

# CEO REPORT



**ISSUE 33  
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The CEO Report is a regular bulletin published by the City of Port Phillip (CoPP).

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

*Presented at the Ordinary Meeting of Council on 3 May 2017*

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

## **Welcome**

Welcome to the CEO Report. This issue discusses activities undertaken during March towards delivering the Council Plan and delivering value to the community.

I am proud that Port Phillip will be the home of Victoria's Pride Centre, the first of its kind in Australia. On 17 March the State Government announced Fitzroy Street will become the home of Victoria's Pride Centre. This will be the first centre of its kind anywhere in Australia and will serve as the principal hub for LGBTI organisations, groups and community.

Extensive consultation with the LGBTI community was held to identify the important elements of a successful Pride Centre, the feedback received was considered in the selection of St Kilda.

## **Delivering the Council Plan**

### **Fishermans Bend Urban Renewal Area**

Officers made a submission to the Federal Government regarding how value capture, a public financing tool can help deliver major land transport infrastructure in Fishermans Bend to enable a modern sustainable and diverse extension of our City.

Officers continue to work with and advocate for the renewal of Fishermans Bend by working on the Public Space Plan and the Community Infrastructure Plan. Officers also commenced development of the Funding and Finance Plan through an inter-governmental working group. The release of the Framework Plan for consultation has been delayed and is now likely to occur in mid 2017.

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

Following community consultation on the proposed streetscape plan for the precinct in February officers presented the outcomes to Council on 5 April. In response Council resolved to commence design and delivery of streetscape works and complete Montague Community Park.

The demolition tender for 2-4 Buckhurst Street (site of the Montague Community Park) closed on 7 April. Demolition works are anticipated to commence on site in May.

### **St Kilda Triangle**

Work on the draft design guidelines and planning scheme amendment has been adjourned while Council establishes its future priorities and develops its Council Plan 2017-27.

### **Palais Theatre**

During March the new tenant, Live Nation Australia Venues, commenced their building restoration and upgrade. The works will further improve the attractiveness, functionality, accessibility and safety of the Palais Theatre.

The works include restoring the spectacular ceiling domes, replacing damaged marble floor tiles, upgrading the dressing rooms, and improving access for people with disabilities.

Being carried out in phases, these works represent the first packages of the \$7.3 million in redevelopment the tenant is required to complete within the first five years of their lease.

### **Vibrant places and villages**

After the workshop in February, the Village Partnership Groups met to officially kick off the year's planning for their villages.

After being approached by community members, residents and local businesses officers collaborated on a plan to 'green' the Ripponlea Shopping Village with additional low-maintenance plantings. Representatives from across Council and the community met on site to discuss suitable locations and planning is underway for installation. No major disruptive works from Council will be required. Community members are currently researching suitable containers and will seek plant donations from commercial nurseries, which will result in a truly collaborative, community-driven project.

Three new murals have been installed at the South Melbourne Market by artist Cam Scale. The first portrait in the series was installed in January, with an additional four installed in March. The portraits highlight the generations of people from all backgrounds who have visited and worked at the market over its 150 years. Read more about the murals at [southmelbournemarket.com.au/market-murals/](http://southmelbournemarket.com.au/market-murals/)

### **Toward Zero implementation**

Ride2School Day was held on 17 March with 14 schools participating across the municipality. Port Phillip's Ride2School initiative complements Council's ongoing efforts to encourage people to get on their bikes, get healthy and reduce their impact on the environment. It also provides an important reminder that we can leave the car at home.

As part of our Early Years Sustainability Leadership Program (known as the Seedlings program) 93 early childhood educators attended our recent professional development workshop to learn about sustainability practices. A record number of attendees highlighted the importance of providing professional development opportunities for educators as part of the Seedlings program.

### **Gasworks Arts Park contamination management**

During March additional soil samples were collected from ten locations to complement the work in February. Once the soil samples have been analysed, the independent auditor will develop an appropriate solution for the park. This will guide decision making for the direction for the management of the contaminated soil.

A community update was provided on Council's website in March. To stay informed, visit [www.portphillip.vic.gov.au/gasworks-soil-remediation.htm](http://www.portphillip.vic.gov.au/gasworks-soil-remediation.htm)

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

During March officers held a final design meeting with the club. Council officers are collating construction documentation in preparation for an expression of interest (EOI) process to engage a builder.

A community update will be distributed in May to provide the final design in accordance with the coastal consent and provide timelines for the construction. This will be available on Council's website [www.portphillip.vic.gov.au/smlc.htm](http://www.portphillip.vic.gov.au/smlc.htm)

### **JL Murphy Reserve pavilion**

Officers continued to work with the tenant sporting clubs to develop a revised design for the sports pavilion. This includes investigating the impacts and cost of a larger social space. The revised design is subject to funding contribution from the clubs.

Officers will seek community feedback following Council's formal endorsement of the concept.

### **Peanut Farm Reserve pavilion**

During March the project architects completed the detailed design. A building permit application will be submitted and a community update on the project will be published and distributed to surrounding residents in April. The process to engage a contractor to deliver the works will commence in May 2017.

### **Queens Lane precinct**

During March passing areas between Beatrice and Union streets were installed. A commencement meeting was held with key stakeholders to develop the detailed design of the intersection of Kings Way and Queens Lane.

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

Council officers have been advised that VicRoads and the State Government have selected a preferred design option and plan to inform the community of this option in May. VicRoads intends to submit a business case to the Transport Accident Commission in early June to enable the project to be delivered in 2018.

Council continues to work with VicRoads on a thorough analysis of this design and to ensure the community have a genuine opportunity to engage.

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

Following the release of the State Government's 'Homes for Victorians' policy, officers are considering the implications and opportunities that will help achieve the outcomes of 'In Our Backyard'. This analysis along with investigations into warehouse conversion and use of vacant residential properties for short term accommodation will be included in briefing information for Councillors.

## **Improving community value**

### **Continuous service and business improvement**

This month we focused on improvement to service delivery through digital enablement. We began trialling mobile technology that allows our local laws officers to better respond to customer requests and proactively maintain public amenity by ensuring construction and site development is managed and safe whilst they are out in the field.

### **Enterprise portfolio management**

During March the enterprise portfolio management team worked to finalise the draft project portfolio for 2017/18 and the ten year portfolio as part of the proposed Council Plan 2017-27.

As part of lifting our capability, we successfully piloted our first Project Management Foundations course in March. This will now form part of a broader program across the organisation.

### **Aligned organisational culture and capability**

In March an overwhelming majority of employees voted 'Yes' in support of the City of Port Phillip Enterprise Agreement 2016. Seventy-two per cent of all City of Port Phillip employees voted and out of those, 96 per cent voted 'Yes'. This represents an absolute majority of all employees having voted to support the proposal. Officers have now commenced

work to lodge the Agreement with the Fair Work Commission for approval.

Throughout February and March, six employees from various departments across Council competed in the 2017 Australasian Local Government Management Challenge. This is a development program that provides real life problem solving experiences and produces outcomes that translate into relevant, tangible and enduring benefits for participants and the whole organisation.

