

CITY OF PORT PHILLIP

ANNUAL REPORT
2002/2003





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About this Report

Our annual report is an opportunity for us to reflect on where we have been over the past year and celebrate our achievements.

We are committed to providing open and transparent reporting to the community. We are also committed to meeting all our statutory reporting responsibilities. This includes responding to the *Local Government Act 1989* and the *Local Government Regulations 2001*, which outline what is to be contained in the annual report.

To meet our statutory obligations, this annual report contains a report of the council's operations during the financial year. This includes a review of the council's performance against its corporate plan. The report also contains financial statements and a performance statement, which have been audited by the Victorian Auditor General.

A copy of the annual report is sent to the Minister for Local Government and is then presented to the councillors and community at a special meeting of council.

The City of Port Phillip also produces an annual snapshot, which summarises the council's activities and achievements from each financial year (July to June). The annual snapshot is not audited. This annual snapshot is distributed across the municipality with the council's community newsletter *Diversity* and is forwarded to those ratepayers who do not live in the municipality by mail.

For a copy of the annual snapshot or additional copies of the annual report, contact the council's ASSIST Centre on (03) 9209 6777 or via email at assist@portphillip.vic.gov.au.

The Community Vision

Our vision for the City of Port Phillip is of a city where diversity and harmony are sustained and encouraged. A place where all members of our community feel connected through a sense of belonging and pride in our city. There is a shared responsibility to ensure all people, regardless of age or of cultural and socio-economic background enjoy the benefits of our city and participate in all it has to offer.

We envisage a city where the environment is valued and protected; where our air and water are clean, and our parks and gardens are well maintained for the enjoyment of all. Our foreshore is protected and enhanced and provides a sanctuary for citizens and wildlife alike. We take pride in the responsibility we have for our environment and shall be seen as leaders in the field of environmental management.

Our city will be one in which the needs of residents, businesses and visitors are met through responsible planning and innovative development that is responsive to our unique heritage and identity. Inappropriate and poorly located high-rise development is restricted and a balance is maintained between everyone's needs.

Traffic and transport in our city shall be effectively managed to improve traffic flow and the benefits to public transport users, pedestrians and cyclists. Parking facilities are balanced to reduce traffic congestion and optimise public transport links whilst encouraging environmentally sustainable modes of travel.

We value a city, which has dynamic neighbourhoods with distinct character and unique identities; a city within which we can move freely and safely. We see our local council as a leader in its field, particularly in the areas of community consultation and communication, strategic planning, financial management and implementing the community's wishes.

We envisage that our city's services match the people's needs, are innovative, responsive and continually improving. Our services are wide ranging and address the needs of our community on a physical, human and cultural level. Our vision is of a city where the council services provide support to the four key pillars of our community - environmental responsibility, economic viability, cultural vitality and social equity - to create a sustainable and harmonious future.



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The Mayor



Many characteristics define a city. As with other locales, in Port Phillip two of the most important are the people who live, work and play here, and the physical environment. In 2002/2003 the council has work diligently to ensure that while we attend to the present needs of both with vigilance and enthusiasm, we are also looking ahead.

We are fortunate we have a wide variety of people from all walks of life and across a broad spectrum of backgrounds who choose to make Port Phillip their home - and what a unique home it is. No other city is quite like Port Phillip, which from the foreshore to its seven vibrant neighbourhoods continues to be a fantastic and interesting place. Of course it also has its own challenges. Most important is that Port Phillip is also a dynamic city.

As councillors we are aware that without change there is no growth, and our focus is on continuing to plan for a net community benefit from all we do. The council has steadily and systematically pursued its vision through key documents such as the community plan, the municipal strategic statement, the corporate plan and the recently adopted five-year financial plan and five-year rolling capital works plan.

Indeed a sustained and increased commitment to infrastructure improvements is one of the major objectives of the current council. A good example of this resolve is the adoption of the council's five-year capital expenditure plan. The plan shows a commitment by the council to allocate additional expenditure in a number of areas that require attention.

For instance, drains have been upgraded to meet modern standards and resolve frequent problems. Funding has also been set aside for lane upgrades. In fact, the council has made a commitment to rebuild additional lanes over the next five years, with a substantial number in need of considerable attention. Footpaths have been attended to where required. Importantly, approximately \$2.5 million has been set aside to continue to improve the condition and standard of the city's parks.

The council has also made a commitment to fund buildings and roads at the level required to maintain them in a responsible and sustainable manner. Indeed, responsibility and sustainability are themes that underline the day-to-work of the council.

In order to deliver the capital works program and maintain the particular requirements of a complex, urban and coastal environment, rates rose by 7.4%. The rise also reflected CPI growth plus an additional increase for unforeseen events, which include superannuation liabilities, changes in occupational health and safety standards, and a State Government imposed fire services levy.

In addition to adopting sound financial management practices, we are committed to making our service delivery as efficient and effective as possible. This has been achieved by continuing to look for opportunities to reallocate resources, with new initiatives funded from within existing budgets and staffing levels. Over the past financial year, this has led to over \$2 million in ongoing savings.

Under chief executive officer David Spokes there has been a firm organisational commitment towards maintaining a service culture.

In completing the second in the current cycle of corporate plans, we have continued with our 'four pillars' approach to sustainability. The four pillars are environmental responsibility, social equity, economic viability and cultural vitality. While all are considered important, indeed vital, we see the 'life' of the city, the people, and the place - its culture in other words - as defining and key. The inclusion of culture in its own right is a hallmark of our approach. Rather than 'culture' as in the arts, although of course, this is a key aspect of the city's fabric, we mean culture as in our values, behaviours, heritage, decision-making systems and ethics. As councillors, we are aware that everything we do impacts on the cultural vitality of our city.

To this end we have made consistent efforts to listen to the Port Phillip community and act responsibly at all times on their behalf. And our community has shown it is prepared to engage in debate, participate in community-based programs and support an array of community-based activities and actions.

During the 2002/2003 year I followed Cr Darren Ray into the position of mayor of Port Phillip. I would like to thank my fellow councillors for their support.

At Port Phillip we have an open, inclusive and consensus style with a clear primary responsibility to the city. As councillors we make decisions we hope are in the best interests of the city and the communities we represent. We support each other and listen to a diverse range of views. This approach will not change.



Liz Johnstone
Mayor



The Chief Executive Officer



Preparing an annual report is an opportunity to see what we did well and where we can improve.

With a new corporate planning framework in place for the 2002-2006 period, this is the first time we are reporting on progress against the organisation's four pillars of sustainability – economic viability, social equity, cultural vitality and environmental responsibility. More details can be found elsewhere in this report, but of the 142 highlights planned for 2002/2003, 118, or 83 per cent, have been completed.

I believe that the organisation has made a number of tangible improvements in its delivery of basic services and in carrying out its governance responsibilities. One of the end results of this is that our market research tells us that the experience of living in Port Phillip is a positive one, where the community feels a sense of belonging, feels safe, has the use of excellent public facilities and can take advantage of the rich diversity of people, places and activities this city offers.

Community satisfaction surveys and general community feedback clearly indicate that delivering excellent basic services are on the top of the community's list of expectations of the council. These services include maintenance of parks, trees and reserves, street and beach cleaning, waste management, and parking. There have been measurable improvements in responsiveness and resolution of complaints. However, there is still improvement to be made and this remains a high priority.

A formal review of waste management and cleaning services showed that Port Phillip is measuring up to best practice in this respect. We also varied the parks service contract to better meet required service levels, though it must be said that satisfaction with our open spaces is consistently high with residents.

We have retained a focus on forward planning and management of the foreshore areas, particularly St. Kilda and Port Melbourne. Improvements to parking facilities have also been made in a number of hot spots identified by our traffic engineers and by the local community. Of course parking, travel and transport are linked issues, and the City of Port Phillip has had a number of successes in this respect, especially the TravelSMART program and the establishment of around 20 walking school buses with Port Phillip primary schools.

The council's website, www.portphillip.vic.gov.au, is the benchmark for Local Government websites in Australia, second only to those of the City of Sydney and City of Brisbane. Not only an essential

source of information for the community, the website is increasingly becoming the way to do business with the council, including a planning permits online service, a business directory, and payment of rates, parking fines and animal registrations via the website.

While the web may be critical for the future of all communities, the council has also directed a great deal of effort towards face-to-face dialogue with the community, in particular our monthly neighbourhood forums, the civic dialogues program, a successful cultural vitality symposium, and a very public review of the council's governance services and processes.

There were some disappointments in 2002/2003. The need for all Local Government organisations to provide unexpectedly for a superannuation liability impacted on the council's short-term financial position. We have identified an unmet need for long day care in the municipality and recognise that we are providing lower service levels than the assessed need in ageing and community care, primarily due to difficulty in recruiting and retaining staff. There have also been significant delays on recreational opportunities for youth, particularly the Graham Street and St Kilda skate parks, and delays in completing capital works projects, generally because of unforeseen circumstances.

However, recognising these problems is the first step in addressing them, and I am confident that we can address these and other challenges in the coming year.

The council's financial performance during 2002/2003 was solid, with efforts focusing on continued infrastructure renewal, improved service delivery and constraints on expenditure. Further details can be found elsewhere in this report. We are continuing to look for opportunities to reallocate resources, and are funding new initiatives from within existing budgets and staffing levels. Over the 2002/2003 financial year, this has led to over \$2 million in ongoing savings. Over the past year, the council adopted a five-year financial outlook for its capital program and has achieved strong liquidity while delivering a sustained increase in capital expenditure on infrastructure.

The council delivers over 50 specialised services, and many of our achievements across these services are outlined in this report. In the broadest sense, our achievements all aim for sustainability of the organisation, the city's built form, and the community itself. A review of the organisation's accommodation requirements concluded that central location of administrative staff was the most cost effective and beneficial strategy. With the concept of sustainability now underpinning all that we do, I look forward to the City of Port Phillip continuing to deliver more service improvements in the forthcoming year.



David Spokes
Chief Executive Officer





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SNAPSHOT



Key Projects

Sustainable Community Progress Indicators (SCPI)

The Sustainable Community Progress Indicators (SCPI) project is about developing community indicators to check progress towards the community plan vision of being a more socially, environmentally, culturally and economically sustainable city. The indicators and measures are not scientific and complex, but are things noticed in everyday life. This means that they are easy to relate to and offer a simple way of assessing whether progress is occurring. The indicators help focus our efforts on important areas that impact on our sense of health, happiness and wellbeing.

TravelSMART

The TravelSMART program is an innovative project aimed at encouraging people to choose sustainable travel alternatives such as cycling, walking or catching public transport, and reducing their dependency on the car. With assistance from the State Government, the City of Port Phillip is working with individuals, households and organisations to identify and promote these alternatives where possible.

margins, memories and markers

margins, memories and markers (mmm) is a unique public art project that has drawn on memories and stories from the whole community to create six new permanent public artworks and 28 bronze plaques for the City of Port Phillip. The artworks are designed to illuminate and celebrate the personal memories and local stories that connect people to place. Presented by the City of Port Phillip and supported by VicHealth's Art and Environment Scheme, *mmm* explores the idea that beautiful and sensitively designed urban art can positively enhance a community's sense of connectedness and wellbeing.

Community Hubs

A community hub is a hub or hive of related activities/facilities that are located together or close to each other in order to share resources, audiences or support each other. The council supports these hubs as viable and vibrant places for the community to visit and use. The council's role is in coordinating, planning and service delivery from these hubs. The City of Port Phillip also plays a role in urban design and planning to ensure the hubs function efficiently and are attractive, safe and representative spaces.

Fast Track Planning Permits

The City of Port Phillip offers a streaming planning service to ensure faster service for relatively minor, straightforward planning applications. A 'fast track' planner is on hand to deal with these applications. No other council offers this service.

Growing Democracy

The Growing Democracy project's main aim is to ensure that there are sufficient democratic tools in place to ensure community members have adequate input into the development of the City of Port Phillip. A democracy panel, consisting of six community members, three councillors (including the mayor) and the city's chief executive officer was established. This panel was asked to investigate and define principles that would ensure the community had democratic input into the city. These principles will guide the council and shape governance activities in a way that sustains and grows citizenship and democracy in the city.





2002/2003 Highlights

Pillar	Economic Viability	Environmental Responsibility
Goal	To promote effective stewardship of the city's resources and promote positive economic development within Port Phillip that supports the council's social, cultural and environmental goals.	To place a minimal and balanced load on our environment while recognising that the city is highly complex, urbanised and altered.
Outcomes	The council has undertaken an extensive review of its expenditure and made some long-term savings across council services, as well as putting more expenditure into capital works. Efforts have been focused on service delivery and improving resident and ratepayer contact, and the council has received positive feedback on service provision and complaints management processes. The council also acknowledges that it plays a key role in fuelling economic development and is generally trending upwards in relation to economic development performance and business satisfaction.	The council is making a concerted effort to be 'clean and green' in the delivery of council services. It has reduced its annual water consumption and implemented a purchasing policy to prefer environmentally sustainable alternatives. Numerous projects have attracted community involvement and increased community awareness across the city. The council has seen generally positive results and trends with community satisfaction regarding the built and natural environment. The council has also focused on improving transport conditions and promoting sustainable transport.
Outputs	<p>Highlights planned – 47 Highlights completed – 41*</p> <p>Some examples:</p> <ul style="list-style-type: none"> • 15 new online services in 2002/2003 • 54% of community facilities received a positive index in the community facilities assessment database • 24.45% of rate revenue spent on capital works program • Two services co-located • 83% of community rating satisfaction with the council's interaction and responsiveness in dealing with the public as adequate or better • 1.45% increase in door count at South Melbourne Market • 93% of project milestones completed for the St Kilda foreshore renewal project 	<p>Highlights planned – 31 Highlights completed – 24*</p> <p>Some examples:</p> <ul style="list-style-type: none"> • Six environmental programs delivered • 32% waste to recycling diversion rate achieved • 100% of capital works submission assessments including environmental considerations • Article on the council's laneway strategy in <i>Diversity</i> • One council briefing on capital works cluster criteria • Completed development of the sustainable street trees program • Four press release on public transport issues • Implementation of parking improvements in six hot spot areas
Way Forward	In 2003/2004 the council will focus on: responding to problems on the same day; furthering the accommodation strategy; delivering sustainable savings; implementing an economic development strategy; and following up opportunities arising out of <i>Melbourne 2030</i> .	In 2003/2004 the council will focus on: promoting sustainability in the way we manage public places and development approvals; sustainable transport; its capital works program; implementing a noise management strategy; and the water campaign.





2002/2003 Highlights

Pillar	Cultural Vitality	Social Equity
Goal	To support the conditions that allow all communities within Port Phillip to experience and enjoy diversity of values, beliefs and aspirations.	To develop resilient and fair communities by ensuring residents are effectively and appropriately supported in accessing services and resources in the city.
Outcomes	The council has provided many sporting and recreation activities, and promoted arts and cultural events. Other activities have enhanced the city's physical and cultural heritage. Significant effort has focused on protecting heritage buildings, landscapes and other cultural icons. The council has also provided opportunities for effective dialogue and active citizenship, and a majority of the population feels that the council's communication, representation, understanding, and decision making in participation is good. Our community is also becoming more tolerant of diversity.	There is a relatively high level of satisfaction with the council's performance in health and human services, and the council has done a lot of good work to assist the disadvantaged in our community, including access for the non-English speaking population and for the aged. The council is endeavouring to create more connections between groups and individuals, and there have been very positive community sentiments regarding community spirit, trust, and willingness to help neighbours. The community also has a high sense of wellbeing and of safety, and there has been a decrease in crime in the city.
Outputs	<p>Highlights planned – 33 Highlights completed – 30* Some examples:</p> <ul style="list-style-type: none"> • New memorandum of understanding with the indigenous community • 240 community groups contacted on the community plan review • 86% satisfaction rating of people making a request or complaint about council staff attitude • 13 indicators reported in the sustainable community progress indicators project • 94% rating from the community that the variety of sports and recreational activities is adequate or better • 75.2% of local artist participation in Port Phillip annual festival program 	<p>Highlights planned – 31 Highlights completed – 23* Some examples:</p> <ul style="list-style-type: none"> • 12 criteria established for selecting community hubs • New street furniture installed at 200 locations • 100% of project milestones completed on the sustainable asset management project (SAM) • Developed social and cultural policy and planning policy framework • Conducted sustainable value service reviews on ageing and community care and community access services • Competed Alma Road Neighbourhood House, Marina Reserve and library upgrades at Albert Park and Middle Park • Commenced works for the new Port Melbourne Library
Way Forward	In 2003/2004 the council will focus on: the profile and marketing of council services; implementing governance review recommendations; advocating for more effective use of Albert Park Reserve; conducting a cultural vitality symposium and following up on issues arising from it; refocusing the council's festival framework; and implementing the Arts Plan.	In 2003/2004 the council will focus on: promoting the community hubs policy; opening the Port Melbourne Library; securing the sustainability of its housing program; diversifying the meals program; and implementing the disability action plan.
Links	<p>This table is a snapshot of the council's performance during 2002/2003. Further information and supporting data and evidence is available elsewhere in this report and on the council's website. In this report:</p> <ul style="list-style-type: none"> • Key Projects Page 5 • Activities and Achievements Page 33 • Performance Statement Page 11 • Victorian Local Government Indicators Page 104 <p>On the council's website:</p> <ul style="list-style-type: none"> • Sustainable Community Progress Indicators – SCPI www.portphillip.vic.gov.au/scpi.html • 02/03 Corporate Plan Review and indicators www.portphillip.vic.gov.au/corporateplan.html 	

* the highlights not completed were not delivered due to events beyond the council's control, change in the scope of the highlight and changes in internal priorities



Investing in Our City's Future

In 2002/2003 the City of Port Phillip directed approximately \$14.8 million towards the improvement, maintenance and creation of everyday conveniences such as roads, footpaths, drains, parks and open space and street furniture. The scope of these projects took in everything from horticultural maintenance, planting, and project design and management, to masterplan implementation, construction and community consultation.

This is a snapshot of some capital works projects completed in 2002/2003.

Gasworks Arts Park Bush Tucker Trail

Albert/Middle Park Neighbourhood

Twenty-two interpretive trail posts have been installed at Gasworks Arts Park, taking visitors on a journey exploring the diversity of plants that were used by indigenous people and settlers.

Plum Garland Playground Upgrade

Albert/Middle Park Neighbourhood

A major upgrade of the playground has seen the replacement of all the old furniture. Keeping with the nautical theme, the playground now includes a tugboat, hammock, clatter bridge and swing set. The playground also features disabled access equipment, including a timber boat and sand digger.

Hewison Reserve

East St Kilda Neighbourhood

The second and final stage of the Hewison Reserve masterplan has been completed. This has resulted in a more open, accessible and versatile space for local residents and visitors, catering for active play and passive activities. The upgrade includes extensive planting, barbeque and picnic areas, a significant lighting installation with feature lighting of trees, and creation of a more natural playscape.

Elwood Foreshore Drainage Upgrade

Elwood/Ripponlea Neighbourhood

To eliminate ongoing stormwater management problems in the area, the drainage system has been upgraded to reduce the potential for flooding. A litter trap has also been installed in the drain to reduce the amount of litter ultimately ending up in Port Phillip Bay.

SunSmart Shade Structures

Port Melbourne and Elwood/Ripponlea Neighbourhoods

Shade structures have been installed in three playgrounds (Edwards Park, Point Ormond and Elwood Park) to provide protection from the sun at all times of the year.

J L Murphy Reserve

Port Melbourne Neighbourhood

Significant works were undertaken as part of the reserve masterplan, including redevelopment of the pavilion to include new change rooms and toilets. The lighting, barbeque facilities and playground equipment around the pavilion were also upgraded and the area was planted with new trees.

Clarendon Street Streetscape Works

South Melbourne Neighbourhood

The third and final stage of the Clarendon Street streetscape works (Dorcas to Coventry Streets) was completed, with significant footpaths works to minimise potential safety issues. A flatter and more durable footpath has been created using a café mix asphalt.

Talbot Reserve

St Kilda Neighbourhood

Stage two works were completed with the installation of a central seating area, planting of an oak tree and central garden beds, and feature lighting, including pathways and trees.

Jim Duggan Reserve

St Kilda Neighbourhood

A concept plan for the upgrade of Jim Duggan Reserve was developed, which included a comprehensive community consultation process. Stage one works included a playground upgrade, replacement of paths, installation of a seating wall and landscaping.

Laneway Rehabilitation

St Kilda Neighbourhood

The deteriorated bluestone pavement of the laneway at the rear of Mary and Park Streets was upgraded and extended over an unpaved section, and a new drainage system was installed to eliminate flooding problems.





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COMMITMENTS



Community Plan

In 1997 the council developed a community plan in partnership with the Port Phillip community. This plan set out the community's vision and key priority areas for the next 10 years.

The community plan guides the council's planning and services delivery, and the council's corporate plan and annual service plans and budgets. It is also a reference for the council's sustainable community progress indicators, which were developed to track our progress towards becoming a more sustainable community.

In 2002/2003, and half way down the track, the council undertook a major consultation exercise to find out whether the Port Phillip community in 2003 felt the vision developed in 1997 was still relevant. This consultation process was important to help understand how we, as a community and council together, should focus our energy, efforts and resources from now until 2007.

Community consultation included community representative forums, focus group discussions, discussion with community groups and distribution of a questionnaire.

The response from the community was fantastic, and the council received a lot of valuable information and insights into how our community feels.

As a result, the council was able to modify and update the community vision to reflect current thoughts and opinions. The council also adjusted the ranking for the 14 key priority areas and refined the goals set out in these areas.

Our aspirations, values and key priorities as a community are still very similar to those in 1997, and although more effort from the council is required in some areas, the council has generally been performing well in its efforts to achieve the goals set down by the community in 1997. Most importantly, there was a strong sense of community pride and care for the direction of our future.

Corporate Plan

The council's corporate plan outlines the council's four main goals, and its corporate objectives and strategies. It also lists the highlights or matters that the council wants to focus on in the coming year to work towards achieving its long-term vision. In short, the plan sets out what the councillors and community expect the City of Port Phillip staff to do on their behalf over the coming year.

Service and sustainability are key components in the City of Port Phillip's corporate plan.

Our performance against the commitments made in our corporate plan is demonstrated in a number of ways throughout this annual report. The highlights table summarises our performance at a glance. The performance statement reports on the 39 highlights from the 2002/2003 business plan, selected to represent a cross-section of priorities for the organisation in the 2002/2003 year. Other achievements are outlined in the activities and achievements section, which lists the major achievements of each service unit. The key projects section profiles some of these achievements in more detail.





Performance Statement

Introduction

Our 2002/2003 business plan has 39 highlights, which were selected to represent a cross-section of priorities for the organisation in the 2002/2003 year.

This performance statement reports on these highlights and comments on the performance measures and targets that we set ourselves. The performance measures and targets relate to the tasks undertaken to achieve the highlights. In some cases, they were very difficult to quantify. In most cases, the targets were met or exceeded. In some cases, the performance measure was not the best indicator, and the highlight was achieved in a different way. In some cases, achievement of the highlight has been delayed but will be completed in 2003/2004.

There are an additional 103 highlights in the council's 2002/2003 corporate plan. These highlights do not form part of the 2002/2003 business plan, but many of them have been achieved. It is vital that the performance statement results are seen as only partial evidence of the council's achievement of its commitments in 2002/2003.

Economic Viability Pillar

No.	Selected Highlights	Performance Measure	Target	Actual	Comment
1	1.1.1 Ensure the Sustainable Value Service Review and improvement process assists the organisation to remain focussed on desired strategic directions	% of council agreed 2002/2003 Sustainable Value Service Review recommendations implemented as reviewed by the Performance Improvement Committee (PIC)	80%	66%	Reports to the PIC show that 66% of recommendations have been implemented in 2002/2003, with the remaining recommendations to be implemented in 2003/2004. The target was not achieved due to the complexity of implementing the 125 recommendations.
2	1.1.3 Ensure strong adherence to the enforcement of regulatory frameworks	% of community rating the council's performance in enforcement of by-laws as adequate or better	74%	71%	The annual Community Satisfaction Survey results show that the target was nearly achieved, indicating community satisfaction with by-laws enforcement.
3	1.1.5 Enhance the utilisation of Port Phillip Online as a fundamental plank in our service delivery within the context of generating productivity savings, managing demand for online services and defining business rules to govern network maintenance	New online services in 2002/2003	2	15	Achieved. Additional projects completed due to the significant effort placed on this important part of service delivery within the organisation.
4	1.1.8 Extend awareness of risk management strategies across the organisation	Completion of departmental risk management plans	50%	66%	Achieved. More risk management plans were completed than anticipated when the target was set, indicative of the effort being placed by the organisation on the identification and management of risk.
5	1.2.2 Assess feasibility of introducing different parking technologies	Report to the council on cost benefit analysis of introducing different parking technologies	Jun 03	Aug 03	This matter was reported to Councillors in August 03 in Councillor Notes. The main finding is that there is no new cost-effective parking technology for the council to introduce at this stage.
6	1.3.1 Continue to collect evidence to support the equitable utilisation of community assets	% of facilities receiving a positive index in the community facilities assessment data base	50%	54%	Achieved. This target was exceeded, indicating a positive rating of the majority of the council's community facilities against criteria such as service delivery, utilisation, community access and support, building condition and financial health.



Economic Viability Pillar (cont.)

No.	Selected Highlights	Performance Measure	Target	Actual	Comment
7	2.1.1 Ensure the three-year budget strategy focuses on growth in infrastructure renewal, asset renewal and online service delivery and on contraction in certain areas due to the co-location of services, review of discretionary services and maximising of community benefits where there is private use of public assets	% of rate revenue spent on capital works program	20%	24.45%	Achieved. The council has a policy of significantly contributing to capital works expenditure to ensure proper asset management, indicating the effort being placed on capital works within the council.
		Number of services co-located	1	2	Achieved. The council has also progressed on co-locating services, with two services being co-located.
8	2.2.3 Embed service culture and place management as driving principles in the organisation	% of community rating satisfaction with the council's interaction and responsiveness in dealing with the public as adequate or better	75%	83%	Achieved. The annual Community Satisfaction Survey results exceed the target, reflecting the significant effort being placed on providing good customer service across the organisation.
9	2.2.4 Communicate whole organisation's service commitments to the Port Phillip community	Number of organisation's service commitments on Internet and available in a document at council libraries	30	0	Service commitments for all departments of the council were finalised as part of the 2003/2004 budget process but have not yet been publicised and placed on the Internet. This will be undertaken in late 2003.
10	2.3.3 Clarify the purposes of masterplans, their difference to management plans and their relative importance to the capital works program	Report to the council on masterplan review process	Dec 02	Sep 03	The masterplan process was more difficult than originally anticipated, leading to a later report, but has resulted in a good outcome with the clarification of this process.
11	3.2.5 Continue positioning South Melbourne Market as Melbourne's most authentic community market	Increase in door count in 10 of twelve months compared to previous year figures for each month	3%	1.45%	The actual figure reported on is the percentage increase in annual door count (ie. 12 out of 12 months). The original target of 3% has not been reached, but an increase of 1.45% or 27,256 persons on an annual count of 1.9 million people is considered to indicate the healthy state of the market and the success of the recent South Melbourne Market improvements works and marketing campaign.
12	3.3.1 Research and understand the economic drivers and attributes of Port Phillip to determine how and where the council can usefully add value	Report to the council that discusses key economic drivers and the council's role in promoting economic development	May 03	Aug 03	This topic was more complex than first anticipated and therefore the first report to the council will be in a form of a councillor briefing in August 2003, with a more detailed report to come to the council in late 2003.
13	4.1.3 Plan and develop projects arising from the St Kilda foreshore renewal project in partnership with State Government	% of project milestones completed on time	80%	93%	Achieved. This project has been significantly advanced in 2002/2003 with the achievement of important milestones.





