



AGENDA

**FOR FINANCE AND CORPORATE SERVICES COMMITTEE MEETING TO BE
HELD ON**

**20 SEPTEMBER 2021 AT CONCLUSION OF POLICY AND PLANNING
COMMITTEE**

**IN THE LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY HUB,
34 CHURCH STREET, SALISBURY**

MEMBERS

Cr D Proleta (Chair)
Mayor G Aldridge
Cr M Blackmore
Cr L Braun
Cr B Brug
Deputy Mayor, Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen (Deputy Chair)
Cr S Ouk
Cr S Reardon
Cr G Reynolds
Cr J Woodman

REQUIRED STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Infrastructure, Mr J Devine
General Manager Community Development, Mrs A Pokoney Cramey
General Manager City Development, Ms M English
Manager Governance, Mr R Deco
Team Leader Corporate Governance, Mr B Kahland
Governance Support Officer, Ms K Boyd

APOLOGIES

LEAVE OF ABSENCE

PRESENTATION OF MINUTES

Presentation of the Minutes of the Finance and Corporate Services Committee Meeting held on 16 August 2021.

REPORTS

Administration

2.0.1 Future Reports for the Finance and Corporate Services Committee..... 5

For Decision

2.1.1 2020-2021 Carried Forward Funds and Budget Adjustments..... 7

2.1.2 Loan Borrowings 2020/21 and 2021/22 53

OTHER BUSINESS

CLOSE



**MINUTES OF FINANCE AND CORPORATE SERVICES COMMITTEE MEETING
HELD IN THE LITTLE PARA CONFERENCE ROOMS, SALISBURY COMMUNITY
HUB, 34 CHURCH STREET, SALISBURY ON**

16 AUGUST 2021

MEMBERS PRESENT

Cr D Proleta (Chairman)
Cr M Blackmore
Cr L Braun
Deputy Mayor, Cr C Buchanan
Cr A Duncan
Cr K Grenfell
Cr N Henningsen
Cr D Hood
Cr P Jensen (Deputy Chairman)
Cr S Ouk
Cr S Reardon
Cr G Reynolds
Cr J Woodman

STAFF

Chief Executive Officer, Mr J Harry
General Manager Business Excellence, Mr C Mansueto
General Manager City Infrastructure, Mr J Devine
General Manager Community Development, Ms A Pokoney Cramey
Manager Governance, Mr R Deco
Governance Coordinator, Ms J Rowett
Governance Support Officer, Ms K Boyd

The meeting commenced at 7.57 pm.

The Chair welcomed the members, staff and the gallery to the meeting.

APOLOGIES

Apologies were received from Mayor G Aldridge and Cr B Brug.

LEAVE OF ABSENCE

Nil

PRESENTATION OF MINUTES

Moved Cr G Reynolds
Seconded Cr P Jensen

The Minutes of the Finance and Corporate Services Committee Meeting held on 19 July 2021, be taken as read and confirmed.

CARRIED

REPORTS

Administration

2.0.1 Future Reports for the Finance and Corporate Services Committee

Moved Cr S Reardon
Seconded Cr P Jensen

That Council:

1. Receives and notes the information.

CARRIED

Cr D Hood left the meeting at 7.56 pm.

For Decision

2.1.1 Treasury Report for the Year Ended 30 June 2021

Cr D Hood returned to the meeting at 7.58 pm.

Moved Cr J Woodman
Seconded Cr P Jensen

That Council:

1. Receives and notes the information.

CARRIED

OTHER BUSINESS

Nil

The meeting closed at 8.00 pm.

CHAIR.....

DATE.....

ITEM	2.0.1
	FINANCE AND CORPORATE SERVICES COMMITTEE
DATE	20 September 2021
HEADING	Future Reports for the Finance and Corporate Services Committee
AUTHOR	Michelle Woods, Projects Officer Governance, CEO and Governance
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community
SUMMARY	This item details reports to be presented to the Finance and Corporate Services Committee as a result of a previous Council resolution. If reports have been deferred to a subsequent month, this will be indicated, along with a reason for the deferral.

RECOMMENDATIONThat Council:

1. Receives and notes the information.

ATTACHMENTS

There are no attachments to this report.

1. BACKGROUND

- 1.1 Historically, a list of resolutions requiring a future report to Council has been presented to each committee for noting.

2. CONSULTATION / COMMUNICATION**2.1 Internal**

- 2.1.1 Report authors and General Managers.

2.2 External

- 2.2.1 Nil.

3. REPORT

- 3.1 The table below outlines the reports to be presented to the Finance and Corporate Services Committee as a result of a Council resolution.

Meeting Item	Heading and Resolution	Officer
22/02/2021 2.1.2 Due:	Event Management Framework & Room Booking Fees & Charges, Salisbury Community Hub 1. That the update on the use of the Salisbury Community Hub be noted and pending further assessment a report be brought back to Council. February 2022	Julie Kushnir
22/02/2021 2.4.1 Due:	Update on Action on Rates Assessment Outstanding under Section 184 of the Local Government Act 1999 Council has previously resolved this resolution to be confidential. November 2021	Kate George

4. CONCLUSION / PROPOSAL

- 4.1 Future reports for the Finance and Corporate Services Committee have been reviewed and are presented to Council for noting.

CO-ORDINATION

Officer: Executive Group GMBE
Date: 13/09/2021 06/09/2021

ITEM	2.1.1
	FINANCE AND CORPORATE SERVICES COMMITTEE
DATE	20 September 2021
HEADING	2020-2021 Carried Forward Funds and Budget Adjustments
AUTHORS	Joe Scordo, Senior Management Accountant, Business Excellence Christy Martin, Team Leader Project Support, City Infrastructure
CITY PLAN LINKS	4.2 We deliver quality outcomes that meet the needs of our community

SUMMARY This report and the associated attachments summarises the operating and infrastructure budgets that are required to be carried forward from the 2020/2021 Financial Year to the 2021/22 Financial Year and other budget adjustments for 2020/21.

RECOMMENDATION

That Council:

1. Approves the 2021/22 budget be increased with \$26,088,600 funds carried forward to be applied as detailed in the Schedule of Funds Carried Forward from 2020/2021 to 2021/2022 in Attachment 1 to this report (Item No. 2.1.1, Finance and Corporate Services Committee, 20/9/2021).
2. Approves the 2020/2021 project expenditure budgets be reduced to reflect returned funds of \$13,220,200, reduction in grant income of \$534,000, and transfer to developer reserve of \$221,900 as per the Schedule of Funds Returned to Council 2020/2021 in Attachment 2 to this report (Item No. 2.1.1, Finance and Corporate Services Committee, 20/9/2021).
3. Approves the 2020/2021 project expenditure budgets be increased to reflect additional actual expenditure of \$225,000, as per the Schedule of Budget Adjustments 2020/2021 in Attachment 3 to this report (Item No. 2.1.1, Finance and Corporate Services Committee, 20/9/2021).
4. Approves transfers of \$1,306,000 to balance completed programs and projects, and appropriately align budgets for carry forward purposes, as per the Schedule of Budget Transfers 2020/21 in Attachment 4 to this report (Item No. 2.1.1, Finance and Corporate Services Committee, 20/9/2021).
5. Approves the 2020/21 project over expenditures be offset within the respective 2021/22 program budget allocations:

Property & Buildings	
PR26231 Salisbury United Season Relocation Expenses	\$17,800

6. Approves the 2021/22 Budget be adjusted to remove the second instalment payment of Local Roads and Community Infrastructure grant of \$1,349,100 noting these funds were received in 2020/21 and included in the 2020/21 Third Quarter Budget Review. Details of these adjustments are contained in Attachment 5 to this report Schedule of Grant Funding Adjustments (Item No. 2.1.1, Finance and Corporate Services Committee, 20/9/2021).
7. Approves the 2020/21 Budget be adjusted for successful grant funding of \$137,400, with expenditure budgets carried forward, as detailed in Attachment 5 to this report Schedule of Grant Funding Adjustments (Item No. 2.1.1, Finance and Corporate Services Committee, 20/9/2021).

ATTACHMENTS

This document should be read in conjunction with the following attachments:

1. Schedule of Funds Carried Forward from 2020/21 to 2021/22
2. Schedule of Funds Returned to Council 2020/21
3. Schedule of Budget Adjustments
4. Schedule of Budget Transfers
5. Schedule of Grant Funding Adjustments
6. Capital Carry Forward Report, 2020/21

BACKGROUND

- 1.1 Each year as part of the End of Financial Year process there is a need to review budgets to identify funds to be carried forward, to provide budgets in the following year for completion of projects in progress or delayed due to unforeseen circumstances.

2. CONSULTATION / COMMUNICATION

2.1 Internal

- 2.1.1 As part of the 2020/2021 end of financial year processes Financial Services call for and receive requests from staff that outline any funds that are being requested to be carried forward from the 2020/2021 Financial Year into the 2021/22 Financial Year. As appropriate and when needed Financial Services meet with the relevant managers and review the request in line with the guidelines for carry forward funds.
- 2.1.2 Team Leader Project Support has liaised extensively across the City Infrastructure Department in supporting the carry forward process.

3. REPORT

- 3.1 The schedule of funds carried forward from 2020/2021 into 2021/2022 is contained in Attachment 1. The schedule details the nature of the budgets and the extent of external funding. The total level of capital carry forwards from 2020/2021 of \$26.1M (circled in blue in the table below) is an increase of \$7.0M when compared with the prior year of \$19.1M, with the more significant items being within transport and strategic projects.

Total Capital

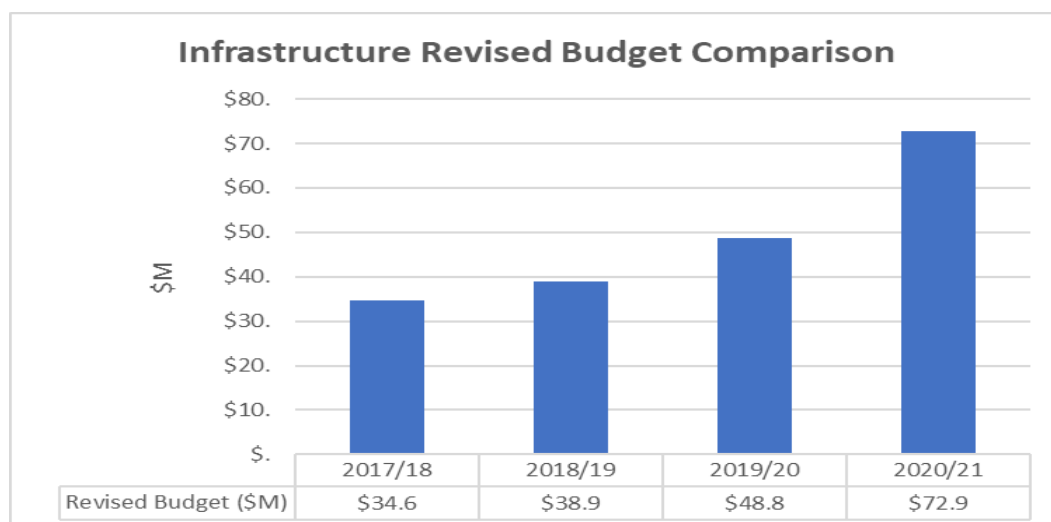
- 3.2 In the 2020/21 year the original infrastructure budget (inclusive of Information Technology and Plant, Office Furniture and Equipment) was \$63.6M, which was increased as a result of carry forwards of \$15.6M, followed by a \$3.6M Budget Review reduction, resulting in a Revised Budget of \$75.6M. This is as detailed in the table below circled in red.

