

CITY OF

PORT PHILLIP

BUDGET 2014/15



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I. Budget



Mayor's Introduction

The Councillors and I are very pleased to release the Budget 2014/15 for the City of Port Phillip. This Budget builds on our Council Plan 2013-2017 vision, which focuses on the following four areas:

ENGAGED – A Well Governed City
HEALTHY – A Healthy, Creative and Inclusive City
RESILIENT – A Strong, Innovative and Adaptive City
VIBRANT – A Liveable and Connected City



The Budget 2014/15 is prudent and balanced. It supports long-term financial sustainability while balancing affordability with maintenance of the services and assets our community values most and investment in our future.

Rates are projected to rise by an average of 4.75 per cent across the municipality in 2014/15. This is in line with the level foreshadowed in Council's Strategic Plan adopted last year and lower than the increases of five to six per cent generally being proposed by other metropolitan councils. This year, individual rate rises are based on property revaluations that have recently been completed.

The rates increase allows us to manage inflation in our costs, maintain and in some cases improve service levels, allocate additional funding for the renewal of the City's ageing infrastructure, and make the investment required to manage significant planned growth within the municipality (Fishermans Bend). It also enables us to deal with increases in the levy payable to the Victorian Government for disposal of waste into landfill.

It is important to note that the level of inflation experienced by Council (3.5 per cent) is approximately one per cent higher than the inflation rate as measured by the Consumer Price Index (CPI). Council relies on contract and in-house staff to deliver services and these costs typically escalate in line with movements in the Wage Price Index, which is approximately one per cent more than CPI increases.

In setting the Budget, Council has sought to reduce waste and achieve efficiencies across the organisation. This has resulted in permanent ongoing operational savings of over \$2 million with a further \$1.8 million targeted to be achieved during the year. This equates to 3.6 per cent of rates revenue.

Council has also focused on reviewing its current services to ensure they remain relevant to the community and are having the desired impact. This process has identified that Council's vacation care and home based child care programs have relatively high costs and low and diminishing utilisation. Council has commenced a comprehensive consultation process with Family Day Care staff and families about alternative options that may be available to them and will ensure that all families and carers are supported appropriately during this process.

The efficiency savings and reprioritisation process have enabled Council to propose a number of improved or new service initiatives in the budget, including:

- Additional funding for enhanced public space management with a particular focus on better management of our reserves and the foreshore over peak summer holidays and events (\$390,000).
- A focus on core Council place-making priorities with operating funding of \$1 million for the Seaside Project (incorporating the triangle), \$400,000 for the Fishermans Bend Urban Renewal Area project and \$200,000 for initiatives to make our villages more vibrant.
- Investment to enhance the project management and continuous improvement capability of the organisation.

The total capital works program will be \$32.73 million, net of \$1.01 million of targeted efficiency savings. Highlights of the capital works program include:

- Roads (\$11.92 million) – including reconstructions, roads to recovery projects, resheeting, kerb and footpath renewals, streetscape upgrades and right of way renewals and laneway upgrades.
- Drains (\$1.5 million) – including drainage renewals and water sensitive urban design (WSUD) initiatives being undertaken as part of Council's Water Plan implementation.

- Parks and Open Space (\$6.34 million) – including community gardens, Beacon Cove foreshore works, playground equipment, irrigation systems, street trees, St Kilda Botanical Gardens pond restoration and Murphy Reserve master plan implementation.
- Buildings (\$8.97 million) – including building renewals and environmental retrofits, North Port Pavilion redevelopment, South Melbourne Market renewals and upgrades, refurbishment of the Clarendon Street Family Centre and the Middle Park Community Centre.
- Plant and equipment (\$4.36 million) – including information technology, library materials and scheduled replacement of Council's fleet.

Council recognises the financial pressures faced by pensioners and self-funded retirees and it is one of a few Victorian councils that offer a Council sponsored pensioner rate rebate to eligible pensioners. The Budget proposes increasing this rebate in line with CPI from \$144 to \$148. In addition, self-funded retirees are entitled to request Council to defer their rates indefinitely at a discounted interest rate of 5.75 per cent per annum. Persons experiencing financial hardship may also, subject to application and financial assessment, access this benefit.

This Budget was developed through a rigorous process of consultation and review and Council endorses it as fiscally responsible.

Cr Amanda Stevens
Mayor

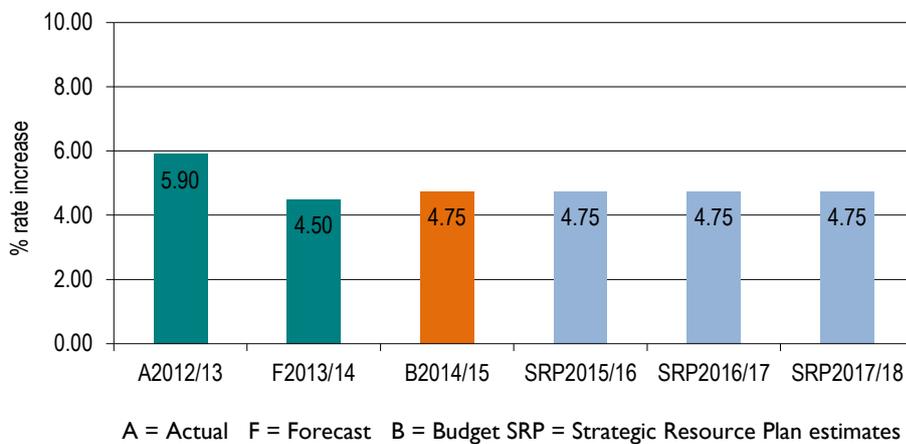
Chief Executive Officer's summary

Council has prepared a budget for 2014/15 which seeks to balance the demand for services and infrastructure with the community's capacity to pay. To enable the Council to deliver its priorities including keeping rates affordable the organisation has committed to continuous improvement and achievement of targeted efficiencies. As part of the budget process we have identified and realised \$2 million in ongoing operational savings, with a further \$1.8 million targeted for achievement during the year. A further \$1 million in capital program delivery savings has also been built into the budget.



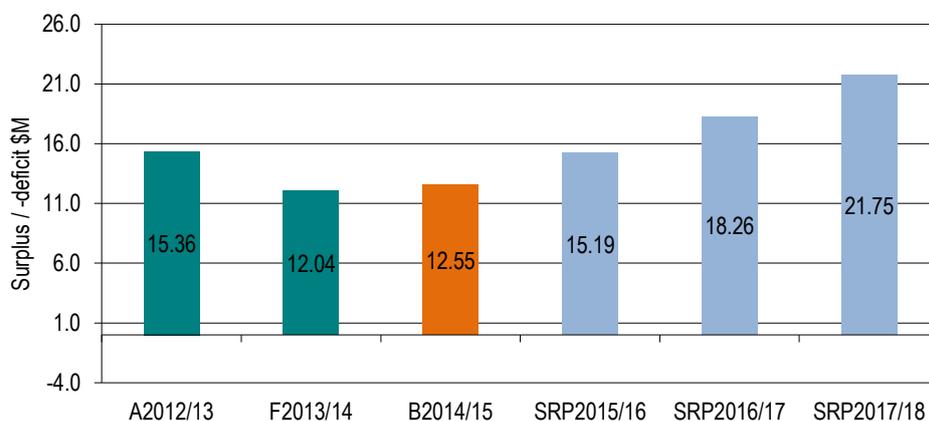
Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

I. Rates



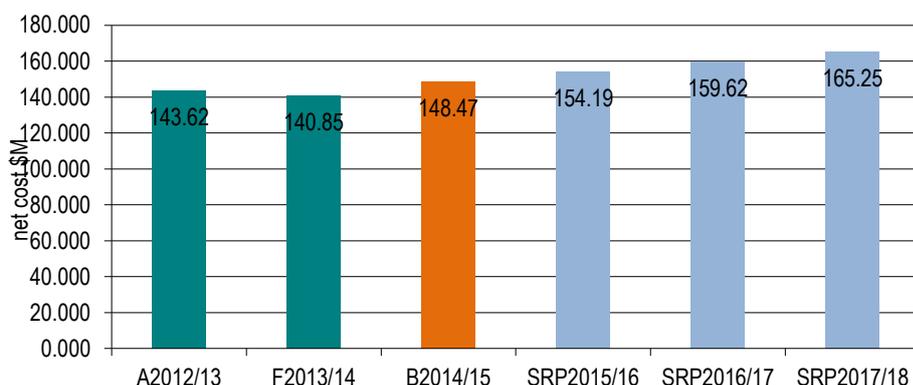
It is proposed that general rates increase by 4.75% for 2014/15, raising total rates of \$107.08 million, including \$600,000 generated from supplementary rates. This increase coupled with revenue growth associated with newly created properties will ensure that Council can maintain existing service levels while meeting the cost impacts of planning for new growth in the Fisherman's Bend Urban Renewal Area. It will also enable Council to increase its capital works funding for asset renewal projects which will help it close the asset renewals gap. This rate increase is in line with the level foreshadowed in Council's Strategic Resource Plan adopted in the previous year. (The rate increase for 2013/14 was 4.5%).

2. Operating result



The expected operating result for 2014/15 is a surplus of \$12.55 million, which is an increase of \$510,000 over 2013/14. This slightly improving operating result has been made possible by containing expenditure growth to the same level as revenue growth (4.8%). The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a surplus of \$8.59 million, which is an increase of \$284,000 over 2013/14 – refer to section 7 of this summary for further information. (The forecast operating result for the 2013/14 year is a surplus of \$12.04 million).

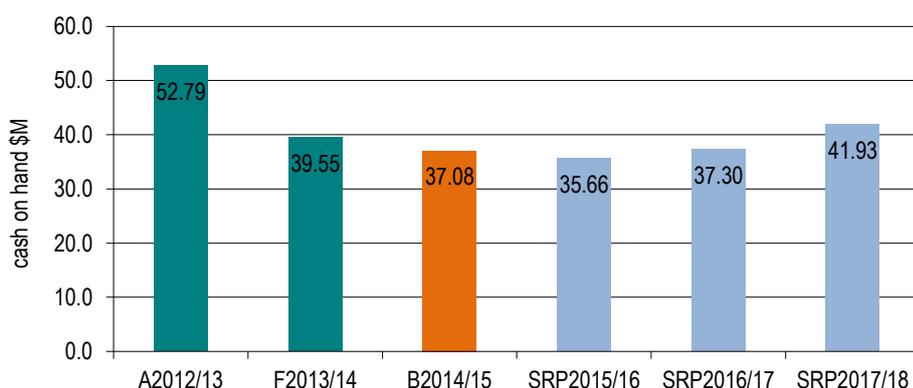
3. Services



The net cost of services delivered to the community for 2014/15 is expected to be \$148.47 million which is an increase of \$7.62 million over 2013/14. Budget setting disciplines including clearly defined targets have contributed towards the realisation of this result.

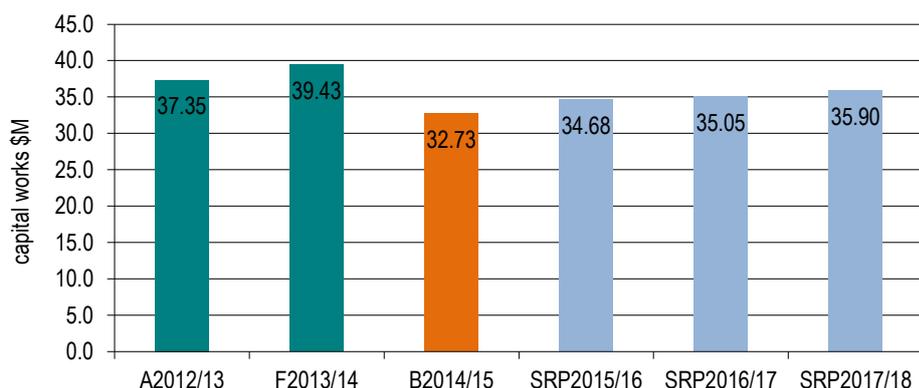
Key influencing factors in the development of the Budget 2014/15 have included the need to address the core Council place management priorities especially Fisherman’s Bend, the Seaside Project and Vibrant Villages. In addition the budget has included a response to the emerging need to better manage our reserves and the foreshore over peak summer holidays and events. Measures have also been taken to review existing services and service levels and assess whether these can be cut back to accommodate other emerging community needs. For the 2014/15 year, service levels have generally been maintained and in some cases improvement is proposed. (The forecast net cost for the 2013/14 year is \$140.85 million).

4. Cash and investments



Cash and investments are expected to decrease by \$2.47 million during the year to \$37.08 million as at 30 June 2015. Organisational savings and the receipt of unbudgeted dividend income in 2013/14 have resulted in an anticipated cash surplus of \$2.5 million and this surplus is being used to fund additional costs in 2014/15 such as the introduction of a parking congestion levy. These are the key reasons for the reduction in the cash balance in 2014/15 (Cash and investments are forecast to be \$39.55 million as at 30 June 2014).

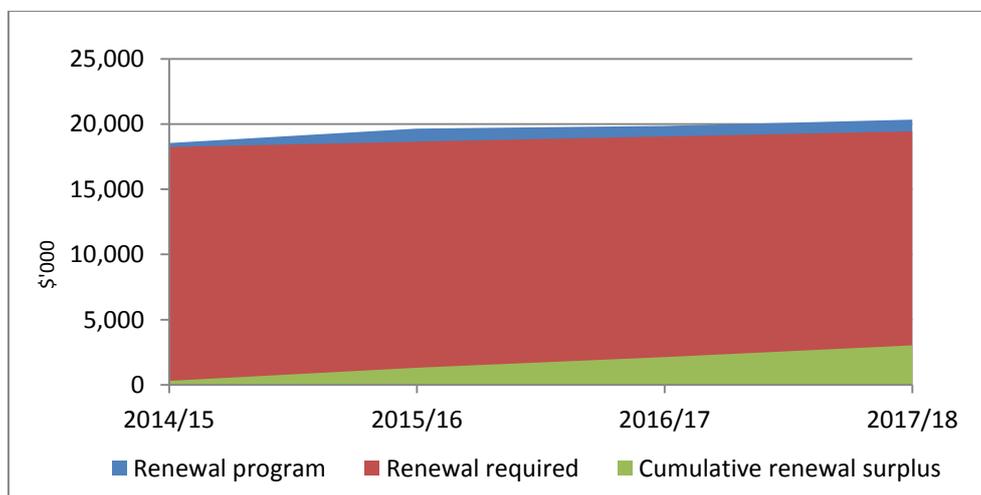
5. Capital works



The capital works program for 2014/15 is expected to be \$32.73 million. This excludes the impact associated with projects that need to be carried forward from the 2013/14 year. Any carried forward component will be fully funded from the 2013/14 budget.

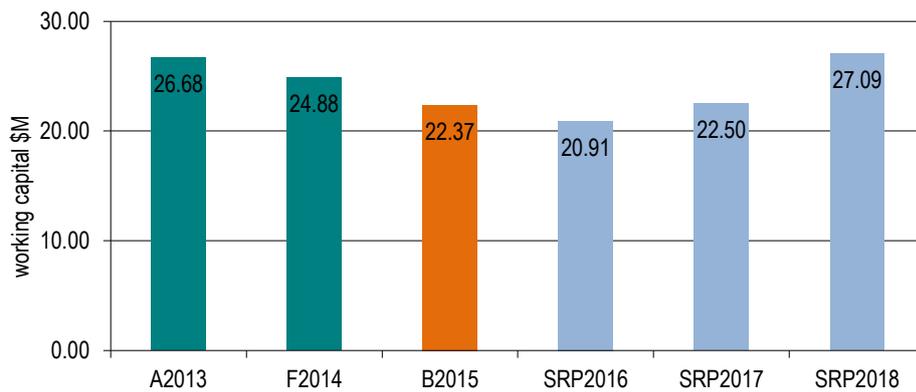
Of the \$32.73 million of capital funding required, \$1.4 million will come from external grants with the balance of \$31.33 million from Council cash. The Council cash amount is made up of cash generated through operations (\$27.27 million) and cash held at the start of the year (\$4.06 million). The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project. This year's program includes an increased focus on asset renewals (increase of \$2.87 million). A number of building projects will be carried out, including works at the South Melbourne Market, Clarendon Street Family Centre, Eco Centre and the Palais. It will continue the focus on improving our parks and public open space with improvements to the Beacon Cove foreshore, implementation of Stage 3 of the Murphy's Reserve master plan and Street Tree planting program. (Capital works is forecast to be \$34.99 million for 2013/14.

The graph below sets out the required and actual asset renewal over the life of the current Strategic Resource Plan.



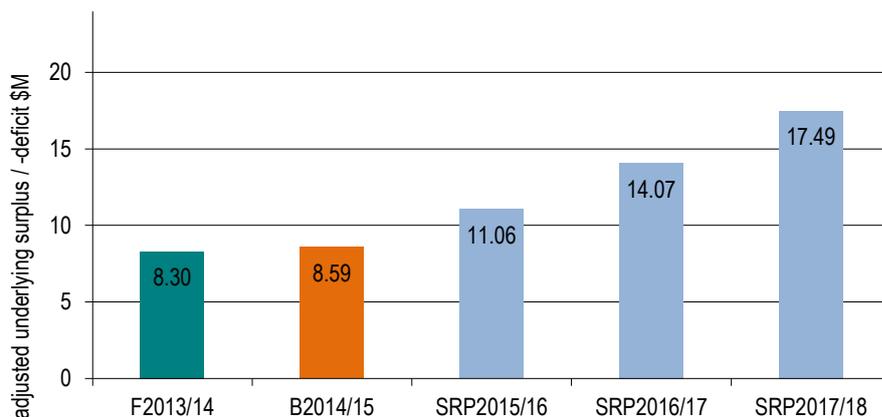
The asset renewal program has been increased to \$18.55 million in 2014/15 which means that expenditure on assets renewals exceeds the asset renewal requirements (i.e. the renewal gap no longer exists). The plan maintains this favourable "renewal surplus" over the 4 year term of the Strategic Resource Plan and is a key achievement for Council.

6. Financial position



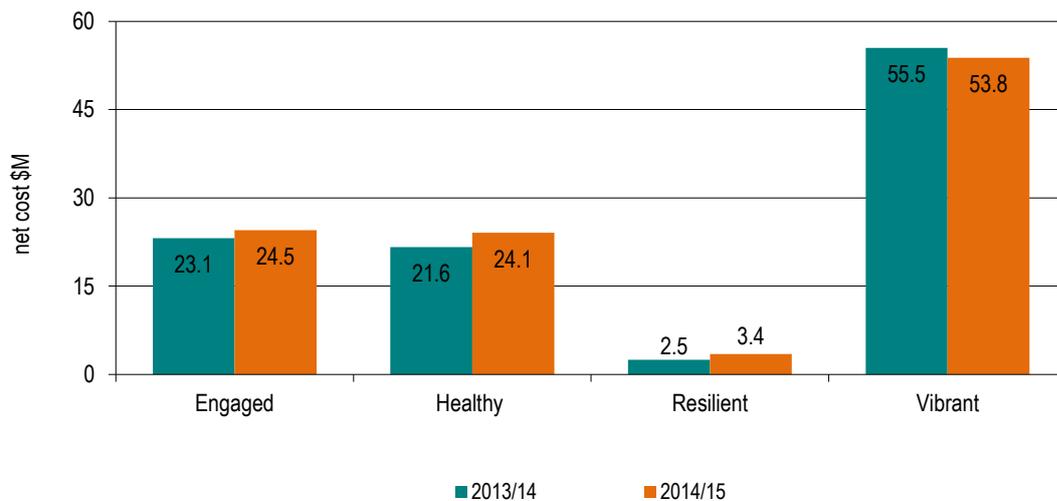
The financial position is expected to improve with net assets (net worth) to increase by \$12.55 million to \$1.99 billion. This movement is linked to an increase in the projected value of Council's fixed assets which is related to capital works that restore life or lead to the creation of new assets. Working capital is expected to decrease by \$2.51 million which is due to a larger than anticipated cash surplus for 2013/14 that is being utilised to fund additional costs such as the introduction of a parking congestion levy in 2014/15. (Total equity is forecast to be \$1.98 billion as at 30 June 2014).

7. Financial sustainability



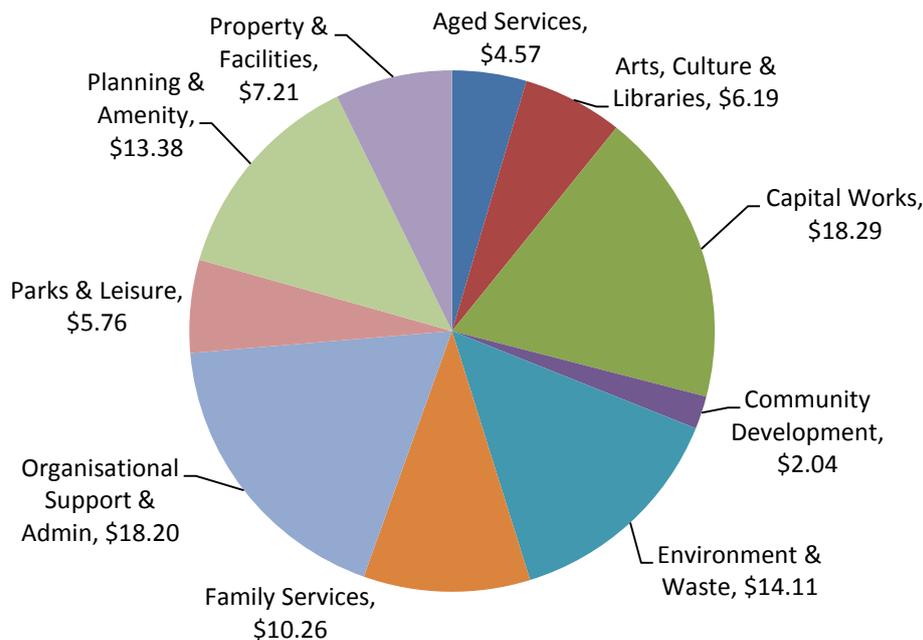
A high level Strategic Resource Plan for the years 2014/15 to 2017/18 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. The adjusted underlying result, which is a measure of financial sustainability, shows an increasing surplus over the four year period.

8. Strategic objectives



The Budget 2014/15 includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for 2014/15.

9. Council expenditure allocations



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is allocated to each service area for every \$100 that Council spends.

This budget has been developed through a rigorous process of consultation and review and management endorses it as financially responsible. More detailed budget information is available throughout this document.

Tracey Slatter

Chief Executive Officer

Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2014/15 budget, which is included in this report, is for the year 1 July 2014 to 30 June 2015 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, and Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2015 in accordance with the Act and Regulations, and are consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, Officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with Officers preparing the operating and capital components of the annual budget during January and February. A consolidated budget is then prepared and various iterations are considered by Council at informal briefings during March and April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in May for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days' notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its internet web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

To assist interested persons to understand the budget and make a submission if they wish, Council officers undertake a community engagement process including public information sessions, focus groups and other techniques. The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 31 August and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

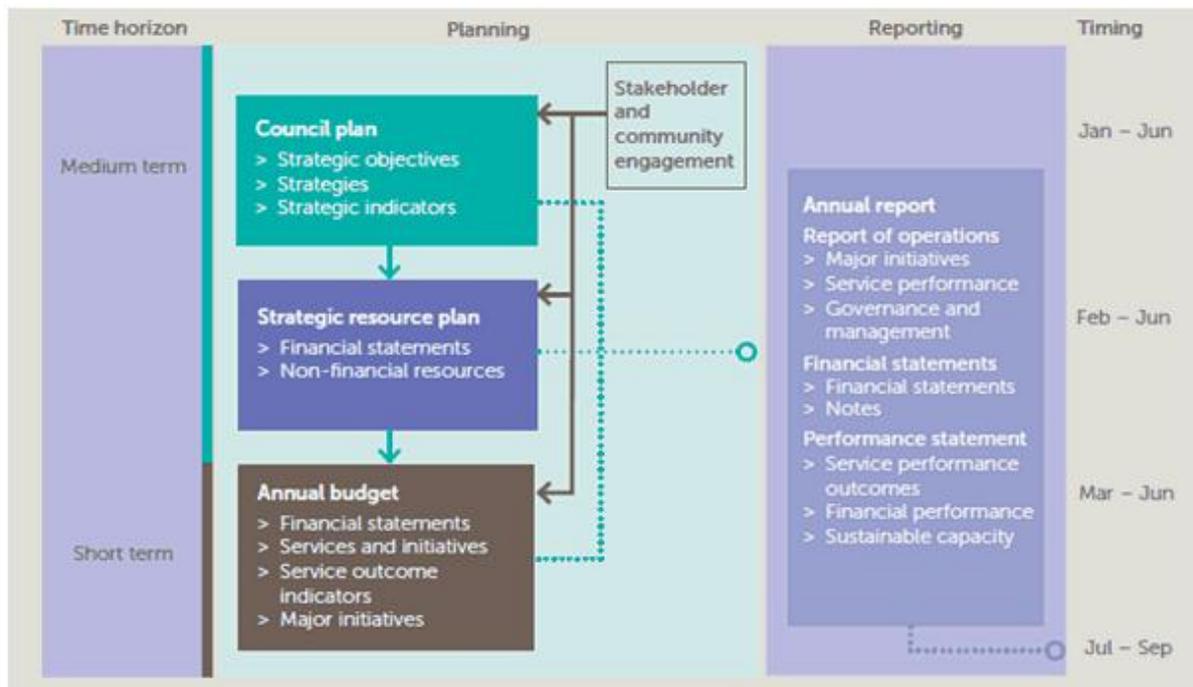
Budget process	Timing
1. Council identify and shortlist priorities for funding in the budget	February to March 2014
2. Council considers budgets at informal briefings	April 2014
3. Proposed budget submitted to Council for release	6 May 2014
4. Budget available for public inspection and comment	6 May 2014
5. Budget advertised	8 May 2014
6. Community engagement process undertaken	7 May 2014 - 5 June 2014
7. Submissions period closes (28 days)	5 June 2014
8. Submissions considered by Council/Committee	10 June 2014
9. Budget and submissions presented to Council for adoption	24 June 2014
10. Copy of adopted budget submitted to the Minister	31 August 2014

I. Linkage to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (2007-2017 Community Plan), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Audited Statements).

