

# CEO REPORT



**ISSUE 28  
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The CEO Report is a regular bulletin published by the City of Port Phillip (CoPP).

*The Council Plan outlines a vision for an engaged, healthy, resilient and vibrant city*

*Presented at the Ordinary Meeting of Council on 15 November 2016*

[www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

## Welcome

After a break for the Caretaker Period, the CEO Report is back to report on what's happening in our City.

This issue introduces a new focus on reporting on activities in your local neighbourhood, as well as the regular quarterly update on the achievement of the Council Plan and Council's priority projects.

I would like to take this opportunity to congratulate and welcome our newly elected Councillors. By ward, the Councillors for the City of Port Phillip are:

- Canal Ward: Tim Baxter, Louise Crawford, Dick Gross
- Gateway Ward: Bernadene Voss, Marcus Pearl, Ogy Simic
- Lake Ward: Katherine Copsey, Andrew Bond, David Brand

Councillors recently participated in offsite workshop to get to know each other and commence articulating the direction for Council over the four years.

## Delivering the Council Plan

### Fishermans Bend Urban Renewal Area

#### *Fishermans Bend Vision*

Following public consultation, in May - June, the Fishermans Bend Vision (the Vision) has been finalised and was released in early October.

The Vision recognises the 485 hectare area next to Melbourne's CBD as an opportunity to set new benchmarks for inner city urban renewal and drive best practice sustainability outcomes.

The final document has incorporated Council feedback on the June 2016 draft. Council officers will now work with the Fishermans Bend Taskforce (the Taskforce) to develop the revised Framework, Infrastructure Plan and Precinct plans. The Vision is available online <http://haveyoursay.delwp.vic.gov.au/fishermans-bend-final-vision>

### *Fishermans Bend Community Infrastructure Plan*

Staff members in the working group attended a community infrastructure and public space opportunity workshop on 7 September hosted by the Taskforce to identify potential sites for co-location of community infrastructure and public spaces.

Council is working with the Taskforce to develop the Community Infrastructure Plan. A preliminary service needs assessment for Montague, Sandridge and Wirraway is being developed.

A list of community groups and stakeholders who should be consulted and engaged for the Fishermans Bend Community Infrastructure Plan is being developed with community engagement planned for the end of November 2016.

### *Fishermans Bend Heritage Controls*

Planning Scheme Amendment C117 - Fishermans Bend Heritage Controls aims to apply a Heritage Overlay to 16 properties in Fishermans Bend and update the Port Phillip Heritage Review to reflect new and revised heritage citations and gradings.

The Minister for Planning appointed an independent Planning Panel, with hearings held on 10, 11 and 15 August. Council has received a copy of the Panel Report and officers are reviewing the recommendations. The Panel Report was made available to the public on 18 October and is available on Council's website

<http://www.portphillip.vic.gov.au/amendment-c117.htm>

### **Ferrars Street Education and Community Precinct**

On 13 September Council resolved to design and deliver open space, streetscape upgrade and parking outcomes in the Ferrars Street Education and Community Precinct. The endorsed plan balances maximum public open space with parking needs for the current creative industry operations. Head to Council's website to view the proposed works plan [http://www.portphillip.vic.gov.au/Report\\_1\\_Att\\_2\\_FSE\\_CP\\_Consultation\\_Document.pdf](http://www.portphillip.vic.gov.au/Report_1_Att_2_FSE_CP_Consultation_Document.pdf)

### **St Kilda Triangle**

Community consultation on design guidelines and planning scheme amendment is ready to occur in early 2017, subject to feedback on Council priorities.

### *St Kilda Triangle Winter Activation*

The Expressions of Interest process to activate St Kilda Triangle in winter 2017 has resulted in two preferred candidates being granted provisional approval.

The permitting assessment process is now underway and the preferred candidates are due to present a detailed scope in November 2016.

### **Palais Theatre**

Major Projects Victoria has completed a full electrical upgrade for the Palais Theatre. Works have been largely achieved while the Palais has remained fully operational, apart from a brief shutdown period. This is a major milestone for the repair and restorations works, made possible with the cooperation of the Palais Theatre Management, and while these works are not visual improvements, they are a key element in ensuring the effective operation of the venue for many years to come.

Live Nation, the new venue operator, has been working on concept plans for the works they intend to undertake at the start of their lease in 2017. These works were shared at a community information session on 27 October and include relocation of internal offices, upgrade of the existing balcony facade and upstairs foyer area, accessibility improvements including installation of a lift and accessible toilets, development of a new office space, painting, carpeting and repair of the front foyer floor. All works are subject to heritage permits, to ensure the heritage values of the Palais are maintained, and relevant planning and building permits.

## Vibrant places and villages

Council's Sustainable Transport team and Vibrant Villages program have collaborated to bring new signage to Station Pier. The signage will direct passengers from the Spirit of Tasmania to nearby shopping districts, benefiting local businesses in and around the waterfront.



*New signs directing passengers to Port Melbourne's shopping districts*

Small Poppy village grants for two community initiated events were approved in August and September.

The Port's Paw Parade held in October, was a great family event in Bay Street, Port Melbourne showcasing our community's passion for our canine 'best friends'.

The second event is a free outdoor concert in November featuring local artist 'Lior' who will be backed by a 70 piece orchestra in front of the South Melbourne Town Hall. These events are the result of fantastic work by residents, local businesses and community groups, supported by Council.

## Toward Zero implementation

On 11 October, St Kilda Primary School was announced as a Waste Primary School of the Year finalist for the 2016 Resource Smart School Awards. Council has worked closely with the school to embed sustainability into their culture, curriculum, campus and community. Greenhouse Programs Officer, Brett Hedger, has conducted several waste education programs for the children and Council has provided colour coded bins to help meet their waste goals.

Another successful SCAN (Sustainability Community Action Network) was held in August with 83 attendees. Composting and worm farming in apartments were discussed. Participants said they enjoyed learning about the options available for those living in apartments, and appreciated the depth of knowledge and enthusiasm the presenters showed throughout the event.

Since endorsement of the Car Share Policy 2016-2021 on 26 July, several improvements have been made across the City. A new car share provider has qualified to provide car share services in our City and an additional eight on-street car share bays have been installed to date in 2016/17.

Throughout August and September, Council has continued its work on parking neighbourhood reviews. New signage has been installed in Albert Park, Middle Park and St Kilda West, as a result of feedback from the review process for these neighbourhoods.

During September, Council called for feedback from residents and businesses about parking trends in St Kilda Road and St Kilda East in order to best manage parking in these areas. Council commenced development on a draft parking plan based on community feedback received. The draft parking plan is expected to be released to the public for further consultation in November.

Installation of a 172kW solar array system on the roof of the St Kilda Town Hall was completed in September. The solar array system will provide financial savings on electricity and supply costs, while avoiding 300 tonnes of greenhouse gas emissions each year.

### **Gasworks Theatre building upgrade**

Construction work on the Gasworks Arts Park Theatre upgrade commenced on 17 October and is due for completion by mid-2017. Council has worked closely with Gasworks Arts Inc. to determine the requirements for the improved facilities.



*Artist's impression of Gasworks Arts Park Theatre*

### **Gasworks Arts Park remediation**

The Department of Treasury and Finance's (DTF) environmental contractor commenced soil and groundwater testing in October. Once initial investigations are complete, a community update will be provided on Council's website regarding the next steps of the remediation process.

### **St Kilda Life Saving Club**

Construction of the new St Kilda Life Saving Club is now scheduled for completion in December due to delays in the construction schedule. Delays in the delivery and installation of precast concrete panels, as well as manufacturing of a number of the doors, have had a flow-on-effect for the remainder of the construction period.

Council is committed to working with the St Kilda Life Saving Club to deliver this fit-for-purpose facility, and will continue to provide onsite portable accommodation throughout construction, so club members can begin their vital beach patrols in November. All opportunities to complete construction as soon as possible are being explored; however, Council will not compromise on delivering a functional

facility of the highest quality for the benefit of club members and the community.

