

CEO Report



#75 June 2021

Council respectfully acknowledges the Yalukut Weelam Clan of the Boonwurrung.

We pay our respect to their Elders – past, present and emerging.

We acknowledge and uphold their continuing relationship to this land.

CEO Report

#75 June 2021



Contents

| | |
|--|-----------|
| CEO City of Port Phillip..... | 3 |
| Strategic Partnerships. | 5 |
| Delivering on the Council Plan..... | 6 |
| Organisational Scorecard..... | 25 |
| Financial update | 26 |
| Legislative update | 35 |

This report uses the best available information. While care has been taken to ensure the content in the report is accurate, it cannot be guaranteed at time of publication. There may be errors and omissions, or it may not be wholly appropriate for your particular purposes. In addition, the publication is a snapshot in time based on historic information and subject to change

Our Council values inclusion and is proud to be a major sponsor of the Midsumma Pride March and a significant supporter of the Victorian Pride Centre to open in the heart of St Kilda.

PETER SMITH
CEO City of Port Phillip



Welcome to the June issue of the CEO Report

Flying the flag for inclusion

The Rainbow Flag was flying above our three Town Halls during several significant firsts for our valued LGBTIQ community in May.

We were delighted to be part of all these milestones with our draft Council Plan 2021-31 embracing a strategic direction for our City to be a welcoming, inclusive place where people feel supported and comfortable being themselves and expressing their identities.

Our commitment to inclusion is highlighted by Council's long-standing sponsorship and support of the Midsumma Pride March, a key cultural event now in its 26th year, where a sea of colourful marchers send a message of celebration and solidarity from Fitzroy Street to the Catani Gardens.

Members of our Council joined in this year's CovidSafe march with the marchers cheered on by supporters watching the first livestream of this much-loved event on Midsumma's Facebook Page or at Fitzroy Street venues. In a further Port Phillip link, Midsumma celebrations were held earlier across our City with Gasworks Arts Park and Theatre Works transformed into vibrant, proud Festival Hubs, offering high quality theatre, comedy, visual art, drama, circus and performance art.

The flag-raising ceremony, hosted by Council at the St Kilda Town Hall, is the traditional curtain-raiser to the Pride March. For the first time, the Rainbow Flag was joined by the Transgender Flag.

Its horizontal stripes represent the traditional gender colours of pink and blue with a white stripe for people who are transitioning, feel they have a neutral or no gender or are intersex.



Minus18 representative Adrian Murdoch, Midsumma Board Co-Chair Judy Small, performer Jimi the Kween and Mayor Louise Crawford at the flag-raising ceremony.

As the pandemic saw this year's Pride March move to May 2021, it was the first time our flag-raising ceremony coincided with IDAHOBIT, the International Day Against Homophobia, Biphobia, Interphobia and Transphobia.

I'm also proud to report that our Council decided in May to start mapping the work required for all of our services and programs to move towards Rainbow Tick accreditation over time. An LGBTIQ+ Advisory Committee will be created to inform this work.

New recycling option

Did you know the average household spends about \$2,000 a year on food that ends up in landfills and breaking down into greenhouse gases? In fact about three per cent of Australia's total greenhouse gas emissions come from organic matter rotting in landfills. Last month we started a six month trial to provide an opportunity for multi-unit developments or households with little yard space to pop their food scraps in communal recycling hubs rather than in their bins. Go to <https://www.portphillip.vic.gov.au/council-services/waste-recycling-and-cleaning/food-and-garden-waste-fogo> to learn more about our Food Organic (FO) recycling hubs. Waste audits we undertook in 2019 revealed that Food Organics and Garden Organics (FOGO) make up 46 per cent of the waste in bins at home so this is great way to help our environment.

Draft 2021-31 Council Plan and Budget consultation

From 23 April to 23 May 2021, our draft Council Plan 2021-31, which incorporates our Municipal Health and Wellbeing Plan and annual Budget, was made available for community feedback. The Plan also includes our Community Vision, which reflects our community's future aspirations for our City. I'd like to give a big thank you to everyone who made a submission, completed a survey or spoke with officers at one of our pop-up consultation sessions in May 2021. All feedback and submissions are being considered before a final Plan goes to Council on 23 June 2021.

Join the chat

At our May 2021 round of Neighbourhood Conversations, we also asked you to share your thoughts on business parklets, to help us develop a policy for a long-term program to continue to support our local businesses, and what you felt should be in our next Domestic Animal Management Plan. We'll be out and about in your neighbourhoods again in August and November 2021. For more information about our Neighbourhood Conversations, register for updates at [Have Your Say](#).

Screen time

It was the best of both worlds when the St Kilda Film Festival returned to a red-carpet opening night while still delighting audiences around Australia with online offerings. Proudly produced and presented by City of Port Phillip, Australia's largest and oldest short-film festival continued to showcase top Australian talent behind the camera and on the screen, with screenings across several fantastic Port Phillip venues including the Astor and the Alex Theatre.

Peter Smith
CEO, City of Port Phillip

Strategic partnerships.

Local government plays a key role in protecting and enhancing the liveability and wellbeing of our current and future communities. Our work directly influences vital factors like social development and safety, transport, land use, housing, protection of the natural environment, and mitigating aspects of climate change.

Strategic partnerships seek to resolve complex issues that affect our City through relationships with community, government and other organisations. Our officers support the Mayor, CEO and Councillors in engagement and advocacy to progress delivery of the Council Plan 2017-27.

City of Port Phillip joins Melbourne 9 (M9)

At the 5 May Council Meeting, Councillors voted unanimously to withdraw from the Inner Melbourne Action Plan (IMAP), and become part of Melbourne 9 (M9).

This step will strengthen our Council's advocacy position at the both the Victorian and Federal Governments to progress issues that are important to inner-metro councils to assist council to achieve its advocacy program.

About Melbourne 9 (M9)

M9 is a new collaborative partnership, working under a memorandum of understanding, of the original IMAP member Councils (Port Phillip, Yarra, Stonnington, Maribyrnong, Melbourne), as well as Hobsons Bay, Moonee Valley, Moreland, and Darebin Councils. It was formed following a review of IMAP in 2020.

Melbourne 9 (M9) is a new collaborative partnership of nine councils, working under a memorandum of understanding, it includes the original IMAP member Councils (Port Phillip, Yarra, Stonnington, Maribyrnong, and Melbourne), together with Hobsons Bay, Moonee Valley, Moreland, and Darebin Councils. The partnership was formed following a review of IMAP in 2020.

The primary focus of the M9 will be advocacy on three to five key strategic issues. These issues are still to be confirmed, but may include affordable housing and homelessness, economic recovery, sustainability and/or job creation.

Chaired by the Lord Mayor of Melbourne, the new group will seek regular engagement with key Victorian Ministers including the Premier, Treasurer, Minister for Local Government, and relevant portfolio Ministers to advocate for shared priorities along with relevant Federal Ministers. M9 will commence in late May/June 2021.

About Melbourne Action Plan (IMAP)

IMAP was established in 2005 to deliver the Victorian Government's 'Melbourne 2030' planning agenda.

IMAP has been a knowledge sharing forum which has delivered a range of [local projects](#) and shared responses to key challenges. Since the beginning of the COVID-19 pandemic, IMAP CEOs have met regularly to coordinate responses and strategies, including shared initiatives supporting local businesses, social distancing, and key council services.

A review of IMAP's remit, operation, and delivery in 2020, found that the IMAP structure would benefit from an expanded membership and a more focused advocacy platform.

Delivering on the Council Plan.

The Council Plan 2017-27 is structured around six strategic directions and the health and wellbeing outcomes we want to achieve for our City by 2027. We set out how we will address and track our progress on these strategic directions through a range of strategies, actions and measures.

The Council Plan commits us to a project portfolio worth more than \$54 million in 2020/21.

Officers are developing the Council Plan 2021-31, which will be considered by Council on 23 June 2021 and come into effect in July 2021. For the remainder of this financial year, this report will provide content based on the Council Plan 2017-27.

This section provides a detailed update on the status of each major initiative in the plan and the overall project portfolio for each of the directions with the data available at the end of April 2021.

Guide to reading this report

The symbols below are used to indicate the status of a measure or current milestone within a project or strategy.

They do not convey the overall tracking of a project or strategy beyond the current milestone, and further information is provided in the report that explains the overall status. As all elements are weighed equally the relevant milestone could be significant or small.



On track

Latest result has achieved target for measure. On track across all elements.



At risk

Latest result experienced a minor miss in relation to target for measure. One or more elements are at risk.



Off track

There is a significant large variation from targeted result for measure. Off track for one or more elements.

The current overall status for a number of major initiatives are report as 'at risk' or 'off track' at the end of April 2021, with the impact of COVID-19, Victoria Government restrictions and refocused Council priorities to respond to the pandemic, which have impacting on delivery. Actions are being taken to work through current challenges, and where required, projects will be re-baselined and amended with updated scopes, timelines and budgets.