I.1 Planning and accountability framework

The Strategic Resource Plan, included in the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the services and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework of Council.



In addition to the above, Council has a long term plan (2007-2017 Community Plan) which articulates a community vision. The Council Plan is prepared with reference to Council's long term community plan.

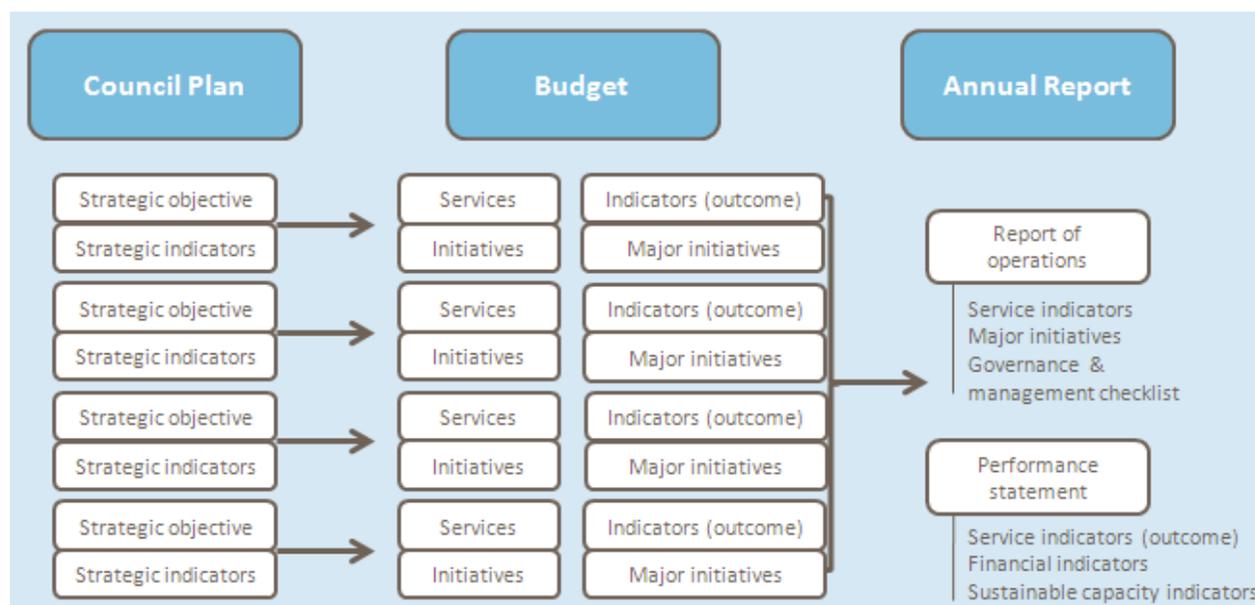
The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year by February to ensure that there is sufficient time for officers to develop their Activities and Initiatives and Key Strategic Activities in form prior to the commencement of the Annual Budget process in March. It also allows time for targets to be established during the Strategic Resource Planning to guide the preparation of the Annual Budget.

1.2 Our purpose

Council Plan Focus Area	Council Plan Objective
A Well-Governed City	1.1 Provide clear and open communication and engagement that is valued by the community
	1.2 Value transparent processes in Council decision making
	1.3 Build and facilitate a network of active and informed communities
	1.4 Build strategic relations with our partners
	1.5 Achieve a reputation for organisational and service excellence
A Healthy, Creative & Inclusive City	2.1 Ensure our City is a welcoming and safe place for all
	2.2 Support our community to achieve improved health and wellbeing
	2.3 Ensure quality and accessible family, youth and children's services that meet the needs of the community
	2.4 Foster a community that values lifelong learning, strong connections and participating in the life of the City
	2.5 Promote an improved range of cultural and leisure opportunities that foster a connected and engaged community
A Resilient City	3.1 Build resilience through Council action and leadership
	3.2 Support and increase community action for a resilient city
A Vibrant City	4.1 Encourage viable, vibrant villages
	4.2 Ensure growth is well planned and managed for the future
	4.3 Improve and manage local amenity and assets for now and the future
	4.4 Ensure people can travel with ease using a range of convenient, safe, accessible and sustainable travel choices

2. Activities, initiatives and key strategic activities

This section provides a description of the services and initiatives to be funded in the Budget for the 2014/15 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of initiatives, major initiatives and service performance indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



The activities and initiatives for each service category and key strategic objective is described below. Services can be listed under multiple strategic objectives noting that many contribute to the delivery of multiple objectives in the Council Plan.

2.1 Strategic Objective 1 - A Well Governed City

Strategic Objectives :

- Provide clear and open communication and engagement that is valued by the community
- Value transparent processes in Council decision making
- Build and facilitate a network of active and informed communities
- Build strategic relations with our partners
- Achieve a reputation for organisational and service excellence

Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Chief Executive Officer & Executive Team	This area provides executive leadership through the coordination of policy development, communication of strategic directions and performance monitoring.	3,100 <u>0</u> 3,100
Access & Ageing	The area provides for the diverse needs of Council residents through opportunities for enhancing quality of life such as; maintaining independence, capacity building, social inclusion and service provision.	13 <u>(5)</u> 8
Business Technology	This area engages with the organisation and provides support to deliver on organisational priorities and improved service delivery to the community through information and communication technology.	8,399 <u>0</u> 8,399
Community Relations	The ASSIST team provides key information via direct telephone, service desk and online request services and is the primary interface between Council, the community and the delivery of services. Communications and Engagement provide strategic and operational support for Council and the organisations communications and community engagement needs, media and strategic relations and coordination of Council's Sister Cities. Partnerships.	3,419 <u>0</u> 3,419
Culture & Capability	This area supports Council's management and staff to deliver the best service they can to the community by providing strategic advice in the areas of human resources and organisational development.	2,093 <u>0</u> 2,093
Enterprise Portfolio Management	This area will implement and drive an enterprise approach to portfolio and project management	899 <u>0</u> 899
Governance	This area is responsible for supporting Council in ensuring good governance practices and, manages the business of civic, community and commercial events and services at the Council meeting rooms, town halls, open spaces and minor foreshore events. This area provides administrative support and assistance to the Mayor and Councillors and handles enquiries and complaints from the public.	3,826 <u>(654)</u> 3,171
Service & Business Improvement	This area is responsible for leading business planning, Council plan updates and corporate reporting, managing insurance and leading risk mgmt. for the organisation, leading service excellence and undertaking internal audit function. Additionally, SBI is accountable to the entire CoPP executive team as it is responsible for delivering the Continuous Improvement pillar of the Community First strategy.	1,018 <u>(63)</u> 954
Finance & Investments	This area ensures the effective management and control of the Council's financial resources. Provides strategic financial management and leadership, budgeting and financial performance monitoring, preparation of annual financial statements and treasury management.	4,288 <u>(1,964)</u> 2,324
Initiatives	For further details in regards to these initiatives please see below.	140 <u>0</u> 140

Initiatives

- 1) Implementation of service and business improvement initiatives including enhanced business planning and performance reporting.
- 2) TRIM Records Management project - ongoing organisational engagement and education program. This will improve the organisations records management practices and increase efficiency accordingly.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community

2.2 Strategic Objective 2 - A Healthy, Creative & Inclusive City

Strategic Objectives :

- Ensure our City is a welcoming and safe place for all.
- Support our community to achieve improved health and wellbeing
- Ensure quality and accessible family, youth and children's services that meet the needs of our community
- Foster a community that values lifelong learning, strong connections and participating in the life of the City
- Promote an improved range of cultural and leisure opportunities that foster a connected and engaged community

Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Access & Ageing	The area provides for the diverse needs of Council residents through opportunities for enhancing quality of life such as; maintaining independence, capacity building, social inclusion and service provision.	8,213 (4,561) 3,652
Amenity	This area leads the management of the Resident Parking Permit scheme; management of derelict and abandoned vehicles; school crossing supervisors; tow away service operating in clearways and parking prosecution service. The administration area oversees the external contract relating to parking enforcement and infringement activities.	4,215 (1,616) 2,598
City Strategy	The City Strategy Department provides Council's strategic urban planning capacity with a focus on; integrated land use and transport planning; strategic economic planning for activity centres / business precincts; and planning for more diverse and affordable housing opportunities. Project outcomes aim to maximise community benefit and contribute to a more environmentally, socially, economically sustainable future for the City.	534 <u>0</u> 534

Family, Youth & Children	This area provides management of Child Care Centres within the municipality and support to community run child care centres; registration and updates to the centralised child care waiting list; home based child care; respite care and assistance to families with children and young people with disabilities; support to playgroups. This area coordinates youth services and oversees service agreements with youth service providers; operates two staffed adventure playgrounds in St Kilda and South Melbourne. This area coordinates youth services and oversees service agreements with youth service providers; operates two staffed adventure playgrounds in St Kilda and South Melbourne.	18,468 <u>(11,965)</u> 6,503
Health & Well Being	This area delivers on Council's commitment to public policy and role it can play in shaping a social environment that is more conducive to better health. Department operations are based on sound research and analysis drawn primarily from social, health and demographic data and via community engagement, consultation and dialogue. We seek understand, plan and provide advice on the needs, priorities and trends of the whole community.	3,227 <u>(625)</u> 2,602
Recreation & Culture	This area supports sporting clubs and facilities; permitting events and commercial activities in the public domain including the foreshore; lifestyle and leisure program; Joint Council Access for All Abilities recreation and arts program; development of leisure activities. The area provides library services including free access to educational and recreational resources including books, magazines, DVDs and CDs; online databases; public internet access; programs and events; local history services; inter-library loans.	10,433 <u>(2,261)</u> 8,172

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population that receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people that receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100

Maternal and Child Health	Participation	Participation in MCH key ages and stages visits (Percentage of children attending the MCH key ages and stages visits)	Number of actual MCH visits / Number of expected MCH visits] x100
		Participation in MCH key ages and stages visits by Aboriginal children (Percentage of Aboriginal children attending the MCH key ages and stages visits)	[Number of actual MCH visits for Aboriginal children / Number of expected MCH visits for Aboriginal children] x100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Pool Facilities (N/A for CoPP)	Utilisation	Utilisation of pool facilities (The number of visits to pool facilities per head of municipal population)	Number of visits to pool facilities / Municipal population
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

2.3 Strategic Objective 3 - A Strong, Innovative and Adaptive City

Strategic Objectives :

- Build resilience through Council action and leadership
- Support and increase community action for a resilient city

Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Finance & Investments	Finance is responsible for the Fleet management function and will continue to focus on reducing fleet operational costs in 2014/15.	532 (1,002) (470)
Assets	This area provides strategic asset management services regarding the maintenance, construction, renewal and disposal of Council's facilities and assets, including the preparation of the capital works program. Administers external infrastructure grants such as the Victorian Stormwater Action Program, Roads to Recovery and Vic Roads roads maintenance.	1,502 0 1,502
Sustainability	This area leads the delivery of projects aimed at achieving a sustainable environment for the City and Organisation. Includes strategic planning in the areas of water, greenhouse gas and climate change adaptation.	2,155 0 2,155
Community Relations	The ASSIST team provides key information via direct telephone, service desk and online request services and is the primary interface between Council, the community and the delivery of services. Communications and Engagement provide strategic and operational support for Council and the organisations communications and community engagement needs, media and strategic relations and coordination of Council's Sister Cities. Partnerships.	152 0 152
Initiatives	For further details in regards to these initiatives please see below.	100 0 100

Initiatives

- 3) Combined Sustainability department bid: Weather Ready Program, Melbourne Water Grant agreement, OLV Central Water Plan, Victorian adaptation and sustainability partnership, Greenlight traffic signals.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

2.4 Strategic Objective 4 - A Liveable and Connected City

Strategic Objectives :

- Encourage viable, vibrant villages
- Ensure growth is well planned and managed for the future
- Improve and manage local amenity and assets for now and the future
- Ensure people can travel with ease using a range of convenient, safe, accessible and sustainable travel choices

Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Sustainability	This area leads the Council's activities to increase the uptake of walking, bike riding and public transport with the municipality. The delivery of safe, sustainable and leading edge transport management outcomes.	1,618 (90) 1,528
Amenity	This area leads the management of the Resident Parking Permit scheme; management of derelict and abandoned vehicles; school crossing supervisors; tow away service operating in clearways and parking prosecution service. The administration area oversees the external contract relating to parking enforcement and infringement activities.	8,787 (464) 8,323
Assets	This area provides strategic asset management services regarding the maintenance, construction, renewal and disposal of Council's facilities and assets, including the preparation of the capital works program. Administers external infrastructure grants such as the Victorian Stormwater Action Program, Roads to Recovery and Vic Roads roads maintenance.	1,141 0 1,141
Business Technology	This area engages with the organisation and provides support to deliver on organisational priorities and improved service delivery to the community through information and communication technology.	196 0 196
City Development	This area administers local laws approvals for use of the footpaths and public roads to ensure public safety and amenity. This area issues planning permits; controls the use and development of land; subdivisions; liquor licences; administers heritage controls and advice; sustainable urban design advice.	5,147 (6,651) (1,504)
City Strategy	The City Strategy Department provides Council's strategic urban planning capacity with a focus on; integrated land use and transport planning; strategic economic planning for activity centres / business precincts; and planning for more diverse and affordable housing opportunities. Project outcomes aim to maximise community benefit and contribute to a more environmentally, socially, economically sustainable future for the City.	1,295 0 1,295

Maintenance & Renewal	This area is responsible for the maintenance of councils roads and footpaths, cleaning of our streets and beaches and the collection and processing of domestic waste and recycling and the hard waste booking and dumped rubbish collection services and the internal operation of the litter bin collection services and the Resource Recovery Centre. These highly visible services are provided predominately via external commercial contracts along with some internal day labour staff. The department is committed to providing quality services which represent best value for money in meeting community needs in an environmentally responsible way.	22,133 <u>(1,147)</u> 20,986
Parks & Open Space	This area develops and implements open space policies and strategies; develops the public open space asset renewal and improvements program; undertakes project management for capital works relating to open space improvements; provides internal technical advice and assists local community groups; oversees external contracts for the provision of park maintenance; tree and gardens management; undertakes community education activities and advice; leads, develops and coordinates an integrated cross organisational approach to the planning and delivery of services for the Council foreshore; regional collaboration for the bay and represents the city on the Association of Bayside Municipalities.	10,367 <u>(78)</u> 10,289
Placemaking	This area is principally concerned with designing and revitalizing the diverse places across our city. Through the application of a range of complementary planning and design skills as well as expertise in project feasibility and delivery, Placemaking has primary responsibility for Council's strategic place programs and projects including Fishermans Bend, St Kilda Triangle and Vibrant Villages. It acts as the focus for the Councils work in sustainability which is another key priority. Also supports local economic development through business liaison initiatives, the administration of Special Rate Schemes in local centres and the analysis of market and economic data to inform internal and external customers.	2,781 <u>(88)</u> 2,693
Project Delivery	The Department delivers new, improved or upgraded assets that in turn allows Council to deliver on a wide range of services to the community. The Project Delivery Department provides a range of capital project planning, community consultation, contamination advice, civil design and project management services as well as the delivery of capital program.	1,918 <u>0</u> 1,918
Property Services	The Property Services department is responsible for the effective and responsible stewardship of Council's property portfolio including commercial, community, residential properties and management of the South Melbourne Market. This includes the maintenance and renewal of Council buildings which is delivered through the management of contractors.	12,975 <u>(8,779)</u> 4,196
Recreation & Culture	This area supports sporting clubs and facilities; permitting events and commercial activities in the public domain including the foreshore; lifestyle and leisure program; Joint Council Access for All Abilities recreation and arts program; development of leisure activities. The area provides library services including free access to educational and recreational resources including books, magazines, DVDs and CDs; online databases; public internet access; programs and events; local history services; inter-library loans.	546 <u>(656)</u> (110)
Initiatives	For further details in regards to these initiatives please see below.	2,835 <u>0</u> 2,835

Initiatives

- 4) Carlisle Street Supermarkets - progress project to facilitate the redevelopment of the supermarket sites in the Carlisle Street Activity Centre including market feasibility, professional fees (legal) and engagement.
- 5) Triangle Site - Planning Scheme Amendment.
- 6) St Kilda Road North (Design & Development Overlay 3/4) - completion of amendment process including Panel Hearing.
- 7) St Kilda Road South - completion of technical reports, preparation and exhibition of amendment including Panel Hearing.
- 8) Bay Street Structure Plan - Planning Scheme Implementation (Amendment C103).
- 9) Special Building Overlay (SBO) - Update SBO controls via Amendment when data from Melbourne Water is updated.
- 10) Regional Planning Initiatives: Capacity for IMAP Review / Implementation of Plan Melbourne (Metropolitan Strategy) via Central Sub-region Plan.

Major Initiatives

- 11) Vibrant villages - Activation plan development for 4 new villages - South Melbourne, Fitzroy St, St Kilda Village and Balaclava.
- 12) St Kilda Triangle - progress implementation of the Triangle project.
- 13) Fisherman's Bend Urban Renewal Area - Detailed Precinct Planning for Montague, Wirraway and Sandridge, Land acquisition strategy, Financial Modelling and Urban renewal innovation including affordable housing.
- 14) Place Management Waterfront Place as well as Port Melbourne Activity Centre - Delivery of Activation Plan being developed in 2013/14 and UDF projects, relationship with PoM re Cruise Shipping, Businesses on the Pier and Beach Street, potential development of sculpture trail, relationship with PMBA and Port Melbourne Activity Centre.
- 15) Palais Lease Project - Options for future lease and development and to identify a shortlist of interested parties for submitting a request for proposal. Identify and enter into a commercial lease with the Palais. Includes legal costs, specialist property consultant, building investigations, advertising and community consultation.
- 16) Enterprise Portfolio Management budget allocation to engage consultants to support development of improved processes, procedures and guidelines. Will also support specialist review of significant projects. Enables capital efficiency.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were upheld in favour of the Council)	[Number of VCAT decisions that upheld Council's decision in relation to a planning application / Number of decisions in relation to planning applications subject to review by VCAT] x100

Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.
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2.5 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2014/15 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 8) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

2.6 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
1. A Well Governed City	24,507	27,194	(2,687)
2. A Healthy, Creative & Inclusive City	24,062	45,089	(21,027)
3. A Strong, Innovative & Adaptive City	3,440	4,442	(1,002)
4. A Liveable & Connected City	53,786	71,739	(17,952)
Total services & initiatives	105,795	148,464	(42,668)
Other non-attributable - <i>depreciation</i>	18,244		
Deficit before funding sources	124,039		
Funding sources:			
Rates & charges	107,080		
Parking revenue	28,110		
Capital grants	1,400		
Total funding sources	136,590		
Surplus for the year	12,550		

3. Budget influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

3.1 Snapshot of the City of Port Phillip

The City of Port Phillip is located south of the Melbourne city centre, on the northern shore of Port Phillip Bay. One of the oldest areas of European settlement in Melbourne, Port Phillip is known and treasured by many for its urban village feel and artistic expression. Heritage buildings, distinct shopping precincts, and tree-lined streetscapes have shaped Port Phillip as a city of defined neighbourhoods.

The major village precincts of Bay Street (Port Melbourne), Clarendon Street (South Melbourne), Fitzroy and Acland Streets (St Kilda) and Carlisle Street (Balaclava) provide a variety of retail, leisure and entertainment experiences, each with their own character and cultural expression.

A number of significant employment areas sit within Port Phillip, including the St Kilda Road office district and the industrial, warehousing and manufacturing districts in South Melbourne and Port Melbourne.

The foreshore stretches over 11 km and a network of public open spaces makes the city a desirable place for residents and visitors alike to enjoy. It is well served by public transport, with a substantial network that includes the St Kilda and Port Melbourne light rail lines, two railway stations on the Sandringham line and various tram and bus routes.

As a sought-after inner city area of Melbourne the physical environment is subject to change. The city continues to experience significant residential development, with substantial growth anticipated in the northern edge of Port Phillip. Valuing the history, ensuring a sense of place and planning for the future of a dynamic and evolving city will continue to present a challenge.

Neighbourhood Map of the City of Port Phillip



Population

The City of Port Phillip is a diverse community and has experienced many changes over time. The City's official population has grown to 102,501 in 2013. This represents an 8.1% increase in the population from 2006. Port Phillip is the smallest and most densely populated municipality in Victoria. All neighbourhoods experienced growth in populations, to varying degrees, between 2006 and 2011. The St Kilda Road neighbourhood experienced the most rapid growth increasing from 7,089 to 8,581 residents. St Kilda is the largest neighbourhood with a population of 21,202. (Source: Australian Bureau of Statistics, Census of Population and Housing).

Age Structure

The age structure of the population shows that, relative to the Victorian population, there are a smaller proportion of people in the younger age groups (0-17) and in the older age groups (60+). The City of Port Phillip has a higher concentration of 25 to 34 year olds with 27.7% of the population when compared with the Victorian population (14.2%). (Source: Australian Bureau of Statistics, Census of Population and Housing).

The number of young people in the 5-17 age bracket has increased slightly in recent years as well as the 0-4 age group which now represents 5% of the population.

Births

Despite an ageing population, an average of 1,283 babies, have been born each year since 2005. In the 2012/13 financial year, 1,385 babies were born in the municipality. (Source: Maternal and Child Health database).

Cultural Diversity

The City of Port Phillip is a culturally and linguistically diverse municipality. Many different cultural groups live in the city with 31% of residents born overseas. The main countries of birth of residents, apart from Australia, are the United Kingdom, New Zealand, India and Greece.

Nearly 20% of the population have a non-English speaking background. The dominant language spoken at home, other than English, is Greek with 3.2% of the population, followed by Russian, Mandarin and Italian. The largest increases in the spoken languages of the population were for those speaking French, Mandarin, Hindi and Gujarati. (Source: Australian Bureau of Statistics, Census of Population and Housing). This confirms the trend in migration is moving away from the post-war pattern (i.e. Greece, Poland and Italy) towards arrivals from India, China and Malaysia.

Housing

Port Phillip's housing stock continues to increase in line with its population growth. In 2011 there were 52,413 dwellings, of which 46,005 were privately occupied. While more housing stock is available, 47.7% were high density dwellings (up from 40.8% in 2006). The largest changes in family/household types came from couples without children (1,708 households). (Source: Australian Bureau of Statistics, Census of Population and Housing).

Today 44.4% of City of Port Phillip residents report that they own or are purchasing their own home and 40.1% of residents report renting. The city attracts a large number of visitors (approximately four million) each year. These demographics provide just a narrow description of the people within our community. The rich diversity and depth of community, individual experience and contribution is the greater story that brings life and expression to the City of Port Phillip and will continue to play a significant role in shaping its future.

Education and Occupation

In the City of Port Phillip, the highest level of secondary schooling completed for 71% of the population was Year 12 or equivalent in 2011. This figure was 63.2% in 2006.

In addition 61.3% of the population aged 15 and over held educational qualifications and 26.5% had no qualifications, compared with 47.3% and 42.4% respectively for Greater Melbourne. The major differences

between qualifications held by the population of Port Phillip and Greater Melbourne were a larger percentage of persons with Bachelor or higher degrees (42.2% compared to 23.6%).

The occupations of residents in the municipality are skewed towards managers and professionals. 10,215 residents (or 18.6%) are managers while 21,245 (or 38.7%) are professionals. This compares to 12.5% and 24.1% respectively for Greater Melbourne). Technicians, trade workers, community workers, clerical/administrative, sales workers, machinery operators and labourers are under- represented in the municipality when compared with the rest of the Melbourne Statistical division. (Source Australian Bureau of Statistics, Census of Population and housing).

These demographics provide just a narrow description of the people within our community. The rich diversity and depth of community, individual experience and contribution is the greater story that brings life and expression to the City of Port Phillip and will continue to play a significant role in shaping its future.

Budget implications

The City's demographic profile gives rise to a number of budget implications in the short and long term namely:

- Cultural and linguistic diversity requires Council to use a variety of media in languages other than English for mass communication with citizens as well as interpreting services for interpersonal communication with citizens. Council also draws on the abilities of staff who can speak other languages.
- The small area of the City of Port Phillip reduces transport costs when compared to rural Shires. In addition some services can be centralised as most citizens are able to reach Council facilities without extensive travel times.
- Approximately 5% of residential ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community. Council offers a pensioner rate rebate of \$148 in addition to the current State Government rebate of \$208. The total rebate is capped at a maximum of 50% of the current rates amount. Council also provides a discounted interest rate of 50% of the statutory rate to eligible pensioners and self- funded retirees who defer their rates and charges.
- The city is substantially developed and while it is experiencing an ongoing increase in property numbers, these mainly arise from higher density developments. This increased density impacts the infrastructure network especially drainage and requires Council to replace drains which cannot cope with the higher run off in the urban environment. These costs cannot be passed on to the developer and are paid for from rates.
- While the City has relatively lower proportions of the population at the two ends of the age spectrum, there has been a sustained increase in the number of births which has future implications for child care. In addition the ongoing increase in life expectancies for the population as a whole will require the City to ensure that adequate resources are provided for the purpose of Home Care.