2020/2021 Project Delivery & Carry Forward Summary

Budget Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Infrastructure Capital												
Infrastructure Capital	54,769,900	6,382,100	-4,042,400	59,187,100	17,227,800	29%	4,731,200	8%	14,036,404	24%	8,525,700	14%
PF&E (Currently Fleet)	1,188,000	676,094	-459,600	1,404,494	459,700	33%	124,600	9%	683,465	49%	3,300	0%
Strategic Projects	7,575,000	6,041,900	755,900	12,295,300	3,791,800	31%	250,000	2%	2,364,028	19%	3,778,800	31%
Sub Total of Infrastructure	63,532,900	13,100,094	-3,746,100	72,886,894	21,479,300	29.5%	5,105,800	7%	17,083,897	23.4%	12,307,800	16.9%
End of 2019/20					7,282,200	14.9%						
Other												
Strategic Property	0	1,711,100	0	1,711,100	701,100	41%	0	0%	76,734	4%	0	0%
Information Services	100,000	797,700	116,000	1,013,700	509,000	50%	0	0%	282,126	28%	148,900	15%
Sub Total of Other	100,000	2,508,800	116,000	2,724,800	1,210,100	44%	0	0%	358,859	13%	148,900	5%
Total of Capital	63,632,900	15,608,894	-3,630,100	75,611,694	22,689,400	30%	5,105,800	7%	17,442,757	23%	12,456,700	16%
Operating												
Operating Components of Capital	714,400	1,163,700	-191,500	2,452,350	503,200	21%	0	0%	0	0%	763,500	31%
Other Operating	121,984,000	2,282,400	757,600	125,024,000	2,896,000	2%	56,400	0%	0	0%	0	0%
Total of Operating	122,698,400	3,446,100	566,100	127,476,350	3,399,200	3%	56,400	0%	0	0%	763,500	1%
Total	186,331,300	19,054,994	-3,064,000	203,088,044	26,088,600	13%	5,162,200	3%	17,442,757	9%	13,220,200	7%

Infrastructure Capital

- 3.3 The requested carry forward amount of \$21.5M is 29.5% (circled in green in the table above), with committed funds at year end totalling \$17.1M or 23.4% (circled in orange) which when combined with actual spend reduces the requested carry forward amount to \$4.4M or 6.0% of the Revised Budget.
- 3.4 The 2020/21 financial year was the first year of the two-year Capital Recovery Program developed to stimulate the economy and aid in the recovery following the pandemic, therefore the program is a significantly larger capital program. During the year, the program grew with the addition of grant funding and other endorsed initiatives, which collectively resulted in a Revised Budget of \$72.9M at the year end. The following graph demonstrates the increase in Revised Budget at year end compared to an initial desire to lift the capital spend to \$50M;



- 3.5 There were significant achievements delivered in the 2020/21 financial year including the laying of the synthetic track at Bridgestone Reserve, craning in and placement of the new shared-use bridge at Mawson Lakes, construction of two new roundabouts at Greenfields improving traffic safety and heavy vehicle movements in the area, and the installation of new digital signage in three key locations within the City.
- 3.6 The impacts associated with the pandemic continues to pose new challenges and creates an ever-changing environment for the design and construction industry. Whilst efforts are made to mitigate and minimise the impacts and associated risks, some items continue to impact the delivery of the Capital Recovery Program including;

3.6.1 Supply Chain

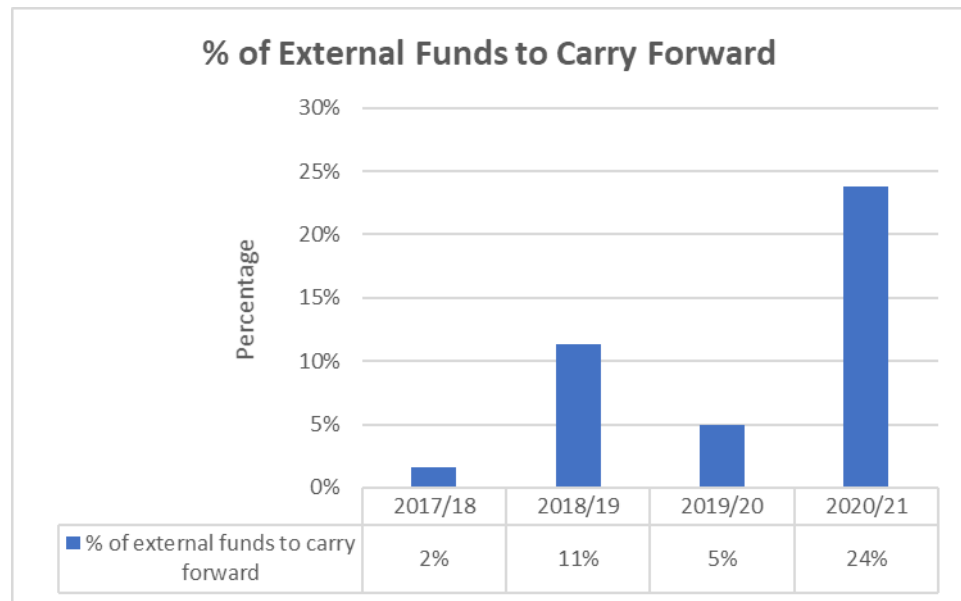
With outbreaks and restrictions, the ability to ship and transport required materials and goods has been significantly hampered. Similarly, the manufacturing industry has encountered this issue which delays the ability to produce the required items. Where possible, projects are reviewed and modified to utilise available alternatives and at times requires design changes to accommodate.

3.6.2 Resourcing

City of Salisbury has proactively developed a stimulus program to aid in the pandemic recovery, however other levels of Government have also done the same. This collectively resulted in an increased demand on the consultancy and construction industry bringing many to their resource work capacity. This issue impacts on our ability to resource internally and our ability to buy in required resourcing of projects. Alternative approaches to planning and scheduling of the 2021/22 works is already underway in an effort to attract the required resourcing through tactics such as alternative packaging of works (including consultancy work) to increase market attraction, and increase in design and construction contracts.

3.6.3 Grant Funding

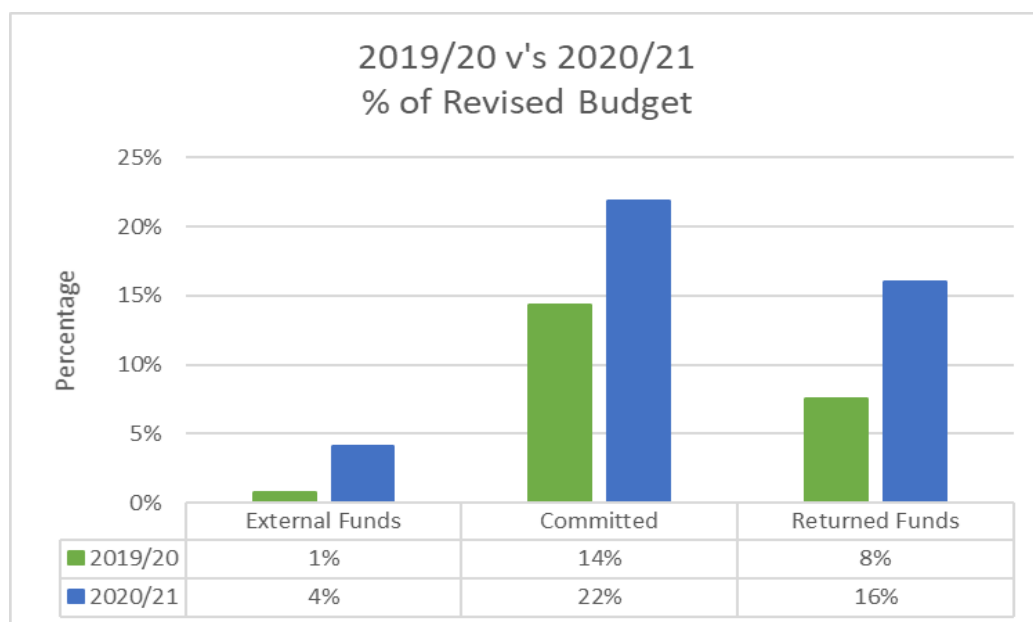
To stimulate the economy, the number of grant funded programs and their associated values has increased, with the City of Salisbury successfully awarded additional funding from both the State and Federal Government throughout the year. Grant funding programs generally have terms and conditions which can restrict the scheduling of the works, which increases competition in the market place. The following graph demonstrates the increase in the percentage of external funding included within the Carry Forward in comparison to the previous three years.



3.6.4 Community Engagement

Another key change which resulted in delays in the delivery of the Capital Recovery Program, was the introduction of new community engagement framework and associated processes. This enabled the community to more effectively participate in the development of projects and as a result required additional time to do so effectively. For the Street Tree Program, this new process plus the revision of the tree palette, will see the planting of streets deferred until autumn of 2021/22. In an effort to streamline this program for 2021/22, propagation and sourcing of stock has already commenced, as has the development of procurement strategies to attract the required contractual resources.

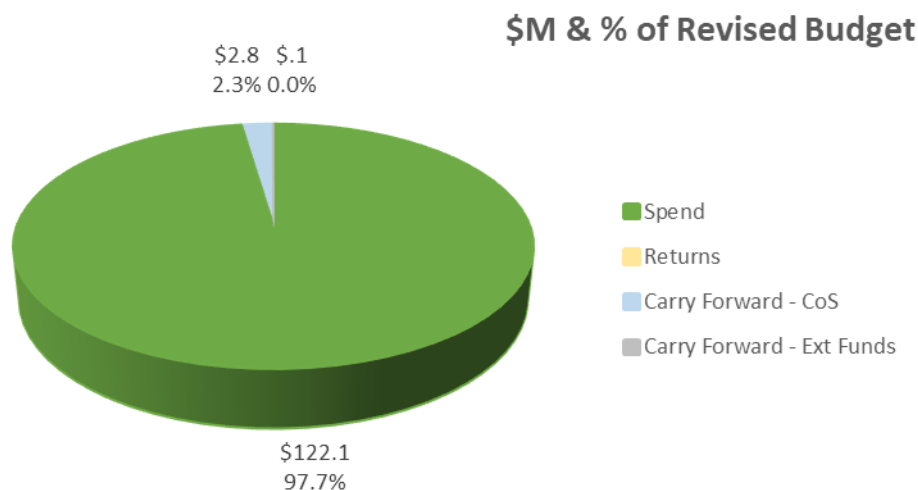
- 3.7 Whilst the program has encountered delays which has resulted in a higher level of Carry Forward this financial year, primarily resulting from the current external circumstances. The vast majority of the carry forward is for work that is already underway and / or committed which will result in delivery for the community over coming months (with most completed at the time of preparing this report). The percentage of work in progress and committed at the end of the financial year is higher than that of the previous financial year as demonstrated below;



- 3.8 For full program details, refer to Attachment 6 where the information is collated into asset categories to align with the financial tables provided.

Operating

- 3.9 Carry forwards total \$3,399k comprised of \$2,986k of operational budget carry forward (2019/20 \$2,283k) and \$503k of operating components of capital carry forward (2019/20 \$1,214k).
- 3.10 The graph and table below illustrate operating carry forward funds for 2020/21 financial year.



- 3.11 Operating Expenditure Carry Forward (excluding operating components related to the Capital Program) is \$2,896k, which is 2.3% of the revised operating budget, with many carry forwards resulting from the impacts of COVID-19 and key organisational transformational projects. Major items include Cyber Security \$542k, Elections \$312k and Data Analytics \$253k.

- 3.12 Elected Member Training of \$30k has been carried forward in line with council policy being that the balance of training budget not expended in the immediate proceeding year be carried forward for one year.

Returned Funds (Recommendation 2)

- 3.13 This financial year funds of \$13.2M are being returned, with the typical level of returned funds being \$3M-\$4M, and noting a significant confidential item of \$3.5M. The balance of \$6M-\$7M including PR12000 Road Reseal Program \$1.8M, PR13725 Major Traffic Improvements Program \$460k, PR25950 LED Public Lighting Program \$1.2M, PR22229 Major Flood Mitigation \$561k, together with returns against a number of programs. It should be noted that works will continue with adequate program funds provided for the 2021/22 year. Further details are contained in Attachment 2.

Budget Adjustments (Recommendation 3)

- 3.14 Budget adjustments of \$225k are required to balance specific projects, with most amounts being relatively minor. With the more significant being PR26183 Construction Industry Training Levy \$92.2k with this cost covered within a raft of projects and reflected in returned funds and PR18801 Hoyle Green \$81.8k resulting from a carry forward omission in 2019/2020. Further details are contained in Attachment 3.

Budget Transfers (Recommendation 4)

- 3.15 Budget transfers of \$1.3M are required to move funds between projects and balance project actuals to the budgets provided. Some of the larger transfers are to move funds from PR21478 Public Lighting Program to PR25424 Digital Signage Projects \$170k, from PR18097 Building Renewal Operating to Capital \$283,100, and from PR22820 St Kilda Breakwater Renewal to PR25027 St Kilda Masterplan Implementation. Further details are contained in Attachment 4.

Project Over-expenditures (Recommendation 5)

- 3.16 In 2020/21 there has been a minor over-expenditure in PR26231 Salisbury United Season Relocation Expenses, which is a result of timing and will be funded within the 2021/2022 budget allocation for this project.

Grant Funding Adjustments (Recommendations 6 & 7)

- 3.17 It was originally expected that only one quarter of Local Roads and Community Infrastructure grant funding would be received in 2020/21, however two quarters were received and incorporated into the 2020/21 budget. The 2021/22 budget incorporates three quarters of funding, and consequently one quarter needs to be removed (Recommendation 6 & Attachment 5)
- 3.18 Minor additional grant funding amounts were received in 2020/21 totalling \$137k, which necessitates the creation of income and expenditure budgets, with the expenditure budgets carried forward into 2021/22 to enable these projects to be delivered. (Recommendation 7 & Attachment 5)

4. CONCLUSION / PROPOSAL

- 4.1 The level of carry forward funds at the completion of 2020/2021 is \$26.1M which is higher than in the prior year (\$19.1M) primarily as a result of external factors associated with the pandemic.
- 4.2 Following endorsement of the recommendation in this report these amounts will be included into the revised budget for 2021/22, and also be included in the 2020/2021 Financial Statements as a Reserve.