Any significant changes to the major initiatives as a result of this will be included in status updates under each strategic direction.

DIRECTION 1 We embrace difference, and people belong

A safe and active community with strong social connections

An increase in affordable housing

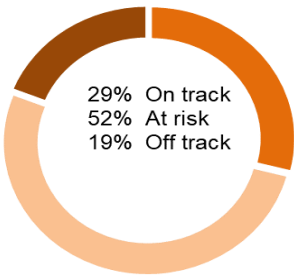
Access to services that support the health and wellbeing of our growing community

Community diversity is valued and celebrated

Service measures

Report on outcomes

No service measures were available for reporting in April 2021 under this strategic direction.

| Project Portfolio status | |
|--|---|
| Key updates | |
| Program/Project | Highlights |
|  <p>29% On track 52% At risk 19% Off track</p> | <p>Lagoon Reserve Pavilion and Sports Field Upgrade</p> <p>The contract has been awarded to a head consultant to commence the design. The upgraded pavilion and sports field is scheduled to be completed in the 2023/24 financial year.</p> |

| Major initiatives status updates | | | |
|----------------------------------|--|-----------------------------|-------------------------|
| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
| North Port Oval Works | | | |
| ▲ | <p>Project is at risk.</p> <p>The Port Melbourne Football Club has received State and Federal funding for broadcast level lighting at Northport Oval. A planning permit has been submitted and the club is currently developing community engagement material to informal local residents of the proposed works. The project will be reported 'at risk' until a planning permit has been obtained and delivery timeline is understood and agreed by Council.</p> | 2023/24 | 4 |

Major initiatives status updates

| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
|---|---|-----------------------------|-------------------------|
| In Our Backyard Strategy Implementation | | | |
|  | <p>Project is at risk. Implementation remains at risk due to earlier delays in Victorian Government project funding. New and emerging stimulus funding from the Victorian Government's 'Big Housing Build' are now providing the best opportunities for delivery of new housing projects in the City in the next five years (including 141 units with confirmed Victorian Government funding).</p> <p>The three key current focuses of the program are:</p> <ol style="list-style-type: none"> 1. Working with the Victorian Government and St Kilda Community Housing (St KCH) to progress development of supported social housing, using the Common Ground model to provide long-term housing for persons who are sleeping rough. This will implement Council's decision on 2 September 2020 to contribute \$4 million in cash towards delivery by St KCH of a Common Ground facility at 28 Wellington Street, St Kilda. 2. Investigating / brokering project opportunities with a private developer for a proposed new private affordable rental housing project. 3. Progressing the 46-unit Marlborough Street community housing project in Balaclava, being delivered by HousingFirst over replacement public car parking. This will start construction soon, and communication with local residents and businesses has commenced to inform them about the project and temporary closure of the car park. <p>We continue to advocate with the Victorian Government to deliver this project.</p> | <p>June 2021</p> | <p>115</p> |

DIRECTION 2 We are connected and it's easy to move around

An integrated transport network that connects people and places

The demand for parking and car travel is moderated as our City grows

Our streets and places are designed for people

Service measures Report on outcomes

No service measures were available for reporting in April 2021 under this strategic direction

Project Portfolio status

|  | Key updates | |
|---|--------------------------------------|--|
| | Program/Project | Highlights |
| | Inkerman Safe Travel Corridor | At the 5 May 2021 Council Meeting, Council endorsed to proceed with three concept design options to inform the community consultation. Tender for concept designs will now proceed. |
| | Parking Management Policy | The Parking Management Policy was endorsed by Council in February 2020 for implementation from 1 July 2021. See the ' <i>Parking Management Policy Update</i> ' on page 12 for details of the updates. |

Major initiatives status updates

| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
|---|---|-----------------------------|-------------------------|
| Move, Connect, Live – Integrated Transport Strategy (ITS) Implementation | | | |
| ▲ | Program is at risk Some of the actions within the strategy were impacted by COVID-19, however a total of 39 actions are in progress, 2 projects completed, and action 1 not started. See the ' <i>Move Connect, Live – Integrated Transport Strategy</i> ' on page 10 for details on progress against the Integrated Transport Strategy. | 2028 | 200 |
| Shrine to Sea Boulevard | | | |
| ✓ | Project on Track The Shrine to Sea project is being led by the Department of Environment, Land, Water and Planning for the Victorian Government in partnership with Council. Officers are working as a key stakeholder to secure improved public space, safer transport connections and community engagement within the City of Port Phillip. The Shrine to Sea community panel has been formed with initial workshops completed. Officers are providing input in the content for the second community workshop. | 2023 | - |

Move, Connect, Live – Integrated Transport Strategy 2018-28

The Move, Connect, Live – Integrated Transport Strategy 2018-28 provides a considered approach to make it easy for people to move around and connect with places in a way that suits them as our City grows.

Updates

Action 13: Construction of the upgrade of Wellington Street intersection to improve traffic safety and pedestrian and bike riding facilities - Action in progress and is on track to be completed by June 2021.

Action 18: Deliver a network of dedicated and continuous priority bike lanes to create safer routes for all ages and abilities - At the 5 May 2021 Council Meeting, endorsement was given to proceed with three concept design options Inkerman Safe Travel Corridor, to inform community consultation. Tender for concept designs will now proceed.

Actions 30 and 31: Develop and implement a new Parking Permit Policy, and new Parking Controls Policy Implementation of the Parking Management Policy endorsed by Council 19 February 2020 will go live on 1 July 2021. See 'Parking Management Policy' update on page 12 for further detail.

Action 38: Partner with the Victorian Government and other councils to regulate and promote shared transport services and manage disruptive shared transport technologies Shared electric scooters (e-scooters): The Victorian Government announced that a 12 month trial of shared e-scooters will be undertaken in one regional and two metropolitan municipalities. The Department of Transport has invited the City of Port Phillip as one of five metropolitan Councils to submit an expression of interest to host the trial. On 19 May Council the submission of an Expression of Interest to the State Government to participate in the dockless electric scooters (e-scooters) trial for a period of up to twelve-months.

Shared dockless electric bicycles (e-bikes): The trial of e-bikes continues with up to 450 e-bikes rolled out across the municipalities of City of Port Phillip, Melbourne and Yarra. Over 20,000 trips on the shared e-bikes have originated in Port Phillip since the trial began.

Action 39: Transport Data Capture and Evaluation - The contract for installation of permanent bike riding and walking counters was awarded, Bicycle Network in partnership with VivaCity will install five bike riding and walking counters in the City.

Move, Connect, Live – Integrated Transport Strategy 2018-28

Challenges

The COVID-19 pandemic has had a significant impact on the delivery of our projects due to reduced ability to consult, budget impacts, and limitations in what work can be done in the public domain.

Action 3: Partner with the Victorian Government to ensure the Fishermans Bend Framework and precinct plans optimise local transport connections for both current and future Port Phillip residents and workers. Transport and traffic assessments for Montague Precinct that are managed by Council will start this financial year and be completed in 2021. A funding deferral will be required.

Action 4: Partner with the Victorian Government to fund early delivery of connections to public transport, public space and streetscapes, footpaths and bike lanes in Fishermans Bend.

Action 18: Deliver a network of dedicated and continuous priority bike lanes to create safer routes for all ages and abilities - Shimmy routes: Awaiting Victorian Government confirmation of funding and delivery. A funding deferral will be required.

A shimmy route is a bike route that doesn't have formal painted or protected bike lanes but has painted arrows and signposts that mark the route. It doesn't change other road conditions but helps bike riders follow back routes that aren't as direct.

Action 20: Partner with VicRoads to deliver a better walking, bike riding and public transport environment along St Kilda Road - Council is awaiting a Victorian Government response to our request to bring the St Kilda Road Safety Corridor forward as a trial. A deferral of funding to future years is likely to be required.

Action 23: Partner with Rail Projects Victoria to design and deliver place and transport improvements around Anzac Station and Park Street - Temporary bike lane - Following a Council decision on 3 March 2021, consultation on this project has been postponed pending a redesign of the concept that allows loading zones between Kings Way and St Kilda Road. A funding deferral will be required.

Action 35: Parking technology upgrade - In order to respond to the need for dynamic parking data to inform the South Melbourne Structure Plan development and implementation, the scope has been amended to bring forward a wider installation of parking sensors in 2020-21, instead of over two years into 2021-22. This will allow Council to manage parking more responsively to give the community better access to parking when and where they need it.

Action 36: Continue to deliver more convenient car share locations with providers and encourage car share provision in new developments - Expansion targets set in the Car Share Policy 2016-2021 for the 2020/21 financial year have been adjusted down as utilisation dropped significantly for some providers during the COVID-19 restrictions. Although we know that usage has been increasing in Melbourne, and in some cities in Australia it is well on the way to reach pre-COVID 19 levels, there is still uncertainty from operators around viability of significant expansion in this financial year. Work is underway to assess possible new locations for car share and engage with providers on expansion.

