



14.2 **UPDATED COUNCIL PLAN 2017-27 AND BUDGET 2018/19:
ADOPTION**

EXECUTIVE MEMBERS: **KYLIE BENNETTS, DIRECTOR, OFFICE OF THE CEO
CHRIS CARROLL, GENERAL MANAGER CUSTOMER AND
CORPORATE SERVICES**

PREPARED BY: **RAY TIERNAN, PROGRAM MANAGER PLANNING AND
PERFORMANCE
DENNIS O'KEEFFE, CHIEF FINANCIAL OFFICER
TERESA PARSONS, INTERIM MANAGER ORGANISATIONAL
PERFORMANCE
PETER LIU, COORDINATOR MANAGEMENT ACCOUNTING &
FINANCIAL ANALYSIS
STEVEN ROSS, COORDINATOR EPMO OPERATIONS**

1. PURPOSE

1.1 For Council to formally consider and respond to public submissions and adopt the Revised Council Plan 2017-27 (including Budget 2018/19) - Year 2 following the annual review.

2. EXECUTIVE SUMMARY

2.1 Council adopted the Council Plan 2017-27 on 21 June 2017. The Plan sets out a 10-year vision and six strategic directions for the City, with a four-year focus on the specific actions Council will undertake to work towards achieving this vision. The Council Plan also incorporates the Municipal Health and Wellbeing Plan, 10-year Financial Plan, Strategic Resource Plan and annual Budget.

2.2 Each year Council reviews the Council Plan to determine whether the strategies, priorities and measures require adjustment, and develops an annual budget, which includes the capital and operating programs.

2.3 The draft Revised Council Plan 2017-27 – Year 2 including the draft Budget 2018/19 was released on 18 April 2018 for a 28-day review period between 20 April to 18 May 2018. At the same time, Council released two key draft strategies: – A Sustainable Future- the Sustainable Environment Strategy 2018-2028; and Creative and Prosperous City 2018-22; and sought community input during the same period.

2.4 Since the release of the draft Budget 2018/19, officers have identified a number of changes to a range of budget items to reflect new and better information on:

ORDINARY MEETING OF COUNCIL – 20 JUNE 2018



- Project portfolio for 2018/19 – identifying a number of changes to the timing, cost and scope of proposed projects outlined in the draft budget.
- Fees and charges – identifying changes to footpath trading fees in the Acland Street precinct, parking fees in Fishermans Bend and charges for hiring our town halls outlined in the draft budget
- Increased insurance premiums and other financial impacts

2.5 During the consultation period, Council received 41 submissions and five informal submissions referencing the draft Revised Council Plan 2017-27 and draft Budget 2018/19. A number of these submissions also included feedback on the draft strategies and outcome of these consultations is presented in separate reports to be considered at the same meeting.

2.6 At the Council Meeting on 6 June 2018:

2.6.1 Council heard 23 speakers to the submissions;

2.6.2 Received a question from the public which has been accepted as a formal submission (#19-042);

2.6.3 The Alliance for Gambling Reform withdrew its formal submission (#19-015).

2.7 In response to the submissions received, officers are recommending:

2.7.1 additional ongoing funding for the Pride March (up to \$25,000) and Council's Cultural Development Fund (\$50,000)

2.7.2 a one-off grant to Theatre Works (\$15,000)

2.7.3 reinstate 2018/19 funding for design work for the redevelopment of the EcoCentre (\$200,000) and working with the EcoCentre to develop a more formal agreement with the view to providing a one-off increase in operational funding (up to \$50,000).

2.7.4 reinstate the priority under Direction 3 to carry out a biodiversity study noting that funding is allocated for future years and amend priority regarding support for Gasworks and Linden to remove specific reference to an EOI process in Direction 5 to align with proposed changes to Art and Soul: Creative and Prosperous City Strategy.

2.7.5 additional funding to commence design work for Brookes Jetty (\$9,000)

2.7.6 funding for a voting enrolment project of the Youth Advisory Council (\$6,500).