CO-ORDINATION

Officer: Executive Group
Date: 13/09/2021

RECOMMENDATION 1. SCHEDULE OF FUNDS CARRIED FORWARD FROM 2020/21 TO 2021/22

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2021/22		
		COUNCIL	EXTERNAL	TOTAL
WORKS IN PROGRESS				
INFRASTRUCTURE CAPITAL WORKS				
	Transportation			
13725	Major Traffic Improvement Program	44,200	1,089,500	1,133,700
13952	School Zones and Pedestrian Crossing Pr	124,000	248,300	372,300
14498	Council Funded Footpath Program	29,500		29,500
14804	Bicycle Network Program	51,500		51,500
17190	City Wide Trails	338,200	316,600	654,800
17754	Sportsfield Lighting Program	10,900		10,900
20548	Bridge Program	37,600		37,600
21413	Carpark Program	107,200		107,200
21478	Public Lighting Program	184,700		184,700
22515	Transportation Planning Program	75,100		75,100
22852	Bus Shelter Renewal & Stop Improvement Program	173,000		173,000
24793	Louisa Rd/Deal Ct, Paralowie, Road Upgrade	100,000		100,000
25027	St Kilda Master Plan Stage 2 Implementation	224,700		224,700
25544	Main North Road, Service Road, Salisbury East	84,800		84,800
25924	Waterloo Cnr & Kings Road Safety & Improvements	357,700		357,700
25950	LED Public Lighting Program	1,258,600		1,258,600
26080	Local Roads & Community Infrastructure Prog - Phase 2		1,043,500	1,043,500
	Sub-Total	3,201,700	2,697,900	5,899,600
	Property & Buildings			
17598	Club / Sport Facilities Minor Capital Grants Program	293,500		293,500
18097	Building Renewal Program	921,600		921,600
20017	Building Upgrade Program	195,200		195,200
	Confidential Item	200,000		200,000
21389	Priority Access Upgrades - Buildings	121,200		121,200
23282	CCTV Maintenance & Renewal Program	19,300		19,300
25077	Public & Community Artwork Program	62,600		62,600
25430	Security System Upgrades	131,900		131,900
25869	New Toilet Facilities	4,800		4,800
	Confidential Item	13,100		13,100
26080	Local Roads & Community Infrastructure Prog - Phase 2		921,000	921,000
30085	Animal Pound, Pooraka	165,700		165,700
	Sub-Total	2,128,900	921,000	3,049,900
	Drainage & Waterways			
17205	Watercourse Management Works	135,900		135,900
22229	Major Flood Mitigation Projects	519,300		519,300
22820	St Kilda Breakwaters Renewal Program	460,000		460,000
24871	Dry Creek Stormwater Management Plan	215,700		215,700
25415	Jones Road, Bolivar, Rehabilitation	15,000		15,000
25417	Greater Edinburgh Regional Drainage	229,700		229,700
	Sub-Total	1,575,600	-	1,575,600

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2021/22		
		COUNCIL	EXTERNAL	TOTAL
	Parks & Streetscape			
17040	Irrigation Renewal Program	594,500	250,000	844,500
17055	Outdoor Furniture Program	63,000		63,000
17103	City Pride Renewal of Feature Landscapes	9,200		9,200
17147	Tree Screen Renewal Program	169,400	284,000	453,400
20018	Play Space/ Playground Renewal Program	952,400		952,400
21456	Reserve Upgrade Program	458,500		458,500
21515	Street Trees Program	957,300		957,300
23473	Renewal of Sound Walls	5,000		5,000
22120	Reserve Fencing Program	100,000		100,000
25026	Dog Parks for Small Dogs	99,300		99,300
25046	Fitness Equipment Program	78,800		78,800
25859	Paddocks Netball & Lighting Upgrade	50,000		50,000
25861	Additional Playspaces	252,900		252,900
26080	Local Roads & Community Infrastructure Prog - Phase 2		173,500	173,500
25893	Verge Development Program	201,800	341,100	542,900
25670	Native Forest Little Para Catchment	188,400	63,700	252,100
	Sub-Total	4,180,500	1,112,300	5,292,800
	Salisbury Water			
20874	Salisbury Water Minor Asset Renewal	84,400		84,400
23447	Salisbury Waster Distribution Main Linkages	365,100		365,100
25171	Salisbury Water Reserve Connections	65,000		65,000
25173	Salisbury Water Groundwater Bores	72,600		72,600
25174	Salisbury Water Pump Stations	67,400		67,400
25933	Salisbury Water Solar PV	439,600		439,600
25943	Salisbury Waster Weirs & Harvesting	315,800		315,800
	Sub-Total	1,409,900	-	1,409,900
	Strategic Projects			
21461	Strategic Project Preplanning	65,200		65,200
23921	Salisbury Oval Master Plan Implementation	697,000		697,000
24797	Bridgestone Reserve Athletics Facility	75,900		75,900
	Confidential	500,000		500,000
25035	John & Church St Revitalisation	75,500		75,500
25058	Paddocks Master Plan Implementation	1,492,600		1,492,600
25445	Salisbury City Centre Land Development Strategy	29,100		29,100
25878	Feature Artwork Program	154,800		154,800
26074	Lindlbom Park Master Plan	40,000		40,000
26080	Local Roads & Community Infrastructure Prog - Phase 2		250,000	250,000
26169	Salisbury Recreation Precinct Redevelopment	255,200		255,200
30070	Burton Community Hub	156,500		156,500
	Sub-Total	3,541,800	250,000	3,791,800

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2021/22		
		COUNCIL	EXTERNAL	TOTAL
STRATEGIC PROPERTY				
18801	Hoyle Green, Para Hills	232,000		232,000
19743	Lake Windemere, Salis Nth	36,400		36,400
25940	Boardwalk Greentree, Paralowie	432,700		432,700
TOTAL - STRATEGIC PROPERTY		701,100	-	701,100
INFORMATION TECHNOLOGY				
20815	Time, Recording, Attendance Process	9,800		9,800
25017	Smart City Projects	250,000		250,000
25019	Migration of Websites from CMS Platform to Open Cities Platform	80,000		80,000
25142	Lease to Buy Laptop/PC's	59,700		59,700
25452	Fleet Management System Upgrade	22,300		22,300
25465	Phone System Renewal	87,200		87,200
TOTAL - INFORMATION TECHNOLOGY		509,000	-	509,000
PLANT, FURNITURE & EQUIPMENT				
22843	Plant & Fleet Replacement Program	330,900		330,900
25543	Marveloo		124,600	124,600
94999	Plant & Fleet Purchase	4,200		4,200
		335,100	124,600	459,700
	Sub-total Capital Projects Capital Component	17,583,600	5,105,800	22,689,400

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2021/22		
		COUNCIL	EXTERNAL	TOTAL
OPERATING	Capital Projects Operating Component			
	Transportation			
22852	Bus Shelter Renewal & Stop Improvement Program	8,200		8,200
26196	Waterloo Cnr & Kings Rd Traffic Management	56,000		56,000
	Property & Buildings			
17598	Club / Sport Facilities Minor Capital Grants Program	15,700		15,700
18097	Building Renewal Program	53,400		53,400
20017	Building Upgrade Program	170,800		170,800
25077	Public & Community Artwork Program	23,600		23,600
	Drainage & Waterways			
25141	Walpole Development Groundwater Monitoring	33,100		33,100
	Strategic Projects (Including SCH)			
21461	Strategic Projects Area Planning Program	40,000		40,000
24797	Bridgestone Reserve Athletics Facility	15,500		15,500
25445	Salisbury City Centre Land Development Strategy	46,400		46,400
	Strategic Property			
23140	Salisbury Oval Development	8,500		8,500
26066	Strategic Property Feasibility	8,000		8,000
	Information Services			
25452	Fleet Management System Upgrade	7,000		7,000
25060	Disaster Recovery Planning 18/19	17,000		17,000
	Sub-Total Capital Projects Operating Component	503,200	-	503,200

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2021/22		
		COUNCIL	EXTERNAL	TOTAL
OPERATING	Operating Carry Forwards 2020/2021			
	S&W Provision Account	121,500		121,500
	<i>To fund existing commitments into the 2021/22 financial year.</i>			
	Coleman Road Landfill Groundwater Monitoring	35,000		35,000
	<i>To enable the completion of the 2020/21 program.</i>			
	Green Adelaide Nature Education	71,400		71,400
	<i>The continuation of the externally funded program into the 2021/22 financial year.</i>			
	Local History	54,600		54,600
	<i>Current program was delayed due to COVID-19.</i>			
	CHSP Funding for Age Care & Housing Services	55,000		55,000
	<i>External funding received to provide contracted Aged Care & Housing Services into 2021/22 financial year.</i>			
	Community Bus and CCTV Impacts	35,000		35,000
	<i>To support the promotion and delivery of Council's Community Bus Trial and manage resourcing impacts of Council's CCTV expansion.</i>			
	Social Planning - Housing and Homeless Commitments	36,000		36,000
	<i>To engage specialist consultants to undertake key components of a project informing Councils future actions for the provision of housing and support for people experiencing homelessness.</i>			
	Innovation and Business Development	47,000		47,000
	<i>To support the ongoing program of work of the subcommittee these funds are recommended to be carried forward.</i>			
	Elected Member Training	29,800		29,800
	<i>As per council policy, the balance of training budget not expended in the immediate proceeding year be carried forward for one year.</i>			
	Elections	311,600		311,600
	<i>To fund election costs for the next Council election over the four year term.</i>			
	OH&S Special Distribution Funds (Project Officer S&W)	58,000		58,000
	<i>These funds will be directed into the "Council Ready Program" which is a project to consolidate the City of Salisbury's emergency management planning, looking holistically across prevention, preparedness, response and recovery. As this project will be resourced through employee costs, there is a recommendation to convert these funds from consulting (Recommendation 0846/2021).</i>			
	Training & Development Program	180,900		180,900
	<i>To enable the finalisation of several items from the 2020/21 training plan due to delays caused by COVID-19.</i>			
	Cyber Security	541,800		541,800
	<i>This funding was provided through a 2020/21 budget bid with significant work still to be completed before the project is completed.</i>			
	Strategic Planning - Environmental Sustainability Strategy	60,000		60,000
	<i>This funding was provided to prepare an Environmental Sustainability Strategy including an Emissions Reduction Plan, with contract signed this work has yet to commence.</i>			
	Economic Development - TTG Business Advisory		164,200	164,200
	<i>External funding received to provide business advisory into the City of Tea Tree Gully for the 2021/22 financial year.</i>			
	Bridge & Boardwalk Maintenance - Rebuild of Lookout	45,900		45,900
	<i>To enable the rebuild of bridge number 137 at Kaurna Park, Burton and maintenance of adjacent boardwalks</i>			
	Data Analytics - Business Transformation	252,600		252,600
	<i>These funds were established to support the organisation transform its service delivery.</i>			
	Office 365 Implementation	40,000		40,000
	<i>To support the roll out of Office 365 across the organisation and complete the programs implementation.</i>			
	Arborist Report	100,000		100,000
	<i>These funds were established to support a report identifying and developing a plan for high risk trees across the City of Salisbury.</i>			
	Other Miscellaneous Items			
	2022 Strategic Youth Action Plan		5,000	5,000
	Implementation of Abilities Inclusion Plan	10,800		10,800
	Development of Universal Design Guidelines	25,000		25,000
	Mindset for Life Program		2,900	2,900
	Disability Program - NDIS Services	13,500		13,500
	Getting Your L's Program		5,300	5,300
	Thrive Wellbeing Program		7,000	7,000

ACC NO	DESCRIPTION	FUNDS C/FWD TO 2021/22		
		COUNCIL	EXTERNAL	TOTAL
	Bridgestone Athletics Centre - Minor Equipment	21,000		21,000
	Civic Plaza event mode operation (inc. PADS4 licences for FTATV)	20,000		20,000
	Australia Day Event	15,000		15,000
	Salisbury Community Fun Days	30,000		30,000
	Exhibitions - Public Art	3,200		3,200
	Drug and Alcohol Framework	25,000		25,000
	Reconciliation and NAIDOC major exhibition 2022	16,000		16,000
	Continuous Improvement Project - Land Division Information Video	4,000		4,000
	Brand Development for Salisbury Living	4,800		4,800
	Website Development	10,500		10,500
	Lake Windemere Strategy	6,800		6,800
	Mosquito Control Program	30,000		30,000
	City of Salisbury Bylaws Review	15,000		15,000
	Staff Christmas Event	4,800		4,800
	Chief Executive Office - Consulting Funds	15,000		15,000
	Provision for Risk Management Initiatives		6,200	6,200
	Financial Services Consulting Funds	32,000		32,000
	OCI Survey	4,300		4,300
	Executive Advocacy Program	22,000		22,000
	Change Projects	5,400		5,400
	White Ribbon Event	20,000		20,000
	Preventative WHS Programs - Special Distribution Fund		30,000	30,000
	eLearning New Worker Induction Update	5,700		5,700
	Record Management PageFreezer Subscription	8,900		8,900
	Red Office application	20,300		20,300
	ECM Reporting Module	11,600		11,600
	Service Desk Ticketing Tool	10,500		10,500
	State Planning Portal Integration	18,600		18,600
	Local Area Network Refresh	26,000		26,000
	Corporate Communications, Advertising & Promotion	15,000		15,000
	Customer Perceptions Survey - Focus Groups	16,800		16,800
	CoS Visitation & Activation Strategy - Tourism & Marketing	20,000		20,000
	Building Community Pride - Playground Update Promotion	8,000		8,000
	Discover Salisbury - South Aussie with Cosi	8,000		8,000
	Exceptional Customer Experience - CD Admin	10,000		10,000
	Office 365 Change Management	30,000		30,000
	Balance of Little Para Golf Course Strategy	15,800		15,800
	Affordable Housing	20,000		20,000
	Sub-total Operating (not associated with Infrastructure)	2,675,400	220,600	2,896,000
	Capital Projects Operating Components	503,200	0	503,200
	Total Operating	3,178,600	220,600	3,399,200
Recommendation 1 - Total Carried Forward Funds		20,762,200	5,326,400	26,088,600

