



**STRATEGY AND POLICY
REVIEW COMMITTEE**

AGENDA

5 MAY, 2008

Strategy and Policy Review Committee

Welcome

Welcome to this Strategy and Policy Review Committee Meeting of the Port Phillip City Council.

Committee Meetings are a useful way for Councillors to be presented with, and consider, a large amount of information, from which a recommendation to the full Council can be made. They also allow the public to be involved in the process and for you to work with Council towards making Port Phillip a great place to live and work.

About this meeting

There are a few things to know about tonight's meeting. The first page of tonight's Agenda itemises all the different parts to the meeting. Some of the items are administrative and are required by law. In the agenda you will also find a list of all the items to be discussed this evening.

Each item has a report written by a Council officer outlining the purpose of the report, all relevant information and a recommendation. The Committee will consider the report and either accept the recommendation or make amendments to it.

As this Committee does not have delegated authority, all decisions of the Committee are not final and will be presented to the next Ordinary Meeting of Council for further refinement and adoption.

A recommendation is carried if it receives majority support of the Councillors in attendance at the Committee meeting.

Speaking at this meeting

Provision is made at the beginning of the meeting for a question time from members of the public.

If you would like to ask a question or address the Committee on any of the items discussed tonight, please fill in the blue 'Do You Wish to Speak' form located outside the chamber and give it to the Administrative Officer or any Council officer present.

When your item is being discussed the Chairperson will call your name and ask you to address the Committee. You will have 3 minutes to speak. The Committee welcomes all contributions, however if somebody has already raised an issue you agree with, there is no need to repeat it. Rest assured we take everything on board!

It may seem intimidating to address the Committee but we assure you, you're in a very relaxed environment! By attending this meeting you are playing a very important part in the democratic process. We hope it proves to be a rewarding experience.



CITY OF PORT PHILLIP

PORT PHILLIP CITY COUNCIL

STRATEGY AND POLICY REVIEW COMMITTEE

To Councillors

Notice is hereby given that a Meeting of the **Strategy and Policy Review Committee** of the **Port Phillip City Council** will be held in the **Council Chamber, St Kilda Town Hall** on **Monday, 5 May 2008 commencing at 6.00pm.**

AGENDA

- 1. APOLOGIES**
- 2. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**
Minutes of the Strategy and Policy Review Committee held on 7 April, 2008.
- 3. CORRESPONDENCE**
- 4. PUBLIC QUESTION TIME**
- 5. COUNCILLOR QUESTION TIME**
- 6. PRESENTATION OF REPORTS**
 - 6.1 Policy and Planning**
 - 6.2 Governance and Compliance**
- 7. CHIEF EXECUTIVE OFFICER'S REPORT**
- 8. REPORTS BY DELEGATES (COUNCILLOR) APPOINTED TO OTHER BODIES**
- 9. URGENT BUSINESS**
- 10. PRESENTATION OF CONFIDENTIAL REPORTS**
 - 10.1 Policy and Planning**
 - 10.2 Governance and Compliance**

David Spokes
Chief Executive Officer
30 April 2008

STRATEGY AND POLICY REVIEW COMMITTEE

REPORT INDEX

6. PRESENTATION OF REPORTS

6.1 POLICY AND PLANNING

A1 ST KILDA FAMILY AND CHILDREN'S CENTRE/ST KILDA TOWN HALL PRECINCT PLAN

Responsible Executive Director: David Yeouart, Executive Director
Community Assets And Services

Purpose: Council To Consider A New St Kilda Family And Children's Centre
In The Context Of Community/Civic Facilities In The St Kilda Town Hall
Precinct Purpose.

Recommendation: That Council Endorses The Construction Of A New St
Kilda Family And Children's Centre Consistent With A St Kilda
Community/Civic Hub.

A2 INNER MELBOURNE ACTION PLAN - ANNUAL REPORT 2006/07

Responsible Executive Director: Geoff Oulton, Director Community
Development And Planning

Purpose: For Council To Consider The Imap Annual Report For The 2006/07
Financial Year Which Outlines The Progress On Implementation Of This
Regional Strategy, In Partnership With The Cities Of Melbourne, Stonnington
And Yarra.

Recommendation: That Council Receive And Consider The Imap Annual
Report 2006/07, And Confirm Its On-Going Commitment To And Participation
On The Imap Implementation Committee.

6. PRESENTATION OF REPORTS (CONT)

6.2 GOVERNANCE AND COMPLIANCE

A3 QUARTERLY FINANCIAL REPORT & KEY PERFORMANCE INDICATOR REPORT

Responsible Executive Director: David Spokes, Chief Executive Officer

Purpose: To Provide The Committee With An Update On The Quarterly Financial Report And The Key Performance Indicator Report For The Period Ending March 2008.

Recommendation: Adopt The Quarterly Financial Report And The Key Performance Indicator Report For The Period Ending March 2008.

A4 PROPOSED DISCONTINUANCE AND SALE OF RIGHT OF WAY NO. R2117 REAR 121-123 ROUSE ST, PORT MELBOURNE

Responsible Executive Director: Sally Calder, Executive Director Organisation Systems And Support

Purpose: This Report Is To Finalise The Discontinuance And Sale Of Right Of Way No.R2117 Rear 121-123 Rouse St, Port Melbourne.

Recommendation: That The Statutory Procedures To Discontinue The Right Of Way Rear 121-123 Rouse St, Port Melbourne, Be Completed. That The Land From The Road Be Sold To The Owners Of 121-123 Rouse St, Port Melbourne, Subject To The Land Being Consolidated To The Property.

A5 PROPOSED DISCONTINUANCE AND TRANSFER OF A SECTION OF ROAD KNOWN AS RAGLAN ST, PORT MELBOURNE

Responsible Executive Director: Sally Calder, Executive Director Organisation Systems And Support

Purpose: This Report Is To Finalise The Discontinuance And Transfer Of A Section Of Road Known As Raglan St, Between Stations St And The Light Rail, Port Melbourne.

Recommendation: That The Statutory Procedures To Discontinue The Section Of Road Known As Raglan St, Between Station St And The Light Rail, Port Melbourne, Be Completed. That The Land From The Road Be Transferred And Incorporated Within The Park Reserve.

6. PRESENTATION OF REPORTS (CONT)

A6 PROPOSED DISCONTINUANCE AND SALE OF RIGHT OF WAY NO. R3127 ABUTTING 8 HOTHAM ST, SOUTH MELBOURNE

Responsible Executive Director: Sally Calder, Executive Director
Organisation Systems And Support

Purpose: This Report Is To Finalise The Discontinuance And Sale Of Right Of Way No. R3127 Abutting 8 Hotham St, South Melbourne.

Recommendation: That Statutory Procedures To Discontinue The Right Of Way No.R3127 Abutting 8 Hotham St, South Melbourne, Be Completed. That The Land From The Road Be Sold To The Owners Of 8 Hotham St, South Melbourne, Subject To The Land Being Consolidated To The Property.

A7 AUDIT COMMITTEE ACTIVITIES UPDATE

Responsible Executive Director: Sally Calder, Executive Director
Organisation Systems And Support

Purpose: To Advise Council Of The Matters Addressed At The March 2008 Meeting Of The City Of Port Phillip Audit Committee.

Recommendation: Council Receive And Note The Report Detailing The Matters Addressed At The March 2008 Meeting Of The City Of Port Phillip Audit Committee.

A8 RETURN OF 2008 GENERAL VALUATION

Responsible Executive Director: Sally Calder, Executive Director
Organisation Systems And Support

Purpose: To Advise Council Of The Outcomes Of The 2008 General Valuation.

Recommendation: That The Report Be Received And That The Document 'Schedule 3 – Valuation Return Municipal District Of Port Phillip Year 2008 – General Valuation' As Attached, Be Adopted By Council To Fulfill The Requirements Of The Valuation Of Land Act 1960 And The Local Government Act 1989.

6. PRESENTATION OF REPORTS (CONT)

10. PRESENTATION OF CONFIDENTIAL REPORTS

10.1 POLICY AND PLANNING

A9 INKERMAN OASIS DEVELOPMENT – PROGRESS REPORT

(Item classified as a confidential item in accordance with Section 89 2 (h) of the Local Government Act 1989)

10.2 GOVERNANCE AND COMPLIANCE

Nil.

