



CITY OF PORT PHILLIP

# ANNUAL REPORT 2022/23





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## The City of Port Phillip Council is proud to present this 2022/23 Annual Report to our community

At the City of Port Phillip, we are committed to transparent reporting on our performance and activities. The Annual Report is an important opportunity to provide our community and stakeholders with a detailed account of how we are delivering against the Council Plan 2021-31 and strategic directions, as well as important information on our finances, governance and organisation.

This report is designed for a wide audience that reflects the diversity of our community, including residents and ratepayers, workers and local businesses.

As part of our environmental commitment to reducing paper, we encourage you to read this report online at the City of Port Phillip website. If you prefer to view a printed version, copies are available for reading at our town halls and libraries.

### **Disclaimer**

This report uses the best available information. While great care has been taken to ensure the content in the report is accurate, it cannot be guaranteed at time of publication. There may be errors and omissions or it may not be wholly appropriate for your particular purposes. In addition, the publication is a snapshot in time based on historic information which is likely to change. The Port Phillip City Council accepts no responsibility and disclaims all liability for any error, loss or other consequence which may arise from you relying on any information contained in this report.

## Womin djeka

Council respectfully acknowledges the Traditional Owners of this land, the people of the Kulin Nations. We pay our respect to their Elders, past and present. We acknowledge and uphold their continuing relationship to this land.



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Community vision

*proudly* port phillip

A liveable and vibrant City  
that enhances the wellbeing  
of our community

# 1

## Welcome

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# About the City of Port Phillip

## Our history and geography

**With 11 km of foreshore, in many ways Port Phillip is defined by its proximity to the bay.**

Part of the Kulin Nations – a region spanning from the southernmost point of Victoria up into the Great Dividing Range – the area we now call ‘City of Port Phillip’ has been inhabited by the Bunurong, Boon Wurrung and Wurundjeri peoples for over 40,000 years.

Port Phillip is one of the oldest areas of European settlement in Victoria. Located in Melbourne’s inner-south, encompassing the suburbs of Albert Park, Balaclava, Elwood, Middle Park, Ripponlea, South Melbourne, St Kilda, St Kilda West and parts of Port Melbourne, Southbank, St Kilda East and Windsor.

Attracting almost 3 million visitors a year, it is one of the most visited places in metropolitan Melbourne. Known and treasured by many for its urban village feel, generous open spaces and varied retail, entertainment and leisure precincts. Our City is home to some of Melbourne’s most iconic landmarks, including Luna Park, Palais Theatre, South Melbourne Market, The Astor Theatre, Victorian Pride Centre and Jewish Museum of Australia.

The area is well-served by public and active transport options, including the St Kilda and Port Melbourne light rail, two railway stations on the Sandringham line, various tram and bus routes, and kilometres of bike and walking paths.

## Our community

**Port Phillip has a diverse community, where everyone is welcome. Our proud history of inclusion is an integral part of our City’s success.**

The Port Phillip community includes 103,836 people who live across 48,731 households. Of those:

- a third were born overseas
- over half are aged 18 to 49 years
- nearly half live alone
- 21 per cent speak a language other than English at home
- half rent and half own their own home.

Our residents are generally highly educated, physically active, and tend to self-report their health as good. Over a third of households have a total gross weekly income of \$3,000.

There are several pockets of disadvantage and vulnerable members of our community are experiencing mental health issues, substance abuse problems, childhood developmental difficulties, insecure housing and employment. Building a safer and active community with strong social connections is key to supporting the community we serve.

Our community also includes 21,730 businesses, which employ 87,894 workers. The major employment sectors are professional, scientific and technical services, construction, health care and social assistance, and retail.

We anticipate substantial population growth over the next 40 years, particularly in Fishermans Bend on the northern edge of the City. The largest growth is expected to be in those aged over 60, suggesting many residents will retire within our community.



**Population**

>103k



**Dwellings**

>63k



**Home life**

41%

live by themselves.



**Median age**

38



**Largest age group**

30-34



**Culture and identity**

33%

born overseas.



**Gender**

51.2%

female.



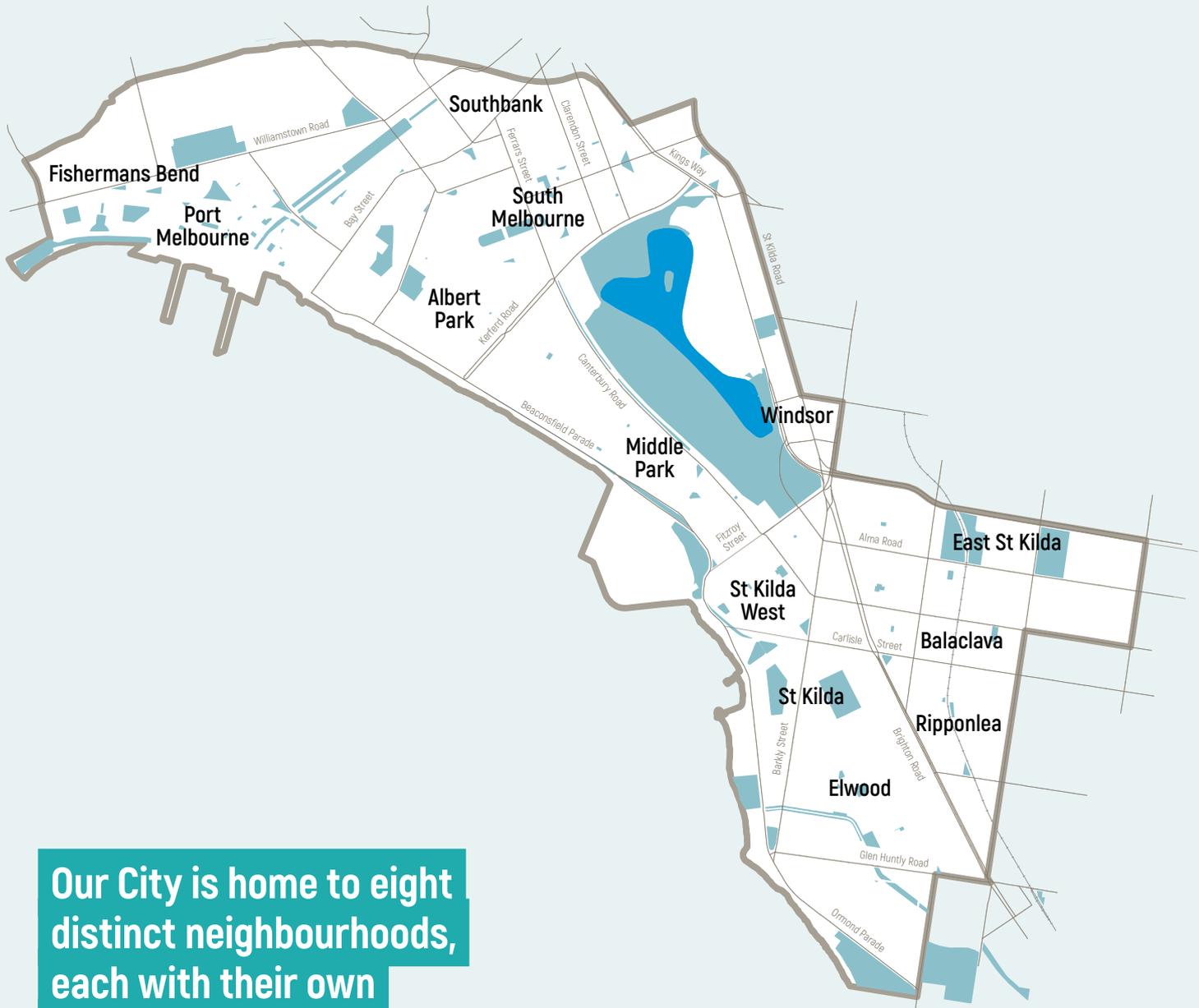
**People with disability**

3.7%



**Employed population**

95.5%



**Our City is home to eight distinct neighbourhoods, each with their own unique character.**

**An aerial view of  
South Melbourne  
Town Hall.**



# Mayor's welcome

Councillor Heather Cunsolo



Council respectfully acknowledges the Traditional Owners of this land, the people of the Kulin Nation. We pay our respect to their Elders, past and present. We acknowledge and uphold their continuing relationship to this land.

My fellow Councillors and I are pleased to present this Annual Report to you.

When looking back at 2022/23, it was encouraging to see the significant progress achieved for our community and growing City during the recovery phase of the COVID-19 pandemic.

Supporting our hard-hit traders and arts community continued to be a priority as we held or facilitated fantastic events to activate our streets and shopping precincts.

These included the Southside Live free music event, with its winning winter wonderland theme, and Summer Sessions' 33 free entertainment activations across Port Phillip.

Our largest event, the St Kilda Festival, triumphantly re-emerged post-COVID with a popular, new two-day format attracting 375,000 attendees.

The St Kilda Film Festival delighted a record 10,000 attendees and the Urban Canvas Mural festival filled our streets and laneways with colourful and compelling street art.

Complementing these events, we undertook a range of initiatives to encourage locals and visitors to enjoy all that Port Phillip offers.

Our program to fill Carlisle Street vacant shopfronts with new businesses, creativity and innovation got underway and Renew Fitzroy Street continued to enhance the vibrancy of this well-known location.

Love My Place grants program funded nine projects to activate public spaces and an outdoor trading strategy was endorsed and is now being implemented.

With about a year to go in our four-year term, Councillors were pleased to see a range of often complex projects and initiatives rolled out or announced in 2022/23.

These included our declaration of St Kilda as Victoria's first Live Music Precinct. There is more work to be done but we are proud of our leading role in helping keep live music alive in our City.

Our City's core value of inclusion were reflected in the soft launch of 46 housing units, delivered in partnership with HousingFirst, for the Marlborough Street community housing project. If the rough sleeping trend continues, the Port Phillip Zero program is on track to manage the numbers of rough sleepers towards a 'functional zero' level of homelessness by December 2024.

Over 2022/23, we advocated on a range of issues we know are important to our diverse community. This included successfully requesting the Victorian Government to remove pop-up trial bike lanes across Port Phillip.

When looking back at 2022/23, it was encouraging to see the significant progress achieved for our community and growing City during the recovery phase of the COVID-19 pandemic.

Our Council also continued its crucial calls to future-proof Fishermans Bend, Australia's largest urban renewal project. This resulted in the Australian Government committing \$3 million to the Fishermans Bend Transport Link Feasibility Study. We will keep advocating as it is imperative Fishermans Bend receives the services and open space its growing population already needs.

Building on our relationship with Victoria Police resulted in increased resources and focus on drinking bans for summer management, virtual joint patrols using the CCTV network and increased responsiveness to requests about the location of mobile CCTV and drug enforcement activity.

We hosted a Community Safety Forum on behalf of Victoria Police and, following extensive community engagement, adopted a new Community Amenity Local Law. This change addressed community concerns about commercial dog walkers, abandoned shopping trolleys, residential parking permits, itinerant trading, dumping of furniture and dangerous and unsightly land.

To help enforce these changes, we installed cameras in known hot spots for commercial-size dumped rubbish. We also reviewed the current Community Safety Plan 2019-2023.

Sustainability continued to be delivered in many ways across our City. This included the new kerbside Food Organics and Garden Organics (FOGO) services diverting 1,234 tonnes of waste from landfill. About 43,500 plants were added to our foreshore, streets, parks and Reserves and construction started on the new Port Phillip Eco-Centre.

This is just a snapshot of what has been delivered and I strongly encourage you to dip into this report to learn more about our priorities for your neighbourhood – and our beautiful City.



**Councillor Heather Cunsolo**  
Mayor, City of Port Phillip

# CEO's overview

Chris Carroll



It has been a big year at the City of Port Phillip, as we move beyond the COVID-19 crisis and into a rebuilding phase. We've been working hard to navigate the challenges and changes that face our City, including social, economic, political, and environmental issues.

Some of our hardest hit industries by the pandemic, including hospitality and creative and cultural industries have returned with full force, and we have been supporting this growth with tourism campaigns to encourage new and returning visitors, a new outdoor trading strategy, the return of St Kilda Festival revellers to a two-day format, as well as the exciting announcement of St Kilda as Victoria's first Live Music Precinct.

Prudent financial management has been front of mind as we work to address a growing cost of living crisis for our community. As an organisation, we have seen significant improvement in our financial performance due to a better-than-expected COVID-19 recovery, and this has allowed us to combat high inflation while still providing continuous improvement and affordable rates for our residents. Our commitment to efficiency enabled Council to consider cost-of-living pressures in setting a rates increase of **2.8 per cent**, which is lower than the rates cap of **3.5 per cent** and well under the expected **4.5 per cent** inflation rate. This strong financial position is reflected in our overall low risk rating on Victorian Auditor General's Office (VAGO) financial sustainability indicators.

With State and Federal Government elections this year, we have focussed on advocating for key projects, policy changes and funding requests we wished to be considered by the Victorian and Australian Governments. The fruits of our labour were realised as several exciting funding announcements were made to support important projects in Port Phillip, including a \$650,000 grant to support our bigger and better St Kilda Festival from Creative Victoria, up to \$12.6 million from the Victorian Government to future proof our early years education and care centres, and \$3 million towards the Fisherman's Bend Transport Link Feasibility Study.

Engaging and communicating with our community is at the heart of what we do, and this year we have reinvented our consultation strategy to allow our community to better have their say on a range of important projects and decisions that will affect them. We have also continued our focus on supporting innovation and customer service through delivery of our **Clever Port Phillip Action Plan** and **Customer Experience Improvement Plan** which has resulted in significant

improvements in high volume service requests like hard and green waste collection, dumped rubbish collection, and parking permits, as well as enhanced asset management.

We have broken ground on some of our cornerstone projects in the Council Plan 2021-31, including the brand-new state of the art Eco-Centre, progressing the redevelopment and long-term lease of our iconic South Melbourne Town Hall, and the roll out of our kerbside Food Organics and Garden Organics (FOGO) collection service, which has seen a significant reduction in waste to landfill.

This year has been my first as CEO of City of Port Phillip, and I am proud to be leading the organisation responsible for looking after one of the best places in Australia. I am committed to continuing the good work with our councillors, community, and staff to make this an even greater place to live, work, visit, and do business.

**Chris Carroll**  
Chief Executive Officer

Educator and children  
at Barring Djinang  
Kindergarten,  
South Melbourne.



# Challenges our City faces

## A City of economic and social contrasts

While there are generally high levels of advantage in Port Phillip, disadvantage and poorer health outcomes exist in some of our neighbourhoods. For some people, necessities such as housing and food security are out of reach without support. Disadvantage has been further exacerbated by the COVID-19 pandemic and increases in cost of living.

# 3%

**Proportion of Jobseekers in the City of Port Phillip in November 2022.**

# 6,600

**People living in rental housing distress.**

# 80

**People in our community who are sleeping rough.**

## Changing customer expectations and needs

As our population changes and grows, so does the demand for different services and facilities. Advances in technology and technological literacy are also changing the way people want to communicate and engage with Council.

# 26%

**Increase in volume of service delivery requests in the 2022/23 financial year compared to the previous year.**

# 5,052

**persons per square kilometre.**

# 50+

**Age group with the most significant population growth.**

## Government, legislative and technological changes

Victorian councils operate in a complex legislative and policy environment, which includes more than 120 pieces of legislation, as well as various policies and regulations. The *Local Government Act 2020* was the most ambitious and comprehensive reform of local government in Victoria in over 30 years, and had significant ongoing implications. This year, we also implemented changes to the *Food Act 1984*, which came into effect in August 2022 and a new Enterprise Agreement. Changing technology is both an opportunity and a threat. Instances and sophistication of cybercrime is increasing, but conversely technological advances provide opportunities to improve our services.

# 76,000

**Cybercrime reports received by the Australian Cyber Security Centre during the 2021/22 financial year.**

# 13%

**Increase in cybercrime reports during the 2021/22 financial year, compared to the previous financial year.**

**Climate change and the environment**

Climate change is already impacting our lives. With more extreme and frequent storms, decreased rainfall and higher temperatures, taking action to prepare our community for a changing climate is crucial. Council has declared a climate emergency and is taking evidence-based action by reducing carbon emissions, water use and waste generation, increasing trees, vegetation and biodiversity, improving water quality and ensuring we are adapting and resilient to the impacts of climate change, including flooding and heat.

40%

Less rain than the long-term average.

**The strength and diversity of our local economy**

The peak of the COVID-19 crisis has now past, but its aftermath continues to be felt by businesses and individuals, particularly in the hospitality sector. Nonetheless, the outlook is positive, with Port Phillip's creative and cultural industries having undergone a powerful resurgence. Supporting our retail and dining precincts to thrive remains a key priority. In partnership with local traders associations, we are working to reduce retail vacancies and upgrade infrastructure such as lighting.

\$13.82<sub>B</sub>

City of Port Phillip's Gross Regional Product.

**Getting around our City**

As the most densely populated municipality in Victoria, our transport network – including roads, parking, bike paths and footpaths – is under constant pressure. The permanent increase in people working from home hasn't reduced the number of trips that are being taken, but it has changed the time, the way and the reasons for travel. Council is continuing to work with the Victorian Government to ensure their significant investment in transport infrastructure meets the needs of our community.

57,000

Council managed parking spaces in Port Phillip.

24 cm

How much sea level is projected to rise by 2050.

65,564

Number of residents who are employed.

77%

Households that own at least one car.

10-20 cm

Amount rainfall has decreased since 1950.

21,730

Number of local businesses.

59 km

Combined distance of bike lanes and paths in Port Phillip.

## Future-proofing our growing City

Despite a brief downturn during the COVID-19 pandemic, the Victorian Government forecasts that by 2036, an extra 38,290 people will move to our City. It remains vital to plan for increased demand for everything from open space to waste collection.

## Waste management

More household waste is being generated by our City as our population grows. Reforms to waste policies which aim to drive circular economic outcomes require Council to deliver new waste services. Additional waste generation and new waste services, including our kerbside Food Organics Garden Organics (FOGO) service mean extra costs to Council.

# 138,000

Forecast population by 2031.

# \$60

Increase in Victorian Government's landfill levy per tonne since the 2019/20 financial year.

# 167,000

Forecast population by 2041.

# 14,600

Houses and townhouses in Port Phillip that can now access the kerbside FOGO service.

For Elwood resident, Michelle, prior to the introduction of FOGO, 50 per cent of our garbage was attributable to food waste. Who would have thought!"



# Our 2031 focus

Proudly Port Phillip: A liveable and vibrant City that enhances the wellbeing of our community.

The *Local Government Act 2020* requires councils to take an integrated approach to strategic planning and reporting. Our Council Plan and Budget 2021-31 is a roadmap to achieving the vision our community has for our City and to enhancing the health and wellbeing of our residents. Knowing where we are heading and what we want to achieve enable us to provide the best possible outcomes for our City and community, now and over the longer-term.

The plan helps us to navigate the inevitable challenges that arise, including social, economic, political and environmental issues. It also helps us take advantage of opportunities by ensuring we are resilient and agile. It is supported by the Port Phillip Planning Scheme and a range of detailed strategies and delivery plans. The Council Plan is the roadmap for everything we do. More information on the Council Plan and Budget is available at

[portphillip.vic.gov.au/council-plan](http://portphillip.vic.gov.au/council-plan)

## Strategic Direction

**Inclusive Port Phillip**



**Liveable Port Phillip**



## Strategic objective

**A City that is a place for all members of our community, where people feel supported, and comfortable being themselves and expressing their identities.**

**A City that is a great place to live, where our community has access to high quality public spaces, development and growth are well-managed, and it is safer and easy to connect and travel within.**

## We will work towards Our four-year strategies

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Port Phillip is more accessible and welcoming for people of all ages, backgrounds and abilities.</li> <li>• Port Phillip is a place where people of all ages, backgrounds and abilities can access services and facilities that enhance health and wellbeing through universal and targeted programs that address inequities.</li> <li>• People are supported to find pathways out of homelessness.</li> </ul> | <ul style="list-style-type: none"> <li>• Port Phillip has diverse and distinctive neighbourhoods and places and is proud of and protects its heritage and character.</li> <li>• Port Phillip is safer with liveable streets and public spaces for people of all ages and abilities to enjoy.</li> <li>• The City is well connected and easy to move around with options for sustainable and accessible transport.</li> </ul> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

## Services that contribute

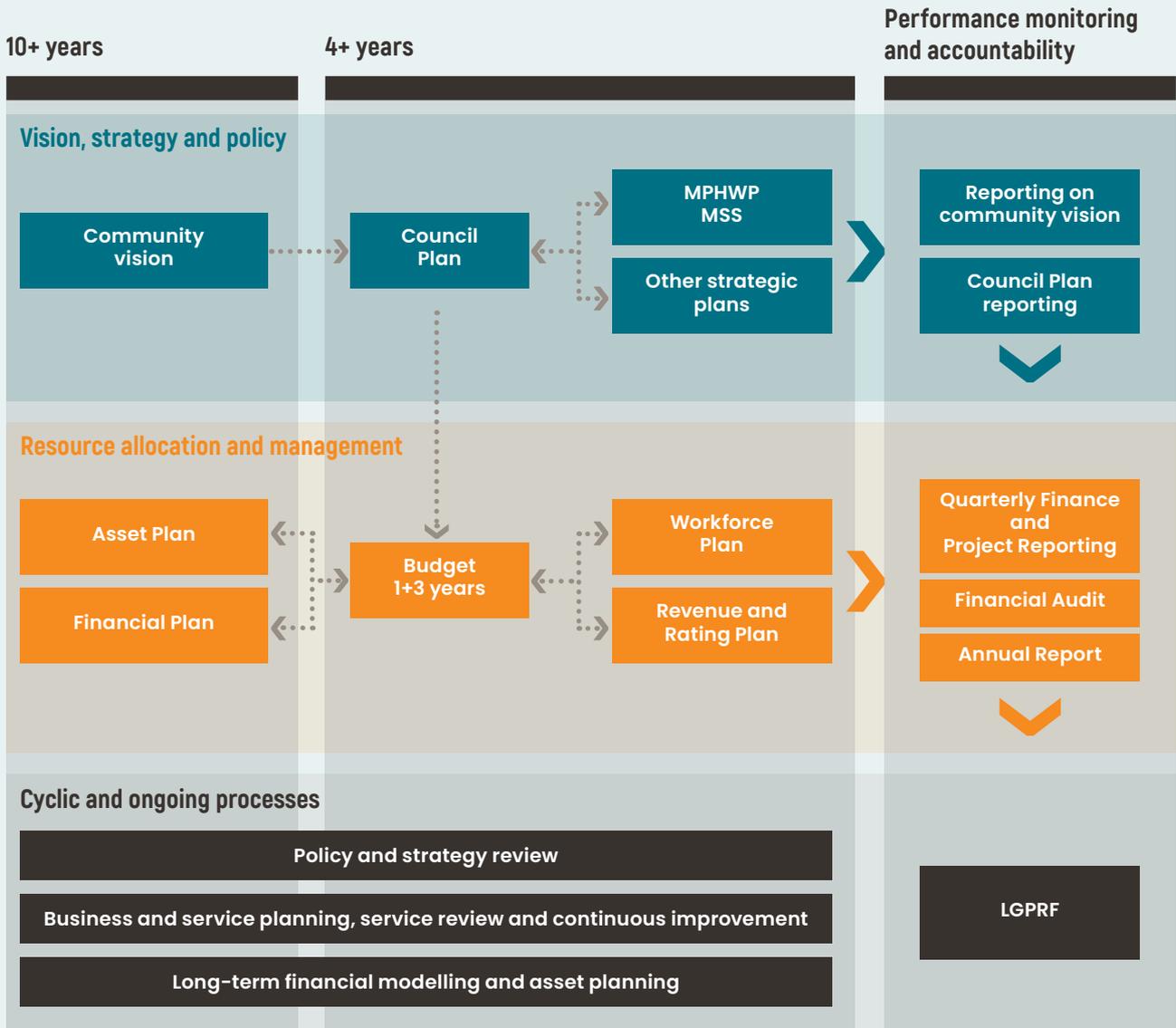
- |                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> <li>• Affordable housing and homelessness</li> <li>• Ageing and accessibility</li> <li>• Children</li> <li>• Community programs and facilities</li> <li>• Families and young people</li> <li>• Recreation.</li> </ul> | <ul style="list-style-type: none"> <li>• City planning and urban design</li> <li>• Development approvals and compliance</li> <li>• Health</li> <li>• Local laws and animal management</li> <li>• Municipal emergency management</li> <li>• Public space</li> <li>• Transport and parking management.</li> </ul> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Strategic Direction		
<b>Sustainable Port Phillip</b> 	<b>Vibrant Port Phillip</b> 	<b>Well-Governed Port Phillip</b> 
Strategic objective		
<p><b>A City that has a sustainable future, where our environmentally aware and active community benefits from living in a bayside city that is greener, cooler, cleaner and climate resilient.</b></p>	<p><b>A City that has a flourishing economy, where our community and local businesses thrive, and we maintain and enhance our reputation as one of Melbourne's cultural and creative hubs.</b></p>	<p><b>A City that is a leading local government authority, where our community and our organisation are in a better place as a result of our collective efforts.</b></p>
We will work towards Our four-year strategies		
<ul style="list-style-type: none"> <li>• Port Phillip has cleaner streets, parks, foreshore areas and waterways where biodiversity flourishes.</li> <li>• Port Phillip manages waste well, maximises reuse and recycling opportunities and supports the circular economy.</li> <li>• The City is actively mitigating and adapting to climate change and invests in designing, constructing and managing our public spaces to optimise water sustainably and reduce flooding (blue/green infrastructure).</li> </ul>	<ul style="list-style-type: none"> <li>• Port Phillip's main streets, activity centres and laneways are vibrant and activated.</li> <li>• Port Phillip is a great place to set-up and maintain a business.</li> <li>• Arts, culture, learning and creative expression are part of everyday life.</li> <li>• People in Port Phillip have continued and improved access to employment, education and can contribute to our community.</li> </ul>	<ul style="list-style-type: none"> <li>• Port Phillip Council is high performing, innovative and balances the diverse needs of our community in its decision-making.</li> <li>• Port Phillip Council is cost-effective, efficient and delivers with speed, simplicity and confidence.</li> <li>• Our community has the opportunity to participate in civic life to inform Council decision making.</li> </ul>
Services that contribute		
<ul style="list-style-type: none"> <li>• Sustainability</li> <li>• Waste management</li> <li>• Amenity.</li> </ul>	<ul style="list-style-type: none"> <li>• Arts and culture</li> <li>• Economic development and tourism</li> <li>• Festivals</li> <li>• Libraries</li> <li>• South Melbourne Market.</li> </ul>	<ul style="list-style-type: none"> <li>• Asset and property management</li> <li>• Communications and engagement</li> <li>• Customer experience</li> <li>• Finance and project management</li> <li>• Governance, risk and policy</li> <li>• People, Culture and Safety</li> <li>• Technology.</li> </ul>

# Delivering our 2031 vision

We follow an integrated approach to planning, monitoring and performance reporting. The following figure shows the relationships between our key planning and reporting documents.

Figure 1. Integrated planning and reporting framework for local government



## Engaging and reporting on the Council Plan 2021-31



## Our values

Values are enduring and drive a workplace culture that will enable us to deliver the expectations of the Council Plan.

### Working together

- We are open, we listen, we respect others and trust each other.
- We partner with others to deliver results for our community.

### Courage and integrity

- We do not allow situations to continue that we know are wrong or not quite right.
- We are prepared to make decisions even when things are uncertain.

### Community First

- We view what we do through the eyes of the community.
- We promote and provide an exceptional customer experience.

### Creative and strategic thinking

- We innovate, embrace new technology, learn and grow.
- We are open to new ideas, encourage and value all contributions.

### Accountability

- We do what we say we are going to do and deliver on our commitments.
- We own the problem, the solution and the outcomes.

An aerial view of  
Port Phillip foreshore.



# 2

## A snapshot of our year

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# The year in review

## A calendar of major events

### 2022

#### July



- Southside Live was a new, free six-night music festival which lit up St Kilda's beachfront.
- NAIDOC Week 2022 celebrations included bringing music, food and art to locations across Port Phillip.
- A Truffle Affair showcased local Victorian produce at the South Melbourne Market.

#### August



- Giant penguin sculptures added a touch of whimsy to the foreshore, funded by the Love My Place grants program.
- My Port Phillip, a new self-service portal, was launched to improve convenience for customers.

#### September



- The 17th annual School Sustainability Festival was held at St Kilda Town Hall.
- Council was awarded full Rainbow Tick accreditation for our aged care services.
- Council resolved to explore the feasibility of a live music and performance venue on the St Kilda Triangle.

#### October



- Nearly 2,000 people participated in the Seniors Festival.
- Ride2Work and Ride2School events across Port Phillip encouraged, supported and celebrated active transport options.

## 2022

### November



- The accessible beaches program launched at St Kilda and Port Melbourne.
- Councillor Heather Cunsolo was elected Mayor.

### December



- International Disability Day was celebrated at our libraries and community centres.
- The Summer Sessions project hosted 33 free entertainment activations across Port Phillip between December and January.
- From The Ground Up exhibition commissioned 26 murals across Port Phillip.

## 2023

### January



- Kerbside Food Organics and Garden Organics (FOGO) collection services commenced.
- The Boonwurrung People held a mourning reflection dawn ceremony on 26 January.

### February



- The Pride March drew a 50,000 strong crowd to celebrate the LGBTQIA+ community
- The Sunset Cinema summer season commenced at the St Kilda Botanical Gardens.
- St Kilda Festival took on a two-day format, attracting 375,000 attendees.

# 2023

## March



- South Melbourne Market welcomed back the much-loved Port Phillip Mussel and Jazz Festival.
- A total of 16 Clean-Up events took place across Port Phillip, as part of Clean Up Australia Day.
- An emergency relief centre mock exercise enhanced our emergency preparedness.

## April



- Public tender was issued for the first tranche of South Melbourne Town Hall renewal works.
- Construction commenced on the new EcoCentre.
- A team of six inner-city Councils united to deliver the Urban Canvas Mural Festival.

## May



- A Mayor's Round Table helped shape the strategic principles of the Urban Forest Strategy.
- Port Phillip Citizens for Reconciliation Inc. (PPCfR) held a National Sorry Day lunch for the community.
- After extensive feedback from the community, we were successful in working with Victorian Government to remove pop-up bike lanes.

## June



- The St Kilda Film Festival attracted more than 10,000 attendees.
- St Kilda was designated as Victoria's first ever live music precinct.
- Pride at Play celebrated Pride Month with a free curated collection of LGBTQIA+ games.
- The Blessington Street Outdoor Precinct became home to a new open-air, community dining space.

Midsumma Flag Raising  
Ceremony 2023.

**PORT PHILLIP  
AND PROUD**



The Main Stage at this year's St Kilda Festival.



# Our performance highlights

Council sets the strategic direction for the municipality, develops policies, identifies service standards and monitors performance. More detail on our performance for the year is provided in Chapter 4: Our Performance.

50%

Council Plan outcome indicators at or above target

75%

Local Government Performance Reporting Framework (LGPRF) measures that met or exceeded expectations

44

Projects completed during the 2022/23 financial year

99%

Council Plan initiatives in progress or completed

Strategic direction

# Inclusive Port Phillip



## 46

units of community housing were constructed in partnership with HousingFirst via the Marlborough Street community housing project.

## 1.3k

hours of support were provided to 87 families with a range of health and disability support needs.

## 88%

of families reported high levels of satisfaction with the Lead Family Worker Program.

## 80

students from seven local schools participated in our Youth Leadership Program.

## 300

families engaged in a parenting information program to support positive health and wellbeing

## 123

people who were sleeping rough in the City of Port Phillip have been supported into long-term housing through the Port Phillip Zero Project (PPZ).



**Beach matting and floating wheelchair services have made St Kilda and Port Melbourne beaches more accessible.**

Marlborough Street community housing

Pride March



Strategic direction

# Liveable Port Phillip



## \$3m

committed to the Fishermans Bend Transport Link Feasibility Study by the Australian Government.

## >250

cats and dogs de-sexed as part of Council's Pets of Port Phillip Program, targeting pets in social housing that might not otherwise have been de-sexed.

## 615k

trips were taken on e-bikes and e-scooters across our City as part of the Victorian Government's e-scooter trial.

## 12.5k

cats and dogs registered

## 28%

increase in immunisation attendance compared to last year.

## 1.3k

planning application decisions were made, with excellent VCAT outcomes.



**Biodiverse planting was delivered along Danks and Bothwell Streets, as well as our light rail corridor and foreshore.**

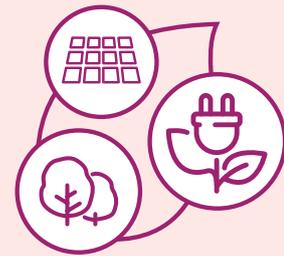
Activation on Dickens Street

E-cargo bike



Strategic direction

# Sustainable Port Phillip



## 5

Water Sensitive Urban Design (WSUD) infrastructure projects were successfully completed.

## 4%

reduction in Council's gross carbon emissions.

## >43.5k

plants were added to our foreshore, streets, parks and reserves.

## 42%

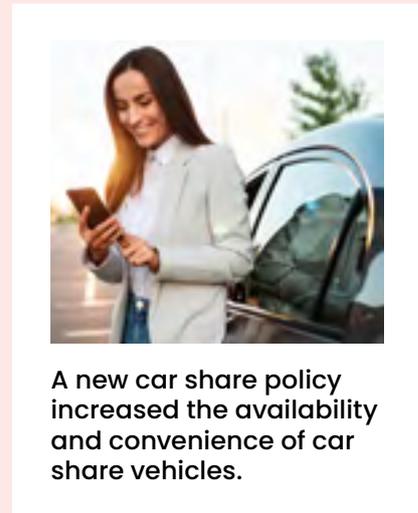
of the initiatives within the Act & Adapt Strategy have been completed and a further 26% are in progress.

## >1.2k

tonnes of waste from landfill diverted as the result of the new kerbside Food Organics and Garden Organics (FOGO) services.

## 2024

is the new target for transition to fortnightly garbage collection.



**A new car share policy increased the availability and convenience of car share vehicles.**

Inspection at a communal FOGO hub

EcoCentre media launch



Strategic direction

# Vibrant Port Phillip



\$90k

funded nine successful projects as part of the Love My Place grant program.

3

tourism campaigns aimed to increase local visitation to Port Phillip.

100%

trader occupancy rate at South Melbourne Market for the year, and an additional 43 small local businesses popped-up in the Market's retail incubation space.

>5m

visits to the South Melbourne Market.

28k

community members attended programs at local libraries.

25k

people attended First Peoples First celebration of First People's music and culture, as part of St Kilda Festival.



St Kilda was declared Victoria's first live music precinct.

One of the street murals on Carlisle Street

The crowd at this year's St Kilda Festival



Strategic direction

# Well-Governed Port Phillip



## 86%

of actions from the customer experience improvement plan have been completed or are on track.

## 35%

improvement in response time to service requests, despite a 26% increase in volume.

Last year's Annual Report received an Australasian Reporting Awards (ARA) gold award.



## >90%

attendance of Councillors at Council meetings.

## 88%

of audit actions were completed on time.

## 78k

feedback contributions were made by community members, via our comprehensive engagement program.

Meeting of LGBTQIA+ Advisory Committee

Customer service at St Kilda Town Hall



The opening night of  
St Kilda Film Festival.



# What happened in your neighbourhood?

Our City is home to eight distinct neighbourhoods, each with their own much-loved character, attributes and attractions. Below is a brief summary of the projects and activities most relevant to each neighbourhood.

## 1 Port Melbourne

- Completed safety improvement works at the intersection of Liardet Street and Cruikshank Street, and on Howe Parade between Centre Avenue and Beacon Road.
- Installed a new flying fox at TT Buckingham Reserve.
- Commenced the process of replacing the Lagoon Reserve Pavilion and reconstructing the sports field.
- Conducted three neighbourhood engagement pop-ups on Market Street.
- Delivered a program of events and services through the Port Melbourne Library, Port Melbourne Toy Library, and Bubup Womindjeka Family and Children's Centre.

## 2 Fishermans Bend

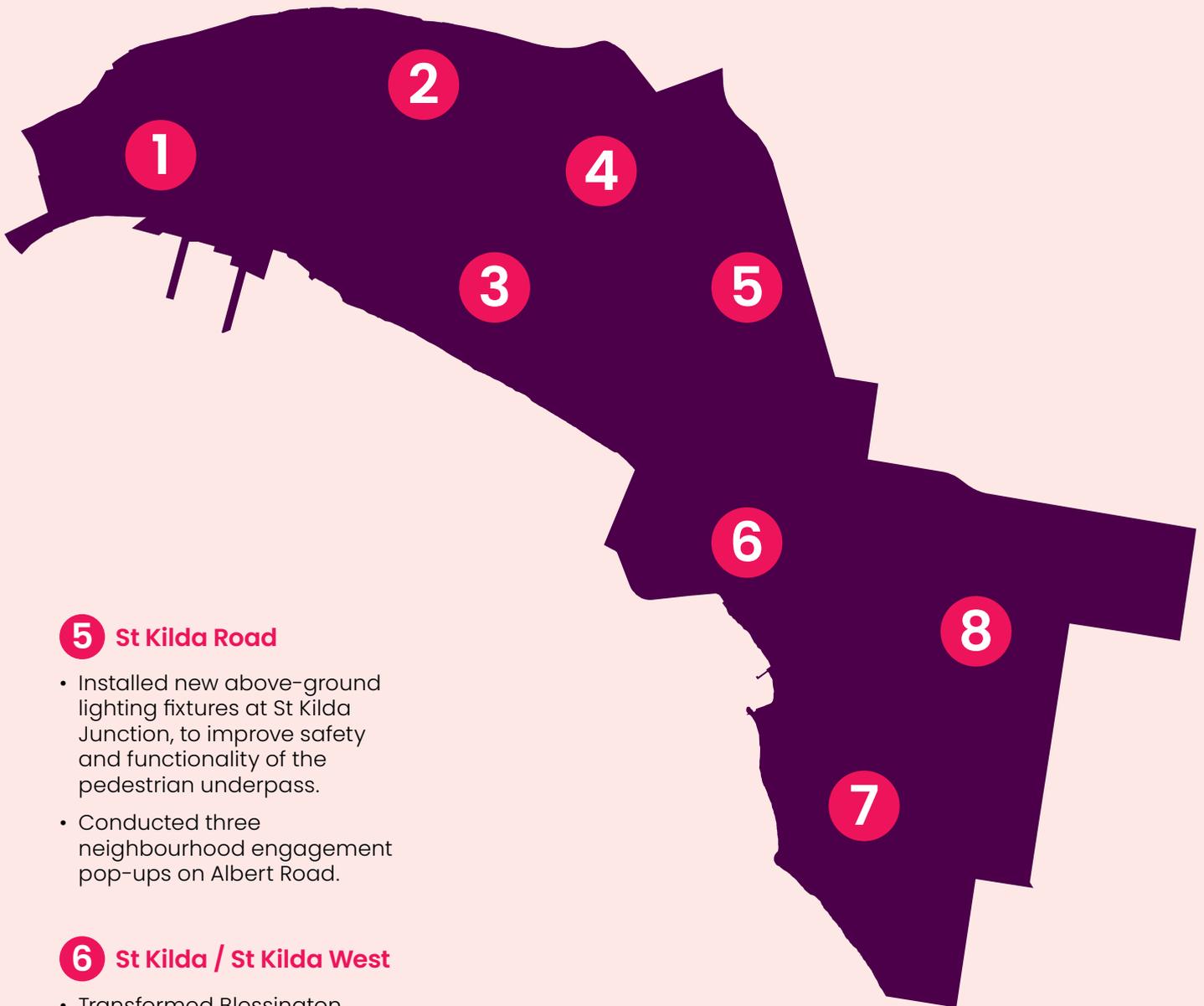
- Collaborated with water authorities, research bodies, state government departments, and neighbouring councils to develop the Fishermans Bend Water Sensitive City Strategy.
- Successfully advocated for the Victorian Government to fund the Fishermans Bend Transport Link Feasibility Study.
- Worked with the State Government to further develop and implement the Fishermans Bend Framework vision.

## 3 Albert Park and Middle Park

- Secured funding from the Victorian Government for the Middle Park beach renourishment project.
- Upgraded two intersections to improve pedestrian safety and access, and replace asphalt surfaces with landscaping at Nimmo Street, Beaconsfield Parade, McGregor Street and Patterson Street.
- Upgraded the public toilets next to the Sandbar Café to improve accessibility.
- Conducted three neighbourhood engagement pop-ups at Dundas Place Reserve.
- Delivered a program of events and services through the Albert Park Library, Middle Park Library, Middle Park Toy Library, Middle Park Maternal and Child Health Centre and Gasworks Arts Park.

## 4 South Melbourne

- Upgraded Eastern Reserve to improve the surface of the fenced dog park.
- Negotiated a 35-year lease with the Australian National Academy of Music (ANAM) for the South Melbourne Town Hall.
- Delivered a program of upgrades and public safety improvements at South Melbourne Market.
- Upgraded the intersection of Cecil and Napier Street, to improve pedestrian safety and access.
- Conducted three neighbourhood engagement pop-ups on Market Street.
- Delivered a program of events and services through the Emerald Hill Library and Heritage Centre, the Maternal and Child Health Centre at South Melbourne Primary School and South Melbourne Toy Library.



**5 St Kilda Road**

- Installed new above-ground lighting fixtures at St Kilda Junction, to improve safety and functionality of the pedestrian underpass.
- Conducted three neighbourhood engagement pop-ups on Albert Road.

**6 St Kilda / St Kilda West**

- Transformed Blessington Street into an open-air community space for pedestrians and outdoor dining.
- Completed a new accessible playground with park amenity upgrades at Rotary Park.
- Replaced the public toilets at Shakespeare Grove.
- Conducted three neighbourhood engagement pop-ups at the VegOut Farmers Market.
- Delivered a program of events and services through the St Kilda Library, Bubup Narim Family and Children's Centre and the Linden Art Gallery.
- Declared the St Kilda Live Music Precinct.

**7 Elwood and Ripponlea**

- Upgraded the lighting at Elwood Park Reserve.
- Created a new off-leash dog park at MO Moran Reserve
- Extended the funding agreement to provide free access to Rippon Lea Estate to Port Phillip residents.
- Conducted six neighbourhood engagement pop-ups at the Elwood Farmers Market and on Glen Eira Road.
- Delivered a program of events and services through the Poets Grove Family and Children's Centre, and the Elwood Toy Library.

**8 Balaclava and St Kilda East**

- Created a temporary pop-up park in Dickens Street.
- Commenced a program to activate Carlisle Street and fill vacant shopfronts with new businesses, creativity and innovation.
- Conducted three neighbourhood engagement pop-ups on Carlisle Street.
- Installed temporary toilets in Alma Park, until the toilets that were damaged by fire can be replaced.



People dancing during the festive Port Phillip Mussel and Jazz Festival.

# Financial report overview

**The 2022/23 financial year saw Councils post COVID-19 recovery result in an increase in the delivery of services and infrastructure, in addition to delivering priority projects and service improvements valued by our community. This allowed us to continue our commitment to continuous improvement and efficiency and keeping rates affordable.**

Our City is continuing to deal with the financial impacts of a post-pandemic world. High inflation because of the volatile economic market presented unprecedented challenges as we negotiated a new Enterprise Agreement and major contract pricing increases which were heavily impacted due to the flow on impact of fuel and material cost increases.

The organisation is facing a higher than the historical average staff vacancy rate, which is placing pressure on existing staff to respond to increased service volumes and backlogs to meet service levels and project delivery. Some roles are hard to recruit particularly in Project Delivery and Engineering, Aged Services and Child Care.

Against a backdrop of increasing cost pressures (especially Waste Management and Recycling, and projects) and rising expectation of service delivery, Council delivered \$1.1 million of efficiency during the year.

Moreover, favourable income from parking and investment interest have placed council in a sound financial position. This enabled Council to endorse a rates increase of 2.8 per cent for Budget 2023/24, 20 per cent lower than the gazetted rates cap of 3.5 per cent.

That said we are not complacent and understand the increasing expectation our community has that we are prudent in our management of their funds and our stewardship of the community assets particularly in these unprecedented times.

## Key financial highlights and indicators include:

An overall low risk rating on Victorian Auditor General's Office (VAGO) financial sustainability indicators

Significant improvement in financial performance due to greater recovery post COVID-19 than anticipated.

Positive net operating result of \$24.0 million (9.4 per cent of total revenue)

An investment portfolio of \$149.9 million

A healthy working capital ratio of 449 per cent

Permanent ongoing efficiency savings of over \$1.1 million during the year in addition to the \$1.5 million included in Budget 2022/23. This builds on the \$4.9 million in the last three budgets of this council. Cumulative savings since the introduction of rates capping in 2016/17 are more than \$91 million.

A cumulative cash surplus balance of \$8.4 million which has been used to fund a lower rates increase of 2.8 per cent than the rates cap of 3.5 per cent for Budget 2023/24.

Formal asset revaluations for Land, Building and Roads assets increased asset values by \$72 million driven by property market changes and increases in contract and unit rates.

A summary of our performance is outlined below. Detailed information relation to Council's financial performance is included within the financial statements and performance statement sections of this report.

## Financial sustainability indicators

Prudent financial planning in prior periods impacted by the pandemic and during the 2022/23 budget process in the face of a volatile economic climate enabled Council to maintain its low financial sustainability risk rating when measured against the Victorian Auditor General's Office (VAGO) financial sustainability indicators, in the face of high inflationary pressure which significantly impacted our expenditure.

Indicator					Result
	2018/19	2019/20	2020/21	2021/22	2022/23
<b>Net result</b> Net result greater than 0 %	3.1 %	2.9 %	5.5 %	10.9 %	9.4 %
<b>Adjusted underlying result</b> Adjusted underlying result greater than 5 %	(3.4 %)	(2.9 %)	0.8 %	5.0 %	6.6 %
<b>Working capital</b> Working capital ratio greater than 100 %	268 %	360 %	309 %	390 %	449 %
<b>Internal financing</b> Net cashflow from operations to net capital expenditure greater than 100 %	107 %	143 %	341 %	408 %	112 %
<b>Indebtedness</b> Indebtedness ratio less than 40 %	5.3 %	5.5 %	1.5 %	1.1 %	1.1 %
<b>Capital replacement *</b> Capital to depreciation greater than 150 %	135 %	87 %	77 %	111 %	140 %
<b>Infrastructure renewal gap *</b> Renewal and upgrade to depreciation greater than 100 %	108 %	72 %	75 %	100 %	101 %
<b>Overall financial sustainable risk rating</b>	Low	Low	Medium	Medium	Low

\* Refer to Total capital spend on page 2-47 for details.

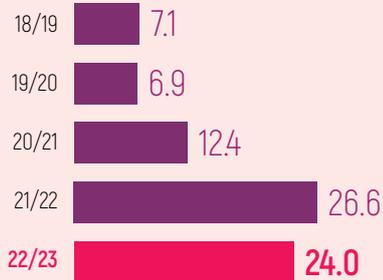
## Cash surplus

As part of our financial strategy, the principal financial report used by Council to monitor its financial performance is the Income Statement Converted to Cash. Council's cash surplus places us in a strong position to enable Council to fund a rates increase of 2.8 per cent, 20 per cent lower than the rates cap of 3.5 per cent. It is also used to manage continuing unknown economic factors in 2023/24.

	\$'000	
	2022/23	2021/22
<b>Operating Surplus</b>	24,006	26,594
Add back depreciation and amortisation	20,821	20,623
Add back written down value of disposed assets	1,108	17,654
Add back balance sheet work in progress reallocated to operating	778	637
Less non-monetary contributed assets	(1,166)	(8)
Add share of net loss of associates and joint ventures	24	31
Less capital expenditure	(28,126)	(22,014)
Less lease repayments	(745)	(881)
Less loan repayments	-	(7,500)
Less net transfers to reserves	(13,551)	(36,561)
<b>Cash surplus for the financial year</b>	<b>(3,149)</b>	<b>(1,425)</b>
Brought forward cash surplus	5,236	6,661
<b>Closing balance cash surplus/(deficit)</b>	<b>8,385</b>	<b>5,236</b>

## Net operating result

\$ millions



Achieving an operating surplus is a key component of Council's long-term financial strategy. It provides the capacity to renew our \$3.7 billion worth of community assets, meet any debt repayment obligations, and manage the impact of financial risks as they arise.

Council's 2022/23 operating surplus of \$24 million represents a \$2.6 million decrease on the 2021/22 result. This decrease is due to higher expenditure in materials and services, because of increased inflation impacting contract rates, as well as a return to full services for the financial year following deferment of costs during the pandemic years.

**Total operating income increased by \$10.8 million (4.4 per cent). Movements are explained below:**

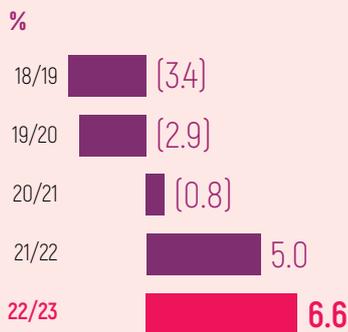
- \$3.4 million additional rates due to rates increase of 1.75 per cent in line with the Victorian Government rate cap approved in the 2022/23 budget and rateable property assessment growth.

- \$7.5 million of increased revenue from parking fees and parking infringements due to increased utilisation in foreshore and tourist areas as well as South Melbourne Market, directly impacted by improved weather conditions. Infringement income also increased due to a fully resourced enforcement team and increased non-compliance in foreshore and tourist areas.
- \$1.8 million increased income from permits and registrations due to improvements in events income following Covid impacts in the prior year.
- \$3.9 million additional interest income due to improved rates of return on investments as the financial markets improved post-pandemic (from average rates of 1.4 per cent at the beginning of 2022/23 to 4.51 per cent at 30 June 2023).
- \$4.6 million decrease in operating and capital grants received because of timing of receipt of Financial Assistance Grants, the reallocation of grant income to liabilities in accordance with Australian Accounting Standards, and large non-recurrent grants for capital projects received in the prior year.

