

CEO REPORT



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

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

Presented at the Ordinary Meeting of Council on 15 February 2017

www.portphillip.vic.gov.au

Welcome

Welcome to the first issue of the CEO Report for 2017. This issue of the CEO Report is a means to transparently report Council's priorities and activities towards delivering the Council Plan.

Delivering the Council Plan

Fishermans Bend Urban Renewal Area

Following consultation in November 2016, the Minister for Planning introduced GC50, interim planning controls for Fishermans Bend that include mandatory height controls and affordable housing targets. The Fishermans Bend Taskforce also sought the advice of the Ministerial Advisory Committee about its draft Framework Plan.

The draft Framework Plan will guide the transformation of new development in Fishermans Bend, to create certainty to the community, developers and business, and to encourage innovation, sustainability and high quality urban design outcomes. During 2017, the Fishermans Bend Taskforce will seek community feedback to inform the final Framework Plan.

Ferrars Street Education and Community Precinct

At the last meeting for 2016, Council resolved several items in relation to the streetscape and park at the Ferrars Street Education and Community Precinct. Key items included:

- Resolving to work with residents to re-scope the streetscape works to consider measures that will address their concerns about business access including loss of parking
- Noting the closure of Railway Place will only proceed as part of the Streetscape Works if agreement is reached with the Victorian Government to use VicTrack land needed to support the road closure
- Noting that the work on the remediation and construction of Montague Community Park (including the surrounding streets) will not commence until the Victorian Government confirms that it has the necessary funding.

Head to Council's website for a full list of resolutions for the streetscape and park (<http://www.portphillip.vic.gov.au/december-2016-meetingsagendas.htm>)

Construction of South Melbourne Ferrars Street Primary school and community facilities is underway, led by the Department of Education and Training's Victorian School Building Authority. Mr Noel Creece has begun work as the inaugural school principal and will spend this year working with the department, Council and the community to prepare for the school's opening in January 2018.

St Kilda Triangle

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

Council officers are working with event organisers to deliver a range of events, experiences and activities that will transform the St Kilda Triangle over the winter period (between June and September).

Palais Theatre

The Palais Theatre works program is nearing completion. A major milestone was achieved just prior to Christmas with the scaffolding that had been in place for over two years finally coming down. Painting and repairs to the exterior where the scaffolding was attached is underway. Drainage works began in January, with all works due for completion by early March.

Vibrant places and villages

A new street art mural was installed on the corner of Fitzroy and Jackson streets, St Kilda in December. This is the second of three murals to be installed in the area. The street art program aims to address tagging and illegal graffiti while promoting and encourage local artists and community involvement.

The artwork, created by Bailer, a St Kilda resident, has received positive feedback on social media with comments like: "Loving the new street art going up around the area" and "Awesome piece, awesome

bloke. You rock mate. Thanks for bringing so much life to the area".



Bailer street art on corner of Jackson and Fitzroy streets

Celebrating 150 years of South Melbourne Market

On 30 November the South Melbourne Market launched its 150th anniversary program in the newly refurbished Food Hall. The Market's 150th anniversary program includes:

- 'My Market Story' as a means of gathering community memories of the Market
- Reinstating the Market Bell to be rung at the start and end of trade each day throughout the year
- Creating eye catching and thought provoking murals around the Market
- Commemorative 150th anniversary merchandise
- Free historical market tours
- A free community barbeque to be held on 6 May.

The Market's official birthday is 1 May 2017 with a month full of fantastic events.

December was the Market's busiest month on record with a total of 483,008 visitors. 24 December was also the Market's busiest single day of trading with a record breaking 38,312 visitors on the day.



Mayor Cr. Bernadene Voss launching the Market's 150th anniversary program

Toward Zero implementation

Electricity consumption at St Kilda Town Hall in December 2016 was 29 per cent less than December 2015. This reflects the combination of energy efficiency works and the new Solar PV (photovoltaic) system that was switched on in September. The energy saved in December reduced actual billing by \$4,667, saved 31 tonnes of greenhouse gas emissions and is the equivalent of turning off the power completely for 9 days.

The City of Port Phillip is well on the way to reaching its goal of 330 car share bays by 2022. This reduces car ownership and on-street car parking pressure. An additional 13 car share bays have been approved, bringing the total in the municipality to 130. The addition of a new provider, Popcar, joining the existing providers Flexicar, GoGet and GreenShare Car has increased the options available to our residents and businesses.

December's Sustainability and Community Action Network (SCAN) event was jointly organised by the cities of Port Phillip and Stonnington. Celebrity chef Emma Dean presented a cooking show at Prahran Market that demonstrated zero waste sustainable cooking methods with a Christmas theme. The next SCAN event 'Get Fermenting' will be held on 21 February. For more information, head to Council's Enviroehub at <http://www.enviroehub.com.au/articles/get-fermenting>

Gasworks Arts Park remediation

A total of 90 passive soil samplers were installed in the park between October and November. The Department of Treasury and Finance's environmental contractor is planning further vapour testing and deeper soil investigations in early 2017.

St Kilda Life Saving Club

The construction of the St Kilda Life Saving Club was completed in December allowing the club to operate its vital beach and lifesaving services from the new building over the business Christmas and New Year period.

The official opening of the club was marked on 11 February with a community celebration.

South Melbourne Life Saving Club

Development of the detailed design for the South Melbourne Life Saving Club continues in accordance with approved coastal consent. More information about the detailed design and landscape plan will be released in early 2017. Council will work with the club to design temporary facilities that allow the club to continue to provide vital beach and lifesaving services while construction of the new redevelopment is underway.

JL Murphy Reserve pavilion

Officers have engaged with sporting clubs, who are the tenants of the pavilion, about the project scope and parameters of the feasibility study for the pavilion upgrade. A Council report is currently being prepared which will make recommendations regarding the project scope and timeframes for future community consultation. The Council report will be presented in early 2017.

Peanut Farm Reserve pavilion

The development of detailed design progressed during December in accordance with the concept endorsed on 23 August 2016. The detailed design, construction documentation, and permits are due for completion by June 2017.

Queens Lane precinct

Local owners, residents and businesses received information material explaining the preferred traffic arrangements and a general update for the project during December.

St Kilda Road safety improvement project

This project is being delivered by VicRoads and Council is providing feedback and input as a key stakeholder.

VicRoads have prepared an analysis of the consultation outcomes and are using it to develop design options. They anticipate consulting on the design options in the first half of 2017.

Growing affordable housing in Port Phillip

For implementation of the Affordable Housing Strategy – In Our Backyard, development options were modelled for the Marlborough Street, Balaclava Council/public car park site.

Improving community value

Continuous service and business improvement

We are committed to making our services more efficient and delivering better outcomes for the community.

The City of Port Phillip owns and manages a large number of properties. By better managing the hundreds of utility bills we receive each quarter for those properties, we will save \$120,000 each year.

Each year, Council receives more than 500 requests from the community to review or remove trees. Improvements to the process has halved the time to make a decision (from an average of four weeks to two weeks).

Enterprise portfolio management

Full year project forecasts for the current year have been reviewed and any expected savings identified. A starting baseline for the 2017/18 project portfolio has been created which will provide a framework for making decisions about the portfolio during the development of the new Council Plan and annual budget.

Our continuous improvement activity has been focussed on identifying opportunities to improve portfolio deliverability and finalising our project capability development framework in order to begin its implementation in early 2017.

