

Management report to Council**Agenda item 6.5**

Quarterly Financial Performance Report and Budget

Council**Presenter:** Michael Tenace, General Manager Finance and Corporate and CFO**23 February 2021****Purpose and background**

1. The purpose of this report is to inform Council of the financial performance of the Council for the 2020–21 Second Quarterly Financial Performance Report and Budget, in accordance with the *Local Government Act 2020* (the Act) and to provide information on supplementary valuations adopted by the Chief Executive Officer under delegation (refer Attachment 3).
2. The result from ordinary activities for the quarter ending 31 December 2020 shows an underlying YTD surplus on the Income Statement of \$14.5 million versus a budget deficit of \$6.0 million. The favourable variance of \$20.5 million is mainly due to the timing of income and expenditure (\$13.8 million) associated with Melbourne City Recovery Fund (MCRF), increase in supplementary rate income (\$4.7 million), improved Parking revenue performance (\$3.0 million) and lower employee expenses given prudent vacancy management (\$3.9 million), partially offset by lower user fees (\$4.3 million) impacted by COVID-19.

Key issues

3. The result includes estimated COVID-19 impacts of \$45 million YTD largely due to reduced parking revenue (\$26.9 million) and lower statutory and other user fees (\$9.6 million). This is estimated to have a full year material adverse impact of \$101 million on both revenue and expenditure which includes significant impacts from reduced parking revenue, hardship allowances and community grants support.
4. After allowing for the acceleration of MCRF stimulus expenditure to reactivate the City in the second half, Council is forecast to have a full year underlying deficit of \$57.4 million and meet its Budget, which is an improvement in forecast from the last quarter due to an improved outlook in parking revenue, an increase in supplementary rates and the revised forecast treatment of COVID-19 Financial assistance through rates deferrals as compared to rates waivers.
5. As at the end of the Second Quarter, the Chief Executive Officer as required under Section 97(3) of the Act is of the opinion a revised Budget may be required due to the impact of COVID-19 and the potential increased need of borrowing to enable Council to maintain its restricted cash. This is money set aside to meet our statutory obligations, confirmed projects and liabilities as per the community and regulatory expectations.
6. Given Council's ongoing support towards the community which has caused the Council to revise its cash flow forecast, there is a potential need to increase borrowings in order to safeguard the short to medium term financial security of Council as per the Council's Borrowing Policy. This position will continue to be closely monitored by management over the coming months.
7. A detailed analysis of revenue and expenditure is included in Attachment 2.

Recommendation from management

8. That Council:
 - 8.1. Accepts the 2020–21 Second Quarterly Financial Performance Report and Budget.
 - 8.2. Notes that the Chief Executive Officer, as required under Section 97(3) of the Act, is of the opinion a revised Budget may be required to allow for an increase in borrowings.
 - 8.3. Authorises the Chief Executive Officer to make any further minor editorial changes to the 2020–21 Second Quarterly Financial Performance Report and Budget Report prior to publication.

Supporting Attachment

Legal

1. Section 97(1) of the Act provides that as soon as practicable after the end of each quarter of the financial year, the Chief Executive Officer must ensure that a quarterly budget report (Report) is presented to a Council meeting which is open to the public.
2. Section 97(2) of the Act provides that the Report must include:
 - 2.1 a comparison of the actual and budgeted results to date
 - 2.2 an explanation of any material variations
 - 2.3 any other matters prescribed by regulations under the Act (none at present)
3. Section 97(3) of the Act provides that the second quarterly report of a financial year must include a statement by the Chief Executive Officer as to whether a revised budget is, or may be, required.

Finance

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

Conflict of interest

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

Health and Safety

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

Stakeholder consultation

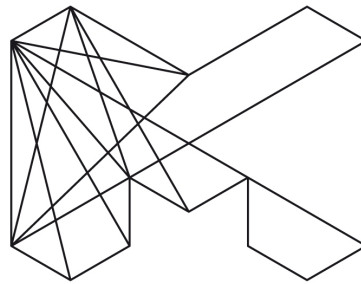
7. Consultation with the various branches of Council has been undertaken in preparation of this report.

Relation to Council policy

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

Environmental sustainability

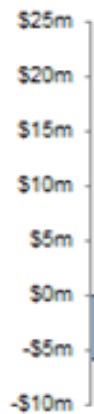
9. The financial performance for the quarter ended 31 December 2020 reflects many activities impacting on environmental sustainability. There is no direct impact on environmental sustainability from the recommendations in this report.