### **South Melbourne Life Saving Club**

The Department of Environment, Land, Water and Planning (DELWP) has granted consent for use and development on coastal Crown land for the South Melbourne Life Saving Club redevelopment. The approval of Council's coastal consent application is a key milestone for the project. Council is continuing to develop the detailed design and landscaping plan for the project. The concept design plan approved by DELWP and Council's application can be viewed on Council's website

[http://www.port Phillip.vic.gov.au/SMLSC\\_Coastal\\_Consent\\_Application\\_as\\_at\\_8\\_August\\_2016\(1\).pdf](http://www.port Phillip.vic.gov.au/SMLSC_Coastal_Consent_Application_as_at_8_August_2016(1).pdf)

### **JL Murphy Reserve pavilion**

During August and September, Council held discussions with sports user groups to finalise the concept design. Unfortunately the user groups were unable to reach agreement on an additional scope and associated funding. A concept design that includes many of the suggestions from the clubs and delivers on the Victorian Government's original funding requirements will proceed. In the first half of 2017, the clubs and community will be presented with a draft design of the redeveloped pavilion for feedback.

### **Peanut Farm Reserve pavilion**

On 23 August, Council endorsed the concept design, and contributed \$2 million plus to complement the Victorian Government's funding of \$1 million. The concept design includes amendments as a result of community feedback including upgrading the netball courts to competition standards, providing a fixed BBQ, covered walkways between the community room and public toilets and audio visual facilities and data connections in the community room. The project is now progressing to detailed design and Council Officers will continue to consult the sports clubs and other users to ensure the final design is functional and fit for purpose. To view the endorsed concept design, go to Council's website [http://www.portphillip.vic.gov.au/Report\\_4\\_Attachment\\_1\\_Peanut\\_Farm\\_Drawings.pdf](http://www.portphillip.vic.gov.au/Report_4_Attachment_1_Peanut_Farm_Drawings.pdf)

### **Queens Lane precinct**

The right turn ban and 40km/h speed limits were implemented in August 2016. Specific consultation on the review of parking restrictions was completed in September 2016.

### **Wellington Street precinct**

Improvement works to the intersection of Wellington Street and Upton Road were completed in June 2016, making the intersection safer for all users. To enhance these improvements, additional civil works will be undertaken on Wellington Street in coming months.

### **St Kilda Road safety improvement project**

VicRoads undertook community consultation in September to identify road safety issues along St Kilda Road. More than 1,000 responses were received during this consultation. VicRoads will share the results of the consultation report and outline the next steps for the safety improvement study early in 2017.

Council officers continue to provide advice and support to VicRoads on community consultation and the options for safety improvements along St Kilda Road.

### **Growing affordable housing in Port Phillip**

In August and September, Council held further meetings with the three local community housing organisations to receive advice on the proposed Port Phillip Housing Trust model. Council adopted a set of principles to improve governance arrangements for the proposed model on 13 September.

Also during September, Council undertook some modelling options for progressing affordable housing on the Marlborough Street, Balaclava site.

### **Acland Street upgrade**

Construction of the Acland Street Upgrade project is well underway with practical completion scheduled for the end of October.

The official launch is scheduled to occur on 11 November 2016, followed by the 'Acland Street Spring Fling' community day on Saturday 12 November. The Acland Street Spring Fling will be an all day celebration of the many sides of Acland Street. For more information visit Council's website <http://www.portphillip.vic.gov.au/acland-street.htm>



*The new look Acland Street nearing completion.*

## Improving community value

### Continuous service and business improvement

From July, ratepayers can receive their rates notices online. Once registered, they receive notices via email and can login anytime to view up to seven years of rates notices. This initiative will reduce costs and the amount of paper we send to residents. To find out more information about this initiative visit Council's website <http://www.portphillip.vic.gov.au/emailrates>

In September, Council's planning applications went digital. The community is now able to apply for, assess and view planning applications online from anywhere in the world.

### Enterprise portfolio management

The Enterprise Portfolio Management team have focussed on guiding, enabling and supporting the progression of projects in the 2016/17 project portfolio.

Officers have also commenced work preparation for build of the 2017/18 Project Portfolio.

Our focus on capability development has seen processes streamlined, greater support for Project Control Groups and the development of a draft Project Capability Management Framework and Plan.

### Aligned organisational culture and capability

In August, the new Employee Plan system was launched for the 2016/17 year. The ePlan system provides greater transparency for supervisors, increases alignment to Council's objectives, and enables electronic approvals which reduces paper wastage.

In September, our Executive team approved a 2017 Alignment and Engagement Staff Survey, extending our contract with Insync to gain a better understanding of staff satisfaction, alignment and engagement.

Also during September, the People and Culture Strategy was finalised and a tender process was completed for a new OH&S system to increase risk

awareness and organisational capability to manage those risks.

### Good governance

During September, Council entered the caretaker period to prepare for the Council election on 22 October.

Council's last meeting prior to caretaker period was significant with 17 reports and 3 notices of motion. Twenty one members of the community spoke to the reports. There were a number of significant items discussed at the meeting, including Montague Community Park, Railway Place, Victorian Pride Centre, In Our Backyard implementation, and Fishermans Bend Sustainability.

On 21 September, the CEO sent a letter congratulating all candidates on their nomination. The letter also outlined the process for the Council election and transition into Council.

## Other notable items

### Vibrant Villages program wins award

Council's Vibrant Villages Program was announced as the winner of the Community Economic Development Award at the Economic Development Australia Awards on 6 October. This award recognises Council's efforts to create vibrancy within communities via community-led action within our City. By combining the diverse interests of our community, local traders, community groups, motivated residents and Council, we are able to support the ongoing development of our villages across the City.

### **Best Practice Municipal Emergency Management Plan audit**

On 11 August, former mayor Cr Bernadene Voss was presented with a Certificate of Audit for our Municipal Emergency Management Plan. The *Victorian Emergency Management Act 1986* requires each council prepare and maintain a Municipal Emergency Management Plan (MEMP). The City of Port Phillip's MEMP addresses how to prevent, respond to and recover from emergencies within the municipality.

The City of Port Phillip received a best practice rating which is a testament to our staff who have worked tirelessly over the past six months to prepare, update and present our MEMP for external review. I would like to take this opportunity to thank all the Council staff involved in the process.



*Former mayor Cr Bernadene Voss and Council staff receive certificate of audit for Municipal Emergency Management Plan*

### **Listen Out festival**

On 24 September, the 'Listen Out' Festival returned to Catani Gardens. Council worked with event organisers, Victoria Police, Liquor Licensing Victoria, Yarra Trams, PTV, Ambulance Victoria, Colbrow Medical Unit, ESI Traffic Controllers and ISEC Security to ensure it was a safe event for those attending and had minimal impact on amenities for local residents.

### **Port Phillip Seniors celebrated**

On 10 October the Annual Seniors Festival kicked off with the Seniors Festival Dance in the St Kilda Town Hall. Seniors were invited to celebrate the launch of the festival at the dance with the local seniors band, 'All Sorts' playing on arrival and the Port Phillip Show Band' playing the finale.

The Port Phillip Community Ball was also held as part of Mental Health Week with the 'City of Voices' performing on the night. The 'Port Phillip Show Band' also performed, with Moira the Clairvoyant Librarian emceeding the night. Almost 200 people attended, including 23 Council officer volunteers.



*The 'City of Voices' performing at the Community Ball held as part of Mental Health Week 10 October*

### **CEO resignation**

In October, I notified the Mayor, Councillors and all candidates of my resignation at the end of December 2017 to allow me to take up a new role. Until then, I remain focused on serving the City of Port Phillip and supporting the incoming Council.