**Total operating expenditure increased by \$13.4 million (6.2 per cent) due to:**

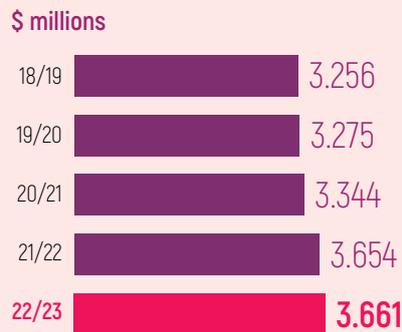
- \$12.7 million increase in materials and services due to increased contract payments across all services as a direct result of high inflation during the year impacting contract rates as well as increased services levels post-pandemic.
- \$6.7 million increase in employee costs because of the 3.1 per cent increase in salaries and wages following the implementation of the 2022 Enterprise Agreement, and the legislated 0.5 per cent increase in superannuation. Additionally, temporary/casual staffing costs increased in line with salaries and wages increases and due to Council moving forward with events and project delivery post COVID-19.
- \$6.5 million decrease in net loss on asset disposals due to prior year non-cash asset transfers as well as smaller segments of transport asset renewals not resulting in full disposal (due to change in policy)

### Underlying result



The underlying operating result excludes capital related revenue (grants and open space contributions). Council's underlying operating result in 2022/23 is a surplus of \$16.4 million, 6.6 per cent of total underlying revenue. This is a \$5.0 million improvement from last years \$11.4 million surplus and reflects Councils continuing commitment to realise efficiency savings, while responding to inflationary pressures in a volatile economic climate.

### Net assets



Council has approximately \$3.66 billion in net assets (Assets minus Liabilities) The main driver for changes in the value of Council's net assets (equity) is the impact of asset revaluations which take place over a rolling three-year cycle except for land which is currently revalued annually due to ongoing significant increases in value.

The following assets were formally revalued in 2022/23 in accordance with the Fixed Asset Accounting Policy 2021 with the following impact on the revaluation:

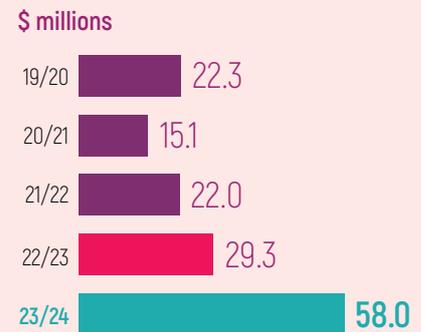
- Land – valuation increase \$31.5 Million
- Buildings - valuation increase \$18.5 Million
- Roads - valuation increase \$22.0 Million

Buildings were not scheduled for revaluation in this annual cycle, but were formally revalued in the system following indexation indicating a movement in value of 22 per cent which exceeds the policy threshold of +/- 10 per cent. This was impacted by improved asset conditions extending useful lives.

Valuation increases were driven by property market changes and inflation impacting on unit and contract rates.

All other infrastructure assets fair values were reviewed and the valuation movements of these classes in 2022/23 were not material.

### Total capital spend



Council invested \$29.3 million in 2022/23 to improve, renew, upgrade, and expand community infrastructure assets. This represented a \$7.3 million increase from 2021/22 mainly in property (land and building) expenditure.

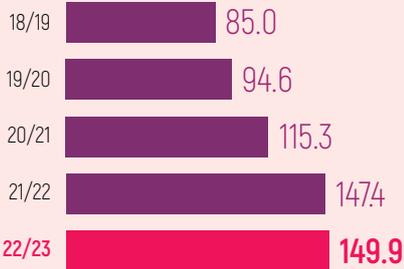
Our Infrastructure Renewal Gap ratio of 101 per cent achieved a low risk rating and the Capital Replacement Ratio of 140 per cent (up from 111%) was a medium-risk rating, and is expected to be low risk in future years. Both ratios improved in 2022/23 reflecting Councils continuing commitment to the renewal, expansion, and upgrade of community assets.

We have increased our forecasted capital portfolio program significantly over the next two financial years (2023/24: \$58 million and 2024/25 \$69.2 million) to address the low capital expenditure over the pandemic impacted financial years (2019-2022).

Our 10-year Financial Plan includes commitments of over \$45 million per annum adjusted for inflation to ensure our assets are maintained and improved, whilst catering for service growth. We planned for Infrastructure Renewal ratio at least 120 per cent and Capital Replacement ratio at least 150 per cent over next 10 years.

### Investments

\$ millions



The Council has grown its investment portfolio to approximately \$149.9 million in 2022/23 from \$147.4 million. This is mainly due to operating cash surplus, deferred project delivery, replenishing of Asset Renewal Fund, Municipal Growth Fund and Strategic Property Reserve.

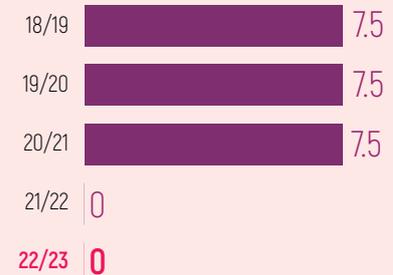
The investments fund statutory reserves (\$48.7 million) including deposits held in trust \$6.9 million, contractual reserves (\$48 million), strategic reserves (\$31.7 million), and general reserves (\$21.5 million) including employee provisions \$19.8 million.

We endeavour to maintain general reserves at levels sufficient to ensure liquidity and for contingencies. Council’s investment portfolio is mainly comprised of term deposits with financial institutions rated not lower than BBB+ to mitigate financial risks.

Council is committed to social, environmental sustainability as witnessed by Council’s declaration of a Climate Emergency in 2019. Where practical, Council preferences financial institutions that do not directly or indirectly fund activities including Offshore detention, Tobacco, Fossil Fuel energy generation or distribution, Gambling or entertainment involving animals including racing. At 30 June 2023, Council invested 72.8 per cent with fossil fuel free banks, a slight decrease from the 2021/22 result of 78 per cent but still achieving target range 60 to 80 per cent.

### Debt (Borrowings)

\$ millions



Through prudent fiscal management, the Council has been able to maintain relatively low levels of debt.

Council repaid the 7-year \$7.5 million loan in full as scheduled in 2021/22. There are no plans for future borrowings in our most recent 10-year financial plan. Borrowing will be reviewed annually as part of our budget process and as needed for significant projects.

# The year ahead

**For 2023/24 we have prepared a balanced budget (with a \$0.87 million risk buffer) that delivers on a wide range of services and ongoing investment in our strategic priorities to ensure we are able to deliver the key services and priorities our community expects.**

Average increase to general rates by 2.8 per cent, which is 0.7 per cent lower than the rates cap of 3.5 per cent. The \$3.6 million incremental rates revenue increase will be used to fund provide inflation on community services and projects as well as increased targeted financial support including increased pensioner rebates, funding increase to the Early Education Grants program for vulnerable families not eligible for Commonwealth Childcare subsidy, extension of funding agreement for Launch Housing assertive outreach service for rough sleepers, greater food support, and continuation of existing business support.

Budget 2023/24 includes a fully funded project portfolio of \$76.3 million. This will be used to renew, improve, and grow our community infrastructure (including green assets),

make improvements to service delivery and asset management, and develop plans for future investment.

We have been able to continue to invest in projects that matter and stay within the rates increase cap through continuation and refinement of our disciplined financial strategy including:

- maximising efficiency and making savings including better project planning and delivery (\$1.1 million embedded in Budget 2023/24)
- ensuring we recover costs through fair, appropriate and affordable user charges
- careful management and prioritisation of expenditure to ensure alignment with strategic priorities and best value
- sensible use of reserves where appropriate to invest in new or improved assets.

A key priority in 2023/24 will be to deliver initiatives of our Council's Plan. In particular, delivering our Don't Waste It! Waste Management Strategy sustainability targets such as increasing waste diversion from landfill. This includes introducing a mix of communal and kerbside collection of Food Organic and Garden Organic, and communal glass recycling.

We will do our best to factor in the unprecedented challenges post the pandemic. Our community is always at the forefront of what we do.

We will continue to ensure we are financially sustainable as we face several key financial risks including:

- Cost increases on services and portfolio from current inflation pressures.
- Providing targeted support our Community in a challenging environment.
- The funding and financing plan for Fisherman's bend remains uncertain.
- Waste sector disruptions and cost pressures including recycling.
- Service adjustments to align with Aged Care Reform.



**Peter Liu CPA**  
Principal Accounting Officer

## What you got for \$100

We delivered a broad range of services to our diverse community of residents, traders, business owners and visitors. This list shows how rates revenue was spent across these services for every \$100 spent in 2022/23.

Read more about each of these Council services in Chapter 4 Our Performance.

<b>Transport and parking</b>	<b>Waste management</b>	<b>Public Space</b>	<b>Asset and property management</b>	<b>Technology</b>
\$18.20	\$12.70	\$12.03	\$8.84	\$7.50
<b>Amenity</b>	<b>Sustainability</b>	<b>Governance risk and policy</b>	<b>Arts, culture and heritage</b>	<b>Recreation</b>
\$7.11	\$4.85	\$4.10	\$3.44	\$3.09
<b>Libraries</b>	<b>People, culture and capability</b>	<b>Community programs and facilities</b>	<b>Children</b>	<b>Families and young people</b>
\$3.04	\$2.96	\$2.27	\$2.19	\$2.10
<b>City planning and urban design</b>	<b>Ageing and accessibility</b>	<b>Festivals</b>	<b>Customer experience</b>	<b>Communications and engagement</b>
\$2.09	\$2.04	\$1.99	\$1.69	\$1.67
<b>South Melbourne Market</b>	<b>Affordable housing and homelessness</b>	<b>Local Laws and animal management</b>	<b>Economic development and tourism</b>	<b>Health</b>
\$1.07	\$0.94	\$0.93	\$0.88	\$0.44
<b>Emergency management</b>	<b>Finance and project management</b>	<b>Development approvals and compliance</b>		
\$0.28	(\$7.13)	(\$1.30)		

Note: A negative value indicates the service has achieved a net surplus for the financial year, that no rates funding has been allocated to support the service. The 2022/23 result for Development Compliance is (\$1.30) mainly due to developer permits income earned during the year and Financial and Project Management is (\$7.13) due to centralised income such as interest earned on cash and investments and other central income recoveries.

The mural project  
on Carlisle Street.





**Council staff planting a tree on Kerferd Road as part of greening Port Phillip.**

# 3

## Governing our City

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# Role of local government

In Victoria, the role of a council is to provide good governance in its municipal district for the benefit and wellbeing of the local community.

Australia has three levels of government: federal, state and local. Local government (council) is responsible for planning and delivering a wide range of services for residents, businesses, neighbourhoods and the local community. All councils have the power to make and enforce local laws and collect revenue to fund their activities.

Every Victorian council varies according to its community. However, all must operate in accordance with the *Local Government Act 2020*.

## A council must perform its role to implement the following overarching governance principles:

- council decisions are to be made and actions taken in accordance with the relevant law
- priority is to be given to achieving the best outcomes for the local community, including future generations
- the economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks is to be promoted
- the local community is to be engaged in strategic planning and strategic decision-making
- innovation and continuous improvement are to be pursued
- collaboration with other councils, governments and statutory bodies is to be sought
- the ongoing financial viability of the Council is to be ensured
- regional, state and national plans and policies are to be taken into account in strategic planning and decision-making
- the transparency of Council decisions, actions and information is ensured.

## Key functions of councils include:

- advocating and promoting proposals in the best interests of the local community
- planning for and providing services and facilities for the local community
- providing and maintaining community infrastructure in the municipal district
- undertaking strategic and land use planning for the municipal district
- raising revenue to enable the council to perform its functions
- making and enforcing local laws
- exercising, performing and discharging the duties, functions and powers of councils under the *Local Government Act 2020* and other Acts
- any other functions relating to the peace, order and good governance of the municipal district.

# Good governance at the City of Port Phillip

## An open and engaging Council

Council operates in an open and transparent manner when making decisions.

We engage our community on key issues of significance by actively seeking input from community reference groups and targeted stakeholder groups. We reach out to a broad cross-section of our community through community engagement practices that include the use of face-to-face and online mediums.

Throughout 2022/23, as COVID-19 restrictions eased, we reintroduced face-to-face engagement techniques, while still allowing the community to participate in online engagement. To ensure our community continued to have opportunities to participate in Council's decision-making process, we encouraged community participation and offered opportunities to speak at Council meetings either in-person or online.

We value the contributions that our community make at Council meetings and encourage anyone wishing to speak at these important public forums to submit statements and questions via our website by 4 pm on meeting days.

Closed and confidential reports are kept to a minimum, with every effort made to ensure most decisions are considered in open Council meetings, including tenders and legal matters where possible. We have maintained our commitment to involving people in the process and ensuring decisions are made in the best interests of the whole community.

All Council and Planning Committee meetings are live streamed. The live streams can be accessed via Council's website and recordings of past meetings are also available to view. Council meetings are also streamed live on Facebook.

Dates and venues for Council meetings are advertised on our website and via email notification to community members who opt-in. If urgent special meetings must be called, we publicise these meetings to our community with as much notice as possible.

## Councillor Code of Conduct

The Code of Conduct is designed to facilitate the effective functioning of the Council and sets out the principles of good conduct for Councillors. It requires Councillors to:

- agree to respect and be committed to the stewardship of the City of Port Phillip and to lead in good governance practice
- embed best practice through a constructive team culture to meet legislative responsibilities
- develop and maintain good working relationships with each other and with the organisation so they can deliver positive outcomes and value to the community
- abide by the *Local Government Act 2020*.

It also outlines the role of the Mayor, Councillors and the Chief Executive Officer, legislative obligations of Councillors and an internal issue resolution procedure to deal with potential breaches of the code.

The Councillor Code of Conduct is available at [portphillip.vic.gov.au](http://portphillip.vic.gov.au).

# City of Port Phillip's Council

Council sets the strategic direction for the municipality, develops policy, identifies service standards and monitors performance.

City of Port Phillip's Council is divided into three wards with three Councillors per ward.

The three wards are:

- Canal Ward
- Gateway Ward
- Lake Ward.

Council's most recent general election was held on Saturday 24 October 2020. The term of office for each Councillor ends at 6am on Saturday 26 October 2024.

Councillor Robbie Nyaguy was elected at a countback on 16 January 2023. The countback was required to fill an extraordinary vacancy created in December 2022 when former Lake Ward Councillor Katherine Copsey was elected to the Victorian Parliament.

On Wednesday 9 November 2022, at a special meeting of Council, Councillor Heather Cunsolo was elected Mayor and Councillor Andrew Bond was elected Deputy Mayor.

The role of the Mayor is to provide guidance to Councillors about what is expected of a Councillor, including observing the Councillor Code of Conduct, and supporting good working relations between Councillors. The Mayor also acts as the Council's principal spokesperson and is responsible for carrying out the civic and ceremonial duties of the Mayoral office.

## Canal Ward



**Councillor Tim Baxter**

**First elected 2016**  
**Re-elected 2020**

Friends of Suai/Covalima Community Reference Committee, HousingFirst Board, Linden New Art Board of Management.



**Councillor Rhonda Clark**

**First elected 2020**

Prosperous Port Phillip Business Advisory Group, Chief Executive Officer Employment Matters Committee, Multicultural Advisory Committee.



**Councillor Louise Crawford**

**First elected 2016**  
**Re-elected 2020**

Art Acquisition Reference Committee, Chief Executive Officer Employment Matters Committee, Community Grants Assessment Panel, Cultural Development Fund Reference Committee, Rupert Bunny Foundation Visual Art Fellowship Reference Committee.

## Gateway Ward



**Councillor Heather Cunsolo  
Mayor**

**First elected 2020**

Audit and Risk Committee, Chief Executive Officer Employment Matters Committee, Fishermans Bend Community Forum, Association of Bayside Municipalities, Fishermans Bend Mayors Forum, Melbourne 9.



**Councillor Peter Martin**

**First elected 2020**

Fishermans Bend Community Forum, LGBTIQ+ Advisory Committee, Older Persons Advisory Committee, Bubup Womindjeka Family and Children's Centre Board, HousingFirst Board, South East Councils Climate Change Alliance.



**Councillor Marcus Pearl**

**First elected 2016  
Re-elected 2020**

Quick Response Grant Program, South Melbourne Market Committee, Multi-Faith Network Steering Committee.

## Lake Ward



**Councillor Andrew Bond  
Deputy Mayor**

**First elected 2012  
Re-elected 2016 and 2020**

Chief Executive Officer Employment Matters Committee, Community Grants Assessment Panel, South Melbourne Market Advisory Committee, Gasworks Arts Inc. Board of Management.



**Councillor Robbie Nyagyu**

**First elected 2023**

Cultural Heritage Reference Committee, LGBTIQ+ Advisory Committee, Youth Advisory Committee, Municipal Association of Victoria.



**Councillor  
Christina Sirakoff**

**First elected 2020**

Audit and Risk Committee, Esplanade Market Advisory Committee, Prosperous Port Phillip Business Advisory Group.

# Council meetings

Council meetings are generally rotated between the St Kilda and Port Melbourne Town Halls. The South Melbourne Town Hall is currently undergoing works. Two special meetings of Council, five Planning Committee meetings and 21 meetings of Council were held in 2022/23.

City of Port Phillip has a current meeting cycle of two ordinary Council meetings (first and third Wednesdays) and one Planning Committee meeting (fourth Thursday) each month, all commencing at 6.30 pm.

The meeting calendar is available at [portphillip.vic.gov.au](http://portphillip.vic.gov.au)

## Councillor meeting attendance

1 July 2022 to 30 June 2023

	Ordinary Council meetings	Planning Committee meetings	Special Council meetings	Attendance
<b>2022/23</b>				
Councillor Tim Baxter	20	5	2	96%
Councillor Andrew Bond	20	5	2	96%
Councillor Rhonda Clark*	21	5	2	100 %
Councillor Katherine Copsey**	10	3	1	93%
Councillor Louise Crawford	21	4	2	96%
Councillor Heather Cunsolo	21	5	2	100 %
Councillor Peter Martin	21	5	2	100 %
Councillor Robbie Nyaguy***	10	2	1	100%
Councillor Marcus Pearl	21	4	2	96%
Councillor Christina Sirakoff	21	5	2	100 %

\* Cr Clark had an approved leave of absence for three meetings held during this period.

\*\* Cr Copsey had an approved leave of absence for four meetings held during this period. Cr Copsey was elected to Victorian Government and resigned as a Councillor in December 2022.

\*\*\* Cr Nyaguy was sworn in as a Councillor in February 2023.

## Councillor allowances

Elected representatives are entitled to receive an allowance while performing their duties as a councillor. The payment of allowances is governed by the *Local Government Act 2020*.

The following table sets out the current annual allowances fixed for the Mayor and Councillors as at 30 June 2023. Mayoral and Councillor allowances are also subject to the addition of the equivalent of the superannuation guarantee, 10.5 per cent during the financial year 2022/23.

Mayoral, Deputy Mayoral and Councillor allowances are determined by the Victorian Independent Remuneration Tribunal.

Councillor	Allowance
Councillor Tim Baxter	\$44,925
Councillor Andrew Bond (former Deputy Mayor)	\$53,019
Councillor Rhonda Clark	\$36,856
Councillor Katherine Copsey	\$14,131
Councillor Louise Crawford	\$36,856
Councillor Heather Cunsolo (Mayor)	\$93,783
Councillor Peter Martin	\$36,856
Councillor Robbie Nyaguy	\$16,202
Councillor Marcus Pearl (former Mayor)	\$65,248
Councillor Christina Sirakoff	\$36,856

## Councillor expenses

The following table sets out a summary of Councillors' expenses for the financial year 2022/23. All expenses are related to Councillors' roles and have been incurred in the course of their duties as Councillor.

	Travel expenses	ICT expenses	Conference and training expenses	Professional services	Childcare reimbursements	Total
Councillor Tim Baxter		\$939		-	-	\$939
Councillor Andrew Bond (Deputy Mayor)	-	\$570	-	-	-	\$570
Councillor Rhonda Clark	-	\$763	-	-	-	\$763
Councillor Katherine Copsey		\$261	\$321	-	-	\$582
Councillor Louise Crawford	\$118	\$722		-	-	\$840
Councillor Heather Cunsolo (Mayor)	\$996	\$517	\$6,958	\$1,583		\$10,054
Councillor Peter Martin	-	\$604	\$536	-	-	\$1,140
Councillor Robbie Nyaguy	\$23	\$284	\$9,212			\$9,519
Councillor Marcus Pearl	\$100	\$1,004	\$1,733	\$1,375	-	\$4,212

# Supporting Council's decision-making

As part of our commitment to good governance, quality decision-making and community participation, we support a range of committees with community and external representation. Our Councillors also represent the interests of Council on a range of external committees.

## Advisory committees

Advisory committees are established by Council to provide opportunities for members of our community to share their expertise on a range of topics. Each committee is governed under specific Terms of Reference.

- **Art Acquisition Reference Committee** advises Council on its visual art acquisition program.
- **Audit and Risk Committee** advises Council on the effectiveness of the organisation's systems, processes and culture for managing risk, and compliance with its legal and financial obligations.
- **Chief Executive Officer (CEO) Employment Matters Committee** advises and assists Council on employment matters relating to the CEO including recruitment, appointment and performance.
- **Community Grants Assessment Panel** provides advice and feedback to Council about applications to the annual Community Grants Program.
- **Cultural Development Fund Reference Committee** provides advice and recommendations to Council in relation to applications to the Cultural Development Fund.
- **Cultural Heritage Reference Committee** provides advice and feedback to Council about cultural heritage and local history.
- **Esplanade Market Advisory Committee** advises Council on the strategic direction of the Esplanade Market.
- **Fishermans Bend Community Forum** facilitates dialogue between the community and Council about projects, initiatives and planning applications in Fishermans Bend.
- **Friends of Suai/Covalima Community Reference Committee** promotes and assists ongoing relationships between City of Port Phillip and Suai and Covalima (East Timor) communities.
- **LGBTIQA+ Advisory Committee** provides advice and feedback to Council on matters affecting LGBTIQA+ residents, businesses and community members who live, work and visit our City.
- **Multicultural Advisory Committee (MAC)** provides advice and feedback to Council on all issues affecting multicultural communities, refugees or asylum seekers in Port Phillip.
- **Older Persons Advisory Committee** advises Council on policies, plans, issues and services affecting older people.
- **Prosperous Port Phillip Business Advisory Group** aims to define a future vision for the City's economy.
- **Quick Response Grant Program Assessment Panel** reviews application for small grants that are available at short notice to eligible organisations and individuals throughout the year.
- **Rupert Bunny Foundation Visual Art Fellowship Reference Committee** provides advice and expertise to Council on awarding the fellowship.
- **South Melbourne Market Advisory Committee** provides strategic advice and guidance, develops the leasing strategy and oversees delivery of capital works approved and delivered by Council.
- **Youth Advisory Committee (YAC)** acts as an advisory committee to Council on issues that are important to young people in the City of Port Phillip.

## South Melbourne Market Advisory Committee

South Melbourne Market (SMM) is owned and operated by City of Port Phillip. The South Melbourne Market Advisory Committee is appointed by Council and operates according to its charter and the Instruments of Delegation. In line with the *Local Government Act 2020*, the committee is advisory only and the CEO, under delegation, gives effect to the committee's decisions.

The committee is comprised of five committee members: two of whom must be Councillors and three must be persons independent of Council, with the Chairperson to be a member of the committee who is independent of Council. The independent members were all appointed following an open advertising and selection process from a large and highly qualified field of candidates. Each independent member was required to demonstrate specific skills relevant to oversee the market, as well as a strong local association and love of markets. Committee meetings are held seven times per year.

## External committees

Individual Councillors are appointed by Council to represent its interests on several external committees, associations or boards. As appropriate, Councillors report to Council on the activities of these committees.

- **Association of Bayside Municipalities (ABM)** represents the interests of 10 councils with frontage to Port Phillip Bay on various coastal and marine issues. The ABM is recognised by the Municipal Association of Victoria (MAV) as the key representative of local government in relation to the sustainable management and health of Port Phillip Bay.
- **Bubup Womindjeka Family and Children's Centre Board** oversees the provision of a range of services at the centre, such as long day care, sessional kindergarten, maternal and child health services, consulting space for allied health professionals and space for new parent groups, playgroups and other community group uses.
- **Fishermans Bend Mayors' Forum** provides for dialogue between the Mayor and nominated Councillor representatives from the cities of Port Phillip and Melbourne to continue the strong partnership and collaboration for the Fishermans Bend area.
- **Gasworks Arts Inc. Board of Management** oversees management of the Gasworks Arts Park.

- **HousingFirst Board** oversees HousingFirst Ltd, an independent, not-for-profit community housing organisation that helps members of the local and wider community find suitable affordable housing, and advocates on behalf of residents who require assistance to sustain their tenancies.
- **Linden Board of Management Inc.** oversees the day-to-day management of Linden New Art Gallery.
- **Melbourne 9 (M9)** is an alliance of nine inner Melbourne councils which work cooperatively and collectively advocate for issues and projects of mutual interest. It seeks to be a major influence on Victorian and Australian Government policy and funding, as it represents one in five Victorians and more than a third of Victoria's Gross State Product.
- **Municipal Association of Victoria (MAV)** is a representative and lobbying body for Victorian councils. It advocates for the interests of local government, raises the sector's profile, and provides policy and strategic advice and insurance services. Council works with MAV across a range of areas, including governance, advocacy, projects groups, insurance, technology and project procurement.
- **Multifaith Network Steering Committee** comprises representatives and leaders from a wide variety of religions and faith groups in the City of Port Phillip. The network meets on a bi-monthly basis on issues such as discrimination, social inequity, disadvantage and poverty.
- **South East Councils Climate Change Alliance (SECCCA)** is one of nine regional alliances across Victoria helping councils to achieve their emissions reduction and climate resilience goals. SECCCA focuses on projects that support councils and communities to reduce greenhouse gas emissions and respond to the risks associated with climate change by leveraging the benefits of working regionally.
- **Victorian Local Governance Association** is the peak body for councillors, community leaders and local governments to build and strengthen their capacity to work together for progressive social change.

## Special committees

Under the *Local Government Act 2020*, Council can delegate particular decisions to formally established committees, called 'Delegated Committees'.

- **Planning Committee** makes decisions on planning applications by exercising all of Council's powers, duties and functions under the *Planning and Environment Act 1987*, in accordance with relevant policies and guidelines of Council.

# Advocacy

An important part of Council's commitment to our community is to continue advocating to the Victorian and Australian Government for support for better services and facilities within the City of Port Phillip. However, advocacy goes beyond just meetings with government figures, but is about establishing strong partnerships and relationships.

## Advocacy involves:

- council representatives meeting with government ministers and members of Parliament
- collaborating with other councils and peak bodies such as an association of industries or groups with shared interests
- public campaigns which involve community groups and residents.

City of Port Phillip continues to campaign to both the Victorian and Australian Government for projects, funding, services and infrastructure that will benefit our residents and businesses, particularly for projects that may be beyond the scope of what local government can deliver.

## Advocacy in 2022/23

Our Council Plan 2021-31 identifies five strategic directions to deliver outcomes for the health and wellbeing of our people and places.

In 2022/23 we advocated on a range of issues that support these strategic directions.

City of Port Phillip engaged with:

- local members of Parliament and their offices to address and further collaborate on local community concerns
- ministerial offices within the Victorian and Australian Government on funding and legislative outcomes to benefit our community
- neighbouring councils (via M9) to advocate for greater supports for local businesses, increasing Council homeless services, and improving active transport options
- strategic memberships, such as the South East Councils Climate Change Alliance
- the Metropolitan Transport Forum and the Municipal Association of Victoria on issues relating to sustainability, climate change, good governance and transport matters.

## Election Advocacy

Leading into the Victorian state election in November 2022, City of Port Phillip engaged with local candidates across the political spectrum on our election priorities. This included the Mayor and Councillors meeting with major party and independent candidates as well as organised tours to showcase the municipality and our key areas of interest to candidates.

We published a State Advocacy Priorities 2022/23 booklet, which outlined priorities for:

- early education and care
- economic recovery from COVID-19
- public spaces
- sports and recreation
- social and affordable housing
- sustainability, renewable energy and waste management
- transport, mobility and safety.

This advocacy document was designed to be distributed to sitting politicians and candidates, to deliver the best outcomes for Port Phillip's community regardless of the successful party at the 2022 state election.

Nina Taylor was the successful Labor Member at this election for the seat of Albert Park and committed to many local projects during the election campaign. These were then followed through in the 2022-23 State Budget.

The Victorian election followed the 2022 federal election where the successful Labor candidate for Macnamara, Josh Burns committed to:

- invest \$3 million to fund the Fishermans Bend Transport Link Feasibility Study
- flood mitigation works along Elster Creek
- further upgrades to the Elsternwick Park Nature Reserve
- \$5 million in funding for the Albert Park precinct to upgrade facilities for community sport
- work with the Victorian Government and City of Port Phillip to further support our redevelopments of our childcare centres.

The Mayor sent letters of congratulations to the successful candidates for all seats that cover parts of our municipality, to ensure ongoing positive and collaborative relationships to advocate for our community.

## Victorian Budget 2023/24

The Victorian Budget 2023/24 delivered on 23 May 2023 contained funding to a range of measures specific to City of Port Phillip, including election commitments made prior to the November 2022 election.

We were very pleased to see the following funding announcements within this year's budget:

- \$1.5 million for Williamstown Road pedestrian works near the secondary college
- \$1 million for the Port Melbourne Bowling club
- \$250,000 for the Port Melbourne Surf Life Saving Club
- \$100,000 for the Sacred Heart Mission in St Kilda
- continuation of the Westgate Punt ferry service across the Yarra River between Fishermans Bend and Spotswood
- support for Fishermans Bend Primary School as part of a funding package, opening 2026
- funding for upgrades to Green Space at Southbank
- funding for The Alfred Hospital – Women's Health Clinic
- funding for a Neighbourhood Battery for the City of Port Phillip
- planning money for a Mental Health and Wellbeing Local in St Kilda
- planning money for the Middle Park Primary School.

City of Port Phillip will continue to explore further opportunities for funding through available grant programs and will begin preparations for the next federal and state election advocacy priorities.

## Advocacy Agenda for 2023/24

City of Port Phillip will pursue an ongoing and rigorous advocacy agenda for 2023/24 across a wide range of project and policy aims.

Some of the many projects we will continue to aim for further funding and collaborative support are:

**Our live music and event industry**, including support for St Kilda Festival, planning reforms to improve our Live Music Precincts, and an agreement to collaborate with Council on the proposed live music venue and adjacent amenities at the St Kilda Triangle site.

**Community safety collaboration** including support from Victoria Police to improve safety and amenity in key areas, support to target hoon driving, and funding for CCTV upgrades and replacements.

**Planning and improvements for Fishermans Bend**, including early delivery of the Fishermans Bend tram, bus, and active transport options, sensible housing policies, and Victorian Government commitments for education, open space, and health facilities.

**Improvements to Victoria's waste and recycling streams** to encourage sustainably managed waste.

**Investment in community assets** including our six renovated and rebuilt childcare centres, pedestrian safety improvements, the Elster Creek catchment, Shrine to Sea urban transport development, and funding of surf lifesavers.

**Support for the Grand Prix** as we work with the Victorian Government to alleviate amenity impacts for locals and improve tourism uptake from visitors toward businesses in our municipality.

**Precinct planning for Port Melbourne** adjacent to Station Pier, working with the Victorian Ports Corporation and the Port of Melbourne to improve this area considering the departure of the Spirit of Tasmania.

**Collaboration on legislative changes that impact our City**, including planning reform, the trial of eScooters, and navigating the benefits and impacts of short-stay accommodation providers such as AirBnB.

We're collaborating with Victoria Police to improve community safety.



## Working in partnership

Council partners with other levels of government, community, not-for-profit and business organisations, service providers and residents across a range of projects and services.

This is because working in partnership has many benefits, including:

- developing and strengthening relationships between council and key stakeholders
- leveraging specialised knowledge, skills and relationships of partners for greater outcomes
- empowering stakeholders, strengthening their voice and standing
- raising the Council's profile across a wider area
- resource sharing
- providing greater influence when advocating for key priorities.

Over the past year, Council has worked via a range of partnerships to deliver projects and services within the City of Port Phillip. This includes working with:

- community groups such as the EcoCentre and St Kilda Neighbourhood Housing on key projects within the municipality
- the Victorian Government to fund and develop several projects, including economic activations, live music events, new pop-up bike lanes, additional social housing, ongoing planning of Fishermans Bend and regulatory reforms to assist local businesses
- the Australian Government on the delivery of projects funded under the Local Roads and Community Infrastructure and Black Spot Roads Safety programs.

**An aerial view of Fishermans Bend looking towards Docklands.**



# Community engagement

Our community has a wealth of experience and knowledge that can help us make better and more informed decisions. From changes to parks and reserves, to the development of new policies and the planning of housing, traffic and parking in our growing City. We know that community members are well-placed to provide meaningful insights into decisions that affect them.

Our aim is to tap into the community's needs and aspirations so that the decisions we make as a Council reflect what our diverse and engaged residents and visitors want. We do this by facilitating genuine engagement programs and providing transparent processes.

Some of the ways we regularly seek feedback from our community are:

- online interactive webpages: Have Your Say Port Phillip – [www.haveyoursay.portphillip.vic.gov.au](http://www.haveyoursay.portphillip.vic.gov.au)
- pop-up conversations: popping up at markets, street corners or other public areas
- workshops: online or in person sessions that aim to delve deeper into a topic
- intercept surveys: walking busy streets to survey community members at random
- community panels: working with community representatives to deliberate on complex issues and make recommendations to Council.

## Process improvements made over the year

This year, we implemented some important improvements to our community engagement approach.

**Advisory committees:** refined how we work with Council's advisory committees to ensure there is deeper and more meaningful engagement on initiatives that are relevant to them.

**Closing the loop:** developed more rigorous methods of reporting back to the community on what we heard and outcomes after each stage of engagement, shared via the following media:

- Have Your Say page
- emails to project 'followers'
- monthly 'Help Shape Our City' electronic newsletters
- articles in Council's monthly Divercity newsletter.

**Engagement newsletter:** created a new monthly electronic newsletter in January 2023 that provides updates on initiatives:

- initiatives open for feedback
- initiatives previously consulted on
- initiatives we will be engaging on in the future.

**Demographic data:** enhanced demographic data collection to better understand who we are hearing from on each engagement program.

## Engagement this year

46

### projects consulted on

More than double the previous financial year.

76,684

### visits

to Have Your Say Port Phillip.

2,500

### people

received copies of the Help Shape Our City electronic newsletter.

24

### pop-up conversations

across eight neighbourhoods.

7,850

### feedback contributions

submitted via the Have Your Say website.

## What got you talking?

The initiatives that generated the most community interest and engagement this year were:

### Council Plan and Budget

Setting the strategic directions, initiatives and indicators, as well as budget, for the upcoming year.

8,156

### visitors to the webpage

471

### participants

### Dogs in our parks and beaches

Developing guidelines that shape when and where dogs can be off-leash in Port Phillip.

6,078

### visitors to the webpage

2,640

### participants

### Leasing the South Melbourne Town Hall

A 35-year lease of the South Melbourne Town Hall to the Australian National Academy of Music (ANAM).

1,579

### visitors to the webpage

554

### participants

### Future South Melbourne

Preparing a new structure plan for South Melbourne.

1,586

### visitors to the webpage

406

### participants

### St Kilda Live Music Precinct Policy

Supporting and sustaining live music locally.

1,411

### visitors to the webpage

367

### participants

# Accountability

To ensure we are accountable to our stakeholders - including residents, ratepayers, business and government - we must comply with the requirements of the *Local Government Act 2020* and other legislation.

## Audit and Risk Committee

The Audit and Risk Committee plays an important role in providing oversight of Council's governance, risk management, and internal control practices. This oversight mechanism also serves to provide confidence in the integrity of these practices. The committee performs its role by providing independent oversight to the CEO and the Council in overseeing internal and external audit functions. The specific objectives of the Audit and Risk Committee are outlined in the Committee's Charter, which is reviewed annually and adopted by Council.

The committee comprises three independent members; the Mayor and one other Councillor, with the role of the Chair being held by an independent member. Independent members are appointed for a three-year term, renewable for a maximum of one additional term. Retiring members are eligible to reapply for membership. Councillors are appointed to the committee on an annual basis.

The Committee met on five occasions in 2022/23; four quarterly meetings and one planning workshop. Councillors, members and Council officers are required to declare any conflict of interest at the commencement of every meeting. Minutes of meetings are distributed to all members following the meeting and reports on activities are formally presented to Council biannually.

Some of the key matters considered by the Audit and Risk Committee in 2022/23 included:

- the Financial Reporting Framework, recommending the annual accounts, and the performance statement for adoption by Council in principle
- key Council policies, including Codes of Conduct
- effectiveness of internal controls in the digital technology services environment, fraud and corruption, and the management of risks encountered by Council through regular updates from the Strategic Risk and Internal Audit Group (SRIA).

The following internal audit and compliance reports were presented to the Audit and Risk Committee:

- Child Safe Standards audit
- capital project management (project control and governance) audit
- building services (building safety and swimming pools) audit
- human resources and recruitment audit
- food safety inspections core compliance
- working from Home Policy core compliance
- immunisations core compliance.

The Audit and Risk Committee also received reports, updates and discussed the following matters:

- occupational health and safety monthly and detailed biannual updates
- child safety updates
- contracts and procurement compliance updates
- rates collected and rates outstanding reports
- South Melbourne Market governance
- Fishermans Bend updates
- assessing and responding to climate change risk
- Digital and Technology Services (DTS) updates, including Information and Communications Technology (ICT) compliance reporting
- project portfolio delivery – progress report and root cause analysis
- annual insurance updates
- Energy Safe Victoria – electric line clearance audits.

## Audit and Risk Committee membership

### External Representatives

Independent members are remunerated in accordance with Council policy.

#### **Mr Brian Densem**

**Member** (December 2010 to current)

**Chair** (December 2019 to current)

Mr Brian Densem was reappointed as an external member by Council in February 2019 and appointed as Chair for a second term by Council in February 2021. Mr Densem is a Certified Practising Accountant (CPA), a Professional Fellow of the Institute of Internal Auditors, and is Chief of Audit at a leading Australian mutual company. He has extensive knowledge of internal audit, risk management and compliance, and exposure to numerous industries with a primary focus on financial services. Mr Densem is the Chair of two other local government Audit and Risk Committees, and Chair of a community health service which includes roles on the Audit and Risk and Finance Committees.

#### **Ms Helen Lanyon**

**Member** (December 2011 to current)

**Chair** (February 2014 to December 2019)

Ms Helen Lanyon was reappointed as an external member by Council in September 2020. Ms Lanyon is a Fellow of CPA Australia and a graduate of the Australian Institute of Company Directors. Over a 40-year career, Ms Lanyon has held numerous senior executive roles, primarily in local government. She has broad experience in the corporate services portfolio across a range of disciplines, including finance, governance, human resource management, marketing, customer service and information technology. Ms Lanyon also has extensive experience on a broad range of advisory committees and is also a member of the Audit Committee of another metropolitan local council.

#### **Ms Kylie Maher**

**Member** (October 2018 to current)

Ms Kylie Maher was appointed as an external member by Council on 17 October 2018. Ms Maher is a Certified Practising Accountant and a Graduate of the Australian Institute of Company Directors. She is currently the Head of Standards, Safety and Risk at an independent school and has previously worked as a partner in charge of the Governance and Risk division for a mid-tier global accounting firm and has over 20 years' experience in consulting to government and multinational organisations on governance, risk and assurance. Ms Maher has held roles on many audit and risk committees in Victorian government and brings extensive knowledge of leading risk practices and program delivery assurance.

### Internal representatives

#### **Mayor Marcus Pearl**

(November 2021 to November 2022)

#### **Mayor Heather Cunsolo**

(November 2022 to Current)

#### **Councillor Christina Sirakoff**

(December 2020 to Current)

# Risk management

## Capability and commitment

Council is committed to effectively managing risk and compliance (risk management) and achieves this through the oversight role of the Strategic Risk and Internal Audit Group (SRIA). SRIA membership comprises the Executive Leadership Team (including the CEO) and a manager representative from each division. Since February 2018, SRIA has focused on managing strategic and operational risk and compliance issues and opportunities to build greater trust with our community, Council and partners. SRIA meet monthly, providing assurance and support to the Audit and Risk Committee to ensure strategic and operational risk issues, opportunities and internal audit and compliance matters are well managed and that a positive risk management culture is fostered in the organisation. SRIA utilises the 'waterline principle', which provides a decision-making tool regarding the level of management and oversight (tolerance or risk appetite) required to manage an opportunity, risk or compliance issue.

Council maintains a strong commitment to proactive operational risk management with the aim of optimising its operational decision making, performance, transparency and accountability. Council's risk management practices contribute to the City's liveability and sustainability by avoiding, minimising and managing risk and compliance issues that may affect the organisation, community and visitors.

## Structure and improvement

Council manages risk and compliance through its Risk Management Policy and Framework and Compliance Policy and Procedure. These documents are designed to stimulate a culture of risk and compliance accountability across our workforce. The documents are diligently based on relevant international standards and are reviewed in accordance with Council's policy review cycle or when an updated standard is published. The Risk Management Policy and Framework and Compliance Policy and Procedure are endorsed by Council's Executive Leadership Team via SRIA, the Audit and Risk Committee and Council. Departmental risk registers contain specific details of operational risks including existing controls and risk mitigating actions. The business planning and budget process also reflects priority risk reduction activities where financial commitment is required. While risk management is a continuous process, a full operational risk register review is conducted to inform the annual planning process. Council is known for its iconic music venues and unique festivals and events, all which require risks to be properly managed. Council's risk team review submitted risk, evacuation and insurance plans for these events to assist organisers to keep festivals and events safe and memorable. With the introduction of OneCouncil, an integrated enterprise software solution, it is anticipated that the current use of spreadsheets to manage risks will be replaced by risk functionality in the integrated system. The risk framework has been reviewed during 2022/23 taking into account changes to Council's operating model and organisational structure.

## Risk registers, treatments and reporting

Council's risk registers cover both strategic and operational risks and are reviewed in their entirety at least annually. Strategic risks, controls and improvement actions are detailed in the Strategic Risk Register which is considered by Council at the commencement of the annual planning process. An overview of all risk registers is undertaken by the Audit and Risk Committee and the Internal Auditor as part of development of the annual Internal Audit and Compliance Plan. SRIA reviews the Strategic Risk Register on a bi-annual basis and has visibility of all high and extreme rated operational risks and treatment actions monthly. Treatment plans are formulated for any high or extreme level risks, to reduce the level of risk to a more acceptable medium and low risk target.

## Business continuity planning

This year, all managers at Council updated their department specific sub-plans with a specific focus on staff loss and working in new ways.

From lessons learned during COVID-19, next year the focus will be on including detailed pandemic planning into Council's overall business continuity plan to mitigate the impacts of a pandemic, including:

- managing the workforce amid a changing landscape
- supporting the resumption of regular business activities after a crisis has subsided with a continued focus on employee health and safety
- fostering new ways of working which ensure business continuity and planning procedures remain viable into the future.

IT Disaster Recovery (DR) is a sub-plan of Council's Business Continuity Plan. Performing DR exercises provides assurance of Council's capability to continue to provide ICT services to critical services in the event of a major disruption. Consequences of business continuity risk are rated as 'major' in Council's risk management framework.

We continue to test our Business Technology Disaster Recovery Plan on a regular basis, to ensure we can recover data, restore business critical applications and continue operations following service interruptions. Next scheduled DR testing will occur in July 2023.

The Digital and Technology Services (DTS) team continues to work closely with the Risk and Assurance team to update all the system applications referenced in both DR and business continuity plans. Managing cybersecurity risks remains a key priority, and Council has continued to action and monitor the outcomes of the Cyber Security Governance and Controls Internal Audit, which was undertaken last year.

Most of Council's core systems have been migrated to a cloud-based environment providing high availability and redundancy for business-critical applications.

**A child playing at the Rotary Playground. The Playground was refurbished with support from the Australian Government as part of the Local Roads and Community Infrastructure Program.**



# 4

## Our performance

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<b>Strategic Direction</b> Liveable Port Phillip	<b>4-97</b>
<b>Strategic Direction</b> Sustainable Port Phillip	<b>4-114</b>
<b>Strategic Direction</b> Vibrant Port Phillip	<b>4-130</b>
<b>Strategic Direction</b> Well-Governed Port Phillip	<b>4-145</b>
Health and Wellbeing Plan	<b>4-158</b>

**Mark Seymour  
performing at the  
launch of St Kilda  
Live Music Precinct.**



# Delivering Year Two of the Council Plan 2021-31

The Council Plan 2021-31 sets out a vision for a liveable and vibrant City that enhances the wellbeing of our community. Council plays its part in contributing to the vision by delivering on five strategic directions highlighted in the plan. This chapter details our progress against the objectives and initiatives in Year Two of the Council Plan 2021-31.

## Our strategic directions and objectives

Strategic Directions				
Inclusive Port Phillip	Liveable Port Phillip	Sustainable Port Phillip	Vibrant Port Phillip	Well-Governed Port Phillip
Strategic Objectives				
A City that is a place for all members of our community, where people feel supported and comfortable being themselves and expressing their identities.	A City that is a great place to live, where our community has access to high quality public spaces, development and growth are well-managed, and it is safer and easy to connect and travel within.	A City that has a sustainable future, where our environmentally aware and active community benefits from living in a bayside city that is greener, cooler, cleaner and climate resilient.	A City that has a flourishing economy, where our community and local businesses thrive, and we maintain and enhance our reputation as one of Melbourne's cultural and creative hubs.	A City that is a leading local government authority, where our community and our organisation are in a better place as a result of our collective efforts.

### How this chapter is structured

For each of our strategic directions and objectives, this chapter provides a detailed report of our performance, including:

- status of City and Council indicators
- progress in relation to the major initiatives identified in the budget
- services funded in the budget, including key actions, activities and achievements delivered under each service area
- outlook for the future.

The City of Port Phillip's Health and Wellbeing Plan is integrated into the Council Plan, recognising that our five strategic directions go to the heart of the health and wellbeing outcomes we aspire to achieve for our community. The final section of this chapter details our progress in Year Two of the Health and Wellbeing Plan.

### Understanding our indicators

City indicators measure Port Phillip's progress against our aspirations. Progress against these indicators is dependent on a range of factors external to Council, including actions from other levels of government.

Council indicators are the performance measures we use to track our progress against the strategic objectives in the Council Plan. They include the Local Government Performance Reporting Framework (LGPRF) measures, as well as several other measures that are important to our community. The LGPRF is a mandatory system of performance reporting for all Victorian councils.

## Strategic Direction

# Inclusive Port Phillip



A City that is a place for all members of our community, where people feel supported and comfortable being themselves and expressing their identities.

	\$ 000
Budget	44,675
Actual	40,755
Variance	3,920

**Four year strategies:**

- Port Phillip is more accessible and welcoming for people of all ages, backgrounds and abilities.
- Port Phillip is a place where people of all ages, backgrounds and abilities can access services and facilities that enhance health and wellbeing through universal and targeted programs that address inequities.
- People are supported to find pathways out of homelessness.

**Contributing service areas:**

- affordable housing and homelessness
- ageing and accessibility
- children
- community programs and facilities
- families and young people
- recreation.

**In this section:**

- status of City and Council indicators
- a detailed update of each contributing service area
- outlook for the future.

# City and Council indicators

## City indicators

Indicator	2020/21	2021/22	2022/23
Proportion of residents satisfied with sports and recreation facilities.	Not available	67%	67%
Proportion of residents satisfied with their life.	71%	Not available*	Not available*
Proportion of lifetime prevalence of depression and anxiety.	27%	55%	Not available*
Proportion of residents who agree Port Phillip is a welcoming and supportive community for everyone including people from varied cultural and religious backgrounds, ages, gender and sexualities.	77%	74%	84%
Number of people experiencing homelessness on Port Phillip's by-name list.	101	155	55
Number of people actively sleeping rough.	24	33	33
Proportion of adults who meet physical activity guidelines.	Not available	Not available	Not available*
Social housing as a proportion of total housing stock.	6.4%**	6.5%	6.5%
Proportion of residents who consider our relationship with the Aboriginal and Torres Strait Islander community to be very important.	Not available	Not available	Not available***

\* Data from the 2021 VicHealth survey has not yet been released.

\*\* Corrected from 4,154 to 4,034, as two years' late data from Homes Victoria resulted in the 4,154 figure for 2021/22 being placed in the 2020/21 year in error. This changed the proportion of social housing in 2020/21 from 6.5% (as previously reported) to 6.4%.

\*\*\* Reconciliation Action Plan (RAP) survey has not yet been conducted.

## Council indicators

Indicator	2020/21	2021/22	2022/23	Target 2022/23	Status
Percentage of participants accessing sport and recreation programs and facilities who are female or gender diverse.	60%	30%	40%*	60%	✘
◆ Percentage of participation in maternal and child health services.	83.5%	79%	76.71%**	83 to 90%	✘
Number of children accessing community managed and Council-funded early childhood education and care services who are also accessing the maximum Australian Government additional childcare subsidy (ACCS)	14	9	12.25***	15	✘
Number of children accessing Council managed early childhood education and care services who are also accessing the maximum ACCS.	21	51	70.5	22	✔
Proportion of users satisfied with community services that support residents to live independently.	93%	93%	93%	>85%	✔

\* Data collected from sports clubs only, does not include recreation programs and facilities.

\*\* Participation in the MCH service has declined slightly due to the increased number of appointment cancellations following on from COVID-19. Families are advised to not attend their appointment if anyone in the family is unwell.

\*\*\* Does not include data from one centre and forth quarter data from two centres.

### Legend



met or exceeded target



did not meet target

◆ Also required as part of the Local Government Performance Reporting Framework (LGPRF)

## Affordable housing and homelessness

Facilitate and advocate for affordable housing for very low, low and moderate-income households in housing stress, including supported housing for persons who are experiencing homelessness and sleeping rough. Working with key partners to help prevent homelessness, or reduce time spent without a secure home, for older Port Phillip residents facing housing stress or loss.

2022/23	\$ 000
Budget	4,189
Actual	2,278
Variance	1,911

### Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the affordable housing and homelessness service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Partner with Launch Housing and other homelessness, health and housing agencies through the Port Phillip Zero initiative, to create pathways out of homelessness, particularly for those sleeping rough.	Council continues to play a lead role in the facilitation of partnerships that respond to insecure housing, homelessness and rough sleeping. The Port Phillip Zero partnership remains strong, supporting coordination of services and a proactive amenity response. Our work is supported through the engagement of Launch Housing dedicated outreach services in the City.
Advocate for the Victorian Government, community housing organisations, and the philanthropic and private development sectors to facilitate new affordable and social housing within the municipality, including the renewal of existing social housing sites to achieve the outcomes identified in our In Our Backyard Strategy.	Council continues to facilitate projects from local community housing organisations, and work with Homes Victoria to facilitate its public housing renewal projects at the Emerald Hill site in South Melbourne, and Barak-Beacon site in Port Melbourne.
Advocate for the Victorian Government to introduce mandatory 'inclusionary zoning' and strengthen 'voluntary housing agreements' to increase housing delivered through the planning system that is affordable to very low, low, and moderate income households.	Council is leveraging its role in the Melbourne 9 (M9) group to advocate for mandatory planning mechanisms such as inclusionary zoning.  Council officers are working with a Victorian Government supported group to co-design a state-wide 'affordable housing register', aiming to strengthen the ability to use affordable housing voluntary agreements and increase private sector take-up of these agreements. Council officers are also investigating ways to strengthen use of voluntary agreements under the proposed housing strategy.
Advocate for the Victorian Government to fund services and supported housing that meet the requirements of people with complex mental health needs and implement the recommendations of the Victorian Mental Health Royal Commission.	Ongoing support for the needs of persons who are sleeping rough is provided through coordinated service delivery response under the Port Phillip Zero program. Council has consolidated capital funding and surplus land contributions over this period to enable St KCH to advance the Wellington Street Common Group project to tender stage.

