



CEO Report

February 2024

Volume 105

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

Message from the CEO



Welcome to the February CEO Report which includes an update on the priorities that Council has set for me.

Deliver the Council Plan

The overall project portfolio delivery status for February is 66 per cent on-track progressing as planned, 22 per cent at-risk and 11 per cent off-track. Project performance has improved slightly compared to last month.

In February, package 1 of the footpath renewals construction was also completed and construction commenced on our stormwater network upgrade. A significant number of construction contracts are scheduled to be awarded this quarter.

On February 17 and 18, we celebrated the mighty St Kilda Festival. More than 50 bands and musicians were showcased across the two days, with live music, dance, and roving performances held in St Kilda's iconic parks, streets, and foreshore. This included an incredible show case of First People's

artists. Attended by over 325,000 people, the St Kilda Festival delivers over \$30 million to our local economy and is Australia's largest free outdoor music event.

A new model for aged care services was endorsed this month driven by recent Federal Government reforms resulting in the delivery of some services becoming unsustainable and unfeasible. Under the new model we will continue to deliver community-based services such as home-delivered meals, transport, and our ever-popular hop-on-hop-off bus program. Our in-home services such as cleaning and respite care will be transitioned to another provider under the Australian Government's *Support at Home Program*.

Our commitment to our older residents ageing positively in Port Phillip continues. We will ensure that our clients are fully supported through the transition as well as staff who may be affected by the changes.

Governance and Advocacy

As part of the Council's Community Safety Plan, four new forums for community safety were established in February to focus on the individual neighbourhoods of South Melbourne, Albert and Middle Park, Elwood, and Balaclava and St Kilda East. Each forum will be led by a local police station commander. This initiative and partnership with Victoria Police allow the community to take an active role toward improving safety outcomes in their local neighbourhood. A St Kilda focused forum will occur later in the year.

February was also a busy month for the Maternal and Child health (MCH) Service, which launched a new partnership with Southside Justice to pilot a Health Justice Partnership in 2024. This initiative will help address the needs of women experiencing family violence with related legal problems.

In February, Brian Densem was appointed to the position of Chairperson for the Audit and Risk Committee (ARCO) and independent member

Message from the CEO

Helen Lanyon's tenure was extended for an additional three years.

Community, Stakeholder and Customer

In February, 87 per cent of community requests were resolved within agreed timeframes, exceeding the target of 80 percent and the result the previous year (67 percent for February 2023). Community complaints resolved within agreed time frames is also tracking positively at 89 percent in February against a target of 70 percent.

To improve the customer service experience for our community members, a new ASSIST digital queue kiosk was launched at the St Kilda Town Hall on 26 February. This new feature results in more personalised service, faster response times and improved triaging of enquiries.

Finance, assets, and value for money

As at 29 February 2024 the full year forecast for 2023/24 is a cumulative cash surplus of \$0.2 million, representing a minor increase of \$0.1m

since January. The improvement in cash surplus was predominately caused by one-off efficiencies achieved in delivering Council's operating project portfolio.

We have so far identified efficiency savings of \$1.5 million for 2024/25, working towards a target of \$1.8 million.

Culture and capability

Our staff turnover rate is continuing to improve, with the year-to-date average at 12.8 percent compared to a 20 percent turnover rate for the same period last year.

On 27 February, a Clean Up Australia Day event was organised for staff, departing from St Kilda Town Hall building and collecting a range of rubbish in the local streets for an hour.



Chris Carroll

CEO, City of Port Phillip

Inclusive Port Phillip

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



Key highlights

New model for aged care services

In February, Council endorsed a new model for our aged care services that will see City of Port Phillip transition out of in-home care services by the end of August 2024.

Recent Federal Governments reforms to aged care and the introduction of the Support at Home Program (SHP), has had a significant impact on funding and administration structure for all councils across Victoria, resulting in the delivery of some services becoming unsustainable and unfeasible for the City of Port Phillip moving forward.

Following an extensive investigation into the future of our aged care services, as well as a staff and community consultation process, a new model of service provision to our aged community was endorsed. Under the new model, City of Port Phillip will continue to deliver community-based services such as home-delivered meals, transport, social

connection programs, and our ever-popular hop-on-hop-off bus program.

Our in-home services, such as cleaning assistance, personal care and respite care, will be transitioned to another provider under the Australian Government's [Support at Home Program](#).

Our commitment to our older residents ageing positively in Port Phillip continues. We will ensure that clients are fully supported through the transition process. Staff members who may be affected by these changes have been a part of the conversation about the new model and transition, and we are working with affected teams on next steps.

Maternal and Child Health and Southside Justice Partnership

The Maternal and Child Health (MCH) Service confirmed a partnership with Southside Justice, who received funding to pilot a Health Justice Partnership in 2024. The purpose of the partnership is to prioritise women experiencing family violence with related legal problems.

By integrating legal assistance into healthcare services and teams, Health Justice Partnerships aim to enhance the overall health and wellbeing of individuals. Families experiencing the highest levels of legal needs often encounter substantial obstacles in accessing legal support. These challenges include a lack of awareness regarding legal solutions, competing priorities in their lives, and difficulties related to the accessibility and cost of services.

Nearly one in five Australians take no action for their legal problems. When they do seek advice,

Inclusive Port Phillip

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



they are more likely to ask a non-legal advisor, such as a health professional, than a lawyer.

Women's experience of family violence can also be linked to a broad range of legal problems:

- Family law/parenting disputes
- Family violence intervention orders
- Child protection
- Fines
- Tenancy
- Victims of crime compensation
- Criminal law.

This is a great opportunity for families who are experiencing family violence or other issues to obtain free legal advice in a MCH setting.

Southside Justice will be based at Bubup Nairn on the first and third Wednesday of every month. The impact and reach of this pilot will be monitored by Southside Justice.

ASSIST Digital Queue Kiosk

On Monday 26 February, a Digital Queue Kiosk was implemented at the St Kilda Town Hall ASSIST Counter. The Kiosk allows members of the community waiting for assistance at the ASSIST Counter to register their name and the purpose of their visit. Thereafter, the community member is asked to be seated until an appropriate representative is available to assist with their query.

The benefits of the Kiosk include faster response time for queries at the ASSIST Counter and improved triaging of the vast spectrum of enquiries that come via the ASSIST Counter (including general enquires to specific enquiries related to planning, rates etc).

The Kiosk also addresses the potential Occupational Health and Safety issue that could arise with community members queuing across the staircase next to the ASSIST Counter at busy periods.

Approximately 30 members of the community have used the system to date. The system has

received positive feedback by offering personalised service and reducing wait times.

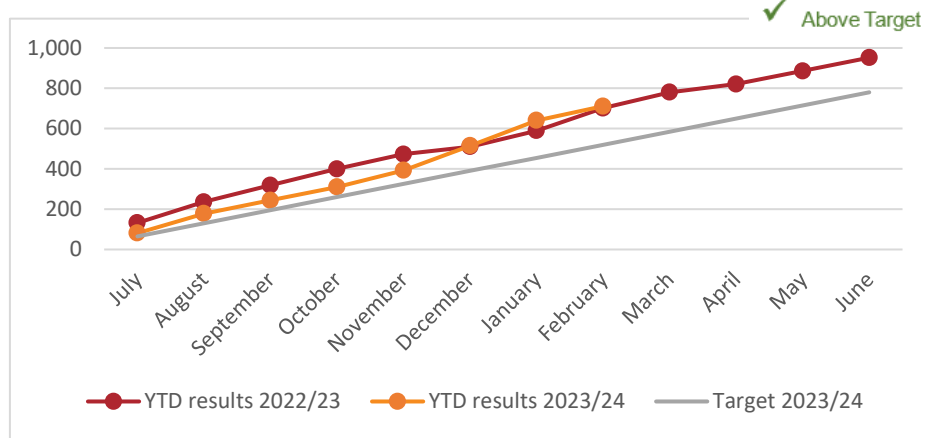
Following the successful trial at St Kilda Town Hall the team intends to implement this system at Port Melbourne.