Environmental Responsibility Pillar

No.	Selected Highlights	Performance Measure	Target	Actual	Comment
14	1.1.1 Consolidate the delivery of the Sustainable Environment Strategy - focussing on environmental programs that make the most difference	Number of environmental programs that will be delivered in 2002/2003	4	6	Achieved. Six environmental programs were delivered in 2002/2003.
15	1.1.3 Promote the benefits of recycling and maintain our commitment to recycling without shifting further costs to Local Government	Waste to recycling diversion rate	32%	32.37%	Achieved.
16	1.2.1 Build environmental considerations/assessments into planning processes for the council's works and services	% of all capital works submissions that assess environmental considerations	90%	100%	Achieved. Target was exceeded, with all capital works business cases assessed against the four pillars of sustainability, which includes environmental considerations.
17	3.1.6 Communicate and commence delivery of laneway strategy to provide effective laneway management and conserve their community importance	Number of articles on the council's laneway strategy in <i>Diversity</i> in 2002/2003	1	1	Achieved.
18	3.2.1 Identify criteria to cluster capital works to better coordinate and achieve improved economic, social and amenity outcomes	Number of council briefings on capital works cluster criteria	1	1	Achieved.
19	3.2.3 Develop a program that will deliver sustainable street trees for the city in accordance with the recommendations of the Tree Summit	Completed development of Sustainable Street Trees Program	Jun 03	Jun 03	Achieved.
20	4.1.3 Continue to lobby State Government for improvements in public transport and bicycle network	Number of press releases on public transport issues	5	4	Nearly achieved.
21	4.3.2 Implement parking improvements in hot spot areas	Number of hot spots improved through targeted enforcement or capital work	5	6	Achieved with the target exceeded.

Cultural vitality pillar

No.	Selected Highlights	Performance Measure	Target	Actual	Comment
22	1.2.1 Implement new memorandum of understanding with the indigenous community	New memorandum of understanding	Aug 02	Sep 02	Memorandum of understanding was signed in September 2002.
23	2.1.1 Implement the governance review as the next phase of the Growing Democracy Project	% of agreed governance review recommendations implemented in 2002/2003	80%	0%	The governance review is completed, with the final report to be presented to the council in September 2003. Of the seven recommendations, most have commenced implementation. The review's finalisation has been delayed due to the absence and unavailability of panel members.
24	2.1.2 Review 1997/2007 Community Plan to check community support for vision as well as consult on new 2002/2006 corporate plan framework	Number of community groups contacted on the Community Plan Review	35	240	Achieved. The number of community groups actually contacted far exceeded the target because there were many more community groups identified than originally anticipated.



Cultural Vitality Pillar (cont.)

No.	Selected Highlights	Performance Measure	Target	Actual	Comment
25	2.1.5 Improve the council's response to inquiries by: - Reporting performance - Communicating with the community about the council's management of inquiries - Replacing the tracking system linked to the council's core system	% of people making a request or complaint who are contacted by phone or letter by the action officer within two working days of making the request or complaint	80%	N/A	The reporting tool for the new customer tracking system is currently under development and has proved more difficult to establish than initially anticipated. However, random sampling of the requests and complaints lodged over the previous 12 months demonstrate that the target has been achieved.
		% of people who are informed of actions to be taken and are kept up to date with progress by the action officer	80%	N/A	
		% satisfaction of people making a request or complaint about council staff attitude	90%	86%	
26	2.2.2 Regularly report the progress of the city to becoming a more sustainable city by the Sustainable Community Progress Indicators project (SCPI)	Number of indicators reported in the Sustainable Community Progress Indicators project	10	13	Achieved with the number of indicators exceeding the target.
27	2.2.3 Demonstrate the outcome of the budget allocation against achieved results on an annual basis	Overall variance from allocated budget	3%	3.78%	Nearly achieved. Actual expenditure slightly exceeded budget expenditure (by \$2.958M or 3.78%) due to the need to cover the council's component of the Defined Benefits Fund superannuation shortfall (\$3.4M) and the city's independent childcare centre costs (\$2.27M).
28	3.1.2 Build our capacity to facilitate leisure, sport and recreation activities that support community involvement at all life stages	% of community that feel the variety of sports and recreational activities is adequate or better	90%	94%	Achieved. The Community Satisfaction Survey result shows that the target was exceeded.
29	3.2.1 Review local artistic content for all festivals and celebrations	% of local artists in Port Phillip's annual festival program	45%	75.2%	Achieved. This result shows the high proportion of local artists (approx two in three) in Port Phillip's annual festival program, and is indicative of the city's encouragement of local artistic activity.
30	4.1.1 Further develop Port Phillip's approach to cultural planning	Conduct organisation forum	Nov 02	Jul 03	The scope and audience of the Cultural Vitality Symposium was considerably broadened during the planning of the forum, and it was therefore deferred until July 2003.
31	4.2.1 Develop and adopt a set of urban design principles for identified public spaces and nodes	Council adoption of urban design principles for identified public spaces and nodes	Dec 02	May 03	The urban design policy was adopted by the council in May 2003.
32	4.2.3 Determine the strengths, weaknesses and opportunities of our current planning outcomes and give attention to current social outcomes	% community who rate the council's performance in town planning policy and approvals as adequate or better	70%	61%	The council's performance in town planning policy and approvals was below the target and will be one of the issues addressed in the current sustainable value service review.
		Hold and report on planning outcomes workshop with councillors and planning staff in Councillor Notes	*	**	Achieved.
			*Report in Councillor Notes 12/02		
			**Report forwarded directly to councillors		





Social Equity Pillar

No.	Selected Highlights	Performance Measure	Target	Actual	Comment
33	1.3.2 Establish criteria for the purposes of selecting community hubs that provide co-located services in locations of greatest convenience, need and that are best suited to cater for future demand	Number of criteria established	5	12	Achieved. The target was exceeded as it was agreed that a wide range of criteria needed to be used in selecting community hubs.
34	2.1.2 Determine opportunities for additional housing outcomes on undeveloped or under utilised council-owned properties	Number of new sites identified in a report to the council	5 sites	3 sites	Only three new sites were identified in a report to the council.
35	3.1.3 Focus on rationalising life saving clubs within the municipality to ensure their viability and to ensure the council's funding effort is sustainable consistent with the Life Saving Review	Number of life saving clubs identified for potential decommissioning in 2002/2003	1	1	Achieved. Middle Park Life Saving Club merged with Port Melbourne Life Saving Club. The former club facility is now vacant.
36	3.3.2 Conduct a summit to assess the impact of gentrification on the community to understand change, to assess its impact and to consider what the council can do to address any disadvantage that has arisen from such change	Summit held	Oct 02	Not achieved	The project was re-scoped to conduct a series of forums on gentrification, with new timelines set for completion of the series by December 2003.
37	4.1.3 Develop a financially viable plan for the implementation of the council's Disability Action Plan	Progress report on Disability Action Plan	Mar 03	Oct 03	The progress report took longer to eventuate than originally anticipated due to the complexity of the project.
38	4.2.1 Implement street furniture improvements and installation of public transport shelters at selected locations	New furniture installed	50 locations	200 locations	Achieved. The target was considerably exceeded due to the successful roll-out of this program.
39	4.2.3 Develop the Sustainable Infrastructure Management Project (SIM)	% of project milestones completed on time	80%	100%	Achieved. This project has met and exceeded its target by being 100% on track. It has been renamed the Sustainable Asset Management Project (SAM) and approved for roll-out as part of the 2003/2004 budget process.

Note to and forming part of the Performance Statement for 2002/2003

Community Satisfaction Survey – there are two surveys, both conducted by Newton Wayman Chong. They include the Port Phillip 2002 Community Satisfaction Survey – Community Opinions of Council Performance, which draws upon approximately 1,000 interviews with residents and businesses in the Port Phillip community. These interviews were conducted by telephone, during December 2002 and January 2003. The second survey is the City of Port Phillip Annual Community Satisfaction Survey 2003, which is coordinated by the Department for Victorian Communities. This surveys covers approximately 350 people and is also conducted by telephone, during February and March 2003.

The majority of the terms used in the performance statement are the same as those used in the financial statements.



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Commitments



► Council Approval of the Performance Statement

In our opinion, the accompanying performance statement of the Port Phillip City Council in respect of the 2002/2003 financial year is presented fairly in accordance with the *Local Government Act 1989*.

The statement outlines the performance targets and measures which council is required by statute to publish as part of the annual report.

Council's corporate plan set out these measures in relation to the achievement of the business plan for the 2002/2003 financial year. The corporate plan also included many performance indicators above and beyond those required by the Local Government Branch.

As at the time of signing, we are not aware of any circumstance which would render any particular in the statement to be misleading or inaccurate.

Liz Johnstone
Mayor and councillor
Dated: 22 September 2003

David Brand
Deputy Mayor and councillor
Dated: 22 September 2003





➤ Auditor General's Report
on Performance Statement



AUDITOR GENERAL
VICTORIA

AUDITOR-GENERAL'S REPORT

To the responsible Ministers and the Councillors of Port Phillip City Council

Matters relating to the electronic presentation of the Audited Performance Statement

This audit report relates to the performance statement of Port Phillip City Council for the financial year ended 30 June 2003 included on Port Phillip City Council's web site. The Councillors of Port Phillip City Council are responsible for the integrity of Port Phillip City Council's web site. I have not been engaged to report on the integrity of Port Phillip City Council's web site. The audit report refers only to the statement named below. An opinion is not provided on any other information which may have been hyperlinked to or from this statement. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited performance statement to confirm the information included in the audited performance statement presented on this web site.

Audit Scope

The accompanying performance statement of Port Phillip City Council in respect of the financial year ended 30 June 2003 has been audited. The Councillors are responsible for the preparation and presentation of the statement and the information it contains. An independent audit of the statement has been carried out in order to express an opinion on the statement to the responsible Ministers and the Councillors as required by the *Local Government Act 1989*.

The *Local Government Act 1989* requires the performance statement to outline the performance targets and measures set out in relation to the achievement of the business plan as described in the Council's corporate plan submitted to the responsible Minister and to describe the extent to which the business plan was met having regard to those targets and measures.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the performance statement is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the statement. These procedures, which did not extend to an assessment of the relevance or the appropriateness of the performance measures contained within the statement, have been undertaken to form an opinion as to whether, in all material respects, the performance statement is presented fairly in accordance with the *Local Government Act 1989*.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the performance statement of Port Phillip City Council in respect of the financial year ended 30 June 2003 is presented fairly in accordance with the *Local Government Act 1989*.

MELBOURNE
24 September 2003


J.W. CAMERON
Auditor-General



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CIVIC GOVERNANCE



Local Government

Local Government is a major sector of the Victorian economy. As the sphere of government at the community level, it exerts significant influence on local economies and communities.

Local Governments are elected to:

- represent their local communities
- be a responsible and accountable sphere of democratic governance
- be a focus for community identity and civic spirit
- provide appropriate services to meet community needs in an efficient and effective manner
- facilitate and coordinate local efforts and resources in pursuit of community goals

Constitutional responsibility for Local Government rests with the state, which provides the legal framework in which Local Governments operate. Local Government in Victoria is administered under the *Local Government Act 1989*, which provides a framework for councils by articulating their purposes, objectives, functions and powers.

Establishment of the City

The City of Port Phillip was established following a State Government review of Victorian Local Government boundaries.

Fishermans Bend was excised from the former City of Port Melbourne in 1993 and three former cities - St Kilda, South Melbourne and Port Melbourne - were amalgamated on 22 June 1994 to form the City of Port Phillip.

Between establishment in 1994 and the first council election for the City of Port Phillip in March 1996, three State Government appointed commissioners carried out the functions of the mayor and councillors.

The City

A municipality on the north eastern shores of Port Phillip Bay, the City of Port Phillip covers 20.4 square kilometres, and is one of the oldest areas of European settlement in Melbourne. Port Phillip is known for its many dynamic urban villages and a foreshore that stretches for nearly 10 kilometres, incorporating several of Melbourne's most popular beaches.

It also features some of Victoria's most celebrated and innovative cultural events, recreational facilities, restaurants and entertainment venues.

The Port Phillip community comprises many different cultures, religions, nationalities and socio-economic backgrounds, with one third of the population having been born overseas, primarily in the United Kingdom, the former USSR, Greece and Poland.

Like its community, the urban character of the City of Port Phillip is marked by a richness of diversity. The mix of residential neighbourhoods, urban centres, industry, business and leisure attractions offer amenity, interest and choice. The municipality is also host to many magnificent heritage buildings, and beautiful parks and gardens.

The municipality experienced a significant amount of residential development in the 1990s, particularly in areas close to the foreshore, and is well served by a number of varied and substantial retail, entertainment and leisure precincts. These include Bay Street (Port Melbourne), Clarendon Street (South Melbourne), Fitzroy and Acland Streets (St Kilda), Carlisle Street (Balaclava) and Ormond Road (Elwood).

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

Port Phillip is well served by public transport, featuring a substantial tram network, the St Kilda and Port Melbourne light rail lines, and two train stations on the Sandringham rail line.

More information about Port Phillip including maps, local history, a community profile, a business profile and census information from the Australian Bureau of Statistics, is available at

www.portphillip.vic.gov.au/pp_profile.html



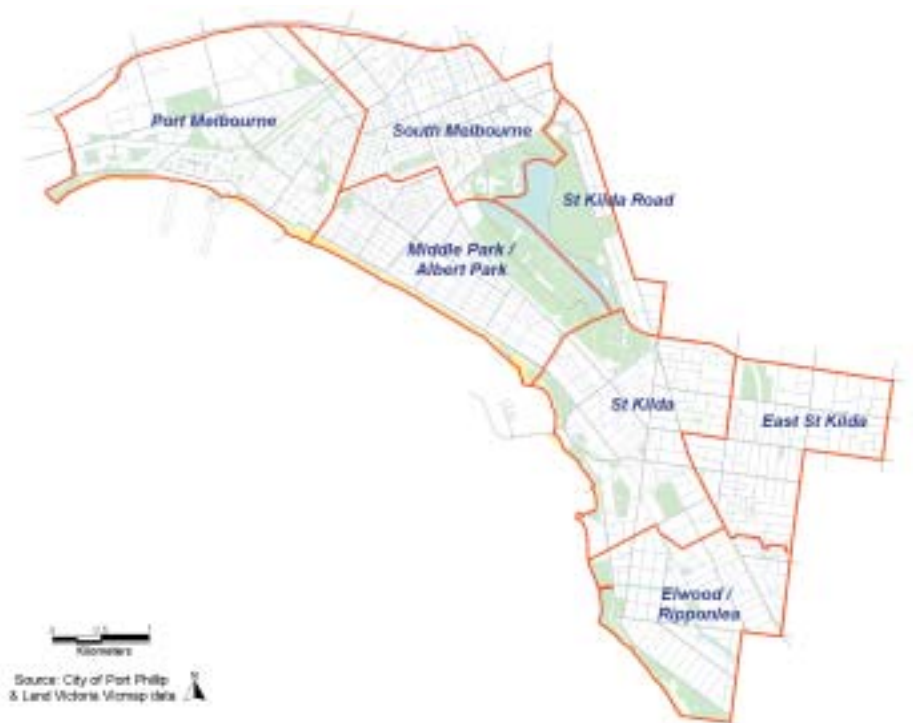
Neighbourhoods and Wards

Port Phillip is home to seven distinct neighbourhoods - Albert Park and Middle Park; East St Kilda; Elwood and Ripponlea; Port Melbourne and Garden City; South Melbourne; St Kilda; and St Kilda Road and Queens Road - with which members of the community identify, especially in terms of where they live. The council uses the neighbourhood model to manage the delivery of council services and for the purposes of community consultation in the development of community strategies.

Neighbourhoods are different to municipal wards. The Port Phillip municipality is divided into seven electoral wards - Albert Park, Alma, Blessington, Emerald Hill, Ormond, Sandridge, and St Kilda - for democratic purposes. One councillor is elected in each ward to represent those residents and businesses. To foster the democratic concept of representative government, there is approximately the same number of people/voters in each ward. Ward boundaries are periodically reviewed to ensure this.

More detailed neighbourhood profiles are available at www.portphillip.vic.gov.au/neighbour_profiles.html.

Neighbourhoods in the City of Port Phillip





Councillors



David Brand

Telephone (business hours only)	(03) 9209 6705
Mobile	0413 334 520
Fax	(03) 9536 2714
Email	dbrand@portphillip.vic.gov.au
Ward	St Kilda
Date of election (current term)	16/3/02
Date of retirement	19/3/05

In his second term as councillor for St Kilda Ward, Deputy Mayor Councillor David Brand is an architect who has worked for many years as a consultant on heritage, urban conservation and planning issues affecting St Kilda and the City of Port Phillip. He works from his home on the St Kilda Esplanade where he has lived since 1983. Cr Brand has taught architectural history at the University of Melbourne and design at RMIT University part-time.



Dick Gross

Telephone (business hours only)	(03) 9209 6705
Mobile	0411 446 167
Fax	(03) 9536 2719
Email	dgross@portphillip.vic.gov.au
Ward	Blessington
Date of election (current term)	16/3/02
Date of retirement	19/3/05

Councillor Dick Gross is in his third term as councillor for Blessington Ward, including two terms as mayor from 1998-2000. He is a trained lawyer with a background in consumer and corporate law. Cr Gross was a member of the State Government's Drug Policy Expert Committee and the Attorney General's Street Sex Prostitution Advisory Group, and is now deputy chairperson of the Western Region Waste Management Group and treasurer of the Victorian Local Government Association. Cr Gross is also a broadcaster and an author. He has lived in Port Phillip for over 20 years.



Julian Hill

Telephone (business hours only)	(03) 9209 6705
Mobile	0419 886 541
Fax	(03) 9536 2713
Email	jhill@portphillip.vic.gov.au
Ward	Sandridge
Date of election (current term)	16/3/02
Date of retirement	19/3/05

Councillor Julian Hill is in his second term as councillor for Sandridge Ward. He has served two terms as mayor from 2000-2002. Cr Hill holds law and science degrees from Monash University. He has worked at various jobs, including retail and wholesaling, as advertising manager for a student newspaper and as an electorate officer and adviser. Cr Hill is currently employed by the Department of Sustainability and Environment. He has lived in Port Phillip for 10 years and Port Melbourne for six years.



Carolyn Hutchens

Telephone (business hours only)	(03) 9209 6705
Mobile	0413 334 522
Fax	(03) 9536 2716
Email	chutchen@portphillip.vic.gov.au
Ward	Albert Park
Date of election (current term)	16/3/02
Date of retirement	19/3/05

Councillor Carolyn Hutchens has lived in the Albert Park Ward for 27 years and is now in her second term as councillor for the ward. Working for many years as a part-time maternal and child health nurse, Cr Hutchens also worked as a nurse teacher in Papua New Guinea in the mid 1960s, as a research assistant in London at the Royal College of Surgeons and as a district nurse on her return to Melbourne. Cr Hutchens has served as president of several local community organisations, including a childcare cooperative, local counselling service and school parents' association.



Liz Johnstone

Telephone (business hours only)	(03) 9209 6431
Mobile	0412 135 350
Fax	(03) 9536 2717
Email	ljohnsto@portphillip.vic.gov.au
Ward	Ormond
Date of election (current term)	16/3/02
Date of retirement	19/3/05

The council's current mayor, Councillor Liz Johnstone, has lived in the Ormond ward for the past 16 years and has a background in accounting and small business. With a long involvement in local issues, Cr Johnstone has been treasurer for local out of school hours care programs and child care centres, and a founding member of both the Elwood Canal Taskforce and Save Elwood Streets. Cr Johnstone is currently on the boards of the Elwood Community Bank, Elwood Primary and Secondary Schools and the Victorian Coastal Council, and also chairs the Central Coastal Board.



Peter Logan

Telephone (business hours only)	(03) 9209 6705
Mobile	0412 697 074
Fax	(03) 9536 2718
Email	plogan@portphillip.vic.gov.au
Ward	Emerald Hill
Date of election (current term)	16/3/02
Date of retirement	19/3/05

Councillor Peter Logan has lived in South Melbourne for over 50 years. He has been involved in many community activities, most recently with the Cobden Street Playground Committee and is also a founding member of the Friends of Emerald Hill Library. Cr Logan is active in local sport, and is a life member and currently vice-president of the South Melbourne Athletic Club. He left his full time job as a national fleet manager in order to concentrate on councillor duties.





Darren Ray

Telephone (business hours only)	(03) 9525 8430
Mobile	0413 334 523
Fax	(03) 9536 2715
Email	dray@portphillip.vic.gov.au
Ward	Alma
Date of election (current term)	16/3/02
Date of retirement	19/3/05

First elected in 1999, Councillor Darren Ray was mayor from 2002-2003. He has worked in the community and advocacy sectors for over 15 years, including as national project officer for the Australian Physiotherapy Association, manager of a youth refuge and family reconciliation program, as a housing advocacy worker, and as the first executive officer for the ALSO Foundation. Cr Ray has also advised state and federal MPs in Western Australia. He is currently employed part-time providing strategic advice on inner-city liveability strategies. Cr Ray is a member of the St Kilda Historical Society, Friends of the St Kilda Cemetery and Alma Dogs.

Councillor Remuneration

The councillors at the City of Port Phillip receive an annual allowance of \$15,000 per year. The mayor at the City of Port Phillip receives an annual allowance of \$46,500 per year.

Decision Making

Council decisions are made through a series of council and committee meetings. The current council/committee structure is explained below. Full details of the council's meeting procedures are outlined in Port Phillip City Council Local Law No. 2/2000.

Statutory Planning Committee

Chair (July 2002 – June 2003): Cr Ray, Cr Gross

This committee has been established under Section 86 of the *Local Government Act 1989*, which means that the council can delegate certain powers to the committee, and that decisions made under that delegation are effectively decisions of the council. The council's regular meeting cycle includes one Statutory Planning Committee meeting per month.

The purpose of Statutory Planning Committee meetings is:

- to address urban planning issues, including planning applications and planning scheme amendments
- to ensure planning applications are processed within statutory time limits and under appropriate delegations within council policies



› Strategy and Policy Review Committee

Chair (July 2002 - March 2003): Cr Johnstone

Chair (April 2003 - June 2003): Cr Brand

The Strategy and Policy Review Committee does not have delegated powers. However, it can make recommendations, which are then referred to the council meeting for ratification. The council's regular meeting cycle includes one Strategy and Policy Review Committee meeting per month.

The purpose of Strategy and Policy Review Committee meetings is:

- to set the council's strategic direction and develop council policy
- to determine all matters relating to the key result areas of the council's corporate plan
- to address major organisational matters, important legal matters, deliberations about the budget and planning scheme amendments
- to receive reports from councillors as delegates on external bodies

› Council

Chair (July 2002 - March 2003): Cr Ray as mayor

Chair (April 2003 - June 2003): Cr Johnstone as mayor

The council's regular meeting cycle includes one full council meeting per month.

The purpose of council meetings is:

- to adopt, amend or reject the recommendations from committees and address urgent business, subject to the provisions of the Port Phillip City Council Local Law No. 2/2000, which relates to council meetings procedures

› Special Council

Chair (July 2002 - March 2003): Cr Ray as mayor

Chair (April 2003 - June 2003): Cr Johnstone as mayor

Special council meetings are held as required to consider special matters.

› Neighbourhood Forums

In the normal course of the council calendar, every third Monday would traditionally be set aside for a council meeting in the council chambers. In 2002/2003, these meetings were replaced with neighbourhood forums as part of the City of Port Phillip's initiative to help grow democracy across the city. Rather than people having to attend the council chambers, the idea behind neighbourhood forums was to bring the council to the residents. The forums offer an opportunity for local groups and individuals to hear what services are currently being provided in their area, and are also a chance to present local issues and concerns to council representatives. Neighbourhood forums offer a chance for two-way conversation between the council and residents. These forums have been very well received, with strong attendances and positive feedback.

› Delegation to the Chief Executive Officer

The council makes many decisions by resolution at council meetings. For reasons of administrative and operational efficiency, the council has delegated a range of its powers, duties and functions to the chief executive officer. The council has also empowered the chief executive officer to delegate powers to appropriate members of council staff. During 2002/2003, a thorough review of all delegations was undertaken and a formal register of delegations is available for the public to inspect on request by contacting the City of Port Phillip's ASSIST Centre on (03) 9209 6777 or via email at assist@portphillip.vic.gov.au.

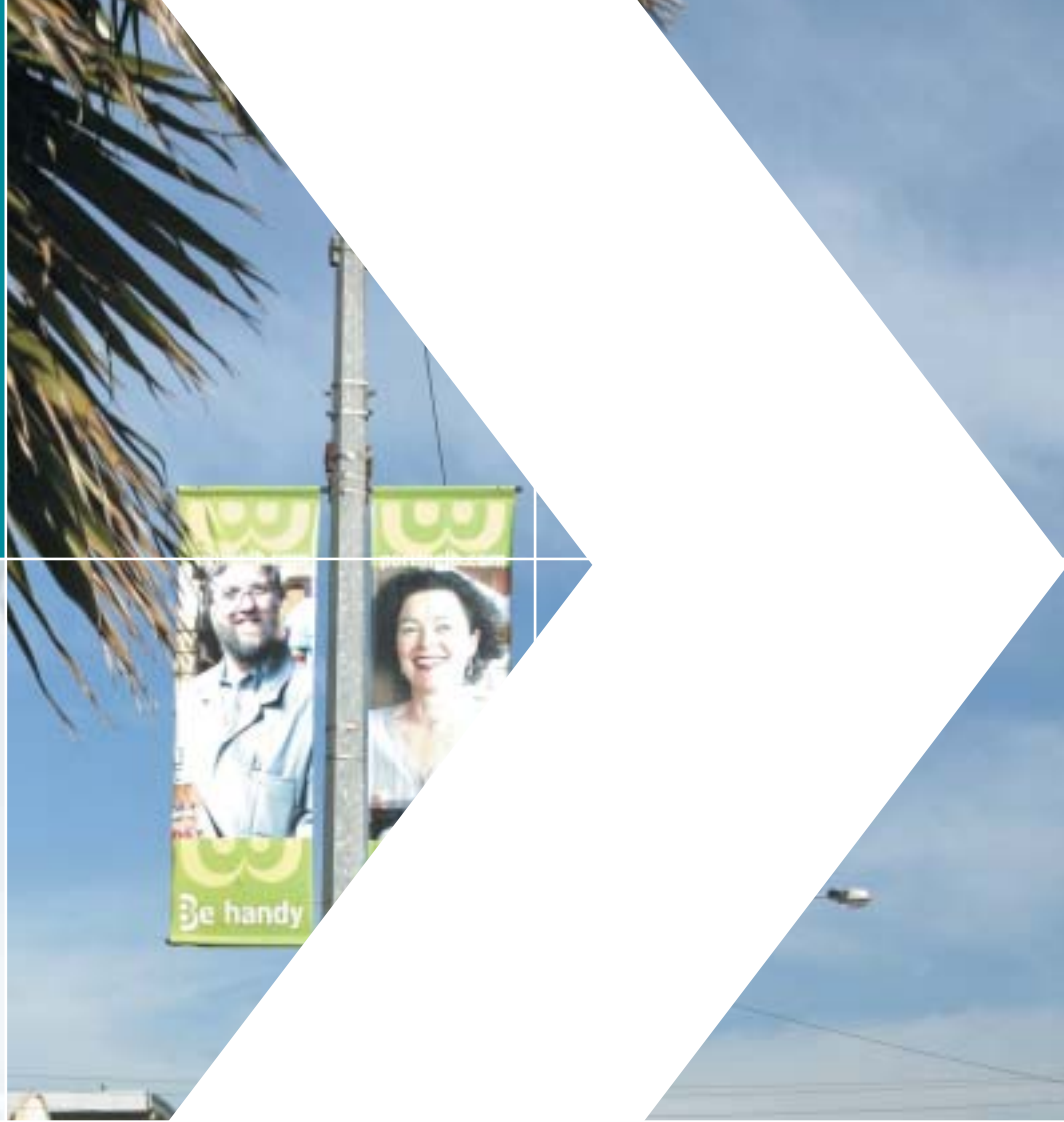
The chief executive officer is also responsible for the day-to-day management of the council's operations including:

- establishing and maintaining an appropriate organisational structure for the council; appointing, directing, managing and dismissing council staff and all other issues that relate to council staff;
- ensuring that the decisions of the council are implemented without undue delay; and
- providing timely advice to the council.