Item 2.1.1 - Attachment 1 - Schedule of Funds Carried Forward from 2020/21 to 2021/22

RECOMMENDATION 2. SCHEDULE OF RETURNED FUNDS 2020/21

ACCOUNT NO	DESCRIPTION	FUNDS RETURNED TO COUNCIL 2020/21				
		COUNCIL-001	EXTERNAL	Operating-750	TOTAL	
CAPITAL WORKS						
INFRASTRUCTURE	CAPITAL WORKS					
	Transportation					
	Road Reseal Program	1,650,200		147,200	1,797,400	
	Minor Traffic Improvements	20,300		13,800	34,100	
	Major Traffic Improvements Program		460,000		460,000	
	Council Funded Footpath Program	196,600		10,600	207,200	
	Bicycle Network Improvement Program	43,700			43,700	
	Sportsfield Lighting Program,	65,700			65,700	
	Bridge Program	151,000			151,000	
	Kerb Ramp Construction / Upgrade Program	270,300			270,300	
	Carpark Renewal / Upgrade Program	65,600			65,600	
	Public Lighting Program	35,600			35,600	
	Sportsfield Lighting Assistance	49,500	50,000		99,500	
	Bituminous Footpaths & Shared use Paths	3,200			3,200	
	Transportation Planning Program	91,300			91,300	
	ML Interchange - Pedestrian & Cycle	66,300			66,300	
	Diment Road Upgrade	308,000			308,000	
	Louisa Rd & Deal Ct Upgrade	300,500			300,500	
	Footpath Trading Pedestrian Protection	24,300	24,000		48,300	
	LED Public Lighting Program	1,200,000		0	1,200,000	
	Capitalisation of Staff	307,200			307,200	
		Sub-Total	4,849,300	534,000	171,600	5,554,900
		Property & Buildings				
	Building Renewal Program	5,000		7,700	12,700	
	Land Acquisitions Miscellaneous	34,300			34,300	
	Building Upgrade Program	178,400			178,400	
	Building & Furniture Renewal Program	20,500			20,500	
	Property & Buildings Planning Program	61,700			61,700	
	CCTV Maintenance & Renewal Program	41,100			41,100	
		Sub-Total	341,000	0	7,700	348,700
		Drainage & Waterways				
	Local Flooding Program			2,600	2,600	
	Watercourse Management Works	250,100			250,100	
	Major Flood Mitigation	561,400			561,400	
	Drainage & Waterways Planning Program	107,200			107,200	
	St Kilda Breakwaters Renewal Program	155,100			155,100	
	Jones Road Rehabilitation	74,900		60,500	135,400	
	Coleman Road Rehabilitation	54,900		75,600	130,500	
	Dam Renewal Program	56,800			56,800	
		Sub-Total	1,260,400	0	138,700	1,399,100
		Parks & Streetscape				
	Irrigation Renewal Program	70,200			70,200	
	Outdoor Furniture Program	55,700			55,700	
	Information Signage	109,200			109,200	
	Renewal of Feature Landscape	56,700			56,700	
	Tree Screen Renewal Program	90,600			90,600	
	Reserve Upgrade Program	263,700			263,700	
	Street Tree Program	290,000			290,000	
	Reserve Fencing Program	12,400			12,400	
	Developer Funded Program		221,900		221,900	
	Renewal of Sound Attenuation Walls	74,400			74,400	
Dog Parks for Small Dogs	42,700			42,700		
Fitness Equipment Program	22,000			22,000		
	Sub-Total	1,087,600	221,900	0	1,309,500	

ACCOUNT NO	DESCRIPTION	FUNDS RETURNED TO COUNCIL 2020/21			
		COUNCIL-001	EXTERNAL	Operating-750	TOTAL
	Salisbury Water				
23447	Salisbury Water Distribution Main Linkages	6,600			6,600
21191	Salisbury Water Licence Purchase	95,100			95,100
25170	Salisbury Water Emergency Power Supply	21,000			21,000
25171	Salisbury Water Reserve Connections	108,800			108,800
	Sub-Total	231,500	0	0	231,500
	Strategic Projects				
21461	Strategic Planning Program	109,100		25,400	134,500
23921	Salisbury Oval Master Plan Implementation	339,900			339,900
24797	Bridgestone Athletics Facility	13,000			13,000
25453	Wellness Centres	75,000		100,000	175,000
25989	CITB Levy 2019/20	200			200
	Confidential	3,241,600		310,100	3,551,700
	Sub-Total	3,778,800	0	435,500	4,214,300
	Information Technology				
11877	Integration Projects	30,000			30,000
25142	Project Mgmt & Contract Mgmt Improvements	62,300			62,300
25451	Implementation of Asset Mgmt Predictive Model	50,000		10,000	60,000
25956	Bridgestone Reserve Public WiFi	6,600			6,600
	Sub-Total	148,900	0	10,000	158,900
	Plant, Furniture & Equipment				
20864	Fleet Purchase	3,300			3,300
	Sub-Total	3,300	0	0	3,300
Recommendation 2 - Total Returned Funds		11,700,800	755,900	763,500	13,220,200

RECOMMENDATION 3. SCHEDULE OF BUDGET ADJUSTMENTS

		Budget Adjustments 2020/21			
ACCOUNT NO	DESCRIPTION	COUNCIL-001	EXTERNAL	Operating-750	TOTAL
INFRASTRUCTURE PROGRAM					
13725	Transportation				
	Major Traffic Improvement Program	2,000			2,000
26183	Construction Industry Training Levy				
	Funded from returned funds as incorporated into individual projects	92,200			92,200
	Sub-Total	94,200	0	0	94,200
17598	Property & Buildings				
	Club / Sport Facilities Minor Capital Grants Program	21,000			21,000
26014	Confidential	20,000			20,000
	Sub-Total	41,000	0	0	41,000
25861	Parks & Streetscape				
	Additional Playspace Program			2,900	2,900
	Sub-Total	0	0	2,900	2,900
94999	Plant & Fleet Program				
	Major Plant Program	5,100			5,100
	Sub-Total	5,100	0	0	5,100
18801	Strategic Property				
	Hoyle Green, Para Hills - Construction				
	To correct omission of carry forward from the 2019/20 financial year	81,800			81,800
	Sub-Total	81,800	0	0	81,800
Recommendation 3 - Total Budget Adjustments		222,100	0	2,900	225,000

RECOMMENDATION 4. SCHEDULE OF BUDGET TRANSFERS

DESCRIPTION	CAPITAL	OPERATING
Transport		
PR24793 Louisa Road and Deal Court Upgrade	(103,200)	
PR25503 George Street and Belfree Road, Greenfields, New Roundabout	103,200	
PR24793 Louisa Road and Deal Court Upgrade	(4,900)	4,900
PR13600 Minor Traffic Improvements Program	31,400	(31,400)
PR13725 Major Traffic Improvements Program	(18,400)	18,400
PR14498 Council Funded New Footpath Program	(10,300)	10,300
PR23435 Mawson Lakes Cycle & Pedestrian Project	(82,200)	
PR17190 City Wide Trails Program	82,200	
PR20548 Bridge Program	(1,300)	1,300
PR21478 Public Lighting Program	(5,300)	5,300
PR21478 Public Lighting Program	(169,600)	
PR25424 Digital Signage Projects	169,600	
PR24415 Diment Road Upgrade	(26,600)	26,600
PR13952 School Zones and Pedestrians Crossing Program	(200)	200
PR25924 Waterloo Corner Road and Kings Road Safety and Amenity Improvement Program	(1,300)	1,300
Sub-Total	(36,900)	36,900
Property and Buildings		
PR18097 Building Renewal Program	283,100	(283,100)
PR20017 Building Upgrade Program	(20,000)	
PR25869 Kentish Green New Toilet Facility	20,000	
PR19799 Land Acquisition	(5,300)	
PR20382 Road Closures	5,300	
PR19799 Land Acquisition	(16,200)	
PR20467 Land Disposals Parks and Streetscape	16,200	
Sub-Total	283,100	(283,100)
Parks & Streetscape		
PR21456 Reserve Upgrade Program	(52,400)	
PR25513 Burton Park Pitch Remediation	52,400	
PR21456 Reserve Upgrade Program	(3,700)	
PR25962 Para Hills Hub Community Garden	3,700	
PR21456 Reserve Upgrade Program	(200)	
PR25140 Parks and Streetscape Planning Program	200	
PR21456 Reserve Upgrade Program	(100)	100
PR17055 Outdoor Furniture Program	(15,600)	15,600
Sub-Total	(15,700)	15,700
Drainage & Waterways		
PR22820 St Kilda Breakwater Renewal Program	(250,000)	
PR25027 St Kilda Master Plan Implementation	250,000	
PR17205 Watercourse Management Works Program	(13,100)	13,100
PR17205 Watercourse Management Works Program	(6,000)	
PR16999 Local Flooding Program	6,000	
PR22229 Major Flood Mitigation Program	(2,900)	2,900
Sub-Total	(16,000)	16,000
Plant & Fleet Replacement Program		
PR22843 Plant and Fleet Replacement Program	(104,100)	
PR94999 Major Plant Program	104,100	
Salisbury Water		
PR21191 Salisbury Water Licence Program	(4,900)	
PR20874 Salisbury Water Asset Renewal	4,900	
Sub-Total	0	0
Strategic Projects - Other		
PR23921 Salisbury Oval Master Plan Implementation	(1,800)	1,800
PR24797 Bridgestone Athletics Facility	(53,900)	53,900
Sub-Total	(55,700)	55,700
Strategic Property		
PR23140 Salisbury Oval Development	12,800	(12,800)
PR26066 Strategic Property Feasibility	5,200	(5,200)
Sub-Total	18,000	(18,000)
Recommendation 4. Total transfers from projects	(1,306,000)	
Recommendation 4. Total transfers to projects	1,306,000	

RECOMMENDATIONS 6 & 7. SCHEDULE OF GRANT FUNDING ADJUSTMENTS

DESCRIPTION	CAPITAL INCOME	CAPITAL EXPENDITURE
Local Roads and Community Infrastructure Program		
<u>Transport</u>		
PR26067 Redhill Road, Ingle Farm, Traffic Improvement Program	(62,600)	(62,600)
PR26068 Technology Drive Dual Access, Mawson Lakes	(474,000)	(474,000)
<u>Parks and Streetscapes</u>		
PR26071 Strowan Park Picnic and Open Space, Salisbury Downs	(87,500)	(87,500)
<u>Property and Buildings</u>		
PR26069 Fairbanks Drive Reserve Toilet Facilities and Rage Sports Facility, Paralowie	(162,500)	(162,500)
PR26072 Twelve25 Entry Upgrade and Landscaping, Salisbury	(75,000)	(75,000)
PR26073 Morella Community Centre Outdoor Kitchen	(75,000)	(75,000)
PR26081 Salisbury Oval Community Cricket Facility, Salisbury	(162,500)	(162,500)
<u>Strategic Projects</u>		
PR26070 Burton Community Hub: The Shed and Community Garden	(250,000)	(250,000)
Recommendation 6 - LRCI Grant Funds	(1,349,100)	(1,349,100)
Additional Grant Funding		
PR25027 St Kilda Master Plan	63,600	63,600
PR25962 Para Hills Community Garden	67,500	67,500
PR13952 School Zones and Pedestrian Crossing Program	1,800	1,800
PR22120 Reserve Fencing Program	4,500	4,500
Recommendation 7 - Successful Grant Application Funds	137,400	137,400



Capital Carry Forward Report 2020/21



Page 1 of 24

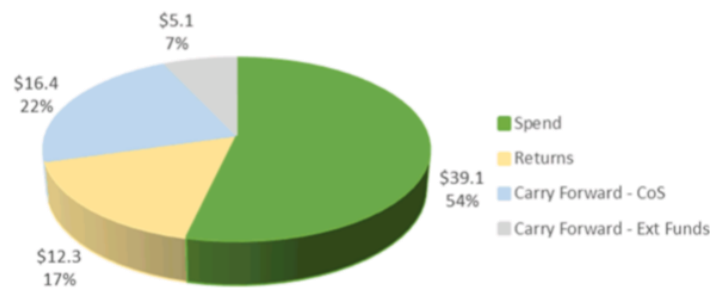
Program Overview

2020/21 was a challenging year with Council's expanded Covid-19 Capital Program being 30% larger than normal and significant supply and market issues. However, there were significant achievements delivered as part of the 2020/21 Capital Program including the completion of the synthetic track at Bridgestone Reserve, two new roundabouts constructed in Greenfields and the Little Para Native Forest where the community was able to participate in the projects and planting of close to 10,000 trees and shrubs.

