexibility to adjust to the rapidly shifting circumstances as a result of COVID-19 a number of statutory deadlines for 2019-20 have been modified by the Office of Local Government. The Q3 report ordinarily due by 31 May each year has been extended to 30 June 2020. To provide appropriate financial information to the community it was decided that Central Coast Council would not take up the extension of time offered and report in accordance with standard reporting timeframe.

Social Impacts

The Operational Plan Q3 Business Report is a key method for Council to maintain accountability and transparency with the community. The Plan focuses on the delivery of key projects along with essential services and the maintenance of the assets Council utilised to deliver services to the community. It reflects the Quadruple Bottom Line of *Community, Environment, Economy and Governance and Leadership*.

Environmental Considerations

The section 'Delivery against the adopted Operational Plan 2019-20' reflects the Quadruple Bottom Line of *Community, Environment, Economy and Governance and Leadership*.

Summary

Councils are required to prepare Quarterly Budget Review Statements, which present a summary of Council's financial position at the end of each quarter. It is the mechanism whereby the community are informed of Council's progress against the Operational Plan and the budget along with recommended changes and reasons for major variances.

The Quarterly Budget Review Statement for Central Coast Council for the quarter ended 31 March 2020 and the projected estimates of income and expenditure are based on the known restrictions as at the beginning of April 2020. It is likely there will be further changes to COVID-19 restrictions for social distancing and travel which will impact the services that Council can provide to the public. Utilisation of Council services once they are re-opened to the public is largely unknown and additional measures may be required to safely re-open services. Also, further grant funding may become available to support some of the services that Council provides.

The impact of COVID-19 on Council's cash flows is being monitored as businesses and families have been impacted and their ability to pay their bills including Council's rates and water bills.

Council has sufficient funds to pay its vendors and staff at this time to continue to provide essential services.

It is recommended that Council adopt the proposed budget adjustments.

Link to Community Strategic Plan

Theme 4: Responsible

Goal G: Good governance and great partnerships

R-G4: Serve the community by providing great customer experience, value for money and quality services.

Attachments

- 1 2019-20 Q3 Business Report (1 July 2019 to 31 March 2020) D13974758

OPERATIONAL PLAN 2019-20

QUARTER 3 BUSINESS REPORT (JANUARY TO MARCH)

SUPPORTING THE COMMUNITY
STRATEGIC PLAN.
ONE - CENTRAL COAST

The logo for Central Coast Council, featuring the text "Central Coast Council" in a white, sans-serif font inside a white circle.

Central
Coast
Council

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About this Report

Included in this report is the Quarterly Budget Review Statement that shows a revised estimate of income and expenditure from the Responsible Accounting Officer of Council as required under clause 203 of the *Local Government (General) Regulations 2005*. The Quarter Three (Q3) budget review statement covers the period from 1 January 2020 to 31 March 2020 and presents a summary of Council's financial position at the end of the quarter.

Quarterly Reporting Periods are as follows:

- Quarter 1 (Q1) – 1 July 2019 to 30 September 2019
- Quarter 2 (Q2) – 1 October 2019 to 31 December 2019
- Quarter 3 (Q3) – 1 January 2020 to 31 March 2020
- Quarter 4 (Q4) – 1 April 2020 to 30 June 2020

Delivery Program and annual Operational Plan

Council's performance against the Delivery Program and annual Operational Plan is usually reported on a quarterly basis to coincide with the Quarterly Budget Review Statement. However, due to COVID-19 Council has determined for Quarter Three only to include a Quarterly Budget Review Statement. As required under sub-section 404(5) of the *Local Government Act 1993*, performance against the Delivery Program and annual Operational Plan is required at least every 6 months. The Quarter Two Business Report meets this requirement, with the Annual Report to provide the full 2019-20 financial year performance against the Delivery Program and annual Operational Plan.

Financial Overview

This financial overview reports on Central Coast Council's performance as measured against its Operational Plan for 2019-20 and covers the period from 1 July 2019 to 31 March 2020 (Q3).

Note that there may be some small rounding differences throughout this report as whole dollars are rounded to nearest thousand.

1.1 Operating Result

The year to date (YTD) operating result (excluding capital grants and contributions) is showing an unfavourable, variance of \$19.4M, consisting of an actual surplus of \$14.5M compared to a budget surplus of \$33.9M.

The year to date (YTD) operating result (including capital grants and contributions) is showing an unfavourable variance of \$22.0M, consisting of an actual surplus of \$42.3M compared to a budget surplus of \$64.3M.

Financial Performance 2019-20	YTD Actual	YTD Budget	YTD Variance	YTD Variance	Full Year Original Budget	Q1 Annual Budget	Q2 Annual Budget	Q3 Proposed Adjustments	Proposed Full Year Annual Budget
	\$'000	\$'000	\$'000	%	\$'000	\$'000	\$'000	\$'000	\$'000
Income (excluding capital income)	444,033	451,535	(7,502)	(1.7%)	537,791	536,583	536,524	(5,503)	531,021
Expenses	429,573	417,651	(11,921)	(2.9%)	556,381	558,298	560,994	11,654	572,648
Net operating result (excluding capital income)	14,460	33,884	(19,424)	(57.3%)	(18,590)	(21,715)	(24,470)	(17,157)	(41,627)
Income from capital grants and contributions	27,874	30,436	(2,562)	(8.4%)	52,419	47,693	49,805	(8,246)	41,559
Net operating result (including capital income)	42,334	64,320	(21,986)	(34.2%)	33,829	25,978	25,335	(25,403)	(68)

The above table is prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting (Guidelines) which requires Council to recognise the full year rates and annual charges for waste management when levied in July.

The YTD variance excluding capital income is due to a number of factors that are explained in *Section 2.2 Operating Result* of this report.

1.2 Financial Impact of COVID-19

COVID-19 is an unprecedented event and Council's priority is the health of staff and the community and continuing to deliver essential services.

COVID-19 restrictions have resulted in the closure or reduction of some Council services to the public:

1. Cancellation of all non-essential Council run programs and events
2. Closure of the following facilities - leisure centres, gyms and pools, Central Coast Stadium, Gosford Regional Gallery and Edogawa Commemorative Garden, Laycock Street Community Theatre, The Peninsula Theatre, The Art House Wyong, The Entrance Visitor Information Centre, Gosford Smart Work Hub, Gosford and Wyong administration buildings, all community facilities such as halls, public play spaces, outdoor fitness equipment and skate parks
3. Reduction of service in libraries (libraries are closed to the public however we have click and deliver service available and online author events), holiday parks and campgrounds (our parks at Budgewoi, Canton Beach, Norah Head and Toowoona Bay are still accommodating permanent residents and those who have no other place of permanent residence. The Patonga Campground is closed to all.) and waste management facilities (for essential trips/travel only as we encourage our residents to utilise kerb side collection services).

This impact of COVID-19 has resulted in significant revenue losses.

Council is also supporting businesses and individuals during COVID-19 with various measures such as the Business Support Package as outlined below.

Fees and waivers

In the initial phase, Council will focus on industries that have been impacted by the current lockdown measures by waiving or refunding the following:

- footpath dining, food license and temporary good stall/premises fees
- fees associated with Health and Building Compliance activities for businesses such as hairdressers, nail shops, and tattoo parlours
- lease/licenses for Council's commercial properties which includes cinemas, cafes, gyms and restaurants
- temporary event fees and fees associated with the use of parks for events such as weddings, markets and personal training sessions
- booking fees for all cancelled events on Council property - community venues, senior centres, youth centres and sporting facilities (excluding the Central Coast Stadium)
- costs to community groups for future advertising bookings on banner poles as events have been restricted due to social distancing rules
- static and digital advertising bookings for Central Coast Stadium
- leases/licenses for Council's community properties including surf clubs, community centres, land leases, recreation centres, art facilities, cottages and residential.

With restrictions on dining establishments to 'take-away only', Council will also take a flexible approach to parking and other infringements to allow patrons to continue accessing local services. Fines for dangerous and unsafe practices will continue to apply.

Hirer fees for Central Coast Stadium will also be offered at a reduced rate as the public will not be permitted to enter the venue.

Procurement

Council will endeavour to use local suppliers where possible and fast-track approval for registered local businesses to be on list of approved suppliers of Central Coast Council. Council has also committed to paying local suppliers within 7 days of invoicing to mitigate their cash-flow impacts.

Other Council-endorsed measures

In response to the evolving situation, Council has already put all legal action including letters, calls and recovery activities on hold until the 31 May 2020. For customers who can prove genuine financial difficulty, interest on outstanding payments will also be placed on hold until 31 August 2020.

Council customers, including businesses and community groups, who are currently experiencing financial hardship can contact Council to discuss an acceptable payment arrangement for Council bills. Council's hardship policy and payment arrangements allow customers to facilitate a payment plan over an extended period of time to assist during this event.

Non-enforcement of development approvals: Delivery times

Council will not enforce any condition on development approvals which limit delivery times to retailers in the municipality. This includes delivery curfews on supermarket loading bays to help them meet current demand in the wake of the COVID-19 outbreak.

The NSW Premier is making changes to restrictions for COVID-19 in response to the number of cases and advice from Public Health. This will impact on the services which Council is able to provide to the Community which impacts the cost of providing services and any potential income from the services impacted. The Q3 budget review estimates the financial impact COVID-19 will have on the remainder of the 2019-20 financial year were developed based on the restrictions in place at the beginning of April 2020. As no-one can predict the end of this crisis, it is very difficult to accurately forecast the full financial impact.

Current Financial Position

Council's financial position is different from the Q2 budget forecast and approved in February 2020.

- The biggest impact comes from lost operating revenues in Pools and Leisure Centres, Holiday Parks and Camping grounds, Development Assessment related fees and charges, Property lease and rental income, Open Space fees

and charges, property related certificate fees and Baker Street Car Parking revenue. In addition, capital developer contributions are forecast to reduce in the remainder of 2019-20 financial year.

- Loss of income related to COVID-19 is offset by some cost savings due to closure of facilities and reduced service provision.
- Some of Council's services were also impacted by the bush fire and storm events during January and February 2020.
- In the past Council has had to deal with budget requirements for emergencies such as floods, bushfires and other weather-related events. However, these have been limited in duration making financial recovery more straightforward.

Council's Projected Financial Position

- The Q3 budget review identifies pressures on the 2019-20 operating budget arising from various COVID-19 impacts. It is unknown how long the physical distancing practices will remain in effect but for this Q3 budget review purpose we have assumed they will remain in place in some form until the end of June 2020.
- The preliminary Q3 forecast of the impact of COVID-19 is a net operating deficit excluding capital income of \$3.5M and \$9.2M including capital income.
- The preliminary Q3 forecast of the impact of non COVID-19 related items is a net operating deficit excluding capital income of \$13.6M and \$16.2M including capital income.
- Total Q3 forecast is a net operating deficit excluding capital income of \$17.1M and \$25.4M including capital income.

The COVID-19 pandemic is the greatest health and financial challenge that we have seen in generations. The economic impact on Central Coast families and businesses may be significant for some and Council's budget is not immune to the effects of this crisis. Lost revenues combined with ongoing costs and impacts due to non-COVID events will result in a larger deficit in 2019-20, estimated now to be \$41.6M (excluding capital income). We will continue to work to identify areas where costs can be avoided.

Government Support

During April the NSW Government announced initiatives as part of a \$395M economic stimulus package for NSW Councils to reduce the impacts of COVID-19. The package will:

- Provide a Job Retention Allowance of \$1,500 per fortnight per employee for three months for displaced employees. The Council Job Retention Allowance will safeguard valuable Council jobs and ensure staff with a wide range of skills and experience are retained to continue to serve their communities. Council's must meet certain criteria to be able to access this funding. The Office of Local Government will issue further information regarding the process and criteria to apply for the stimulus package.
- Fully fund the increase in the emergency services levy for 2020-21, which represents \$1.1M for Council.
- Make it easier for Councils to secure low-interest, safe and secure infrastructure loans from Tcorp.

In addition to the economic stimulus package other funding initiatives have also been announced:

- Federal and State Government support for Council-run childcare centres. At the time of writing this report Council is awaiting confirmation of the details and process for accessing the State Government funding that will supplement the funding made available by the Federal Government.
- Funding boost to help cover veterinary, staff and food costs as well as minor capital works during the COVID-19 crisis for Council run pounds. The funding is in recognition of the new procedures introduced to reduce the risk of spreading COVID-19 as well as additional pressures being placed on pounds and shelters. Council is awaiting confirmation as to whether we qualify for this funding.

Job Retention Allowance

To access the Job Retention Allowance Councils need:

- To be covered by the Local Government (COVID-19) Splinter (Interim) Award 2020 (the Splinter Award) or equivalent agreement with relevant industrial unions;

- To have met the cost of four weeks paid COVID-19 Special Leave under the Splinter Award prior to each employee accessing the Council Job Retention Allowance, as well as any costs above \$1,500 a fortnight, per employee, for up to three months;
- To provide evidence to the Office of Local Government (OLG) of financial distress as a result of the COVID-19 crisis. Councils will need to be projecting a 30% reduction in own-source revenue each quarter, commencing with the 4th quarter of the 2019-20 financial year, to be eligible for the Council Job Retention Allowance. Own source revenue includes rates, annual charges, user fees and charges, other revenue and interest and investment income. The OLG will issue each Council with a return to complete. The return will be based on cash receipts of items that are included in the Councils' own source income. It is expected that the most significant decrease in cash receipts for Councils will occur in the fourth quarter. The return will compare Councils' projected current quarter cash receipts against either the original current quarter budgeted cash receipts or the previous quarter actual cash receipts. The return will be based on general fund and not consolidated revenue; and
- To note that certain Council staff are ineligible from accessing the allowance, even if they are redeployed to other roles during the COVID-19 pandemic - Staff performing key functions (including CEOs, senior staff, and roles in planning, waste collection, childcare, water and wastewater) are ineligible from accessing the State Government-funded Council Job Retention Allowance, even if these employees are redeployed to other roles. Further guidance will be provided about which staff qualify for the allowance.

The funding will be administered by OLG with Councils being paid monthly in arrears and required to comply with the financial distress conditions. The funding will be available for 3 months and is available from the date Council became covered by the Splinter Award.

Council is committed to ensuring our employees remain productive and where possible provide meaningful alternative positions, however Council has signed up to be covered by the Splinter Award effective from 20 April 2020.

Where there are no redeployment opportunities available then Council will formerly advise the impacted staff members that there are no meaningful duties and they will be covered under the Splinter Award.

The splinter award does not apply to temporary and casual staff. For permanent part time staff the weekly amounts referred to above will be pro-rated. For impacted staff Council will meet the cost of the four weeks paid COVID-19 special leave.

The financial impact, per impacted full time staff member, if Council is:

- unable to access the funding is a weekly job retention payment of \$858.20 to the end of June 2020. This payment will increase from the first pay period in July 2020 by the award increase.
- able to access the funding is a net weekly payment is \$108.20 (\$858.20 - \$750.00) to the end of June 2020. Again the net payment will increase from the first pay period in July 2020 by the award increase.

At this time we are unable to quantify the full financial impact of the Council Job Retention Allowance as Council primary focus is to utilise the skills and provide alternative meaningful work for impacted staff.

Summary of proposed Q3 budget amendments

Council has identified unfavourable budget adjustments of \$17.2M (excluding capital income) during this quarterly review.

Adjustments proposed to be adopted as part of the Q3 budget review include:

Unfavourable

- Depreciation - increase in forecast depreciation expense of \$7.8M.
- Water and Sewer – increase in operational expenditure of \$7.5M, whilst savings have been found expenditure is forecasted to be higher than the expenditure allowed for within the pricing determination as there has been additional expenditure due to floods and main breaks.
- Development Assessment and Environment and Certification fees – reduction of \$2.7M
- Holiday Parks and Camping Grounds – unfavourable impact of \$1.4M – with income forecast to reduce by \$2.4M offset by a reduction in expenses of \$1.0M

- Pools and Leisure Centres – unfavourable impact of \$1.0M – with income forecast to reduce by \$1.8M offset by a reduction in expenses of \$0.8M
- Certificate Fees - reduction in revenue from fees and certificates (including s149 and s360 certificates) \$0.7M
- Building Maintenance - additional building maintenance on closed premises due to COVID-19 of \$0.3M
- Parking Fees - reduction in income at Baker Street Car Park, Gosford \$0.2M
- Open Space – reduction if open space fees and charges \$0.2M

Favourable

- Information Management and Technology (IM&T) – realignment of forecast expenditures for the remainder of 2019-20 \$1.6M
- Staff Training - reduction in staff training costs as only essential training will be completed in Q4 and year to date underspend \$1.1M
- Electricity – reduction in the realignment of forecast expenditures for the remainder of 2019-20 \$1.0M
- Legal Services – reduced funding required as courts and tribunals are closed. Matters will continue in 2020-21 \$0.3M.