ASSIST Digital Queue Kiosk at St Kilda Town Hall

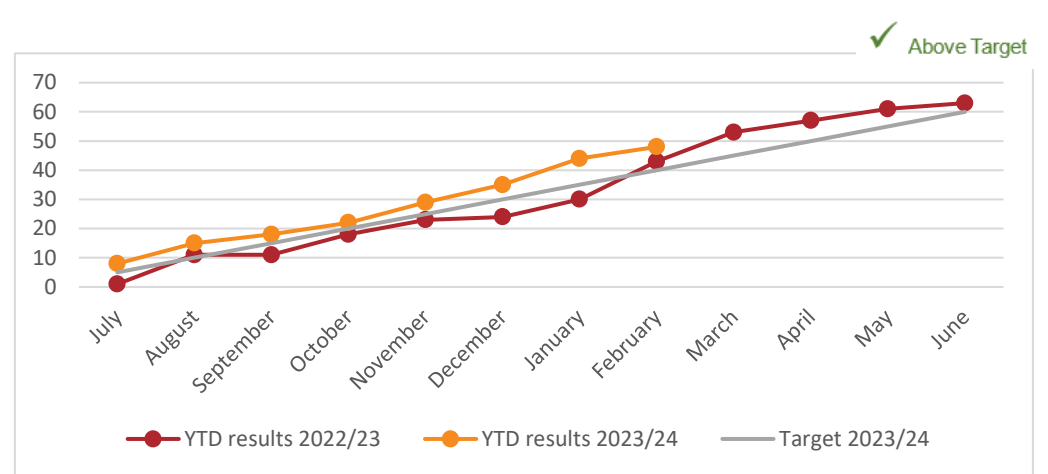
People are supported to find pathways out of homelessness

Number of direct hours of housing assistance supporting older local people (cumulative year to date)



The number of direct hours of housing assistance for February 2024 was 71 hours, bringing the year-to-date total to 711 hours of assistance provided, exceeding the target of 520 hours. Performance for this measure is also above the 702 hours provided year to date for the same period last year.

Number of older local persons housed (cumulative year to date)



For February 2024, the number of older persons housed was four – a decline from nine compared to last month. Year-to-date, the result is above target at 48 older persons housed against a target of 40. This result is also above last year's performance of 43.

Liveable Port Phillip

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



Key highlights

Endorsement of the draft South Melbourne Structure Plan

On 7 February 2024, Council endorsed the Draft South Melbourne Structure Plan (SMSP) for community consultation.

Driven by the estimated population growth of South Melbourne (expected to grow by 28.8% by 2041), along with the need to strengthen South Melbourne's role as a Major Activity Centre and Enterprise Precinct, the SMSP will be an integrated planning framework that guides change in South Melbourne over a 20-year period.

The purpose of the SMSP is to achieve a balance between economic and population growth, while also prioritising improvements to access and movement, design quality, amenity, sustainability, and public spaces including streets and parks. It will contribute to achieving the strategic directions of the Council Plan 2021-31.

Following two phases of stakeholder engagement to endorse the draft, Phase 3 of the consultation

program includes a range of in person and online opportunities for the community to provide comments, feedback and ask questions.

Feedback received during Phase 3 will inform updates to the draft SMSP and be reported to Council.

Four new forums for the Community Safety Plan

As part of the Council's Community Safety Plan, endorsed on 2 August 2023, four new forums for community safety were established to focus on the individual neighbourhoods of South Melbourne, Albert and Middle Park, Elwood and Balaclava, and St Kilda East.

Each forum will be led by local police station commanders who will share key insights about what is happening within these communities.

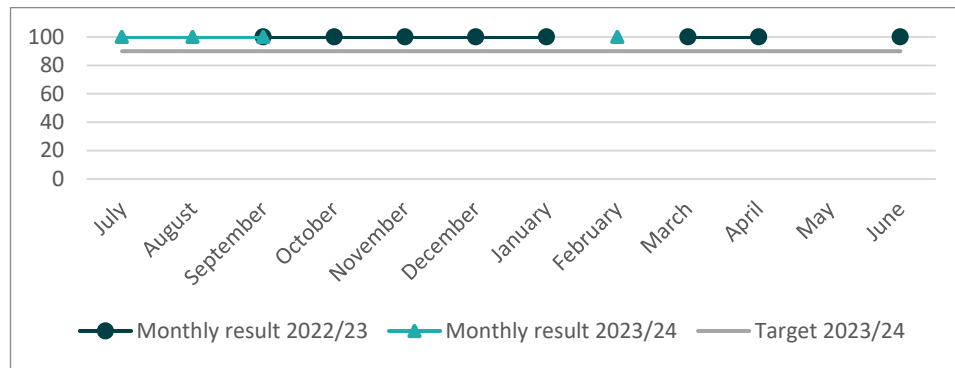
Community members will have the opportunity to share any concerns with a Q&A session at the end of each forum.



South Melbourne Police Station

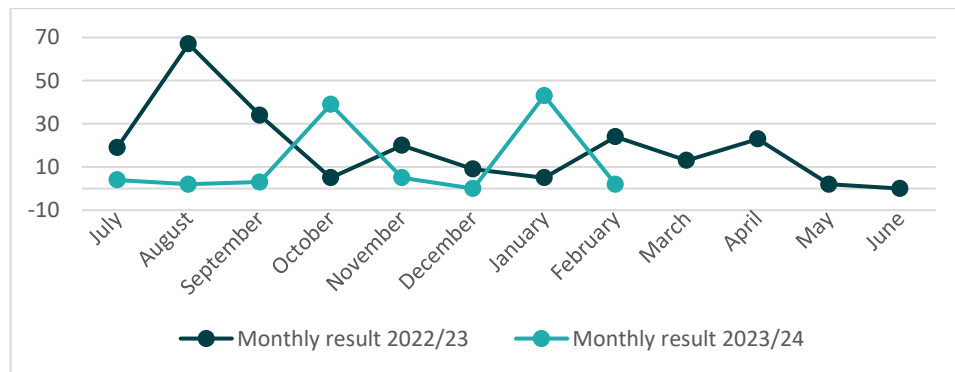
Port Phillip is safer with liveable streets and public spaces for people of all ages and abilities to enjoy

Percentage of successful animal management prosecutions



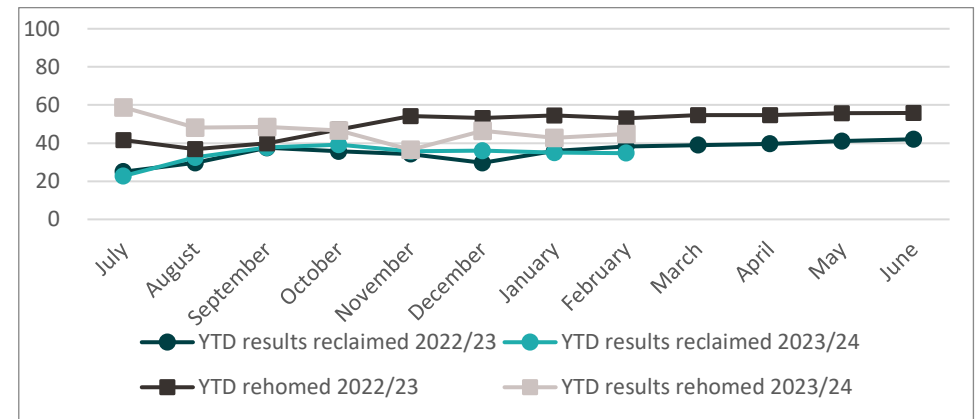
For February 2024, there were three management prosecution cases which was an increase from zero in January. (The increase in prosecutions is dependent on the case hearing and prior adjournments). Year-to-date there has been 100 per cent success with animal management prosecutions.