ORDINARY MEETING OF COUNCIL – 20 JUNE 2018



- 2.8 The impact of all the proposed changes above is that the revised cash surplus will be \$0.5 million after putting aside \$1.8 million in a new Fishermans Bend Urban Renewal Area (FBURA) Reserve, which will be used to fund future infrastructure development.
- 2.9 The Plan provides a strategic response to an environment that is rapidly changes and ensures Council is investing in essential assets and services to ensure that Port Phillip remains the bold, liveable, caring and beautiful place for our communities while operating within the rates cap, maintaining financial sustainability and an overall low financial sustainable risk rating.
- 2.10 Key highlights in Budget 2018/19 include:
 - 2.10.1 \$2 million of efficiency savings in addition to the \$9 million of savings identified in the past four budgets.
 - 2.10.2 \$66 million invested in projects to maintain, grow and improve services and assets.
 - 2.10.3 Continue to support pensioners with a council-funded pensioner rates rebate which will increase by 3.1 per cent to \$165 in 2018/19.



3. RECOMMENDATION

That Council:

- 3.1 Having considered all the submissions received and heard at the Ordinary Meeting of Council on 6 June 2018, make the changes to the Revised Council Plan 2017-27 – Year 2 (including Budget 2018/19) as outlined in this report.
- 3.2 Responds in writing to those that have made formal written submissions, to advise them of the outcome of Council's decision as set out in Attachment 2.
- 3.3 Adopts the Revised Council Plan 2017-27 – Year 2, pursuant to ss125-127 of the Local Government Act 1989 as set out in Attachment 3.
- 3.4 Delegates authority to the CEO to reflect any changes made by Council at tonight's meeting including any changes to the strategies, which are not reflected in Attachment 3, and to make minor typographical corrections or changes to images before final publication.
- 3.5 Notes that the adopted Revised Council Plan 2017-27- Year 2 will be sent to the Minister for Local Government before 18 July 2018.

4. KEY POINTS/ISSUES

- 4.1 Council adopted the Council Plan 2017-27 on 21 June 2017. The Plan sets out a 10-year vision and six strategic directions for the City, with a four-year focus on the specific actions Council will undertake to work towards achieving this vision. The Council Plan also incorporates the Municipal Health and Wellbeing Plan, 10-year Financial Plan, Strategic Resource Plan and annual Budget. The Plan is structured to include the following three sections and key chapters:
 - 4.1.1 Section 1: Port Phillip today and tomorrow – comprises profiles of 'our city', 'our people' and 'our health and wellbeing', and an overview of seven challenges facing the city. Included within this section of the plan is a vision, six strategic directions and 18 outcomes, which together represent the strategic priorities of the Council.
 - 4.1.2 Section 2: Our neighbourhoods – an overview of the City's nine neighbourhoods, describing the people, history, available services and list of local projects to be delivered in the next year.
 - 4.1.3 Section 3: Finances and Performance – includes a 10-year Financial Plan and financial statements (incorporating the annual budget and Strategic Resource Plan), performance indicators, rates and charges, and fees and charges.



- 4.2 A highly participative and successful community engagement to develop the Plan was undertaken in 2017. This resulted in over 2,000 pieces of feedback through pop-up engagement events, open house sessions, stakeholder meetings and an online survey were received in February 2017, and 125 written submissions and 17 presentations were received on the draft document.
- 4.3 The integration of Council's planning, budget and resourcing into a single plan has achieved strong alignment between the Council's strategic priorities, and its services, programs and projects. Progress to deliver the plan is monitored and regularly reported in the CEO Report.
- 4.4 Each year Council reviews the Council Plan to determine whether the strategies, actions and measures require adjustment, and develops an annual budget, which includes the capital and operating programs. Community input is an essential part of this process and there have been several opportunities for the community to engage in this review.