STRATEGY AND POLICY REVIEW COMMITTEE
5 MAY 2008 **POLICY AND PLANNING**

A1	ST KILDA FAMILY AND CHILDREN'S CENTRE/ST KILDA TOWN HALL PRECINCT PLAN
LOCATION/ADDRESS:	CNR CHAPEL ST AND CARLISLE ST, ST KILDA
RESPONSIBLE EXECUTIVE DIRECTOR:	DAVID YEOUART, EXECUTIVE DIRECTOR COMMUNITY ASSETS AND SERVICES
AUTHOR:	GREG WOOD, MANAGER COMMUNITY SERVICES
FILE NO.:	
ATTACHMENTS:	OPTIONS FOR THE REDEVELOPMENT OF THE ST KILDA FAMILY AND CHILDREN'S CENTRE

1. EXECUTIVE SUMMARY

- 1.1. Council had approved the renovation and expansion of the St Kilda Children's Centre in the 2007/2008 capital works budget.
- 1.2. Renovation and integration of the adjoining Maternal and Child Health Centre was being proposed by council officers for the 2008/2009 capital works budget.
- 1.3. Federal and State government funding opportunities have arisen since November 2008, therefore council is being asked to reconsider the size and scope of the proposed works to maximise external funding opportunities, in the context of a broader St Kilda Town Hall Community and Civic Precinct and Council's Municipal Early Years Plan.
- 1.4. The recommended option recognises that state and federal governments have adopted an approach consistent with the City of Port Phillip policies supporting an integrated approach to the delivery of family and children's services.

2. BACKGROUND AND CONTEXT

- 2.1. In the 2007/2008 capital works program Council approved the renovation and expansion of the St Kilda Children's Centre from a 50 place centre to a 75 place centre, with a budget of \$800,000. This renovation is at the "ready to tender" stage. Pre tender cost estimates are approximately \$1.6 million.
- 2.2. In the second half of 2007, Council officers submitted a proposal for the 2008/2009 capital works budget to renovate, extend and integrate the adjoining Maternal and Child Health Centre at an additional cost of \$500,000.

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 5 MAY, 2008
POLICY AND PLANNING

- 2.3. In November 2007, the Australian Labor Party made a pre-election promise to spend over \$200 million to build up to 260 new centres across Australia, including one in St Kilda/East St Kilda and one in Port Melbourne. This promise has been informally confirmed since the election.
- 2.4. In December 2007, the Victorian State Government announced a number of funding opportunities for Family and Children's Centres. Included in these proposed grants are infrastructure renewal grants of up to \$1 million (available only to local government) and grants of up to \$500,000 for a Family and Children's centre.
- 2.5. In April 2008, Councillors were briefed on a proposed Draft Carlisle St Structure Plan, which includes recognition of a St Kilda Town Hall Community and Civic Precinct.
- 2.6. Other components of the Precinct include:
- 2.6.1. The **St Kilda Parish Mission (Uniting Church)** site. The church is proposing to redevelop their site which adjoins the St Kilda Children's Centre. The Mission owns part of the land used by the St Kilda Children's Centre as part of its outdoor play area. Council currently leases this land.
- 2.6.2. The **St Kilda Primary School** is proposing to redevelop and extend its Out of School Hours program and is seeking to create stronger links between the school and the early years sector. Discussions have occurred between the School Principal, the President of the School Council and Council Family and Children's Services Officers about how a new integrated early years facility in St Kilda would support a collaborative approach to life long learning.
- 2.6.3. **The St Kilda Library**, which is in Carlisle St, opposite the St Kilda Town Hall.

3. RECOMMENDED OPTION

3.1. Criterion for recommendation

- 3.1.1. The St Kilda Town Hall Precinct should be recognised as a Community and Civic Hub providing a range of social, cultural and civic functions for St Kilda and the broader City of Port Philip community. The precinct will be incorporated in the Draft Carlisle St Structure plan be presented to council in the July 2008 meeting cycle.
- 3.1.2. Council should support the enhancement and redevelopment of the following social and cultural components of the hub, including:
- A new St Kilda Family and Children's Centre located on the existing children's centre site at 171 Chapel St, St Kilda
 - The St Kilda Mission site on the corner of Chapel St and Carlisle St, St Kilda
 - The St Kilda Library.
 - St Kilda Primary School

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 5 MAY, 2008
POLICY AND PLANNING

- 3.1.3. The recommended option provides for the construction of a new two level family and children's centre with underground car park on the existing children's centre site at 171 Chapel Street, St Kilda. The new centre is designed to create physical integration between the school and the early years programs.
- 3.1.4. The recommended option also provides for an additional 51 car parking spaces in the Precinct. These additional car parking spaces would be needed to cater for increased patronage of the Community and Civic Precinct with its future development.
- 3.1.5. Council could authorise the Chief Executive Officer to negotiate the purchase of land owned by the Uniting Church and currently used by the St Kilda Children's Centre. Ownership of the land will provide long term security for the playground area and more flexible design options for the proposed new building.
- 3.1.6. Council should support the redevelopment of the St Kilda Parish Mission site, consistent with the Draft Carlisle St Structure Plan.
- 3.1.7. Council could make available a number of car parking spaces for the redeveloped Mission site. The number of spaces and the conditions under which they would be made available would be subject to negotiations with the Uniting Church.
- 3.1.8. There is \$100,000 proposed in the 2008/2009 capital works budget to support a project to analyse the future needs of the St Kilda Library. This project also includes an assessment of how best to treat the forecourt area on Carlisle St, in order to both physically and strategically link the library with the newly redeveloped St Kilda Town Hall. This is consistent with the intent of the Draft Carlisle St Structure Plan.
- 3.1.9. The flats located on top of the Chapel Street Maternal and Child Health centre are rented on the private market, and the current tenants are on a monthly lease.
- 3.1.10. Council should support St Kilda Primary School's intention to redevelop and extend its Out of School Hours program and create stronger links between the school curriculum and the early years programs.

3.2. Sustainability assessment

Social Pillar	The recommended option will provide a central location that links a range of integrated, affordable and accessible care, education and health services to all children, their families and the local community. Increased opportunities for community connection and friendship will be created. Flexible design will ensure greater adaptability of the physical environment as community needs change over time. Actively engaging the community and local service providers in the planning for this new model of service provision will ensure its relevance to the local community now and into the future. Strong neighbourhood partnerships, central management, group employment and integrated service provision will ensure long term flexibility, sustainability and quality services for the St Kilda community.
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AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 5 MAY, 2008
POLICY AND PLANNING

<p>Economic Pillar</p>	<p>The recommended option will seek to maximize council assets and through more effective and flexible use of facilities will reduce costs of providing services to the local community.</p> <p>The development of an integrated service will increase the longer term sustainability and viability of the early childhood care, education and health service. Consolidating administrative aspects and processes will increase efficiencies. There will be opportunities to utilise staff across a range of services and programs as well as resource staff and families in a more effective manner.</p>
<p>Environmental Pillar</p>	<p>The recommended option, through the design and operations of a new facility, will demonstrate significant environmental improvements and increased sustainability compared to what is achievable with the existing building. The new facility will be located within easy access to public transport and is convenient for the local community.</p>
<p>Cultural Pillar</p>	<p><i>The recommended option will engage all stakeholders in its planning and provides opportunities for the diverse culture of St Kilda to be reflected in its operations. The proposal will enable families to be better connected to supportive networks from the birth of their first baby. The new integrated facility with a range of universal and specialist services will have increased capacity to respond to children and families with additional needs, those from culturally and linguistically diverse backgrounds and families in complex situations. The facility will enable residents to enjoy lifelong learning, from birth to 12 years and into adulthood.</i></p>

3.3. Policy and legislative implications

- 3.5.1 Establishing integrated family & children's centres has been identified as a key action of Port Phillips **Municipal Early Years Plan (MEYP)**. The MEYP has identified six goals that support the establishment of these facilities - improved child development and wellbeing, promote a 'whole of child' perspective, increase children's participation, adopt a fully integrated approach, work in partnership and building on research evidence.
- 3.5.2 Council also adopted a **Community Hubs Policy** in 2004 which provides the framework for the planning and delivery of integrated family and children's services models for Port Phillip.