Number of fines issued related to animal management



There were two fines related to animal management issued in February. The increase in January 2024 is due to morning patrols in hotspot areas issuing dog off leash fines. The “spike” in October 2023 is due to the increased number of fines issued to pet owners who failed to renew their yearly pet registration. Each year, a bulk of fines go out to pet owners who fail to renew their registration. This was carried out in August last year, representing the peak in the graph. This is reported as trend data, no target.

Percentage of collected animals reclaimed and rehomed (year to date)



For July 2023 to February 2024, 164 animals were collected. This is an increase of 20% (33 animals) compared to the same period last year.

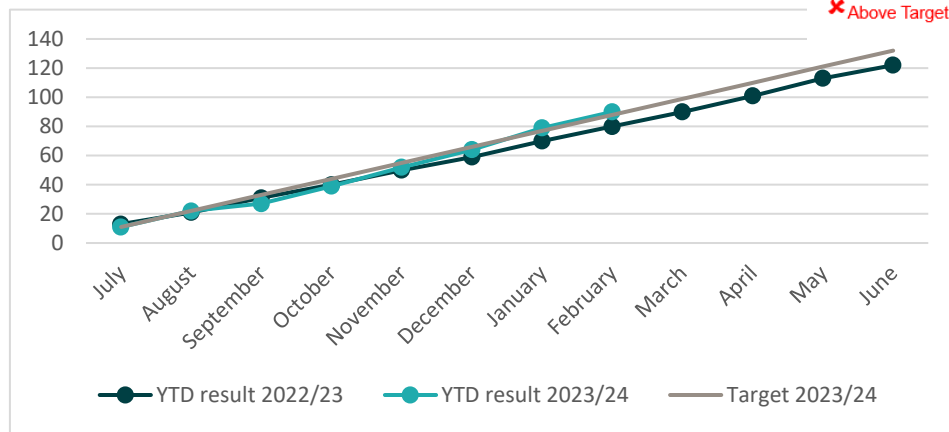
Of these animals, 57 (35 %) were reclaimed by their owners which is a similar result to the same period last year however, behind the target of 50 percent.

Out of the remaining 107 animals, 48 animals were rehomed (44.86%).

The percentage of animals rehomed has decreased slightly in 2023/24 with 45 percent (48 animals) rehomed during the first seven months of the financial year compared to 53 percent (43 animals) during the same period last year. This result is higher than the target of 15 percent.

The City is well connected and easy to move around with options for sustainable and active transport

Number of sealed local road requests* (year to date)



Council has received 11 sealed local road requests in February which is down from 15 requests in January. This number is in line with the monthly target of not more than 11 requests. Year to date (from July 1) there have been a total of 90 requests against a rolling target of 88.

Sustainable Port Phillip

A city that has a sustainable future, where our environmentally aware and active community benefits from living in a bayside city that is greener, cooler, cleaner and climate resilient.



Key highlights

Neighbourhood Battery Project

Since mid-2022, City of Port Phillip has been involved in the 'Fast-Tracking Neighbourhood Batteries' project to help move Victoria towards its [Climate action target](#) of 95% renewable energy by 2035. The project aims to solve the power storage problem in the City of Port Phillip

The community took part in two phases of engagement, either by filling out a survey or attending an in-person event. Throughout the engagement they expressed strong support for renewable energy and endorsed the inclusion of neighbourhood batteries as a crucial component of the solution.

The community engagement phase of this project has concluded and five potential locations for neighbourhood batteries have been identified across each municipality (City of Yarra, City of Melbourne and City of Port Phillip).

A final report is being compiled for the three councils to share information and learnings from this project.



Neighbourhood battery installed in Fitzroy – June 2022. Photo credit ABC News

Improvements in weed control

Council is actively improving its weed control practices to enhance city amenity and address customer requests.

Current weather patterns have provided optimal growing conditions resulting in weeds outcompeting our desired plants for nutrients, water and sunlight. This has resulted in an increase in customer requests over the Summer period.

Effective weed controls include cultural practices, mechanical and chemical interventions which are crucial for maintaining the health and amenity of our garden areas.

Citywide has recently enhanced its weed control program to include a more consistent approach to spraying throughout the year, which will improve weed control. We will continue to work with our contractors to improve weed controls and meet the expectations of our community.

Community sustainability webinars

In February, the Sustainability and Climate Change team has partnered with energy and climate change expert Renew, to deliver two community facing webinars that support the shift to renewable energy and improve efficiency and comfort of their homes.

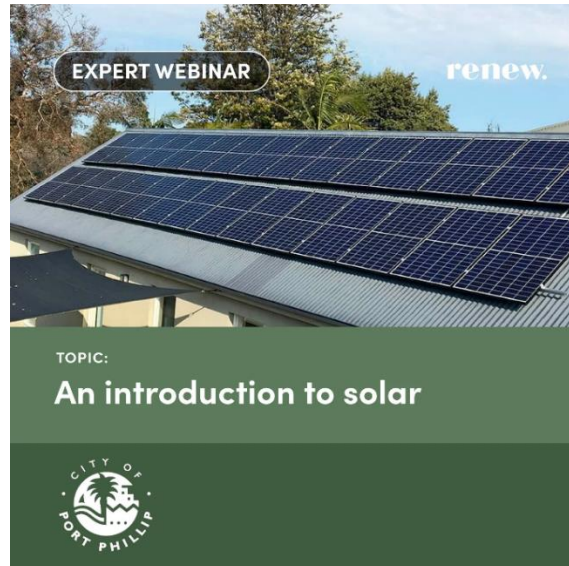
The first webinar 'Summer comfort for renters' was held on Wednesday 7 February and covered the following topics:

- rights as a renter
- how to take control of energy use to minimise costs
- different energy uses and how to interpret energy bills
- the energy use of appliances such as air conditioners, fridges, lights and star ratings
- how to avoid heat and the impact of windows, ceiling, walls and floors
- causes of draughts – including how to find and reduce them
- different types of installed and portable cooling and the best and worst choices for running costs.

The second webinar 'Introduction to solar' was held on Tuesday 27 February and covered off topics including:

- the basics of how solar power works
- how to make the most of a solar system to minimise bills
- how to get the right system for your home
- how to claim financial rebates.

Both events were engaging and well received by the community.