The carry forward level for 2020/21 transitioning into 2021/22 is 29.5% (\$21.5M) which is higher than the previous years of approximately 15%. 23% (\$17.1M) of this carry forward value is committed and works in progress. The net result therefore for City Infrastructure being a low \$4.3M uncommitted carry forward of the \$72.9M Capital Budget. Note, this Revised Budget is significantly higher than last years of \$48.7M.

Budget Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Infrastructure Capital												
Infrastructure Capital	54,769,900	6,382,100	-4,042,400	59,187,100	17,227,800	29%	4,731,200	8%	14,036,404	24%	8,525,700	14%
PF&E (Currently Fleet)	1,188,000	676,094	-459,600	1,404,494	459,700	33%	124,600	9%	683,465	49%	3,300	0%
Strategic Projects	7,575,000	6,041,900	755,900	12,295,300	3,791,800	31%	250,000	2%	2,364,028	19%	3,778,800	31%
Sub Total of Infrastructure	63,532,900	13,100,094	-3,746,100	72,886,894	21,479,300	29.5%	5,105,800	7%	17,083,897	23.4%	12,307,800	16.9%
End of 2019/20					7,282,200	14.9%						

\$M & % of Revised Budget



With the inclusion of Strategic Property and Information Services capital programs, the carry forward slightly increases to 30%, \$22.7M, of the \$75.6M total Revised Budget with the committed portion remaining at 23%.

Budget Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Other												
Strategic Property	0	1,711,100	0	1,711,100	701,100	41%	0	0%	76,734	4%	0	0%
Information Services	100,000	797,700	116,000	1,013,700	509,000	50%	0	0%	282,126	28%	148,900	15%
Sub Total of Other	100,000	2,508,800	116,000	2,724,800	1,210,100	44%	0	0%	358,859	13%	148,900	5%
Total of Capital	63,632,900	15,608,894	-3,630,100	75,611,694	22,689,400	30%	5,105,800	7%	17,442,757	23%	12,456,700	16%

A noteworthy achievement for Strategic Property is the sale of all the 13 allotments associated with Hoyle Green (Irving Place), Para Hills, development.

Program Complexities

The complexities associated with the delivery of the 2020/21 program were primarily linked to the COVID-19 pandemic. The pandemic significantly impacted the supply chain and the ability to receive materials and supplies from local, interstate and overseas. Similarly, program delays occurred whilst waiting for specialist personnel / teams from interstate to be approved to travel into the State. This was particularly evident with the delay of play elements only arriving in late 2021 and similarly for the required machinery and personnel from interstate to undertake roadworks and Bridgestone. With restrictions continuously changing, these program schedule changes are managed as efficiently as possible.

Whilst a positive outcome for the community, the high level of external grant funding, increased the deliverables for the year. The increased level of grant funding for City of Salisbury was not in isolation, State and other Local Governments were also successfully allocated additional grant funding to help stimulate the economy and aid in the pandemic recovery. This resulted in the market being flooded with similar requests and competing timelines for supply, construction and consultancy / technical expertise. Pricing increases are also now being seen in the industry which can impact on the scope of works able to be delivered. An example of new stimulus grant funding which the City of Salisbury were administering this financial year included the new Federal Government's \$2.5B grant funding program, Local Roads and Community Infrastructure, where City of Salisbury were allocated \$1.6M for Phase 1 and \$4.9M for Phase 2, with a third allocation proposed to be received in 2022, for new and unbudgeted works.

With the increase in design and construction within the State, the ability to secure the appropriate resources has been a challenge, whether this be internal or external resources. As a result, careful planning and consideration for the resourcing of 2021/22 program has been undertaken. Strategies to mitigate this include the bundling of projects for design and construct to be more attractive in the market place, open recruitment advertising to not deter applicants who may be able to offer alternative skill sets, and scheduling of works to effectively utilise the resources available. This new approach is expected to provide the catch up required and establish an improved process better able to deliver the projects.

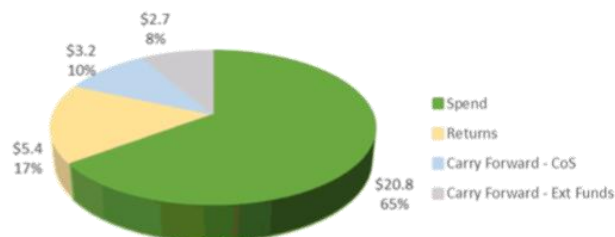
Improved community engagement has become a focus of project delivery. This enables the community to better participate and provide feedback into projects prior to detail design and delivery. In order to effectively undertake the agreed new engagement processes, project schedules have been impacted. In particular, the Parks and Streetscape associated program of works has been impacted by this. In addition to the process improvement, the resolution of the Street Tree Palette has resulted in the delay of tree removals and planting in 2020/21. The 2021/22 program will include the pilot verge redevelopment, therefore with the carry forward of works and new works, a project team has been established to coordinate the delivery of this program in an effort to achieve an optimum outcome for the community. Propagation and sourcing of street trees has commenced and will support the effective delivery of this program.

Where programs and / or projects have been impacted, details are provided within the following relevant Asset Category.

Transportation

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward	External Funds			Committed		Returned Funds	
Transportation - Capital	28,467,500	2,653,100	64,500	32,116,600	5,899,600	18%	2,697,900	8%	7,027,600	22%	5,383,300	17%
Transportation - Operating Components	140,000	0	75,000	768,000	64,200	8%	0	0%	0	0%	171,600	22%
Total	28,607,500	2,653,100	139,500	32,884,600	5,963,800	18%	2,697,900	8%	7,027,600	21%	5,554,900	17%

\$M & % of Revised Budget



Key Achievements

Major Traffic Improvements Program

Council was successful in attaining grant funding to contribute towards the construction of two new roundabouts at the intersection of George Street and Ryans Road, and George Street and Belfree Drive, Greenfields, which were both successfully completed in 2020/21. Noting, there is an adjustment included within this report to address the additional costs associated with water and drainage management.



The modification to the intersection of Wright and Canna Roads, Ingle Farm, was successfully completed in June 2021. This project was co-funded via the Commonwealth Black Spot Program.

Road Reseal Program


As part of the Road Reseal Program significant works occurred in 2020/21 to upgrade and renew Fairbanks Drive, Paralowie, and Goldsborough Road, Cavan. In addition to these two locations in excess of 100 roads were renewed within the City. In 2021/22 an audit of the City's road network is scheduled to occur which will inform future programs of work.

Mawson Lakes Shared Use Bridge

The construction and installation of the new shared-use bridge at Mawson Lakes \$1.1M, was completed this financial year. This bridge provides an important network connection and link in particular to the Mawson Lakes Interchange. Whilst on a smaller scale, a new bridge was also installed recently at Carisbrooke Park, Salisbury Park.



Transportation *Continued..***Carry Forward Funds** *(Recommendation 1, Refer Attachment 1)*

<p><u>LED Changeover Program</u></p> <p>The upgrade to LED lighting within the City has taken time to negotiate with South Australia Power Networks which has impacted the delivery program. In addition to negotiations, the supply of the required lights and fittings have significant supply lead times, therefore this program will be predominately now delivered in 2021/22. The changeover to LED technology is expected to reduce environmental impacts via a reduction in carbon emissions.</p>	\$1.2M
<p><u>Major Traffic Improvements Program</u></p> <p>Whilst the construction of the new roundabout at the intersection of Nelson and Kesters Road, Para Hills, commenced late this financial year due to land revocation, it was successfully awarded 100% grant funding to deliver this. Pending weather and ability to manage water encountered at the site, it remains expected to be completed in the first quarter of 2021/22.</p>	\$1.1M
<p><u>Technology Drive, Mawson Lakes, Dual Traffic</u></p> <p>As approved by Council in December 2020, the construction of a new exit via Technology Drive, Mawson Lakes, onto Main North Road, was approved as an inclusion within the Local Roads and Community Infrastructure Program - Phase Two, Federal Government funding program. This grant and the associated works are programmed for delivery January to December 2021 and therefore the main spend associated with this program will occur with construction late 2021.</p>	\$929k
<p><u>City Wide Trails Program</u></p> <p>The construction of the new sealed path along Little Para, Salisbury Park, was delivered in 2020/21 inclusive of the use of recycled glass in the path base. The supply and installation of lighting is pending completion which has been impacted by supply chain delays.</p> 	\$655k
Other – Refer Attachment 1	\$2M

Returned Funds *(Recommendation 2, Refer Attachment 2)*

<p>Included within the returns for the Transportation Asset Category is \$1.6M associated with the Road Reseal Program which as a rolling program with a new allocation in 2021/22 to enable program continuation. Unexpected savings within the program were achieved via the use of alternative treatment types. Similarly, the renewal of Louisa Road / Deal Court, Paralowie was able to be completed with a savings of \$400k. \$1.2M is able to be returned as part of the LED Public Lighting Program due to the scope of works able to be agreed with South Australian Power Network. Refer Attachment 2 for the various other savings and returns which have been included within this asset category.</p>	\$4.8M
---	--------

Transportation *Continued..***Budget Adjustments** *(Recommendation 3, Refer Attachment 3)*

Allocate \$92k to cover the legislative requirement to pay annual project based Construction Industry Training Fund Levy and a minor \$2k allocation for the Major Traffic Improvement Program.	\$94k
---	-------

Budget Transfers *(Recommendation 4, Refer Attachment 4)*

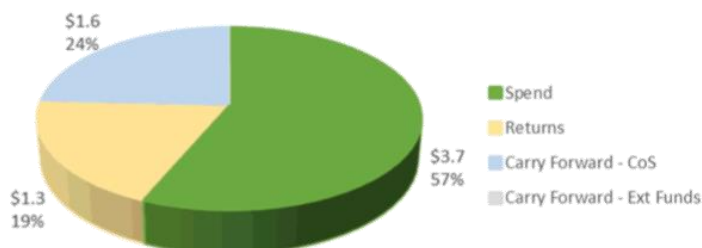
<ul style="list-style-type: none"> As reported via Urban Services Committee, June 2021, Resolution 0995/2021, transfer \$169,600 of available capital budget from the Public Lighting Program to the Digital Signage Projects to accommodate for the additional works required to install the equipment on aged infrastructure. 	\$170k
<ul style="list-style-type: none"> Due to additional work and infrastructure required to address water issues as part of the construction of the new roundabout at the intersection of George Street and Belfree Road, Greenfields, \$103,200 is required to be transferred to the project to cover this from savings achieved in the upgrade to Louisa Road and Deal Court, Paralowie. 	\$103k
<ul style="list-style-type: none"> Transfer \$82,200 from the successfully completed Mawson Lakes Cycle and Pedestrian Project to the Mawson Lakes, City Wide Trails project where additional expenditure was incurred due to expenses associated with the installation of lighting. 	\$82k
<ul style="list-style-type: none"> The Minor and Major Traffic Programs deliver a variety of works both of which capital and operating in nature. To align the budgets the expenditure incurred the following adjustments are being sought from within the Minor Traffic Improvements Program transfer \$31,400 operating to capital, and within the Major Traffic Improvements Program transfer \$18,400 capital to operating. 	\$50k
<ul style="list-style-type: none"> As part of delivering the Footpath Program, \$10,300 of works occurred which, are operating in nature and therefore it is requested to convert the current capital budget to operating to align with this expenditure. 	\$10k
<ul style="list-style-type: none"> As part of delivering the Bridge Program, \$1,300 of works occurred which, are operating in nature and therefore it is requested to convert the current capital budget to operating to align with this expenditure. 	\$1k
<ul style="list-style-type: none"> Within the Public Lighting Program, \$5,300 of expense occurred associated with lighting which was maintenance in nature and therefore the conversion of capital budget to operating is requested. 	\$5k
<ul style="list-style-type: none"> With the delivery of the upgrade to Diment Road, Burton, this financial year, some connection points and links were operating in nature and therefore \$26,600 capital is being sought to convert to operating. Similarly, for the road upgrade to Louisa Road and Deal Court, Paralowie, has resulted in operating based expenditure and therefore also requires transfer of \$4,900 capital to operating. 	\$31k
<ul style="list-style-type: none"> Minor connections and links operating in nature were encountered in the School Zones and Pedestrians Crossing Program of \$200, and Waterloo Corner Road and Kings Road Safety and Amenity Improvement Program of \$1,300, therefore collectively \$1,500 is being sought to convert from capital to operating to accommodate this. 	\$1k

Transportation *Continued..***Grant Funding Adjustments** *(Recommendation 2, 6-8, Refer Attachment 2 & 5)*

<ul style="list-style-type: none"> Council has successfully been awarded \$63k above the original budgeted estimate of \$800k towards the delivery of the new boat ramp and marine facilities upgrade as part of the St Kilda Master Plan Implementation. 	(\$63k)
<ul style="list-style-type: none"> As part of Phase 2, Local Roads and Community Infrastructure Program, the Federal Government allocated 50% of the approved funding in 2020/21 in lieu of the estimated 25%, therefore the 75% sought in the 2021/22 was incorrect. As a result, the budgets for the following transportation projects approved as part of this program will be modified to align with the total grant approved value; Redhill Road, Ingle Farm, Traffic Improvements to equal a total value of \$250,000 and Technology Drive Dual Access, Mawson Lakes to equal a total value of \$1,896,000. 	(\$536k)
<ul style="list-style-type: none"> Whilst the expected income was included within the budget for the \$20k Whites Road, Paralowie, crossing, amend this to align with the \$21,800 received 	\$2k
<ul style="list-style-type: none"> With no applications received in 2020/21 as part of the Sportsfield Lighting Assistance Program, remove the associated \$99,500 expenditure budget and \$50,000 income budget respectfully. 	(\$99k)
<ul style="list-style-type: none"> Whilst the Major Traffic Improvements Program had four projects with successful grant funding contributing, Helps Road and Edinburgh Road, Direk did receive grant funding and therefore the removal of the \$460,000 expenditure and income budgets is being sought. 	(\$460k)
<ul style="list-style-type: none"> Return the unallocated budget associated with the Footpath Trading Pedestrian Protection Program which collectively requires the removal of a \$48,300 expenditure budget and \$24,000 income budget. 	(\$48k)

Drainage & Waterways

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward	External Funds	Committed	Returned Funds				
Drainage & Waterways - Capital	4,218,500	1,090,000	1,175,000	6,508,200	1,575,600	24%	0	0%	1,314,735	20%	1,260,400	19%
Drainage & Waterways - Operating Components	40,700	157,400	0	198,100	33,100	17%	0	0%	0	0%	138,700	70%
Total	4,259,200	1,247,400	1,175,000	6,706,300	1,608,700	24%	0	0%	1,314,735	20%	1,399,100	21%

\$M & % of Revised Budget**Key Achievements**Watercourse Management Works Program

Substantial work occurred this financial year along segments of Dry Creek in addition to various other locations within the City. The Watercourse Program delivered works to stabilise banks and minimise erosion.