Pending or approved changes

Action 30: Update parking area signage in line with the new Parking Management Policy - The project scope to implement the 35 parking areas by 1 July 2021 has been changed to enable a more efficient outcome for the organisation. An additional \$90,000 has been allocated to the Signage Upgrade Contract from the Street Signage and Furniture Renewal program. This will allow for the collection of asset condition data at the same time as the contractor is on site to make changes to 5000 parking signs across the City. This addition to the contract will see the signage project delivering outcomes for the renewal program.

Move, Connect, Live – Integrated Transport Strategy 2018-28

Parking Management Policy Update

Overview

The Parking Management Policy was endorsed by Council in February 2020 for implementation from 1 July 2021. Delivering two high priority actions in Council's Move, Connect, Live: Integrated Transport Strategy 2018-28:

Action 30 and 31 of the strategy seeks officers to develop and implement a Parking Control Policy and Parking Permit Policy. The overall objectives of the Policy are to address the City's existing and future growth and transport challenges. Providing fairer and more reliable access to parking in all locations and at all times.

From July 2021

- Introducing a Residential Parking Areas model for Resident Parking Permit holders to provide greater parking options for residents close to where they live. This is to replace the current 'surrounding streets' model, which restricts residential parking to a resident's street, cross-street or adjacent streets. Signage for 35 new Residential Parking Areas, which defines the area where residents can park near their home, is being installed throughout May and June 2021
- Consolidation of the free community service and agency permits into one free Community Services Parking Permit type
- Replacement of Party Permits, Temporary or Visitor Parking Permits can be used instead
- Price changes for some permit types, included in the draft Council Budget. The Foreshore Club Permit increases from \$102 per annum to \$110 per annum. Temporary Parking Permits increase from \$40 per day plus administration to \$60 per day including administration. Visitor Parking Permits increase from \$114 per annum to \$120 per annum.
- New eligible residential permit applicants will be able to apply for a maximum of two Resident or Combined Parking Permits (reduced from a maximum of three). However, if the eligible property has a crossover or driveway, then the number of permits is reduced as below:
 1. crossover or driveways of less than six metres in width will be eligible for a maximum of one Resident Parking Permit (reduced from two)
 2. crossover or driveway with six metres in width or greater won't be eligible for any Resident or Combined Parking Permits (reduced from two previously)
- Existing parking permit holders will not be affected until 2025.

Move, Connect, Live – Integrated Transport Strategy 2018-28

Parking Management Policy Update

E-permits

- Some of the policy settings designed to achieve fairer and more reliable access to parking require the introduction of e-permits. The Policy noted that until changes to Road Safety Road Rules were achieved, regulations would require a driver's vehicle to display a paper permit. Council successfully advocated for a change to the Road Safety Road Rules 2017 to allow for the introduction of e-permits, effective from December 2020.
- The Policy also identified that investigations were required into the implementation of e-permit software before the introduction of an e-permit system. These investigations are underway. The Policy has been updated to increase clarity and reflect that some items will be delayed until e-permit software is in place.

Updating the community

Communication on the implementation of the Policy, with a focus on the resident area signage changes and changes for new applicants, is occurring to residents through May and June 2021. This includes letters or emails to existing residential parking permit holders, updates to the Council website (including provision of FAQs and fact sheets) and social media, and an article in the Diversity community e-newsletter.

Implementation delayed, awaiting e-permit system introduction

- Replacing annual Visitor and Foreshore Parking Permits with single-use, short-term Visitor and Foreshore Parking Permits. Visitor Parking Permits will then replace the current Tradesperson and Combined Parking Permits, which can be withdrawn. Current permit types have been maintained in the interim.
- Tiered pricing for Resident Parking Permits, reducing the cost of the first Resident Parking Permit from \$85 to \$60 and increasing the cost of the second and third permit from \$85 to \$120 each. The price of Resident Parking Permits will increase in line with the Consumer Price Index (CPI) in the interim.

Implementation July 2025

The Policy has a transition period until 1 July 2025. This is to provide time for existing permit holders to adjust and manage the impact of these changes on their lifestyle.

View the Parking Management Policy in its entirety - <https://www.portphillip.vic.gov.au/about-the-council/strategies-policies-and-plans/parking-management-policy>

DIRECTION 3 We have smart solutions for a sustainable future

A greener, cooler and more liveable City

A City with lower carbon emissions

A City that is adapting and resilient to climate change

A water sensitive City

A sustained reduction in waste

Climate Emergency Declaration

The City of Port Phillip declared a Climate Emergency at the 18 September 2020 Council meeting. The declaration acknowledges that Council was already providing a comprehensive response to the climate emergency through the Act and Adapt Strategy and other strategies. Council is now focused on embedding the declaration in relevant policies and strategies, seeking opportunities to highlight the emergency with the Victorian and Australian Governments and supporting the community to take their own climate actions.

Service measures Report on outcomes





Two indicators measuring performance for April 2021 are under this strategic direction.

In April 2021, there was 0.1 megalitres of reclaimed water, bringing the year to date measure up 16 megalitres. The annual target is 30 megalitres and this result is expected to increase throughout the year.

Investment in fossil free institutions was 66 per cent in April 2021, within target range of 60 to 80 per cent.

Project Portfolio status continued

| | | Key updates | |
|--|---|---|------------|
| | | Program/Project | Highlights |
|  <p>82% On track 11% At risk 7% Off track</p> | <p>Communal food organic recycling</p>  | <p>Three communal food organics recycling hub trials were rolled out between end-April and early-May at HR Johnson Reserve, St Kilda West, Lagoon Reserve, Port Melbourne and adjacent to Rats of Tobruk Reserve, Albert Park.</p> | |
| | | <p>These sites were chosen for their surrounding medium-density housing, where residents have little to no yard space for an additional bin for food and garden organics.</p> <p>Each hub consists of two 240L green-lidded food organics bins and accompanying signage. Around 4,000 residents within an approximate 10-minute walk from the trial sites were invited to participate via a letter box drop one week before the bins were placed.</p> <p>Residents are guided to place food waste and small amounts of green waste (e.g. cut flowers, indoor plant trimmings) in the bins but discouraged from disposing of garden organics as this would overwhelm the capacity of the bins.</p> <p>The hubs are being inspected by officers twice weekly to monitor use, bin capacity, contamination levels and any negative impacts to public amenity. To date, inspections have been positive with bins at half to three quarters capacity prior to collection and minimal contamination seen. There have been no negative impacts to public amenity, bins are being emptied weekly and cleaned monthly to prevent odour and pests.</p> | |

Major initiatives status updates

| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
|---|--|-----------------------------|-------------------------|
| Act and Adapt – Sustainable Environment Strategy 2018-28 | | | |
| ✓ | Program is on track. All 31 actions are in progress. See the 'Act and Adapt – Sustainable Environment Strategy 2018-28' for details on progress against the strategy on page 16. | 2028 | 185 |
| Don't Waste It! – Waste Management Strategy Implementation | | | |
| ✗ | Program is off track. From 2018 to March 2021, 6 Actions have been completed. See the 'Don't Waste It! – Waste Management Strategy' for details on progress against the strategy on page 17. | 2028 | 800 |

Act and Adapt – Sustainable Environment Strategy 2018-28

The Act and Adapt – Sustainable Environment Strategy 2018-28 was developed to help address climate change and improve waste and water management as well as other sustainable environment challenges. It was endorsed by Council and outlines 31 Actions to be delivered in 2020/21.

Overall Progress

The Sustainable Environment Strategy delivery is on track. All 31 Actions are in progress.

Updates

Action 1: Implement Greening Port Phillip Strategy

Community consultation was undertaken for the Woody Meadow on Gibbs and Bothwell Streets Balaclava. The project design is now being finalised. Preliminary works were completed for the next section of the Danks Street BioLink (between Kerferd Road and the playground west of Phillipson Street) and planting is planned to occur in May 2021.

Action 6: Encourage and enforce sustainable, climate resilient buildings through the planning process

Council officers participated in a workshop, hosted by the Council Alliance for a Sustainable Built Environment (CASBE), to test interest from all Victorian councils to participate in a joint project to update the Environmentally Sustainable Design requirements for new developments. Fourteen councils have now expressed interest in participating in this project. Officers are now working with CASBE to finalise a Memorandum of Understanding (MoU) for participating councils.

Action 7: Sustainable City Community Action Plan

Two free online community sustainability events have been held in May 2021; Creating a resilient and sustainable business in a changing climate on 5 May 2021 and Climate Craftivism on 11 May 2021.