Introduction to Solar Webinar with energy expert Renew

Clean up Australia Day staff event

On 27 February, City of Port Phillip ran a Clean Up Australia Day event. Staff headed off from the St Kilda Town Hall building and spent an hour walking the streets in the area picking up a range of rubbish from the smallest microplastics and cigarette butts to large items including a children's car seat! Rubbish collected included:

- 10 eligible containers
- 7kg of hard rubbish
- 2kg of recycling
- more than 50 cigarette butts

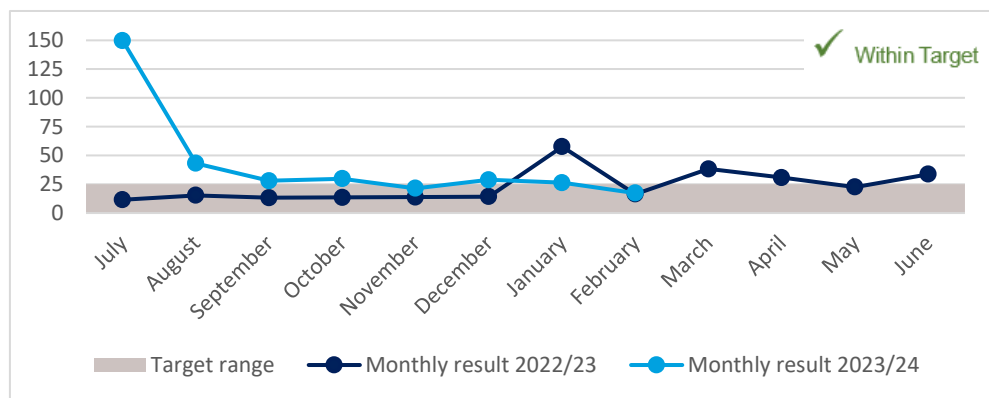
Staff retrieved a total of 4.7kg of rubbish which was a fantastic effort.



City of Port Phillip Staff with rubbish collected.

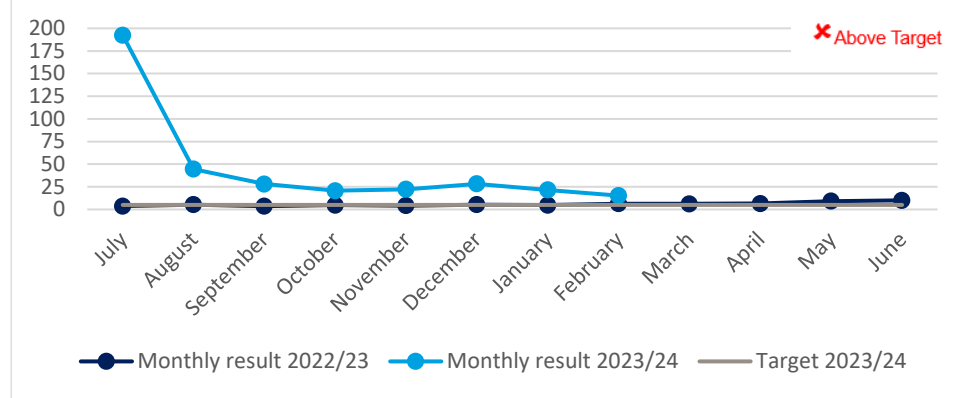
Port Phillip manages waste well, maximises reuse and recycling opportunities and supports the circular economy

Kerbside bin collection requests (per 1,000 households)



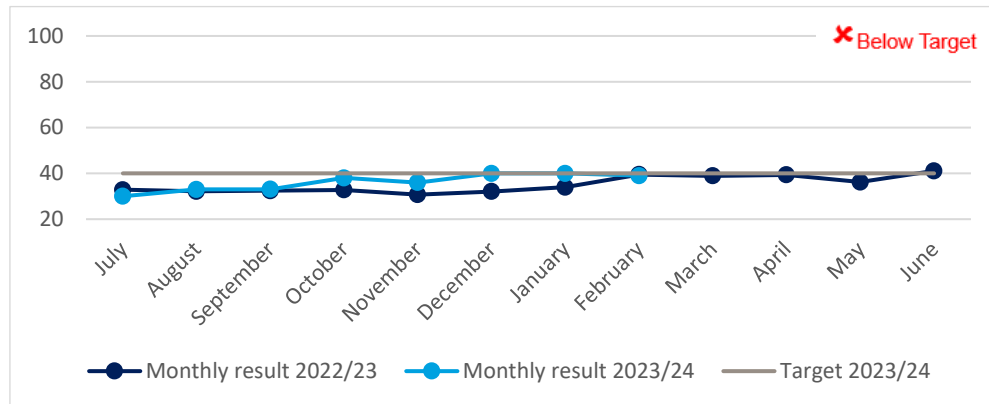
Kerbside bin collection requests are down slightly in February at 17 requests against a monthly target of 25 per 1,000 households. This continues the trend of improvement since the significant issues of July. Officers continue to work with Citywide to improve bin collection services through more regular contract meetings and system improvements.

Kerbside collection bins missed (per 10,000 scheduled kerbside bin lifts)



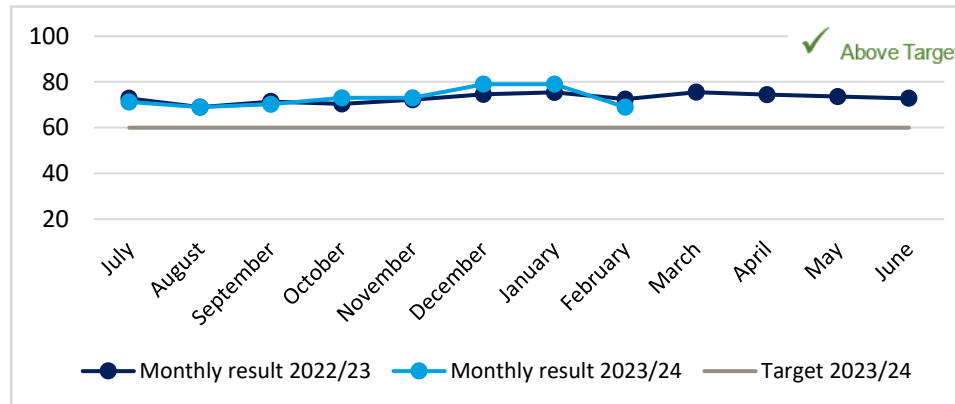
Kerbside missed bins is trending positively again in February at 15 above a target of five. The improvement trend is continuing since the significant issues of July. Officers continue to work with Citywide to improve missed bin services through regular contract meetings and system improvements.

Kerbside collection waste diverted from landfill



In February 2024, 39% of kerbside collection waste was diverted from landfill. This is just below the 40% target. Year-to-date, waste diverted from landfill has been trending positively at 36% compared to 33% for the same period last year.

Percentage of investment in fossil-free institutions



Investment in fossil-free investment in February is at 69%, still tracking above a 60% target. The percentage of investment in fossil-free institutions has been relatively stable over the past year and consistently above the target.

Vibrant Port Phillip

A City that has a flourishing economy, where our community and local businesses thrive, and we maintain and enhance our reputation as one of Melbourne's cultural and creative hubs.



Key highlights

Acland Street Vacant Shop Project confirms first tenant

The Acland Street Vacant Shop Program was launched in November 2023. The program aims to fill between five and 10 vacant shops on this high-profile St Kilda high street by 30 June 2024.

Plan 1 and Ginnane & Associates were appointed for twelve months to deliver the project with the aim to reinvigorate and reduce vacancy rates on Acland Street, St Kilda.

In February, Acland Street welcomed Kerrin to 104-106 Acland Street with their premium, mid-range menswear. Also, this month, Naughty Vegan, specialising in quality vegan chocolate, was confirmed as a new tenant at 96 Acland Street and will be moving into the premise April 2024.

Lunar New Year Celebrations at South Melbourne Market

South Melbourne Market welcomed the Hong De Lion Dance Association on Saturday 10 February to celebrate Lunar New Year. The Lion Dancers are

said to bless business owners with wealth and prosperity for the year ahead and usher in good luck for the community.

This year, more traders than ever before participated in the event, and the day experienced above average visitation. Many community members cited they came to the Market that day especially for the performance, and it was loved by young and old alike.



Lunar New Year celebrations at South Melbourne Market

Live Music Precinct Friday

St Kilda's thriving live music venues were celebrated on the eve of the St Kilda Festival with the inaugural Live Music Precinct Friday event attended by approximately 5,000 people.