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CORPORATE GOVERNANCE





Risk Management

Risk Awareness

The City of Port Phillip's policy is to manage risk in accordance with best practice. To this end, Port Phillip will, as a minimum, comply with the Australian standard for risk management (AS/NZS 4360:1999). Our risk management decisions and practices also align with our established values and ethical standards.

The main policy objectives of managing risk are to:

- ensure that the services provided by the organisation have a high level of integrity
- safeguard our assets – people, finances and property
- create a workplace culture where all staff will assume responsibility for managing risk in their day-to-day work activities
- maintain our capacity to deliver policy objectives and performance in a timely, efficient and effective manner
- deploy resources and operational capabilities in an efficient and responsible manner
- ensure the council can appropriately deal with risk
- demonstrate transparent and responsible risk management processes that align with best practice
- encourage the identification and reporting of potential risks

In 2002/2003 the City of Port Phillip has made significant progress in strategic risk management. A new simplified organisational risk management awareness policy was adopted and, given the diverse nature of work activities performed by the City of Port Phillip, a cross-divisional risk management awareness committee was formed.

The implementation of risk identification and assessment programs has continued throughout the council's operational and functional areas, with 66% of departments having undergone a risk identification and assessment process by the end of 2002/2003. These programs will continue to be rolled out until a risk management plan has been developed for every unit.

The continued challenge for the year ahead is to ensure the council's approach to risk management becomes part of everyday business, and forms part of staff induction and training programs.

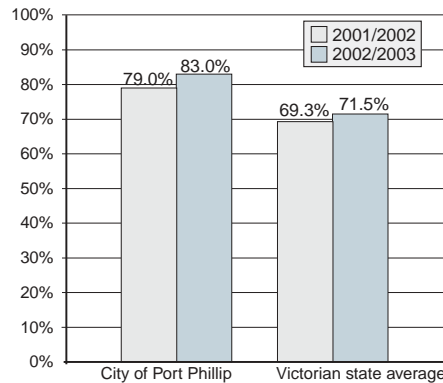
Risk Reduction

An annual risk assessment of the council's operations is undertaken by the public liability insurer, Civic Mutual Plus, to provide a percentage rating on performance of the organisation against set criteria and expectations. This rating is then applied to some of the council's premium renewals – the better the score, the more chance we have of keeping our insurance costs down.

The City of Port Phillip's performance was satisfactory in all areas assessed, and the organisation obtained a score of 83% in 2002/2003. This score represents a 4% increase from the previous assessment of 79%. Of the 79 councils in Victoria, the City of Port Phillip's risk management ranking is equal 16th.

Overall, the liability assessment scores increased this year, with the Victorian state average improving from 69.3% to 71.5%. The City of Port Phillip therefore ranks above average in this year's assessment.

Risk Assessment



Insurance

The council's insurance policies provide coverage for the following areas: public liability, products liability and professional indemnity, industrial special risks, motor vehicle, councillors' and officers' liability, personal accident, machinery/computer breakdown and boiler explosion, marine hull, construction works and fidelity guarantee.

The insurance sector faced a very difficult year, with significant increases in premiums experienced by all. Some external factors influencing this increase included the continued fall out from the HIH collapse, and international incidents leading to global pressure on insurers in general.





The council was able to mitigate some of the anticipated rise in premiums by making significant improvements in identifying and minimising risk across the organisation. The significant improvements in the council's annual liability assessment audit rating can be directly attributed to the risk management awareness rollout across the organisation. Through the use of these departmental risk management plans, service areas are now addressing those risks that have been identified as potential areas of exposure to the council, and are developing and implementing suitable controls.

Audit Committee and Internal Audit

As part of its duty to fulfil governance obligations to the community, the City of Port Phillip has established an audit committee to ensure:

- effective management of financial risks
- the enhancement of the credibility and objectivity of financial reports
- compliance with laws and regulations
- the effectiveness of the annual audit program
- the provision of an effective means for communication between the Victorian Auditor-General's Office, internal audit and council management

The audit committee is an advisory committee of the council and was established in December 1995. The council has adopted a charter, terms of reference and documented responsibilities to govern the activities of the audit committee. The audit committee membership consists of external and internal representatives. There are two external representatives, The Honourable Neil Batt AO (chairperson) and John Warburton; and two internal representatives, the mayor of the City of Port Phillip, and the director of the Governance and Council Services division. The chief executive officer also attends the meetings and the council's internal auditor attends to present audit reports and provide advice to the audit committee. During 2002/2003, the committee met on five occasions.

In consultation with council management, the audit committee develops an annual internal audit program to address the risks that the organisation may confront. This audit program is a dynamic strategy that can be continually developed and realigned to suit the needs of the organisation.

The council's internal auditor, Day Neilson, an independent firm of chartered accountants, conducts the audits listed in the annual internal audit program and submits audit reports to the audit committee for review. Audit recommendations remain on the audit committee agenda until the committee considers that council management has satisfactorily addressed each recommendation.

The major issues discussed by the audit committee during 2002/2003 included:

- 2002/2003 audit program
- risk assessment
- 2001/2002 audit of the statements of account
- collection of outstanding and overdue rates
- the council's delegations and authorisations register with respect to legislative compliance
- 2001/2002 annual report
- 2002/2003 annual budget
- council's investment policy
- best value service reviews
- inter-departmental committee on Docklands
- *Local Government Act* update
- council's fraud control strategy
- *Information Privacy Act 2000*
- council's five-year financial plan
- asset management
- cost shifting
- council's emergency plan

The audit committee and the internal auditor are key elements of the council's system of checks and balances. However, they are not the only elements. Councils are required to be externally audited annually by the Auditor General or his/her representative, and the external auditor presents this audit of the annual statements to the audit committee. Councils must also comply with the requirements of the *Local Government Act 1989* and many other pieces of legislation, and are required to provide the Minister for Local Government with detailed reports, including the annual report, budget and corporate plan.

These measures are in place to ensure that councils are accountable to their stakeholders including residents, ratepayers, business and government.



Whistleblowers

The City of Port Phillip is committed to the aims and objectives of the *Whistleblowers Protection Act 2001*. It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct. The *Whistleblowers Protection Act 2001* came into operation on 1 January 2002. The purpose of the Act is to encourage and facilitate disclosures of improper conduct by public officers and public bodies. The Act also provides protection for those who make the disclosures and those who may suffer reprisals in relation to those disclosures. The Act also provides for the matters disclosed to be properly investigated by the Ombudsman or the nominated investigator. The Act applies to all public bodies and public officers, including councillors and council staff.

In accordance with the *Whistleblowers Protection Act*, the following specific reporting requirements have been included in the City of Port Phillip's annual report:

The number and types of disclosures made to the City of Port Phillip during the year	nil
The number of disclosures referred during the year by the City of Port Phillip to the Ombudsman for determination as to whether they are public interest disclosures	nil
The number and types of disclosed matters referred to the City of Port Phillip during the year by the Ombudsman	nil
The number and types of disclosed matters referred during the year by the City of Port Phillip to the Ombudsman to investigate	nil
The number and types of investigations of disclosed matters taken over by the Ombudsman from the City of Port Phillip during the year	nil
The number of requests made under Section 74 (relates to persons making requests to the Ombudsman) during the year to the Ombudsman to investigate disclosed matters	nil
The number and types of disclosed matters that the City of Port Phillip has declined to investigate during the year	nil
The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	nil
Any recommendations of the Ombudsman under the Act that relate to the City of Port Phillip	nil

The council has adopted a detailed whistleblowers protection procedures manual and specific guidelines for ASSIST and records management staff. The current procedures established by the City of Port Phillip under Part 6 of the *Whistleblowers Protection Act*, which relates to the establishment of procedures by public bodies, are outlined in Appendix 3 at the end of this report.



› National Competition Policy

The Federal Government introduced its national competition policy (NCP) in 1995 in an effort to reform government monopolies; separate governments' regulatory and business functions; remove legislative restrictions on competition; and adopt pricing reforms to recognise and offset the public ownership advantages enjoyed by government businesses (competitive neutrality).

Government businesses are not subjected to a variety of taxes and imposts paid by private businesses, and therefore have a competitive advantage over private operators. Government businesses are now required to include these taxes and imposts in their pricing structures to negate the public ownership advantages.

The Federal Government allocates money annually to each state for compliance with national competition policy, and the states share this funding with their respective Local Governments. To receive a share of this funding, the City of Port Phillip must comply with national competition policy requirements and must submit an annual national competition policy statement to the State Government's Department for Victorian Communities, outlining the organisation's compliance with the legislation.

To meet its compliance requirements, the council has:

- complied with national trade practices legislation that prohibits certain forms of anti-competitive behaviour
- reviewed its local laws to ensure they do not restrict competition
- identified its significant businesses and applied competitive neutral pricing to those businesses

The council is also implementing competitive neutrality during its best value review processes as outlined in the following section.

Best Value

› Overview

In December 1999, the State Government introduced the Best Value Victoria provisions as part of the *Local Government Act*.

The best value legislation includes the following principles:

- all services must meet quality and cost standards
- all services must be responsive to the needs of its community
- each service must be accessible to those members of the community for whom the service is intended
- councils must achieve continuous improvement in the provision of services for the community
- councils must develop a program of regular consultation with the community in relation to the services it provides
- councils must report regularly to the community on its achievements in relation to these principles

The City of Port Phillip has 'badged' its best value program as the sustainable value program, with a formal review of services being a key element.

This comprehensive sustainable value program includes:

- a comprehensive model for undertaking service reviews
- the requirement to broadly consult with the community
- a program for benchmarking
- direct involvement of the council
- the engagement of relevant industry expertise
- external independence at the review phase

Five services were completed during 2002/2003. The best value service review outcomes for 2002/2003 are summarised in Appendix 2.

For a full copy of the best value annual report, visit www.portphillip.vic.gov.au or contact the City of Port Phillip's ASSIST Centre on (03) 9209 6777 or via email at assist@portphillip.vic.gov.au to request a printed copy.



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MANAGEMENT





The Organisation

The following diagram represents the current administrative structure of the organisation, including the links between the organisation and the council and community. The organisation structure in 2002/2003 varied slightly and the following section of the annual report reflects that previous structure. In 2003/2004, organisational responsibilities have been revised to better support a web style of work that relies on collaboration, project management, networking and innovation.





▶ The Directors

David Spokes, Chief Executive Officer

David Spokes joined Port Phillip in 1995 as a general manager before being appointed chief executive officer in March 2001. His professional experience includes over 18 years in a variety of Local Government settings in Victoria and New South Wales, including seven years in executive roles at the City of Melbourne. He also enjoyed a significant period in community health and ran his own planning consultancy for several years. David has degrees in arts and social work from the University of Melbourne, and he recently completed the Cranlana Foundation Leadership program.

He is also a fellow of the Institute of Public Administration Australia.

Sally Calder, Director Social and Cultural Development

Sally Calder was appointed director of the Social and Cultural Development division in May 2001. Before moving into Local Government, Sally worked for over 10 years as a senior manager in NSW Health, and in a variety of executive roles in primary health care in regional and remote New South Wales. She also set up one of the first Skillshare programs for the long-term unemployed in rural New South Wales. Sally has a Masters of Arts and Diploma of Education from the University of Sydney, as well as a Graduate Diploma in Business Administration.

David Yeouart, Director Infrastructure and Environment

David Yeouart is a civil engineer by training and has had extensive experience in the management of infrastructure and environmental services. Prior to his appointment as director in 2001, David managed the council's Infrastructure department. He has a long history in Local Government, both in Australia and the United Kingdom, providing traditional infrastructure services, and managing environmental issues and public assets.

Geoff Oulton, Director City Development

Geoff Oulton has been with the City of Port Phillip since May 1995 and held several management roles before being appointed director of the City Development division in 1997. Geoff has a Bachelor degree in Engineering, a Masters degree in Engineering Science and a Masters of Business Administration. Geoff's previous experience includes a short stint in a research capacity, work for a small consulting firm and five years with the City of Nunawading and then the City of Whitehorse in a number of management roles.

David Graham, Director Governance and Council Services

David Graham has been in Local Government for more than 30 years. His work experience includes line management roles within Port Melbourne, Darebin and Kew councils, and he was chief executive officer of Port Melbourne Council before Local Government amalgamations in 1994. At the end of 2002/2003, he headed the council's Governance and Council Services division. David has a Diploma of Local Government Administration, a Bachelor degree in Business (accounting) and a Masters of Business Administration.

Stephen O'Kane, Director Corporate Development

Stephen O'Kane has a strong background in public sector management in both state and Local Government, and in private consulting. His responsibilities included human resources, internal audit, policy analysis and management consulting work. He holds a PhD in Public Policy from Deakin University and is a graduate of the Senior Executives in state and Local Government program at Harvard. Stephen is a former political studies fellow of the Australian Parliament and an alumnus of the Williamson Community Leadership program.





Activities and Achievements

The following section outlines the mission of each division within the City of Port Phillip and their major achievements during 2002/2003.

Social and Cultural Development

Mission: The Social and Cultural Development division is committed to building stronger communities and promoting wellness, connectedness and opportunity for the residents of the City of Port Phillip.

We do this by providing a range of human services and cultural and recreational opportunities which are equitable, accessible, and of high quality, and which meet the specific needs and lifecycle events of our residents.

We investigate and respond to the needs and aspirations of the people who live and work in our community, and ensure that there is always opportunity to participate in the planning and decision making that informs the delivery of our services, events and activities.

We work in partnership with our community, including other providers and stakeholders, to reduce isolation, promote diversity, ensure safety and health, and foster an environment where recreation, arts, culture and knowledge are valued.

The Social and Cultural Development division provides a comprehensive range of human services and cultural and recreational activities to support and promote the social and cultural aspirations of the community. Working in partnership with the community, including other providers and stakeholders, the division aims to reduce isolation, promote diversity, ensure safety and health, and to foster an environment where recreation, arts, culture and knowledge are valued.

Culture and Recreation

The Culture and Recreation unit facilitates access to cultural and recreational programs for people in the community. It focuses on involving people of all abilities in sport and recreation activities, funding and facilitating experiences in arts and culture, and ensuring access to information via the library service. The unit's services are directed at residents and visitors, artists, sporting and recreation clubs, and commercial operators utilising facilities within Port Phillip.

Major achievements

- Completed community access service review
- Completed and adopted the Arts Plan 2003-2006

- Implemented new library hours
- Upgraded the Alma Road Neighbourhood House, Marina Reserve, Albert Park and Middle Park Libraries, Murphy Reserve pavilion and Gasworks Arts Park administration building

Social Development

The Social Development unit addresses the life-stage needs of residents and connects services for frail and older people, people with disabilities, families, young people and children in Port Phillip.

Major achievements

- Established partnerships agreements with community managed child care centres
- Established memorandum of understanding with local pre-schools
- Identified the real cost of ageing and community care services and resolved a policy position on ongoing financial contribution to the service

Social Planning and Policy

The Social Planning and Policy unit provides demographic analysis, policy development and community development services to strengthen the service sector for the benefit of the local community. The unit operates on principles that include improving access and equity and life-stage planning approaches.

Major achievements

- Analysed and presented Australian Bureau of Statistics 2001 census data for council and community use
- Conducted civic recognition event on International Day of Volunteers
- Completed new memorandum of understanding with the indigenous community
- Endorsed community hubs policy and strategy principles and guidelines
- Conducted cultural vitality symposium
- Held gentrification summit as part of civic dialogues program
- Adopted social and cultural policy and planning framework principles and guidelines





► Infrastructure and Environment

Mission: We provide sustainable infrastructure and services that are fair, diverse and link our communities in the City of Port Phillip.

The Infrastructure and Environment division is responsible for the care and management of the council's infrastructure assets including roads, footpaths, drains, parks, public buildings and open space. It also takes a leading role in protecting the physical environment within Port Phillip through waste and litter collection and a series of environmental programs.

City Works and Services

The City Works and Services unit coordinates the council's waste management program and shapes civic places across Port Phillip through parks management, construction and maintenance of buildings, roadways and drainage, and other capital works activities in the municipality's landscapes, seascapes and streetscapes. Service users include residents and businesses, shopping centre traders, visitors and tourists.

Major achievements

- Completed waste management and street and beach cleaning service review
- Varied parks contract to reflect levels of service required
- Re-tendered civil maintenance and construction services
- Refurbished the South Melbourne Town Hall clock tower
- Implemented roof safety fixing points in major public buildings

Assets and Environment

The Assets and Environment unit shapes civic places across Port Phillip through the planning and design of parks, gardens and physical infrastructure, and promotes environmental initiatives within the organisation and the community at large. Service users include residents, businesses, shopping centre traders, visitors, tourists and other internal service units.

Major achievements

- Initiated municipal planning and set a strategic direction for the council by delivering on key projects such as street lighting and contaminated sites
- Implemented Sustainable Asset Management (SAM) process
- Coordinated successful Global Garden Party
- Implemented a graffiti control program after conducting a successful pilot project

► City Development

Mission: We maintain and enhance the look, feel and sustainability of the City and its communities through excellent standards of design, sound strategic planning and the delivery of high quality and value-added services in development approvals, health, traffic and land use management and enforcement. We value and celebrate the diversity of the communities we serve and assist them develop a stronger sense of local identity and involvement in their community and decision making process.

The City Development division is responsible for maintaining and enhancing the look, feel and sustainability of Port Phillip and its communities through excellent standards of design, sound strategic planning and the delivery of high quality and value-added services in development approvals, health, traffic, and land use management and enforcement.

Health and Amenity

The Health and Amenity unit enhances the community's wellbeing by providing integrated animal management, health, local laws policy and parking services to residents, ratepayers and businesses, and visitors such as motorists, workers and tourists. This unit also provides services to government authorities and non-government and community organisations and to animal welfare organisations, local dog groups, pet owners, pedestrians and open space users.

The Health and Amenity unit enhances the community's wellbeing by providing integrated animal management, health, local laws policy and parking services to residents, ratepayers and businesses, and visitors such as motorists, workers and tourists. This unit also provides services to government authorities and non-government and community organisations and to animal welfare organisations, local dog groups, pet owners, pedestrians and open space users.

Major achievements

- Implemented food safety plans in businesses across the municipality
- Refined local laws to improve community amenity and safety



Neighbourhood Development

The Neighbourhood Development unit has a prime role in driving council initiatives to ensure that Port Phillip is a safe and healthy environment. Specific service users include residents, visitors, commuters, businesses and workers. Services are also provided to social housing agencies and health, welfare, education, law enforcement, government and non-government sector organisations, and emergency planning, response and recovery organisations.

Major achievements

- Implemented parking improvements in hot spot areas
- Implemented road users safety strategy
- Provided online business development support network
- Implemented priorities actions in the health and community safety plan and the local drugs strategy
- Developed the neighbourhood forum and civic dialogues program

Planning and Building

The Planning and Building unit works with the council and the community to plan for the future of Port Phillip, and aims to ensure that any changes to the built fabric are appropriate and building practices are safe. Providing advice and direct services to members of the development industry, residents and ratepayers, business operators and employees, visitors and tourists, commuters, and other authorities and government agencies, the unit also provides guidance to objectors.

Major achievements

- Submitted the St Kilda foreshore urban design framework for inclusion in the planning scheme
- Prepared and commenced implementation of a comprehensive response to the State Government's *Melbourne 2030* metropolitan strategy
- Prepared the Port Melbourne management framework
- Voted second in the Institute of Surveyors' municipality award for Best Municipality and subdivision officer received Subdivision Officer of the Year award
- Implemented new permits online service
- Completed safety in existing buildings risk management report and strategy, which looks at fire safety inspections and occupant safety in buildings within Port Phillip

Sustainable Transport

The Sustainable Transport unit aims to make walking, cycling and public transport the first choice of travel whenever possible and in so doing, reduce the impact of the motor vehicle on the community, improve health and social cohesion outcomes and support local businesses. The unit works across the organisation, particularly with strategic planning, infrastructure and traffic, and has a key role in lobbying and community development. Specific service users include residents, visitors, commuters, businesses and workers.

Major achievements

- Completed public transport strategy
- Facilitated TravelSMART community program and TravelSMART Better Ways to Work program
- Implemented walking school bus

Urban Sustainable Design

The Urban Sustainable Design unit aims to enrich the urban experience for residents, ratepayers, visitors and workers by enhancing the quality of the public realm and the standard and sustainability of new buildings in the City of Port Phillip.

Major achievements

- Implemented and promoted initial roll out of sustainable design scorecard
 - Established special rate schemes for underground cabling in three locations
 - Coordinated construction of six public art projects and 30 plaques as part of the *margins, memories and markers* project
 - Implemented the council's urban art policy, which applies to private developments over \$2 million, and established a register of urban artworks





Governance and Council Services

Mission: We manage the financial processes, provide integrated support services and administer governance for the council and community by supporting decision making processes and minimising risk. We do this in an ethical, innovative and customer focused manner.

The Governance and Council Services division safeguards the ongoing financial health, prosperity and relevance of the City of Port Phillip through direct service delivery to external clients and support of other service providers throughout the organisation. This division also carries out the governance functions required of the City of Port Phillip.

Finance and Investments

The Finance and Investments unit provides sound financial support for the organisation. The unit's service users are primarily other internal service units, although some services are provided directly to external parties.

Major achievements

- Led an expenditure review process that delivered over \$2 million in sustainable ongoing savings to the City of Port Phillip
- Developed a five-year financial planning framework for the City of Port Phillip, which is linked to the organisation's five-year capital works expenditure plan
- Improved the public budget documentation by incorporating a number of the proposals articulated in the best practice guide for reporting Local Government budgets in Victoria

Governance and Risk Management

The Governance and Risk Management unit supports the statutory activities and decision making processes of the organisation. Service users are primarily councillors and other internal service units.

Major achievements

- Led the Growing Democracy project, including facilitation of a community forum to review processes associated with democracy, decision making and active citizenship
- Developed a policy framework for the organisation
- Established risk management processes organisation-wide

Information Management

The Information Management unit provides information systems training, support and systems development for the organisation, and fulfils the organisation's geographic information and records management needs. Service users are primarily other internal service units.

Major achievements

- Engaged in business process redesign exercises with a number of business units to enhance service delivery through the effective use of information management systems
- Upgraded the TRIM (records management software) system to provide improved access to corporate information
- Improved the geographic information system with a software upgrade and integrated it with the council's road, rights-of-way, and signs asset management databases
- Delivered training programs for 300 staff to implement the customer relationship management system

South Melbourne Market

The South Melbourne Market unit operates the council-owned market in South Melbourne. Service users include customers and visitors at the market and market stallholders.

Major achievements

- Completed a masterplan for future development of the market site
- Continued to operate with full tenancies and improved financial returns

Corporate Development

Mission: We exist to drive and support a culture of service - utilising ideas, energy and resources - to lead to a sustainable organisation.

The Corporate Development division exists to drive and support a culture of service - using ideas, energy and resources - to lead to a sustainable organisation. The division aims to facilitate a strategic approach to organisational change and to contribute to the implementation of service unit initiatives leading to sustainable change. The ASSIST Centre, the public face of the organisation, is also within this division.



Corporate Communications and Market Research

The Corporate Communications unit ensures that information about council services is appropriately targeted and accessible to all the community. The unit also plays a significant role in improving internal communication within the organisation. This unit provides services to a broad section of the community, both within and outside Port Phillip, and to other internal service units.

Major achievements

- Restructured internal communications service delivery into an account management structure to enhance capacity
- Improved the management of civic events through the introduction of a corporate calendar and new events management process and protocols

Corporate Planning and Strategy

The Corporate Planning and Strategy unit helps guide the council's directions and priorities through corporate and business planning processes and monitors the organisation's progress against its set goals. Services are provided to councillors, senior management, staff and the Port Phillip community.

Major achievements

- Coordinated a review of the City of Port Phillip community plan
- Introduced a formal corporate plan annual review process
- Prepared the 2003/2004 corporate plan and business plan

Facilities

The Facilities unit manages council function and meeting room facilities, as well as managing civic events. This unit primarily provides services to users of council facilities.

Major achievements

- Updated subsidy application form and guidelines for community groups using council facilities to make them easier to use and clarify eligibility for subsidies

Organisation Development

The Organisation Development unit's mission is to lead, advise and influence organisation development across the City of Port Phillip by providing employee and industrial relations consultancy and advice, recruitment services, occupational health and safety, performance planning and corporate training initiatives and programs, management reporting and payroll services.

Major achievements

- Reviewed and improved the performance management appraisal system to increase focus on performance planning and development
- Introduced a range of support and development programs to build the capabilities and skills of employees, improve our service culture and improve employee health and wellbeing, including a professional development and training calendar, the Frontline Management program and the Help Yourself to Health program
- Increased focus and commitment to occupational health and safety across the organisation with a rigorous program of training for all staff, introduction of an improved committee structure and consultative framework, and implementation of a manual handling project to identify and manage associated risks

Service Access and Performance

The Service Access and Performance unit drives service improvement initiatives across the organisation and provides a first point of contact for all council-related requests. Service users include other internal service units, people accessing the council's website and anyone communicating with the council either face-to-face or by phone, fax, email or letter.

Major achievements

- Improved customer service request management with an average of 85% of requests resolved at the first point of contact
 - Annual Department for Victorian Communities research showed that residents' experience of contact with the council had improved by 5% over the previous year
 - Ensured Port Phillip Online (PPoL) is regularly in the top three Victorian and top five Local Government sites in Australia
 - Implemented new online services, including permits online, and increased the number of payment types available to residents and businesses



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THE PEOPLE





The People



Workforce Details

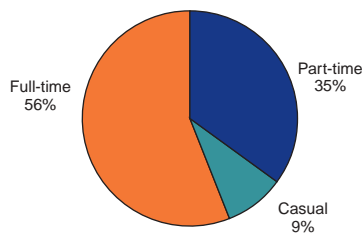
The following table outlines the number, classification and types of jobs within the City of Port Phillip organisation, including the numbers of staff of both sex, and members of staff in designated groups.

These numbers are a head count rather than an indication of EFT (Equivalent Full Time) employees. Casuals include on-call and/or intermittent staff.