CITY OF MELBOURNE

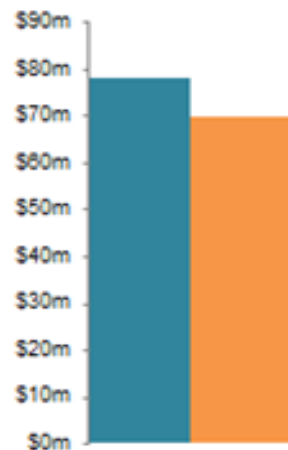
FINANCIAL PERFORMANCE REPORT December 2020

Underlying Surplus/(Deficit)



■ YTD Budget	(\$6.0m)
■ YTD Actual	\$14.5m
YTD Variance	\$20.5m

Council Works Program



■ YTD Budget	\$78.0m
■ YTD Actual	\$69.8m
YTD Variance	\$8.2m

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

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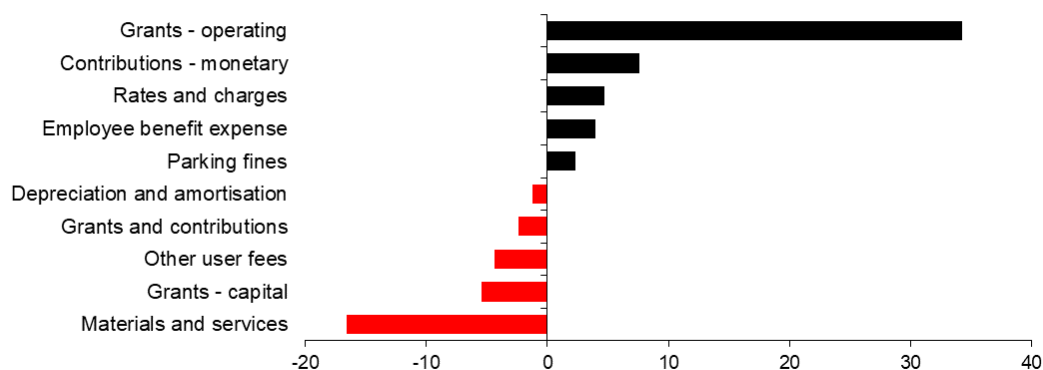
Executive Summary

Underlying Operating Results:

2019-20 Actual	2020-21 Budget	\$ Thousands	2020-21 YTD (\$'000)		
			Budget	Actual	Variance
527,717	430,670	Revenue	242,882	281,240	38,358
483,702	463,565	Operating Expenditure	216,265	232,922	(16,658)
44,015	(32,895)	Results from Ordinary Activities	26,617	48,318	21,700
23,605	1,100	Net gain/(loss) on disposal of property, infra, plant and equip	550	(81)	(631)
5,378	0	Fair value adjustments for investment properties	0	0	0
0	0	Contributions - non monetary	0	0	0
0	0	Writedown on Investment	0	0	0
72,998	(31,795)	Profit/(Loss)	27,167	48,237	21,070
(61,160)	(25,572)	Less External Contributions to Capital	(32,640)	(33,792)	(1,152)
(5,378)	0	Less Gain on Investment Revaluation	0	0	0
0	0	Less Contributed Assets	0	0	0
(23,605)	0	Less Gain on disposal of asset	(550)	81	631
(17,145)	(57,367)	Underlying Surplus/(Deficit)	(6,023)	14,525	20,547

Key Financial Variances:

Top 10 Variances (\$millions)



The December 2020 YTD financial year result excluding gain on disposal of properties was an underlying surplus of \$14.5 million, \$20.5 million favourable against budget. The COVID-19 impacts are estimated to be \$45.0 million (compared with normal business environment).

The favourable variances are due to:

- Grants - operating (\$34.3 million favourable) mainly as a result of \$31.3m City Reactivation Activities Grants and \$4.0m Working for Victoria Fund.
- Contributions - monetary (\$7.6 million favourable) as a result of the timing of higher Public Open Space contributions (capital revenue is excluded from underlying surplus)
- Rates and charges (\$4.7 million favourable) due mainly to higher supplementary rates revenue.
- Employee benefit expense (\$4.0 million favourable) due to vacant positions held across the organisation and secondment of staff to DHHS/DoJ.

Partially offset by:

- Materials & Services (\$16.6 million unfavourable) impacted by City Reactivation Activities expenditure, COVID-19 cleaning contract payments (fully offset by operating grants) and WIP Capitalisation reassessment.
- Grants – capital (\$5.5 million unfavourable) due mainly to CBD security measurements project and Community Sports Pavilion Upgrade project grants being received later than expected.

- Other User Fees (\$4.4 million unfavourable) primarily due to impacts from extended Stage 4 COVID-19 lockdown restrictions in Victoria
- Grants and contributions expense (\$2.4 million unfavourable) due mainly to Business Support recovery grants payments

COVID-19 Impacts

- There has been an unprecedented impact on the City of Melbourne operations of stage 4 lockdown restrictions. Total revenue impacts for the half year are estimated at \$45.0 million which is higher than expected given the extension of stage 4 restrictions not anticipated in Budget
- The year to date major financial impacts for COVID-19 stage 4 lockdown include compared to prior year:
 - \$27.0 million lower Parking Fee and Fine revenue
 - \$9.6 million lower statutory and other user fees
 - \$3.8 million lower Other Income items, *partially offset by*
 - \$4.6 million favourable impacts on timing of grants revenue and COVID-19 related expenditure
- As at 31 December 2020, net rates debtors has increased to \$53.4 million which is materially higher than the balance of \$33.0 million in 31 December 2019.

Council Works Program

The value of works completed is \$69.8 million compared to the YTD budget of \$78.0 million.