The proposed Q3 adjustments will move the Q2 approved operating deficit (excluding capital grants and contributions) from \$24.5M to an operating deficit of \$41.6M.

Section 3.2 Proposed Operating Budget Amendments provides a detailed listing of proposed Q3 budget adjustments.

1.3 Capital Works

Council's capital works program adopted as part of the 2019-20 Operational Plan totalled \$235.6M.

Since the adoption of the 2019-20 Operational Plan the following changes have been approved for the capital works program:

- \$6.0M for additional and continuing projects in August 2019;
 - \$19.2M was approved by Council during Q1 outside the Quarterly Budget Review process for Terrigal Boardwalk, Gosford Cultural Precinct land acquisitions and Wadalba Sporting Fields land acquisition (funding sources to be confirmed)
 - \$0.1M for minor budget adjustments in the Q1 budget review; and
 - \$0.7M for the compulsory acquisition of land for the Central Coast Regional Sporting Complex under a resolution of the former Wyong Shire Council
- resulting in a revised capital program of \$261.6M.

Actual Q3 YTD capital expenditure is \$137.4M against the Q3 YTD budget of \$151.4M. The variance is the result of several factors, including project savings through efficiencies and optimisation of delivery methods and delivery of projects in stages, and the impact of natural disasters and COVID-19. The proposed Q3 capital works program decrease is \$21.2M. For further details on the capital works program adjustments please refer to Section 3.4 Proposed Capital Budget Amendments.

The proposed Q3 capital works program of \$236.2M includes \$8.3M in Special Rate Variation (SRV) funded works in the former Wyong Local Government Area to address the infrastructure backlog and improve asset conditions.

1.4 Developer Contributions

The following section provides an update of Council's Developer Contributions levied under the *Environment Planning and Assessment Act 1979* (EPA) and the *Local Government Act 1993* (LGA) from 1 July 2019 to 31 March 2020. In the table below s7.4 refers to Planning Agreement income, s7.11 formerly referred to as s94 Developers Contributions and s7.12 formerly referred to as s94A Developer Contributions.

Summary of Cash Contributions

Contribution Type	Original Budget YTD	7.4 Planning Agreement YTD Income	Developer Contribution YTD Income	Total YTD Income	Variance to YTD Original Budget
s7.4 and s7.11 income (exc drainage) - General Fund	\$7,805,600	-	\$7,048,039	\$7,048,039	(\$757,561)
s7.4 and s7.11 Drainage Income	\$400,000	-	\$923,078	\$923,078	\$523,078
s7.12 Income	\$2,257,500	-	\$2,161,278	\$2,161,278	(\$96,222)
Total EPA Developer Contributions	\$10,463,100	-	\$10,132,395	\$10,132,395	(\$330,705)
s64 Water Income - Water Fund	\$3,656,097	-	\$2,210,050	\$2,210,050	(\$1,446,047)
s64 Sewer Income - Sewer Fund	\$4,485,123	-	\$2,538,874	\$2,538,874	(\$1,946,249)
Total LGA Developer Contributions	\$8,141,220	-	\$4,748,924	\$4,748,924	(\$3,392,296)
Total Non Cash Contributions	\$300,000	-	412,199	\$412,199	\$112,199
Total EPA and LGA Developer Contributions	\$18,904,320	-	\$15,293,518	\$15,293,518	(\$3,610,802)

Non Cash Contributions

Council allows developers under Works-In-Kind Agreements to dedicate assets (works or land that has been identified in a contribution plan) in lieu of making cash contributions. Where the value of the assets dedicated exceeds the developer contributions owed, a developer credit is recognised. The developer credits are available to offset future developer contributions.

Restricted Asset Developer Contributions

Council currently has a restricted asset totalling \$207.4M, which represents the developer contributions received with interest income that has not yet been spent as at 31 March 2020. The movements from 1 July 2019 to 31 March 2020 are as follows:

Contribution Type	Opening Restricted Asset Value 1 July 2019	YTD Income	YTD Expenditure	YTD Interest Allocation	Current Restricted Asset Value 31 March 2020
s7.11 General Fund	\$82,484,982	\$7,048,039	\$69,745	\$1,625,175	\$91,088,451
s7.11 Drainage Fund	\$32,466,759	\$923,078	-	\$505,032	\$33,894,869
s7.12 Contributions	\$14,695,319	\$2,161,278	-	\$259,565	\$17,116,162
Total	\$129,647,060	\$10,132,395	\$69,745	\$2,389,772	\$142,099,482
7.4 Planning Agreement Total	\$5,455,809	-	-	\$86,930	\$5,542,739
s64 Water	\$38,190,846	\$2,210,050	\$1,652,398	\$621,953	\$39,370,451
s64 Sewer	\$20,917,209	\$2,538,874	\$3,480,217	\$461,084	\$20,436,950
S64 Total	\$59,108,055	\$4,748,924	\$5,132,615	\$1,083,037	\$59,807,401
Total	\$194,210,924	\$14,881,319	\$5,202,360	\$3,559,739	\$207,449,622

Developer Credits – Non Cash Contributions

Council's current unfunded liabilities (non cash contributions) total \$6.3m as at 31 March 2020. This includes s7.11 credits totalling \$5.8M and s64 credits totalling \$0.5M.

A summary of the movement in non cash contributions from 1 July 2019 to 31 March 2020 is provided below.

Summary of Developer Credits	
Opening Balance 1 July 2019	\$8,137,365
Contributed Assets	\$412,199
Non Cash Contributions	(\$412,199)
Interest	\$36,822
Refunds	(\$1,868,325)
Closing Balance 31 March 2020	\$6,305,862

Quarterly Budget Review

2.1 Responsible Accounting Officer's Statement

Report by Responsible Accounting Officer

The following statement is made in accordance with cl. 203(2) of the *Local Government (General) Regulations 2005*.

It is my opinion that the Quarterly Budget Review Statement for Central Coast Council for the quarter ended 31 March 2020 and the projected estimates of income and expenditure are based on the known restrictions as at the beginning of April 2020. I note that it is likely there will be further changes to COVID-19 restrictions for social distancing and travel which will impact the services that Council can provide to the public. Utilisation of Council services once they are re-opened to the public is largely unknown and additional measures may be required to safely re-open services. Also, further grant funding may become available to support some of the services that Council provides.

The impact of COVID-19 on Council's cash flows is being monitored as businesses and families have been impacted and their ability to pay their bills including Council's rates and water bills.

Council has sufficient funds to pay its vendors and staff at this time to continue to provide essential services.

Carlton Oldfield
Responsible Accounting Officer
13 May 2020

2.2 Operating Result

The year to date (YTD) operating result (excluding capital grants and contributions) is showing an unfavourable, variance of \$19.4M, consisting of an actual surplus of \$14.5M compared to a budget surplus of \$33.9M.

The year to date (YTD) operating result (including capital grants and contributions) is showing an unfavourable variance of \$22.0M, consisting of an actual surplus of \$42.3M compared to a budget surplus of \$64.3M.

The Q2 Annual Budget below is the original budget adopted by Council in June 2019, plus Q1 and Q2 adopted adjustments plus recognition of approved capital grants and is before proposed Q3 budget adjustments outlined in *Section 3.2 Proposed Operating Budget Amendments*. The proposed budget adjustments included in this report take into consideration the impacts of COVID-19 as well as the business as usual impacts that were evident prior to COVID-19 in March 2020. *Section 3.2 Proposed Operating Budget Amendments* splits the impact of the proposed budget adjustments between COVID-19 impacts and non-COVID-19 impacts (that is, impacts prior to 23 March 2020).

Financial Performance 2019-20	YTD Actual	YTD Budget	YTD	YTD	Q2 Annual
	\$'000	\$'000	Variance \$'000	Variance %	Budget \$'000
Income (excluding capital income)	444,033	451,535	(7,502)	(1.7%)	536,524
Expenses	429,573	417,651	(11,921)	(2.9%)	560,994
Net operating result (excluding capital income)	14,460	33,884	(19,424)	(57.3%)	(24,470)
Income from capital grants and contributions	27,874	30,436	(2,562)	(8.4%)	49,805
Net operating result (including capital income)	42,334	64,320	(21,986)	(34.2%)	25,335

The following sections provide more detail of the year to date results.

Income Analysis

Income (excluding capital income) as at 31 March 2020 is unfavourable to budget by \$7.5M (1.7%).

Income (including capital income) as at 31 March 2020 is unfavourable to budget by \$10.1M (2.1%).

Income from Continuing Operations	YTD Actual	YTD Budget	YTD	YTD	Q2 Annual
	\$'000	\$'000	Variance \$'000	Variance %	Budget \$'000
Rates and Annual Charges	301,558	304,455	(2,896)	(1.0%)	326,305
User Charges and Fees	100,118	106,057	(5,939)	(5.6%)	142,821
Interest and Investment Revenue	10,553	9,472	1,081	11.4%	12,416
Other Revenues	9,999	10,081	(82)	(0.8%)	13,461
Grants and Contributions Provided for Operating Purposes	21,284	19,978	1,306	6.5%	40,029
Net Gains from the Disposal of Assets	521	1,493	(972)	(65.1%)	1,493
Income from continuing operations (excluding capital income)	444,033	451,535	(7,502)	(1.7%)	536,524
Grants and Contributions Provided for Capital Purposes	27,874	30,436	(2,562)	(8.4%)	49,805
Income from continuing operations (including capital income)	471,906	481,971	(10,064)	(2.1%)	586,329

Income variations compared to YTD budgets are explained below:

- Rates and Annual Charges - the unfavourable operating income variance of \$2.9M (or 1.0% of YTD budget) relates to a small unfavourable difference in Rates income of \$0.4M and an unfavourable variance in Annual Charges of \$2.5M – made up of variances in Water Supply annual charges of \$1.3M, Sewer annual charges of \$0.9M and Drainage annual charges of \$0.4M. A minor favourable adjustment of \$0.1M is proposed in this Q3 budget review which is for s611 of the *Local Government Act 1993* Gas Mains revenue paid to Council by Jemena for gas main services across the local government area.
- User Charges and Fees –the unfavourable operating income variance of \$5.9M (or 5.6% of YTD budget) relates to user fees and charge types across Council. The most significant unfavourable variations are in Environment and Certification and Development Assessment fees \$2.1M, timing of RMS user charges \$1.1M, reduced tipping volumes and therefore fee income of \$0.9M (largely offset by reduced EPA levy expense), Sewer usage charges \$0.9M, certificate income \$0.4M (section 149, 360 and 603 certificates), Holiday Park and Camping ground fees \$0.3M, Leisure and Pools \$0.3M and Education and Care \$0.2M. Noting that holiday parks and camping grounds, libraries and leisure and pools have been impacted by COVID-19 closures late in March. Unfavourable budget adjustments of \$8.7M have been proposed in this Q3 budget review. The most significant proposed reductions are to Environment and Certification and Development Assessment fees \$3.9M, tipping revenue \$2.5M, Holiday Parks and Camping areas \$2.4M, Pools and Leisure Centres \$1.8M, certificate income \$0.7M, Theatres and Galleries \$0.2M, Baker Street Car Park \$0.2M and Open Space user charges \$0.2M, partially offset by additional income for RMS road restoration works \$3.5M (this income is offset by additional expenditure). Reductions in revenue have been partially offset by expenditure adjustments where possible and are detailed in Operating Expenditure Variations commentary below.
- Interest and Investment Revenue – is currently favourable to year to date budget by \$1.1M (or 11.4% of YTD budget). In March, in line with NSW Audit Office preferred accounting treatment, Council updated the method of accounting for Floating Rate Notes which resulted in an increase to year to date earnings of \$2.3M. It is a one-off gain but may lead some minor volatility in the investment earnings in the future. Yields on the cash and investment portfolio continue to be monitored and maximised in an endeavour to achieve the best returns for Council. No budget adjustments have been proposed in this Q3 budget review in this income category. Please refer to section 2.4 Cash and Investments for further information on Council's cash management outcomes.
- Other Revenues – the unfavourable operating income variance of \$0.1M (or 0.8% of YTD budget) is made up of a number of small variances across Council. Variances in this category are not considered material at this point in time. Unfavourable budget adjustments of \$0.8M have been proposed in this Q3 budget review and relate mostly to the cancellation of events at Central Coast Stadium \$0.8M and Theatres and Galleries \$0.2M for the remainder of 2019-20.
- Operating Grants and Contributions – the favourable operating income variance of \$1.3M (or 6.5% of YTD budget) relates to the timing of payments for Emergency Management - Rural Fire Service grant funds that will correct by the end of the financial year. Favourable budget adjustments of \$4.3M are proposed in this Q3 budget review and include funding for the 2019-20 Bush Fire Event \$1.9M, 2020 Flood Event \$1.4M, Environment restorations funds of \$0.4M and contribution towards Emergency Services Levy of \$0.4M that was received from the State Government in February 2020.
- Net Gain from the Disposal of Assets – unfavourable variance of \$1.0M (or 65.1% of YTD budget) as no land assets have been disposed of as yet in this financial year (forecast \$1.5M). Disposals of some Plant and Fleet items were processed in Q3, resulting in a gain on disposal of \$0.5M, which is partially offset by a loss on disposal of Plant and Fleet items of \$0.3M, which is recognised in Net loss from the disposal of assets (net favourable impact \$0.2M for disposal of Plant and Fleet items). Assets disposed of during the period July 2019 – March 2020 were processed in Q3 upon audit sign off of the 2018-19 Financial Statements. An unfavourable adjustment of \$0.4M is proposed in this category in this Q3 budget review in relation to land sales.
- Capital Grants and Contributions – the unfavourable capital income variance of \$2.6M (or 8.4% of YTD budget) relates to favourable timing differences in receipt of capital grants of \$0.4M, mostly in Roads, Transport and Drainage, a favourable variance of \$0.5M in other infrastructure asset contributions and an unfavourable variance of \$3.5M in developer contributions (\$3.4M s64 Water and Sewer contributions and \$0.1M s7.11 contributions). Developer contributions are difficult to predict as contributions received are based on external development activity. There is a proposed reduction of \$8.2M to developer contribution budgets in this Q3 review. \$3.7M relates to s7.11 contributions due to the forecast impact of COVID-19 on the remainder of this financial year and \$4.5M for s64 Water and Sewer contributions, which is partially COVID-19 related \$1.9M and \$2.6M recognition of the March year to date shortfall that is not expected to be recovered.

Budget amendments are proposed in sections 3.1 *Income and Expense Budget Review Statement* and 3.2 *Proposed Operating Budget Amendments*.

Expenditure Analysis

Operating expenditure as at 31 March 2020 is unfavourable to budget by \$11.9M (or 2.9% of YTD budget) as itemised below.

Expenses from Continuing Operations	YTD Actual	YTD Budget	YTD	YTD	Q2 Annual
	\$'000	\$'000	Variance	Variance	Budget
			\$'000	%	\$'000
Employee Benefits and On-costs	159,557	154,456	(5,101)	(3.3%)	207,003
Borrowing Costs	11,429	11,328	(100)	(0.9%)	16,836
Materials and Contracts (1)	78,707	75,584	(3,124)	(4.1%)	102,913
Depreciation and Amortisation	111,138	104,427	(6,711)	(6.4%)	138,953
Other Expenses	68,132	71,856	3,724	5.2%	95,289
Net Losses from the Disposal of Assets	609	-	(609)	-	-
Total expenses from continuing operations	429,573	417,651	(11,921)	(2.9%)	560,994

Operating expenditure variations compared to YTD budgets are explained below:

- Employee Costs – the unfavourable operating expenditure variance of \$5.1M (or 3.3% of YTD budget) relates to unfavourable year to date position of \$6.6M in salaries, wages and superannuation costs and \$0.2M in other employee costs such as FBT and payroll tax, partially offset by favourable variances in uniforms and personal protective equipment \$1.0M and training costs \$0.7M.