3.2 External influences

The Australian economy continues to exhibit below trend growth with significant headwinds emerging in the resource rich states (especially Western Australia) as the mining related construction boom dissipates. While the Australian dollar has recently retreated it remains at levels that are uncomfortably high for the struggling manufacturing and tourism sectors. This has resulted in increased levels of unemployment, lower inflation and the Reserve Bank of Australia extending its rate easing cycle which started in November 2011 with cumulative interest rate cuts totalling 2.25%. While consumer sentiment is mixed, there has been an emerging recovery in property prices which has been fuelled by the current low interest rate environment. This environment is expected to persist until the pressure created by a high Australian dollar with accompanying unemployment

growth abates. Council has continued to focus on relevant local issues in setting its budget and these are detailed below.

- Inflationary expectations have been reduced to 2.5%. While this is marginally lower than the latest forecast of 2.8% (Deloitte Access Economics March quarter 2014), it is consistent with their medium term inflation forecasts.
- The City has continued to experience above average population growth which has had an impact on the cost of providing services to the community. This manifests itself in increased contractual costs for waste collection and disposal, increased demand for social services especially child care, more intensive use of community facilities and increased pressure on ageing infrastructure especially drainage assets.
- Council has negotiated a new Enterprise Agreement with a specified wage increase of 3.75% and will also be required to pay an additional 0.25% statutory superannuation guarantee contribution from 1 July 2014. The budget has provided for salary increments that are consistent with the renegotiated Enterprise Agreement and also contains a provision for banding and salary reclassification movements.
- The Victorian Government has announced its intention for the Fishermans Bend Urban Renewal Area to transform the current mainly industrial zone in Port Melbourne and parts of South Melbourne into a mixed use residential and commercial precinct. This urban renewal project which is the largest of its kind in Australia is expected to result in a population increase of approximately 80,000 or 80% in Port Phillip over the next 40 years. Council has identified this as a key priority and the budget contains funding for a number of Fishermans Bend specific operating projects.
- The Federal government is expected to introduce the Clean Energy Legislation (Carbon Tax repeal) Bill 2013 and related bills to the House of Representatives with the intention of abolishing the carbon price from 1 July 2014 or shortly thereafter. Targeted savings in utility and contract costs have been built into the budget in anticipation of this occurring.
- The Victorian State government has announced an extension of the areas covered by the Congestion Levy to include large parts of the City of Port Phillip with effect from 1 January 2015. This levy which is raised on the operators of pay parking garages and spaces is expected to have an ongoing cost impact of \$1 million to the City of Port Phillip once in place. The budget has made a provision for the cost impact of this levy (\$500,000 in 2014/2015).
- An emerging need to better manage the impact of large crowds over the peak summer season especially on the foreshore and in some Council reserves has resulted in the allocation of additional resources (\$390,000) to enhance the management of public open space.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government.
- The State Government's enforcement agency, the PERIN Court, is responsible for collecting parking infringement debts referred to them by the City of Port Phillip and other councils. A recent increase in the statutory level of penalty units of approximately 15% has had a flow on effect by increasing the value of infringement notices referred to the Court. As a result of continuing poor collectability of these debts an increase in the doubtful debts provision of \$1 million has been allowed in the budget.

3.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the 2014/15 Budget. These internal influences are set out below.

- Port Phillip and Stonnington have historically managed a resource sharing joint venture, 'Streetsahead', which has been responsible for the provision of street and beach cleaning services to both municipalities. A decision has been made to wind up this joint venture and transition these services back in-house. While this is expected to be cost neutral it will have a direct impact on

labour and contract costs, with labour costs expected to grow (reflecting the increase of over 40 staff dedicated to this service) and this cost increase to be fully offset by a corresponding reduction in contract costs.

- Council have identified in the Council Plan the importance of encouraging Vibrant Villages. The Budget 2014/15 contains funding for a number of operating and capital projects that will support the achievement of this Council priority.
- Council have identified a priority in the Council Plan, Implement St Kilda Triangle 2012. The recent destruction by fire of the iconic Stokehouse restaurant coupled with plans to redevelop the St Kilda Life Saving Club have resulted in a more holistic approach to this precinct and grouping related projects under the Seaside Project banner. The budget contains funding of over \$1.6 million in capital and operating projects that relate to the Seaside Project.
- The budget proposes a \$75,000 reduction in the net cost of staging the St Kilda festival to \$1.15 million. This level of funding will enable the community benefit of the event to be maintained while ensuring it remains financially sustainable.
- Identification of efficiencies. The 2014/15 budget has required the capture of expected efficiencies in the budget. While the bulk of the targeted \$3.8 million in efficiency reductions have been realised, the budget provides for a further unrealised target of \$1.8 million that need to be identified and captured over the course of 2014/15.
- Council has focused on reviewing its current services to ensure they remain relevant to the community and are having the desired impact. This process has identified that Council's vacation care and home based child care programs have relatively high costs and low and diminishing utilisation. Council has commenced a comprehensive consultation process with Family Day Care staff and families about alternative options that may be available to them and will ensure that all families and carers are supported appropriately during this process.
- The transfer of maintenance obligations from the State government to Council for the marine and park assets in the Beacon Cove area.
- The ageing infrastructure of the South Melbourne Market which resulted in a need for ongoing works to carry out essential works and renewals that are linked to an old building.

3.4 Budget assumptions

In response to these influences, the following assumptions have been used to prepare this budget:

- CPI for 2014/15 of 2.5% with forward inflation projections of 2.5% per annum.
- Rate revenue to increase by 4.75% plus growth of 1.5%, with forward projections of 4.75% per annum (including projected growth of 1.5% per annum) after the budget year.
- Fees and charges to be increased by 2.5% per annum.
- Grants to increase by CPI (2.5%) per annum.
- A 2% increase in parking fines, with revenue from parking fees (ticket machines) increasing by 2.5% each year.
- Other revenue to increase by CPI (2.5%) per annum.
- Interest received is dependent on cash reserves available. It is assumed that funds invested will achieve a rate of return of 4.2% per annum.
- Employee costs to increase by 4.5% being a provision for Enterprise Agreement increases, banding increases and reclassified positions plus 0.25% superannuation increase.
- Contract services to increase by CPI (2.5%) per annum.
- Utility costs to increase by 5% per annum.
- Materials and other costs to increase by 2.5% per annum.
- Professional services to increase by 2.5% per annum.

3.5 Legislative requirements

Under the Local Government Act 1989 (“the Act”), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Local Government Amendment (Performance Reporting and Accountability) Act 2014 (“the Regulations”) which support the Act. These Regulations require all councils to prepare a set of standard financial performance indicators as well as service performance indicators in the budget.

The Budget 2014/15, which is included in this report, is for the year 1 July 2014 to 30 June 2015 and is prepared in accordance with the Act and Regulations. The budget includes standard statements being a budgeted Income Statement, Balance Sheet, Cash Flows and Capital Works. These statements have been prepared for the year ended 30 June 2015 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken, proposed fees and charges and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include a Strategic Resource Plan for the years 2014/15 to 2017/18 (section 8.), Rating Strategy (section 9.) and Other Long Term Strategies (section 10.) including borrowings, infrastructure and service delivery.

4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2014/15 year.

4.1 Budgeted income statement

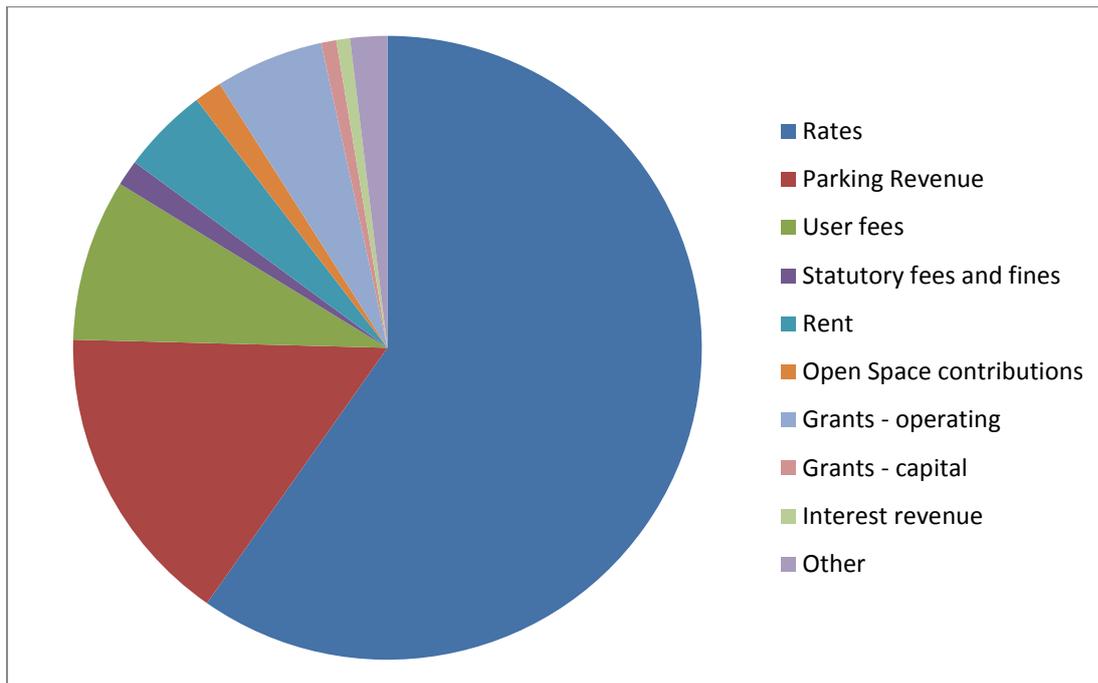
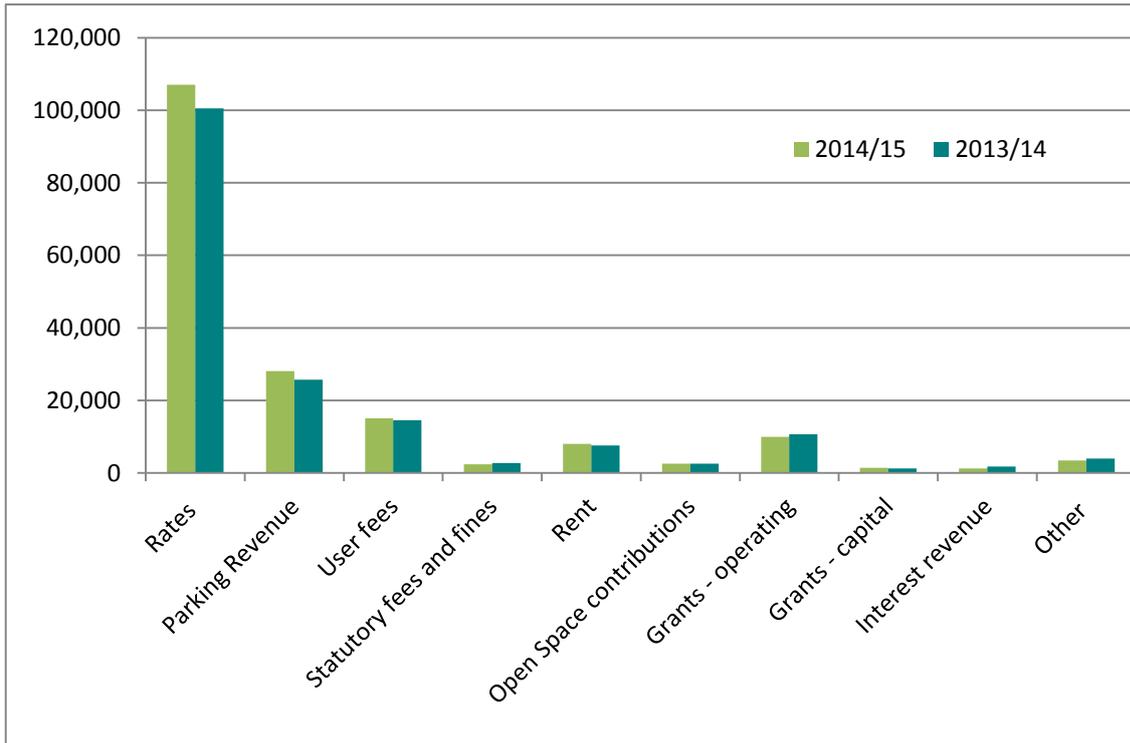
	Ref	Forecast		Variance \$'000
		Actual	Budget	
		2013/14 \$'000	2014/15 \$'000	
Operating income	4.2	171,047	179,259	8,212
Operating expenditure	4.3	159,009	166,709	7,700
Surplus (deficit) for the year		12,038	12,550	512
Less:				
Open space contributions		(2,530)	(2,563)	(33)
Grants - capital		(1,205)	(1,400)	(195)
Underlying surplus (deficit)	4.1.1	8,303	8,587	284

4.1.1 Adjusted underlying surplus (\$2.84 million increase)

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2014/15 year is a surplus of \$8.59 million which is an increase of \$284,000 on the 2013/14 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

4.2 Income

Income Types	Ref	Forecast		Variance \$'000
		Actual	Budget	
		2013/14 \$'000	2014/15 \$'000	
Rates	4.2.1	100,496	107,080	6,584
Parking Revenue	4.2.2	25,728	28,110	2,382
User fees	4.2.3	14,547	15,034	487
Statutory fees and fines	4.2.4	2,700	2,390	(310)
Rent	4.2.5	7,587	8,028	441
Open Space contributions	4.2.6	2,530	2,563	33
Grants - operating	4.2.7	10,628	9,979	(649)
Grants - capital	4.2.8	1,205	1,400	195
Interest revenue	4.2.9	1,716	1,260	(456)
Other	4.2.10	3,910	3,415	(495)
Total income		171,047	179,259	8,212



4.2.1 Rates and charges (\$6.58 million increase)

Council's rate revenue is expected to increase by 6.6% with a rate rise of 4.75% and growth in the number of assessments (property base) accounting for the remaining 1.9%.

4.2.2 Parking Revenue (\$2.38 million increase)

Parking revenue incorporates both paid parking and parking fines.

Parking revenue is anticipated to increase by \$2.38 million. This is due to increases in paid parking rates across the municipality, improved efficiency resulting from updated parking machine infrastructure and improved monitoring.

4.2.3 User fees (\$487,000 increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include separate rating schemes, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home help services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels.

A detailed listing of fees and charges is included in Appendix D.

4.2.4 Statutory fees and fines (\$310,000 decrease)

Statutory fees and fines relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These are primarily City Permits fees where the price is set by State Government. Reduction in fees and charges due to lower demand in Skip Bin and Crane/Travel Tower permits across the municipality.

A detailed listing of statutory fees and charges is set out in Appendix D.

4.2.5 Rent (\$441,000 increase)

Rental Income primarily relates to the income generated from rental of Council buildings and Markets.

4.2.6 Open space contributions (\$33,000 increase)

Open space contributions relate to monies paid by developers in regard to public resort & recreation, drainage and car parking in accordance with planning permits issued for property development. Open space contributions are projected to remain consistent over the four year plan.

4.2.7 Grants operating (\$649,000 decrease)

Operating Grant Funding Types and Source	Forecast		Variance
	Actual 2013/14	Budget 2014/15	
	\$'000	\$'000	\$'000
<i>Recurrent - Commonwealth Government</i>			
Victorian Grants Commission	2,328	2,386	58
Emergency Relief & Vulnerable groups	51	51	0
Family Day Care	185	62	(123)
Immunisation	15	15	0
Screen Australia	24	24	1
Yalukit Willam Ngargee	12	12	0
<i>Recurrent - State Government</i>			
Adventure Playgrounds	251	257	6
Aged Care	4,203	3,741	(462)
Emergency Management	16	16	0
Film Victoria	55	46	(9)
FReeZA youth development	24	24	0
Health Services	11	11	0
Immunisation	50	51	1
Individual support packages/young adults	40	38	(2)
Integrated Family Services	217	224	8
Joint Councils Access for All Abilities	506	420	(87)
Kindergarten funding	348	422	74
L2P learner driver mentor program	47	36	(11)
Libraries	573	587	14
Maternal & Child Health	617	627	11
Metro Access	106	108	3
Multicultural Commission	7	5	(2)
Primary Care Partnerships	343	363	20
School crossing supervisors	86	89	3
Special Needs Subsidy Scheme	46	24	(21)
Street & Beach Cleaning	334	323	(11)
Seniors Festival	3	3	0
Yalukit Willam Ngargee	22	12	(10)
Total recurrent grants	10,518	9,979	(539)
<i>Non-recurrent - State Government</i>			
St Kilda Festival	110	0	(110)
Total non-recurrent grants	110	0	(110)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards property development costs. Overall, the level of operating grants has decreased by 6.11% or \$649,000 compared to 2013/14 due to State Government Funding cuts.

4.2.8 Grants - capital (\$195,000 increase)

Capital Grant Funding Types and Source	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Roads to Recovery	200	200	0
<i>Total recurrent grants</i>	200	200	0
<i>Non-recurrent - State Government</i>			
Buildings	1,005	1,200	195
<i>Total non-recurrent grants</i>	1,005	1,200	195

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has increased by 16.18% or \$195,000 compared to 2013/14 due mainly to specific funding for some large capital works projects. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2014/15 year

4.2.9 Interest Revenue (\$456,000 decrease)

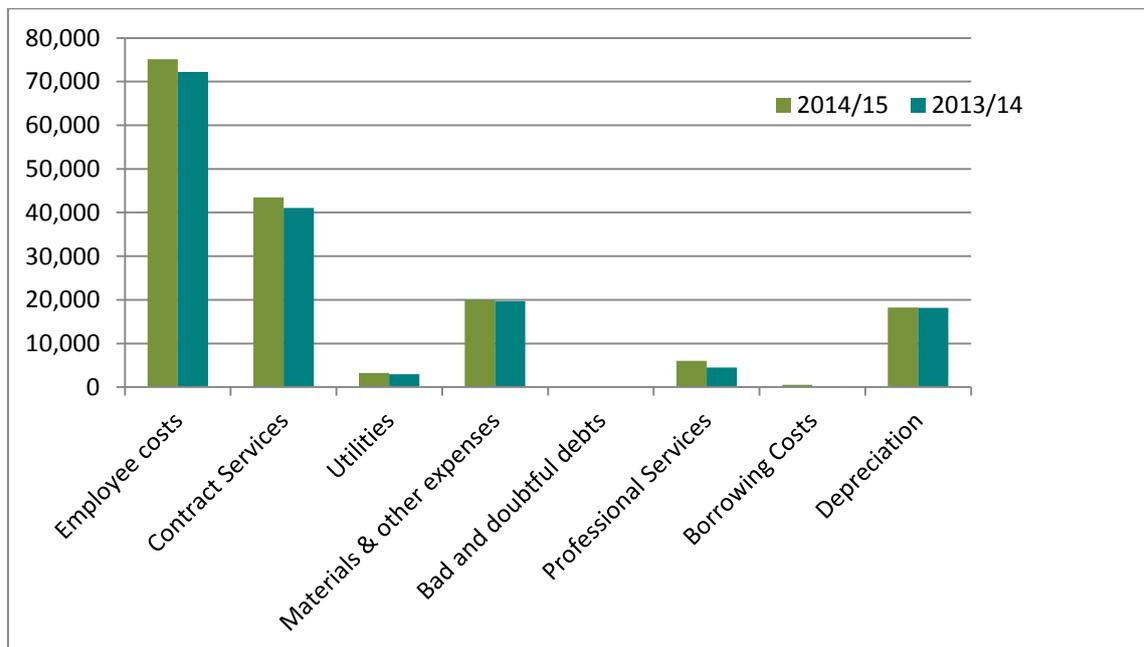
Interest revenue is received on funds invested by Council. It is anticipated that interest revenue will decrease by \$456,000 compared to 2013/14. This reduction is due to a combination of a lower interest rate environment and a reduction in the level of funds available for investment.

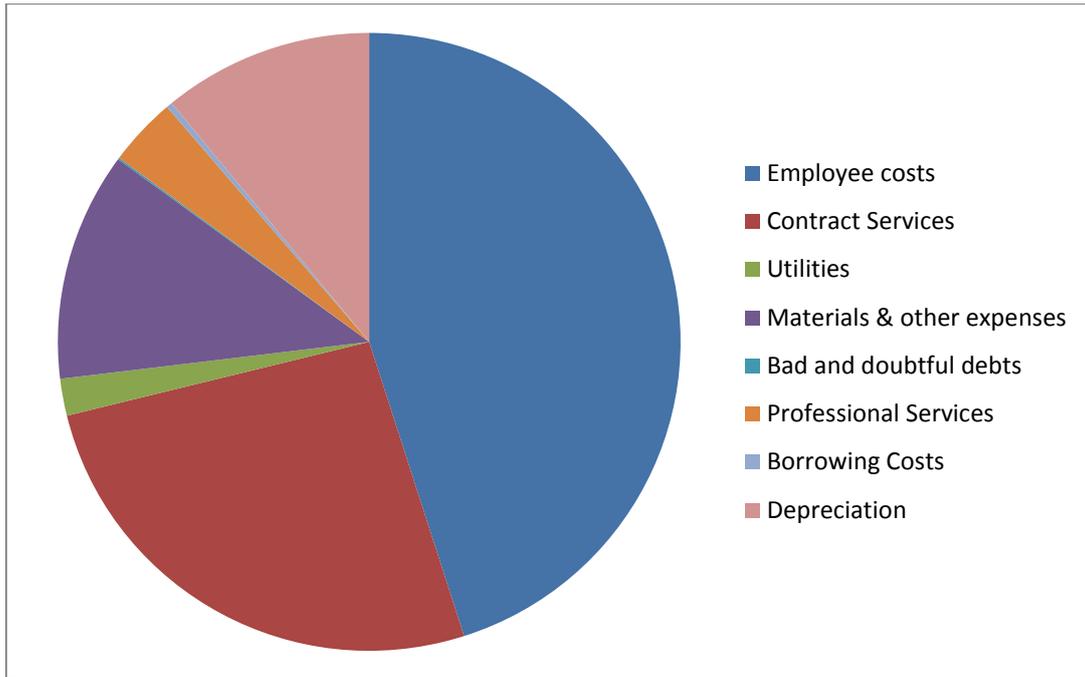
4.2.10 Other Income (\$495,000 decrease)

Other income relates to a range of items such as rental income, hire revenue, sales and other miscellaneous income items. Other income is forecast to decrease by 12.66% or \$495,000 compared to 2013/14.

4.3 Expenses

Expense Types	Ref	Forecast		Variance \$'000
		Actual	Budget	
		2013/14 \$'000	2014/15 \$'000	
Employee costs	4.3.1	72,247	75,133	2,886
Contract Services	4.3.2	41,060	43,493	2,433
Utilities	4.3.3	2,976	3,219	243
Materials & other expenses	4.3.4	19,703	19,964	261
Bad and doubtful debts	4.3.5	157	151	(6)
Professional Services	4.3.6	4,484	5,998	1,514
Borrowing Costs	4.3.7	220	507	287
Depreciation		18,162	18,244	82
Total expenses		159,009	166,709	7,700





4.3.1 Employee costs (\$2.89 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc. It also includes agency staff costs and overtime.

Employee costs are forecast to increase by 3.99% or \$2.89 million compared to the 2013/14 budget. This movement is attributable to the following factors:

- Enterprise Agreement (EA) related increase of 3.75% in salary costs
- A further increase of 0.25% in the statutory superannuation guarantee charge
- The transfer of the Streetsahead street and beach cleaning function from a contracted joint venture model to an in-house service. This has resulted in a significant reallocation of approximately \$3 million in contract expense to employee expenses with over 40 staff being added to the Council's staffing establishment.

The increases have been significantly offset by the capture of a number of labour efficiency savings including a reduction in the previously projected EA increments, the removal of a 0.25% allowance for salary banding and reclassification costs adjustments and the capture of expected savings arising from short term vacancies.

4.3.2 Contract Services (\$2.43 million increase)

Contract services include payments to contractors for the provision of services. Contract services are forecast to increase by 5.93% or \$2.43 million compared to 2013/14 which is primarily due to savings identified during the 2013/14 financial year of \$1 million.

4.3.3 Utilities (\$243,000 increase)

Utilities represent payments for water, electricity and gas. Growth in utilities expenditure is expected to lag CPI due to the expected reversal of the carbon price.

4.3.4 Materials and services (\$261,000 increase)

Materials and services include the purchases of consumables, lease charges, advertising costs, contributions/donations and other costs. The increase of \$261,000 is largely due to the introduction of the Congestion Levy as from January 2015; the levy is imposed by the State Government on "off-street" parking spaces used for parking cars. The levy is assessed on a calendar year basis.

4.3.6 Depreciation and amortisation (\$82,000 increase)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of \$82,000 for 2014/15 is due mainly to the completion of the 2014/15 capital works program and the full year effect of depreciation on the 2013/14 capital works program. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2014/15 year.