Aligned organisational culture and capability

A recruitment company, SHK, was selected to assist with the executive search for a permanent CEO, following the departure of Tracey Slatter in December 2016.

Also during December the technical requirements for a Learning Management System (LMS) and eLearning platform and content creation were finalised.

Good governance

At a special meeting of Council on 6 December 2016, Carol Jeffs was appointed as Interim CEO until a permanent CEO is appointed.

The timetable for Council meetings in 2017 was confirmed during December. Council meetings will now take place on the first and third Wednesday of each month (previously they were on Tuesdays). A full list of Council meeting dates for 2017 is available on Council's website
http://www.portphillip.vic.gov.au/council_meeting_time_table.htm

Other notable items

Developing a new Council Plan for our city

Workshops with Councillors in December provided an opportunity to discuss topics identified as high importance including enforcement, social justice, toward zero and integrated water management. An additional all day planning workshop was used to articulate priorities and identify topics to seek community input regarding Council's direction for its four year term.

On 15 December Councillors participated in a bike tour of the municipality visiting important locations like the Ferrars Street Education and Community Precinct, Station Pier and West Beach.

At the start of January, Council invited community members to register their interest in participating in a special focus workshop in February to help set the direction of the new Council Plan 2017-2027. The workshop topics were diversity and inclusion, water, waste management, and transport and parking. A large number of community members registered their interest and Council used an independent recruitment consultant to randomly select participants based on postcode to get a spread people from across the City. Other opportunities to participate include completing an online survey or coming along to a pop-up conversation at local markets and shopping centres.

More information is available

http://www.portphillip.vic.gov.au/council_plan_budget.htm

Summer management in our city

To ensure visitors and residents enjoy safe and clean public spaces over the Christmas and New Year period, planning begins in October with multiple Council service units and nine external agencies and contractors involved.

I'd like to thank all the staff involved in the careful planning and delivery of services to ensure the festive season in our open spaces were safe, clean and enjoyable.

Nearly 90 tonnes of rubbish was collected on the foreshore over the Christmas and New Year period. On New Year's Eve alone 0.4 tonnes of loose litter was collected at the foreshore, a reduction of 2.09 tonnes of loose litter compared to the same day last year. This is attributable to residents and visitors not bringing plastic bags to the foreshore over the summer period.



Before and after cleaning efforts at St Kilda Beach

Lighting upgrade along the Port Melbourne Light Rail

In December, 80 new light poles were installed and six light poles were replaced along the Port Melbourne light rail corridor.

The lighting upgrade increases illumination along the shared path and improved safety for pedestrians, cyclists and tram commuters.

**St Kilda Primary students recognised for being
'waste warriors'**

I'd like to congratulate the students at St Kilda Primary School who were awarded Sustainability Victoria's 'Waste Primary School of the Year' recognising the efforts of student-led teams in reducing waste to landfill. For many years, the school has collaborated with Council's Sustainable Programs team and participated in the Port Phillip EcoCentre's sustainability education programs including the Council funded 'Tomorrow's Leaders' program. The students were recognised for creating a community recycling depot that collected printer cartridges, batteries, mobile phones, corks and soft plastic and establishing a 'Waste Warriors' team who collects data on landfill waste and recycling, and reminds students about which items can be recycled from their lunch box.

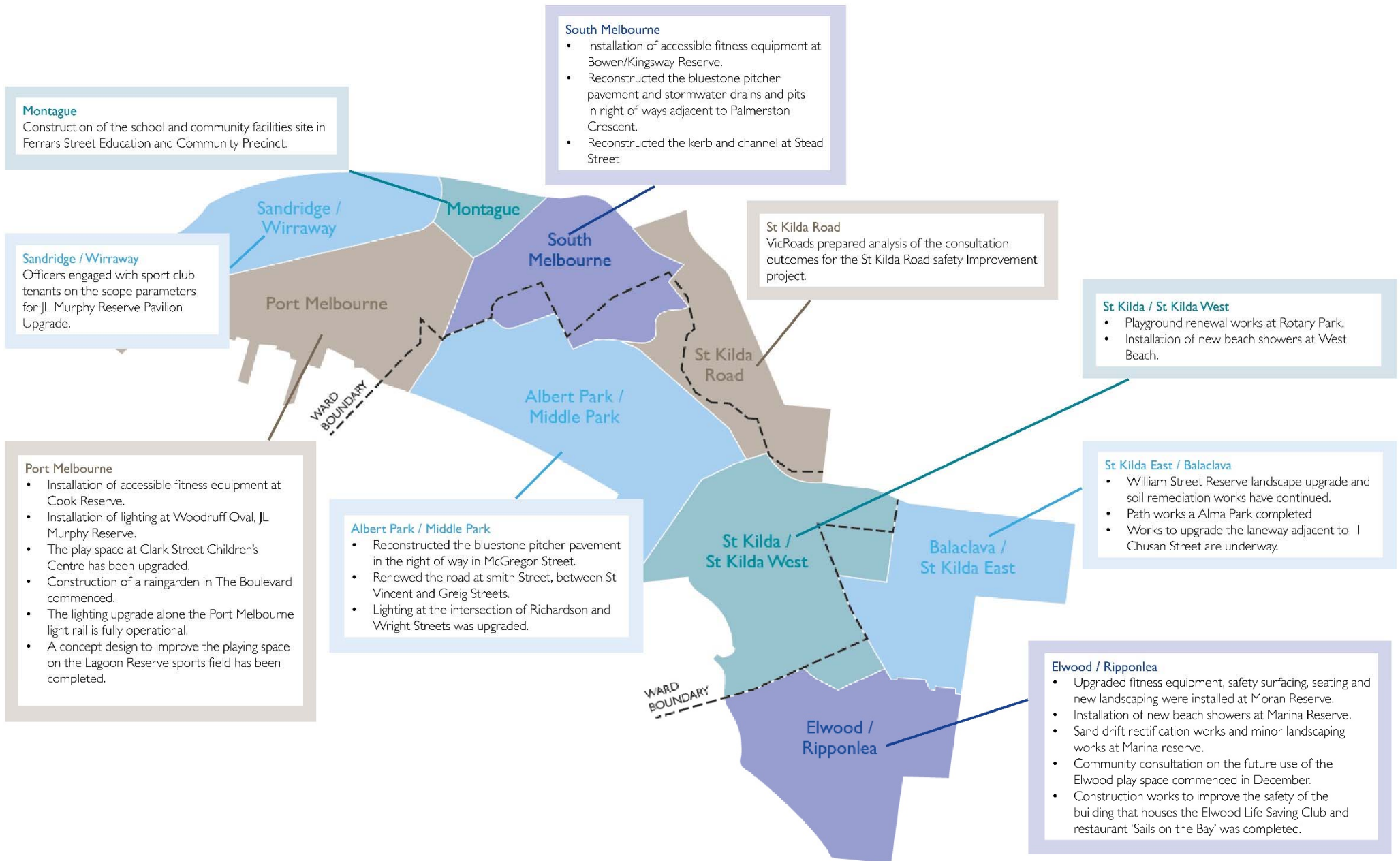
Carol Jeffs

Interim Chief Executive Officer



What's happened in your local neighbourhood?

People who live in Port Phillip will experience the city as a series of distinct and diverse neighbourhoods. This section provides an update on local projects and activities.