Local Flooding Program

The Local Flooding Program delivers a series of scheduled and reactive minor flood mitigation projects each financial year. The main project delivered this year was along a section of Waterloo Corner Road, Burton, where the swale was regraded with new stormwater pits installed.



Major Flood Mitigation Projects

As part of the Major Flood Mitigation Program, drainage infrastructure and improvements were completed in the reserves at Lane Reserve, Para Hills, and Bluehills Reserve, Salisbury East, to aid in the management of water downstream. The concept development for works associated with Dry Creek, Pooraka, adjacent Pratt Avenue, occurred this year also. This project progresses into detail design in 2021/22.

Dam Renewal

This new program delivered renewal works at 7 dam locations within the City. These works included access upgrades, stabilisation and new drainage infrastructure installations.

Drainage & Waterways *Continued..***Carry Forward Funds** *(Recommendation 1, Refer Attachment 1)*

<u>St Kilda Breakwater Renewal</u>	<p>\$460k associated with the renewal of a section of the breakwater is being completed with the St Kilda Master Plan works at the boat ramp. This project encountered delays due to the complexities associated with tidal movements, however has since reached completion.</p> <div></div>	\$460k
<u>Major Flood Mitigation Program</u>	<p>The delivery of works at Kiekebusch Reserve, Gulfview Heights, and Amundsen Gully, Para Hills, are continuing into the new financial year with site construction impacted by inclement weather conditions.</p>	\$519k
<u>Greater Edinburgh Regional Drainage</u>	<p>The completion of this project was reliant upon the completion of the Northern Connector and associated land developments. The timing of these works was not within the control of the City.</p>	\$230k
<u>Other – Refer Attachment 1</u>		\$367k

Returned Funds *(Recommendation 2, Refer Attachment 2)*

A key component of returned funds within the Drainage and Waterways Asset Category is linked to the Major Flood Mitigation Program where \$561k has been able to be included within the Returned Funds due to design solutions which resulted in savings. Refer Attachment 2 for details of other returns.	\$1.3M
--	--------

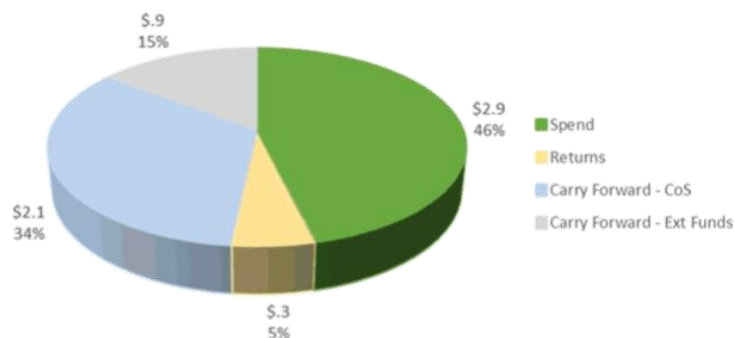
Budget Transfers *(Recommendation 4, Refer Attachment 4)*

<ul style="list-style-type: none"> With the St Kilda Breakwater Renewal and St Kilda Master Plan Boat Ramp and Channel Upgrade all tendered collectively, transfer \$250k from the breakwater renewal budget into the Master Plan budget to align with the tendered expenditure. 	\$250k
<ul style="list-style-type: none"> The Local Flooding Program delivers planned and reactive works each year, a minor additional allocation of \$6k is required to cover a minor overspend which can be funded via savings within the Watercourse Management Works Program. 	\$6k
<ul style="list-style-type: none"> As part of delivery waterways and drainage related infrastructure and improvements, some minor elements and / or connections are operating in nature and therefore the following adjustments from capital to operating are required; \$13,100 Watercourse Management Works Program and \$2,900 Major Flood Mitigation Program. 	\$16k

Property & Buildings

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward	External Funds		Committed		Returned Funds		
Property & Buildings - Capital	7,987,700	1,546,600	-4,163,400	6,305,300	3,049,900	48%	921,000	15%	1,618,441	26%	341,000	5%
Property & Buildings - Operating Components	541,700	148,800	-13,800	662,700	263,500	40%	0	0%	0	0%	7,700	1%
Total	8,529,400	1,695,400	-4,177,200	6,968,000	3,313,400	48%	921,000	13%	1,618,441	23%	348,700	5%

\$M & % of Revised Budget



Key Achievements

Building Upgrade Program

The \$501k upgrade to the Pooraka Farm Community Centre was successfully completed in 2020/21, this was in addition to the concept development for the new facility scheduled for delivery in 2021/22 at Yalumba Drive Reserve, Paralowie. The upgrade to the Operations Centre also forms a key component of this program with this project now moving into construction with the award of tender.



Building Renewal Program

The replacement of air conditioning systems across six locations were completed in late 2020 in preparation for the warmer months. As part of this, some sites required cranes to lift and replace plant safely.

The renewal of Brahma Lodge Oval and Manor Farm, Salisbury East, clubroom facilities were closed out this financial year. The tender of the renewal of the clubroom facilities at Twell Green, Para Hills, and Unity Park, Pooraka, were released late in 2021/22 and therefore have a revised delivery schedule of late 2021.



New Animal Pound Facility

Working cohesively with the City of Tea Tree Gully, a concept design was able to be developed and agreed. The ordering of specialised kennels occurred, noting their supply lead time will have them arrive in 2021/22.

Property & Buildings *Continued..***Carry Forward Funds** *(Recommendation 1, Refer Attachment 1)*

<u>Building Renewal Program</u> Whilst the delivery of the previous year's renewal works at Brahma Lodge Oval, Manor Farm, Salisbury East and Adams Oval, Salisbury North were completed and closed out this financial out, the delivery of the renewal of clubrooms at Unity Park, Pooraka and Twell Green, Para Hills, encountered delays. These two projects were released for tender however completion of detail design prior was delayed with consultants experiencing a significant demand and therefore provided slower response times.	\$922k
<u>Local Roads and Community Infrastructure Program, Phase 2</u> This Federal Government funding program of works was approved in January 2021 for completion December 2021. As part of this program there are four projects which reside within this asset category being; <ul style="list-style-type: none"> • Twelve25 Entry Upgrade and Landscaping • Morella Community Centre Outdoor Kitchen Facility • Salisbury Oval Community Cricket Facility • Fairbanks Drive Reserve New Toilets & Rage Cage Sporting Facility These projects will move to construction phase in the second half of 2021 where the majority of their funding will be spent.	\$921k
<u>Club/Sport Facilities Minor Capital Grants Program</u> With four projects in progress and / or being finalised, plus the remaining program balance, it is proposed to carry forward \$294k to provide the capability to further support community groups in 2021/22.	\$294k
<u>Other – Refer Attachment 1</u>	\$912k

Returned Funds *(Recommendation 2, Refer Attachment 2)*

Within the returned funds for the Property and Buildings asset category, the primary return of \$178k associated with the Building Upgrade Program was achieved by the favourable delivery of the Pooraka Farm Community Centre upgrade and minor planning savings. The remaining items are noted within Attachment 2.	\$341k
--	--------

Budget Adjustments *(Recommendation 3, Refer Attachment 3)*

Allocate an additional \$41k to the Property & Building Program to enable offset of spend and / or future required spend, noting \$20k of this is linked to confidential property matters, and \$21k to rectify an error within the Club / Sport Facilities Minor Capital Grants Program.	\$41k
---	-------

Property & Buildings *Continued..***Budget Transfers** *(Recommendation 4, Refer Attachment 4)*

• Transfer \$283,100 from operating to capital within the Building Renewal Program to align with the nature of the expenditure within the program	\$283k
• Transfer \$20k of program savings within Building Upgrade Program to Kentish Green New Toilet Facility where additional expenses were incurred late in the financial year due to unforeseen higher than estimated service connection.	\$20k
• Transfer budgets within property related projects to align with expenditure to a total value of \$21,500	\$21k

2021/22 Budget Offset *(Recommendation 5)*

The \$18k incurred within 2020/21 associated the Salisbury United temporary season relocation will be offset via the 2021/22 budget allocation endorsed.	\$18k
--	-------

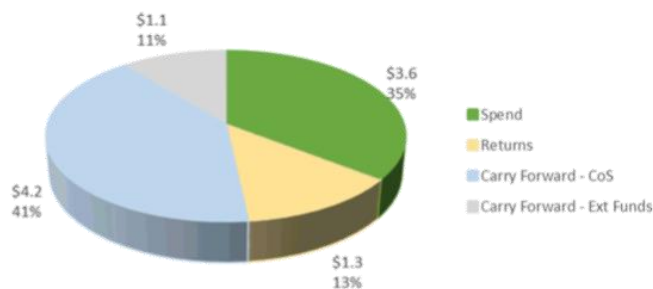
Grant Funding Adjustments *(Recommendation 6, Refer Attachment 5)*

As part of Phase 2, Local Roads and Community Infrastructure Program, the Federal Government allocated 50% of the approved funding in 2020/21 in lieu of the estimated 25%, therefore the 75% sought in the 2021/22 was incorrect. As a result, the budgets for the following Property and Buildings projects approved as part of this program will be modified to align with the total grant approved value to equal a total value of \$1.9m.	(\$475)
--	---------





Parks & Streetscape

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Parks & Streetscapes - Capital	9,926,200	1,049,900	-928,500	10,234,500	5,292,800	52%	1,112,300	11%	3,522,312	34%	1,309,500	13%
Parks & Streetscapes - Operating Components	0	0	0	0	0	0%	0	0%	0	0%	0	0%
Total	9,926,200	1,049,900	-928,500	10,234,500	5,292,800	52%	1,112,300	11%	3,522,312	34%	1,309,500	13%

\$M & % of Revised Budget




Key Achievements

	<p><u>Little Para Native Forest</u></p> <p>The delivery of the Little Para Native Forest has been a joint effort by community and school planting events and contractors to see the vision of 10,000 new native species planted along sections of the Little Para. With the cooler climate, the completion of the final plantings will occur in the first quarter of the new financial year.</p>	
	<p><u>Irrigation Renewal Program</u></p> <p>The renewal of existing irrigation systems and infrastructure was successfully completed at St Kilda Adventure Park surrounds and Andrew Smith Drive Oval, Parafield Gardens this year. In addition, the design and investigation were undertaken in preparation for a future year renewal of Salisbury North Oval.</p>	
	<p><u>Information Signage Program</u></p> <p>Three new historical signs were produced and installed this year to help promote and capture the vast history of the City. These signs installed are located at Burton Pioneer Cemetery; Purling Avenue, Edinburgh and in the township of St Kilda.</p>	
	<p><u>Reserve Fencing Program</u></p> <p>Working in conjunction with Salisbury North Neighbourhood Watch and being respectful of their contribution, new fencing was able to be install along a section of Dickson Reserve, Salisbury North, providing a new level of safety for the adjacent playspace.</p>	
	<p><u>Playspace Program</u></p> <p>Patterson Court, Paralowie, was an inclusive playspace which was opened to the community this financial year. This playspace incorporates a variety of inclusive play elements and softfall colour.</p>	

Page 13 of 24

Parks & Streetscape *Continued..***Carry Forward Funds** *(Recommendation 1, Refer Attachment 1)*