Council is also collaborating with our neighbouring councils to bring a calendar of events to our community that covers topics such as composting, gardening and preparing your home for winter. Dates and booking details are on our website <https://www.portphillip.vic.gov.au/people-and-community/sustainability-action>.

Action 9: Energy Efficiency and Solar

A project to upgrade lighting in office areas of St Kilda Town Hall was completed.

Action 24: EcoCentre Redevelopment

Partnership funding of \$2.8 million from the Victorian Government was announced on 20 May 2021. Officers will confirm details with the Department of Environment Water Land and Planning and then provide Council with a proposed timeline for construction.

Action 35: Elster Creek Catchment Partnership

A community workshop on retrofitting your home for flood resilience has been scheduled for 19 May 2021, in partnership with Melbourne Water. An annual review of the Elster Creek Flood Management Plan was completed; the revised plan will be available on Melbourne Water's website in May 2021. Port Philip hosted a workshop for all catchment partners focused on increasing permeability across the catchment, with all partners represented.

Don't Waste It! – Waste Management Strategy 2018-28

This strategy provides a blueprint for how Council and the community will work together to create a more sustainable future for Port Phillip. It is a call to Action for our community to work with us to manage waste better over the next ten years while we investigate new, advanced ways to manage waste.

Updates

The majority of actions within the DWI! Strategy are on track to be delivered or are already completed. Despite the significant amount of work that has taken place to deliver on these actions, they may not be on a scale that is big enough to meet the strategy targets. These challenges will be addressed in 2021/22, when the Year 4 (four) Strategy evaluation will take place, which will inform the 'next' for waste management in Port Phillip, which will take into consideration current Victorian Government policy.

Action 12: Contract that maximise recycling

A new e-waste processor for the Resource Recovery Centre was appointed in April 2021, and service has continued uninterrupted.

Action 15: Litter and dumped rubbish management

- The Summer Management program was extended through the Easter long weekend and ended on Tuesday 6 April 2021.
- Officer review of seasonal litter audit data is ongoing. Data will be used to inform anti-litter initiatives in the coming months. Litter audit data uploaded to the DELWP LitterWatch platform is publicly available and can be accessed by community groups, students and residents.
- Demand for the hard and green waste booking service has stabilised. The turnaround time for collections has decreased to one week, with one additional vehicle servicing Wednesday collections to maintain current service levels.

Action 21: Use of new technology

A technology-based solution for hard waste bookings is in development.

Action 8: Recycling Education

- Recycling Reset campaign concluded on 30 April 2021. Almost 15,000 bins were inspected in 17 inspection areas. Program is being evaluated. 24 community members were rewarded for having three inspections without contamination, winning \$50 vouchers to local businesses.
- Officers continue collecting waste management data for multi-unit developments which will inform planning for future waste services.
- Officers are proactively providing waste educational materials to multi-unit developments.

Action 13: Community Food Recycling:

- Twenty collections have taken place in the Elwood food organics and garden organics (FOGO) trial, and approximately 95 tonnes of materials have been collected since the trial began.
- Council's FOGO processor changed from Suez to Cleanaway in April, and contamination rates remain under one per cent, with approximately 50% of this from passers-by. This is being addressed by trialling the use of bin lid stickers targeting key contaminants.
- Compost Revolution has been promoted via Council's media channels resulting in 38 customer orders for Bokashi bins, worm farms or composters being approved in April 2021.

Don't Waste It! – Waste Management Strategy 2018-28

Action 7: Advocate for circular economy

Council officers and Councillors continue to attend industry and government forums, including the Metropolitan Waste and Resource Recovery Group's Waste Forum in April 2021.

Challenges

Changes to the recycling industry and impacts of COVID-19 on the generation and disposal of household waste have delayed the delivery of targets in the 'Don't Waste It! Waste Management Strategy'. Officers continue to deliver trial projects to determine the best way for our community to meet the requirements of the Victorian Government's Circular Economy policy, 'Recycling Victoria, a new economy.'

DIRECTION 4 We are growing and keeping our character

Liveability in a high-density City

A City of diverse and distinctive neighbourhoods and places

Service measures



Report on outcomes

The indicator measuring performance for April 2021 under this strategic direction is at risk.

The month of April 2021 saw our street cleaning service performance remaining above 90 per cent with a result of 94 percent, however below target (95 per cent). A fantastic result throughout the month across all residential streets and commercial trade locations. Results are expected to reduce slightly over the coming months as leaf fall will increase, resulting in additional tree debris within the streets. Street and Beach Services have increased residential street cleaning to combat heavy leaf fall through high impacted zones. The next 6 weeks will see large volumes of leaf fall across high impact zones mainly in Elwood and Middle park.




Project Portfolio status

| | Key updates | |
|--|--|--|
| | Program/Project | Highlights |
| | South Melbourne Precinct Strategic Plan | The first phase of community engagement closed on 21 April 2021. We received 1,500 comments from pop-ups and meetings and had 239 responses to the Have Your Say web page survey. This feedback will be will help us develop an analysis and key direction paper for the South Melbourne Structure Plan. |

Major initiatives status updates

| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
|---|--|-----------------------------|-------------------------|
| Gasworks Arts Park Contamination Management Plan | | | |
| | Project is off track. Council officers continue to work with the Victorian Government and nominated environmental consultants to progress the Contamination Management Action Plan (CMAP). The draft Park Plan development has been delayed and will commence once the CMAP is finalised, likely in the first half of 2021. Further work to determine the extent of groundwater contamination is required and will continue into 2021. | 2023/4 | 12 |

Major initiatives status updates

| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
|---|--|-----------------------------|-------------------------|
| Public Spaces Strategy Development | | | |
|  | Project is off track. Currently the completion of the strategy is off track, for a short term, to enable third party assurance to be undertaken on the costing of the strategy, given the significant Council investment and long-term timeframe of the document. | June 2021 | 45 |
| Palais Theatre and Luna Park Precinct | | | |
|  | Project is off track. We are currently redefining the scope and timing of the project. An updated project timeline for construction will be provided once the review has been completed. | June 2022 | 895 |
| St Kilda Marina Project | | | |
|  | Project is on track. With one year to go to the commencement of the new lease (1 May 2022), working group meetings with the new tenant continue with increased focus on design development, planning and community engagement, to support a smooth transition. Works to assess contamination on site have concluded; the outcome will be a plan to remediate and/or manage contamination. The plan will inform the redevelopment to ensure safe construction and occupation. The next phase of community engagement is scheduled to occur over one month commencing on 7 June 2021. This will present the details of the concept design to the public and invite feedback on various areas of the design through in person and online forums. The budget is continuing to be monitored closely due to tight budget allocations. | April 2022 | 175 |

Fishermans Bend Program

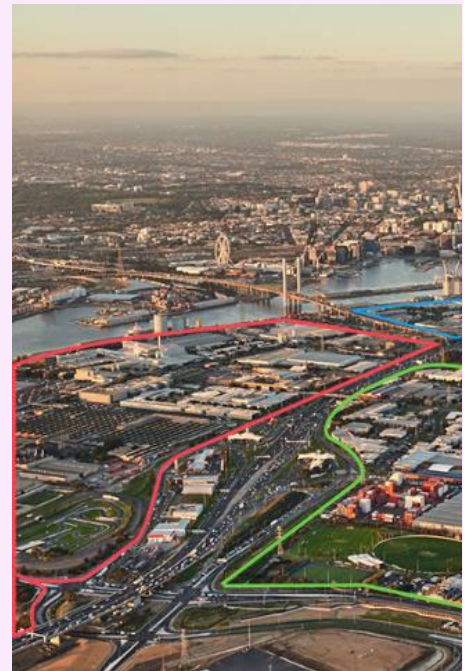
Fishermans Bend represents an unparalleled opportunity to reshape how Australia thinks about urban growth, housing, working and sustainable transport. This with quality public space and community facilities, and early delivery of fast and frequent public transport, is a Council priority to ensure that the Fishermans Bend precinct maximises outcomes for current and future Port Phillip residents.

Status Update

Work is continuing on the completion of the Montague Precinct Implementation Plan (MPIP). Officers have provided feedback to the Taskforce on key issues highlighted by the MPIP.

Officers also continue to focus on how the Water Sensitive City Strategy will be finalised.

Work has now commenced on developing an appropriate governance structure which will provide the mechanisms for the delivery of the plans.



DIRECTION 5 We thrive by harnessing creativity

A City of dynamic and distinctive retail precincts

A prosperous City that connects and grows business

A City where arts, culture and creative expression is part of everyday life



Report on outcomes

The cumulative result for visits to library per capita is 1.74, below the target of 6.3. The main factor impacting visitor numbers has been the varied COVID-19 restrictions and consequence community change in behaviour. Library visits continue to be on the upward trend but are not at pre-COVID-19 levels. Despite a decreased in physical visits to our library, we continue to see a positive attendance in our online services.