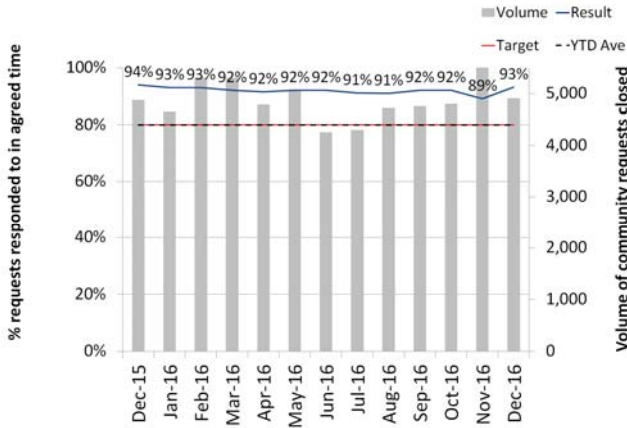


Our performance

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

Service performance for the community

Community requests responded to within agreed timeframes (Monthly)



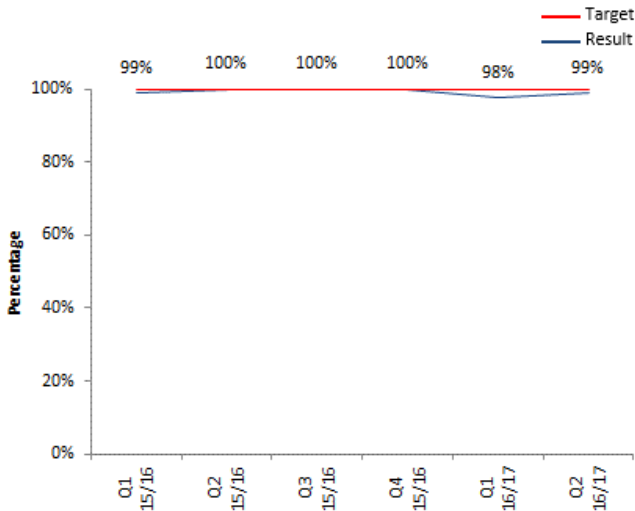
November: 89%

December: 93%

93%

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

Council Plan actions on track (Quarterly)



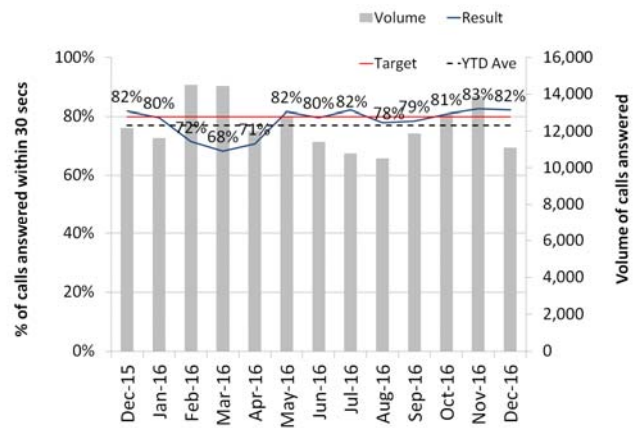
Quarter One: 98%

Quarter Two: 99%

99%

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

Community calls answered within 30 seconds (Monthly)



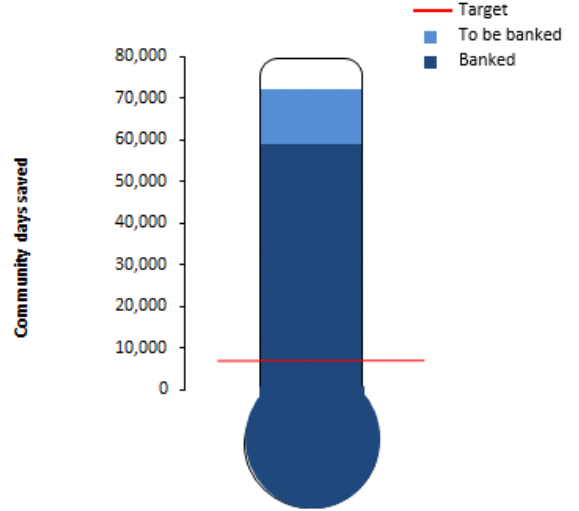
November: 83%

December: 82%

82%

We aim to answer more than 80 per cent of all calls within 30 seconds.

Community wait days saved (Monthly)



November: 50,738 days

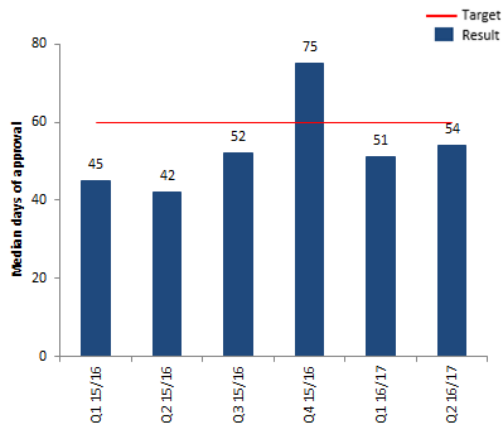
December: 58,998 days

58,998

As a result of improving our parking permit renewal notices, leases and licences renewal, building surveyor lodgements, & tree removal process we have saved the community over 50,000 days waiting for Council services.

Service performance for the community (continued)

Time taken to decide planning applications (Quarterly)



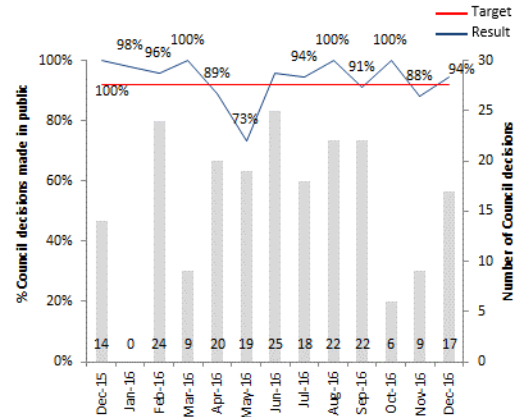
Quarter One: 51 days

Quarter Two: 54 days

54

This measure forms part of the Local Government Performance Management Framework. We aim to decide planning applications within 60 days.

Decisions made in public (Monthly)



November: 88%

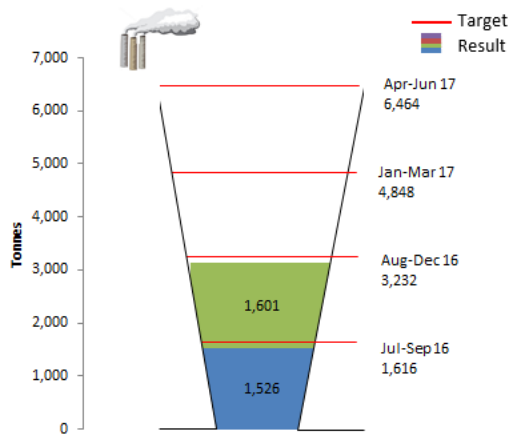
December: 94%

94%

This measure forms part of the Local Government Performance Management Framework. Council is committed to transparent and open decision making. Over the month all but one decisions was made in public.