### Status of In Our Backyard Strategy

Since 2015, Council’s efforts to grow the supply and diversity of affordable housing in the City of Port Phillip have been guided by the In Our Backyard Strategy 2015–25 (IOBY), which has eight key deliverables. A progress update on each of these deliverables is reported in the table below.

Deliverable	Progress update
Strengthen partnerships with Port Phillip Housing Association (PPHA) and the Victorian Government	Council has facilitated delivery of the 46-unit Marlborough Street community housing project by HousingFirst <sup>1</sup> in Balaclava. Officers have also provided supportive feedback on a HousingFirst proposal for the redevelopment of a property under the Port Phillip Housing Trust.
Potential new partnerships with St Kilda Community Housing (St KCH), South Port Community Housing Group (SPCHG), the Australian Government, private organisations, community land trusts, philanthropic foundations, ethical investors, charities and other housing providers interested in delivering new affordable housing units in the City of Port Phillip.	Over this period, Council has leveraged additional state funding to enable the Wellington Street Common Ground project to proceed to tender stage.  Council is supporting Homes Victoria’s redevelopment of Emerald Hill Court in South Melbourne and Barak Beacon in Port Melbourne to increase the unit yield, quality and diversity of housing on these sites.  Officers are also facilitating and brokering affordable housing proposals from the private sector.
Develop 170 new community housing units by leveraging underutilised Council assets.	To date, 46 units of community housing have been constructed on Council sites (Marlborough Street).
Develop 750 community housing units in partnership with other organisations.	To date, up to 397 units have been facilitated (committed or delivered) under diverse partnerships: 33 net units delivered by local community housing organisations; 30 temporary units in a formerly vacant property; and 283 – 334 units with permits (subject to ultimate development scale) under voluntary planning agreements with private developers in Fishermans Bend.
Unlock \$36 million to \$41 million of development investment, leveraged by a \$30 million Council contribution of property assets and cash over 10 years.	To date, \$66.78 million of state funding under the Homes for Victorians and the Big Housing Build has been leveraged across seven community housing projects in Port Phillip. Of this total, \$25.8 million of state funding has been leveraged for two Council contributed projects (Marlborough St and Common Ground) against a \$10.12 million Council investment.
Achieve \$79 million in net community benefits over 26 years.	Council’s investment represents a leverage ratio of 2.5:1 (two-and-a-half state dollars for every one dollar of Council investment), or 6.5:1 (six-and-a-half state dollars for every one Council dollar) against the total \$66.78 million of state funds leveraged.
Enact planning mechanisms that ensure the private sector delivers affordable housing.	Council officers have negotiated permits for 283 – 334 units of affordable and social housing (subject to ultimate development scale) in Fishermans Bend under voluntary agreements with private developers.  Council also continues to advocate for the introduction by the Victorian Government of a mandatory planning mechanism for social housing, such as inclusionary zoning.
Expand Council and local registered community housing organisation’s ability to deliver affordable housing now and into the future.	Council’s direct financial support (cash or property contributions) has helped to enhance the capacity of our partner organisation’s future growth by: <ul style="list-style-type: none"> <li>• the Marlborough Street project expanding the capacity of HousingFirst to deliver air space development over a Council car park, and leveraging a larger asset portfolio and rental income stream</li> <li>• the Common Ground project expanding the capacity of St KCH to deliver supported social housing and leveraging a larger rental income stream.</li> </ul>

<sup>1</sup> Formerly Port Phillip Housing Association (PPHA).

## Achievements and updates

### Wellington Street Common Ground supported housing project

Due to the 37 per cent project capital funding shortfall from the inflationary environment in late 2022, in March 2023, Council resolved to contribute an additional \$755,380 from the IOBY Reserve to the project to leverage the balance of funds required from Homes Victoria (\$2.11 million) to undertake the project. This was successful, with Homes Victoria committing the additional funds in April. This brings the total capital contributions from Council to \$5,120,360 (\$4,755,380 cash and a surplus lane valued at nearly \$365,000 in 2022) and \$5,813,000 from Homes Victoria, in addition to a \$6 million four-year operational subsidy.

### Port Phillip Zero – the by-name list

Since the creation of the Port Phillip Zero Project in July 2019, 317 people have been identified as sleeping rough in the LGA and subsequently added to the By-Name List (BNL). By the end of June 2023 there were 55 people active. The outflows include 123 people who have moved into long-term housing, and 139 people that are currently inactive due to moving out of area, incarceration, or who have had no contact with services in Port Phillip in over 90 days. Additionally, a total of nine people who have been identified on the COPP BNL have moved to the City of Melbourne's BNL.

# Ageing and accessibility

Facilitate independence and promote social connectedness for older people and people with a disability, through the provision of high-quality support services and community building initiatives.

2022/23	\$ 000
Budget	6,945
Actual	7,081
Variance	(136)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the ageing and accessibility service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide services and programs that enable people to feel connected and a part of their local community and maintain independence as they age (as subject to federal aged care reforms).	In-home support, community transport and social support continued this year.
Provide client services and programs that support inclusive and accessible activities, including for people who identify as LGBTIQ+, people with disability, people from culturally and linguistically diverse backgrounds, Aboriginal and Torres Strait Islander peoples and people experiencing insecure housing and homelessness.	Services and programs continue to have diversity and inclusion at the heart of their design and implementation.
Advocate for the Australian Government to effectively address the recommendations from the Royal Commission on Aged Care Services.	Advocacy has occurred through discussions with the Australian Government and with the Municipal Association of Victoria (MAV).
Provide a new Positive Ageing Policy by November 2022 to set out the needs and aspirations for older people in our municipality and guide Council's response to major reforms happening in the aged care and disability sectors.	A new Positive Ageing Strategy was endorsed by Council in May 2023.

## Status of the Access and Inclusion Plan 2019–2021

The start of 2023 was an exciting time in the accessibility space as work progressed on developing a new Accessibility Action Plan (AAP), informed by findings from previous staff and community engagement in 2021. Concurrently, work continued on the Access and Inclusion Plan 2019–2021, delivering some significant achievements. These are outlined below.

### Accessibility at the St Kilda Festival

City of Port Phillip was successful in receiving a Victorian Government grant that enabled greater accessibility at the St Kilda Festival. This enabled:

- improved marketing and communications about the festival, with all communications and marketing staff to have digital accessibility training, provided by Tibi Access
- additional signage to direct people to stages with AUSLAN interpretation, wheelchair accessible viewing platforms, accessible buggy pick up and drop off locations and accessible toilets, as well as to water refill stations, food outlets and public transport terminals
- AUSLAN interpretation for 30 acts on five festival stages
- introduction of a Quiet Zone, located within the Palais Theatre foyer, with various sensory items, including noise-cancelling headphones, beanbags, fidget toys and weighted blankets
- implementation of buggy transport service across the festival site for patrons with mobility requirements
- viewing platforms and an Elders Tent in front of the main stage to improve access and the viewing experience for Traditional Elders and community members with mobility issues
- viewing monitors in the Festival Lounge.

### Accessibility at the St Kilda Film Festival

The St Kilda Film Festival incorporated numerous elements to enhance accessibility, including:

- an AUSLAN interpreter for Opening and Closing Nights, and three presentations at the Big Picture professional development day
- closed captions on Opening Night films, Director's Choice and Award Winners screening programs
- hosting the central professional development day at a fully accessible venue
- consulting Arts Access Vic on every film entered and programmed that related to disability and accessibility.

### Accessibility at the Melbourne Fringe Festival

As part of the Melbourne Fringe Festival, City of Port Phillip facilitated a number of tactile tours of a design exhibition in St Kilda Town Hall Gallery, for people with low vision. The exhibition was organised by Linden New Art gallery. Staff from the gallery and Council underwent a half day training program in preparation for the tours.

### Planning schemes

Council exhibited Planning Scheme Amendment C203port, which implemented the Port Phillip Planning Scheme Audit Report 2018, implemented land use directions for Council-adopted strategies and translated local policy into a new format to accord with Victorian Government requirements for planning schemes. Amendment C203port was approved by the Minister for Planning and came into effect on 14 April 2023. It addresses accessible and inclusive design, particularly in clauses 15.01-1L-02 (Urban Design), 15.01-2L-01 (Building Design) and 16.01-1L-01 (Housing Diversity).

Accessibility requirements are embedded into Victorian planning schemes as well as the relevant Australian Standards that affect the design of buildings and the public realm. Council upholds and enforces these requirements in its assessment of development applications and associated public realm works across Fishermans Bend. The State Government is leading the delivery of the Fishermans Bend vision, including various infrastructure and precinct planning projects that will ultimately guide the delivery of assets like community infrastructure and streetscape upgrades. Council continues to ensure that accessibility and inclusion requirements are reflected in outcomes through this process.

## Footpath renewals

Council has continued its footpath renewal and pram crossing upgrade programs throughout 2022/23. Council has delivered a number of footpath renewals to improve the condition of our footpath network to make them safer and more accessible. Additionally, Council has upgraded approximately 100 pram crossings that were previously non-compliant. Council has also reconstructed the section of footpath on Queens Road between Queens Lane and St Kilda Road to improve accessibility and safety.

## Accessible toilets

In 2022/23, Council completed three public toilet upgrades which has increased the number of accessible toilets across the municipality. Public toilets have been completed at:

- Shakespeare Grove, St Kilda which included two DDA and one ambulant toilet
- Waterfront Place, Port Melbourne which included two DDA and one ambulant toilet
- Sandbar Café, Middle Park which included replacing the existing male toilets with one compliant DDA toilet and access ramp, and three unisex ambulant toilets.

We also upgraded the accessible toilet at St Kilda Library with a MLAK key system. MLAK keys enable people with a disability to enter accessible public facilities, 24 hours a day, 7 days a week.

## Accessible transport

To improve driving access, seven accessible parking bays in commercial areas were upgraded to meet Disability Discrimination Act requirements. These were prioritised based on utilisation and greatest benefit to the community.

To improve public transport access, Council supported:

- Yarra Trams and the Department of Transport and Planning to design improved access at tram stops at ANZAC Station, South Melbourne Market, Kingsway and Park Street
- the Department of Transport and Planning to design improved access to the bus stop and shelter in the median of St Kilda Road at Octavia Street.

## Achievements and updates

### Community support workers' health and safety

To further strengthen our work safety culture, we have introduced WorkSafe Guardian (WSG), a professionally monitored safety alert application designed for at-risk lone workers. The application provides staff with 24/7 safety monitoring with welfare checks, safety and medical alerts, and location tracking when necessary.

### Events and activities

Events and activities for older residents were well-received and attended.

The Seniors Festival attracted 1,808 attendees across 23 events and the Seniors Summer Series attracted 1,356 attendees across 10 events. To generate a sense of community ownership of the Seniors Festival, each year Council conducts a Seniors Festival Grants program which supports local services and community groups to run events during the festival. This year, 17 events were funded by Council grants, with a total of \$12,500 provided.

The Linking Neighbours program creates links between Port Phillip residents over 55. This year, membership increased to 702 and the program's outings and activities saw a total of 2,404 attendees.

### Older Person Advisory Committee (OPAC)

The committee, as subject matter experts and stakeholders, continued to play an active and valued role by:

- informing the development of the Positive Ageing Policy, including providing advice and feedback on the survey design and draft policy
- providing feedback on significant projects and plans including the South Melbourne structure plan, nature strip guidelines, good design guidelines, paid parking proposal, Elwood foreshore plan, and South Melbourne Market 10-year plan
- supporting the EveryAGE Counts campaign working with the Community Building team to deliver ageism awareness information sessions for Council staff and representatives from Port Phillip community organisations
- continuing to advocate for older people through the draft Council Plan and Budget feedback process, including advocating for activities in service improvements in areas aligned to OPAC key focus areas.

# Children

Enable healthy starts to life for children born and living in the City, support parents and children to be healthy and connected and offer programs to promote optimal development for children.

2022/23	\$ 000
Budget	18,007
Actual	17,578
Variance	429

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the children service area, to meet the aspirations of our Every Child, Our Future Childrens Services Policy. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide universal and enhanced maternal and child health services as well as family support services to assist parents, carers and families to increase their capacity and capability.	The Maternal and Child Health (MCH) service delivered: <ul style="list-style-type: none"> <li>• 10 Key Ages and Stages consultations for children from birth to school age</li> <li>• the Sleep and Settle program</li> <li>• an enhanced MCH program for vulnerable families.</li> </ul>
Increase the number of vulnerable children in the City who access quality early education and care.	Council provided support to community playgroups through the provision of buildings, maintenance and networks.
Plan and support for children's services to help all children and young people living in Port Phillip to develop their full potential and minimise the effects of disadvantage.	\$32,586 was provided to toy Libraries, including \$9,606 to provide low cost memberships to families who hold a health care card.
Provide high quality Council-run early education and care services.	There are 362 Council-managed childcare places in Port Phillip. Four out of five Council provided early education and care services are assessed and rated as exceeding the National Quality Standard (NQS) and one is assessed and rated as meeting NQS.
Provide programming and funding to create opportunities for middle years children to participate regardless of their background or circumstances.	Council offers a variety of programs at our adventure playgrounds that target vulnerable and disengaged young people and provides them opportunities and support through art, cooking, team building, sports and creative play. The Breakfast Club and dinner programs improve access to healthy and nutritious food for families.

## Achievements and updates

### Maternal and Child Health (MCH)

This year, MCH implemented:

- two monthly groups – Building Blocks Playgroup and South Melbourne Market food talks – with Star Health and South Melbourne Market to promote optimal outcomes for children
- an outreach program to conduct Key Age Stage consultations for children aged three-and-a-half years old at Council operated childcare centres.

In May 2023, the MCH services were relocated from the Koolin-nglal Centre on Clarndon Street to South Melbourne Primary School. The trial relocation aims to improve service delivery and strengthen the relationship between the primary school, children's services and MCH.

### National Quality Standard (NQS)

In October 2022, Council's North St Kilda Children's Centre underwent assessment and received an overall rating of exceeding in all seven quality areas. All childcare services across Australia are assessed by the state regulatory authority against seven quality areas of the NQS, approximately every five years. Four out of the five Council managed early years services have a rating that exceeds the NQS, and one has a rating that meets the NQS.

### Professional development

Educational leader and early childhood teacher networks are established and embedded in children's services. These meetings are aided by the Pedagogy Team Leader and aim to grow the network and support network members to learn and connect, leading to improved quality of services.

Additionally, as part of ongoing upskilling and professional development this year:

- Children's services staff undertook a two-day training course on The Circle of Security, provided by the Alannah and Madeline Foundation. This training provided information about trauma presentations, behaviour, and how to support children who have experienced complex developmental trauma experiences. It will enable educators to look beyond a child's immediate behaviour and meet their genuine relationship needs.

- We supported 14 diploma-qualified educators across children's services to undertake early childhood degree qualifications. New teachers are also being supported to successfully achieve Victorian Institute of Teaching (VIT) registration.

### Early years outreach

The Early Years Outreach program regularly attended library storytime to promote the grant program and provided outreach support to 40 early childhood services, assisting with family registrations, building educator capacity, advocating for children's specific education and care needs, exploring funding and inclusion supports.

### Making early education more accessible

The Early Education Grant funded 1,251 days of care for 42 children, providing access to education and care for families who would otherwise be ineligible or unable to participate.

The Victorian Government's Best Start, Best Life reforms include the rollout of funded Three-Year-Old Kindergarten across the State. Council's five Children's Services opted into the free kinder program, making the kindergarten component of our long day care services free for all three and four year old children, providing families with a \$2,000 per year saving on top of Child Care Subsidy benefits.

## Community programs and facilities

Create opportunities that build social connections, valuing diversity and addressing health and wellbeing inequities in our communities. Build the capacity of the local community sector to support vulnerable and disadvantaged community members. Ongoing commitment to reconciliation and support for the Aboriginal and Torres Strait Islander community.

2022/23	\$ 000
Budget	4,276
Actual	4,078
Variance	198

### Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the community programs and facilities service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide action that advances gender equality in our organisation, addresses the drivers of family violence and all forms of violence against women by tackling gender inequality in our community and organisation, and ensures our staff are trained in risk assessment for family violence where that is relevant to staff's role.	A Family Violence Policy is in development. Council officers work cross-functionally to ensure primary prevention gender work is translating into practical action.
Provide a commitment to integrating the principles of universal design in Council buildings, streets, public spaces, and beaches as part of our ongoing capital works program and advocacy on Victorian Government projects.	Universal design is an integral commitment of Council's Accessibility Action Plan, will be endorsed in August 2023. The action plan will initiate a dedicated response to universal design including developing a toolkit to assist Council officers to more effectively understand and apply the principles.
Provide a third Reconciliation Action Plan that continues our commitment to work with the Boonwurrung Traditional Owners and local Aboriginal and Torres Strait Islander peoples to achieve reconciliation.	Council has appointed a dedicated policy officer and work on the third Reconciliation Action Plan is underway. Traditional Owner and public consultation will commence in late 2023. The plan is on track to be endorsed prior to Reconciliation Week in April 2025.
Provide a new Community Safety Plan that will set the framework for public safety management within the municipality.	The Community Safety Plan will be renewed by Council in July 2023.
Partner with our Older Persons Advisory Committee, Youth Advisory Committee, Multicultural Advisory Committee, Multi-Faith Network, LGBTIQ+ Advisory Committee and establish other committees, where relevant, to ensure the diversity of our community's experience is represented in decision-making.	Our advisory committees are engaged and committed, providing valuable insights to the development of our diverse portfolio action plans.

Initiative	Progress update
<p>Partner with local community agencies via multi-year funding deeds to enable delivery of programs to persons facing or at risk of social and economic disadvantage that:</p> <ul style="list-style-type: none"> <li>• promote learning and skills development</li> <li>• address health inequities</li> <li>• provide access to nutritious and affordable foods and meals in social settings</li> <li>• provide access to recreation activities that build social connections.</li> </ul>	<p>Council continues its crucial partnerships with local community agencies to deliver programs that support people at risk of social and economic disadvantage.</p>
<p>Partner with community groups through grants programs to:</p> <ul style="list-style-type: none"> <li>• strengthen and leverage the capacity of local groups and networks</li> <li>• support programs that increase opportunities to participate in community life</li> <li>• increase participation for people who are underrepresented in existing sport and recreation opportunities across the City</li> <li>• enable access and inclusion for culturally diverse groups and persons facing or at risk of social and economic disadvantage.</li> </ul>	<p>Increased the capacity of 97 organisations through strengthening or creating new partnerships, increasing staff or volunteer capacity and increasing their access to external funding.</p> <p>100 per cent of grants are used to provide programming that supports opportunities to participate in community life.</p> <p>Grant funded projects supported:</p> <ul style="list-style-type: none"> <li>• 3,389 people from culturally and linguistically diverse backgrounds</li> <li>• 2,159 people facing or at risk of social and economic disadvantage.</li> </ul> <p>Three funded projects supported participation in sporting activities.</p>
<p>Partner with the Victorian Government, relevant agencies and community health agencies to support health planning, health prevention activities and participation in health promotion campaigns in our municipality.</p>	<p>Council networked with health partners and actively participated in the development and prioritisation of health programs to achieve positive health outcomes.</p> <p>We're still working to develop our Health and Wellbeing Action Plan, which will support us in achieving the health activities outlines in the Council Plan.</p>
<p>Partner with local community organisations to promote volunteering, provide opportunities for Council staff to volunteer under our Corporate Responsibility Program and support and train volunteers to enhance the provision of community services and support.</p>	<p>This has been delayed due to reduced staff capacity. Work is due to recommence in August 2023. We will use two Council events – FoSC Film Night and Seniors Festival – to trial structured staff volunteering activities.</p>

## Achievements and updates

### Capacity building for community organisations

The community training calendar delivered twelve capacity building workshops to community organisations. The workshops were attended by 111 participants. Training topics included:

- becoming a carer friendly place
- community grant writing workshops
- transgender awareness training
- marketing and social media for community organisations
- ageism awareness information sessions
- providing first aid for local sporting clubs.

### Supporting volunteers

The Port Phillip Volunteer Coordinator Network increased membership to 43 members and met five times. In February 2023, members participated in a Volunteer Standards workshop delivered by Volunteering Victoria.

### Communication and connection

Community Sector News maintained its subscription base, with over 1,300 monthly subscribers. The newsletter was updated to include a community profile section to showcase local community groups.

The Community Directory was launched in July 2022. This directory is a resource for people seeking to engage in social and recreational activities and programs in the local community, and is an excellent communication tool for local service providers. With over 220 listings, the directory supports our community with up-to-date information about social and learning opportunities, local service providers and community groups.

### Digital essentials

Council partnered with Port Phillip community groups to deliver weekly digital essentials classes for older people through our library service. Participants could access one-on-one support with managing digital communications and devices.

### Carers Recognition Act 2012

Council acknowledges the important contribution of carers in our community. In the City of Port Phillip, 11.2% of residents aged 15 years and over provide unpaid assistance to a person with a disability, long term illness, or older person. During the pandemic, carers experienced higher level of loneliness and worsened mental health and wellbeing compared to the general population.

In 2022/23, Council undertook the following activities to support carers in our community:

- information sharing through the Council Carer Information Hub on Council's webpage and Council's Community Directory, to provide regularly updated information and support for local carers
- hosting face-to-face Carer Friendly Place training at St Kilda Town Hall in partnership with Carers Victoria, which was attended by staff from Port Phillip and adjoining Councils, and representatives from the Neighbourhood Houses of Port Phillip, making these designated Carer Friendly Places
- maintaining relationships with local carer support groups and services, including Alfred Carers, Aspies: Find your Tribe, Moira Carer Connect, Young Carer Project, Jewish Spectrum Services, the Inner South Family and Friends group, MIND and the Borderline Personality Disorder Community group
- offering a concession rate for Victorian Carer Card holders for pet registration and for ticketed events run through Council
- working in partnership with Interchange Outer East to deliver the Pathways for Carers program, offering eligible carers to opportunity to attend free monthly walking events
- providing 768 hours of respite services via Council's Commonwealth Home Support Program (CHSP), almost double what was delivered in 2021/22
- providing purpose-built beach change rooms for people with a disability and their carer.

# Families and young people

Provide opportunities for all children, young people and families to be healthy and connected to reach their full potential.

2022/23	\$ 000
Budget	5,330
Actual	4,373
Variance	957

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the families and young people service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Partner with young people and schools to provide opportunities to enable youth leadership and inclusion of young people’s voices in decision making	The annual Student Leadership Forum brought 80 young people together from schools across Port Phillip.
Advocate to the Victorian Government to ensure adequate provision of open space for vertical schools to support the health and wellbeing of the young people of our City	Council officers are currently preparing the School Use of Public Open Space Guideline, which we can use as an advocacy tool. Council officers are also working with the Victorian Government in relation to new schools in Fishermans Bend.

## Achievements and updates

### Engaging young people

The Family Services team delivered and supported a range of activities, programs and entertainment for young residents of Port Phillip. This included:

- working in partnership with Star Health to deliver fun activities and entertainment specifically to young people at the Park Towers End of Year Community Event
- providing fairy floss and games at the St Kilda Festival, to promote middle years and youth programs.

At St Kilda Festival, 130 people aged between 12 and 25 completed a survey to share what matters most to them, and the challenges they currently face. This will help inform the Youth in Chambers summit in November 2023.

In June 2023, 80 students from seven local schools participated in the Student Leadership Forum, representing a range of ages and year levels. This annual program aims to teach the importance of civic engagement and encourages young people to take part in local government initiatives to enact change in their community. On the theme of healthy relationships, students were asked to discuss in groups what this looks like in practice, in schools, at home, with their own friends and the community.

In response to feedback that we received from young people that they prefer to engage with our services through social media platforms, Council increased our online presence. Followers on our youth-focused social media pages grew from 829 to 1,800 followers.

The Youth Access Grants program is designed to increase access to recreational activities for young people aged 12 to 18 years in Port Phillip. The format of the program changed in 2022/23, from monthly to annual. This improved access by simplifying the process for applicants and allowed Council to engage a larger audience through stakeholder engagement.

### Lead Family Worker program

An evaluation of the Lead Family Worker program highlighted high levels (88 per cent) of satisfaction with the support families received when navigating services. In terms of outcomes, people reported feeling:

- more confident in their parenting
- more connected to support systems
- more independent
- less anxious
- improved relationships
- better communication with other family members.

This year, the Lead Family Worker program provided weekly outreach at Poets Grove Children's Centre and Kooli-nagal, making the service more convenient for families by co-locating with other support and community programs, including the toy library and Maternal and Child Health (MCH).

### Parenting Information Program

A total of 200 families attended parenting sessions that supported positive health and wellbeing, including:

- nurturing yourself as a parent
- self-care
- raising resilience
- first aid
- coping with anxiety
- positive strength-based parenting.

Additionally, over 100 families who could not attend the scheduled sessions were able to access the material via video recordings.

### Toy libraries and playgroups

Funding, totalling \$32,590 was provided to toy libraries to support the delivery of contemporary and high-quality toys. This included an increase to the subsidy for families with a Health Care Card. A network for toy libraries and community playgroups was re-established to facilitate joint projects and learnings.

Supported playgroup attendance returned to pre covid numbers, with two weekly face-to-face sessions during school term. An average of 16 families participated in the evidence-based program each week, with outcomes that included helping parents to form new friendships and connecting parents and carers with useful resources in their community. The program also offered school holiday pop-up playgroups at adventure playgrounds as an opportunity to promote the value of nature play and connection with other family services.

### Early Help Program

The Early Help Program, in partnership with Star Health, delivered 1,310 hours of support to 87 families presenting with a range of health or disability support needs. A significant number of children presented to the program with developmental delays and undiagnosed disabilities. Practitioners noted significant impacts caused by COVID-19 with issues transitioning to childcare, kinder and school, and increased parental anxiety. The Early Help program delivered a range of individual and group interventions to best meet the needs of families.

### Solihull program pilot

The Solihull approach is an evidence-based relational approach to optimising relationships, supporting emotional regulation, reflections and autonomous thinking. The pilot of two Solihull programs had 12 families participate. Their feedback will inform delivery of the program in 2023/24, including reducing the commitment required by families and improving alignment with family's availability.

### Partnerships

Ongoing partnerships with a range of local organisations were further strengthened to support better outcomes for children, young people and their families, including:

- South Port Community Housing Group
- Launch Housing
- Salvation Army
- Port Philip Community Group
- Star Health or Better Health Network
- Uniting, Anglicare
- VACCA
- Centrelink
- Bayside Peninsula Family Services Alliance
- St Kilda Mums
- Playgroup Victoria
- Parenting Resource Centre
- Park Towers
- Bayside Assistant Principles Network
- Local Government Kindergarten Infrastructure Services Planning group
- Local Government Child Safe Network
- local primary schools.

# Recreation

Plan, deliver and activate sport, recreation and open space facilities and services to create community health and wellbeing.

2022/23	\$ 000
Budget	5,928
Actual	5,367
Variance	561

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the recreation service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide an access and inclusion plan (also known as a disability action plan) to demonstrate our commitment to equitable participation and inclusion of people with disability within our community and within our organisation.	Council's Accessibility Action Plan will be endorsed in August 2023.
Provide high-quality sport and recreation infrastructure designed for shared community use that enables people of all ages, backgrounds and abilities to participate. This work includes major projects such as JL Murphy, Lagoon Reserve, North Port Oval, RF Julier, Port Melbourne Netball Courts, Wattie Watson Oval and other sports field lighting and minor recreation infrastructure renewals, as subject to available budget funding.	All projects listed are currently underway, they are either in the design phase or ready for construction. Further details are provided below.
Provide advocacy support to individual clubs within Albert Park which are applying for funding through third party organisations.	Council officers liaise with individual clubs and Parks Victoria regarding projects and alignment with the Albert Park masterplan.
Partner with local sporting clubs, schools and recreation providers to facilitate participation in recreation and leisure activities to enable everyone in our community to be more active.	Council officers liaise with individual clubs, Sport and Recreation Victoria, state sporting associations, schools and other organisations to encourage increased and alternate participation streams and seek funding opportunities to support ventures.
Partner with sport and recreation providers to improve access and gender equity within their programs.	Council has undertaken: <ul style="list-style-type: none"> <li>community engagement to inform the draft Fair Access Policy</li> <li>capital improvements to facilities to support participation by women and girls.</li> </ul>
Partner with Parks Victoria to improve communication and engagement with Albert Park users and clubs.	Council officers liaise with Parks Victoria and Albert Park sports clubs to manage consistency in communication and engagement.
Partner with Parks Victoria over time to align plans for sport and recreation within Albert Park with broader municipal sport and recreation strategies.	Council officers are building a strong working relationship with Parks Victoria.

Initiative	Progress update
<p>Advocate to the Victorian Government and Parks Victoria to translate the Albert Park masterplan into a clear list of infrastructure investment and upgrade priorities, supported by an asset management and funding plan, with input from sporting clubs in Albert Park.</p>	<p>Council officers are embedded in a Parks Victoria working group to implement the Albert Park masterplan for sport and recreation actions.</p>

### Status of the Sport and Recreation Strategy 2015-24

The Sport and Recreation Strategy provides a framework to guide the provision of facilities and services to meet the needs of the Port Phillip community. The current Sport and Recreation Strategy is nearing completion. A review will be undertaken to acknowledge successful achievements and plan for sport and recreation for Port Phillip in 2025 and beyond.

Initiative	Progress update
<p><b>People:</b> provide and facilitate a diverse range of sport and recreation programs and services for the Port Phillip community.</p>	<p>Council provides support and guidance to a range of sport and recreation clubs and organisations through:</p> <ul style="list-style-type: none"> <li>• sporting infrastructure (such as sportsgrounds and pavilions)</li> <li>• funding and partnership opportunities</li> <li>• collaborating to provide sport and recreation programs and services to the community.</li> </ul> <p>We have partnered with organisations such as Better Health Network to deliver programs and provide advice and support for our community.</p>
<p><b>Places:</b> plan, provide and maintain quality sport and recreation spaces for the Port Phillip community.</p>	<p>During 2022/23 Council has investment further in sport and recreation spaces. Most of the focus has been in the design phase of projects such as the:</p> <ul style="list-style-type: none"> <li>• redevelopment of JL Murphy Reserve pitch three (from natural turf to synthetic)</li> <li>• development of a new netball facility at Elder Smith Reserve</li> <li>• upgrade of the sportsgrounds, pavilion and other infrastructure at Lagoon Reserve</li> <li>• design of Graham Street Overpass Skatepark.</li> </ul> <p>Improved maintenance schedules for our open spaces, such as sportsgrounds, have been implemented.</p>
<p><b>Processes:</b> ensure good governance in the management of sport and recreation in Port Phillip.</p>	<p>Engagement with sport and recreation providers has been achieved through the development of the draft Fair Access Policy. Leases, licences and permits to use sport and recreation facilities has been reviewed and maintained.</p>

## Achievements and updates

### Sport and recreation infrastructure

A tremendous amount of planning and design work has been undertaken during 2022/23, in preparation for a busy year of construction and upgrade projects.

### Policies and service planning

An informal recreation audit was undertaken to guide planning and investment in improving recreation facilities such as fitness equipment, basketball goals and skate parks. Sport and recreation service planning is now underway.

The following policies and documents are under development:

- Sports Fair Access Policy
- Sports Club Fees and Charges Policy
- Sports Club Allocations Policy.

# Inclusive Port Phillip: outlook for the future

The final two years of the current Council Plan (2023/24 and 2024/25) will be particularly busy and eventful for the service areas that contribute to our Inclusive Port Phillip strategic direction. Considerable work has gone into preparing for upcoming capital works, legislative changes, and events.

## Addressing homelessness

The Port Phillip Zero Project is on track to reduce the amount of people sleeping rough to a 'functional zero' level (three to six people) by December 2024, through housing allocations including opening of the 26-unit Common Ground project. This is despite the expected increase in insecure housing and housing stress, which will be a key focus of the Port Phillip Zero coordination group in 2023/24.

Additional capital funding for the Common Ground project has enabled St KCH to progress to the tender stage. Construction is projected to commence in October 2023 and finish in October 2024, providing 26 units of accommodation and on-site support, concierge, management and communal facilities.

## Early years education

Since 2008, Council has provided a central registration scheme for Council and community managed childcare services. In 2023/24, we will be transitioning to a new provider for these services. In preparation for this change, Council has undertaken extensive consultation to help community managed services understand the changes, and to develop a locally agreed priority of access for enrolments.

Recruitment continues to be a challenge, with a sector-wide shortage of qualified educators impacting service delivery and optimisation of room places. A grant has been provided by the Department of Education to develop a 5-year workforce plan to enable delivery of Pre-Prep, and continue scaling up Three-Year-Old Kindergarten between 2024 and 2029.

Continuing the roll-out of the Victorian Government's Best Start, Best Life reforms, we will investigate the demand and feasibility of offering standalone sessional kindergarten in Council managed childcare settings for families not wishing to access extended hours. Additionally, Council will work with education and care services, and the Department of Education, to update its Kindergarten Infrastructure Services Plan, recognising the progress of local education and care services in delivering increased access to funded three-year-old kindergarten.

## My Aged Care Single Assessment Service

In June 2024 the Regional Assessment Service (RAS) Program across the State will end. It will be replaced by a new My Aged Care Single Assessment Service, commencing in July 2024.

The RAS Team will continue to be focused on optimal outcomes for clients, ensuring they access the services they require up until the RAS program is decommissioned. There will also be a focus on maintaining the service whilst accommodating leave requests over the next ten months. Through their E-plans, staff will be encouraged to consider training and education opportunities to maximise their potential for future employment or other purposeful occupation.

## Upgrades to sport and recreation facilities

The following sports and recreational facilities will be upgraded in 2023/24:

- Lagoon Reserve sports field redevelopment, including sportsground lighting and cricket net upgrades, is due to commence November 2023.
- J Talbot Reserve upgrade will see the relocation and replacement of the existing basketball hoop and gravel surface, which has reached the end of its functional life. Construction is due to commence in late 2023.
- Elder Smith Reserve Development design has been completed, and will be presented to Council at its 6 September 2023 Ordinary Meeting, along with an overview of findings from the community engagement process.

Three planned sports and recreational facilities upgrades will be completed in subsequent years:

- Albert Park Bowls Club pavilion upgrade will include upgrade to amenities and changing areas and will commence construction August 2024.
- Graham Street Overpass Skate Park redevelopment is continuing through the design process, with some design delays leading for completion of Stage 1 works June 2024.
- JL Murphy Reserve community pitch 3 upgrade includes the redevelopment of this ground into a synthetic playing surface; and pitch 2 will be redeveloped to provide improved infrastructure to support the natural playing surface.

**Separated bike lanes on the foreshore helping residents and visitors travel around our City safely.**



## Strategic Direction

# Liveable Port Phillip



A city that is a great place to live, where our community has access to high quality public spaces, development and growth are well-managed, and it is safer and easy to connect and travel within.

	\$ 000
Budget	82,045
Actual	73,357
Variance	8,688

**Four year strategies:**

- Port Phillip has diverse and distinctive neighbourhoods and places and is proud of and protects its heritage and character.
- Port Phillip is safer with liveable streets and public spaces for people of all ages and abilities to enjoy.
- The City is well connected and easy to move around with options for sustainable and accessible transport.

**Services that contribute:**

- City planning and urban design
- Development approvals and compliance
- Health
- Local laws and animal management
- Municipal emergency management
- Public space
- Transport and parking management.

# City and Council indicators

## City indicators

Indicator	2020/21	2021/22	2022/23
Proportion of residents who agree the local area is vibrant, accessible and engaging	85%	83%	Not available*
Proportion of residents who are proud of, connected to and enjoy living in their neighbourhood	88%	90%	Not available*
Proportion of residents who feel a sense of safety and security in Port Phillip	68%	71%	Not available*
Proportion of residents living within short, easy and safe walking distance of public open space. That is, without having to cross major roads or other physical barriers such as railways or waterways	85%	85%	Not available*
Number of fatal, serious or non-serious transport related crashes	Not available	Not available	Not available

\* Results for the VicHealth survey have not yet been released.

## Council indicators

Indicator	2020/21	2021/22	2022/23	Target 2022/23	Status
Proportion of residents satisfied with parks and open space	85%	Not available	Not available	85%	●
◆ Percentage of required food safety assessments undertaken	97%	99%	100%	100%	✔
◆ Proportion of sealed local roads below intervention level	94%	95%	94%*	95%	✘
◆ Percentage of planning applications decided in required timeframes	72%	45%	57%**	60%	✘
◆ Planning decisions upheld at the Victorian Civil and Administrative Tribunal (VCAT)	75%	74%	83%	70%	✔
Number of properties where the heritage control is refined in the planning scheme		70%	0***	>200	✘
◆ Time taken to action animal management requests	1 day	1 day	1 day	<2 days	✔
Proportion of residents who agree that the Parking Management Policy addresses the City's existing and future growth and transport challenges	Not required	35%	34%	Establish baseline	●
Proportion of residents who agree that the Parking Management Policy provides fairer and more reliable access to parking	Not required	Not required	37%	Establish baseline	●

\* Many of our laneways are constructed with bluestone, which is more resource intensive to maintain. Our road renewal program meets service levels.

\*\* Significant resourcing and process improvements were implemented mid-year, resulting in reduced timeframes in the latter half of the year.

\*\*\* There has been a significant delay in receiving authorisation from the Minister for Planning to amend the Port Phillip planning Scheme.

**Legend**    ✔ met or exceeded target    ✘ did not meet target    ● data unavailable or target being rebaselined  
 ◆ Also required as part of the Local Government Performance Reporting Framework (LGPRF)

# City planning and urban design

Deliver strategic planning, controls and urban design outcomes to enhance Port Phillip's character and create a liveable, attractive and sustainable City.

2022/23	\$ 000
Budget	4,989
Actual	4,050
Variance	939

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the city planning and urban design service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Partner with the Victorian Government to improve the safety of buildings in our City particularly with unsafe cladding.	Cladding Safe Victoria (CSV) has developed robust, evidence-based protocols for assessing and addressing cladding-related risks. Council is working with building owners and the Municipal Building Surveyor (MBS) to implement these protocols and mitigate risks associated with cladding across the City.
Provide a Heritage Program to reflect the history and protect the heritage fabric of key areas in our City for future generations to enjoy.	Strategic work for the Heritage Overlay (HO) 7 and HO8 reviews has now been completed. Strategic work for the Port Melbourne Gap Study review has commenced.
Provide an updated Port Phillip Planning Scheme, including a Municipal Planning Strategy, Housing Strategy and precinct-based structure plans. This provides a framework of local policies and controls to effectively manage growth, land-use change and support community sustainability, health and wellbeing.	A discussion paper for the Housing Strategy has been consulted on and technical work is progressing to inform the draft strategy. The Spatial Economic and Employment Framework (SEEF) is currently on exhibition.
Provide planning scheme amendments to strengthen land-use and development policy and controls, to manage growth and maintain local amenity and character in areas undergoing significant change.	Amendment C203port was gazetted in April 2023. This implemented the Planning Scheme Review.  Amendment C209port has been submitted to the Minister for Planning for authorisation to commence the amendment process. This proposes to give statutory effect to the 'Review of Heritage Overlay 7 and surrounds'.
Provide the South Melbourne Structure Plan to inform future planning control in South Melbourne, develop Council's public realm projects and manage growth through aligning with partnership, transport, employment and sustainability goals outlined in key Council strategies.	Phase 2 consultation on the South Melbourne Structure Plan has been completed.

Initiative	Progress update
<p>Partner with the Victorian Government to deliver outcomes in the Fishermans Bend strategic framework.</p>	<p>The delivery of outcomes in the Fishermans Bend Framework is an ongoing process, with the area planned for delivery by 2051.</p> <p>We are concerned at the lack of progress the Victorian Government has made against the framework and are advocating heavily for better governance, open space and transport outcomes.</p>
<p>Partner with the City of Bayside to contribute to improved amenity and biodiversity improvements in the Elsternwick Park Nature Reserve and will develop a business case and detailed designs for the wetlands and stormwater harvesting scheme for further consideration by Council.</p>	<p>Council has continued to progress development of the Yalukit Willam Nature Reserve in partnership with Bayside City Council and Melbourne Water, including improvements to stormwater harvesting within the Reserve.</p>
<p>Partner with the Victorian Government, Port of Melbourne Authority and other key stakeholders to explore opportunities to improve the public realm at Waterfront Place for residents, our broader community and visitors to enjoy.</p>	<p>Council has engaged with the Vic Ports to explore the opportunity to work together to plan a coordinated approach to improving the overall amenity and accessibility of the area. An update will be provided in early 2024.</p>
<p>Advocate for Australian and Victorian Government funding to support delivery of new and upgraded infrastructure and public spaces in our City, including Waterfront Place and Station Pier.</p>	<p>Council continues to engage with the Australian and Victorian Governments to support new and upgraded infrastructure and public spaces in our city, including supporting the Port Melbourne Business Association to deliver a Migration Trail funded by a Victorian Government grant.</p>
<p>As part of the Fishermans Bend program, develop and implement an urban renewal vision to guide land use, development, infrastructure and service delivery in Fishermans Bend to 2050.</p>	<p>The Victorian Government is leading the development of infrastructure and precinct plans for Fishermans Bend. Council is advocating for the development and release of these plans, particularly the infrastructure funding and financing strategy and the Montague Precinct Implementation Plan.</p>
<p>Partner with the Victorian Government to effectively manage site (soil and groundwater) contamination and management of open space sites, including at Gasworks Arts Park.</p>	<p>The Environment Protection Authority (EPA) has deemed the Gasworks Arts Park site safe for ongoing use as a public park. Council continues to work with the Victorian Government to effectively manage site contamination at all public spaces across the City.</p>
<p>Partner with the Victorian Government to ensure appropriate outcomes for our community are achieved through the redevelopment of St Kilda Pier, Shrine to Sea and other major public infrastructure projects.</p>	<p>Work is currently underway to rebuild the iconic St Kilda Pier. The new St Kilda Pier will give local and visitors better public open space and better swimming spots, while preserving the historic kiosk. Engagement on the Shrine to Sea draft masterplan is underway. Council continues to work with the Victorian government to optimise outcomes for our community from these and other major public infrastructure projects.</p>
<p>Partner with the Australian Marina Development Corporation (AMDC) to deliver the St Kilda Marina redevelopment.</p>	<p>AMDC has made some amenity improvements to the site to support an improved user experience while the planning and approvals process is undertaken for the major redevelopment works and are looking at activation opportunities during summer. Council is working closely with AMDC to resolve an approach to soil contamination remediation that will support delivery of the community benefits linked to the lease. This work has taken much longer than anticipated and has delayed the planning approvals process.</p>

## Achievements and updates

### Heritage Program

Work continued on the ongoing Heritage Program, with:

- the completion of strategic work for Heritage Overlay (HO) areas 7 and 8
- commencement of strategic work for the Port Melbourne Gap Study Review.

On 12 October 2022, a request was lodged with the Minister of Planning for authorisation to amend the Port Phillip Planning Scheme to implement the HO7 review, and refine the heritage controls of 1,636 properties. Authorisation has not yet been received, which has delayed implementation of this work.

### Key planning strategies, policies and frameworks

Community consultation was undertaken on three planning strategies: the Spatial Economic and Employment Framework, the Housing Strategy, and the South Melbourne Structure Plan. This community input will inform the development and finalisation of these strategies in 2023/24.

The City's local planning policy framework was reviewed and improved, simplifying its structure, function and operation. This included removing unnecessary regulation.

### Melbourne's Urban Design Forum

Council continued to collaborate as a local government partner in Melbourne's Urban Design Forum.

### Advocacy and collaboration with the State Government

As a key stakeholder, Council has been working with State Government agencies on significant social housing delivery projects. Most notably, the redevelopment of the Barak Beacon housing estate.

We also continued to advocate to State Government for progress and investment in Fisherman's Bend.

# Development approvals and compliance

Support well-designed, sustainable, safe development that protects heritage and neighbourhood character and maximises community benefit. Support outdoor dining to enhance our City's liveability and vibrancy.

2022/23	\$ 000
Budget	8,117
Actual	8,871
Variance	(754)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the development approvals and compliance service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Deliver a high standard of amenity, ensuring compliance with planning and building requirements, legislation and local laws to support public health and community safety.	Significant progress improvements have made the planning application process simpler, easier and more efficient.

## Achievements and updates

### Fishermans Bend

The Fishermans Bend Statutory Planning team has successfully worked on significant amendments, providing formal and informal referral advice to the Minister for Planning to facilitate changes to approved developments. The team has also been actively engaging in pre-application meetings with the Department of Transport and Planning and the Fishermans Bend Taskforce, to encourage high quality and responsive design for developments with appropriate densities and uses from the beginning of the process.

### Process improvements for planning applications

A number of key improvements have increased the efficiency and customer experience of the planning application process. This includes implementation of:

- a new privacy and collection notice process
- streamlined referral processes for increased efficiency
- streamlined administration processes for increased efficiency and improved communication to submitters of a planning application
- new style guides to make communications simpler and more user-friendly
- expanded Vicsmart (fast tracked) provisions to include more types of proposals that can be determined in 10 days.

As a result of these changes, the timeframe for processing applications has been reduced, and it's easier for submitters to track the progress of their application.

### Supporting local businesses

A new position has been created, specifically to support local businesses with non-complex planning applications. Additionally, 11 factsheets and guidelines have been published on the website for different business types, to help anyone looking to open or relocate a business within Port Phillip.

### VCAT outcomes

City of Port Phillip has had excellent VCAT outcomes this year. We attribute this to the quality of support and knowledge provided by the appointed Appeals Advisor, and the urban planner's detailed understanding of their planning application and the relevant rules and regulations. Considerable savings in costs and resources has been achieved by the large number of appeals that consented at preliminary hearings and compulsory conferences, thereby avoiding being heard at full hearings.

# Health

Maintain, improve and protect public health in the community, through education and inspection services.

2022/23	\$ 000
Budget	2,018
Actual	2,002
Variance	16

## Achievements and updates

### Inspections

Council inspected all:

- registered food premises for compliance with the *Food Act 1984* and the National Food Safety Standards
- beauty parlours, tattooists and skin penetration premises for compliance with public health laws
- rooming houses and other forms of registered accommodation for compliance with relevant public health standards
- food safety at all major festivals and events.

### Immunisations

Council delivered the general community and school immunisation programs. Immunisation attendance has increased by 28 per cent from last year. This year, the service was expanded to include fee-for-service vaccines included in the National Immunisation Program, such as meningococcal, chicken pox and adult influenza.

This year, we also completed the high school vaccination catch up program for all year 7 and year 10 students who missed their scheduled vaccines in previous years due to COVID-19.

An influenza vaccination program was delivered to Council staff.

### Covid Rapid Antigen Test kits

Council distributed approximately 3,700 Covid Rapid Antigen Test (RAT) kit packs to community member as part of the Statewide RAT distribution program.

### Changes to the Food Act

Changes to the *Food Act 1984* released in July 2022 were implemented, reducing food safety administrative requirements and the regulatory burden for up to 700 food businesses. Further amendments to the Food Act have been announced with Victoria set to adopt a new National Food Safety Standard in 2023/24. All food businesses will be impacted to some degree, and an education program will be developed to support the implementation.

# Local laws and animal management

Protect Council assets, the environment and health and safety of our community, and ensure responsible pet ownership.

2022/23	\$ 000
Budget	2,659
Actual	2,847
Variance	(188)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the local laws and animal management service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Partner with the Victorian Government and Victoria Police to provide CCTV in line with Council's CCTV Policy.	The Public CCTV program is managed and maintained by Council, ensuring Victoria Police have access to an up to date and functional crime prevention tool.
Provide Animal Management Services and development of a new Domestic Animal Management Plan 2022-25 to support people to care for their pets and to improve responsible pet ownership. This enhances the safety and wellbeing of the wider community.	The Domestic Animal Management Plan 2022-25 was adopted in November 2021. Animal Management has now satisfied its year one targets, including de-sexing >250 pets as part of the 'Pets of Port Phillip' program.
Provide a new Local Law 2023 after completing the Local Law Review, which include community consultation and Councillors consideration.	Following community consultation and Councillor consideration a new Local Law 2023 was adopted by Council in June. It will come into effect in August 2023.
Partner with Victoria Police and our community to undertake activities that improve the actual and perceived safety of our municipality, including measures to address hooning.	<p>Police and City Amenity Officers have carried out multiple joint patrols in targeted, hot-spot areas including Fitzroy, Acland and Carlisle Streets.</p> <p>In May 2023, City of Port Phillip hosted a Community Safety Forum on behalf of VicPol.</p> <p>In partnership with VicPol, the meetings held on a weekly basis, to discuss resourcing and tasking for the week ahead.</p>

## Status of Domestic Animal Management Plan 2022–25

In the first year of the new Domestic Animal Management Plan (DAMP), the following activities were undertaken to promote and ensure responsible pet ownership and pet welfare:

- increased officer patrols of parks and public spaces to educate and enforce dog owners on their responsibility and requirements to leash, register and pick up after their dogs
- completed an audit of all park signage to investigate ways to improve communication of regulations
- continued to utilise social media to communicate key issues and services
- continued and increased pet registration checks in the field and notification of owners regarding registration upon the purchase of a new pet to encourage take-up of free registration in the first four weeks of owning a new pet
- conducted checks of all domestic animal businesses to ensure compliance with legislation
- introduced mandatory desexing of newly registered cats with exceptions as per legislation
- introduced a night-time cat curfew from 9 pm to 6 am
- introduced the requirement for dogs to be off the sporting field during organised sport
- supported Council's construction of a new fenced off leash area at MO Moran Reserve, Elwood
- continued Council's partnership of Pets of Port Phillip desexing clinic to provide free desexing services for vulnerable Port Phillip pet owners with over 250 animals de-sexed.