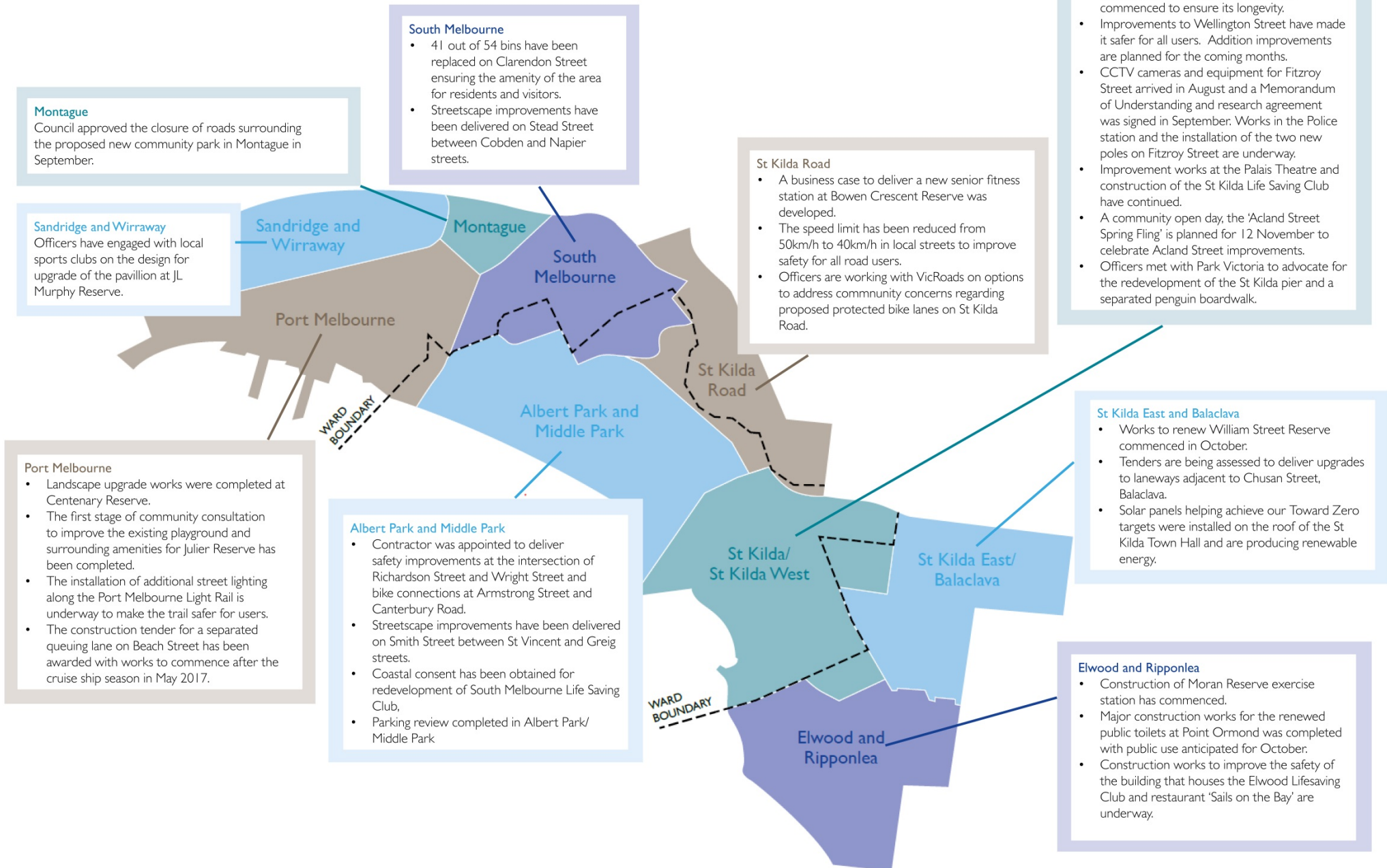
### **Tracey Slatter**

Chief Executive Officer



# What's happened in your local neighbourhood?

People who live in Port Phillip will experience the city as a series of distinct and diverse neighbourhoods. This section provides an update on local projects and activities.



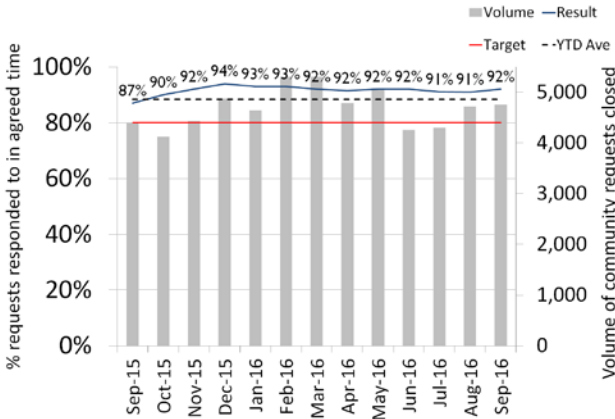


# Our performance

The City of Port Phillip is committed to improving our performance and providing value for money to our community. To increase our transparency and accountability, we provide an update on some of the ways we measure our performance.

## Service performance for the community

### Community requests responded to within agreed timeframes (Monthly)



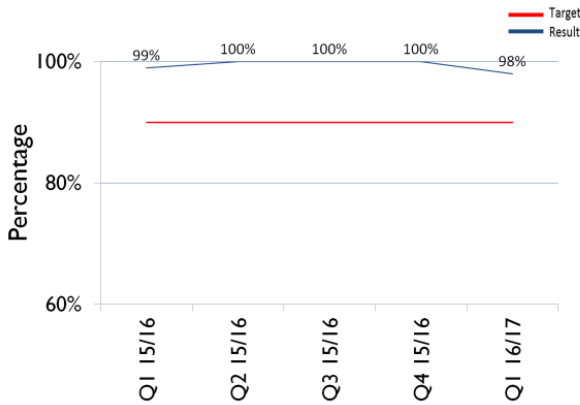
July 91%

September : 92%

92%

We track how well we are responding to community requests within agreed timeframes. We have remained well above target for the past 12 months.

### Council Plan actions on track (Quarterly)



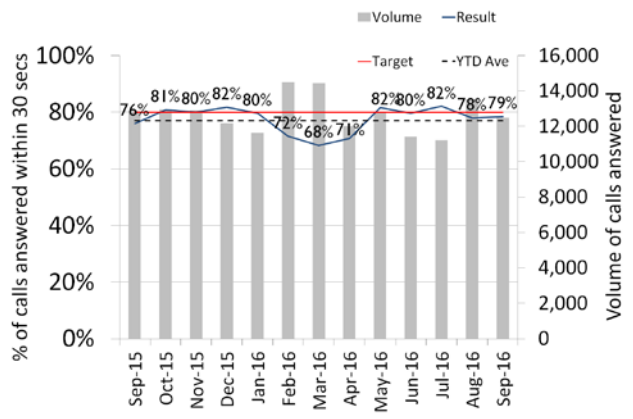
Quarter Four: 100%

Quarter One: 98%

98%

We are delivering on our actions as outlined in the Council Plan 2013-17. 87 Council Plan actions were on track with two Council Plan actions off track. A full report is provided on page 13.

### Community calls answered within 30 seconds (Monthly)



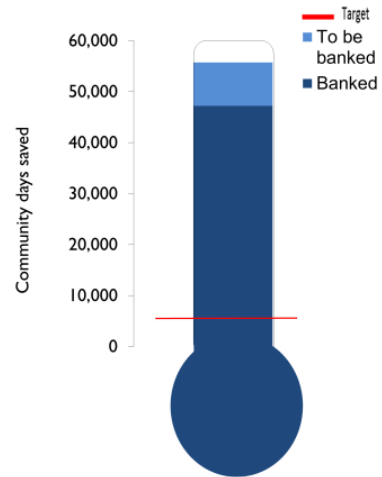
July: 82%

September: 79%

79%

We aim to answer greater than 80 per cent of all calls within 30 seconds.