Internal processes

CO₂ emissions (net) (cumulative) (Quarterly*)



Quarter One: 1,526 Tonnes

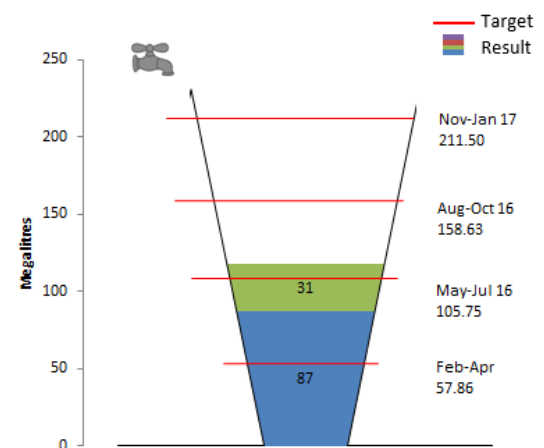
Quarter Two: 1,601 Tonnes

3,127

The total CO₂ emissions at the end of Q2 were 3,127 tCO₂e with 1601 tCO₂e being added during Quarter Two. This was seven per cent lower than the same quarter in 2015 and the year to date result is three per cent below the year to date target. This result is mainly attributable to a lower emission factor for electricity and the purchase of carbon offsets.

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

Potable water usage (cumulative) (Quarterly*)



Quarter One: 87 ML

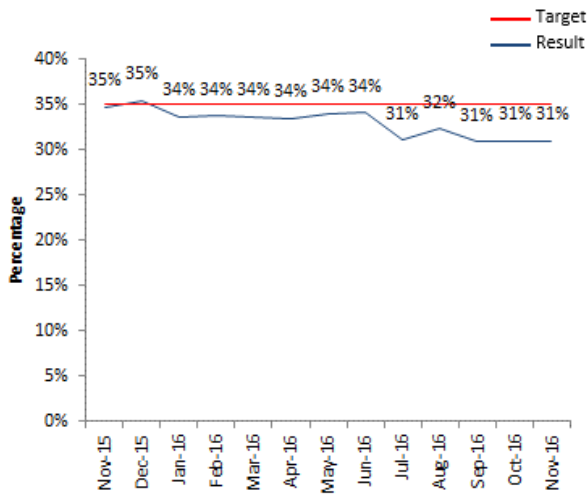
Quarter Two: 31 ML

118

The total potable water usage as of the end of July 2016 was 118 ML with 31 ML being used between May and July 2016. This was a 30 per cent increase on the same time last year and the July 2016 result is 10 per cent above the target. Child care and community centres recorded 30 per cent reductions but these gains were offset by increased water use in office accommodation, libraries, the depot, and, public toilets and change rooms.

Internal processes (continued)

Kerbside collection diverted from landfill (Monthly*)



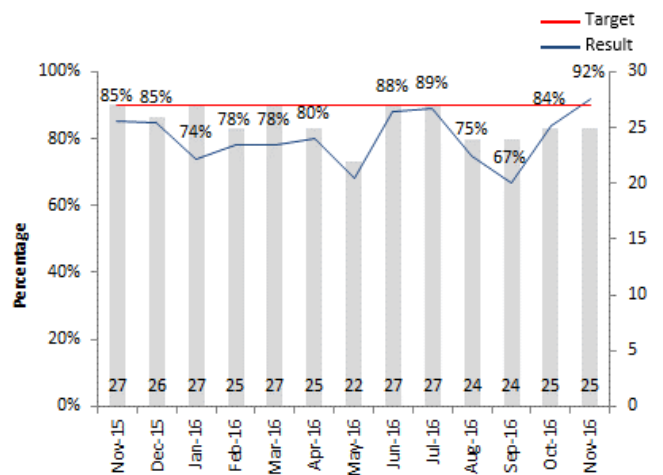
October: 31%

November: 31%

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

31%

Council priority projects on track (Monthly)



November: 84%

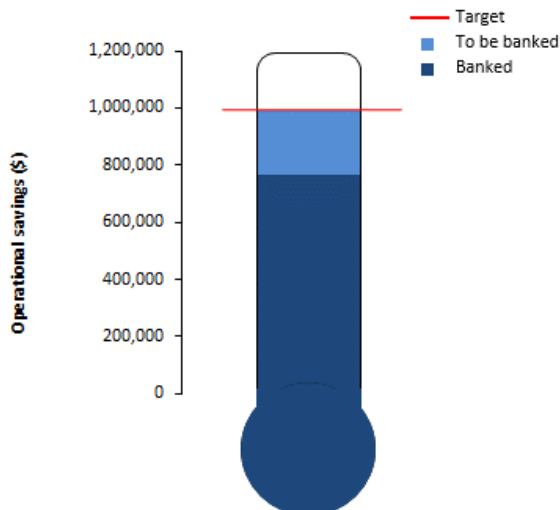
December: 92%

We track the status of Council priority projects. At the end of December, 23 projects were reported on track and 2 projects were reported off-track. Details are provided in the Priority Project Status Report on page 22.

92%

Operational savings (Monthly)

(Monthly)



November: \$765,000

December: \$765,000

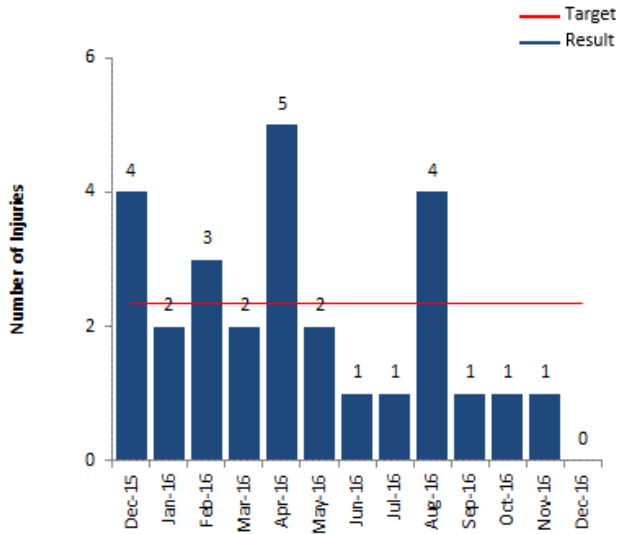
To date we have enabled \$765,000 of operational savings efficiencies by doing the same or more for less and identifying other funding sources.

\$765K

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

Insurance and safety

Total recordable injuries
(Monthly)



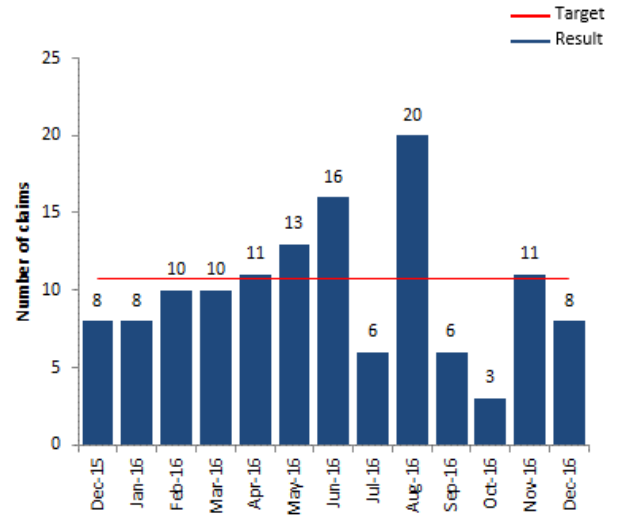
November: 1 injury

December: 0 injuries

0

This measure is a key component in creating a healthy occupational and safety culture.