Developing the draft Budget 2018/19

- 4.5 The Council Plan is supported by a financial strategy which provides clear direction on the allocation, management and use of financial resources. It aims to ensure that Council remains financially sustainable while maintaining assets and services, responding to growth, and delivering on priorities.
- 4.6 The financial strategy is embedded in a 10-year Financial Plan and forms part of the amended Council Plan. It sets the parameters within which Council agrees to operate to maintain acceptable financial outcomes over the short, medium and long term.
- 4.7 On 13 December 2017, Council endorsed the 10-Year Financial Outlook, which:
 - 4.7.1 considered Council's strategic risk profile and operating environment
 - 4.7.2 sets clear direction and parameters for the development of the budget for 2018/19
 - 4.7.3 tests the long term financial implications of the current forecasts in revenue and expenditure.
- 4.8 The financial strategy in the proposed amended Council Plan was updated and informed by the endorsed 10-Year Financial Outlook and development of the draft Budget 2018/19.

Amendments included in the draft Council Plan following annual review

- 4.9 The draft amended Council Plan (including Budget 2018/19), which was released to the public on 20 April 2018, reflected new and better information that emerged as work to develop key strategies progressed, progress to deliver the plan is monitored and changes to the operating environment.



- 4.10 A key focus for the first year of the plan was to develop several key strategies and develop a program to improve customer experience. The development of each strategy identified a need for refinements in the long-term outcomes, priorities or initiatives in the Council Plan to reflect new and better information and has also changed the level of investment required to effectively deliver on the priorities.
- 4.11 Additionally, officers undertook a mid-year review of progress on the priorities under each strategic direction, to identify other areas of change, where further work or changes to our operating environment warrants an adjustment to the priorities or measures.

Proposed amendments to the Council Plan and Budget 2018/19 since public release of the draft document

Proposed changes to the project portfolio in 2018/19

- 4.12 The draft Budget 2018/19 included investing \$82 million (including \$17.5 million land purchase of the Inner Metro Sustainability Hub and \$9.3 million for the Customer Experience Program) in the project portfolio to maintain, grow and improve services and assets. This is the largest portfolio Council has budgeted for in any financial year.
- 4.13 Given the size of the proposed project portfolio, a detailed review was conducted after the release of the draft amended Council Plan to assess the organisation's capacity to deliver, considering the following:
- additional deferral of project expenditure in 2017/18 to 2018/19
 - addition of new or re-scoped projects
 - greater scrutiny of timeframes to allow for tight contracting markets (elongating procurement), building permits, community engagement and an assessment of the organisation's ability to deliver with budgeted resources.
- 4.14 Following the review, officers propose a project portfolio in 2018/19 of \$66 million, consisting of \$48 million in capital projects and \$18 million in operating projects. This is a reduction of \$16.2 million from what was presented in the draft Council Plan and includes deferring \$14.5 million for the land purchase of the Inner Metro Sustainability Hub to 2019/20.
- 4.15 All projects and programs identified in the draft Budget 2018/19 are planned to proceed in 2018/19. However, some of the activities within the project or program may take place in 2019/20 rather than originally planned in 2018/19.
- 4.16 The findings of the deliverability review indicated there are capacity constraints impacting upon the delivery of the portfolio, particularly in the civil design space, where the number of designs is expected to triple. To progress on deliverability of the total portfolio, additional resourcing of 1.0 FTE has been included in the Budget 2018/19 for a Civil Design Engineer to deliver the increased designs in the following programs: Bike Infrastructure, Blackspot Safety Improvements, Footpath Renewal, Kerb and Gutter



Renewal, Laneway Renewal, Road Renewal, Water Sensitive Urban Design and Stormwater Management.

4.17 Attachment 1 contains details of the proposed changes to the 2018/19 project portfolio.

Proposed changes to the fees and charges in 2018/19

4.18 Following community consultation on Paid Parking Introduction at Fishermans Bend Urban Renewal Area, the Budget 2018/19 incorporates the officer recommended changes to the strategy:

- the parking fee rate is reduced from \$1.90 per hour in the draft budget to \$1.00 per hour.
- this will reduce parking income by \$0.97 million in 2018/19.
- Boundary street will be excluded from paid parking which will reduce parking income by a further \$0.27 million in 2018/19.