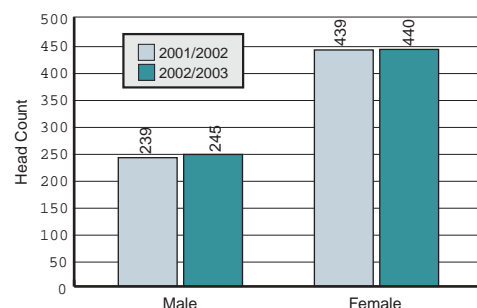
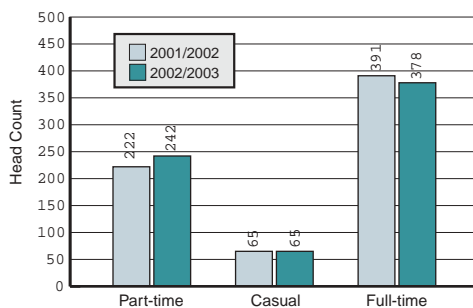
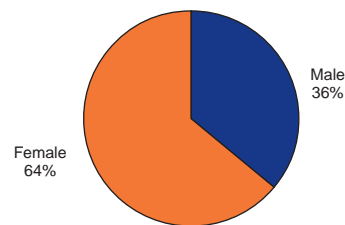
	Full-Time		Part-Time		Casual		Total
	Male	Female	Male	Female	Male	Female	
Chief Executive Officer's Office	1	1	0	0	0	0	2
Corporate Development	16	22	5	8	2	3	56
City Development	62	45	17	27	2	5	158
Social and Cultural Development	28	101	36	132	12	37	346
Infrastructure and Environment	42	19	0	2	0	1	64
Governance and Council Services	17	24	3	12	2	1	59
Total	166	212	61	181	18	47	685

Figures indicate the people paid in the last pay run for the 2002/2003 financial year (i.e. 30 June 2003).

Staff breakdown by employment status

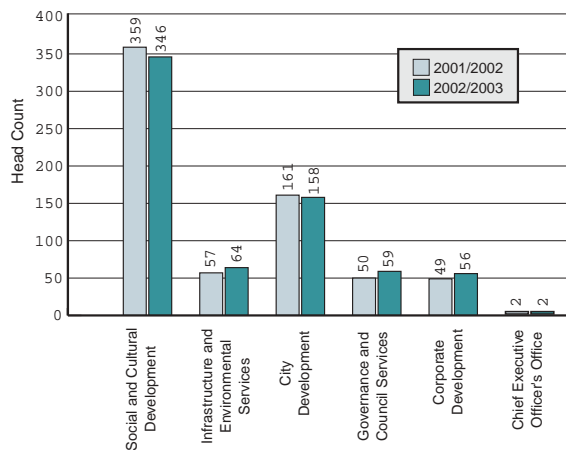
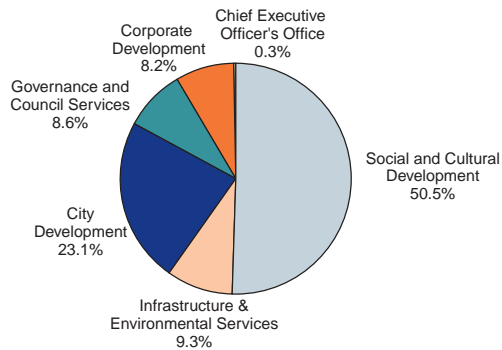


Staff breakdown by sex





Staff breakdown by division



Employee Relations

The City of Port Phillip has continued building good working relationships with employees by encouraging open communication and consultation. We have a consultative committee that consists of workplace union representatives and management representatives. This committee discusses workplace issues and initiatives, and represents the organisation during periods of enterprise bargaining negotiations.

The chief executive officer actively communicates with all levels of employees by meeting them informally on a regular basis. We also have various communication forums to ensure that all employees are involved in the organisational transformation journey that we have embarked on.

A revised and improved performance planning and development process was implemented in 2002/2003. The key objective of this revised process is to provide a framework to encourage constructive two-way feedback and communication between managers and their employees and to provide clarity around performance expectations and accountabilities that link to council objectives.

In addition to our commitment to effective employee relations, we offer excellent working conditions and opportunities. This is reflected in our human resource policies and demonstrated by an excellent track record in industrial relations, with no time lost in 2002/2003 due to workplace disputes.

The City of Port Phillip's current enterprise agreement provides opportunities for employees to be involved in improving our services through a series of productivity improvement initiatives. Pay increases are linked to evidence of completion of agreed service improvement projects. Senior managers were nominated as sponsors to work with their teams on these projects. This approach to productivity improvements was very successful, and is part of our ongoing commitment to develop an organisation whose key driver is to provide the best service possible.

Opportunities for Work Experience

The City of Port Phillip recognises the importance of providing opportunities for our young people to experience working in local community environments. A total of 14 secondary and tertiary students was able to undergo work experience within our service areas, including maternal and child health, animal management, sustainable transport, foreshore and recreation, parking enforcement, our ASSIST Centre, the depot and our libraries. We see this as a positive contribution in assisting these students to make meaningful career choices in the future and to become important contributors to their local communities.



The People



Supporting and Developing our Employees

Professional Development and Training

The City of Port Phillip believes that supporting and developing employees directly affects and improves service delivery. Training principles were endorsed in April 2003 to provide guidelines for future training. These principles support our commitment to contribute to our service culture, build our internal capacity, fill knowledge gaps and meet our legislative obligations in terms of accountability and behaviour.

A corporate professional development and training program was made available to all employees to help grow their capabilities, skills and competencies. Over 450 employees attended one of the 40 internal training sessions in 2002/2003.

Leadership Development

A pilot leadership development program, Frontline Management, was also delivered in 2002/2003, in partnership with Swinburne University, with 18 selected participants undergoing this professional development opportunity. The program was highly successful and the action learning approach provided further opportunities for participants to work on projects that would have direct benefits to the organisation's service delivery.

Induction of New Employees

The City of Port Phillip's intranet site includes information for new employees, and the organisation holds regular one-day induction sessions for all new staff members. The aim is to provide new employees with practical support and information, including an overview of the structure and general operation of the City of Port Phillip. The City of Port Phillip is also committed to ensuring that all employees reflect the organisation's values, and the chief executive officer addresses the organisation's values, vision and future in the induction sessions.

Equal Opportunity in the Workplace

Equal Opportunity Awareness

The City of Port Phillip sees providing equal opportunity as essential to our existence. Our recruitment strategies include considering whether positions may be suitable for indigenous candidates or candidates that may have disabilities.

During the year, many employees have completed an equal opportunity training program. This program has an expanded scope to include an understanding that whatever we do and how we behave affect not only our employees but our community as well. Cross-cultural training was also made available to demonstrate that we embrace the principles of a discrimination-free environment and our disability action plan includes a disability awareness training component for our employees.

No discrimination claims were made against the City of Port Phillip in 2002/2003.

Memorandum of Understanding with the Indigenous Community

The council entered into a Memorandum of Understanding with the Port Phillip indigenous community in 2003 for three years. The program was very successful in that 18 indigenous people were offered traineeships. The City of Port Phillip will continue to pursue effective and meaningful ways to attract and recruit indigenous candidates to suitable employment opportunities.

Family Friendly Workplace

Our family friendly and flexible working conditions support equal opportunity in the workplace. We recognise the need for flexibility for employees to have a greater work/life balance as see this as a direct indicator of a productive work environment.

The City of Port Phillip is a leader in terms of family leave provisions. During 2002/2003, 26 female and male employees accessed family leave. Of those, 17 have returned to work, with four of those employees working on a part-time basis. This demonstrates the belief that supporting members of the organisation will contribute to a work environment that is sustainable and focussed on service.



The People



Health, Safety and Wellbeing

Valuing Health, Safety and Wellbeing

The City of Port Phillip values the health, safety and wellbeing of its employees and community. The chief executive officer has personally committed to ensuring that we have resources, policies and procedures to address workplace health and safety, and in the past 12 months the City of Port Phillip has implemented various health, safety and wellbeing initiatives and activities.

Help Yourself to Health

We have introduced an innovative program to improve the general health and wellbeing of our employees. The program, Help Yourself to Health, has covered a variety of information sessions, including financial wellbeing, health seminars and activities. In all, 28 sessions were conducted, with 350 employees participating. Due to its success, the program will be continued next year.

Occupational Health and Safety

Occupational health and safety committees have been reconstituted with clearly defined terms of reference, roles and responsibilities. An organisational committee focuses on strategy and policy, while divisional committees ensure that health and safety issues are acted upon and that employees are aware of what is happening in their work areas in relation to occupational health and safety. The committees are supported by hazard assessment teams. These teams are made up of elected occupational health and safety workplace representatives, supervisors and selected employees who actually perform the work in the designated work groups. Their role is to analyse, assess and recommend actions to reduce risks in the workplace.

WorkSafe

A manual handling project commenced in 2002 as part of WorkSafe's ongoing audit of workplace practices in all Local Government organisations. The project was a cooperative and collaborative effort across the organisation and WorkSafe are satisfied with our efforts and future control plans to address issues as they arise.

There has been a major effort this year to educate our employees about health and safety issues. All occupational health and safety committee members and elected workplace representatives have undergone specific occupational health and safety training and, by the end of June 2003, approximately 440 employees had attended occupational health and safety awareness training sessions.

WorkCover

The council is proud of its WorkCover claims history over 2002/2003. Our WorkCover claims management strategy was implemented to ensure that injured employees are supported and returned to work as soon as possible. All injuries are investigated and, where appropriate, remedial action is taken to prevent further workplace injuries. In 2002/2003, there were only 11 standard WorkCover claims, of which six are now closed.

Our WorkCover premium rate of 1.56% (averaged across all work sites), based on claims history, is significantly lower than the average Local Government industry rate of 3.34%. This is indicative of our good track record in this area. However, this does not mean that we will be complacent in the future. A dedicated workplace health and safety advocate will join the organisation in 2003/04 to continue improvements in this area.

Employee Assistance

The wellbeing of our employees is also supported through an employee assistance program. This counselling and consulting program is available to staff and their immediate family members. It is a confidential service that may cover work or personal issues. Feedback from the provider is that 5.1% of employees have used the service in 2002/2003, enabling them to strategically address work life, morale and productivity issues.

We Earn, We Give

The City of Port Phillip and its employees have a long-standing tradition of supporting the community. Through a program called Give As You Earn, City of Port Phillip employees are able to make a direct donation to a chosen charity, with payments deducted directly from their pay. By partnering with the Charities Aid Foundation, the council has made it possible for its employees to make regular, tax-deductible donations to a charity of their choice. Staff can nominate their preference from a list of charities including the council's *friends of suai* program. The *friends of suai* program is a 10-year agreement committed to the rebuilding of the community of Suai in East Timor through the development of community links and the coordination of fundraising activities. The City of Port Phillip is contributing directly to the scheme by paying the administrative cost of 5.5 per cent, ensuring that employee donations reach the charity of choice in full. Currently, approximately 3% of employees make contributions through the Give As You Earn program.



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FINANCES



Finances

Included in the annual report are the Financial Statements for the City of Port Phillip for the year ended 30 June 2003. These Financial Statements have been prepared in accordance with Australian Accounting Standards, the *Local Government Act 1989*, Local Government Regulations 2001 and other mandatory reporting requirements.

The Port Phillip Council was established by an Order of the Governor in Council on 22 June 1994 and is a body corporate. The council's main office is located at the St Kilda Town Hall, cnr Brighton Rd and Carlisle Street, St Kilda Victoria.

The purpose of the council is to:

- (a) provide for the peace, order and good government of its municipal district.
- (b) facilitate and encourage appropriate development of its municipal district in the best interests of the community;
- (c) provide equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively; and
- (d) manage, improve and develop the resources of its district efficiently and effectively.

This introduction has been prepared to assist the readers' understanding of the audited Financial Statements and provide readers with a summary of the circumstances and issues that have had a significant impact on the statements.

Plain English Guide to the Financial Statements

Introduction

The Financial Report is a key component of the City of Port Phillip's annual report. It demonstrates how the council performed financially during the 2002/2003 financial year (Statement of Financial Performance or Profit and Loss) and summarises its overall position at the end of the financial year, 30 June 2003 (Statement of Financial Position or Balance Sheet).

The council reports on its financial performance in accordance with the Australian Accounting Standards. Readers may not be familiar with some of the terminology used. The council is also a 'not for profit' organisation and a number of the generally recognised terms used in public company reports are not appropriate for the council.

The City of Port Phillip is committed to accountability, and it is in this context that the plain English guide has been developed to assist readers with their understanding of the council's Financial Report.

What is Contained in the Annual Financial Statements?

The council's Financial Report has two main sections, namely; the Statements and the Notes.

There are four Statements and 39 Notes.

The four Statements are the:

- Statement of Financial Performance
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows

The Notes detail the council's accounting policies and the breakdown of values contained in the Statements.

The Financial Report is prepared by council staff, reviewed by the Manager Finance and Investments and then presented to the Auditor-General's contractor for audit.

Statement of Financial Performance

The Statement of Financial Performance presents:

- sources of the council's revenue under various income headings
- expenses incurred in running the council during the year

The key figure to look at is the result from ordinary activities, which is equivalent to the profit or (loss) of the council for the year.

A positive result (no brackets) means that the revenue is greater than the expenses.





Statement of Financial Position

The Statement of Financial Position is the new name for a Balance Sheet just like those presented in a company report. This summary is a snapshot of the financial situation as at 30 June. It shows what the council owns as assets and what it owes as liabilities. The 'bottom line' of this statement is the Net Assets. This is the net worth of the council which has been built up over many years.

The assets and liabilities are separated into Current and Non-current. Current means those assets or liabilities, which are realisable, or have to be paid, within the next 12 months.

The components of the Statement of Financial Position are described in the following sections.

Current and Non-Current Assets

Cash includes cash and investments, that is, cash on hand, cash held in the bank and the market value of the council's investments.

Receivables are monies owed to the council for rates, parking, fines, GST refund and other services provided by the council.

Accrued Income represents income due to the council, but not yet paid or billed.

Prepayments are accounts that have been paid in advance by the council.

Investment in Joint Venture represents the value of the council's share in the Streets Ahead Joint Venture that it has with the City of Stonnington.

Other Financial Assets represent the council's investment in the Municipal Associated Purchasing Scheme (MAPS) and the investment of funds in trust on behalf of the Rupert Bunny Trust.

Property, Infrastructure, Plant and Equipment are the largest components of the council's worth and represent the value of all the land, buildings, roads, drainage, equipment, etc. which have been purchased by, or contributed to the council over many years. It also includes those assets which the council does not own but has significant control over and responsibility for, such as foreshore pavilions.

Current and Non-Current Liabilities

Payables are those to whom the council owes money as at 30 June.

Trust Funds represents monies held in Trust by the council.

Provisions is the accounting term for accrued long service and annual leave entitlements.

Interest Bearing Liabilities are the borrowings taken out by the council.

Net Assets

Net Assets is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of the council as at 30 June. The net value of the council is also synonymous with Total Equity.

Total Equity

Total Equity is the term used to describe the components of Net Assets. These components are Reserves which include:

- **Accumulated Surplus** - the value of all Net Assets accumulated over time
- **Asset Revaluation Reserve** - the difference between the previously recorded value of assets and their current valuations
- **General Reserves** - allocations of the Accumulated Surplus to specific projects

Statement of Changes in Equity

During the course of the year the value of Total Equity as set out in the Statement of Financial Position changes. The Statement of Changes in Equity shows the values of such changes and how these changes arose.

The main reasons for a change in Total Equity stem from:

- profit or loss from operations, described in the Statement as 'Result for the Year'
- transfers to and from the council's reserves
- revaluation of assets

Statement of Cash Flows

The Statement of Cash Flows summarises the council's cash payments and cash receipts for the year. The values differ from those shown in the Statement of Financial Performance due to the requirement to include Goods and Services Tax (GST) (which is not a cost to the council as it is recovered from the Australian Taxation Office), and because it is prepared on a cash basis not an accrual basis.

The Statement of Cash Flows provides the reader with an indication of the council's liquidity and its capacity to pay its debts and other liabilities.

Cash in this Statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash.

The council's cash arises from, and is used in, three main areas.





Cash Flows from Operating Activities

Receipts is all cash received into the council's bank account from ratepayers and others who owed money to the council. Receipts also include the interest earnings from the council's cash investments.

Payments is all cash paid by the council from its bank account to staff, creditors and other persons. It does not include the costs associated with the creation of assets.

Cash Flows from Investing Activities

The accounting term Investing Activities relates to assets such as new capital plant and other long term revenue-producing assets.

Cash Flows from Financing Activities

This is where the receipt and repayment of borrowed funds are recorded.

Notes to the Accounts

The Notes are a very important and informative section of the Financial Report. They enable the reader to understand the basis upon which the values shown in the Statements are established, and are necessary to provide details of the council's accounting policies.

In addition to providing details of accounting policies, the Notes also give details behind many of the summary figures contained in the Statements. Note cross references are shown beside the relevant items in the Statement of Financial Performance, Statement of Financial Position and the Statement of Cash Flows.

Where the council wishes to disclose other information which cannot be incorporated into the Statements, this is shown in the Notes.

Other Notes include:

- the cost of the various functions of the council
- the breakdown of expenses, revenues, reserves and other assets
- contingent liabilities
- transactions with persons related to the council
- comparisons of budget to actual results
- financial performance indicators

The Notes should be read at the same time as, and together with, the other parts of the Financial Statements to get a clear picture of the accounts.

Statements by Principal Accounting Officer and Councillors

The Certification by the Principal Accounting Officer is made by the person responsible for the financial management of the council. It indicates that, in his or her opinion, the Financial Statements have met all the statutory and professional reporting requirements.

The Certification by Councillors is made by two councillors on behalf of the council. It indicates that, in their opinion, the Financial Statements are fair and not misleading.

Auditor General's Report

The independent Audit Report is the external and independent opinion on the Financial Statements.

It provides the reader with a totally independent opinion on the Financial Statements. The opinion covers both the statutory and professional requirements and also the fairness aspects of the Financial Statements.

Financial Performance

The City of Port Phillip has reported as a result from ordinary activities a \$4.557 million deficit in 2002/2003 (2001/2002 - \$3,256 million surplus). This deficit has arisen due to the inclusion of a revaluation decrement of \$9.518 million on the council's land improvements (barbecues, fencing, playgrounds, footpaths in parks, bicycle tracks, etc.) This decrement is due mainly to the overstatement of a number of the unit costs used in the previous valuation in 1999/2000, and not as a result of the council applying an inappropriate depreciation rate to this asset class. The adjustment has no impact on the council's cash position.

The council's net surplus before this revaluation adjustment is a \$4.961 million surplus, which compares favourably with the original budget (\$2.181 million surplus). This performance is noteworthy in that the council has managed to absorb the full cost of the unexpected shortfall of \$3.227 million on the defined benefits scheme.

The major factors that have underpinned the City of Port Phillip's financial performance in 2002/2003 are outlined in the following sections.



Rate Revenue

Rate revenue has increased from \$45.939 million to \$50.681 million.

Included in rate revenue is \$1.3 million derived during the year from supplementary valuation assessments issued as a result of adjusting property valuations to reflect physical changes made to those properties.

Parking Fees and Fines

Income from parking fees and fines has reduced by \$1.6 million, from \$19.197 million to \$17.592 million. This has resulted from the council no longer recognising PERIN certification fees (which are not recoverable by the council) as a debtor.

This has been offset by a reduction of \$1.76 million in the amount expensed to bad and doubtful debts.

Other Revenue

This has increased by \$1.219 million to \$2.602 million mainly as a result of a \$1.115 million distribution from the Western Regional Landfill.

Contributions

Developer contributions have increased by \$722,000 to \$3.517 million. This increase is attributable to increased residential development within the municipality.

Employee Expenses

There has been an increase of \$2.973 million in employee expenses from \$27.500 million to \$30.473 million.

The following factors are behind this increase:

- inclusion for the first time of on-costs for superannuation and Workcover in the determination of the council's liabilities for employee entitlements - \$663,000
- salary increases paid during the year to staff as a result of the Enterprise Bargaining Agreement

Non-Labour Operating Expenditure

(Professional Services, Utility Payments, Other Expenses and Contract Payments/Materials)

Non labour operating expenditure has increased by \$3.514 million from \$45.796 million in 2001/2002 to \$49.310 million.

The following factors are behind this increase:

- superannuation shortfall on the council's share of the Local Authorities Superannuation Board Defined Benefits Scheme was \$3.227 million
- increase of \$497,000 in the council's insurance expenses due to the significantly higher cost of public liability insurance

Non-Current Assets

The council discloses asset values in accordance with Australian Accounting Standards. Compliance with the standards means that carrying values in the City of Port Phillip are either at cost or fair value, and that the recorded values are regularly assessed to ensure they are kept up to date by reference to the cost of replacing the assets. When there is a change in cost across a class of assets and that change is material to the existing carrying value, the council revalues the entire class of assets. This process ensures that the carrying values are fair and kept up to date.

During 2002/2003, title to a reserve at The Oasis development in St Kilda passed to the council as a result of a condition in the planning permit. This 'contributed asset' is now recorded in the asset register of the council and the value of the land handed over, \$263,000, is included in the 2002/2003 Statement of Financial Performance.

Additionally, during the 2002/2003 year a revaluation of the land improvements asset class was undertaken as part of the rolling revaluation program. As stated earlier, this revaluation resulted in a decrement of \$9.518 million as a result of an overstatement in the unit costs used in the previous valuation performed in 1999/2000.



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FINANCIAL REPORT



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STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2003

	Note	2003 \$'000	2002 \$'000
REVENUES			
Revenue from ordinary activities			
Rates	2	50,681	45,939
Parking fees and fines	3	17,592	19,197
User charges and other fines	4	9,439	8,452
Grants	5	9,292	10,631
Contributions	6	3,517	2,795
Other revenue	7	2,602	1,383
Interest		1,301	1,071
Rent		4,024	3,739
Proceeds from disposal of property, plant and equipment	8	551	91
Total Revenue		98,999	93,298
EXPENSES			
Expenses from ordinary activities			
Employee costs	9	30,473	27,500
Contract payments, materials and services	10	27,675	26,454
Bad and doubtful debts	11	311	2,071
Depreciation	12	10,747	11,122
Professional services		3,322	4,279
Utility payments		1,919	2,273
Other expenses	13	16,394	12,790
Written down value of assets sold	8	2,611	2,879
Revaluation decrement		9,320	-
		102,772	89,368
Less borrowing costs expense	14	(687)	(746)
Add share of net (loss)/profit of joint venture accounted for using the equity method	35	(97)	72
Result from ordinary activities		(4,557)	3,256
Movements in equity			
Adjustment to asset revaluation reserve	23	(1,228)	139,885
Adjustment to accumulated surplus as a result of a change in accounting policy - AASB 1028 Employee Benefits		(104)	-
Total movements directly recognised as equity		(1,332)	139,885
Total changes in equity for the year		(5,889)	143,141

The accompanying notes form part of this financial report





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STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2003

	Note	2003 \$'000	2002 \$'000
ASSETS			
Current assets			
Cash assets	15	29,475	26,372
Receivables	16	12,255	9,933
Accrued income		112	140
Prepayments		173	204
Total current assets		42,015	36,649
Non-current assets			
Investment in joint venture	35	505	602
Other financial assets		284	284
Receivables	16	40	5,905
Property, infrastructure, plant and equipment	17	977,109	982,884
Total Non-current assets		977,938	989,675
Total Assets		1,019,953	1,026,324
LIABILITIES			
Current liabilities			
Payables	18	7,459	7,821
Trust funds	19	771	881
Employee benefits	20	2,641	2,605
Provisions	21	320	240
Interest-bearing liabilities	22	719	676
Total current liabilities		11,910	12,223
Non-current liabilities			
Employee benefits	20	2,822	2,271
Interest-bearing liabilities	22	10,208	10,928
Total Non-current liabilities		13,030	13,199
Total liabilities		24,940	25,422
Net Assets		995,013	1,000,902
Represented by:			
Accumulated surplus		498,428	501,933
Reserves	23	496,585	498,969
Equity		995,013	1,000,902

The accompanying notes form part of this financial report.



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2003

	Note	Total Total		Accumulated Surplus		Asset Revaluation Reserve		Other Reserves	
		2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
Balance at beginning of the financial year		1,000,902	857,761	501,933	499,992	476,395	336,510	22,574	21,259
Result for the year		(4,557)	3,256	(4,557)	3,256	-	-	-	-
Net asset revaluation increment/ (decrement)	23(a)	(1,228)	139,885	-	-	(1,228)	139,885	-	-
Transfers to other reserves	23(b)	-	-	11,694	4,470	-	-	(11,694)	(4,470)
Transfers from other reserves	23(b)	-	-	(10,538)	(5,785)	-	-	10,538	5,785
Change in accounting policy - AASB 1028 Employee benefits		(104)	-	(104)	-	-	-	-	-
Balance at end of the financial year		995,013	1,000,902	498,428	501,933	475,167	476,395	21,418	22,574

The accompanying notes form part of this financial report.



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STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2003

Cash flows from operating activities	Note	2003 Inflows/ (Outflows) \$'000	2002 Inflows/ (Outflows) \$'000
Rates		50,190	45,509
Parking fees and fines		19,116	19,423
User charges and other fines (inclusive of GST)		9,927	10,386
Grants (inclusive of GST)		9,784	10,631
Contributions		3,517	2,795
Interest		1,301	1,071
Rents (inclusive of GST)		4,426	3,739
Other receipts (inclusive of GST)		2,890	3,684
Net GST refund		3,246	2,778
Payments to suppliers (inclusive of GST)		(38,526)	(42,607)
Payments to employees		(29,966)	(27,438)
Borrowing costs		(687)	(746)
Other payments		(13,862)	(12,867)
Net cash provided by operating activities	24	21,356	16,358
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(14,900)	(14,015)
Proceeds from sale of investments		8,847	2,796
Proceeds from sale of assets		551	91
Net cash used in investing activities		(5,502)	(11,128)
Cash flows from financing activities			
Repayment of borrowings		(3,904)	(635)
Net cash used in financing activities		(3,904)	(635)
Change in cash held		11,950	4,595
Cash at the beginning of the financial year		6,363	1,767
Cash at the end of the financial year	25	18,313	6,363
Financing arrangements	26	2,030	7,532
Restrictions on cash assets	27	8,807	8,526

The accompanying notes form part of this financial report.



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Introduction

This financial report of Port Phillip City Council is a general purpose financial report that consists of a Statement of Financial Performance, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. This general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, Urgent Issues Group Consensus views, the *Local Government Act 1989*, and the Local Government Regulations 2001.

Note 1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

This financial report has been prepared on the accrual and going concern bases.

This financial report has been prepared under the historical cost convention, except where specifically stated in Note 1(g).

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

(b) Change in accounting policies

Employee costs

In the reporting periods prior to 30 June 2003, provisions for employee costs were measured using remuneration rates current at reporting date.

For the period ending on 30 June 2003, the council is required by AASB 1028 'Employee Benefits' to measure provisions for employee costs at remuneration rates expected to apply when the obligation is settled, including the expected future increase in remuneration rates.

The transitional arrangements of AASB 1028 on adoption at 1 July 2002 give rise to an adjustment to opening annual leave liabilities and a corresponding change to accumulated surplus.

The impact of the change is:

Decrease	Accumulated surplus	\$103,876
Increase	Employee costs	\$103,876

(c) Revenue recognition

Rates, grants and contributions

Rates, grants and contributions (including developer contributions) are recognised as revenues when the council obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 5. Note 5 also discloses the amount of unused grant or contribution from prior years that was expended on the council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User charges, fees and fines

User charges, fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for doubtful debts is recognised when collection in full is no longer probable.