Public liability claims received
(Monthly)



November: 11 new claims

December: 8 new claims

8

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

Delivering the Council Plan: Quarterly Review

Quarterly Performance Update (end 31 December 2016)

The Council Plan 2013-17 sets out Council's vision for an engaged, healthy, resilient and vibrant City. It identifies key actions that Council will focus on to deliver this vision, as well as measures to track our progress.

Engaged – A well-governed city		
Measure of success	Jun 16 Result	Dec 16 Result
Community satisfaction with Council's consultation and engagement in decision making on key local issues is consistent with industry benchmarks (Target: At least 75% respondents give rating of average, good, or very good)	89%	88%
At least 80% of community satisfaction respondents agree Council is trustworthy, reliable and responsible (Target: At least 80% respondents give rating of average, good or very good)	93%	93%
At least 80% of community satisfaction survey respondents agree they feel proud of, connected to and enjoy their neighbourhoods (Target: At least 80% respondents are neutral, agree or strongly agree)	98%	98%
Community satisfaction with the overall performance of council is consistent with industry benchmarks. (Target: At least 85% respondents give rating of average, good or very good)	94%	95%
Community satisfaction with the performance of customer contact services is consistent with industry benchmarks (Target: At least 90% respondents give rating of average, good or very good)	89%	92%
Percentage of Council decisions made in public is consistent with industry benchmarks (Target: 92% of all Council decisions to be made in public)	93%	95%
Total Council expenditure per property assessment is consistent with industry benchmarks (Target: \$2,470 expenditure per property assessment)	\$2620	\$2440
Healthy – A healthy, creative and inclusive city		
At least 80% of community satisfaction survey respondents believe that Port Phillip is a welcoming and supportive community for everyone (Target: At least 80% respondents are neutral, agree or strongly agree)	95%	92%
At least 80% of community satisfaction survey respondents feel a sense of safety and security in Port Phillip (Target: At least 80% respondents are neutral, agree or strongly agree)	86%	85%
At least 80% of community satisfaction survey respondents feel they have opportunities to participate in affordable local community events and activities of their choosing (Target: At least 80% respondents are neutral, agree or strongly agree)	94%	95%
At least 80% of community satisfaction survey respondents agree Port Phillip has a culture of creativity, learning and physical activity (Target: At least 80% respondents are neutral, agree or strongly agree)	94%	93%
Maintained or improved community satisfaction with the service performance of libraries (Target: At least 90% respondents give rating of average, good or very good)	96%	99%

Resilient – A strong, innovative and adaptive city

Measure of success	Jun 16 Result	Dec 16 Result
Waste diversion from landfill rate is consistent with like councils (Target: 35% of all waste diverted to recycling) <i>see page 9 for more detail</i>	34%	33%
Achievement of Council's total potable water consumption target for the year (Target at end of year: Less than 211 megalitres (ML) by 30 June 2017) <i>see page 8 for more detail</i>	258ML	118ML
Reduction in Council's total greenhouse gas emission per annum (Target at end of year: Less than 6,464 tonnes by 30 June 2017) <i>see page 8 for more detail</i>	6464T	3127T

Vibrant – A liveable and connected city

Measure of success	Jun 16 Result	Dec 16 Result
At least 80% of community satisfaction survey respondents agree their local area is vibrant, accessible and engaging (Target: At least 80% respondents are neutral, agree or strongly agree)	96%	97%
Increased number of planning permit applicants participating in the Sustainable Design Assessment in the Planning Process (SDAPP) program with Port Phillip* (Target at end of year: 70% by 30 June 2017)	69%	80%
At least 80% of community satisfaction survey respondents are satisfied with quality of park and open space (Target: At least 80% respondents are neutral, agree or strongly agree)	95%	96%
At least 80% of community satisfaction survey respondents are satisfied with quality of beach cleaning (Target: At least 80% respondents are neutral, agree or strongly agree)	92%	94%
At least 80% of community satisfaction survey respondents are satisfied with quality of street cleaning (Target: At least 80% respondents are neutral, agree or strongly agree)	90%	90%
The proportion of the capital works program that is delivered on budget (Target: At least 80% expenditure compared to budget)	84%	88%
Increased community use of sustainable options as their main mode of transport (Target: At least 50% respondents use sustainable transport as their main mode of transport to work)	61%	64%
Community satisfaction with parking is consistent with industry bench marks (Target: At least 70% respondents are neutral, agree or strongly agree)	71%	79%

Key action updates (1 October – 30 December 2016)

Highlights (in addition to highlights found at the beginning of this report)

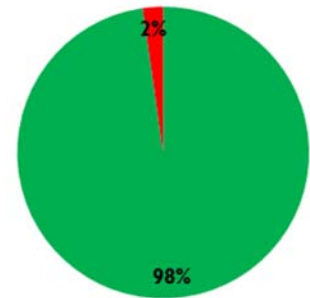
Council Plan Actions
Q1 2016/17

Value transparent processes in Council decision making

- Council adopted the Ten Year Financial Outlook on 13 December which ensures long-term financial viability for our City.

Build strategic relations with our partners

- Continued engagement with the Melbourne Metro Rail Authority on the planning for the Domain Station precinct.
- Partnered with Victoria Police to facilitate the St Kilda Community Safety Forum focussing on Fitzroy Street, St Kilda on 16 November. More than 100 residents, traders and local community agencies participated in a facilitated discussion on community safety.
- Council met with partners to discuss program logic model in preparation for alignment of the Health and Wellbeing Plan and Council Plan.



Ensure our City is a welcoming and safe place for all

- The Linking Neighbours Program is a community safety and social inclusion initiative that runs activities for seniors with additional activities including a trip to the Wool Museum in Geelong in October with 62 members attending and 34 members visiting Werribee Zoo in November. Also, the Linking Neighbours End of Year and Christmas Celebration was held on 13 December with over 70 people attending.
- Promotion of alternative voting options for residents who were unable to attend on election day for religious reasons via newsletters, networks and social media helped ensure residents were able to take part in Council Election voting.
- Working in collaboration with the Cities of Glen Eira, Stonnington, Bayside and Kingston to develop a series of videos and online courses to deliver training and education to staff and volunteers who are interested in enhancing inclusive practices and increasing participation of people with disability within their local community.

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

- In supporting Council's active role in the Child Friendly Cities and Communities space several programs have been rolled out including children's participation activities, consulting with children and young people, Seedlings sustainability program and Child Safe Standards compliance.

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

- Council continues as a partner with the Department of Education and Training in building the Ferrars Street Education and Community Precinct, as well as advocating to increase the number of schools in Port Phillip.
- In November the Toyota Mentoring Program commenced providing leadership training to local community organisations to strengthen and support the community sector in lifelong learning.
- In November a major upgrade to the library's public catalogue system was implemented, improving access options and delivering a richer mix of online content for library users.

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

- Council supported deliver of a successful St Kilda Halloween Festival event, with a range of activities and events across Acland and Fitzroy Streets, as well as "Spooktober" at the St Kilda Town Hall.

Encourage viable, vibrant villages

- Active Paths was launched on routes to Albert Park Primary School in conjunction with roundabout intersection safety upgrade. The upgrade provides pedestrian priority on one of these routes and enhanced with footpath maintenance to remove trip hazards.
- Council supported the first TEDxStKilda talks being posted online, with over 22,000 combined views being achieved by October. TED talks have attracted huge audiences with entertaining, engaging and educational presentations on a wide range of topics. TEDxStKilda creates the opportunity to stimulate dialogue through TED-like experiences at the local level.