Project Portfolio status



Key updates

Program/Project

Highlights

Live Music Action Plan

At the Ordinary Council meeting on 21 April 2021, Council unanimously adopted the Live Music Action Plan 2021-2023. The plan outlines what Council can and will do to future-proof live music in Port Phillip, and ensure it remains a priority among competing interests and the pressures of a changing and growing community. See major initiative status update on page 23 for more details.

Major initiatives status updates

| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
|---|---|-----------------------------|-------------------------|
| South Melbourne Town Hall Renewal and Upgrade | | | |
| ✘ | Project is off track Off track due to substantial additional investigations required to inform Council decisions regarding the project scope. Repair and renewal options were presented to Council during March with a decision to proceed with the full scope of proposed repairs and renewal at the Town Hall to return the site to a leaseable condition. Work has commenced to seek a consultant to undertake the required design works. | Mid 22/23 | 490 |
| Art and Soul – Creative and Prosperous City Strategy 2018-22 | | | |
| ✔ | Project is on track. The Art and Soul – Creative and Prosperous City Strategy 2018-22 sets out the creative, cultural and economic development objectives for the City of Port Phillip. Strategy update continues page 23. | June 2022 | 230 |

Art and Soul – Creative and Prosperous City Strategy 2018-22

The Art and Soul – Creative and Prosperous City Strategy 2018-22 sets out the creative, cultural and economic development objectives for the City of Port Phillip. It outlines the cultural change and collaborative actions required over the next four years across a range of Council services, including arts, culture and heritage, economic development and tourism, festivals, libraries, markets, city planning and urban design, to create a thriving social, cultural and economic future.

Overall progress

The actions were reviewed and updated in early 2021 in response to the change in circumstances borne out of the COVID-19 pandemic.

Updates

In April 2021, Council unanimously passed the Live Music Action Plan 2021-2023. Along with the Game and Library Action Plans, the Live Music Action Plan is a key pillar of Art and Soul and work will now begin in earnest in implementing its many initiatives and objectives – including the potential for Port Phillip to be the first site in Victoria for specific music precincts.

For the remainder of this financial year, Council officer focus will also encompass the continuing roll out of Renew Fitzroy Street and additional initiatives to continue supporting economic and cultural recovery.

DIRECTION 6 Our commitment to you.

A financially sustainable, high-performing, well-governed organisation that puts the community first

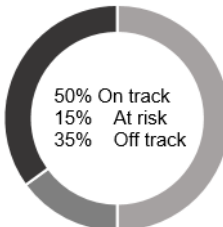
Service measure Report on outcomes



Council’s Organisational Scorecard on the following page outlines detailed performance measures relating to our commitments under Strategic Direction 6.

The Organisational Scorecard provides insights into the overall performance in customer experience, governance, our workforce, financial management, assets and project delivery.

Project Portfolio Status



| Key updates | |
|-----------------------------------|--|
| Program/Project | Highlights |
| Records Archive Relocation | The project has seen over 15,000 cartons of records and around 3,000 planning rolls transferred from the Operations Centre and St Kilda Town Hall over the past ten months. This project was undertaken to ensure CoPP complied with Public Record Office Victoria archive storage guidelines as well as freeing up vital space within the St Kilda Town Hall. Our offsite storage provider also digitises paper records as required to ensure ongoing access to information regardless of where people are working. |

Major initiatives status updates

| Status | Comments | Current approved completion | 2020/21 Forecast \$'000 |
|------------------------------------|--|-----------------------------|-------------------------|
| Customer Experience Program | | | |
| | <p>Project is off track</p> <p>Ongoing complexities of this large-scale transformation have delayed the program with primary areas under investigation being the migration of data to the new system, and integration activities that support links between other key technologies.</p> <p>Actions to ensure the quality of the new technology have been identified and are continuously under review. We have continued to test the new technology, running through a well-planned regime to minimise disruptions to business operations and customer service when the system goes live.</p> <p>Strategy work has been completed to identify activities that can provide a complete and holistic view of customer transactions and relationships with Council (Single View of Customer). At ‘go live’ program will provide considerable internal and customer facing improvements, and importantly delivers expected benefits. Further work will be supported to ensure the most effective implementation for continuous improvement.</p> | June 2021 | 9,286 |

Organisational Scorecard

The following are the April 2021 results for the financial year 2020/21:

Improving customer experience and technology, and being more innovative

TARGET: 80 per cent community requests completed on time
 80 per cent community complaints completed on time
 80 per cent calls answered within 30 seconds timeframe

There has been an improvement from last reporting period and service is only slightly below target.

Latest results

93 per cent
 94 per cent
 76 per cent



Improving community engagement, advocacy, transparency and governance

TARGET: 90 per cent risk actions on track
 90 per cent audit actions completed on time (average)
 90 per cent Councillor attendance at Council meetings
 90 per cent Council decisions made in public
 0 material legislative breaches (see legislative update section page 20)

Latest results

100 per cent
 93 per cent
 95 per cent
 100 per cent
 0



Ensuring sustainable financial and asset management, and effective project delivery

TARGET: Financial sustainability risk rating of low
 Operating savings (delivering efficiency and cost savings)
 80 per cent of major initiative project delivery is on track

Council project timelines were impacted by COVID-19 and adjustments are underway to transition to recovery

Latest results

Medium
 \$2.3 mil
 60%



The following are rolling 12-month results: Inspiring leadership, a capable workforce and a culture of high performance and safety

TARGET: Total recordable injury frequency rate below 21.8
 Unplanned Leave year to date (days/EFT) below 10.8
 Staff turnover year to date (days/EFT) below 10%

Despite being over target, turnover is trending down and is below the metropolitan average. This continues to be an area of focus for the organisation.

Latest results

(rolling average)
 14.30
 10.23
 12.48%






Financial update

Comprehensive Income statement Converted to Cash

| | Year to date | | YTD Variance | | Full Year | | Variance | | Notes |
|--|--------------------|----------------------|--------------------------------|---------------|----------------------|--------------------|--------------------------------|---------------|----------|
| | Actual (\$'000) | Forecast (\$'000) | Actual to Forecast (\$'000) | % | Forecast (\$'000) | Budget (\$'000) | Forecast to Budget (\$'000) | % | |
| Rates and Charges | 112,195 | 111,412 | 783 | 1% | 133,385 | 132,585 | 800 | 1% | |
| Statutory Fees and Fines | 13,908 | 14,413 | (504) | (4%) | 17,300 | 18,668 | (1,368) | (7%) | |
| User Fees | 25,658 | 25,925 | (266) | (1%) | 31,373 | 32,650 | (1,277) | (4%) | |
| Grants - Operating | 10,685 | 10,999 | (313) | (3%) | 12,612 | 9,386 | 3,226 | 34% | |
| Grants - Capital | 1,843 | 1,648 | 196 | 12% | 2,306 | 3,370 | (1,064) | (32%) | |
| Contributions - Monetary | 4,489 | 4,190 | 299 | 7% | 4,556 | 2,532 | 2,024 | 80% | |
| Contributions - Non Monetary | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| Other Income | 7,527 | 7,670 | (143) | (2%) | 19,868 | 19,114 | 754 | 4% | |
| Total Income | 176,306 | 176,255 | 51 | 0% | 221,400 | 218,305 | 3,095 | 1% | 1 |
| Employee Costs | 72,194 | 72,723 | 529 | 1% | 90,211 | 91,046 | 835 | 1% | |
| Materials & Services | 56,816 | 60,253 | 3,437 | 6% | 88,836 | 91,011 | 2,175 | 2% | |
| Depreciation | 20,548 | 21,063 | 515 | 2% | 22,519 | 25,276 | 2,757 | 11% | |
| Amortisation of Right of Use assets | 0 | 0 | 0 | 0% | 950 | 950 | 0 | 0% | |
| Bad & Doubtful Debts | 3,112 | 3,273 | 161 | 5% | 3,938 | 5,141 | 1,203 | 23% | |
| Borrowing Costs | 176 | 285 | 110 | 38% | 349 | 349 | 0 | 0% | |
| Interest - Right of Use | 53 | 71 | 18 | 25% | 86 | 75 | (11) | (14%) | |
| Impairment | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| Other expenses | 5,374 | 5,608 | 235 | 4% | 18,473 | 17,873 | (600) | (3%) | |
| Net proceeds from asset disposals | (1,653) | (1,592) | 61 | (4%) | 3,896 | 3,896 | (0) | (0%) | |
| Share of Joint Venture | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| Total Expenses | 156,621 | 161,686 | 5,065 | 3% | 229,258 | 235,617 | 6,359 | 3% | 2 |
| Operating Surplus / (Deficit) | 19,685 | 14,569 | 5,116 | 35% | (7,858) | (17,312) | 9,454 | 55% | |
| Income Statement Converted to Cash | | | | | | | | | |
| Adjustments for non-cash operating items: | | | | | | | | | |
| • Add back depreciation | 20,548 | 21,063 | (515) | (2%) | 22,519 | 25,276 | (2,757) | (11%) | |
| • Add back amortisation | 0 | 0 | 0 | 0% | 950 | 950 | 0 | 0% | |
| • Add back written-down value of infrastructure assets disposals | 2,211 | 2,400 | (189) | (8%) | 7,951 | 7,951 | 0 | 0% | |
| • Add back balance sheet work in progress reallocated to operating | 0 | 0 | 0 | 0% | 1,200 | 1,200 | 0 | 0% | |
| • Add back Joint Venture Equity Accounting | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| • Less Contributed Assets | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| | 22,759 | 23,463 | (705) | -3% | 32,620 | 35,377 | (2,757) | (8%) | |
| Adjustments for investing items: | | | | | | | | | |
| • Less Capital Expenditure | (9,721) | (14,095) | 4,374 | 31% | (16,792) | (31,172) | 14,380 | 46% | 3 |
| Adjustments for financing items: | | | | | | | | | |
| • Add New Borrowings | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| • Less Loan Repayments | 0 | 0 | 0 | 0% | 0 | 0 | 0 | 0% | |
| • Less Lease Repayments | (622) | (540) | (82) | 15% | (648) | (648) | 0 | 0% | |
| | (622) | (540) | (82) | 15% | (648) | (648) | 0 | 0% | |
| Adjustments for financing items: | | | | | | | | | |
| • Statutory Reserve Drawdown | 0 | 155 | (155) | (100%) | 1,202 | 2,390 | (1,188) | (50%) | |
| • Statutory Reserve Replenish | 0 | (3,938) | 3,938 | (100%) | (4,438) | (1,875) | (2,563) | (137%) | |
| • Discretionary Reserve Drawdown | 0 | 185 | (185) | (100%) | 16,678 | 25,992 | (9,314) | (36%) | |
| • Discretionary Reserve Replenish | 0 | (6,118) | 6,118 | (100%) | (16,606) | (11,176) | (5,430) | (49%) | |
| | 0 | (9,716) | 9,716 | (200%) | (3,164) | 15,331 | (18,495) | (221%) | 4 |
| Current Year Cash Surplus/ (Deficit) | 32,101 | 13,681 | 18,420 | 35% | 4,158 | 1,576 | 2,582 | 164% | |
| Opening balance cash surplus/ (Deficit) | (276) | (276) | 0 | 0% | (276) | (441) | 165 | 37% | |
| Accumulated Cash Surplus | 31,825 | 13,405 | 18,420 | 137% | 3,882 | 1,135 | 2,747 | 242% | |