### **Good governance**

At the 5 March meeting Council considered the Victoria Electoral Commission's Report on the election held on 22 October. The full report can be viewed on Council's website

[www.portphillip.vic.gov.au/E9204\\_17\\_VEC\\_2016\\_Election\\_Report\\_Port\\_Phillip\\_City\\_Council.pdf](http://www.portphillip.vic.gov.au/E9204_17_VEC_2016_Election_Report_Port_Phillip_City_Council.pdf)

Findings from the community engagement for the Council Plan 2017-2027 were presented to Council on 5 April. With over 2,000 individual pieces of feedback received, double the level of feedback received in 2016/17. Various avenues to connect and engage with the community were used, including a community survey, an avatar tool, pop-up conversations, targeted focus groups, online discussion forums, special focus workshops, a findings forum, and social media channels. The findings from this report will help shape the Council Plan 2017-27. The full report can be accessed on Council's website

[www.portphillip.vic.gov.au/E33393\\_17\\_COUNCIL\\_PLAN\\_-\\_ENGAGEMENT\\_FINDINGS\\_REPORT\\_-\\_FINAL\\_22Mar.pdf](http://www.portphillip.vic.gov.au/E33393_17_COUNCIL_PLAN_-_ENGAGEMENT_FINDINGS_REPORT_-_FINAL_22Mar.pdf)

## **Other notable items**

### **South Melbourne Market Mussel and Jazz Festival**

On 11 and 12 March the South Melbourne Market hosted the fourth annual Mussel and Jazz Festival. The once a year seafood street party featured some of the region's top chefs and restaurants and visitors enjoyed street peddlers, the sounds of Bourbon Street, a little bit of calypso and great local wines.

Up to six tonnes of mussels were sold at this year's event, up from five tonnes recorded in 2016. The event saw a record number of visitors attending, exceeding the previous record from Christmas Eve 2016 by 2.8 per cent with 39,394 visitors on the second day of the festival.



*Mussels being prepared at the 4<sup>th</sup> annual Mussel and Jazz Festival*

### **William Street Reserve upgrade completed**

In March the landscape upgrade and soil remediation works at William Street Reserve, Balaclava were completed. The work ensured the existing significant trees were protected and provided a long-term solution to soil contamination issues at the reserve.

The upgrade included constructing timber decking under the four large trees, concrete paths and retaining walls, additional garden beds, park furniture, lawn and fencing.

We have received positive feedback from residents, one who said "I was worried about what the park was going to look like but I'm really pleased with the result."



*As part of the upgrade at William Street Reserve new decking was installed around significant trees*

## Drinking fountain at Hank Marvin Market

Council partnered with the O Initiative and Hank Marvin Market to install a sculptural drinking fountain funded by a GoFundMe fundraising campaign in Alma Park. The fountain was launched early in March and looks fantastic. Hank Marvin Market is planning to ban the sale of plastic bottled water at the Market from 1 July (recyclable paper cups will be available at the market info booth). The City of Port Phillip is the first organisation to jump on board with this partnership.



*New drink fountain installed at Alma Park*

## Welcome to Peter Smith, Chief Executive Officer

This is my final report as Interim Chief Executive Officer. I feel incredibly fortunate to have had this opportunity for the past five months during a very important transition phase for the Council and organisation. I am proud of what we have achieved together and have enjoyed the support of the Council, community and an incredibly talented organisation. I would like to acknowledge the efforts of staff who have continued to deliver great services and outcomes during this interim period.

On behalf of the City of Port Phillip organisation, I warmly welcome Peter Smith and look forward to delivering on Council's long term vision for the city and achieving even more remarkable outcomes under his leadership. Peter joins us from South Australia and will commence 29 May 2017.

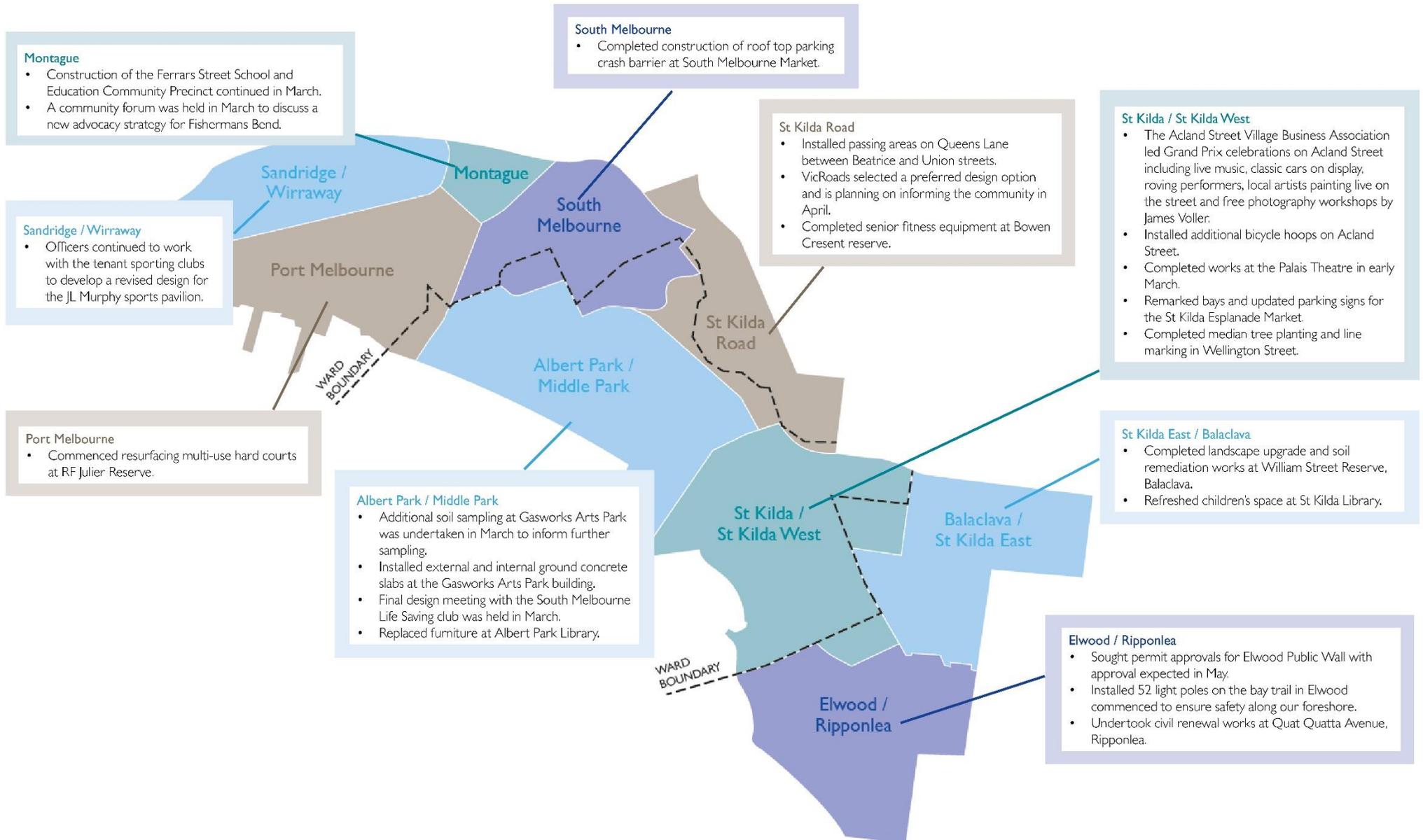
### **Carol Jeffs**

Interim Chief Executive Officer



# What's happened in your local neighbourhood?

This section provides an update on local projects and activities by neighbourhood.