Ensure growth is well planned and managed for the future

- Council has supported Parks Victoria's efforts to design and install CCTV and protective fencing on rock breakwater to maintain the penguins' environment at St Kilda Pier.

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

- During the quarter 29 priority streets were inspected for tree planting as part of the Greening Port Phillip streetscape upgrade. Streets inspected included:
 - Port Melbourne – Ingles Street, Little Dow Street, and Alfred Street.
 - South Melbourne – Cootes Street, Eville Street, Coventry Place, Sturt Street, and Palmer Street.
 - Melbourne – Hanna Street.
 - Middle Park – Neville Street.
 - Albert Park – Gatehouse Lane, and Philipson Street.
 - St Kilda – Jackson Street, Enfield Street, Albert Street, Farmer Street, Duke Street, and Martin Street.
 - Windsor – Henry Street.
 - St Kilda East – Marlborough Street, Woodstock Street, Evelyn Street, Young Street, Cardigan Street, and Raith Court.
 - Ripponlea – Glen Eira Avenue, Oak Grove, Bible Street, Hotham Street.

Actions that were recorded off track in the previous quarter

Provide clearer policy guidance that promotes sustainability initiatives appropriate to heritage precincts

- An internal review has shown while Council has policies in place, educating people regarding the possibilities of integrating sustainability initiatives appropriate to heritage precincts remains a challenge.

Actions that were recorded off track for Quarter Two

Implement St Kilda Triangle 2012, continuing to work towards securing a sustainable future for the St Kilda Triangle and the Palais

- This action continues to be off track in quarter two with work to progress design guidelines and planning scheme amendments adjourned while Council establishes its future priorities and develops its Council Plan.

Legislative update – December 2016

Legislative changes

Below are the legislative changes for the months of November and December 2016 that may affect the City of Port Phillip.

Legislation	Assent date	Impact
Child Wellbeing and Safety Amendment (Oversight and Enforcement of Child Safe Standards) Act 2016 (Amending Child Wellbeing and Safety Act 2005)	1 January 2017	Provides for the oversight and enforcement of compliance by certain entities with standards in relation to child safety. Amends the review and reporting obligations, and provides for the publication of certain information.
Traditional Owner Settlement Amendment Act 2016 (Amending Traditional Owner Settlement Act 2010)	15 November 2016	Provides amendment for grants of aboriginal title, revises the operation of land use activity and further provides for compliance with those agreements, and revises the operation of natural resource agreements as they apply to the carrying out of certain activities on land that is subject to the agreements.
Compensation Legislation Amendment Act 2016 (Amending Accident Compensation Act 1985, Limitation of Actions Act 1958, Transport Accident Act 1986, and Workplace Injury Rehabilitation and Compensation Act 2013)	14 December 2016, with all remaining parts to come into effect 11 October 2017	Provides amendment to further improve the operations of the listed Acts.
Housing Amendment (Victoria Housing Register and Other Matters) Act 2016 (Amending Housing Act 1983)	1 October 2017	Provides for the establishment and administration of the Victorian Housing Register for registering applicants for tenancies in social housing and facilitating the allocation of tenancies in social housing. Enables information sharing between relevant persons for the purposes of the Victorian Housing Register and to support disadvantaged Victorians in accessing adequate and appropriate housing and to make further provision for the delegation of the Directors' powers.
Planning and Environment Amendment (Prescribed Class of Amendment) Regulations 2016 (Amending Planning and Environment Act 1987)	15 December 2016	Prescribe an additional class of amendment for the purposes of section 20A of the Planning and Environment Act 1987.

Legislative breaches

There were no legislative breaches recorded in December.

Financial performance – December 2016

Council's year to date cash surplus of \$32.5 million is \$4.5 million higher than the forecast year to date surplus of \$27.9 million. The key drivers for this favourable variance are summarised below:

	This Month			Year to Date		
	Actual	Forecast	Variance	Actual	Forecast	Variance
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Income	16,265	16,983	(718)	103,590	102,782	808
Operating Expenditure	13,825	14,303	478	86,001	87,999	1,997
Project Capital Expenditure	2,411	740	(1,671)	14,643	16,613	1,971
Reserve Movements	(298)	(1,254)	956	2,891	2,891	(0)
Cash Surplus/Deficit	3,787	4,231	(445)	22,849	18,295	4,554

Key variance explanations

Operating income - Year to date operating income is tracking favourably against forecast by \$0.80 million mainly due to the following material items:

- ⬆️ \$0.49 million favourable User Fees: Due to higher than anticipated revenue received for major events \$90,000, Street Occupation fees \$78,000 and preventative maintenance income \$51,000. Also contributing to this variance are increases in rooftop parking, kitchen utilisation and casual stall holder fees at the South Melbourne Market \$85,000.
- ⬆️ \$0.23 million favourable Statutory Fees and Fines: Due to greater than budgeted parking infringement income \$154,000 and higher than anticipated clearway towing income \$55,000. Full year forecast to be updated to reflect this.

Operating expenditure - Year to date operating expenditure is underspent by \$1.99 million compared to forecast mainly due to the following material items:

- ⬆️ \$0.96 million favourable Employee Costs: Due to the delay in processing Enterprise Bargaining Agreement increases of \$920,000 year to date which were forecast to occur in July.
- ⬆️ \$0.57 million favourable Professional Services: Due to delays in several planned projects, namely Family Youth and Children service development, Business Enablement and Innovation fund and Online Health and Safety system.
- ⬆️ \$0.22 million favourable Materials and Services: Due to the timing of Infrastructure and Building maintenance contracts which do not align to the projected forecast. These forecasts will be reviewed and the timing addressed with no permanent adjustments required.

Capital expenditure - Year to date capital expenditure is showing an underspend of \$1.97 million mainly due to the following material items:

- ⇒ Building Renewal Program \$0.88 million favourable: Due to the deferral of some key building projects to the 17/18 financial year, namely the South Melbourne Town hall lift renewal project. Also contributing to this variance are a number of projects which have had funds approved less than provisional budget.
- ⇒ Parks, Open Space and Streetscape \$0.9 million favourable: Due to savings within the Acland Street upgrade project and delays in progressing the Carlos Catani Lava Rock walls project \$0.3 million.

Reserve Transfers - Year to date movement of reserves is a net drawdown of \$2.9 million, which is in line with forecast.