In terms of budget adjustments for Employee Costs, budget increases netting to \$2.7M are proposed in this Q3 review. \$5.5M relates to Water and Sewer employee costs are higher than the expenditure allowed in the pricing determination (pricing determination was based on 2017-18 financial year expenditure when water & sewer had a number of vacant positions), \$1.0M additional employee costs were incurred during the Fire and Flood events (funded by additional grant revenue mentioned above) and \$1.1M for employee costs to complete additional RMS road restoration works (funded by additional revenue mentioned above).

The unfavourable adjustments are partially offset by proposed reductions to staff training of \$1.4M recognising year to date underspend and that only essential training will be able to be completed in Q4 and \$3.6M realignment of salary and wages budgets due to staff vacancies and/or economic downturn that have occurred during 2019-20.

- Borrowing Costs – \$0.1M unfavourable variance (or 0.9% of YTD budget) are minor timing differences in loan repayments due to the day of the week that repayments fall due and subsequent interest calculations by financial institutions. No budget adjustments are proposed for borrowing costs in Q3. Any new borrowings that may be required will have little impact on borrowing costs in 2019-20 as they would be drawn down late in Q4.
- Materials and Contracts – the \$3.1M (or 4.1% of YTD budget) unfavourable operating expenditure variance relates predominantly to unfavourable variances in labour hire costs and external plant hire.

Budget increases netting to \$4.6M in Materials and Contracts are proposed in this Q3 review and include \$2.5M additional costs incurred during the Fire and Flood events (funded by additional grant revenue mentioned above), \$2.4M for additional costs to complete additional RMS road restoration works (funded by additional revenue mentioned above), \$2.2M for Water and Sewer costs where imposed IPART savings are unable to be achieved, \$0.3M for additional building maintenance on closed Council premises due to COVID-19, and \$0.3M to undertake additional Environment restorations works (funded by additional grant revenue mentioned above).

The unfavourable adjustments are partially offset by \$1.2M additional internal tipping revenue generated from Council capital projects, which has a favourable impact to the Operating Statement and proposed reductions of \$0.9M in Information Management and Technology costs, \$0.6M reduction in costs due to the cancellation of events at Central Coast Stadium and \$0.2M at Theatres and Galleries and \$0.4M reduction in Community Partnerships and Community Engagement programs and events due to COVID-19.

- Depreciation – the \$6.7M (or 6.4% of YTD budget) unfavourable year to date variance is mostly due to the depreciation of assets that were capitalised after the 2019-20 budget was developed. During the 2018-19 financial year over \$200M was capitalised from Work In Progress with a significant portion capitalised in the final quarter or the 2018-19 financial year. Depreciation budgets for 2019-20 were finalised in March 2019, therefore additional assets capitalised in Q4 (June 2019) were not included in the forecast for 2019-20. A proposed budget adjustment

\$7.8M is included in the Q3 budget review and impacts all asset categories. Review of asset useful lives will also continue in the last quarter of 2019-20 to ensure the accuracy of asset useful lives.

- Other Expenses – the \$3.7M (or 5.2% of YTD budget) favourable operating expenditure variance relates primarily to EPA Waste Levy of \$2.2M (as result of reduced waste tonnages) and street lighting, electricity and gas charges of \$2.0M. The favourable variances are partially offset by minor variations in other expenditure types including bad and doubtful debts and bank charges.

Budget reductions netting to \$3.4M are proposed in this Q3 review. The most significant reductions are proposed in electricity costs, EPA Waste Levy costs, holiday park and camping ground costs and Information Management and Technology costs.

- Net Losses from the Disposal of Assets – minor \$0.6M unfavourable variance. \$0.3M relates to Plant and Fleet (referred to in Net Gain from the Disposal of Assets above) and \$0.3M relates to Water, Sewer and Drainage assets. No budget adjustments are proposed for this category in this Q3 budget review.

Details of the proposed budget amendments are in *Sections 3.1 Income and Expense Budget Review Statement and 3.2 Proposed Operating Budget Amendments*.

2.3 Capital Expenditure

2019-20 Financial Year

Actual capital expenditure to 31 March 2020 was \$137.4M, compared to the YTD budget of \$151.4M resulting in a variance of \$14.0M. A summary of capital expenditure by Council Unit is detailed in Section 3.3 Capital Expenditure Report.

Council's capital works program is continually reviewed to identify differences from the original capital works plan to better understand whether these deviations are due to delays, variation to estimates, phasing, changed priorities, weather, availability of grant funding or impact of COVID-19. Where possible, works at facilities that are currently closed due to COVID-19 have been brought forward. These works total \$0.7M. There are 36 projects that have been adversely impacted by COVID-19 and are now delayed, requiring a reduction of \$12.2M.

Council's review of capital projects has resulted in a proposed budget decrease of \$21.2M, decreasing the 2019-20 full year capital works program to \$233.9M.

Significant changes to the capital works program include:

Reductions

- Delays to 36 projects as a result of the impact of COVID-19, fires and floods - \$12.7M
- Upgrade to sewer pump station Clarke Rd Noraville - \$3.1M – timing change to a multi-year project.
- Peninsular Leisure Centre air handling system upgrade - \$1.36M – project to be substantially delivered in 2020-21
- Terrigal Boardwalk - \$1.3M – delays will mean this project to be completed in 2020-21.
- Renewal of pavement at Long Jetty Depot - \$1.1M – delays in preliminary investigation and design work result in delivery to be postponed to 2020-21
- Woy Woy Town Centre wharf renewal - \$1.6M – project delays due to crown land ownership issues. Work to continue in 2020-21
- Pedestrian Safety Improvements at St Huberts Island - \$0.8M – project has been delayed due to structural design issues. Works to continue into 2020-21.

Increases

- Mardi to Warnervale Trunk Main – \$3.5M - this multi-year project is progressing ahead of schedule.
- Roads and Transport - \$5.4M – increase in scope to 22 projects to deliver a place based outcome
- Plant and Fleet purchases - \$1.1M – scope modified to meet business mobility demands

Details of proposed capex adjustments for 2019-20 can be found at Section 3.4 Proposed Capital Budget Adjustments.

Council has not purchased any assets for the quarter ended 31 March 2020 that are not already included in the current budget.

Stronger Communities Fund

The Stronger Communities Fund was established by the NSW Government to provide amalgamated councils with funding to kick start the delivery of projects that improve community infrastructure and services.

The fund includes allocating \$1 million in grants of between \$10,000 and \$50,000 to incorporated not-for-profit community groups, for projects that build more vibrant, sustainable and inclusive local communities.

Council has received approval for additional funding from the Stronger Communities Fund in subsequent funding rounds for the following projects:

- Reconstruct Greenfield Road
- Install HMAS Adelaide Mast
- Carpark remediation Davistown Progress Association
- Floodlight installation at Hylton Moore Baseball Park

Project	Funding from Stronger Communities Grants	2016-17 Actual Spend	2017-18 Actual Spend	2018-19 Actual Spend	2019-20 YTD Spend	2019-20 Budget	Future Financial Years Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Austin Butler Oval and Woy Woy Tennis Amenities Redevelopment	900	-	89	1,265	50	40	-
Children's Services - Playground Renovation/Upgrade - Umina	68	-	56	10	2	2	-
Children's Services - Playground Renovation/Upgrade - Niagara Park	55	-	49	15	6	6	-
Peninsula Leisure Centre – Starting Blocks and Electronic Timing System	135	121	60	-	-	-	-
Alan Davidson Oval Drainage and Irrigation System Installation	349	20	267	12	-	-	50
Terrigal CBD Traffic Flow Improvements	2,209	-	155	2,325	-	-	-
Avoca Beach Foreshore Protection Works Stage 1	2,808	137	313	1,074	1,292	1,300	-
Elfin Hill Road Foreshore Stabilisation	470	2	35	485	4	1	-
Augmentation of San Remo BMX facility	640	-	792	12	-	-	-
Disability Matters	800	-	-	30	117	485	285
Access and Inclusion Upgrades to Community Facilities	580	-	38	-	-	-	542
Community Grant Program	1,000	280	785	-	-	-	-
Reconstruct Greenfield Road	1,800	-	-	-	2,176	1,780	-
Install HMAS Adelaide Mast	66	-	-	0	6	71	-
Carpark remediation Davistown Progress Association	65	-	-	-	2	-	63
Floodlight installation at Hylton Moore Baseball Park	234	-	-	6	239	304	-
	12,179	559	2,638	5,233	3,895	3,990	940

Special Rate Variation (SRV) projects former Wyong Local Government Area

In June 2013, the former Wyong Shire Council was successful in gaining approval from the Independent Pricing and Regulatory Tribunal (IPART) for an SRV to address Council's infrastructure asset backlog within the former Wyong local government area.

When IPART approved the SRV one of the requirements was for Council to report on the results achieved from the use of these funds. The works undertaken will improve the condition of roads, bridges, footpaths, buildings, sports facilities and information management and technology assets to ensure they are 'satisfactory' in terms of being safe and fit for community and staff use.

Council determines a list of works to be undertaken on an annual basis with the SRV funds in accordance with its Asset Management Strategy. These works may change during the year due to factors such as changes in asset deterioration rates, weather conditions and alternate funding sources becoming available. In such cases other SRV projects may be brought forward from future years or alternate SRV projects may be completed. All changes are reported to Council and the community so there is full transparency to ensure the funds are being spent for the purpose they were raised.

Council originally adopted an SRV capital works program of \$11.7M for 2019-20. The Q2 budget is \$8.6M. After the proposed Q3 budget adjustment the SRV capital works program is \$8.3M.

Actual capital expenditure on SRV projects is \$4.9M as at 31 March 2020.

The table below details the progress of the 2019-20 SRV projects for this quarter.

* for proposed budget change information please refer to Section 3.4 Proposed Capital Budget Adjustments

CSP Ref	Project	YTD Actual Spend \$'000	Approved Budget \$'000	Proposed Q2 Budget \$'000	Status / Comment
Responsible		4,903	8,154	7,761	
H1.008	Kala Ave and Walu Ave - Road Upgrade Stage 1 and 2	26	650	350	On Target
H1.088	Rotherham St - Road Reconstruction	367	366	366	Complete
H1.092	Lakedge Ave - Drainage Upgrade Stage 1	18	627	327	On Target
H1.093	Lakedge Ave - Road Upgrade Stage 1	26	1,031	331	On Target
H1.097	Eloora Rd - Drainage Upgrade Stage 3	1,475	446	1,480	On Target
H1.098	Eloora Rd - Road Upgrade Stage 3	937	740	1,040	On Target
H1.103	Ocean Pde - Drainage Outlet Upgrade	12	100	200	On Target
H1.104	Fowlers Bridge - Timber Bridge Replacement	4	198	198	On Target
H1.112	Mary St - Road Reconstruction	358	505	505	Complete
H1.117	Design Carrington Street timber bridge	77	775	325	Delayed
H1.138	Murrawal Road - Road Upgrade with Drainage - Design	446	813	613	On Target
H1.141	Sohier Park Bridge Timber Bridge Replacement	31	445	445	On Target
H4.024	Upgrade of Routing Infrastructure (North)	357	220	355	On Target
H4.066	Kurraba Pde - Road Reconstruction Block 1	104	449	517	On Target
H4.070	Design and upgrade Nirvana Street and Stella Street intersection	662	789	709	On Target

CSP Ref	Project	YTD Actual Spend \$'000	Approved Budget \$'000	Proposed Q2 Budget \$'000	Status / Comment
Liveable		19	521	501	
K3.036	Play space 20 year Renewal Program - design and construction of District Play Space at Wallarah Point Peace Park	7	300	300	On Target
K3.005	Lake Munmorah District Skate Park Investigation and Design - Incl Carpark	2	56	56	Site investigations to occur
L1.086	Bill Sohler Ourimbah Tennis Facility resurfacing	10	115	115	On Target
L1.068	EDSACC Masterplan. Program of rolling works projects to renew and upgrade the existing asset	-	50	30	On Target
Total		4,922	8,675	8,262	

2.4 Cash and Investments

Cash flows during the quarter were managed through maturities and investments in new term deposits, Term deposits for the quarter recorded a decrease of \$6.71M, and Council's transaction account recorded net cash outflows of \$6.31M.

Council's transactional bank accounts are reconciled daily whilst cash management and investment holdings are reconciled monthly. All accounts have been fully reconciled as at 31 March 2020.

Balances as at 31 March 2020 are shown below.

Cash and Investment Balances as at 31 March 2020	\$'000
Total cash on Hand (Transactional)	5,481
Cash at call – cash management	34,568
Investments in term deposits and floating rate notes	353,222
Total Investment Portfolio	387,790
Closing cash and investments	493,271

Council operates in accordance with approved investment policies that comply with s. 625 of the *Local Government Act 1993*, and cl. 212 of the *Local Government (General) Regulation 2005*. Investments are placed and managed in accordance with this policy and having particular regard to the Ministerial Investment Order issued February 2011 and Division of Local Government (as it was then known) Investment Policy Guidelines published in May 2010.

Council's investments (comprised of deposit accounts, floating rate notes and term deposits) continue to be conservatively managed to ensure that value is added to the fixed interest portfolio. The value of investment securities and call deposit accounts *excluding* transactional accounts, at 31 March 2020 was \$387.8M. YTD returns were 2.46%, which is above the BBSW benchmark of 1.43%. Total net return for the quarter ending March 2020 was \$1.94M consisting of interest earnings.

The investment portfolio is concentrated in AA above (55.95%), A (25.94%) and BBB (17.90%). The investments in AA are of a higher credit rating and BBB represented the best returns at the time of investment within Policy guidelines. Financial institutions issuing fixed income investments and bonds are considered investment grade (IG) if its Long-Term credit rating is BBB or higher by Standard and Poor (S&P).

Council continues to monitor the portfolio and manage investments taking into consideration credit ratings of financial institutions, interest rates offered for the maturity dates required and the amount of our investment portfolio already held with each financial institution.

