

City of Karratha

Variance Commentary

As at 31 August 2026

Revenue - Operating Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
259,423	▲	Rates	Rates - Variance relates to the timing of rate concessions being processed.	
259,423	▲		Positive Variances	
(6,996,700)	▼	Operating Grants	Mulataga Development - Delay in award of contract by Development WA. Final claim to be submitted upon contract commencement anticipated in September 2026.	
(1,641,821)	▼	Operating Grants	City Projects - Contributions from Woodside, Rio and Development WA towards Bathgate Road are subject to timing, with the variance expected to be reflected in the following reporting period.	
(391,667)	▼	Operating Grants	City Projects - Regional Road Group and Department of Transport contributions are subject to timing of funding and payment arrangements, with the variance expected to be reflected in the following reporting period.	
(335,905)	▼	Operating Grants	Financial Services - Additional revenue from the financial assistance grant advance payment.	
(9,366,093)	▼		Negative Variances	
(9,106,670)	▼		Net Negative Variance Attributable to Material Items	

Expenditure - Operating Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
6,996,700	▲	Materials & Contractors	Infrastructure Services - Mulataga Development - Delay in award of contract by Dev WA. Next payment to be made to Dev WA upon contract commencement anticipated in September 2026.	
1,867,822	▲	Materials & Contractors	City Projects - Wickham Recreation Precinct - Works are progressing in line with expectations, with the next progress claim currently pending submission. The associated expenditure will be reflected in the following reporting period.	
1,355,683	▲	Materials & Contractors	Information Technology - The variance is due to the monthly recognition of prepayments, resulting in expenditure being recognised progressively over the relevant period.	
336,269	▲	Other Expenses	Community Development & Youth Service - Large Community Grants awaiting acquittal.	
290,633	▲	Materials & Contractors	Waste Services - Waste Management - Cell 3/4 Design consultancy costs relating to delayed invoicing will be reflected in subsequent reporting period.	
250,000	▲	Materials & Contractors	Waste Services - Waste Facility - Road Maintenance - due to scheduled road maintenance works not yet commencing.	
209,621	▲	Materials & Contractors	Strategic Projects - Strategic urban design and landscape advice for The Quarter Hotel - Development Expenditure is below budget as strategic urban design and landscape advice for The Quarter Hotel Development has not yet commenced.	
193,627	▲	Other Expenses	City Growth - Major grant awaiting previous year acquittal to make current year payment.	

158,963	▲	Materials & Contractors	Planning services - Karratha City Centre Precinct Structure Plan project underway Coastal Hazard Risk Management Adaptation Plan project has progressed with the Draft Hazard Assessment received by the City (being reviewed) The contract for the Gap Ridge North Technical Feasibility Study has progressed with Concept Plan developed (being reviewed) It is anticipated that the active progression of these three projects will increase expenditure on Strategic Planning & Lands projects in the first half of the 2026/27 financial year	
157,830	▲	Materials & Contractors	Parks & Natural Areas - Karratha Golf Course/Bowling Club - due to the timing of maintenance activities aligned with scheduled tournaments.	
11,817,148	▲		Positive Variances	
0	▼		Negative Variances	
11,817,148	▲		Net Positive Variance Attributable to Material Items	

Outflows - Investing Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
3,410,787	▲	Infrastructure Misc Structures	Waste Services - 7 Mile Waste Facility Cell Development - Construct - Works are progressing in line with expectations, with the next progress claim currently pending submission. The associated expenditure will be reflected in the following reporting period.	
1,812,825	▲	Buildings	City Projects - Housing Development Baynton Apartments Bajamalu - Delay to fabrication of apartments.	
1,076,625	▲	Plant	Fleet & Plant - 7 Mile Waste Facility - Rubbish compactor purchase scheduled to proceed in November.	
612,025	▲	Equipment		Karratha Airport - Checked Baggage Screening project has been reschedule to occur in Mar/Apr 2027.
376,193	▲	Plant	Fleet & Plant - Parks & Gardens - Bobcat on order, with delivery expected in December.	
350,000	▲	Roads	Operations - Sams Creek Intersection Upgrade - delays in the procurement and award process.	
261,765	▲	Parks & Open Spaces	City Projects - Golf Course Maintenance Compound - due to the timing of processing the current project claim.	
257,623	▲	Parks & Open Spaces	Parks & Natural Areas - ERS Upgrade - below budget due to procurement and supply lead times, along with contractor availability for specialised assets.	
190,037	▲	Infrastructure Misc Structures	City Projects - Roebourne Recreation Precinct MasterPlan-Capital - due to a delayed project start, cashflow to be realigned to the revised project timeline.	
150,000	▲	Infrastructure Misc Structures	Waste - Capital Infrastructure - Landfill - due to the timing of procurement for oil bunds and transfer station bins.	
150,000	▲	Infrastructure Misc Structures	Karratha Leisureplex - Masterplan CIP - due to a delay in commencement, with works now progressing.	
150,000	▲	Parks & Open Spaces	City Projects - Rectangle Fields Masterplan - delays in the procurement and award process, with works now progressing.	
147,043	▲	Parks & Open Spaces	Parks & Natural Areas - Replace Park Furniture/Fencing - due to the timing of procurement for replacement park furniture and fencing.	
144,748	▲	Parks & Open Spaces	City Projects - Wickham Bike Facility - delays in the procurement and award process, with works now progressing.	
140,000	▲	Parks & Open Spaces	Parks & Natural Areas - Ovals - The replacement of synthetic turf at various cricket facilities has been impacted by procurement lead times associated with seasonal contracted works. Expenditure will be reflected as the works progress.	
133,592	▲	Roads	City Projects - Bulgarra Master Planning Three Sporting Precincts - Contract awarded in July, with works now underway.	

132,031	▲	Parks & Open Spaces	City Projects - Andover Park Stage 2 - due to the timing of processing the current project claim.	
126,737	▲	Aerodrome	Karratha Airport - Airside Upgrade - Airside internal road renewal works have been delayed due to staffing availability, with completion scheduled for November.	
126,592	▲	Footpaths		Engineering & Asset Management - The Ranges Footpath Design - Project Delayed.
120,000	▲	Plant	Fleet & Plant - Ranger Services - due to the timing of vehicle and equipment purchases, with one vehicle on order and two K9 cubes scheduled to be ordered in October.	
105,000	▲	Roads	City Projects - Karratha Airport - Norman Rd Reconstruction - Works are progressing to schedule, with the next progress claim pending completion and payment.	
9,973,623	▲		Positive Variances	
(726,127)	▼	Footpaths		Operations - Ten Year Footpath Program - Budget allocation to be adjusted as part of the 2026/27 Q2 Budget Review.
(110,449)	▼	Investment Property		The Quarter - Office Fit out works - Budget allocation to be adjusted as part of the 2026/27 Q2 Budget Review.
(836,576)	▼		Negative Variances	
9,137,047	▲		Net Positive Variance Attributable to Material Items	

Outflows - Financing Activities		Explanation of Variances		
Amount		Nature	Timing	Permanent
0	▲		Positive Variances	
(31,281,309)	▼	Reserves	Transfers to Reserve - current year transfers recognised in budget but not yet reconciled for transfer	
(31,281,309)	▼		Negative Variances	
(31,281,309)	▼		Net Negative Variance Attributable to Material Items	