Sale of property, infrastructure, plant and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and rents

Interest and rents are recognised as revenue when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.



(d) Depreciation and amortisation of non-current assets

Buildings, land improvements, heritage assets, infrastructure, plant and equipment assets having limited useful lives are systematically depreciated over their useful lives to the council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where infrastructure assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and/or residual values and a separate depreciation rate is determined for each component.

Straight line depreciation is charged based on the residual useful life as determined each year.

Major depreciation periods used are listed below and are consistent with the prior year unless otherwise stated:

	Period
Land and buildings	
Buildings	100 years
Land improvements	40 years
Heritage assets	
Heritage assets	100 years
Other Plant and equipment	
Communications equipment	3 years
Furniture	5 years
Information technology	3 years
Library books	5 years
Motor vehicles	5 years
Office equipment	5 years
Pay parking equipment	5 years
Infrastructure	
<i>Roads</i>	
Substructure	100 years
Seal	
- Asphalt	15 years
- Spray	10 years
Footpaths	40 years
Kerb and channel	50 years
Drains	100 years
<i>Bridges</i>	
Substructure	100 years
Deck	100 years
Lanes (Right of Ways)	100 years

(e) Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

(f) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing costs include interest on borrowings.

(g) Recognition and measurement of assets

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by the council, cost includes all materials used in construction, direct labour and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised in note 17. In accordance with the council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Class of asset	Threshold Limit
<i>Land and buildings</i>	
Land	All
Buildings	\$5,000
Land improvements	\$5,000
<i>Heritage assets</i>	
Heritage assets	All
<i>Plant and equipment</i>	
Plant and machinery	\$1,000
Furniture, equipment, and computers	\$1,000
Software	\$10,000



Note 1 SIGNIFICANT ACCOUNTING POLICIES

(g) Recognition and measurement of assets (cont.)

Class of asset	Threshold/Limit
Infrastructure	
<i>Roads</i>	
- Earthworks	\$5,000
- Substructure	\$5,000
- Seal	\$5,000
Footpaths	\$5,000
Kerb and channel	\$5,000
Drains	\$5,000
<i>Bridges</i>	\$5,000
- Substructure	\$5,000
- Deck	\$5,000
Lanes	\$5,000
Irrigation and sprinkler systems	\$5,000
Street furniture	\$5,000
Parks and gardens furniture and equipment	\$5,000
Playground equipment	\$5,000
Fencing	\$5,000
Library books	All
Artworks	\$1,000

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, furniture and fittings at valuation and heritage assets, are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, the council reviewed the carrying value of the individual classes of assets to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, the council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from one to three years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior

year decrement for that class of asset that had been recognised as an expense, in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Land under roads

The council has elected not to recognise land under roads as an asset, in accordance with AASB 1045 Land under Roads, which extends the requirement to recognise and measure land under roads as an asset of council until 30 June 2007.

(h) Cash assets

For the purposes of the statement of cash flows, cash assets include cash on hand, deposits at call, and other highly liquid investments with short periods to maturity that are readily convertible to cash on hand at the council's option and are subject to insignificant risk of changes in values, net of outstanding bank overdrafts.

(i) Investments

Investments are measured at cost.

(j) Community Housing Agreements

The council has financial interests in 14 properties, eight of which are council owned, two part-owned with the State Government's Office of Housing and one (Inkerman Oasis) involving units provided for the council under an agreement with a private developer. Apart from Inkerman Oasis, all are subject to joint venture agreements with the Office of Housing. Nine properties are operational under the management of the St Kilda Housing Association Inc., three are under construction, and one yet to be developed.

Assets acquired are initially recorded at cost. The council has no ongoing liabilities for costs which are borne by the Port Phillip Housing Association under the terms of the management agreement. Recent projects comprise Inkerman Oasis, St Kilda, which is to be provided by a developer with stage one completed and stage two soon to commence construction; Excelsior Hall and Liardet community housing in Port Melbourne which are under construction and Woodstock in Balaclava, which is at the statutory planning stage.



(k) Tender deposits

Amounts received as tender deposits and retention amounts controlled by the council are recognised as trust funds until they are returned or forfeited.

(l) Employee costs

Wages and salaries

Liabilities for wages and salaries and rostered days off are recognised and are measured as the amount unpaid at balance date and include appropriate on-costs such as work cover charges.

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date and are measured at the amount expected to be paid, including appropriate on-costs, when the accrued obligation is settled.

Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related on-costs and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Superannuation

A liability is recognised in respect of the council's present obligation to meet the unfunded obligations of defined benefit superannuation schemes to which its employees are members. A liability is defined as the council's share of the scheme's unfunded position, being the difference between the present value of employees' accrued benefits and the net market value of the scheme's assets at balance date. A liability also includes applicable contributions tax.

The superannuation expense for the reporting year is the amount of the statutory contribution the council makes to the superannuation plan which provides benefits to its employees together with contributions for members of any defined benefits schemes. Any movements (favourable/unfavourable) in the position of any defined benefits schemes are disclosed under the other expenses note 13. Details of these arrangements are set out in the superannuation note 28.

Retirement gratuities

Retirement gratuities were provided to certain employees who joined the council prior to 30 June 1995. The liability represents a set proportion of accumulated sick leave that is payable on retirement. At balance date, the liability is measured at the present value of estimated future cash flows to be made to this entitlement.

(m) Leases

Operating leases

Lease payments for operating leases are recognised as an expense in the years in which they are incurred.

(n) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being the council's operational cycle.

(o) Budget information

Amounts shown in the financial report as budget information have been disclosed for information purposes only. Where necessary, budget information has been recast to comply with current presentation requirements. The budget figures have been drawn from the council's budget approved at the time the rates and corporate plan were adopted by the council for the 2002-2003 year.

(p) Joint ventures

The council records its share of the joint venture net profits into its statement of financial performance and it includes its share of the joint venture's net assets and liabilities as non current assets in its statement of financial position.

(q) Agreements equally proportionately unperformed

The council does not recognise assets and liabilities arising from agreements that are equally proportionately unperformed in the statement of financial position. Such agreements are recognised on an 'as incurred' basis.

(r) Website costs

Costs in relation to websites are charged as an expense in the period in which they are incurred.

(s) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars.





NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 2	RATES	2003 \$'000	2002 \$'000
	The council uses Net Annual Value (NAV) as the basis of valuation of all properties within the municipal district. The NAV of a property is its imputed rental value. The valuation base used to calculate general rates for 2002/2003 was \$1,111.6 million (2001/2002: \$902.1 million). The 2002/2003 rate in the NAV dollar was 4.442 (2001/2002: 4.903).		
	Residential	29,399	24,401
	Commercial	10,631	10,131
	Industrial	3,127	3,277
	Supplementary rates and rate adjustments	1,313	1,098
	Garbage bin charge	111	113
	Interest on rates	481	386
	Municipal charge	-	1,190
	Investment flats	5,619	5,343
		50,681	45,939
	The date of the last general revaluation of land for rating purposes within the municipal district was 1 January 2002 and the valuation first applied to the rating period commencing 1 July 2002. The date of the next general revaluation of land for rating purposes within the municipal district will be 1 January 2004 and the valuation will be first applied in the rating year commencing 1 July 2004.		
Note 3	PARKING FEES AND FINES		
	Parking fines and other charges	8,949	11,376
	Fees - ticket machines	8,075	7,384
	Permits	568	437
		17,592	19,197
Note 4	USER CHARGES AND OTHER FINES		
	Advertising levy	105	125
	Aged services	905	942
	Animal management services	244	109
	Building services	440	555
	Child care/Children's programs	2,538	2,444
	Festivals	228	204
	Health and food act fees	510	491
	Kerbside permits	479	498
	Land information certificates	123	134
	Market fees	295	314
	Planning fees	1,570	1,250
	Re-instatement works	590	644
	Waste management	322	316
	Other fees and charges	1,090	426
		9,439	8,452





Note 5	GRANTS	2003 \$'000	2002 \$'000
	Grants were received in respect of the following :		
	Commonwealth Government		
	Pre school	29	-
	Child care centre	476	276
	Family day care	-	2
	Adventure playground and leisure	315	281
	Immunisation	28	18
	Family support	32	30
	Arts	44	38
	Indigenous	-	22
	Trade waste	4	23
	Coastal and marine	-	26
	School crossing	-	63
	Rooming house social meals	17	-
	Inkerman Oasis housing development	27	149
	Capital grants	-	5
	Switched on	20	-
	Training	7	-
	Roads to recovery	174	266
		1,173	1,199
	State Government - General Purpose		
	Home help - elderly	1,304	1,238
	Addas	204	198
	Specific home care	236	232
	Home maintenance services	109	107
	Senior citizen centres	58	58
	Meals on wheels	160	145
	Pre school	30	89
	Maternal and child health	246	230
	Child care centre	43	1
	Family day care	18	220
	Adventure playground and leisure	250	270
	Dental program	8	7
	Family support	102	127
	Arts	58	56
	Drug strategy	224	285
	Isepech	193	338
	Library subsidy	415	404
	Beach clean	33	305
	Coastal and marine grant	56	55
	EPA grant	-	135
	VicRoads	1,032	1,077
	Walksafe	-	8
	School crossing	53	-
	Capital grants	1,357	1,624



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 5	GRANTS (CONTINUED)	2003 \$'000	2002 \$'000
	Registered premises	51	32
	National competition policy	213	139
	SES subsidy	5	-
	Urban planning	12	14
	Clock tower refurbishment	-	350
	International year of volunteers	-	13
	Rooming house social meals	28	13
	Upper esplanade design grant	-	54
	Sports and recreation grants	-	67
	Walking school bus	25	-
	Housing week	2	-
		6,525	7,891
	Victorian Grants Commission	1,594	1,541
	Total	9,292	10,631
	Recurrent	7,574	8,001
	Non-Recurrent	1,718	2,630
	Total	9,292	10,631
	Conditions on Grants		
	Grants recognised as revenue during the year that were obtained on the condition that they be expended in a specified manner that had not occurred at balance date were:		
	Community housing	-	55
	Cultural and recreational services	270	382
	Drug strategy	182	68
	Environmental	72	90
	Kindergartens	-	6
	Parking strategy	-	35
	Social support	51	57
	Sustainable development	31	125
	Youth development	14	42
		620	860
	Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
	Children services	-	14
	Coastal and marine planning	-	239
	Community buses	-	31
	Community services	-	340
	Community housing	55	-
	Cultural and recreational services	382	123
	Drug strategy	68	168
	Environmental	90	-
	Kindergartens	6	-
	Health services	-	28
	Healthy cities	-	82
	Indigenous program	-	39
	Parking strategy	35	179
	Port Melbourne design refurbishment	-	50
	Social support	57	52
	Sustainable development	125	-
	Youth development	42	-
		860	1,345



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	2003 \$'000	2002 \$'000
Note 6 CONTRIBUTIONS		
Developer contributions	263	-
Open space contributions	3,250	2,793
Car park contributions	4	2
	3,517	2,795
Note 7 OTHER REVENUE		
Operating		
Contributions and donations	281	186
Sales	153	215
Sundry income	2,168	982
	2,602	1,383
Note 8 DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT		
Roads, footpaths and bridges		
Proceeds from sale of assets	-	-
Written down value of assets disposed of	(1,506)	(884)
Loss on disposal of roads, footpaths and bridges	(1,506)	(884)
Drainage		
Proceeds from sale of assets	-	-
Written down value of assets sold	(101)	-
Loss on disposal of drainage assets	(101)	-
Land improvements		
Proceeds from sale of assets	192	-
Written down value of assets sold	(537)	-
Loss on disposal of land improvement assets	(345)	-
Plant and equipment		
Proceeds from sale of assets	328	-
Written down value of assets sold	(315)	(11)
Profit/(loss) on disposal of plant and equipment	13	(11)
Furniture and fittings		
Proceeds from sale of assets	31	91
Written down value of assets sold	(152)	(159)
Profit/(loss) on disposal of furniture and fittings	(121)	(68)
Work in progress		
Proceeds from sale of assets	-	-
Written down value of assets sold	-	(1,825)
Loss on disposal of work in progress	-	(1,825)
Summary		
Proceeds from sale of assets	551	91
Written down value of assets sold	(2,611)	(2,879)
Loss on disposal of assets	(2,060)	(2,788)





NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 9	EMPLOYEE COSTS	2003 \$'000	2002 \$'000
	Wages and salaries	21,490	19,799
	Casual staff	3,171	2,746
	Annual leave and long service leave	2,663	2,187
	Superannuation	2,313	1,942
	Fringe benefits tax and work cover	836	757
	Redundancy	-	69
		30,473	27,500
Note 10	CONTRACT PAYMENTS, MATERIALS AND SERVICES		
	Contract payments		
	Cleaning	4,615	4,604
	Health/Child care centres/Kindergartens/Schools	234	405
	Festivals/Programs	594	469
	Food production	462	607
	Information systems	195	402
	Maintenance and construction	5,818	4,912
	Parking admin/Management	1,336	1,465
	Parks/Gardens/Reserves	5,184	4,444
	Perin lodgement fees	1,794	1,958
	Recycling/Waste management	3,640	3,770
	Revenue management/Rates	599	524
	Security services	729	761
	Valuations	455	530
	Other	1,516	391
		27,171	25,242
	Materials and services		
	Materials, consumables and minor asset purchases <\$1000	504	1,212
		504	1,212
	Total	27,675	26,454
Note 11	BAD AND DOUBTFUL DEBTS		
	Parking fine debtors	168	787
	Parking related debtors - PERIN Court	115	1,153
	Other debtors	27	131
	Allowance for doubtful debts	1	-
		311	2,071
Note 12	DEPRECIATION		
	Buildings	1,597	1,559
	Heritage and works of art	53	52
	Plant and machinery	1,287	981
	Furniture, equipment and computers	1,724	1,720
	Roads, streets, and bridges	4,624	5,229
	Land improvements	810	814
	Drainage works	652	767
		10,747	11,122





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Note 13	OTHER EXPENSES	2003 \$'000	2002 \$'000
	Advertising	855	809
	Internal auditors remuneration	15	34
	External auditors remuneration	39	36
	Contributions - other	1,818	1,854
	Insurance	1,567	1,070
	Metropolitan Fire Brigade levy	1,230	1,215
	Printing and stationery	863	907
	Telephone charges	1,102	1,260
	Training	463	444
	Operating lease expenses	1,815	2,082
	Election expenses	14	186
	Catering charges	230	212
	Postage	224	217
	General transport	180	254
	Activities / programs	296	255
	Bank charges	324	309
	Software costs	515	374
	Superannuation Defined Benefit Fund Levy	3,227	-
	Other	1,617	1,272
		16,394	12,790
Note 14	BORROWING COSTS EXPENSE	\$'000	\$'000
	Interest	687	746
		687	746
Note 15	CASH ASSETS		
	Cash deposits		
	Cash on hand	19	17
	Cash at bank	2,294	6,346
		2,313	6,363
	Bank bills	27,162	20,009
	Total cash assets	29,475	26,372
Note 16	RECEIVABLES		
	Current		
	Rates debtors	2,608	2,117
	Parking infringement debtors	13,405	14,026
	Allowance for doubtful debts - parking infringements	(8,144)	(8,049)
	Other debtors	3,829	1,219
	Allowance for doubtful debts - other debtors	(61)	(57)
	Net GST receivable	618	677
		12,255	9,933
	Non-Current		
	Other debtors	-	5,845
	Deferred debtors	40	60
		40	5,905
	Total receivables	12,295	15,838



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 17 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	2003 \$'000	2002 \$'000
Land and buildings		
Land		
at cost	700	-
at fair value as at 30 June 2003	2,868	-
at fair value as at 30 June 2002	202,225	202,225
Controlled land at fair value as at 30 June 2002	481,065	481,065
Total	686,858	683,290
Land improvements		
at cost	-	4,417
at fair value as at 30 June 2003	22,502	-
at valuation as at 1 January 2000	-	28,945
Less: accumulated depreciation	(11,184)	(16,500)
Total	11,318	16,862
Buildings		
at cost	2,937	-
at fair value as at 30 June 2003	1,965	-
at fair value as at 30 June 2002	73,110	73,110
Controlled buildings at fair value as at 30 June 2002	87,976	87,976
Less: accumulated depreciation	(112,456)	(110,849)
Total	53,532	50,237
Plant and equipment		
Plant and equipment		
at cost	968	1,253
at deemed cost as at 1 July 2001	3,553	2,284
Less: accumulated depreciation	(1,849)	(981)
Total	2,672	2,556
Furniture and fittings		
at cost	4,090	3,949
at deemed cost as at 1 July 2001	2,466	562
Less: accumulated depreciation	(3,602)	(1,720)
Total	2,954	2,791
Heritage and works of art		
at cost	36	13
at council's valuation as at 1 January 2000	5,225	5,225
Less: accumulated depreciation	(182)	(129)
Total	5,079	5,109





Note 17 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (CONT.)	2003 \$'000	2002 \$'000
Infrastructure		
Roads, footpaths and bridges		
at cost	13,990	14,320
at council's valuation as at 1 January 2000	248,585	251,987
at council's valuation as at 30 June 2001	3,509	3,509
Less: accumulated depreciation	(98,938)	(95,116)
Total	167,146	174,700
Drains		
at cost	1,890	288
at fair value as at 30 June 2002***	64,411	64,590
Less: accumulated depreciation	(26,472)	(25,870)
Total	39,829	39,008
Work in progress - at cost	7,721	8,331
Total property, infrastructure, plant and equipment	977,109	982,884

- i) Valuations for land and buildings as at 30 June 2002 were performed by a qualified valuer Mr Frank Carbone, Certified Practising Valuer. Valuations for land and buildings as at 30 June 2003 were also provided by Mr Carbone in respect of land contributed during the year and land and buildings received by Council during the year in settlement of a debt.
- ii) Valuations were performed as at 30 June 2003 in respect of Land Improvements by Mr D Yeouart BE, MIE Aust., CP Eng.
- iii) Heritage and works of art - due to the diversity of assets within the asset category a large number of qualified valuers were engaged.
- iv) Infrastructure assets, roads, footpaths and bridges were valued in 2000 by Mr D Yeouart BE, MIE Aust., CP Eng. Valuations were undertaken in 2001 in respect of assets contributed during that year. An assessment during 2003 of the value of all these assets has indicated that there is no material change required to be made to their carrying value.
- v) Infrastructure assets, drains were valued in 2002 by Mr D Yeouart BE, MIE Aust., CP Eng.

Fair Value Basis of Valuation

Fair value is determined based on the following:

- the market value or market price, where there is a quoted market price in an active and liquid market, or
- the market evidence, where there is no quoted market prices, but there is available market evidence of fair value with respect to similar assets, or
- the assets buying price, where the market buying and selling prices differ materially or where no market exists for the asset.

In determining fair value, the following basis of valuation was used for each class of asset revalued as at 30 June 2002:

Land and Buildings

Valuation of land and buildings were undertaken by a qualified valuer. The valuation of buildings is at current replacement cost less accumulated depreciation. The valuation of land is market value based on highest and best use permitted by relevant land planning provisions. All freehold land reserved for public open space is valued using a discount rate to arrive at a market value.

Drainage

Drainage assets were revalued at fair value as at 30 June 2002. The valuation is at replacement cost less accumulated depreciation.





NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 17 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT RECONCILIATION

Infrastructure	Roads, Footpaths and Bridges	Drainage	Total Infrastructure 2003 \$'000	
WDV Balance at beginning of financial year	174,700	39,008	213,708	
Acquisition of assets	3,930	1,304	5,234	
Depreciation (Note 12)	(4,624)	(652)	(5,276)	
Revaluation increment(decrement)	(1,163)	-	(1,163)	
WDV adjustments/transfers	(4,191)	270	(3,921)	
WDV of disposals	(1,506)	(101)	(1,607)	
WDV Balance at end of financial year	167,146	39,829	206,975	
Land and Buildings	Land - freehold and other controlled	Buildings on freehold and controlled land	Land Improvements	Total Land and Buildings 2003 \$'000
WDV Balance at beginning of financial year	683,290	50,237	16,862	750,389
Acquisition of assets	3,568	4,284	2,062	9,914
Depreciation (Note 12)	-	(1,597)	(810)	(2,407)
Revaluation increment(decrement)	-	-	(9,384)	(9,384)
WDV adjustments/transfers	-	608	3,125	3,733
WDV of disposals	-	-	(537)	(537)
WDV Balance at end of financial year	686,858	53,532	11,318	751,708
Plant and equipment	Plant and Equipment	Furniture and Fittings	Heritage and Art works	Total Plant and Equipment 2003 \$'000
WDV Balance at beg. of financial year	2,556	2,791	5,109	10,456
Acquisition of assets	1,270	2,301	23	3,594
Depreciation (Note 12)	(1,287)	(1,723)	(53)	(3,063)
WDV adjustments/transfers	448	(263)	-	185
WDV of disposals	(315)	(152)	-	(467)
WDV Balance at end of financial year	2,672	2,954	5,079	10,705
W.I.P.	W.I.P.	Total Non Current Assets		
WDV Balance at beg. of financial year	8,331	982,884		
Acquisition of assets	6,396	25,138		
Depreciation (Note 12)	-	(10,746)		
Revaluation increment(decrement)	-	(10,547)		
WDV adjustments/transfers	-	(3)		
WDV of disposals	-	(2,611)		
Capitalisations of W.I.P	(7,006)	(7,006)		
WDV Balance at end of financial year	7,721	977,109		



	2003	2002
	\$'000	\$'000
Note 18 PAYABLES		
Trade creditors	5,268	5,190
Superannuation	69	45
Accrued expenses	2,119	2,577
Other	3	9
	7,459	7,821
Note 19 TRUST FUNDS		
Refundable building deposits	33	95
Refundable contract deposits	150	153
Refundable tender deposits	71	59
Refundable civic facilities deposits	24	21
Retention amounts	-	155
Other refundable deposits	493	398
	771	881
Included in other refundable deposits is a trust fund amounting to \$279,005 for the further development of the visual arts, particularly art in public spaces within the municipality of St. Kilda.		
Note 20 EMPLOYEE BENEFITS		
Current		
Annual leave	2,427	2,074
Long service leave	133	220
Retirement gratuity	32	32
Other	49	279
	2,641	2,605
Non-current		
Long service leave	2,531	1,986
Retirement gratuity	291	285
	2,822	2,271
Aggregate Carrying Amount of Employee costs		
Current	2,641	2,605
Non-current	2,822	2,271
	5,463	4,876
	No.	No.
Average employee numbers during the financial year	848	823
Note 21 PROVISIONS		
Current	320	240
Non-current	-	-
Total	320	240



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 22 INTEREST-BEARING LIABILITIES	2003 \$'000	2002 \$'000
Current		
Borrowings - Secured	719	676
Non-current		
Borrowings - Secured	10,208	10,928
Total	10,927	11,604
The maturity profile for the council's borrowings is:		
Not later than one year	719	676
Later than one year and not later than five years	3,356	3,157
Later than five years	6,852	7,771
	10,927	11,604
Note 23 RESERVES		
(a) Asset revaluation reserve		
Land		
Balance at beginning of reporting period	435,639	292,611
Increment	-	143,028
Balance at end of reporting period	435,639	435,639
Land improvements		
Balance at beginning of reporting period	65	65
Decrement	(65)	-
Balance at end of reporting period	-	65
Buildings		
Balance at beginning of reporting period	16,990	17,633
Decrement	(875)	(643)
Balance at end of reporting period	16,115	16,990
Furniture and fittings		
Balance at beginning of reporting period	1,470	1,470
Balance at end of reporting period	1,470	1,470
Plant and equipment		
Balance at beginning of reporting period	83	83
Balance at end of reporting period	83	83
Roads, footpaths and bridges		
Balance at beginning of reporting period	22,369	22,369
Decrement	(288)	-
Balance at end of reporting period	22,081	22,369
Drains		
Balance at beginning of reporting period	(221)	2,279
Decrement	-	(2,500)
Balance at end of reporting period	(221)	(221)
Total asset revaluation reserve	475,167	476,395



Note 23 RESERVES (CONT.)	2003 \$'000	2002 \$'000
(b) Other reserves		
General reserve		
The general reserve aggregates a number of specific purpose reserve funds including public housing and tree root damage.		
Balance at beginning of reporting period	16,557	15,599
Transfer from accumulated surplus	4,171	3,016
Transfer to accumulated surplus	(5,454)	(2,058)
Balance at end of reporting period	15,274	16,557
Statutory reserves		
Resort and recreation reserve		
The resort and recreation reserve is for the accumulation of developers contributions which are to be expended at a future date on recreational infrastructure.		
Balance at beginning of reporting period	4,765	4,437
Transfer from accumulated surplus	6,270	2,673
Transfer to accumulated surplus	(6,240)	(2,345)
Balance at end of reporting period	4,795	4,765
Contributions for car parking reserve		
The car parking reserve is for the accumulation of developers contributions which are to be expended at a future date on improved car parking facilities.		
Balance at beginning of reporting period	1,252	1,156
Transfer from accumulated surplus	97	96
Transfer to accumulated surplus	-	-
Balance at end of reporting period	1,349	1,252
Total statutory reserve	6,144	6,017
Total reserves	496,585	498,969





NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 24 RECONCILIATION OF RESULT FROM ORDINARY ACTIVITIES WITH NET CASH FROM OPERATIONS	2003 \$'000	2002 \$'000
Result from ordinary activities	(4,557)	3,256
Depreciation	10,747	11,122
Loss on disposal of property, plant and equipment (see Note 8)	2,060	858
Loss/(profit) on joint venture	97	(72)
Collection of debt in specie - Inkerman Oasis	(3,231)	-
Asset revaluation decrement - Land improvements	9,320	-
Superannuation Defined Benefit Levy	3,227	-
Change in assets and liabilities:		
Decrease in receivables	3,543	519
Decrease in accrued income	28	995
Decrease in prepayments	31	1,100
(Decrease) in payables and trust funds	(472)	(2,061)
Decrease in other liabilities	80	(30)
Increase in employee benefits	483	671
Net cash provided by operating activities	21,356	16,358
Note 25 RECONCILIATION OF CASH AT YEAR-END TO CASH ASSETS		
Cash deposits (see Note 15)	2,313	6,363
Cash equivalents - Bank Bills with maturity less than three months	16,000	-
	18,313	6,363
Note 26 FINANCING ARRANGEMENTS		
Bank overdraft	2,000	7,500
Used facilities	-	-
Unused facilities	2,000	7,500
Credit Card Facilities	34	34
Used facilities	4	2
Unused facilities	30	32
Note 27 RESTRICTED ASSETS		
Council has Cash Assets (Note 15) that are subject to restrictions. As at the reporting date, the council had legislative restrictions in relation to employee entitlements (Long Service Leave) and reserve funds (Recreational Lands Reserves).		
Long service leave (see Note 20)	2,663	2,509
Statutory reserve balances (Note 23)	6,144	6,017
	8,807	8,526

*Restricted asset for long service leave is based on the Local Government (Long Service Leave) Regulations 2002 and does not necessarily equate to the long service leave liability disclosed in note 21 due to a different basis of calculation prescribed by the regulation.

Additionally, included in Assets Note 17 'Property, infrastructure, plant and equipment' are housing assets which have restrictions on them. These assets which total \$25.2 million (2001/2002 \$17.9 million) are used for community housing and were purchased with assistance from State Government funding. This funding imposes restrictions preventing the council from using these assets for any other purpose. If the funding conditions in the respective funding agreements for each property are defaulted upon, council is liable to repay to the State Government an amount determined in those agreements. Based upon the \$25.2 million gross value included in the accounts, the amount that would be required to be repaid to the State Government in a default situation would be \$10.3 million (2001/2002: \$6.9 million).