Borrowings & Liquidity position

As at the end of the Second Quarter, the Chief Executive Officer as required under Section 97(3) of the Act is of the opinion a revised Budget may be required due to potential increase need of borrowing to enable Council to maintain its restricted cash. This is money set aside to meet our statutory obligations, confirmed projects and liabilities as per the community and regulatory expectations.

Given Council's ongoing support towards the community which has caused the Council to revise its cash flow forecast, there is a potential need to increase borrowings in order to safeguard the short to medium term financial security of Council as per the Council's Borrowing Policy. This position will continue to be closely monitored by management over the coming months.

Balance Sheet

Prior Year 2019-20 Actual (\$'000)	Balance Sheet	Current Dec-20 Actual (\$'000)	Movement 2019-20 Actual (\$'000)
	Assets		
	Current Assets		
42,598	<i>Ref 1</i> Cash and cash equivalents	55,644	13,046
36,764	<i>Ref 2</i> Trade and other receivables	286,497	249,733
64,000	<i>Ref 1</i> Other financial assets	74,600	10,600
13,687	<i>Ref 3</i> Other assets	2,739	(10,948)
157,049	Total Current Assets	419,480	262,431
	Non current assets		
63,488	<i>Ref 1</i> Other financial assets	33,593	(29,895)
0	Loan to QVM	0	0
26,356	Investment in subsidiaries and trust	26,356	0
4,156,594	<i>Ref 7</i> Property, infrastructure, plant and equipment	4,181,843	25,249
210,922	<i>Ref 7</i> Investment property	210,922	0
41,886	<i>Ref 7</i> Intangible assets	34,156	(7,730)
5,493	Right of Use Asset	4,588	(905)
4,504,739	Total Non-Current Assets	4,491,458	(13,281)
4,661,788	TOTAL ASSETS	4,910,938	249,150
	Liabilities		
	Current Liabilities		
(70,188)	<i>Ref 4</i> Trade and other payables	(228,751)	(158,563)
(13,356)	<i>Ref 5</i> Trust funds and deposits	(53,772)	(40,416)
(36,217)	<i>Ref 6</i> Provisions	(38,943)	(2,726)
(1,411)	Lease Liability	(902)	509
	Interest-bearing loans and borrowing	0	0
(121,172)	Total Current Liabilities	(322,368)	(201,196)
	Non- current Liabilities		
(3,909)	Provisions	(3,909)	0
0	Interest-bearing loans and borrowings	0	0
(1,388)	Trust funds and deposits	(1,493)	(105)
(4,237)	Lease Liability	(3,852)	385
(9,534)	Total Non-Current Liabilities	(9,254)	280
(130,706)	TOTAL LIABILITIES	(331,622)	(200,916)
4,531,082	NET ASSETS	4,579,316	48,235
	Equity		
(2,169,912)	Accumulated Surplus	(2,204,444)	(34,532)
(2,361,170)	Reserves	(2,374,872)	(13,703)
(4,531,082)	TOTAL EQUITY	(4,579,316)	(48,235)

Balance Sheet

Comparison to June 2020 Actual

1. The increase in cash and cash equivalents is a net result of inflows from Other Financial Assets of term deposit maturities, and proceeds from partial sale of the Munro site, which has been more than offset by capital expenditure (\$55m).
2. The increase in trade and other receivables is due to pre-billed rates (net \$206m), the Fire Services Levy (net \$42m), and Debtors Control (\$32.8m) which includes \$30.2m from the Victorian State Government for grants as at 31 December.
3. The decrease in other assets is mainly a result of the reversal of accrued income recorded at year end for the CBD Security project (\$10m).
4. Trade and other payables are higher mainly as a result of rates in advance as per trade receivables (2. above), which was partly offset by reductions in creditors and accruals as at 31 December.
5. The increase in Trust funds and deposits is due to the Fire Services Levy (2. above) collected for the State Government.
6. Provisions are higher due to an increase in annual leave (\$1.9m) and long service leave (\$1.0m), which is a result of lower levels of leave being taken during the COVID-19 lockdown. This should decrease during January.
7. The increase in property plant and equipment assets is a result of capital projects being capitalised which is partially offset by depreciation.