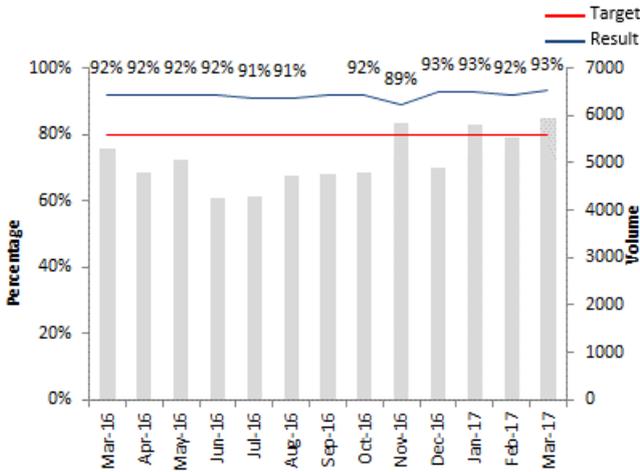


# Our performance

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

## Service performance for the community

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



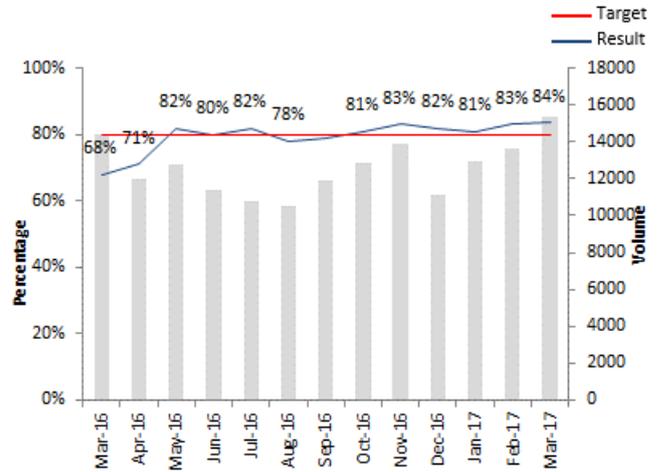
February: 92%

March: 93%

93%

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

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



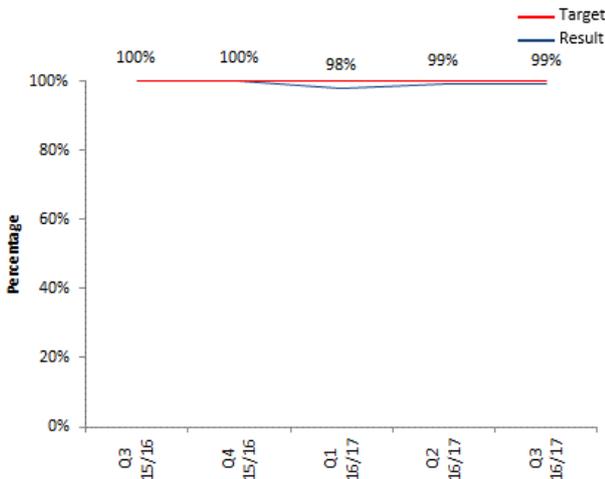
February: 83%

March: 84%

84%

This month we received the highest volume of calls received in the last 12 months despite this we significantly increased calls answered within 30 seconds compared to March 2016.

**Council Plan actions on track (Quarterly)**



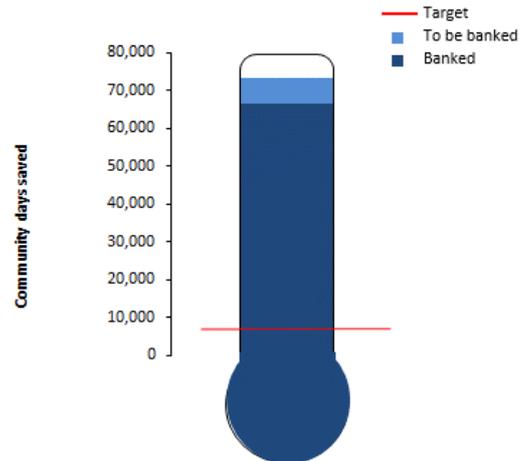
Quarter Two: 99%

Quarter Three: 99%

99%

We are delivering on our actions as outlined in the Council Plan 2013-17. At the end of March, 88 Council Plan actions were on track with one Council Plan actions off tack. A full report is provided on page 12.

**Community wait days saved (Monthly)**



February: 66,648 days

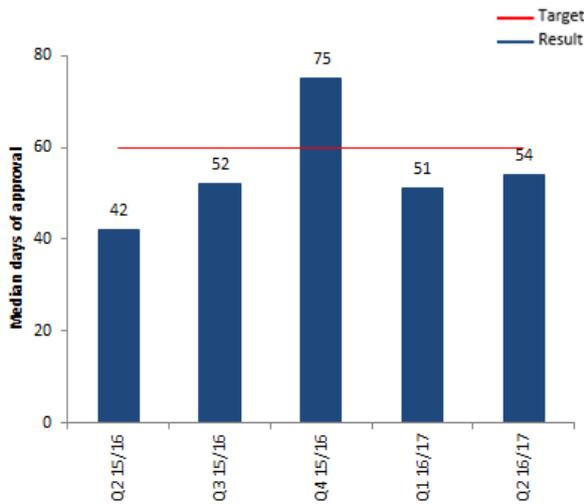
March: 66,648 days

66,648

As a result of improving our parking permit process we have saved the community over 50,000 days waiting for Council services.

## Service performance for the community (continued)

### Time taken to decide planning applications (Quarterly)



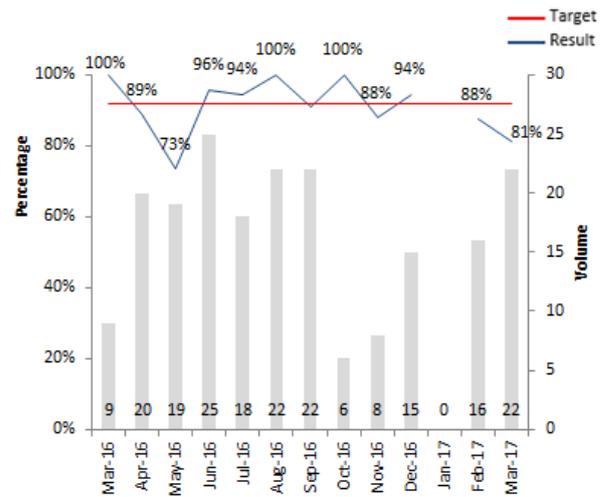
Quarter One: 51 days

Quarter Two: 54 days

Data was not available for quarter three at the time of publishing. Results will be available in the next issue.

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### Decisions made in public (Monthly)



February: 88%

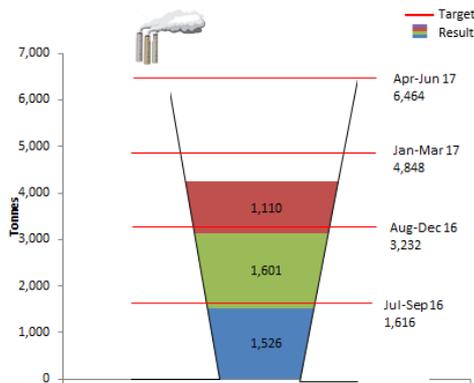
March: 81%

Council is committed to transparent and open decision making. 18 of the 22 decisions were made public. The year to date result is 93 per cent compared to the target of 92 per cent (based on industry benchmarks).

93%

## Internal processes

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



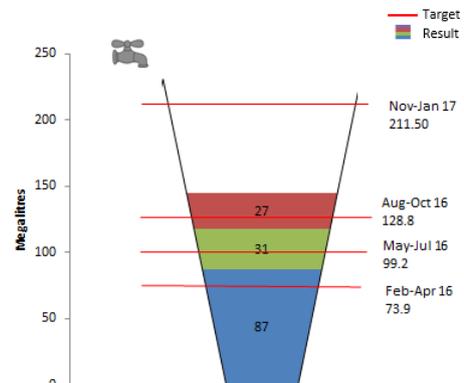
Quarter Two: 1,601 Tonnes

Quarter Three: 1,110 Tonnes

Council's year to date net emissions is 4,237 tCO<sub>2</sub>e (tonnes carbon dioxide equivalent), which is below target. This quarter, gross emissions were 2,442 tCO<sub>2</sub>e and net emissions (including carbon offsets) were 1,110 tCO<sub>2</sub>e. Gross GHG emissions were eight per cent lower than the same quarter last year. The result is attributable to continued efforts to improve energy conservation in Council buildings, renewable energy installations and improving the efficiency of streetlights as well as a 'greening' of the national electricity grid.