5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for 2014/15. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

5.1 Budgeted cash flow statement

	Ref	Forecast		Variance \$'000
		Actual	Budget	
		2013/14 \$'000	2014/15 \$'000	
Cash flows from operating activities	5.1.1			
<i>Receipts</i>				
Rates and charges		100,496	107,080	6,584
Parking revenue		25,728	28,110	2,382
User fees and charges		14,547	15,034	487
Statutory fees and fines		2,700	2,390	(310)
Open space contributions		2,530	2,563	33
Grants - operating		10,628	9,979	(649)
Grants - capital		1,205	1,400	195
Interest received		1,716	1,260	(456)
Rent		7,587	8,028	441
Other receipts		3,910	3,415	(495)
		171,047	179,259	8,212
<i>Payments</i>				
Employee costs		(83,120)	(75,133)	7,987
Payments to suppliers		(41,060)	(43,493)	(2,433)
Other payments		(27,320)	(29,332)	(2,012)
		(151,500)	(147,958)	3,542
Net cash provided by operating activities		19,547	31,301	11,754
Cash flows from investing activities	5.1.2			
Payments for property, infrastructure, plant and equipment		(39,431)	(32,731)	6,700
Net cash used in investing activities		(39,431)	(32,731)	6,700
Cash flows from financing activities	5.1.3			
Finance costs		(220)	(507)	(287)
Proceeds from borrowings		7,431	0	(7,431)
Repayment of borrowings		(563)	(537)	26
Net cash used in financing activities		6,648	(1,044)	(7,692)
Net decrease in cash and cash equivalents		(13,236)	(2,474)	10,762
Cash and cash equivalents at beginning of year		52,788	39,552	(13,236)
Cash and cash equivalents at end of the year	5.1.4	39,552	37,078	(2,474)

5.1.1 Operating activities (\$11.75 million increase)

The increase in cash inflows from operating activities is due mainly to the 2013/14 forecast including the defined benefits superannuation liability payment of \$10.87 million. In addition, Council's rates and charges revenue is expected to increase by \$6.58 million which is in accordance with the rate increase of 4.75% plus growth in new assessments of 1.5%.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

	Forecast		
	Actual	Budget	Variance
	2013/14 \$'000	2014/15 \$'000	\$'000
Surplus (deficit) for the year	(8,142)	(1,523)	6,619
Depreciation	18,162	18,244	82
Loss (gain) on sale of assets	0	0	0
Net movement in current assets and liabilities	9,527	14,580	5,053
Cash flows available from operating activities	19,547	31,301	11,754

5.1.2 Investing activities (\$6.70 million decrease)

The large decrease in payments for investing activities represents the planned decrease in capital works expenditure disclosed in section 10 of this budget report resulting from the completion of works rolled over to 2013/14.

5.1.3 Financing activities (\$7.69 million decrease)

No new borrowings are anticipated for 2014/15 (compared to net borrowings of \$7.43 million in 2013/14).

5.1.4 Cash and cash equivalents at end of the year (\$2.44 million decrease)

Overall, total cash and investments is forecast to decrease by \$2.44 million to \$37.08 million as at 30 June 2015. Organisational savings and the receipt of unbudgeted dividend income in 2013/14 have resulted in a larger than expected cash surplus and this surplus is being used to fund additional costs in 2014/15 such as the introduction of a parking congestion levy. These are the key reasons for the reduction in the cash balance.

5.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2015 it will have cash and investments of \$37.08 million, some of which has been restricted as shown in the following table.

	Ref	Forecast		
		Actual	Budget	Movement
		2014 \$'000	2015 \$'000	\$'000
Total cash and investments		39,552	37,078	(2,474)
Restricted cash and investments				
- Statutory reserves	5.2.1	10,890	10,249	(641)
- Discretionary reserves	5.2.2	9,702	9,392	(310)
Unrestricted cash and investments	5.2.4	18,960	17,437	(1,523)

5.2.1 Statutory reserves (\$641,000 decrease)

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes. During 2014/15 \$2.56 million is budgeted to be transferred to and \$3.20 million from Statutory Reserves.

5.2.2 Discretionary reserves (\$310,000 decrease)

These funds are shown as discretionary reserves as, although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and, unless there is a further Council resolution, these funds will be used for the purposes earmarked. During the 2014/15 year \$550,000 is budgeted to be transferred to and \$860,000 from Discretionary Reserves. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

5.2.4 Unrestricted cash and investments (\$1.52 million decrease)

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.

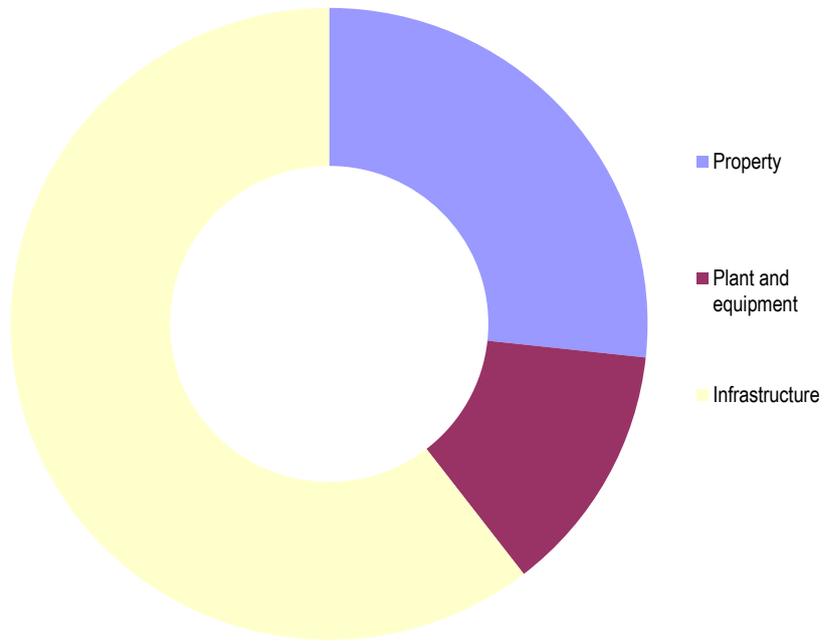
6. Analysis of capital budget

This section analyses the planned capital works expenditure budget for 2014/15 and the sources of funding for the capital budget.

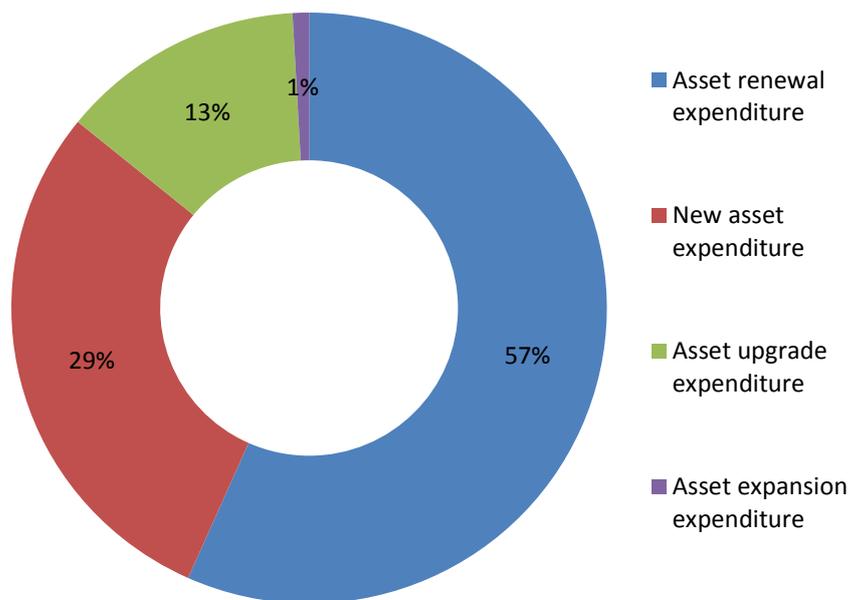
6.1 Capital works

Capital Works Areas	Ref	Forecast		Variance
		Actual 2013/14 \$'000	Budget 2014/15 \$'000	
Works carried forward	6.1.1			
Property				
Buildings		4,265	0	(4,265)
Total property		4,265	0	(4,265)
Infrastructure				
Roads		517	0	(517)
Footpaths and cycleways		92	0	(92)
Drainage		150	0	(150)
Parks, open space and streetscapes		593	0	(593)
Other infrastructure		279	0	(279)
Total infrastructure		1,631	0	(1,631)
Total works carried forward		5,896	0	(5,896)
New works				
Property	6.1.2			
Buildings		11,353	8,739	(2,614)
Total property		11,353	8,739	(2,614)
Plant and equipment	6.1.3			
Plant, machinery and equipment		2,383	1,786	(597)
Computers and telecommunications		1,205	1,649	444
Library books		849	766	(83)
Total plant and equipment		4,437	4,201	(236)
Infrastructure	6.1.4			
Roads		9,230	9,143	(87)
Footpaths and cycleways		2,605	2,425	(180)
Drainage		1,360	1,455	95
Parks, open space and streetscapes		3,730	6,152	2,422
Other infrastructure		820	617	(203)
Total infrastructure		17,745	19,792	2,047
Total new works		33,535	32,731	(803)
Total capital works expenditure		39,431	32,731	(6,699)
Represented by:				
Asset renewal expenditure	6.1.5	15,672	18,545	2,873
New asset expenditure	6.1.5	17,757	9,554	(8,203)
Asset upgrade expenditure	6.1.5	5,245	4,341	(904)
Asset expansion expenditure	6.1.5	757	291	(466)
Total capital works expenditure		39,431	32,731	(6,700)

Budgeted capital works 2014/15



Budgeted capital works 2014/15



6.1.2 Property (\$8.74 million)

This property class comprises buildings and building improvements including community centres, libraries, municipal offices, sports facilities and pavilions.

For the 2014/15 financial year, \$8.74 million will be expended on building and building improvement projects. The key projects include the Palais Theatre upgrade works (\$485,000), Northport Pavilion redevelopment (\$1.2 million), refurbishment of public toilets (\$582,000), redevelopment of the Clarendon Street Family & Children's Centre (\$757,000), environmental building retrofit works (\$514,000) and renewal works on various Council buildings including Albert Park Library, Port Melbourne Town Hall and South Melbourne Town Hall (\$1.09 million).

6.1.3 Plant and equipment (\$4.2 million)

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, and library books.

For the 2014/15 financial year, \$4.2 million will be expended on plant, equipment and other projects. The more significant activities include ongoing cyclical replacement of the plant and vehicle fleet (\$1.79 million), upgrade and replacement of information technology assets (\$1.65 million) and library material purchases (\$766,000).

6.1.4 Infrastructure (\$19.79 million)

Infrastructure includes roads, bridges, footpaths and cycle-ways, drainage, recreation, leisure and community facilities, parks, open space and streetscapes, off street car parks and other structures.

Roads

For the 2014/15 financial year, \$9.14 million will be expended on road projects. The more significant projects include local road reconstructions (\$2.29 million), the road resurfacing program (\$1.81 million), the kerb & channel renewal program (\$1.29 million) and laneway renewal & upgrade program (\$737,000).

Footpaths & Cycle-ways

For the 2014/15 financial year, \$2.43 million will be expended on footpath and cycle-way projects. This incorporates work on the footpath rehabilitation program (\$1.94 million) and the implementation of a walking plan (\$485,000).

Drainage

For the 2014/15 financial year, \$1.46 million will be expended on drainage projects. These works include drainage renewal works (\$970,000) and the implementation of Water Sensitive Urban Design Initiatives (\$485,000).

Parks & Open Space

For the 2014/15 financial year, \$6.15 million will be expended on parks, open space and foreshore projects. These include the following significant projects: Community Gardens-Soil Remediation works (\$1.15 million), implementation of Beacon Cove Disability Discrimination Act audit recommendations (\$534,000), street tree planting program (\$582,000) and Murphy Reserve masterplan (\$485,000).

Other infrastructure expenditure includes \$590,000 on street lighting.

6.1.5 Asset renewal (\$18.55 million), new assets (\$9.56 million), upgrade (\$4.34 million) and expansion (\$0.29 million)

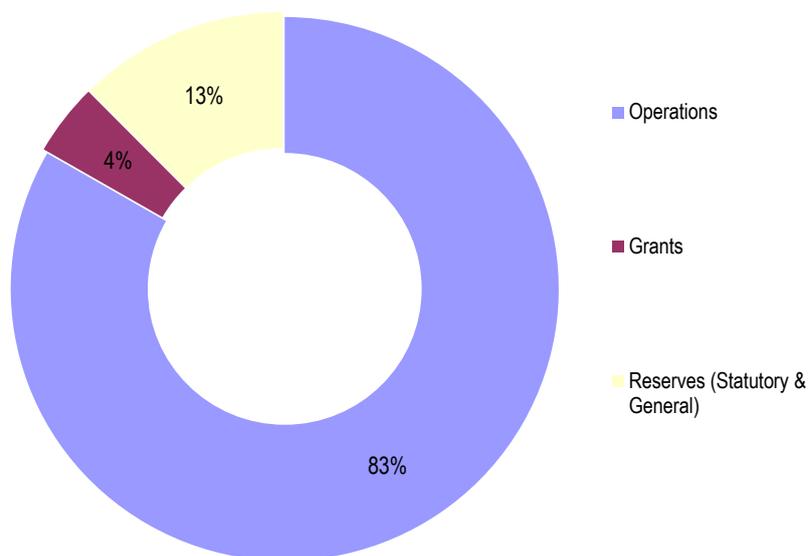
A distinction is made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

A detailed breakdown of capital expenditure by asset class and expenditure type is included in Appendix C.

6.2 Funding sources

Sources of funding	Ref	Forecast		Variance
		Actual 2013/14 \$'000	Budget 2014/15 \$'000	
Works carried forward				
Current year funding				
- operations		5,896	0	(5,896)
Total works carried forward	6.2.1	5,896	0	(5,896)
New works				
Current year funding				
Grants	6.2.2	1,235	1,400	165
Council cash				
- operations	6.2.3	22,110	27,268	5,158
- reserve cash and investments	6.2.4	5,753	4,064	(1,689)
Total new works		29,098	32,732	3,634
Total funding sources		34,994	32,732	(2,262)

Budgeted total funding sources 2014/15



Source: Appendix A

6.2.2 Grants (\$1.4 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants are budgeted to be received for the Northport Pavilion Redevelopment (\$1.2 million) and Roads to Recovery projects (\$200,000).

6.2.3 Council cash - operations (\$27.27 million)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$27.27 million will be generated from operations to fund the 2014/15 capital works program.

6.2.5 Council cash - reserve cash and investments (\$4.06 million)

Council has significant cash reserves which it is currently using to fund its annual capital works program. The reserves include monies set aside for specific purposes such as open space improvements and non-specific reserves such as the Council Fleet reserve. For 2014/15, \$4.06 million will be used to fund part of the new capital works program including Community Gardens soil remediation (\$695,000), foreshore renewal (\$359,000), the implementation of walk and bike plans (\$550,000) and the Murphy Reserve masterplan (\$485,000).

7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2013/14 and 2014/15. It also considers a number of key performance indicators.

7.1 Budgeted balance sheet

	Ref	Forecast		Variance \$'000
		Actual 2014 \$'000	Budget 2015 \$'000	
Current assets	7.1.1			
Cash and cash equivalents		39,552	37,078	(2,474)
Trade and other receivables		10,773	10,773	0
Other assets		656	656	0
Total current assets		50,981	48,507	(2,474)
Non-current assets	7.1.1			
Financial assets		235	235	0
Property, infrastructure, plant and equipment		1,962,797	1,977,284	14,487
Total non-current assets		1,963,032	1,977,519	14,487
Total assets		2,014,013	2,026,026	12,013
Current liabilities	7.1.2			
Trade and other payables		13,507	13,507	0
Trust funds and deposits		2,698	2,698	0
Provisions		9,358	9,358	0
Interest-bearing liabilities		537	575	(38)
Total current liabilities		26,100	26,138	(38)
Non-current liabilities	7.1.2			
Provisions		1,548	1,548	0
Interest-bearing loans and borrowings		8,181	7,606	575
Total non-current liabilities		9,729	9,154	575
Total liabilities		35,829	35,292	537
Net assets		1,978,184	1,990,734	12,550
Equity	7.1.4			
Accumulated surplus		602,822	616,323	13,501
Asset revaluation reserve		1,354,770	1,354,770	0
Other reserves		20,592	19,641	(951)
Total equity		1,978,184	1,990,734	12,550

Source: Appendix A

7.1.1 Current Assets (\$2.47 million decrease) and Non-Current Assets (\$14.5 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. The projected reduction of \$2.47 million in current assets relates to the proposed drawdown on reserves of \$951,000 and the funding of the capital works program in 2014/15.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget.

Other assets include items such as prepayments for expenses that Council has paid in advance of service delivery. Other assets are not expected to change significantly in the budget.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$32.73 million of new assets) offset by depreciation of assets (\$18.24 million).

Other financial assets comprise long term investments with maturity greater than 12 months. These are comprised of Council shareholdings (\$235,000) in Regional Kitchen and Procurement Australia.

7.1.2 Current Liabilities (\$0.038 million increase) and Non-Current Liabilities (\$0.58 million decrease)

Trade and other payables represent Council liabilities to external suppliers as at 30 June. These liabilities are expected to remain consistent with 2013/14 levels.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are only expected to increase marginally due to more active management of entitlements despite factoring in an increase for Collective Agreement outcomes.

Interest-bearing loans and borrowings are borrowings of Council. Council is budgeting to repay loan principal of \$575,000 over the year.

7.1.3 Working Capital (\$2.51 million increase)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

Council has also committed further current assets to specific and restricted purposes, represented by reserves, which may not yet be represented as current liabilities at 30 June.

	Forecast		Variance
	Actual	Budget	
	2014	2015	
	\$'000	\$'000	\$'000
Current assets	50,981	48,507	2,474
Current liabilities	26,100	26,138	(38)
Working capital	24,881	22,369	2,512
Restricted cash and investment current assets			
- Statutory reserves	(10,890)	(10,249)	(641)
- Discretionary reserves	(9,702)	(9,392)	(310)
Unrestricted working capital*	4,289	2,728	1,561

* Unrestricted working capital may also be committed to completion of carry forward capital works. Refer to table 6.2 for funding of capital works carried forward out of prior years.

7.1.4 Equity (\$12.6 million increase)

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time.

During the year an amount of \$951,000 (net) is budgeted to be transferred from other reserves to accumulated surplus. This reflects the usage of investment cash reserves to partly fund the capital works program. This is a transfer between equity balances only and does not impact on the total balance of equity.

7.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2015 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 98% of total rates and charges raised will be collected in the 2014/15 year (2013/14: 98% forecast actual)
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days
- Other debtors and creditors to remain consistent with 2013/14 levels
- Employee entitlements to be increased by the Enterprise Agreement outcome offset by the impact of more active management of leave entitlements of staff
- Repayment of loan principal to be \$575,000
- Total capital expenditure to be \$32.73 million
- A total of \$951,000 to be transferred from reserves to accumulated surplus, representing the internal funding of the capital works program for the 2014/15 year.

8. Strategic resource plan and financial performance indicators

This section includes an extract of the adopted Strategic Resource Plan to provide information on the long term financial projections of the Council.

8.1 Plan development

The Act requires a Strategic Resource Plan to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan.

Council has prepared a Strategic Resource Plan (SRP) for the four years 2014/15 to 2017/18 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlies the development of the SRP, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the SRP, are:

- Council will have an ongoing balanced budget and ideally a small surplus.
- Council's asset base will be maintained, enhanced and expanded.
- Liquidity will be maintained at levels that assure adequate working capital without the need to resort to ongoing borrowings or a bank overdraft.
- Capital works will address community needs without ignoring long term financial impacts.
- Council will proactively lead, develop and build an organisational culture that is based on service excellence and supports its aspirations to be an employer of choice.

In preparing the SRP, Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

The SRP is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

8.2 Financial resources

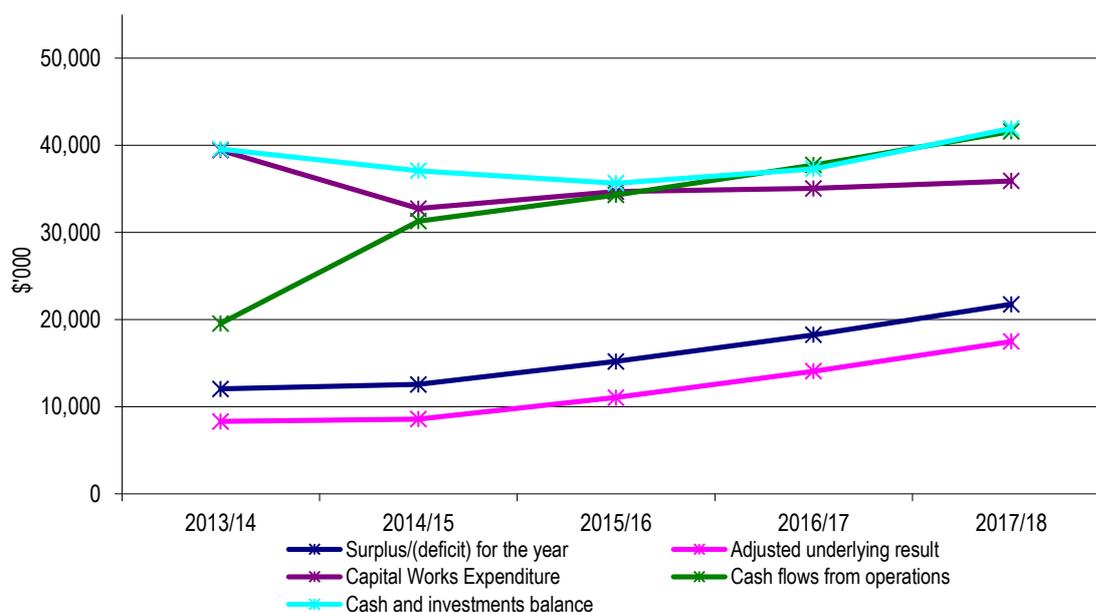
The following table summarises the key financial results for the next four years as set out in the SRP for years 2014/15 to 2017/18. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2013/14	2014/15	2015/16	2016/17	2017/18	+/o/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	12,038	12,550	15,191	18,262	21,750	+
Adjusted underlying result	8,303	8,587	11,064	14,069	17,490	+
Cash and investments balance	39,552	37,078	35,660	37,298	41,929	+
Cash flows from operations	19,547	31,301	34,304	37,733	41,578	+
Capital works expenditure	39,431	32,731	34,677	35,050	35,903	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

The following graph shows the general financial indicators over the four year period.



The key outcomes of the SRP are as follows:

- **Financial sustainability (section 5)** - Cash and investments are forecast to increase strongly over the four year period from \$37.08 million to \$41.93 million, which indicates a balanced budget on a cash basis in each year
- **Rating levels (section 9)** – Modest rate increases are forecast over the four years at an average of 6.2% which provides for price increases of 4.75% and growth in rateable properties of 1.5%
- **Service delivery strategy (section 10)** – Service levels have been maintained throughout the four year period after a slight reduction in 2014/15. Operating surpluses are forecast in all four years of the plan and increase from \$12.55 million in 2014/15 to \$21.75 million in 2017/18. Excluding the effects of capital items such as capital grants and contributions, Council has also been able to maintain an adjusted underlying surplus over the four year period. The adjusted underlying result is a measure of financial sustainability and is an important measure as one-off capital items can often mask the operating result
- **Borrowing strategy (section 10)** – Borrowings are forecast to reduce from \$7.61 million to \$5.62 million over the four year period. There are no new borrowings planned over the 4 year term of the SRP.
- **Infrastructure strategy (section 10)** - Capital expenditure over the four year period will total \$138.36 million at an average of \$34.59 million.

8.3 Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	Notes	Forecast	Budget	Strategic Resource Plan			Trend
			Actual 2013/14	2014/15	Projections			
					2015/16	2016/17	2017/18	+/-
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	5.0%	4.9%	6.0%	7.3%	8.7%	+
Liquidity								
Working Capital	Current assets / current liabilities	2	195.3%	185.6%	179.9%	185.8%	203.1%	+
Unrestricted cash	Unrestricted cash / current liabilities		72.6%	66.7%	62.9%	62.8%	62.7%	-
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	8.7%	7.6%	6.7%	5.8%	4.9%	+
Loans and borrowings	Interest and principal repayments / rate revenue		0.8%	1.0%	0.9%	0.9%	0.8%	o
Indebtedness	Non-current liabilities / own source revenue		6.1%	5.5%	4.8%	4.3%	3.7%	+
Asset renewal	Asset renewal expenditure / depreciation	4	86.3%	101.6%	105.4%	104.3%	104.6%	o
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	63.1%	63.8%	64.5%	65.3%	66.1%	-
Rates effort	Rate revenue / property values (CIV)		0.22%	0.22%	0.23%	0.23%	0.24%	o
Efficiency								
Expenditure level	Total expenditure / no. of assessments		\$2,398	\$2,439	\$2,491	\$2,537	\$2,584	o
Expenditure level	Specific purpose grants expended / Specific purpose grants received		90.0%	95.0%	100.0%	100.0%	100.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,324	\$1,372	\$1,437	\$1,505	\$1,576	o
Workforce turnover	No. of resignations & terminations / average no. of staff		10.28%	10.25%	10.00%	10.00%	10.00%	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to indicators

1 Adjusted underlying result – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance is expected over the period due to a combination of factors including steady rates growth and constrained spending on employee costs.

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to increase significantly over the life of the plan from 185.6% in 2014/15 to 208.8% in 2017/18.

3 Debt compared to rates - Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

4 Asset renewal - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets. Council has in response to a recent Victorian Auditor General report on asset management increased its funding for asset renewals to \$18.55 million which is more than its budgeted depreciation charge of \$18.24 million.

5 Rates concentration - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

8.4 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also utilise non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2014/15 year is shown below and further detail is included in section 4.3.1 of this budget. A statement of Human Resources is included in Appendix A9.

Indicator	Forecast	Strategic Resource Plan			
	Actual 2013/14	Budget 2014/15	Projections Projections		
			2015/16	2016/17	2017/18
Employee costs (\$'000)					
- Operating	71,747	75,133	78,495	82,006	85,672
- Capital	0	0	0	0	0
Total	71,747	75,133	78,495	82,006	85,672
Employee numbers (EFT)	759.8	795.1	799.1	803.1	807.1

9. Rating information

This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuations. This section should be read in conjunction with Council's Rating Strategy which is available on Council's website.

9.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 8), rates and charges were identified as an important source of revenue, accounting for over 59% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Port Phillip community.

It has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly recent changes in property valuations and subsequently rates for some properties in the municipality. To ensure that deliberations about future rate increases have been made on an informed basis, comparisons of historical rate increases were made between Council and other inner metropolitan councils (Stonnington, Yarra and Glen Eira). The following table shows a comparison of the last five years and the average rates per capita for 2013/14.