Cash Flow Statement

2019-20 Actual (\$'000)	Statement of Cash Flows	2020-21 Actual (\$'000)
	Cashflows from Operating Activities	
	Receipts	
292,563	Rates and charges	123,439
62,814	Statutory fees and fines	9,000
67,454	User fees	21,813
19,485	Grants - operating	44,235
24,962	Grants - capital	13,017
5,295	Contributions - monetary	2,662
2,290	Interest	436
2,063	Dividends	18
3,582	Trust funds and deposits taken	1,246
14,303	Other receipts	3,409
28,156	Contributions on Public Open Spaces (Reserve)	20,282
522,967		239,556
	Payments	
(168,437)	Employee Costs	(73,520)
(193,704)	Materials & Services	(120,661)
(32,108)	Other Payments	(16,001)
(394,249)		(210,182)
128,718	Net Cash Inflow / (Outflow) from Operating Activities	29,374
	Cashflows from Investing Activities	
(127,838)	Payments for property, infrastructure, plant & equipment	(54,968)
9,035	Proceeds from sale of property, infrastructure, plant & equipment	26,350
14,975	Compensation for City Square	0
(73,000)	TD Deposit Reclassification	19,400
0	Loan to QVM	(5,650)
(176,828)	Net Cash Inflow / (Outflow) from Investing Activities	(14,868)
	Cashflows from Financing Activities	
(339)	Finance Costs	(37)
(28,482)	Repayments of borrowings	0
0	Interest paid - Lease Liability	(76)
0	Repayment of Lease Liability	(1,347)
(28,821)	Net Cash Inflow / (Outflow) from Financing Activities	(1,460)
(76,931)	Net Cash Inflow / (Outflow) from all Activities	13,046
119,529	Cash at beginning of the financial period	42,598
42,598	Cash at the end of Dec-20	55,644
(76,931)	Movement in cash equivalents	13,046

2019-20 Actual (\$'000)	Statement of Cash Flow (reconciliation)	2020-21 Actual (\$'000)
38,488	Net Surplus (exc Public Open Space Contributions)	27,954
	Add Back Non-Cash Items	
70,774	Depreciation/Amortisation	37,913
5,558	WIP (Southbank Boulevard Upgrading) Write Off	0
(5,378)	Fair value adjustments for investment property	0
(23,605)	Profit/(loss) on disposal of property, plant and equipment	81
85,837	Operating Surplus/(Deficit) before Non cash items	65,948
14,388	Net Movement in Working Capital	(58,314)
(127,839)	Capital Expenditure	(54,968)
0	Loan to QVM	(5,650)
9,035	Proceeds from sale of assets	26,350
14,975	Compensaton on City Square	0
28,156	Contributions on Public Open Spaces (Reserve)	20,282
(73,000)	TD Deposit Reclassification	19,400
(28,482)	Repartriation of CEFC Loan	0
0	Proceeds of borrowings	0
(76,931)	Net Cash inflow/(outflow)	13,046

As at 31 December, Council has a total cash inflow of \$13.0 million which is comprised of:

- An operating surplus of \$65.9m
- A net outflow of working capital of \$58.3m
- Capital expenditure of \$55.0m
- Short-term loan to Queen Victoria Market (QVM) of \$5.6m
- Proceeds from partial sale of Munro site \$26.4m
- A reclassification of longer term deposits to cash \$19.4m

Income Statement

2019-20 Actual (\$'000)	2020-21 Budget (\$'000)	Income Statement		2020-21 YTD (\$'000)		
				Budget	Actual	Variance
			REVENUE			
301,764	309,251	Ref 3.1	Rates and charges	157,242	161,978	4,736
			Statutory fees and fines			
38,197	17,510	Ref 3.2	Parking fines	8,548	10,823	2,275
13,694	13,556	Ref 3.3	Other	6,830	6,164	(666)
			User fees			
46,639	28,578	Ref 3.4	Parking	10,452	11,107	655
24,515	6,186	Ref 3.5	Other	11,493	7,109	(4,384)
19,485	14,948	Ref 3.6	Grants - operating	9,939	44,235	34,296
24,962	24,267	Ref 3.7	Grants - capital	18,502	13,017	(5,485)
39,805	3,193	Ref 3.8	Contributions - monetary	15,328	22,944	7,616
		Ref 3.9	Other income			
2,290	979		Interest	362	436	74
2,063	2,060		Dividends	60	18	(43)
5,701	5,010		Investment property/market rentals	2,302	1,058	(1,243)
2,487	1,013		Intercompany revenue - Citywide	214	732	518
20	0		Intercompany revenue - Queen Vic Market	0	0	0
5,728	3,962		Sales & recoveries	1,528	1,560	33
367	158		Project income	82	59	(24)
527,717	430,670		Total Revenue	242,882	281,240	38,358
			EXPENDITURE			
169,798	172,928	Ref 4.1	Employee benefit expense	80,430	76,470	3,960
196,744	178,068	Ref 4.2	Materials and services	81,388	97,950	(16,562)
14,464	5,909	Ref 4.3	Bad and doubtful debts	2,386	3,128	(742)
70,774	73,317	Ref 4.4	Depreciation and amortisation	36,658	37,913	(1,255)
339	500	Ref 4.5	Borrowing Costs	137	37	100
9,134	8,671	Ref 4.6	Other expenses	3,637	3,406	231
22,449	24,172	Ref 4.7	Grants and contributions	11,628	14,018	(2,390)
483,702	463,565		Total Operating Expenditure	216,265	232,922	(16,658)
23,605	1,100		Net gain/(loss) on disposal of property, infra, plant and equip	550	(81)	(631)
5,378	0		Fair value adjustments for investment properties	0	0	0
0	0		Contributions - non monetary	0	0	0
0	0		Writedown on Investment	0	0	0
72,998	(31,795)		Profit/(Loss)	27,167	48,237	21,070
(61,160)	(25,572)		Less External Contributions to Capital	(32,640)	(33,792)	(1,152)
(5,378)	0		Less Gain on Investment Revaluation	0	0	0
(23,605)			Less Gain on disposal of asset (irregular)	(550)	81	631
(17,145)	(57,367)		Underlying Surplus/(Deficit)	(6,023)	14,525	20,548

Analysis of Revenue Variances

Budget \$242.9m	Actual \$281.2m	Variance \$38.4m Favourable
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3.1 Rates and charges **3.0% Variance** **\$4.7m Fav**

This favourable variance is due mainly to higher supplementary rates revenue.