### Community wait days saved (Monthly)



July: 0 Days

This month: 47,238 days

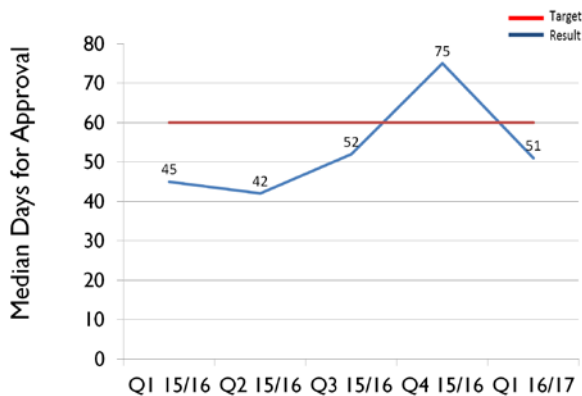
47238

As a result of improving our parking permit process we have saved the community 47,000 days waiting for Council services.

## Service performance for the community (continued)

### Time taken to decide planning applications

(Quarterly)



Quarter Four: 75 days

Quarter One: 51 days

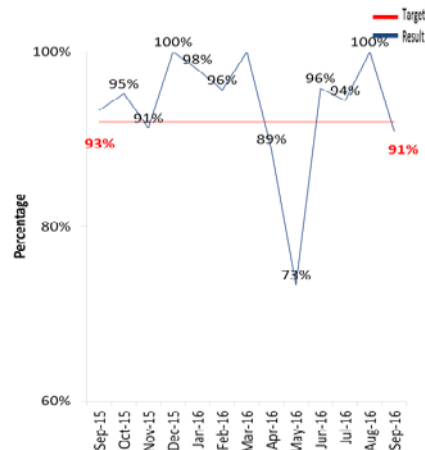
This measure forms part of the Local Government Performance Management Framework. We aim to decide planning applications within 60 days.

The Quarter One result of 51 days is an improvement on the previous quarter and within the 60 day target.

51

### Decisions made in public

(Monthly)



July: 100%

September: 91%

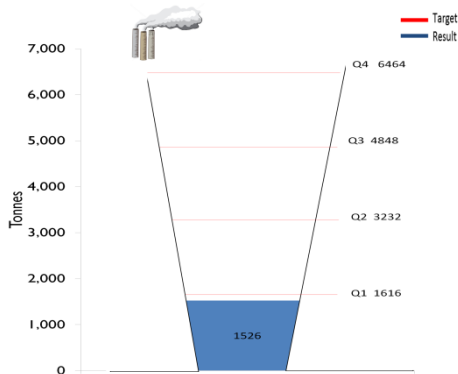
Council is committed to transparent and open decision making. Over the last two months 42 of 44 decisions have been made in public.

91

## Internal processes

### CO<sub>2</sub> emissions (net) (cumulative)

(Quarterly\*)



Quarter Four: 6,464 Tonnes cumulative

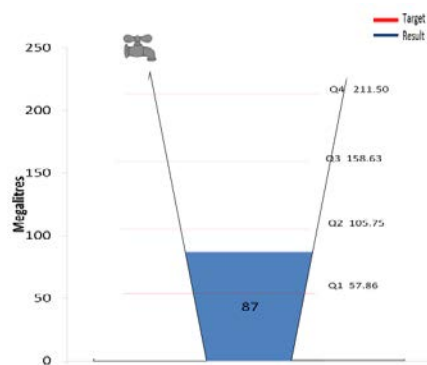
Quarter One: 1,526 Tonnes cumulative

Council's net GHG emissions were 1526 tCO<sub>2</sub>e which is 6% under the YTD target. This was attributable to improved energy performance of streetlights and council buildings, a lower electricity emission factor, more accurate electricity retailer data and the purchase of carbon offset.

1,526

### Potable water usage (cumulative)

(Quarterly\*)



Quarter Four: 211.5 ML cumulative

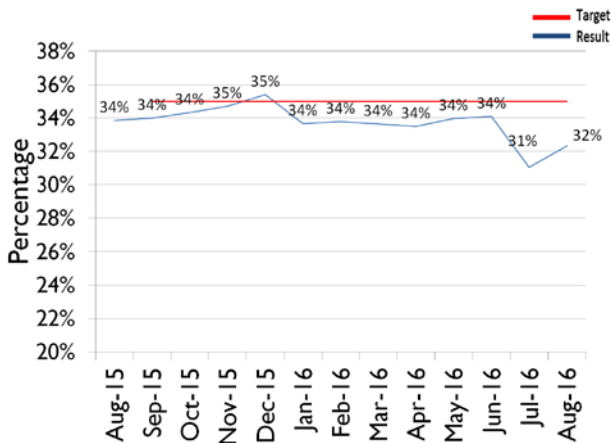
Quarter One: 87 ML cumulative

The challenge of reducing potable water use is also affected by increased community demand for usable open space. During the first quarter water usage 64% above the year to date target. Child care and community centres and office accommodation had proportionally significant increases while irrigation at our parks and open spaces, and consumption at SMM also increased.

87

## Internal processes (continued)

### Kerbside collection diverted from landfill (Monthly\*)



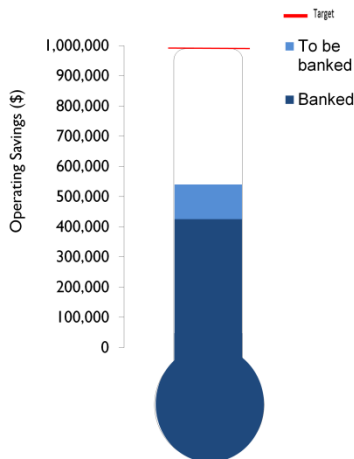
July: 31%

August: 32%

We aim to divert waste from landfill by recycling more. This chart shows the proportion of waste that is recycled from kerbsides and the transfer station within our City.

\* These measures are reported in arrears due to data availability.

### Operational savings (Monthly)

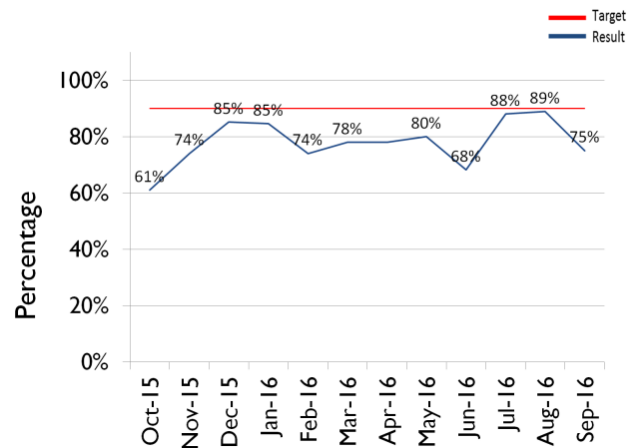


July's result: \$0

September's result \$430,000

To date we have enabled \$430,000 of operational savings efficiencies by doing the same or more for less and identifying other funding sources.

### Council priority projects on track (Monthly)



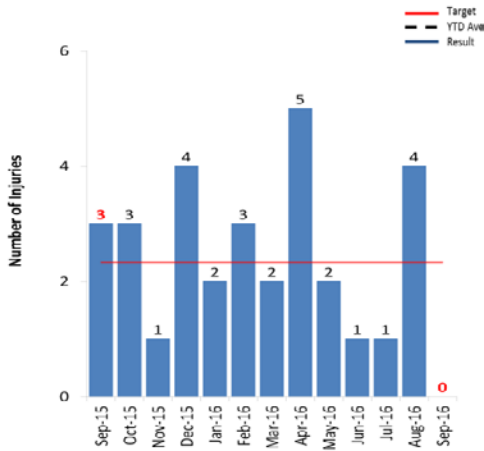
July: 88%

September: 75%

We track the status of Council priority projects. At the end of September, 17 projects were reported on track and six projects were reported off-track. Details are provided in the Priority Project Status Report on page 12.