- 3.5.3 Council's **Health Plan** also promotes opportunities for greater social cohesion and integration of service provision as key determinants of improved health and wellbeing outcomes for children and families. The proposal is also consistent with the Council Plan 2005-2009 goals to 'consolidate services and activities in community centres in key locations' and 'Bringing people together to make our city better'.
- 3.5.4 The recommended option is also consistent with new research evidence about the importance of the early years and a range of **state government** strategies to improve outcomes for children and to give them the best possible start in life (e.g. Children First, Best Start, A Fairer Victoria, and Joining the Dots, Victoria's plan to improve outcomes in early childhood - National Reform Agenda).
- 3.5.5 The recommended option is consistent with the policies that underpin the establishment of the newly created, integrated State Government Department of Education and Early Childhood Development and the department's '**Blueprint for Early Childhood Development and School Reform**' discussion paper that proposes 'to improve partnerships with local government through a focus on developing early childhood services that meet community needs, including the provision of multiple services at a single site; and improve seamless delivery of 0-8 learning, care and health services'.
- 3.5.6 The Australian Labor Party made a **pre-election promise** to spend over \$200 million to build up to 260 new centres across Australia, including one in St Kilda/East St Kilda and one in Port Melbourne. It was also announced that these centres would be located on primary school grounds or community grounds where possible as part of Labor's new approach to child care and early childhood education.
- 3.5.7 In the lead up to the **2020 Summit**, the **federal government** announced its interest in developing universal **Parent and Child Centres** that would offer all parents with 0-5 year olds access to a one stop early childhood health, care and education service.

3.4. Risk implications

- 3.4.1. The recommended option incorporates external funding from both the State and Federal Government however this has not been confirmed.
- 3.4.2. The outcome of funding applications to the State Government is expected to be announced by June 2008. The Federal Government has yet to formally make a funding announcement. They have indicated however that 'up to \$200million for up to 260 new centres' will be made available in the future, including one in St Kilda/East St Kilda and one in Port Melbourne.
- 3.4.3. Council would need to reconsider the proposal if federal and/or state government funding is not made available for this project.

3.5. Resource implications

- 3.5.1 The total cost of the recommended option is estimated at \$7 million.
- 3.5.2 Two funding applications have been submitted to the State Government which total \$1.5 million.
- 3.5.3 A further \$1million (approximately) will be applied for from the Federal Government for the recommended proposal.
- 3.5.4 Council's contribution towards this proposal is therefore approximately \$4.5 million.
- 3.5.5 Council has already committed \$800,000 for the expansion of St Kilda Children's Centre by 25 places. Latest cost estimates indicate that this would cost \$1.6 million. A further \$500,000 was proposed in the 2008/2009 budget for the integration and expansion of the Chapel Street maternal and child health service. This proposal is represented by alternative 1.
- 3.5.6 The recommended option therefore requires an additional \$2.4 million of Council funding in addition to that required for alternative 1. The recommended option will provide a **further** 45 childcare places (120 in total), additional consulting suites for visiting specialists, additional playgroup facilities, integrated early years and primary school programs, additional car parking and community meeting spaces.
- 3.5.7 Under the recommended option, Council will no longer receive rental income (between \$20,000 and \$25,000 per annum) from the flats located on top of the Chapel Street Maternal and Child Health centre.

Proposed Funding Sources	Amount
2007/2008 Capital Works Budget	\$800,000
State government grants	\$1,500,000
Federal government grant	\$1,000,000
Additional Council contribution	\$3,700,000
Total	\$7,000,000

4. ALTERNATIVE OPTIONS

- 4.1. **Alternative 1** – Proceed with original renovation and also refurbish and integrate Maternal and Child Health
- 4.1.1. This original renovation provides for an increase in children's services places from 50 to 75
- 4.1.2. The Maternal and Child Health integration provided for a new entry foyer, refurbishment of consulting spaces, provision of an additional

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 5 MAY, 2008
POLICY AND PLANNING

maternal and child health consulting room, and extension and re-alignment of playgroup spaces

4.1.3. Cost Estimates

Childcare component	\$1,600,000
Integration of MCH	\$500,000
Total	\$2,100,000

4.1.4. A variation on alternative 1 would be to proceed with the original childcare centre renovation only. This would not be consistent with the desired integrated facility but would finalise Council's original commitment to increased childcare places.

4.1.5. Both variations of this alternative would involve spending money on a building nearing the end of its useful life.

4.1.6. **Sustainability assessment**

Social Equity Pillar	This option would have benefits similar to the recommended option except that: <ul style="list-style-type: none"> The overall building would be smaller and therefore unable to offer the same range of services The design would be less flexible to meet changing future demands.
Economic Viability Pillar	The existing building is nearing the end of its lifespan and is requiring increased maintenance to remain operational. A new, purpose built facility, that co-locates a range of services, will have reduced maintenance costs, and provide greater opportunities for sharing amenities and resources.
Environmental Responsibility Pillar	The existing building is not as environmentally friendly as the proposed new development.
Cultural Vitality Pillar	The cultural benefits of this option would be similar to the preferred option except for the impact of a reduced range of services

4.1.7. **Policy and legislative implications**

This option would have similar policy and legislative implications to the recommended option, except that there would be less opportunity to integrate the facility with St Kilda Primary School and consequently take less advantage of DEECD new directions in early childhood education.

4.1.8. **Risk implications**

This option has less reliance on external funding, so that the proposal would provide more certainty on outcomes at this time.

4.1.9. **Resource implications**

This option would be cheaper, at least in the short term, for council and would be unlikely to attract external government funding.

- 4.2. **Alternative 2** – Demolish existing building (St Kilda Children’s Centre, Maternal and Child Health and flats) and construct new 2 level family and children’s centre
- 4.2.1. This would be similar to the recommended option except would not provide additional car parking.
- 4.2.2. This option still requires a raised ground floor to be above the flood plain
- 4.2.3. This option would still require security over church owned land for playground space but would not provide alternative car parking space for the church’s development nor would it provide parking for increased staffing and users of the expanded family and children’s centre.
- 4.2.4. Cost Estimate \$6.1 million
- 4.3. **Alternative 3** – As for recommended option plus office space above
- 4.3.1. This option would provide office space on a third level for family and children’s services staff eg Home Based Childcare, Family Support and School Holiday Program plus other council community services and/or community groups.
- 4.3.2. This would allow better integration of other Family and Children’s Services in a single building. However, the services listed are already located in the precinct in the Annexe, so that additional office space for this reason alone would be difficult to justify.
- 4.3.3. Alternatively, the office space could be leased to provide for a return on investment.
- 4.3.4. Provision could be made in the recommended option for this additional space to be added at a future date.
- 4.3.5. Cost Estimate \$9.5 million
- 4.4. **Alternative 4** – Not to proceed to upgrade St Kilda Children’s Centre
- 4.4.1. This option would not deliver on Council’s existing commitment to childcare.
- 4.4.2. This option may still require purchase of the play area land from the Parish, to secure its long term availability with any development of the Parish’s community facilities.
- 4.4.3. Cost Estimate
- This is a no cost option from a capital works perspective, although some money would need to be spent from the maintenance budget to extend the life of the existing building.

5. PARTICIPATION AND ENGAGEMENT

5.1. Internal

5.1.1. The people who have been engaged with in relation to this issue are:

- Mayor and councillors
- Chief Executive Officer
- Family and Children's Services coordinators
- Chapel Street Maternal and Child Health staff
- St Kilda Children's Centre staff
- Family Support Services
- Urban Services and Social Planning and Policy

5.1.2 Internal feedback has been positive overall, subject to issues of external funding and is consistent with the proposal being further developed.