Notes for the Income Statement

Note 1. Operating income forecast adjustments:




|    | \$ Variance | Operating income forecast explanatory notes |
|---|----------------|---|
| ↑ | \$1.76m | Favourable Long Day Child Care income due to 1) Transitional Commonwealth COVID-19 Childcare relief package has been extended to January 2021 which was not budgeted and 2) Greater utilisation (77% year to date) than the 70% budgeted. |
| ↑ | \$0.80m | Additional supplementary rates from completed developments mainly at Port Melbourne. |
| ↑ | \$0.40m | Victorian Government funding for the Kirrip Park and Ferrars St Streetscape works finalised in 2020/21 (most of the expenditure incurred in 2019/20). Funding have been delayed by COVID and staff/structural changes at the Fishermans Bend Taskforce. |
| ↑ | \$0.22m | Unbudgeted Victorian Government COVID-19 funding for Kindergarten services. |
| ↑ | \$0.43m | South Melbourne Market stallholder rent forecast increased to reflect updated gross rent and lower vacancy rates. Rent waiver as part of the COVID response is reported separately. |
| ↑ | \$0.16m | Safe System Road Infrastructure Program funding taken up in 2020/21 due to delays in finalising project. Capital expenditure had taken place in prior financial year. |
| ↑ | \$0.10m | Greater than budgeted Street Occupation income from development activity. |
| ↑ | \$0.10m | Animal registrations increased at a greater rate than budget (mainly dogs). |
| → | \$1.93m | Open Space Contributions are expected to be greater than budgeted mainly in the Elwood and Montague neighbourhoods. All receipts are to be quarantined in the Statutory Resort & Recreation Reserve for future enhancement of open space facilities. |
| → | \$1.12m | Council received funding from Victorian Government as part of their Working for Victoria Fund to keep people employed impacted COVID-19. This will be offset by matching expenditure. |
| → | \$1.10m | Victorian Government COVID-19 funding to facilitate Outdoor Eating and Entertainment initiatives. This will be offset by matching expenditure. |
| → | \$0.25m | Additional COVID-19 meals funding which will be offset by matching expenditure. |
| → | \$0.40m | Unbudgeted Victorian Government funding for Homelessness and Social Inclusion initiatives. This will be offset by matching expenditure. |
| → | \$0.20m | VicRoad funding related to prior financial year works at Foote St, Reed St & Beaconsfield parade. The favourable funds are to be used to offset the cost increases for Wellington St Upgrade Stage 3. |
| → | \$0.11m | Unbudgeted Victorian Government funding for Maternal Child Health Sleep & Settling program. This will be offset by matching employee costs. |
| → | (\$0.87m) | Budgeted funding for EcoCentre Redevelopment (construction) will not materialise this financial year. Project contingent on Victorian Government funding, therefore project deferred to next financial year. |
| → | (\$0.36m) | Major events income reduced due to COVID cancellations. A large portion of budgeted expenditure will not be spent and to be used as offsets to the income loss. |
| → | (\$0.18m) | Commonwealth Blackspot program funding for the Fitzroy St and Loch St work was not successful. Project will not go ahead. |

Notes for the Income Statement

Note 1. Operating income forecast adjustments (cont.):

|    | \$ Variance | Operating income forecast explanatory notes |
|---|----------------|--|
| → | (\$0.77m) | Council endorsed a further \$1.21m of COVID-19 Economic and Social Relief Package to be funded from the unutilised St Kilda Festival budget. \$0.77m relates to income reduction including: A further 25% food premise registration fees and 50% health premise registration fee, further 50% waiver of footpath trading fees, further rental waivers for Council tenants, and Carlisle Art Space Exhibitor Fee waivers. |
| ↓ | (\$3.20m) | The budget included parking revenue assumptions akin to the first wave COVID-19 impact. The severity and length of the second wave of COVID-19 restrictions have been greater than budgeted. Further, the Victorian Government prohibited enforcement of overstay offences, which account for approximately 60% of our parking infringement income. Parking infringement income has been forecast down by \$1.2m and paid parking forecast reduced by \$2m. The lower number of Parking Infringement Notices will be partially offset by lower doubtful debts and lodgement expenditure. Net unfavourable impact approximately \$2.0m. |
| ↓ | (\$0.33m) | Council experienced greater revenue impact due to extended COVID-19 restrictions which resulted in loss of stallholder revenue from the Esplanade Market, reduction in sporting licences and leases, and loss of Council hall hire income. The impacts are partially offset by lower operating expenditure. |
| ↓ | (\$0.17m) | South Melbourne Market parking fees reduced due to more extended COVID lockdown than was budgeted. |

Note 2. Operating expenditure forecast adjustments:

|    | \$ Variance | Operating expenditure forecast explanatory notes |
|---|----------------|---|
| ↑ | \$2.27m | Lower employee costs and savings due to enterprise vacancies and COVID-19 impacting on service delivery. The main services impacted include: Long Day Care centres, Adventure Playgrounds, Library Services, Festivals & Major Events, Parking Enforcements, School Crossings, Aged and Diversity services. |
| ↑ | \$1.20m | Lower parking doubtful debts expected due to lower number of parking infringements issued. |
| ↑ | \$0.40m | Lower registration costs payable to Fines Victoria due to lower parking infringement notices. |
| ↑ | \$0.40m | Lower building and property maintenance requests as a result of temporary service closures. |
| ↑ | \$0.33m | Victorian Government has delayed the 2020/21 landfill levy increase until the 2021/22 financial year. |
| ↑ | \$0.22m | Victoria Government COVID-19 support included one-off 25% reduction on congestion levy expenditure for 2021/21. |
| ↑ | \$0.31m | In accordance with Accounting Standards project expenditure such as feasibility studies, landscaping, and soil contamination are to be expensed. These costs are expected to be lower in line with the lower forecast capital expenditure portfolio program than budgeted. |
| ↑ | \$0.29m | Forecast savings from target employee training and lower training spend due COVID-19. |