Year	Port Phillip City Council	Average Inner Metro Council
2009/10	6.26%	5.64%
2010/11	5.25%	7.63%
2011/12	7.33%	5.57%
2012/13	5.90%	5.56%
2013/14	6.0%	4.8%
Average Rate Revenue increase	6.1%	5.8%
Average per capita 2013/14	\$943	\$800

Source: Council's strategic resource plan 2014/15 to 2017/18

The table indicates that over the past five years Council's general rate increases have been in line with the average of other comparative councils. The average rate per capita was \$143 higher than the average of comparative councils in 2013/14 and this reflects the fact that Port Phillip has a significantly larger commercial and industrial property base.

9.2 Current year rate

Council's Budget 2014/15 has been impacted by the need to fund costs associated with its key place making priorities, especially the emerging Fishermans Bend Urban Renewal Area (FBURA) which will be the largest development of its kind in Australia. Council also has identified the importance of ensuring the ongoing relevancy and vibrancy of its unique inner urban shopping and entertainment precincts. It has also recognised the importance of progressing planning for the landmark Seaside project. Action will also be taken in the 2014/15 financial year to arrest the emerging asset renewal gap with a planned increase of over \$6 million in capital works funding for renewal projects.

Council has ensured that funding of these key priorities and initiatives do not place an unnecessary strain on ratepayers and it has targeted significant efficiency savings of \$4 million of which over \$2 million have been realised to date. Other initiatives to minimise the rate increase have included a review of lower priority activities with a view to identifying service substitution options. The overall impact of the increased focus on deriving value has enabled it to fund the emerging priorities with a rate increase of 4.75% which is consistent with the level set in the strategic resource plan. This rate setting will result in Council's revenue growth of 4.8%, matched by expenditure growth of 4.8%, and enable it to deliver on its key budget priorities with a

modest reduction in its overall cash backed reserves. The 2014/2015 budget sets a strong foundation for future financial sustainability with steady increases in recurrent operating surpluses that will enable it to build its cash reserves up to a projected level of \$25.47 million by June 2018. These surpluses will also provide Council with a buffer that may be required to meet the expected short term financial challenges of the FBURA.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the general rate will increase by 4.75%, in 2014/15. This will raise total rates and charges for 2014/15 of \$107.08 million, including \$0.60 million generated from supplementary rates.

The following table sets out future proposed increases in rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2014.

Year	General Rate Increase %	Total Rates Raised \$'000
2013/14	4.50	100,496
2014/15	4.75	107,080
2015/16	4.75	113,735
2016/17	4.75	120,806
2017/18	4.75	128,319

9.3 Rating structure

Council has established a rating structure which is comprised of two key elements. These are:

- Property values, which form the central basis of rating under the Local Government Act 1989 and reflect capacity to pay.
- A 'user pays' component that reflects fees for optional services provided by Council (large bins and garbage collection fees for non-rateable properties).

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

The Port Phillip rating system is based on Net Annual Value (NAV). Municipalities which have a relatively large commercial property base (ie. inner city councils) have tended to remain on NAV due to the fact that it offers protection to residential ratepayers through an in built differential.

Port Phillip is one of only a few councils in Victoria continuing to use the NAV rating system. Under NAV rating, property rates are determined in accordance with the rental yield and this is always assessed as being 5% of the Capital Improved Value (CIV) for residential properties and at a higher rate (typically 7% to 9%) for commercial and industrial properties. Councils that use CIV rating typically have differential rates in place for commercial and industrial properties; this is not necessary under NAV rating which has an in built differential.

Council provides for rate concessions for recreational land. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any 'recreational lands' which meet the test of being rateable land under the Act. There are 27 recreational properties in Port Phillip that are rated under the Cultural and Recreational Lands Act and rate concessions ranging from 25% to 85% are provided.

The following table summarises the rates to be determined for 2014/15. A more detailed analysis of the rates to be raised is contained in Appendix B 'Statutory Disclosures'.

Rate type	How applied	2013/14	2014/15	Change
General rates	Cents in \$ of NAV	4.0611	4.0708	0.24%
Municipal charge	\$ per property	Nil	Nil	Nil
Annual garbage charge – non-rateable properties	\$ per property	\$260	\$260	Nil
240 Litre bin annual service charge	\$ per property	\$120	\$120	Nil

Council has previously adopted a formal *Rating Strategy* that contains expanded information on Council's rating structure and the reasons behind its choices in applying the rating mechanisms it has used. It is planned to review and update this strategy in the next financial year.

9.4 General revaluation of properties

During the 2013/14 year, a revaluation of all properties within the municipality was carried out with a level of value date of 1 January 2014. This valuation will be applied for the first time when rates are distributed across the municipality in the 2014/15 year. While the overall outcome of the general revaluation reflected modest average increases in the order of 2% to 3% across the municipality, there have been some variations across different neighbourhoods and for different property types.

Industrial properties increased by an average of 10.1% which reflects the uplift in valuations within the Montague district in Fishermans Bend while dwellings increased by an average of 6.5%. More muted valuation increases were recorded for investment flats (4.0%) and retail properties (3.9%) while commercial properties and units were flat compared with the preceding valuation.

The following table summarises the valuation changes between the 2012 and 2014 general revaluations for residential properties by suburb, together with the rating changes between 2013/14 and 2014/15 based on a 4.75% average rate increase and the valuation movements listed.

Suburb	Valuation Change (Decrease)	Rates Change (Decrease)
Albert Park	8.61%	9.06%
Middle Park	8.01%	8.46%
South Melbourne	7.79%	8.24%
Port Melbourne	5.95%	6.39%
St Kilda West	5.23%	5.67%
Ripponlea	5.21%	5.65%
St Kilda East	4.91%	5.34%
Balaclava	4.59%	5.03%
Elwood Central	2.01%	2.43%
Elwood	1.70%	2.12%
St Kilda	1.53%	1.95%
Beacon Cove	0.95%	1.37%
Garden City	0.89%	1.30%
Foreshore A - Beaconsfield	0.85%	1.27%
Foreshore B – St Kilda/Elwood	0.54%	0.90%
Melbourne	0.32%	0.73%
Average residential	2.67%	3.10%
Average business	1.84%	2.26%

10. Other strategies

This section sets out summaries of the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure and service delivery.

10.1 Borrowings

Council's Strategic Resource Plan SRP (see Section 8) contains a number of principles that reflect its strategy around the use of borrowings to fund the delivery of Council objectives. Council's debt management strategy prohibits the use of borrowings to fund ongoing operations and provides for the use of debt as an option where the servicing costs (principal and interest) can be funded from future revenue streams or cost savings that can be expected from the investment of the funds raised. Borrowing funds is also permissible for large non-renewals capital works projects that can be expected to provide benefits to future generations.

Council has historically taken out long term borrowings to fund the superannuation costs arising from the amalgamation of Victorian councils and has accelerated the repayment of this \$13.4 million which will be repaid in full by June 2014. As part of the previous year's budget, Council provided for new borrowings of \$7.5 million which were tied to the funding of capital works projects. In raising these funds Council accessed the municipal borrowings tender that was arranged by the Municipal Association of Victoria (MAV) and which enabled it to access funds at a very competitive interest rate. It is proposed to re-finance this loan during 2014/15. These historical decisions on borrowings have enabled Council to reduce its debt servicing costs but have also meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs.

The major FBURA redevelopment has changed Council's debt management paradigm and it will be expected to, given the scale of investment required, re-assess its borrowings strategy.

The SRP includes the results of an analysis of Council's debt position against both State averages and large Council averages over a number of different indicators. It also shows the results of the 'obligations' indicators that are part of the prescribed financial reporting indicators. This analysis has highlighted that Council has significant capacity to increase its borrowings if required.

For the 2014/15 year, Council has decided not take out any new borrowings to fund the capital works program and therefore, after making loan repayments of \$537,000, will reduce its total borrowings to \$8.18 million as at 30 June 2015. However, it is likely that in future years borrowings will be required to fund future infrastructure initiatives. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2014.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2013/14	7,500	537	220	8,181
2014/15	0	575	507	7,606
2015/16	0	617	469	6,989
2016/17	0	662	428	6,327
2017/18	0	709	383	5,618

The table below shows information on borrowings specifically required by the Regulations.

	2013/14 \$	2014/15 \$
Total amount borrowed as at 30 June of the prior year	1,313,000	8,181,000
Total amount to be borrowed	7,500,000	0
Total amount projected to be redeemed	632,000.	575,000
Total amount proposed to be borrowed as at 30 June	8,181,000	7,606,000

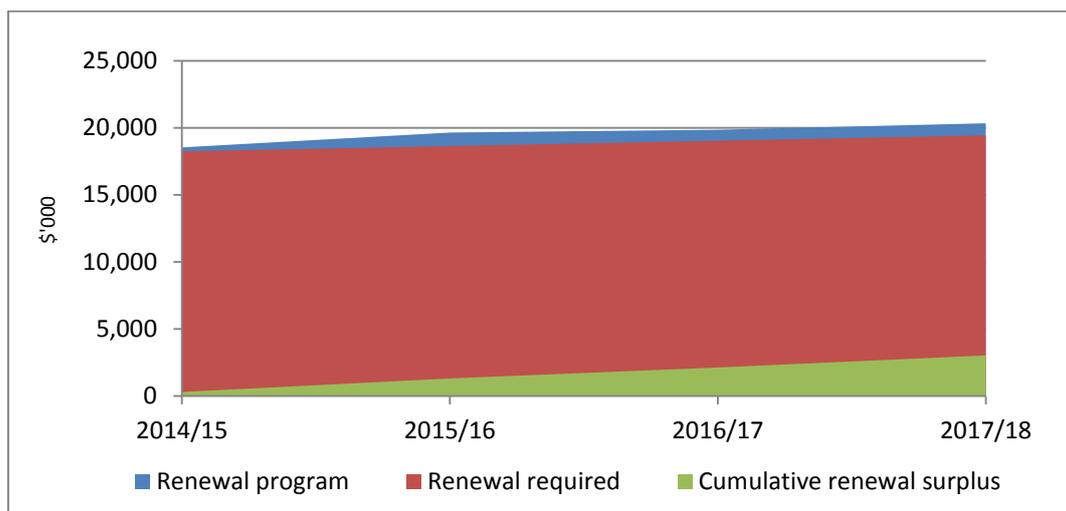
10.2 Infrastructure

Council's infrastructure and asset management principles are articulated in the Strategic Resource Plan (SRP). The key principles include a need for the council to encourage environmental responsibility, fund asset renewals from the annual depreciation charge and the prioritisation of maintaining this expenditure ahead of debt reduction and investment in new assets. Council has included in the budget documentation a four year forward capital works plan and program which sets out the capital expenditure requirements of the Council for the next 4 years by class of asset and is a key input to the long term financial plan. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy has been developed through a rigorous process of evaluation. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes
- Identification of capital projects through the preparation of asset management plans
- Prioritisation of capital projects within classes on the basis of evaluation criteria
- Methodology for allocating annual funding to classes of capital projects
- Business Case template for officers to document capital project submissions.

A key objective of the Infrastructure Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

The graph below sets out the required and actual asset renewal over the life of the current SRP.



The asset renewal program has been increased to \$18.55 million in 2014/15 which means that expenditure on assets renewals exceeds the asset renewal requirements (ie. the renewal gap no longer exists). The plan maintains this favourable "renewal surplus" over the 4 year term of the Strategic Resource Plan and is a key achievement for Council.

In updating the Infrastructure Strategy for the 2014/15 year, the following influences have had a significant impact:

- The need to better plan the capital program and Council's core project management and related processes. It is expected that the creation of an Enterprise Program Management Office will enable these to be better executed in future.
- Integration of Council's long term capital plan into its forward financial plans.
- The need to reduce the size of capital project rollovers.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Summary of funding sources				
	Total Capital Program	Grants	Reserves	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000
2013/14	39,431	1,235	3,203	34,993	0
2014/15	32,731	1,400	4,064	27,267	0
2015/16	34,677	1,500	3,050	30,157	0
2016/17	35,050	1,500	3,050	30,500	0
2017/18	35,903	1,500	1,750	32,653	0

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has significant cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include developer contributions and open space contributions. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

10.3 Service delivery

The key objectives in Council's Strategic Resource Plan (referred to in Section 8) which directly impact the future service delivery strategy are to maintain existing service levels and to achieve a breakeven operating result within five to six years. The Rating Information (see Section 9) also refers to modest rate increases into the future approximating CPI plus 2%. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

The general influences affecting all operating revenue and expenditure include the following:

	2014/15	2015/16	2016/17	2017/18
	%	%	%	%
Consumer Price Index	2.5	2.5	2.5	2.5
Average Weekly Earnings	4.0	4.0	4.0	4.0
Rate increases	4.75	4.75	4.75	4.75
Property growth	1.5	1.5	1.5	1.5
Wages growth (incl SGC)	4.5	4.5	4.5	4.5
Government funding	2.5	2.5	2.5	2.5
Statutory fees	2.5	2.5	2.5	2.5
Investment return	4.0	4.5	5.0	5.0

As well as the general influences, there are also a number of specific influences which relate directly to service areas or activities. The most significant changes in these areas are summarised below.

Transfer Station

Waste tipping fees for inert waste are expected to rise further as the State Government has increased the levy payable upon disposal of waste at landfill. Following an increase of \$44 per tonne since 2008/09, the fee will rise a further \$5.30 per tonne (10%) to \$58.50 in 2014/15. The financial impact will be to increase tipping fee costs at the Transfer Station from \$1.39 million in 2013/14 to \$1.55 million in 2014/15.

Aged and Disability Services

Government funding for aged and disability services is expected to increase by approximately \$126,000 (3.5%) from 2013/14. This includes General Home Care, Personal Care, Respite Care and Meals.

Valuation Services

The Council is required to revalue all properties within the municipality every two years. The last general revaluation was carried out as at 1 January 2014 effective for 2014/15 and the next revaluation will be undertaken as at 1 January 2016.

The service delivery outcomes measured in financial terms are shown in the following table.

Year	Surplus (Deficit) for the year \$'000	Adjusted Underlying Surplus (Deficit) \$'000	Net Service (Cost) \$'000
2013/14	12,038	8,303	140,847
2014/15	12,550	8,587	148,465
2015/16	15,191	11,064	154,186
2016/17	18,262	14,069	159,618
2017/18	21,750	17,490	165,253

Service levels have been maintained throughout the four year period with continued growth in projected operating surpluses over the life of the plan. While this indicates a very strong financial position, caution needs to be exercised given the significant growth related challenges that the municipality will face to deal with the impact of urban renewal in Fishermans Bend. Council will also need to maintain an expanded capital program to deliver on key priorities including the Seaside Project and the Vibrant Villages program. The net cost of the services provided to the community is projected to increase from \$140.85 million to \$165.25 million over the four year period.



2. Appendix A

Financial Statements



Appendix A

Budgeted Statements

This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information for the years 2014/15 to 2017/18 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget.

The appendix includes the following budgeted information:

- A1 Budgeted Income Statement converted to Cash (2013/14 v 2014/15)
- A2 Budgeted Income Statement converted to Cash (2013/14 - 2017/18)
- A3 Budgeted Comprehensive Income Statement (2013/14 - 2017/18)
- A4 Budgeted Balance Sheet (2013/14 - 2017/18)
- A5 Budgeted Statement of Changes in Equity (2013/14 - 2017/18)
- A6 Budgeted Statement of Cash Flows (2013/14 - 2017/18)
- A7 Budgeted Statement of Capital Works (2013/14 - 2017/18)
- A8 Budgeted Schedule of Reserve Movements (2013/14 - 2017/18)
- A9 Budgeted Statement of Human Resources (2013/14 - 2017/18)

Appendix A I

Budgeted Income Statement converted to Cash

Comparison of 2013/14 and 2014/15 budget

	Budget 2013/14 \$'000	Budget 2014/15 \$'000
Income		
Rates and charges	100,196	107,080
Parking revenue	28,548	28,110
User fees & charges	15,341	15,034
Statutory fees & fines	2,700	2,390
Open space contributions	2,500	2,563
Grants - operating	10,020	9,979
Grants - capital	1,235	1,400
Interest received	1,286	1,260
Rent	7,531	8,028
Other income	6,054	3,415
Total Income	175,411	179,259
Expenses		
Employee benefits	69,624	75,133
Contract services	47,337	43,493
Materials & other expenses	19,682	19,964
Professional services	5,558	5,998
Utilities	3,276	3,219
Bad and doubtful debts	157	151
Borrowing costs	24	507
Depreciation	18,162	18,244
Total Expenses	163,820	166,709
Operating surplus (deficit) for the year	11,591	12,550
CONVERSION TO CASH		
Less cash items not included in the operating result		
Capital expenditure	33,785	32,731
Loan repayments	632	537
Borrowings	(7,500)	0
Southport Nursing home Contribution drawdown	3,000	0
Payment of Superannuation Liability Charge	10,873	0
Transfers to/(from) statutory reserves	500	(641)
Transfers to/(from) general reserves	(7,123)	(310)
	34,167	32,317
Plus non cash items included in operating result		
Depreciation	18,162	18,244
Surplus/(deficit) for the year	(4,414)	(1,523)
Carry Over Surplus/(Deficit)	4,414	2,500
Surplus/(Deficit) Carried Forward	0	977

Appendix A2

Budgeted Income Statement converted to Cash

For the four years ending 30 June 2018

	Forecast	Budget 2014/15 \$'000	Strategic Resource Plan Projections		
	Actual 2013/14 \$'000		2015/16 \$'000	2016/17 \$'000	2017/18 \$'000
Income					
Rates and charges	100,496	107,080	113,735	120,806	128,319
Parking revenue	25,728	28,110	28,742	29,389	30,050
User fees & charges	14,547	15,034	15,410	15,795	16,190
Statutory fees & fines	2,700	2,390	2,450	2,511	2,574
Open space contributions	2,530	2,563	2,627	2,693	2,760
Grants - operating	10,628	9,979	10,228	10,484	10,746
Grants - capital	1,205	1,400	1,500	1,500	1,500
Interest received	1,716	1,260	1,600	1,723	1,985
Rent	7,587	8,028	8,229	8,434	8,645
Other income	3,910	3,415	3,500	3,588	3,678
Total Income	171,047	179,259	188,022	196,924	206,447
Expenses					
Employee benefits	72,247	75,133	78,495	82,006	85,672
Contract services	41,060	43,493	44,580	45,695	46,837
Materials & other expenses	19,703	19,964	20,963	21,487	22,024
Professional services	4,484	5,998	6,148	6,302	6,459
Utilities	2,976	3,219	3,380	3,549	3,726
Bad and doubtful debts	157	151	151	151	151
Borrowing costs	220	507	469	428	383
Depreciation	18,162	18,244	18,644	19,044	19,444
Total Expenses	159,009	166,709	172,830	178,662	184,697
Operating surplus (deficit) for the year	12,038	12,550	15,191	18,262	21,750
CONVERSION TO CASH					
Less cash items not included in the operating result					
Capital expenditure	39,431	32,731	34,677	35,050	35,903
Loan repayments	632	537	575	617	662
Borrowings	(7,500)	0	0	0	0
Southport Nursing home Contribution drawdown	3,000	0	0	0	0
Payment of Superannuation Liability Charge	10,873	0	0	0	0
Transfers to/(from) statutory reserves	500	(641)	127	193	1,560
Transfers to/(from) general reserves	(8,594)	(310)	(567)	1,446	3,069
	38,342	32,317	34,812	37,306	41,194
Plus non cash items included in operating result					
Depreciation	18,162	18,244	18,644	19,044	19,444
Surplus/(deficit) for the year	(8,142)	(1,523)	(977)	0	(0)
Accumulated position brought forward					
Carry Over Surplus/(Deficit)	4,748	2,500	977	0	0
Brought forward surplus to fund capital carry over	5,896	0	0	0	0
Surplus/(Deficit) Carried Forward	2,500	977	0	0	0

Appendix A3

Budgeted Comprehensive Income Statement

For the four years ending 30 June 2018

	Forecast	Budget	Strategic Resource Plan Projections		
	Actual		2015/16	2016/17	2017/18
	2013/14		\$'000	\$'000	\$'000
Income					
Rates and charges	100,496	107,080	113,735	120,806	128,319
Parking revenue	25,728	28,110	28,742	29,389	30,050
User fees & charges	14,547	15,034	15,410	15,795	16,190
Statutory fees & fines	2,700	2,390	2,450	2,511	2,574
Open space contributions	2,530	2,563	2,627	2,693	2,760
Grants - operating	10,628	9,979	10,228	10,484	10,746
Grants - capital	1,205	1,400	1,500	1,500	1,500
Interest received	1,716	1,260	1,600	1,723	1,985
Rent	7,587	8,028	8,229	8,434	8,645
Other income	3,910	3,415	3,500	3,588	3,678
Fair value adjustments for investment property	0	0	0	0	0
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	0	0	0	0	0
Total income	171,047	179,259	188,022	196,924	206,447
Expenses					
Employee benefits	72,247	75,133	78,495	82,006	85,672
Contract services	41,060	43,493	44,580	45,695	46,837
Materials & other expenses	19,703	19,964	20,963	21,487	22,024
Professional services	4,484	5,998	6,148	6,302	6,459
Utilities	2,976	3,219	3,380	3,549	3,726
Bad and doubtful debts	157	151	151	151	151
Borrowing costs	220	507	469	428	383
Depreciation	18,162	18,244	18,644	19,044	19,444
Total Expenses	159,009	166,709	172,830	178,662	184,697
Surplus (deficit) for the year	12,038	12,550	15,191	18,262	21,750
Other comprehensive income					
<i>Items that will not be reclassified to surplus or deficit:</i>					
Impairment of fire impacted infrastructure	0	0	0	0	0
Net asset revaluation increment /(decrement)	0	0	0	0	0
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	0	0	0	0	0
Comprehensive result	12,038	12,550	15,191	18,262	21,750

Appendix A4

Budgeted Balance Sheet

For the four years ending 30 June 2018

	Forecast	Budget 2014/15 \$'000	Strategic Resource Plan Projections		
	Actual		2015/16	2016/17	2017/18
	2013/14 \$'000		\$'000	\$'000	\$'000
ASSETS					
Current Assets					
Cash and cash equivalents	39,552	37,078	35,660	37,298	41,929
Trade & other receivables	10,773	10,773	10,773	10,773	10,773
Other assets	656	656	656	656	656
Total current assets	50,981	48,507	47,089	48,727	53,358
Non Current Assets					
Financial assets	235	235	235	235	235
Property, infrastructure, plant and equipment	1,962,797	1,977,284	1,993,317	2,009,323	2,025,782
Total non current assets	1,963,032	1,977,519	1,993,552	2,009,558	2,026,017
Total assets	2,014,013	2,026,026	2,040,641	2,058,285	2,079,375
LIABILITIES					
Current Liabilities					
Trade and other payables	13,507	13,507	13,507	13,507	13,507
Trust funds and deposits	2,698	2,698	2,698	2,698	2,698
Provisions	9,358	9,358	9,358	9,358	9,358
Interest bearing liabilities	537	575	617	662	709
Total current liabilities	26,100	26,138	26,180	26,225	26,272
Non Current Liabilities					
Provisions	1,548	1,548	1,548	1,548	1,548
Interest bearing loans and borrowings	8,181	7,606	6,989	6,327	5,618
Total non current liabilities	9,729	9,154	8,537	7,875	7,166
Total liabilities	35,829	35,292	34,717	34,100	33,438
Net assets	1,978,184	1,990,734	2,005,924	2,024,185	2,045,937
Equity					
Accumulated surplus	602,822	616,323	631,953	648,575	665,698
Asset revaluation reserve	1,354,770	1,354,770	1,354,770	1,354,770	1,354,770
Other reserves	20,592	19,641	19,201	20,840	25,469
Total equity	1,978,184	1,990,734	2,005,924	2,024,185	2,045,937

Appendix A5

Budgeted Statement of Changes in Equity

For the four years ending 30 June 2018

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2015				
Balance at beginning of the financial year	1,978,184	602,822	1,354,770	20,592
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	12,550	12,550	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	641	-	(641)
Transfer from reserves	-	310	-	(310)
Balance at end of the financial year	1,990,734	616,323	1,354,770	19,641
2016				
Balance at beginning of the financial year	1,990,734	616,323	1,354,770	19,641
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	15,191	15,191	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(127)	-	127
Transfer from reserves	-	567	-	(567)
Balance at end of the financial year	2,005,924	631,953	1,354,770	19,201
2017				
Balance at beginning of the financial year	2,005,924	631,953	1,354,770	19,201
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	18,262	18,262	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(193)	-	193
Transfer from reserves	-	(1,446)	-	1,446
Balance at end of the financial year	2,024,185	648,575	1,354,770	20,840
2018				
Balance at beginning of the financial year	2,024,185	648,575	1,354,770	20,840
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	21,750	21,750	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(1,560)	-	1,560
Transfer from reserves	-	(3,069)	-	3,069
Balance at end of the financial year	2,045,937	665,698	1,354,770	25,469