Note 28 SUPERANNUATION

The council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (LASB). The fund has two categories of membership, each of which are funded differently.

The Fund's LASPLAN category receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with the Superannuation Guarantee Legislation (9% in 2002/2003 and 8% in 2001/2002). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Details of contributions to superannuation funds during the year and contributions payable at 30 June 2003 are as follows:

	2003 \$'000	2002 \$'000
Employer contribution to Local Authorities Superannuation Fund	2,782	2,410
Employer contribution payable to Local Authorities Superannuation Fund at reporting date	-	34

The council makes employer contributions to the defined benefits category of the Fund at rates determined by the Fund's Trustee on the advice of the actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2002, the Trustee has determined that the council should make the following contributions:

- 9.25% of members' salaries (same as previous year);
- the difference between resignation and retrenchment benefits paid to its retrenched employees (same as previous year);
- The council's share of the funding shortfall in the Local Authorities Superannuation Defined Benefit Plan of \$127m at 31 December 2002 was \$3.23m. The funding or "actuarial" shortfall is the amount by which the current value of assets plus expected future contributions is less than the value of expected future benefits and expenses. The Local Authorities Superannuation Fund Defined Benefit Plan is operated as a mutual plan. The council's portion was settled prior to 30 June 2003 and is included in the Statement of Financial Performance.

The Fund's liability for accrued benefits was determined in the 31 December 2002 actuarial investigation pursuant to the requirements of Australian Accounting Standard AAS25 as follows:

	31-Dec-02 \$000's
Net market value of assets	2,013,748
Accrued Benefits (per accounting standards)	2,085,204
Difference between Assets and Accrued Benefits	(71,456)
Vested Benefits	2,013,156



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 29 COMMITMENTS

The council has entered into the following contracts:

2003	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years	Total
Operating				
Air conditioning system	35	32	-	67
Autocite machines	40	-	-	40
Civil infrastructure construction	6,000	10,500	-	16,500
Cleaning	6,636	3,445	-	10,081
Financial system support	38	-	-	38
Food production	286	143	-	429
Mailing equipment	4	7	-	11
Parking services	1,268	1,328	-	2,596
Property rental	4	-	-	4
Rates management	288	-	-	288
Recycling collection	786	-	-	786
Rubbish collection	971	-	-	971
Security services	345	-	-	345
Software licences	44	88	-	132
Street tree & parks maintenance	3,400	880	-	4,280
Syringe disposal services	42	-	-	42
Valuations and property mgt. services	218	127	-	345
	20,405	16,550	-	36,955
Capital				
Construction	5,337	-	-	5,337
	25,742	16,550	-	42,292
2002	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years	Total
Operating				
Autocite machines	37	-	-	37
Civil infrastructure construction	6,000	16,500	-	22,500
Cleaning	3,812	6,126	-	9,938
Financial system support	38	-	-	38
Food production	286	-	-	286
Health care	286	-	-	286
Mailing equipment	4	11	-	15
Parking services	1,133	2,754	-	3,887
Rates management	575	268	-	843
Recycling collection	1,309	786	-	2,095
Rubbish collection	1,616	971	-	2,587
Software licences	44	132	-	176
Street tree maintenance	1,100	1,400	-	2,500
Syringe disposal services	42	42	-	84
Valuations and property mgt. services	450	1,433	-	1,883
	16,732	30,423	-	47,155
Capital				
Construction	1,354	-	-	1,354
	18,086	30,423	-	48,509



Note 30 OPERATING LEASE COMMITMENTS	2003 \$'000	2002 \$'000
At the reporting date, the council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within the council's activities (these obligations are not recognised as liabilities).		
Not later than one year	797	761
Later than one year and not later than five years	471	711
Later than five years	-	244
	1,268	1,716
Note 31 CONTINGENT LIABILITIES AND CONTINGENT ASSETS		
<i>Contingent liabilities</i>		
Guarantee		
The council had executed a bank guarantee guaranteeing repayment of a loan facility granted to the Port Melbourne Yacht Club Inc. The council was released from this guarantee during the year		
	-	1
Legal matters		
The council is presently involved in several confidential legal matters are being conducted through the council's solicitors.		
As these matters are yet to be finalised and the financial outcome cannot be determined, a contingency of \$116,000 has been included.	116	74
Contingent assets		
Open space contributions		
The council estimates that \$1.88 m of assets will pass to the council in the future in respect of anticipated development contributions for open space improvements	1,880	2,195





NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 32 FINANCIAL INSTRUMENTS

(a) Accounting policy, terms and conditions

Recognised Financial Instruments Financial Assets	Note	Accounting Policy	Terms and Conditions
Cash assets	15	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues. Investments and Bills are valued at cost. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue.	On call deposits returned a floating interest rate of 4.25% in 2002/2003. The interest rate at balance date was 4.25% in 2002/2003. Term Deposits and Bank Bills returned fixed interest rate of between 4.63% and 5.29% in 2002/2003.
Receivables Rates debtors	16	Rates are carried at nominal amounts due plus penalty interest and legal fees on overdue rates. Rate debts are a charge attached to the rateable land that is recoverable on sale, therefore, no provision for doubtful debts is made. Interest rates are reviewed annually.	Rates are payable by four instalments during the year. Arrears, including deferred rates, attract interest. The interest rate was 11.5% (11.5% in 2001/2002) at balance date for general rates. Interest rates charged for Special Rate and Private Street Schemes was 11.5% at balance date (11.5% in 2001/2002).
Parking infringement debtors	16	PINS/PERIN Court debtors are measured at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection in full is no longer probable. Collectability of overdue accounts is assessed on an ongoing basis.	Parking infringements are unsecured. The provision for parking infringement doubtful debts is calculated as a percentage of total parking infringement revenue and has been evaluated and recognised based on previous payment and collection history.
Other debtors	16	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection in full is no longer probable.	Collectability of overdue accounts is assessed on an ongoing basis. General debtors are unsecured and do not attract interest. Credit terms are based between seven and 30 days depending on nature of service.
Financial Liabilities			
Payables	18	Liabilities are recognised for amounts to be paid in the future for goods and services provided to the council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing liabilities	22	Loans are carried at their principal amounts, which represent the present value of future cashflows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the council. The weighted average interest rate on borrowings was fixed at 6.15% in 2002/2003 (6.15% in 2001/2002).



Note 32 FINANCIAL INSTRUMENTS (cont.)

(b) Interest rate risk

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

2003						
	Floating Interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets						
Cash assets	2,313	-	-	-	-	2,313
Other financial assets	-	27,162	-	-	-	27,162
Receivables	-	-	-	-	12,295	12,295
Accrued income	-	-	-	-	112	112
Total financial assets	2,313	27,162	-	-	12,407	41,882
Weighted average interest rate	4.25%	4.76%	n/a	n/a	n/a	
Financial liabilities						
Payables	-	-	-	-	7,459	7,459
Interest-bearing liabilities	-	719	3,356	6,852	-	10,927
Total financial liabilities	-	719	3,356	6,852	7,459	18,386
Weighted average interest rate	n/a	6.15%	6.15%	6.15%	n/a	
Net financial assets (liabilities)	2,313	26,443	(3,356)	(6,852)	4,948	23,496
2002						
	Floating Interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets						
Cash assets	6,363	-	-	-	-	6,363
Other financial assets	-	20,009	-	-	-	20,009
Receivables	-	-	-	-	15,838	15,838
Accrued income	-	-	-	-	140	140
Total financial assets	6,363	20,009	-	-	15,978	42,350
Weighted average interest rate	4.25%	4.81%	n/a	n/a	n/a	
Financial liabilities						
Payables	-	-	-	-	7,821	7,821
Interest-bearing liabilities	-	676	3,157	7,771	-	11,604
Total financial liabilities	-	676	3,157	7,771	7,821	19,425
Weighted average interest rate	n/a	6.15%	6.15%	6.15%	n/a	
Net financial assets (liabilities)	6,363	19,333	(3,157)	(7,771)	8,157	22,925



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 32 FINANCIAL INSTRUMENTS (CONT.)

(c) Net fair values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Financial Instruments	Total carrying amount as per Statement of Financial Position		Aggregate net fair value	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
(1) Financial assets				
Cash assets	2,313	6,363	2,313	6,363
Other financial assets	27,162	20,009	27,162	20,009
Receivables	12,295	15,838	12,295	15,838
Accrued income	112	140	112	140
Total financial assets	41,882	42,350	41,882	42,350
(2) Financial liabilities				
Payables	7,459	7,821	7,459	7,821
Interest bearing liabilities	10,927	11,604	10,927	11,604
Total financial liabilities	18,386	19,425	18,386	19,425

(d) Credit risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the statement of financial position.

Note 33 AUDITORS' REMUNERATION

	2003 \$'000	2002 \$'000
Audit fee to conduct external audit - Victorian Auditor-General	41	36
Internal audit fees and other like services - Day Neilson	76	34
	117	70





Note 34 RELATED PARTY TRANSACTIONS

(i) Names of persons holding the position of a Responsible Person at the Port Phillip Council during the reporting year are:

Councillors	Liz Johnstone (Councillor 1/7/02 to 19/03/03, mayor to current) Darren Ray (Mayor 1/7/02 to 19/03/03, councillor to current) David Brand Dick Gross Julian Hill Carolyn Hutchens Peter Logan
Chief Executive Officer	David Spokes

(ii) Remuneration of Responsible Persons

**2003
No. 2002
No.**

Annual remuneration of responsible persons were within the following bands:

1 - \$10,000	-	1
\$10,001 - \$20,000	5	5
\$20,001 - \$30,000	1	1
\$30,001 - \$40,000	1	1
\$200,001 - \$210,000	-	1
\$210,001 - \$220,000	1	-
	8	9
Total remuneration for the year for Responsible Persons above amounted to	\$'000 355	\$'000 340

(iii) No retirement benefits have been made by the council to a Responsible Person (2001/2002, Nil).

(iv) No loans have been made, guaranteed or secured by the council to a Responsible Person during the reporting year (2001/2002, Nil).

(v) Other Transactions

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by the council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2001/2002, Nil).



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 34 RELATED PARTY TRANSACTIONS (CONT.)

(vi) Senior Officers Remuneration

A Senior Officer of the council is a person, other than a Responsible Person, occupying a management role within the council, and receiving annual remuneration of \$80,000 or greater.

The number of senior officers, other than the Responsible Persons, whose total remuneration exceeded \$80,000 during the reporting year, are shown below in their relevant income bands:

Income Range:	2003 No.	2002 No.
\$80,001 - \$90,000	19	4
\$90,001 - \$100,000	8	6
\$100,001 - \$110,000	2	1
\$110,001 - \$120,000	3	2
\$120,001 - \$130,000	1	3
\$130,001 - \$140,000	3	2
\$140,001 - \$150,000	1	-
\$160,001 - \$170,000	-	1
\$170,001 - \$180,000	1	-
	38	19
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers	3,757	2,039





Note 35 JOINT VENTURE INFORMATION

JOINT VENTURE – STREETS-AHEAD CLEANING SERVICE

During 1999/2000 the Port Phillip City Council and Stonnington City Council formed an agreement to participate in a joint venture for the purpose of providing cleansing services primarily to Victorian Local Government clients. The Joint Venture called 'Streetsahead' commenced operating on 1 February 2000 and performs street sweeping, footpath sweeping, lane sweeping, weed control, beach and foreshore cleaning, litter bin clearing and pit cleaning. The council has a 50% interest which is detailed below, in the assets, liabilities and operating results of this Joint Venture.

During the financial year, the council purchased cleaning services from the Joint Venture on normal commercial terms & conditions. The decrease in equity derived from the Joint Venture operations to 30 June 2003 is \$97,185 (2001/2002 increase of \$72,064).

	2003 \$'000	2002 \$'000
Revenue from ordinary activities	2,853	2,726
Expenses	2,944	2,654
Result from ordinary activities	(91)	72
Total movements directly recognised as equity Less decrease in surplus as a result of change in accounting policy - AASB1028 Employee benefits	(6)	-
	(97)	72
The council's share of the net assets and liabilities of the Joint Venture are included as Non-current Assets. This investment is represented by the following assets and liabilities:		
Current assets		
Cash assets	275	482
Receivables	289	100
Other financial assets	400	300
Other	16	1
Total Current Assets	980	883
Non-current assets		
Property, plant and equipment	245	293
Total Non-current Assets	245	293
Total Assets	1,225	1,176
Current liabilities		
Payables	296	217
Employee costs	223	189
Total Current Liabilities	519	406
Non-current liabilities		
Employee costs	201	168
Total Non-current Liabilities	201	168
Total Liabilities	720	574
Net Assets employed in Joint Venture	505	602
Equity		
Accumulated surplus	33	130
Joint Venturers' Equity	472	472
Equity employed in Joint Venture	505	602





NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 36 REVENUES, EXPENSES AND ASSETS BY FUNCTION/ACTIVITY

Rather than provide segment information as required per Accounting Standards, the Local Government Regulations require the following program based disclosures:

	INFRASTRUCTURE AND ENVIRONMENTAL SERVICES		CITY DEVELOPMENT		CORPORATE DEVELOPMENT		GOVERNANCE AND COUNCIL SERVICES		SOCIAL AND CULTURAL DEVELOPMENT		OTHER* NOT ATTRIBUTED		TOTAL	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
REVENUE														
Grants	2,674	3,665	365	627	1	45	1,807	1,680	4,445	4,614	-	-	9,292	10,631
Proceeds from sales	58	-	-	37	1	9	671	10	19	35	-	-	749	91
Other	150	1,087	25,254	25,309	656	235	7,178	5,448	4,593	4,538	51,127	46,031	88,958	82,648
TOTAL REVENUE	2,882	4,752	25,619	25,973	658	289	9,656	7,138	9,057	9,187	51,127	46,031	98,999	93,370
EXPENSES	25,259	26,001	16,354	17,488	4,401	3,596	38,733	24,271	18,809	18,758	-	-	103,556	90,114
NET SURPLUS/ (DEFICIT) FOR YEAR	(22,377)	(21,249)	9,265	8,484	(3,743)	(3,307)	(29,077)	(17,133)	(9,752)	(9,571)	51,127	46,031	(4,557)	3,256
TOTAL ASSETS BY DIVISION	8,129	7,195	(2,162)	799	-	13	1,013,874	975,620	112	203	-	42,494	1,019,953	1,026,324

*General rates and current assets have not been attributed to functions

ACTIVITIES

Infrastructure and Environmental Services

Responsible for ensuring effective delivery of environmental and engineering services.

The Division includes the following Departments:

Assets and Environment, City Works and Services, and Council Liaison and Technical Services.

City Development

Responsible for strategic planning and facilitation, building and planning, urban design and architecture as well as neighbourhood amenity services.

The Division includes the following Departments:

Neighbourhood Development, Urban Design and Architecture, Enforcement and Public Health, and Planning and Building Services.

Corporate Development

Responsible for service support, contract management and human resources.

The Division includes the following Departments:

Corporate Communications and Facilities, Organisation Development, Service Access and Performance, and Corporate Planning and Strategy

Governance and Council Services

Responsible for internal business support, financial management, property and regulatory services, records management and information systems

The Division includes the following Departments:

Business Development.

Social and Cultural Development

Responsible for ensuring effective access and delivery of community services.

The Division includes the following Departments:

Social Development, Culture and Recreation, and Planning and Policy.





Note 37 FINANCIAL RATIOS (PERFORMANCE INDICATORS)

	2003 \$'000		2002 \$'000		2001 \$'000
(a) Debt servicing ratio (to identify the capacity of the council to service its outstanding debt)					
Debt servicing costs	687	= 0.69%	746	= 0.80%	843 = 0.93%
Total revenue	98,999		93,298		90,528

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease interest and bank overdraft. The ratio expresses the amount of interest paid as a percentage of council's total revenue.

(b) Debt commitment ratio (to identify the council's debt redemption strategy)					
Debt servicing and redemption costs	1,361	= 2.69%	1,381	= 3.01%	1,442 = 3.28%
Rate revenue	50,681		45,939		43,999

The strategy involves the payment of loan principal and interest, finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

(c) Revenue ratio (to identify the council's dependence on rate income)					
Rate revenue	50,681	= 51.19%	45,939	= 49.24%	43,999 = 48.60%
Total revenue	98,999		93,298		90,528

The level of the council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of council.

(d) Debt Exposure Ratio (to identify the council's exposure to debt)					
Total indebtedness	16,133	= 1:17.96	16,896	= 1:17.29	20,016 = 1:20.70
Total realisable assets	289,771		292,102		414,310

For the purposes of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.

Any liability represented by a restricted asset (Note 27) is excluded from total indebtedness.

The following assets are excluded from total assets when calculating the council's realisable assets: land - other controlled; buildings on other controlled land; restricted assets; heritage assets; roads and lanes; footpaths; kerb and channel; drains; bridges; and the council's investment in the Rupert Bunny Artists Trust Fund.

This ratio enables assessment of council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of the council. Total liabilities are compared to total realisable assets which are all council assets not subject to any restriction and are able to be realised. The ratio expresses the multiple of total liabilities for each dollar of realisable assets.

(e) Working Capital Ratio (to assess the council's ability to meet current commitments)					
Current assets	42,015	= 3.53:1	36,649	= 2.99:1	36,569 = 2.75:1
Current liabilities	11,910		12,223		13,318

The ratio expresses the level of current assets the council has available to meet its current liabilities.





NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 38 COMPARISON OF ACTUAL TO BUDGET RESULTS				
(a) Accrual Based	Operating Results			
	2003 Actual \$'000	2003 Budget \$'000	2002 Actual \$'000	2002 Budget \$'000
Revenue from ordinary activities				
Rates	50,681	49,134	45,939	45,323
Parking fees and fines	17,592	19,017	19,197	21,211
User charges and other fines	9,439	7,175	8,452	6,355
Grants	9,292	7,515	10,631	9,837
Contributions	3,517	2,195	2,795	2,440
Other revenue	2,602	3,998	1,383	670
Interest	1,301	750	1,071	576
Rent	4,024	1,489	3,739	3,554
Proceeds from disposal of property, plant and equipment	551	500	91	-
	98,999	91,773	93,298	89,966
Expenses from ordinary activities				
Employee costs	30,473	28,670	27,500	25,033
Contract payments, materials and services	27,675	26,744	26,454	25,749
Bad and doubtful debts	311	-	2,071	2,934
Depreciation	10,747	10,874	11,122	11,527
Consultants and utility payments	5,241	6,480	6,552	6,158
Other expenses	16,394	15,543	12,790	14,110
Written down value of assets sold	2,611	-	2,879	-
Revaluation decrement	9,320	-	-	-
	102,772	88,311	89,368	85,511
Less borrowing costs expense	(687)	(792)	(746)	(844)
Add share of (loss)/net profits of joint ventures	(97)	-	72	-
Result from ordinary activities	(4,557)	2,670	3,256	3,611





Note 38 COMPARISON OF ACTUAL TO BUDGET RESULTS (CONT.)

(b) Cash Based	Cash Flow			
	2003 Actual \$'000	2003 Budget \$'000	2002 Actual \$'000	2002 Budget \$'000
Cash flows from operating activities				
Rates	50,190	49,184	45,509	45,322
Parking fees and fines	19,116	-	19,423	18,518
User charges and other fines (inclusive of GST)	9,927	-	10,386	10,417
Grants (inclusive of GST)	9,784	8,673	10,631	7,477
Contributions	3,517	-	2,795	2,440
Interest	1,301	749	1,071	576
Rents (inclusive of GST)	4,426	-	3,739	-
Other receipts (inclusive of GST)	2,890	32,716	3,684	2,360
Net GST refund	3,246	-	2,778	-
Payments to suppliers (inclusive of GST)	(38,526)	(48,751)	(42,607)	(31,971)
Payments to employees (including redundancies)	(29,966)	(28,670)	(27,438)	(25,038)
Borrowing costs	(687)	(792)	(746)	(844)
Other payments	(13,862)	-	(12,867)	(13,315)
Net cash provided by operating activities	21,356	13,109	16,358	15,942
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment	(14,900)	(16,860)	(14,015)	(16,524)
Proceeds from sale of investments	8,847	-	2,796	-
Proceeds from sale of assets	551	500	91	-
Net cash used in investing activities	(5,502)	(16,360)	(11,128)	(16,524)
Cash flows from financing activities				
Proceeds from interest bearing liabilities	-	1,500	-	1,500
Repayment of interest bearing liabilities	(3,904)	(936)	(635)	(845)
Net cash (used in) provided by financing activities	(3,904)	564	(635)	655
Change in cash held	11,950	(2,687)	4,595	73
Cash at the beginning of the financial year	6,363	6,363	1,767	1,767
Cash at the end of the financial year	18,313	3,675	6,363	1,840



NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE 2003

Note 38 COMPARISON OF ACTUAL TO BUDGET RESULTS (CONT.)

	Rate Determination			
	2003 Actual \$'000	2003 Budget \$'000	2002 Actual \$'000	2002 Budget \$'000
Revenue from ordinary activities				
Rates	50,681	49,134	45,938	45,323
Grants	6,167	7,515	7,195	5,963
Interest	1,204	750	1,143	576
Grants commission	1,594	1,158	1,541	1,514
Charges, fees, fines	26,748	26,192	27,649	27,567
Contributions	4,785	2,195	4,690	4,800
Other	6,626	4,329	5,123	4,226
Total Revenue from ordinary activities	97,805	91,273	93,279	89,967
Expenses from ordinary activities				
Employee costs	30,474	28,670	27,092	25,033
Materials and contracts	28,228	26,775	28,453	25,749
Utility payments	1,919	2,166	2,273	2,100
Depreciation	-	-	-	-
Professional services	3,377	4,314	4,214	3,939
Borrowing costs expense	687	792	746	844
Other expenses	15,813	15,512	15,265	17,163
Total Expenses from ordinary activities	80,498	78,229	78,043	74,828
Surplus after ordinary activities	17,307	13,044	15,236	15,139
Capital expenditure	(14,575)	(19,055)	(14,683)	(20,163)
Proceeds from disposal of assets	749	500	91	-
Proceeds from sale of property	-	1,500	-	1,500
Loan Repayments	(676)	(936)	(636)	(845)
Reserve transfers (net)	1,156	3,760	(1,316)	(454)
Brought Forward Surplus 2001/2002	5,978	1,188	7,286	4,823
Surplus	9,939	1	5,978	1



Note 39 Explanation of material variances between Budget and Actual Operating Results

REVENUE

User charges and other fines

Budget did not include income from the independent Child Care Centres (\$2.09M).

Contributions

Greater than anticipated property development resulted in increased developed open space contributions.

OTHER REVENUES

Interest

Increased funds available for investment as a result of delays in expending council's capital budget and marginally higher interest rates.

Expenses

Contract payments, material and services

The council agreed to the purchase of additional services from its Parks and Open Space contractor for works and open space maintenance.

Written down value of assets sold

No budget was made for fixed asset disposals.

Employee costs

Unbudgeted superannuation shortfall (\$3.4 m) and the budget did not include labour costs for the independent Child Care Centres (\$2 m).





**CITY OF PORT PHILLIP COUNCIL MATERIAL VARIANCES AND NEW/UNUSUAL ITEMS
FINANCIAL STATEMENTS 30 JUNE 2003**

Item	Note #	2003 \$000's	2002 \$000's	Variance \$000's	Variance % from prior year
OPERATING STATEMENT					
Revenue					
Rates	2	50,681	45,939	4,742	10% Rates increase (6.5%) and supplementary valuations \$1.3M
Grants	5	9,292	10,631	(1,339)	-13% Loss of a number of one off grants - see note 5 and reduced capital grants
Interest		1,301	1,071	230	22% Increase in funds available for investment and marginally higher interest rates
Charges, fees, fines	3 & 4	27,031	27,649	(618)	-2% In line with previous year
Developers Contributions	6	3,517	2,795	722	26% Increased development
Rent		4,024	3,739	285	8% Not material
Other revenue	7	2,602	1,383	1,219	88% Distribution from Western Regional Landfill (\$1.115M).
Proceeds on sale of assets	8	551	91		
Total Revenue		98,999	93,298	5,701	6%
Expenses					
Employee costs	9	30,473	27,500	2,973	11% Superannuation shortfall (\$3.4M) and impact of EBA increases (July and Jan)
Contract payments, materials and services	10	27,675	26,454	1,221	5%
Depreciation	12	10,747	11,122	(375)	-3%
Professional Services		3,322	4,279	(957)	-22% Targeted by Expenditure Review Committee as an area for cost reduction of 20%
Utility Payments		1,919	2,273		
Other expenses	13	16,394	12,790	3,604	28%
Bad and Doubtful Debts	11	311	2,071	(1,760)	-85% In 2002 our PERIN write off was greater due to the write-off of the opening balance of PERIN debtors
Revaluation decrement improvements		9,320	-	9,320	Devaluation of land
Written down value of assets sold	8	2,611	2,879	(268)	-9%
Total Expenses		102,772	89,368	13,404	15%
Borrowing costs expense	14	(687)	(746)	59	-8% Linked to a reduction in council's debt
Add share of net profits of joint ventures	35	(97)	72	(169)	-235%
Net result for the reporting period		(4,557)	3,256	(7,813)	-240%
Net increase in asset revaluation reserve	23	(1,228)	139,885	(141,113)	-101%
Adj. to acc. surplus re employee benefits		(104)	0	(104)	
Net increase (decrease) in net assets arising from operations		(5,889)	143,141	(149,030)	-104%



Item	Note #	2003 \$000's	2002 \$000's	Variance \$000's	Variance % from prior year
FINANCIAL POSITION					
Current Assets					
Cash	15	2,313	6,363	(4,050)	-64% Additional funds in investments
Receivables:	16				
Rates debtors		2,608	2,117	491	23% Increased legal and interest costs raised against overdue rates
Parking infringement debtors		13,405	14,026	(621)	-4% In line with previous year
Less : Provision for doubtful debts *		(8,144)	(8,049)	(95)	1%
		5,261	5,977	(716)	-12%
Other receivables		4,447	1,896	2,551	135% Oasis apartment proceeds transferred from non-current assets to current assets
Less : Provision for doubtful debts		(61)	(57)	(4)	7%
		4,386	1,839	2,547	138%
Total Receivables		12,255	9,933	2,322	23%
Other Financial Assets					
- Bank bills and cash*	15	27,162	20,009	7,153	36% Increased investments
Other:					
Prepayments		173	204	(31)	-15% 2003 excluded Grants pre payment, but included additional insurance pre payments
Accrued income		112	140	(28)	-20% Interest receivable slightly less in 2003 and accrued revenue less in 2003.
Total Other		285	344	(59)	-17%
Total Current Assets		42,015	36,649	5,366	15%