## Achievements and updates

### Community Amenity Local Law (2023)

Following extensive community engagement, a new *Community Amenity Local Law (2023)* was adopted on 21 June 2023. Changes addressed community concerns about abandoned shopping trolleys, residential parking permits, itinerant trading, dumping of furniture, dangerous and unsightly land. One of the key changes requires commercial dog walking businesses to obtain a permit if walking, exercising, or otherwise being in control of seven dogs or more on Council land.

### Animal management

Over 250 cats and dogs have been desexed as part of Council's Pets of Port Phillip program. The joint program has been carried out with the Port Melbourne Vet Clinic, transporting pets from social housing to the clinic, where costs may have previously prevented them from being de-sexed.

Over 12,500 cats and dogs have been registered.

### Safety and enforcement

The successful 'summer management' program kept our foreshore safe and welcoming, providing a beach service every day from November to March with no incidents.

Local Laws issued 444 infringements compared to 341 the previous year. This represents a 30 per cent increase

# Municipal emergency management

Provide operational and strategic emergency management services across preparedness, response and recovery.

2022/23	\$ 000
Budget	515
Actual	577
Variance	(62)

## Achievements and updates

### Risk assessment

In July 2022, the Port Phillip District Municipal Emergency Management Planning Committee successfully undertook a Community Emergency Risk Assessment to consider the municipality's preparedness.

### Flood monitoring

In May 2023, Council installed flood monitoring equipment and warning lights on two local high-risk roads which regularly face flash flooding: Foam Street and Wave Street in Elwood.

### Emergency preparedness

This financial year, Council undertook the following training and simulation exercises, to ensure we are fully prepared for potential emergency situations:

- Counter terrorism tabletop exercises
- Training of 30 Emergency Relief Centre volunteer staff
- Emergency Relief Centre mock activation.

The Emergency Relief Centre mock activation scenario was a flood emergency to Elwood Canal which displaced a large portion of community members from their homes who required immediate relief. It was attended by over 100 people from 30 agencies, allowing the many people and organisations who might be called upon in an emergency to forge connections and learn how to work together effectively.

# Public space

High quality and unique parks, open spaces and foreshore for the enjoyment of our community and visitors.

2022/23	\$ 000
Budget	30,526
Actual	24,277
Variance	6,249

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the public space service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Partner with our community, local service agencies and Victorian Government agencies, including the EPA, to undertake activities that improve issues related to social inclusion, disadvantage and levels of amenity in our municipality.	Council continues to broker relationships with community services, health services and Victoria Police to provide programs, support and a community safety response to enhance the safety and wellbeing of community.
Provide the best possible public space outcomes that support community health and wellbeing, through infrastructure projects undertaken in our City by other levels of government and stakeholders.	Council provides and maintains 191.6 hectares of ovals, reserves and gardens, which provide our community access to nature and opportunities to recreate and socialise.
Provide programs that ensure our foreshore, high-streets and public spaces are safer and cleaner including during times of higher visitation, particularly over the summer.	The successful 'summer management' program kept our foreshore safe and welcoming, providing a beach service every day from November to March with no incidents.
Provide access to upgraded, expanded and well-maintained public and outdoor spaces for people of all ages and abilities to visit, in line with our 10-year Public Space Strategy (once adopted by Council), prioritised within available budgets each year.	44 priority actions in the Public Space Strategy are currently in progress and six are now complete.
Deliver a funded plan for Elwood Foreshore Redevelopment by 2021/22 and delivery of major public space projects including Bay Trail Public Space Lighting by end of 2021/22, Luna Park and Palais Forecourt by end of 2022/23; and Gasworks Arts Park by end of 2023/24 (completion subject to budget allocation).	The Elwood Foreshore Redevelopment, Bay Trail Public Space Lighting projects, and Luna Park and Palais Forecourt project have been delayed. The upgrade to the playground at Gasworks Arts Park remains on-track for completion in 2023/24. Further details on these projects are provided below.
Deliver Palais Theatre and Luna Park Precinct hostile vehicle mitigation and amenity upgrades.	The delivery of the project was disrupted due to drainage issues encountered during the early stages of construction. Further details are provided below.
Deliver the new Moubray Street Community Park in Albert Park.	The design is currently being finalised prior to commencement of tender process in November 2023. Construction is scheduled for completion by mid-June 2024.

Initiative	Progress update
Partner with the Victorian Government and neighbouring councils to maximise the benefits of our public spaces and public spaces in adjacent municipalities, including the potential joint delivery of new public spaces where appropriate	Council officers are working with Stonnington and Glen Eira in relation to the proposed Green Line project.
Partner with residents, visitors and local traders to take shared responsibility for maintaining a safer community by respecting public spaces, disposing of waste appropriately, managing pets responsibly, being courteous to fellow community members and reporting crime.	Council's City Amenity Officers, Local Laws Officers and Animal Management Officers proactively build relationships while engaging with the community to provide education and achieve compliance.
Partner with the Victorian Government, Parks Victoria and other key stakeholders to maintain and enhance all 11 km of foreshore for the benefit and active use by all Victorians.	<p>Council has worked closely with the Victorian Government on a number of maintenance initiatives along the foreshore including the maintenance of the newly constructed Shakespeare Grove Main Drain Outlet. Council is working closely with Melbourne Water on addressing amenity issues with the Princes Street Drain Outfall in Port Melbourne.</p> <p>Council is also working with the State to uplift the St Kilda Pier and surrounds including Pier Road.</p>

## Achievements and updates

### Biodiversity

Biodiverse planting along Danks and Bothwell Streets, the light rail corridor and the foreshore has already had an impact. Biodiversity surveys undertaken by the EcoCentre observed multiple butterfly, native bee and wasp species present after the planting, which were not observed in the baseline survey conducted prior to planting.

### Research

Council has entered into a number of research projects, designed to enhance our public spaces. Most notably:

- the University of Melbourne Woody Meadow Project
- the Swinburne / Melbourne University Walk Quality Project
- tree trials with nursery industry partners.

### Port Phillip Pickers

The Port Phillip Pickers came together to make the most of the fruiting olive trees on the streets of our City. It is the second year this popular program has run with the support of Council officers.

### Update on key projects

The site plan for Elwood Foreshore Redevelopment underwent community consultation this year and will be considered by endorsement in 2023/24. It will then commence detailed design, engagement with specific stakeholders and delivery.

The Bay Trail Public Space Lighting projects were delayed due to a number of issues including the emergence of fusarium wilt, a fungus effecting the City's iconic stands of palm trees. These projects are on track for delivery in the 2023/24 financial year.

The Luna Park and Palais Forecourt project was delayed after drainage issues were encountered during construction. The Jacka Boulevard intersection upgrade was completed, and the project was paused whilst redesign was undertaken. It is due to recommence and be completed in the 2023/24 financial year.

The upgrade to the playground at Gasworks Arts Park remains on-track for completion in 2023/24.

# Transport and parking management

Support a reliable, well connected transport system and enable people to easily move around, connect and get to places within our growing City.

2022/23	\$ 000
Budget	33,222
Actual	30,733
Variance	2,489

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the transport and parking management service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide enhancements to our public realm, including local area traffic management, pedestrian and bike riding safety projects, improved lighting and management of vehicle access to improve safety for everyone throughout our City.	Raised crossings have been installed at the corner of Iffla and Tribe Streets, Liardet and Cruikshank Streets (including lighting upgrade) and Waterfront Place. Temporary speed cushions have been installed on the corner of Langridge Street and Patterson Street, and a more permanent solution is being prepared.
Provide improvements to the way people move around our City by delivering on commitments outlined in Council's 'Move, Connect, Live strategy' including walking, bike riding and shared transport projects such as the Garden City Bike Corridor by 2021/22, prioritised in line with available funding each year.	Council supported nine schools to participate in Ride to School and two schools with a total of 858 students for walk to school month. Council also provided families with access to a free trial of an electric cargo bike to make daily journeys without a car. We have also provided bike confidence training.
Provide Inkerman Safe Travel Corridor between St Kilda Road and Orrong Road as part of the Integrated Transport Strategy.	Concept design works for the Inkerman Safe Travel Corridor are in the process of being finalised. The design options will be tabled at an upcoming Council meeting to decide if the project will progress to community engagement.
Deliver Park Street Streetscape Improvement Project between Kings Way and St Kilda Road as part of the Integrated Transport Strategy.	The Park Street Streetscape Improvement project is currently going through detailed design. The construction of the project is currently programmed for 2024/25 following completion of key development on the corridor.
Partner with the Australian Government to implement blackspot safety improvements at high collision locations.	Council has analysed the most recent CrashStats and identified three potential black spot projects. Black spot applications will be submitted when funding is announced.
Partner with the Victorian Government and connecting councils to provide temporary and permanent bicycle infrastructure that helps to support people to ride safely through our City.	Council has long advocated for protected bike lanes on St Kilda Road. The Victorian Government has commenced installing bike lanes from Dorcas Street through the St Kilda Road Junction to Charnwood Street. Council provided local information to the Victorian Government for the pop-up bike lane trial.

Initiative	Progress update
Partner with the Victorian Government to trial emerging micro mobility such as e-scooters.	The trial of shared e-bikes and e-scooters has been extended.
Advocate for the Victorian Government to develop a sustainable funding and financing strategy to enable the timely delivery of local infrastructure at Fishermans Bend and to provide early delivery of high frequency public transport links to Fishermans Bend.	The draft funding and financing strategy is still being prepared by the Victorian Government. Timing for release of the draft strategy is not confirmed at this stage. Getting greater clarity on this and seeing it delivered forms part of Council's overall advocacy approach.
Advocate for the Victorian Government to progress the liveability and transport outcomes in the Domain Precinct Public Realm Masterplan and Anzac Station Precinct Plan.	Council continues to work closely with the Victorian Government to provide better outcomes for our community. Works on Anzac Station are progressing with Albert Road and the Albert Road open space under construction.
Advocate for the Victorian Government to undertake relevant legislative reforms to enable safer use of alternative modes of transport.	Council continues to participate in the Victorian Government led trial of e-scooters to inform and advocate for regulatory framework for safe use of e-scooters as an alternative mode of transport.
Advocate for the Australian and Victorian Governments to invest in projects that provide alternative, active and sustainable forms of transport including the St Kilda Road Bike Lanes Project.	Council successfully advocated for the construction of the St Kilda Road bike lanes which carried some 3,500 riders per day.  Construction is nearing completion providing new, kerbside bike lanes for the length of St Kilda Road that physically separate drivers and bike riders.
Transaction of Carlisle Street supermarket carparks to facilitate future development on the sites.	The redevelopment of the carparks in Balaclava as a catalytic opportunity is slated for early design and feasibility work in the 2023/24 financial year.
Parking controls and management that encourage fair and equitable use for residents, businesses and visitors to our City.	Significant progress has been made in upgrading parking technology, and implementing customer experience improvements in permitting. Further details provided below.

## Achievements and updates

### Parking

The project to change all of Council's 501 on-street paid parking machines to only accept card payments was completed on time and under budget in June 2023. This provides an improved service to the public, and also reduces the level of maintenance the machines require.

We've introduced ongoing customer experience improvements to parking permits by:

- reducing the number of steps required to approve a permit
- providing easier access to inbuilt subtasks
- implementing smarter processing to allow users to select if they would like to email or download the generated permits.

Additionally, Council entered a new parking technology contract in June 2023. This contract provides an Infringement issuing service, in-ground parking sensors and a customer facing pay-by-phone application.

### E-scooters

From 5 April 2023, the Victorian Government expanded the trial of e-scooters to allow the legal use of privately owned e-scooters. At this time changes were made to the regulations to permit use of e-scooters on roads with a speed limit of up to 60 kilometres per hour and reducing minimum age for riding to 16 years.

# Liveable Port Phillip: outlook for the future

**Maintaining the current and future amenity and liveability of Port Phillip will remain a key focus as we move into Year 3 of the Council Plan.**

In 2023/24, we will continue to deliver the core liveability services, actions and initiatives outlined in the Council Plan, with a particular focus on:

- driving continuous improvement in planning processes to improve customer experience and improve processing timeframes
- progressing investigations into establishing and recognising the St Kilda Live Music Precinct in the Port Phillip Planning scheme
- continuing to work on strategic projects, including St Kilda Marina, Station Pier and Waterfront Place
- responding to any developments in relation to the Victorian Government response to planning reform and the housing crisis
- continuing to work with the Victorian Government, City of Melbourne, and Fishermans Bend Taskforce to deliver the Fishermans Bend vision and achieve good planning outcomes in the Fishermans Bend area
- recommencing and delivering key projects that have been delayed, including the Elwood Foreshore Redevelopment, Bay Trail Public Space Lighting projects, and the Luna Park and Palais Forecourt project
- finalising the Spatial Economic and Employment Framework, the Housing Strategy, and the South Melbourne Structure Plan.

We will also continue to implement the DAMP, and we anticipate achieving the following in 2023/24:

- creating a dog attack kit, including clear description of the investigation process
- implementing mandatory cat de-sexing
- launching a targeted campaign to increase education and awareness among pet owners on the potential impacts their pets can have on wildlife.

Finally, we will continue to implement the Move, Connect, Live – Integrated Transport Strategy 2018-28, and we anticipate achieving the following in 2023/24:

- conducting the four-year review of the strategy
- installing more bike parking facilities in our streets
- working with car share companies to install new car share spaces across the City
- completing the evaluation of the shared e-scooter and e-bike trial to determine future approaches to shared micromobility
- delivering a program of work to encourage community uptake of electric vehicles and work with partners to investigate community battery options.

## Strategic Direction

# Sustainable Port Phillip



A City that has a sustainable future, where our environmentally aware and active community benefits from living in a bayside city that is greener, cooler, cleaner and climate resilient. The importance of action in this area is emphasised by Council declaring a climate emergency in 2019.

	\$ 000
Budget	47,784
Actual	38,895
Variance	8,889

**The four-year strategies  
we are working towards are:**

- Port Phillip has cleaner streets, parks, foreshore areas and waterways where biodiversity flourishes.
- Port Phillip manages waste well, maximises reuse and recycling opportunities and supports the circular economy.
- The City is actively mitigating and adapting to climate change and invests in designing, constructing and managing our public spaces to optimise water sustainability and reduce flooding (blue/green infrastructure).

**The services that contribute  
to this objective are:**

- amenity
- sustainability
- waste management.

# City and Council indicators

## City indicators

Indicator	2020/21	2021/22	2022/23
Waste sent to landfill per household (kg)	316.46	272.89	Not available
Community mains water use per capital (kL)	87	86	86
Proportion of beach water quality samples at acceptable EPA levels	82%	91%	92%
Average reduction of carbon emissions and potable water use identified in planning applications (beyond minimum requirements)	44%	49%	48%
Capacity of solar panels installed on buildings in Port Phillip (kW)	10,982	11,456	15,094
Community emissions gross (tCO <sub>2</sub> -e)	1,519,000	1,279,000	Not available

## Council indicators

Indicator	2020/21	2021/22	2022/23	Target 2022/23	Status
Council's gross greenhouse gas emissions (tCO <sub>2</sub> -e)	8,455*	8,142*	7,820	To be updated*	●
Total suspended solids removed from waterways by Council construction projects (kg)	59	61	65	49	✔
Council's energy consumption in buildings and streetlights (MWh)	7,538*	7,798*	7,741	To be updated*	●
Council's potable water use (ML)	195	233	298**	257	✘
◆ Cost of kerbside bin collection service/bin	\$56.06	\$157.54	\$158.78	<\$175	✔
◆ Kerbside collection bins missed per 10,000 scheduled bin lifts	3.07	24.14	116.68***	<4	✘
◆ Proportion of kerbside collection waste diverted from landfill	31.99%	32.54%	34.91%****	40%	✘
Number of participants in community programs at the EcoCentre	16,410	13,816	14,000*****	19,000	✘
Net tree increase on Council land	Not required	Not available	Not available	0.5% or 231	●

\* Reporting method has been updated since previous Annual Report. Past year figures have been updated to reflect this. New targets will need to be set, which reflect the new reporting method.

\*\* Council's potable water use increased by 28 per cent compared to 2021/22. Irrigation continues to be our largest water user and greatest opportunity for improvement. Service planning and master planning of our reserves, along with investment in infrastructure upgrades and alternative water sources will help reduce our potable water use in future.

\*\*\* Increase in kerbside collection bins missed is due to the contractor resourcing issues in 2022/23.

\*\*\*\* Council rolled out the FOGO service in January 2023. The result is expected to increase during 2023/24.

\*\*\*\*\* Participation has not fully recovered since COVID-19. Construction of the new Eco-centre building has also caused some disruption.

**Legend**    ✔ met or exceeded target    ✘ did not meet target    ● data unavailable or target being rebaselined  
◆ Also required as part of the Local Government Performance Reporting Framework (LGPRF)

# Amenity

A clean, safer and more enjoyable environment which improves the ways our community and visitors experience our City.

2022/23	\$ 000
Budget	13,885
Actual	13,307
Variance	578

## Achievements and updates

### Local laws

The new Community Amenity Local Law (2023) addressed community concerns about commercial dog walkers, abandoned shopping trolleys, residential parking permits, itinerant trading, dumping of furniture, dangerous and unsightly land. To assist in enforcing these changes, Council has installed cameras in known hot spots for commercial-size dumped rubbish across the City.

### Victoria Police

Developing a stronger relationship with Victoria Police has been a key priority. This has resulted in increased resources and focus on drinking bans for summer management, virtual joint patrols using the CCTV network, and increased responsiveness to requests regarding location of mobile CCTV and drug enforcement activity. Council hosted a Community Safety Forum on behalf of Police.

Additionally, Council officers worked closely with Victoria Police and specialist outreach service providers to assist our most vulnerable community members

### Steering committee

A Community Safety Steering Committee was established to oversee implementation of current actions, quick wins and other ideas that could be explored to enhance community safety.

# Sustainability

Improve the sustainability of our City and respond to the Climate Emergency by reducing carbon emissions, water use and waste generation, increasing trees, vegetation and biodiversity, improving water quality and ensuring we are adapting and resilient to the impacts of climate change, including flooding and heat.

2022/23	\$ 000
Budget	12,416
Actual	6,545
Variance	5,871

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the sustainability service area. The status of these initiatives is reported in the table below.

Initiative	Progress update
Invest in water sensitive urban design and irrigation upgrades, including at key sports fields and parks to reduce contaminants in water entering Port Phillip Bay and optimise Council's potable water use.	Our Water Sensitive Urban Design program sees continued investment in infrastructure, particularly raingardens, to reduce stormwater pollution entering Port Phillip Bay. This is a 10-year rolling program of investigation, design and construction. We are also investigating alternative water sources, such as stormwater harvesting and recycled water, for irrigation of our open spaces.
Increase the permeability of ground surfaces across public streets and in our public spaces as well as examining ways to support greater permeability on private property.	We are currently finalising two permeability investigations. These projects outline the current permeability status for the public and private realm, highlight where there is opportunity for improvement and provide projections of how permeability will change into the future.
Invest in upgrades to Council properties and streetlights to improve their quality and energy efficiency as well as reducing emissions and utility costs for Council.	<p><b>Buildings:</b> there is an ongoing budget allocation for 'HVAC, air and energy' which identifies and delivers projects to improve on sustainability of council buildings. This is a 10-year program.</p> <p><b>Streetlights:</b> LED upgrades are scheduled to take place between August and October 2023 on council-owned major road streetlights. 1,578 lights will be changed to LEDs.</p>
Deliver projects to support sustainability and climate change mitigation and adaptation as outlined in the Act and Adapt Strategy, prioritised within available budgets each year.	A wide variety of projects to support sustainability and climate change mitigation and adaptation have been undertaken over the past year, resulting in 42 per cent of the initiatives within Act and Adapt being completed and embedded within council operations. A more detailed report on Act and Adapt is provided below.

Initiative	Progress update
<p>Deliver services that support businesses to enhance sustainability outcomes, including reducing emissions, energy, water and waste.</p>	<p>Council has supported the development of the 'Small Business Climate Adaptation Toolkit' by the South Eastern Councils Climate Change Alliance (SECCCA), which was released in May. The toolkit assists small to medium businesses to conduct climate risk assessment, mitigation and planning.</p> <p>Council has continued to offer sustainability visioning workshops to local businesses, and to promote available grants and programs through its newsletter to businesses.</p>
<p>Deliver an updated Act and Adapt, Sustainable Environment Strategy and new Climate Emergency Action Plan, as well as a Marine and Coastal Management Plan and Coastal Adaptation Plan for our foreshore areas.</p>	<p>Council reviewed Act and Adapt Strategy 2018-28 in 2022/23 and is updating it to incorporate a Climate Emergency Action Plan with targets and indicators.</p> <p>Council is progressing renewal of its 10-year Foreshore Management Plan to guide the use, maintenance, management, development and protection of the foreshore Crown land, adjacent public open space and marine environment.</p>
<p>Deliver leadership in environmental sustainability and climate adaptation and mitigation in Council operations including, as part of Council's corporate responsibility program, seeking sustainability outcomes in leasing, capital works, procurement and Council financial investments (where feasible and practical).</p>	<p>Council has continued to disconnect buildings from gas to transition to fully renewable electric power supply.</p> <p>The EcoCentre Redevelopment will achieve a high GreenStar rating, demonstrating excellent sustainability standards in building design and construction.</p>
<p>Provide updated information on the vulnerability of Council's assets to climate change and embed climate change in Council's decision making</p>	<p>Council asset vulnerabilities have been assessed through the SECCCA Asset Vulnerability Assessment. Works continue to embed this information within Council's decision making.</p>
<p>Partner with Melbourne Water and other water stakeholders to plan and deliver Integrated Water Management projects to improve the management of water in our municipality.</p>	<p>We continue to work with partner organisations on Integrated Water Management. Key examples include, participating in the Yarra and Dandenong Integrated Water Management Forums coordinated by Department of Energy, Environment and Climate Action (DEECA) and collaboration with multiple stakeholders on delivery of the Fishermans Bend Water Sensitive City Strategy.</p>
<p>Partner with the EcoCentre, to deliver programs that support an environmentally aware community and to redevelop the EcoCentre building (subject to 50 per cent partner funding).</p>	<p>Port Phillip EcoCentre has continued to deliver school and community sustainability education programs, events and initiatives in 2022/23. Redevelopment of the EcoCentre building commenced in April 2023, funded in partnership with the Victorian Government.</p>
<p>Partner with the Australian and Victorian Governments to explore opportunities for electric vehicle charging companies (subject to commercial interest) to install electric vehicle chargers across the City.</p>	<p>Council has worked with Electric Vehicle (EV) charging companies to identify sites to install and maintain public EV chargers. Issues with sites initially selected as options have caused delays in making EV charging available as a service to the community.</p>

Initiative	Progress update
Work with other inner Melbourne councils to explore initiatives to facilitate greater access and awareness of renewable energy options for residents and businesses, including greenpower and community batteries.	Council has partnered the cities of Melbourne and Yarra in a Victorian Government funded project to identify the feasibility and potential benefits of 'neighborhood batteries' and identify locations and communities ready to embrace them. Council has also partnered with inner Melbourne councils to explore options for a renewable electricity retail product, and to promote renewable energy solutions for apartment blocks.
Partner with other councils and the Victorian Government to strengthen requirements for new developments to improve sustainability outcomes, reduce emissions, increase vegetation, better manage water and waste and adapt to climate change.	We have collaborated with 30 other Victorian Councils and the Council Alliance for a Sustainable Built Environment (CASBE) on a project to elevate Environmentally Sustainable Development (ESD) targets for new developments.
Partner with the Victorian and Australian Governments to understand the risks of climate change and develop a long-term strategic response to adapt and protect the coastline of Port Phillip Bay.	Funding has been secured and work is underway on stages one to four of Port Phillip Coastal Resilience Project. Work will be supplemented by the Coastal Hazard Vulnerability Assessment, yet to be released by the Victorian Government.
Partner with Melbourne Water and the Cities of Bayside, Glen Eira and Kingston to take a holistic approach to reducing flood risk in the Elster Creek Catchment, collaboratively implementing the Elster Creek Catchment Flood Management Plan 2019-24, subject to relevant feasibility studies and available budget from all partners.	We continue to engage with our Elster Creek Catchment Plan partner organisations. Many of the deliverables for which Council is the lead agency have been completed.
Partner with other councils, Victorian Government departments and a range of other stakeholders to maximise our combined efforts to reduce environmental impacts.	Council has partnered with others in SECCCA to develop the Electrification Guide for Local Government. This online navigation tool is designed to clarify the benefits of electrification, considerations when electrifying, and the alternative technologies available.
Advocate for increased Victorian Government support to reduce utility bills and heat stress impacting our vulnerable community members, including retrofitting public housing and aged care facilities.	Council has continued to work with SECCCA on the Enhancing Resilient Communities project to identify the most vulnerable communities in the region and help them to prepare for current and future changes to the climate, such as floods storms and extreme heat.
Advocate for increased Victorian and Australian Government support to drastically reduce carbon emissions and to deliver policies and projects to enable community members to reduce their emissions	City of Port Phillip collaborated with SECCCA and the Victorian Greenhouse Alliance to advocate for the Victorian Government to strengthen its commitments on reducing greenhouse gas emissions.
Advocate for the Australian and Victorian Governments to introduce policy changes that actively foster a circular economy to make more efficient use of our limited natural resources and reduce or avoid waste.	Council has continued to advocate to Victorian Government on the following items in the past year: <ul style="list-style-type: none"> <li>• use of the EPA landfill levy to support circular economy planning</li> <li>• FOGO and glass services for multi-unit developments.</li> </ul>
Provide urban forests to increase tree canopy, vegetation, greening and biodiversity and reduce urban heat, in line with Council's Greening Port Phillip and Act and Adapt Strategies prioritised within available budgets each year.	Council is in the process of developing a new Urban Forest Strategy to replace Greening Port Phillip (due for completion April 2024) and a new street tree planting program (due for completion end of 2023).

Initiative	Progress update
<p>Investment in infrastructure through regular maintenance and construction (subject to viability) to improve drainage and flood mitigation at key locations as well as scoping, and where viable, construction of stormwater harvesting infrastructure.</p>	<p>Council continues to invest in CCTV of our stormwater infrastructure to ensure our maintenance program is targeted to achieve the service level 90% function of our network.</p> <p>Our capital program delivered 4 WSUD and investigation has commenced for water storage and reuse in the Fitzroy Street catchment. A design to alleviate York Street underpass issues during rain events will be completed in 2023/24.</p>
<p>Partner with Melbourne Water to update the flood overlays (Special Building Overlay) in the planning scheme.</p>	<p>Melbourne Water is working on updated modelling and mapping and will deliver a new flood level in early 2024. This new flood map will include increases in rainfall due to climate change and will trigger a need to update the Special Building Overlay (SBO) in the planning scheme. The planning scheme amendment to update the SBO is expected to commence in partnership with Melbourne Water in mid-2024.</p>
<p>Partner with City of Bayside to contribute to improved amenity and biodiversity improvements in the Elsternwick Park Nature Reserve and develop a business case and detailed designs for the wetlands and stormwater harvesting scheme for further consideration by Council.</p>	<p>City of Bayside has developed a new masterplan to guide the historic transformation of Elsternwick Park gold course into a natural oasis, in partnership with City of Port Phillip and Melbourne Water. This development will benefit the communities of Bayside and Port Phillip.</p>

## Status of Act and Adapt Environment Strategy 2018–28

Since 2018, Council's efforts to respond to the sustainability and climate challenges we face have been guided by the Act and Adapt Sustainable Environment Strategy (2018–28), which identifies 47 priority actions and 146 sub-actions across five key priority areas, as shown in the diagram below.

Council recently conducted the mid-year review on this strategy, which found that 42 per cent of sub-actions have been completed and 29 per cent are in progress. A summary of the progress made against each priority area is provided below. As part of this review, Council also proposed a number of changes to the strategy, informed by community consultation. This update will:

- refine some activities
- simplify how we measure our progress
- add a climate emergency action plan, with targets and indicators.



### A water sensitive city

We continue to invest in water sensitive urban design (WSUD) infrastructure to minimise urban pollution reaching the bay, with five projects completed in 2022/23. We've also met our interim target for total nitrogen removal from stormwater runoff. Following the successful launch of the Fishermans Bend Water Sensitive City Strategy in early 2022, we have now moved in the implementation phase with the Victorian Government, City of Melbourne, South East Water and Melbourne Water.

### A greener, cooler and more liveable city

In 2022/23, 43,537 plants were added in the foreshore, streets, parks and reserves. Council has invested in a range of initiatives that have increased greening and biodiversity in public spaces and advanced the research base and operational processes to improve tree health and quality.

Council has research partnerships with the University of Melbourne Woody Meadow Project and Swinburne / Melbourne University Walk Quality Project, and the nursery industry on tree trials.

A greater focus on biodiversity has delivered planting along Danks St, Bothwell St, the light rail corridor and foreshore.

The Urban Forest Background and Benchmarking Report has created a research foundation to inform the new Urban Forest Strategy, which is currently under development.

### A City with lower greenhouse gas emissions

Council's gross greenhouse gas emissions for 2022/23 were 7,820 tonnes of carbon dioxide equivalent, a four per cent reduction in emissions from the previous year. Emissions from streetlighting fell by 9.4 per cent and emissions from Council-owned and leased buildings fell by 5.3 per cent. Council maintained net-zero emissions from our operations through purchasing 100 per cent renewable energy through the Melbourne Renewable Energy Project (MREP) as well as accredited carbon offsets for our residual emissions. Council continues to invest in reducing emissions from our operations, buildings and streetlights.

We are also:

- investigating the local storage of energy through neighbourhood batteries, in partnership with the City of Melbourne and City of Yarra
- exploring electric vehicle charging opportunities
- delivering a range of community programs directly and via our partnership with the Port Phillip EcoCentre.

### A City that is adapting and resilient

We have appointed an external consultant to audit Council's climate change adaptation framework. The objective of this audit is to assess the adequacy and effectiveness of policies, procedures and internal controls to manage and monitor processes regarding climate change risk and adaptation.

Council continues to work with partners to deliver the Elster Creek Flood Management Plan. Residents in Elwood were provided information to ensure they stay flood safe as part of a flood awareness and preparedness campaign prior to the summer flood season.

### A sustained reduction in waste

In the last financial year, the Food Organics and Garden Organics (FOGO) recycling service was delivered to eligible stand-alone houses and townhouses, and installed at communal hubs across the city. FOGO recycling ensures households can divert their FOGO materials from the garbage stream, drastically reducing waste to landfill. So far, the service has yielded over 1,234 tonnes of food and garden waste.

At 30 June 2023, over 30 FOGO or glass communal hubs had been installed across the city's parks and reserves. Fifty more are planned for the remainder of the year. Communal glass hubs help residents to separate out glass, preventing broken glass from contaminating other waste streams in our kerbside recycling.

## Addressing the climate emergency

City of Port Phillip declared a climate emergency in 2019. Climate change is a global challenge, and we recognise that everyone must play their part. We are reducing our own emissions and preparing our City and community for a changing environment. This requires investment in our assets, changing how we deliver our services and working with our community and partners to mitigate and adapt to climate change. Community members and businesses are encouraged to take meaningful action to reduce their emissions and prepare for a changing climate.

In 2022/23, Council undertook the following actions in response to the climate emergency.

Theme	Initiatives
<b>Leadership</b>	Embed sustainability in Council leasing, procurement and investment.
	Measure and communicate Council's annual energy use, emissions and water use.
	Advocate to Victorian and Australian Governments for investment and action.
	Cross-organisational project team provides governance and accountability to Council's sustainability outcomes.
<b>Climate adaptation</b>	Use coastal hazard information to plan for the future of our foreshore.
	Plan to make Council's assets more resilient to climate change
<b>Community Programs</b>	Construct a purpose-built facility for EcoCentre (Victorian Government funding of 50 per cent has been secured).
	Provide operational funding to the EcoCentre per funding agreement.
	Partner with other inner Melbourne councils to explore options that may facilitate greater access and awareness to renewable energy options for renters, apartment dwellers and businesses in our municipality (subject to feasibility assessment).
	An advisory service to engage with industrial businesses to support energy efficiency, access to renewables, waste and water reductions (subject to industrial business interest).
	Provide information on climate change and environmental sustainability matters.
	Fund community-based programs including Environmental Leaders and the Sustainable Business Network.
<b>Energy efficiency and emissions reductions</b>	Upgrade Council buildings to reduce greenhouse gas emissions and utility bills.
	Replace old and inefficient streetlights.
	Reduce emissions from Council fleet.
	Reduce emissions from events and Council services.

Theme	Initiatives
<b>Greening</b>	Enhance urban forests as identified in Greening Port Phillip and Act and Adapt strategies.
	Develop controls to protect and enhance trees and vegetation on private property.
	Metro Tunnel 2 for 1 Tree planting – Replace trees removed for the Metro Tunnel works. Fully funded by Rail Projects Victoria.
<b>Electric vehicles</b>	Facilitate community uptake of electric vehicles and partner to install vehicle chargers on Council land.
<b>Water management and flood mitigation</b>	Deliver ongoing program of works to renew and upgrade Council's stormwater assets.
	Improve irrigation practice and efficiency.
	Assess feasibility of stormwater harvesting projects.
	Design and deliver best practice water sensitive urban design including raingardens.
	Continue Elster Creek Catchment Partnership and Elsternwick Park Nature Reserve.
	Introduce permeability requirements for new developments.
	Plan for using recycled water from Fishermans Bend in Council open spaces.
<b>Waste and circular economy</b>	City-wide waste audit.
	Continuation of South Melbourne kerbside food organics in MUD trial and trial of FOGO.
	Advanced waste processing and commingled recycling collaborative procurement with Metro Waste Recourse Recovery Group.
	Ongoing communal glass trials.
	Continue FOGO trial in Elwood.
	Strategy review, advocacy and transition planning.
	MUD waste service data collection, service audits, waste management plan reviews and litter prevention taskforce.
<b>Sustainable development</b>	Update Environmentally Sustainable Development Policy.
	Provide environmentally sustainable development planning assessments and advice.

### Achievements and updates

In addition to the above, this year Council has:

- developed a new car share policy to improve the way we manage car sharing and grow the network
- signed the City's first Environmental Upgrade Agreement with a local South Melbourne business, funding a 7.38 kilowatt solar panel array, paid off over time through their rates
- added a fully electric heavy truck to its fleet, replacing an existing waste tipper truck that was due for renewal
- formed a New Environmental Leaders Action Network (ELAN) to connect alumni from the previous Environmental Leaders Courses and provide a vehicle for them to continue to progress projects from the course.

# Waste management

A clean and safer City by keeping our streets, parks and foreshores clean and protecting the environment.

2022/23	\$ 000
Budget	21,483
Actual	19,043
Variance	2,440

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the waste management service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide an implemented waste strategy that including bin purchases and waste transformation projects.	Implementation of the Don't Waste It! Waste Management Strategy 2022-25 is currently underway with actions in waste transformation and bin purchasing ongoing.
Advocate for increased Victorian Government support to work collaboratively with inner Melbourne councils on innovative waste management approaches, particularly for multi-unit developments.	In collaboration with the M9 councils an application was submitted to implement processing infrastructure for FOGO and commingled recycling at a site located within the M9 councils to process material across the M9 councils.
Delivery of regular and effective cleansing and rubbish collection services across all public spaces and roads in the City to ensure spaces are welcoming and safer.	Council has worked to improve the effectiveness of public place cleansing including the use of new equipment to clean pavements in activity centres alongside public place rubbish and recycling collection. The use of in-field technology has enabled quicker and more efficient actioning of dumped rubbish across the City.
Delivery of waste management services for our municipality including planning for, trialling and implementing changes to waste management services to meet Victorian Government requirements, including the four-service system and the container deposit scheme.	Council has continued to transition waste management services to meet the Victorian Government requirements. This year, Council: <ul style="list-style-type: none"> <li>implemented FOGO bins to all single unit dwellings in January 2023</li> <li>continued the expansion of communal FOGO and glass hubs across the municipality.</li> </ul>
Provide increased investment in street cleaning, litter bins and equipment to improve amenity and responsiveness and investigate opportunities for further improvements to service delivery, including greater use of technology.	We have expanded our use of traffic management system software and Microsoft Teams for our staff in the field to use to expedite work orders and improve operational outcomes. We have replaced vehicles in our fleet including taking delivery of a new beach tractor. We had a successful Summer Management cleaning program and achieved an exemplary leaf fall season cleaning outcome.

## Status of Don't waste it! Waste Management Strategy 2022-25

In 2022, Council updated its Don't Waste it! – Waste Management Strategy, to reflect significant changes in the Victorian waste and recycling sector. The revised strategy is a roadmap that sets out how we will introduce new recycling services, reduce the overall quantity of materials we are sending to landfill and integrate circular economy principles to our waste and recycling streams. These changes will also help Council meet our legislative requirements under the Victorian Government's Recycling Victoria policy. The plan identified five priority areas, each of which is reported on below.

In 2022/23, Council:

- implemented FOGO bins to all single unit dwellings (SUDs)
- continued the expansion of communal FOGO hubs across the municipality
- planned the rollout of FOGO to all council serviced multi-unit dwellings (MUDs)
- continued the expansion of communal glass hubs across the municipality
- planned for transition to fortnightly garbage.

Priority area	Status of priority actions as a June 30 2023			
	Not started	In progress	Completed	Total
Food organics and garden organics (FOGO)	3	4	2	9
Separated glass re-cycling	2	2	1	5
Mixed recycling	0	3	4	7
Garbage	2	4	3	9
Public place bins	1	5	3	9

## Achievements and updates

### South Melbourne Market

The South Melbourne Market collected 45 tonnes of oysters, mussels and scallop shells that were recycled in partnership with the Nature Conservancy. Shells are collected from the market, cured and then used in reef restoration projects in Port Phillip Bay.

### Collaboration and advocacy

Council has continued to advocate to the Victorian Government on the following items in the past year:

- use of the EPA Landfill Levy to support circular economy planning
- that the draft service standards should include advice around MUDs for FOGO and glass services
- for MUDs to have shared glass and FOGO services.

Council has also engaged with Recycling Victoria on the lack of guidance they have provided in relation to how councils should manage their liability when introducing new recycling services into apartments and unit blocks, as this directly impacts waste management plans.

# Sustainable Port Phillip: outlook for the future

**As we move into Year 3 of the Council Plan, we are continuing to strengthen our focus on achieving a Sustainable Port Phillip and addressing the climate emergency.**

In 2023/24, we will continue to deliver the core sustainability services, actions and initiatives outlined in the Council Plan, with a particular focus on:

- providing representation at the new Safety Committee led by Victoria Police
- reviewing the Footpath Trading Guidelines
- completing the rollout of FOGO to all council serviced MUDs
- adopting the updated Act & Adapt Strategy.

Some of the key achievements we expect to make in 2023/24 are as follows.

- The new Coastal Adaption Plan is currently under development. It will provide an integrated and coordinated approach to understand and manage the increasing coastal hazards, vulnerabilities and risks across the municipality. These include sea level rise, inundation and storm surge.
- The Port Phillip EcoCentre Redevelopment is due for completion in mid 2024. The new building will have a high GreenStar rating, demonstrating excellent sustainability standards in building design and construction. It will enable an expanded capacity for the EcoCentre to deliver services in partnership with Council.
- The new Urban Forest Strategy is currently under development. It will set our actions and guide greening our city for the next 20 years. Council is in the process of developing a new Urban Forest Strategy to replace Greening Port Phillip (due for completion April 2024) and a new street tree planting program (due for completion end of 2023).

## Strategic Direction

# Vibrant Port Phillip



A City that has a flourishing economy, where our community and local businesses thrive, and we maintain and enhance our reputation as one of Melbourne’s cultural and creative hubs. The importance of action in this area is emphasised by Council declaring an economic emergency in 2020.

	\$ 000
Budget	35,049
Actual	29,475
Variance	5,574

### Four year strategies:

- Port Phillip's main streets, activity centres and laneways are vibrant and activated.
- Port Phillip is a great place to set up and maintain a business.
- Arts, culture, learning and creative expression are part of everyday life.
- People in Port Phillip have continued and improved access to employment, education and can contribute to our community.

### The services that contribute to this objective are:

- arts and culture
- economic development and tourism
- festivals
- libraries
- South Melbourne Market.

# City and Council indicators

## City indicators

Indicator	2020/21	2021/22	2022/23
Proportion of residents who agree Port Phillip has a culture of creativity	90%	70%	Not available
Gross local product of the municipality (\$m)	11,621	14,983	Not available*
Proportion of residents who are unemployed	4.7%	5.6%	3.2%**
Number of people employed by businesses within the municipality	98,938	97,306	87,894
High street retail vacancies (average % across the high streets)	9.3%***	7.3%***	8.4%

\* Data has not yet been released for year ending June 2023.

\*\* Calculated as an average of the financial year quarterly figures. Based on the September, December, March quarters as June quarter data has not yet been released.

\*\*\* Updated based on reviewed methodology and counts.

## Council indicators

Indicator	2020/21	2021/22	2022/23	Target 2022/23	Status
Estimated economic benefit to the municipality from non-Council events	Not available	Not available	\$32,837,806*	Establish baseline	●
Estimated economic benefit to the municipality from Council-run events	Not available	Not available	\$27,270,981*	Establish baseline	●
Active library users (including online borrowers)	17,227	20,633	16,938**	20,000	✘
Visits to libraries	229,659	259,329	478,360***	200,000	✔
Visits to South Melbourne Market	3,969,340	4,024,266	5,147,859	4,300,000	✔
Percentage of users satisfied with Library service	Not available	Not available	Not available	Establish baseline	●
Number of outdoor dining permits (this includes footpath trading and parklet permits)	541	610	428	Establish baseline	●

\* Calculated using the Culture Counts evaluation platform and framework.

\*\* Council anticipates that this figure will increase as the service recovers from the impacts of COVID-19.

\*\*\* Estimated using an alternative methodology, because the door counter at St Kilda Library was broken for several months.

**Legend**    ✔ met or exceeded target    ✘ did not meet target    ● data unavailable or target being rebaselined

# Arts and culture

Foster creative, diverse and inclusive participation in our arts and culture sectors while supporting the heritage and unique identity of Port Phillip.

2022/23	\$ 000
Budget	10,953
Actual	6,863
Variance	4,090

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the sustainability service area. The status of these initiatives is reported in the table below.

Initiative	Progress update
Invest in the creative and cultural industries including live music and the games development sector through our Art and Soul Strategy, in line with available budgets each year.	Support for the creative industries is ongoing and delivered through key sub-strategies including the Live Music Action Plan and Games Action Plan.
Provide support for our community to access and engage with the Port Phillip City Collection and ensure it is managed sustainably for future generations to enjoy.	This work is being progressed via the Visual Art and Heritage Strategy. Recent exhibitions in the Carlisle Street Arts Space and Acland Plaza were centred on increasing access and awareness of items in the collection.
Deliver programs, services and spaces that promote community participation and engagement in arts, culture and heritage.	In addition to delivering major festivals such as St Kilda Festival and St Kilda Film Festival, Council funded and permitted external programs and exhibitions in internal and external spaces, including a number of First Peoples arts events.
Invest in our key arts and culture venues and organisations, including Gasworks Arts Park and Linden Gallery, to ensure we foster access, participation, local arts development and Port Phillip as a cultural destination.	There is an existing funding deed with Gasworks Arts Park and Linden Gallery. Regular funding is also provided for key arts organisations and via the Cultural Development Fund.
Provide an implemented New Creative and Prosperous City Strategy 2023-2026 and Live Music Action Plan through the Live Music Precinct.	Implementation for the Creative and Prosperous City Strategy 2023-26 and Live Music Action Plan is underway. The St Kilda Live Music Precinct was launched in June 2023.
Partner with Creative Victoria, Music Victoria, the game development sector and other key stakeholders to explore and deliver projects that support a culture of creativity in our City.	Work continues in collaboration with Creative Victoria, VicScreen, Music Victoria and the creative industries on a range of key initiatives and programs.
Partner with Music Victoria to identify potential live music precincts that can be designated under the planning scheme to support live music in our City.	St Kilda Live Music Precinct launched in June 2023. A planning study is underway to investigate enshrining live music activity in the planning scheme.

Initiative	Progress update
Advocate for increased Victorian and Australian Government support for creative sectors including live music, film and game development.	Grants and collaborations have been sought to secure funding for the 2023 St Kilda Festival and St Kilda Film Festival. Ongoing advocacy related to live music for the festival precinct and St Kilda triangle is underway.
Advocate for increased Victorian Government support for South Melbourne, given its place as the game development hub of Australia.	Advocacy efforts are currently targeting the opportunity to host a youth hub in South Melbourne as part of Games Week.
An analysis of various options for the development of the St Kilda Triangle	The St Kilda Triangle feasibility study is underway.
An upgraded and reopened South Melbourne Town Hall by 2023/24.	At the 15 March Council meeting, the National Academy of Music (ANAM) was awarded a 35-year lease of the South Melbourne Town Hall. ANAM has contributed \$20,5 million in capital investment to the building. This will secure the long-term future of this much-loved landmark.

## Achievements and updates

### Cultural Development Fund

Our arts and creative industries are one of the largest employers in Port Phillip. The Cultural Development Fund provides:

- project grants to support local artists, groups and arts organisations to develop and present creative projects in the City of Port Phillip
- festival and events grants to support not-for-profit cultural organisations and community groups to develop local neighbourhood festivals and events.

Project grants help artists to continue to create, maintain connections to the City and each other, and share work with the community. Applications for 2022/23 project grants were open from the end of July until the first week of September for projects to be delivered in public space, venues or online, within the 2023 calendar year.

Festival and events grants aim to support local events in celebrating the City's community spirit, bring our community together through arts and culture and boost the vibrancy of our City. Applications for 2022/23 festival and events grants were accepted from the end of July until end of August for events taking place within the 2023 calendar year.

The 2022/23 grants provided funding the following creative projects, festivals and events:

- Sights and sounds in the St Kilda Botanical Gardens
- St Kilda Street Art Festival
- Lakeside Carols street party
- Elwood Jazz Festival
- Stage one St Kilda Art Walk
- Dance Dance
- Summer Lovin' Carlisle Street
- Music on the Green
- Spontaneous Acts of Fun
- The Big Lost Band St Kilda.

# Economic development and tourism

Provide a range of services to support local economic development and tourism outcomes.

2022/23	\$ 000
Budget	2,152
Actual	2,270
Variance	(118)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the economic development and tourism service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide initiatives that foster creative use, exploration and activation of public space to support social, cultural, sustainable and economic connection among our community and local businesses.	Reimagine and Love My Place funding is being used to support business and activity centres.
Deliver projects, services and policies that support and attract businesses to set up, maintain and thrive in Port Phillip (relative to Council's role).	Council has launched a business concierge service. The suite of guidelines, factsheets and webpages Council provides for businesses has been updated and expanded.
Provide services that enable the collection of special rates where traders in activity centres wish to fund the promotion, marketing and development of retail precincts, and information to support groups of traders who may wish to establish trader associations.	Council enables the collection of special rates through for the Port Melbourne, Acland Street Village and Fitzroy Street business associations. A special rate for the Carlisle Street Traders Association will commence 1 July 2023. Information and support are provided in response to enquiries from traders on how to establish a traders association.
Partner with local businesses, accommodation providers, tourism operators, social enterprises and the Victoria Tourism Industry Council to showcase the many great places within Port Phillip to encourage visitors to spend time and money in our City.	Council continues to partner and engage with a range of stakeholders to promote the City and encourage visitation to deliver economic benefit to local businesses. Initiatives include showcasing the City and businesses in the What's on St Kilda and Southside newsletter and website, promotion of the Australian Tourism Data Warehouse, engaging with Victorian Tourism Industry Council and supporting our trader associations to deliver marketing and events.
Partner with Small Business Victoria and the Victorian Chamber of Commerce to provide local businesses with information and connection to services that can support them to flourish.	Council is the conduit for information from Small Business Victoria and the Victorian Chamber of Commerce and Industry to local businesses through its business newsletter and other communication channels. Council also hosts Business Victoria's Small Business Bus.

Initiative	Progress update
Partner with our Business Advisory Group and key business leaders in Port Phillip to ensure Council policies, programs and services support businesses to establish, maintain and grow.	Council coordinates and hosts bi-monthly meetings of the Prosperous Port Phillip Business Advisory Group. Council officers regularly present and seek feedback from the group on topics such the Spatial Economic and Employment Framework and programs such as tourism marketing campaigns.
Partner with other levels of government and stakeholders on the activation of key public spaces.	Work continues on the activation of key public spaces with entities such as Ports Victoria, Fishermans Bend Taskforce, Visit Victoria, local trader associations, and local businesses.
Advocate for increased Australian and Victorian Government support for St Kilda tourism related businesses, given its place as a key tourism destination in inner Melbourne.	Work continues on advocating to government for support of St Kilda tourism related businesses. This includes seeking funding for the 2023 St Kilda Festival and St Kilda Film Festival. Ongoing advocacy related to live music for the festival, precinct and triangle site.
Advocate for increased Victorian and Australian Government support for small businesses to help them establish and thrive.	Council continues to advocate for government support including seeking collaboration, funding, policy changes and local investment.
Council has participated in and received funding from the Victorian Government's Regulation Reform Incentive Fund for projects that aim to remove red tape and deliver initiatives to enable established businesses to operate more efficiently and to help new business open sooner.	Council is engaged with Workforce Australia's Inner Metropolitan Melbourne team on developing and promoting local employment opportunities.  Council's Youth Support Program offers support to 12 to 25 year olds who live, study or are connected to the City of Port Phillip. Support includes referrals to community services such as housing, health and employment.
Provide job opportunities and skill development for young people and people who are most impacted by economic shocks, including employment support opportunities such as traineeships at Council through our Corporate Responsibility program (subject to available budgets).	Council is engaged with Workforce Australia's Inner Metropolitan Melbourne team on developing and promoting local employment opportunities.
Council's Youth Support Program offers support to 12 to 25-year-olds who live, study or are connected to the City of Port Phillip. Support includes referrals to community services such as housing, health and employment.	Council's Love My Place Program funded eight projects across the municipality in 2022/23 including music, art and dance. The program provides support to our community with an opportunity to trial new ideas through creative activities in the public realm. Through the Public Space Strategy, Council delivered the Dickens Street play street which innovatively used underutilised parking space and transformed it into a play space, a basketball court and seating for the community. Outdoor dining in the form of parklets and footpath trading contributes to the vibrancy of our streets, provides social connections and supports our hospitality businesses.