Appendix A6

Budgeted Statement of Cash Flows

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Rates and garbage charges	100,496	107,080	113,735	120,806	128,319
Parking fees and fines	25,728	28,110	28,742	29,389	30,050
User charges and other fines	14,547	15,034	15,410	15,795	16,190
Statutory fees and fines	2,700	2,390	2,450	2,511	2,574
Grants - operating	10,628	9,979	10,228	10,484	10,746
Grants - capital	1,205	1,400	1,500	1,500	1,500
Contributions - cash	2,530	2,563	2,627	2,693	2,760
Interest	1,716	1,260	1,600	1,723	1,985
Rent	7,587	8,028	8,229	8,434	8,645
Other receipts	3,910	3,415	3,500	3,588	3,678
Employee costs	(83,120)	(75,133)	(78,495)	(82,006)	(85,672)
Payments to suppliers	(41,060)	(43,493)	(44,580)	(45,695)	(46,837)
Other payments	(27,320)	(29,332)	(30,642)	(31,489)	(32,360)
Net cash provided by operating activities	19,547	31,301	34,304	37,733	41,578
Cash flows from investing activities					
Payments for property, plant and equipment	(39,431)	(32,731)	(34,677)	(35,050)	(35,903)
Proceeds from the sale of property, plant and equipment	0	0	0	0	0
Trust funds and deposits	0	0	0	0	0
Repayment of loans and advances	0	0	0	0	0
Net cash used in investing activities	(39,431)	(32,731)	(34,677)	(35,050)	(35,903)
Cash flows from financing activities					
Finance costs	(220)	(507)	(469)	(428)	(383)
Repayment of borrowings	(563)	(537)	(575)	(617)	(662)
Proceeds from borrowings	7,431	0	0	0	0
Net cash provided by (used in) financing activities	6,648	(1,044)	(1,044)	(1,045)	(1,045)
Net increase (decrease) in cash and cash equivalents	(13,236)	(2,474)	(1,417)	1,638	4,630
Cash & cash equivalents at beginning of year	52,788	39,552	37,078	35,660	37,298
Cash & cash equivalents at end of year	39,552	37,078	35,660	37,298	41,929

Appendix A7

Budgeted Statement of Capital Works

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Buildings	15,618	8,739	6,503	7,647	7,174
Total property	15,618	8,739	6,503	7,647	7,174
Plant and equipment					
Plant, machinery and equipment	2,383	1,786	1,914	1,962	2,010
Computers and telecommunications	1,205	1,649	1,743	1,786	1,831
Library books	849	766	785	805	825
Total plant and equipment	4,437	4,201	4,442	4,553	4,666
Infrastructure					
Roads	9,747	9,143	11,347	10,406	11,178
Footpaths and cycleways	2,697	2,425	2,615	2,731	2,847
Drainage	1,510	1,455	1,540	1,580	1,620
Parks, open space and streetscapes	4,323	6,152	7,530	7,133	7,078
Other infrastructure	1,099	616	700	1,000	1,340
Total infrastructure	19,376	19,791	23,732	22,850	24,063
Total capital works expenditure	39,431	32,731	34,677	35,050	35,903
Represented by:					
Asset renewal expenditure	15,672	18,545	19,652	19,862	20,343
New asset expenditure	17,757	9,554	10,118	10,229	10,480
Asset expansion expenditure	5,245	4,341	4,598	4,647	4,761
Asset upgrade expenditure	757	291	309	312	319
Total capital works expenditure	39,431	32,731	34,677	35,050	35,903

Appendix A8

Budgeted Schedule of Reserve Movements

For the four years ending 30 June 2018

	2013/14			2014/15			2015/16			2016/17			2017/18		
	Forecast		Forecast Balance 2013/14	Budgeted		Budgeted Balance 2014/15	Budgeted		Budgeted Balance 2015/16	Budgeted		Budgeted Balance 2016/17	Budgeted		Budgeted Balance 2017/18
	Forecast Tfrs To Reserves \$000s	Tfrs (From) Reserves \$000s		Budgeted Tfrs To Reserves \$000s	Tfrs (From) Reserves \$000s										
GENERAL RESERVE (4721)															
General	294	(5,819)	2,787	0	(310)	2,477	1,742	(2,309)	1,910	1,446	0	3,356	3,069	0	6,425
Tied Grants	0	0	2,159	0	0	2,159	0	0	2,159	0	0	2,159	0	0	2,159
Child Care Centre Infrastructure Levy	0	0	1,844	0	0	1,844	0	0	1,844	0	0	1,844	0	0	1,844
Southport Nursing Home Contribution	0	(3,000)	0	0	0	0	0	0	0	0	0	0	0	0	0
Middle Park Beach Ongoing Maintenance	80	0	2,150	0	0	2,150	0	0	2,150	0	0	2,150	0	0	2,150
Total	374	(8,819)	8,940	0	(310)	8,630	1,742	(2,309)	8,063	1,446	0	9,509	3,069	0	12,578
Sustainable Transport	550	(550)	758	550	(550)	758	550	(550)	758	550	(550)	758	550	(550)	758
South Melbourne Central (Red Bears)	0	(150)	4	0	0	4	0	0	4	0	0	4	0	0	4
	550	(700)	762	550	(550)	762	550	(550)	762	550	(550)	762	550	(550)	762
TOTAL GENERAL RESERVE	924	(9,519)	9,702	550	(860)	9,392	2,292	(2,859)	8,825	1,996	(550)	10,271	3,619	(550)	13,340
STATUTORY RESERVE (4720 & 9910)															
Resort & recreation	2,500	(2,000)	8,885	2,563	(3,204)	8,244	2,627	(2,500)	8,371	2,693	(2,500)	8,564	2,760	(1,200)	10,124
Car park	0	0	1,790	0	0	1,790	0	0	1,790	0	0	1,790	0	0	1,790
Port Melbourne DCP	0	0	215	0	0	215	0	0	215	0	0	215	0	0	215
TOTAL STATUTORY RESERVE	2,500	(2,000)	10,890	2,563	(3,204)	10,249	2,627	(2,500)	10,376	2,693	(2,500)	10,569	2,760	(1,200)	12,129
TOTAL GENERAL & STATUTORY RESERVE	3,424	(11,519)	20,592	3,113	(4,064)	19,641	4,919	(5,359)	19,201	4,689	(3,050)	20,840	6,379	(1,750)	25,469

	2013/14	2014/15	2015/16	2016/17	2017/18
Net transfers to / (from) general reserve	(8,595)	(310)	(567)	1,446	3,069
Net transfers to / (from) statutory reserve	500	(641)	127	193	1,560
	(8,095)	(951)	(440)	1,639	4,629

Appendix A9

Budgeted Statement of Human Resources

For the four years ending 30 June 2018

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	72,247	75,133	78,495	82,006	85,672
Employee costs - capital	0	0	0	0	0
Total staff expenditure	72,247	75,133	78,495	82,006	85,672
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Employees	759.8	795.1	799.1	803.1	807.1
Total staff numbers	759.8	795.1	799.1	803.1	807.1

Note:

Council's 2014/15 budgeted staffing levels have been impacted by the transfer in-house of 40 staff previously employed by an external contractor "Streetsahead" which is being wound up with effect from 1 July 2014.



3. Appendix B

Rates & Charges



Appendix B

Rates and charges

This appendix presents information which the Act and the Regulations require to be disclosed in the Council's annual budget.

Rates and charges

I. Rates and charges

I.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2013/14 cents/\$NAV	2014/15 cents/\$NAV	Change
General rate for rateable properties	4.0611	4.0708	0.24%

I.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	77,661,472	82,918,689	6.77%
Commercial	17,945,717	18,983,872	5.78%
Industrial	4,393,495	4,649,369	5.82%
Cultural and Recreational	155,946	161,008	3.25%
Total amount to be raised by general rates	100,156,630	106,712,938	6.55%

I.3 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2013/14	2014/15	Change
Residential	58,654	60,454	3.07%
Commercial	6,667	6,867	3.00%
Industrial	948	998	5.27%
Cultural and Recreational	27	27	0.00%
Total number of assessments	66,296	68,346	3.10%

I.4 The basis of valuation to be used is the Net Annual Value (NAV)

I.5 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	1,912,326,020	2,036,913,850	6.51%
Commercial	441,893,003	466,342,550	5.53%
Industrial	108,184,851	114,212,650	5.57%
Cultural and Recreational	3,840,000	3,955,200	3.00%
Total value of land	2,466,243,874	2,621,424,250	6.34%

1.6 The municipal charge under section 159 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2013/14 \$	Per Rateable Property 2014/15 \$	Change
Municipal	0	0	0.0%

1.7 The estimated total amount to be raised by municipal charges compared with the previous financial year

Type of Charge	2013/14 \$	2014/15 \$	Change
Municipal	0	0	0.0%

1.8 The rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2013/14 \$	Per Rateable Property 2014/15 \$	Change
Annual Garbage Charge for non-rateable tenements	260	260	0.0%
240 Litre Bin - Annual Service Charge	120	120	0.0%

1.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Charge	2013/14 \$	2014/15 \$	Change
Annual Garbage Charge for non-rateable tenements	21,580	21,320	-1.2%
240 Litre Bin - Annual Service Charge	214,200	226,800	5.9%
Total	235,780	248,120	

1.10 The estimated total amount to be raised by all rates and charges compared with the previous financial year

Type of Charge	2013/14 \$	2014/15 \$	Change
General Rates	100,156,630	106,712,938	6.55%
Supplementary Rates	600,000	600,000	0.0%
Rate rebates and adjustments	(323,817)	(484,636)	49.7%
Charges	235,780	248,120	5.2%
Total	100,668,593	107,076,422	6.4%

1.11 Any significant changes that may affect the estimated amounts to be raised by rates and charges

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges.

However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations (2014/15: estimated \$600,000, 2013/14: \$600,000)
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

2. Differential rates

The City of Port Phillip uses the Net Annual Value (NAV) system for determining the distribution of rates across the municipality.

Section 161 (1) of the Local Government Act 1989 only allows for differential rates to be applied by councils that use the Capital Improved Value (CIV) system for valuing land. While councils using other rating systems may raise limited differential rates under Section 161A of the Local Government Act 1989 this may only be applied between the following land categories farm land, urban farm land and residential properties which does not apply to Port Phillip which is an inner metropolitan council. The other option available under this provision is a differential between different wards which is also not appropriate.



4. Appendix C

Capital Program



Appendix C

2014/15 Capital Program Summary

Summary

The 2014/15 Capital Works Program has been developed to respond to demands across the municipality, with particular focus on environmentally sustainable walkability projects that enhance Port Phillip's special places and spaces.

The Council has developed a program based on robust discussion and debate and on the likelihood of projects being completed in the year that they were proposed. The proposed capital works program budget for 2014/15 is \$32.73 million.

Background

Council has developed a capital works program based on the strategic directions of its Council Plan. These four directions are:

- A Well Governed City
- A Healthy, Creative and Inclusive City
- A Strong, Innovative and Adaptive City
- A Liveable and Connected City

The capital works program has identified projects and programs for each of the above strategies.

Strategy	No. of Projects	Funding (\$)
A Well Governed City	2	\$1,649,000
A Healthy, Creative and Inclusive City	24	\$7,247,950
A Strong, Innovative and Adaptive City	10	\$2,371,650
A Liveable and Connected City	57	\$21,462,885
	93	\$32,731,485

Development of the 2014/15 Program

The following principles were used in developing the 2014/15 capital works program:

- A focus on projects that have elements of environmentally sustainable design or function
- To deliver on sustainable transport and further developing the quality and safety of the city's walking & cycling opportunities
- A program that responds to community consultation
- A degree of flexibility to respond to emerging issues and needs
- A project management resource commensurate with the size of the capital works program.

The program has also been developed to ensure that adequate funding is allocated to the timely renewal of Council's existing assets to ensure current service levels are maintained.

The proposed allocation for the various asset types is as follows:

2014/15 Capital Program by Asset Type	
Buildings	\$8,739,000
Infrastructure	\$19,791,000
Plant & Equipment	\$4,201,000
Total	\$32,731,000

The proposed allocation for each category of funding is as follows:

2014/15 Capital Program by Funding Summary	
Asset Renewal Expenditure	\$18,545,000
New Asset Expenditure	\$9,554,000
Asset Upgrade Expenditure	\$4,341,000
Asset Expansion Expenditure	\$291,000
Total	\$32,731,000

New Assets

New assets to be constructed in 2014/15 total 29% of the program. The significant projects include:-

- Northport Pavilion Redevelopment Stage 2 - \$1.2 million
- Community Gardens - \$1.15 million
- Murphy Reserve Masterplan - \$485,000
- Water Sensitive Urban Design Implementation - \$485,000

Asset Upgrades

Enhancements to assets to be constructed in 2014/15 total 13% of the program. The significant projects include:-

- St Kilda Botanical Gardens Pond Reconstruction - \$340,000
- Laneway Upgrades - \$301,000
- Bike Plan Implementation - \$485,000
- Palais Theatre - \$485,000
- Refurbishment of Civic Kindergarten and Middle Park MCH - \$206,000
- Public Toilet Implementation - \$233,000

Asset Renewals

Asset Renewal projects to be constructed in 2014/15 total 56% of the program. The significant projects include:-

- Road Rehabilitation Program - \$2.294 million
- Footpath Rehabilitation Program - \$1.940 million
- Road Resurfacing Program - \$1.605 million
- Building Renewal Program - \$1.086 million
- Kerb Renewal Program - \$1.300 million
- Drainage Renewal Program - \$1.455 million
- Sustainable Public Lighting - \$592,000
- Environmental Building Retrofits - \$514,000
- Recreational Facility Renewals - \$290,000

Source of Funds for 2014/15 Capital Works Budget		\$
Rates and General Operations		27,267,000
External Income (Grants, Contributions, etc)		1,400,000
<i>Reserve Transfers</i>		
- Resort & Recreation Reserve	3,204,000	
- Sustainable Transport Reserve	550,000	
- Other Reserves	310,000	4,064,000
		32,731,000

Appendix C I

Capital Program 2014/15

This appendix presents a listing of the capital works projects (grouped by asset class) that will be undertaken in

Capital works program - by Asset Type & Funding Source

For the year ending 30 June 2015:

Capital Works Area	Project Cost \$'000	Summary of funding sources			
		Council			
		Grants \$'000	Reserves \$'000	Cash \$'000	Borrowings \$'000
PROPERTY					
BUILDINGS					
New asset expenditure					
Community facilities	6,354	1,200	0	5,154	0
Total new asset expenditure - buildings	6,354	1,200	0	5,154	0
Asset renewal expenditure					
Community facilities	793	0	0	793	0
Municipal offices	345	0	0	345	0
Pavilions	79	0	0	79	0
Other buildings	1,086	0	0	1,086	0
Total asset renewal expenditure - buildings	2,303	0	0	2,303	0
TOTAL BUILDINGS	8,657	1,200	0	7,457	0
BUILDING IMPROVEMENTS					
New asset expenditure					
Municipal offices: Depot lift	82	0	0	82	0
Total new asset expenditure - buildings	82	0	0	82	0
TOTAL BUILDING IMPROVEMENTS	82	0	0	82	0
TOTAL PROPERTY	8,739	1,200	0	7,539	0
PLANT AND EQUIPMENT					
PLANT, MACHINERY AND EQUIPMENT					
Asset renewal expenditure					
Motor vehicles and plant	1,786	0	310	1,476	0
Total asset renewal expenditure - PM&E	1,786	0	310	1,476	0
TOTAL PLANT, MACHINERY & EQUIPMENT	1,786	0	310	1,476	0
COMPUTERS AND TELECOMMUNICATIONS					
New asset expenditure					
Information technology: Asset system	170	0	0	170	0
Information technology: PCs and servers	339	0	0	339	0
Total new asset expenditure - C&T	509	0	0	509	0
Asset renewal expenditure					

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Reserves \$'000	Cash \$'000	Borrowings \$'000
Information technology	1,140	0	0	1,140	0
Total asset renewal expenditure - IT	1,140	0	0	1,140	0
TOTAL COMPUTERS & TELECOMM'S	1,649	0	0	1,649	0
LIBRARY BOOKS					
New asset expenditure					
Books: Product purchases	766	0	0	766	0
Total new asset expenditure - library books	766	0	0	766	0
TOTAL LIBRARY BOOKS	766	0	0	766	0
TOTAL PLANT AND EQUIPMENT	4,201	0	310	3,891	0
INFRASTRUCTURE					
ROADS					
New asset expenditure					
Redundant Vehicle Crossing & Waterfront Place/ Beach St/Princes St Roundabout Works	140	0	0	140	0
Route 96 Upgrade-Acland St	146	0	0	146	0
Ferrars St School Road & Blessington Streetscape Works	116	0	0	116	0
Fitzroy Street Masterplan Implementation	340	0	0	340	0
Total new asset expenditure - roads	742	0	0	742	0
Asset renewal expenditure					
Bike Plan Implementation	485	0	275	210	0
Kerb Renewal Program	1,290	0	0	1,290	0
Laneway Renewal Program	437	0	0	437	0
Litter Bin Replacement Program	388	0	0	388	0
Port Melbourne Urban Renewal(DCP)	388	0	0	388	0
Road Rehabilitation Program	2,294	0	0	2,294	0
Road Resurfacing Program	1,605	0	0	1,605	0
Roads to recovery	200	200	0	0	0
Street Signage & Furniture Renewal	335	0	0	335	0
Total asset renewal expenditure - roads	7,422	200	275	6,947	0
Asset upgrade expenditure					
Vibrant Villages Program	388	0	0	388	0
Laneway (ROW) Upgrade Program	300	0	0	300	0
Total asset upgrade expenditure - roads	688	0	0	688	0
Asset expansion expenditure					
Strategic Parking Approach-Implementation	291	0	0	291	0
Total asset expansion expenditure - roads	291	0	0	291	0
TOTAL ROADS	9,143	200	275	8,668	0

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Reserves \$'000	Cash \$'000	Borrowings \$'000

FOOTPATHS AND CYCLEWAYS

Asset renewal expenditure

Footpath Rehabilitation Program	1,940	0	0	1,940	0
Walk Plan Implementation	485	0	275	210	0
Total asset renewal expenditure - footpaths	2,425	0	275	2,150	0
TOTAL FOOTPATHS AND CYCLEWAYS	2,425	0	275	2,150	0

DRAINAGE

New asset expenditure

Water Plan Implementation - Water Sensitive Urban Design(WSUD)	485	0	0	485	0
Total new asset expenditure - drainage	485	0	0	485	0
Asset renewal expenditure					
Drainage Renewal Program	970	0	0	970	0
Total asset renewal expenditure - drainage	970	0	0	970	0
TOTAL DRAINAGE	1,455	0	0	1,455	0

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Reserves \$'000	Cash \$'000	Borrowings \$'000
PARKS, OPEN SPACE AND STREETSCAPES					
Asset renewal expenditure					
Foreshore Renewal	359	0	359	0	0
Memorials & Monument Renewal Program	49	0	0	49	0
Park Signage & Furniture Renewal	340	0	340	0	0
Parks & Open Space -Water Supply Compliance Program	97	0	0	97	0
Park Pathways Renewal	97	0	0	97	0
Park Tree Improvement Program	49	0	0	49	0
Playground Renewal Program	340	0	340	0	0
Pocket Park Renewal Program	301	0	301	0	0
Street Tree Improvement Program	581	0	0	581	0
Recreation Facilities/Renewals	287	0	287	0	0
Park Pathways Renewal	0	0	0	0	0
Total asset renewal expenditure	2,499	0	1,627	872	0
Asset upgrade expenditure					
Active Reserve Improvement Works	194	0	194	0	0
Beacon Cove Foreshore	534	0	0	534	0
Community Gardens-Soil Remediation	1,153	0	695	459	0
Emerald Hill Precinct Masterplan	116	0	0	116	0
Gaswork Park Plan Implementation	97	0	0	97	0
Lagoon Reserve Plan Implementation	49	0	0	49	0
Moubray St Popup Park	15	0	0	15	0
Murphy Reserve Masterplan implementation	485	0	485	0	0
Seniors Exercise Equipment	78	0	78	0	0
St Kilda Triangle Development	49	0	0	49	0
Peanut Reserve Masterplan	126	0	126	0	0
Foreshore Bike Path Upgrade	49	0	0	49	0
Foreshore Management Plan Implementation	97	0	0	97	0
Northport Oval Ground Upgrade	97	0	0	97	0
St Kilda Botanical Gardens Pond Reconstruction	340	0	0	340	0
St Kilda Foreshore Promenade - Access Ramp	78	0	0	78	0
Water Plan Implementation - Irrigation Systems	97	0	0	97	0
Total Asset Upgrade expenditure	3,653	0	1,577	2,076	0
TOTAL PARKS, O/SPACE & STREETSCAPES	6,152	0	3,204	2,948	0

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Reserves \$'000	Cash \$'000	Borrowings \$'000
OTHER INFRASTRUCTURE					
New asset expenditure					
Lighting	590	0	0	590	0
Art Acquisition	26	0	0	26	0
Total new asset expenditure - other structures	616	0	0	616	0
TOTAL OTHER STRUCTURES	616	0	0	616	0
TOTAL INFRASTRUCTURE	19,791	200	3,754	15,837	0
TOTAL NEW CAPITAL WORKS 2014/15	32,731	1,400	4,064	27,267	0
REPRESENTED BY:					
Asset renewal expenditure	18,545	200	2,487	15,858	0
New asset expenditure	9,554	1,200	0	8,354	0
Asset upgrade expenditure	4,341	0	1,577	2,764	0
Asset expansion expenditure	291	0	0	291	0

Appendix C2

Capital Program 2014/15 - Projects by Council Plan Strategic Objective

	2014/15 \$
A Well Governed City	
Core IT Infrastructure projects	1,067,000
Business Improvement and Transformation projects	582,000
Sub Total	<u>1,649,000</u>
A Healthy, Creative and Inclusive City	
Disability Discrimination Act (DDA) Compliance Retrofit for Council Facilities	243,000
Elwood Neighbourhood House Redevelopment - feasibility plan (initial concept and design)	49,000
Public Toilet Plan implementation.	582,000
Fishermans Bend Community Centre	388,000
Lilian Cannam Kindergarten Upgrade	48,500
Northport Pavilion Redevelopment Stage 2	1,200,000
Clarendon Street Family Centre - MCH service	756,600
Betty Day-Relocation of Social Inclusion from Cora Graves	194,000
Alma Park Pavilion Replacement	394,790
Community Centre WIFI Roll Out	48,500
Heritage & Art Collection Storage Facility	72,750
Port Melbourne Neighbourhood House (PMNH) Kitchen Upgrade	82,450
South Melbourne Life Saving Club	97,000
Youth Services Infrastructure	97,000
Middle Park Community Centre - Refurbishment of Civic Kindergarten and Middle Park MCH	412,250
St Kilda Library	97,000
St Kilda Library Community Room	72,750
St Kilda Lifesaving Club Concept Design	97,000
St Kilda Town Hall - Upgrade	291,000
Community Gardens-Soil Remediation	1,154,300
Seniors Exercise Equipment	77,600
Art acquisition	26,160
Library Purchases	756,600
Library minor branch improvements	9,700
Sub Total	<u>7,247,950</u>
A Strong, Innovative and Adaptive City	
Eco Centre 55A Herbert St, St Kilda - Upgrade and redevelopment	67,900
South Melbourne Market- Live Community Power Project.	48,500
Environmental Building Retrofits	514,100
Operations Centre - Washbay Upgrade	48,500
Resource Recovery Centre - Infrastructure Upgrade	33,950
Water Plan implementation - Water Sensitive Urban Design (WSUD) Initiatives	970,000
Sustainable Public Lighting Strategy implementation	97,000
Sustainable Public Lighting Strategy implementation	9,700
Sustainable Public Lighting Strategy implementation	485,000
Water Plan implementation - upgrade and new Parks & Open Space Irrigation systems.	97,000

Sub Total	2,371,650
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A Liveable and Connected City

South Melbourne market - Roof-top Carpark Balustrade Replacement	145,500
Building Renewal Program	1,086,400
Childrens Centres upgrade and renewal program.	388,000
South Melbourne Market - Building Renewal	213,400
South Melbourne Market - Stall Fit-out for new Licences	97,000
South Melbourne Market - Essential Compliance works	97,000
Palais Theatre	485,000
South Melbourne Market - York St Frontage Streetscape Redevelopment Plan	97,000
Community Facilities	194,000
Drainage Renewal Program	485,000
Beacon Cove Foreshore	533,500
Gasworks Park Plan implementation	97,000
St Kilda Foreshore Promenade - access ramp	77,600
Street Tree improvement program implementation.	582,000
Foreshore Bike Path Upgrade	48,500
Foreshore Renewal	358,900
Memorials & Monuments Renewal Program	48,500
Park Signage & Furniture Renewal	339,500
Parks Pathways Renewal	97,000
Playground Renewal Program	339,500
Pocket Parks Renewal Program	300,700
Recreation Facilities / Renewals	287,120
Parks & Open Space - Water Supply Compliance Program	97,000
Peanut Reserve Masterplan	126,100
St Kilda Triangle Development	48,500
St Kilda Botanical Gardens Pond Reconstruction	339,500
Emerald Hill Precinct Masterplan implementation.	116,400
Moubray St - Pop Up Park	14,550
Murphy Reserve Masterplan implementation.	485,000
Park Tree improvement program implementation.	48,500
Active Reserve improvement works.	194,000
Foreshore Management Plan Implementation	97,000
Lagoon Reserve Plan implementation	48,500
Northport Oval ground Upgrade	97,000
Redundant Vehicle Crossings	71,780
Footpath Rehabilitation Program	1,940,000
Kerb Renewal Program	1,290,100
Laneway (Right Of Way) Renewal Program	436,500
Laneway (ROW) Upgrade Program	300,700
Litter Bin Replacement Program	388,000
Port Melbourne Urban Renewal - Development Contributions Plan (DCP)	388,000
Road Rehabilitation & Renewal Program	2,294,050
Road Resurfacing Program	1,605,350
Roads to Recovery Program	200,000

2014/15

\$

Street Signage & Furniture Renewal	334,650
Strategic Parking Approach-Implementation	291,000
Ferrars Street School - Railway Place Road Closure	19,400
Route 96 Upgrade - Acland Street	145,500
Vibrant Villages Program	388,000
Blessington Street - streetscape works	97,000
Fitzroy Street Masterplan implementation	339,500
Water Front Place / Beach Street / Princes Street Roundabout-Port Melbourne(UDF)	68,385
Bike Plan implementation	485,000
Walk Plan implementation	485,000
Replacement of Council Fleet	1,338,600
Meetings and Events - Furniture, audio visual equipment etc	58,200
Parking Machine upgrades	388,000
Sub Total	<u>21,462,885</u>

Summary of Capital Works

A Well Governed City	1,649,000
A Healthy, Creative and Inclusive City	7,247,950
A Strong, Innovative and Adaptive City	2,371,650
A Liveable and Connected City	21,462,885
TOTAL	<u>32,731,485</u>



5. Appendix D

Operating Projects



Appendix D

Council Operating Projects

This appendix presents details of the Council Operating Projects that were approved for funding in 2014/15

Appendix D1

Operating Projects by Council Plan Objective

Council Plan Objective	Project Details	Budget (\$)
ENGAGED - A Well Governed City		
1.5	Fixed term resource to support implementation of service and business improvement initiatives including enhanced business planning and performance reporting.	107,102
1.5	TRIM Records Management project - ongoing organisational engagement and education program. This will improve the organisations records management practices and increase efficiency accordingly.	33,000
		140,102
RESILIENT - A Strong, Innovative and Adaptive City		
3.2	Combined Sustainability department bid: Weather Ready Program (\$20K), Melbourne Water Grant agreement (\$35K), OLV Central Water Plan (\$5K), Victorian adaptation and sustainability partnership (\$10K), Greenlight traffic signals (\$30K).	100,000
		100,000
VIBRANT - A Liveable and Connected City		
4.1	Vibrant villages - Activation plan development for 4 new villages - South Melbourne, Fitzroy St, St Kilda Village and Balaclava.	200,000
4.1	Carlisle Street Supermarkets - progress project to facilitate the redevelopment of the supermarket sites in the Carlisle Street Activity Centre including market feasibility, professional fees (legal) and engagement.	50,000
4.2	Triangle Site - Planning Scheme Amendment	50,000
4.2	St Kilda Triangle - progress implementation of the Triangle project:	950,000
4.2	Fishermans Bend Urban Renewal Area - Detailed Precinct Planning for Montague, Wirraway and Sandridge (\$100K), Land acquisition strategy (\$50K), Financial Modelling (\$50K) and Urban renewal innovation including affordable housing (\$100K)	400,000
4.2	Place Management Waterfront Place as well as Port Melbourne Activity Centre - Delivery of Activation Plan being developed in 2013/14 and UDF projects, relationship with PoM re Cruise Shipping, Businesses on the Pier and Beach Street, potential development of sculpture trail, relationship with PMBA and Port Melbourne Activity Centre etc.	200,000
4.2	St Kilda Road North (Design & Development Overlay 3/4) - completion of amendment process including Panel Hearing	60,000
4.2	St Kilda Road South - completion of technical reports, preparation and exhibition of amendment including Panel Hearing	130,000
4.2	Bay Street Structure Plan - Planning Scheme Implementation (Amendment C103)	25,000
4.2	Special Building Overlay (SBO) - Update SBO controls via Amendment when data from Melbourne Water is updated.	20,000
4.2	Regional Planning Initiatives: Capacity for IMAP Review / Implementation of Plan Melbourne (Metropolitan Strategy) via Central Sub-region Plan	50,000

Council Plan Objective	Project Details	Budget (\$)
4.3	Palais Lease Project - Options for future lease and development and to identify a shortlist of interested parties for submitting a request for proposal. Identify and enter into a commercial lease with the Palais. Includes legal costs, specialist property consultant, building investigations, advertising and community consultation.	350,000
4.3	Enterprise Portfolio Management budget allocation to engage consultants to support development of improved processes, procedures and guidelines. Will also support specialist review of significant projects. Enables capital efficiency.	350,000
		<u>2,835,000</u>
Summary of Operating Projects		
ENGAGED - A Well Governed City		140,102
RESILIENT - A Strong, Innovative and Adaptive City		100,000
VIBRANT - A Liveable and Connected City		2,835,000
		<u>3,075,102</u>



6. Appendix E

Fees & Charges



Appendix E

Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2014/15 year.