5.2. External

5.2.1. The external people and/or organisations who have been engaged with in relation to this issue are:

- Chapel Street Playgroups, families from St Kilda Children's Centre and Maternal and Child Health were consulted around the initial renovation proposal and have been informed of the rescoping.
- St Kilda Primary School. Discussions have been held with St Kilda Primary School about its plans to extend their Out of School Hours program and develop a transitional program in collaboration with the proposed new integrated facility.
- Port Phillip Community Group and St Kilda Parish Mission. Letters of support for this proposal, and resulting partnerships, have been received from the Port Phillip Community Group and St Kilda Primary School.
- Discussions have occurred with Maxine Morand, Minister for Children and Early Childhood Development, and relevant regional early childhood managers of Department of Education and Early Childhood Development (DEECD), Southern Region.
- Martin Foley, State Member for Albert Park is aware and supportive of the proposal.
- Discussions have occurred with Maxine McKew, MP regarding the need for increased integrated care and education services in the municipality.
- In the Labor Party pre-election commitment the Minister for Families, Housing, Community Services and Indigenous Affairs, Jenny Macklin identified the areas of St Kilda and Port Melbourne as particular areas of high need for child care and potential recipients of commonwealth funding.
- Russell Ayers, Branch Manager, Early Childhood Education Reform, Commonwealth Department of Education, Employment & Workplace Relations and Trish Mercer, Group Manager, Early Childhood Education and

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 5 MAY, 2008
POLICY AND PLANNING

COAG Group, Office of Early Childhood Education and Child Care Department of Education, Employment and Workplace Relations.

- 5.2.2 The external people and/or organisations who will be engaged with in relation to this issue are:
- Further consultations with families and engagement with children from the existing children's centre, playgroups and St Kilda primary school.
 - Other specialist family and children's agencies and organisations such as Connections, Noah's Ark and Inner South Community Health, Toy Libraries that may operate from the integrated facility.
 - Establishment of a steering group to advise and monitor the development of the facility.
 - More detailed discussions will continue with various stakeholders if council endorses the proposal.
- 5.2.3. Feedback from external consultation so far has been positive overall. There may be some concern about future disruption to services during relocation and construction.
- 5.2.4. The Mayor has convened a meeting on the 9 May 2008 to facilitate co-ordination between the federal government, state government and the City of Port Phillip on the children's centres promised by the federal government for the St Kilda/East St Kilda and Port Melbourne areas. Outcomes from this meeting, including any impact on the recommended option, will be reported back to Council on 26 May 2008. Attendees at the meeting include:
- Michael Danby, Federal Member for Melbourne Ports
 - Martin Foley, State Member for Albert Park
 - Tony Lupton, State Member for Prahran
 - Janet Cribbes, Mayor City of Port Phillip
 - David Spokes, CEO City of Port Phillip
 - Rebecca Bartel, Childcare Access

6. COMMUNICATION

- 6.1. The new St Kilda Family and Children's Centre will:
- Help deliver Federal Labor's pre-election promise to create a new childcare centre in St Kilda
 - More than double the existing number of childcare places in St Kilda to 120
 - Create integrated and affordable early childhood care, education and health services and support for families in the one location, adjacent to the local primary school
 - Bring council's investment in childcare and early childhood services for families to over \$10M since 2005.
 - Families using the existing St Kilda Children's and MCH Centre will have access to alternative locations so that while the new centre is built families and children enjoy continuity of care with the same staff.

- Council is planning for the future needs of St Kilda families by developing a new flexible facility which will be able to change as community needs change.

6.2 These messages will be delivered via:

- Media releases
- Letters to parents of St Kilda Children's Centre
- Updates on council website
- Divercity newsletter

7. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve:

- 7.1. That the Draft Carlisle St Structure Plan, which will be presented to council in the July 2008 meeting cycle, incorporates a St Kilda Town Hall Community and Civic Precinct
- 7.2. That the Council recognises that the St Kilda Town Hall Community and Civic Precinct provides a range of social, cultural and civic functions for St Kilda and the broader City of Port Philip community.
- 7.3. That council supports the enhancement and redevelopment of the following social and cultural components of the precinct:
 - 7.3.1. A new St Kilda Family and Children's Centre located on the existing children's centre site at 171 Chapel St, St Kilda.
 - 7.3.2. The St Kilda Parish Mission site on the corner of Chapel St and Carlisle St, St Kilda
 - 7.3.3. St Kilda Library
 - 7.3.4. St Kilda Primary School
- 7.4. That Council supports the construction of a new two level family and children's centre with underground car park on the existing children's centre site at 171 Chapel Street, St Kilda at a projected cost of \$7 million.
- 7.5. Council notes that this proposal provides for an additional 51 car parking spaces in the Precinct.
- 7.6. That Council supports the future development of the St Kilda Parish Mission site, consistent with the objectives of the precinct plan including facilitating the co-location of community services, as defined by the Carlisle St Structure Plan.
- 7.7. That Council authorises the Chief Executive Officer to negotiate the purchase of land owned by the Uniting Church and currently used by the St Kilda Children's Centre.
- 7.8. That, as part of negotiations with the Uniting Church, Council makes available a number of car parking spaces to support development of the Mission site.

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 5 MAY, 2008
POLICY AND PLANNING

- 7.9. That Council notes that there is \$100,000 proposed in the 2008/2009 capital works budget to support a project to analyse the future needs of the St Kilda Library. This project also includes an assessment of how best to treat the forecourt area on Carlisle St, in order to both physically and strategically link the library with the newly redeveloped St Kilda Town Hall.

STRATEGY AND POLICY REVIEW COMMITTEE
5 MAY 2008 **POLICY AND PLANNING**

A2 **INNER MELBOURNE ACTION PLAN - ANNUAL REPORT 2006/07**

LOCATION/ADDRESS: **CITY WIDE**

RESPONSIBLE EXECUTIVE DIRECTOR: **GEOFF OULTON, DIRECTOR COMMUNITY DEVELOPMENT AND PLANNING**

AUTHOR: **KATRINA TERJUNG, CO-ORDINATOR STRATEGIC PLANNING**

FILE NO.: **66/09/12**

ATTACHMENTS: **1. IMAP ANNUAL REPORT**

1. EXECUTIVE SUMMARY

- 1.1 The Inner Melbourne Action Plan (IMAP) Annual Report for 2006/07 is presented for Council's consideration, with the recommendation that Council confirms its on-going participation and commitment to the IMAP Implementation Committee, in partnership with the Cities of Melbourne, Stonnington and Yarra.

2. BACKGROUND AND CONTEXT

- 2.1 The Inner Melbourne Action Plan (IMAP) is a regional strategy and action plan, which provides a framework for directing and managing urban change (in the context of Melbourne 2030) to ensure the region's liveability and economic prosperity into the future.
- 2.2 The plan is the result of collaboration between the four inner region Councils (Cities of Port Phillip, Melbourne, Yarra and Stonnington) and represents 'agreement' as to regional priorities and the need for regionally based action.
- 2.3 The IMAP Implementation Committee, with representation from each of the four partner Councils, was established in April 2006 (pursuant to section 86 of the Local Government Act 1989) to enable coordinated and collaborative decision making to facilitate the implementation of IMAP.
- 2.4 The Terms of Reference established for the IMAP Implementation Committee require the preparation of an Annual Report to document the progress on priority regional initiatives.
- 2.5 The Inner Melbourne Action Plan - Annual Report 2006/07 is included as Attachment I.
- 2.6 The Report was presented to and adopted by the IMAP Implementation Committee at its meeting in February 2008.

3. IMAP ANNUAL REPORT 06/07

- 3.1** The 2006/07 Annual Report includes:
- a. A background to the development of the IMAP document and the Governance Arrangements that support its implementation.
 - b. Details of membership and meetings of the IMAP Implementation Committee throughout 2006/07.
 - c. A summary of key 'successes' with respect to the implementation of IMAP and detail of progress on priority demonstration projects and other IMAP actions.
 - d. A Financial Statement for 2007/08.
- 3.2** In summary, the IMAP Annual Report highlights key successes during 2006/07 including:
- a. State Government support for IMAP overall (and for specific projects), and
 - b. Progress on priority IMAP actions.

State Government support for IMAP:

- 3.4** The Minister for Planning and senior officers of the (former) Department of Sustainability and Environment have expressed support for IMAP. The Minister has advised of his 'willingness to champion IMAP in Cabinet and to provide advocacy and assistance to IMAP actions and directions'.
- 3.5** In addition, State Government funding has been received for a number of IMAP initiatives including:
- a. Seeding funding for the Regional Greenlight Project and Inner Melbourne Wayfinding Signage projects – supporting Action 2.2 (co-ordinated pedestrian and public transport signage) and Action 2.4 (walking links and pedestrian priority areas).
 - b. \$25,000 of an overall \$100,000 DVC grant (obtained through the Local Area Planning Support Program) to fund the development of an Affordable Housing Needs Web-Site (supporting Action 5.2 - Affordable Housing).