Breakdown of the investment portfolio by investment class as at 31 March 2020:

Investment Class	Balance at 31 Mar 2020 \$'000
Cash at Call	34,568
Term Deposits including Floating Rate Notes (FRN)	353,222
Closing investment portfolio	387,790
YTD Returns	7,201
YTD Returns %	2.46%
Benchmark BBSW	1.54%

Cash Flow Statement

Central Coast Council

Statement of Cash Flows

for the Quarter ended 31 March 2020

\$'000	Actual Q3 2019-20
Cash flows from operating activities	
<u>Receipts</u>	
Rates and Annual Charges	85,699
User Charges and Fees	31,084
Interest and Investment Income	2,923
Grants and contributions	19,900
Bonds& Deposit Amount Received	545
Other Revenues	10,715
<u>Payments</u>	
Employee Benefits and On cost	-61,419
Materials and Contracts	-32,739
Borrowing Costs	-3,738
Bonds& Deposit Amount Paid	-387
Other expenses	-16,137
Net cash provided (or used in) operating activities	36,446
Cash flows from Investing activities	
<u>Receipts</u>	
Sale of Investment Securities	86,000
Sale of Infrastructure, Property, Plant and Equipment	959
<u>Payments</u>	
Purchase of Investment Securities	-71,807
Purchase of Infrastructure, Property, Plant and Equipment	-53,989
Net cash provided (or used in) Investing activities	-38,837
Cash flows from Financing activities	
<u>Payments</u>	
Repayment of borrowing and advances	-3,940
Net cash provided (or used in) Financing activities	-3,940
Net increase/(decrease) in cash and cash equivalents	-6,331
Plus: cash and cash equivalents – beginning of period	11,812
Cash and cash equivalents – end of the Period	5,481
plus: Investments on hand – end of Period	387,790
Total cash, cash equivalents and investments	393,271

2.5 Contracts and Other Expenses

Major Contracts

The following significant contracts were entered during Q3:

Contractor	Contract Detail and Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Seymour Whyte Spiecapag (Joint Venture)	CPA/1305 - Construction of Mardi To Warnervale Trunk Water Pipeline (M2WP) - Stage 2	\$37,040,454.55	20/01/2020	14 months	Y
Rivers Construction Pty Ltd	CPA/2291 - Sewage Pumping Station TO01, TO06 and TO09 Refurbishment	\$7,923,689.84	14/02/2020	16 months	Y
Datacom Systems (AU) Pty Ltd	CPA/2876 - Microsoft Enterprise Agreement	\$6,900,000.00	24/01/2020	24 months	Y
Land and Martine Ocean Engineering Pty Ltd	CPA/1896 - Terrigal Rock Pool Renovation	\$6,120,890.00	10/03/2020	24 months	Y
Integrity Locksmiths & Security Pty Ltd	CPA/2555 - Water and Sewer Smart Key/Lock Rollout - Reservoirs	\$3,191,226.00	16/03/2020	60 months	Y
Accenture Australia Pty Ltd	CPA/2920 - Oracle Cloud Application Support 2020-2021	\$2,000,000.00	1/01/2020	24 months	Y
Access Engineering Systems Pty Ltd	CPA/2099 - Air Conditioning Service Contract 2019	\$1,650,000.00	1/02/2020	36 months	Y
Waste Processing Solutions Pty Ltd	CPA/2194 - Dewatering of Sludge from Central Coast Council Treatment Plants	\$1,458,350.00	7/02/2020	36 months	Y
Fulton Hogan Industries Pty Ltd	CPA/2487 - Road Resurfacing Works, various RMS roads 2019-2020	\$1,400,000.00	20/01/2020	1 month	Y
GHD Pty Ltd	CPA/2591 - Dam and Spillway Flood Upgrade, Investigation and Design - Mangrove Creek Dam	\$1,290,661.15	2/03/2020	9 months	Y
Crystal Pools Pty Ltd	CPA/2175 - Peninsula Leisure Centre - Splash Play Water Park	\$984,600.00	30/01/2020	5 months	Y
Asplundh Tree Expert (Australia) Pty Ltd Trading as Summit Open Space Services	CPA/1360 - Grounds Maintenance - Water Sewer Pumping Stations Reservoirs - Central Coast Council	\$980,000.00	1/02/2020	36 months	Y
Fulton Hogan Industries Pty Ltd	CPA/2514 - Polymer Modified Bitumen Emulsion - Prevention Treatment Services 2019-2020	\$955,261.34	7/01/2020	2 months	Y

Contractor	Contract Detail and Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Combined Traffic Management Pty Ltd	CPA/2296 - Provision of Pavement and Line Marking Services	\$860,079.94	1/03/2020	48 months	Y
Projected Civil Pty Ltd	CPA/2569 - Construction of Koolewong Waterfront Carpark - Stage 2	\$591,358.11	22/01/2020	3 months	Y
Declare Constructions Pty Ltd	CPA/2742 - MacKenzie Avenue Woy Woy - Drainage Works	\$574,808.10	2/03/2020	3 months	Y
Larsen & Toubro Infotech Limited	CPA2622 - Information Management - IT Professional Services Panel (CPA/2143)	\$500,000.00	10/02/2020	31 months	Y
The Missing Link Security Pty Ltd	CPA/2624 - Information Management - IT Professional Services Panel (CPA/2143)	\$500,000.00	7/02/2020	12 months	Y
Collaborative Construction Solutions Pty Ltd	CPA/2923 - Design and Construction - Toukley Pool Upgrade	\$495,080.00	12/03/2020	3 months	Y
Gongues Constructions Pty Limited	CPA/2786 - Sewage Pumping Station SPS WG6 Refurbishment (Panel Arrangement CPA/2043)	\$396,700.00	20/01/2020	5 months	Y
Gongues Constructions Pty Limited	CPA/2827 - Refurbishment of Sewage Pumping Station SPS WG6	\$396,700.00	20/01/2020	4 months	Y
Newpave Asphalt Pty Ltd	CPA/2545 - Rehabilitation of Coles Car Park in Toukley	\$395,970.00	20/02/2020	2 months	Y
ARA Security Services Pty Ltd trading as ECS Services	CPA/2613 - Central Coast Stadium - CCTV Upgrade	\$394,665.00	26/02/2020	4 months	Y
Kellogg Brown & Root Pty Ltd	CPA/2320 - Water and Sewer Tunnels and Outfalls -Condition Assessment	\$373,657.00	30/03/2020	24 months	Y
Bannerconda	CPA/2158 - Banner Upgrade Project	\$365,000.00	30/03/2020	3 months	Y
Capital Precast	CPA/3027 - Avoca Bow Drainage - Culvert Supply - Stage 4	\$329,333.76	30/03/2020	3 months	Y
a_space Australia Pty Ltd	CPA/2466 - Parks and Reserves - Design and Construction - Play Space Upgrade Wallarah Point Peace Park	\$320,000.00	26/03/2020	3 months	Y
Grant Thornton Australia Limited	CPA/2942 - Cultural Change Development Program - Stage 2	\$315,876.00	15/01/2020	21 months	Y

Contractor	Contract Detail and Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Saxon Lette Trading as Land and Marine Construction Services	CPA/1726 - Construction of a Boat Ramp, Landing, Gangway and Pontoon at South Tacoma	\$267,680.00	23/01/2020	3 months	Y
Excom Civil Pty Ltd	CPA/2886 - Design and Construction of Hostile Vehicle Mitigation measure at The Entrance	\$250,000.00	1/02/2020	6 months	Y
BCP Precast	CPA/3103 - Supply of Drainage Culverts - (Stage 1) - Walu Avenue & Kala Avenue, Halekulani	\$225,801.00	24/03/2020	1 month	Y
Datacom Information Technologies Pty Ltd	CPA/2934 - Shed 4 Micro Media Digitisation	\$224,500.00	19/02/2020	4 months	Y
McNamee Constructions Pty Ltd	CPA/2448 - Brisbane Water Drive Point Clare Sewer Relocation - Tania Drive to Koolinda Avenue	\$222,935.00	4/02/2020	2 months	Y
Form Construction Group	CPA/3013 - Internal and External Works, Kincumber Neighbourhood Centre	\$220,664.46	11/02/2020	3 months	Y
CJD Equipment Pty Ltd	CPA/3052 - Plant, Machinery and Equipment	\$219,000.00	24/02/2020	32 months	Y
Water Intelligence Australia Pty Ltd	CPA/2732 - Water and Sewer Leakage Detection Contract	\$203,925.28	9/03/2020	39 months	Y
Complete Playgrounds Pty Ltd	CPA/2771 - Softfall Renewal Program for Play Spaces	\$189,845.00	9/01/2020	6 months	Y
Kentan Machinery Pty Ltd	CPA/2968 - Plant , Machinery and Equipment	\$182,744.53	20/01/2020	33 months	Y
JCB Construction Equipment Australia	CPA/3012 - Plant, Machinery and Equipment Upgrade, Kincumber and Woy Woy	\$177,250.00	5/02/2020	32 months	Y
Synergy Construction NSW Pty Ltd	CPA/2829 - Chittaway Oval Amenities Refurbishment	\$174,929.97	13/01/2020	4 months	Y
Event Studios Australia	CPA/2979 - Place Activation Shipping Container - Pop-Up Bar	\$166,788.00	5/03/2020	3 months	Y

Due to an unforeseen delay, a number of Contracts that were awarded in Q2 were omitted from the Q2 Business Report. Below are the contracts that were awarded in Q2 and identified whilst preparing the Q3 report.

Contractor	Contract Detail and Purpose	Contract Value	Commencement Date	Duration of Contract	Budgeted (Y/N)
Declare Constructions Pty Ltd	CPA/2267 - Replacement of Water Mains - Davistown Road, Saratoga	\$760,822.60	12/11/2019	5 months	Y
Thomas Duryea Logicalis Pty Ltd	CPA/2623 - Information Management - IT Professional Services Panel (CPA/2143)	\$750,000.00	17/12/2019	33 months	Y
Outcomex Pty Ltd	CPA/2247 - IM&T network Hardware Placement	\$500,000.00	4/12/2019	2 months	Y
Content Security Pty Ltd	CPA/2625 - Information Management - IT Professional Services Panel (CPA/2143)	\$500,000.00	11/11/2019	12 months	Y
Ground Stabilisation Systems Pty Ltd	CPA/2340 - Oceano Street Shotcrete Wall	\$255,079.00	27/11/2019	3 months	Y
Rivers Construction Pty Ltd	CPA/2757 - Water Treatment Plant Lagoon Desludging	\$200,000.00	15/11/2019	4 months	Y
Bridge Design Pty Ltd	CPA/2795 - Level 3 Structural Inspections and Assessment on Timber Bridge Structures - Stage 1	\$150,000.00	1/12/2019	6 months	Y
Barry Hunt Associates	CPA/2828 - EPOCH Surveys for High Consequence Dams	\$150,000.00	18/11/2019	72 months	Y

2.6 Consultancy and Legal Expenses

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high-level specialist or professional advice to assist decision making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.

The following table shows operating expenditure year to date (YTD) for consultants and external legal fees.

Operating Expense	YTD Actual \$'000	Budgeted Yes/No
Consultants	9,414	Yes
Legal Fees	629	Yes

Financial Schedules and Proposed Adjustments

3.1 Income and Expense Budget Review Statement

The table below outlines the impact of the proposed operating budget amendments and the projected year end result for the 2019-20 financial year.

Consolidated Income Statement	March Year To Date				Summary				
	Actuals \$'000	Budget \$'000	Variance \$'000	Variance %	Original Budget \$'000	Q1 Full Year Annual Budget \$'000	Q2 Full Year Annual Budget \$'000	Q3 Proposed Adjustments \$'000	Proposed Full Year Annual Budget \$'000
Operating Income									
Rates and Annual Charges	301,558	304,455	(2,896)	(1.0%)	318,787	326,305	326,305	102	326,407
User Charges and Fees	100,118	106,057	(5,939)	(5.6%)	144,701	142,765	142,821	(8,701)	134,120
Interest & Investment Revenue	10,553	9,472	1,081	11.4%	14,416	12,416	12,416	0	12,416
Other Revenue	9,999	10,081	(82)	(0.8%)	13,738	13,557	13,461	(834)	12,627
Operating Grants and Contributions	21,284	19,978	1,306	6.5%	44,657	40,048	40,029	4,300	44,329
Gain on Disposal	521	1,493	(972)	(65.1%)	1,493	1,493	1,493	(370)	1,123
Total Income Attributable to Operations	444,033	451,535	(7,502)	(1.7%)	537,791	536,583	536,524	(5,503)	531,021
Operating Expenses									
Employee Costs	159,557	154,456	(5,101)	(3.3%)	207,631	206,915	207,003	2,706	209,709
Borrowing Costs	11,429	11,328	(100)	(0.9%)	16,836	16,836	16,836	0	16,836
Materials & Contracts	78,707	75,584	(3,124)	(4.1%)	98,037	100,295	102,913	4,577	107,490
Depreciation and Amortisation	111,138	104,427	(6,711)	(6.4%)	138,953	138,953	138,953	7,753	146,706
Other Expenses	68,132	71,856	3,724	5.2%	94,924	95,299	95,289	(3,382)	91,907
Loss on Disposal	609	-	(609)		-	-	-	-	-
Total Expenses Attributable to Operations	429,573	417,651	(11,921)	(2.9%)	556,381	558,298	560,994	11,654	572,648
Operating Result before Capital Amounts	14,460	33,884	(19,424)	(57.3%)	(18,590)	(21,715)	(24,470)	(17,157)	(41,627)
Capital Grants and Contributions	27,874	30,436	(2,562)	(8.4%)	52,419	47,693	49,805	(8,246)	41,559
Grants and Contributions Capital Received	27,874	30,436	(2,562)	(8.4%)	52,419	47,693	49,805	(8,246)	41,559
Net Operating Result	42,334	64,320	(21,986)	(34.2%)	33,829	25,978	25,335	(25,403)	(68)

This table forms part of Central Coast Council's quarterly budget review for the quarter ended 31 March 2020 and should be read in conjunction with sections 2.1 to 2.6 of this report.

3.2 Proposed Operating Statement Budget Amendments

The following budget amendments are proposed as part of this Q3 budget review.

Proposed Operating Statement Budget Amendments	Impact by Major Account Category					
	Capital Revenue	Operating Revenue	Operating Expense	Operating Movement	Movement COVID-19 related	Movement non COVID-19 related
	+ve Incr. (-ve) Decr. \$'000	+ve Incr. (-ve) Decr. \$'000	+ve Incr. (-ve) Decr. \$'000	Excluding Capital \$'000	+ve Fav. (-ve) Unfav. \$'000	+ve Fav. (-ve) Unfav. \$'000
Original budget	52,419	537,791	556,381	(18,590)		
Q1 full annual budget	47,693	536,584	558,298	(21,715)		
Q2 annual budget	49,805	536,525	560,994	(24,470)		
Proposed Adjustments Q3 Budget Review						
Various - Increase depreciation expense.	-	-	7,753	(7,753)	-	(7,753)
Water and Sewer - alignment of budget to reflect actual activity for the year, original budget had imposed IPART savings of approx. \$10m and it now appears likely approximately \$7.5m of these savings are unable to be achieved by the Directorate.	-	8	7,508	(7,500)	-	(7,500)
Leisure and Lifestyle - Net reduction in revenue due to closure of Pools and Leisure Centres as a result of COVID-19.	-	(1,854)	(906)	(948)	(948)	-
Development Assessment - Reduction in development assessment revenue budgets due to decline in development activity and COVID-19.	-	(1,720)	-	(1,720)	(520)	(1,200)
Business Enterprise - Realignment of holiday park and camping ground budgets due to COVID-19.	-	(2,376)	(1,032)	(1,344)	(1,344)	-
Natural and Environmental Assets - 2019-20 Flood Event expenditures and expected grant funding.	-	1,361	2,666	(1,305)	-	(1,305)
IMT Engagement - Reduction in revenue from fees and certificates (including s149 and s360 certificates) due to trend and COVID-19 impacts.	-	(700)	-	(700)	(258)	(442)
Environment and Certification - Realignment of Environment and Certification budgets due to an economic downturn since preparation of the 2019-20 budget.	-	(1,821)	(1,139)	(682)	-	(682)
Environment and Certification - Reduction in Environment and Certification revenue due to COVID-19.	-	(307)	-	(307)	(307)	-
Facilities and Asset Management - Additional Building Maintenance on closed premises due to COVID-19.	-	-	300	(300)	(300)	-

Proposed Operating Statement Budget Amendments	Impact by Major Account Category					
	Capital Revenue	Operating Revenue	Operating Expense	Operating Movement	Movement COVID-19 related	Movement non COVID-19 related
	+ve Incr. (-ve) Decr. \$'000	+ve Incr. (-ve) Decr. \$'000	+ve Incr. (-ve) Decr. \$'000	Excluding Capital \$'000	+ve Fav. (-ve) Unfav. \$'000	+ve Fav. (-ve) Unfav. \$'000
Proposed Adjustments Q3 Budget Review						
Leasing and Asset Management - Impact on Community Infrastructure budgets including Community Halls, Community Centres and Cottages due to COVID-19.	-	(97)	137	(234)	(234)	-
Business Enterprise - Reduction in revenue at Baker Street Car Park, Gosford due to COVID-19	-	(167)	-	(167)	(167)	-
Open Space and Recreation - Reduction in Open Space user charges and fee income due to cancellation and postponement of various sporting activities.	-	(160)	-	(160)	(160)	-
Leisure and Lifestyle - Realignment of theatre budgets due to COVID-19.	-	(282)	(132)	(150)	(150)	-
Water and Sewer - Additional costs associated with hiring of vehicles to ensure adherence with 1.5m social distancing rules when travelling in vehicles as a result of COVID-19.	-	-	89	(89)	(89)	-
Roads Transport Drainage and Waste Management - Reduction in expenditure due to cancellation of a number of divisional staff meetings due to social distancing rules, COVID-19.	-	-	(10)	10	10	-
Waterways and Coastal Protection - Additional operational grant funding to be received from Federal Government for Environment Restoration Projects.	-	360	344	16	-	16
Chief Executive Officer - Reduction in budget required for 2019-20 Internal Audit program due to delay in awarding external contract (awarded in October 2019).	-	-	(70)	70	-	70
Natural and Environmental Assets - Expenditure savings achieved for bush regeneration due to greater site resilience than was originally anticipated and integration with other Council pest species programs.	-	-	(75)	75	-	75
Waterways and Coastal Protection - Additional operational grant funding to be received from Federal Government for Clean Foreshore and Avoca Lagoon Projects.	-	100	20	80	-	80
Financial Services - Reduction in budget required for postage costs due to Council not sending debt related reminder letters in Q4 as a result of COVID-19.	-	-	(100)	100	100	-
Corporate Income and Expense - Increase in budget for Section 611 Gas Mains revenue following a review of income recognition requirements and correction of accruals.	-	122	-	122	-	122
Leisure and Lifestyle - Realignment of gallery budgets due to COVID-19.	-	(116)	(240)	124	124	-
Legal - Reduction in budget required for legal matter as courts and tribunal are closed due to COVID-19. Matters will continue in 2020-21 financial year.	-	-	(300)	300	300	-