<u>Amendment of Budget to align with Expenditure</u>	
<u>Playspace Program</u> <p>The supply chain impacted by COVID-19 has significantly delayed the completion of multiple projects where playspace elements have not been able to be sourced and supplied in time.</p>	\$952k
<u>Street Trees Program</u> <p>The Street Tree Program is a continuous program of works which where possible aims to make best use of weather conditions and planting seasons. The delivery of the 2020/21 program encountered delays whilst the review of the tree pallet occurred and also by the implementation of the new community engagement process and associated steps. With the demand on contractors, removals, supply and planting also resulted in program delays.</p>	\$957k
<u>Mawson Lakes Irrigation Upgrade</u>  <p>With Council successfully awarded \$500k towards the upgrade of aged irrigation infrastructure at Mawson Lakes, investigation and works commenced to develop a schedule and proposed method of delivery. Problems were encountered with main infrastructure residing below finished surface levels and therefore strategies and staging of works needed to occur to minimise impact to the community and existing infrastructure and plantings. The program was only able to commence late in the financial year however is now complete.</p>	\$845k
<u>Verge Development Program</u> <p>With competing priorities, the construction of the Verge Development Program commenced later in the financial year than forecast. The project was able to deliver improved path network along sections of Shepherdson Road, Parafield Gardens.</p>	\$543k
<u>Reserve Upgrade Program</u> <p>Similar to that of the Playspace Program, the delays associated with the supply chain have impacted the Reserve Upgrade Program. Parts of this program is linked to playspace renewal sites and therefore are delivered collectively as a single project.</p>	\$459k
<u>Other – Refer Attachment 1</u>	\$1.5M

Returned Funds *(Recommendation 2, Refer Attachment 2)*

Through program savings and efficiencies there were various opportunities to return funds including \$290k associated with Street Tree Program where plant establishment costs will now be funded via future years budget in alignment with the timing of the actual expenditure.	\$1.3M
---	--------

Parks & Streetscape *Continued..***Budget Adjustments** *(Recommendation 3, Refer Attachment 3)*

As part of delivering the Additional Playspace Program, minor operating in nature expenses were incurred and require funding, \$2,900.	\$3k
--	------

Budget Transfers *(Recommendation 4, Refer Attachment 4)*

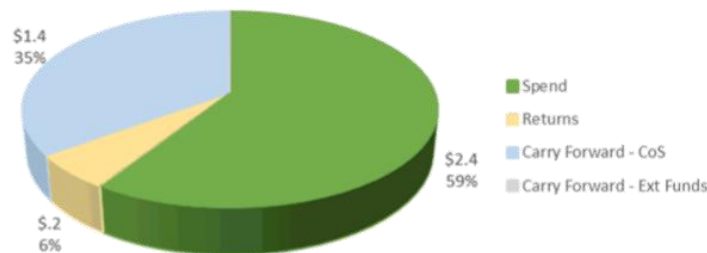
<ul style="list-style-type: none"> With program savings achieved within the Reserve Upgrade Program, transfer \$56k available to the following to cover additional parks and streetscape expense incurred in the following programs; \$52k to the Burton Park Pitch Remediation; \$4k to the Para Hills Hub Community Garden and \$200 to the Parks and Streetscape Planning Program. 	\$56k
<ul style="list-style-type: none"> Within the Outdoor Furniture Program \$15,600 was incurred at Bridgestone which was related to operating of the facility which was undertaken with the shade structures, therefore this value is being sought to convert from capital to operating. 	\$15k
<ul style="list-style-type: none"> Minor operating related expenses was incurred as part of the Reserve Upgrade Program and therefore \$100 is being sought to covert capital to operating. 	\$100

Grant Funding Adjustments *(Recommendation 6-8, Refer Attachment 5)*

<ul style="list-style-type: none"> As part of Phase 2, Local Roads and Community Infrastructure Program, the Federal Government allocated 50% of the approved funding in 2020/21 in lieu of the estimated 25%, therefore the 75% sought in the 2021/22 was incorrect. As a result, the budget for the following Parks and Streetscape project approved as part of this program will be modified to align with the total grant approved value; Strowan Park Picnic and Open Space Landscaping, Salisbury Downs, to equal a total value of \$350,000. 	\$87k
<ul style="list-style-type: none"> To align with the successful \$75k grant funding achieved, amend the budget for the Para Hills Community Hub Community Garden by \$68k. 	\$68k
<ul style="list-style-type: none"> The Salisbury North Neighbourhood Watch Group contributed \$4,500 towards the construction of a new fence along a section of the playspace at Dickson Reserve, Salisbury North, therefore the creation of the associated income budget is not being sought. 	(\$4k)

Salisbury Water

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Salisbury Water Business - Capital	4,170,000	42,500	-190,000	4,022,500	1,409,900	35%	0	0%	553,316	14%	231,500	6%
Salisbury Water Business - Operating Components	-8,000	0	0	0	0	0%	0	0%	0	0%	0	0%
Total	4,162,000	42,500	-190,000	4,022,500	1,409,900	35%	0	0%	553,316	14%	231,500	6%

\$M & % of Revised Budget**Key Achievements**Council Reserve Upgrades – Recycled Water Connections

Construction of new distribution pipework to connect recycled water supply to six community spaces across the City was completed providing connections to Beadell Street Reserve, Direk Reserve, Blue Hills Reserve, Dunkley Green, Damien Reserve and Canterbury Drive Reserve,

In addition, new distribution pipework was also rolled out to Leanard Street Reserve, Kiekebusch Road Reserve and Cordoba Avenue Reserve in Gulfview Heights during the latter part of 2020/21 ready for commissioning during the 2021/22 irrigation season.

Connecting these community spaces to Council's recycled water service reduces Council's reliance on mains water supply and is key step towards a sustainable city.

Dry Creek – Stormwater Optimisation Program

The height of the Dry Creek weir at Walkley Heights was successfully raised 1 meter as the first stage towards optimising stormwater harvesting capacity from Dry Creek. Over the next 2 years further optimisation works will facilitate an additional 1200ML/a of stormwater harvesting yield ensuring a dependable and sustainable alternative water source for the future.

Dry Creek – Greenfields MAR Upgrade

The first stage of modifying recycled water operations at Greenfields Wetlands from an 'injection only' scheme to a Managed Aquifer Recharge (MAR) Scheme was commenced in 2020/21 with the construction of a new T2 well to facilitate greater injection rates and to enable extraction. Further works to transform this to a full MAR scheme will be completed with future year allocations.

Salisbury Water *Continued..***Carry Forward Funds** *(Recommendation 1, Refer Attachment 1)*

<u>Salisbury Water Solar PV Head Tanks</u> At this stage, the Salisbury Water Solar PV project does not meet business case criteria. Work is proceeding in conjunction with City Infrastructure to evaluate solutions to achieve larger economies of scale for the City. This initiative will continue in 2021/22.	\$440k
<u>Salisbury Water Distribution Main Linkages</u> The food industry supply project is on hold as Bridgestone Park is the only food grade water supply source and this is currently being utilised as a contingency measure to cover Edinburgh Parks and Kaurna Park, while these schemes are quarantined due to Defence PFAS impact. This program is required to carry forward for continuation in 2021/22.	\$365k
<u>Salisbury Water Dry Creek Weirs and Harvesting</u> With the weir constructed, the project is moving into monitoring and adjustments pending completion of the first winter water flows.	\$316k
<u>Other – Refer Attachment 1</u>	\$289k

Returned Funds *(Recommendation 2, Refer Attachment 2)*

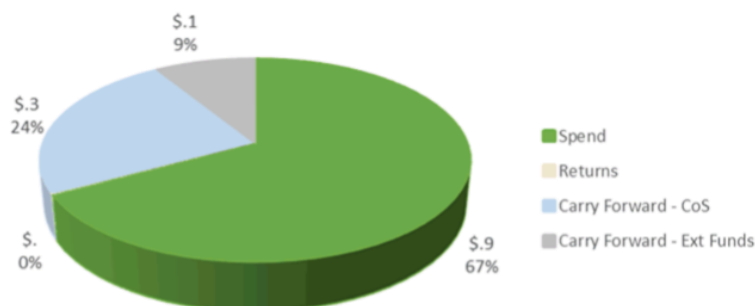
Returned funds for the Salisbury Water Business Unit are combination of minor budget savings across various programs.	\$232k
---	--------

Budget Transfers *(Recommendation 4, Refer Attachment 4)*

Transfer \$4,900 from within the Salisbury Water Licence Program to the Salisbury Water Minor Asset Renewal to cover a minor program overspend.	\$5k
---	------

Plant, Furniture & Equipment

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Fleet - Capital	1,188,000	676,094	-459,600	1,404,494	459,700	33%	124,600	9%	683,465	49%	3,300	0%
Fleet - Operating Components	0	0	0	0	0	0%	0	0%	0	0%	0	0%
Total	1,188,000	676,094	-459,600	1,404,494	459,700	33%	124,600	9%	683,465	49%	3,300	0%

\$M & % of Revised Budget**Key Achievements**Plant & Fleet Programs

This program delivers the replacement of plant and fleet items which aids in the delivery of providing services to the community. A key highlight includes the inclusion of four hybrid vehicles now within the fleet.

**Carry Forward Funds** (Recommendation 1, Refer Attachment 1)Plant & Fleet Programs

As expected, the delivery of some plant and fleet items have been impacted by supply availabilities and shipping delays. Some items can only be sourced from overseas and therefore reduced alternatives which could be sourced.

\$460k

Returned Funds (Recommendation 2, Refer Attachment 2)

Balance of program funds are nominated for return. Key savings were achieved with some vehicle replacement prices below original budget estimates.

\$3k

Plant, Furniture & Equipment Program, Continued..**Budget Adjustments** (Recommendation 3, Refer Attachment 3)

An additional \$5,100 is required to cover the additional expenditure incurred as part of upgrading from a utility to a truck, with the current market conditions the value had a slight increase as part of the Plant and Fleet Acquisitions Program.	\$5k
--	------

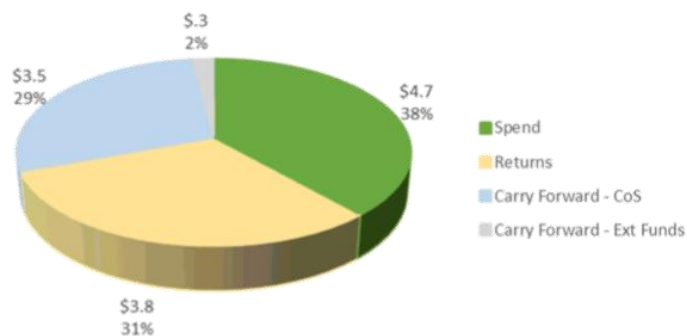
Budget Transfers (Recommendation 4, Refer Attachment 4)

Transfer \$104,100 of renewal funds from within the Plant and Fleet Replacement Program to the Major Plant Program to offset the upgrade of fleet item.	\$104k
---	--------

Strategic Projects

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Strategic Projects - Capital	7,575,000	6,041,900	755,900	12,295,300	3,791,800	31%	250,000	2%	2,364,028	19%	3,778,800	31%
Strategic Projects - Operating Components	0	712,100	-162,700	563,400	101,900	18%	0	0%	0	0%	435,500	77%
Total	7,575,000	6,754,000	593,200	12,858,700	3,893,700	30%	250,000	2%	2,364,028	18%	4,214,300	33%

\$M & % of Revised Budget



Key Achievements

Paddocks Master Plan Implementation

The implementation of the vision of the Paddocks Master Plan continued in 2020/2021 by way of completion of the detail design for new playspace which was then successfully tendered and awarded. In addition, remediation works continued within the wetlands.



John and Church Street Revitalisation

With community feedback informing design, the detail design was completed enabling the upgrade for John and Church Street, Salisbury, to be released to the market in the first quarter of 2021/22.

Salisbury Oval Master Plan Implementation

The completion of the Salisbury Oval Master Plan Implementation encountered delays due to the playspace supply delays. It is anticipated that this will be completed, September 2021, and provide the community with a new inclusive playspace to enjoy. This new playspace is complemented by a new toilet facility and full sized multi-court playing surface.