The event started on Friday afternoon with two special St Kilda Underground Walking Tours, whose participants received a special surprise when they visited Rowland S Howard Lane (named after the legendary St Kilda musician). Renowned artist Ling painted a mural while Folk Bitch Trio performed his famous song, Shivers.

Local artists, funded by the City of Port Phillip's Locals playing Locals database, then performed in 20 venues including the Espy, the St Kilda Sports Club, the National Theatre and Memo Music Hall, as well as backpackers, restaurants, yacht clubs and bars.

Feedback from venues was positive and traders reported an increase in patron numbers on the night. Foundations have been established for future Friday night precinct events.

St Kilda Festival 2024 – First Peoples First

The First Peoples First component of the St Kilda Festival was held on Saturday 17 February, with programming at South Beach Reserve and O'Donnell Gardens.

More than 20 First Peoples musicians/bands were showcased on stages alongside dance and roving performances, and a very special sunset celebration of Boon Wurrung culture: Kummargii Yulendji Gadabah. A number of market stalls also showcased First Peoples makers including craft, fashion accessories and food.

More than 25,000 people are estimated to have attended the day's events to come together for live music and to celebrate First Peoples talent and culture.

St Kilda Festival 2024 – Big Festival Sunday

The Big Festival Sunday component of the St Kilda Festival was held on Sunday 18 February, continuing a live music celebration that has been held since 1980.

More than 50 bands and musicians were showcased across stages on the day featuring emerging and established artists, with music held in St Kilda's iconic parks, streets and on the foreshore.

Alongside the live music, programming featured a variety of community groups, dance and roving performance, family activities and more.

The Festival stretched from Acland Street to Fitzroy Street and activated all major activity centres in central St Kilda as well as the foreshore. An estimated 300,000 people attended throughout the day. The St Kilda Festival delivers an average of \$21 million to St Kilda annually.



I-OP Hip Hop Crew, First Peoples First St Kilda Festival 2024



Mallrat at Big Festival Sunday, St Kilda Festival 2024

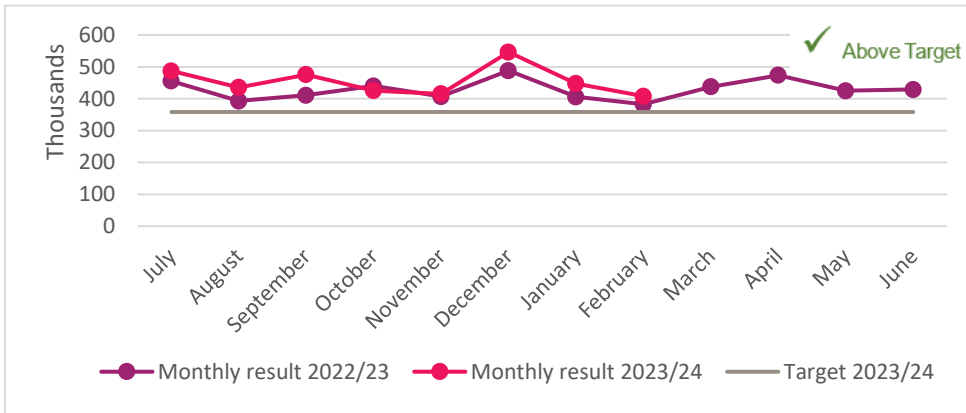


St Kilda Festival, Mainstage, Dancezone and Surrounds Day 2



Port Phillip's main streets, activity centres and laneways are vibrant and activated

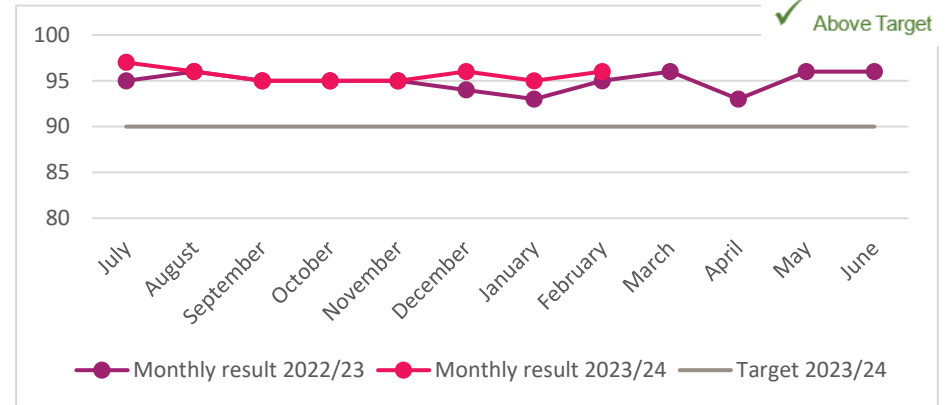
Visits to South Melbourne Market



There were 408,024 visits to South Melbourne Market in February 2024. Whilst the number of visits were down compared to January (due to fewer market days) it was an increase of seven per cent on the same time last year.

Visits for 2023/24 are consistently trending above the 358,333 monthly target.

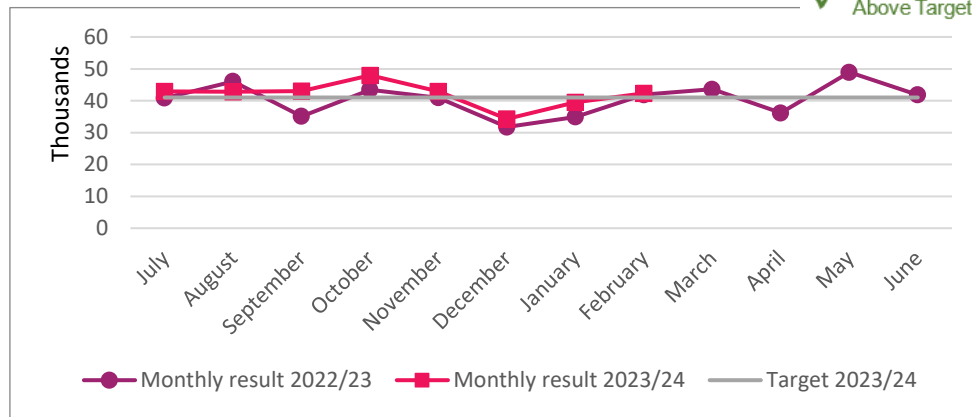
Per centage of street cleaning audit compliance



The street cleaning audit compliance score for February 2024 improved slightly to 96 per cent, above the target of 90 per cent and slightly above the same month of the previous year (95 per cent in January 2023). Overall, results for street cleaning audit compliance are relatively stable and above target.

Arts, culture, learning and creative expression are part of everyday life

Visits to libraries*



Visits to libraries in February returned to regular patronage with 42,308 visits (against a target of 41,000) after quieter performance in December and January.

For the current financial year (1 July to 29 February) visitation is 7,747 (2%) higher than the year to date target.

*The door counter at St Kilda Library was broken for several months for the financial year 2022/23. Library visits during that time have been estimated by calculating the ratio of the visitor numbers between Albert Park and Middle Park for July and June where we had complete data, then using the median value between to project the St Kilda visitor statistics.

Well Governed Port Phillip

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



Key highlights

Emergency relief at Cardinia after storms

On Tuesday 20 February 2024 six City of Port Phillip officers assisted Cardinia Shire Council with the operation of Emergency Relief Centres (ERC) at Cockatoo and Emerald. These ERCs were activated in response to the storms that hit Melbourne on Wednesday 14 February causing power outages across the state. Cardinia Shire was one of the hardest hit municipalities with many fallen trees and power infrastructure damage causing prolonged power outages for many residents.