3.2 Parking fines **26.6% Variance** **\$2.3m Fav**

Parking infringements are more favourable to budget expectations, noting that there is a significant year on year decline of 48% compared to the same time last year.

3.3 Other statutory fees and fines **-9.8% Variance** **(\$0.7m) Unfav**

This unfavourable variance is due to \$0.6 million litter fines and \$0.2 million planning fees as a result of COVID-19.

3.4 Parking fees **6.3% Variance** **\$0.7m Fav**

Parking fees are more favourable to budget expectations, noting that there is a significant year on year decline of 60% compared to the same time last year

3.5 Other user fees **-38.1% Variance** **(\$4.4m) Unfav**

This unfavourable variance is due to lower user fees as a result of COVID-19 stage 4 lockdown restrictions including:

- \$2.7 million building services fees;
- \$0.5 million lower Town Hall spotless income;
- \$0.5 million leisure and recreational fees;
- \$0.3 million events revenue; *and*
- \$0.2 million lower child care fees.

3.6 Grants – operating **345.1% Variance** **\$34.3m Fav**

This favourable variance is a result of:

- \$24.8 million Melbourne City Recovery Fund (MCRF) grants;
- \$4.5 million Laneway Revitalisation grants;
- \$4.0 million Working for Victoria funds and \$2.0 million Business Support grants; *and*
- \$2.0 million Small Business Transformation grants.

3.7 Grants – capital **-29.6% Variance** **(\$5.4m Unfav)**

This unfavourable variance is driven by \$3.5 million CBD security measurements project funding and \$2.6 million Community Sports Pavilion Upgrade funding being received later than expected which is partially offset by \$1.9 million capital funding related to La Trobe Street Bridge project.

3.8 Contributions – monetary **49.7% Variance** **\$7.6m Fav**

This favourable variance is due to \$7.2 million higher Public Open Space funds and \$0.5 million higher external contributions.

3.9 Other income **-15.1% Variance** **(\$0.7m) Unfav**

This unfavourable variance is driven by lower commercial rentals income provided by Council to assist tenants given COVID-19 impacts.

Analysis of Expense Variances

Budget \$216.3m	Actual \$232.9m	Variance \$16.7m Unfavourable
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4.1 Employee benefit expense **4.9% Variance** **\$4.0m Fav**

This favourable variance is largely due to holding vacant positions across Council, lower leave taken due to COVID, and secondment of staff to DHHS/DoJ.

4.2 Materials & Services **-20.3% Variance** **(\$16.6m) Unfav**

Variances of note have occurred in the following categories:

- Contract payments \$7.0 million unfavourable;
- General Maintenance \$7.0 million unfavourable; *and*
- Internal Revenue/Charges \$2.0 million unfavourable.

Contract payments (unfavourable \$7.0 million)

This unfavourable variance is due mainly to;

- \$8.9 million COVID-19 cleaning expenditure
- \$3.0 million WIP Capitalisation reassessment; *and*
- \$1.0 million other contractor costs.

Partially offset by:

- \$2.5 million home support service contract (cease of services from 2020-21)
- \$1.6 million lower recreation facilities contract costs; *and*
- \$0.2 million lower civil infrastructure and parking devices contract costs.

General Maintenance (unfavourable \$7.0 million)

This unfavourable variance is driven by City Reactivation Projects.

Internal revenue/charges (unfavourable \$2.0 million)

This unfavourable variance is due to lower labour capitalisation recoveries.

4.3 Bad and doubtful debts **-31.1% Variance** **(\$0.7m) Unfav**

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

4.4 Depreciation and amortisation **-3.4% Variance** **(\$1.3m) Unfav**

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

4.5 Borrowing costs **73.0% Variance** **\$0.1m Fav**

Minor favourable variance.