Proposed Operating Statement Budget Amendments	Impact by Major Account Category					
	Capital Revenue	Operating Revenue	Operating Expense	Operating Movement	Movement COVID-19 related	Movement non COVID-19 related
	+ve Incr. (-ve) Decr. \$'000	+ve Incr. (-ve) Decr. \$'000	+ve Incr. (-ve) Decr. \$'000	Excluding Capital \$'000	+ve Fav. (-ve) Unfav. \$'000	+ve Fav. (-ve) Unfav. \$'000
Proposed Adjustments Q3 Budget Review						
IM&T Engagement - Reduction in IM&T engagement consultants no longer required this financial year.	-	-	(300)	300	-	300
Innovation and Futures Management - Reduction in Electricity budgets due to COVID-19.	-	-	(329)	329	329	-
IM&T Delivery - Realignment of budgets following IMT Restructure and removal of Infor Birst Software costs from this financial year.	-	-	(390)	390	-	390
IM&T Assure - Reduction in software, postage and consultant costs as a result of process and structure realignment.	-	-	(400)	400	-	400
IM&T Operations - Reduction in the Product Lead Cost Centre partially offset by an increase in computer and leasing costs due to the roll out of laptops.	-	-	(550)	550	-	550
People and Culture - Reduction in budget required for staff training due to year to date underspend and training being suspended in Q4 due to COVID-19	-	-	(1,050)	1,050	256	794
Natural and Environmental Assets - 2019-20 Bush Fire Event expenditures and expected grant funding. Some works to continue into 2020-21.	-	1,925	815	1,110	-	1,110
Waste Services and Business Development - Internal tipping adjustments from capital projects resulting in additional internal income in Operating Statement.	-	-	(1,176)	1,176	-	1,176
Strategic Planning - Reduction in Q4 s7.11 developer contribution budgets by 50% due to COVID-19.	(3,746)	-	-	-	(3,746)	-
Water and Sewer Management - Reduction in Q4 s64 Water and Sewer developer contribution budgets.	(4,500)	-	-	-	(1,935)	(2,565)
Various - Budget adjustments for other Units where the net bottom line impact is zero.	-	220	220	-	(189)	189
Q3 proposed budget adjustments	(8,246)	(5,504)	11,653	(17,157)	(9,228)	(16,175)
Q3 proposed full year annual budget	41,559	531,021	572,647	(41,627)		

This table forms part of Central Coast Council's quarterly budget review for the quarter ended 31 March 2020 and should be read in conjunction with sections 2.1 to 2.6 of this report.

3.3 Capital Expenditure Report

The original budget is based on the 2019-20 operational plan adopted by Council. Council approved changes to the capital expenditure budget in August 2019 for continuing projects, and separately at Ordinary Meetings, Q1 and Q2. The sum of these amounts is referred to as the Annual Budget in the table below.

Council Business Unit	Original Budget	Approved Changes for Continuing Projects	Approved Changes by Council resolutions	Approved changes Q1	Approved changes Q2	Annual Budget	Proposed changes for Q3	Proposed Full Year Budget	Actuals YTD - Mar 2020	Budget YTD - Mar 2020	YTD Actuals / Budget
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%
Chief Financial Officer	12,983	(36)	-	34	3,498	16,479	672	17,151	7,398	8,364	88.5%
Financial Performance	36	(36)	-	-	-	-	-	-	-	-	0.0%
Plant and Fleet	12,697	-	-	84	3,448	16,229	699	16,928	7,357	8,320	88.4%
Procurement and Projects	250	-	-	(50)	50	250	(27)	223	42	45	93.4%
Chief Information Officer	26,507	-	-	-	-	26,507	(2,035)	24,472	17,425	19,165	90.9%
IMT Assure	2,290	-	-	-	(751)	1,540	580	2,120	2,755	2,169	127.0%
IMT Delivery	21,183	-	-	-	-	21,183	(3,765)	17,418	12,336	13,005	94.9%
IMT Engagement	30	-	-	-	-	30	-	30	1,073	1,737	61.8%
IMT Operations	1,360	-	-	-	-	1,360	-	1,360	804	1,360	59.1%
Head of Architecture	-	-	-	-	751	751	1,150	1,901	-	-	0.0%
CIO Management	1,644	-	-	-	-	1,644	-	1,644	456	894	51.0%
Connected Communities	30,997	1,205	-	(877)	(8,109)	26,462	(8,109)	18,353	7,679	12,785	60.1%
Community Engagement	3,743	-	-	(613)	(130)	3,000	(1,984)	1,016	147	715	20.5%
Community Partnerships	4,624	-	-	572	(1,368)	3,828	(1,375)	2,453	816	1,306	62.5%
Connected Communities Management	-	-	-	-	90	90	-	90	-	-	0.0%
Facilities and Asset Management	18,115	1,195	-	(720)	(3,571)	15,019	(3,887)	11,131	5,043	7,513	67.1%
Leisure and Lifestyle	2,950	-	-	(335)	94	2,709	(23)	2,686	654	1,534	42.6%
Leasing and Asset Management	-	-	-	194	109	303	-	303	92	163	56.5%
Libraries, Learning and Education	1,566	10	-	25	(87)	1,514	(840)	674	926	1,554	59.6%
Environment and Planning	31,094	3,376	11,722	(2,387)	(2,855)	43,589	(2,855)	40,734	15,751	16,335	96.4%
Environment and Certification	120	-	-	-	(73)	47	-	47	2	-	0.0%
Environmental Management Unit	5,808	1,613	-	596	226	8,243	(340)	7,903	10,649	10,719	99.3%
Open Space and Recreation	25,167	1,764	11,722	(2,984)	(370)	35,299	(2,515)	32,784	5,100	5,616	90.8%
Governance	-	-	-	80	-	80	-	80	42	80	52.0%
Governance	-	-	-	80	-	80	-	80	42	80	52.0%
Innovation and Futures	9,440	400	8,204	-	(1,017)	8,791	(1,634)	7,158	4,599	5,298	86.8%
Economic Development and Project Delivery	8,451	400	8,204	-	(9,252)	7,802	(1,017)	6,785	4,575	4,838	94.6%
Innovation and Futures Management	989	-	-	-	-	989	(617)	372	24	460	5.2%
Roads Transport Drainage and Waste	84,846	1,073	-	3,107	4,353	93,380	(7,195)	86,185	56,912	60,875	93.5%
Business Enterprise	5,548	13	-	(100)	43	5,504	(1,142)	4,361	2,025	2,471	81.9%
Roads Asset Planning and Design	74,972	1,060	-	3,507	5,319	84,858	(5,096)	79,763	53,797	56,620	95.0%
Waste Services and Business Development	4,327	-	-	(300)	(1,009)	3,018	(957)	2,061	1,090	1,783	61.1%
Water and Sewer	39,754	-	-	-	(1)	39,754	(1)	39,753	27,394	28,502	96.1%
Water and Sewer	39,754	-	-	-	(1)	39,754	(1)	39,753	27,394	28,502	96.1%
TOTAL ALL	235,621	6,018	19,926	(43)	(8,141)	255,042	(21,156)	233,886	137,199	151,404	90.6%

3.4 Proposed Capital Budget Amendments

The table below lists the projects which have had budget changes requested as part of the Q3 budget review.

Change Types	
Code	Change description
A	New project as per Strategic Asset Management or grant funding
B	Project continuing from prior year
C	Project savings identified
D	Change in timing of project
E	Change in scope
F	Change after tender/quotes
G	Change in responsibility
H	Project deferred or cancelled

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
Business Enterprise						
23669	Install upper level gates at Terrigal Carpark	Project complete with savings	C	83	(7)	76
23676	Upgrade caging around carpark attendants at Baker Street Carpark	Project complete with savings	C	18	(9)	9
24424	Install loop counters to advertise occupancy	Project delayed due to COVID-19. Budget to be deferred to 20-21 financial year	I	171	(86)	85
24435	Replace fluoro lighting in the Baker Street Pay and Display area with LED lights	Project delayed due to overall assessment conducted for car park safety. Project will continue in 2020-21	D	76	(31)	45

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24439	Upgrade Baker Street Pay and Display Machines	Project complete with savings	C	30	(10)	20
23670	Replace seats at Central Coast Stadium	Project complete with savings	C	597	(59)	538
23674	Upgrade Central Coast Stadium lighting towers	Project delayed due to COVID-19. Budget to be deferred to 20-21 financial year	I	920	(520)	400
24139	Install LED Signage at Central Coast Stadium	Budget not required - works cost less than originally anticipated and has been delivered under operational budget	C	50	(50)	-
24430	Renovate eastern corporate suites at Central Coast Stadium	Project complete with savings	C	95	(4)	91
20015	Jilliby Cemetery - upgrade to Jilliby Road vehicle access and provision of a designated parking area	Project complete with savings	C	16	(5)	12
23680	Upgrade pathways at Norville Memorial Gardens	Project complete with savings	C	57	(5)	52
24419	Catholic Lawn Section expansion including new beam, lawn improvement and drainage at Norville Cemetery	Project complete with savings	C	67	(17)	50
23681	Upgrade swimming pool at Budgewoi Holiday Park	Project complete - variations due to flood delays	D	600	11	611
24426	Renovate cabins at Budgewoi Holiday Park	Project delays due to staff availability	D	40	(10)	30
24427	Renovate Cabins at Canton Beach Holiday Park	Project delays due to staff availability	D	70	(50)	20
24428	Renovate cabins at Norah Head Holiday Park	Project delays due to staff availability	D	80	(30)	50
24917	Design and replace street lights at Norah Head Holiday Park	Project re-scoping to encompass all Parks. Budget to be deferred to 20-21 financial year	E	180	(180)	-
24918	Replace playground, including partial fencing at Budgewoi Holiday Park	Project delayed due to COVID-19. Budget to be deferred to 20-21 financial year	I	105	(105)	-

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
NEW-1	Noraville Irrigation System Upgrade and Expansion	Project has been scoped and costed and able to be bought forward and funded via reductions from other projects	D	-	25	25
Business Enterprise Total				3,256	(1,142)	2,114
Community Engagement						
23696	Refurbish The Entrance Visitor Information Centre	Construction scheduled for 2020-21	H	950	(725)	225
24443	Amenities Building Refurbishments - rolling works program	Project expenditure scheduled for 2020-21	H	80	(80)	-
24492	Implement Regional Signage actions for town centres and villages	Product unavailable associated with COVID-19 which has impacted the delivery of the complete project	I	1,670	(1,010)	660
24639	Upgrade to disabled and public toilets at Memorial Park	Project expenditure scheduled for 2020-21	H	150	(150)	-
24648	Website enhancements and integrating business applications	Savings identified by using existing software license and change to Development Application Checklist as proposal superseded by State Government development portal requirements.	C	150	(19)	131
Community Engagement Total				3,000	(1,984)	1,016
Community Partnerships						
20020	Wyong Cultural Hub	Extension to external funding agreement still to be finalised, no funds will now be expended in this financial year.	H	278	(278)	-
24095	Pop Up Container - Exhibition/Hub	Price had increased from original quotation provided in 2019.	F	145	22	167
24096	Decorative Lighting for Town Centres	Project completed with savings	C	32	(10)	23
24485	Gateway Projects at Budgewoi Toukley and Wyong	COVID-19 Delays carry over into 20-21	I	152	(132)	20
24500	Installation of portable hearing loop at Erina Centre and The Hub	Project completed with savings	C	15	(1)	14

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24590	Stage 2 Street Art at Baker Lane	Half of the planned project completed, remaining half unable to be completed due to the changes in DA requirements.	C	26	(12)	14
24606	The Entrance Stage 2 Upgrades - detailed design	COVID-19 Delays carry over into 20-21	I	110	(43)	67
24609	The Entrance Town Centre Stage 1 - Lighting Strategy Installation	No further decorative lighting can be installed due to COVID-19.	I	220	(59)	161
24615	Toukley Town Centre - Car Park Upgrades	Project complete with savings	C	500	(33)	467
24616	Toukley Town Centre. Review and renew Village Green Precinct in Toukley	COVID-19 Delays carry over into 20-21	I	330	(300)	30
24621	Upgrade Percy the Pelican Statue	Project delayed, direction pending outcome of a Council report, project carried into 20-21	D	50	(50)	-
24923	Town Centre Signage	COVID-19 Delays carry over into 20-21	I	400	(370)	30
25111	Upgrade shipping container works	Emergency works required due to flooding at The Entrance.	I	-	15	15
25112	Stage 2 Heritage Signage - The Entrance	COVID-19 Delays carry over into 20-21	I	144	(124)	20
Community Partnerships Total				2,402	(1,375)	1,027
Economic Development and Project Delivery						
22368	Terrigal Boardwalk	Project delayed this will impact 20-21 Capital	D	3,447	(1,311)	2,135
23897	Design and Construct Car Park 10 Racecourse Road	Original budget provided to Economic Development was underestimated	F	400	397	797
23925	Design and Construct Gosford Cultural Precinct	Project delays	D	3,101	(52)	3,049

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24526	Planning investigations and detailed design for an integrated Education and Business Precinct at Warnervale	Project delays	H	151	(50)	101
Economic Development and Project Delivery Total				7,099	(1,017)	6,082
Energy Management						
23705	Install solar power systems on Council assets	Project delayed due to COVID-19 causing issues with the supply line and resources - will impact 2020-21 Capital	I	989	(617)	372
Energy Management Total				989	(617)	372
Environmental Management						
20109	Fencing and access control on Council reserves	Increase in scope requires additional fund	E	388	140	528
20110	Upgrade of Mount Alison Walking Trail	Completion of works commenced in 2018-19	B	-	13	13
20178	Captain Cook Memorial Reserve, Green Point - construct seawall	Agreed increase in scope	E	100	100	200
22623	Upgrade Beckingham North fire trail	Grant funded project delayed will need to be deferred to 2020-21	D	167	(167)	0
22625	Upgrade Glenning Valley & Fountaindale Fire Breaks & Trails	Completion of works commenced in 2018-19	B	-	5	5
23651	Construct Terrigal Lagoon walking track	Environmental assessment delaying construction commencement - will impact 2020-21	D	245	(150)	95
23653	Design and construct a wrack storage facility	Completion of works commenced in 2018-19	B	-	6	6

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
23662	Upgrade disabled beach accesses	Transferring to Leisure and Lifestyle for Pearl Beach access ramp to baths	G	340	(45)	295
23666	Upgrade stormwater gross pollutant traps - south	Project completed under budget	C	475	(18)	457
24146	Watanobbi Drainage Rebuild	Completion of works commenced in 2018-19	B	-	1	1
24445	Asset Protection Zone and Fire Trail establishment and upgrade to standard - Budgewoi Ward	Increase in scope requires additional funds	E	180	25	205
24446	Asset Protection Zone and Fire Trail establishment and upgrade to standard - Gosford East Ward	Due to increases in scope and resources to deliver	E	120	90	210
24447	Asset Protection Zone and Fire Trail establishment and upgrade to standard - Gosford West Ward	Due to increases in scope and resources to deliver	E	120	80	200
24448	Asset Protection Zone and Fire Trail establishment and upgrade to standard - The Entrance Ward	Due to increases in scope and resources to deliver	E	180	40	220
24449	Asset Protection Zone and Fire Trail establishment and upgrade to standard - Wyong Ward	Due to increases in scope and resources to deliver	E	120	60	180
24450	Asset replacement and upgrade in Natural Asset reserves as identified by asset inspection reports	Project delayed	D	150	(113)	37
24456	Bush fire mitigation activities in response to RFS Notices	increase in scope requires additional funds	E	180	75	255
24458	Cabbage Tree Harbour Seawall - design and approvals	Resources were moved to deal with Flood impact (Entrance dredging project) which has caused delays - will impact 2020-21	D	100	(100)	-