# Insurance and safety

## Total recordable injuries (Monthly)



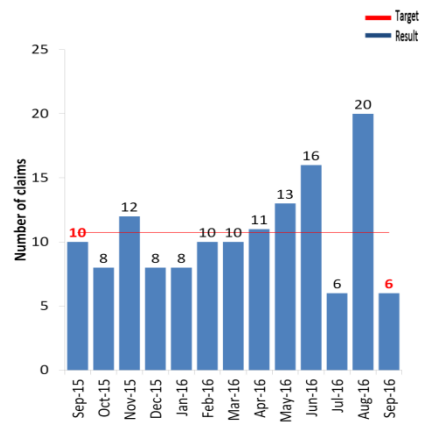
July: 1 injury

September: 0 injuries

This measure is a key component in creating a healthy occupational and safety culture.

0

## Public liability claims received (Monthly)



July: 6 new claims

September: 6 new claims

We monitor our public liability claims. For example, this could be in relation to property and vehicle damage, and trips and falls. The highest volumes of claims received are the property damage claims.

6

# Delivering the Council Plan: Quarter One Review

## Quarterly Performance Update (end 30 September 2016)

The Council Plan 2013-17 sets out Council's vision for an engaged, healthy, resilient and vibrant City. It identifies key actions that Council will focus on to deliver this vision, as well as measures to track our progress. Sixteen of these measures are collected through the Community Satisfaction Survey, which runs twice a year. The next survey results will be reported in our Quarter 2 report.

<b>Engaged – A well-governed city</b>			
<b>Measure of success</b>	<b>Sep 15 Result</b>	<b>Jun 16 Result</b>	<b>Sep 16 Result</b>
Percentage of Council decisions made in public is consistent with industry benchmarks (Target: 92% of all Council decisions to be made in public)	93%	96%	91%
Total Council expenditure per property assessment is consistent with industry benchmarks (Target: \$2,470 expenditure per property assessment)	\$2402	\$2620	\$2447
<b>Healthy – A healthy, creative and inclusive city</b>			
Measure results will be available in Quarter Two.			
<b>Resilient – A strong, innovative and adaptive city</b>			
<b>Measure of success</b>	<b>Sep 15 Result</b>	<b>Jun 16 Result</b>	<b>Sep 16 Result</b>
Waste diversion from landfill rate is consistent with like councils (Target: 35% of all waste diverted to recycling) <i>see page 10</i>	34%	34%	32%
Achievement of Council's total potable water consumption target for the year (Target at end of year: Less than 211 megalitres (ML) by 30 June 2017) <i>see page 9</i>	76ML	258ML	87ML
<b>Vibrant – A liveable and connected city</b>			
<b>Measure of success</b>	<b>Sep 15 Result</b>	<b>Jun 16 Result</b>	<b>Sep 16 Result</b>
Increased number of planning permit applicants participating in the Sustainable Design Assessment in the Planning Process (SDAPP) program with Port Phillip* (Target at end of year: 70% by 30 June 2017)	80%	69%	79%
The proportion of the capital works program that is delivered on budget (Target: At least 80% expenditure compared to budget)	75%	84%	93%

# Key action updates (1 July – 30 September 2016)

## Highlights (in addition to highlights found at the beginning the CEO Report)

Provide clear and open communication and engagement processes that are valued by the community

- Information is provided to the community on Council's website and social media channels about the election, caretaker period and the Palais Theatre long term lease in order to keep our community informed.
- Using technology and innovative approaches to inform and engage our community. The #LiveLoveLocal social media campaign had over 91,000 unique views and with a click through rate of 6.50%, it exceeded the industry benchmark of 0.96%.

### Build and facilitate a network of active and informed communities

- 100 students from local schools attended Naidoc week from the 3 -10 July 2016. The Welcome to Country and Smoking Ceremony was performed by a young Traditional Owner.

### Build strategic relations with our partners

- Continued strategic engagement and negotiations with the State regarding the development of the Ferrars Street Education and Community Precinct.
- Negotiations with Melbourne Metro Rail Authority set out how we will work together during the development of the Domain Station and broader metro rail project, developing partnerships and good working relationships with neighbouring councils, government peak bodies and other key stakeholders.

### Achieve a reputation for organisational and service excellence

- The development of the People and Culture Strategy in August 2016 will ensure a strategic approach to continuing developing our people and valuing their contribution to the organisation and community and ensuring the organisation is an employer of choice.

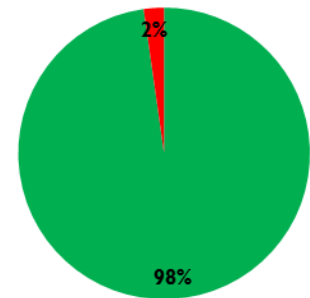
### Ensure our City is a welcoming and safe place for all

- Council was actively involved in Homelessness Prevention Week 1 - 7 August 2016 through a Community Pop Up event to share a meal and resources (toiletries, haircuts, books, etc) with people experiencing homelessness.
- Continuing to pursue reconciliation with our Indigenous community, the Aboriginal and Torres Strait Islander community engaged in the development of the City of Port Phillip's second Reconciliation Action Plan.
- The Diversity and Ageing Support Grant applications assessed and administered \$19,000 to 32 local community groups and services.
- Council was represented at two state-wide forums: 'Economics of Multiculturalism' and 'Multiculturalism to Inclusion'. The Multicultural Celebration Fund applications were assessed and \$3,000 of funding administered to 12 community groups.
- Reading captions have been included on Council website video clips. Accessible voting options were included on the City of Port Phillip website including Voters Voice App and postal voting options for residents with disabilities.

### Support our community to achieve improved health and wellbeing

- The service agreement with the Melbourne Sports and Aquatic Centre has been renewed and we have supported the running of Swim to 50 - a learn to swim program free of charge to children from low socio-economic backgrounds, Modified Sports - a weekly sports program for adults with an intellectual disability, People with Disability learn to swim program and the Linking Neighbours warm water exercise program.
- Centenary Reserve in Port Melbourne has been upgraded with new playground equipment and community garden plots. Increasing regular patrols of public open space by animal management officers, providing education and signage as well as engagement with animal owners continues to ensure improvement of safety for owners and pets, and cleanliness of our parks, pathways and foreshore.
- Council continues to work with our emergency management partners to prepare for, and respond to emergencies. The Heatwave sub-plan has been reviewed with a draft update of the plan to be presented at the next Municipal Emergency Management Planning Committee meeting on Wednesday 12 October 2016.

Council Plan Actions  
Q1 2016/17



### Ensure quality and accessible family, youth and children's services that meet the needs of our community

- The conclusion of the 2016 Student Leadership Program was held in this quarter, with over 100 middle years and young people attending and presenting their community projects addressing the topics of 'bullying' and 'self-esteem'.
- Council is actively participating in discussions regarding policy reform on supporting children and families in the Early Years. A partnership approach between State and Local Government (represented by Municipal Association of Victoria) will provide a collective stewardship of the early years system.

### Foster a community that values lifelong learning, strong connections and participating in the life of the City

- Council is working with the Department of Education and Training and the community to increase access to primary and secondary schools in Port Phillip.

### Build resilience through Council action and leadership

- A waste management information booklet, updated with data and information on how to reduce and recycle, was delivered to all residents and published on Council's website. A waste bin audit has been completed to assist in reviewing items in the waste stream that can be recycled for future education programs.

### Support and increase community action for a resilient city

- Council became a founding member of the State Government's Take2 initiative to reduce greenhouse gas emissions and prevent climate change.

### Ensure growth is well planned and managed for the future

- Meeting held on site at St Kilda Pier with Parks Victoria and CEO and senior staff to advocate for the redevelopment of the pier and separated penguin boardwalk.
- Officers provided feedback to the Department of Environment, Land, Water and Planning on the draft Marine and Coastal Act Consultation Paper.