4,237

### Potable water usage (cumulative) (Quarterly)



Quarter Two: 31 ML

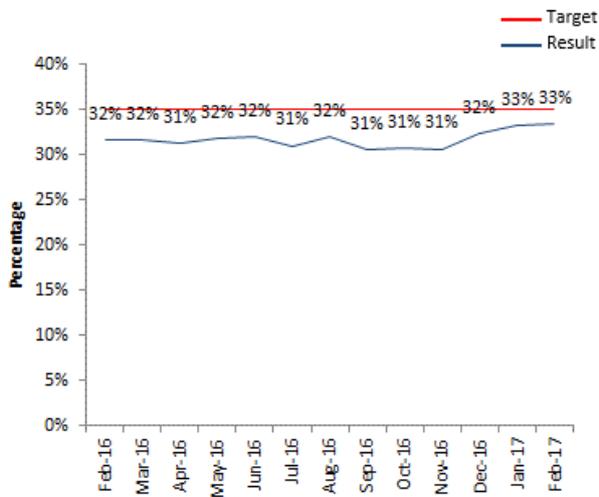
Quarter Three: 27 ML

Council used 27 ML of potable water between August and October 2016 bringing the year to date result to 145 ML (above target). The quarterly result is a 40 per cent decrease on the same time in 2015 and equates to a saving of \$64,000 compared to our water bill for the same quarter last year. The decrease is mainly due to high rainfall during the period which led to significant reductions in water usage at our parks and gardens (57 per cent reduction) and sports facilities (67 per cent).

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## Internal processes (continued)

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

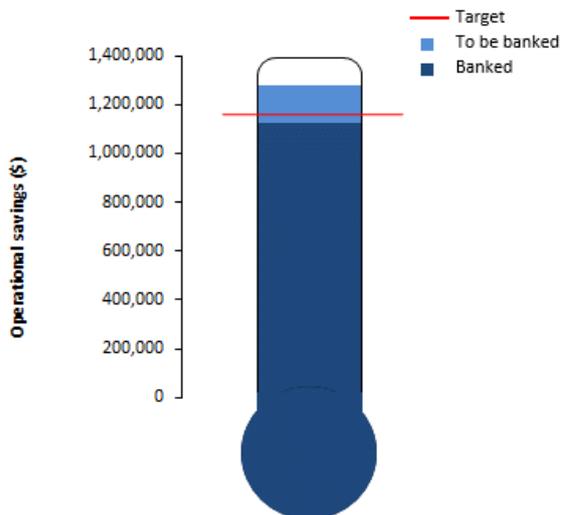


January\*: 32%

February\*: 33%

This measure is based on the weight of recyclables placed on the kerbside for collection by the community. We aim to divert waste from landfill through educating the community about the value of recycling.

### Operational savings (Monthly)



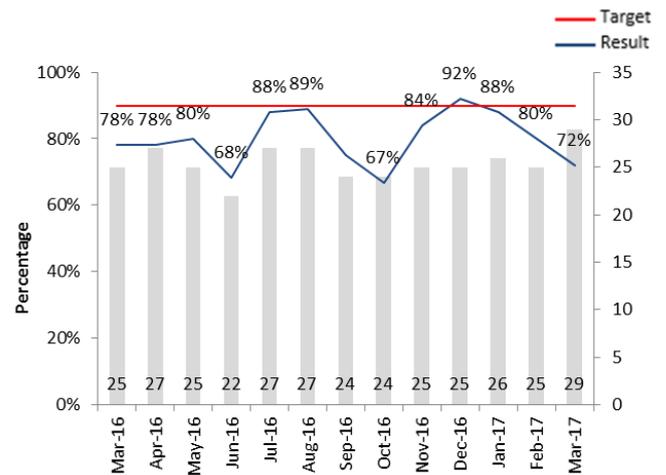
February: \$952,000

March: \$1,127,300

To date we have achieved \$1,127,300 of operational savings efficiencies by doing the same or more for less and identifying other funding sources.

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

### Council priority projects on track (Monthly)



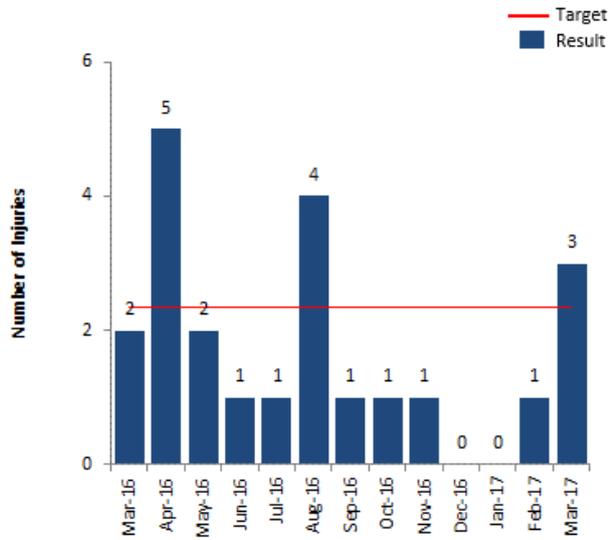
February: 80%

March: 72%

We track the status of Council priority projects. At the end of March, 21 projects were reported as on track and eight projects were reported as off track. Details are provided in the Priority Project Status Report on page 20.

# Insurance and safety

**Total recordable injuries**  
(Monthly)



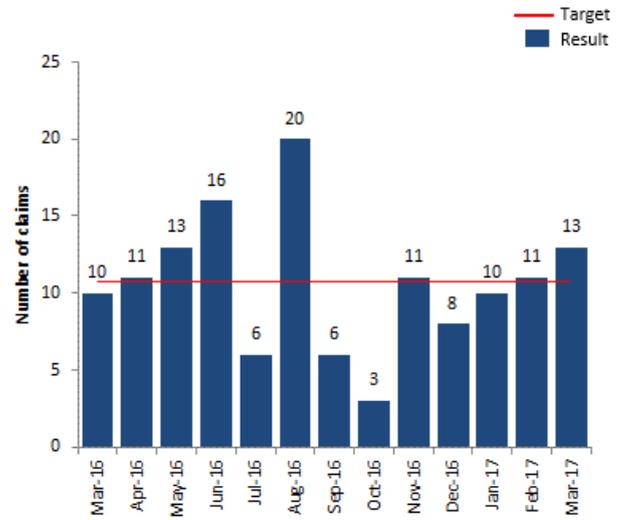
February: 1 injury

March: 3 injuries

3

This measure is a key component in creating a healthy occupational and safety culture. All three injured employees have since returned to work.

**Public liability claims received**  
(Monthly)



February: 11 new claims

March: 13 new claims

13

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

# Delivering the Council Plan: Quarterly Review

## Quarterly Performance Update (end 31 March 2017)

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

### Engaged – A well-governed city

Measure of success	Mar 16 Result	Jun 16 Result	Mar 17 Result
Percentage of Council decisions made in public is consistent with industry benchmarks (Target: 92% of all Council decisions to be made in public)	100%	96%	93%
Total Council expenditure per property assessment is consistent with industry benchmarks (Target: \$2,950 expenditure per property assessment)	\$2457	\$2620	\$2529

### Healthy – A healthy, creative and inclusive city

Measure results will be available in Quarter Four.