Progress of IMAP Priority Actions:

- 3.6** The following Actions have been successful completed:

Action 1.1 – Inner Melbourne Statement of Significance:

Completion of 'Liveable, Walkable Melbourne – The Structure, Character and Significance of Inner Melbourne'. This document will inform future decision making and planning policy development.

Action 8.2 – Improved links to the Port:

Announcement of the State Government funding (\$19.2 million) for the Plummer Street Bypass (of Williamstown Road).

3.7 The Annual Report highlights progress on following IMAP Actions:

- a. The St Kilda Road 'Flagship' Project – which has involved the development of the draft St Kilda Road Masterplan and the St Kilda Road Tram Project to facilitate consistent, functional and sustainable outcomes for this principle boulevard (Action 1.4 Boulevards and Major Roads).
- b. Priority Demonstration Projects. These provide opportunities to extend the application of projects to other areas and include:
 - Action 2.2: Establishment of a program to implement consistent 'wayfinding' signage in key locations across inner Melbourne.
 - Action 2.3: Investigation of 'best practice' approaches to upgrading the Regional Bicycle Network.
 - Action 9.1: Development of Regional Sustainability Targets.
 - Action 9.6: Developing approaches to minimising potable water use in Open Space.
- c. Other Priority Actions:
 - Action 2.4: Improving walking links in pedestrian priority areas through the 'greenlight project'.
 - Action 5.2: Developing a Model for increasing affordable housing supply – including measuring and monitoring Housing Needs and establishment of a Planning Mechanism for affordable housing contributions.
 - Action 6.3: Implementing recommendations of the Inner City Entertainment Taskforce Report (ICEPT) to better manage land use conflicts and improve the safety and amenity of activity centres.
 - Action 7.4: Development of a Regional Economic Development Statement.
 - Action 9.3: Development of a regional strategy for advocating and the development of guidelines for Water Sensitive Design.
 - Action 11.1: Preparation of an Inner Melbourne Tourism Map.
 - Action 11.2: Development of a Regional Tourism Itinerary and Inner Region Experience Packages – linked to Tourism Victoria programs.

4. CONCLUSION

- 4.1 The IMAP Annual Report demonstrates the value of regional collaboration with respect to:
- a. Raising the profile and strengthening the basis for advocacy of inner region priorities with the State Government and its agencies.
 - b. Successfully attaining State Government funding for a range of projects.
 - c. Achieving efficiencies in individual Council programs, through the sharing information and approaches, and through each Council taking the 'lead role' responsibility in implementing specific actions.

5. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve to:

- 5.1 Receive and note the Inner Melbourne Action Plan - Annual Report 2006/07.
- 5.2 Acknowledge the progress achieved on key IMAP actions as outlined in the Annual Report, and the demonstrated benefits of on-going regional collaboration between the IMAP Councils.
- 5.3 Confirm its on-going participation on the IMAP Implementation Committee and its commitment to the progressive implementation of IMAP actions throughout 2007/07 and 008/09.

STRATEGY AND POLICY REVIEW COMMITTEE
5 MAY 2008 **GOVERNANCE AND COMPLIANCE**

A3 QUARTERLY FINANCIAL REPORT & KEY PERFORMANCE INDICATOR REPORT

LOCATION/ADDRESS:

RESPONSIBLE EXECUTIVE DIRECTOR: DAVID SPOKES, CHIEF EXECUTIVE OFFICER

AUTHOR: DAVID SPOKES, CHIEF EXECUTIVE OFFICER

FILE NO.:

ATTACHMENTS: MARCH 2008 QUARTERLY FINANCIAL REPORT (ATTACHMENT 1)
MARCH 2008 KEY PERFORMANCE INDICATOR REPORT (ATTACHMENT 2)

1. EXECUTIVE SUMMARY

Quarterly Financial Report

- 1.1. The Quarterly Financial Report aims to provide Council with a summary of the major areas of activity and operational performance for the nine months ended 31 March 2008.
- 1.2. To provide Council with details and reasons for significant variances against the forecast position.
- 1.3. To inform Council on the major organisational achievements and challenges for the quarter.
- 1.4. To present Council with a summary of its capital works delivery for the nine months ended 31 March 2008.

Key Performance Indicator Report

- 1.5. The Key Performance Indicator Report aims to provide Council with a summary and analysis of the performance of the organisation for the six months ending 31 March 2008.

2. BACKGROUND AND CONTEXT

Quarterly Financial Report (Attachment 1)

- 2.1. Officers have reviewed their financial performance and provided reasons for major variances against forecast, details of which are contained in the body of the report.

Key Performance Indicator Report (Attachment 2)

- 2.2. The draft Key Performance Indicators and targets were adopted by Council on the 7th November 2007.
- 2.3. The Key Performance results have been collected from workgroups, managers and key result area champion groups throughout the organisation.

3. POLICY IMPLICATIONS

- 3.1. These reports and the recommendations arising from them do not have a direct impact on Council policy.

4. SUSTAINABILITY IMPLICATIONS

Economic

Council's net operating surplus for the nine months ending 31 March 2008 is \$26.491M. This result is \$5.166M favourable compared to the projected surplus of \$21.325M due to a number of variances, the most significant being:

- Parking revenue being \$740K less than forecast. This is due to fewer than anticipated parking infringements being issued as a result of increased compliance and reduced demand for pay parking.
- Fees & charges being \$684K less than forecast. This is due partly to unfavourable child care fees as a result of delays in completion of additional places at a number of centres including North St Kilda and Coventry.
- Capital revenue being \$561K greater than forecast. This is due to the receipt of greater than anticipated developers' contributions, particularly for South Melbourne's Clarendon St and Red Bears developments.
- Interest received being \$387K greater than forecast. This is due to extra funds being available for investment and higher interest rates.
- Employee costs \$890K less than forecast due to favourable variances on full/part time salaries and wages (\$1.409M) as a result of delays in filling vacant positions which is partially offset by unfavourable agency staff salaries (\$898K).
- Contract payments \$1.724M less than forecast due largely to:
 - Delays in payment for service agreements for Youth & Recreation programs, St Kilda Festival & Film Festival
 - Delays in receiving invoices for the Parking Enforcement contract
 - Delays in Vic Roads and various other works (eg. South Melbourne Market)

AGENDA - STRATEGY AND POLICY REVIEW COMMITTEE - 5 MAY, 2008
GOVERNANCE AND COMPLIANCE

- Timing of payments compared to forecast expenditure for approved programs such as waste collection and infrastructure maintenance. This will come into line next quarter.
- Materials and other costs \$3.114M less than forecast due to numerous factors including:
 - Delays in recording child care centre levies and subsidies.
 - Project delays due to staff shortages impacting on timing of expenditure against forecast.
 - Delays in receiving invoices from utility providers for telephones and water.
- Capital Works expenditure & capital carry over (06/07) is \$4.054M less than forecast with a large focus being placed on the carried forward capital works projects. It is anticipated that this variance will increase to around \$8M by the end of the financial year.
- Capital expenditure is \$930K less than forecast due to delays in computer purchases which is anticipated to be completed in June 2008.
- Net transfers from reserves are \$3.803M greater than the year to date forecast. This is largely due to the receipt of greater than anticipated developers contributions (which are transferred to statutory reserves) and the reversal of the year end tied grants to be expended in this financial year (which is a timing variance).

5. INTERNAL CONSULTATION

5.1. Executive Team.

6. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve:

- 6.1. That the Quarterly Financial Report from the CEO detailing Council's financial performance for the nine months ended 31 March 2008 be adopted.
- 6.2. That the Key Performance Indicator Report from the CEO detailing Council's performance for the six months ended 31 March 2008 be adopted.

STRATEGY AND POLICY REVIEW COMMITTEE	
5 MAY 2008	GOVERNANCE AND COMPLIANCE

A4	PROPOSED DISCONTINUANCE AND SALE OF RIGHT OF WAY NO. R2117 REAR 121-123 ROUSE ST, PORT MELBOURNE
LOCATION/ADDRESS:	REAR 121-123 ROUSE ST, PORT MELBOURNE
RESPONSIBLE EXECUTIVE DIRECTOR:	SALLY CALDER, EXECUTIVE DIRECTOR, ORGANISATION, SYSTEMS & SUPPORT
AUTHOR:	TOULA KOTSABOUIKIS, PROPERTY ADVISOR, PROPERTY MANAGEMENT & VALUATIONS
FILE NO.:	5140/121 & 5140/123
ATTACHMENTS:	SITE PLAN & PHOTOGRAPH

1. EXECUTIVE SUMMARY

- 1.1. This report is to finalise the discontinuance and sale of Right of Way No. R2117 at the rear of 121-123 Rouse St, Port Melbourne.