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24480	Establishment of emergency control rooms at Wyong and Gosford administration buildings	Project delayed due to resources allocating to Bush Fire and Flooding response and recovery efforts plus COVID-19 restrictions - will impact 2020-21	I	40	(40)	-
24481	Fire Trail upgrade - Clyde Road Holgate	Construction phase able to complete in 202019-20	D	40	100	140
24504	Investigation and installation of priority lookout barrier fencing in Natural Assets	Project delayed due to Bush Fires	D	140	(85)	55
24505	Jiliby Dam - emergency water supply	Additional funds required to complete the project	F	90	24	114
24514	Mt Ettalong Lookout Upgrade	Project will be completed under budget	C	135	(42)	93
24591	Stormwater Gross Pollutant Trap Upgrades (Lake Macquarie Catchment) - Gwandalan (design only)	Project completed under budget	C	40	(15)	25
24594	Streambank Erosion Sites in Tuggerah Lakes Catchment. Includes Hereford Dr Ourimbah Creek Spring Creek 6 Bluehaven and Wy81 at Alison Rd Wyong River	Delayed due to resourcing issues	D	80	(80)	-
24596	Survey procure and install firebreak delineation markers on Council managed reserves	Project delayed	D	75	(50)	25
24620	Upgrade Lees Lane Fire Trail to RFS Standard	Additional fencing required	E	544	25	569
24934	Summerland Point Fire Trail Renewal	Pavement and vegetation improvement required	E	62	17	79
24935	Rock Stabilisation works - region wide	Delays to this project will mean construction will complete in 2020-21	D	300	(290)	10
25152	Winney Bay Fire Trail Upgrade	Project completed under budget	C	161	(50)	111

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
25228	Wyong SES Building	Urgent works required at Wyong SES Building	A	-	20	20
25240	Foreshore remediation - Lake Munmorah	ERF Grant approved - works are required to start in 202019-20	A	-	10	10
25241	Raised boardwalk - Tacoma	ERF Grant approved - works are required to start in 202019-20	A	-	5	5
25242	Mangrove Mt and surrounds Fire Trails	Federal Bush Fire Recovery Support Package - will continue into 2020-21	A	-	40	40
25243	Water supply tanks installation	Federal Bush Fire Recovery Support Package - will continue into 2020-21	A	-	10	10
25244	Fire Station Bush Fire Protection Upgrades	Federal Bush Fire Recovery Support Package - will continue into 2020-21	A	-	20	20
Environmental Management Total				4,572	(340)	4,232
Facilities Management						
22271	Peninsula Leisure Centre - Air Handling system upgrade	Major cost to occur in 2020-21	D	1,500	(1,355)	145
23593	Design new public toilets at Wiles Ave Wamberal	Deferred into 2020-21 as per Council report	D	170	(156)	14
23616	Replace roof at Killcare Surf Club	Increase budget required due to increase in scope (water safety levy)	E	120	57	177
23617	Replace roof at Ocean Beach Surf Club	Water safety levy funds	C	165	(100)	65
23618	Replace roof at Umina Surf Club	Water safety levy funds	C	200	(88)	112
23619	Replace roof at Wamberal Surf Club	Increase in budget required due to increase in scope (water safety levy)	E	100	129	229

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
23628	Upgrade access ramp at Gosford administration building	Completion of works commenced in 2018-19	G	-	5	5
23629	Upgrade administration buildings	Increase budget from identified budget savings	E	125	253	378
24182	Replace public toilets Macmasters Beach	Project to continue to 2020-21	D	150	(138)	12
24186	Wamberal Surf Club deck extension	Budget increase required	F	100	191	291
24489	Gravity Youth Centre - stage repairs	Project Complete with savings	C	43	(16)	27
24554	Refurbishment of Public Toilets at Terrigal Beach	Project Complete - remaining budget to be transferred to Project # 24182. Must be transferred as grant funds.	C	240	(124)	116
24558	Renew pavement surface stages 1 and 2 Long Jetty Depot	Delay in preliminary investigation and design work, delivery now budgeted in 2020-21 financial year. Remaining funds to be transferred to accommodation projects	D	1,174	(1,030)	144
24559	Renew staff bathroom amenities at Erina Depot	Design nearing completion delivery in September 2020. 2020-21 budget to be increased due to scope change.	D	900	(658)	242
24564	Replace public toilet at Don Small Oval	Deferred into 2020-21 as per Council report	H	180	(171)	9
24566	Replacement of Public Toilets at Althorpe Street	Deferred into 2020-21 as per Council report	H	73	(64)	9
24575	Rumbalara Field Studies Centre - Replace subfloor and replace pine retaining walls with sandstone blocks	Project will be completed with savings	C	280	(52)	228
24588	St Barnabas Church - construction	Project will be completed with savings	C	275	(153)	122
24593	Stormwater harvesting and dust suppression System - Charmhaven Depot	Scope expanded during works to capitalise on opportunity	E	283	149	433
24602	The Entrance Community Centre - New Fence Electric Gate and replacement of fence panels	Project Complete	C	53	(13)	40

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24604	The Entrance Ocean Baths - Refurbish change and toilet facilities	Project deferred to 2020-21	H	-	(218)	(218)
24611	Toukley District Arts and Tourist Information Centre - studio extensions	Project to continue to 2020-21	D	30	(24)	6
24612	Toukley Neighbourhood centre - Replacement of stairs from stage and replacement of seating	Project will be completed with savings	C	168	(20)	148
24638	Upgrade to Training Facilities	Minor delay in commencement, project savings to be re-allocated	D	-	79	79
24785	"Replace rusted roofing Building U - Charmhaven Depot"	Minor delay in commencement, project savings to be re-allocated	C	150	(50)	100
24926	Construct new office space at Erina Depot	Project to continue to 2020-21. Preliminary investigations and design underway with delivery in 2020-21 financial year	D	661	(651)	10
24927	Wyong Administration Building - Refurbishment Level 2	Project to continue to 2020-21. Delivery commencing April and completion in 2020-21	D	1,000	(475)	525
24928	Empire Bay Tennis Court fencing replacement	Cost saving and change in phasing	C	100	(20)	80
24929	Erina Tennis Court fencing replacement	Cost saving and change in phasing	C	115	(35)	80
25118	Alison Homestead - Construct Multi-purpose building	Project deferred to 2020-21	H	25	(25)	-
25119	The Entrance SLSC and Boatshed - design	Project deferred to 2020-21	H	21	(21)	-
25185	Gosford Library Main Air Conditioning System Replacement	Urgent works required to replace failed air conditioner	A	-	73	73
NEW-10	Bathroom improvement works Gosford Administration Building	Improvement works to bathrooms, including public bathrooms while facilities are closed due to COVID-19	I	-	90	90
NEW-11	Erina Depot Entry Gates	Replace Erina Depot Gates due to storm damage	A	-	28	28

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
NEW-12	Replace carpet on mezzanine at Gosford Library	Replace existing carpet on mezzanine to match carpet tile (COVID-19 brought forward project from 2020-21)	I	-	14	14
NEW-13	Kincumber Library external improvements	Render and paint external walls (COVID-19 brought forward project from 2020-21)	I	-	25	25
NEW-14	Woy Woy Library customer service points	Install new customer service and library service counters (COVID-19 brought forward project from 2020-21)	I	-	25	25
NEW-15	The Entrance Library customer service points	Install new customer service and library service counters (COVID-19 brought forward project from 2020-21)	I	-	10	10
NEW-16	Lake Haven Library customer service point	Install new customer service counters (COVID-19 brought forward project from 2020-21)	I	-	45	45
NEW-17	Umina Childcare - Upgrade playroom cabinetry	Update playroom cabinetry (COVID-19 brought forward project from 2020-21)	I	-	20	20
NEW-18	Kariong Child Care Centre - Refurb Storage shed, replace, fit out & include shelving	Refurbish storage shed replace fit out, including shelving (COVID-19 brought forward project from 2020-21)	I	-	10	10
NEW-19	Kariong Child Care Centre - Replacement benches, storage cabinetry throughout, playrooms and laundry	Replace benches, storage cabinetry throughout playrooms and laundry. Brought forward from 2020-21 to take advantage of COVID-19 closures.	I	-	20	20
NEW-2	Replace air-conditioning at Community Facilities	Replacement of air conditioners - project brought forward to take advantage of COVID-19 closures	I	-	113	113
NEW-3	Accommodation for 2x new employees - Charmhaven depot	New desking for staff accommodation (COVID19 closure works)	I	-	5	5
NEW-4	Upgrade Lighting to ground floor Gosford Administration and modify HVAC to suit.	Upgrade lighting and HVAC ducting to ground floor Gosford to LED (COVID19 closure)	I	-	30	30
NEW-5	Refurbish workspace level 6 Gosford for new staff	Refurbish workspace level 6 Gosford for new staff (COVID19 closure works)	I	-	80	80
NEW-6	Terrigal Rotary Hall - Retaining wall	Replace retaining wall	A	-	30	30
NEW-7	Refurbish workspace for new staff and replace carpet to Wyong building B level 4	Refurbish workspace for new staff and replace carpet to Wyong building B level 4 (COVID-19 closure works)	I	-	34	34

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
NEW-8	Nexus furniture fit out	Furniture fit out at Nexus Hub	A	-	205	205
NEW-9	Bathroom improvement works Wyong Administration Building	Improvement works to bathrooms, including public bathrooms while facilities are closed due to COVID-19	I	-	50	50
Facilities Management Total				8,400	(3,887)	4,513
Information Management and Technology						
25125	Modern Collaboration tools	Meeting room hardware (\$750K) brought forward from 2020-21 and there has been a change in the scope of the project	D	751	1,150	1,901
22704	Implement Enterprise Search and Compliance Tool	Change in priorities to enable remote servicing of GIPA and Investigations	A	-	180	180
23849	Data Centre Transformation 2	Additional capacity required during project due to change in strategy	A	854	400	1,254
22703	Enhance customer experience system platform	Project delayed due to COVID related issues and resource availability. Works will continue into 2020-21 as planned.	I	575	(80)	495
22705	Implement a business intelligence reporting tool	Delays due to getting access to appropriate resourcing in the market and changing priorities	D	2,123	(550)	1,573
22706	Implement a consolidated asset management system	Project delayed due to COVID related issues and resource availability. Works will continue into 2020-21 as planned.	I	4,736	(727)	4,009
22707	Implement a consolidated electronic document management system	Project delayed due to COVID related issues and resource availability. Works will continue into 2020-21 as planned.	I	2,049	(363)	1,686
22709	Implement a consolidated geographic information system	Project delayed due to COVID related issues and resource availability. Works will continue into 2020-21 as planned.	I	568	(10)	558
22712	Implement a consolidated payroll and time and attendance system	Project delayed due to COVID related issues and resource availability. Works will continue into 2020-21 as planned.	I	3,240	(1,037)	2,203
22713	Implement a consolidated property and rating system	Project delayed due to COVID related issues and resource availability. Works will continue into 2020-21 as planned.	I	4,320	(815)	3,505

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
22717	Implement system integration improvements	Project delayed due to COVID related issues and resource availability. Works will continue into 2020-21 as planned.	I	3,572	(183)	3,389
20866	Upgrade of Core Switching Infrastructure	Project Savings	C	575	(110)	465
20870	Upgrade of Routing Infrastructure (North)	Additional budget reallocated from within portfolio budget to accommodate changes in delivery strategy	A	220	135	355
24630	Upgrade of Data Centre Environmentals	Project Savings	C	380	(90)	290
24650	Wireless Access Points Replacements	Additional budget reallocated from within portfolio budget to accommodate changes in delivery strategy	A	185	65	250
Information Management and Technology Total				24,147	(2,035)	22,112
Leisure and Lifestyle						
24510	Leisure Centres - CRM upgrade security and access control improvements	Due to COVID-19 IMT unable to support. Will carry forward into 20-21	I	125	(68)	57
24614	Toukley Pool - replacement of flooring window fittings doors and benches	Allows completion of project to a higher standard	E	50	29	79
24640	Ventilation installation to indoor complex at Gosford Olympic Pool	Project complete with savings	C	110	(10)	100
24652	Wyong Olympic Pool - creation of an accessible change area	Project complete with savings	C	80	(3)	77
25164	Wyong Olympic Pool Change room upgrades stage 3	Project complete with savings	C	110	(16)	94
NEW-20	Beach Ramp at Pearl Beach	Transferring budget from Waterways project to be delivered under separate project	G	-	45	45
Leisure and Lifestyle Total				475	(23)	452
Libraries, Learning and Education						

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24215	Gosford Regional Library and Innovation Hub	Change in timeline for project due to delay is appointment of lead consultant.	D	1,115	(840)	275
Libraries, Learning and Education Total				1,115	(840)	274
Open Space and Recreation						
18185	Design and Construct Boat Ramp at Hot Water Outlet	Works were completed below budget	C	555	(30)	525
18276	Central Coast Regional Sporting Complex Construction	Project delayed due to redirection of resources for flood and impact of COVID-19 - will impact 2020-21 Capital budget	I	435	(120)	315
20942	Adcock Park upgrade West Gosford	Variation to scope of works required due to site constraints	E	3,809	66	3,875
22456	Design Koolewong Foreshore carpark - Stage 2	Additional funds required to cover unforeseen variations - funds will be released from project 24442	F	678	39	717
22488	Upgrade Warnervale Oval	Release of design contract delayed - will impact 2020-21 Capital	D	300	(100)	200
22552	Concept design and community engagement for a skate park in the Peninsula	Investigations, surveys, and Designs in 2019-20 - will impact 2020-21 Capital	D	150	(38)	112
22555	Design and construct local playspace at Heazlett Park	Funding to be transferred from 22580 Heazlett Park Amenities	A	151	25	176
22574	Upgrade Correa Bay boat ramp	Delays due to Contractor impacted by COVID-19, Materials can be ordered in 2019-20 however delivery will continue into 2020-21 - this will impact 2020-21 Capital	I	475	(225)	250
22578	Upgrade WL Lloyd Park playground	Additional funds required to complete program of works	F	83	3	87
22580	Upgrade amenities at Heazlett Park	Project saving as playground delivered under project 22555	C	1,016	(175)	841
24130	Design and construct Regional Playspace at Sun Valley Park	Project impacted by bushfires, floods and COVID-19 - will impact 2020-21	I	400	(250)	150
24131	Upgrade amenities at Adelaide St Oval, Tumbi Umbi	Project delayed due to prolonged consultation this will impact 2020-21 Capital	D	169	(57)	111