City of Port Phillip response staff assisted with the operations, providing residents with a place to seek information, charge phones, take a shower and receive food. Some residents were just after someone to speak with after days of isolation.

The opportunity to assist with relief efforts provided council officers invaluable experience and learnings which will be applied to relief planning in our municipality.

It was a fantastic example of the great culture and preparedness we have in place at Port Phillip when we can assist another municipality in need.



Council officers assisting at Cockatoo Emergency Relief Centre

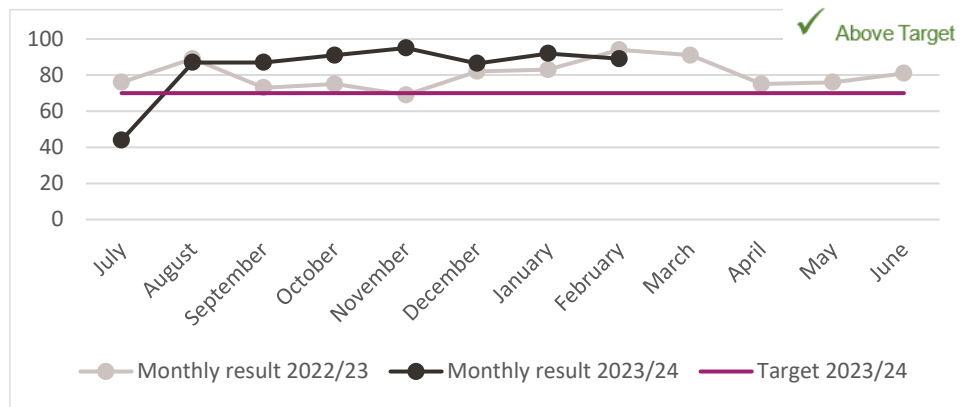
Safety and wellbeing initiatives

In February, the Safety and Wellbeing team continued with the delivery of key initiatives.

- Planned proactive safety system implementation reviews were undertaken for South Melbourne Market and property and Assets.
- As part of the continuous improvement and heightened awareness regarding psychosocial hazards, there was notable progress in understanding the prevention of sexual harassment and the education surrounding psychosocial hazards. As a result, a Sexual Harassment eLearning module which will be released in March 24 across the organisation.
- Key activities relating to the annual safety plan were delivered in February including the Employee Volunteering Risk Control review as well as a checklist to enhance awareness of risk controls.

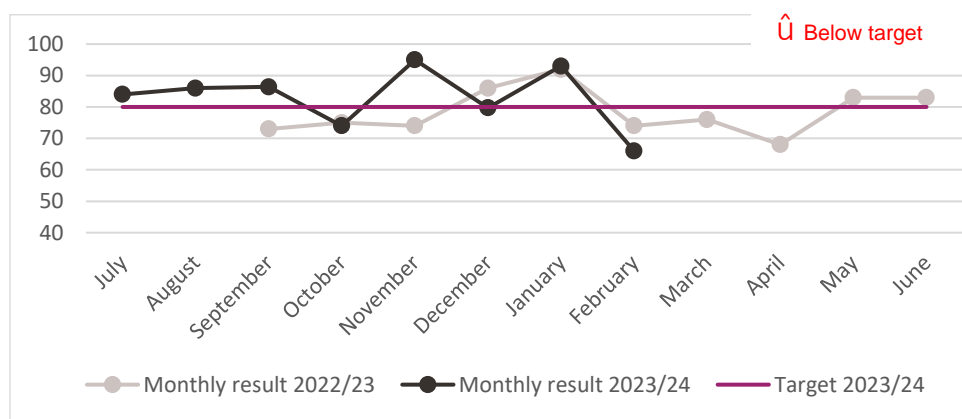
Port Phillip Council is cost-effective, efficient and delivers with speed, simplicity and confidence

Percentage of community complaints resolved within agreed timeframes



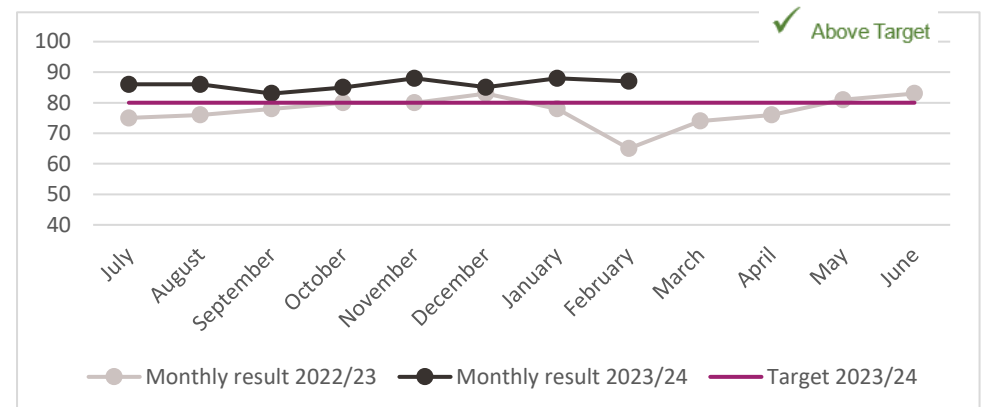
For February, 89 percent of community complaints were resolved within agreed timeframes, exceeding the target of 70 percent and the result the previous year (83 percent for January 2023). This shows consistent high level of service since July 2023, which was impacted by the waste contractor transition.

Percentage of Councillor requests resolved within agreed timeframe*



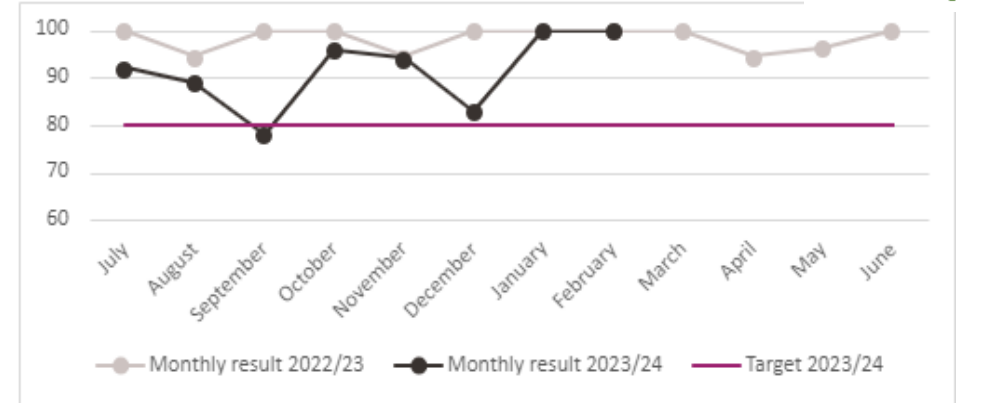
Sixty-six percent of Councillor requests were resolved within agreed timeframes for February. The decline in service level was due to an increase in complex requests this month.

Percentage of community requests resolved within agreed timeframes



Overall, 87 percent of community service requests were resolved within agreed timeframes for February 2024. This result surpassed the 80 percent target as well as performance for the same time last year (65 percent for February 2023).