**CITY OF PORT PHILLIP COUNCIL MATERIAL VARIANCES AND NEW/UNUSUAL ITEMS
FINANCIAL STATEMENTS 30 JUNE 2003**

Item	Note #	2003 \$000's	2002 \$000's	Variance \$000's	Variance % from prior year
FINANCIAL POSITION					
Non Current Assets					
Other financial assets:					
MAPS Shares & Investment		284	284	-	0%
Investment in Joint Venture	35	505	602	(97)	-16%
Total Investments		789	886	(97)	-11%
Non Current assets - receivables	16	40	5,905	(5,865)	-99% Proceeds from 15 Oasis apartments received prior to anticipated and transferred to Current
Property, plant and equipment:					
INFRASTRUCTURE ASSETS					
Roads, footpaths and bridges					
Roads, footpaths and bridges at cost		13,990	14,320	(330)	
at current cost as at 30 June 2001		3,509	3,509	-	
Roads, footpaths and bridges at current cost as at 1 January 2000***		248,585	251,987	(3,402)	
Less: Accumulated depreciation		(98,938)	(95,116)	(3,822)	
Sub Total		167,146	174,700	(7,554)	-4%
Drainage works					
Drainage works at cost		1,890	288	1,602	
Drainage works at fair value as at 30 June 2002		64,411	64,590	(179)	
Less: Accumulated depreciation		(26,472)	(25,870)	(602)	
Sub Total		39,829	39,008	821	2%
LAND AND BUILDINGS					
Land					
Land at cost		700	-	700	
at fair value as at 30 June 2003		2,868	-	2,868	
at fair value as at 30 June 2002		202,225	202,225	-	
Controlled land at fair value as at 30 June 2002		481,065	481,065	-	
Sub Total		686,858	683,290	3,568	1%
Land improvements					
Land improvement at cost		-	4,417	(4,417)	
at fair value as at 30 June 2003		22,502	-	-	
Land improvement at current cost as at 1 January 2000		-	28,945	(28,945)	
Less: Accumulated depreciation		(11,184)	(16,500)	5,316	
Sub Total		11,318	16,862	(5,544)	-33%
Buildings					
Buildings at cost		2,937	-	2,937	
at fair value as at 30 June 2002		1,965	-	-	
at fair value as at 30 June 2002		73,110	73,110	-	
Controlled buildings at fair value as at 30 June 2002		87,976	87,976	-	
Less: Accumulated depreciation		(112,456)	(110,849)	(1,607)	
Sub Total		53,532	50,237	3,295	7%



Item	Note #	2003 \$000's	2002 \$000's	Variance \$000's	Variance % from prior year
FINANCIAL POSITION (cont)					
OTHER PLANT AND EQUIPMENT					
Plant and equipment					
Plant and machinery at cost		968	1,253	(285)	
at Deemed cost as at 1 July 2001		3,553	2,284	1,269	
Less: Accumulated depreciation		(1,849)	(981)	(868)	
Sub Total		2,672	2,556	116	5%
Furniture and fittings					
Furniture and equipment at cost		4,090	3,949	141	
at Deemed cost as at 1 July 2001		2,466	562	1,904	
Less: Accumulated depreciation		(3,602)	(1,720)	(1,882)	
Sub Total		2,954	2,791	163	6%
Heritage and works of art					
Heritage and works of art at cost		-	13	(13)	
Heritage and works of art at current cost as at 1 January 2000***		5,225	5,225	-	
Less: Accumulated depreciation		(182)	(129)	(53)	
Sub Total		5,043	5,109	(66)	-1%
Capital works in progress at cost		7,721	8,331	(610)	-7% Capitalisation process has improved.
Total property, plant and equipment		977,073	982,884	(5,811)	-1%
Total Non Current Assets		977,938	989,675	(11,737)	-1%
Current Liabilities					
Payables:					
Payables:	18	7,459	7,821	(362)	-5% Accrued expenses down slightly. Could be greater awareness of processing invoices on a more timely basis
Trust funds	19	771	881	(110)	-12% \$155K in 2002 retentions. Retentions now classified in creditors.
Total Payables		8,230	8,702	(472)	-5%



**CITY OF PORT PHILLIP COUNCIL MATERIAL VARIANCES AND NEW/UNUSUAL ITEMS
FINANCIAL STATEMENTS 30 JUNE 2003**

Item	Note #	2003 \$000's	2002 \$000's	Variance \$000's	Variance % from prior year
FINANCIAL POSITION (CONT.)					
Provisions:	21				
Current					
Annual leave		2,427	2,074	353	17% Change in accounting standard.
Rostered days off		49	60	(11)	-19% Move to business unit monitoring of RDO's & policy of taking day as incurred.
Retirement gratuity		32	32	-	0%
Long service leave		133	220	(87)	-40%
Unfunded superannuation liability		-	-	-	-
Other employee entitlements		-	218	-	- No bonuses in 2003.
Other		320	240	80	33% Recording lease on Crown Land as a provision, rather than as an accrual.
Total Provisions		2,961	2,845	116	4%
Interest bearing liabilities:	22				
Loans - secured - Unfunded superannuation liability *		719	676	43	6%
Total Current Liabilities		11,910	12,223	(313)	-3%
Net Current Assets		30,105	24,426	5,679	23%
Non Current Liabilities					
Provisions: Long service leave standards.	21	2,531	1,986	545	27% Change in accounting
Interest bearing liabilities - Unfunded super	21	10,208	10,928	(720)	-7% Year of payments
Retirement Gratuity	21	291	285	6	2%
Total Non Current Liabilities		13,030	13,199	(169)	-1%
Net Non Current Assets		964,908	976,476	(11,568)	-1%
Net Assets		995,013	1,000,902	(5,889)	-1%
Equity					
Accumulated surplus		498,428	501,933	(3,505)	-1%
Reserves:					
Asset Revaluation Reserve	23	475,167	476,395	(1,228)	0%
General Reserve		15,274	16,557	(1,283)	-8% One years contributions
Resort and Recreation Reserve		4,795	4,765	30	1%
Contributions for Car Parking Reserve		1,349	1,252	97	8%
Total Reserves		496,585	498,969	(2,384)	0%
Total Equity		995,013	1,000,902	(5,889)	-1%





► Certification of the Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the Local Government Regulations 2001, Australian Accounting Standards and other mandatory professional reporting requirements.

David Filmler
Principal accounting officer
Dated: 22 September 2003
St. Kilda

In our opinion the accompanying financial statements present fairly the financial transactions of the Port Phillip City Council for the year ended 30 June 2003 and the financial position of the council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the council on 1 September 2003 to certify the financial statements in their final form.

Liz Johnstone
Mayor and councillor
Dated: 22 September 2003
St. Kilda

David Brand
Deputy Mayor and councillor
Dated: 22 September 2003
St. Kilda

David Spokes
Chief executive officer
Dated: 22 September 2003
St. Kilda



Auditor General's Report



AUDITOR GENERAL
VICTORIA

AUDITOR-GENERAL'S REPORT

To the responsible Ministers and the Councilloers of Port Phillip City Council

Matters relating to the electronic presentation of the Audited Financial Report

This audit report relates to the financial report of Port Phillip City Council for the financial year ended 30 June 2003 included on Port Phillip City Council's web site. The Councilloers of Port Phillip City Council are responsible for the integrity of Port Phillip City Council's web site. I have not been engaged to report on the integrity of Port Phillip City Council's web site. The audit report refers only to the statements named below. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on this web site.

Audit Scope

The accompanying financial report of Port Phillip City Council for the financial year ended 30 June 2003, comprising a statement of financial performance, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, has been audited. The Councilloers are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the responsible Ministers and Councilloers as required by the *Audit Act 1994*.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Local Government Act 1989*, so as to present a view which is consistent with my understanding of the Council's financial position and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Local Government Act 1989*, the financial position of Port Phillip City Council as at 30 June 2003 and its financial performance and cash flows for the year then ended.

MELBOURNE
24 September 2003

J.W. CAMERON
Auditor-General



ANNUAL
REPORT
2002/2003



APPENDICES



► Councillors as Representatives of the City of Port Phillip

The councillors represent the City of Port Phillip and the council on external and internal committees, boards, steering groups, panels, alliances, forums, reference groups and associations. The following table shows the main entities with which each councillor was associated at the end of June 2003.

Cr Brand

- Cultural Advisory Board
- Democracy Panel
- External Relations Committee
- *friends of suai* Community Steering Group
- Human Resources Committee
- Multicultural Advisory Committee
- Urban History Advisory Committee

Cr Gross

- Drugs Round Table
- EcoCentre Committee of Management
- Elwood Canal Implementation Committee
- Gay and Lesbian Advisory Committee
- Sustainable Environment Advisory Committee
- Victorian Local Governance Association
- Western Region Waste Management Group

Cr Hill

- Accommodation Task Force
- Drugs Round Table
- Community Grants Advisory Panel
- Metropolitan Transport Forum

Cr Hutchens

- South Port Community Residential Home Feasibility Working Party
- Healthy and Safer Cities Alliance
- Inner Melbourne Road Safety Council
- Older Persons Reference Group
- Melbourne Sports and Aquatic Centre Advisory Committee
- South Melbourne Market Management Committee

Cr Johnstone

- Accommodation Task Force
- Association of Bayside Municipalities
- City of Port Phillip Audit Committee
- Democracy Panel
- Eastern Bayside Traffic Monitoring Committee
- Elwood Canal Implementation Committee
- External Relations Committee
- Friends of Suai Community Steering Group
- Human Resources Committee
- Inner South Metropolitan Mayors' Forum
- Local Sustainability Partnership (MAV)
- Municipal Association of Victoria
- Memorandum of Understanding and Indigenous Reference Group
- Sustainable Environment Advisory Committee

Cr Logan

- Accommodation Task Force
- Community Grants Advisory Panel
- External Relations Committee
- Human Resources Committee
- Library Advisory Committee
- South Melbourne Market Management Committee
- Youth Advisory Committee

Cr Ray

- Democracy Panel
- Municipal Association of Victoria
- Port Phillip Housing Association Inc. Committee of Management
- State Government Ministerial Housing Council (Victorian Local Government Association representative)





Summary of Best Value Service Review Outcomes for 2002/2003

Integrated Transport Management

Review Completed July 2002

Key Improvement Strategies

- Review the structure of the Integrated Transport Management unit (includes sustainable transport, parking enforcement, parking permits and traffic engineers)
- Develop an implementation framework that integrates transport policies with other council policies and strategies
- Involve the communications unit more in the development of the council's advocacy strategies
- Provide the council with the key communication messages and the target audiences relating to transport, and seek assistance from the communications unit in the implementation of communications initiatives
- Improve the current parking permit system

Recommendations Implemented

- Integration of the sustainable transport team – completed structural changes
- Long-term strategic planning – substantial progress
- Public Transport Strategy – adopted
- Walking Strategy – drafted
- Integration of enforcement activities – demonstrated progress
- Enhanced reporting – substantial progress
- Testing of parking systems – ongoing
- Sector-wide initiatives regarding PERIN – ongoing
- Better integration – achieved through development of road user safety strategies

Waste Management/Street and Beach Cleaning

Review Completed September 2002

Key Improvement Strategies

- Upgrade cleaning service plant
- Review beach cleaning regimes
- Review joint venture operation
- Review and rationalise waste services
- Upgrade recycling containers

Recommendations Implemented

Twenty-two improvement areas were identified. 50% are completed and the remaining 50% will be addressed as part of the waste services re-tender due to be issued in September 2003.

Ageing and Community Care

Review Completed November 2002

Key Improvement Strategies

- Ensure that community care has the capacity to deliver the level of services required to meet residents' assessed service needs
- Further develop information systems to assist in service development, benchmarking and quality monitoring
- Strengthen the service coordination role of the City of Port Phillip and assist residents to navigate the service system
- Improve support for carers

Recommendations Implemented

As a result of the review, 24 recommendations were made, of which 14 have been implemented and the remainder are due after the end of the 2002/2003 financial year.

Community Access

Review Completed November 2002

Key Improvement Strategies

- Scope and review the current special needs arts and recreations service/community and centre-based recreation service activities/delivery, aiming to devolve the provider role to either relevant City of Port Phillip services or community-based organisations
- Focus the role of community access services on planning, coordination and community development
- Develop and implement an operational strategy to align community facilities with the council's community hubs policy
- Implement an improved and more streamlined management/reporting structure for the Community Access unit

Recommendations Implemented

Of the key recommendations for special needs arts and recreation, community and centre-based recreation, community and neighbourhood facilities, and adventure playgrounds, approximately 70% progress has been achieved, with a completion date of December 2003 on track. The Joint Councils Access for All Abilities (JCAAA) key recommendations are 30% achieved, with discussion to resume in August 2003.

Finance

Review Completed December 2002

Key Improvement Strategies

- Development of a comprehensive integrated approach to improving the purchasing support function, including policy development, training, improved use of systems and supplier database management
- Review of a number of key finance processes, such as the annual budget, monthly reporting and year-end preparation

Recommendations Implemented

Twenty-seven recommendations have been accepted by the panel and agreed to by line management. As at 30 June 2003, 15 of these recommendations have been completed or are in the process of being completed.





City of Port Phillip Whistleblowers Protection Act 2001 Procedures Manual

1. Statement of support to whistleblowers

The Port Phillip City Council is committed to the aims and objectives of the *Whistleblowers Protection Act 2001* (the Act). It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

The Port Phillip City Council recognises the value of transparency and accountability in its administrative and management practices. It supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Port Phillip City Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

2. Purpose of these procedures

These procedures establish a system for reporting disclosures of improper conduct or detrimental action by Port Phillip City Council or its employees. The system enables such disclosures to be made to the protected disclosure coordinator or to one of the nominated protected disclosure officers. Disclosures may be made by employees or by members of the public.

These procedures are designed to complement normal communication channels between supervisors and employees. Employees are encouraged to continue to raise appropriate matters at any time with their supervisors. As an alternative, employees may make a disclosure of improper conduct or detrimental action under the Act in accordance with these procedures.

3. Objects of the Act

The *Whistleblowers Protection Act 2001* commenced operation on 1 January 2002. The purpose of the Act is to encourage and facilitate the making of disclosures of improper conduct by public officers and public bodies. The Act provides protection to whistleblowers who make disclosures in accordance with the Act, and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

4. Definitions of key terms

Three key concepts in the reporting system are improper conduct, corrupt conduct and detrimental action. Definitions of these terms are set out below.

4.1 Improper conduct

A disclosure may be made about improper conduct by a public body or public official. Improper conduct means conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.

Examples

To avoid closure of a town's only industry, an environmental health officer ignores or conceals evidence of illegal dumping of waste.

An agricultural officer delays or declines imposing quarantine to allow a financially distressed farmer to sell diseased stock.

A building inspector tolerates poor practices and structural defects in the work of a leading local builder.

See 4.2 below for specific examples of corrupt conduct.

4.2 Corrupt conduct

Corrupt conduct means:

- Conduct of any person (whether or not a public official) that adversely affects the honest performance of a public officer or public body's functions;
- A public officer functions dishonestly or with inappropriate partiality;
- Conduct of a public officer, former public officer or a public body that amounts to a breach of public trust;
- Conduct by a public officer, former public officer or a public body that amounts to the misuse of information or material acquired in the course of the performance of their official functions; or
- A conspiracy or attempt to engage in the above conduct.

Examples

A public officer takes a bribe or receives a payment other than his or her wages or salary in exchange for the discharge of a public duty.

A public officer favours unmeritorious applications for jobs or permits by friends and relatives.

A public officer sells confidential information.

4.3 Detrimental action

The Act makes it an offence for a person to take detrimental action against a person in reprisal for a



Appendix 3



protected disclosure. Detrimental action includes:

- Action causing injury, loss or damage;
- Intimidation or harassment; and
- Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action.

Examples

A public body refuses a deserved promotion of a person who makes a disclosure.

A public body demotes, transfers, isolates in the workplace or changes the duties of a whistleblower due to the making of a disclosure.

A person threatens, abuses or carries out other forms of harassment directly or indirectly against the whistleblower, his or her family or friends.

A public body discriminates against the whistleblower or his or her family and associates in subsequent applications for jobs, permits or tenders.

5. The reporting system

5.1 Contact persons within the Port Phillip City Council

Disclosures of improper conduct or detrimental action by the Port Phillip City Council or its employees, may be made to the following officers:

- The protected disclosure coordinator and protected disclosure officer: *Sally Calder, executive director Community and Cultural Vitality, St Kilda Town Hall, (03) 9209 6313*

All correspondence, phone calls and emails from internal or external whistleblowers will be referred to the protected disclosure coordinator.

When someone is contemplating making a disclosure and is concerned about approaching the protected disclosure coordinator or a protected disclosure officer in the workplace, they can call the relevant officer and request a meeting in a discreet location away from the workplace.

5.2 Alternative contact persons

A disclosure about improper conduct or detrimental action by the Port Phillip City Council or its employees, may also be made directly to the Ombudsman:

The Ombudsman Victoria
Level 22, 459 Collins Street
Melbourne Victoria 3000

(DX 210174)

Internet: www.ombudsman.vic.gov.au

Email: ombudvic@ombudsman.vic.gov.au

Tel: 9613 6222/Toll Free: 1800 806 314

Ombudsman: Dr Barry Perry Tel: (03) 9613 6202

The following table sets out where disclosures about persons other than employees of the Port Phillip City Council should be made.

Person who is the subject of the disclosure	Person/body to whom the disclosure must be made
Employee of a public body	That public body or the Ombudsman
Member of Parliament (Legislative Assembly)	Speaker of the Legislative Assembly
Member of Parliament (Legislative Council)	President of the Legislative Council
Councillor	The Ombudsman
Chief Commissioner of Police	The Ombudsman or Deputy Ombudsman
Member of the police force	The Ombudsman, Deputy Ombudsman or Chief Commissioner of Police

6. Roles and responsibilities

6.1 Employees

Employees are encouraged to report known or suspected incidences of improper conduct or detrimental action in accordance with these procedures.

All employees of the Port Phillip City Council have an important role to play in supporting those who have made a legitimate disclosure. They must refrain from any activity that is, or could be perceived to be, victimisation or harassment of a person who makes a disclosure. Furthermore, they should protect and maintain the confidentiality of a person they know or suspect to have made a disclosure.

6.2 Protected disclosure officers/coordinator

Protected disclosure officers will:

- Be a contact point for general advice about the operation of the Act for anyone wishing to make a disclosure about improper conduct or detrimental action;
- Make arrangements for a disclosure to be made privately and discreetly and, if necessary, away from the workplace;
- Receive any disclosure made orally or in writing (from internal and external whistleblowers);
- Commit to writing any disclosure made orally;
- Impartially assess the allegation and determine whether it is a disclosure made in accordance with Part 2 of the Act (that is, a protected disclosure);
- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential; and
- Forward all disclosures and supporting evidence to the protected disclosure coordinator.





6.3 Protected disclosure coordinator

The protected disclosure coordinator has a central clearinghouse role in the internal reporting system. He or she will:

- Receive all disclosures forwarded from the protected disclosure officers;
- Receive all phone calls, emails and letters from members of the public or employees seeking to make a disclosure;
- Impartially assess each disclosure to determine whether it is a public interest disclosure;
- Refer all public interest disclosures to the Ombudsman;
- Be responsible for carrying out, or appointing an investigator to carry out, an investigation referred to the public body by the Ombudsman;
- Be responsible for overseeing and coordinating an investigation where an investigator has been appointed;
- Appoint a welfare manager to support the whistleblower and to protect him or her from any reprisals;
- Advise the whistleblower of the progress of an investigation into the disclosed matter;
- Establish and manage a confidential filing system;
- Collate and publish statistics on disclosures made;
- Take all necessary steps to ensure the identity of the whistleblower and the identity of the person who is the subject of the disclosure are kept confidential; and
- Liaise with the chief executive officer of the public body.

6.4 Investigator

The investigator will be responsible for carrying out an internal investigation into a disclosure where the Ombudsman has referred a matter to the public body. An investigator may be a person from within an organisation or a consultant engaged for that purpose.

6.5 Welfare manager

The welfare manager is responsible for looking after the general welfare of the whistleblower. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and seek to foster a supportive work environment;
- Advise the whistleblower of the legislative and administrative protections available to him or her;
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure; and
- Ensure the expectations of the whistleblower are realistic.

7. Confidentiality

The Port Phillip City Council will take all reasonable steps to protect the identity of the whistleblower. Maintaining confidentiality is crucial in ensuring reprisals are not made against a whistleblower.

The Act requires anyone who receives information due to the handling or investigation of a protected disclosure, not to disclose that information except in certain limited circumstances. Disclosure of information in breach of section 22 constitutes an offence that is punishable by a maximum fine of 60 penalty units (\$6,000) or six months imprisonment or both.

The circumstances in which a person may disclose information obtained about a protected disclosure include:

- Where exercising the functions of the public body under the Act;
- When making a report or recommendation under the Act;
- When publishing statistics in the annual report of a public body; and
- In criminal proceedings for certain offences in the Act.

However, the Act prohibits the inclusion of particulars in any report or recommendation that is likely to lead to the identification of the whistleblower. The Act also prohibits the identification of the person who is the subject of the disclosure in any particulars included in an annual report.

The Port Phillip City Council will ensure all files, whether paper or electronic, are kept in a secure room and can only be accessed by the protected disclosure coordinator, protected disclosure officer, the investigator or welfare manager (in relation to welfare matters). All printed material will be kept in files that are clearly marked as a Whistleblower Protection Act matter, and warn of the criminal penalties that apply to any unauthorised divulging information concerning a protected disclosure. All electronic files will be produced and stored on a stand-alone computer and be given password protection. Backup files will be kept on floppy disc. All materials relevant to an investigation, such as tapes from interviews, will also be stored securely with the whistleblower files.

The Port Phillip City Council will not email documents relevant to a whistleblower matter and will ensure all phone calls and meetings are conducted in private.



8. Collating and publishing statistics

The protected disclosure coordinator will establish a secure register to record the information required to be published in the annual report, and to generally keep account of the status of whistleblower disclosures. The register will be confidential and will not record any information that may identify the whistleblower.

The register will contain the following information:

- The number and types of disclosures made to public bodies during the year;
- The number of disclosures referred to the Ombudsman for determination as to whether they are public interest disclosures;
- The number and types of disclosed matters referred to the public body by the Ombudsman for investigation;
- The number and types of disclosures referred by the public body to the Ombudsman for investigation;
- The number and types of investigations taken over from the public body by the Ombudsman;
- The number of requests made by a whistleblower to the Ombudsman to take over an investigation by the public body;
- The number and types of disclosed matters that the public body has declined to investigate;
- The number and types of disclosed matters that were substantiated upon investigation and the action taken on completion of the investigation; and
- Any recommendations made by the Ombudsman that relate to the public body.

9. Receiving and assessing disclosures

9.1 Has the disclosure been made in accordance with Part 2 of the Act?

Where a disclosure has been received by the protected disclosure officer or by the protected disclosure coordinator, he or she will assess whether the disclosure has been made in accordance with Part 2 of the Act and is, therefore, a protected disclosure.

9.1.1 Has the disclosure been made to the appropriate person?

For the disclosure to be responded to by the Port Phillip City Council it must concern an employee, member or officer of the Port Phillip City Council. If the disclosure concerns an employee, officer or member of another public body, the person who has made the disclosure must be advised of the correct person or body to whom the disclosure should be directed. (See the table in 5.2). If the disclosure has been made anonymously, it should be referred to the Ombudsman.

9.1.2 Does the disclosure contain the essential elements of a protected disclosure?

To be a protected disclosure, a disclosure must satisfy the following criteria:

- Did a natural person (that is, an individual person rather than a corporation) make the disclosure?
- Does the disclosure relate to conduct of a public body or public officer acting in their official capacity?
- Is the alleged conduct either improper conduct or detrimental action taken against a person in reprisal for making a protected disclosure?
- Does the person making a disclosure have reasonable grounds for believing the alleged conduct has occurred?

Where a disclosure is assessed to be a protected disclosure, it is referred to the protected disclosure coordinator. The protected disclosure coordinator will determine whether the disclosure is a public interest disclosure.

Where a disclosure is assessed not to be a protected disclosure, the matter does not need to be dealt with under the Act. The protected disclosure officer will decide how the matter should be responded to in consultation with the protected disclosure coordinator.

9.2 Is the disclosure a public interest disclosure?

Where the protected disclosure officer or coordinator has received a disclosure that has been assessed to be a protected disclosure, the protected disclosure coordinator will determine whether the disclosure amounts to a public interest disclosure. This assessment will be made within 45 days of the receipt of the disclosure.

In reaching a conclusion as to whether a protected disclosure is a public interest disclosure, the protected disclosure coordinator will consider whether the disclosure shows, or tends to show, that the public officer to whom the disclosure relates:

- Has engaged, is engaging or proposes to engage in improper conduct in his or her capacity as a public officer; or
- Has taken, is taking or proposes to take detrimental action in reprisal for the making of the protected disclosure.

Where the protected disclosure coordinator concludes that the disclosure amounts to a public interest disclosure, he or she will:

1. Notify the person who made the disclosure of that conclusion; and
2. Refer the disclosure to the Ombudsman for formal determination as to whether it is indeed a public interest disclosure.





Where the protected disclosure coordinator concludes that the disclosure is not a public interest disclosure, he or she will:

1. Notify the person who made the disclosure of that conclusion; and
2. Advise that person that he or she may request the public body to refer the disclosure to the Ombudsman for a formal determination as to whether the disclosure is a public interest disclosure, and that this request must be made within 28 days of the notification.

In either case, the protected disclosure coordinator will make the notification and the referral within 14 days of the conclusion being reached by the public body. Notification to the whistleblower is not necessary where the disclosure has been made anonymously.

10. Investigations

10.1 Introduction

Where the Ombudsman refers a protected disclosure to the Port Phillip City Council for investigation, the protected disclosure coordinator will appoint an investigator to carry out the investigation.

The objectives of an investigation will be:

- To collate information relating to the allegation as quickly as possible. This may involve taking steps to protect or preserve documents, materials and equipment;
- To consider the information collected and to draw conclusions objectively and impartially;
- To maintain procedural fairness in the treatment of witnesses and the person who is the subject of the disclosure; and
- To make recommendations arising from the conclusions drawn concerning remedial or other appropriate action.

10.2 Terms of reference

Before commencing an investigation, the protected disclosure coordinator will draw up terms of reference and obtain authorisation for those terms by the chief executive officer. The terms of reference will set a date by which the investigation report is to be concluded, and will describe the resources available to the investigator to complete the investigation within the time set. The protected disclosure coordinator may approve, if reasonable, an extension of time requested by the investigator. The terms of reference will require the investigator to make regular reports to the protected disclosure coordinator who, in turn, is to keep the Ombudsman informed of general progress.

10.3 Investigation plan

The investigator will prepare an investigation plan for approval by the protected disclosure coordinator. The plan will list the issues to be substantiated and describe the avenue of inquiry. It will address the following issues:

- What is being alleged?
- What are the possible findings or offences?
- What are the facts in issue?
- How is the inquiry to be conducted?
- What resources are required?

At the commencement of the investigation, the whistleblower should be:

- Notified by the investigator that he or she has been appointed to conduct the investigation;
- Asked to clarify any matters; and
- Provide any additional material he or she might have.

The investigator will be sensitive to the whistleblower's possible fear of reprisals and will be aware of the statutory protections provided to the whistleblower.

10.4 Natural justice

The principles of natural justice will be followed in any investigation of a public interest disclosure. The principles of natural justice concern procedural fairness and ensure a fair decision is reached by an objective decision maker. Maintaining procedural fairness protects the rights of individuals and enhances public confidence in the process.

The Port Phillip City Council will have regard to the following issues in ensuring procedural fairness:

- The person who is the subject of the disclosure is entitled to know the allegations made against him or her and must be given the right to respond. (This does not mean the person must be advised of the allegation as soon as the disclosure is received or the investigation has commenced);
- If the investigator is contemplating making a report adverse to the interests of any person, that person should be given the opportunity to put forward further material that may influence the outcome of the report and that person's defence should be fairly set out in the report;
- All relevant parties to a matter should be heard and all submissions should be considered;
- A decision should not be made until all reasonable inquiries have been made;
- The investigator or any decision maker should not have a personal or direct interest in the matter being investigated;
- All proceedings must be carried out fairly and without bias. Care should be taken to exclude perceived bias from the process; and



- The investigator must be impartial in assessing the credibility of the whistleblowers and any witnesses. Where appropriate, conclusions as to credibility should be included in the investigation report.