Initiative	Progress update
Advocate for increased Australian and Victorian Government support for Waterfront Place as the gateway to Melbourne.	A working group has been established and will continue engagement with government. Council is also supporting the Port Melbourne Business Association to deliver a Migration Trail funded by a Victorian Government grant.
Provide opportunities for people to innovatively use and connect with public space including parklets, play streets and other forms of activation.	Council's Love My Place Program funded eight projects across the municipality in 2022/23 including music, art and dance. The program provides support to our community with an opportunity to trial new ideas through creative activities in the public realm. Through the Public Space Strategy, Council delivered the Dickens Street play street which innovatively used underutilised parking space and transformed it into a play space, a basketball court and seating for the community. Outdoor dining in the form of parklets and footpath trading contributes to the vibrancy of our streets, provides social connections and supports our hospitality businesses.

### Addressing the economic emergency

City of Port Phillip declared an economic emergency in 2020, in response to the significant impact of the COVID-19 pandemic on local jobs and business activity. The economic shock associated with responding to the health challenge of COVID-19 hit Port Phillip hard and Council rolled out a range of initiatives to support its local businesses and creative organisations.

In 2022/23, Council undertook the following actions in response to the economic emergency.

Theme	Initiatives
<b>Leadership</b>	Prosperous Port Phillip - Business Advisory Group (comprises business owners and community leaders from across the municipality).
	Art and Soul Advisory Committee (comprises creative sector experts who reside or work in the City of Port Phillip).
	Advocacy to Victorian and Australian Governments for investment and action.
	Cross-organisational project team providing governance to Council's economic and cultural outcomes.
	Seeking to pay suppliers, particularly small business, in the shortest possible time frame.
	Promotion and marketing of local businesses, attractions and events through Council communication channels.
	Business concierge to support businesses to access Council services and services from other levels of government.
<b>Rates and rents</b>	Summer management program - keeping our foreshore safe and welcoming.
	Additional Rates Hardship Assistance - ability to defer or enter a payment plan for rates. Extended to rates falling due up to 30 June 2022.
	Commercial tenancies - no rent increase, rental deferrals.
	Homelessness and housing affordability.

## Achievements and updates

### Supporting our traders

The Carlisle Street Shopfront Activation Program aims to fill vacant shops with new businesses, creativity and innovation. The program supports small business operators to open a new store to sell, create, trade or create. After being accepted in the program, businesses can start trading within a few weeks as a pop-up store, with the potential to extend to a long-term lease.

The Renew Fitzroy Street program was delivered for a third year, in partnership with the Fitzroy Street Business Association and Renew Australia. The program works with property owners, traders and local stakeholders to activate vacant properties, thereby increasing foot traffic and improving the appearance and vibrancy of Fitzroy Street, St Kilda.

At the request of the Carlisle Street Traders Association, Council unanimously passed a motion to formally declare a Carlisle Street special rate for a five-year period from 1 July 2023. The special rate will be used for marketing, promotion, business development and centre management of the Carlisle Street activity centre.

The new business concierge service has delivered support for new and existing businesses, including developing business guidelines and fact sheets for publication on Council's website. More than 50 Council business related webpages have been updated and rewritten. We also delivered governance training for local business associations.

### Love My Place

The Love My Place grants program funded nine successful applicants for a total value of \$90,000, activating public spaces within the City of Port Phillip through unique events, experiential public art and experimental installations with the intention of supporting high streets and activity centres.

### Creative lighting

New creative lighting has been installed on the St Kilda Foreshore, Fitzroy Street and Bay Street. This adds vibrancy and interest to these key precincts. Community survey results showed strong support for these projects.

### Blessington Street outdoor precinct

A new open-air community and dining space has been established in St Kilda. The dining area has been blanketed by a colourful road mural, a new roof structure and festoon lighting, creating a more comfortable and welcoming space for pedestrians and residents while supporting local businesses. This project was supported by the Victorian Government's COVIDsafe Outdoor Activation Fund.

### Live Love Local

Council's free Live Love Local Summer Sessions returned bigger and even better in 2022/23. The outdoor fun expanded to seven key activity centres across the City, featuring approximately 100 diverse, live music performances to be enjoyed by all members of the community.

# Festivals

Bring a wealth of benefits to our community, including health and wellbeing of residents through to economic development for local businesses, cultural vibrancy and social engagement.

2022/23	\$ 000
Budget	4,065
Actual	4,944
Variance	(879)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the festivals service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Events and festivals that celebrate local culture and creativity, connect residents to one another and drive economic benefit for local traders and our community.	The St Kilda Festival, St Kilda Film Festival and First Peoples First are annual events that strive to continually deliver social, cultural, creative and economic benefit to the community and the municipality.

## Status of Live Music Action Plan

Since 2021, Council's work to support live music across the municipality has been guided by the Live Music Action Plan (2021-24). This strategy recognises the importance of live music across the municipality and aims to future proof it to ensure longevity and sustainability. It aims to achieve three high level outcomes. Our progress against each of these is reported in the table below.

Outcome	Progress update
A City that actively responds to the economic and social impact of COVID-19 on our local music industry.	In 2022/23, programs such as Locals Playing Locals aimed to encourage local venues to program local musicians with financial support from Council to again seek to grow this important relationship. Support for music and events was also provided through the Cultural Development Fund, event permits and support.
A City where live music flourishes, with a robust and passionate live music ecosystem and a solid foundation for a sustainable future where live music is able to continually grow.	In 2022/23 the Live Music Precinct Policy launched for St Kilda, laying out next steps to seek further protection for live music through the planning scheme. Through advocacy, steps are also being taken for regulatory reform, to cut red tape for those wanting to operate live music venues or events.  Alongside the precinct policy, key actions also included increased local programming at events and support for local venues to program local musicians.
A City where the musicians and audiences, the venues and the schools, the public spaces and the rehearsal spaces, and our residents and businesses work together to support and create a diverse, dynamic and accessible live music scene.	The Live Music Action Plan database is a readily searchable directory of local City of Port Phillip bands and musicians. This allows local venues, events, businesses or other musicians to connect or program with local musicians. What's On St Kilda and Southside lists music gigs in venues and outdoors to increase audience awareness.

## Achievements and updates

### St Kilda Festival

First Peoples First was held as part of the 2023 St Kilda Festival, programming music and family activities into O'Donnell Gardens and South Beach Reserve. Headlined by Christine Anu, the program attracted a crowd of 25,000 in a celebration of First Peoples music and culture.

The St Kilda Festival concluded with Big Festival Sunday, showcasing more than 50 live acts and headlined by Genesis Owusu, Yothu Yindi, Hoodoo Gurus and Confidence Man. A welcome return post-Covid, the event attracted 350,000 to central St Kilda.

### St Kilda Film Festival

In May 2023, the St Kilda Film Festival showcased more than 100 Australian short films including the national competition, family showcases, professional development forums and workshops, and the famous opening night. Venues spread throughout St Kilda and South Melbourne included the Astor, the Palais Theatre, St Kilda Seabaths, South Melbourne Market, JMC Academy, the Limerick Hotel and many more.

# Libraries

Support learning, social engagement and community connectedness.

2022/23	\$ 000
Budget	6,717
Actual	6,051
Variance	666

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the libraries service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
High-quality library spaces and collection services that provide opportunities for people to connect and learn and deliver on key actions outlined in the Library Action Plan (once adopted by Council).	The Library Action plans has been endorsed by Council and there a number of key projects that are occurring as part of the implementation plan these include improving and expanding programming, digital capability, expansion of library hours and refurbishment of St Kilda Library.
Planning for the Future of City of Port Phillip's Library facilities.	In 2023/24, the shelving and furniture at St Kilda Library will be replaced to create flexible spaces that match emerging user needs such as increased study and lounge areas as well as a dedicated space for community program delivery. This project will include engaging with our community to reimagine the children's area.

## Achievements and updates

### Community programs

In 2022/23, we delivered 769 community programs to 28,023 people across our five libraries, including 550 programs for children. This is a 185 per cent increase in attendance from the previous year. Highlights from our diverse array of programs included:

- a day of celebration for International Day for People with a Disability including an author talk with prominent author and activist Carly Findlay
- new sensitive storytime events for children who are on the autism spectrum, have sensory processing difficulties or prefer a calmer environment
- an iPad lending program and digital literacy classes for residents in community housing, in partnership with Star Health

- the industry-leading Rocket Science program, which sed a NASA-approved game to teach the principles of space travel to local youth
- a celebration of St Kilda Library's 50th anniversary, attended by former councillors and lifelong members of the library.

Additionally, there has been a 210 per cent increase in use of public computers at the libraries.

### Service improvements

A new printing and room booking system has improved the user experience for our patrons, making it simpler and easier to access these services.

## South Melbourne Market

Operate an engaging and entertaining market environment where our community and visitors spend time shopping, dining and supporting local business.

2022/23	\$ 000
Budget	11,163
Actual	9,347
Variance	1,816

### Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the South Melbourne Market service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Investment in the South Melbourne Market to deliver the quintessential village market experience. This will be achieved by implementing the 2021-25 South Melbourne Market Strategic Plan, which includes moving towards financial sustainability, improved customer experience and an enhanced and safer public asset for our City and its visitors (once adopted by Council).	Capital investment was approved in the adopted 2023/24 budget for South Melbourne Market to improve customer experience, increase public space and improve productivity, alongside the planned asset renewal works and necessary compliance works that are already underway. Together, this program of works will ensure a strong future for this much-loved market for generations to come, while retaining the charm, authenticity and history of the site and improve conditions for the wide range of traders who call this home.

## Achievements and updates

### Highlights

In 2022/23, South Melbourne Market achieved:

- 100 per cent trader occupancy for the year
- 28 per cent increase in annual visitation
- \$380,000 operating surplus
- 12 new traders, including two new fresh produce stalls in the deli aisle, three new food vendors and seven new general merchandise stalls
- 43 small business 'pop ups' in SO:ME Space, the market's retail incubation space.

Additionally, feedback surveys found that:

- 96 per cent of traders are 'very' or 'somewhat' satisfied with South Melbourne Market as the venue for their business
- 97 per cent of customers rate the market's offer as 'good' or 'very good'
- the market achieved a world-class net promoter score of 84.

### Capital works program

The market's capital works program delivered four key projects in 2022/23:

- Central stair upgrade
- Aisle B smoke extraction and comfort fans
- Public safety improvements program
- Food hall courtyard, delivered through the Local Roads and Community Infrastructure (LRCI) in partnership with the Australian Government.

### Activations and events

Over 30 free and ticketed events and activations were hosted for the community to enjoy at the market. This included sold-out monthly market foodie tours, and a return of the popular Port Phillip Mussel and Jazz Festival in March 2023.

### Governance

Following an extensive governance model review, the recommendation for the South Melbourne Market Committee to remain a Special Advisory Committee was supported by Council in October 2022.

In February, Jo Plummer finished her tenure after serving four years as Chairperson of the Committee. Amanda Stevens commenced as the new Chairperson in March. A loyal Market shopper, Amanda brings with her extensive board and governance experience as well as experience at both local and state government levels. Former Committee member, Deputy Mayor Andrew Bond, also joined the Committee in March replacing newly elected Mayor, Heather Cunsolo, so she could focus on her mayoral commitments.

### Sustainability

Four traders were awarded the inaugural early adopter sustainability grants to help them achieve their sustainability goals.

# Vibrant Port Phillip: outlook for the future

**As we move into Year 3 of the Council Plan, we are delighted to see the vibrancy of City of Port Phillip returning, and the effects of COVID slowing dissipating. This is testament to the strength and resilience of our local community of residents and businesses.**

In 2023/24, we will continue to deliver the core services, actions and initiatives that contribute to a Vibrant Port Phillip, as outlined in the Council Plan.

There will be a particular focus on continuing to support business through:

- improvement of services that support and attract new and existing businesses to thrive
- continuing to collaborate and support the Prosperous Business Advisory Group and local business associations to encourage economic growth
- tourism campaigns to drive the visitor economy, and initiatives to further enhance the benefits of major events such as St Kilda Festival and the Grand Prix by encouraging visitors to linger longer in the local area.

The key events our City is known for will continue, including:

- Love My Place grants which will once again activate public spaces through unique events, experiential public art, and experimental installations with the intention of supporting high streets and activity centres
- St Kilda Festival which will retain the successful two-day format, featuring First People's First and Big Festival Sunday, with a focus on celebrating Australian music, showcasing St Kilda's businesses and attractions, and cementing St Kilda as Victoria's first live music precinct
- St Kilda Film Festival which will celebrate its 40th birthday, making it one of Australia's longest running film festivals.

Our libraries will continue to expand their program of community events, delivering literacy, digital literacy and creative programs that bring people with common interests together, including:

- a suite of digital literacy programs for seniors, funded by a grant from the Victorian Government
- partnering with the Port Phillip EcoCentre to provide spaces in our libraries that foster collaboration with the community, cultivate connection and bolster engagement for all things sustainability-related.

Additionally:

- a dedicated Port Phillip Libraries app will be launched to the public in 2022/23, which will greatly improve the online experience for library users and create new pathways to engage
- shelving and furniture will be replaced at St Kilda Library to create flexible spaces that match emerging user needs.

The South Melbourne Market will continue to deliver its core strategies, including the Market Environmental Sustainability Strategy 2023-27 and Retail Strategy. There will be a particular focus on:

- capital improvements
- expanding the program of events and activations
- continuing the Sustainability Early Adopter Grants program to support traders in implementing sustainability measures within their businesses
- waste management and waste streaming improvements to continue to reduce the amount of waste going to landfill.

## Strategic Direction

# Well-Governed Port Phillip

A City that is a leading local government authority, where our community and our organisations are in a better place as a result of our collective efforts.



	\$ 000
Budget	62,241
Actual	60,618
Variance	1,623

**Four year strategies:**

- Port Phillip Council is high-performing, innovative, inclusive and balances the diverse needs of our community in its decision-making.
- Port Phillip Council is cost-effective, efficient and delivers with speed, simplicity and confidence.
- Our community has the opportunity to participate in civic life to inform Council decision-making.

**The services that contribute to this objective are:**

- asset and property management
- communications and engagement
- customer experience
- finance and project management
- governance, risk and policy
- people, culture and safety
- technology.

# City and Council indicators

## City indicators

Indicator	2020/21	2021/22	2022/23
Proportion of eligible community members voting in Council elections.	71%	Not required	Not required

## Council indicators

Indicator	2020/21	2021/22	2022/23	Target 2022/23	Status
Resident satisfaction with Council's overall performance.	62	64	58	60 to 65	✗
Community service requests resolved within agreed timeframes.	92%	72%	83%	>80%	✓
Proportion of users satisfied with customer services.	68	66	67	>70	✗
Proportion of Council decisions made at meetings open to the public.	93%	92%	90%	90 to 100%	✓
Legislative breaches (material only).	1	0	2	0	✗
Variance from operating budget adjusted for Council approved expenditure.	+\$2.67M +1.15%	16%	33%*	-1% to +3%	✗
◆ Expenses per head of population.	\$1,832	\$1,935	\$2,218**	\$1,600 to \$2,000	✗
◆ Asset renewal and upgrade expenses as a percentage of depreciation.	75.4%	100.4%	101.3%	>100%	✓
◆ Current assets to current liabilities.	309.5%	390.1%	451.5%	>250	✓
Complaints resolved within agreed timeframes.	90%	76%	81%	70 to 80%	✓
Resident satisfaction with Council advocacy.	56%	Not available	Not available	>50	●
External grant funding secured from the Australian and Victorian governments.	\$17M	\$23M	16M	>\$15M	✓
Proportion of Local Government Performance Reporting Framework indicators that have performed within expected target.	96%	93%	75%	80 to 100%	✗
Proportion of occupational health and safety incidents reported within 24 hours.	73%	78%	82%	75 to 80%	✓
Proportion of staff who agree or strongly agree that the organisation encourages respectful workplace behaviours.	71%	Not available	75%	65 to 70%	✓

\* Increased due to the significant impact of CPI and inflation on expenditure, specifically on materials and contract charges, where costs have significantly increased as a direct result of the economic climate.

\*\* Operating surplus was higher than forecast mainly due to lower than expected project costs to delays in delivering the portfolio.

**Legend**    ✓ met or exceeded target    ✗ did not meet target    ● data unavailable or target being rebaselined  
 ◆ Also required as part of the Local Government Performance Reporting Framework (LGPRF)

# Asset and property management

Ensure Council has the right assets at the right time for the right cost to support service delivery now and in the future.

2022/23	\$ 000
Budget	22,621
Actual	20,848
Variance	1,773

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the asset and property management service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide inspection, maintenance and repair of footpaths to remove trip hazards in accordance with the Road Management Plan.	<p>Council continues to implement the Road Management Plan with footpath replacement, trip hazard grinding and other interventions across the City. Considerable work has been undertaken to address tree root damage to footpaths.</p> <p>The community is providing feedback that they want to see greater investment in footpath upgrades. This is being considered alongside Council's asset condition-based upgrade program.</p>
Provide investment to improve the condition, functionality, capacity and sustainability of community assets to achieve best value for our community, protect them for future generations and ensure asset management requirements from the <i>Local Government Act 2020</i> are achieved.	<p>Council continues to invest in its asset management capability to ensure that asset renewal investment is well targeted. This includes improving the frequency of asset condition data collection and the use of more advanced engineering modelling techniques to prioritise and target renewal works.</p>
Partner with the Victorian Government and other entities to clarify asset ownership and maintenance responsibilities and to ensure appropriate service levels and funding.	<p>In late 2022/23 Council negotiated to take over the maintenance of Department of Transport and Planning assets in the City. This is to ensure that these assets are maintained to our community's expectations and that they contribute to the amenity and presentation of the City.</p> <p>Council continues to work with other state agencies such as Melbourne Water and VicTrack on maintenance arrangements for their assets to ensure graffiti, rubbish and other amenity impacts are reduced.</p>
Invest in an ongoing program of renewal and improvement works to laneways, roads, footpaths, and street signage to ensure our City is easy and safer to navigate – including St Kilda Junction footpath improvements – by the end of 2021/22.	<p>Council is continuing to invest in footpath and road upgrades. Whilst these are predominantly condition based, Council also explores opportunities to incorporate greening and water sensitive urban design into all upgrades.</p> <p>The St Kilda Junction upgrades have been undertaken in a multi-stage manner with the last stages – lighting upgrades for the underpass – due to be completed in 2023/24.</p>

# Communications and engagement

Inform the community about Council and facilitating opportunities to advise its members about Council projects, initiatives, policies and strategies.

2022/23	\$ 000
Budget	2,518
Actual	2,705
Variance	(187)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the communications and engagement service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Transparent communication to our community members in a range of forms to update them on the activities, decisions and services of Council and broader information about their community.	Multiple communications channels are utilised to communicate to our community on a daily basis, including social media, website, Divercity, What's On St Kilda and Surrounds, Signage and LED screens.
Provide opportunities for our community to participate in civic life and help shape Council policy, services, programs and decision-making by facilitating engagement in line with Council's Community Engagement Policy.	Community engagement was significantly expanded and improved this year, including: <ul style="list-style-type: none"> <li>• refining how we work with Council's advisory committees to ensure there is deeper and more meaningful engagement</li> <li>• implementing more rigorous methods of reporting back to the community on what we heard and outcomes after each stage of engagement</li> <li>• doubling the number of projects we engaged on</li> <li>• expanding the methods and approaches to engagement, to get more feedback from a more diverse cross-section of our community.</li> </ul>

# Customer experience

Provide customers with services that meet their needs and expectations and for them to achieve their goals with greater ease and satisfaction.

2022/23	\$ 000
Budget	3,332
Actual	2,483
Variance	849

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the customer experience service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Educational institutions, start-ups, businesses, other councils and not-for-profit organisations to provide access to and make best use of Council's data, develop innovative ways to deliver services and to support our Clever Port Phillip Action Plan.	Council continues to provide free access to a suite of online community data tools, supporting greater capacity to understand and plan for a diverse and growing community.
Provide high quality services to our customers and continue to upgrade our technology, processes, systems and culture to make it as simple and convenient as possible for people to get the information and services they need, while delivering efficiencies for Council.	In total, 89 per cent of actions in the customer experience improvement plan 2022/23 are on track or complete. This includes improvements to our technology, processes, systems and culture to make it simpler and more convenient for our customers to engage with Council. Further details are provided below.

## Status of Customer Experience Improvement Plan 2022/23

Each year, Council implements a customer experience improvement plan, which is championed by the Chief Customer Officer. This ensures we continuously improve our customer service, including implementing new technology and best practice service techniques as they emerge.

### Building customer understanding (voice of the customer)

In 2022/23, we undertook:

- a customer interaction service survey across 15 core request and application services
- internal services survey
- targeted research with customers obtaining parking permits, including user experience testing
- targeted research with planning and building customers, including feedback sessions.

Insights from the feedback and research resulted in immediate improvement actions in several areas, and the development of more comprehensive action plans for four internal teams who received satisfaction scores below 70 per cent, which will be implemented in 2023/24.

### Service design and embedded Customer Charter

Council's revised Customer Charter has been published on the website and is promoted via posters and large screens in public facing places, including the entries to our town halls. Internally, we have embedded a culture of consistently delivering on this charter through:

- a revised and updated customer experience toolkit
- providing guidance on human centred design principles to all teams
- engagement sessions
- a monthly newsletter which highlights service performance and spotlights our charter promises
- including a community and customer award in the Proudly Port Phillip awards.

We also successfully recruited a customer experience specialist to support this work.

### Service delivery

Significant upgrades and improvements to the OneCouncil platform are underway, including:

- establishing and implementing de-duplication processes
- improving automations and integrations with Snap Send Solve
- home-screen improvements for My Port Phillip
- customer request communication enhancements to key services including parking permits and waste
- creating an online objection and lodgement form
- animal management service requests automatically converted to investigations
- adding planning application clocks
- automating swimming pool registrations, property information certificates and building certificates
- simplifying the parking permit renewal process
- strengthening technological integration, to support improved after hours parking officer field responsiveness.

Several upgrades and improvements to the website are underway, including:

- revising and updating key pieces of content, including those related to waste, parking permits, trees and open space
- streamlining business permits
- upgrading its platform to enhance its searchability and implement Google Translate

- increased utilisation of Google Analytics for driving improvement.

We have also improved the way we provide face-to-face service at ASSIST counters, including:

- improved training and knowledge management, which has resulted in significantly more issues being resolved at first point of contact
- implementing a new privacy ID process
- a successful recruitment campaign to ensure sufficient resourcing.

### Measurement and reporting

In 2022/23, we implemented an internal and external customer experience reporting framework. We now provide targeted customer experience measurement and reporting via live OneCouncil dashboards, monthly and quarterly CEO reports, councillor briefings, and a monthly internal newsletter.

### Culture

Knowledge building has been a priority, with:

- mandatory training on good complaint handling being provided to all staff
- optional monthly request management and dashboard training made available to all staff
- team-based workshops delivered on customer requests and implementing the charter
- a customer experience framework and competency workshop for the leadership network.

Good customer service is recognised via the Proudly Port Phillip awards, the monthly newsletter, targeted team communications, Yammer posts, and Portal articles.

### Prioritisation

Targeted customer experience plans are being implemented for the following key areas:

- safety and amenity
- city development
- rates
- assets and maintenance, including trees and open space
- waste
- ASSIST
- the Community Wellbeing and Inclusion Division.

**Council's community bus provides services across the municipality to help seniors and residents with mobility challenges get around.**

## Customer Charter

**Our Customer Charter is our promise to you.**

### **We make it easy:**

We look for ways to make dealing with us and getting the information and services you need as simple, convenient and easy as possible. We are flexible and give you options to choose how you interact with us.

### **We listen and understand:**

We listen to you and take the time to understand what you need and how we can best help you. We celebrate diversity and inclusiveness and are committed to knowing about your preferences so we can deliver what you need.

### **We are responsive and follow through:**

We respond to your needs and will do everything we can to help you. We do what we say we'll do and will keep you informed of our progress along the way.

### **We are open and honest:**

We are accountable to our customers and our community and committed to protecting your privacy. We aim to always be transparent and open and communicate clearly. We deliver our services with empathy and we keep the promises we make.

### **We are always looking to improve:**

We are always trying to find ways to be better. We want to hear your feedback so we can continually learn and improve how we do things, to make a difference and have a positive impact on the lives of everyone in our community



# Finance and project management

Inform the community about Council and facilitating opportunities to advise its members about Council projects, initiatives, policies and strategies.

2022/23	\$ 000
Budget	8,166
Actual	9,140
Variance	(974)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the finance and project management service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide improved procurement and contract management practices to deliver best value and embed corporate social responsibility outcomes.	Corporate Social Responsibility (CSR) processes are now embedded into contract tendering procedures. Existing contracts are being reviewed, to incorporate CSR where possible, and training is being provided to ensure the new processes are consistently applied to new contracts.
Partner with other councils, the Victorian Government and other entities to share better practices in procurement and contract management and to collaborate on major procurements to achieve best value.	We have updated our procurement policy and procedures to support better collaboration with other councils and public bodies. Collaborative opportunities are being explored on a regular basis.
Provide prudent financial management and stewardship of Council's finances and resources and ensure the legislative compliance and financial sustainability of Council.	We continue to ensure prudent financial management and oversight by providing quarterly deep dive budget reviews to Council that outline our approach to maintaining financial sustainability.

# Governance, risk and policy

Support sound decision-making through transparency, accountability, community participation, risk management and compliance. Undertake advocacy through partnerships with stakeholders to deliver on community priorities, co-creation of solutions to community challenges, and contributing to shared visions for the City.

2022/23	\$ 000
Budget	7,157
Actual	7,131
Variance	26

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the governance, risk and policy service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
Provide transparency into our activities to improve community trust and confidence in Council by continuing to embed our Public Transparency Policy and strengthening information and privacy management.	Council continues to uphold our Public Transparency Policy and meet our legislative responsibilities regarding transparency. Further details are provided in Chapter 3 and Chapter 6.
Implement high-quality governance, risk and assurance services, including implementation of legislative requirements, particularly with respect to the <i>Local Government Act 2020</i> and the 2024 Council election.	Council continues to implement rigorous and high-quality governance, risk and assurance services. Further details are provided in Chapter 3.
Partner with other inner metropolitan Melbourne councils to share best practice, knowledge and to identify opportunities to adopt common policies and practices to provide consistency.	Officer relationships with counterparts at inner metropolitan Council's is on-going. Recent examples of partnerships include the development of the Domestic Animal Management Policy, Community Amenity Local Law 2023 and review of short stay accommodation and options to regulate.

# People, culture and safety

Enable a safer workplace and a high performing workforce.

2022/23	\$ 000
Budget	5,150
Actual	4,848
Variance	302

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the people, culture and safety service area. A progress update on each of these initiatives is reported in the table below.

Initiative	Progress update
<p>A high-performing, inclusive and engaged workforce focused on delivery of Council priorities and services, who are responsive to community needs in line with the People and Culture Strategy and Workforce Plan.</p>	<p>Council continued to drive improvements in workforce inclusion, capability, engagement and performance. This includes having:</p> <ul style="list-style-type: none"> <li>• successfully negotiated and implemented the new three-year Enterprise Agreement, which also enhanced our focus on diversity and inclusion with the provision of several new diversity and inclusion related entitlements</li> <li>• developed and implemented the new Proudly Port Phillip employee recognition program</li> <li>• further embedded the safety management system implementation across the organisation</li> <li>• introduced monthly data dashboards to report on key staff metrics</li> <li>• strengthened capability of hiring managers through training on best practice recruitment, and streamlined recruitment processes and sourcing strategies</li> <li>• revised the COVID-19 Workforce Vaccination Policy</li> <li>• increased professional development training offerings to all levels of staff.</li> </ul> <p>Further details are provided in Chapter 5.</p>

# Technology

Support Council operations, including efficient and effective service delivery through information, communication and technology services.

2022/23	\$ 000
Budget	13,298
Actual	13,463
Variance	(165)

## Status of Council Plan initiatives

Year Two of the Council Plan identified key initiatives to be delivered under the technology service area. The status of these initiatives is reported in the table below.

Initiative	Progress update
Development and delivery of a Clever Port Phillip Action Plan, including investment in technology, open data, machine learning, artificial intelligence, data analysis, innovation, partnerships and organisational capability to support a clever City and clever organisation.	The Clever Port Phillip Action Plan outlines 36 initiatives to be delivered across five key stream areas. This includes upgrades to internal and public facing technology, such as website enhancements and automation of key processes to enable service improvements.

# Well-governed Port Phillip: outlook for the future

**Each year, Council's support functions strive to support the organisation to serve the Port Phillip community.**

Over coming years, we will continue to drive continuous improvement in the way Council manages its assets, finances and people to enhance service delivery and efficiency of operations.

Our key priorities will be:

- achieving 'advanced' maturity in asset management, as measured by the National Asset Framework and meeting all requirements for ISO55000 by 2025
- improving the way we communicate and engage with our community
- implementing comprehensive improvement action plans for teams where satisfaction falls below 70 per cent
- delivering bite-sized learning for key competencies relating to improved customer service
- implementing the new customer experience induction workshop, resources and toolkit
- continuing to provide rigorous and comprehensive financial management, project management, governance, and risk management
- developing and implementing a 12-month program of work in preparation for the impending introduction of psychosocial health regulations
- establishing a Diversity, Equity and Inclusion Steering Committee and associated framework
- continuing to implement the Clever Port Phillip Action Plan.

# Health and wellbeing plan

We aspire to create a City where everyone can enjoy the highest level of health. We also recognise that the health and wellbeing of our community is influenced by a wide range of individual, communal, social, economic, cultural and environmental factors.

**Local government is well positioned to directly influence these vital factors through:**

- transportation, housing and land-use planning
- environmental and climate change mitigation tactics
- social and physical wellbeing initiatives
- community safety projects.

Our municipal public health and wellbeing plan is integrated into our Council Plan. This ensures that our broader functions work in unison with our strategic directions, both contributing to our health and wellbeing outcomes.

Indicators of public health and wellbeing are 'slow movers' and are difficult to shift over the short term. There's also often a 'lag' or a complete lack of available data.

**The health and wellbeing plan focuses on seven key health and wellbeing priority areas, including:**

- physical health and mental wellbeing
- healthy eating
- smoking, alcohol and drug abuse
- family violence
- safety and security
- housing
- social capital and connections.

## Physical and mental wellbeing

### Over three quarters of Port Phillip residents rate their general health as excellent or very good and 71 per cent rate their life satisfaction as high or very high.

This year, we continued to support clubs, commercial providers and personal trainers to deliver accessible, inclusive and diverse sport and recreation programs for our community. We also increased the number of not-for-profit sports organisations we partner with to deliver community sport events.

To make sport and recreation more accessible and welcoming for people of all identities, backgrounds and abilities, we delivered the following:

- AFL x Park Towers Footy 4 Fun program, which focused on engaging youth from disadvantaged backgrounds to participate in sport, creating positive community relationships and social connectedness
- motorised floating beach wheelchairs and accessible beach matting at key locations across the City to create an inclusive and accessible beach experience
- three integrated initiatives to improve gender equality in sporting clubs, including the Gender Club Survey and the 16 Days of Activism

campaign, which used sports as a vehicle to promote respect and opportunities for women and girls. These were followed by the Sports and Recreation Victoria guidelines pilot program, which was facilitated by Better Health Network to support clubs to reach their gender equality targets

To support the health and wellbeing of parents and families, we:

- conducted Edinburgh postnatal depression screenings at the four week visit for new parents to monitor their mental health
- delivered a parenting information program to more than 200 families, covering topics designed to support positive health and wellbeing, such as nurturing yourself as a parent, self-care, raising resilience, coping with anxiety, and positive strength-based parenting
- delivered a Solihull nine week parenting program, aimed at increasing the emotional health and wellbeing for parents and strengthening the bond between parents and children.

Finally, we conducted a total of 22 Gender Impact Assessments to ensure an intersectional gender lens was applied to Council policies and projects as part of efforts to improve gender equality.

	2020
Adults rated their psychological distress as low (Victorian average 45 %)	43 %
Residents rating their life satisfaction as high or very high (Victorian average 75 %)	71 %
Residents' rating of self-reported health as excellent or very good (Victorian average 78 %)	76 %

Source: Victorian Population Health Survey, 2020. This Population Health Survey for local government areas is conducted once every three years. The next survey year is 2023, with results being published in 2024.

## Healthy eating

### The Port Phillip community generally has healthier eating behaviours than the Victorian population.

To support healthy eating and make it more accessible, this year Council has delivered:

- key health messaging on healthy eating for infants and children at four months, 12 months and three-and-a-half years via the Maternal Child Health (MCH) service
- a Port Phillip Free Food Guide to help vulnerable residents find free food
- continuing support for the Port Phillip Community Group's Share the Food program
- a research project in partnership with the City of Melbourne and City of Yarra, to better understand food insecurity in our community.

	2020
Residents are obese or (overweight) pre-obese (Victorian average 51 %)	46 %

Source: Victorian Population Health Survey, 2020. This Population Health Survey for local government areas is conducted once every three years. The next survey year is 2023, with results being published in 2024.

## Smoking, alcohol and drug abuse

### There has been a decrease in the average rate of alcohol-related and illicit drug-related ambulance attendances over the last 12 months.

The impact of alcohol and drug misuse can result in debilitating physical and mental health conditions for individuals, and is also associated with antisocial behaviours and crime, which has an impact on the broader community.

Council continues to work with partners to understand alcohol and drug use in the local community. During MCH visits, parents are asked about smoking and a QUIT intervention and referral is provided if required.

	2021/22	2022/23
Current smoker (daily or occasional)	13.80 %	13.80 %
Average rate of alcohol-related ambulance attendance	783.9 per 100,000	692.4 per 100,000
Average rate of alcohol-related hospital admissions (Victorian Admitted Episodes Dataset)	524.9 per 100,000	Not available
Average rate of illicit drug-related ambulance attendances	569.2 per 100,000	496.2 per 100,000
Average illicit drug-related hospital admissions (Victorian Admitted Episodes Dataset)	282.28 per 100,000	Not available
Liquor licenses in operation	891	Not available
Deaths relates to alcohol	1,039	1,034
Deaths related to illicit drugs	34	34

Source: AOD Turning Point, Eastern Health. Data as available on 30 June 2023.

## Family violence

**There has been a decrease in the average rate of alcohol-related and illicit drug-related ambulance attendances over the last 12 months.**

Addressing the drivers of family violence and supporting families experiencing family violence remains a key focus. This year, MCH conducted 2,940 Multi-Agency Risk Assessment and Management Framework (MARAM) assessments and 101 family violence consultants. Additionally, Council delivered a 16 Days of Activism campaign to aid in the prevention of family violence.

	2021/22	2022/23
Alleged offender incidents	Male: 2,674	Male: 2,604
	Female: 711	Female: 630

Source: Crime Statistics Agency, Victoria. Data as available on 30 June 2023.

## Safety and security

**The annual community satisfaction survey indicates that 71 per cent of residents have an overall sense of safety and security. However, additional studies have suggested there is room for improvement in some areas (Monash University XYX lab, 2021).**

As part of our ongoing monitoring, Council regularly reviews crime trends. There has been a 7.4 per cent increase in criminal incidents in the 2022/23 financial year compared to the 2021/22 financial year. Council collaborates with Victoria Police and the local community to improve community safety and security.

This year, we have:

- supported a St Kilda Victoria Police CommSafe forum - attended by 100 community members
- advocated to the Victorian Government for support and funding of CCTV infrastructure
- reviewed the Community Safety Plan 2019-2023
- provided first aid awareness training to 96 families, focused on upskilling families to respond to emergency situations for babies and children, such as choking and burns.

	2021/22	2022/23
<b>Crimes committed in:</b>		
Streets, lanes and footpaths	2,868	2,740
Car parks, multi-dwellings	580	531
Apartments	1,526	1,669
Criminal incidents (for example, theft and criminal damage)	9,157	9,835
Offender incidents	3,386	3,234
Person victimization reports (for example, assault)	7,503	8,321
Proportion of Port Phillip crimes (9,835) reported from St Kilda (3,158)	34%	32%
Rates of crimes in Port Phillip over the last decade (for the year ending 31 March 2023)	Decrease of 10%	Up 8%
Theft from motor vehicles	1,630	1,898
Other theft	1,016	1,006
Criminal damages	613	685
Benefit from deception	12	Not available
<b>Victimisation rates:</b>	Male: 3,436	Male: 3,781
Victims are most likely to be aged 25 to 34 years	Female: 2,488	Female: 2,728

Source: Crime Statistics Agency, Victoria. Data as available on 30 June 2023.

## Housing

### Our community has a high representation of renters, with 49 per cent of people residing in rented dwellings, compared to 29 per cent of greater Melbourne.

Council's In Our Backyard (IOBY) strategy has targeted efforts to accelerate and maximise the delivery of affordable housing in Port Phillip. Details of the projects and services Council has delivered under this strategy are provided in the Inclusive Port Phillip section at the start of this chapter.

	2021/22	2022/23
Dwellings rented	48%	49%
Residents in lone person households	35%	41%
Residents who ran out of money to buy food in the last 12 months	7.7%	7.7%
Median household income exceeds \$2,000 per week (higher than the metropolitan average)	52%	49%

Source: ABS 2016 (21/22) and 2021 (22/23) Census. Source: Victorian Population Health Survey, 2020.

## Social capital and connections

### Social capital and connections are strong in the City of Port Phillip.

Ensuring everyone remains inclusive and welcoming to all members of our diverse community is one of Council's strategic objectives.

This year, Council:

- supported 25 community and seniors social support groups to deliver social meal programs, providing vulnerable and isolated community members with the opportunity to connect over a meal, including older residents and those living in rooming houses
- distributed \$321,516 to 73 different organisations via community grants, to deliver 91 projects
- connected 702 seniors through the Linking Neighbours program
- delivered the Seniors Festival and Seniors Summer Series
- delivered social support group programs to over 95 clients
- held a Christmas party for over 50 social support clients
- progressed the first LGBTIQ+ Action Plan and new Accessibility Action Plan
- reactivated Our Rainbow Place at the Peanut Farm Pavilion
- celebrated our diverse community via a range of events delivered as part of Welcoming Week 2022, Cultural Diversity Week 2023 and Refugee Week 2023
- translated key Council service change and engagement documents into multiple languages to ensure inclusion and effective communication to our linguistically diverse
- distributed \$32,590 to toy libraries, to ensure all families can access contemporary, high-quality toys
- delivered an evidence-based supported playgroup program to an average of 16 families per term
- provided access to 1,251 days of care for 42 children who would otherwise be ineligible or unable to participate, via the Early Education Grant.

	2016	2021
Proportion of population reporting most people can be trusted	90%	90%
Proportion of population reporting that they felt valued by society (definitely or sometimes)	90%	90%
Residents reporting doing some form of voluntary work	17%	14%
Proportion of population who have close friends or family to talk to regularly	97%	97%

Source: ABS 2016 and 2021 Census.



**Our collaboration with Push Mobility for the accessible beach program at Port Melbourne Life Saving Club.**  
Photo: Luke Hemer



**Council officers and community group  
Port Phillip Pickers with olive oil from  
their 2022 harvest.**

# 5

## Working for our community

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# Working with Council

An effective working relationship between Council and the organisation is at the core of achieving good governance and delivering value for money to our community.

As the elected representatives of the City of Port Phillip community, Council provides leadership to ensure good governance. Council exercises this responsibility through formal resolutions at Council meetings.

Council is also responsible for the appointment of the Chief Executive Officer (CEO) who leads the organisation and implements Council decisions.

While there is a clear separation of powers between Council and the CEO, good governance is dependent upon a shared understanding of Council's priorities and a willingness to work together to achieve outcomes for the community.

# Our organisational structure

(as at 30 June 2023)

A minor realignment of the organisational structure came into effect at the beginning of February 2023. This was to provide a greater balance between divisional portfolios, leverage synergies between departments and enable a greater focus on areas of increasing importance.

## Chris Carroll

Chief Executive Officer

### Governance, Capability and Experience

#### Joanne McNeill

General Manager (acting)

#### Darryn Hartnett

Executive Manager  
Governance and  
Organisational  
Performance (acting)

#### Daniel Lew

Executive Manager  
People, Culture and Safety

#### Sophie McCarthy

Executive Director  
– South Melbourne Market

#### Tarnya McKenzie

Chief Customer Officer

#### Manohar Esarapu

Chief Information and  
Innovation Officer

### City Growth and Development

#### Brian Tee

General Manager

#### Donna D'Alessandro

Manager  
City Development

#### Lisa Davis

Manager  
Safety and Amenity

#### John Bartels

Manager City Planning  
and Sustainability

#### Lauren Bialkower

Executive Manager  
Advocacy and Stakeholder  
Engagement

### Community Wellbeing and Inclusion

#### Allison Kenwood

General Manager

#### Felicity Leahy

Executive Manager  
Family, Youth and  
Children and Divisional  
Performance

#### Leo Kelly

Manager  
Community Building and  
Inclusion (acting)

#### Bridget Monro-Hobbs

Manager  
Community Services

#### Dana Pritchard

Manager  
Open Space, Recreation  
and Community Resilience

#### Katrina Terjung

Manager  
Strategic Delivery –  
Community Wellbeing  
and Inclusion

### Operations and Infrastructure

#### Lachlan Johnson

General Manager

#### Anthony Savenkov

Manager  
Property and Assets  
(acting)

#### Tony McGann

Executive Manager  
Construction, Contracts  
and Operations (acting)

#### Mark Thompson

Manager  
Maintenance and Assets  
(acting)

#### Peter Liu

Chief Information Officer

#### Karen Miller

Manager  
Project Delivery

# Leading the way

## Chief Executive Officer

The Chief Executive Officer (CEO) is appointed by Council and is responsible for the operations of Council, including implementing Council decisions and the day-to-day management of Council's performance.



**Chris Carroll**

## Chief Executive Officer

Chris joined the City of Port Phillip in March 2014 and was appointed in the role of CEO in December 2022 after holding the role of General Manager Customer, Operations and Infrastructure. Chris is an outstanding leader with a breadth of local government, state government and private sector experience. Chris was previously employed by PwC New Zealand as a Director in its consulting business. Prior to this, Chris worked in a variety of leadership roles for Auckland Council and the former Auckland City Council and played a key role in the implementation of the Auckland local government reforms.

Chris holds a Master of Public Policy and Management and a Master of Business Administration, is a member of the Australian Institute of Company Directors, and has extensive experience in organisational strategy and performance management, property and asset management, change leadership, and business transformation and improvement.

## Governance, Capability and Experience

The Governance, Capability and Experience division provide oversight for Council governance, organisational performance, staff management and safety, customer service support and leadership, digital technology services and South Melbourne Market operations.



**Joanne McNeill**

## Acting General Manager

Joanne commenced as acting General Manager Governance, Capability and Experience in November 2023 to fill a parental leave vacancy. Joanne's substantive role in the organisation is Executive Manager Governance and Organisational Performance. Joanne joined the City of Port Phillip in 2009 and has performed several roles since then, including six years as the Executive Manager Property and Assets where she led the delivery of the Palais Theatre and St Kilda Marina projects. Prior to joining City of Port Phillip, Joanne worked for nine years with Victorian Government in their environmental and agricultural research and policy areas. Joanne holds an Executive Master of Public Administration through the Australia and New Zealand School of Government (ANZOG) and Melbourne University.

### City Growth and Development

The City Growth and Development division provides public safety, communications, sustainability, as well as city development and planning services. This division is also leading the Council's focus on our City's recovery from the impact of COVID-19 on business, events, tourism, the arts and live music. They also deliver Council's festival program.



**Brian Tee**

#### General Manager

Brian commenced working at City of Port Phillip in April 2015 and was appointed General Manager in March 2023. Brian's other roles in Council included Senior Strategic Advisor, Manager Transport and Partnership and Executive Manager City Planning and Sustainability. Brian has worked in the Victorian Government, has practiced law and run a consultancy. His background and expertise are in the areas of planning, housing, justice, stakeholder engagement and advocacy. Brian has a Bachelor of Laws (LLB).

### Community Wellbeing and Inclusion

The Community Wellbeing and Inclusion division is responsible for delivering high quality services and programs that improve the lives of all who live, work, learn and play in our City. The division has a special responsibility to ensure that everyone is able to enjoy the benefits of all that the City offers, especially those who face barriers.



**Allison Kenwood**

#### General Manager

Allison commenced as General Manager in July 2022. Allison has extensive leadership experience having held many senior executive roles in both the public and private sectors in the health, human and community services sectors over the last 25 years. She has broad experience in strategy, planning, performance, public infrastructure and social policy development. She is focused on community inclusion and champions a positive work culture. Allison has a Master of Education, Bachelor of Arts, PRINCE2® Project Management certification and a Six Sigma Green Belt certification.

## Operations and Infrastructure

The Operations and Infrastructure division provides asset management, infrastructure management and maintenance, project delivery and financial leadership and support to the organisation.



**Lachlan Johnson**

### General Manager

Lachlan commenced as the General Manager of Operations and Infrastructure in March 2023. Lachlan has worked in local government for 15 years, holding a range of leadership roles across different portfolios including project delivery, engineering, asset management and operations. Lachlan has particular experience in project delivery and construction. Lachlan holds a Bachelor Degree in Infrastructure and Civil Engineering, and a Master of Business Administration.

# Our people

A multitude of services are delivered in our community by the 975 people employed at City of Port Phillip Council. The tables below shows the breakdown of full-time equivalent (FTE) staff by banding and division.

## Staff profile

Breakdown by banding	Full time equivalent									Total
	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	All other	
<b>Permanent full time</b>										
Female	0.00	0.00	5.00	38.20	61.00	55.80	64.80	31.00	30.00	<b>285.80</b>
Male	0.00	23.00	27.00	26.00	37.00	51.60	60.00	43.00	29.00	<b>296.60</b>
Self described	0.00	0.00	0.00	1.00	0.00	1.00	0.00	0.00	0.00	<b>2.00</b>
<b>Permanent part time</b>										
Female	2.08	0.00	15.39	28.96	20.42	17.29	24.68	6.50	1.60	<b>116.92</b>
Male	4.42	0.00	8.27	6.35	4.88	5.24	2.20	0.40	0.60	<b>32.36</b>
Self described	0.00	0.00	0.00	0.00	0.00	0.00	0.80	0.00	0.00	<b>0.80</b>
<b>Casual</b>										
Female	0.03	0.00	0.18	0.36	0.15	0.03	0.96	0.00	0.00	<b>1.71</b>
Male	0.00	0.00	0.12	0.24	0.12	0.03	0.00	0.00	0.00	<b>0.51</b>
<b>Total</b>	<b>6.53</b>	<b>23.00</b>	<b>55.96</b>	<b>101.11</b>	<b>123.57</b>	<b>130.99</b>	<b>153.44</b>	<b>80.90</b>	<b>61.20</b>	<b>736.70</b>

### Note

- Temporary staff total of 77.7 FTE not included in table above.
- Casual FTE is calculated on an estimate of two hours per pay cycle.
- Fixed term Senior Officer (SO) and Senior Executive Officer (SEO) employees are considered permanent for reporting purposes.

Breakdown by division	Full time equivalent					Total
	CEO	City Growth and Development	Community Wellbeing and Inclusion	Operations and Infrastructure	Governance, Capability and Experience	
<b>Permanent full time</b>						
Female	0.00	79.40	101.60	50.00	54.80	<b>285.90</b>
Male	1.00	96.60	28.00	129.00	42.00	<b>296.60</b>
Self described	0.00	0.00	0.00	0.00	2.00	<b>2.00</b>
<b>Permanent part time</b>						
Female	0.00	18.91	75.42	8.93	13.66	<b>116.96</b>
Male	0.00	11.16	17.17	1.79	2.24	<b>32.36</b>
Self described	0.00	0.00	0.00	0.00	0.80	<b>0.80</b>
<b>Casual</b>						
Female	0.00	0.36	1.08	0.15	0.12	<b>1.71</b>
Male	0.00	0.12	0.24	0.12	0.03	<b>0.51</b>
<b>Total</b>	<b>1.00</b>	<b>206.55</b>	<b>223.51</b>	<b>189.99</b>	<b>115.65</b>	<b>736.70</b>

### Note

- Temporary staff total of 77.7 FTE not included in table above.
- Casual FTE is calculated on an estimate of two hours per pay cycle.
- Fixed term SO and SEO employees are considered permanent for reporting purposes.

## Employee wellbeing

We acknowledge the ongoing importance of employee wellbeing and this has continued to be a focus as part of the overall health and safety priorities. Our Employee Assistance Program (EAP) helps staff to meet the challenges and demands of their personal and work lives. This professional and confidential service provides employees and their immediate families with short term support for a variety of work related and personal issues.

Staff had ongoing access and support from a variety of resources and services offered by our EAP provider. This year an EAP digital application was launched to give staff enhanced access to these services. We also engaged our provider to run various wellbeing webinars which were well received. Additional resources were also made available for staff on a variety of wellbeing and mental health topics.

## People and Culture Plan 2022/2023

Our vision of 'a liveable and vibrant city that enhances the wellbeing of our community' is at the core of what we strive to achieve. This is at the foundation of the People and Culture Plan which requires us to make the best use of our people's diverse talents and to provide a healthy, inclusive and supportive workplace.

Our three overarching objectives of our People and Culture Plan are:

- Inspiring leadership and providing the skills, knowledge and tools for our people to be the best they can be.
- Our people feel proud – proud of the City we look after, the community we serve, and the work we do – and they would recommend us as a great place to work.
- Ensuring a welcoming, safe, healthy and inclusive environment.

Supporting the achievement of these objectives are four themes with associated actions:

### Theme one: Our people

- We are an employer of choice that attracts and retains the right people.
- We manage performance well and our people are committed to learning and growth.

### Theme two: Our culture

- We have an aligned and engaged workforce that is proud to work here.
- We are a diverse, inclusive and respectful organisation.

### Theme three: Our leadership and teamwork

- We have constructive high-performing and agile leadership.
- We have well led, purposeful and effective teams.

### Theme four: Our work environment

- We have safe, healthy and productive workplaces.
- We have the right systems, tools and support for people to do their jobs.

## Flexible work

We recognise that flexibility is an essential part of a diverse, adaptive and high-performing workforce. This year we have continued to progressively embed our new Flexible Work Policy that provides a range of flexible working arrangements, supporting and empowering all staff to successfully manage work and life commitments.

## Learn. Develop. Grow.

Investing in our people's capabilities is fundamental for our success. In 2022/23 staff attended multiple training courses offered through our Corporate Training Calendar. With a total of 1,374 attendances across 110 courses (excluding mandatory training). The training was delivered across several platforms including online learning to ensure we catered to a hybrid (face-to-face and online) workforce. In addition, we also increased our standalone face-to-face training offerings.