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24149	Floodlight installation at Hylton Moore Baseball Park - Grant Funded	Project completed under budget	C	304	(65)	239
24150	Colongra Bay Recreation Facility	Multi-year project. Re-phase to align with program of works - will impact 2020-21 Capital	D	500	(200)	300
24197	Refurbish Duffy's Reserve Soccer Amenities Building	Resourcing issues due to Fires and FAM unable to deliver in full in 2019-20 - will impact 2020-21 Capital	I	580	(516)	64
24202	Upgrade Rogers Park Amenities building	Scope change to include electrical supply to bore pump, car park lighting, irrigation and floodlighting.	E	50	40	90
24264	Design and Construct District Play Space at Susan Fahey Park	Project delayed due to community consultations - redesign required will impact 2020-21 Capital	D	500	(100)	400
24266	EDSACC Cricket Practice Nets	With all Contributions and Grant funding received works can now proceed - Funding released from project 24477	A	-	20	20
24442	Amenities Building Refurbishment at Chittaway Oval	Works were completed below budget. \$50k to offset project 22456 Koolewong Foreshore Carpark stage 2	C	300	(80)	220
24475	Drainage Improvements Program - Sand grooving of existing playing field drainage systems	Redirection of resources for Flooding and impact of COVID-19 which led to missing the optimal timing for grass regrowth - will impact 2020-21 Capital	I	120	(100)	20
24477	EDSACC Masterplan. Program of rolling works projects to renew and upgrade the existing asset	Project savings as co-contribution toward grant and community funded EDSACC Cricket Practice Nets	C	50	(20)	30
24483	Emergency Flood Lighting Upgrade Program	Additional funding required to cover additional scope of works	E	130	90	220
24484	Friendship Walk Boardwalk - Stage 2	Additional funds required to complete program of works	F	40	14	54
24493	Implement priority actions from Skate Park Strategy - Tunkawallin Skate Park	Contractor has put this on hold due to COVID-19 - this will impact 2020-21 Capital	I	20	(16)	4
24511	Maidens Brush Oval - drainage and irrigation installation	Project delayed due to Contractor availability will impact 2020-21 Capital	D	340	(320)	20
24537	Play space 20 year Renewal Program- design and construction of Local Play Space at Bloodtree Oval	Funding to be transferred from Inclusive playspace project 24628	F	100	20	120

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24540	Play space 20 year Renewal Program- design and construction of Local Play Space at Fagans Park Playground	Variation to scope of works required due to site constraints	E	100	15	115
24552	Redevelopment of the green fill site at Green Point Tip into a sporting facility that will be capable of holding 3-4 senior size playing fields	Impacted by Waste Section investigations	H	100	(99)	1
24567	Replacement of damaged equipment at various sports grounds	Transfer to separate project for floodlighting pole replacement at Alan Davidson Oval	G	125	(90)	35
24623	Upgrade amenities building at Hylton Moore Baseball Field	Construction to commence in 2020-21. Will impact 2020-21 Capital	D	300	(250)	50
24628	Upgrade for inclusive play spaces	Transfer to separate projects for 24537 Bloodtree Oval Play space and 25238 Terrigal Rotary District Playspace Shade Sail and Soft fall install	G	100	(45)	55
24636	Upgrade swimming enclosures at Lioness Park Gwandalan	Works were completed below budget.	C	50	(20)	30
24815	Design & Construct a local play space at Voyager St Reserve, Wadalba	Increased to reflect developer contributions	F	210	25	235
24937	Gavenlock Oval amenities upgrade	This project will roll into 2020-21 due to COVID-19 will impact 2020-21 Capital	I	157	(80)	77
25135	James Browne Oval, Woy Woy, Lighting upgrade Investigations and Design	Increased to reflect developer contributions	F	10	20	30
25236	Local Playspace Upgrade - Hylton Moore Oval Investigations	Investigations to allow project implementation 2020-21	D	-	15	15
25237	Local Playspace Upgrades - Investigations	Investigations to allow project implementation 2020-21	D	-	30	30
25238	Terrigal Rotary Park District Playspace Shade Sail and Softfall	50% Grant funding 50% Council contribution - will offset by release of funds from project 24628	A	-	50	50
25239	Local Playspace Upgrade - Halekulani Oval, Budgewoi	Community group contribution of \$156k - Investigations in 2019-20 to allow project implementation 2020-21	A	-	10	10
Open Space and Recreation Total				12,407	(2,515)	9,892
Plant and Fleet						

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
20041	G - Truck	Scope modified following customer engagement and requirements gathering	E	3,443	103	3,546
20042	B - Earthmoving Plant	Scope modified following customer engagement and requirements gathering	E	2,684	(75)	2,609
20044	E - Light Vehicle	Scope modified to meet business mobility demands proportionate to increased workforce	E	7,088	973	8,061
20045	A - Ancillary Equipment	Scope modified following customer engagement and requirements gathering	E	1,496	(308)	1,189
20046	D - Ground Care and Equipment	Scope modified following customer engagement and requirements gathering	E	1,370	16	1,386
24939	Installation Electric Vehicles Charging Stations	Scope modified following customer engagement and requirements gathering	E	138	(10)	128
Plant and Fleet Total				16,220	699	16,919
Procurement and Projects						
24503	Inventory Racking at Woy Woy store	Project delivered with savings	C	15	(2)	13
24548	Reconfigure block walls in bulk materials storage area to increase capacity and prevent cross contamination of materials at Woy Woy Depot	Unable to be delivered this financial year due to implications of COVID-19	I	10	(10)	-
24586	Sprinkler system for Bulk Materials yard for dust control at Woy Woy Depot	Project delivered with savings	C	25	(15)	10
Procurement and Projects Total				50	(27)	23
Roads, Transport and Drainage and Waste						
20556	Noraville - Reynolds Road - Kerb and Gutter Construction - Design	Budget increase due to scope expansion to deliver a place based outcome	E	150	40	190
22738	Design Carrington Street timber bridge	Project delayed due to structural design issues. Works will continue into 2020-21 as planned.	D	775	(450)	325

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
23219	Design and upgrade Greenfield Road	Budget increased due to stockpile restrictions affecting waste disposal	F	1,780	800	2,580
23224	Design and upgrade Nirvana Street and Stella Street intersection	Project savings due to construction efficiencies and waste minimisation	C	789	(80)	709
23236	Design footpath on Hiawatha Road	Project delayed due to consultant availability. Works will need to continue into 2020-21 with an adjustment required to the draft budget.	D	195	(145)	50
23254	Install safety facilities at Gwandalan Public School	Budget increase due to scope expansion to deliver a place based outcome	E	666	450	1,116
23532	Upgrade Kendal Road wharf	Project savings due to construction efficiencies and waste minimisation	C	523	(123)	400
23536	Upgrade Louisiana Road	Budget increased due to adverse weather conditions	F	225	153	378
23537	Upgrade Louisiana Road drainage	Budget increased due to adverse weather conditions during construction	F	317	143	460
23569	Upgrade Spencer Wharf	Budget increase due to scope expansion to deliver a place based outcome	E	350	30	380
23827	Anita Avenue Road Safety Facilities	Budget increase due to scope expansion to deliver a place based outcome	E	165	50	215
23829	Murrawal Road - Road Upgrade with Drainage - Design	Project savings due to construction efficiencies and waste minimisation	C	813	(200)	613

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24152	Peats Ridge - Kilpa Road Intersection upgrade design	Project savings due to design efficiencies	C	65	(61)	4
24444	Asphalt Resurfacing Program 2019-20	Project savings due to construction efficiencies and waste minimisation	C	5,108	(500)	4,608
24470	Crack Sealing Program 2019-20	Budget increase due to scope expansion to deliver a place based outcome	E	77	91	168
24512	Minor Drainage Improvement Program	Budget increase due to scope expansion to deliver a place based outcome	E	363	487	850
24520	Norah Head Masterplan Implementation Stage 2	Project delayed due to contractor availability with works planned to continue into 2020-21	D	1,385	(300)	1,085
24572	Road Preservation Program 2019-20	Project delayed due to COVID-19 related issues. Works will continue into 2020-21 as planned.	I	1,566	(966)	600
24573	Road Resealing Program - 2019-20	Budget increase due to scope expansion to deliver a place based outcome	E	7,171	1,420	8,591
24658	Arizona Rd - Road Reconstruction Block 1	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	223	150	373
24662	Beaufort Rd - Road Reconstruction Block 1	Budget increase due to scope expansion to deliver a place based outcome	E	21	69	90
24664	Blackwall Point - Resurface Boat Ramp Carpark	Budget increase due to scope expansion to deliver a place based outcome	E	50	150	200

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24665	Blanche St - Road Reconstruction	Budget increased due to poor subgrade conditions	F	37	50	87
24668	Brisbane Water Drive - Footpath Construction Stage 3	Budget increase due to scope expansion to deliver a place based outcome	E	1,314	530	1,844
24670	Carlton Rd - Traffic Safety Improvements	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	1,117	300	1,417
24673	Chelmsford Rd - Road Reconstruction Block 1	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	411	56	467
24674	Chelmsford Rd - Road Reconstruction Block 2	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	381	200	581
24676	Colongra Sports Field - Access and Intersection Construction	Project delayed due to consultant availability. Works will continue into 2020-21 as planned.	D	1,200	(900)	300
24677	Davistown Rd - Road Upgrade Stage 12	Budget increased due to need to adjust underground utilities	E	973	100	1,073
24678	Del Monte Pl - Road Reconstruction Block 2	Project forming part of Federal Government Grant Package	C	194	(194)	0
24681	Eloora Rd - Road Upgrade Stage 3	Budget increase due to scope expansion to deliver a place based outcome	E	740	300	1,040
24682	Evans Rd and Oleander Rd - Intersection Upgrade	Project savings due to construction efficiencies and waste minimisation	C	379	(110)	269

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24687	Harvey St - Road Reconstruction	Budget increase due to scope expansion to deliver a place based outcome	E	232	21	253
24688	Hawke Head Dr - Sealing Gravel Road	Project savings due to construction efficiencies and waste minimisation	C	250	(70)	180
24691	Howarth St - Road Reconstruction	Project savings due to construction efficiencies and waste minimisation	C	259	(59)	200
24693	Hutton Rd - Road Upgrade Stage 3	Budget increase due to scope expansion to deliver a place based outcome	E	473	31	504
24696	Kala Ave and Walu Ave - Road Upgrade Stage 1 and 2	Project delayed due to COVID-19 related issues and resource availability. Works will continue into 2020-21 as planned.	I	650	(300)	350
24699	Kurraba Pde - Road Reconstruction Block 1	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	449	68	517
24700	Kurraba Pde - Road Reconstruction Block 2	Project savings due to construction efficiencies and waste minimisation	C	198	(44)	154
24701	Lake Rd and Bryant Dr - Intersection Upgrade	Project delayed due to COVID-19 related issues and consultant availability. Works will need to continue into 2020-21 with an adjustment required to the draft budget.	I	1,910	(1,280)	630
24702	Lakedge Ave - Road Upgrade Stage 1	Project delayed due to COVID-19 related issues and resource availability. Works will continue into 2020-21 as planned.	I	1,031	(700)	331
24705	Lone Pine - Road Reconstruction	Budget increase due to scope expansion to deliver a place based outcome	E	67	69	135

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24707	Lumeah Ave - Embankment Stabilisation Design	Budget increase due to scope expansion to deliver a place based outcome	E	40	20	60
24708	Magenta - Shared Pathway Construction Stage 2	Project delayed due to environmental issues and resource availability. Works will continue into 2020-21 as planned.	D	750	(500)	250
24709	Maidens Brush Rd - Road Reconstruction Block 1	Budget increased due to poor subgrade conditions	E	536	15	551
24710	Maidens Brush Rd - Road Reconstruction Block 2	Budget increased due to poor subgrade conditions	E	50	64	114
24712	Maloneys Bridge - Timber Bridge Replacement	Project delayed due to structural design issues. Works will continue into 2020-21 as planned.	D	425	(325)	100
24716	Margherita Ave - Road Reconstruction Block 1	Project savings due to construction efficiencies and waste minimisation	C	317	(221)	96
24717	Margherita Ave - Road Reconstruction Block 2	Budget increased due to poor subgrade conditions	E	192	133	325
24719	Mimosa - Road Reconstruction Block 1	Budget increased due to poor subgrade conditions	E	211	120	331
24720	Mimosa - Road Reconstruction Block 2	Budget increased due to poor subgrade conditions	E	119	65	184
24722	Mutu St - Road Upgrade	Project savings due to construction efficiencies and waste minimisation	C	725	(200)	525

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24726	North Burge - Road Reconstruction	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	322	200	522
24727	Oceano St - Road Upgrade Stage 3	Budget increase due to scope expansion to deliver a place based outcome	E	1,183	837	2,021
24732	Peats Ridge Rd - Road Reconstruction	Project savings due to construction efficiencies and waste minimisation	C	860	(180)	680
24735	Pile Rd - Road Upgrade	Project delayed due to crown land ownership issues. Works will continue into 2020-21 as planned.	D	440	(240)	200
24736	Racecourse Rd - Road Reconstruction	Budget increase due to scope expansion to deliver a place based outcome	E	1,113	(355)	758
24738	Rose Street - Footpath Construction	Budget increase due to scope expansion to deliver a place based outcome	E	18	59	76
24744	Springfield Rd - Road Reconstruction Block 2	Budget increase due to scope expansion to deliver a place based outcome	E	194	250	444
24745	St Huberts Island - Pedestrian Safety Improvements	Project delayed due to structural design issues. Works will continue into 2020-21 as planned.	D	910	(810)	100
24746	St James Ave - Road Upgrade Stage 4	Project savings due to construction efficiencies and waste minimisation	C	1,305	(5)	1,300
24747	Telopea St - Road Upgrade Design	Budget increase due to scope expansion to deliver a place based outcome	E	3	14	17

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24748	The Ridgeway - Road Upgrade Stage 4	Budget increase due to scope expansion to deliver a place based outcome	E	741	231	973
24749	Tuggerawong Foreshore - Shared Pathway Construction Stage 2	Project delayed due to crown land ownership issues. Works will continue into 2020-21 as planned.	D	705	(300)	405
24751	Waratah Rd - Resurface Carpark	Budget increased due to adverse weather conditions	F	15	55	70
24752	Warrawilla Rd - Road Reconstruction	Budget increased due to poor subgrade conditions	E	189	10	199
24754	Wells St - Road Reconstruction	Budget increased due to poor subgrade conditions	E	124	15	138
24756	Wisemans Ferry Rd - Embankment Stabilisation	Project delayed due to emergency rectification works. Works will continue into 2020-21 as planned.	D	350	(300)	50
24757	Wisemans Ferry Rd - Road Upgrade Stage 4	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	1,633	442	2,075
24758	Woy Woy Town Centre - Wharf Renewal	Project delayed due to crown land ownership issues. Works will continue into 2020-21 as planned.	D	2,000	(1,640)	360
24760	Yakalla St - Road Reconstruction Block 1	Budget increased due to traffic restrictions impacting on construction	F	414	50	464
24762	Yorkeys Bridge - Timber Bridge Replacement	Project delayed due to structural design issues. Works will continue into 2020-21 as planned.	D	295	(200)	95

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24764	Avoca Dr - Drainage Upgrade Stage 4	Project delayed due to consultant availability. Works will continue into 2020-21 as planned.	D	950	(450)	500
24766	Davistown Rd - Drainage Upgrade Stage 12	Budget increased due to need to adjust underground utilities	E	117	100	217
24767	Eloora Rd - Drainage Upgrade Stage 3	Budget increase due to scope expansion to deliver a place based outcome	E	1,380	100	1,480
24769	Everglades Catchment - Drainage Renewal Stage 3	Project delayed due to COVID-19 related issues and resource availability. Works will continue into 2020-21 as planned.	I	611	(100)	511
24771	Kala Ave and Walu Ave - Drainage Upgrade Stage 1 and 2	Project delayed due to COVID-19 related issues and resource availability. Works will continue into 2020-21 as planned.	I	570	(200)	370
24772	Kilpa Rd - Drainage Upgrade	Budget increased due to adverse weather conditions during construction	F	381	10	391
24773	Lakedge Ave - Drainage Upgrade Stage 1	Project delayed due to COVID-19 related issues and resource availability. Works will continue into 2020-21 as planned.	I	627	(300)	327
24778	Ocean Pde - Drainage Outlet Upgrade	Project delayed due to COVID-19 related issues and resource availability. Works will continue into 2020-21 as planned.	I	100	100	200
24779	Oceano St - Drainage Upgrade Stage 3	Budget transferred from the road upgrade to apportion trench restoration and other overhead costs	G	850	(450)	400
24780	Ross St - Drainage Upgrade Stage 2	Budget increased due to stockpile restrictions detrimentally affecting waste disposal costs.	F	161	65	225