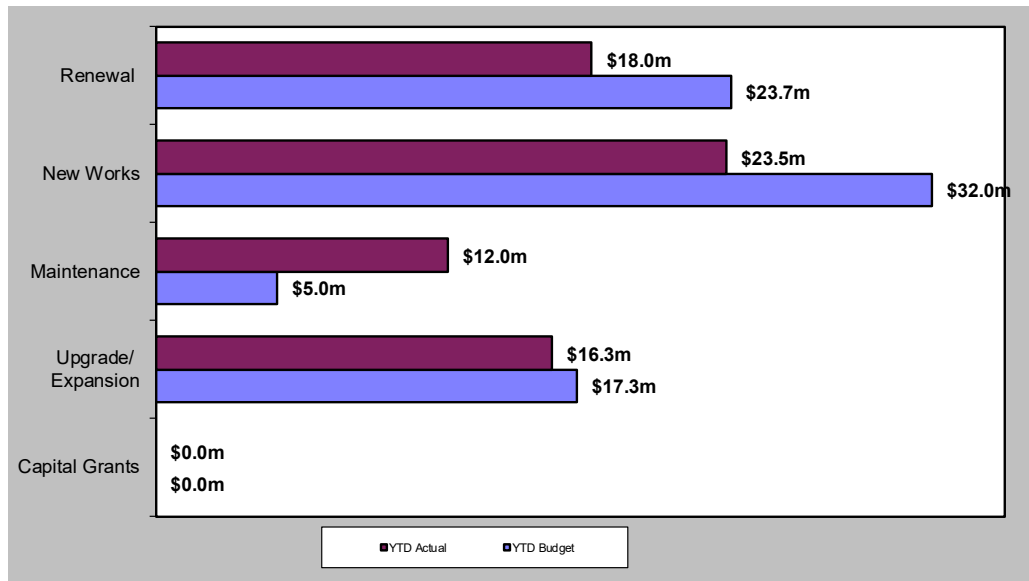
4.6 Other expenses **6.4% Variance** **\$0.2m Fav**

This favourable variance is due to lower landfill levy expenditure.

4.7 Grants and contributions **-20.6% Variance** **(\$2.4m Unfav)**

This unfavourable variance is due mainly to timing of COVID-19 Grants payments.

Council Works – Expenditure



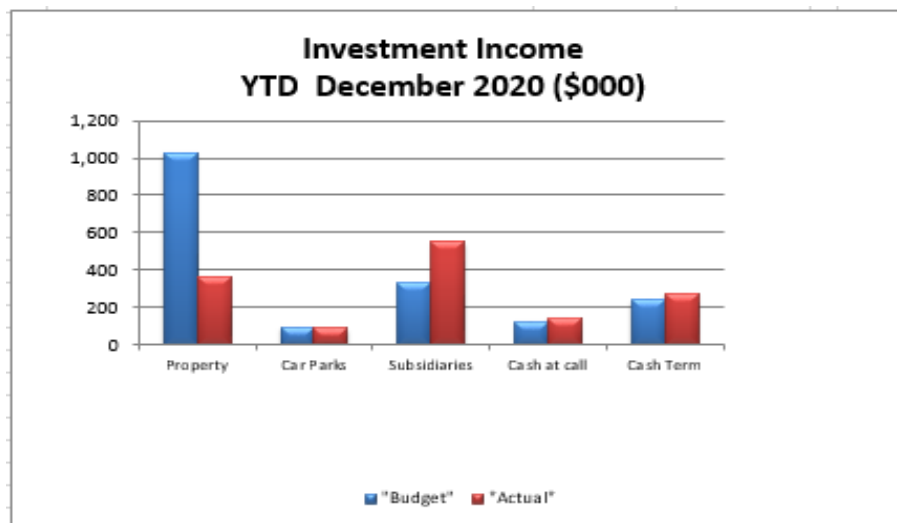
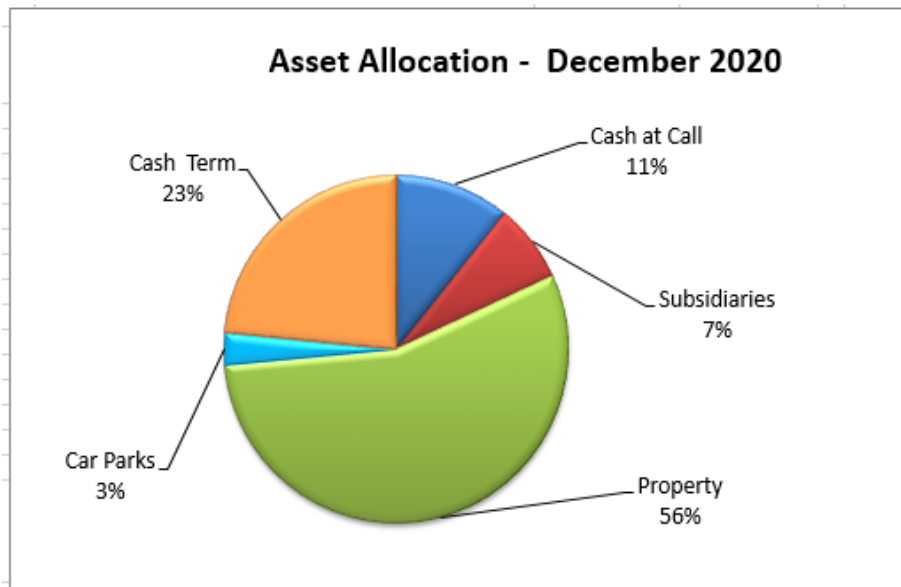
Period: Dec-20

Council Works Area	2019-20 (\$'000)		
	Budget	Actual	Variance
Maintenance			
Capital Grants	0	0	(0)
Maintenance	5,005	12,017	(7,012)
Total Maintenance	5,005	12,017	(7,013)
Capital Works			
Expansion	5,131	4,285	846
Upgrade	12,204	12,025	179
New Works	31,964	23,491	8,473
Renewal	23,687	17,955	5,731
Total Capital Expenditure	72,985	57,756	15,229
Total Council Works Program	77,990	69,773	8,217

Investment Portfolio Performance

The Investment Portfolio returned \$1.4 million for year to date which is \$0.4 million lower than \$1.8 million budget.