### Improve and manage local amenity and assets for now and the future

- Developed the priority street list for upcoming planting season and planted 515 trees this quarter as part of the infill tree planting program.
- The following open space projects to be delivered in 2016/17 are:
  - William Street Reserve Landscape Upgrade & Soil Remediation Works, Balaclava
  - Olive's Corner Landscape Upgrade, Port Melbourne.
- The following projects have been delivered this quarter as part of the civil renewal program:
  - Stead Street, between Cobden Street and Napier Street, South Melbourne.
  - Smith Street, between St Vincent Street and Greig Street, Albert Park.

### Ensure people can travel with ease using a range of convenient, safe, accessible and sustainable travel choices

- Walk Plan and Bike Plan are progressing as planned with 70 per cent of local streets now signposted as 40kph.
- The development of the Integrated Transport Strategy has commenced and five submissions have been made to VicRoads under the Blackspot Program.
- During the quarter. Neighbourhood parking reviews were completed in Albert Park, Middle Park and St Kilda West.
- The City of Port Phillip led advocacy through the Inner South Metropolitan Mayors' Forum in quarter one regarding extending the existing Truck Curfew that applies to State Route 33 (Beaconsfield Parade, Jacka Boulevard, Ormond Esplanade).

### Actions that were recorded off track for Quarter One

#### Build resilience through Council action and leadership

- Previous work on policy guidance that promotes sustainability initiatives is to be reviewed and new communication to the community to be developed.

#### Ensure growth is well planned and managed for the future

- Community consultation on design guidelines and planning scheme amendment for the St Kilda Triangle is proposed for early 2017, subject to feedback on Council priorities.

## Legislative update – August & September 2016

### Legislative changes

Below are the legislative changes for the months of August and September 2016 that may affect the City of Port Phillip.

Legislation	Assent date	Impact
Aboriginal Heritage Amendment Regulations 2016 (Amending the Aboriginal Heritage Act 2006)	2 August 2016	Prescribing fees and forms for various matters and exempt 3 or more dwellings on a small lot and small subdivisions from the requirement to prepare a cultural heritage management plan.
Residential Tenancies Amendment Regulations 2016 (Amending the Residential Tenancies Act 1997)	30 September 2016	Prescribing standard form of residential tenancy agreement to provide for electronic service of notices and documents and to make certain other minor changes.
Road Safety Road Rules (Electric Personal Transporters Trial) Amendment Rules 2016 (Amending the Road Safety Act 1986)	9 August 2016	Providing definition of electronic personal transporter and prescribes when, where and how they can be used.
Road Safety (General) Amendment (Electronic Personal Transporters Trail) Regulations 2016 (Amending the Road Safety (General) Regulations 2009)	9 August 2016	Prescribing offences in relation to the use of electronic personal transporters as offences for which an infringement notice may be served.
Infringements Amendment Regulations (2016) (Amending the Infringements Act 2006)	1 September 2016	Prescribes the lodgeable infringement offences.
Land Regulations 2016 (Amending the Land Act 2006)	28 August 2016	Restricting the activities of members of the public on licensed water frontages. Prescribing fees and forms for purposes of the Land Act 1958.
Building Amendment (Consumer Protection) Regulations 2016 (Amending the Building Act 1993)	1 September 2016	Replacing references to Building Practitioners Board with references to the Victorian Building Authority. Prescribing owner-builder requirements, certificates of consent and the register of certificates of consent.
Building Amendment (Construction of Swimming Pools and Spas) Regulations 2016 (Amending the Building Act 1993)	3 October 2016	Amend the Building Regulations 2006 to further provide for completion of building work relating to swimming pools and spas.
Local Government Amendment Act 2016 (Amending Local Government Act 1989)	31 August 2016	Prescribing Councillor Code of Conduct.
Primary Industries Legislation Amendment Act 2016 (Amending the Domestic Animals Act 1994)	6 September 2016	Extending the moratorium on the destruction of restricted breed dogs to 30 September 2017.



## **Legislative breaches**

There was one legislative breach in August 2016. A staff roster was left at a client's house which contained details for four clients including their name, service type, day and time scheduled for the service, address, and duration of the service. Management are working to ensure all staff are familiar with operating policies and procedure.

## Financial performance – September 2016

Council's year to date cash surplus of \$19.7 million is \$3.7 million higher than the forecast year to date surplus of \$16.0 million. The key drivers for this favourable variance are summarised below:

	This Month			Year to Date		
	Actual \$'000	Forecast \$'000	Variance \$'000	Actual \$'000	Forecast \$'000	Variance \$'000
<b>Operating Income</b>	17,832	17,119	713	52,111	50,686	1,425
<b>Operating Expenditure</b>	14,973	17,927	2,953	42,903	44,891	1,988
<b>Project Capital Expenditure</b>	2,615	2,233	(382)	5,396	5,810	414
<b>Reserve Movements</b>	(892)	(342)	(550)	4,132	4,312	(180)
<b>Cash Surplus/Deficit</b>	3,691	2,235	1,456	19,715	15,982	3,733

## Key variance explanations

**Operating income** - Year to date operating income is tracking favourably against forecast by \$1.43 million mainly due to the following material items:

- ↑ \$1.19 million favourable Contributions: Due to higher than anticipated receipt of Open Space contributions for major developments across the city, particularly in St Kilda and Port Melbourne.
- ↑ \$0.14 million favourable Government Grants: Higher than anticipated grant income for Sustainability, MCH and Libraries.
- ↑ \$0.13 million favourable Parking User fees: Higher than anticipated paid parking income of \$126,000 as a result of increased utilisation across the city.
- ↓ (\$0.15 million) unfavourable Rates and Charges: Due to the phasing of supplementary rates which is expected to come in line with forecast by year end.

**Operating expenditure** - Year to date operating expenditure is underspent by \$1.99 million compared to forecast mainly due to the following material items:

- ↑ \$1.11 million favourable Employee costs: Due to vacant positions across the organisation, which are expected to be filled in the coming months. Also impacting this variance is the provision for the 2016 Enterprise Agreement which is still requiring ratification. This equates to approximately (\$0.45M) and it is assumed it will be backpaid to employees.
- ↑ \$0.53 million favourable Materials and Services: Due to the timing of building and other reactive maintenance and South Melbourne Market contracts (\$0.37M).
- ↑ \$0.33 million favourable Professional Services: Due to delays in progressing Council Operating projects including; Business Enablement and Innovation fund, Family Youth and Children service development project and Strategic Parking Implementation project.

**Capital expenditure** - Year to date capital expenditure is showing an underspend of \$0.41 million mainly due to the following material items:

⇒ Projects deferred from 2015/16 have not been progressed as expected (\$0.3M)

**Reserve Transfers** - Year to date movement of reserves is a net drawdown of \$4.1 million, which is \$0.18 million less than forecast mainly due to:

⇒ Lesser reliance on Reserves to fund infrastructure given favourable income as a funding source