10.5 Conduct of the investigation

The investigator will make contemporaneous notes of all discussions and phone calls, and all interviews with witnesses will be taped. All information gathered in an investigation will be stored securely. Interviews will be conducted in private and the investigator will take all reasonable steps to protect the identity of the whistleblower. Where disclosure of the identity of the whistleblower cannot be avoided, due to the nature of the allegations, the investigator will warn the whistleblower and his or her welfare manager of this probability.

It is in the discretion of the investigator to allow any witness to have legal or other representation or support during an interview. If a witness has a special need for legal representation or support, permission should be granted.

10.6 Referral of an investigation to the Ombudsman

The protected disclosure coordinator will make a decision regarding the referral of an investigation to the Ombudsman where, on the advice of the investigator:

- The investigation is being obstructed by, for example, the non-cooperation of key witnesses; or
- The investigation has revealed conduct that may constitute a criminal offence.

10.7 Reporting requirements

The protected disclosure coordinator will ensure the whistleblower is kept regularly informed concerning the handling of a protected disclosure and an investigation.

The protected disclosure coordinator will report to the Ombudsman about the progress of an investigation.

Where the Ombudsman or the whistleblower requests information about the progress of an investigation, that information will be provided within 28 days of the date of the request.

11. Action taken after an investigation

11.1 Investigator's final report

At the conclusion of the investigation, the investigator will submit a written report of his or her findings to the protected disclosure coordinator. The report will contain:

- The allegation/s;
- An account of all relevant information received and, if the investigator has rejected evidence as being unreliable, the reasons for this opinion being formed;
- The conclusions reached and the basis for them; and
- Any recommendations arising from the conclusions.

Where the investigator has found that the conduct disclosed by the whistleblower has occurred, recommendations made by the investigator will include:

- The steps that need to be taken by the Port Phillip City Council to prevent the conduct from continuing or occurring in the future; and
- Any action that should be taken by the Port Phillip City Council to remedy any harm or loss arising from the conduct. This action may include bringing disciplinary proceedings against the person responsible for the conduct, and referring the matter to an appropriate authority for further consideration.

The report will be accompanied by:

- The transcript or other record of any oral evidence taken, including tape recordings; and
- All documents, statements or other exhibits received by the officer and accepted as evidence during the course of the investigation.

Where the investigator's report is to include an adverse comment against any person, that person will be given the opportunity to respond and his or her defence will be fairly included in the report.

The report will not disclose particulars likely to lead to the identification of the whistleblower.

11.2 Action to be taken

If the protected disclosure coordinator is satisfied that the investigation has found that the disclosed conduct has occurred, he or she will recommend to the chief executive officer the action that must be taken to prevent the conduct from continuing or occurring in the future. The protected disclosure coordinator may also recommend that action be taken to remedy any harm or loss arising from the conduct.

The protected disclosure coordinator will provide a written report to the Port Phillip City Council, the Ombudsman and the whistleblower setting out the findings of the investigation and any remedial steps taken.

Where the investigation concludes that the disclosed conduct did not occur, the protected disclosure coordinator will report these findings to the Ombudsman and to the whistleblower.



12. Managing the welfare of the whistleblower

12.1 Commitment to protecting whistleblowers

The Port Phillip City Council is committed to the protection of genuine whistleblowers against detrimental action taken in reprisal for the making of protected disclosures. The protected disclosure coordinator is responsible for ensuring whistleblowers are protected from direct and indirect detrimental action, and that the culture of the workplace is supportive of protected disclosures being made.

The protected disclosure coordinator will appoint a welfare manager to all whistleblowers who have made a protected disclosure. The welfare manager will:

- Examine the immediate welfare and protection needs of a whistleblower who has made a disclosure and, where the whistleblower is an employee, seek to foster a supportive work environment;
- Advise the whistleblower of the legislative and administrative protections available to him or her;
- Listen and respond to any concerns of harassment, intimidation or victimisation in reprisal for making disclosure;
- Keep a contemporaneous record of all aspects of the case management of the whistleblower including all contact and follow-up action; and
- Ensure the expectations of the whistleblower are realistic.

All employees will be advised that it is an offence for a person to take detrimental action in reprisal for a protected disclosure. The maximum penalty is a fine of 240 penalty units (\$24,000) or two years imprisonment or both. The taking of detrimental action in breach of this provision can also be grounds for making a disclosure under the Act and can result in an investigation.

Detrimental action includes:

- Causing injury, loss or damage;
- Intimidation or harassment; and
- Discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business (including the taking of disciplinary action).

12.2 Keeping the whistleblower informed

The protected disclosure coordinator will ensure the whistleblower is kept informed of action taken in relation to his or her disclosure, and the time frames that apply. The whistleblower will be informed of the objectives of an investigation, the findings of an investigation, and the steps taken by the Port Phillip City Council to address any improper conduct that has been found to have occurred. The whistleblower will be given reasons for decisions made by the Port Phillip City Council in relation to a protected disclosure. All communication with the whistleblower will be in plain English.

12.3 Occurrence of detrimental action

If a whistleblower reports an incident of harassment, discrimination or adverse treatment that would amount to detrimental action taken in reprisal for the making of the disclosure, the welfare manager will:

- Record details of the incident;
- Advise the whistleblower of his or her rights under the Act; and
- Advise the protected disclosure coordinator or chief executive officer of the detrimental action.

The taking of detrimental action in reprisal for the making of a disclosure can be an offence against the Act as well as grounds for making a further disclosure. Where such detrimental action is reported, the protected disclosure coordinator will assess the report as a new disclosure under the Act. Where the protected disclosure coordinator is satisfied that the disclosure is a public interest disclosure, he or she will refer it to the Ombudsman. If the Ombudsman subsequently determines the matter to be a public interest disclosure, the Ombudsman may investigate the matter or refer it to another body for investigation as outlined in the Act.

12.4 Whistleblowers implicated in improper conduct

Where a person who makes a disclosure is implicated in misconduct, the Port Phillip City Council will handle the disclosure and protect the whistleblower from reprisals in accordance with the Act, the Ombudsman's guidelines and these procedures. The Port Phillip City Council acknowledges that the act of whistleblowing should not shield whistleblowers from the reasonable consequences flowing from any involvement in improper conduct. Section 17 of the Act specifically provides that a person's liability for his or her own conduct is not affected by the person's disclosure of that conduct under the Act. However, in some circumstances, an admission may be a mitigating factor when considering disciplinary or other action.

The chief executive officer will make the final decision on the advice of the protected disclosure coordinator as to whether disciplinary or other action will be taken against a whistleblower. Where disciplinary or other action relates to conduct that is the subject of the whistleblower's disclosure, the disciplinary or other action will only be taken after the disclosed matter has been appropriately dealt with.

In all cases where disciplinary or other action is being contemplated, the chief executive officer must be satisfied that it has been clearly demonstrated that:



- The intention to proceed with disciplinary action is not causally connected to the making of the disclosure (as opposed to the content of the disclosure or other available information);
- There are good and sufficient grounds that would fully justify action against any non-whistleblower in the same circumstances; and
- There are good and sufficient grounds that justify exercising any discretion to institute disciplinary or other action.

The protected disclosure coordinator will thoroughly document the process including recording the reasons why the disciplinary or other action is being taken, and the reasons why the action is not in retribution for the making of the disclosure. The protected disclosure coordinator will clearly advise the whistleblower of the proposed action to be taken, and of any mitigating factors that have been taken into account.

13. Management of the person against whom a disclosure has been made

The Port Phillip City Council recognises that employees against whom disclosures are made must also be supported during the handling and investigation of disclosures.

The Port Phillip City Council will take all reasonable steps to ensure the confidentiality of the person who is the subject of the disclosure during the assessment and investigation process. Where investigations do not substantiate disclosures, the fact that the investigation has been carried out, the results of the investigation, and the identity of the person who is the subject of the disclosure will remain confidential.

The protected disclosure coordinator will ensure the person who is the subject of any disclosure investigated by or on behalf of a public body is:

- Informed as to the substance of the allegations;
- Given the opportunity to answer the allegations before a final decision is made;
- Informed as to the substance of any adverse comment that may be included in any report arising from the investigation; and has
- His or her defence set out fairly in any report.

Where the allegations in a disclosure have been investigated, and the person who is the subject of the disclosure is aware of the allegations or the fact of the investigation, the protected disclosure coordinator will formally advise the person who is the subject of the disclosure of the outcome of the investigation.

The Port Phillip City Council will give its full support to a person who is the subject of a disclosure where the allegations contained in a disclosure are clearly wrong or unsubstantiated. If the matter has been publicly disclosed, the chief executive officer of the Port Phillip City Council will consider any request by that person to issue a statement of support setting out that the allegations were clearly wrong or unsubstantiated.

14. Criminal offences

The Port Phillip City Council will ensure officers appointed to handle protected disclosures and all other employees are aware of the following offences created by the Act:

1. It is an offence for a person to take detrimental action against a person in reprisal for a protected disclosure being made. The Act provides a maximum penalty of a fine of 240 penalty units (\$24,000) or two years imprisonment or both.
2. It is an offence for a person to divulge information obtained as a result of the handling or investigation of a protected disclosure without legislative authority. The Act provides a maximum penalty of 60 penalty units (\$6,000) or six months imprisonment or both.
3. It is an offence for a person to obstruct the Ombudsman in performing his responsibilities under the Act. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.
4. It is an offence for a person to knowingly provide false information under the Act with the intention that it be acted on as a disclosed matter. The Act provides a maximum penalty of 240 penalty units (\$24,000) or two years imprisonment or both.

15. Review

These procedures will be reviewed annually to ensure they meet the objectives of the Act and accord with the Ombudsman's guidelines.



Victorian Local Government Indicators

The following table outlines the City of Port Phillip's performance against the Victorian Local Government Indicators. All Local Governments within Victoria are required to assess their performance against these indicators and report the results in their annual report.

CATEGORY	INDICATOR	DEFINITIONS	RESULT	COMMENTS
Overall performance	Community satisfaction rating for overall performance generally of the council	Council result from the Annual Community Satisfaction Survey for Local Governments (Chart One: Summary of Results – Result No. 1), coordinated by the Local Government and Regional Services Division.	68	
Advocacy	Community satisfaction rating for council's advocacy and community representation on key local issues	Council result from the Annual Community Satisfaction Survey for Local Governments (Chart One: Summary of Results – Result No. 4), coordinated by the Local Government Division.	67	
Engagement	Community satisfaction rating for council's engagement in decision making on key local issues	Council result from the Annual Community Satisfaction Survey for Local Governments (Chart One: Summary of Results – Result No. 5), coordinated by the Local Government and Regional Services Division.	65	
All rates	Average rates and charges per assessment	Rates and charges declared as being receivable, in the calculations for the adopted rates, at the beginning of the year, including: <ul style="list-style-type: none"> • general rates and charges declared under ss.160, 161, 161A of the <i>Local Government Act 1989</i> • municipal charges and service rates and charges (i.e. garbage services) levied under ss.159, 162 respectively • supplementary rates declared, <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).	\$959	
Residential rates	Average residential rates and charges per assessment	Rates and charges declared for all residential assessments (including vacant residential assessments) as defined in "all rates", except for residential assessments only, <ul style="list-style-type: none"> <i>divided by</i> the number of residential assessments used in the calculation of the adopted rate (that is, when the rate was struck). 	\$780	



CATEGORY	INDICATOR	DEFINITIONS	RESULT	COMMENTS
Operating costs	Average operating expenditure per assessment	<p>Operating expenditure per the statement of financial performance including asset sales and depreciation, <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).</p> <p>Note: Where major factors of expenditure such as devaluations or transfers of assets are excluded, councils should provide a note explaining what has been excluded</p>	\$1,800	
Capital expenditure	Average capital expenditure per assessment	<p>Amount capitalised to the statement of financial position and contributions by a Local Government to major assets not owned by the Local Government, including expenditure on:</p> <ul style="list-style-type: none"> • capital renewal of existing assets which returns the service potential or the life of the asset to that which it had originally • capital expansion which extends an existing asset at the same standard as currently enjoyed by residents to a new group of users • capital upgrade which upgrades an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally, <p><i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).</p> <p>N.B. Exactly what is included as capital expenditure will vary according to the Local Government's policy in defining the 'asset' and its 'life'.</p>	\$278	
Infrastructure	Renewal	<p>Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential or the life of the asset to that which it had originally to the long-term AAAC*,</p> <p><i>divided by</i> useful life, and <i>totalled</i> for each and every infrastructure asset to give one ratio.</p> <p>* <i>The Average Annual Asset Consumption (AAAC) is the amount of a Local Government's asset base consumed during a year based on current replacement cost (that is, cost or fair value).</i></p>	66%	
Infrastructure	Renewal and maintenance	<p>Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential or the life of the asset to that which it had originally plus current spending on maintenance to AAAC* plus planned maintenance (that is, the expected level of maintenance which was used in the calculation of the useful life of the asset),</p> <p><i>divided by</i> useful life, and <i>totalled</i> for each and every infrastructure asset to give one ratio.</p>	80%	



CATEGORY	INDICATOR	DEFINITIONS	RESULT	COMMENTS
Debts	Average liabilities per assessment	Total liabilities as per the statement of financial position less items held in trust (reflected in assets also held), <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck). N.B. Items held in trust does not include employee leave entitlements such as long service leave.	\$476	
Operating result	Operating result per assessment	Bottom line per statement of financial performance, <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck). A note should be provided to this indicator explaining any major factors including their dollar amount, which have contributed to the result. For example, capital grants, developers contributions, revaluations of non current assets and what the result would be excluding these factors. N.B. Surpluses should be shown as positive and losses or deficits as negatives.	(\$87)	Excluding capital grants, developer contributions and revaluation decrements, the result would be \$1.66.

 **Certification of the Victorian Local Government Indicators**

In my opinion, the Victorian Local Government Indicators in the accompanying statement are presented fairly, and indicate the council's performance for the period ending 30 June 2003. I confirm that the indicators were calculated in accordance with the definitions as provided by the Local Government and Regional Services Division in May 2003 (Circular 15/03).

I certify the accuracy of the indicators and confirm that there is a documented methodology and a reliable system to store the data.

As at the date of this certification, I am not aware of any circumstances which would render any particulars in the attached statement of indicators to be misleading or inaccurate.

David Spokes

Chief executive officer

Date: 22 September 2003



Freedom of Information

Background

The *Freedom of Information Act (Victoria) 1982* gives members of the public a legal right of access to certain documents held by the council. Requests for access to council documents under this Act must be in writing and should provide sufficient information to identify the particular document(s) being sought. The Act also stipulates that an application fee of \$20 must accompany each request. Enquiries regarding freedom of information can be directed to the City of Port Phillip's ASSIST Centre.

Responsible Officer: Michael Smith, Coordinator Statutory Functions

Principal Officer: David Spokes, Chief executive officer

Freedom of Information Statistics

	2001/2002	2002/2003
Freedom of information applications received	35	40
Access granted in full	12	14
Access granted in part	17	18
Refusals	6	4
Requests still under consideration at end of the financial year	1	1
No documentation found	-	2
Request transferred to another agency	-	1
Internal reviews sought	0	1
Appeals lodged with Victorian Civil and Administrative Tribunal	0	0
Total charges collected	\$560	\$740
Total charges waived	\$140	\$40



Public Documents

The following documents are available for public inspection on request. All documents are available from the St Kilda Town Hall. To inspect accounts documents contact the Finance unit, for all other documents contact the Statutory Functions unit unless otherwise stated. These units can be reached by contacting the City of Port Phillip's ASSIST Centre. In some instances, requests may need to be made in writing or on a specific form.

Accounts

- Operating statement
- Statement of financial position
- Notes to the financial statement

Other Documents

- Details of current allowances fixed for the mayor and councillors
- Details of senior officers' total salary packages for the current financial year and the previous year
- Details of overseas or interstate travel undertaken in an official capacity by councillors or any member of council staff in the previous 12 months
- Names of council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted
- Names of councillors who submitted returns of interest during the financial year and the dates the returns were submitted
- Agendas for and minutes of ordinary and special meetings held in the previous 12 months except if the minutes relate to parts of meetings that have been closed to members of the public
- A list of all special committees established by the council and the purpose for which each committee was established
- A list of all special committees established by the council that were abolished or ceased to function during the financial year

- Minutes of meetings of special committees held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public
- Applications for enrolment on the voters' roll for the immediate past roll and the next roll being prepared (contact the Rates unit)
- A register of delegations
- Submissions received in accordance with the *Local Government Act* during the previous 12 months
- Agreements to establish regional libraries (not applicable)
- Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the council as lessor or lessee
- A register of authorised officers
- A list of donations and grants made by the council during the financial year
- A list of the names of the organisations of which the council was a member during the financial year
- A list of contracts valued at \$100,000 or more which the council entered into during the financial year without first engaging in a competitive process
- A list of local laws, including any amendments during the financial year
 - A list of senior officers given approval to engage in paid employment outside the duties of her or his office
- A register of returns of interest submitted by councillors
 - A register of notice of recision motions
 - A register of documents signed and sealed by the council
 - A register of notices calling for a special council meeting



➤ Glossary

Annual community satisfaction survey for Local Governments

A survey relating to the community's satisfaction with Local Government across Victoria, coordinated by the Department for Victorian Communities.

Annual report

Details the council's activities and achievements from each financial year (July to June).

The Local Government Act 1989 and the *Local Government Regulations 2001* outline what is to be contained in the annual report, including:

- a report of the council's operations during the financial year
- audited financial statements for the financial year
- audited performance statement for the financial year

The report of operations provides an accurate description of the operations of the council for the year and includes a review of the performance of the council against the council's corporate plan.

The Victorian Auditor General is responsible for the audit of the financial statements and performance statement.

A copy of the annual report is sent to the Minister for Local Government by 30 September each year.

Annual snapshot

Summarises the council's activities and achievements from each financial year (July to June).

The annual snapshot is not audited.

The annual snapshot is distributed across the municipality with the council's community newsletter and is forwarded to those ratepayers who do not live in the municipality by mail.

ASSIST

Advice SolutionS, Information Service Team (ASSIST) provides the community with a first point of contact for all council-related requests. The community can access the service by phone, fax and email or at the Port Melbourne, South Melbourne and St Kilda Town Halls. ASSIST staff are available to receive and resolve enquiries as they arise by liaising with other departments and council service providers.

Best value

Refers to the provision of services at a good price relative to the market, and where the standard of delivery responds closely to community needs. It is a way of approaching service delivery that the State Government has identified for all councils within Victoria. It is based on six key principles.

All services must be:

- measured against quality and cost standards
- responsive to the needs of the community
- accessible to those for whom the service is provided
- subject to continuous improvement
- linked to a program of regular community consultation
- subject to reporting of results to the community in relation to performance under the above principles

Business plan

The business plan contains a number of selected highlights under each of the four pillars of the corporate plan for the coming year and is prepared in accordance with Section 153A of the *Local Government Act 1989*. The business plan contains performance measures and targets for each highlight against which the council's performance will be audited in accordance with Section 153B of the *Local Government Act 1989*. The business plan measures and targets will be reported in the 2002/2003 performance statement as part of the 2002/2003 annual report.

Civic governance

The means for ensuring citizens have an opportunity to participate in council decision making.

Community

The Port Phillip community is comprised of all those who live, work in or visit the municipality.

Community hub

A hub or hive of related activities/facilities that locate together or close to each other in order to share resources or audiences, or to support each other. The council supports these hubs as viable and vibrant places for the community to visit and use. The council's role is in coordinating planning and service delivery from these hubs and in urban design/planning to ensure these hubs function as well as possible and are attractive, safe and representative spaces.

Community Plan 1997

A document outlining aspirations of the Port Phillip community that were canvassed in the Community Summit held shortly after the 1996 council election (post amalgamation). The plan reflects the views of a wide cross section of the community and contains a vision for Port Phillip from 1997 to 2007. It includes a list of priority issues, which the community said were important in achieving the council's vision, and which have formed the basis of the council's annual corporate plans since 1997.

Corporate governance

The system by which organisations are controlled and directed, including the relationship between elected representatives and senior management.



Corporate plan

A four-year framework that sets out the council's corporate objectives, strategies and indicators.

Enterprise agreement

An agreement between the council, unions and staff detailing conditions of employment benefits and entitlements.

Five-year financial plan

The five-year financial plan represents the council's medium-term financial planning framework and is based on a range of broad budget assumptions and parameters that are updated annually as part of the budgetary process.

Growing democracy project

A project which covers a number of linked council activities concerned with lifting the profile of and engagement with the community on issues such as citizen rights, responsibilities and participation, in order to support a more democratic and active community.

Melbourne 2030

Melbourne 2030 is the State Government's plan for the growth and development of the Melbourne metropolitan area over the next 30 years. It provides a framework for governments at all levels to respond to the diverse needs of those who live and work in and near to Melbourne, and those who visit. It includes a set of principles and nine key directions.

Neighbourhood

The local area or suburb that a particular part of the Port Phillip community identifies with in terms of where they live and the community affiliation they feel. There are seven neighbourhoods within the municipality: Albert Park and Middle Park; East St Kilda; Elwood and Ripponlea; Port Melbourne and Garden City; South Melbourne; St Kilda; and St Kilda Road and Queens Road.

Place management

A way of planning, delivering and communicating services that is oriented towards meeting the needs and expectations of a particular place, be it a neighbourhood, a particular location such as the South Melbourne Market, or a neighbourhood shopping centre. It encourages an integrated approach to both the planning and delivery of council services.

In particular, place management considers how the place or neighbourhood experiences the services that the council is delivering and attempts to optimise the delivery of services from this perspective. To be effective, such an approach relies on community consultation and feedback on the planning and delivery of services to ensure that the council properly understands the needs of service recipients.

Port Phillip Online (PPoL)

The collective name for the council's internet development activities.

Service at Port Phillip

Service at Port Phillip is about entrenching an approach to service that responds to queries or requests in a quick, friendly and efficient manner.

StAMP

An acronym for council's Strategic Asset Management Plan, which aims to ensure that the management and maintenance of assets takes a long-term view of costs and asset life to ensure the assets' sustainability.

Sustainable value service review

The council's program of regular reviews of services to ensure they are consistent with the best value legislation and the principles outlined under the best value definition.

Sustainable community progress indicators (SCPI) project

An assessment system to enable the council to more accurately determine whether the collective actions of the council and the community are making our living systems more or less sustainable over the long-term.

Sustainability

Sustainability for Port Phillip is about establishing processes and actions that support economic viability, environmental responsibility, cultural vitality and social equity to ensure that we provide for future generations to the best of our current ability.

Three-year budget strategy

The council's short-term financial plan, which is based on and supported by a range of broad budget assumptions and parameters, as well as a clearly defined short-term (three-year) capital works plan.

Victorian Local Government Indicators

Indicators against which all Local Governments within Victoria are required to assess their performance and report the results in their annual report.

WorkCover

The Victorian WorkCover Authority (VWA) is the manager of Victoria's workplace safety system.

WorkSafe

WorkSafe Victoria, the Victorian WorkCover Authority's occupational health and safety arm, takes the lead role in the promotion and enforcement of health and safety in Victorian workplaces.



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CONTACTING THE COUNCIL





Contacting the Council



Contact Us

Council Offices

The City of Port Phillip operates from three main locations:

St Kilda Town Hall

Corner Carlisle Street and Brighton Road, St Kilda

Monday: 8.30am - 6.00pm

Tuesday - Friday: 8.30am - 5.00pm

Enquiry counter and cashier for payment of fees and rates

South Melbourne Town Hall

208 Bank Street, South Melbourne

Monday, Wednesday, Thursday, Friday: 8.30am - 5.00pm

Tuesday: 8.30am - 6.00pm

Enquiry counter and cashier for payment of fees and rates, planning and building approvals

Port Melbourne Town Hall

333 Bay Street, Port Melbourne

Monday - Friday: 8.30am - 5.00pm

Enquiry counter and cashier for payment of fees and rates

Services are also provided from numerous outposts throughout Port Phillip, including libraries, community centres, maternal and child health centres, childcare centres, kindergartens, playgrounds, and a depot and transfer station.

The City of Port Phillip operates five libraries:

Branch	Address	Telephone Number
Albert Park	319 Montague Street, Albert Park	(03) 9209 6622
Emerald Hill	195 Bank Street, South Melbourne	(03) 9209 6611
Middle Park	Corner Nimmo Street and Richardson Street, Middle Park	(03) 9209 6633
Port Melbourne	147 Liardet Street, Port Melbourne	(03) 9209 6644
St Kilda	150 Carlisle Street, St Kilda	(03) 9209 6655

ASSIST Centre

The City of Port Phillip ASSIST Centre provides the community with a first point of contact for all council-related requests. The community can access the service by phone, fax and email or at the Port Melbourne, South Melbourne and St Kilda Town Halls. ASSIST staff are available to receive and resolve enquiries as they arise by liaising with other departments and council service providers. The ASSIST Centre aims to satisfy requests for service and information in an efficient and accurate manner.

Council contact details:

Email assist@portphillip.vic.gov.au
 Facsimile (03) 9536 2722
 Mail City of Port Phillip, Private Bag 3, St Kilda, VIC 3182

Telephone

General enquiries (ASSIST) (03) 9209 6777
 Rates (03) 9209 6366
 Planning (03) 9209 6424
 Building (03) 9209 6253
 Port Phillip Parking Service (fines) (03) 9611 7660
 Waste Management (03) 9209 6533

Further Information

Further information about the City of Port Phillip is available on the council's website at www.portphillip.vic.gov.au.

If you would like to receive free email updates about the City of Port Phillip, council services, information and initiatives, community information and website updates, see the Port Phillip Online Update page on the website for details.



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This information is provided by the City of Port Phillip to inform residents about council services and responsibilities. For a translation of this information contact the council's interpreter service.

For a translation in Cantonese call 9679 9810, for Greek call 9679 9811 for Polish call 9679 9812 for Russian call 9679 9813.

此信息由Port Phillip市政府提供，目的在於告知居民市政府的服務和責任。若您得到此信息的翻譯，請與市政府的口譯服務處聯繫。廣東話翻譯電話9679 9810。

Οι πληροφορίες αυτές παρέχονται από το Δήμο Πόρτ Φίλιπ για να πληροφορηθούν τους δημότες σχετικά με τις δημοτικές υπηρεσίες και υποχρεώσεις. Για μετάφραση αυτήν των πληροφοριών επικοινωνήστε με την υπηρεσία διαμεγύηση του δήμου. Για μετάφραση στα Ελληνικά καλέστε το 9679 9811.

Эта информация предоставлена Муниципальным Советом Port Phillip в целях ознакомления жителей района с услугами и обязательствами муниципального совета. Чтобы получить перевод этой информации, обратитесь в переводческую службу муниципального совета. Чтобы получить перевод на русский язык, позвоните по номеру 9679 9813.

Informacja ta została przygotowana przez Radę Dzielnicy Port Phillip w celu powiadomienia mieszkańców o usługach i obowiązkach Rady. W celu uzyskania tłumaczenia tej informacji należy skontaktować się ze służbą tłumaczy Rady. Tłumaczenie na język polski otrzymać można dzwoniąc pod numer 9679 9812.