Strategic Projects *Continued..***Carry Forward Funds** *(Recommendation 1, Refer Attachment 1)*

<u>Paddocks Master Plan Implementation</u> The delivery of the vision of the Master Plan for the Paddocks, Para Hills West, has been progressively delivered. This year the key deliverable was a new playspace which was successfully awarded however will now be delivered in 2021/22	\$1.5M
<u>Salisbury Oval Master Plan Implementation</u> The supply of play elements was impacted by COVID-19 which has resulted in the playspace being completed early in 2021/22.	\$697k
<u>Other – Refer Attachment 1</u>	\$1.5M

Returned Funds *(Recommendation 2, Refer Attachment 2)*

Balance of program funds and savings achieved are nominated for return and included within Attachment 2.	\$4.2M
--	--------

Budget Transfers *(Recommendation 4, Refer Attachment 4)*

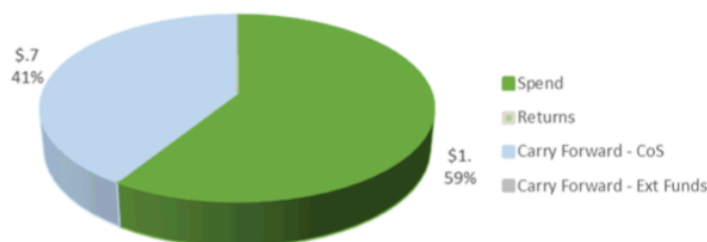
<ul style="list-style-type: none"> As part of delivering the Salisbury Oval Master Plan Implementation, minor operating related expenditure occurred and therefore \$1,800 of capital budget is being sought to transfer to operating. 	\$2k
<ul style="list-style-type: none"> Operational expenses were incurred in relation to the transition from project delivery to operations at Bridgestone Athletics Facility and therefore \$53,900 is sought to transfer from capital to operating to align with the expenditure incurred. 	\$54k

Grant Funding Adjustments *(Recommendation 6-8, Refer Attachment 5)*

As part of Phase 2, Local Roads and Community Infrastructure Program, the Federal Government allocated 50% of the approved funding in 2020/21 occurred however within the 2021/22 budget 100% funding was sought in error. As a result, the budget for the following Parks and Streetscape project approved as part of this program will be modified to align with the total grant approved for the Burton Community Hub The Shed and Community Garden to a total value of \$500,000.	(\$250k)
---	----------

Strategic Property

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward		External Funds		Committed		Returned Funds	
Strategic Property - Capital	0	1,711,100	0	1,711,100	701,100	41%	0	0%	76,734	4%	0	0%
Strategic Property - Operating Components	0	21,400	0	226,150	16,500	7%	0	0%	0	0%	0	0%
Total	0	1,732,500	0	1,937,250	717,600	37%	0	0%	76,734	4%	0	0%

\$M & % of Revised Budget**Key Achievements**

Civil and landscape construction is complete on the first of the Tranche 2 projects, Boardwalk at Greentree with 82% of the project site now sold. The remaining Tranche 1 projects are complete, with all sales and settlements completed. Practical completion has been reached for civil works, public lighting and landscape at Hoyle Green (Irving Place). All thirteen allotments have now been sold. Feasibility and further investigation is being undertaken on Lake Windemere and Walkleys Road.

**Carry Forward Funds** (Recommendation 1, Refer Attachment 1)

The nature and complexity of Strategic Property projects results in timelines extending over multiple financial years from initial feasibility through to full project completion. \$433k of the carry forward is associated with the development of The Boardwalk at Greentree which is 82% sold as noted above.

\$701K**Returned Funds** (Recommendation 2, Refer Attachment 2)

There are no returned funds proposed for this program with all works remaining in progress.

\$0k

Strategic Property *Continued..***Budget Adjustments** *(Recommendation 3, Refer Attachment 3)*

To correct a \$82k 2019/20 carry forward omission the required funds for Hoyle Green, Para Hills, have been included within this report which will rectify the project budget.	\$82k
--	-------

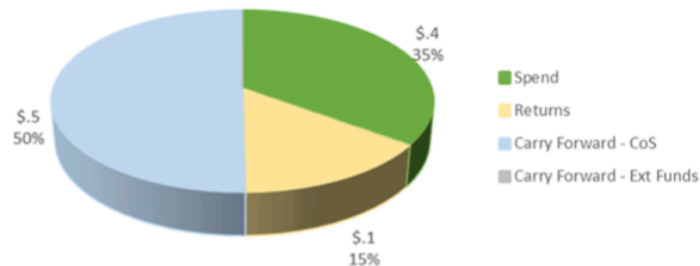
Budget Transfers *(Recommendation 4, Refer Attachment 4)*

Minor capital expenditure was incurred as part of Strategic Property related projects, Salisbury Oval Redevelopment \$12,800 and Feasibility Projects \$5,200, therefore approval is sought to transfer existing operating budget to capital to align these expenditures and budgets.	\$18k
---	-------

Information Technology

Asset Category	Original Budget	Carry Forwards	Budget Reviews	Revised Budget	Requested Carry Forward	External Funds		Committed		Returned Funds		
Information Technology - Capital	100,000	797,700	116,000	1,013,700	509,000	50%	0	0%	282,126	28%	148,900	15%
Information Technology - Operating Components	0	124,000	-90,000	34,000	24,000	71%	0	0%	0	0%	10,000	29%
Total	100,000	921,700	26,000	1,047,700	533,000	51%	0	0%	282,126	27%	158,900	15%

\$M & % of Revised Budget



Key Achievements

2020 and 2021 has seen a continuation in the support of the organisation working in a mixed and challenging environment. With a greater volume of staff working from home more frequently with the introduction of the new flexible working policy being assisted by the gradual expansion in functionality and use of productivity and collaboration tools. The rollout of Office 2019 has also commenced seeing around 30% of the fleet now utilising the new version is the next step for this expansion. Major work occurred with the implementation of the Time and Attendance module within the Fusion5 suite, seeing expansion of this functionality for use by Field Services staff.

This financial year has seen significant work on the foundations within our technology stack enabling future capability. While much of this underlying work was not visible, it enables things such as simpler integration between current systems and future cloud solutions, greater management, stability and security of the IT asset base, and the ability to increase the use and functionality of existing systems. Challenges were experienced for asset replacement as worldwide shortages in chips caused delays of around 5 months for the delivery of desktop computer replacements. All devices that contain computer chips are at risk of similar delays.

Carry Forward Funds (Recommendation 1, Refer Attachment 1)

<u>Phone System Renewal</u>	
The renewal to the phone system was successfully completed late in the financial year with the roll out and project closure occurring in July 2021.	\$87k
<u>Other – Refer Attachment 1</u>	\$422k

Returned Funds (Recommendation 2, Refer Attachment 2)

Balance of project funds and or from successfully delivered projects have been included within the returns.	\$149k
---	--------

ITEM	2.1.2
	FINANCE AND CORPORATE SERVICES COMMITTEE
DATE	20 September 2021
HEADING	Loan Borrowings 2020/21 and 2021/22
AUTHOR	Kate George, Manager Financial Services, Business Excellence
CITY PLAN LINKS	4.4 We plan effectively to address community needs and identify new opportunities
SUMMARY	This report, required as part of the Treasury Management Policy, provides Council with information regarding proposed borrowings required to fund the 2020/21 revised budget, and to establish borrowings to enable the delivery of the 2021/22 budget.
RECOMMENDATION	
That Council:	
<ol style="list-style-type: none">1. Receives the information.2. Approves the balance of the Property Disposal Reserve of \$1,500,000 be applied to the reduction of borrowing requirements.3. Approves the establishment of a 10 Year Cash Advance Debenture of \$23.2 million, to enable the delivery of the 2021/22 Budget.	
ATTACHMENTS	
There are no attachments to this report.	
BACKGROUND	
<ol style="list-style-type: none">1.1 This report has been prepared in accordance with the City of Salisbury's Treasury Management Policy.	
3. CONSULTATION / COMMUNICATION	
<ol style="list-style-type: none">3.1 Internal<ol style="list-style-type: none">3.1.1 Loan Borrowing requirements are assessed and reviewed quarterly as part of each Budget Review process.	

4. REPORT

Current Loan Portfolio Position

- 4.1 The current loan portfolio is comprised of Debenture Loans and Cash Advance Debentures (CAD's). The outstanding principal on Debenture Loans as at the 30 June 2021 was \$6,830k (inclusive of Community purposes loans of \$380k) and Variable Rate Cash Advance Debenture facilities totaled \$50,317k as at 30 June 2021, with no funds being drawn down at the end of financial year.

2020/21 Borrowing Requirements

- 4.2 The original loan borrowings for 2020/21 were forecast in May 2020 (Budget and Finance Committee Item 6.1.1) as:

Indicative Borrowing Requirements 2020/21	\$ '000
Draft Annual Plan Indicative Borrowings	24,425
Add: Infrastructure Timing Adjustments	7,479
Add: Project declaration to be added to the 20/21 budget	2,417
Less: Available Facilities	(8,410)
Less: Project Return Funds 2018/19 (resolution 0250/2019)	(4,516)
Rounding	5
Required Borrowings	21,400

With Council resolving (extract only, 0549/2020):

- 2. That Council approve the establishment of a 10 Year Cash Advance Debenture of \$21.4 million, to enable the delivery of the 2020/21 [budget]*

- 4.3 The Budgeted loan borrowings for 2020/21 were revised during June 2020 with final changes to the annual plan and budget, and subsequently through budget reviews, with the resulting loan borrowings at the third quarter budget review depicted in the table below:

Original Budget 1 July 2020	\$
Net Borrowings / (Investment)	29,061,754
Reinstate Timing Adjustments Projects	7,479,000
Project Returned Funds (Budget and Finance - May 2020)	(4,515,700)
Surplus Facilities 2019/20 (Budget and Finance - May 2020)	(8,410,402)
Net Borrowings / (Investment)	23,614,652
Cash and Facilities applied (Budget and Finance - May 2020)	(21,400,000)
First Quarter Budget Review 2020/21	
Variation to General Borrowing Requirements resolved 0758/2020	4,729,254
Adjustments to Operating Surplus Initiative Fund at First Quarter Budget Review	(1,277,830)
Second Quarter Budget Review 2020/21	
Variation to General Borrowing Requirements resolved 0846/2021	222,100
Third Quarter Budget Review 2020/21	
Reduction in General Borrowing Requirements recommended resulting from bids less operating and capital variations and timing adjustments	(14,368,950)
Revised Increase / (Decrease) in Borrowing Requirements	(8,480,774)

- 4.4 Effectively the borrowing requirement of \$21.4M as detailed May 2020 is reduced by \$8,481k, to \$12.9M with the significant factors being Additional Grant income disclosed in the First Quarter Budget Review of \$900k, less unfavourable timing of the Financial Assistance Grant (\$4,329k), Timing Adjustments of capital project \$7,200k and Declaration of Capital Funds of \$8,298k included in the Third Quarter Budget Review (noting that \$7,990k was added to the 2020/21 budget through changes to bids prior to adoption), with these favourable adjustments partially offset by \$3,871k of bids funded through the three quarterly reviews.
- 4.5 Having established the \$21.4M facility to deliver the 2020/21 budget, the capacity of this facility is not required at this time, being \$8,481k, and can be directed to the 2021/22 budget and retimed projects. It should be noted that as the facility is a Cash Advanced Debenture Council is not incurring any costs in relation to the \$8.5M not required at this time.

2021/22 Borrowing Requirements

- 4.6 The Adoption of the Annual Plan, Budget and Declaration of Rates included borrowing requirements of \$38,888k for 2021/22. Also needing to be funded are the timing adjusted projects as contained in the 2020/21 third quarter budget review of \$7,200k, bringing total requirements to \$46,088k.
- 4.7 The borrowing requirement is reduced by the capacity remaining on the 2020/21 Budget CAD of \$8,481k, leaving a net of \$37,607k.
- 4.8 As reported in August 2020 to the Budget and Finance Committee Item 6.1.1 2019/20 Carry Forward Funds report project expenditure budgets were reduced by \$3,846k, with budgets allocated totaling \$3,171k (resolution 0664/2020) which results in a reduction of \$484k in borrowing requirements. This capacity can be directed to reducing the borrowing requirements for 2021/22 budget from \$37,607k to \$37,123k.

- 4.9 As included on tonight's agenda, item 2.1.1 2020-2021 Carried Forward Funds and Budget Adjustments, project expenditure budgets are proposed to be reduced by \$12,464k (\$13,220k returned funds less \$534k grant funded, and less \$222k reserve funded) which results in a reduction of \$12,464k in borrowing requirements to deliver the remaining 2020/21 budget. This capacity can be directed to reducing the borrowing requirements for 2021/22 budget from \$37,123k to \$24,659k.
- 4.10 At this time and in accordance with Surplus Community Land Policy we have reviewed the balance of the Property Disposal Reserve (PDR), to determine what funds will be available to apply to the reduction of new borrowings. The balance of the PDR is \$1,687k, and it proposed to apply \$1,500k to reduce borrowing requirements, leaving the remaining funds as part of our working capital at this time.
- 4.11 The table below summarises paragraphs 3.6 to 3.10:

Indicative Borrowing Requirements 2021/22	\$ '000
Endorsed Budget Borrowings	38,888
Add: Infrastructure Timing Adjustments	7,200
Less: Available Facilities	(8,481)
Less: Project Return Funds (August 2020)	(484)
Less: Project Return Funds (September 2021)	(12,464)
Less: Property Disposal Reserve	(1,500)
Rounding	41
Required Borrowings	23,200

- 4.12 The actual required borrowings for 2021/22 will be refined through the quarterly reviews during the 2021/22 financial year. These adjustments will be reflected in the Loan Borrowings Report next financial year, to ensure that adequate facilities continue to be provided.

COVID 19 Facility

- 4.13 Council resolved in April 2020 that a \$50M CAD (0491/2020) be established to support the organisation's cash flow in relation to potential deferred payment dates for rates due to COVID 19 impact as supported by the recently endorsed COVID 19 Financial Hardship Policy. This facility was only required in the short term and was for a specific purpose. This facility was retired in August 2020 as there were no ongoing requirements that could not be managed within Councils normal cashflows and facilities.

5. CONCLUSION / PROPOSAL

- 5.1 To ensure the delivery of the 2021/22 budget a CAD facility of \$23.2M is recommended to be established.
- 5.2 The Loan Borrowings report for 2021/22 and 2022/23 to be prepared in September 2022 will refine the 2021/22 borrowing requirements and this adjustment will form part of the recommendations to Council at that time, as has been the case for the 2020/21 borrowing requirements as detailed in this report.

CO-ORDINATION

Officer: Executive Group
Date: 13/09/2021