2. BACKGROUND AND CONTEXT

- 2.1. The statutory process commenced after a Councilor Note on the 13th February 2008.
- 2.2. The purpose of the discontinuance is to sell the Right of Way at the rear of 121-123 Rouse St, Port Melbourne to the abutting property owner.
- 2.3. The applicant has accepted the sale price of the land of \$120,000.00 plus an administration cost of \$2,500.00.

3. RECOMMENDED OPTION

- 3.1. That the statutory procedure be finalised and the Right of Way be discontinued and the land sold to the abutting property owner.

4. CRITERION FOR RECOMMENDATION

- 4.1. The Right of Way no longer offers any community benefit as the land will be incorporated within a development surrounding the land (117 to 123 Rouse St, Port Melbourne).
- 4.2. That the statutory procedures to discontinue and sell the Right of Way rear of 121-123 Rouse St, Port Melbourne should be completed subject to the Council's sale policy.

5. SUSTAINABILITY IMPLICATIONS

5.1. Social

The sale of the Right of Way is seen as due compensation to the community for the loss of public land. It is inequitable for property owners to derive private benefit from public land, without due compensation to the community.

5.2. Economic Viability

The income from the sale of the Right of Way is seen as due compensation to the community for the loss of public land.

5.3. Environmental Responsibility

There are no sustainability implications in terms of environmental responsibility.

5.4. Cultural Vitality

There are no sustainability implications in terms of cultural vitality.

5.5. Policy and legislative implications

The discontinuance and sale of the Right of Way is in accordance with the Council's discontinuance and sale policy.

5.2.3 Resource implications

The cost of selling the section of Right of Way will be absorbed within current operational budgets.

6. ALTERNATIVE OPTIONS

- 6.1. Reject the application to purchase. It should be noted that the Right of Way at the rear of 121-123 Rouse St, Port Melbourne will be incorporated within a proposed development. Rejecting the application to purchase the Right of Way will not provide any community benefit. Council's Heritage Advisor has confirmed that there are no heritage issues.

7. PARTICIPATION AND ENGAGEMENT

- 7.1. Council has communicated with the public through a "Public Advertisement" in the local newspaper during the statutory process. No objections were received.
- 7.2. Internal consultation was carried out with Asset Management, Traffic Management, Strategic Planning, Planning and Building and Project Services and they advise that they have no objections to the proposals.
- 7.3. Council's Heritage Advisor has confirmed that there are no heritage issues.
- 7.4. External consultation has been undertaken and a no objections were received.

8. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve:

- 8.1. That the statutory procedures to discontinue the Right of Way at the rear of 121-123 Rouse St, Port Melbourne, be completed. That the land from the Road be sold to the owners of 121-123 Rouse St, Port Melbourne, subject to the land being consolidated to the property.

STRATEGY AND POLICY REVIEW COMMITTEE
5 MAY 2008 **GOVERNANCE AND COMPLIANCE**

A5	PROPOSED DISCONTINUANCE AND TRANSFER OF A SECTION OF ROAD KNOWN AS RAGLAN ST, PORT MELBOURNE
LOCATION/ADDRESS:	RAGLAN ST BETWEEN STATION ST AND THE LIGHT RAIL, PORT MELBOURNE
RESPONSIBLE EXECUTIVE DIRECTOR:	SALLY CALDER, EXECUTIVE DIRECTOR, ORGANISATION, SYSTEMS & SUPPORT
AUTHOR:	TOULA KOTSABOUKIS, PROPERTY ADVISOR, PROPERTY & VALUATIONS
FILE NO.:	78/18/350
ATTACHMENTS:	PHOTOGRAPH, SITE PLAN, COUNCILLOR BRIEFING (CONFIDENTIAL)

1. EXECUTIVE SUMMARY

- 1.1. This report is to finalise the discontinuance and transfer of a section of Road known as Raglan St, Port Melbourne between Stations St and the Light Rail, Port Melbourne.

2. BACKGROUND AND CONTEXT

- 2.1. The statutory process commenced after a Councilor Note on the 20th March 2008.
- 2.2. The purpose of the discontinuance is to incorporate the Road known as Raglan St, (between Station St & the Light Rail) Port Melbourne within the Park Reserve.
- 2.3. Consent from the Department of Sustainability and Environment has been obtained in order to reserve the crown land as part of the Park Reserve once the Road has been discontinued.
- 2.4. A Councillor Briefing dated 29th January 2008 has been submitted to Council outlining the proposal.

3. RECOMMENDED OPTION

- 3.1. That the statutory procedure be finalised, the section of Road be discontinued and the land be reserved as Park Reserve.

4. CRITERION FOR RECOMMENDATION

- 4.1. The section of Road no longer offers any community benefit. The addition of Greenspace complies with, the Port Melbourne Light Rail Reserves Master Plan 2002 and this is in line with the Open Space Strategy 2006.
- 4.2. That the statutory procedures to discontinue and transfer the section of Road known as Raglan St (between Station St & the Light Rail), Port Melbourne should be completed subject to the Council's discontinuance policy.

5. SUSTAINABILITY IMPLICATIONS

5.1. Social

The discontinuance of the section of Road will increase the amount of useable open space to offset increases in population and the decline in private open space.

5.2. Economic Viability

Incorporating the Road into the Park Reserve is seen as due compensation to the community.

5.3. Environmental Responsibility

The environmental responsibility is in line with the Open Space Strategy 2006.

5.4. Cultural Vitality

The implications in terms of cultural vitality, suggests an increase in useable Public Open Space.

5.5. Policy and legislative implications

The discontinuance and transfer of the Road is in accordance with the Council's discontinuance policy.

5.6. Resource implications

The cost of discontinuing the section of Road will be absorbed within current operational budgets.

6. ALTERNATIVE OPTIONS

- 6.1. Reject the application to discontinue and transfer the land. It should be noted that the section of Road known as Raglan St, between Station St & the Light Rail, Port Melbourne will be incorporated within a proposed park development. Rejecting the application to discontinue and transfer the section of Road will not provide any community benefit. Council's Heritage Advisor has confirmed that there are no heritage issues.

7. PARTICIPATION AND ENGAGEMENT

- 7.1. Council has communicated with the public through a “Public Advertisement” in the local newspaper during the statutory process. No objections were received.
- 7.2. Internal consultation was carried out with Asset Management, Traffic Management, Strategic Planning, Planning and Building and Project Services and they advise that they have no objections to the proposals.
- 7.3. Council’s Heritage Advisor has confirmed that there are no heritage issues.
- 7.4. External consultation has been undertaken and a no objections were received.

8. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve:

- 8.1. That the statutory procedures to discontinue the section of Road known as Raglan St, between Station St and the Light Rail, Port Melbourne, be completed. That the land from the Road be reserved as part of the Park Reserve in accordance with the proposed Park development.

STRATEGY AND POLICY REVIEW COMMITTEE
5 MAY 2008 **GOVERNANCE AND COMPLIANCE**

A6	PROPOSED DISCONTINUANCE AND SALE OF RIGHT OF WAY NO. R3127 ABUTTING 8 HOTHAM ST, SOUTH MELBOURNE
LOCATION/ADDRESS:	ABUTTING 8 HOTHAM ST, SOUTH MELBOURNE
RESPONSIBLE EXECUTIVE DIRECTOR:	SALLY CALDER, EXECUTIVE DIRECTOR, ORGANISATION, SYSTEMS & SUPPORT
AUTHOR:	TOULA KOTSABOUIKIS, PROPERTY ADVISOR, PROPERTY MANAGEMENT & VALUATIONS
FILE NO.:	2730/008-01
ATTACHMENTS:	SITE PLAN & PHOTOGRAPH

1. EXECUTIVE SUMMARY

- 1.1. This report is to finalise the discontinuance and sale of Right of Way No. R3127 abutting 8 Hotham St, South Melbourne.