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24812	Buckingham Rd Footpath Works	Budget increase due to scope expansion to deliver a place based outcome	E	110	101	211
24946	Wyee Road - Traffic Safety Improvements	Budget increased due to poor pavement conditions	E	140	100	240
25141	Del Monte PI - Design, watermain relocation and tree works	Delays resulting from need to relocate utilities	D	600	(400)	200
25143	Glenrock Parade - Stage 1 works	Project delayed due to COVID-19 related issues and resource availability. Works will continue into 2020-21 as planned.	I	750	(400)	350
NEW-21	Umina Beach Carpark Shared Path	New grant funding	A	-	50	50
23702	Design and approval for cell 4.4 at Buttonderry Waste Management Facility	Multiyear project. Favourable design pricing following tendering and forecast final contract payment in early 2020-21.	D	625	(239)	386
24256	Woy Woy Waste Management Facility Stormwater management works	More favourable design options constructed by staff compared to those proposed and costed by external design consultants.	C	950	(200)	750
24257	Woy Woy Waste Management Facility Garden Organics transfer facility	Project scope was able to be reduced whilst still meeting legislative requirements following application and subsequent approved amendments to the sites Environmental Protection Licence.	E	850	(421)	429
24651	Woy Woy Weighbridge Roof Covering	Underground services identified at the design stage will require redesign of the structure and service adjustments progressively undertaken as night works to maintain business continuity.	H	118	(96)	22
Roads, Transport and Drainage and Waste Total				61,110	(6,053)	55,057
Water and Sewer						

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
15794	Water Trunk Main Preconstruction - Mardi to Warnervale	Multi year Project ahead of schedule	D	2,101	3,519	5,619
16233	Water Trunk Main Flow Meter Pit Upgrades - Region Wide	Additional budget required to cover operational Reactive Replacements	F	-	28	28
16277	Sewer Pump Station Upgrade - Cadonia Rd Tuggerawong (TO19)	Multi year project rephased	D	325	(188)	137
16396	Water Pumping Station Kiosk Replacement - Brooke Ave Killamey Vale	Project ahead of schedule	D	24	54	79
16695	Sewer Pump Station Upgrade - Clarke Rd Norville (TO06)	Multi year project rephased	D	4,522	(3,129)	1,393
16710	Sewer Pump Station Mechanical Upgrade - Ocean Pde The Entrance (BB07)	Project Complete	C	1,300	(259)	1,040
18390	Reservoir Valve Replacement - Tuggerah 1 Kangy Angy	Construction delayed to cooler months when water demand is at its lowest	D	58	(41)	17
18739	Water Main and Network Monitoring and Improvements - Region Wide	Multi year Program ahead of schedule	D	8	2	10
19274	Sewer Treatment Plant-K - Tanker Drop Point	Multi year project rephased	D	12	(5)	7
19279	Sewage Treatment Plant New Thickener Unit - Kincumber	Project Complete	F	62	16	78
19283	Sewage Treatment Plant Digester Renewal - Kincumber	Lower priority project on hold to allow higher priority projects to commence	D	223	(14)	208
19296	Sewer Pump Station – Narara 7 and Narara 7A	Multi year Project ahead of schedule	D	17	102	119
19297	Sewer Pump Station Renewal - Railway Cr Woy Woy (WWMJ)	Project Complete	C	4	(2)	2
19306	Sewer Rising Main Upgrade - Kincumber Rising Main	Lower priority project on hold to allow higher priority projects to commence	H	105	(18)	87

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
19317	Sewer Odour Control Upgrade Program - Region Wide	Project Complete	F	380	177	557
19320	Sewer Pump Station and Main Upgrade - Riverside Park West Gosford	Delays due to property access restrictions	D	336	(201)	135
19325	Sewer Main – Woy Woy – Effluent Disposal Main Critical Valves	Project Complete	C	45	(5)	40
19329	Sewer Rising Main Isolation Valve Installation - Killcare Carrier Main	Multi year program rephased	D	145	(62)	82
19347	Water Highlift Pump Station Works - Mardi	Lower priority project on hold to allow higher priority projects to commence	D	60	(59)	1
19416	Dam Intake Tunnel Eel Screen Installation - Mangrove Creek Dam, Boomerang Creek Tunnel	Project delayed due to recent drought and bushfires in the area	D	97	(94)	4
20757	Sewer Infrastructure Reinforcements - Gosford CBD	Multi year program ahead of schedule	D	1,094	65	1,159
20759	Sewage Treatment Plant Major Augmentation Works - Chamhaven	Multi year program ahead of schedule	D	219	109	328
20761	Sewer System Bolt Down Cover Installation - Coastal System	Multi year program ahead of schedule	D	228	114	342
20765	Sewer Pump Station Emergency Overflow Prevention - Cochrone St Kincumber (KMJ)	Multi year project rephased	D	144	(76)	68
20771	Sewer Pump Station Upgrade - Glenrock Pde Tascott (WG06)	Preliminary works for 2020-21 Program	D	-	99	99
20772	Sewer Pump Station Upgrade - Lakeside Dr MacMasters Beach (SPSM01)	Preliminary works for 2020-21 Program	D	-	10	10
20775	Sewer Pump Station Upgrade - Cowper Rd Umina Beach (SPSOB04)	Preliminary works for 2020-21 Program	D	-	9	9
20777	Sewer Pump Station Upgrade - Victory Pde Tascott (WG05B)	Preliminary works for 2020-21 Program	D	-	105	105

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
20780	Sewer Gravity Main Augmentations - Region Wide	Multi year program ahead of schedule	D	172	88	260
20783	Kincumber Sewage Treatment Plant - Building Refurbishment	Preliminary works for 2020-21 Program	D	9	3	13
20794	Water Infrastructure Reinforcements - Gosford CBD	Multi year program rephased	D	470	(6)	464
20807	Reservoir Exterior Repairs - Beatties Rd Green Point	Project delayed due to site and procurement issues related to COVID-19	I	560	(97)	463
20810	Water Trunk Main Renewal Program - Region Wide	Program ahead of schedule	F	2,135	48	2,183
20815	Dam Foundation Core Shed Renewal - Kulnura	Additional site works required	E	52	49	101
20819	Reservoir Generator Purchase and Installation - Region Wide	Multi year program ahead of schedule	D	56	20	75
20824	Region Wide - Replacement Of Defective Stop Valves	Additional budget required to cover operational Reactive Replacements	F	19	54	72
20826	Dam Spillway Remediation - Mangrove Creek Dam Kulnura	Scope expanded to include project 20843 Dam Spillway Wall Joints for improved efficiency and delivery	E	425	17	442
20827	Reservoir Safety Investigation - Region Wide	Multi year program rephased	D	11	(5)	6
20829	Dam Destrat Aeration Pipework Renewal - Mooney Mooney Dam Somersby	Project delayed due to recent drought and bushfires in the area	D	-	(4)	(4)
20839	Water Main Leakage Management Flow Meter Installation - Region Wide	Lower priority project on hold to allow higher priority projects to commence	H	55	(55)	-
20843	Dam Spillway Wall Joint Replacement - Mangrove Creek Dam Kulnura	Project amalgamated with project 20826 Dam Spillway Remediation for improved efficiency and delivery	D	17	(17)	-
20849	Dam Crest Replacement and Remediate Dam Face - Mooney Mooney Dam Somersby	Project amalgamated with project 22682 for improved efficiency and delivery	D	7	(7)	-

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
21822	Sewer Rising Main Renewals - Region Wide	Lower priority project on hold to allow higher priority projects to commence	D	60	(8)	52
21835	Water Service Connection -South 2	Customer funded water connections	F	552	385	937
22001	Dam Upgrades to Access Shaft & Lower Chamber System - Boomerang Creek Portal	Preliminary works for 2020-21 Program	D	-	10	10
22004	Water Pump Station Pump Refurbishment - Mangrove Mountain	Additional site works required	E	0	8	9
22242	Sewer Pump Station Odour Control Unit Installation - Willoughby Rd Terrigal (C4)	Project Complete	F	83	6	89
22260	Water Pump Station Refurbishment - The Rampart Umina Heights	Lower priority project on hold to allow higher priority projects to commence	D	116	(37)	79
22261	Water Pump Station Upgrade - Wards Hill Rd Killcare Heights	Multi year project rephased	D	87	(77)	10
22353	Woy Woy Bore Water Treatment Plant Instrumentation Replacement	Additional budget required to cover operational Reactive Replacements	F	-	2	2
22407	Water Pump Station Capacity Upgrade - Mooney Mooney Dam Somersby	Multi year project rephased	D	354	(59)	294
22632	Sewer Hydraulic Model Development - Region Wide	Multi year program rephased	D	197	(85)	111
22633	Water Treatment Laboratory Sampling and Testing Database - Region Wide	Project deferred to allow additional scoping	H	85	(85)	0
22637	Sewage Treatment Plant Installation of Aeration Mixers - Kincumber	Multi year Project ahead of schedule	D	18	5	23
22644	Replace sludge scrapers at Kincumber Sewage Treatment Plant	Phase 1 Complete	C	18	(8)	10
22659	Water Pump Station Rising Main Surge Vessel Upgrades - Mangrove Creek Weir	Project delayed due to recent drought and bushfires in the area	D	129	(124)	5

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
22661	Dam Outlet Tunnel Renewals - Mangrove Creek Dam Kulnura	Project amalgamated with project 22702 for improved efficiency and delivery	D	27	(27)	-
22667	Rising Main Meter and Pit Replacement - Mooney Dam	Multi year project ahead of schedule	D	26	5	31
22668	Upgrade Mooney Dam fibre link	Project Complete	C	136	(12)	124
22673	Water Treatment Plant Filter Tile Pits and Pipework Renewal - Somersby	Costs slightly higher than forecast	F	44	10	55
22677	Water Treatment Plant Workshop Upgrades - Somersby	Lower priority project on hold to allow higher priority projects to commence	D	59	(56)	3
22679	Sewer Rising Main Upgrade - Bungary Road Norah Head (TO08A)	Multi year Project ahead of schedule	D	3	24	26
22682	Dam Survey Network upgrade - Mooney Mooney Dam Somersby	Project amalgamated with project 20849 for improved efficiency and delivery	D	68	4	72
22683	Sewer Pump Station Pump Replacement - McDonagh Rd Tacoma (WS29)	Lower priority project on hold to allow higher priority projects to commence	D	250	(191)	58
22684	Sewer Pump Station Upgrade - Lakedge Ave Berkeley Vale (WS36)	Project Complete	F	11	7	18
22691	Water Main and Penstock Renewal - Mangrove Creek	Project delayed due to recent drought and bushfires in the area	D	55	(19)	36
22693	Sewer Pump Station Renewal - Crystal St Forresters Beach (FB1)	Multi year project rephased	D	119	(22)	98
22694	Sewage Treatment Plant Sludge Mechanical Dewatering Renewal - Kincumber	Additional investigation required before construction can proceed	D	97	(39)	58
22702	Upgrade Mangrove Creek Dam intake tower	Project scope expanded to include project 22661 Dam Outlet Tunnel renewals, for improved efficiency and delivery	E	132	(73)	59
23719	Water Main Internal Renewal Program - Region Wide	Additional site works required	E	1,142	45	1,186

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
23773	New high voltage substation at Kincumber sewer pump station	Project delays due to high complexity	D	39	(18)	21
23774	Sewage Treatment Plant Clarifier 3 Refurbishment - Bateau Bay	Lower priority project on hold to allow higher priority projects to commence	D	555	(357)	198
23775	Sewage Treatment Plant Mechanical and Electrical Workshop Upgrades - Charmhaven and Wyong South	Lower priority project on hold to allow higher priority projects to commence	D	80	(67)	13
23779	Sewer Rising Main Partial Replacement - Mannering Park (MP08)	Multi year project rephased	D	200	(173)	27
23780	Network and Automation Remote Telemetry Unit Replacement - Region Wide	Multi year program rephased	D	245	(11)	234
23782	Sewer Reactive and Program Planning - Region Wide	Additional budget required to cover operational Reactive Replacements	F	142	2	145
23785	Upgrade Kanagara Reservoir	Multi year Project ahead of schedule	D	15	14	29
23788	Water Reactive and Program Planning - Region Wide	Additional budget required to cover operational Reactive Replacements	F	229	103	332
24258	Water Treatment Plant Major Electrical Renewal - Mardi	Multi year project rephased	D	950	(280)	671
24259	Water Valve Replacement - Woy Woy	Costs lower than forecast	C	266	(120)	146
24262	Water and Sewer Asset and Network Security Installations - Region Wide	Project delayed due to site and procurement issues related to COVID-19	I	(0)	(377)	(377)
24518	Network and Automation Replacements - Region Wide	Project Complete	F	342	3	345
24519	Network and Automation Server Replacements - Region Wide	Costs slightly higher than forecast	F	154	12	166
24577	30-106 - Sewer LPSS Vacuum System - Minor Asset Renewal/Replace Programs	Additional budget required to cover operational Reactive Replacements	F	280	38	318

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
24578	30-112-RF1 - Critical Sewer Main Rehabilitation - Reticulation System	Project savings	C	5,815	(445)	5,369
24579	30-124 - Sewer Pump Station - Minor Asset Renewal/Replace Programs	Multi year program ahead of schedule	D	638	118	756
24580	Sewer Pump Station Electrical and Control Switchboard Replacement Program - Northern Region	Multi year program ahead of schedule	D	201	425	626
24581	Sewer Pump Station Electrical and Control Switchboard Replacement Program - Southern Region	Multi year program rephased	D	342	(28)	314
24642	20-112-2 - Annual Water Main Renewal Program	Multi year program ahead of schedule	D	2,129	691	2,820
24643	20-118-1 - Annual Water Meter Replacement Program - Region Wide	Annual program complete	F	507	37	544
24645	20-136 - Water Reservoir - Minor Asset Renewal/Replace Programs	Multi year program ahead of schedule	D	19	11	30
24646	Water and Sewer Infrastructure - Warnervale Town Centre	Multi year program ahead of schedule	D	700	81	781
24787	20-138 - Water Reservoir - Minor New Asset Programs	Multi year program ahead of schedule	D	60	4	64
NEW-22	Sewage Treatment Plant Road Renewal - Kincumber	Preliminary works for 2020-21 Program	D	-	8	8
NEW-23	Sewage Treatment Plant Grit Bins - Kincumber	Preliminary works for 2020-21 Program	D	-	58	58
NEW-24	Sewage Treatment Plant Building Upgrade - Kincumber	Preliminary works for 2020-21 Program	D	-	2	2
NEW-25	Sewer Rising Main Replacement - Koowaong Road Gwandalan (GW02)	Preliminary works for 2020-21 Program	D	-	41	41
NEW-26	Sewer Rising Main Replacement - Maitland Bay Dr Ettalong Beach (E02)	Preliminary works for 2020-21 Program	D	-	9	9

Project Number	Project Description	Description of Proposed Budget Amendment	Change Type	Approved Full Year Budget	Proposed Q2 change	Proposed Full Year Budget
NEW-27	Sewer Network Assets - Reinstallation of Overflow Monitoring - Region Wide	Preliminary works for 2020-21 Program	D	-	28	28
NEW-28	Sewer Pump Station Renewal - Government Road Summerland Point (GW05)	Preliminary works for 2020-21 Program	D	-	40	40
NEW-29	Sewer Pump Station Renewal - Lagoon Street Ettalong Beach (E01)	Preliminary works for 2020-21 Program	D	-	39	39
NEW-30	Sewer Pump Station Renewal - Bayside Dr Green Point (GP03)	Preliminary works for 2020-21 Program	D	-	41	41
NEW-31	Sewer Pump Station Renewal - Mulhall St Wagstaffe (HB04)	Preliminary works for 2020-21 Program	D	-	36	36
NEW-32	Sewer Pump Station Renewal - Brisbane Water Dr Koolewong (WG08)	Preliminary works for 2020-21 Program	D	-	39	39
NEW-33	Sewer Pump Station Access Upgrades - Blue Bell Dr Wamberal (C14)	Preliminary works for 2020-21 Program	D	-	11	11
NEW-34	Sewer Pump Station Access Upgrades - (K05)	Preliminary works for 2020-21 Program	D	-	4	4
NEW-35	Water Trunk Main Renewal - Davistown Rd Saratoga	Preliminary works for 2020-21 Program	D	-	43	43
NEW-36	Water Trunk Main Renewal - Avoca Lagoon	Preliminary works for 2020-21 Program	D	-	8	8
Water and Sewer Total				33,269	(1)	33,269
Total				178,510	(21,156)	157,353