Mandatory training ensures that new employees are aware of their obligations to comply with various regulations and provides recertification for existing employees throughout the year.

Study assistance is available to staff undertaking accredited courses related to their current work or local government careers. In 2022/23, 16 staff members took advantage of this program, using 670.17 hours of study leave.

## Leadership development programs

To continue to enhance our leadership strength and capabilities we offer a number of leadership development experiences and opportunities to support our people, including:

- Executive Leadership Team development
- ongoing development for members of the Leadership Network, consisting of our Executive Leadership Team and our managers
- ongoing leadership development for our Heads of and Coordinators – Tier 4 leaders
- individual coaching for senior staff
- Local Government Professionals (LGPro) professional development programs including the LGPro Management Challenge and Emerging Leaders Program.

## Equal opportunity

We are an equal opportunity employer and work in accordance with our statutory requirements under the *Victorian Equal Opportunity Act 2010* and federal legislation as it relates to equal opportunity.

Our values of working together, courage and integrity, creative and strategic thinking, personal growth and performance, and accountability support a culture of respect for each other in all aspects of employment, training and service.

This year, 1,005 staff members completed eLearning modules on either anti-bullying and harassment or equal opportunity. This included refreshers for existing employees.

Our people leaders also attended sessions on inclusive leadership and a new eLearn module on diversity, equity and inclusiveness was made available for all of our people to complete.

## Community focus

We encourage and support employees to contribute to the community outside the realm of their roles.

Initiatives included:

- Give as You Earn donations to charity of choice via payroll deduction with over \$1,685 monies donated.
- Blood donation drives with over 91 individual staff donations made.
- The Secret Santa Appeal, which raised \$1,640 for families in need, distributed via food vouchers by the Family, Youth and Children department.
- Donations of 85 gifts for individual children who are clients of our Maternal and Child Health service.

## Gender equality

Since the endorsement of **City of Port Phillip's Gender Equality Action Plan 2022-25**, we have focused on implementation.

The plan focused on three long-term outcomes to address systemic causes of gender inequality:

1. a gender-balanced and diverse workforce
2. equitable access to opportunities and pay for people of all genders
3. a workplace culture where people of all genders feel safe and valued.

To date we have:

- updated our Equal Employment Opportunity Policy and Code of Conduct
- introduced leaders training and online learning modules to raise education and awareness of diversity and equity requirements
- updated our recruitment policy and processes, including diversity in recruitment panels
- improved workforce data and consideration of diversity and equity in department workforce planning and salary reviews
- promoted flexible work arrangements and improved inclusion and equity provisions in our Enterprise Agreement including enhanced parental leave for both the primary and secondary carers as well as superannuation while on parental leave, gender transition leave
- integrated diversity and inclusion and the organisational values into our Proudly Port Phillip Awards Recognition program.

Work is currently underway to develop standalone policies for prevention of sexual harassment and family and domestic violence.

We are confident that continuous advancement of gender equality in our organisation will help us to achieve the strategic objectives in the Council Plan. Particularly, 'Inclusive Port Phillip' – a place for all members of our community, where people feel supported and comfortable being themselves and expressing their identities and 'Well-governed Port Phillip' – a leading local government authority, where our community and our organisation are in a better place as a result of our collective efforts.

Further details of the **Gender Equality Action Plan 2022-25** can be found on our website.

# Health and safety

We remain committed to providing a safe and healthy working environment for all employees, visitors, contractors, subcontractors and the public. We recognise the importance of a strong workplace culture and have continued to enhance our systems and support for both employees and leaders.

Our employee's wellbeing and mental health continues to be at the forefront of everything we do.

## Leadership

We acknowledge that leadership in safety and wellbeing is vital to a positive workplace culture and as we progress in our safety maturity the development and support of our leaders is a continuous priority.

Our leaders have been supported in the ongoing implementation of the safety management system and have been provided with extensive education on a variety of related safety and wellbeing topics.

Safety shares are the first agenda item at all team meetings, keeping safety messages front-of-mind alongside regular staff communications on key safety topics.

# 82%

**of OHS incidents were reported within 24 hours.**

## Prevention and systematic safety management

City of Port Phillip's safety management system continued to be enhanced and embedded to address health and safety risks and hazards, manage our incidents effectively and develop relevant prevention programs. These included managing challenging interactions, working alone, contractor safety management and incident responses. Development of our approach to the management of psychosocial hazards and preparations for compliance with the impending regulations have progressed.

We continued to focus on reporting hazards and incidents, investigating incidents and enhanced trend analysis. All significant incidents were investigated to identify remedial actions to prevent the incident from reoccurring and identify if there are any systemic factors that can be addressed.

During 2022/23 we delivered:

- monthly reporting of all incidents, hazards and trends including progress against our focus areas
- progress reports against our target for incident reporting within 24 hours
- a rolling safety implementation review program to ensure compliance with safety management system procedures
- regular consultation with Health and Safety Representatives through our Health and Safety Committee
- enhanced risk controls for managing challenging behaviour, contractor safety and working alone
- a review of COVID normal processes and protocols, mental health initiatives including participation in RUOK day, webinars and educational resources for staff and leaders
- visibility of safety and wellbeing with workplace inspections, safety shares, bite sized safety messages, and leadership communications
- enhanced reporting tools and resources to support safety system implementation
- flu vaccine to all staff who chose to participate.

## Our volunteers

Volunteering is a rewarding way to get involved in the community. Council manages a range of programs where volunteers can help deliver services to the community.

The Port Phillip Volunteer Coordinator Network increased membership to 43 members and met five times in 2022/23.

Regular volunteer programs include:

- Home Library Service
- Homies Homework Club
- FReeZA Committee
- Youth Advisory Committee (YAC)
- Social Inclusion Program
- Port Phillip Heritage Centre
- Toy libraries and playgroups.

Volunteers also support a number of special events and programs, including:

- St Kilda Film Festival
- Midsumma Carnival
- Friends of Suai/Covalima
- Clean Up Australia Day.

Volunteers play an important role in creating an inclusive, safe and vibrant community. Council recognises and the individual volunteering efforts and organisations that support our community. We provide support and appreciation in the form of training opportunities, events, certificates of appreciation from the Mayor, and celebration of National Volunteer Week.

**Residents of Octavia Street worked together to maintain their nature strip gardens.**



# 6

## Statutory statements

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## Public documents

Council has a Public Transparency Policy. This supports our ongoing drive for good governance and outlines the importance of open and accountable conduct and how Council information is to be made publicly available.

The Public Transparency Policy is a statutory document required under the *Local Government Act 2020* (the Act), which must:

- give effect to the public transparency principles
- describe the ways in which Council information is to be made publicly available
- specify which Council information must be publicly available, including all policies, plans and reports required under the Act or any other Act.

Council information will be made available on:

- Council website **portphillip.vic.gov.au**
- Open Data **data.gov.au**
- at Council offices
- or by request.

Members of the public can make different kinds of information requests to Council (for example, informal requests for documents and information or formal Freedom of Information (FOI) requests). Council will respond to requests for information in alignment with:

- the Act including the Public Transparency Principles, and this policy,
- Part II statement made under the *Freedom of Information Act 1982*.

## Contracts

List of contracts valued \$300,001 and greater entered into via tender or expression of interest.

Contract	Description	Contract	Description
001013	Childcare fences construction services	001280	Network link and services
001014	Childcare fences construction services	001292	St Kilda Festival – cleaning and waste management
001101	Parking infringement management services	001295	St Kilda Festival event security services
001104	Mechanical services maintenance	001331	Panel of suppliers – commercial building services
001108	Syringe disposal services	001338	Alma Park amenities pavilion
001109	Strategic advisory services panel	001346	Parking technology
001125	Sandbar Café public toilet upgrade	001354	Panel for drainage assets cleaning
001154	Provision of mobile telecommunication services	001355	Panel for pipe rehabilitation services
001161	St Kilda Town Hall façade renovation	001356	South Melbourne Town Hall project management and superintendent services
001185	Procurement of tractor for 2023/24 year	001362	Port Phillip EcoCentre redevelopment
001195	Towing obstructing vehicles and vehicles from clearways	001410	Provision of debt recovery services
001198	Foreshore summer management CCTV (webcam and camera service)	001462	Data centre modernisation
001199	Municipal waste audits – 2022–26	001479	Gasworks Park – masterplan implementation
001203	Corporate multifunction device and associated services	001503	Ludwig Stamer Reserve upgrade
001206	Specialist valuation services	001509	Albert Park Library – HVAC replacement
001227	Fire services maintenance	001513	Design services – St Kilda Pier Landside works
001234	Waste services part A: kerbside services (waste and recycling)	001516	Foreshore Management Plan and Coastal Adaptation Plan
001235	Waste services part B: hard waste	001525	Adobe software license

Council did not enter into any contracts valued above the threshold requiring a competitive process under the Procurement Policy without properly undertaking a tender, seeking an expression of interest or another approved process under its Procurement Policy.

## Freedom of Information Act

The *Freedom of Information Act 1982* provides every person with the right to request access to documents held by Council. The Act requires Council to publish certain details about itself and its functions. It enables individuals to correct their personal information held by Council and it has built-in rights of appeal against decisions made under the Act. City of Port Phillip supports the objectives of this Act.

Requests for access to Council documents under the *Freedom of Information Act 1982* must be in writing and must provide sufficient information to identify the particular document(s) being sought. In 2022/23 the application fee for a request was \$30.60.

More information, including a request form, is available on our website at **City of Port Phillip – Freedom of Information.**

**Principal Officer: Peter Smith, CEO  
Chris Carroll, CEO**

### Summary of Freedom of Information (FOI) requests 2022/23

<b>Total number of FOI requests received (valid or otherwise)</b>	64
<b>Total number of requests carried over from previous financial year</b>	7
<b>Total number of valid requests</b> (including six requests received in the previous financial year still under consideration)	57
<b>Number of requests where access was granted in full</b>	37
<b>Number of requests where access was granted in part</b>	12
<b>Number of requests where access was denied in full</b>	2
<b>Number of requests where no documentation was found</b>	5
<b>Number of requests not proceeded with (valid or otherwise)</b>	9
<b>Number of valid requests still under consideration at 30 June 2023</b>	1
<b>Number of reviews lodged with the Office of the Victorian Information Commissioner</b>	0
<b>Total application fees collected</b>	\$1,683
<b>Total application fees waived</b>	\$245

## Public Interest Disclosure Act (formerly Protected Disclosure)

The *Public Interest Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and protecting them when they do.

City of Port Phillip is committed to the aims and objectives of the *Public Interest Disclosure Act 2012*. It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct. City of Port Phillip will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure.

More information on Public Interest Disclosures, including procedures for making a disclosure, is available at **portphillip.vic.gov.au/good-governance.**

There were no disclosures notified to the Independent Broad-based Anti-corruption Commission under section 21(2) of the Act during the 2022/23 financial year.

## Privacy and Data Protection Act

City of Port Phillip is committed to full compliance with our obligations under the *Privacy and Data Protection Act 2014*. In 2022/23, two privacy/data breaches were reported to OVIC. Appropriate remedial action has been taken to reduce the risk of such breaches recurring.

Our Information Privacy Policy (including Guidelines and Procedures) is available at Council offices and on our **website**.

The objective of the policy is to ensure the responsible collection and handling of individuals' personal and health information. The policy explains the ten Information Privacy Principles, and how Council goes about adhering to these principles.

Privacy Compliance is included in our staff induction program. We have a dedicated Privacy Officer to help staff and members of the public with privacy-related queries or issues.

## Domestic Animal Management Plan

Under the *Domestic Animals Act 1994*, Council is required to have a four-year Domestic Animal Management Plan (DAMP). In 2021 Council undertook development and public consultation on a new Domestic Animal Management Plan 2022–25.

Further details on activities undertaken during the year to promote responsible pet ownership and pet welfare are included in Chapter 4.

## Carers Recognition Act

The *Victorian Carers Recognition Act 2012* defines a care relationship as being above what a relationship would typically involve.

The 2021 Census collected by Australian Bureau of Statistics shows that 11.2 per cent of people aged 15 years and over in the City of Port Phillip provide unpaid assistance to a person with a disability, long term illness, or older person. This is an increase from 8.9 per cent recorded in the 2016 Census.

Carers Victoria tells us that many informal carers do not see themselves as a “carer”, almost 9 out of 10 carers are female, and the average age of a carer in Victoria is 54 years. It was reported that during the pandemic, carers experienced higher levels of loneliness and worsened mental health and wellbeing when compared to the general population.

Carers are reflected in the Organisation’s Enterprise Agreement and Leave Policy within the Council workforce. This is strengthened by the Australian Government *Fair Work Act 2009* and *Carers Recognition Act 2012*.

Further details on activities undertaken during the year in relation to the *Carers Recognition Act 2012* are included in Chapter 4.

## Accessibility and disability inclusion

The start of 2023 was an exciting time in the accessibility space as work progressed on developing a new Accessibility Action Plan. Based on findings from previous staff and community engagement in 2021, a draft Accessibility Action Plan 2023–25 (AAP) was developed.

Along with community consultation, the draft AAP reflects themes found in the State Disability Plan 2022–2026, *Inclusive Victoria*. It further aligns with The Council Plan 2021–31 most notably strategic direction *Inclusive Port Phillip*: ‘a city that is a place for all members of our community, where people feel supported and comfortable being themselves and expressing their identities’.

Due to COVID-19, community input in the draft’s creation was limited. That’s why we ensured our engagement on the draft plan was extensive. Some of the initiatives that were undertaken to ensure feedback was captured included:

- a lengthier engagement period of nearly twice what is usually afforded an action plan
- staff attendance at all eight Neighbourhood Engagement Program sessions that were held during the engagement period
- presentations delivered to all five advisory committees
- presentations to the customer service (ASSIST) team to ensure staff were confident discussing the draft plan
- a co-facilitated session with Voices of the South Side participants, to ensure the views of people with lived experience of disability were captured
- presentation to internal Accessibility and Disability Inclusion Staff Network.
- a three hour in person drop-in session for community members at St Kilda Library, with an Australian Sign Language (AUSLAN) interpreter present.

Community feedback was overwhelmingly positive, and the new AAP was endorsed by Council after 30 June 2023.

Further details on activities undertaken during the year in relation to accessibility and inclusion are included in Chapter 4.

## Food Act Ministerial direction

In accordance with Section 7E of the *Food Act 1984*, a council is required to publish a summary of any Ministerial directions received during the financial year in its annual report. No such Ministerial directions were received by Council during the financial year.

## Road Management Act Ministerial direction

In accordance with Section 22 of the *Road Management Act 2004*, a council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial directions were received by Council during the financial year.

## Planning and Environment Act

In accordance with Section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency, must prepare and give a report to the Minister for Planning on infrastructure development contributions including levies and works in kind. The report must be published in a council's annual report.

In 2022/23, Council did not collect infrastructure and development contributions.

## National Competition Policy (NCP)

Council has an obligation to comply with requirements of competitive neutrality policy when it is operating a significant business. Competitive neutrality policy requires us to implement competitively neutral measures to mitigate any net advantage over our private competitors arising from government ownership or demonstrate that restricting competition is in the public interest.

Council provides services which are classified as significant businesses. These are subject to periodic reviews for compliance with NCP. Those services currently include the South Melbourne Market, Childcare and Aged Care Services.

Due to recent performance and structural changes and challenges in Aged Care and Childcare, Council will undertake a periodic review of compliance with NCP during 2023/24.

## Child Safe Standards

There are now 11 new Child Safe Standards, replacing the seven existing standards, which include new requirements such as:

- involving families and communities in organisations' efforts to keep children and young people safe
- a greater focus on safety for Aboriginal children and young people
- managing the risk of child abuse in online environments.

All children have the right to feel safe and be safe, but safety does not just happen. The standards exist to prevent harm and abuse from happening in organisations. The new standards provide more clarity for organisations and are more consistent with standards in the rest of Australia and are underpinned with the Prevent, Detect and Respond strategy.

Most organisations that work or volunteer with children and young people are required to meet the standards. An 'organisation' can include a business, group, club, government, not-for-profit or volunteer organisation. The new Child Safe Standards have now commenced, and the old standards no longer apply. It has been acknowledged by the regulators that for most organisations, it may take time and effort to get things right and they may not have fully completed implementation by 1 July 2022.

New laws started on 1 January 2023, including stronger penalties for organisations that do not comply with the Child Safe Standards. Council has clear and established processes in place under which Council will respond to any allegations or incidents of Childsafe breaches.

We have conducted a review of our existing policies, practices and procedures, to identify any gaps and areas for improvement. We are currently prioritising and implementing changes to ensure continued compliance, working in partnership with our Internal Auditor, and with support from the Commission for Children and Young People (CCYP).

## Gender Impact Assessments

Council is committed to advancing gender equality within the organisation and through the policies, programs and services we provide to the community, in line with Victoria's *Gender Equality Act 2020*.

When developing or reviewing a policy, program or service that has a significant impact on the community, Council officers undertake a Gender Impact Assessment (GIA) to carefully consider how that policy, program or service meets the needs of our diverse community. Through GIA, Council officers collect and analyse data, conduct research, assess policy options and recommend evidence-based actions to improve outcomes for people of all genders, backgrounds and identities. While gender is the primary focus of the GIA, Council officers assess wider social equity impacts through the lenses of age, indigeneity, disability, cultural identity, religion, LGBTIQ+ and socio-economic status.

During the year, Council has undertaken GIAs on a range of new and reviewed initiatives including Council's:

- Car Share Policy
- Play Space Strategy
- Public Toilet Plan
- Accessibility Action Plan
- LGBTIQ+ Action Plan
- Fair Access Policy
- Children's Services Integrated Registration and Enrolment Project
- JL Murphy sports pitch project
- Elder Smith Netball project
- Gasworks Park project
- Lagoon Reserve project

Since 2021, Council has completed 22 GIAs across a diverse range of policies, strategies, plans and projects that impact the community. Actions resulting from GIAs have included improvements to policy and project design to enhance community safety, accessibility and inclusion.

GIAs are currently underway for Council's Housing Strategy, Act and Adapt Strategy, South Melbourne Structure Plan, Sustainable Design Strategy, Urban Forest Strategy and Community Safety Plan.

## Service performance indicators

The following statement provides the results of the prescribed service performance indicators and measures for the year ended 30 June 2023 including explanation of results in the comments.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Animal management</b>					
<b>Timeliness</b>					
<b>Time taken to action animal management requests</b> [number of days between receipt and first response action for all animal management requests / number of animal management request]	1.00	1.00	1.00	<b>1.00</b>	The number of requests received has increased compared to last year (3,759 requests in 2022/23 compared to 3,160 in 2021/22). This is due to an increase in promoting responsible pet ownership through community education, cat trapping service and dog attack investigations. City of Port Phillip's Animal Management Unit places a strong emphasis on responsible pet ownership and community safety. We continue to provide a responsive high quality service and will undertake system enhancements to improve the data collection methodology for this measure.
<b>Service standard</b>					
<b>Animals reclaimed</b> [number of animals reclaimed / number of animals collected] x 100	51.30%	49.69%	53.37%	<b>41.18%</b>	Councils cat collections have increased compared to last year through our cat trapping service. Although the reclaimed rate has decreased in 2022/23, there has been a significant increase in the number of animals rehomed compared to last year.
<b>Animals rehomed</b> [number of animals rehomed / number of animals collected] x 100	11.40%	17.61%	8.43%	<b>32.13%</b>	Animals rehomed is calculated as a percentage of all animals collected. Of the 221 animals collected, 91 were reclaimed by owners. Of the remaining 130 animals, 71 (55 per cent) were rehomed.
<b>Service cost</b>					
<b>Cost of animal management service per population</b> [direct cost of the animal management service / population]	\$7.55	\$7.61	\$9.99	<b>\$12.87</b>	The result in 2022/23 is due to employee cost increases. The new Animal Management contract with Lost Dogs Home has also seen impound and related service rates double in 2022/23.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Health and safety</b>					
<b>Animal management prosecutions</b> [Number of successful animal management prosecutions / number of animal management prosecutions] x 100	100%	100%	100%	<b>100%</b>	100 per cent success rate on animal prosecutions through the Magistrate Court. All cases are thoroughly assessed to ensure accurate detail and evidence prior to being submitted for prosecution.
<b>Food safety</b>					
<b>Timeliness</b>					
<b>Time taken to action food complaints</b> [number of days between receipt and first response action for all food complaints / number of food complaints]	1.68	1.79	1.79	<b>1.71</b>	The number of days between receipt and first response action for all food complaints is well within range with cases responded to on the day or next day after receipt.
<b>Service standard</b>					
<b>Food safety assessments</b> [number of registered class one food premises and class two food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / number of registered class one food premises and class two food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i> ] x 100	100.00%	96.94%	98.76%	<b>100.00%</b>	All class 1 and 2 food premises have received an annual assessment or mandatory inspection within the calendar year.
<b>Service cost</b>					
<b>Cost of food safety service</b> [direct cost of the food safety service / number of food premises registered or notified in accordance with the <i>Food Act 1984</i> ]	\$638.11	\$637.36	\$649.14	<b>\$712.86</b>	The cost per registered premises has increased due to an increase in employee costs, food testing and analysis costs and general materials costs with no increase in the number of registered premises.
<b>Health and safety</b>					
<b>Critical and major non-compliance outcome notifications</b> [number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100	100%	100%	100%	<b>100%</b>	All major and critical non-compliance identified within registered food premises were followed-up within the registration period.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Governance</b>					
<b>Transparency</b>					
<b>Council decisions made at meetings closed to the public</b> [number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors] x 100	6.62%	7.38%	7.96%	<b>9.92%</b>	A total of 252 decisions were made at meetings held in during the 2022/23 financial year. Of these, 25 decisions were made in meetings that were closed to the public.
<b>Consultation and engagement</b>					
<b>Satisfaction with community consultation and engagement</b> [community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	59	58	54	<b>52</b>	Council continued to improve its approach to community consultation and engagement during the year including introduction of the new monthly engagement newsletter distributed to over 2,500 subscribers and improvements to the Neighbourhood Engagement Program. Internal review of processes, training and upskilling of officers will also be undertaken to improve the community consultation and engagement.
<b>Attendance</b>					
<b>Councillor attendance at council meetings</b> [the sum of the number of Councillors who attended each Council meeting / (number of Council meetings) × (number of Councillors elected at the last Council general election)] x 100	94.29%	98.52%	99.26%	<b>98.02%</b>	There were five apologies received by Councillors during the 2022/23 financial year. Councillor Clark was granted a leave of absence for three meetings during this period and Councillor Copsey was granted a leave of absence for four Council meetings during this period. All Council meetings are held in a hybrid mode whereby Councillors have the option to attend either in person or virtually. This contributes towards a higher attendance rate at Council meetings.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Service cost</b>					
<b>Cost of elected representation</b> [direct cost of the governance service / number of Councillors elected at the last Council general election]	\$52,239	\$44,132	\$50,775	<b>\$56,335</b>	Increase in 2022/23 is mainly due to the increase in Councillor allowances as per Victorian Independent Remuneration Tribunal.
<b>Satisfaction</b>					
<b>Satisfaction with council decisions</b> [community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	58	60	55	<b>50</b>	Council's performance in community decisions rated lower compared to both the Metropolitan group average and State average. Greater focus will be placed on data analysis and reporting in the coming year, ensuring transparency and accountability as well as supporting improved decision making on behalf of the community.
<b>Libraries</b>					
<b>Utilisation</b>					
<b>Physical library collection usage</b> [number of physical library collection item loans / number of physical library collection items]	3.73	3.82	3.22	<b>3.71</b>	Increase in the physical library collection usage in 2022/23 is mainly due the 13 per cent increase of borrowings. The decrease of collection size by 2.1 per cent has also contributed to the increased result in 2022/23.
<b>Resource standard</b>					
<b>Recently purchased library collection</b> [number of library collection items purchased in the last five years / number of library collection items] x 100	50.82%	49.18%	48.14%	<b>49.98%</b>	While the number of items purchased in the past five years has decreased by 5 per cent the overall collection size has decreased giving a positive result.
<b>Participation</b>					
<b>Active library borrowers in municipality</b> [number of active library borrowers in the last three years / the sum of the population for the last three years] x 100	18.46%	17.62%	17.13%	<b>16.48%</b>	This result has been reported incorrectly in previous years. The actual variance in 2022/23 is a decrease of 1.7 per cent from 2021/22. Council anticipates that this figure will increase as the service recovers from the impacts of COVID-19.
<b>Service cost</b>					
<b>Cost of library service per population</b> [direct cost of the library service / population]	\$35.48	\$30.30	\$37.04	<b>\$44.18</b>	The increase in cost of service is due to a return to full staffing levels following on from reduced staffing during COVID impacted years 2019/20, 2020/21 and 2021/22.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Maternal and Child Health (MCH)</b>					
<b>Service standard</b>					
<b>Infant enrolments in the MCH service</b> [number of infants enrolled in the MCH service (from birth notifications received) / number of birth notifications received] x 100	101.03%	100.83%	101.26%	<b>101.18%</b>	All birth notices received have been enrolled and seen. Overall enrolments have decreased. Total number of transfers of children out of City of Port Phillip was 578. This is most likely due to families moving out of the area for financial reasons and being able to work further away from place of work in a hybrid model. Also the number of international families that enrolled has declined and not recovered post COVID-19.
<b>Service cost</b>					
<b>Cost of the MCH service</b> [cost of the MCH service / hours worked by MCH nurses]	\$84.67	\$88.86	\$103.25	<b>\$100.08</b>	Slight reduction in cost in 2022/23 is mainly due to the reduction in employee costs and cost of materials.
<b>Participation</b>					
<b>Participation in the MCH service</b> [number of children who attend the MCH service at least once (in the year) / number of children enrolled in the MCH service] x 100	87.38%	83.49%	78.58%	<b>76.71%</b>	Participation in the MCH service has declined slightly due to the increased number of appointment cancellations following on from COVID-19. Families are advised to not attend their appointment if anyone in the family is unwell.  In 2022/23 the MCH service had 1,197 appointments that were cancelled. In 2021/22 there were 1,195. Enrolments in the MCH service have decreased in the past 12 months with 200 fewer children enrolled for 2022-2023 period.
<b>Participation in the MCH service by Aboriginal children</b> [number of Aboriginal children who attend the MCH service at least once (in the year) / number of Aboriginal children enrolled in the MCH service] x 100	95.00%	94.29%	83.72%	<b>84.44%</b>	The MCH service continues to develop and grow its cultural capabilities to ensure Aboriginal children and families feel welcome and safe within the service. In 2022/23, of the 22 children who are identified as Aboriginal, 19 were engaged with the service and had at least one Key Age and Stage consultation.
<b>Satisfaction</b>					
<b>Participation in four-week Key Age and Stage visit</b> [number of four-week key age and stage visits / number of birth notifications received] x100	95.87%	93.53%	94.08%	<b>95.72%</b>	Increased result in 2022/23. Overall, the service conducted 895 four-week Key Age and Stage visits.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Roads</b>					
<b>Satisfaction of use</b>					
<b>Sealed local road requests</b> [number of sealed local road requests / kilometres of sealed local roads] x 100	17.29	51.13	44.44	<b>44.36</b>	Sealed local road requests remained consistent with the previous year's result. Technology improvements such as Snap, Send Solve have made it easier for the community to report issues.
<b>Condition</b>					
<b>Sealed local roads maintained to condition standards</b> [number of kilometres of sealed local roads below the renewal intervention level set by Council / kilometres of sealed local roads] x 100	96.98%	93.69%	95.48%	<b>94.36%</b>	Sealed local roads include our laneway network and approximately 92 per cent of these laneways are constructed with bluestones. Repair and reconstruction of these old bluestone laneways are more resource intensive. Our road renewal program meets the short and long-term service levels.
<b>Service cost</b>					
<b>Cost of sealed local road reconstruction</b> [direct cost of sealed local road reconstruction / square metres of sealed local roads reconstructed]	\$65.31	\$79.08	\$71.18	<b>\$65.33</b>	There are three different types of sealed road reconstruction programs and the unit cost for each program varies with the material used (concrete, asphalt or bluestone), depth and quantity.
<b>Cost of sealed local road resealing</b> [direct cost of sealed local road resealing / square metres of sealed local roads resealed]	\$28.07	\$56.29	\$23.98	<b>\$31.57</b>	Result in 2022/23 is attributed to the annual CPI increase and the increase of delivering the service from the participated contractors. Additionally, some projects were carried out at night to minimise the disruptions to businesses and community, and this has contributed to the higher costs this year.
<b>Satisfaction</b>					
<b>Satisfaction with sealed local roads</b> [community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	69	67	66	<b>59</b>	The 2022/23 result could be attributed to the increase in large development works within the municipality and an increase in service authority works within road reserves. Council is continuing to work on improving the maintenance response time and the road renewal program to help improve community satisfaction with sealed local roads.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Statutory Planning</b>					
<b>Timeliness</b>					
<b>Time taken to decide planning applications</b> [the median number of days between receipt of a planning application and a decision on the application]	85.75	93.00	107.00	<b>106.00</b>	The result is consistent with previous years. Council's application numbers determined has slightly increased from last year, which resulted in slight decrease in the median days. This is due to the complexity of planning applications dealt with over the year.
<b>Service standard</b>					
<b>Planning applications decided within required time frames</b> [(number of regular planning application decisions made within 60 days) + (number of VicSmart planning application decisions made within 10 days) / number of planning application decisions made] x 100	67.55%	71.88%	45.12%	<b>56.99%</b>	Number of determined applications issued within the prescribed time has increased from last year. This is due to settling of new planning team, dedicated planners to VicSmart / Fast Track applications, business applications and a significant uplift in our process improvements and systems.
<b>Service cost</b>					
<b>Cost of statutory planning service</b> [Direct cost of the statutory planning service / number of planning applications received]	\$2,791	\$2,674	\$2,577	<b>\$3,356</b>	Increase in cost of statutory planning service per planning application is mainly due to the increase in employee and legal costs and a 10 per cent decrease in number of planning applications received.
<b>Decision making</b>					
<b>Council planning decisions upheld at VCAT</b> [number of VCAT decisions that did not set aside council's decision in relation to a planning application / number of VCAT decisions in relation to planning applications] x100	77.13%	75.00%	74.19%	<b>83.33%</b>	The number of planning decisions upheld at VCAT in 2022/23 has seen an increase on previous years and exceeds our target of 70 per cent. If we took into consideration the mediated and withdrawn outcomes, Council decisions upheld at VCAT is increased to 94.5 per cent.

Service / indicator / measure	Results				Comments
	2020	2021	2022	2023	
<b>Waste Collection</b>					
<b>Satisfaction</b>					
<b>Kerbside bin collection requests</b> [number of kerbside garbage and recycling bin collection requests / number of kerbside bin collection households] x 1,000	27.40	24.14	116.68	<b>180.83</b>	There has been a significant increase in residential bin requests due to Food Organics and Garden Organics (FOGO) rollout and ongoing disruptions to service delivery from industry wide driver shortage.
<b>Service standard</b>					
<b>Kerbside collection bins missed</b> [number of kerbside garbage and recycling collection bins missed / number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000	3.07	2.05	4.96	<b>6.32</b>	Increase in kerbside collection bins missed is due to the contractor resourcing issues in 2022/23.
<b>Service cost</b>					
<b>Cost of kerbside garbage bin collection service</b> [direct cost of the kerbside garbage bin collection service / number of kerbside garbage collection bins]	\$50.49	\$56.06	\$157.54	<b>\$158.78</b>	Increased result in 2022/23 is mainly due to the CPI increase (including waste levy increase) and the slight increase in bin numbers.
<b>Cost of kerbside recyclables collection service</b> [direct cost of the kerbside recyclables bin collection service / number of kerbside recyclables collection bins]	\$51.38	\$50.07	\$119.64	<b>\$119.22</b>	Cost of kerbside recyclables collection service experienced a slight decrease from previous year. This is due to the higher CPI increase compared to the slight increase in bin numbers in 2022/23.
<b>Waste diversion</b>					
<b>Kerbside collection waste diverted from landfill</b> [weight of recyclables and green organics collected from kerbside bins / weight of garbage, recyclables and green organics collected from kerbside bins] x 100	30.47%	31.99%	32.54%	<b>34.91%</b>	The increase in waste diversion from landfill in 2022/23 is due to the rollout of FOGO service in January 2023. The result is expected to further increase during 2023/24.

## Governance and management checklist

This checklist increases transparent reporting and is prescribed under the *Local Government Act 2020* (The Act). The checklist measures whether a council has strong governance and management frameworks in place covering community engagement, planning, monitoring, reporting and decision making.

<b>Community engagement policy</b>	Adopted in accordance with Section 55 of the Act	✓
Outlines Council's commitment to engaging with the community on matters of public interest	Date of adoption: 17 February 2021	
<b>Community engagement guidelines</b>	Guidelines (online toolkit)	✓
Assists staff to determine when and how to engage with the community	Date of operation of current guidelines: 20 March 2021	
<b>Financial Plan</b>	Adopted in accordance with Section 91 of the Act	✓
Outlines the financial and non-financial resources required for at least the next 10 financial years	Date of adoption: 29 June 2022 as part of the Integrated Year Two Council Plan 2021-31	
<b>Asset plans</b>	Adopted in accordance with Section 92 of the Act	✓
Sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years	Asset Management Policy Date of adoption: 18 August 2021 Enterprise Asset Management Plan 2022-2032 Date of adoption: 29 June 2022	
<b>Revenue and Rating Plan</b>	Adopted in accordance with Section 93 of the Act	✓
Sets out the rating structure of Council to levy rates and charges	Date of adoption: 29 June 2022	
<b>Annual budget</b>	Adopted in accordance with Section 94 of the Act	✓
Sets out the services to be provided and initiatives to be undertaken during the next 12 months, and the funding and other resources required	Date of adoption: 20 June 2023 as part of the Integrated Year Three Council Plan 2021-31	
<b>Risk policy</b>	Current policy in operation	✓
Outlines Council's commitment and approach to minimising the risks to Council's operations	Date of commencement of current policy: 7 June 2017 Council's Risk Policy has been updated - listed for endorsement by Council 6 September 2023.	
<b>Fraud policy</b>	Current policy in operation	✓
Outlines Council's commitment and approach to minimising the risk of fraud	Date of operation of current policy: 20 May 2020	

<p><b>Municipal emergency management plan</b></p>	<p>Prepared and maintained in accordance with Section 60ADB of the <b>Emergency Management Act 2013</b> </p>
<p>Plan under Section 60ADB of the <i>Emergency Management Act 2013</i> for emergency prevention, response and recovery</p>	<p><b>Date of operation of current Plan: 24 June 2022</b></p>
<p><b>Procurement policy</b></p>	<p>Prepared and approved in accordance with Section 108 of the Act </p>
<p>Policy under Section 108 of the Act outlining the matters, practices and procedures that will apply to purchases of all goods and services by Council</p>	<p><b>Date of adoption: 04 April 2023</b></p>
<p><b>Business continuity plan</b></p>	<p>Current plan in operation </p>
<p>Sets out the actions that will be taken to ensure that key services continue to operate in the event of a disaster</p>	<p><b>Date of operation: 28 January 2020</b> All department sub-plans were reviewed following COVID-19. A review of the overall organisation-wide Business Continuity Plan is scheduled for 2023/24.</p>
<p><b>Disaster recovery plan</b></p>	<p>Current plan in operation </p>
<p>Sets out the actions that will be undertaken to recover and restore business capability in the event of a disaster</p>	<p><b>Date of operation: 7 September 2021</b></p>
<p><b>Risk management framework</b></p>	<p>Current framework in operation </p>
<p>Outlines Council's approach to managing risks to Council's operations</p>	<p><b>Date of operation: 9 July 2018</b> Council's Risk Management Framework has been updated – listed for noting by Council 6 September 2023.</p>
<p><b>Audit and Risk Committee</b></p>	<p>Established in accordance with Section 53 of the Act </p>
<p>Advisory committee of Council under Section 53 of the Act whose role is to oversee the integrity of Council's financial reporting, processes to manage risks to Council's operations and compliance with applicable legal, ethical, and regulatory requirements</p>	<p><b>Date of establishment: 1 September 2021</b> Audit and Risk Committee Charter and Annual Workplan is reviewed annually.</p>
<p><b>Internal audit</b></p>	<p>Engaged </p>
<p>Independent accounting professionals engaged by Council to provide analysis and recommendations aimed at improving Council's governance, risk and management controls</p>	<p><b>Date of engagement: 18 April 2019</b> Final one-year extension option for Internal Audit and Core Assurance Services contract exercised – from 1 May 2023 to 30 April 2024. Contract was initially awarded in 2019.</p>
<p><b>Performance reporting framework</b></p>	<p>Current framework in operation </p>
<p>A set of indicators measuring financial and non-financial performance, including Section 98 of the Act</p>	<p><b>Date of adoption of current framework: 29 June 2022 as part of Integrated Council Plan 2021-31</b></p>

<p><b>Council Plan report</b></p> <p>Reviews the performance of Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year</p>	<p><b>Current report</b> </p> <p><b>Dates of reports presented:</b></p> <ul style="list-style-type: none"> <li>· First quarter report 2 November 2022</li> <li>· Bi-annual report 15 February 2023</li> <li>· Third quarter report 17 May 2023</li> </ul>
<p><b>Quarterly budget reports</b></p> <p>Quarterly reports to Council under Section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations</p>	<p><b>Quarterly reports presented to the Council in accordance with Section 97(1) of the Act</b> </p> <p><b>Dates reports presented:</b></p> <ul style="list-style-type: none"> <li>· First Quarter Report 2 November 2022</li> <li>· Mid-Year Financial Review 15 February 2023</li> <li>· Third Quarter Report 3 May 2023</li> </ul>
<p><b>Risk reporting</b></p> <p>Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring, and risk minimisation strategies</p>	<p><b>Risk reports prepared and presented</b> </p> <p><b>Operational Risk Reporting – Operational High Risks are shared at every Strategic Risk and Internal Audit Committee (SRIA) Meeting:</b> 11 July 2022, 8 August 2022, 12 September 2022, 10 October 2022, 14 November 2022, 12 December 2022, 30 January 2023, 6 March 2023, 12 April 2023, 8 May 2023 and 13 June 2023.</p> <p><b>Strategic Risk Reporting:</b> 14 November 2022, 7 December 2022, Strategic Risk Workshop with the Leadership Network 13 April 2023.</p> <p>Next review of Strategic Risks scheduled for SRIA review September 2023.</p>
<p><b>Performance reporting</b></p> <p>Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in Section 98 of the Act</p>	<p><b>Performance reports prepared</b> </p> <p><b>Date of reports:</b></p> <ul style="list-style-type: none"> <li>· First quarter report 02 November 2022</li> <li>· Bi-annual report 15 February 2023</li> <li>· Third quarter report 17 May 2023</li> </ul>
<p><b>Annual Report</b></p> <p>Annual Report under Sections 98, 99 and 100 of the Act containing a report of operations and audited financial and performance statements</p>	<p><b>Annual report presented at a meeting of Council in accordance with Section 100 of the Act</b> </p> <p><b>Date of consideration: 19 October 2022</b></p>
<p><b>Councillor Code of Conduct</b></p> <p>Code under Section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters</p>	<p><b>Code of conduct reviewed and adopted in accordance with Section 139 of the Act</b> </p> <p><b>Date adopted: 17 February 2021</b></p>

<b>Delegations</b>	<b>Delegations reviewed in accordance with Section 11(7) of the Act and a register kept in accordance with Sections 11(8) and 47(7) of the Act</b> 
<p>Sets out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff</p>	<p><b>Date reviewed:</b></p> <ul style="list-style-type: none"> <li>· Council delegation to CEO: 20 October 2021</li> <li>· Council delegation to CEO South Melbourne Market: 20 October 2021</li> <li>· Council delegation to Members of Staff: 7 June 2023</li> <li>· Council delegation to Planning Committee: 20 October 2021</li> <li>· CEO delegations to Staff: 12 September 2022</li> <li>· CEO delegation of CEO Powers, Duties and Functions: 28 March 2023</li> <li>· CEO delegation to Staff for VicSmart applications under the Planning and Environment Act 1987: 28 January 2022</li> <li>· CEO delegation to Municipal Building Surveyor: 11 February 2022</li> </ul>
<b>Meeting procedures</b>	<b>Governance Rules adopted in accordance with Section 60 of the Act</b> 
<p>Governance Rules under Section 60 of the Act governing the conduct of meetings of Council and delegated committees</p>	<p><b>Date Governance Rules adopted: 2 November 2022</b></p> <p>Latest revision endorsed by Council at the Council meeting 2 November 2022.</p>

I certify that this information presents fairly the status of Council's governance and management arrangements.



**Heather Cunsolo**  
Mayor and Councillor  
25 September 2023  
St Kilda



**Chris Carroll**  
Chief Executive Officer  
25 September 2023  
St Kilda

**One of the Reimagine artwork  
Fairy by Jonathan Leahy  
at St Kilda Sea Baths.**



# 7

## Financial Report

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# Understanding the Financial Report

The Financial Report includes a General Purpose Financial Report and a Performance Statement for the Port Phillip Council for the year ended 30 June 2023.

The report highlights Council's financial performance and overall position at the close of the 2022/23 financial year (30 June 2023) and is presented in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Interpretations, the *Local Government Act 2020*, *Local Government (Finance and Reporting) Regulations 2004*, *Local Government (Governance and Integrity) Regulations 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

## Introduction

As part of Council's commitment to accountability, this report has been prepared to assist readers' understanding of the Financial Report and to provide a summary of the circumstances and issues that have had a significant impact on information contained within those documents.

Council is a not-for-profit organisation and several generally recognised terms used in public company reports are not appropriate for Council.

A glossary has been included to further assist readers in understanding the Financial Report.

## What is contained in the annual Financial Reports?

Council's Financial Report has two main sections: the financial statements and the accompanying notes.

There are five financial statements and 37 notes.

The five financial statements are the:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works.

The accompanying notes to the financial statements detail Council's accounting policies and the breakdown of values contained in the statements.

The Financial Report is prepared by Council staff, reviewed by the Chief Financial Officer and by the Council's Audit and Risk Committee, and then presented to the Auditor-General for audit.

## Comprehensive Income Statement

The Comprehensive Income Statement is sometimes referred to as a 'Profit and Loss Statement' and presents:

- the sources of Council's **Income / Revenue** under various headings
- the **Expenses** incurred in running the Council during the year
- The **Other Comprehensive Income**, which typically includes non-cash items such as revaluation adjustments.

The key figure to look at is the surplus or (deficit) of Council for the year. This reflects Council's financial performance. The comprehensive surplus or (deficit) is equal to the movement in Council's net assets or total equity from the prior year. A positive result (no brackets) means that the revenue for the year is greater than the year's expenses.

## Balance Sheet

The Balance Sheet is a one page summary, presenting a snapshot of the financial position of Council as at 30 June. It shows what Council controls as Assets and what it owes as Liabilities. The 'bottom line' of this Statement is the Net Assets. This is the net value of Council, which has been built up over many years.

The assets and liabilities are separated into current and non-current. Current assets are realisable or convertible to cash within the next 12 months, while current liabilities are those which Council must pay or settle within the next 12 months.

The components of the Balance Sheet are described here.

### Current and non-current assets

- **Cash and cash equivalents** includes cash and investments – that is, cash on hand, cash held in the bank and cash investments maturing within three months.
- **Trade and other receivables** are monies owed to Council for rates, parking, fines, GST refunds, home support and other services provided by Council.
- **Other financial assets** reference the value of Council's longer term financial investments (maturity greater than three months), such as bank bills, term deposits and floating rate notes, as well as the value of shares that Council holds.
- **Other assets** represents income due to Council, but not yet paid or billed and prepayments which are expenses that have been paid in advance by Council.

- **Investments in associates and joint ventures** includes Council's portion of post-acquisition profits or losses of arrangements in which they have either significant influence or joint control.
- **Property, infrastructure, plant and equipment** are the largest components of Council's worth and represent the current value of land, buildings, roads, drainage and equipment which have been purchased by, or contributed to, Council over many years. It also includes those assets which Council does not own, but has significant control over, and responsibility for, such as foreshore pavilions, parks and Crown land and leased vehicles.
- **Right of use assets** are items Council has an exclusive right to use for the duration of a contract or lease period.

### Current and non-current liabilities

- **Trade and other payables** are suppliers to whom Council owes money as at 30 June.
- **Trust funds and deposits** represent monies held in trust or deposits received and held by Council.
- **Unearned income / revenue** is income received with specific performance obligations that have not been met in the current financial year.
- **Provisions** include long service and annual leave entitlements owing to employees at the end of the financial year
- **Interest bearing loans and borrowings** are the borrowings taken out by Council.
- **Lease liabilities** are the amounts payable by Council under contract or lease terms for the right of use assets.

### Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net value of Council as at 30 June. The net value of Council is also synonymous with total equity.

### Total equity

Total equity always equals net assets. The components of equity include:

- **accumulated surplus** – the profit or loss results of all financial years totalled and carried forward
- **reserves** – comprise asset revaluation reserves, which are the difference between the previously recorded value of assets and their current valuations; and general reserves, which are allocations from the accumulated surplus for specific projects.

### Statement of changes in equity

During the year the value of total equity, as set out in the Balance Sheet, changes. This statement shows the values of such changes and how they arose.

The main reasons for changes in equity stem from:

- the 'profit or loss' from operations, as described in the Statement of Comprehensive Income
- transfers to and from Council's reserves revaluation of assets.

### Statement of cash flows

The Statement of Cash Flows summarises Council's cash payments and cash receipts for the year. The values differ from those shown in the Statement of Comprehensive Income due to the requirement to include GST (which is not a cost to Council as it is recovered from the ATO), and because it is prepared on a cash basis not an accrual basis.

Cash in this statement refers to bank deposits and other forms of highly liquid investments maturing within three months that can readily be converted to cash.

This statement provides the reader with an indication of Council's liquidity and its capacity to pay its debts and other liabilities. It also reflects Council's ability to fulfil its ongoing operating payment obligations, investment in community assets and ongoing financing transactions.

### Council's cash arises from, and is used in, three main areas:

#### Operating activities

- **Receipts:** All cash received into Council's bank account from ratepayers and others who owed money to Council. Receipts also include the interest earnings from Council's cash investments.
- **Payments:** all cash paid by Council from its bank account to staff, creditors and other persons. It does not include the costs associated with the creation of assets.

#### Investing activities

- Relates to payments for assets such as building improvements, footpaths and road renewals and other long term revenue-producing assets and the cash received from the sale of these assets. It also shows the movement in investments.

### Financing activities

- This is where the receipt and repayment of borrowed funds are recorded.

### Statement of Capital Works

The Statement of Capital Works expands on the payments Council has made for property, infrastructure, plant and equipment identified in the Statement of Cash Flow. It is prepared on a cash basis, not an accrual basis.

Council's capital works occurs in three main areas:

- **Property** relates to land and buildings. Improvements to existing assets are separately identified and heritage buildings are separated from other buildings.
- **Plant and Equipment** comprises fixtures, fittings and furniture, computers and telecommunications, library books, heritage plant and equipment and other plant, machinery and equipment.
- **Infrastructure** includes roads, bridges, footpaths and cycleways, drainage, recreational, leisure and community facilities, waste management, parks, open space and streetscapes, and off-street car parks.

Council's total capital works payments for the year is then also categorised into new, renewed, expanded or upgraded asset expenditure.

This statement reflects Council's investment in a broad spectrum of community assets. It also demonstrates whether the expenditure was made for new assets or modifications to existing assets.

### Notes to the accounts

The notes are a very important and informative section of the report. They enable the reader to understand the basis upon which the values shown in the statements are established and are necessary to provide details of Council's accounting policies.

In addition to providing details of accounting policies, the notes also explain many of the summary figures contained in the statements. The note cross references are shown beside the relevant items in the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and the Statement of Capital Works.

Where Council wishes to disclose other information that cannot be incorporated into the statements, then this is shown in the notes.

#### **Notes are grouped into the following categories:**

- Performance against budget.
- Analysis of Council results by program.
- Funding for delivery of our services.
- The cost of delivering services.
- Our financial position.
- Assets we manage.
- People and relationships.
- Managing uncertainties.
- Other matters.
- Change in accounting policy.

The notes should be read together with the other parts of the financial statements to get a clear picture of the accounts.

### Performance Statement

The Performance Statement reports sustainable capacity performance, service performance and financial performance including forecast results for the next four years from the Strategic Resource Plan. It also includes a description of the municipal district, including its size, location and population and has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

### Statements by Principal Accounting Officer and Councillors

The Certification by the Principal Accounting Officer is a statement made by the person responsible for the financial management of the Council that, in his opinion, the financial statements have met all the statutory and professional reporting requirements.

The certification by Councillors and the Chief Executive Officer is a statement made on behalf of the Council that, in their opinion, the financial statements are fair and not misleading.

### Auditor General's Report

The Independent Audit Report is the external and independent opinion on the financial statements. The audit opinion confirms that the financial statements fairly present the results in all material respects of the Council and comply with the statutory reporting requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*. A separate Independent Audit report is also provided on the Performance Statement, which confirms that it fairly presents in all material aspects the Council's performance in accordance with the statutory requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

# Certification of the financial statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, Australian Accounting Standards and other mandatory professional reporting requirements.



**Peter Liu CPA**  
Principal Accounting Officer  
25 September 2023  
St Kilda

In our opinion, the accompanying financial report presents fairly the financial transactions of City of Port Phillip for the year ended 30 June 2023 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial report to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2020 to certify the financial statements in their final form.



**Heather Cunsolo**  
Mayor and Councillor  
25 September 2023  
St Kilda



**Andrew Bond**  
Deputy Mayor and Councillor  
25 September 2023  
St Kilda



**Chris Carroll**  
Chief Executive Officer  
25 September 2023  
St Kilda



## Independent Auditor's Report

### To the Councillors of Port Phillip City Council

**Opinion** I have audited the financial report of Port Phillip City Council (the council) which comprises the:

- balance sheet as at 30 June 2022
- comprehensive income statement for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- statement of capital works for the year then ended
- notes to the financial statements, including significant accounting policies
- certification of the financial statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020* and applicable Australian Accounting Standards.