- Investment Properties - YTD returned \$665K unfavourable against budget mainly due to \$1.1 million negative Covid-19 impacts on revenue as a result of rent relief and a small number of vacancies due to market condition.
- Car Parks – YTD overall unfavourable against budget with Council House returned positive \$35K & Elgin St returned negative \$39K, due Covid-19 restrictions
- CityWide – YTD returned \$265K higher than budget due to higher payroll tax as a result of sanitisation works during the pandemic.
- Procurement Australasia paid dividend in December of \$17.5K (7 cents @ 250,000 ordinary shares)
- Cash Investments – YTD interest income was favourable by \$55K due to higher average cash balance (\$109 million) in the first 6 months compared to the budget (\$65 million)



Public Open Space Contributions

DATE PAID	SUBDIVISION REG. NO	ADDRESS OF DEVELOPMENT	SUBURB	Amount
16/07/2020	SA-2019-93	346-362 Queen Street	MELBOURNE	\$6,092,074
11/08/2020	SA-2019-86	374 Lonsdale Street	MELBOURNE	\$6,707,000
12/10/2020	SA-2019-108	81 Manningham Street	PARKVILLE	\$67,500
26/10/2020	SA-2019-89	141 Arden Street	NORTH MELBOURNE	\$130,000
16/10/2020	SA-2011-70	Crowne Plaza 1-5 Spencer Street	DOCKLANDS	\$2,750,000
13/11/2020	SA-2019-92	185 Rosslyn Street	WEST MELBOURNE	\$2,271
30/11/2020	SA-2019-78	22-28 Courtney Street	NORTH MELBOURNE	\$374,180
08/12/2020	SA-2019-32	134-160 Spencer Street	MELBOURNE	\$3,229,950
01/12/2020	SA-2019-14	404-408 Spencer Street	WEST MELBOURNE	\$625,000
24/12/2020	SA-2020-9	233-239 Dryburgh Street	NORTH MELBOURNE	\$303,580
			Total	\$20,281,555

SUPPLEMENTARY VALUATIONS

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

In the October to December 2020 quarter, there were three supplementary valuation returns; the total of these returns are as follows:

Date	NAV Change	Total Rate Change	New Rates	Exemptions	Objections
8-Oct-20	\$41,889,350	\$1,129,473.72	\$1,277,410.43	(\$21,571.67)	(\$126,365.04)
9-Nov-20	\$61,088,800	\$1,451,623.33	\$1,714,960.43	(\$263,337.10)	\$0.00
1-Dec-20	\$32,121,200	\$738,642.82	\$752,246.17	(\$13,596.56)	(\$6.79)
Total	\$135,099,350	\$3,319,739.87	\$3,744,617.03	(\$298,505.33)	(\$126,371.83)

The 2020-21 supplementary new rates budget is \$6.2 million. The year to date actual for new rates is \$10.9 million.

Category	Address	Effective Date	Rates 2020-21	Rates Previous Years	Total Rates	NAV Change	Comments
8 Oct 2020							
EXEMPTIONS	Unit 3, Level 3 55 Exhibition Street NORTH MELBOURNE	01-Jul-20	(\$5,630.27)	\$0.00	(\$5,630.27)	\$0	Vacant premise, owned by Federal Govt stat body.
	Unit 2-4, 109 Flinders Lane, MELBOURNE	01-Jul-20	(\$15,941.40)	\$0.00	(\$15,941.40)	(\$8,000)	Vacant premise, owned by Federal Govt stat body.
	Balance of smaller Exemptions		\$0.00	\$0.00	\$0.00	\$0	
	TOTAL		(\$21,571.67)	\$0.00	(\$21,571.67)	(\$8,000)	
OBJECTIONS	376-390 Collins Street MELBOURNE	01-Jul-19	\$0.00	(\$71,940.64)	(\$71,940.64)	\$0	Correction to valuations
	11-37 Exhibition Street MELBOURNE	01-Jul-19	\$0.00	(\$27,898.43)	(\$27,898.43)	\$0	Rental evidence supports reduction in valuations
	164 Webb Dock Drive PORT MELBOURNE	01-Jul-19	\$0.00	(\$17,666.76)	(\$17,666.76)	\$0	Correction to land area and rental evidence supports reduction in valuations
	Balance of smaller Objections		\$0.00	(\$8,859.21)	(\$8,859.21)	\$0	
	TOTAL		\$0.00	(\$126,365.04)	(\$126,365.04)	\$0	
NEW RATES	560-566 Lonsdale Street MELBOURNE	01-Jul-20	\$583,066.35	\$0.00	\$583,066.35	\$19,664,650	Construction of multi-level residential building
	697 Collins Street DOCKLANDS	01-Jul-20	\$569,841.08	\$0.00	\$569,841.08	\$17,026,350	Construction of multi-level office tower
	76-80 Collins Street MELBOURNE	01-Jul-20	\$128,317.92	\$0.00	\$128,317.92	\$4,002,350	New hotel and retail
	68-82 Southbank Boulevard SOUTHBANK	01-Jul-20	\$106,086.43	\$0.00	\$106,086.43	\$3,613,000	Stage 10 subdivision - 41 residential units
	Balance of smaller Supps		(\$96,213.53)	(\$13,687.82)	(\$109,901.35)	(\$2,409,000)	
	TOTAL		\$1,291,098.25	(\$13,687.82)	\$1,277,410.43	\$41,897,350	
TOTAL			\$1,269,526.58	(\$140,052.86)	\$1,129,473.72	\$41,889,350	