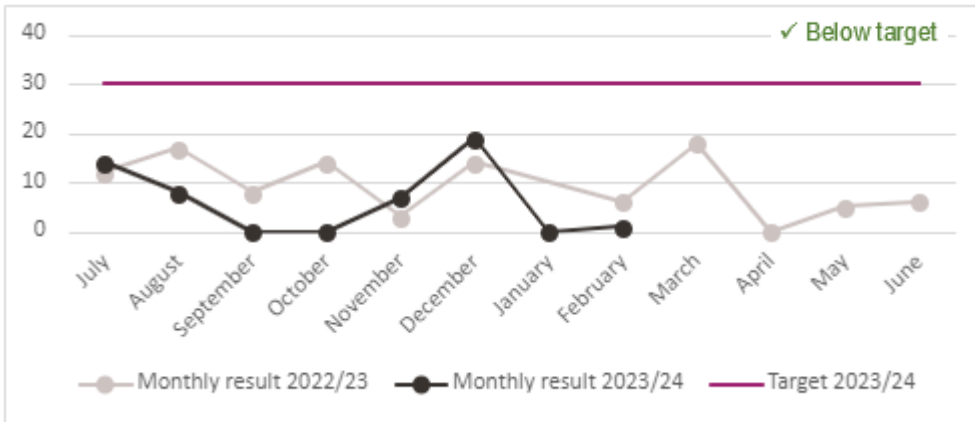
Percentage of Councillor attendance at council meetings*



No Council meetings were held in January 2024. There was 100% attendance for February Council meetings. One Councillor was on an approved leave of absence for the 29 February Planning Committee Meeting.

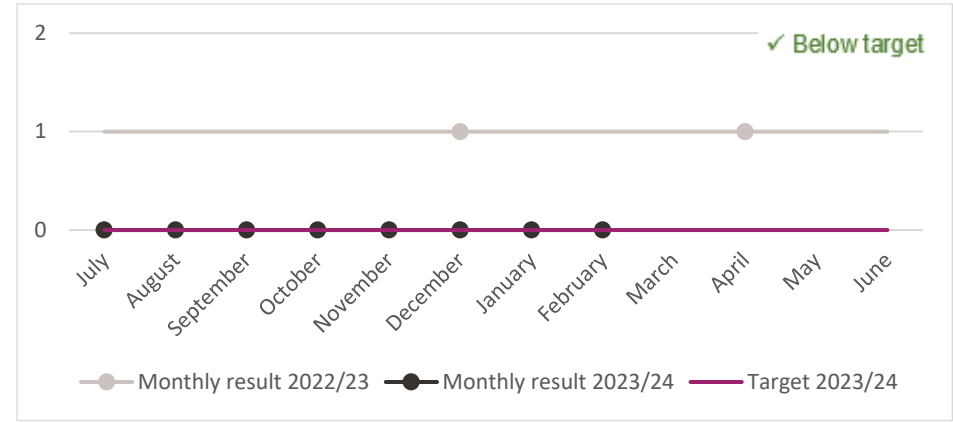
* amendments made to 2022/23 data after annual review process.

Percentage of Council decisions made at meetings closed to the public



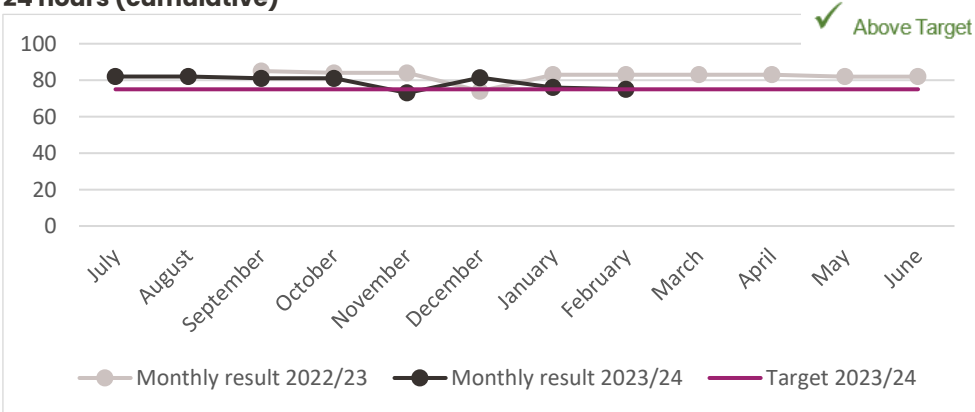
A total of 23 decisions were made at meetings held in February 2024. Of these, one decision was made in a meeting that was closed to the public.

Number of material legislative breaches



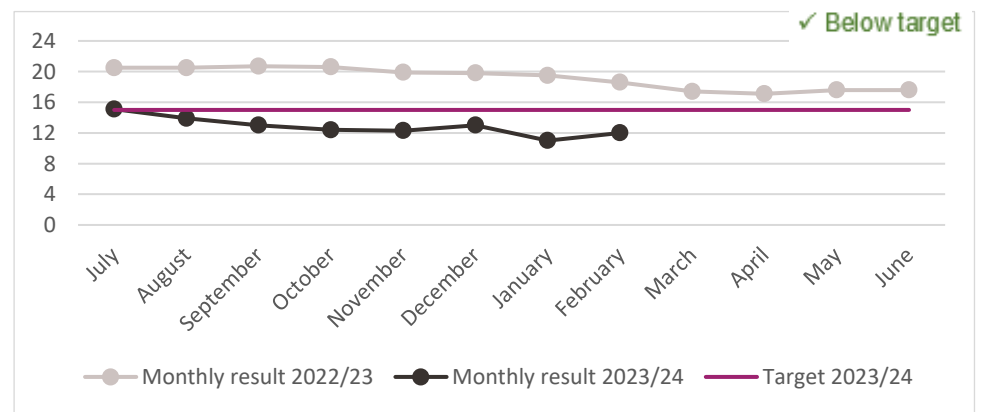
There were no material legislative breaches for February 2024.

Percentage of occupational health and safety incidents reported within 24 hours (cumulative)



The February 2024 result of 75 percent is at target. Additional communications are being undertaken to understand any issues and remind staff and leaders of the importance of immediate reporting of incidents.

Staff turnover (rolling 12 month average)

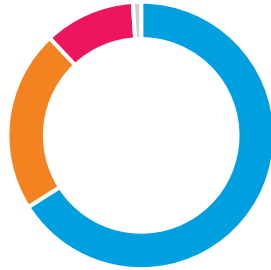


February turnover has seen a slight increase in staff turnover of 0.4%. Our turnover rate is continuing to improve, with the year-to-date average at 12.8 percent compared to a 20 percent turnover rate for the same period last year.

Project Portfolio

Overall status

The project portfolio is made up of projects and programs which achieve the initiatives set out in the Council Plan and Budget 2021- 2031.



On track 66%

Latest result has achieved target for measure. On track across all elements.

At risk 22%

Latest result experienced a minor miss in relation to target for measure. One or more elements

Off track 11%

There is a significant variation from targeted result for measure. Off track for one or more elements.

No report 1%

Status update was not available at the time this report was generated.

Portfolio status trend

	12 mnth average	Nov-23	Dec-23	Jan-24	Feb-24
On track	68%	70%	68%	62%	66%
At risk	19%	18%	21%	24%	22%
Off track	10%	11%	11%	12%	11%
No report	2%	1%	0%	2%	1%

Portfolio financial performance

	Number of projects	Annual budget (\$ million)	Annual forecast (\$ million)	YTD forecast (\$ million)	YTD actuals (\$ million)	YTD variance (\$ million)
Capital	130	62.8	51.5	22.9	19.3	4.2
Operating	44	13.8	12.6	6.3	6.0	0.2
Total	174	76.6	64.1	29.2	25.3	4.4

Financial update

As at 29 February 2024 the full year forecast for 2023/24 is a cumulative cash surplus of \$0.2 million representing a minor increase of \$0.1m since January. The improvement in cash surplus was predominately caused by one-off efficiencies achieved in delivering Council's operating project portfolio.