The appendix includes the following budget information:

- * E1 Budgeted Fees and Charges - Organisational Performance
- * E2 Budgeted Fees and Charges - Infrastructure and Amenity
- * E3 Budgeted Fees and Charges - Community Development
- * E4 Budgeted Fees and Charges - Governance and Culture
- * E5 Budgeted Fees and Charges - Place Strategy and Development

Appendix E1 Fees and Charges - Organisational Performance

Description	2014/15 Fee	2013/14 Fee
Finance and Investments		
Rates		
Land Information Certificates	\$20.00	\$20.00
Urgent Land Information Certificates	\$86.00	\$86.00
Financial Management		
Dishonoured Cheques	\$40.70	\$40.70
Business Technology		
Geospatial Information Systems		
Simple Map - A4	\$9.00	\$9.00
Simple Map - A3	\$20.00	\$20.00
Simple Map - A2	\$33.00	\$33.00
Simple Map - A1	\$49.50	\$49.50
Simple Map - A0	\$75.00	\$75.00
Simple Map with Aerial Photo - A4	\$20.00	\$20.00
Simple Map with Aerial Photo - A3	\$33.00	\$33.00
Simple Map with Aerial Photo - A2	\$55.00	\$55.00
Simple Map with Aerial Photo - A1	\$88.00	\$88.00
Simple Map with Aerial Photo - A0	\$126.50	\$126.50
GIS hourly rate for further work	\$60.50	\$60.50

Appendix E2

Fees and Charges - Infrastructure & Amenity

Description	2014/15 Fee	2013/14 Fee
Maintenance & Renewal		
Waste Management Operations		
Sale of worm farms	\$67.00	\$67.00
Sale of compost bins	\$36.00	\$36.00
Resource Recovery Centre Fees (Car Boot)	\$18.00	\$18.00
Resource Recovery Centre Fees (Station Wagon, Utility)	\$36.00	\$36.00
Resource Recovery Centre Fees (Small Trailer)	\$49.00	\$49.00
Resource Recovery Centre Fees (Large Trailer)	\$91.00	\$91.00
Resource Recovery Centre Fees (Contractors m ³)	\$80.00	\$80.00
Resource Recovery Centre Fees - Non Resident (Car Boot)	\$25.00	\$25.00
Resource Recovery Centre Fees - Non Resident (Station Wagon, Utility)	\$45.00	\$45.00
Resource Recovery Centre Fees - Non Resident (Small Trailer)	\$60.00	\$60.00
Resource Recovery Centre Fees - Non Resident (Large Trailer)	\$100.00	\$100.00
Infrastructure Maintenance		
Road Reinstatement - Refundable Deposit	\$1,000.00	\$1,000.00
Property Services		
South Melbourne Market		
Parking - Market Days	\$0.00	\$0.00
Car Parking on market days is free for the first two hours, then 2-3 hrs - \$6, 3-4 hrs \$12, 4-5hrs \$20, 5-6hrs \$26, 6-7hrs \$32, 7+ \$40		
Parking - Non Market Days	\$9.00	\$7.00
Car Parking on roof non Market Days (Mon, Tues, Thurs) \$9 all day		
Amenity		
Health Services		
<i>Food Act Registration & Renewal of Registration Fees - High Risk Class 1 Permits. Initial registration fees decrease on a pro-rata basis by 1/4 every 3 months throughout the annual registration period.</i>		
Less than 10 staff	\$259.00	\$253.00
11-20 staff	\$349.00	\$340.00
21-30 staff	\$436.00	\$425.00
31-40 staff	\$576.00	\$562.00
<i>Food Act Registration & Renewal of Registration Fees - Class 2 regular (predominantly) commercial premises - open most days of the week or mobile or temporary premises operating regularly (most weekends, large events). Initial registration fees decrease on a pro-rata basis quarterly.</i>		
Less than 10 staff	\$523.00	\$510.00
11-20 staff	\$739.00	\$721.00
21-30 staff	\$866.00	\$845.00
31-40 staff	\$1,153.00	\$1,125.00

Appendix E2

Fees and Charges - Infrastructure & Amenity

Description	2014/15 Fee	2013/14 Fee
41-50 staff	\$1,441.00	\$1,406.00
51-60 staff	\$1,726.00	\$1,684.00
> 60 staff	\$2,014.00	\$1,965.00
<i>Food Act Registration & Renewal of Registration Fees - Class 2 regular (predominantly) commercial premises - open most days of the week or mobile or temporary premises operating regularly (most weekends, large events). Initial registration fees decrease on a pro-rata basis quarterly.</i>		
Less than 10 staff	\$259.00	\$253.00
11-20 staff	\$349.00	\$340.00
21-30 staff	\$436.00	\$425.00
31-40 staff	\$576.00	\$562.00
<i>Small fixed premises - commercial premises - operating regularly i.e. most weekends or similar for short periods or to significantly smaller or confined target markets.</i>		
Class 3	\$156.00	\$152.00
Class 2	\$259.00	\$255.00
<i>Small fixed premises - commercial premises - operating occasionally (once/week or less often), seasonally or equivalent, or for short periods or to significantly smaller or confined target markets.</i>		
Class 3	\$113.00	\$110.00
Class 2	\$135.00	\$132.00
<i>Small fixed premises - Community group, sporting club or other not for profit premises - operating regularly; i.e. most weekends or similar. (12 month registration)</i>		
Class 3	\$113.00	\$110.00
Class 2	\$135.00	\$132.00
<i>Small fixed premises - Community group, sporting club or other not for profit - operating occasionally; i.e. seasonally, or for short periods or to significantly smaller or confined target markets</i>		
Class 3	\$56.00	\$55.00
Class 2	\$66.00	\$65.00
<i>Mobile or temporary premises associated with a permanent fixed premises</i>		
Class 3	\$113.00	\$110.00
Class 2	\$135.00	\$132.00
<i>Commercial mobile or temporary premises(Large Scale)-Operating regularly statewide</i>		
Class 3	\$259.00	\$253.00
Class 2	\$523.00	\$510.00
<i>Commercial mobile or temporary premises - operating regularly Statewide</i>		
Class 3	\$156.00	\$152.00
Class 2	\$259.00	\$253.00
<i>Commercial mobile or temporary premises - operating occasionally, seasonally or equivalent</i>		
Class 3	\$113.00	\$110.00
Class 2	\$135.00	\$132.00
<i>Commercial mobile or temporary premises - single event or day registration</i>		
Class 3	\$56.00	\$55.00
Class 2	\$66.00	\$65.00
<i>Community group, sporting club, school or other not for profit - mobile or temporary premises - operating occasionally, seasonally or up to 12 months</i>		
Class 3	\$56.00	\$55.00
Class 2	\$66.00	\$65.00
<i>Community group, sporting club, school or other not for profit - mobile or temporary premises - single event or day registration (festivals)</i>		

Appendix E2

Fees and Charges - Infrastructure & Amenity

Description	2014/15 Fee	2013/14 Fee
Class 2 & 3	\$0.00	\$0.00
<i>Food Act Registration Late Fees</i>		
Registration late fee (Class 1)	\$30.00	\$29.00
Registration late fee (Class 2 and 3)	\$88.00	\$86.00
<i>Transfer of Registration Fees (Food Act)</i>		
Class 1 & 3	\$118.00	\$115.00
Class 2	\$174.00	\$170.00
<i>Plan Approval Fee</i>		
Class 1 & 3	\$118.00	\$115.00
Class 2	\$174.00	\$170.00
<i>Transfer Inspection Report fees (Food Act)</i>		
Class 1 & 3	\$118.00	\$115.00
Class 2	\$174.00	\$170.00
<i>Registered Charities</i>		
Class 1,2 & 3	\$0.00	\$0.00
<i>Public Health & Wellbeing Act Fee - Personal services premises (Hairdressers, Beauty Parlour, Skin Penetration, Colonic Irrigation)</i>		
Registration Fee	\$139.00	\$136.00
Registration Late Fee	\$58.00	\$57.00
Plan Approval Fee	\$53.00	\$52.00
Transfer of registration fees	\$70.00	\$68.00
Transfer Inspection Report fees	\$70.00	\$68.00
<i>Prescribed Accommodation - Residential Accommodation / Rooming House / Youth Hostel / Student Dormitory / Hotel / Motel Registration Fees</i>		
1 - 10 residents	\$196.00	\$191.00
11 - 20 residents	\$369.00	\$360.00
21 - 30 residents	\$549.00	\$536.00
31 - 40 residents	\$734.00	\$716.00
41 - 50 residents	\$897.00	\$875.00
51 - 60 residents	\$1,119.00	\$1,092.00
61 - 80 residents	\$1,497.00	\$1,460.00
81 - 100 residents	\$1,848.00	\$1,803.00
100+ residents	\$2,170.00	\$2,117.00
<i>Registration Late Fee</i>		
Registration Late Fee	\$59.00	\$58.00
<i>Plan Approval Fee</i>		
Category 1 (1-30 residents)	\$88.00	\$86.00
Category 2 (31-60 residents)	\$118.00	\$115.00
Category 3 (61+ residents)	\$174.00	\$170.00
<i>Transfer of registration fees (Public Health & Wellbeing Act)</i>		
Category 1 (1-30 residents)	\$118.00	\$115.00
Category 2 (31-60 residents)	\$233.00	\$227.00
Category 3 (61+ residents)	\$349.00	\$340.00
<i>Transfer Inspection Report fees (Public Health & Wellbeing Act)</i>		
Category 1 (1-30 residents)	\$118.00	\$115.00
Category 2 (31-60 residents)	\$233.00	\$227.00
Category 3 (61+ residents)	\$349.00	\$340.00

Animal Management

Appendix E2

Fees and Charges - Infrastructure & Amenity

Description	2014/15 Fee	2013/14 Fee
Domestic Animal Business	\$242.00	\$236.00
<i>Dog</i>		
Multiple animal permit - once off for lifetime	\$60.00	\$59.00
Restricted breed dog - includes any declared, menacing, dangerous dogs	\$237.00	\$231.00
Maximum fee pensioner	\$92.00	\$90.00
Minimum fee pensioner	\$30.50	\$30.00
Maximum fee non- pensioner	\$184.00	\$180.00
Minimum fee non- pensioner	\$61.50	\$60.00
Reclaim fees New Fee	\$154.00	\$150.00
Rebate for Assist Dogs (on production of required documentation)	-\$61.50	\$0.00
<i>Cat</i>		
Minimum fee non- pensioner	\$32.00	\$31.00
Minimum fee pensioner	\$15.50	\$15.50
Maximum fee pensioner	\$47.50	\$46.50
Maximum fee non- pensioner	\$95.00	\$93.00
Reclaim fees New Fee	\$77.00	\$75.00
Local Laws		
Reclaim fee - impounded goods	\$118.00	\$115.00
Fee for any goods/materials impounded by council that are released to the owner e.g. shopping trolleys		
Parking Enforcement		
Vehicle Clearway Release Fee	\$359.00	\$350.50
Parking Permits		
Resident parking permit 1st	\$69.00	\$67.00
Resident parking permit 2nd	\$90.00	\$88.00
Resident parking permit 3rd	\$128.00	\$125.00
Combined parking permit (resident/foreshore) 1st & 2nd	\$87.00	\$85.00
Combined parking permit (resident/foreshore) 3rd	\$128.00	\$125.00
Party parking permit (for two days and one night)	\$4.60	\$4.50
Visitor parking permit (annual) 1st & 2nd	\$98.00	\$96.00
Foreshore parking permit	\$51.00	\$50.00
Foreshore Club Parking permit	\$87.00	\$85.00
Tradesman parking permit (per week)	\$46.00	\$45.00
Temporary parking permit - Admin fee	\$81.00	\$79.20
Unrestricted bay	\$5.20	\$5.00
Non-metered restricted time parking per bay	\$34.00	\$33.00
All Day parking ticket or meter parking per bay	\$18.50	\$18.00
Time restricted paid parking per bay	\$29.00	\$28.00
Parking Machine Charges		
Foreshore area (tourist) - per day	\$11.00	\$10.80
Foreshore area (tourist) - per hour	\$4.80	\$4.70
St Kilda Road - North of the junction (commercial) - per hour	\$3.40	\$3.30
Fitzroy Street Area (tourist/retail) - per day	\$11.00	\$10.80
Fitzroy Street Area (tourist/retail) - per hour	\$3.40	\$3.30
South Melbourne East - North East of Kingsway (commercial) - per hour	\$3.40	\$3.30
South Melbourne South - Albert Road area (commercial) - per day	\$10.50	\$10.30
South Melbourne South - Albert Road area (commercial) - per hour	\$3.40	\$3.30

Appendix E2

Fees and Charges - Infrastructure & Amenity

Description	2014/15 Fee	2013/14 Fee
South Melbourne Central - North of Park and Ferrars Street (industrial) - per day	\$7.40	\$7.20
South Melbourne Central - North of Park and Ferrars Street (industrial) - per hour	\$1.50	\$1.40
South Melbourne Central - Clarendon Street Retail Precinct - per day	\$7.40	\$7.20
South Melbourne Central - Clarendon Street Retail Precinct - per hour	\$1.50	\$1.40
South Melbourne West - South West of Ferrars Street (Industrial) - per day	\$7.40	\$7.20
South Melbourne West - South West of Ferrars Street (Industrial) - per hour	\$1.50	\$1.40
St Kilda Road - South of St Kilda Junction (commercial / retail) - per day	\$5.60	\$5.40
St Kilda Road - South of St Kilda Junction (commercial / retail) - per hour	\$1.50	\$1.40
York Street Car Park (South Melbourne Market) - Per Day	\$9.30	\$9.00
York Street Car Park (South Melbourne Market) - hourly rate	\$1.50	\$1.40
Parking Fines		
Penalty Fines - class 1	\$62.00	\$62.00
Penalty Fines - class 2	\$74.00	\$74.00
Penalty Fines - class 3	\$123.00	\$123.00
Penalty Reminder Notice	\$23.00	\$23.00
Enforcement fee	\$49.00	\$49.00

Appendix E3
Fees and Charges - Community Development

Description	2014/15 Fee	2013/14 Fee
Recreation and Culture		
Recreation		
Event and promotion application fee	\$90.00	NA
Busking Fee - 6 months 9am - 9pm	\$62.50	\$61.00
Street Stall Permit/Collection	\$57.50	\$56.00
Temporary signage fee - up to 14 days only	\$135.50	\$132.00
<i>Commercial Promotions</i>		
Product Promotions - roving, no structures (per hour)	\$289.00	\$282.00
Product Promotions - with structures or vehicles (per hour)	\$397.00	\$387.00
Product Promotions - overnight fee for multiple day set-up	\$397.00	\$387.00
<i>Commercial Event or Promotion - site fee per day</i>		
Unique site (up to 5000 participants)	\$5,770.00	\$5,630.00
Combined use of South Beach Reserve and St Kilda Foreshore (up to 5000 participants)	\$6,900.00	NA
Small events	\$256.00	NA
Medium events	\$1,153.00	\$1,125.00
Large events	\$2,307.00	\$2,251.00
Major event	\$5,770.00	\$5,630.00
5000+ participant/spectator event	\$5770 - \$10550	\$412 to \$10,300
*Carpark Events (as determined)	\$412 to \$10,300	\$422 - \$10550
*Closed Road Events (per site) - as determined	\$412 to \$10,300	\$422 - \$10550
Bump in and bump out fee - 10% of daily event fee, per day of bump in/bump out	10% of event fee	10% of event fee
Refundable Security Bond	\$500 - \$50 000	\$500 - \$50 000
<i>On-Road Events</i>		
Event Fee per participant (multiple sites e.g. road and reserve) - minimum charge 2000 participants	\$4.65	\$4.54
Traffic management costs (per hour)	\$100.50	\$98.00
On-Road Only (per participant) - minimum charge 2000 participants	\$1.25	\$1.20
<i>Community Event (single site per day)</i>		
Community Event (single site per day)	10% of event fee	10% of event fee
<i>Commercial Recreation Activities - New Licences & Permits (Statutory Fees)</i>		
Commercial Recreation Activity (beach and water activities) - Annual Licence Fee	\$266.50	\$260.00
Commercial Recreation Activity (beach based activities) - Annual Licence Fee	\$267.50	\$261.00
Commercial Recreation Activity (launch of craft only) - Annual Licence Fee	\$512.50	\$500.00
Commercial Recreational Activity - Kite boarding - Annual Licence Fee	\$1,805.00	\$1,761.00
Commercial Recreational Activity - Skydiving - Annual Licence Fee	\$125,560.00	\$122,500.00
Commercial Recreation Activity (all activities) - Participant Fee Adult	\$2.45	\$2.40
Commercial Recreation Activity (all activities) - Participant Fee Child	\$1.65	\$1.60
Personal Training (1 to 15 participants) - Annual Licence Fee	\$261.00	\$255.00
Personal Training (1 to 15 participants) - Participant Fee Adult	\$0.00	\$2.40
Personal Training (1 to 15 participants) - Participant Fee Child	\$0.00	\$1.60

Appendix E3

Fees and Charges - Community Development

Description	2014/15 Fee	2013/14 Fee
<i>Markets</i>		
Competitively Allocated Markets (per session)	\$545.00	\$531.00
<i>Grand Prix</i>		
Grand Prix stallholders (units sq m)	\$45.00	\$40.00
Grand Prix roving permits (per user)	\$395.00	\$385.00
Grand Prix existing traders (units sq m)	\$45.00	\$44.00
<i>Sports Ground and Facilities Bookings</i>		
Sports ground casual booking (community per day)	\$121.00	\$118.00
Sports ground casual booking (corporate per day)	\$174.00	\$170.00
Sports ground casual booking (high & private schools per term)	\$57.50	\$56.00
Pavilion hire casual (community & school groups)	\$90.00	\$88.00
Pavilion hire casual (corporate groups)	\$164.00	\$160.00
Pavilion Hire casual - Elwood Pavilion (corporate groups)	\$328.00	\$320.00
North Port Oval casual hire	\$451.00	\$440.00
Casual use - Refundable Security Deposit		
Sports club use - Refundable Security Deposit		
Arts & Festivals		
Curatorial Services (heritage image reproduction service - digital image delivery by email or CD)	\$33.85	\$33.00
Filming Permits (motion pictures & related photography (first day)	\$800.00	\$784.00
Filming Permits (motion pictures & related photography (second day)	\$486.00	\$474.00
Filming Permits (motion pictures & related photography (third and subsequent days)	\$167.00	\$162.00
Filming Permits (motion pictures & related photography (community / cultural benefit))	\$167.00	\$162.00
Filming Permits (motion pictures, half day)	\$486.00	\$474.00
Filming Permits (service fee - low budget)	\$46.00	\$45.00
Filming Permits (service fee - no budget)	\$20.00	\$20.00
Photography Permit (commercial stills photography (first day)	\$374.00	\$365.00
Photography Permit (commercial stills photography second & subsequent days)	\$167.00	\$162.00
SKF Footpath trading (non alcohol per m2)	\$9.06	\$8.80
SKF Road Trading (with alcohol per m2)	\$23.90	\$23.20
SKF Itinerant Market Stall (high pedestrian zone)	\$298.70	\$290.00
SKF Itinerant Market Stall (regular zone)	\$154.50	\$150.00
SKF All Food Vending Areas (under 15 m2)	\$71.06	\$64.60
SKF All Food Vending Areas (over 15 m2)	\$109.67	\$99.70

Appendix E3
Fees and Charges - Community Development

Description	2014/15 Fee	2013/14 Fee
Esplanade Market (3 monthly permits)	\$605.00	\$605.00
Esplanade Market (6 monthly permits)	\$1,133.00	\$1,133.00
Esplanade Market (12 monthly permits)	\$2,112.00	\$2,112.00
Esplanade Market (casual permits)	\$75.00	\$75.00
Library Services		
Local History - microfiche reader printer copies	\$0.37	\$0.37
Internet/PC copy charge	\$0.37	\$0.37
Black and white photocopy charges - A4	\$0.37	\$0.37
Black and white photocopy charges - A3	\$0.37	\$0.37
Colour Photocopy Charges	\$1.11	\$1.11
Health and Well Being		
Community Connect-Community Facilities		
Community groups Type 1 Based within CoPP	\$11.60	\$11.35
Community groups Type 2 operate from outside CoPP	\$17.00	\$16.50
Semi Commercial Hirers	\$40.50	\$39.50
Private Hire	\$57.50	\$56.00
Public Liability Insurance	\$28.50	\$27.50
Security Deposit	\$100.00	\$100.00
Access & Ageing		
Access & Inclusion		
PAG - quarter day activities for older people and people with disabilities	\$5.05	\$4.85
PAG - half day activities for older people and people with disabilities - this includes water leisure activities	\$8.85	\$8.50
PAG - full day activities for older people and people with disabilities	\$13.90	\$13.30
PAG - Package	\$72.95	\$69.85
Community Support		
Personal Care - Base	\$5.70	\$5.45
Personal Care - Medium	\$13.45	\$12.90
Personal Care - Max	\$36.65	\$35.15
Personal Care - Package	\$48.00	\$46.00
Respite Care - Base Fee	\$4.00	\$3.85
Respite Care - Medium Fee	\$6.85	\$6.55
Respite Care - Max Fee	\$33.85	\$32.45
Respite Care - Package	\$48.00	\$46.00
Additional respite care	\$48.00	\$46.00
Additional respite care after hours	\$57.50	\$55.10
Additional respite care Public Holidays	\$71.95	\$68.95