Category	Address	Effective Date	Rates 2020-21	Rates Previous Years	Total Rates	NAV Change	Comments
9 Nov 2020							
EXEMPTIONS	553 St Kilda Road MELBOURNE	01-Jul-20	(\$137,826.86)	\$0.00	(\$137,826.86)	(\$391,300)	Consulate-General of the United States of America exempt
	90-98 Collins Street MELBOURNE	01-Jul-20	(\$61,482.55)	\$0.00	(\$61,482.55)	(\$1,200,600)	British Consulate-General exempt
	218-242 Little Collins Street MELBOURNE	01-Jul-20	(\$21,041.77)	\$0.00	(\$21,041.77)	\$0	Vacant CoM property
	Balance of smaller Exemptions		(\$31,812.14)	(\$11,173.78)	(\$42,985.92)	\$278,250	
	TOTAL		(\$252,163.32)	(\$11,173.78)	(\$263,337.10)	(\$1,313,650)	
OBJECTIONS	Balance of smaller Objections		\$0.00	\$0.00	\$0.00	\$0	
	TOTAL		\$0.00	\$0.00	\$0.00	\$0	
NEW RATES	441 Collins Street MELBOURNE	10-Nov-20	\$948,641.02	\$0.00	\$948,641.02	\$34,197,500	Subdividing Lot S5 into 138 resi lots and Lot S6
	244-276 Spencer Street MELBOURNE	10-Nov-20	\$405,376.77	\$0.00	\$405,376.77	\$15,748,450	Stage 2 - 532 Resi lots & 9 retail lots
	172-192 Flinders Street MELBOURNE	10-Nov-20	\$130,427.08	\$0.00	\$130,427.08	\$4,002,350	Refurbishment & addition of levels
	472-478 Bourke Street MELBOURNE	10-Nov-20	\$110,841.23	\$0.00	\$110,841.23	\$3,932,050	Refurb existing level 5 & added 12 additional levels
	Balance of smaller supps		\$120,013.65	(\$339.32)	\$119,674.33	\$4,522,100	
	TOTAL		\$1,715,299.75	(\$339.32)	\$1,714,960.43	\$62,402,450	
TOTAL			\$1,463,136.43	(\$11,513.10)	\$1,451,623.33	\$61,088,800	

Category	Address	Effective Date	Rates 2020-21	Rates Previous Years	Total Rates	NAV Change	Comments
1 Dec 2020							
EXEMPTIONS	Tenancy 24A Level 1 & Tenancy 24C Level 3 Yarra Building Federation Square 2 Swanston Street MELB	01-Jul-20	(\$13,596.56)	\$0.00	(\$13,596.56)	\$0	Exemption for Koori Heritage Trust
	Balance of smaller Exemptions		\$0.00	\$0.00	\$0.00	\$0	
	TOTAL		(\$13,596.56)	\$0.00	(\$13,596.56)	\$0	
OBJECTIONS	Balance of smaller Objections		\$0.00	(\$6.79)	(\$6.79)	\$0	
	TOTAL		\$0.00	(\$6.79)	(\$6.79)	(\$6.79)	
NEW RATES	367-375 Little Lonsdale Street MELBOURNE	02-Dec-20	\$267,072.15	\$0.00	\$267,072.15	\$11,235,250	Subdivision of 352 residential units
	143-171 A'Beckett Street MELBOURNE	02-Dec-20	\$206,260.55	\$0.00	\$206,260.55	\$8,820,650	Subdivision of 345 Residential Units
	68-82 Southbank Boulevard SOUTHBANK	02-Dec-20	\$114,338.07	\$0.00	\$114,338.07	\$4,814,250	Stage 11 - subdivision of 42 resi lots & Lot S30
	236 La Trobe Street MELBOURNE	02-Dec-20	\$111,874.40	\$0.00	\$111,874.40	\$4,382,500	Multi-Unit development - 252 Serviced Apartments
	Balance of smaller supps		\$72,683.35	(\$19,982.35)	\$52,701.00	\$2,868,550	
	TOTAL		\$772,228.52	(\$19,982.35)	\$752,246.17	\$32,121,200	
TOTAL			\$758,631.96	(\$19,989.14)	\$738,642.82	\$32,121,200	