4.19 This item is being considered in a separate report to the same agenda for Council consideration.

4.20 Footpath Trading Permit fees for the Acland Street precinct were published in the draft Budget at the Acland Street rate rather than the Standard rate resulting in a relatively significant increase compared with the previous year. As the footpath trading fee structure and rates are currently under review by Council it is recommended that the fees for the Acland Street precinct be no higher than the Standard rate for 2018/19. This represents a change as per the table below.

Fee type	2017/18 fee	2018/19 fee (included in draft Budget 2018/19)	2018/19 fee (recommended for Budget 2018/19)
Acland Street Table	\$79.00	\$145.09	\$85.15
Acland Street Chair	\$117.00	\$211.97	\$125.97
Cost per setting (1x table + 4x chairs)	\$547.00	\$992.97	\$589.03

4.21 Reduced, flat fees for hire of the South Melbourne and Port Melbourne town halls were published in the draft Budget 2018/19 due to low usage. Following due diligence, officers advise that these fee changes, in relation to commercial hire only, may place Council at risk of breaching National Competition Policy regulations. To address this, officers propose to apply the following fees for 2018/19 which include a small increase to the 2017/18 fees in line with the Consumer Price Index:



Fee type	2017/18 fee	2018/19 fee (included in draft Budget 2018/19)	2018/19 fee (recommended for Budget 2018/19)
Port Melbourne Town Hall			
Commercial weekday	\$1,364	\$597	\$1,396
Commercial weekend	\$1,712	\$597	\$1,752
Community weekday	\$583	\$597	\$597
Community weekend	\$712	\$597	\$597
South Melbourne Town Hall			
Commercial weekday	\$1,403	\$729	\$1,436
Commercial weekend	\$1,874	\$729	\$1,918
Community weekday	\$712	\$729	\$729
Community weekend	\$841	\$729	\$729

- 4.22 As a planning and responsible authority providing services under the Planning and Environment Act 1987, these services attract Statutory Planning fees in accordance with the Planning and Environment (Fees) Regulations 2016. Council has adjusted its statutory planning fees as per changes to these regulations.

Other financial changes to the Budget 2018/19

- 4.23 Quotes received following a public tender indicate significant insurance premium increases up to 60 per cent for Council's Public Liability and Professional Indemnity. This is partially due to insurers being more cautious due to increased claim activity in industries associated with local government (for example: bush fires; cyber risks; town planning; valuers; quantity surveyors and engineers). Additional budget of \$0.30 million will be required in 2018/19, however officers will explore opportunities to minimise the financial impact in conjunction with the Audit and Risk Committee.
- 4.24 Rates income will reduce by \$41,000 due to reclassification of three rateable properties to non-rateable.
- 4.25 Council's lease with Australian National Academy of Music (ANAM) includes \$0.12 million per annum of contributions for building works.
- 4.26 The budget has been amended to include 50 per cent (\$1.33 million) prepayment of the 2018/19 Victorian Grants Commission funding from the Commonwealth Government in 2017/18 financial year.

Public consultation process and response to public submissions

- 4.27 On 20 April 2018, Council called for public submissions through a public notice in *The Age* newspaper and the plan was made available for inspection at the three town halls and

ORDINARY MEETING OF COUNCIL – 20 JUNE 2018



municipal libraries as well as the internet. The public review period ran from Friday 20 April 2018 to 5pm Friday 18 May 2018.