The decrease to the full year cash surplus compared to budget was predominantly caused by the inclusion of a provision for the partial return of government funding for aged care services as a result of service delivery challenges impacting the achievement of contracted performance targets. There are several factors that have impacted Council's ability to deliver aged care service targets including the implementation of the Aged Care Reforms as the Federal

Governments moves to a competitive marketplace reducing the volume of service referrals that Council receives, industry resourcing challenges, and the growing cost of delivering services above funding rates.

In addition to this, the surplus has been further reduced due to the re-instatement of budget for contracted parking ticket machine maintenance as budgeted efficiencies were not achieved through procurement of a new contract. As a result, the existing contract for parking machine maintenance has been extended and procurement will be reconsidered. Additional spend was approved for the St Kilda Triangle engagement and market testing, feasibility works at Fishermans Bend Gymnastics Club and Elwood Reserve Change Rooms and Toilets

(predominately reserve funded).. There has also been a reduction in street occupation fees caused by declining building activity in the municipality. These unfavourable movements have been partially offset by an increase grant income, additional supplementary rates, and increased interest income because of higher than anticipated cash available for investment and higher investment returns.

Forecast Open Space Developer Contributions has been reduced by \$2.40m for 2023/24. This has been caused by a reduction in subdivision activity and the rise in 'build to rent' development which does not trigger an Open Space Contribution. Build to rent developments have already resulted in \$4.8m foregone contributions.

Summarised income statement converted to cash

	Year to Date				Full Year			
	Actual (\$,000's)	Forecast (\$,000's)	Variance (\$,000's)	%	Forecast (\$,000's)	Budget (\$,000's)	Variance (\$,000's)	%
Total Income	169,297	169,713	(416)	(0%)	259,070	261,944	(2,874)	(1%)
Total Expenses	(147,392)	(147,668)	276	0%	(253,575)	(251,544)	(2,032)	(1%)
Operating Surplus/ (Deficit)	21,904	22,045	(141)	(1%)	5,494	10,400	(4,906)	(47%)
Income Statement Converted to Cash:								
Capital Expenditure	(18,001)	(21,347)	3,345	(16%)	(47,297)	(57,972)	10,676	(18%)
Non-cash operating items	16,051	16,590	(539)	(3%)	32,219	32,251	(32)	(0%)
Financing Items	(891)	(1,441)	550	(38%)	(2,158)	(2,233)	75	(3%)
Net Reserves Movement	0	0	0	0%	3,600	10,049	(6,449)	(64%)
Current Year Cash Surplus/(Deficit)	19,064	15,847	3,216	20%	(8,142)	(7,505)	(637)	(8%)
Opening cash surplus balance	8,386	8,386	0	0%	8,386	8,370	16	0%
Accumulated Cash Surplus	27,450	24,233	3,216	13%	244	865	(621)	(72%)

Financial statement snapshot

→ Income Statement	→ Cash and Investments												
<p style="text-align: center;">Cumulative Cash Surplus</p> <table border="1"> <caption>Cumulative Cash Surplus</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Forecast 2023/24</td> <td>\$0.24m</td> </tr> <tr> <td>Budget 2023/24</td> <td>\$0.87m</td> </tr> </tbody> </table> <p>The decrease in the cash surplus is due to provision for return of government funding for aged care due to service delivery challenges in meeting contracted targets, the re-instatement of parking machine maintenance budget due efficiencies not being achieved through external procurement, St Kilda Triangle market testing, feasibility works at Fishermans Bend Gymnastics Club and a decrease in development activity reducing income for permits relating to street occupations. This has been partially offset by an increase in grant income, additional supplementary rates and interest income.</p>	Category	Value	Forecast 2023/24	\$0.24m	Budget 2023/24	\$0.87m	<p style="text-align: center;">Cash and Investments</p> <table border="1"> <caption>Cash and Investments</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Forecast 2023/24</td> <td>\$147m</td> </tr> <tr> <td>Budget 2023/24</td> <td>\$159m</td> </tr> </tbody> </table> <p>The forecast cash and investments balance has decreased due to increased receivables projected during 2023/24 and a decrease in anticipated developer contributions, partially offset by project deferrals. Despite this, Council’s return on investment KPIs and Corporate Social Responsibility targets were achieved. Over \$130m of the cash and investments balance is held in reserves and therefore tied or allocated to specific delivery of projects and services (e.g., open space developer contributions, project deferrals and specific grants)</p>	Category	Value	Forecast 2023/24	\$147m	Budget 2023/24	\$159m
Category	Value												
Forecast 2023/24	\$0.24m												
Budget 2023/24	\$0.87m												
Category	Value												
Forecast 2023/24	\$147m												
Budget 2023/24	\$159m												

↑ Capital Works	→ Reserves												
<p style="text-align: center;">Capital Expenditure</p> <table border="1"> <caption>Capital Expenditure Data</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Forecast 2023/24</td> <td>\$47.3m</td> </tr> <tr> <td>Budget 2023/24</td> <td>\$58.0m</td> </tr> </tbody> </table> <p>The decrease in capital expenditure is due to net capital project deferrals to 2024/25 and future years. Project deferrals have been caused by various factors including limited availability of project managers, supply chain issues (initially due to the pandemic and more recently from global conflict) and external approval processes.</p>	Category	Value	Forecast 2023/24	\$47.3m	Budget 2023/24	\$58.0m	<p style="text-align: center;">Reserves</p> <table border="1"> <caption>Reserves Data</caption> <thead> <tr> <th>Category</th> <th>Value</th> </tr> </thead> <tbody> <tr> <td>Forecast 2023/24</td> <td>\$137.9m</td> </tr> <tr> <td>Budget 2023/24</td> <td>\$131.5m</td> </tr> </tbody> </table> <p>Council reserves have increased predominately due to project deferrals to 2024/25 and future years. This has been partially offset by the anticipated reduction in open space developer contributions (funds ringfenced in reserves). While the balance of reserves appears significant, these funds are held for specific purposes and will help to fund the significant capital portfolio over the next ten years.</p>	Category	Value	Forecast 2023/24	\$137.9m	Budget 2023/24	\$131.5m
Category	Value												
Forecast 2023/24	\$47.3m												
Budget 2023/24	\$58.0m												
Category	Value												
Forecast 2023/24	\$137.9m												
Budget 2023/24	\$131.5m												

Key financial highlights and indicators

- Overall low risk rating using the Victorian Auditor General’s Office (VAGO) financial sustainability indicators.
- Forecasted positive net operating result of \$5.5 million (2.1 per cent of total revenue).
- A healthy working capital ratio of 329 per cent.
- Proposed efficiency savings of \$1.5 million for 2024/25, working towards a target of \$1.8 million efficiency savings for Budget 2024/25. Noting efficiency savings are becoming increasingly hard to achieve.
- A forecast cumulative cash surplus balance of \$0.2 million noting ongoing risk of changing economic conditions and persistent inflationary pressures.



City of Port Phillip

99a Carlisle Street, St Kilda, VIC 3182

📞 ASSIST 03 9209 6777

🌐 portphillip.vic.gov.au



Receive the latest news from your City and Council

🌐 portphillip.vic.gov.au/divercity

Language assistance

廣東話 9679 9810 Ελληνικά 9679 9811 Polska 9679 9812

普通話 9679 9858 Русский 9679 9813 Other 9679 9814



If you are deaf or have a hearing or speech impairment, you can phone us through the National Relay Service (NRS):

- TTY users, dial **133677**, then ask for **03 9209 6777**
- Voice Relay users, phone **1300 555 727**, then ask for **03 9209 6777**

🌐 relayservice.gov.au