### Resilient – A strong, innovative and adaptive city

Measure of success	Mar 16 Result	Jun 16 Result	Mar 17 Result
Waste diversion from landfill rate is consistent with like councils (Target: 35% of all waste diverted to recycling) <i>see page 9 for more detail</i>	32%	32%	33%
Reduction in Council's total greenhouse gas emissions per annum (Target at end of year: Less than 6,464 tonnes by 30 June 2017) <i>see page 8 for more detail</i>	6420	6464	4237
Achievement of Council's total potable water consumption target for the year (Target at end of year: Less than 211 megalitres (ML) by 30 June 2017) <i>see page 8 for more detail</i>	146ML	258ML	145ML

### Vibrant – A liveable and connected city

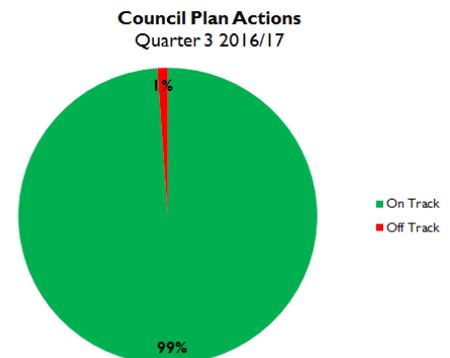
Measure of success	Mar 16 Result	Jun 16 Result	Mar 17 Result
Increased number of planning permit applicants participating in the Sustainable Design Assessment in the Planning Process (SDAPP) program with Port Phillip* (Target at end of year: 70% by 30 June 2017)	89%	69%	63%
The proportion of the capital works program that is delivered on budget (Target: At least 80% expenditure compared to budget)	83%	84%	90%

# Key action updates (1 January – 31 March 2017)

## Highlights from the Council Plan 2013-17

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

- Improved communication and engagement practices to support open and inclusive decision making through the comprehensive community engagement process informing the development of the Council Plan 2017-27. Officers used new approaches to technology including an avatar tool, random participant selection and more deliberative techniques. We more than doubled the amount of community feedback received from previous years.



Value transparent processes in Council decision making

- The proposed Council Plan 2017-27 links Council strategy, services and budget over ten years, and works towards ensuring long-term financial viability through robust financial management and accountability.

Build and facilitate a network of active and informed communities

- Collaborated with a range of government agencies, including Victorian School Building Authority, VicRoads and Public Transport Victoria to deliver communications on the Ferrars Street Education and Community Precinct.

Achieve a reputation for organisational and service excellence

- Commenced developing a Customer Experience Improvement Plan, which will further develop a strong organisational culture of service quality and excellence. During the quarter we secured a supplier for the works and stakeholder workshops have been planned for the next quarter.
- Endorsed and implemented a complaints policy to provide clear and efficient processes for managing resident enquiries, requests and complaints. To view the complaints policy, head to Council's website [www.portphilip.vic.gov.au/complaints.htm](http://www.portphilip.vic.gov.au/complaints.htm)

Ensure our City is a welcoming and safe place for all

- Ran activities for seniors through the Linking Neighbours Program, including a trip to Cruden Farm and McClennans Sculpture Park with 55 members attending; and the National Gallery Victoria David Hockney Exhibition with 10 members attending. Resumed the Warm Water Exercise program in February at the Melbourne Sports and Aquatic Centre with 32 members attending.
- Marked Cultural Diversity Week from 18-26 March with a series of well-attended art and music events held at the Albert Park, Emerald Hill and St Kilda libraries.
- Facilitated targeted focus groups and provided appropriate materials to ensure diverse groups (including some which are typically harder to reach) were included in the development of the Council Plan 2017-27. This program reached a total of 450 participants, including children, youth, older people, Indigenous and culturally and linguistically diverse communities.

Support our community to achieve improved health and wellbeing

- Commenced construction of netball courts at RF Julier Reserve, Port Melbourne to enhance recreation and sporting activities.
- Increased animal patrols to maintain a high level of compliance by dog owners in open spaces. Strategic placement of signs continues to promote compliance along our beaches and open public space.

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

- Reopened adventure playgrounds with strong attendance levels, following the temporary closure after preliminary soil testing indicated the presence on contaminants often found in inner city areas. Both sites were refreshed during the works, and Council worked closely with community to ensure minimal disruption. In April and May 2017 the playgrounds will be temporarily closed for further soil testing and maintenance works.
- Increased usage of the Child and Youth Directory during the quarter. The directory enables families to reference a number of child, youth and family related resources and easily access a range of advice. The directory is an initiative produced in collaboration with Stonnington, Bayside, Glen Eira and Kingston councils.

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

- Published and distributed the Live and Learn Course Guide 2017 both online and in hard copy at town halls and community centres to improve access to high quality lifelong learning opportunities. The guide is a 'what's on' style program with information on the range of classes and activities offered across 14 community centres in Port Phillip. Check out the courses available online at [www.portphillip.vic.gov.au/Live-Learn-Guide-Feb-2017.pdf](http://www.portphillip.vic.gov.au/Live-Learn-Guide-Feb-2017.pdf)
- Received and began assessing applications for the Community Grants Program 2017/18 to help support and fund a range of services, programs and activities of community benefit.

### Promote an improved range of cultural and leisure opportunities that foster a connected and engaged community

- Over 9,000 people enjoyed the Yalukit Wilum Ngargee Indigenous arts festival and over 400,000 people enjoyed the 37<sup>th</sup> St Kilda Festival in February. These festivals featured more than 50 Australian bands bringing vibrant live music to the City, celebrating Indigenous culture and showcasing creative people.
- Refreshed the children's areas at the St Kilda and Middle Park libraries with new painting, shelving and soft furnishing and play items.

### Build resilience through Council action and leadership

- Reduced energy usage by eight per cent in Council buildings compared to the same quarter in 2015/16.
- Developed information packs for apartments to increase recycling and provide information regarding the hard waste booking service to help reduce dumped rubbish. Produced new information booklets with results of waste bin audits completed in February.

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

- Worked with the community, Melbourne Water and other local governments to establish a plan for flood mitigation and adaption in the Elster Creek catchment to help residents understand climate issues, the impacts and how we can adapt.

### Encourage Viable, Vibrant Villages

- Engaged with businesses across St Kilda as part of St Kilda Festival, including through partnerships, extension of trade, and consultation. Engaged with businesses for the upcoming Live N Local festival in August 2017.

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

- Established design guidelines and public realm concept plan to improve development outcomes and the design and amenity in Port Melbourne.
- Installed 52 light poles on the bay trail in Elwood to ensure safety along our foreshore.
- Refreshed beach showers at Elwood and St Kilda West.

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

- Improved data and processes to support the development of the Draft Asset Renewal and Upgrade budget for 2017/18 and robust 10 year asset management plans.
- Implemented sustainable and accessible streetscapes through civil renewal programs at Dickens Street, St Kilda; Quat Quatta Avenue, Ripponlea and laneway segments in Ripponlea.

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

- Successfully obtained additional bus services to the 235 bus route, which services Fishermans Bend, as a result of requests to Public Transport Victoria.
- Progressed implementation of the Walk and Bike plans with improvements at the intersection of Ferrars and Banks streets and raised pavement zebra crossings at Richardson and Wright streets intersection.
- Worked with Melbourne Metro Rail Authority in the design and implementation of construction in and around the Domain Precinct on St Kilda Road to improve public transport accessibility and connections into our City.
- Made a submission to Infrastructure Victoria's Transport Network Pricing Discussion Paper in February to advocate for improved management of transport movement in and through the City. The discussion paper is available online at [www.infrastructurevictoria.com.au/sites/default/files/images/The%20road%20ahead%20final%20web.pdf](http://www.infrastructurevictoria.com.au/sites/default/files/images/The%20road%20ahead%20final%20web.pdf)

### **Actions recorded off track in quarter three:**

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

- The action to implement St Kilda Triangle 2012, continuing to work towards securing a sustainable future for the St Kilda Triangle and the Palais, was recorded as off track with officers liaising with Councillors on the resurgence and scope of works to implement St Kilda Triangle in the upcoming four financial years.