- 4.28 A range of activities were undertaken to promote and encourage public feedback including direct email notifications, information sessions and promotions in local paper and on Council's website.
- 4.29 Council received 41 formal submissions from individuals or groups and five informal submissions from individuals on the Council Plan and Budget. On 6 June 2018, Council received all submissions, heard 23 presentations, added a formal submission from a community member arising from public question time and noted that the Alliance for Gambling Reform formally withdrew their submission.
- 4.30 Attachment 2 provides a list of submitters, a summary of their submissions and officer responses and recommendations.
- 4.31 For most submissions, officers are recommending that Council notes the submission as it was either a request for information or the topic has already been addressed through the Council Plan and Budget. Themes raised multiple time in these submissions include:
- 4.31.1 Concern about traffic and parking in the municipality, noting that a number of individuals have raised issues regarding Port Melbourne during the cruise ship season
 - 4.31.2 General support for the Sustainable Environment Strategy
 - 4.31.3 Request to increase trees and canopy cover targets
 - 4.31.4 General concern regarding expenditure and that Council is operating outside its role in some areas of the Council Plan
 - 4.31.5 General support for the Creative and Prosperous City Strategy
 - 4.31.6 Requests that presentation of information during the consultation be improved and more detail provided on large expenditure items
- 4.32 For a number of the submissions, the submission requests additional Council funding or changes to the draft amended Council Plan. In total, the funding request is approximately \$1.7 million of which, \$0.3 million would be ongoing.
- 4.33 In response, officers have recommended the following changes to the amended Council Plan including Budget 2018/19:
- 4.33.1 Bring forward design work for the EcoCentre and \$200,000 budget from 2019/20 to 2018/19
 - 4.33.2 Provide a one-off increase in operating funding for the EcoCentre by up to \$50,000 (subject to agreeing output measures with the EcoCentre) with the view to providing a one-off increase in operational funding (up to \$50,000).



This would be an interim measure while Council and the EcoCentre work together to revise funding and leasing arrangements to commence in 2019/20.

- 4.33.3 Reinstate Biodiversity Study (and funding of \$130,000 into 2019/20) as a priority in the Council Plan under Direction 3.
 - 4.33.4 Following community concern expressed during the draft Creative and Prosperous City Strategy regarding undertaking an EOI process for long term leases for Gasworks Arts and Linden Gallery, amend relevant priority in under Direction 5.
 - 4.33.5 Increase the Cultural Development Fund by \$50,000 (ongoing) to increase Council's ability support innovative, creative and cultural projects
 - 4.33.6 Provide additional support of up to \$25,000 (ongoing) to Midsumma to managed increased security risks associated with Pride March.
 - 4.33.7 Provide a bridging grant to Theatre Works of \$15,000 (2018/19 only) while Council establishes its proposed multiyear funding program (anticipated for November 2018) from existing operational budget allocation.
 - 4.33.8 Provide additional support to Bring Back Brookes Jetty of \$9,000 (2018/19 only) to complete design work.
 - 4.33.9 Provide a grant to Youth Advisory Council of \$6,500 (2018/19 only) for a youth focussed voting enrolment project.
 - 4.33.10 Defer requirement for first repayment by Gasworks Arts Inc. for replacement theatre seating to 2019/20.
- 4.34 Officers have recommended that Council notes the following requests to adjust its Council Plan and Budget:
- 4.34.1 Request from the Power House Rugby Club to fund redevelopment of facilities - as it is not a council asset and a robust business case that articulates clear community benefit has not been presented.
 - 4.34.2 Funding to the Melbourne Fringe Festivals of 2018 and 2019 up to \$40,000 – officers advise they are eligible to apply for the Local Festivals Fund in 2018
 - 4.34.3 Funding to contribute to works on the bowling green and buildings of the Albert Park Bowls Club up to \$400,000 - officers will work with the club to understand their needs better and provide a further update back to Council.
 - 4.34.4 Funding of the full restoration of O'Donnell fountain estimated at \$238,500 – Council officers are considering alternative works in the fountain.



- 4.34.5 Funding increase to Linden New Art of up to \$46,000 (ongoing) – it is proposed that the operational requirements be reviewed in 6-12 months.
- 4.34.6 Funding of the development of a smart phone app for Earthcare St Kilda up to \$10,000 (2018/19 only) – officers advise they are eligible to apply under our Community Grants program.
- 4.34.7 Removal of the entry fee for the Live’N’Local festival – officers advise this is a standard fee across similar festivals.
- 4.34.8 Upgrade of TT Buckingham Reserve - consultation and detailed design for a play space upgrade of the TT Buckingham Reserve is included in the Parks and Playground Renewal program for 2018/19.
- 4.34.9 Enlarge Port Melbourne Skate Park - the 2018/19 budget already allocates \$15,000 for design work and will seek community input in the design.
- 4.34.10 Upgrade of Lillian Cannam Kindergarten – works to replace perimeter fencing and reconfigure front entrance will be undertaken in 2018/19 subject to approval of building permit.
- 4.34.11 Upgrade of Sol Green Reserve – minor works were undertaken in February 2018 and further design work will be considered for inclusion in the 2019/20 Parks and Playground Program.
- 4.34.12 Contribute to upgrade of Port Melbourne Yacht Club – officers will work with Club to explore proposal to understand community benefits and prepare a briefing for Council in 2018.
- 4.34.13 Concern about rise in childcare fees – Council sets childcare fees with consideration of retaining a sustainable, affordable service for families and works towards cost recovery in the provision of childcare services. When benchmarked against other providers and local government services Council’s fees remain consistently in the mid-range compared to other local services.