Appendix E3

Fees and Charges - Community Development

Description	2014/15 Fee	2013/14 Fee
Additional respite care overnight	\$103.50	\$99.20
Home Care - Base Fee	\$7.45	\$7.15
Home Care - Med Fee	\$17.50	\$16.75
Home Care - Max Fee	\$32.45	\$31.10
Home Care - Package	\$48.00	\$46.00
Property Maintenance - Base Fee	\$10.85	\$10.40
Property Maintenance - Med Fee	\$17.05	\$16.35
Property Maintenance - Max Fee	\$45.50	\$43.60
Property Maintenance - Package	\$64.50	\$61.80
Food Services		
Food Services	\$8.40	\$8.15
Food Services - Package	\$9.60	\$9.30
Community Transport Bus Hire		
Cleaning charge on hire buses	\$45.30	\$44.00
Cora Graves - Hall Hire		
Semi-Commercial Use	\$40.50	\$39.45
Casual Hire	\$57.50	\$56.05
Community Groups	\$11.60	\$8.75
Family, Youth & Children		
Vacation Care		
Holiday Program No.1 - Winter	\$74.50	\$71.50
Holiday Program No.2 - Spring	\$74.50	\$71.50
Holiday Program No.3 - Summer	\$74.50	\$71.50
Holiday Program No.4 - Autumn	\$74.50	\$71.50
Winter Camping program per week (4 days)	\$123.00	\$118.00
Spring Camping program per week (4 days)	\$123.00	\$118.00
Summer Camping program per week (5 days)	\$123.00	\$118.00
Autumn Camping program per week (4 days)	\$123.00	\$118.00
Children's Services		
Long Day Care daily fee	\$110.60	\$106.30
Family Day Care hourly fee core hours	\$6.46	\$6.28
Family Day Care hourly fee non-core hours	\$7.45	\$7.20
Family Day Care administration fee: per hour per child	\$0.59	\$0.57
Family Day Care breakfast fee	\$2.55	\$2.45
Family Day Care lunch fee: optional per child, per day	\$3.20	\$3.10
Family Day Care snack fee per child: optional am/pm or both	\$1.90	\$1.85
Family Day Care dinner fee: optional, per child per day	\$3.85	\$3.70
Family Day Care late fee	\$16.60	\$16.00
Family Day Care booking fee	\$22.10	\$21.30

Appendix E3

Fees and Charges - Community Development

Description	2014/15 Fee	2013/14 Fee
Youth Services		
Party Hire fees for St Kilda APG: Non-resident	\$188.00	\$180.00
Party Hire fees for St Kilda APG: Resident	\$121.50	\$116.40
Party Hire fees for St Kilda APG: Resident Concession	\$60.80	\$58.20
Party Hire fees for St Kilda APG: Non-resident Concession	\$110.00	\$106.10

Appendix E4

Fees and Charges - Governance and Culture

Description	2014/15 Fee	2013/14 Fee
Governance		
Meetings & Events		
Minor Foreshore and Parks Weddings & Events		
St Kilda Botanical Gardens - Wedding Ceremony	\$379.25	\$370.00
Catani Gardens and St Vincents Gardens - Wedding Ceremony, Private Function	\$379.25	\$370.00
Catani Gardens and St Vincents Gardens - Corporate Function	\$717.50	\$700.00
General Gardens (non heritage) - Wedding Ceremony, Private Function	\$235.75	\$230.00
General Gardens (non heritage) - Corporate Function	\$630.38	\$615.00
Additional Structures (rides, jumping castles, etc)	\$189.63	\$185.00
Hall Hire		
St Kilda Town Hall		
<i>Auditorium - Half (including kitchen)</i>		
Commercial Mon-Fri half day	\$1,578.50	\$1,540.00
Commercial Mon-Fri whole day	\$2,316.49	\$2,260.00
Commercial Sat-Sun half day	\$1,952.63	\$1,905.00
Commercial Sat-Sun whole day	\$3,095.50	\$3,020.00
Community Mon-Fri half day	\$768.75	\$750.00
Community Mon-Fri whole day	\$1,127.50	\$1,100.00
Community Sat-Sun half day	\$922.50	\$900.00
Community Sat-Sun whole day	\$1,332.50	\$1,300.00
After Hours Hr Rate (before 8am, after 1am) - Community	\$153.75	\$150.00
After hours hourly rate (before 8am, after 1pm) - Commercial	\$275.11	\$268.40
<i>Auditorium - Full (including kitchen)</i>		
Commercial Mon-Fri half day	\$2,147.37	\$2,095.00
Commercial Mon-Friday whole day	\$3,228.75	\$3,150.00
Commercial Sat-Sun half day	\$2,818.75	\$2,750.00
Commercial Sat-Sun whole day	\$4,264.00	\$4,160.00
Community Mon-Fri half day	\$922.50	\$900.00
Community Mon-Fri Whole day	\$1,332.50	\$1,300.00
Community Sat-Sun half day	\$1,127.50	\$1,100.00
Community Sat-Sun whole day	\$1,537.50	\$1,500.00
<i>Casual Kitchen Hire (without Auditorium)</i>		
Commercial per hour	\$543.46	\$530.20
Community per hour	\$205.00	\$200.00
Port Melbourne Town Hall		
<i>Auditorium (Including Kitchen)</i>		
Commercial Mon-Fri half day	\$1,296.63	\$1,265.00
Commercial Mon-Fri whole day	\$2,162.75	\$2,110.00
Commercial Sat-Sun half day	\$1,634.88	\$1,595.00
Commercial Sat-Sun whole day	\$2,716.25	\$2,650.00
Community Mon-Fri half day	\$615.00	\$600.00
Community Mon-Fri whole day	\$922.50	\$900.00
Community Sat-Sun half day	\$922.50	\$900.00
Community Sat-Sun whole day	\$1,127.50	\$1,100.00
After Hours Hourly Rate Commercial- before 8am or after 1am	\$163.49	\$159.50
After Hours Hourly Rate Community- before 8am or after 1am	\$51.25	\$50.00
South Melbourne Town Hall		
<i>Auditorium (Including Kitchen)</i>		
Commercial Mon-Fri half day	\$1,527.25	\$1,490.00
Commercial Mon-Fri whole day	\$2,224.25	\$2,170.00
Commercial Sat-Sun half day	\$1,896.25	\$1,850.00

Appendix E4 Fees and Charges - Governance and Culture

Description	2014/15 Fee	2013/14 Fee
Commercial Sat-Sun whole day	\$2,972.50	\$2,900.00
Community Mon-Fri half day	\$768.75	\$750.00
Community Mon-Fri whole day	\$1,127.50	\$1,100.00
Community Sat-Sun half day	\$922.50	\$900.00
Community Sat-Sun whole day	\$1,332.50	\$1,300.00
After hours hourly rate (before 8am, after 1pm) - Commercial	\$273.98	\$267.30
After Hours Hr Rate (before 8am, after 1am) - Community	\$153.75	\$150.00
Meeting Rooms		
St Kilda Town Hall Meeting Rooms		
<i>Nairn</i>		
Commercial per hour	\$84.56	\$82.50
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Gunwarra Room</i>		
Commercial per hour	\$107.63	\$105.00
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Wominjeka Reception Room</i>		
Commercial per hour	\$107.63	\$105.00
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Council Chamber</i>		
Commercial per hour	\$158.88	\$155.00
Community per hour	\$76.88	\$75.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>St Kilda</i>		
Commercial per hour	\$84.56	\$82.50
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Ngargee</i>		
Commercial per hour	\$107.63	\$105.00
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Yalukit</i>		
Commercial per hour	\$107.63	\$105.00
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Training Room</i>		
Commercial per hour	\$107.63	\$105.00
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Port Melbourne Room</i>		
Commercial per hour	\$84.56	\$82.50
Community per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
Port Melbourne Town Hall Meeting Rooms		
Mayors Room - Commercial, Private - per hour	\$84.56	\$82.50
Mayors Room - Community - per hour	\$41.00	\$40.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
Council Chamber - Commercial, Private - per hour	\$107.63	\$105.00
Council Chamber - Community - per hour	\$61.50	\$60.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
South Melbourne Town Hall Meeting Rooms		

Appendix E4
Fees and Charges - Governance and Culture

Description	2014/15 Fee	2013/14 Fee
<i>Ballantyne Room</i>		
Commercial per hour	\$158.88	\$155.00
Community per hour (peak 9am - 5pm)	\$76.88	\$75.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
<i>Council Chamber</i>		
Commercial per hour	\$158.88	\$155.00
Community per hour (peak 9am - 5pm)	\$76.88	\$75.00
Community per hour (non peak before 9am and after 5pm)	\$10.25	\$10.00
Staff Labour		
<i>Duty Officer and Security Staff</i>		
Duty Officer Fees - (Mon - Fri)	\$36.90	\$36.00
Duty Officer Fees - (Sat, Sun)	\$58.02	\$56.60
Duty Officer Fees - (Public Holidays)	\$73.80	\$72.00
Security Officer Fees - (Mon - Fri)	\$44.08	\$43.00
Security Officer Fees - (Sat, Sun & PH)	\$73.80	\$72.00
Statutory Functions		
Freedom of Information requests (excluding photocopying charges)	\$25.10	\$25.10

Appendix E5

Fees and Charges - Place Strategy and Development

Description	2014/15 Fee	2013/14 Fee
City Development		
Building Solutions		
Building Control Fees		
Legal Point of Discharge	\$55.55	\$55.55
Property enquiry (Form 2.10) 326/1	\$44.40	\$44.40
Property enquiry (Form 2.10) 326/1 - plus \$40 fast track fee	\$84.40	\$84.40
Flood level certificate 326/2	\$44.40	\$44.40
Flood level certificate 326/2 - plus \$40 fast track fee	\$84.40	\$84.40
Property enquiry - 326/3	\$44.40	\$44.40
Lodgement fee from Private Building Surveyors - commercial	\$33.30	\$33.30
Lodgement fee from Private Building Surveyors - residential	\$33.30	\$33.30
Search fees - Residential	\$93.20	\$91.00
Search fees - Apartments	\$280.90	\$274.00
Search fees – Commercial	\$280.90	\$274.00
Search fees – Cert of Occupancy, Permits etc	\$55.40	\$54.00
Govt building levy (Calculated as % of value of work)	0.128% & 0.034%	0.128% & 0.034%
Report and Consent Fee - Rescode	\$222.30	\$222.30
Report and Consent Fee - Hoarding	\$222.30	\$222.30
Fire Safety Determination - Small Building	\$512.50	\$500.00
Fire Safety Determination - Medium Building	\$1,537.50	\$1,500.00
Fire Safety Determination - Large Building	\$2,562.50	\$2,500.00
Building Permit Internal		
Demolish detached dwelling	\$1,048.60	\$1,023.00
Demolish attached dwelling	\$1,260.80	\$1,230.00
Demolish outbuildings	\$631.40	\$616.00
Swimming pools (includes barrier to AS 1926)	\$1,752.80	\$1,710.00
Fences	\$630.40	\$615.00
Carports/garages <20,000	\$840.50	\$820.00
Carports/garages >20,000	\$1,050.60	\$1,025.00
Alterations and additions to a dwelling <100,000	\$1,260.80	\$1,230.00
Alterations and additions to a dwelling 100,000-200,000	\$1,469.90	\$1,434.00
Alterations and additions to a dwelling 200,000-300,000	\$1,752.80	\$1,710.00
Alterations and additions to a dwelling >300,000	\$2,099.00	\$2,048.00
New dwellings <250,000	\$2,240.70	\$2,186.00
New dwellings 250,000-500,000	\$2,659.90	\$2,595.00
New dwellings >500,000	\$3,080.00	\$3,005.00
Multiple dwellings (2)	\$4,200.50	\$4,098.00
Multiple dwellings (3)	\$4,900.00	\$4,780.00
Multiple dwellings (4)	\$5,600.00	\$5,462.00
Amendment to building permits issued	\$490.00	\$478.00
Extension of time to building permits issued	\$490.00	\$478.00
Shop fit outs <100,000	\$1,120.30	\$1,093.00
Shop fit outs 100,000-200,000	\$1,330.50	\$1,298.00
Shop fit outs >200,000	\$1,540.00	\$1,502.00
Internal alterations to class 2 apartments	\$1,051.00	\$1,025.00
Extension of time- Class 1 or 10	\$292.00	\$285.00
Extension of time- Class 2-9	\$420.00	\$410.00
Lapsed Permit Renewal (Class 1 or 10)	\$583.20	\$569.00
Lapsed Permit Renewal (Class 2 - 9) Minimum Fee	\$728.80	\$711.00
Class 2, 3, 4, 5, 6, 7 & 9 Alterations, additions and new buildings.		
Up to \$40,000	\$765.00	\$746.00
\$40,000 - \$100,000	\$ value x (1.749%)	\$ value x (1.709%)

Appendix E5

Fees and Charges - Place Strategy and Development

Description	2014/15 Fee	2013/14 Fee
\$100,001 - \$500,000	\$ value x (1.523%)	\$ value x (1.483%)
\$500,001 - \$2 million	\$ value x (0.617%)	\$ value x (0.577%)
>\$2 - \$10 million	\$ value x (0.3284%)	\$ value x (0.2884%)
>\$10 - \$20 million	\$ value x (0.219%)	\$ value x (0.179%)
>\$20 – \$30 million	\$ value x (0.215%)	\$ value x (0.175%)
>\$30 – \$40 million	\$ value x (0.1965%)	\$ value x (0.1565%)
>\$40 – \$50 million	\$ value x (0.2048%)	\$ value x (0.1648%)
>\$50 million	\$ value x (0.1872%)	\$ value x (0.1472%)
Statutory Planning		
Planning permit to change the use of the land only.	\$502.00	\$502.00
<i>To develop or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of development included in the application is:</i>		
< \$10 000	\$0.00	\$0.00
≥ \$10 000 ≤ \$100 000	\$239.00	\$239.00
> \$100 001	\$490.00	\$490.00
<i>To develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:</i>		
≤ \$10 000	\$102.00	\$102.00
≥ \$10 000 ≤ \$250 000	\$604.00	\$604.00
≥ \$250 000 ≤ \$500 000	\$707.00	\$707.00
≥ \$500 000 ≤ \$1 000 000	\$815.00	\$815.00
≥ \$1 000 000 ≤ \$7 000 000	\$1,153.00	\$1,153.00
≥ \$7 000 000 ≤ \$10 000 000	\$4,837.00	\$4,837.00
≥ \$10 000 000 ≤ \$50 000 000	\$8,064.00	\$8,064.00
> \$50 000 000	\$16,130.00	\$16,130.00
To subdivide an existing building	\$386.00	\$386.00
To subdivide land into two lots	\$386.00	\$386.00
To effect a realignment of a common boundary between lots or to consolidate two or more lots	\$386.00	\$386.00
To subdivide land	\$781.00	\$781.00
To remove a restriction over the land if the land has been used or developed for more than 2 years before the date of the application in a manner which would have been lawful under the Planning and Environment Act 1987 but for the existence of the restriction	\$249.00	\$249.00
To create, move or vary a restriction; or to create or remove a right of way	\$541.00	\$541.00
To create, move or remove an easement other than a right of way; or to vary or remove a condition in the nature of an easement other than a right of way in Crown grant.	\$404.00	\$404.00
Amend an application after notice has been given (Section 57A) (no fee for one dwelling if the estimated cost of development included in the development is less than \$10,000)	\$102.00	\$102.00
Certificate of Compliance	\$147.00	\$147.00
Determining whether a matter has been carried out to the satisfaction of the responsible authority (including car parking consent)	\$102.00	\$102.00
Certification (per lot)	\$20.00	\$20.00
Amendment to Permits		
Change of use or an amendment to a condition in a permit	\$502.00	\$502.00
<i>An application to amend a permit (other than a permit to subdivide land) to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of any additional development to be permitted by the amendment is:</i>		
< \$10 000	\$0.00	\$0.00
> \$10 000 - \$100 000	\$239.00	\$239.00
> \$100 001	\$490.00	\$490.00

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Fees and Charges - Place Strategy and Development

Description	2014/15 Fee	2013/14 Fee
<i>An application to amend a permit to develop, other than (a) a permit to undertake development ancillary to the use of the land for a single dwelling per lot where the total estimated cost of the development originally permitted and the additional development to be permitted by the amendment is not more than \$10,000; or (b) a permit to subdivide land if the estimated cost of any additional development to be permitted by the amendment is:</i>		
< or equal to \$10 000	\$102.00	\$102.00
> \$10 001 - \$250 000	\$604.00	\$604.00
> \$250 001 - \$500 000	\$707.00	\$707.00
> \$500 001 - 1,000 000	\$815.00	\$815.00
Subdivisions		
Application to amend	\$386.00	\$386.00
Form A Report & Consent Request (Bldg Surv)	\$55.55	\$55.55
Discretionary Planning Fees		
Certification	\$126.00	\$123.00
File/Search Requests Res - pre 2002 (Tax 10%)	\$103.50	\$101.00
File/Search Requests Res - 2002 onwards (Tax 10%)	\$55.50	\$54.00
File/Search Requests Comm- pre 2002 (Tax 10%)	\$300.00	\$293.00
File/Search Requests Comm - 2002 onwards (Tax 10%)	\$88.00	\$86.00
Residential Property Information Request (Tax 10%)	\$98.40	\$96.00
Commercial Property Information Request (Tax 10%) (Includes copies of Permits - not plans)	\$300.00	\$293.00
Permit Extension of Time		
1 dwelling	\$560.50	\$547.00
2-9 dwellings	\$676.50	\$660.00
10 or more dwellings	\$897.90	\$876.00
Subdivisions	\$559.60	\$546.00
Commercial/industrial	\$842.50	\$822.00
Fast Track Applications	\$119.90	\$117.00
Advertising (10% Tax)		
Board	\$73.80	\$72.00
Letter	\$10.30	\$10.00
Photocopying – Plan Printing		
A4	\$1.30	\$1.25
A3	\$2.20	\$2.10
A2	\$4.80	\$4.65
A1 & AO	\$7.40	\$7.20
Car parking consent	\$127.00	\$124.00
Secondary consent	\$127.00	\$124.00
Planning Confirmation	\$169.00	\$165.00
Copy of Planning Register	\$73.80	\$72.00
City Permits		
Community Amenity		
Work Zone - application fee	\$95.00	\$75.00
Works zone permit for 3 or less months: Parking in front of construction site for workers' private vehicles for 3 months or less. Up to 4 bays or the width of the site (whichever is the lesser)	\$1,194.00	\$1,159.00
Works zone permit for 6 months Parking in front of construction site for workers' private vehicles for 6 months. Up to 4 bays or the width of the site (whichever is the lesser)	\$2,132.00	\$2,070.00

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Fees and Charges - Place Strategy and Development

Description	2014/15 Fee	2013/14 Fee
Works zone permit for 9 months Parking in front of construction site for workers' private vehicles for 9 months. Up to 4 bays or the width of the site (whichever is the lesser)	\$2,790.00	\$2,709.00
Works zone permit for 12 months Parking in front of construction site for workers' private vehicles for 12 months. Up to 4 bays or the width of the site (whichever is the lesser)	\$3,470.00	\$3,368.00
Work Zone permit extensions: An extension to the permit allowing parking in front of construction site for workers' private vehicles.	\$801.00	\$778.00
Work Zone permit (additional parking bays, in excess of four) Additional parking bays for workers' private vehicles in front of a construction site.	\$244.00	\$237.00
Advertising Signs (Real Estate Agents) application fee Application fee for the permit to allow small Auctions signs to be placed in residential streets at the time of auctions or open for inspections only.	\$95.00	\$75.20
Advertising Signs (Real Estate Agents) permit fee Annual permit for small Auctions signs to be placed in residential streets at the time of auctions or open for inspections only.	\$612.00	\$594.30
Itinerant Trading		
Charity Bins application fee Application fee for permit to place a charity clothing bin on council land.	\$95.00	\$75.20
Charity Bins permit fee Permit fee to place a charity clothing bin on council land.	\$60.50	\$58.70
Commercial Waste Bins application fee Application fee to apply for permit to store waste bins for commercial premises on council land e.g. for cafes (not skip bins).	\$95.00	\$75.20
Commercial Waste Bins permit fee Permit fee to store waste bins for commercial premises on council land e.g. for cafes (not skip bins).	\$60.50	\$59.00
Commercial Waste Bins - 120 litre bin	\$60.50	\$59.00
Commercial Waste Bins - 240 litre bin	\$88.00	\$85.50
Commercial Waste Bins - up to 1200 litres	\$350.00	\$340.00
Non motorised trading permit fee (including pedicabs & horse drawn carts)	\$2,250.00	\$2,184.00

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Fees and Charges - Place Strategy and Development

Description	2014/15 Fee	2013/14 Fee
Occupying the road for works:		
Asset Protection Permit. Permit and deposit for protection of council land and assets to cover costs for any damage associated with development works at a construction site.	\$208.00	\$202.00
Out of Hours Permit - application fee Application fee for development work undertaken outside approved hours under the Local Law: 7am-6pm M-F, 9am-3pm Sat. No works on Sunday or public holidays.	\$95.00	\$91.00
Out of Hours Permit - permit fee per day Fee per day for development work undertaken outside approved hours under the Local Law: 7am-6pm M-F, 9am-3pm Sat. No works on Sunday or public holidays.	\$345.00	\$334.75
Road Opening Permit - application fee Application fee to excavate council land for the purposes of water, electricity, telecommunications etc. for private contractors. Under legislation, service authorities are not required to obtain permits.	\$95.00	\$80.50
Road Opening Permit - permit fee Permit fee to excavate council land for the purposes of water, electricity, telecommunications etc. for private contractors. Under legislation, service authorities are not required to obtain permits.	\$104.00	\$101.00
Vehicle Crossing - application fee Application fee for permit to construct or repair a private driveway to council specifications.	\$95.00	\$81.00
Vehicle Crossing - permit fee Permit fee to construct or repair a private driveway to council specifications (paid once assessment of application determines that a permit is okay to be issued).	\$155.00	\$150.00
Street Occupation Permits - application fee Application fee to apply for a permit to occupy council land for works or storage of associated building materials.	\$95.00	\$91.00
Street Occupation Permits - permit fee Permit fee to occupy council land for works or storage of associated building materials.	\$113.00	\$110.00
Street Occupation Permits - (plus \$2 ground / \$1 head gantry per sq meter per day) For street occupation permits, an additional \$2 per square meter of ground level surface taken up per week or \$1 per square metre per day for overhead gantry	Plus \$2.10 ground / \$1.10 head gantry per sq meter per day	Plus \$2.10 ground / \$1.05 head gantry per sq meter per day
Road Closure Permit - application fee Application fee for permit to close off one lane of traffic or to close the whole road subject to Traffic Management Plan approval.	\$95.00	\$91.00
Road Closure Permit - fee per day with road opening Permit fee to close off one lane of traffic or to close the whole road subject to Traffic Management Plan approval.	\$119.00	\$115.00
Road Closure Permit - fee per day for other closures	\$198.00	\$192.00
Skip Bin Permit - application fee Application fee to apply for a permit to store a refuse/skip bin on council land.	\$25.00	\$23.75
Skip Bin Permit - per day Daily fee for permit to store a refuse/skip bin on council land.	\$17.00	\$16.50
Skip Bin Permit - per week Weekly fee to store a refuse/skip bin on council land.	\$82.50	\$80.00
Skip Bin Permit - per day discounted rate Daily fee for permit to store a refuse/skip bin on council land.	\$0.00	\$6.50
Skip Bin Permit - per week discounted rate Weekly fee to store a refuse/skip bin on council land.	\$0.00	\$70.00

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Fees and Charges - Place Strategy and Development

Description	2014/15 Fee	2013/14 Fee
Signage		
Significant Trees - application fee	\$95.00	\$85.50
Application fee to apply for permit to remove or prune a significant tree on private land.		
Significant Trees - permit fee	\$61.00	\$59.00
Permit fee to remove or prune a significant tree on private land.		
General Local Laws Permit Fee	\$165.00	\$160.00
Footpath Trading		
Occupancy Permits - Tables (charge is annually per item)		
Acland Street	\$141.00	\$137.00
Fitzroy Street	\$109.00	\$114.00
Standard	\$73.00	\$70.00
Discount	\$45.00	\$45.00
Footpath occupancy permits- Chairs		
Acland Street	\$206.00	\$191.00
Fitzroy Street	\$135.00	\$141.00
Standard	\$108.00	\$104.00
Discount	\$70.00	\$70.00
Footpath occupancy permits- Glass Screens - Tables		
Fitzroy Street	\$148.00	\$154.00
Standard	\$98.00	\$94.00
Discount	\$61.00	\$61.00
Footpath occupancy permits- Glass Screens - Chairs		
Fitzroy Street	\$181.00	\$189.00
Standard	\$146.00	\$140.00
Discount	\$95.00	\$95.00
Footpath occupancy permits - Advertising signs 1 per property only	\$296.00	\$279.00
Footpath occupancy permits - Display of goods	\$354.00	\$334.00
Footpath occupancy permits - Planters per premises with outdoor furniture	\$102.00	\$96.00
Footpath occupancy permits - Screens per premises with outdoor furniture	\$180.00	\$170.00
Footpath occupancy permits - Outdoor heaters	\$119.00	\$112.00
Renewal Fee	\$68.00	\$64.00
New Applications Fee	\$68.00	\$64.00
Transfers	\$68.00	\$64.00
Glass Screen Application Fees	\$237.00	\$223.00
Temporary Permits		
Temporary Application Fee	\$68.00	\$64.00
Temp - Marketing & Promotion activity (daily charge) to a max of \$305	\$74.00	\$70.00
Advertising signs application fee	\$68.00	\$64.00
Advertising signs per day (with a max of \$255)	\$40.00	\$38.00
Extended Trading - Outdoor seating		
Extended Trading application fee	\$68.00	\$64.00
Extension of current situation \$10m ² Min of \$200	\$223.00	\$223.00
Marque enclosing outdoor seating \$15m ² Min of \$200	\$223.00	\$223.00
Marque - once off yearly sales \$110/day max \$550	\$119.00	\$122.00
Mobile Food Vans		
Mobile Food Vans Permit	\$2,120.00	\$2,120.00
Mobile Food Vehicle Application Fee (NEW FEE 14/15)	\$68.00	\$0.00

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Fees and Charges - Place Strategy and Development

Description	2014/15 Fee	2013/14 Fee
City Strategy		
Planning Scheme Amendment Fees		
Assessment of Request	\$798.00	\$798.00
Consideration of Submissions	\$798.00	\$798.00
Adoption	\$524.00	\$524.00