## Legislative update – March 2017

### Legislative changes

Below are the legislative changes for the months of March 2017 that may affect the City of Port Phillip.

Legislation	Assent date	Impact
Children Legislation Amendment (Reportable Conduct) Act 2017 (Amending Child Wellbeing and Safety Act 2005)	28 February 2017	Establishes a reporting scheme with particular requirements.
Climate Change Act 2017 (Amending Climate Change Act 2010)	28 February 2017	Sets a long term greenhouse gas emission reduction target (net zero greenhouse gas emissions by the year 2050) and provides for the setting of 5 yearly interim greenhouse gas emission reduction targets in order to reach the long term target. Provides state government role in reducing greenhouse gas emissions.
Victorian Civil and Administrative Tribunal (Amendment No.16) Rule 2017 (Amending Victorian Civil and Administrative Tribunal Rules 2008)	1 March 2017	Revokes restrictions on principal registrar from performing certain Tribunal functions in relation to proceedings in the planning and environment list. Adds function of the Tribunal that may be performed by the principal registrar.
Heritage Act 2017 (Amending Heritage Act 1995)	15 March 2017	Provides protection and conservation of the cultural heritage of the State and management of World Heritage List, establishes a Victorian Heritage Register, Heritage Inventory, Heritage Council, and Heritage Fund, and creates offences and other enforcement measures to protect and conserve cultural heritage.
Education and Care Services National Law Amendment Act 2017 (Amending Education and Care Services National Law Act 2010)	27 March 2017	Improves the regulation of education and care services, including family day care services and educators at those services.
Urban Renewal Authority Victoria Amendment (Development Victoria) Act 2017 (Amending Urban Renewal Authority Victoria Act 2013)	27 March 2017	Abolishes the Urban Victoria Authority Victoria and establish Development Victoria as its successor in law.
Victorian Planning Authority Act 2017 (Amending Planning and Environment Act 1987)	27 March 2017	Abolishes the Growth Area Authority and establishes the Victorian Planning Authority and make consequential amendments to other Acts.

### Legislative breaches

There were no legislative breaches recorded for March 2017.

## Financial performance – March 2017

Council's year to date cash surplus of \$18.9 million is \$7.9 million higher than the forecast year to date surplus of \$11.0 million. The key drivers for this favourable variance are summarised below:

	This Month			Year to Date		
	Actual	Forecast	Variance	Actual	Forecast	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating Income</b>	18,216	18,233	(17)	157,119	156,163	955
<b>Operating Expenditure</b>	11,624	11,351	(273)	133,711	136,685	2,974
<b>Project Capital Expenditure</b>	2,333	1,357	(976)	25,837	28,602	2,765
<b>Reserve Movements</b>	(1,571)	(2,744)	1,173	(118)	(1,061)	943
<b>Cash Surplus/Deficit</b>	3,787	4,231	(445)	18,918	10,992	7,926

## Key variance explanations

**Operating income** - Year to date operating income is tracking favourably against forecast by \$0.96 million mainly due to the following material items:

- ↑ \$0.48 million favourable User Fees: A number of favourable ongoing items including greater utilisation of paid parking \$133,000, increased demand for car parking permits \$106,000, and greater than forecast street occupation permits issued \$75,000. Forecasts to be undertaken for April reporting.

**Operating expenditure** - Year to date operating expenditure is underspent by \$2.97 million compared to forecast mainly due to the following material items:

- ↑ \$1.66 million favourable Employee Costs: year to date expenditure does not include \$1.8 million due to the delay in finalising the Enterprise Bargaining Agreement.
- ↑ \$0.32 million favourable Materials and Services: Due to the timing of contract expenditure including property valuations, final instalment of the election contract, and other minor variances. No permanent adjustments required.
- ↑ \$1.02 million favourable Professional Services: Due to delays in several Operating projects, namely Business Enablement and Innovation fund, Integrated Council Plan, Strategic Parking Implementation, Fishermans Bend Recast works, Planning Scheme Amendments, and Online Health & Safety System project. These projects are being reforecast.
- ↓ \$0.19 million unfavourable Bad and Doubtful debts: Due mainly to higher than anticipated provision for doubtful parking infringement debts.

**Capital expenditure** - Year to date capital expenditure is showing an underspend of \$2.77 million mainly due to the following material items:

- ⇒ Building Renewal Program \$0.86 million favourable: Due to savings across a number of projects and delays with some key building projects including Ferrars St Community Centre and South Melbourne Market renewal works. The forecast will be updated for April reporting.
- ⇒ Roads \$0.50 million favourable: Mainly due to savings and delays in progressing the Ross St Port Melbourne road renewal, road resurfacing program, Kendall St Elwood and Queens Lane Upgrade.
- ⇒ Parks, Open Space and Streetscape \$0.57 million favourable: Mainly due to delays in progressing Woodruff Oval Lighting, RF Julier Netball Upgrade and Olive's Corner Pocket Park.

**Reserve Transfers** - Year to date movement of reserves is a net replenishment of \$0.12 million, which is lower than forecast by \$0.94 million due to the timing of property sale proceeds. This will be aligned to forecast in April.