## Comprehensive Income Statement - September 2016

	YTD Actual (\$'000)	YTD Forecast (\$'000)	YTD Variance (\$'000)	YTD Variance %	Annual Forecast (\$'000)	Annual Budget (\$'000)
<b>Income</b>						
Rates and Charges	28,916	29,063	(147)	(1%)	117,223	117,223
Statutory Fees and Fines	4,922	5,030	(107)	(2%)	21,076	21,076
User Fees	9,600	9,280	319	3%	32,878	32,557
Grants - Operating	2,743	2,603	140	5%	9,772	9,760
Grants - Capital	697	697	0	0%	2,071	876
Contributions - Monetary	2,214	1,025	1,189	116%	4,100	4,100
Other Income	3,019	2,988	31	1%	12,776	12,676
<b>Total Income</b>	<b>52,111</b>	<b>50,686</b>	<b>1,425</b>	<b>3%</b>	<b>199,897</b>	<b>198,268</b>
<b>Expenses</b>						
Employee Costs	20,871	21,979	1,108	5%	83,533	83,764
Materials and Services	11,769	12,297	528	4%	62,505	62,811
Professional Services	1,131	1,457	326	22%	7,431	6,631
Bad and Doubtful Debts	721	875	154	18%	3,499	3,499
Depreciation	6,547	6,533	(14)	(0%)	22,457	21,232
Borrowing Costs	24	28	3	11%	563	563
Other Expenses	2,487	2,462	(25)	(1%)	9,826	9,822
Net (Profit) or Loss on Disposal of Assets	(647)	(740)	(93)	13%	2,121	2,733
<b>Total Expenses</b>	<b>42,903</b>	<b>44,891</b>	<b>1,988</b>	<b>4%</b>	<b>191,935</b>	<b>191,055</b>
<b>Operating Surplus / (Deficit)</b>	<b>9,207</b>	<b>5,795</b>	<b>3,413</b>	<b>59%</b>	<b>7,962</b>	<b>7,213</b>
<b>Income Statement Converted to Cash</b>						
<b>Adjustments for non-cash operating items:</b>						
• Add back depreciation	6,547	6,533	(14)	(0%)	22,457	21,232
• Add back written-down value of infrastructure assets disposals	2,693	2,693	0	0%	6,451	7,518
• Add back balance sheet work in progress reallocated to operating	0	0	0	0%	1,200	1,200
	<b>9,314</b>	<b>9,227</b>	<b>(87)</b>	<b>(1%)</b>	<b>30,108</b>	<b>29,950</b>
<b>Adjustments for investing items:</b>						
• Less capital expenditure - Infrastructure	(4,280)	(5,008)	728	(15%)	(43,066)	(35,018)
• Less capital expenditure - IT, Plant and Equipment	(1,116)	(802)	(314)	(39)	(4,465)	(3,729)
	<b>(5,396)</b>	<b>(5,810)</b>	<b>414</b>	<b>(7%)</b>	<b>(47,531)</b>	<b>(38,747)</b>
<b>Adjustments for financing items:</b>						
• Less Loan Repayments	(165)	(165)	0	0%	(500)	(500)
	<b>(165)</b>	<b>(165)</b>	<b>0</b>	<b>0%</b>	<b>(500)</b>	<b>(500)</b>
<b>Adjustments for reserve movements:</b>						
• Discretionary Reserve Drawdown/ (Replenish)	6,346	4,996	1,351	27%	9,166	359
• Statutory Reserve Drawdown/ (Replenish)	(2,214)	(683)	(1,531)	224%	888	608
	<b>4,132</b>	<b>4,312</b>	<b>(180)</b>	<b>(4%)</b>	<b>10,054</b>	<b>967</b>
<b>Current Year Surplus/(Deficit)</b>	<b>17,092</b>	<b>13,359</b>	<b>3,734</b>	<b>28%</b>	<b>92</b>	<b>(1,116)</b>
Opening balance carry forward surplus	2,623	2,623	0	0%	2,623	1,742
<b>Accumulative Cash Surplus/ (Deficit) Balance</b>	<b>19,715</b>	<b>15,982</b>	<b>3,734</b>	<b>23%</b>	<b>2,715</b>	<b>626</b>

	Annual Forecast (\$'000)	Annual Budget (\$'000)
<b>Underlying Result Calculation (as per Local Government Reporting Calculation)</b>		
<b>Operating Surplus</b>	<b>7,962</b>	<b>7,213</b>
• Less Developer Contributions	(4,100)	(4,100)
• Less Non recurring Capital Contributions	(2,071)	(876)
• Less Non cash Contributions	0	0
<b>Adjusted Underlying Surplus / (Deficit)</b>	<b>1,791</b>	<b>2,237</b>
<b>Adjusted Underlying Suplus Ratio</b>	<b>0.9%</b>	<b>1.2%</b>

## Project portfolio update - August & September 2016

The City of Port Phillip enterprise portfolio comprises over 140 projects with a total budget of over \$40 million. The table below outlines changes to the project portfolio during August and September 2016.

Project	Change
Vibrant Villages Program Management	Request for additional \$112,000 which was originally requested and approved in 2015/16 but mistakenly not loaded into the 2016/17 budget.
St Kilda Life Saving Club Redevelopment	Request to move completion milestone to 20 December 2016 due to delays stemming from sub-contractors slow rate of production.
South Melbourne Market Building Compliance Assessment	Request for additional \$21,500 to cover "Management Response" activities and an additional 14 weeks of activities.
South Melbourne Market Roof Top Car Park Crash Barrier	Request to move project completion to from September 2016 to March 2017 due to lack of response to original tender.
Maternal and Child Health Change Process	Request to move \$79,512 from the Deliver stage to the Plan stage to allow for development of the final model prior to Business Case being raised. Also requested to place CDIS implementation on hold until dates can be confirmed. No change to current scheduled project completion date at this stage.
Family, Youth and Children Service Development 2016	Request to release \$66,750 from the 2016/17 budget for planning for a risk assessment to cover additional risks identified after the Project Idea Definition was approved. Schedule delay of approximately five months to allow for this assessment to take place.

## 2016/17 priority projects status report: September 2016

Priority Projects	Stage	Status	Comments	Original Completion Date	New Completion Date	Original 2016 / 17 Budget	Current 2016 / 17 Budget
<b>Albert Park/ Middle Park</b>							
Albert Park Lake Stormwater Harvesting (Planning and Design)	Deliver	●	City of Port Phillip is working closely with project lead, Parks Victoria, and project partner City of Melbourne. The prove and design phase has been initiated and the governance structure to guide the project is in place. The feasibility report for the project has been updated to include latest information and a tender brief has been developed for release on 7 October.	December 2017	Prove and Design Phase November 2017	\$0	\$0
Gasworks Arts Park Clean-Up	Plan	●	This project is the continuation of the Gasworks Contaminated Soil project. As such the project is still in the phase of supporting the Department of Treasury and Finance (DTF) in their development of a Contamination Management Action Plan for the site. A program of works will be developed later in the year, once DTF's program is firmly in place, this includes all community engagement activities and communications to assist in delivering the revegetation and landscaping works. Funds have not yet been released for this project.	Completion date will be provided in delivery phase		\$50,000	\$50,000
South Melbourne Life Saving Club	Plan	◆	In September 2016, the Design Development (DD) phase continued with multiple client / stakeholder sessions being held. The Coastal Consent Application to Department of Environment, Land, Water and Planning (DELWP) was completed, however DELWP requested information after it was submitted. The additional information was formally submitted back to DELWP on 28 Sep 2016. The coastal consent was granted in mid October. Due to the delay in receiving the coastal consent the overall status is off track.	Completion date will be provided in delivery phase		\$431,000	\$612,922
<b>East St Kilda &amp; Balaclava</b>							
Environmental Building Retrofits - Solar at SKTH	Deliver	●	The solar installation has been commissioned, with the roof access equipment completed and commissioned in September. The project has now reached practical completion.	September 2016	September 2016	\$0	\$314,167
<b>Montague</b>							
Ferrars St Education and Community Precinct	Plan	◆	On 13 September Council resolved to design and deliver open space, streetscape upgrade and parking outcomes in the Ferrars Street Education and Community Precinct. The endorsed plan balances maximum public open space with parking needs for the current creative industry operations. Head to Council's website to view the proposed works plan <a href="http://www.portphillip.vic.gov.au/Report_1_Att_2_FSECP_Consultation_Document.pdf">http://www.portphillip.vic.gov.au/Report_1_Att_2_FSECP_Consultation_Document.pdf</a> Also during September the building of school foundations was completed with further building works expected to commence in November.	Completion date will be provided in delivery phase		\$264,000	\$264,000