2. BACKGROUND AND CONTEXT

- 2.1. The statutory process commenced after a Councilor Note on the 28th February 2008.
- 2.2. The purpose of the discontinuance is to sell the Right of Way abutting 8 Hotham St, South Melbourne to the abutting property owner.
- 2.3. The applicant has accepted the sale price of the land of \$5,000.00 plus an administration cost of \$2,500.00.

3. RECOMMENDED OPTION

- 3.1. That the statutory procedure be finalised and the Right of Way be discontinued and the land sold to the abutting property owner.

4. CRITERION FOR RECOMMENDATION

- 4.1. The Right of Way no longer offers any community benefit as the land as the land has been enclosed for a long period.
- 4.2. That the statutory procedures to discontinue and sell the Right of Way No.R3127 abutting 8 Hotham St, South Melbourne should be completed subject to the Council's sale policy.

5. SUSTAINABILITY IMPLICATIONS

5.1. Social

The sale of the Right of Way is seen as due compensation to the community for the loss of public land. It is inequitable for property owners to derive private benefit from public land, without due compensation to the community.

5.2. Economic Viability

The income from the sale of the Right of Way is seen as due compensation to the community for the loss of public land.

5.3. Environmental Responsibility

There are no sustainability implications in terms of environmental responsibility.

5.4. Cultural Vitality

There are no sustainability implications in terms of cultural vitality.

5.5. Policy and legislative implications

The discontinuance and sale of the Right of Way is in accordance with the Council's discontinuance and sale policy.

5.6. Resource implications

The cost of selling the section of Right of Way will be absorbed within current operational budgets.

6. ALTERNATIVE OPTIONS

- 6.1. Reject the application to purchase. It should be noted that the Right of Way No.R3127 abutting 8 Hotham St, South Melbourne has been enclosed for a long period. Rejecting the application to purchase the Right of Way will not provide any community benefit. Council's Heritage Advisor has confirmed that there are no heritage issues.

7. PARTICIPATION AND ENGAGEMENT

- 7.1. Council has communicated with the public through a "Public Advertisement" in the local newspaper during the statutory process. No objections were received.
- 7.2. Internal consultation was carried out with Asset Management, Traffic Management, Strategic Planning, Planning and Building and Project Services and they advise that they have no objections to the proposals.
- 7.3. Council's Heritage Advisor has confirmed that there are no heritage issues.
- 7.4. External consultation has been undertaken and a no objections were received.

8. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve:

- 8.1. That the statutory procedures to discontinue the Right of Way no.R3127 abutting 8 Hotham St, South Melbourne, be completed. That the land from the Road be sold to the owners of 8 Hotham St, South Melbourne, subject to the land being consolidated to the property.

STRATEGY AND POLICY REVIEW COMMITTEE	GOVERNANCE AND COMPLIANCE
5 MAY 2008	

A7	AUDIT COMMITTEE ACTIVITIES UPDATE
LOCATION/ADDRESS:	N/A
RESPONSIBLE EXECUTIVE DIRECTOR:	SALLY CALDER, EXECUTIVE DIRECTOR ORGANISATION SYSTEMS & SUPPORT
AUTHOR:	NORM MCCLELLAND, GOVERNANCE ADVISOR
FILE NO.:	34/04/29
ATTACHMENTS:	NIL.

1. EXECUTIVE SUMMARY

- 1.1. To bring to the attention of Council the matters discussed at the March 2008 meeting of the City of Port Phillip Audit Committee.
- 1.2. The minutes of the March 2008 meeting have been circulated to all Councillors.

2. BACKGROUND AND CONTEXT

- 2.1. Council resolved on 18 December 1996 that it be advised of all matters considered by the Audit Committee. This report advises Council of all matters discussed at the meeting held on Wednesday 26 March 2008.
- 2.2. The Best Practice Guidelines for Local Government Entity Audit Committees and Internal Audit, November 1999, recommend:
 - 2.2.1. that minutes and a report explaining specific recommendations and key outcomes should be forwarded to the next Council meeting after each Audit Committee meeting; and
 - 2.2.2. that Audit Committees should report annually to their Councils summarizing their activities.
- 2.3. This report complies with the requirements of the Audit Committee Terms of Reference, the Council resolution and the Best Practice Guidelines for Local Government Entity Audit Committees and Internal Audit.

3. CONTEXT

- 3.1. Matters considered by the Audit Committee at its March 2008 meeting were:
 - 3.1.1. **Annual Work Plan** - The Committee received the Annual Work Plan for 2008. The Committee requested that the External Auditor Mr Stan Naylor be invited to the June meeting of the Committee to discuss the annual audit strategy. A query was raised as to whether the Audit Committee could meet with the External Auditor without management present. The Chairperson advised that the opportunity would arise at the August meeting when the Auditor attended the Committee meeting. The

Committee also requested that at the August meeting some form of sign-off be provided advising that Council is adhering to its legislative requirements. The Audit Committee noted the work plan.

- 3.1.2. **Internal Audit Program 2008** – The Committee received the 2008 Internal Audit Program and noted that the Review of Contract Management of Parking Services, Follow-up of Audit Recommendations for 2007 Audits and the Tendering Review were attached for discussion at this meeting. The Committee was also advised that the scope for the IT Systems and Control Review had been completed and was due to commence in April. The Audit Committee noted the Audit Program.
- 3.1.3. **Leave Accruals** - The Audit Committee received an update about the number of staff with excessive balances of accrued annual leave (above 40 days) as at the end of February 2008. The Committee advised that this matter was on the agenda because it was raised annually by the External Auditor. The Committee noted the report. A further report will be provided for the next meeting
- 3.1.4. **Commbiz Software** - The Committee reviewed a memo from the Manager Finance and Investments regarding the implementation of the Commbiz banking platform software. The Manager advised that the software:
- is working well;
 - is flexible – approvals can be done offsite;
 - has layers of security;
 - is yet to be implemented at the Council's child care centres (aim to implement by July).
- The Committee noted the report
- 3.1.5. **CEO's Quarterly Management Report to Council** – The CEO presented the December 2007 Quarterly Management Report to the Committee and made the following comments:
- actual expenditure was very close to budget predictions;
 - there was evidence of a diminution of roll-over capital works;
 - the organisation had relocated into the new building and one of the immediate benefits was substantial time savings by not having to travel between buildings for meetings.
- The Committee queried the progress of the implementation of the new Investment Policy and was advised that it was going to the Council in April, therefore investments were still being made within the parameters of the current policy. The Committee noted the report.
- 3.1.6. **Contract Management of Parking Services** – The Committee received the audit review of the Contract Management of Parking Services undertaken by the Internal Auditor. The audit focused on four parking related contracts:
- parking administration
 - ticket machine maintenance
 - coin collection
 - ticket machine maintenance and coin collection (Albert Park Lake).

The Auditor stated that generally the underlying contract management practices were adequate. Management advised that a range of initiatives were proposed to strengthen contract management generally. The Committee noted the report.

3.1.7. Insurance & Risk Update – The Manager Governance and Community Relations provided a summary of the important matters in the Insurance and Risk Report and advised the Audit Committee that the organization:

- had commenced the development of a strategic risk plan that will feed into the departmental risk plans and will result in 17 up to date risk plans; and
- that Council had developed a Legal and Procedural Responsibilities Handbook for managers.

The Committee was advised that most staff had participated in risk awareness workshops and that the Executive Team reviewed “red” coded risks on a weekly basis. The Committee discussed the CMP (public liability) insurance audit and the JMAP (property) insurance audit. The Committee noted the report.

3.1.8. **Tendering Review** – The Committee received the Tendering Review audit conducted by the Internal Auditor. The Internal Auditor advised the Committee that this was a review of the core aspects of tendering and stated that:

- there were adequate policies and procedures in place;
- audit examined two contract tender processes in the review;
- there was a low number of observations coming out of the review; and
- the majority of observations were of low risk and one of significant risk.

The Committee was advised that since the cessation of CCT some years ago there was a need to re-evaluate the tender process to ensure established procedures were being adhered to. The Committee was advised that Council has in place policies and procedures for procurements less than \$100,000. The Committee noted the report.