# Comprehensive Income Statement - March 2017

	Year to date				Full Year		
	Actual (\$'000)	Forecast (\$'000)	Variance (\$'000)	Variance %	Forecast (\$'000)	Budget (\$'000)	Variance (\$'000)
<b>Income</b>							
Rates and Charges	87,676	87,644	32	0%	116,941	117,141	(200)
Statutory Fees and Fines	16,774	16,645	129	1%	21,833	21,111	722
User Fees	26,951	26,471	480	2%	33,926	32,522	1,404
Grants - Operating	7,882	7,761	121	2%	10,055	9,760	295
Grants - Capital	1,531	1,512	19	1%	2,534	876	1,658
Contributions - Monetary	6,726	6,687	40	1%	7,667	4,100	3,567
Other Income	9,578	9,443	136	1%	13,085	12,676	409
<b>Total Income</b>	<b>157,119</b>	<b>156,163</b>	<b>955</b>	<b>1%</b>	<b>206,040</b>	<b>198,186</b>	<b>7,855</b>
<b>Expenses</b>							
Employee Costs	61,669	63,326	1,657	3%	83,747	83,764	17
Materials and Services	42,527	42,845	317	1%	67,119	62,811	(4,308)
Professional Services	3,664	4,686	1,022	22%	7,569	6,631	(938)
Bad and Doubtful Debts	2,687	2,497	(191)	(8%)	3,399	3,499	100
Depreciation	17,149	17,149	0	0%	22,457	21,232	(1,225)
Borrowing Costs	243	261	18	7%	458	563	105
Other Expenses	6,703	6,737	34	1%	9,671	9,740	69
Net (Profit) or Loss on Disposal of Assets	(931)	(815)	116	(14%)	1,886	2,733	847
<b>Total Expenses</b>	<b>133,711</b>	<b>136,685</b>	<b>2,974</b>	<b>2%</b>	<b>196,305</b>	<b>190,973</b>	<b>(5,333)</b>
<b>Operating Surplus / (Deficit)</b>	<b>23,407</b>	<b>19,478</b>	<b>3,929</b>	<b>20%</b>	<b>9,735</b>	<b>7,213</b>	<b>2,522</b>
<b>Income Statement Converted to Cash</b>							
<b>Adjustments for non-cash operating items:</b>							
• Add back depreciation	17,149	17,149	0	0%	22,457	21,232	1,225
• Add back written-down value of infrastructure assets disposals	1,083	715	368	51%	6,166	7,518	(1,352)
• Add back written-down value of fleet asset disposals	291	285	6	2%	285	0	285
• Add back balance sheet work in progress reallocated to operating	794	800	(6)	(1%)	1,200	1,200	0
	<b>19,317</b>	<b>18,949</b>	<b>367</b>	<b>2%</b>	<b>30,108</b>	<b>29,950</b>	<b>158</b>
<b>Adjustments for investing items:</b>							
• Less capital expenditure - Infrastructure	(23,615)	(25,185)	1,569	(6%)	(32,692)	(34,941)	2,249
• Less capital expenditure - IT, Plant and Equipment	(2,222)	(3,417)	1,195	(35%)	(4,521)	(3,805)	(715)
	<b>(25,837)</b>	<b>(28,602)</b>	<b>2,765</b>	<b>(10%)</b>	<b>(37,213)</b>	<b>(38,747)</b>	<b>1,534</b>
<b>Adjustments for financing items:</b>							
• Less Loan Repayments	(475)	(397)	(78)	20%	(500)	(500)	0
	<b>(475)</b>	<b>(397)</b>	<b>(78)</b>	<b>20%</b>	<b>(500)</b>	<b>(500)</b>	<b>0</b>
<b>Adjustments for reserve movements:</b>							
• Discretionary Reserve Drawdown/ (Replenish)	6,346	5,361	985	18%	(2,185)	359	(2,544)
• Statutory Reserve Drawdown/ (Replenish)	(6,464)	(6,422)	(42)	1%	(1,692)	608	(2,300)
	<b>(118)</b>	<b>(1,061)</b>	<b>943</b>	<b>(89%)</b>	<b>(3,877)</b>	<b>967</b>	<b>(4,844)</b>
<b>Current Year Surplus/(Deficit)</b>	<b>16,295</b>	<b>8,369</b>	<b>7,926</b>	<b>95%</b>	<b>(1,747)</b>	<b>(1,116)</b>	<b>(630)</b>
Opening balance carry forward surplus	2,623	2,623	0	0%	2,623	1,742	881
<b>Accumulated Cash Surplus Balance</b>	<b>18,918</b>	<b>10,992</b>	<b>7,926</b>	<b>72%</b>	<b>876</b>	<b>626</b>	<b>251</b>

	Full Year		
	Forecast (\$'000)	Budget (\$'000)	Variance (\$'000)
<b>Underlying Result Calculation (as per Local Government Reporting Calculation)</b>			
<b>Operating Surplus</b>	<b>9,735</b>	<b>7,213</b>	<b>2,522</b>
• Less Developer Contributions	(7,667)	(4,100)	(3,567)
• Less Non recurring Capital Contributions	(2,534)	(876)	(1,658)
• Less Non cash Contributions	0	0	0
<b>Adjusted Underlying Surplus</b>	<b>(466)</b>	<b>2,237</b>	<b>(2,703)</b>
<b>Adjusted Underlying Surplus Ratio</b>	<b>(0.24%)</b>	<b>1.16%</b>	<b>(1.40%)</b>

## Project portfolio update - March 2017

The City of Port Phillip enterprise portfolio comprises over 160 projects with a total budget of over \$40 million. The table below outlines changes to the project portfolio during March 2017.

<b>Project</b>	<b>Change</b>
Strategic Parking	Decrease 2016/17 forecast expenditure by \$90,000 (Budget 2016/17 - \$190,000) due to lower than anticipated costs to undertake sign changes.
Water Sensitive Urban Design 2016-17	Additional funding of \$8,980 (Budget 2016/17 - \$30,000) requested to amend designs to increase level of pollutant removal at the Foote Street and Reed Street water gardens.
Fishermans Bend Sustainability Best Practice Study	Project completion date extended by one month to 1 May 2017 to undertake additional data analysis at an additional cost of \$5,610 (Budget 2016/17 - \$20,000).

## 2016/17 priority projects status report: March 2017

Priority Projects	Stage	Status	Comments	Original Completion Date	New Completion Date	Budget 2016 / 17	Forecast 2016 / 17
<b>Albert Park/ Middle Park</b>							
Albert Park Lake Stormwater Harvesting (Planning and Design)	Deliver	◆	Delivery of the Technical Prove and Design stage is approximately three months behind the original project schedule. City of Port Phillip is working closely with project lead, Parks Victoria, and project partner City of Melbourne. The current phase of work involves design development and modelling to confirm feasibility of a solution for potential capital investment. The main consultancy for this work is underway but the project is behind schedule. Recruitment is underway to appoint a new program manager, who will oversee design and implementation of this project.	Prove and Design Phase (\$200,000) June 2017	Prove and Design Phase (\$200,000) June 2017	\$0	\$0
Gasworks Arts Park Clean-Up	Plan	●	Additional soil sampling was undertaken by the Victorian Government in late March to complement the sampling locations in February and March. A community update was provided on the Council project web page and sent to the interested stakeholders database to convey this update prior to the additional testing Council will continue to keep the community updated of sampling program and sampling analysis when available.	Completion date will be provided in delivery phase		\$50,000	\$50,000
South Melbourne Life Saving Club	Plan	●	A final design meeting with the club was held in March 2017 allowing the contract documentation of design to commence. The ongoing conversation with the club will now focus on materials and fittings. A community update will be prepared for the community in May to share the final design in accordance with the coastal consent and provide timelines for the construction delivery.	Completion date will be provided in delivery phase		\$431,000	\$262,922
<b>Montague</b>							
Ferrars St Education and Community Precinct	Plan	◆	The school and community facility continues according to schedule and cost. Community engagement on car parking outcomes for the Precinct has now been completed and a public report will be presented on 5 April to Council. Project is 'off track' given the level of project issues and risks being managed by the project.	Completion date will be provided in delivery phase		\$5,644,000	\$5,357,000
Fishermans Bend Recast	Plan	◆	Awaiting sign off of the Delivery Plan.	Completion date will be provided in delivery phase		\$100,000	\$100,000
<b>Port Melbourne</b>							
Beach Street - Separated Queuing Lane	Deliver	●	Construction tender has been awarded for commencement in May 2017 post cruise shipping season. All required approvals from external agencies have been received. This includes Department of Environment Land Water and Planning for the coastal consent and VicRoads for pedestrian crossing and speed limit amendments.	February 2018	September 2017	\$250,000	\$50,500
<b>Sandridge &amp; Wirraway</b>							
JL Murphy Reserve feasibility and planning for pavilion upgrade	Plan	◆	Officers continued to work with the tenant sporting clubs to develop a revised design for the sports pavilion. This includes investigating the impacts and cost of a larger social space. The revised design is subject to funding contribution from the clubs. Officers will seek community feedback following Council's formal endorsement of the concept.	Completion date will be provided in delivery phase		\$90,000	\$90,000

Status Legend

- Project progressing as planned
- ▲ Project has some minor concerns
- ◆ Project not progressing as planned