### Status Legend



Project progressing as planned



Project has some minor concerns



Project not progressing as planned

Port Melbourne						
Beach Street - Separated Queuing Lane	Deliver	◆	Construction tender has been awarded, Final design has been completed, all required approvals from other agencies have been received. The tender process revealed that completing the works pre cruise ship season was unattainable, therefore the project is reporting 'red'. Works will now commence in May 2017.	March 2017	September 2017	\$250,000 \$866,071
Sandridge & Wirraway						
JL Murphy Reserve feasibility and planning for pavilion upgrade	Plan	◆	Officers have met with the sports clubs on a number of occasions to gain support for the project. Due to feedback from the sports clubs the design has been re-worked three times to ensure the needs of the clubs have been adequately captured. Unfortunately the user groups were unable to reach agreement on an additional scope and associated funding. A concept design that includes many of the suggestions from the clubs and delivers on the Victorian Government's original funding requirements will proceed. The project is reporting 'red' due to required changes to the schedule and the scope of the project. The milestones and schedule will be reset in October to accurately reflect this period of engagement and the impact upon the milestones. A concept design that delivers on the State funding requirements for unisex design supporting female participation will be completed this year, allowing community consultation to commence early in 2017.	Completion date will be provided in delivery phase		\$90,000 \$90,000
St Kilda / St Kilda West						
Acland Street Upgrade	Deliver	●	Construction and paving works have continued throughout September. The tram buffer stop wall has been constructed and the new plaza concrete slab has been poured. Preparatory works and drainage have been completed for the new feature tree. United Energy have commenced the replacement of their pillar boxes. Ongoing communication with the community continues to be a high priority for all project partners. Preparation for the community opening day ('Acland Street Spring Fling') event in November will be finalised during October.	December 2016	November 2016 (plus 1 year Street Activation)	\$2,776,000 \$2,776,000
CCTV Fitzroy Street St Kilda	Deliver	▲	The Memorandum of Understanding and research agreement with Victoria Police was signed on 19 September. During September wireless links were installed. Footings for the two new poles were installed. This project has been flagged as 'amber' since February 2016 due to the complexities of external dependencies on third parties, communications with Citipower, VicTrack and Yarra Trams has been slow.	December 2018	November 2016 (plus 2 year trial period)	\$80,000 \$90,000
Palais Theatre Lease	Deliver	●	Implementation plan for the new long term lease of the Palais to Live Nation approved by Council. Development of a draft Fair Competition and Confidentiality Policy is underway. Promoters who have booked future events at the Palais, or indicated interest in future bookings, will be invited by Live Nation to provide feedback on the draft policy. The draft policy will also be reviewed by an expert panel prior to being submitted to Council for approval.	May 2017	Quarter 1 2017	\$0 \$40,000
Palais Theatre Phase 1 and 2 Capital Works Delivery	Deliver	●	Works are well underway, with the new main electrical switchboard installed, repair begun to the exterior facade and continued collaboration with Major Projects Victoria, Department of Environment, Land, Water and Planning and Live Nation on delivery of works and smooth transition to Live Nation.	March 2017	Quarter 1 2017	\$3,350,000 \$5,764,155

## Status Legend

● Project progressing as planned

▲ Project has some minor concerns

◆ Project not progressing as planned

Peanut Farm Reserve Sports Pavilion Upgrade	Plan	◆	The concept design was endorsed by Council on 23 August 2016. Detailed design commenced in September and the milestones will be reset to ensure that the impacts from the extended community engagement period are properly accounted for. The project is reporting 'red' due to the need to revise the schedule, this will be completed in October.	Completion date will be provided in delivery phase		\$110,000	\$110,000
St Kilda Life Saving Club Redevelopment	Deliver	▲	Construction of the new St Kilda Life Saving Club is now scheduled for completion in December due to delays in the construction schedule. Unfortunately, delays in the delivery and installation of the precast concrete panels and manufacturing of a number of the doors have had a flow-on-effect for the remainder of the construction period. Council continues to support the St Kilda Life Saving Club members and will continue to provide onsite portable accommodation so they can deliver vital beach patrols starting in November. Council is committed to working with the St Kilda Life Saving Club to deliver a quality, fit-for-purpose functional club house that meets the needs of the club, as well as all required emergency service needs, and is not prepared to compromise on delivering a quality facility for lifesavers and the community.	September 2016	December 2016	\$1,651,000	\$3,125,654
St Kilda Triangle Stage 3 Planning, Staging and Feasibility	Plan	◆	Community consultation for the design guidelines and planning scheme amendment will occur in early 2017 after the caretaker and election period. This project is being rescoped against these new timelines and work stream and a change request will be submitted to mitigate its current off track status.	Completion date will be provided in delivery phase		\$50,000	\$50,000
St Kilda Triangle Winter Activation 2016	Deliver	●	The two preferred candidates have been provided with provisional approval to hold events on the site in Winter 2017. The permitting assessment process is now underway. The organisers are due to present a detailed scope in November 2016.	September 2016	Quarter 2 2017	\$0	\$15,710
Wellington Street Upgrade Stage 2	Plan	▲	Delivery plan in development. Waiting for quotes from Fulton Hogan to define scope and schedule. Project is reporting 'amber' as costs and schedule cannot yet be confirmed.	Completion date will be provided in delivery phase		\$230,000	\$230,000
<b>St Kilda Road</b>							
Queens Lane Upgrade Stage 2	Plan	●	2 of the 7 project initiatives have been completed. In September 2016, Councillors were briefed on the recent community consultation on 2 initiatives that involved changes to existing traffic arrangements. The two community preferred options were supported to be carried out as per officer recommendation. Officers are preparing communications to be sent out to the community after caretaker period.	Completion date will be provided in delivery phase		\$65,000	\$65,000
St Kilda Road Safety Improvement Project	Plan	●	The City of Port Phillip is a stakeholder of this project being delivered by VicRoads. VicRoads has completed Phase One of their community consultation. City of Port Phillip Officers continue to provide advice and support to VicRoads. VicRoads received approximately 1000 responses during Phase One consultation and options development for Phase Two consultation are near completion.	Completion date will be provided in delivery phase		\$0	\$0

## Status Legend



Project progressing as planned



Project has some minor concerns



Project not progressing as planned



All Municipality							
In Our Back Yard - Growing Affordable Housing in Port Phillip	Plan	●	Currently, the focus has been the adoption of a preferred trust model and preliminary modelling for the Marlborough Street site. It is anticipated that the process for implementing the In Our Backyard project will commence late 2016.	Completion date will be provided in delivery phase		\$50,000	\$50,000
Toward Zero Community Action Plan	Deliver	●	Background research continued in September. Interviews with representatives from four similar councils in regards to their Community Sustainability Plans are in progress.	December 2017	August 2017	\$40,000	\$40,000
Toward Zero Waste Management and Resource Recovery Strategy	Plan	●	Discussion regarding delivery plan has commenced. Gap analysis has begun.	Completion date will be provided in delivery phase		\$25,000	\$25,000
Towards Zero - Energy Efficiency and Solar PV in Council Buildings (Alternate Scope)	Plan	▲	Project is reporting 'amber' due to two week delay on preparing the Delivery Plan which has now been completed and approved by the governance forum on 5 October.	Completion date will be provided in delivery phase		\$562,000	\$562,000
Vibrant Villages Program Management	Deliver	●	Acland Street Streetscape Upgrade project is on track with the construction process underway. Village Health Snapshots completed presenting a time series of data over three surveys/18 months. Port Paws event Small Poppy Village Grant approved and being processed. Emerald Hill concert application approved and being processed.	June 2017	June 2017	\$244,000	\$244,000
Walk Plan and Bike Plan Implementation 2016-17	Deliver	●	Construction projects: Contractor has been appointed for Richardson St / Wright St, Armstrong St and Ferrars St / Bank St. Design projects: VicRoads endorsed \$2.5m of Council's Blackspot funding bids to be submitted to Transport Accident Commission for walking and bike riding safety improvements. The Light Rail intersection upgrade has been delayed pending approval from VicTrack.	June 2017	30 June 2017	\$1,000,000	\$1,000,000

Status Legend



Project progressing as planned



Project has some minor concerns



Project not progressing as planned