Updated overall Budget 2018/19 financial position

- 4.35 The impact of all the proposed changes above is that the revised cash surplus will be \$0.5 million after putting aside \$1.8 million in the new FBURA Reserve for future growth-related projects.
- 4.36 As outlined in the Financial Strategy in this report, the Plan operates within the rates cap, maintains financial sustainability and an overall low financial sustainable risk rating as measured by the VAGO Financial Sustainability Indicators, whilst investing in essential assets and services.
- 4.37 The Budget 2018/19 includes:



- A rate increase of 2.25 per cent (equivalent to the rates cap)
- An increase in most fees and charges by 2.35 per cent
- \$2 million of efficiency savings. This adds to the \$9 million of savings delivered in the last four budgets.
- There is no increase in an already low debt position
- Cash backed reserves of \$49 million.
- \$66 million invested in projects to maintain, grow and improve services and assets
- A modest cash surplus of \$0.5 million, which is in line with the financial strategy and provides contingency for financial risks.

4.38 Resource implications of proposed adjustments to the Council Plan have been represented in the 10-Year Financial Plan and Budget 2018/19.

5. CONSULTATION AND STAKEHOLDERS

5.1 Council conducted community engagement at markets and venues in February 2018 on the Council Plan.

5.2 Council then released the draft Council Plan and Budget and called for public submissions at an Ordinary Meeting of Council held on 18 April 2018. This was promoted through a public notice in *The Age* newspaper and the plan was made available for inspection at the three town halls and municipal libraries as well as the internet. In accordance with statutory requirements, Council provided a 28-day period for the public to review the draft Council Plan and Budget. The public review period ran from 20 April 2018 to 5pm Friday 20 May 2018 and included:

- 5.2.1 Public notice in *The Age* and advertisement in the Port Phillip Leader
- 5.2.2 Publication of the draft Plan and strategies on Council's website and HaveYourSay page
- 5.2.3 Copies of the plan exhibited at the three town halls and City libraries
- 5.2.4 Direct email notification to stakeholders on Council's database, including those who indicated they were interested in each of the strategies
- 5.2.5 Three public drop-in sessions, at the South Melbourne Town Hall (Thursday 3 May 5 pm to 7:30 pm), Port Melbourne Town Hall (Tuesday 8 May 5 pm to 7:30 pm) and the St Kilda Town Hall (Thursday 9 May 5 pm to 7:30 pm)
- 5.2.6 The opportunity to respond to a short survey on the Council Plan and Budget and each of the strategies

ORDINARY MEETING OF COUNCIL – 20 JUNE 2018



5.2.7 The opportunity to make written submissions, through the Have Your Say page of Council's website and via email.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The *Local Government Act 1989*, requires Council to undertake an annual review of its Council Plan, supported by a Strategic Resource Plan, and prepare an annual budget by 30 June.
- 6.2 The Act stipulates that the draft plan and budget be released for a 28-day public review period with public submissions invited. It also requires Council to formally receive and consider all submissions prior to adopting the Council Plan and Budget.
- 6.3 The financial and non-financial tables supporting the Budget 2018/19 and draft Strategic Resource Plan have been prepared in accordance with regulations laid down by the Local Government Amendment (Performance Reporting and Accountability Act 2014).