Comprehensive Income Statement - December 2016

	Year to date				Full Year		
	Actual (\$'000)	Forecast (\$'000)	Variance (\$'000)	Variance %	Forecast (\$'000)	Budget (\$'000)	Variance (\$'000)
Income							
Rates and Charges	58,627	58,480	147	0%	116,923	117,223	(300)
Statutory Fees and Fines	11,154	10,920	233	2%	21,442	21,070	372
User Fees	18,063	17,565	497	3%	32,969	32,563	406
Grants - Operating	5,339	5,285	54	1%	9,947	9,760	187
Grants - Capital	1,031	1,012	19	2%	2,071	876	1,195
Contributions - Monetary	3,455	3,455	0	0%	4,900	4,100	800
Other Income	5,921	6,065	(144)	(2%)	12,745	12,676	69
Total Income	103,590	102,782	808	1%	200,997	198,268	2,729
Expenses							
Employee Costs	40,029	40,989	960	2%	83,841	83,764	(77)
Materials and Services	26,452	26,671	219	1%	62,764	62,811	47
Professional Services	2,225	2,799	573	20%	7,341	6,631	(711)
Bad and Doubtful Debts	1,475	1,600	125	8%	3,359	3,499	140
Depreciation	11,841	11,841	0	0%	22,457	21,232	(1,225)
Borrowing Costs	224	233	9	4%	458	563	105
Other Expenses	4,486	4,571	85	2%	9,736	9,822	86
Net (Profit) or Loss on Disposal of Assets	(731)	(705)	26	(4%)	1,886	2,733	847
Total Expenses	86,001	87,999	1,997	2%	191,842	191,055	(788)
Operating Surplus / (Deficit)	17,589	14,784	2,805	19%	9,155	7,213	1,941
Income Statement Converted to Cash							
Adjustments for non-cash operating items:							
• Add back depreciation	11,841	11,841	0	0%	22,457	21,232	1,225
• Add back written-down value of infrastructure assets disposals	2,693	2,693	0	0%	6,166	7,518	(1,352)
• Add back written-down value of fleet asset disposals	75	75	(0)	(0%)	285	0	285
• Add back balance sheet work in progress reallocated to operating	107	0	107	0%	1,200	1,200	0
	14,717	14,610	107	1%	30,108	29,950	158
Adjustments for investing items:							
• Less capital expenditure - Infrastructure	(12,201)	(14,441)	2,239	(16%)	(36,966)	(34,891)	(2,075)
• Less capital expenditure - IT, Plant and Equipment	(2,441)	(2,173)	(269)	12%	(4,592)	(3,855)	(736)
	(14,643)	(16,613)	1,971	(12%)	(41,558)	(38,747)	(2,811)
Adjustments for financing items:							
• Less Loan Repayments	(328)	0	(328)	0%	(500)	(500)	0
	(328)	0	(328)	0%	(500)	(500)	0
Adjustments for reserve movements:							
• Discretionary Reserve Drawdown/ (Replenish)	6,346	6,346	(0)	(0%)	1,765	359	1,406
• Statutory Reserve Drawdown/ (Replenish)	(3,455)	(3,455)	0	0%	(1,242)	608	(1,850)
	2,891	2,891	(0)	(0%)	523	967	(444)
Current Year Surplus/(Deficit)	20,226	15,672	4,554	29%	(2,272)	(1,116)	(1,156)
Opening balance carry forward surplus	2,623	2,623	0	0%	2,623	1,742	881
Accumulated Cash Surplus Balance	22,849	18,295	4,554	25%	351	626	(275)

	Full Year		
	Forecast (\$'000)	Budget (\$'000)	Variance (\$'000)
Underlying Result Calculation (as per Local Government Reporting Calculation)			
Operating Surplus	9,155	7,213	1,941
• Less Developer Contributions	(4,900)	(4,100)	(800)
• Less Non recurring Capital Contributions	(2,071)	(876)	(1,195)
• Less Non cash Contributions	0	0	0
Adjusted Underlying Surplus / (Deficit)	2,183	2,237	(54)
Adjusted Underlying Surplus Ratio	1.13%	1.16%	(0.03%)

Project portfolio update – December 2016

The City of Port Phillip enterprise portfolio comprises over 140 projects with a total budget of over \$40 million. The table below outlines changes to the project portfolio during December 2016.

Project	Change
South Melbourne Life Saving Club	Request to defer \$350,000 to the 2017/18 financial year due to project phases taking longer than expected. Project Schedule pushed out by 11 months to October 2019
Port Melbourne Light Rail Lighting Upgrade	Request \$30,000 to complete project due to additional excavation works. Project Schedule pushed out 7 months to 31 March 2017
Ferrars St Education and Community Precinct 15-16 Streetscape (Change Requests 5,6,7)	The State Government have indicated a change in the amount of funding they will contribute to the Ferrars St Education and Community Precinct from \$5.9 million to \$3.0 million, being a reduction of \$2.9 million, to be confirmed in the May 2017 State Budget. As a result, re-phasing of project finances is required
Children's Centres Improvement Strategy (Eildon Elwood and The Avenue)	New project seeking \$134,933 to create an Alternative Options Report which will deliver Council clear information for their decision and direction in relation to alternative sites and options for the provision of physical building solutions that will maintain agreed levels of Children's Services for the next 5 to 10 years for Eildon Road, The Avenue and Elwood Children's Centres
Design and Technical Standards Stage 3 - Sandridge and Wirraway Precincts	Additional \$10,600 requested for geotechnical engineering services to advise the Environmental Management Plan in relation to the Sandridge and Wirraway Precincts during development of new streets
Melbourne Metro Rail Project Advocacy	Project Control Group has approved the release of \$200,000 to complete the project. The purpose of Council's involvement in the Melbourne Metro Rail Project is to ensure this it is managed in a structured way to maximise the benefits and minimise the adverse effects of the Melbourne Metro Rail Project on the CoPP community
Walk Plan and Bike Plan Implementation 2016-17	Completion milestone moved to 30 May 2017. Negotiations with local businesses concluded that the change in schedule would be the least disruptive outcome to trading and local events, including the Grand Prix
Public Space Lighting Renewal 2016-17	Additional funding of \$160,000 for the installation of public space lighting between Moran Reserve and Marina Bay. This work will be de-scoped from the renewal program and undertaken as a discrete project
Public Realm Design and Technical Standards Stage 2	Completion milestone moved to 11 April 2017 to allow this project to align with the content and delivery of the Fisherman's Bend Recast Vision and Fisherman's Bend Transport Strategy, and reflect the vision of the Fisherman's Bend Urban Renewal Taskforce
Kerb Renewal 2016-17	Objectives of the project delivered with a saving of \$35,000
Laneway Renewal 2016-17	Objectives of the project delivered with a saving of \$10,000
Laneway Upgrade Program 16 17	Objectives of the project delivered with a saving of \$50,000

Project	Change
Major Civil Roads Planning and Design 2016-2017	Objectives of the project delivered with a saving of \$75,000
Road Renewal 2016-17	Objectives of the project delivered with a saving of \$60,000