Priority Projects	Stage	Status	Comments	Original Completion Date	New Completion Date	Budget 2016 / 17	Forecast 2016 / 17
<b>St Kilda / St Kilda West</b>							
Acland Street Upgrade	Deliver	●	Construction works concluded in early November 2016. Minor finishing touches and defect rectification are continuing. The Council-led 12 month activation program is underway including the Acland Vibrant Seeds Grants. This will run until 30 November 2017. During March several events were run in the Acland Plaza as part of the Acland Street activation program including Grand Prix celebrations. An acid wash clean has been programmed for April. This is part of completing the project handover to Council. This is not expected to return the paving to as-new conditions or result in permanent improvement. Pavement wear through use is expected. Pavement sealing is being reinterrogated.	November 2017	November 2017	\$2,776,000	\$2,496,000
CCTV Fitzroy Street St Kilda	Deliver	●	Rectification works to bring the three faulty nodes online were undertaken successfully and the full system has been operational from 2 March. The additional workstation and screens have also been installed and are in use by Victoria Police. In the next period final payments will be made and the project closure process will commence.	November 2018	December 2017	\$80,000	\$351,250
Environmental Building Retrofits - Solar at SKTH	Close	●	The solar installation and the roof access equipment have been installed. The cost of delivery was \$130,000 under budget. A proposal to increase the scope of this project is being developed to include installation of a visual display in the Town Hall foyer.	December 2017	December 2017	\$0	\$369,167
Palais Theatre Lease	Deliver	●	The tenancy of Live Nation Venues commences 1 April 2017. To bring forward their works program, access to the site was handed over by City of Port Phillip ahead of schedule - on 15 March 2016 - under an occupation licence arranged by officers and approved by State Government.	May 2017	March 2017	\$0	\$40,000
Palais Theatre Phase 1 and 2 Capital Works Delivery	Deliver	●	Practical completion of the works was achieved on 8 March 2017, and the site handed back to City of Port Phillip the following day.	March 2017	March 2017	\$3,350,000	\$5,764,155
Peanut Farm Reserve Sports Pavilion Upgrade	Plan	▲	During March the project architects completed the detailed design. A building permit application will be submitted and a community update on the project will be published and distributed to surrounding residents in April. The process to engage a contractor to deliver the works will commence in May 2017.	Completion date will be provided in delivery phase		\$110,000	\$110,000
St Kilda Life Saving Club Redevelopment	Deliver	●	Construction was completed in December 2016, with the St Kilda Life Saving Club taking possession of the building on 23 December 2016 and the formal opening of the building occurring 11 February 2017. We are currently finalising the Asset Maintenance Plan (Due in April) and attending to building defects as they may arise.	December 2016	February 2017	\$1,651,000	\$3,065,654
St Kilda Triangle Stage 3 Planning, Staging and Feasibility	Plan	◆	The Delivery Plan was withheld due to the direction taken with the Amendment C106. A briefing to Councillors has been prepared for 26 April to provide an update on the status of the project to date and to seek direction on how to progress the project. A Council report is also being prepared for 3 May in anticipation of direction to write to the Minister of Planning to abandon Amendment C106 before it expires 9 May 2017.	Completion date will be provided in delivery phase		\$50,000	\$50,000
St Kilda Triangle Winter Activation 2016	Deliver	●	First drafts of the operational plans for 'Winter Garden' and 'The Local Quarter' are under development and due to Council in April.	June 2017	June 2017	\$0	\$15,710
Wellington Street Upgrade Stage 2	Plan	●	Centre median tree planting and line marking in Wellington Street is complete. Kerb extensions at Robertson Avenue are 75% complete and kerb extensions at Marlton Crescent are scheduled to commence in early April.	Completion date will be provided in delivery phase		\$230,000	\$197,770
<b>St Kilda Road</b>							
Queens Lane Upgrade Stage 2	Deliver	●	The project is on track. During March passing areas between Beatrice Street and Union Street were installed. An inception meeting was held with key stakeholders to develop the detailed design of the intersection of Kings Way and Queens Lane.	June 2017	June 2017	\$65,000	\$65,000
St Kilda Road Safety Improvement Project	Plan	▲	VicRoads and the State Government have selected a preferred design option and they plan to inform the community of this option in May 2017. The target date for submission of a business case to the Transport Accident Commission is early June to allow for project delivery in 2018. A Safe Systems Assessment and initial traffic modelling has been undertaken to support design development and option assessment.	Completion date will be provided in delivery phase		\$0	\$0

Status Legend



Project progressing as planned



Project has some minor concerns



Project not progressing as planned

Priority Projects	Stage	Status	Comments	Original Completion Date	New Completion Date	Budget 2016 / 17	Forecast 2016 / 17
<b>Multiple Neighbourhoods</b>							
In Our Back Yard - Growing Affordable Housing in Port Phillip	Plan	▲	During March Council has 1. Developed a proposal for temporary utilisation of vacant residential housing for short-term housing purposes, to help create a 'vacancy chain' to assist the management of tenancies for longer-term housing projects. 2. Progressed preparation of a prospectus for philanthropic foundations. 3. Prepared briefing papers for 12 and 19 April for information and guidance on the year one project opportunities for short-term housing, the implications of the State Government's Homes for Victorians policy and the Local Government Best Practice Guidelines, housing trust issues and progression of a priority housing project. 4. Commencement of designing an Expression of Interest process for allocation of future Council contributions for community housing purposes. The amber status reflects the current condensed timeframe to complete the scheduled tasks. However, a strategy for completion has been discussed between the Project Manager, Sponsor and EPMO that will result in the implementation becoming 'on track' by the end of 2016/17.	Completion date will be provided in delivery phase		\$50,000	\$50,000
Precinct Program	Initiate	▲	Initiation stage the Precinct Program is now fully engaged and Project Control Groups (PCG's) are up and running. Internal stakeholder engagement has also commenced to gather feedback and demonstrate the initial precinct strategy model. This includes specific branch targeting and preparation for an enterprise wide distribution. The project's overall status is amber as the program finalises its scope, in order to determine the criteria to identifying projects/concepts as applicable to precincts	Completion date will be provided in delivery phase		\$0	\$407,609
Toward Zero Community Action Plan	Deliver	●	The Toward Zero Community Action Plan is on track for completion by the end of November 2017. Planning for community consultation and data collection activities is well underway.	November 2017	August 2017	\$40,000	\$40,000
Toward Zero Waste Management and Resource Recovery Strategy	Plan	◆	Auditing data is currently being undertaken, which will contribute to the benchmarking for the strategy. A consultant brief for data collection is being developed and will be released in April. The project is currently behind schedule but the final completion date remains unchanged.	Completion date will be provided in delivery phase		\$25,000	\$75,000
Towards Zero - Energy Efficiency and Solar PV in Council Buildings (Alternate Scope)	Deliver	◆	The project is approximately one month behind schedule due to unanticipated complexities. A scope variation is under consideration. Solar PV designs have been completed for nine Council buildings. Tenders are being assessed. Gallery Lighting LED upgrade is complete. Installation of the evaporative precooling system for the main chiller at St Kilda Town Hall is complete. Building automation enhancement project is progressing.	Completion date will be provided in delivery phase		\$562,000	\$481,000
Vibrant Villages Program Management	Deliver	●	The program is on track with multiple projects across three villages currently being considered or in planning.	June 2017	June 2017	\$244,000	\$356,145
Walk Plan and Bike Plan Implementation 2016-17	Deliver	◆	Two projects from the program have been completed with one under construction and two planned for construction. Line marking in Cecil St, between Coventry Street to Bank Street has been completed as part of the Cecil Street Bike Lane. Further works will be completed in June. Armstrong Street/Canterbury Road is on track for April construction. Quotes have been received for signal upgrade works at Light Rail and Swallow Street, Port Melbourne. The overall status of the programme is now Off-Track due to the postponement of the construction of Cecil Street, between Bank St and Albert Road, to coincide with road resurfacing. If works are delayed due to weather or other external factors, works may not be delivered this financial year	June 2017	June 2017	\$1,000,000	\$1,000,000

Status Legend

- Project progressing as planned
- ▲ Project has some minor concerns
- ◆ Project not progressing as planned