7. FINANCIAL IMPACT

Monitoring financial sustainability

- 7.1 Officers use the Victorian Auditor General's financial sustainability indicators to monitor Council's financial sustainability. Council's financial strategy is designed to ensure an overall low risk rating over the period of the plan unless Council can demonstrate it is prudent not to (i.e. for one-off abnormal transactions that do not have an enduring impact). As demonstrated in the table below, officers forecast that Council will achieve an overall risk rating of low throughout the 10-year period.

Indicator	Indicator Targets	Forecast Budget Projections										
		2017/18	2018/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Net Result %	Greater than 0%	1.5%	0.4%	2.1%	4.9%	6.3%	6.6%	6.2%	6.0%	5.7%	5.5%	4.8%
Working Capital	Working Capital Ratio >100%	253%	216%	166%	141%	172%	181%	188%	193%	197%	199%	197%
Internal Financing	Net cashflow from operations to net capital expenditure >100%	136%	72%	67%	106%	112%	116%	114%	112%	111%	109%	105%
Indebtedness	Indebtedness ratio <40%	5.7%	5.5%	5.3%	1.7%	5.1%	4.9%	4.8%	4.6%	4.5%	4.4%	4.3%
Capital Replacement	Capital to depreciation >150%	114%	170%	207%	154%	155%	151%	151%	150%	150%	151%	150%
Infrastructure Renewal Gap	Renewal & upgrade to depreciation >100%	95%	124%	119%	123%	126%	121%	121%	120%	120%	121%	120%
Overall Financial Sustainable Risk Rating		Low	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low



For details on financial risks, rates assistance, Budget 2018/19 at a glance and fees and charges, please refer to the Council Plan in Attachment 3.

8. ENVIRONMENTAL IMPACT

- 8.1 The proposed amendments to the Council Plan 2017-27 include changes arising from the Sustainable Environment Strategy and draft Waste and Resource Recovery Strategy including proposed targets for sustainability measures and funded priorities to achieve the targets.

9. COMMUNITY IMPACT

- 9.1 The proposed amendments to the Council Plan 2017-27 are consistent with Council's commitment to supporting the health and wellbeing of the Port Phillip community and includes our Municipal Health and Wellbeing Plan.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 The Revised Council Plan 2017-27 – Year 2 reflects updated strategic priorities with a delivery focus on the four-year term of this Council.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 Following Council's adoption of the Budget 2018/19, the public notice of the adoption of the Budget will be placed in the Port Phillip Leader on 26 June 2018.
- 11.1.2 A copy of the Revised Council Plan 2017-27 – Year 2 including the Budget 2018/19 will be forwarded to the Minister for Local Government by Wednesday 18 July 2018.
- 11.1.3 A rates brochure will be distributed in conjunction with the issuing of rate notices by the end of July 2018.

11.2 COMMUNICATION

- 11.2.1 Each person or organisation that has lodged a submission will be notified in writing, thanking them for their submission, advising them of the Council decision and the reasons for that decision.
- 11.2.2 The Revised Council Plan 2017-27 – Year 2 will be made available at local libraries and promoted on Council's website.
- 11.2.3 Council and the community will continue to receive updates on the Council's financial performance against the Council Plan and Budget through regular CEO reports and the Annual Report.



KEY MESSAGES

- 11.2.4 The Revised Council Plan 2017-27 reflect changes following a strategic review of the environment Council is operating in, its achievements to date and a commitment to continuous improvement.
- 11.2.5 Officers have worked closely with Councillors to review the Council Plan and develop a prudent budget that provides a financially disciplined approach to risks and opportunities that are emerging and prioritise significant investment in initiatives that will enable us to be more responsive to our communities and deliver on Council's vision for the city.
- 11.2.6 Council values community input into its plan and thanks each person and group who has provided input into the annual review of the Council Plan and development of the Budget 2018/19.

12. OFFICER DIRECT OR INDIRECT INTEREST

- 12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

TRIM FILE NO: 16/02/201

- ATTACHMENTS**
- 1. Proposed changes to the Budget 2018/19
 - 2. Summary of submissions, proposed responses and recommendations
 - 3. Proposed amended Council Plan 2017-27 including the Budget 2018/19