3.1.9. **Follow-up Review 2007**– The Committee received a report into the review of prior audits undertaken in 2006/2007 that contained “high” or “significant” risks raised by the Auditor in the audit recommendations. The Internal Auditor advised that there were 28 high or significant risks to be addressed and that 22 audit recommendations had been completed and that 6 were either partially completed or outstanding. The Committee discussed cash receipting at the South Melbourne Market, control over purchasing throughout Council and the reduction in roll-over capital works projects. The Committee noted the report.

4. RECOMMENDED OPTION

4.1. Recommendation:

It is recommended that the Strategy and Policy Review Committee recommend to Council to receive and note the report outlining the activities undertaken at the March 2008 meeting of the Audit Committee.

4.2. Sustainability assessment

Social Pillar	Some of the matters dealt with by the Audit Committee are concerned about the well-being and safety of the community. The Risk Management project for example not only deals with risks, both financial and non-financial that directly impact upon Council, but is also designed to discover risks in the community over which Council may have some influence.
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Economic Pillar	Audits undertaken by the Internal Auditor usually do contain comments regarding cost issues that will come under the close scrutiny of the Audit Committee. Furthermore, the Audit Committee has in the past encouraged Council to question the relevance of the services it provides.
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Environmental Pillar	Where possible the Audit Committee will question staff about environmental impacts that may eventuate as a result of the activities of the Council.
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Cultural Pillar	The Audit Committee is concerned that the organisation has in place processes that promote good corporate governance so that the operations of the Council are transparent, as well as, effective.
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4.3. Policy & Legislative Implications

4.3.1. This report is presented in accordance with the Terms of Reference of the Audit Committee and in response to a previous resolution of Council. The recommendation of this report has no impact on existing policy, nor does it create any new policy.

4.3.2. The tenure of the Committee is ongoing as Council is required by section 139 of the *Local Government Act 1989* to have an Audit Committee.

4.4. Resource implications

4.4.1. The matters considered by the Audit Committee at its March 2008 meeting have no immediate resource implications.

5. PARTICIPATION AND ENGAGEMENT

5.1. Internal

- 5.1.1. Council staff are invited to attend Audit Committee meetings or submit reports to address specific issues on the agenda.
- 5.1.2. During 2008 the Mayor and the Deputy Mayor are the Council representatives on the Audit Committee. The CEO, the Executive Director Organisation Systems and Support and the Manager Finance and Investments are invited to attend meetings as guests.

5.2. External

- 5.2.1. Where appropriate, the Audit Committee will invite representatives from external organisations, namely auditors, insurers, etc., to seek information and/or clarification on various matters.
- 5.2.2. There are two external members on the Audit Committee, one being the Chairperson.
- 5.2.3. Council's Internal Auditor attends all meetings of the Audit Committee and provides information and advice as requested.

6. CONCLUSION

6.1. The Audit Committee will continue to:

- 6.1.1. respond to requests for advice from Council;
- 6.1.2. review all matters that it considers to be within its Responsibilities and Terms of Reference; and
- 6.1.3. report to Council annually, as well as, advise Council about its activities after each meeting.

7. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve:

- 7.1. To receive and note the report outlining the matters considered by the City of Port Phillip Audit Committee at its March 2008 meeting, including issues such as the annual work plan, the internal audit program, excessive leave accruals, the December 2007 CEO Quarterly Report to Council, an update on risk and insurance matters, and review of the following audits, the Contract Management of Parking Services, Tendering Review and the Follow-up of Prior Year Audits.

STRATEGY AND POLICY REVIEW COMMITTEE
5 MAY 2008 **GOVERNANCE AND COMPLIANCE**

A8	RETURN OF 2008 GENERAL VALUATION
LOCATION/ADDRESS:	N/A
RESPONSIBLE EXECUTIVE DIRECTOR:	SALLY CALDER, EXECUTIVE DIRECTOR ORGANISATION SYSTEMS & SUPPORT
AUTHOR:	DAVID GRAFFEN, PROPERTY COORDINATOR
FILE NO.:	
ATTACHMENTS:	(1) SCHEDULE 3 – VALUATION RETURN (TO BE DISTRIBUTED AT THE MEETING) (2) 2008 GENERAL VALUATION SUMMARY TABLES (TO BE DISTRIBUTED AT THE MEETING)

1. KEY ISSUES

- 1.1. This report is a requirement of the Valuation of Land Act 1960 and requires adoption by Council. The valuations are made for the purposes of the Local Government Act 1989.
- 1.2. The Schedule 3 document, which is attached, is the formal return of the 2008 General Valuation of all rateable properties within the City of Port Phillip in accordance with Section 13DH(1) of the Valuation of Land Act 1960.
- 1.3. These valuations have been made and returned by Council's Valuation Contractor, Westlink Corporation Pty Ltd trading as Westlink Consulting.

2. CONTEXT

- 2.1. Council at its meeting of 26 February 2007 resolved to undertake a biennial revaluation with a prescribed date as at 1 January 2008 (as set by the relevant Minister) and the effective date being 1 July 2008.

3. PROPOSAL

- 3.1. To formally adopt the return of the 2008 General Valuation which will enable it to be used as the basis of Council rates for the coming financial year.
- 3.2. The attached tables provide a summary of the 2008 General Valuation:

4. OPTIONS

- 4.1. Council has a statutory obligation to conduct biennial revaluations of all rateable land within its municipal district.

5. POLICY IMPLICATIONS

- 5.1. The undertaking of the 2008 General Valuation is consistent with Council's resolution carried on 26 February 2007 and Council's legal obligations.
- 5.2. The General Valuation has been performed in accordance with all relevant Acts in particular the Local Government Act 1989 and the Valuation of Land Act 1960, and in accordance with Valuation Best Practice 2008 Guidelines as approved by the Valuer-General's Department.

6. SUSTAINABILITY IMPLICATIONS

6.1. Social

It is vital to produce a true and accurate reflection and comparison of the property values within the City of Port Phillip, in order to understand how "market rates" are distributed across our community so that no particular part of the municipality is disadvantaged through the payment of rates.

6.2. Economic

The City of Port Phillip is discharged with the duty of raising sufficient monies to provide relevant and effective services for its community. The Valuations adopted by Council are used as the basis for setting rates for the 2008/09 financial year.

6.3. Environmental

The monies collected through the payment of rates will support the City of Port Phillip to implement sustainable services to assist in effectively managing our natural and built resources and places.

6.4. Cultural

The monies collected through the payment of rates will support the City of Port Phillip to continue to build on cultural vitality. Valuations are an input into the process by which rates are struck.

6.5. Resource Implications

- 6.5.1. Westlink Consulting has provided the necessary resources to implement the Valuations by the statutory dates. This is provided for within their Contract with Council.

7. INTERNAL CONSULTATION

- 7.1. The Contract with Westlink Consulting requires a General Valuation to be undertaken for all rateable properties within the City of Port Phillip on a biennial basis. The return of the 2008 General Valuation is being undertaken in conjunction with the Executive Director Organisation Systems & Support.

8. EXTERNAL CONSULTATION

- 8.1. The Valuer-General's Department nominates a supervisor for each Municipality who regularly monitor the progress of the General Valuation to determine whether a generally true and correct Certificate may be issued to enable Council and other authorities to use the Valuation for rating purposes. Discussions with the State Valuer-General and the State Revenue Office have occurred to ensure statutory compliance.

9. IMPLEMENTATION

- 9.1. The 2008 General Valuation will be uploaded onto Council's Rates System and will form the basis for the 2008/2009 rating year upon adoption by Council.
- 9.2. Certification of the 2008 General Valuation will occur later this year.

10. CONCLUSION

- 10.1. The 2008 General Valuation is the sixth computerised revaluation undertaken on a bi-annual basis in accordance with Valuation Victoria guidelines. The previous Valuations were undertaken as at 1 January 2006. The effect of the Year 2008 General Valuation on Residential and Non-Residential properties showing percentage changes from the 2006 General Valuation for Site Value, Capital Improved Value and Net Annual Value is detailed in Attachment 2 of this report.

11. COMMUNICATION

- 11.1. Information relating to the general revaluation will be provided to ratepayers as part of an information package.

12. RECOMMENDATION

That the Strategy and Policy Review Committee recommend that Council resolve:

- 12.1. That the report be received and that the document 'Schedule 3 – Valuation Return Municipal District of Port Phillip Year 2008 – General Valuation' as attached, be adopted by Council to fulfill the requirements of the Valuation of Land Act 1960 and the Local Government Act 1989.