2016/17 priority projects status report: December 2016

Priority Projects	Stage	Status	Comments	Original Completion Date	New Completion Date	Original 2016 / 17 Budget	Current 2016 / 17 Budget
Albert Park/ Middle Park							
Albert Park Lake Stormwater Harvesting (Planning and Design)	Deliver	●	City of Port Phillip is working closely with project lead, Parks Victoria, and project partner City of Melbourne. The current phase of work involves design development and modelling to confirm feasibility of a solution for potential capital investment.	December 2017	Prove and Design Phase November 2017	\$0	\$0
Gasworks Arts Park Clean-Up	Plan	●	Department of Treasury and Finance have commenced soil vapour testing in November and December. These results are expected in early 2017. A community update was provided in December on the Council project webpage and sent to the interested stakeholders' database.	Completion date will be provided in delivery phase		\$50,000	\$50,000
South Melbourne Life Saving Club	Plan	●	In December 2016, the Design Development (DD) phase of the SMLSC Project continued with further Club / Stakeholder review sessions being held. The DD phase is now complete and the input from the various stakeholders has been valuable in finalising the documentation. The Construction Documentation Phase will commence as scheduled in mid-January of the new year.	Completion date will be provided in delivery phase		\$431,000	\$612,922
Montague							
Ferrars St Education and Community Precinct	Plan	▲	New schedules have been developed for the delivery of the Streetscape and Open Space pending formal funding agreement with State. The new Council have agreed in principle to the changes in funding and approach.	Completion date will be provided in delivery phase		\$264,000	\$264,000
Port Melbourne							
Beach Street - Separated Queuing Lane	Deliver	●	Construction tender was awarded for commencement in May 2017 post cruise shipping season. All required approvals from external agencies have been received. This includes Department of Environment Land Water and Planning for the coastal consent and VicRoads for pedestrian crossing and speed limit amendments.	March 2017	September 2017	\$250,000	\$866,071
Sandridge & Wirraway							
JL Murphy Reserve feasibility and planning for pavilion upgrade	Plan	◆	In December the pavilion tenant clubs requested amendments to the concept design prepared by Council. These amendments are being assessed for impacts and costed in consultation with all pavilion tenant clubs. A public report is planned for early 2017 to seek Council endorsement of project scope.	Completion date will be provided in delivery phase		\$90,000	\$90,000
St Kilda / St Kilda West							
Acland Street Upgrade	Deliver	●	Construction works concluded in early November with only minor finishing touches and defect rectification to occur in the coming month. The plaza and footpaths have been paved, shelters and street furniture installed, trams operational, buffer stop and seating plinths constructed and landscaping works completed. The community launch occurred on 12 November and was a huge success. A large turnout attended the day-long event which also received positive media coverage on metropolitan television news services. The Council-led 12 month activation program has now begun which includes the Acland Vibrant Seeds Grants process which has been advertised to the community. The project communications has concluded with a final Works Update distributed to the project mail list.	December 2016	November 2016 (plus 1 year Street Activation)	\$2,776,000	\$2,776,000
CCTV Fitzroy Street St Kilda	Deliver	●	The Fitzroy Street CCTV were officially switched on in December 2016. A technical glitch due to power spikes in December resulted in damage to transmitters. Council now has four of the seven cameras operating and are working to repair the remaining three cameras. An additional workstation and monitoring screens will be installed in the St Kilda police watch house, in response to a request from Victoria Police.	December 2018	November 2016 (plus 2 year trial period)	\$80,000	\$90,000


Status Legend

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

Environmental Building Retrofits – Solar at SKTH	Close	●	The solar installation and the roof access equipment have been completed and commissioned in September, meaning works onsite have reached practical completion. The Connection Agreement with the Energy Distributor has been finalised, and currently awaiting approval to connect.	December 2016	December 2016	\$0	\$338,459
Palais Theatre Lease	Deliver	●	City of Port Phillip received possession of the premises from Palais Theatre Management at the end of their lease term. Neil Croker, their Chief Executive Officer, was formally thanked for his contribution to revitalising the Palais, and for the company's valuable collaboration during the construction works. The tenancy of Live Nation Venues commences 1 April 2017. In addition to other preparations, Officers are working closely with the State Government and Live Nation to potentially bring forward Live Nation's access to the site and their works programme.	May 2017	Quarter 1 2017	\$0	\$40,000
Palais Theatre Phase 1 and 2 Capital Works Delivery	Deliver	●	Works are progressing to schedule, and recommence 12 January after the holiday break. Recent completions include: new stainless steel external downpipes; a new flagpole; the bulk of the fire protection upgrades; and structural strengthening to the roof dome. Scaffold has been removed to the majority of the site. Mobile booms are to be used to complete exterior painting and facade repair.	March 2017	Quarter 1 2017	\$3,350,000	\$5,764,155
Peanut Farm Reserve Sports Pavilion Upgrade	Plan	▲	Design development has been continuing and is expected to conclude in January 2017. Funding delivery model has been agreed with Sports and Recreation Victoria.	Completion date will be provided in delivery phase		\$110,000	\$110,000
St Kilda Life Saving Club Redevelopment	Deliver	◆	Construction was completed in December 2016, with the St Kilda Life Saving Club taking possession of the building on 23 December 2017. Next steps will involve finalising the Asset Maintenance Plan and attending to building defects as they may arise. The formal opening of the building scheduled for 11 February 2017.	September 2016	December 2016	\$1,651,000	\$3,125,654
St Kilda Triangle Stage 3 Planning, Staging and Feasibility	Plan	▲	The Project Delivery Plan is under development with the intention of community consultation to be held in Quarter 1 2017 to finalise design guidelines to inform the Planning Scheme Amendment project.	Completion date will be provided in delivery phase		\$50,000	\$50,000
St Kilda Triangle Winter Activation 2016	Deliver	●	Provisional approval has been granted for The Garden of Uneathly Delights and Co Design to produce events in Winter 2017. Organisers have been working with Council to gain details of all available site amenities in order to develop their detailed event plan. This event plan will be presented to Council in December 2016.	September 2016	Quarter 2 2017	\$0	\$15,710
Wellington Street Upgrade Stage 2	Plan	●	Dates for construction have been agreed for April 2017. Scope of construction confirmed.	Completion date will be provided in delivery phase		\$230,000	\$230,000
St Kilda Road							
Queens Lane Upgrade Stage 2	Plan	●	The project is on track. During December, communication material explaining preferred traffic arrangements and a general update was sent out to all affected owners, residents and businesses.	Completion date will be provided in delivery phase		\$65,000	\$65,000
St Kilda Road Safety Improvement Project	Plan	▲	The City of Port Phillip is a stakeholder of this project being delivered by VicRoads. VicRoads have provided an analysis of the consultation results received to date by location and user group and are using it to develop design options that they plan to consult upon in the first half 2017.	Completion date will be provided in delivery phase		\$0	\$0
Multiple Neighbourhoods							
In Our Back Yard - Growing Affordable Housing in Port Phillip	Plan	●	Currently, the focus has been on the following: 1. Adoption of a preferred trust model. 2. Preliminary modelling for the Marlborough Street site. 3. Preparation of an implementation plan for the In Our Backyard strategy. It is anticipated that the process for implementing the In Our Backyard project will commence shortly.	Completion date will be provided in delivery phase		\$50,000	\$50,000
Toward Zero Community Action Plan	Deliver	●	Background research has been completed. Community consultation is being planned to align with the broader consultation required for the Integrated Council Plan.	December 2017	August 2017	\$40,000	\$40,000
Toward Zero Waste Management and Resource Recovery Strategy	Plan	●	Request for increased resourcing will facilitate the engagement of a consultant to gather data and write the strategy.	Completion date will be provided in delivery phase		\$25,000	\$25,000
Towards Zero - Energy Efficiency and Solar PV in Council Buildings (Alternate Scope)	Plan	●	The project is approximately one month behind the plan. Solar PV designs have been completed covering structural assessment, roof condition assessment, component layout and safe roof access design. Work has commenced on the Gallery Lighting, CBus and Evaporative precooling projects.	Completion date will be provided in delivery phase		\$562,000	\$562,000
Vibrant Villages Program Management	Deliver	●	Acland Street Streetscape Upgrade project is completed with plaza activation program underway. December 2016 Intercept Surveys completed.	June 2017	June 2017	\$244,000	\$244,000

Status Legend

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

Walk Plan and Bike Plan Implementation 2016-17	Deliver		Three projects in this program will commence construction in January. All necessary preparatory works for these projects have been completed.	June 2017	30 June 2017	\$1,000,000	\$1,000,000
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Status Legend



Project progressing as planned



Project has some minor concerns



Project not progressing as planned