Notes for the Income Statement

Note 2. Operating expenditure forecast adjustments (cont.):

| ↑ → ↓ | \$ Variance | Operating expenditure forecast explanatory notes |
|-------------|----------------|--|
| ↑ | \$0.25m | Beaconsfield Parade Bike Lanes project has been cancelled due to the Victorian Government not accepting Council's preferred and optimal design option. |
| ↑ | \$0.15m | Forecast reduction in Parking Infringement refunds (Appeals Function Outsourcing issue) based on year to date rate of refunds. |
| → | \$2.76m | Officers are reviewing asset conditions and useful lives with updated data using Council's new finance and asset systems. At this stage, we expect depreciation to reduce by up to \$2.76m in 2020/21. |
| → | \$0.97m | Wattie Watson Oval reconstruction is expected to award contract in the last quarter of this financial year. A forecast deferral of \$0.92m to 2021/22. |
| → | \$0.50m | In-Our-Backyard annual provision is unlikely to be spent. The funds are to be moved to reserves. |
| → | \$0.36m | Forecast updated to reflect Customer Experience program payment milestone resulting in some deferrals. Project is still expected to be completed in FY22 Quarter 1. |
| → | \$0.28m | Budgeted Council contribution to the Victorian Government Montague Stimulus Package no longer required. Budget reallocated to Rotary Park Playspace Development (Capital). |
| → | \$0.28m | Council is seeking funding from the Victorian Government for the St Kilda Road Central Bike Corridor Trial. It is expected to be deferred to 2021/22. |
| → | \$0.30m | Council is seeking full Victorian Government funding for the Park Street Temporary Bike Lane at the Domain Precinct and the Shimmy Routes projects. Projects deferred to 2021/22 to align with updated timeframe. |
| → | (\$1.12m) | Council received funding from Victorian Government as part of their Working for Victoria Fund to keep people employed impacted COVID-19. |
| → | (\$1.10m) | Victorian Government COVID-19 funding to facilitate Outdoor Eating and Entertainment initiatives. |
| → | (\$0.45m) | Council endorsed a further \$1.21m of COVID-19 Economic and Social Relief Package to be funded from the unutilised St Kilda Festival budget. \$0.45m relates to expenditure reallocations toward: Hostile Vehicle Mitigation for Acland St, Data and measurement of all initiatives, COVID safe community event and live music support, further Arts Rescue Grants, One-off recovery grant funding to key organisations. |
| → | (\$0.49m) | Council endorsed a further \$0.49m of COVID-19 Economic and Social Support funded from the remaining St Kilda Festival budget as part of the mid-year financial report toward: concerts at the Palais, seed funding for trader associations, St Kilda Road Tourism initiatives, High St Business Support and Beautification projects, St Kilda Blues Festival, Community Public Art Fund, fee reduction for Esplanade Market stallholders and financial support to ANAM for free community concerts. |
| → | (\$0.30m) | Expenditure related to the Victorian Government funding for Homelessness Housing Support (temporary Common Ground). |
| → | (\$0.25m) | Additional COVID-19 meals offset by additional Victorian Government funding. |
| → | (\$0.11m) | Unbudgeted employee expenditure due to receipt of Sleep & Settling Maternal Child Health program from Victorian Government. |
| ↓ | (\$0.56m) | Additional COVID-19 expenditure for Vulnerable Employees. This is offset by savings from enterprise vacancies. |

Notes for the Income Statement

Note 2. Operating expenditure forecast adjustments (cont.):

| ↑ → ↓ | \$ Variance | Operating expenditure forecast explanatory notes |
|-------------|----------------|---|
| ↓ | (\$0.68m) | Additional budget approved by Council as part of the First Quarter Financial Review: \$0.4m Summer Management, \$0.11m Heritage Program, \$0.17m Pressure Cleaning, \$0.035m Kerferd Road Safety Trial. |

Note 3. Capital expenditure forecast adjustments:

| ↑ → ↓ | \$ Variance | Capital expenditure forecast explanatory notes |
|-------------|----------------|--|
| → | \$2.72m | Luna Park and Palais Hostile Vehicle Mitigation - Scope and timing of the project is being reconsidered due to current budget pressures due to COVID. An updated delivery schedule will consider the impact on the social and economic recovery of businesses in the area. |
| → | \$1.80m | EcoCentre redevelopment - Council committed to delivering a redevelopment of the Port Phillip EcoCentre subject to receiving a 50 per cent contribution from a funding partner. This partnership funding has not been received and the project is placed on hold pending confirmation on partnership funding. |
| → | \$1.00m | South Melbourne Market Compliance works - Building Surveyors required more extensive investigations than anticipated to obtain building permit and Fire Engineering approvals. This has extended the timeline for tender and delivery of the works, which can only occur after all permits have been obtained. |
| → | \$0.79m | Elwood Park Sports Field Lighting - Project delayed to provide time for building permit approval and soil contamination report completion. |
| → | \$0.65m | Public Space Lighting Elwood Foreshore - Procurement was delayed to align with the Bay Trail lighting procurement process and additional time built into the schedule to allow for a realistic tender evaluation period. |
| → | \$0.64m | Childcare Centre Fence Compliance - Unanticipated delays in obtaining temporary waiver to commence construction at Poets Grove Childcare Centre and longer than anticipated time to obtain planning referrals have delayed completion of the design documentation at the remaining 7 sites. |
| → | \$0.55m | Graham St Overpass Skate Park - Procurement process delayed as opportunities for additional grant funding were considered. The budget decision had a significant impact on scope so until this was resolved the project was held at a design point. |
| → | \$0.54m | Building Safety Corrective Action Response - Delays have been incurred due to site access restrictions under COVID-19 restrictions, and additional site documentation that was not readily available required by the Building Surveyor to confirm building permit requirements. Fire Engineering Victoria reports are expected to take an additional 6 weeks following final consultation with the building surveyor; therefore, the majority of the works will not commence until the 21/22 financial year. |
| → | \$0.37m | Garden City Shared Bike Path - Final Cost Plan estimates were higher than expected due to the requirement to include vehicle intersection safety improvements. As a result, it was decided to deliver the project across two financial years, resulting in deferrals. |
| → | \$0.36m | Waterfront Public Toilet - Additional investigations and options assessment into an appropriate location for the new toilet were required following information received regarding the proposed 1-7 Waterfront PI development, which has impacted the timeline for delivery. |

Notes for the Income Statement

Note 3. Capital expenditure forecast adjustments (cont.):

| ↑ → ↓ | \$ Variance | Capital expenditure forecast explanatory notes |
|-------------|----------------|---|
| → | \$0.32m | Cora Graves Accessibility - Delays were incurred due to design modifications required to ensure the best outcome for the community. Planning permit activities required for legislative compliance have also taken longer than anticipated to complete, resulting in deferrals. |
| → | \$0.30m | Sandbar public toilet upgrade - Redesign of the proposed unisex toilets, and additional investigations relating to the impact on the building occupancy limits during construction were required following advice received from the Building Surveyors. This has extended the timeline for delivery. |
| → | \$0.30m | Access Control Renewal - Project has been put on hold while the Security Policy, which includes access control principles, is being developed. The policy is currently being finalised and the project plan being revised to recommence the project. |
| → | \$0.30m | St Kilda Town Hall Staff Accommodation - Staff Accommodation plan to be reviewed to respond to COVID related changes to workplace design, function and policies resulting in deferral of \$250,000 to next financial year. The remaining \$50,000 has been reallocated to the Workplace Locker and Team Storage Project. |
| → | \$0.27m | Buildings CCTV - Additional site visits requested by the design consultant initially impacted the schedule. The procurement approach has also been revised to ensure best value which will take longer than the original approach. |
| → | \$0.26m | Building Asset Renewals - Several jobs delayed commencing their program due to COVID restrictions. These will be prioritised in next year's program |
| → | \$0.26m | South Melbourne Market Cecil Street Essential Services - Additional scope items were required to ensure compliance with current regulations, this required additional design works to be completed. The revised design now requires a building permit and Fire Engineering Reports to be completed by Fire Rescue Victoria, which has impacted the timeline for construction. |
| → | \$0.25m | South Melbourne Market Public Safety Improvements - Evaluation of the tender submission process delayed due to lack of competitive tender price and participation. Contracts cannot be awarded until a change request is submitted for additional costs are considered and approved. |
| → | \$0.25m | Gasworks Arts Park Reinstatement - Awaiting further testing and a contaminated soil remediation plan from Victorian Government before Council can progress landscape design and construction works. |
| → | \$0.24m | Bubup Nairn Cladding Rectification Works - Delays due to increased design scope and additional time required to conduct site investigations as a result of COVID restrictions. |
| → | \$0.22m | Rotary Park Playspace Development - Extensive underground services have been detected on the southern side of the park. This encumbrance has required additional design work to re-configure. Options are being prepared for Councillors' feedback and approval. |
| → | \$0.18m | South Melbourne Operations Centre Fire Escape - Additional information required to grant an in-principle building permit has delayed business case and procurement stages. Works now anticipated to commence in July. |
| → | \$0.18m | Broadway Bridge Works - Council decided not to proceed to detailed design until ownership issue is resolved. Project is on hold. |