**Basis for Opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Councillors' responsibilities for the financial report** The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

**NEW LETTER TO BE PROVIDED**

**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**NEW LETTER TO BE PROVIDED**

MELBOURNE  
17 October 2022



Travis Derricott  
*as delegate for the Auditor-General of Victoria*

# Financial statements

For the year ended 30 June 2023

# Comprehensive Income Statement

For the year ended 30 June 2023

	Note	2023	2022
<b>\$'000</b>			
<b>Income / Revenue</b>			
Rates and charges	3.1	140,636	137,264
Statutory fees and fines	3.2	22,979	18,803
User fees	3.3	39,817	33,735
Grants – operating	3.4	15,651	17,160
Grants – capital	3.4	2,292	5,448
Contributions – monetary	3.5	4,453	10,005
Contributions – non-monetary	3.5	1,166	8
Other income	3.7	27,331	21,093
<b>Total Income / Revenue</b>		<b>254,325</b>	<b>243,516</b>
<b>Expenses</b>			
Employee costs	4.1	98,159	91,413
Materials and services	4.2	89,265	76,550
Depreciation	4.3	20,124	19,752
Amortisation – right of use assets	4.4	697	870
Bad and doubtful debts – allowance for impairment losses	4.5	4,145	4,537
Borrowing costs	4.6	-	129
Finance costs – leases	4.7	47	53
Other expenses	4.8	17,021	16,262
Net loss on disposal of property, infrastructure, plant and equipment	3.6	837	7,325
Share of net losses of associates and joint ventures	6.3	24	31
<b>Total Expenses</b>		<b>230,319</b>	<b>216,922</b>
<b>Surplus / (deficit) for the year</b>		<b>24,006</b>	<b>26,594</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment / (decrement)	9.1	72,020	193,584
<b>Total comprehensive result</b>		<b>96,026</b>	<b>220,178</b>

The above comprehensive income statement should be read in conjunction with the accompanying notes.

# Balance Sheet

As at 30 June 2023

	Note	2023	2022
<b>\$'000</b>			
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5.1(a)	16,437	12,339
Trade and other receivables	5.1(c)	35,088	27,337
Other financial assets	5.1(b)	118,500	118,000
Non-current assets classified as held for sale	6.1	1,202	1,202
Prepayment	5.2(a)	4,864	3,078
Other assets	5.2(a)	3,391	557
<b>Total current assets</b>		<b>179,482</b>	<b>162,513</b>
<b>Non-current assets</b>			
Trade and other receivables	5.1(c)	567	549
Other financial assets	5.1(b)	14,994	17,019
Investments in associates and joint ventures	6.3	215	239
Property, infrastructure, plant and equipment	6.2	3,506,851	3,427,490
Right-of-use assets	5.7	748	787
<b>Total non-current assets</b>		<b>3,523,375</b>	<b>3,446,084</b>
<b>Total assets</b>		<b>3,702,857</b>	<b>3,608,597</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	5.3(a)	11,759	13,505
Trust funds and deposits	5.3(b)	6,961	7,062
Unearned income / revenue	5.3(c)	2,564	2,547
Provisions	5.4	18,055	17,953
Lease liabilities	5.7	413	592
<b>Total current liabilities</b>		<b>39,752</b>	<b>41,659</b>
<b>Non-current liabilities</b>			
Provisions	5.4	2,126	2,138
Lease liabilities	5.7	366	213
<b>Total non-current liabilities</b>		<b>2,492</b>	<b>2,351</b>
<b>Total liabilities</b>		<b>42,244</b>	<b>44,010</b>
<b>Net Assets</b>		<b>3,660,613</b>	<b>3,564,587</b>
<b>Equity</b>			
Accumulated surplus		641,248	630,793
Reserves	9.1(b)	3,019,365	2,933,794
<b>Total Equity</b>		<b>3,660,613</b>	<b>3,564,587</b>

The above balance sheet should be read in conjunction with the accompanying notes.

# Statement of Changes in Equity

For the year ended 30 June 2023

				\$'000	
	Note	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
<b>2023</b>					
Balance at beginning of the financial year		3,564,587	630,793	2,805,775	128,019
Surplus / (deficit) for the year		24,006	24,006	-	-
Net asset revaluation increment / (decrement)	9.1(a)	72,020	-	72,020	-
Transfers to other reserves	9.1(b)	-	(36,357)	-	36,357
Transfers from other reserves	9.1(b)	-	22,806	-	(22,806)
<b>Balance at end of the financial year</b>		<b>3,660,613</b>	<b>641,248</b>	<b>2,877,795</b>	<b>141,570</b>
<b>2022</b>					
Balance at beginning of the financial year		3,344,409	640,760	2,612,191	91,458
Surplus/(deficit) for the year		26,594	26,594	-	-
Net asset revaluation increment/(decrement)	9.1(a)	193,584	-	193,584	-
Transfers to other reserves	9.1(b)	-	(57,968)	-	57,968
Transfers from other reserves	9.1(b)	-	21,407	-	(21,407)
<b>Balance at end of the financial year</b>		<b>3,564,587</b>	<b>630,793</b>	<b>2,805,775</b>	<b>128,019</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

For the year ended 30 June 2023

		\$'000	
	Note	Inflows / Outflows 2023	Inflows / Outflows 2022
<b>Cash flows from operating activities</b>			
Rates and charges		132,875	130,570
Statutory fees and fines		18,121	14,641
User fees		41,176	33,297
Grants – operating		13,499	17,456
Grants – capital		2,292	5,448
Contributions – monetary		4,453	10,005
Interest received		4,353	363
Trust funds and deposits taken		22,328	21,713
Other receipts		14,248	11,711
Net GST refund		8,810	5,804
Employee costs		(98,387)	(93,465)
Materials and services		(100,729)	(79,665)
Short term, low value and variable lease payments		(413)	(635)
Trust funds and deposits repaid		(22,429)	(22,025)
Other payments		(8,925)	(7,461)
<b>Net cash provided by / (used in) operating activities</b>	9.2	<b>31,272</b>	<b>47,757</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment		(28,178)	(22,023)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	271	10,329
Payments for investments		(133,494)	(135,019)
Proceeds from sale of investments		135,019	106,016
<b>Net cash provided by / (used in) investing activities</b>		<b>(26,382)</b>	<b>(40,697)</b>
<b>Cash flows from financing activities</b>			
Finance costs		-	(129)
Repayment of borrowings		-	(7,500)
Interest paid – lease liability		(47)	(53)
Repayment of lease liabilities		(745)	(881)
<b>Net cash provided by / (used in) financing activities</b>		<b>(792)</b>	<b>(8,563)</b>
Net increase (decrease) in cash and cash equivalents		4,098	(1,503)
Cash and cash equivalents at the beginning of the financial year		12,339	13,842
<b>Cash and cash equivalents at the end of the financial year</b>		<b>16,437</b>	<b>12,339</b>
<b>Financing arrangements</b>	5.5		

The above statement of cash flows should be read in conjunction with the accompanying notes.

# Statement of Capital Works

For the year ended 30 June 2023

	Note	2023	2022
<b>\$'000</b>			
<b>Property</b>			
Land		2,887	-
Buildings		8,689	4,566
Heritage buildings		-	-
Building improvements		-	-
<b>Total buildings</b>		<b>11,576</b>	<b>4,566</b>
<b>Total property</b>		<b>11,576</b>	<b>4,566</b>
<b>Plant and equipment</b>			
Heritage plant and equipment		-	-
Plant, machinery and equipment		3,794	3,289
Fixtures, fittings and furniture		505	664
Computers and telecommunications		493	826
Library books		971	876
<b>Total plant and equipment</b>		<b>5,763</b>	<b>5,655</b>
<b>Infrastructure</b>			
Roads		1,782	1,758
Bridges		64	137
Footpaths and cycleways		2,307	2,380
Drainage		1,496	559
Parks, open space and streetscapes		5,190	6,959
Off-street car parks		-	-
Other infrastructure		-	-
<b>Total infrastructure</b>		<b>10,839</b>	<b>11,793</b>
<b>Total capital works expenditure</b>		<b>28,178</b>	<b>22,014</b>
<b>Represented by:</b>			
New asset expenditure		4,893	1,383
Asset renewal expenditure		11,372	11,223
Asset expansion expenditure		3,909	792
Asset upgrade expenditure		8,004	8,616
<b>Total capital works expenditure</b>		<b>28,178</b>	<b>22,014</b>

The above statement of capital works should be read in conjunction with the accompanying notes.

# Notes to the Financial Report for the year ended 30 June 2023

## Note 1 Overview

### Introduction

The City of Port Phillip (the 'Council') was established by an Order of the Governor in Council on 22 June 1994 and is a body corporate. The Council's main office is located at 99a Carlisle St, St Kilda.

### Statement of compliance

These financial statements are a general purpose financial report that comprise a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

### Significant accounting policies

#### 1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (**refer to Note 6.2**)
- the determination of depreciation for buildings, infrastructure, plant and equipment (**refer to Note 6.2**)
- the determination of employee provisions (**refer to Note 5.4**).
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (**refer to Note 3**)
- the determination in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (**refer to Note 5.7**)
- other areas requiring judgements.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

#### 1.2 Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

**Note 2 Analysis of our results****2.1 Performance against budget**

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 per cent or \$1 million where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

**2.1.1 Income / Revenue and expenditure**

			\$'000	%	
	Budget 2023	Actual 2023	Variance 2023	Variance 2023	Ref
<b>Income / Revenue</b>					
Rates and charges	139,660	140,636	976	0.70%	1
Statutory fees and fines	21,650	22,979	1,329	6.14%	2
User fees	38,858	39,817	959	2.47%	3
Grants – operating	8,928	15,651	6,723	75.30%	4
Grants – capital	5,700	2,292	[3,408]	-59.79%	5
Contributions – monetary	6,111	4,453	[1,658]	-27.13%	6
Contributions – non-monetary	-	1,166	1,166	0.00%	7
Other income	23,288	27,331	4,043	17.36%	8
<b>Total income / revenue</b>	<b>244,195</b>	<b>254,325</b>	<b>10,130</b>	<b>4.15%</b>	
<b>Expenses</b>					
Employee costs	99,126	98,159	967	0.98%	9
Materials and services	96,391	89,265	7,126	7.39%	10
Depreciation	22,501	20,124	2,377	10.56%	11
Amortisation – Right of use assets	857	697	160	18.67%	
Bad and doubtful debts – allowance for impairment losses	4,691	4,145	546	11.64%	12
Borrowing costs	-	-	-	0.00%	
Finance costs – Leases	28	47	[19]	-67.86%	
Other expenses	19,247	17,021	2,226	11.57%	13
Net loss on disposal of property, infrastructure, plant and equipment	4,733	837	3,896	82.32%	14
Share of net profits losses of associates and joint ventures	-	24	[24]	0.00%	
<b>Total expenses</b>	<b>247,574</b>	<b>230,319</b>	<b>17,255</b>	<b>6.97%</b>	
<b>Surplus for the year</b>	<b>(3,379)</b>	<b>24,006</b>	<b>27,385</b>	<b>-810.4%</b>	

**2.1.1(i) Income and expenditure – explanation of material variances**

Ref	Item	Explanation
1	<b>Rates and charges</b>	The favourable variance of \$1.0 million is mainly due to the change in number and attributes of rateable properties during the financial year.
2	<b>Statutory fees and fines</b>	The favourable variance of \$1.33 million is largely due to increased income generated from parking infringements due to higher volumes of traffic activity along our foreshore and tourist areas over the summer period, returning to a 'covid normal' environment.
3	<b>User fees</b>	The favourable variance of \$0.96 million is predominately caused by a \$1.7 million increase in paid parking due to improved utilisation at South Melbourne Market Rooftop and foreshore precincts and minor improvement in parking permits (temporary visitors) offset by \$0.9 million decrease in childcare fees due to low utilisation of the service (offset by reduced employee costs).
4	<b>Grants – Operating</b>	The favourable variance of \$6.7 million is largely due to funding paid in advance including: <ul style="list-style-type: none"> <li>• \$3 million for the 2023/24 Victoria Grants Commission instalment</li> <li>• \$1.2m for Middle Park Beach renourishment works and additional granting received (offset by additional expenditure) including: <ul style="list-style-type: none"> <li>• \$0.9 million for the graffiti mitigation program, 'Urban Canvas Mural Festival'</li> <li>• \$0.65 million from the Victorian Government to fund the St Kilda Festival</li> </ul> </li> </ul>
5	<b>Grants – capital</b>	The decrease in capital grants against budget occurred due to project delays resulted from project scope update, particularly in funding footpaths and cycleways, parks and open space. Capital grants are generally paid by instalments once works are completed.
6	<b>Contributions - monetary</b>	The unfavourable variance of \$1.7 million is due to lower than expected property development within the municipality resulting in lower collection of developer contributions. All funds received for developer contributions have been ringfenced in Open Space Reserve for future public space enhancements to cater population growth.
7	<b>Contributions - non-monetary</b>	The favourable variance of \$1.2 million is due to the recognition of contributed asset including North Port Oval Lighting
8	<b>Other Income</b>	The favourable variance of \$4.0 million has largely resulted from additional interest income of \$3.2 million resulting from increased interest income as a result of higher average interest rates compared to budget and higher anticipated cash available for investment (term deposits) due to delayed project delivery.

Ref	Item	Explanation
9	<b>Employee costs</b>	The favourable variance of \$1 million is mainly due to ongoing enterprise vacancies during the year which continues to impact service delivery, including funded aged care services and childcare.
10	<b>Materials and services</b>	The favourable variance of \$7 million is due lower operating spend reallocated from the capital portfolio (such as feasibility studies, landscaping and design costs where the project does not proceed), as a result of project deferrals. In addition, higher inflationary pressures were felt in the later part of 2022/23 with the full impact expected in 2023/24.
11	<b>Depreciation</b>	The favourable variance of \$2.4 million is predominately caused by delayed project delivery and reduced capital expenditure (works deferred to 2023/24 and future years). Depreciation will increase as capital works are completed in future years.
12	<b>Bad and doubtful debts – allowance for impairment losses</b>	The favourable variance of \$0.5 million is mainly due to improved collections of parking infringements issued.
13	<b>Other Expenses</b>	The favourable variance of \$2 million is predominately caused by timing of payments for the In Our Back Yard Strategy (Wellington Street Project), the payment has been delayed to 2023/24 (funds ringfenced in reserves)
14	<b>Net loss on disposal of property, infrastructure, plant and equipment</b>	The favourable variance of \$3.8 million was mainly due to timing of divestment of council assets which did not proceed in 2022/23 (delayed to future years).

**2.1.2 Capital works**

			\$'000	%	Ref
	Budget 2023	Actual 2023	Variance 2023	Variance 2023	
<b>Property</b>					
Land	-	2,887	2,887	100%	1
<b>Total land</b>	-	<b>2,887</b>	<b>2,887</b>	<b>100%</b>	
Buildings	18,729	8,689	(10,040)	-54%	2
<b>Total buildings</b>	<b>18,729</b>	<b>8,689</b>	<b>(10,040)</b>	<b>-54%</b>	
<b>Total property</b>	<b>18,729</b>	<b>11,576</b>	<b>(7,153)</b>	<b>-38%</b>	
<b>Plant and equipment</b>					
Heritage plant and equipment	-	-	-	0%	
Plant, machinery and equipment	3,825	3,794	(31)	-1%	
Fixtures, fittings and furniture	846	505	(341)	-40%	3
Computers and telecommunications	970	493	(477)	-49%	4
Library books	952	971	19	2%	
<b>Total plant and equipment</b>	<b>6,593</b>	<b>5,913</b>	<b>(830)</b>	<b>-10%</b>	3
<b>Infrastructure</b>					
Roads	3,047	1,782	(1,265)	-42%	5
Bridges	255	64	(191)	-75%	
Footpaths and cycleways	3,978	2,307	(1,671)	-42%	6
Drainage	2,261	1,496	(765)	-34%	7
Parks, open space and streetscapes	13,563	5,190	(8,373)	-62%	8
Other infrastructure	-	-	-	0%	
<b>Total infrastructure</b>	<b>23,104</b>	<b>10,839</b>	<b>(12,265)</b>	<b>-53%</b>	
<b>Total capital works expenditure</b>	<b>48,426</b>	<b>28,178</b>	<b>(20,248)</b>	<b>-42%</b>	
<b>Represented by:</b>					
New asset expenditure	5,179	4,893	(286)	-6%	9
Asset renewal expenditure	19,206	11,372	(7,834)	-41%	10
Asset expansion expenditure	20,651	3,909	(16,742)	-81%	11
Asset upgrade expenditure	3,389	8,004	4,615	136%	12
<b>Total capital works expenditure</b>	<b>48,425</b>	<b>28,178</b>	<b>(20,247)</b>	<b>-42%</b>	

**2.1.2 Capital Works – Explanation of Material Variances**

Ref	Item	Explanation
1	<b>Land</b>	Net overspend of \$2.9 million is due to two land purchases brought forward from future years (funded from open space reserves).
2	<b>Building</b>	Net underspend of \$10 million is mainly due to building projects deferred to 2023/24 and future years. Key reasons for the deferrals include supply chain and resource shortages, delays in external approvals and updated project scopes. This includes delays in delivering projects EcoCentre redevelopment, South Melbourne Town Hall Renewal Upgrade, and Access Control Renewal Council Buildings.
3	<b>Fixtures, fittings and furniture</b>	Net underspend of \$0.3 million is due to minor deferrals associated with the Workplace Renewal and Upgrade Program due to delays in procurement.
4	<b>Computers and telecommunications</b>	Net underspend of \$0.5 million as ICT Core Infrastructure work was partially re-prioritised as operating works and not capital in 2023/24 through development of the Data Centre Modernisation project.
5	<b>Roads</b>	Net underspend of \$1.25 million is mainly due to projects deferred to 2023/24 and future years. Key reasons for the deferrals include supply chain and resource shortages, delays in external approvals and updated project scopes.
6	<b>Footpaths and cycleways</b>	Net underspend of \$1.6 million mainly due to project deferrals as a result of project scope update (Domain Precinct – Park St Bike Link).
7	<b>Drainage</b>	Net underspend of \$0.7 million mainly due to Storm Water Capital Works project deferrals due to the refinement of the project scope.
8	<b>Parks, open space and streetscapes</b>	Net underspend of \$8.3 million predominately due to project deferrals as a result of project scope update and resource shortages. This includes Palais theatre and Luna Park Precinct, Moubray Street Community Park, Elwood Foreshore and Gasworks Arts Park Reinstatement.
9	<b>New asset expenditure</b>	Under expenditure of \$0.2 million on new asset primarily relate to deferral of open space and building expenditure.
10	<b>Asset renewal expenditure</b>	Under expenditure of \$7.8 million mainly due to deferral of building renewal works program to future years to address the impacts of resourcing and supply chain shortages, delays with external approvals and project scope changes.
11	<b>Asset expansion expenditure</b>	Under expenditure of \$16.7 million mainly due to deferral of open space and building programs to future years to address the impacts of resourcing and supply chain shortages, delays with external approvals and project scope changes.
12	<b>Asset upgrade expenditure</b>	Additional expenditure of \$4.6 million mainly due to re-allocation of spend between expansion and upgrade expenditure.

## 2.2 Analysis of Council results by program

In the 2022/23 financial year, Council restructured the organisation in order to realign services and create process efficiencies and long term savings. The new divisional structure is outlined at 2.2.1 and the 2021/22 results in 2.2.2 have been restated to reflect the new structure.

Council delivers its functions and activities through the following programs.

### 2.2.1 Community Wellbeing and Inclusion

- The Community Wellbeing and Inclusion division is responsible for a range of high-quality services, programs and places that improve the lives of all who live, work, learn and play in our city. Services are for all, from two days old to older age.
- This division has a responsibility to ensure that people who face barriers to improving their lives and participating in all that the City offers can do so.
- Our staff are a mix of people who provide high-quality front-line services, design and fund community-wide interventions as well as planners and policy developers who ensure that our settings and public spaces maximise wellbeing and participation. Our people reflect the great diversity of Port Phillip, and we welcome all with openness and a generous spirit.
- We are passionate, committed to delivering public value, and driven by evidence. This means that our programs will be effective and deliver improved outcomes for the community.

### City Growth and Development

- This division provides public safety, communications, sustainability and city development and planning services.
- They lead the Council's focus on recovery for our City from the impact of COVID-19 on business, events, tourism, the arts and live music.
- Leads Statutory Planning, planning and building solutions, the impacts of new development and changes in land use, and the protection of Port Phillip's character and heritage.
- Supports economic growth in the municipality through culture, activation and promotion of the many unique places in the City of Port Phillip.
- Incorporates placemaking, planning legislation, urban design, and heritage developing the strategies for our future City.
- Champions a sustainable future for the City through strategies, community programs and infrastructure.
- Leads the delivery of transport projects that make it easy for people to move around in a way that suits them as our City grows.
- Leads the program delivery of Fishermans Bend, Australia's largest urban renewal area.

- Focuses on services that ensure community safety and amenity throughout the City.
- Delivers Council's Festivals program and manages the Esplanade Market.

### Operations and Infrastructure

- The Operations and Infrastructure division provides asset management, infrastructure management and maintenance, project delivery and financial support to the organisation. We work with our community and other stakeholders to build, maintain and manage our City's infrastructure, deliver quality services and projects all retaining the unique look and feel of our parks, villages and streets. We incorporate environmental sustainability into our practices, and ensure that our impact is reduced through new initiatives to maintain our City and our assets leaving the City in a better place for our community.
- Our team works across 4 departments. Our staff aim to provide the best customer experience to our residents and visitors with each interaction. Not only does this include when residents contact us for a request, but also when walking down the street, into our parks, Council facilities and onto our foreshore.
- The Division's priorities include getting the most from our investment in assets, delivering high quality services and ensuring the financial sustainability of Council.

### Governance, Capability and Experience

- The division provides oversight for Council governance, organisational performance, customer experience, staff management and safety, provides technology services and South Melbourne Market operations.
- Responsible for services including advice on governance issues, Council meetings, administrative support to Councillors, Freedom of Information as well as Privacy.
- Responsible for embedding a customer-centric mindset across the organisation and creating a true connection between our team and our customers.
- Enables our employees an experience where they feel welcomed, safe, informed and equipped to contribute and perform at their best.
- Design the technology approach for the organisation, support staff to use technology, manage all core applications, develop IT solutions, reports and dashboards, maintain Council's records and ensure compliance with data retention and support continuous improvement in relation to technology within the organisation.
- Manages all elements of the operations, marketing and licensing of the South Melbourne Market.

**2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program**

	\$'000				
	Income/ Revenue	Expenses	Surplus/ (Deficit)	Grants included in income/ revenue	Total Assets
<b>2023</b>					
Governance, Capability & Experience	8,345	33,535	(25,190)	59	528,730
Community Wellbeing and Inclusion	16,300	40,808	(24,508)	7,099	643,402
Operations and Infrastructure	172,305	106,350	65,955	9,441	1,748,309
City Growth and Development	57,375	49,626	7,749	1,344	782,417
	<b>254,325</b>	<b>230,319</b>	<b>24,006</b>	<b>17,943</b>	<b>3,702,857</b>
<b>2022</b>					
Governance, Capability & Experience	7,708	30,818	(23,110)	100	512,673
Community Wellbeing and Inclusion	17,681	39,146	(21,465)	7,946	651,204
Operations and Infrastructure	164,260	101,882	62,378	13,349	1,694,861
City Growth and Development	53,867	45,076	8,791	1,213	749,859
	<b>243,516</b>	<b>216,922</b>	<b>26,594</b>	<b>22,608</b>	<b>3,608,597</b>

\* 2022 figures have been restated to reflect the organisational structure as at 30 June 2023.

**Note 3 Funding for the delivery of our services****3.1 Rates and charges**

Council uses CIV (Capital Improved Value) as the basis of valuation for rating purposes of all properties within the municipal district. The CIV of a property is the value of the property including both land and all improvements. The 2022/23 financial year is the first reporting period Council has used CIV as the valuation basis. In prior years Net Annual Value (NAV) was used.

The valuation base used to calculate general rates for 2022/2023 was \$74.7 billion (2021/2022 was \$69 billion - noting this was using previously calculated using a Net Annual Value NAV calculation).

	\$'000	
	2023	2022
General Rates	125,196	134,631
Waste management charge	13,559	408
Special rates and charges	677	684
Special rates and charges applied	(732)	(782)
Supplementary rates and rate adjustments	1,349	1,458
Interest on rates and charges	587	865
<b>Total rates and charges</b>	<b>140,636</b>	<b>137,264</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2022 and this valuation was applied to the rating year commencing 1 July 2022.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

Council separated waste charges from general rates in 2022/23 at income neutral in accordance with State Government guidelines.

**3.2 Statutory fees and fines**

	\$'000	
	2023	2022
Parking fines and parking permits	18,789	14,747
Infringements and costs	312	213
Court recoveries	31	24
Town planning fees	1,784	1,805
Land information certificates	224	279
Permits	1,839	1,735
<b>Total statutory fees and fines</b>	<b>22,979</b>	<b>18,803</b>

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

### 3.3 User fees

	\$'000	
	2023	2022
Parking fees	19,106	15,648
Aged and health services	439	415
Leisure centre and recreation	929	352
Child care/children's programs	9,105	9,113
Registration and other permits	7,119	5,288
Building services	1,043	977
Waste management services	284	294
Markets	745	564
Towing	819	893
Other fees and charges	228	191
<b>Total user fees</b>	<b>39,817</b>	<b>33,735</b>
<b>User fees by timing of revenue recognition</b>		
User fees recognised over time	-	-
User fees recognised at a point in time	39,817	33,735
<b>Total user fees</b>	<b>39,817</b>	<b>33,735</b>

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

### 3.4 Funding from other levels of government

	\$'000	
	2023	2022
Grants were received in respect of the following :		
<b>Summary of grants</b>		
Commonwealth funded grants	7,208	10,554
State funded grants	10,735	12,053
<b>Total grants received</b>	<b>17,943</b>	<b>22,607</b>
<b>a) Operating Grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Aged care	242	332
Community health	445	796
General home care	2,240	3,291
Recreation	69	-
Financial Assistance Grants	3,809	3,929
<b>Recurrent – State Government</b>		
Aged care	11	27
Community health	125	152
Family and children	1,156	891
General home care	603	566
Libraries	767	756
Maternal and Child Health	846	956
Other	687	347
Recreation	45	50
School crossing supervisors	199	167
<b>Total recurrent operating grants</b>	<b>11,244</b>	<b>12,260</b>
<b>Non-recurrent – Commonwealth Government</b>		
Community health	13	6
Family and children	55	57
General home care	-	42
Other	30	6
<b>Non-recurrent – State Government</b>		
Building	176	-
Community health	468	208
Family and children	133	5
General home care	107	56
Libraries	22	-
Maternal and Child Health	-	-
Other	1,339	3,768
Parks and Streetscapes	1,072	-
Recreation	671	752
Sustainability	321	-
<b>Total non-recurrent operating grants</b>	<b>4,407</b>	<b>4,900</b>
<b>Total operating grants</b>	<b>15,651</b>	<b>17,160</b>

	\$'000	
	2023	2022
<b>b) Capital Grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Roads to recovery	278	278
<b>Total recurrent capital grants</b>	<b>278</b>	<b>278</b>
<b>Non-recurrent – Commonwealth Government</b>		
Building	-	180
Footpath and cycleway	-	594
Other	-	-
Parks and streetscapes	-	977
Roads	28	66
<b>Non-recurrent – State Government</b>		
Building	1,111	2,654
Footpath and cycleway	150	227
Other	-	-
Parks and streetscapes	542	444
Recreation	3	-
Roads	180	28
<b>Total non-recurrent capital grants</b>	<b>2,014</b>	<b>5,170</b>
<b>Total capital grants</b>	<b>2,292</b>	<b>5,448</b>

**c) Recognition of grant income**

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with **AASB 15 Revenue from Contracts with Customers**. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract / agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered.

Where the contract is not enforceable and / or does not have sufficiently specific performance obligations, the Council applies **AASB 1058 Income for Not-for-Profit Entities**.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

<b>Income recognised under AASB 1058 Income of Not-for-Profit Entities</b>		
General purpose	4,151	4,394
Specific purpose grants to acquire non-financial assets	2,419	4,827
Other specific purpose grants	7,559	6,207
<b>Revenue recognised under AASB 15 Revenue from Contracts with Customers</b>		
Specific purpose grants	3,814	7,179
	<b>17,943</b>	<b>22,607</b>

	\$'000	
	2023	2022
<b>(d) Unspent grants received on condition that they be spent in a specific manner</b>		
<b>Operating</b>		
Balance at start of year	3,712	4,228
Received during the financial year and remained unspent at balance date	4,441	2,850
Received in prior years and spent during the financial year	(2,866)	(3,366)
<b>Balance at year end</b>	<b>5,287</b>	<b>3,712</b>
<b>Capital</b>		
Balance at start of year	5,298	3,419
Received during the financial year and remained unspent at balance date	2,400	4,062
Received in prior years and spent during the financial year	(1,511)	(2,183)
<b>Balance at year end</b>	<b>6,187</b>	<b>5,298</b>

Unspent grants are determined and disclosed on a cash basis.

### 3.5 Contributions

	\$'000	
	2023	2022
Monetary	4,453	10,005
Non-monetary	1,166	8
<b>Total contributions</b>	<b>5,619</b>	<b>10,013</b>
Contributions of non-monetary assets were received in relation to the following asset classes:		
Other infrastructure	1,016	8
Heritage plant and equipment	150	-
<b>Total non-monetary contributions</b>	<b>1,166</b>	<b>8</b>

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

### 3.6 Net gain / (loss) on disposal of property, infrastructure, plant and equipment

	\$'000	
	2023	2022
Proceeds of sale	271	10,329
Written down value of assets disposed	(1,108)	(17,654)
<b>Total net gain / (loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(837)</b>	<b>(7,325)</b>

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

### 3.7 Other income

	\$'000	
	2023	2022
Interest	4,699	709
Property rental*	12,793	12,074
Other rent	7,092	5,354
Other	2,747	2,956
<b>Total other income</b>	<b>27,331</b>	<b>21,093</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

\* Property rental includes the non-cash adjustment for rental subsidies provided by Council to community groups. This is offset by the subsidised rent expenditure reported in Other expenses (**Note 4.8**).

**Note 4 The cost of delivering services****4.1 Employee costs**

	\$'000	
	2023	2022
<b>(a) Employee costs</b>		
Wages and salaries	69,633	66,065
WorkCover	1,212	1,254
Casual, temporary and agency staff	9,049	8,054
Superannuation	8,368	7,477
Fringe benefits tax	274	269
Annual and long service leave	9,250	7,777
Other	373	517
<b>Total employee costs</b>	<b>98,159</b>	<b>91,413</b>
<b>(b) Superannuation</b>		
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	301	307
	<b>301</b>	<b>307</b>
Employer contributions payable at reporting date.	-	-
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	4,205	3,906
Employer contributions – other funds	3,862	3,264
	<b>8,067</b>	<b>7,170</b>
Employer contributions payable at reporting date.	-	-
Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.		

## 4.2 Materials and services

	\$'000	
	2023	2022
Waste management contracts	15,683	13,180
Maintenance and construction contracts	13,932	11,460
Parks and gardens contract	10,351	9,830
Consultants	8,901	7,640
Family and community support contracts	6,308	5,814
Parking administration contracts	6,544	5,702
Building and general maintenance	4,893	3,996
Office administration	4,798	3,964
Information technology	5,120	3,858
Utilities	3,037	3,450
Cleaning contract	4,101	3,055
Insurance	2,207	2,213
Security	1,986	1,841
Other contract payments	1,404	547
<b>Total materials and services</b>	<b>89,265</b>	<b>76,550</b>

## 4.3 Depreciation

	\$'000	
	2023	2022
Property	4,444	4,550
Plant and equipment	3,566	3,539
Infrastructure	12,114	11,663
<b>Total depreciation</b>	<b>20,124</b>	<b>19,752</b>

Refer to note 5.7 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

#### 4.4 Amortisation – right of use assets

	\$'000	
	2023	2022
Vehicles	383	494
Property, plant and equipment	314	376
<b>Total Amortisation – right of use assets</b>	<b>697</b>	<b>870</b>

#### 4.5 Bad and doubtful debts- allowance for impairment losses

	\$'000	
	2023	2022
Parking fine debtors	4,145	4,551
Other debtors	-	[14]
<b>Total bad and doubtful debts</b>	<b>4,145</b>	<b>4,537</b>
<b>Movement in allowance for impairment losses in respect of debtors</b>		
Balance at the beginning of the year	30,111	26,417
New Provisions recognised during the year	7,630	6,204
Amounts already provided for and written off as uncollectible	(1,276)	(394)
Amounts provided for but recovered during the year	(3,418)	(2,116)
<b>Balance at end of year</b>	<b>33,047</b>	<b>30,111</b>

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

#### 4.6 Borrowing costs

	\$'000	
	2023	2022
Interest – borrowings*	-	129
<b>Total borrowing costs</b>	<b>-</b>	<b>129</b>

\* In November 2021 Council fully repaid the \$7 million Local Government Funding Vehicle loan. There are no plans for future borrowings at this time.

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

#### 4.7 Finance costs – leases

	\$'000	
	2023	2022
Interest – lease liabilities	47	53
<b>Total finance cost – leases</b>	<b>47</b>	<b>53</b>

#### 4.8 Other expenses

	\$'000	
	2023	2022
Contributions and donations*	12,496	11,525
Auditors' remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals	86	76
Auditors' remuneration – internal	169	186
Councillors' allowances	435	417
Operating lease rentals	413	635
Bank charges	470	533
Catering costs	193	99
Subscriptions	662	577
Other	2,097	2,214
<b>Total other expenses</b>	<b>17,021</b>	<b>16,262</b>

\* Contributions and donations includes the non-cash adjustment for subsidised rent expenditure – the cost of rental subsidies provided by Council to community groups. This is offset by the subsidised rent income reported in Other income (Note 3.7).

**Note 5 Our financial position****5.1 Financial assets**

	\$'000	
	2023	2022
<b>(a) Cash and cash equivalents</b>		
Cash on hand	4	14
Cash at bank	6,433	10,325
Term deposits	10,000	2,000
<b>Total cash and cash equivalents</b>	<b>16,437</b>	<b>12,339</b>
<b>(b) Other financial assets</b>		
<b>Current</b>		
Term deposits	118,500	118,000
<b>Total current other financial assets</b>	<b>118,500</b>	<b>118,000</b>
<b>Non-Current</b>		
Term deposits	14,989	17,014
Shares in Municipal Associations Purchasing Scheme (MAPS)	5	5
<b>Total non-current other financial assets</b>	<b>14,994</b>	<b>17,019</b>
<b>Total other financial assets</b>	<b>133,494</b>	<b>135,019</b>
<b>Total financial assets</b>	<b>149,931</b>	<b>147,358</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

\$'000

	2023	2022
<b>(c) Trade and other receivables</b>		
<b>Current</b>		
<b>Statutory receivables</b>		
Rate debtors	23,731	15,970
Infringement debtors	38,869	34,602
Provision for doubtful debts – infringements	(32,645)	(29,409)
Net GST receivable	2,141	2,770
<b>Non statutory receivables</b>		
Other debtors	3,393	4,106
Provision for doubtful debts – other debtors	(401)	(702)
<b>Total current trade and other receivables</b>	<b>35,088</b>	<b>27,337</b>
<b>Non current</b>		
<b>Non statutory receivables</b>		
Other debtors	567	549
<b>Total non current trade and other receivables</b>	<b>567</b>	<b>549</b>
<b>Total trade and other receivables</b>	<b>35,655</b>	<b>27,886</b>

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

#### d) Ageing of Receivables

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	610	78
Past due by up to 30 days	418	312
Past due between 31 and 180 days	381	393
Past due between 181 and 365 days	129	198
Past due by more than 1 year	507	558
<b>Total trade and other receivables</b>	<b>2,045</b>	<b>1,539</b>

#### e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$1.92 million (2022: \$3.12 million) were impaired. The amount of the provision raised against these debtors was \$0.40 million (2022: \$0.70 million). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables of debtor balances that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	13
Past due by up to 30 days	10	1,021
Past due between 31 and 180 days	955	1,050
Past due between 181 and 365 days	255	540
Past due by more than 1 year	695	492
<b>Total trade and other receivables</b>	<b>1,915</b>	<b>3,116</b>

## 5.2 Non-financial assets

	\$'000	
	2023	2022
<b>(a) Other assets</b>		
Prepayments	4,864	3,078
Accrued income	3,391	557
<b>Total other assets</b>	<b>8,255</b>	<b>3,635</b>

## 5.3 Payables, trust funds and deposits and unearned income / revenue

	\$'000	
	2023	2022
<b>(a) Trade and other payables</b>		
Trade payables	11,537	13,265
Accrued expenses	222	240
<b>Total trade and other payables</b>	<b>11,759</b>	<b>13,505</b>
<b>(b) Trust funds and deposits</b>		
Refundable deposits	892	995
Fire Services Levy	1,053	1,145
Other refundable deposits	5,016	4,922
<b>Total trust funds and deposits</b>	<b>6,961</b>	<b>7,062</b>
<b>(c) Unearned income</b>		
Grants received in advance- operating	1,396	440
Other	1,168	2,107
<b>Total unearned income</b>	<b>2,564</b>	<b>2,547</b>

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of government funding, rent in advance and prepaid fees. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. **Refer to Note 3.**

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

### Purpose and nature of items

**Refundable deposits** – Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

**Fire Service Levy** – Council is the collection agent for fire services levy on behalf of the Victorian Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the Victorian Government in line with that process.

**Other refundable deposits** – Other deposits are taken by council as a form of surety in varying circumstances, including stallholder bonds, permits and fellowship grants.

## 5.4 Provisions

			\$'000
	Employee	Other	Total
<b>2023</b>			
Balance at beginning of the financial year	19,611	480	20,091
Additional provisions	9,297	-	9,297
Amounts used	(8,893)	(73)	(8,966)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(241)	-	(241)
<b>Balance at the end of the financial year</b>	<b>19,744</b>	<b>407</b>	<b>20,181</b>
<b>Provisions – current</b>	<b>17,854</b>	<b>201</b>	<b>18,055</b>
<b>Provisions – non-current</b>	<b>1,920</b>	<b>206</b>	<b>2,126</b>
<b>2022</b>			
Balance at beginning of the financial year	20,434	1,499	21,933
Additional provisions	8,632	-	8,632
Amounts used	(8,928)	(1,019)	(9,947)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(527)	-	(527)
<b>Balance at the end of the financial year</b>	<b>19,611</b>	<b>480</b>	<b>20,091</b>
<b>Provisions – current</b>	<b>17,713</b>	<b>240</b>	<b>17,953</b>
<b>Provisions – non-current</b>	<b>1,898</b>	<b>240</b>	<b>2,138</b>

	\$'000	
	2023	2022
<b>(a) Employee Provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	4,988	5,007
Long service leave	9,284	8,784
Retirement gratuity	10	14
Other	510	697
	<b>14,792</b>	<b>14,502</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	2,977	3,091
Retirement gratuity	85	120
	<b>3,062</b>	<b>3,211</b>
<b>Total current employee provisions</b>	<b>17,854</b>	<b>17,713</b>
<b>Non-current</b>		
Long service leave	1,920	1,898
<b>Total non-current employee provisions</b>	<b>1,920</b>	<b>1,898</b>
<b>Aggregate carrying amount of employee benefits</b>		
Current	17,854	17,713
Non-current	1,920	1,898
<b>Total aggregate carrying amount of employee provisions</b>	<b>19,774</b>	<b>19,611</b>

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

### Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

### Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

	\$'000	
	2023	2022
Key assumptions:		
- discount rate	4.06%	3.37%
- inflation	4.35%	3.85%
<b>(b) Other Provisions</b>		
<b>Current</b>		
Council rates waivers**	201	240
	<b>201</b>	<b>240</b>
<b>Non Current</b>		
Workcover MAV insurance scheme shortfall*	206	240
	<b>206</b>	<b>240</b>
<b>Total Provisions</b>	<b>407</b>	<b>480</b>

\* Council was a participant in the MAV self insurance WorkCare scheme. The agreement states that each participant is liable for contributions to the Scheme to the extent of their share of any shortfall in the provision and such liability shall continue until June 2027 whether or not the participant remained a participant in future insurance years. The scheme has now ceased however we were advised in June 2020 of a funding shortfall and provided for an initial \$1.499 million, and a further 0.24 million in 21/22 which has been drawn down on as the fund is wound up. No additional provision has been raised at 30 June 2023.

\*\*In 2021/22 Council endorsed a rates hardship waiver program due to the COVID 19 pandemic. The policy enables ratepayers to apply for waivers retrospectively therefore Councils obligation to pay will continue into 2022/23 financial year, and a \$0.24 million provision was recognised at 2021/22.

## 5.5 Financing arrangements

	\$'000	
	2023	2022
The Council has the following funding arrangements in place as at 30 June 2023		
Bank overdraft	1,500	1,500
Credit card facilities	167	167
Purchasing card facilities	2,000	2,000
<b>Total facilities</b>	<b>3,667</b>	<b>3,667</b>
Used facilities	83	61
<b>Unused facilities</b>	<b>3,750</b>	<b>3,606</b>

## 5.6 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

### a) Commitments for expenditure

	\$'000				
	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
<b>2023</b>					
<b>Operating</b>					
Garbage collection and recycling	23,018	19,548	30,468	30,303	103,337
Open space management	10,681	51	102	102	10,936
Computers and technology	5,890	4,227	3,939	113	14,169
Building maintenance	5,243	4,694	8,610	4,262	22,809
Operational services	4,815	3,910	6,317	1,704	16,746
Community Services	3,447	2,344	1,267	-	7,058
Cleaning contracts for council buildings	1,595	1,220	1,522	-	4,337
Consultancies	636	206	106	-	948
<b>Total</b>	<b>55,325</b>	<b>36,200</b>	<b>52,331</b>	<b>36,484</b>	<b>180,340</b>
<b>Capital</b>					
Parks, open spaces & streetscapes	1,486	120	-	-	1,606
Plant, machinery and equipment	414	34	-	-	448
Roads	277	38	-	-	315
Buildings	5,464	2,346	14	-	7,824
<b>Total</b>	<b>7,641</b>	<b>2,538</b>	<b>14</b>	<b>-</b>	<b>10,193</b>
<b>TOTAL</b>	<b>62,966</b>	<b>38,738</b>	<b>52,345</b>	<b>36,484</b>	<b>190,533</b>

	\$'000				
	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
<b>2022</b>					
<b>Operating</b>					
Open space management	12,987	9,741	-	-	22,728
Garbage collection and recycling	7,265	5,670	4,173	-	17,108
Computers and technology	5,149	3,994	6,356	-	15,499
Building maintenance	4,306	4,178	12,522	60	21,066
Community Services	3,098	924	1,024	4,174	9,220
Operational services	1,480	749	1,349	-	3,578
Cleaning contracts for council buildings	1,391	1,135	2,554	-	5,080
Consultancies	382	177	-	-	559
<b>Total</b>	<b>36,058</b>	<b>26,568</b>	<b>27,978</b>	<b>4,234</b>	<b>94,837</b>
<b>Capital</b>					
Parks, open spaces & streetscapes	1,458	141	-	-	1,599
Plant, machinery and equipment	348	-	-	-	348
Fixtures, fittings and furniture	269	-	-	-	269
Buildings	4,637	1,378	-	-	6,015
<b>Total</b>	<b>6,712</b>	<b>1,519</b>	<b>-</b>	<b>-</b>	<b>8,231</b>
<b>TOTAL</b>	<b>42,770</b>	<b>28,087</b>	<b>27,978</b>	<b>4,234</b>	<b>103,068</b>

#### b) Operating lease receivables

Council has entered into leases and licences for some of the property it owns or controls as a Committee of Management for crown land. Properties used for commercial purpose are held under leases which have varying terms. Long term leases usually reflect significant private investment in the buildings on the land. Most leases include an annual rental increase and periodical reviews to market. Council also enters into licence agreements with stallholders at the South Melbourne Market.

Future undiscounted minimum rentals receivables under non-cancellable operating leases are as follows:

	\$'000	
	2023	2022
Not later than one year	10,703	10,558
Later than one year and not later than five years	35,364	32,060
Later than five years	64,855	68,234
	110,922	110,852

## 5.7 Leases

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- the contract involves the use of an identified asset
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments.
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date.
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Under AASB 16 Leases, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

				\$'000
	Vehicles	Property	Plant and Equipment	Total
<b>Right-of-Use Assets</b>				
Balance at 1 July 2022	666	156	(35)	787
Re-allocation between classes	(94)	-	94	-
Additions	299	-	370	669
Disposals	(1)	-	(9)	(10)
Amortisation charge	(451)	(144)	(103)	(698)
<b>Balance at 30 June 2023</b>	<b>419</b>	<b>12</b>	<b>317</b>	<b>748</b>

	\$'000	
	2023	2022
<b>Lease Liabilities</b>		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	441	612
One to five years	394	219
More than five years	-	-
<b>Total undiscounted lease liabilities as at 30 June 2023</b>	<b>835</b>	<b>831</b>
Lease liabilities included in the Balance Sheet at 30 June:		
Current	413	592
Non-current	366	213
<b>Total lease liabilities</b>	<b>779</b>	<b>805</b>

\$'000

2023 2022

**Short-term and low value leases**

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of property and machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD \$5,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

**Expenses relating to:**

Short-term leases	402	614
Leases of low value assets	11	21
<b>Total</b>	<b>413</b>	<b>635</b>

**Variable lease payments (not included in measurement of lease liabilities)**

Variable lease payments	126	65
<b>Total</b>	<b>126</b>	<b>65</b>

Variable lease payments are those that depend on an index or a rate, for example payments linked to the consumer price index, a benchmark interest rate or changes in market rental rates.

**Non-cancellable lease commitments – Short-term and low-value leases**

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

Payable:

Within one year	200	336
Later than one year but not later than five years	196	3
Later than 5 years	1	-
<b>Total lease commitments</b>	<b>397</b>	<b>339</b>

**Note 6 Assets we manage****6.1 Non-current assets classified as held for sale**

	\$'000	
	2023	2022
Asset at carrying value	1,202	1,202
<b>Total non-current assets classified as held for sale</b>	<b>1,202</b>	<b>1,202</b>

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

**6.2 Property, infrastructure, plant and equipment****Summary of property, infrastructure, plant and equipment**

	Carrying amount 30 June 2022	Additions	Contributions	Revaluation	Depreciation	Disposal	Transfers	Non current assets classified as held for sale	\$'000
									Carrying amount 30 June 2023
Land	2,687,729	2,887	-	31,459	-	(42)	-	-	<b>2,722,033</b>
Buildings	252,482	5,705	-	18,514	(4,444)	(143)	1,980	-	<b>274,094</b>
Infrastructure	443,584	7,314	1,016	22,047	(12,114)	(806)	2,560	-	<b>463,601</b>
Plant and equipment	32,863	4,204	150	-	(3,566)	(115)	7	-	<b>33,543</b>
Work in progress	10,832	8,068	-	-	-	-	(5,320)	-	<b>13,580</b>
<b>Total</b>	<b>3,427,490</b>	<b>28,178</b>	<b>1,166</b>	<b>72,020</b>	<b>(20,124)</b>	<b>(1,106)</b>	<b>(773)</b>	<b>-</b>	<b>3,506,851</b>

**Summary of work in progress**

	Opening WIP	Additions	Transfers	Write Offs	\$'000
					Closing WIP
Buildings	4,317	3,133	(1,980)	(131)	<b>5,339</b>
Infrastructure	6,508	4,871	(2,560)	(642)	<b>8,177</b>
Plant and equipment	7	64	(7)	-	<b>64</b>
<b>Total</b>	<b>10,832</b>	<b>8,068</b>	<b>(4,547)</b>	<b>(773)</b>	<b>13,580</b>

			\$'000
	Land – specialised	Buildings – specialised	Total Property
<b>(a) Property</b>			
At fair value 1 July 2022	2,687,729	478,157	3,165,886
Accumulated depreciation at 1 July 2022	–	(225,675)	(225,675)
<b>WDV at beginning of financial year</b>	<b>2,687,729</b>	<b>252,482</b>	<b>2,940,211</b>
<b>Movements in fair value</b>			
Additions	2,887	5,705	8,592
Revaluation increments / (decrements)	31,459	97,317	128,776
Disposal	(42)	(427)	(469)
Transfers	–	1,980	1,980
Non-current assets classified as held for sale		–	–
	<b>34,304</b>	<b>104,575</b>	<b>138,879</b>
<b>Movements in accumulated depreciation</b>			
Depreciation and amortisation	–	(4,444)	(4,444)
Accumulated depreciation of disposals	–	284	284
Revaluation increments / (decrements)	–	(78,803)	(78,803)
	–	<b>(82,963)</b>	<b>(82,963)</b>
At fair value 30 June 2023	2,722,033	582,732	3,304,765
Accumulated depreciation at 30 June 2023	–	(308,638)	(308,638)
<b>Carrying amount</b>	<b>2,722,033</b>	<b>274,094</b>	<b>2,996,127</b>
Note – all land and buildings are considered specialised by their nature.			