Notes for the Income Statement

Note 3. Capital expenditure forecast adjustments (cont.):

| ↑ → ↓ | \$ Variance | Capital expenditure forecast explanatory notes |
|-------------|----------------|---|
| → | \$0.17m | Moran Reserve Pedestrian and Cycle Bridge - Original quotes received through the request for quote process were well above the allocated budget and not considered best value. A revised procurement approach (public tender) will be implemented which has impacted the timeline for delivery. |
| → | (\$0.20m) | Wellington Street Stage 3 - Upgrade tenders received had a higher than expected cost of construction. Requirements to comply with VicRoads design standards also increased the cost of the project. |
| → | (\$0.11m) | Laneway Construction Meredith Street - Construction is in progress and is expected to be completed by the end of this financial year. Additional budget is re-prioritised from the program to accelerate completion of Meredith Street this financial year. |
| | (\$0.11m) | Open Space Irrigation Upgrade – Project is near completion. Additional budgets are funded from reserves from prior years. |

Note 4. Reserve forecast adjustments:

| ↑ → ↓ | \$ Variance | Reserve forecast adjustment explanatory notes |
|-------------|----------------|--|
| → | \$1.70m | Council endorsed a further COVID-19 Economic and Social Relief Package to be funded from the unutilised St Kilda Festival budget. |
| → | \$0.45m | Reserve drawdown for homeless initiative as part of COVID response (unspent budget was put aside to reserve in 2019/20). |
| → | (\$2.90m) | Luna Park and Palais Hostile Vehicle Mitigation - Scope and timing of the project is being reconsidered due to current budget pressures due to COVID. An updated delivery schedule will consider the impact on the social and economic recovery of businesses in the area. |
| → | (\$1.93m) | Open Space Contributions are expected to be greater than budgeted mainly at Elwood and Montague neighbourhoods. All receipts are to be quarantined in the Statutory Resort & Recreation Reserve for future enhancement of open space facilities. |
| → | (\$1.00m) | South Melbourne Market Compliance works - Building Surveyors required more extensive investigations than anticipated to obtain building permit and Fire Engineering approvals. This has extended the timeline for tender and delivery of the works, which can only occur after all permits have been obtained. |
| → | (\$0.96m) | Funds to be ring-fenced in Asset Renewal Reserve for future asset renewal requirements as a result of lower than budgeted capital project spend in 2020/21. |
| → | (\$0.92m) | Wattie Watson Oval reconstruction is expected to award contract in the last quarter of this financial year. A forecast deferral of \$0.92m to 2021/22. |
| → | (\$0.92m) | Drawdown on Rates cap reserve not required due to favourable operating result compared to budget. |
| → | (\$1.90m) | Victorian Government funding for the EcoCentre redevelopment has not materialised resulting in deferral to next financial year. |
| → | (\$0.75m) | Elwood Foreshore Lighting delays in procurement and lead time on light pole deliveries will result in deferrals to 21/22. |




Notes for the Income Statement

Note 4. Reserve forecast adjustments (cont.):

| ↑ → ↓ | \$ Variance | Reserve forecast adjustment explanatory notes |
|-------------|----------------|--|
| → | (\$0.72m) | Elwood Park Sports Field Lighting - Project delayed to provide time for building permit approval and soil contamination report completion. |
| → | (\$0.60m) | Building Asset Renewals - Several jobs delayed commencing their program due to COVID restrictions. These will be prioritised in next year's program. |
| → | (\$0.56m) | Graham St Overpass Skate Park - Procurement process delayed as opportunities for additional grant funding were considered. The budget decision had a significant impact on scope so until this was resolved the project was held at a design point. |
| → | (\$0.50m) | In-Our-Backyard annual provision is unlikely to be spent this financial year. The funds are to be ringfenced in reserve. |
| → | (\$0.44m) | Garden City Shared Bike Path - Final Cost Plan estimates were higher than expected due to the requirement to include vehicle intersection safety improvements. As a result, it was decided to deliver the project across two financial years, resulting in deferrals. |
| → | (\$0.36m) | Waterfront Public Toilet - Additional investigations and options assessment into an appropriate location for the new toilet were required following information received regarding the proposed 1-7 Waterfront PI development, which has impacted the timeline for delivery. |
| → | (\$0.36m) | Forecast updated to reflect Customer Experience program payment milestone resulting in some deferrals. Project is still expected to be completed in FY22 Quarter 1. |
| → | (\$0.58m) | A number of bike infrastructure projects including St Kilda Rd Central Bike Corridor Trial, Shimmy Routes, and Domain Precinct - Park St Temp Bike Lane have been deferred to 2021/22 to align council decisions and seeking funding from the Department of Transport. |
| → | (\$0.32m) | Cora Graves Accessibility - Delays were incurred due to design modifications required to ensure the best outcome for the community. Planning permit activities required for legislative compliance have also taken longer than anticipated to complete, resulting in deferrals. |
| → | (\$0.30m) | Sandbar public toilet upgrade - Redesign of the proposed unisex toilets, and additional investigations relating to the impact on the building occupancy limits during construction were required following advice received from the Building Surveyors. This has extended the timeline for delivery. |
| → | (\$0.30m) | Building Safety Corrective Action Response - Delays have been incurred due to site access restrictions under COVID-19 restrictions, and additional site documentation that was not readily available required by the Building Surveyor to confirm building permit requirements. Fire Engineering Victoria reports are expected to take an additional 6 weeks following final consultation with the building surveyor; therefore, the majority of the works will not commence until the 21/22 financial year. |
| → | (\$0.30m) | Access Control Renewal - Project has been put on hold while the Security Policy, which includes access control principles, is being developed. The policy is currently being finalised and the project plan being revised to recommence the project. |
| → | (\$0.30m) | South Melbourne Market Public Safety Improvements - Evaluation of the tender submission process delayed due to lack of competitive tender price and participation. Contracts cannot be awarded until a change request is submitted for additional costs are considered and approved. Deferrals expected. |

Notes for the Income Statement

Note 4. Reserve forecast adjustments (cont.):

|    | \$ Variance | Reserve forecast adjustment explanatory notes |
|---|----------------|---|
| → | (\$0.30m) | St Kilda Town Hall Staff Accommodation - Staff Accommodation plan to be reviewed to respond to COVID related changes to workplace design, function and policies resulting in deferral to next financial year. |
| → | (\$0.29m) | Gasworks Arts Park Reinstatement - Awaiting further testing and a contaminated soil remediation plan from Victorian Government before Council can progress landscape design and construction works. |
| → | (\$0.29m) | South Melbourne Market Cecil Street Essential Services - Additional scope items were required to ensure compliance with current regulations, this required additional design works to be completed. The revised design now requires a building permit and Fire Engineering Reports to be completed by Fire Rescue Victoria, which has impacted the timeline for construction. |
| → | (\$0.27m) | Bubup Nairm Cladding Rectification Works - Delays due to increased design scope and additional time required to conduct site investigations as a result of COVID restrictions. |
| → | (\$0.27m) | Buildings CCTV - Additional site visits requested by the design consultant initially impacted the schedule. The procurement approach has also been revised to ensure best value which will take longer than the original approach. |
| → | (\$0.25m) | Beaconsfield Parade Bike Lanes project has been cancelled due to the Victorian Government not accepting Council's preferred and optimal design option. Drawdown on Sustainable Transport Reserve not required. |
| → | (\$0.20m) | Rotary Park Playspace Development - Extensive underground services have been detected on the southern side of the park. This encumbrance has required additional design work to re-configure. Options are being prepared for Councillors' feedback and approval. |
| → | (\$0.19m) | Childcare Centre Fence Compliance - Unanticipated delays in obtaining temporary waiver to commence construction at Poets Grove Childcare Centre and longer than anticipated time to obtain planning referrals have delayed completion of the design documentation at the remaining 7 sites. |
| → | (\$0.18m) | South Melbourne Operations Centre Fire Escape - Additional information required to grant an in-principle building permit has delayed business case and procurement stages. Works now anticipated to commence in July. |
| → | (\$0.17m) | Moran Reserve Pedestrian and Cycle Bridge - Original quotes received through the request for quote process were well above the allocated budget and not considered best value. A revised procurement approach (public tender) will be implemented which has impacted the timeline for delivery. |
| → | (\$1.32m) | A number of minor project deferrals identified including safe roof access, St Kilda Town Hall Façade rectification, Shakespeare Grove public toilet, Live Music Action Plan, Kings Place Pocket Park, St Kilda Junction Safety Upgrade, Library Action Plan Implementation, Elwood Foreshore Facilities Development and other projects. |

Legislative update

Material legislative breaches

No major breaches occurred in the month of April 2021.