\$'000

	Heritage Plant and Equipment	Plant, Machinery and Equipment	Fixtures Fittings and Furniture	Computers and Telecomms	Library Books	Total Plant and Equipment	Total Works in Progress
<b>(b) Plant and Equipment</b>							
At fair value 1 July 2022	23,559	9,563	2,566	4,395	6,536	46,619	10,832
Accumulated depreciation at 1 July 2022	-	(5,383)	(1,740)	(2,560)	(4,073)	(13,756)	-
<b>WDV at beginning of financial year</b>	<b>23,559</b>	<b>4,180</b>	<b>826</b>	<b>1,835</b>	<b>2,463</b>	<b>32,863</b>	<b>10,832</b>
<b>Movements in fair value</b>							
Additions	-	2,353	378	502	971	4,204	8,068
Contributions	150	-	-	-	-	150	-
Disposal	-	(436)	-	(2,089)	-	(2,525)	-
Write-off	-	-	-	-	-	-	(773)
Transfers	-	7	-	-	-	7	(4,547)
	150	1,924	378	(1,587)	971	1,836	2,748
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	(236)	(1,444)	(416)	(700)	(770)	(3,566)	-
Accumulated depreciation of disposals	-	385	-	2,025	-	2,410	-
	(236)	(1,059)	(416)	1,325	(770)	(1,156)	-
At fair value 30 June 2023	23,709	11,487	2,944	2,808	7,507	48,455	13,580
Accumulated depreciation at 30 June 2023	(236)	(6,442)	(2,156)	(1,235)	(4,843)	(14,912)	-
<b>Carrying amount</b>	<b>23,473</b>	<b>5,045</b>	<b>788</b>	<b>1,573</b>	<b>2,664</b>	<b>33,543</b>	<b>13,580</b>

\$'000

	Roads	Bridges	Footpaths and cycleways	Drainage	Parks, open spaces and streetscapes	Off-street carparks	Other Infrastructure	Total Infrastructure
<b>(c) Infrastructure</b>								
At fair value 1 July 2022	257,326	10,129	148,786	145,131	98,657	13,479	14,259	<b>687,767</b>
Accumulated depreciation at 1 July 2022	(68,924)	(7,617)	(58,875)	(59,956)	(39,280)	(2,400)	(7,131)	<b>(244,183)</b>
<b>WDV at beginning of financial year</b>	<b>188,402</b>	<b>2,512</b>	<b>89,911</b>	<b>85,175</b>	<b>59,377</b>	<b>11,079</b>	<b>7,128</b>	<b>443,584</b>
<b>Movements in fair value</b>								
Additions	2,102	-	1,420	712	2,024	65	991	<b>7,314</b>
Contributions	-	-	-	-	-	-	1,016	<b>1,016</b>
Revaluation increments / (decrements)	18,999	696	703	-	-	6,946	2,353	<b>29,697</b>
Disposal	(615)	-	(443)	(92)	(306)	-	(183)	<b>(1,639)</b>
Transfers	1,010	-	16	315	1,219	-	-	<b>2,560</b>
Transfer to other asset class	-	-	-	-	-	-	-	<b>-</b>
	<b>21,496</b>	<b>696</b>	<b>1,696</b>	<b>935</b>	<b>2,937</b>	<b>7,011</b>	<b>4,177</b>	<b>38,948</b>
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(3,858)	(114)	(1,926)	(1,051)	(4,107)	(125)	(933)	<b>(12,114)</b>
Accumulated depreciation of disposals	319	-	221	26	148	-	119	<b>833</b>
Revaluation increments / (decrements)	(3,869)	(13)	(3,343)	-	-	(348)	(77)	<b>(7,650)</b>
	<b>(7,408)</b>	<b>(127)</b>	<b>(5,048)</b>	<b>(1,025)</b>	<b>(3,959)</b>	<b>(473)</b>	<b>(891)</b>	<b>(18,931)</b>
At fair value 30 June 2023	278,822	10,825	150,482	146,066	101,594	20,490	18,436	<b>726,715</b>
Accumulated depreciation at 30 June 2023	(76,332)	(7,744)	(63,923)	(60,981)	(43,239)	(2,873)	(8,022)	<b>(263,114)</b>
<b>Carrying amount</b>	<b>202,490</b>	<b>3,081</b>	<b>86,559</b>	<b>85,085</b>	<b>58,355</b>	<b>17,617</b>	<b>10,414</b>	<b>463,601</b>

## Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

	Depreciation Period	Threshold Limit
<b>Asset recognition thresholds and depreciation periods</b>		
<b>Land and land improvements</b>		
land	-	All
land improvements	10 to 100 years	\$5,000
<b>Buildings</b>		
heritage buildings	100 years	\$5,000
buildings	25 to 100 years	\$5,000
building improvements	100 years	\$5,000
<b>Plant and Equipment</b>		
heritage plant and equipment	100 years	\$2,000
plant, machinery and equipment	4 to 7 years	\$2,000
fixtures, fittings and furniture	5 years	\$2,000
computers and telecommunications	3 to 6 years	\$2,000
library books	5 years	All
motor vehicles	5 years	All
<b>Infrastructure</b>		
road pavements and seals	18 to 30 years	\$5,000
road substructure	100 years	\$5,000
road formation and earthworks	250 years	\$5,000
road kerb, channel and minor culverts and other	50 years	\$5,000
bridges deck	20 to 80 years	\$5,000
bridges substructure	40 to 100 years	\$5,000
footpaths and cycleways	40 to 50 years	\$5,000
drainage	150 years	\$5,000
waste management	10 years	\$5,000
parks, open space and streetscapes	10 to 100 years	\$5,000
off-street carparks	100 years	\$5,000

### Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component. Straight line depreciation is charged based on the residual useful life as determined each year. Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

### Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

### Valuation of land and buildings

Valuation of land and buildings were undertaken by qualified independent valuers, Daniel Angelucci AAPI (No 63494) and Sarah Morrissy AAPI (No 62894). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserved) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date and type of the current valuation is detailed in the following table. A revaluation was conducted in the current year for buildings. This valuation was based on fair value, being market value based on highest and best use permitted.

**Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2023 are as follows:**

	\$'000			Date of Valuation	Type of Valuation
	Level 1	Level 2	Level 3		
Specialised land	-	-	2,722,033	Jun-23	Full
Buildings	-	-	274,094	Jun-23	Full
	-	-	<b>2,996,127</b>		

### Valuation of land under roads

Council does not recognise land under roads that it controlled prior to 30 June 2008 in its financial report. From 1 July 2008, Council recognises any material land under roads that comes in Council's control within the financial report at fair value.

### Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with a valuation undertaken by Mr Mohamed El-Saafin ME (Civil).

The date and type of the current valuation is detailed in the following table. An index based revaluation was reviewed in the current year for Drainage and Parks, open spaces and streetscapes. This valuation was based on, consumer price index as shown on the Australian Bureau of Statistics website and current contract rates. A full revaluation of parks, open spaces and streetscapes will be conducted in 2023/24, and drainage assets in 2024/25.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

**Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2023 are as follows:**

	\$'000			Date of Valuation	Type of Valuation
	Level 1	Level 2	Level 3		
Roads	-	-	202,490	Jun-23	Full
Bridges	-	-	3,081	Jun-23	Full
Footpaths and cycleways	-	-	86,559	Jun-23	Full
Drainage	-	-	85,085	Jun-22	Full
Parks, open spaces and streetscapes	-	-	58,355	Jun-21	Full
Off-street carparks	-	-	17,617	Jun-23	Full
Other infrastructure	-	-	10,414	Jun-23	Full
	-	-	<b>463,601</b>		

### Valuation of heritage and works of art

Valuation of Heritage assets and works of art are undertaken by qualified independent valuers. The valuation is at market value based on current market prices for similar types of assets based on use, type and condition.

Heritage and works of art valuations as at 30 June 2022 were performed by the following independent valuers:

- Australian Art Valuers – contemporary, visual, historical and public art;
- Sainsbury Books – heritage photographs; and
- Sophie Ullin Art Advisory – historical items, artworks, monuments and memorials, mayoral robes, chains and other attire.

**Details of the Council's heritage and works of art and information about the fair value hierarchy as at 30 June 2023 are as follows:**

	\$'000			Date of Valuation	Type of Valuation
	Level 1	Level 2	Level 3		
Heritage and works of art	-	-	<b>23,473</b>	Jun-22	Full

### Description of significant unobservable inputs into level 3 valuations

**Specialised land** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 10% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1,800 and \$7,900 per square metre.

**Specialised buildings** are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$330 to \$17,080 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 years to 88 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years to 250 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	\$'000	
	2023	2022
<b>Reconciliation of specialised land</b>		
Parks and reserves	2,009,919	2,055,895
Commercial	343,522	314,047
Community	229,190	202,279
Council office land	139,402	115,508
<b>Total specialised land</b>	<b>2,722,033</b>	<b>2,687,729</b>

## 6.3 Investments in associates, joint ventures and subsidiaries

### a) Investments in associates

#### Joint Arrangement – Joint Venture

Interests in joint ventures accounted for by the equity method are:

#### Joint Venture – Albert Park Hockey and Tennis Centre

##### Background

In 1997 Council entered into a 21 year Joint Venture agreement with Wesley College, St Kilda Rd, Prahran for the maintenance and operation of the Albert Park Hockey and Tennis Centre. The Centre is located in Hockey Drive, St Kilda a part of the Albert Park Reserve and is the subject of a tenancy from the landlord Parks Victoria. A further 21 year lease between Parks Victoria, Wesley College and Council along with a further 21 Year Joint Venture Agreement between Council and Wesley, was executed in 2020.

The objective of the Joint Venture is to provide, manage and maintain the Albert Park Hockey and Tennis Centre for use by sporting clubs, schools and residents of Port Phillip municipality and the students of Wesley College. The Joint Venture Agreement provides for joint control via a Management Committee with 50% representation and 50% voting power for each of the Joint Venture parties with decisions being made by a majority vote. The Joint Venture Agreement also provides for each party to share equally in the profits or losses occurring each year and provides for an equal share of the net assets.

The Joint Venture reporting period is for the 12 months to 31 March each year.

Council has been provided with the final draft Joint Venture financial statements for the 12 months ended 31 March 2023 and these results are not expected to change. Council's carrying value in the joint venture investment represents a 50% share of the net assets and liabilities of the Albert Park Hockey & Tennis Centre as at 31 March 2023.

	\$'000	
	2023	2022
<b>Fair value of Council's investment in Albert Park Hockey and Tennis Centre</b>	<b>215</b>	<b>239</b>
<b>Council's share of accumulated surplus / (deficit)</b>		
Council's share of accumulated surplus / (deficit) at start of year	239	270
Reported surplus / (deficit) for year	[24]	[31]
<b>Council's share of accumulated surplus (deficit) at end of year</b>	<b>215</b>	<b>239</b>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	239	270
Share of surplus / (deficit) for year	[24]	[31]
<b>Carrying value of investment at end of year</b>	<b>215</b>	<b>239</b>
<b>Council's share of expenditure commitments</b>		
Operating commitments	15	15
<b>Council's share of expenditure commitments</b>	<b>15</b>	<b>15</b>
<b>Council's share of contingent liabilities and contingent assets</b>	<b>nil</b>	<b>nil</b>
<b>Significant restrictions</b>	<b>nil</b>	<b>nil</b>

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

For joint operations, Council recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations.

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

#### **b) Community Asset Committee**

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as community asset committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

#### **Principles of consolidation**

An assessment by management has determined that there are no consolidated entities for the 30 June 2023 reporting period.

**Note 7 People and relationships****7.1 Council and key management remuneration****(a) Related Parties**

**Parent entity** – City of Port Phillip is the parent entity

**Subsidiaries and Associates** – Interests in subsidiaries and associates are detailed in **Note 6.3**

**(b) Key Management Personnel**

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

**Councillors**

**Councillor Heather Cunsolo**  
(Mayor from 9 November 2022)

**Councillor Marcus Pearl**  
(Mayor to 9 November 2022)

**Councillor Louise Crawford**

**Councillor Andrew Bond**

**Councillor Tim Baxter**

**Councillor Rhonda Clark**

**Councillor Peter Martin**

**Councillor Christina Sirakoff**

**Councillor Robbie Nyaguy**  
(from 1 February 2023)

**Councillor Katherine Copsey**  
(to 14 December 2022)

**Other**

**Chris Carroll**  
Chief Executive Officer  
(from 9 September 2022)  
General Manager- Customer, Operations & Infrastructure  
(to 9 September 2022)

**Peter Smith**  
Chief Executive Officer  
(to 9 September 2022)

**Kylie Bennetts**  
General Manager City Growth & Organisational Capability  
(to 2 December 2022)

**Lachlan Johnson**  
General Manager- Operations & Infrastructure  
(from 9 September 2022)

**Allison Kenwood**  
General Manager Community Wellbeing & Inclusion  
(from 18 July 2022)

**Anthony Keenan**  
General Manager Community Wellbeing & Inclusion  
(to 8 July 2022)

**Brian Tee**  
General Manager- City Growth and Development  
(from 28 November 2022)

**Claire Stevens**  
General Manager Governance & Organisational Capability

**Joanne McNeill**  
A/General Manager Governance Capability & Experience  
(from 3 September 2022)

**Peter Liu**  
Chief Financial Officer

	2023	2022
Total number of Councillors	10	9
Total number of Chief Executive Officer and other Key Management Personnel	10	10
<b>Total number of Key Management Personnel</b>	<b>20</b>	<b>19</b>

**(c) Remuneration of Key Management Personnel**

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Other long-term employee benefits** include long service leave, other long service benefits or deferred compensation.

**Post-employment benefits** include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Termination benefits** include termination of employment payments, such as severance packages.

	\$'000	
	2023	2022
Total remuneration of key management personnel was as follows:		
Short-term benefits**	2,408	2,495
Post-employment benefits	45	49
Other long-term benefits	182	184
<b>Total remuneration*</b>	<b>2,635</b>	<b>2,728</b>

\*\*2022/23- 3 positions were filled by multiple staff throughout the financial year as part of interim arrangements during leave and vacancy periods. 2021/22 4 positions were filled by multiple staff throughout the financial year as part of interim arrangements until permanent appointments were secured.

	2023	2022
<b>The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:</b>		
\$10,000 – \$19,999	2	-
\$30,000 – \$39,999	4	6
\$40,000 – \$49,999	1	1
\$50,000 – \$59,999	1	-
\$60,000 – \$69,999	2	1
\$70,000 – \$79,999	-	1
\$80,000 – \$89,999	-	1
\$90,000 – \$99,999	1	-
\$110,000 – \$119,999	-	1
\$120,000 – \$129,999	1	-
\$180,000 – \$189,999	1	2
\$190,000 – \$199,999	1	-
\$210,000 – \$219,999	1	-
\$220,000 – \$229,999	-	1
\$240,000 – \$249,999	1	1
\$250,000 – \$259,999	1	-
\$270,000 – \$279,999	2	-
\$280,000 – \$289,999	-	2
\$300,000 – \$309,000	-	1
\$380,000 – \$389,999	1	-
\$400,000 – \$409,999	-	1
	<b>20</b>	<b>19</b>

**(d) Senior Officer Remuneration**

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$160,000 and who report directly to a member of the KMP.\*

	2023	2022
<b>Total remuneration of other senior staff was as follows:</b>		
Short-term employee benefits	3,783	2,737
Post-employment benefits	89	63
Other long-term benefits	378	258
Termination benefits	122	-
<b>Total remuneration*</b>	<b>4,372</b>	<b>3,058</b>

	2023	2022
<b>The number of Senior Officers are shown below in their relevant income bands:</b>		
<b>Income Range:</b>		
\$160,000 – \$169,999	3	3
\$170,000 – \$179,999	1	2
\$180,000 – \$189,999	5	-
\$190,000 – \$199,999	3	5
\$200,000 – \$209,999	4	5
\$210,000 – \$219,999	3	-
\$220,000 – \$229,999	1	1
\$230,000 – \$239,999	1	-
\$250,000 – \$259,999	-	-
\$260,000 – \$269,999	1	-
	<b>22</b>	<b>16</b>

	\$'000	
	2023	2022
<b>Total Remuneration* for the reporting year for other senior staff included above, amounted to</b>	<b>4,372</b>	<b>3,058</b>

\* Due to a definitional change the comparative figures in this note may not align with the previous year's annual report, which included disclosure of senior officers as defined in the *Local Government Act 1989*.

## 7.2 Related party disclosure

### (a) Transactions with related parties

There are no transactions by Council with related parties.

### (b) Outstanding balances with related parties

There are no outstanding balances at the end of the reporting period in relation to transactions with related parties.

### (c) Loans to / from related parties

There are no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

### (d) Commitments to / from related parties

There are no commitments in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

## Note 8 Managing uncertainties

### 8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

#### (a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council. At balance date the Council are not aware of any contingent assets.

#### (b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
  - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
  - the amount of the obligation cannot be measured with sufficient reliability

## Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

## Legal matters

The Council is presently involved in a number of confidential legal matters which are being conducted through Council's solicitors. Some of these legal matters may present a liability to council through the course of the matter. Council has not presented any estimate of these amounts in these financial statements, as these matters are ongoing and any reflection of a contingent liability in relation to these matters may unfairly prejudice Council's position in relation to the outcome of these matters.

## MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the *Workplace Injury Rehabilitation and Compensation Act 2013*, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

## 8.2 Changes in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2024 that are expected to impact Council.

## 8.3 Financial instruments

### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

### (b) Market risk

Market risk is the risk that the fair value or future cash flows of Council's financial instruments will fluctuate because of changes in market prices. The Council's exposures to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

### Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long-term loans and borrowings at fixed rates which exposes us to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product
- monitoring of return on investment, and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

**(c) Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. Council has exposure to credit risk on some financial assets included in our balance sheet. To help manage this risk:

- Council has a policy for establishing credit limits for the entities we deal with
- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

**(d) Liquidity risk**

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required, or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amount of financial liabilities as disclosed on the face of the balance sheet and is deemed insignificant based on prior periods data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

All financial liabilities are expected to be settled within normal terms of trade.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

**e) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of +2.0% and -2.0% in market interest rates (AUD) from year-end rates of 4.51%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

## 8.4 Fair value measurement

### Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. **AASB 13. Fair Value Measurement**, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

**Level 2** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

**Level 3** – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes

a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from one to three years. The valuation is performed either by experienced Council officers or independent experts.

Asset class	Revaluation frequency
Land	Annually
Buildings	Every 3 years
Roads	Every 3 years
Bridges	Every 3 years
Footpaths and cycleways	Every 3 years
Drainage	Every 3 years
Recreational, leisure and community facilities	Every 3 years
Waste management	Every 3 years
Parks, open space and streetscapes	Every 3 years
Other infrastructure	Every 3 years

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

### Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

## 8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

**Note 9 Other matters****9.1 Reserves****(a) Asset revaluation reserves**

	\$'000		
	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
<b>2023</b>			
<b>Property</b>			
Land and land improvements	2,432,387	31,459	2,463,846
Buildings	117,185	18,514	135,699
	<b>2,549,572</b>	<b>49,973</b>	<b>2,599,545</b>
<b>Infrastructure</b>			
Roads	121,099	22,047	143,146
Bridges	897	-	897
Footpaths and cycleways	38,589	-	38,589
Drainage	42,244	-	42,244
Parks, open spaces and streetscapes	24,134	-	24,134
Off-street carpark	8,249	-	8,249
Other infrastructure	3,314	-	3,314
	<b>238,525</b>	<b>22,047</b>	<b>260,572</b>
<b>Plant and equipment</b>			
Heritage plant and equipment	17,678	-	17,678
	<b>17,678</b>	<b>-</b>	<b>17,678</b>
<b>Total asset revaluation reserves</b>	<b>2,805,775</b>	<b>72,020</b>	<b>2,877,795</b>

	\$'000		
	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
<b>2022</b>			
<b>Property</b>			
Land and land improvements	2,273,639	158,748	2,432,387
Buildings	91,810	25,375	117,185
	<b>2,365,449</b>	<b>184,123</b>	<b>2,549,572</b>
<b>Infrastructure</b>			
Roads	121,099	-	121,099
Bridges	897	-	897
Footpaths and cycleways	38,589	-	38,589
Drainage	36,184	6,060	42,244
Parks, open spaces and streetscapes	24,134	-	24,134
Off-street carpark	8,249	-	8,249
Other infrastructure	3,314	-	3,314
	<b>232,465</b>	<b>6,060</b>	<b>238,525</b>
<b>Plant and equipment</b>			
Heritage plant and equipment	14,277	3,401	17,678
	<b>14,277</b>	<b>3,401</b>	<b>17,678</b>
<b>Total asset revaluation reserves</b>	<b>2,612,191</b>	<b>193,584</b>	<b>2,805,775</b>

The asset revaluation reserve is used to record the movements in fair value of Council's assets over time.

**(b) Other reserves**

				\$'000
	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
<b>2023</b>				
<b>General reserve</b>	<b>86,739</b>	<b>31,926</b>	<b>(18,967)</b>	<b>99,698</b>
<b>Statutory reserves</b>				
Resort and recreation reserve	39,489	4,431	(3,839)	40,081
Contributions for car parking reserve	1,791	-	-	1,791
	<b>41,280</b>	<b>4,431</b>	<b>(3,839)</b>	<b>41,872</b>
<b>Total other reserves</b>	<b>128,019</b>	<b>36,357</b>	<b>(22,806)</b>	<b>141,570</b>
<b>2022</b>				
<b>General reserve</b>	<b>59,224</b>	<b>47,964</b>	<b>(20,449)</b>	<b>86,739</b>
<b>Statutory reserves</b>				
Resort and recreation reserve	30,443	10,004	(958)	39,489
Contributions for car parking reserve	1,791	-	-	1,791
	<b>32,234</b>	<b>10,004</b>	<b>(958)</b>	<b>41,280</b>
<b>Total other reserves</b>	<b>91,458</b>	<b>57,968</b>	<b>(21,407)</b>	<b>128,019</b>
				\$'000
			2023	2022
Asset revaluation reserve			2,877,795	2,805,775
Other reserves			141,570	128,019
<b>Total reserves</b>			<b>3,019,365</b>	<b>2,933,794</b>

**General reserve**

General reserves will be maintained at levels sufficient to ensure operational liquidity and for contingencies. The general reserve also comprises allocations made by the Council for the purpose of funding major medium term expenditure initiatives and future commitments that relate to the unexpended portion of government grants received.

**Resort and recreation reserve**

The resort and recreation reserve is for the accumulation of developer contributions which are to be expended at a future date on recreational infrastructure.

**Contributions for car parking reserve**

The car parking reserve is for the accumulation of developers contributions which are to be expended at a future date on improved car parking facilities.

## 9.2 Reconciliation of cash flows from operating activities to surplus / (deficit)

	\$'000	
	2023	2022
Surplus / (deficit) for the year	24,006	26,594
Depreciation / amortisation	20,821	20,622
(Profit) / loss on disposal of property, infrastructure, plant and equipment	837	7,325
Contributions – non-monetary assets	(1,166)	(8)
Other	884	835
<b>Change in assets and liabilities:</b>		
(Increase) / decrease in trade and other receivables	(7,751)	(7,178)
(Increase) / decrease in prepayments	(1,786)	(895)
(Increase) / decrease in accrued income	(2,834)	(261)
Increase / (decrease) in trade and other payables	(1,746)	2,877
Increase/(decrease) in unearned income /revenue	18	-
(Decrease) / increase in other liabilities	(101)	(312)
Increase / (decrease) in provisions	90	(1,842)
<b>Net cash provided by operating activities</b>	<b>31,272</b>	<b>47,757</b>

## 9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions are recognised as an expense in Comprehensive Operating Statement when they are made or due.

### Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2023, this was 10.5 per cent as required under Superannuation Guarantee (SG) legislation (2022: 10.0 per cent)).

### Defined Benefit

Council does not use defined benefit accounting for its Defined Benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

## Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the VBI were::

- net investment returns 5.7 per cent pa
- salary information 3.5 per cent pa
- price inflation (CPI) 2.8 per cent pa.

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.2 per cent. The financial assumptions used to calculate the VBI were:

- net investment returns 5.5 per cent pa
- salary information 2.5 per cent pa to 30 June 2023, and 3.5 per cent thereafter
- price inflation (CPI) 3.0 per cent pa.

City of Port Phillip was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021)

Vision Super has advised that the estimated VBI at June 2023 was 104.1 per cent.

The VBI is used as the primary funding indicator. Because the VBI was above 100 per cent, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years

## Regular contributions

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10.0 per cent in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

## Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97 per cent.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

### The 2022 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

	\$ m	
	2022 (Interim)	2021 (Interim)
A VBI surplus	44.6	214.7
A total service liability surplus	105.8	270.3
A discounted accrued benefits surplus	111.9	285.2

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2022.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2022.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2022.

Council was notified of the 30 June 2022 VBI in August 2022

### The 2023 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2023. It is anticipated that this actuarial investigation will be completed by 31 December 2023. The financial assumptions for the purposes of this investigation are:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% p.a.	5.6% p.a.
Salary inflation	3.50% p.a.	2.50% p.a. for the first two years and 2.75% thereafter
Price inflation	2.80%	2.00%

**Superannuation contributions**

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of Scheme	Rate	\$'000	
			2023	2022
Vision super	Defined Benefit	10.5% (2022 : 10%)	301	307
Vision super	Accumulation fund	10.5% (2022 : 10%)	4,205	3,906

Council has not paid any unfunded liability payments to Vision Super during the 2022/23 year (2021/22 \$nil).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2022.

	\$'000	
	2023	2022
Contributions outstanding at reporting date	99	95

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 is \$293,176.

**Note 10 Change in accounting policy**

There have been no changes to accounting policies in the 2022/23 year.

# Performance statement

For the year ended 30 June 2023

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from Council information systems or from third parties (for example the Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the Council's strategic resource plan.

*The Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure. Explanations have been provided for all service indicators to provide clarity of comparison with other Councils, while for financial performance indicators, explanations are provided only if the variations are below the materiality thresholds.

The forecast figures included in the performance statement are those adopted by Council in its 2021-31 Council Plan (Volume 2- Year 3) which was adopted on 20 June 2023. The plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term.

# About City of Port Phillip

The City of Port Phillip is located south of Melbourne's city centre on the northern shore of Port Phillip Bay. The foreshore stretches over 11 kilometres. A network of public open spaces makes the City a desirable place for residents and visitors to enjoy. Significant employment areas within Port Phillip include the St Kilda Road office district, and the industrial, warehousing and manufacturing districts in South Melbourne, Port Melbourne and Fishermans Bend.

The City of Port Phillip is one of the smallest and most densely populated municipalities in Victoria, covering an area of 20.6 kilometres and home to 103,836 people. After experiencing steady growth in population, we, like all other areas of Greater Melbourne had experienced a decline due to impact of COVID-19 pandemic. However, we expect a steady increase in population with Fishermans Bend expecting to be home to around 80,000 residents and provide jobs for 40,000 over the next four decades.

# Sustainable capacity indicators

For the year ended 30 June 2023

Indicator / measure / [formula]	Results				Explanation
	2020	2021	2022	2023	
<b>Population</b>					
<b>Expenses per head of municipal population</b> [Total expenses / municipal population]	\$1,989.31	\$1,831.72	\$1,935.21	<b>\$2,218.10</b>	Increased due to the significant impact of CPI and inflation on expenditure, specifically on materials and contract charges, where costs have significantly increased as a direct result of the economic climate.
<b>Infrastructure per head of municipal population</b> [Value of infrastructure / municipal population]	\$6,175.51	\$6,070.61	\$6,599.59	<b>\$7,558.25</b>	Increased from prior years due to the formal revaluation of roads, footpaths, bridges and building assets, as well as the completion of capital projects (increased spend from prior years).
<b>Population density per length of road</b> [Municipal population / kilometres of local roads]	436.23	437.88	421.40	<b>386.01</b>	While length of local roads remained consistent, estimated resident population decreased by 7% in 2022/23. This attributed to the reduction in population density per length of road this year.
<b>Own-source revenue</b>					
<b>Own-source revenue per head of municipal population</b> [Own-source revenue / municipal population]	\$1,827.14	\$1,728.81	\$1,881.44	<b>\$2,222.38</b>	Increased from prior years as a result of higher income received from user and statutory fees and charges and interest on investment, which were reduced in prior years due to waivers and deferrals in response to COVID-19 restrictions.
<b>Recurrent grants</b>					
<b>Recurrent grants per head of municipal population</b> [Recurrent grants / municipal population]	\$93.40	\$83.12	\$111.85	<b>\$110.96</b>	Impacted by the allocation of grant funding to unearned income (liability) in 2022/23 in accordance with Australian Accounting Standard AASB 15, as well as the timing of the receipt of funding from the Victorian Grants Commission.

Indicator / measure / [formula]	Results				Explanation
	2020	2021	2022	2023	
<b>Disadvantage</b>					
<b>Relative Socio-Economic Disadvantage</b> [Index of Relative Socio-Economic Disadvantage by decile]	10.00	10.00	10.00	<b>9.00</b>	The SEIFA relative Socio-Economic Disadvantage score is measured every five years. It indicates that there has been a increase in disadvantage when compared to other local government areas in Victoria in 2022/23. The score summarises a range of information about the economic and social conditions of people and households within the City.
<b>Workforce turnover</b>					
<b>Percentage of staff turnover</b> [Number of permanent staff resignations and terminations / average number of permanent staff for the financial year] x 100	14.24%	14.95%	20.25%	<b>17.40%</b>	Permanent turnover has seen a decrease in 2022/23 following an increase in 2021/22 due to the pandemic. While this number is still higher than pre pandemic times, it is welcoming to see this reduction this year. We do however still face labour market challenges and competitive environments with other organisations both public and private sector. City of Port Phillip continues to be a sought after organisation and holds a good reputation in the market.

# Service performance indicators

For the year ended 30 June 2023

Animal management					
<b>Health and safety</b>					
<b>Animal management prosecutions</b>	100.00%	100.00%	100.00%	<b>100.00%</b>	100 per cent success rate on animal prosecutions through the Magistrate Court. All cases are thoroughly assessed to ensure accurate detail and evidence prior to being submitted for prosecution.
[Number of successful animal management prosecutions / number of animal management prosecutions] x 100					
Food safety					
<b>Health and safety</b>					
<b>Critical and major non-compliance outcome notifications</b>	100.00%	100.00%	100.00%	<b>100.00%</b>	All major and critical non-compliance identified within registered food premises were followed-up within the registration period.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100					
Governance					
<b>Satisfaction</b>					
<b>Satisfaction with Council decisions</b>	58.00	60.00	55.00	<b>50.00</b>	Council's performance in community decisions rated lower compared to both the Metropolitan group average and State average. Greater focus will be placed on data analysis and reporting in the coming year, ensuring transparency and accountability as well as supporting improved decision making on behalf of the community.
[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]					
Libraries					
<b>Participation</b>					
<b>Active library borrowers in municipality</b>	18.46%	17.62%	17.13%	<b>16.48%</b>	The 2022/23 calculation of this measure has changed due to an error in reporting in previous years. The actual variance in 2022/23 is a decrease of 1.7% from 2021/22. Council anticipates that this figure will increase as the service recovers from the impacts of COVID-19.
[Number of active library borrowers in the last three years / the sum of the population for the last three years] x 100					

Service / indicator / measure	Results				Explanation
	2020	2021	2022	2023	
<b>Maternal and Child Health (MCH)</b>					
<b>Participation</b>					
<b>Participation in the MCH service</b> [Number of children who attend the MCH service at least once (in the year) / number of children enrolled in the MCH service] x 100	87.38%	83.49%	<b>78.58%</b>	<b>76.71%</b>	Participation in the MCH Service has declined slightly due to the increased number of appointment cancellations following on from COVID-19. Families are advised to not attend their appointment if anyone in the family is unwell.  In 2022/23 the MCH Service had 1,197 appointments that were cancelled. In 2021/2022 there were 1,195. Enrolments in the MCH Service have decreased in the past 12 months with 200 less children enrolled for 2022/23 period.
<b>Participation in the MCH service by Aboriginal children</b> [Number of Aboriginal children who attend the MCH service at least once (in the year) / number of Aboriginal children enrolled in the MCH service] x 100	95.00%	94.29%	83.72%	<b>84.44%</b>	The MCH service continues to develop and grow its cultural capabilities to ensure Aboriginal children and families feel welcome and safe within the service. In 2022/23, of the 22 children who are identified as Aboriginal, 19 were engaged with the service and had at least one Key Age and Stage consultation.
<b>Roads</b>					
<b>Satisfaction</b>					
<b>Satisfaction with sealed local roads</b> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	69.00	67.00	66.00	<b>59.00</b>	The 2022/23 result could be attributed to an increased amount of large development works within the municipality and an increase to the service authority works within road reserves. Council is continuing to work on improving the maintenance response time and the road renewal program to help improve community satisfaction with sealed local roads.

Service / indicator / measure	Results				Explanation
	2020	2021	2022	2023	
<b>Statutory Planning</b>					
<b>Decision making</b>					
<b>Council planning decisions upheld at VCAT</b>	77.13%	75.00%	74.19%	<b>83.33%</b>	The number of planning decisions upheld at VCAT in 2022/23 has seen an increase on previous years and exceeds our target of 70 per cent. If we took into consideration the mediated and withdrawn outcomes, Council decisions upheld at VCAT is increased to 94.5 per cent.
[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / number of VCAT decisions in relation to planning applications] x 100					
<b>Waste Collection</b>					
<b>Waste diversion</b>					
<b>Kerbside collection waste diverted from landfill</b>	30.47%	31.99%	32.54%	<b>34.91%</b>	The increase in waste diversion from landfill in 2022/23 is due to the rollout of the Food Organics and Garden Organics (FOGO) service in January 2023. The result is expected to further increase during 2023/24.
[Weight of recyclables and green organics collected from kerbside bins / weight of garbage, recyclables and green organics collected from kerbside bins] x 100					

# Financial performance indicators

For the year ended 30 June 2023

Dimension/indicator/measure	Results				Forecasts			
	2020	2021	2022	2023	2024	2025	2026	2027
<b>Efficiency</b>								
<b>Expenditure level</b>								
<b>Expenses per property assessment</b> [Total expenses / number of property assessments]	\$3,142.99	\$2,865.36	\$2,892.64	<b>\$3,034.63</b>	\$3,316.48	\$3,384.62	\$3,432.82	\$3,489.99
<b>Material variations and explanation</b>	Increased from prior years due to the impact of inflation and CPI across expenditure, most significantly materials and contract payments, and employee costs. Future years forecast will see this ratio continue to rise in line with CPI increases.							
<b>Revenue level</b>								
<b>Average rate per property assessment</b> [Total rate revenue (general rates and municipal charges) / number of property assessments]	\$1,754.55	\$1,773.54	\$1,813.14	<b>\$1,667.33</b>	\$1,733.46	\$1,772.50	\$1,810.53	\$1,855.56
<b>Material variations and explanation</b>	Decreased from prior years due to the separation of waste charges from rates for the 2022/23 year under Council's new rating strategy. This ratio is forecast to increase in line with future years rates increases.							
<b>Liquidity</b>								
<b>Working capital</b>								
<b>Current assets compared to current liabilities</b> [Current assets / current liabilities] x 100	360.39%	309.49%	390.11%	<b>451.50%</b>	350.81%	301.96%	225.77%	189.91%
<b>Material variations and explanation</b>	Council continues to comfortably meet its short term financial commitments. This ratio has increased due to higher short term cash holdings as a result of delays in project spend as well as strong investment returns, larger debt balances and no borrowings. It is forecast to decline in future years as we draw down on our cash and financial assets to fund the delivery of our long term capital works program (\$58 million 2023/24, \$69 million 2024/25).							
<b>Unrestricted cash</b>								
<b>Unrestricted cash compared to current liabilities</b> [Unrestricted cash / current liabilities] x 100	-207.81%	-104.41%	-141.12%	<b>-183.73%</b>	-113.38%	-75.07%	-35.07%	-33.37%
<b>Material variations and explanation</b>	Councils unrestricted cash ratio has decreased as surplus funds are placed in longer term (>93 days) investments as a result of Councils ongoing commitment to increasing investment returns and sourcing green products where possible to meet our policy benchmarks. Council holds \$150 million in cash and other financial assets, with \$89 million of this being restricted or allocated for specific purposes. This will allow Council to fund the completion of projects in future years ensuring Council continues to remain in a strong financial position to meet its obligations (further evidenced in the working capital ratio).							

Dimension/indicator/measure	Results				Forecasts			
	2020	2021	2022	2023	2024	2025	2026	2027
<b>Obligations</b>								
<b>Loans and borrowings</b>								
<b>Loans and borrowings compared to rates</b> [Interest bearing loans and borrowings / rate revenue] x 100	5.81%	5.61%	0.00%	<b>0.00%</b>	0.00%	0.00%	0.00%	0.00%
<b>Material variations and explanation</b> Council fully repaid their borrowings in 2021/22 with no new borrowings planned in the future, so ratio will remain at zero per cent.								
<b>Loans and borrowings repayments</b>								
<b>Loans and borrowings repayments compared to rates</b> [Interest and principal repayments on interest bearing loans and borrowings / rate revenue] x 100	0.27%	0.26%	5.56%	<b>0.00%</b>	0.00%	0.00%	0.00%	0.00%
<b>Material variations and explanation</b> Council fully repaid their borrowings in 2021/22 with no new borrowings planned in the future, so ratio will remain at zero per cent.								
<b>Indebtedness</b>								
<b>Non-current liabilities compared to own source revenue</b> [Non-current liabilities / own source revenue] x 100	5.52%	1.46%	1.11%	<b>1.08%</b>	1.30%	1.60%	1.51%	1.52%
<b>Material variations and explanation</b> Low percentage trend continuing as Council has a low proportion of non-current liabilities and can easily meet these obligations as a result of increased own source revenue from interest on investments and fines, fees and charges.								
<b>Asset renewal and upgrade</b>								
<b>Asset renewal and upgrade compared to depreciation</b> [Asset renewal and asset upgrade expense / asset depreciation] x 100	72.32%	75.37%	100.44%	<b>96.28%</b>	198.74%	219.73%	151.45%	195.26%
<b>Material variations and explanation</b> Council spent \$29 million in 2022/23 to renew, upgrade and expand community infrastructure assets. The ratio indicates Councils asset management is appropriate and is expected in further increase in future in line with the significant forecasted capital works program.								

Dimension/indicator/measure	Results				Forecasts			
	2020	2021	2022	2023	2024	2025	2026	2027
<b>Operating position</b>								
<b>Adjusted underlying result</b>								
<b>Adjusted underlying surplus (or deficit)</b> [Adjusted underlying surplus (deficit) / adjusted underlying revenue] x 100	-2.89%	3.50%	5.00%	<b>6.64%</b>	0.51%	0.87%	0.92%	1.21%
<b>Material variations and explanation</b> This has improved due to a favourable operating surplus resulting from increases in recurring income from interest, fines, user fees and charges which were lower in prior years due to fee waivers and deferrals in response to the pandemic. This is forecasted to decline in future years as we ramp up our portfolio spend which will include a proportion of expenditure that in non-capital (such as landscaping, feasibility studies and design costs).								
<b>Stability</b>								
<b>Rates concentration</b>								
<b>Rates compared to adjusted underlying revenue</b> [Rate revenue / adjusted underlying revenue] x 100	57.73%	60.46%	60.12%	<b>57.03%</b>	57.82%	57.92%	58.33%	58.66%
<b>Material variations and explanation</b> This has declined slightly from prior years due to improvements in revenue streams such as fees, fines and user charges and interest indicating Council can rely on multiple sources to fund our services. This is expected to remain consistent in future years.								
<b>Rates effort</b>								
<b>Rates compared to property values</b> [Rate revenue / capital improved value of rateable properties in the municipality] x 100	0.19%	0.19%	0.20%	<b>0.19%</b>	0.19%	0.20%	0.20%	0.20%
<b>Material variations and explanation</b> This result is consistent with prior year results and long term forecasted targets.								

## Definitions

**“Aboriginal child”** means a child who is an Aboriginal person.

**“Aboriginal person”** has the same meaning as in the *Aboriginal Heritage Act 2006*.

**“active library member”** means a member of a library who has borrowed a book from the library.

**“adjusted underlying revenue”** means total income other than:

- (a) non-recurrent grants used to fund capital expenditure
- (b) non-monetary asset contributions
- (c) contributions to fund capital expenditure from sources other than those referred to above.

**“adjusted underlying surplus (or deficit)”** means adjusted underlying revenue less total expenditure.

**“annual report”** means an annual report prepared by a council under section 98 of the Act

**“asset renewal expenditure”** means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability.

**“CALD”** means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English.

**“class 1 food premises”** means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act.

**“class 2 food premises”** means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act.

**“Community Care Common Standards”** means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth.

**“critical non-compliance outcome notification”** means a notification received by Council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to Council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health.

**“current assets”** has the same meaning as in the AAS (Australian Accounting Standards).

**“current liabilities”** has the same meaning as in the AAS (Australian Accounting Standards).

**“food premises”** has the same meaning as in the *Food Act 1984*.

**“infrastructure”** means non-current property, plant and equipment excluding land.

**“local road”** means a sealed or unsealed road for which the Council is the responsible road authority under the *Road Management Act 2004*.

**“major non-compliance outcome notification”** means a notification received by a Council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to Council by an authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken.

**“MCH”** means the Maternal and Child Health Service provided by a Council to support the health and development of children within the municipality from birth until school age.

**“non-current assets”** means all assets other than current assets.

**“non-current liabilities”** means all liabilities other than current liabilities.

**“non-recurrent grant”** means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council’s Strategic Resource Plan.

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**“own-source revenue”** means adjusted underlying revenue other than revenue that is not under the control of Council (including government grants).

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**“population”** means the resident population estimated by Council.

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**“rate revenue”** means revenue from general rates, municipal charges, service rates and service charges.

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**“recurrent grant”** means a grant other than a non-recurrent grant.

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**“relative socio-economic disadvantage”**, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA.

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**“residential rates”** means revenue from general rates,

municipal charges, service rates and service charges levied on residential properties.

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**“restricted cash”** means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year.

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**“SEIFA”** means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website “unrestricted cash” means all cash and cash equivalents other than restricted cash.

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**“target population”** has the same meaning as in the Agreement entered into for the purposes of the Home and *Community Care Act 1985* of the Commonwealth.

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**“unrestricted cash”** means all cash and cash equivalents other than restricted cash.

# Certification of the performance statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.



**Peter Liu CPA**  
Principal Accounting Officer  
25 September 2023  
St Kilda

In our opinion, the accompanying performance statement of the Port Phillip Council for the year ended 30 June 2023 presents fairly the results of Council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



**Heather Cunsolo**  
Mayor and Councillor  
25 September 2023  
St Kilda



**Andrew Bond**  
Deputy Mayor and Councillor  
25 September 2023  
St Kilda



**Chris Carroll**  
Chief Executive Officer  
25 September 2023  
St Kilda



## Independent Auditor's Report

### To the Councillors of Port Phillip City Council

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Port Phillip City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• basis of preparation</li> <li>• about the City of Port Phillip</li> <li>• sustainable capacity indicators for the year ended 30 June 2022</li> <li>• service performance indicators for the year ended 30 June 2022</li> <li>• financial performance indicators for the year ended 30 June 2022</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Port Phillip City Council in respect of the year ended 30 June 2022 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i>.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the performance statement</b>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

**Auditor's responsibilities for the audit of the performance statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

**NEW LETTER TO BE PROVIDED**



MELBOURNE  
17 October 2022

Travis Derricott  
*as delegate for the Auditor-General of Victoria*

# Glossary

Item	Explanation
<b>Accrual accounting</b>	System of accounting where items are brought to account and included in the Financial Statements as they are earned or incurred, rather than as they are received or paid.
<b>Accumulated surplus</b>	The value of all net assets accumulated over time.
<b>AIFRS</b>	Australian equivalents to International Financial Reporting Standards.
<b>Asset expansion expenditure</b>	Expenditure that extends the capacity of an existing asset to provide benefits to new users at the same standard as is provided to beneficiaries.
<b>Asset renewal expenditure</b>	Expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability.
<b>Asset upgrade expenditure</b>	Expenditure that: (a) enhances an existing asset to provide a higher level of service; or (b) increases the life of the asset beyond its original life.
<b>Assets</b>	Future economic benefits controlled by Council as a result of past transactions or other past events.
<b>Bad and doubtful debts</b>	Bad debts written off and the movement in the bad debt provision for infringement debtors and sundry debtors.
<b>Balance sheet</b>	A quantitative summary of Council's financial condition at 30 June, including assets, liabilities and net equity.
<b>Borrowing costs</b>	Interest paid on borrowings.
<b>Capital expenditure</b>	Capital expenditure is relatively large (material) expenditure that produces economic benefits expected to last for more than 12 months. A pre-determined 'threshold' may be used which indicates the level of expenditure deemed to be material in accordance with Council's policy. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and upgrade expenditures, the total project cost needs to be allocated accordingly.
<b>Cash and cash equivalents</b>	Cash and investments readily convertible to cash, including cash on hand, cash held in the bank, deposits at call and highly liquid investments.
<b>Contributions</b>	Contributions received by Council are received for the purpose of providing and improving public open space, provision/improvement of the drainage system and in relation to specific projects.
<b>Comprehensive Income Statement</b>	A financial statement highlighting the accounting surplus or deficit which highlights whether Council has sufficient revenue to meet expenses in the current year, including non-cash costs such as depreciation expenditure. It also includes other comprehensive income items including net asset revaluation increment (decrement reversal) and share of other comprehensive income of associates and joint ventures accounted for by the equity method, to arrive at a 'comprehensive result'. The comprehensive result equates to the movement in net assets or total equity.
<b>Current assets</b>	Assets where Council expects to receive the future economic benefit within the next twelve months unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
<b>Current liabilities</b>	Liabilities where Council expects to fulfil its obligation within the next twelve months unless the Council does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date.

Item	Explanation
<b>Depreciation</b>	An expense which recognises the value of a fixed asset as it is used up over time.
<b>Employee benefits</b>	Relates to wages and salaries, casual staff payments, annual leave, long service leave, superannuation, fringe benefits tax, WorkCover and redundancy payments.
<b>Equity</b>	The residual interest in the assets of Council after deduction of its liabilities, which is made up of accumulated surplus and reserves. Total equity is also equal to net assets.
<b>Expense</b>	An outgoing payment made by Council.
<b>Financing activities</b>	Financing activities means those activities which relate to changing the size and composition of the financial structure of the entity, including equity and borrowings not falling within the definition of cash.
<b>Fixed assets</b>	See Property, infrastructure, plant and equipment.
<b>Grants – non-recurrent</b>	Grant income received for a 'one off' specific purpose, generally for a particular project.
<b>Grants – recurrent</b>	Grant income received on a regular basis (i.e. quarterly, annually) and granted to Council by another entity for specific or general purposes.
<b>Income</b>	Income is the amount of money that Council actually receives from its activities, mostly from rates and services provided to customers and ratepayers.
<b>Infrastructure</b>	Non-current property, plant and equipment excluding land.
<b>Interest</b>	Includes interest earned on all cash and investment balances, interest earned on rates and unrealised gains on managed fund investments.
<b>Interest bearing loans and borrowings</b>	Council's borrowings.
<b>Investing activities</b>	Investing activities means those activities which relate to acquisition and disposal of non-current assets, including property, plant and equipment and other productive assets, and investments not falling within the definition of cash.
<b>Liabilities</b>	Future sacrifices of economic benefits that Council is presently obliged to make to other entities as a result of past transactions or other past events.
<b>Materials and services</b>	Expenditure incurred in relation to building maintenance, general maintenance, plant and equipment maintenance, office and administration, insurance, registration and Metropolitan Fire Brigade levy, financial and legal costs and information technology costs.
<b>Changes in equity for the period</b>	The net movement in the net surplus (deficit) and asset revaluation increments (decrements). This is also equal to the change in net assets.
<b>Net asset revaluation increment (decrement)</b>	This represents the increase (decrease) between the old valuation and new valuation of property and infrastructure asset classes, which were re-valued during the year.
<b>Net assets</b>	The difference between total assets and total liabilities, which represents Council's net worth. Net assets are also equal to total equity.
<b>Net gain (loss) on disposal of property, plant and equipment, infrastructure</b>	The net of income received in relation to the sale of assets and the carrying amount of assets sold, replaced or disposed of during the year.

Item	Explanation
<b>New asset expenditure</b>	Expenditure that creates a new asset that provides a service that does not currently exist.
<b>Non-current assets</b>	Assets where the future economic benefit is not expected to be received within the next twelve months or where the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
<b>Non-current assets classified as held for sale</b>	Non-current assets that Council intends to sell within the next twelve months.
<b>Non-recurrent grants</b>	Means a grant obtained on the condition that it is expended in a specified manner and is not expected to be received again during the period covered by the Integrated Council Plan.
<b>Non-current liabilities</b>	Liabilities where the obligation is not expected to be fulfilled within the next twelve months or where Council has a right to defer settlement of the liability for at least twelve months after reporting date.
<b>Other expenses</b>	Includes auditors' remuneration, Councillors' allowances, operating lease rentals, impairment losses, community grants and contributions, training and professional development expenditure, contract settlement expenditure and expenditure incurred in relation to special rate schemes.
<b>Other income</b>	Income received from donations, insurance recoveries, craft markets, festivals, local laws, right-of-way sales, transport and other sources.
<b>Prepayments</b>	Payments made by Council in advance of receiving the goods or services.
<b>Property, infrastructure, plant and equipment</b>	Often referred to as Fixed Assets. This is the largest component of Council's asset base or worth. This represents the value of all land, buildings, roads, footpaths, drains, bridges, vehicles, plant and equipment and so on, which are recorded on Council's asset register.
<b>Provisions</b>	Includes accrued long-service leave, annual leave, sick leave and rostered days off owing to employees at reporting date.
<b>Rate and charges</b>	Income received from ratepayers in relation to general rates, garbage rates and special rate schemes.
<b>Recurrent grant</b>	A grant other than a non-recurrent grant.
<b>Reserves</b>	Includes the asset revaluation reserve which includes the net revaluation increments and decrements arising from the revaluation of fixed assets in accordance with AASB 1041 'Revaluation of Non-Current Assets'. Other reserves include statutory reserves such as resort and recreation and carpark and general reserves where money is held in reserve for specific projects.
<b>Restricted cash</b>	Cash and cash equivalents, within the meaning of AAS, that are not available for use other than a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year.
<b>Right-of-way</b>	Former laneway no longer required for access to surrounding properties.
<b>Share of net profits (losses) of associates and joint ventures</b>	Council's share of the net profit/loss recognised in its joint venture partnerships.
<b>Statement of capital works</b>	Means a statement which shows all capital expenditure of a council in relation to non-current assets and asset expenditure type.

Item	Explanation
<b>Statement of cash flows</b>	The statement of cash flows shows the net cash inflows and outflows in the forthcoming year in the form of a reconciliation between the opening and closing balances of total cash and investments for the year. The cash flow statement should be prepared in accordance with the requirements of AASB 107 Statement of Cash Flows.
<b>Statement of changes in equity</b>	The statement of changes in equity shows the movement in Accumulated Surplus and reserves for the year. The net movement in the net surplus (deficit) and asset revaluation increments (decrements). This is also equal to the change in net assets.
<b>Statutory fees and fines</b>	Includes parking infringements and costs, PERIN court recoveries, town planning fees, land information certificates and trader parking and street furniture permits.
<b>Statutory reserves</b>	Statutory reserves are funds set aside for specified statutory purposes in accordance with various legislative requirements. These reserves are not available for other purposes.
<b>Surplus (deficit)</b>	Represents the difference between total revenues, expenses, net gain (loss) on disposal of property, plant and equipment, infrastructure and share of net profits (losses) of associates and joint ventures accounted for by the equity method.
<b>Trade and other payables</b>	Monies owed by Council to other entities/individuals.
<b>Trade and other receivables</b>	Monies owed to Council by ratepayers and other parties less provisions for doubtful debts.
<b>Trust funds and deposits</b>	Monies received by Council for a specific purpose, which are to be refunded upon a specific event occurring (e.g.. Council assets are not damaged). If that specific event does not occur, Council is entitled to recognise these monies as income.
<b>Unrestricted cash</b>	Unrestricted cash represents all cash and cash equivalents other than restricted cash.
<b>User fees</b>	Income received by Council from a variety of fees and charges such as aged and health services fees, animal and local law fines and registrations, building permits and other charges, child care/children's program fees, debt collection recovery charges, debt collection recovery charges, election fines, recreation fees, library fines and other charges and tow-away charges.

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