



CITY OF PORT PHILLIP
Annual Report 1994/95

Children dog owners students Older

architects

formers

Port Phillip

Artists

in-line skaters non-English background speakers C



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Cover: Rupert Bunny, *The Forerunners* 1894 (Port Phillip City Collection), detail. Rupert Bunny was born in St. Kilda in 1864. For more information about the Rupert Bunny Foundation, promoting the visual arts in Port Phillip, contact Joan Winter, ph: (03) 9209 6215.

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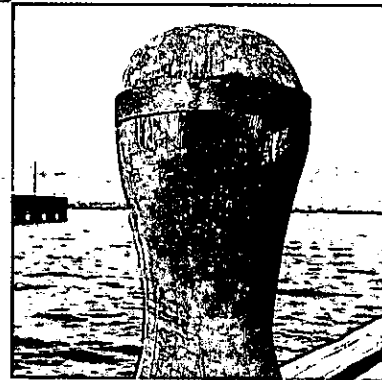


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Left to right: Commissioner Geoff Vincent AM, Commissioner Lynne Wenig, Chairman of Commissioners Des Clark.

THE PAST YEAR has been a period of intense challenge and change in the City of Port Phillip as Council has undergone a reform process that will make it more responsive to the community and more efficient at what it does. These reforms will equip the City to face the many complex challenges all organisations must confront as Australia becomes more competitive and more focussed on succeeding in a rapidly changing world.

In May, Council took a major step in the process of charting the City's course towards the year 2000 when it adopted the Corporate Plan. This guide details the City's values, based on consultation, tolerance and unity, outlines plans covering a 12 month and a three year period, and suggests a snapshot of what the Port Phillip community will be like in 2001.

One of the greatest challenges for the City is to become as efficient as possible in delivering services to the community. This is the same challenge all Australian organisations must face if we are to become more competitive in the international economy.

The City, over the past year, has achieved savings of around \$18 million through organisational efficiencies, whilst maintaining service levels. These savings will be passed on to ratepayers in the 1995/96 rating year which starts 1 October 1995.

Council has also adopted a new organisational structure that is better suited to meeting the needs of a changing and diverse City. In particular, our new structure will ensure Council is able to respond and better manage competitive tendering.

The past year has also seen the announcement of a number of important developments in the City.

The location of the National Academy of Music in the South Melbourne Town Hall represents a cultural coup for the City. This move will enhance and revitalise

the historic town hall precinct and further cement Port Phillip's reputation as a centre of cultural and artistic excellence.

Council has committed \$4 million to fund the inclusion of a community swimming facility in the State Government-funded Melbourne Sports and Aquatic Centre at Albert Park. This agreement will deliver first class facilities to the Port Phillip community, including a lap swimming pool, learn to swim and hydrotherapy pool and free-from leisure pool, at a much lower cost than if the City had funded a separate, independent centre.

This year has also seen Council approve a Development Plan for Luna Park which will ensure this St-Kilda icon is restored to its former glory. The final plan received overall support from Heritage Victoria, the Department of Conservation and Natural Resources, the EPA, Friends of Luna Park and the National Trust. The proposed redevelopment will allow a whole new generation to discover the delights of Luna Park - from its old world charms, such as the Carousel, to a range of exciting new attractions.

Commissioners Wenig and Vincent join with me in congratulating Council staff for the outstanding effort they have made over the past year. The true success of the City will be founded on the talent and commitment of its officers. Based on our experience this year, the Commissioners have no doubt that the City of Port Phillip will continue to prosper and display an enviable richness of community life.

Des Clark
Chairman of Commissioners

Chief Executive Office recently with Elizabeth Phillip's year in review...

EP: How has the City of Port Phillip performed in 1994/95?

JH: We've achieved a number of key outcomes this year, resulting in some significant 'wins' for the community. Firstly, on the financial front, the year saw us achieve ongoing expenditure savings of \$7 million which were required to "balance the books" after areas of Port Melbourne and South Melbourne were transferred to the City of Melbourne. The 1995/96 budget provides for further savings and most ratepayers will receive a significant rate reduction this year, based on our five year financial plan. As well, outstanding loans were reduced by \$2.36 million and a significant capital works program was implemented.

The development of Vision 2001, Port Phillip's Corporate Plan, has been another significant achievement. A lot of time and effort has gone into the plan to ensure that it won't just gather dust. The community was widely involved in its preparation as were our staff. The Plan focusses on establishing a partnership with the community and sets the directions which will influence the city's life as we approach the next century. We expect the Plan will be reviewed by the incoming Council, but the underlying issues will be of ongoing relevance.

Agreement with the State Government on the funding of the Melbourne Sports and Aquatic Centre in Albert Park was a very significant outcome, which will make a fine facility available to the local community. The completion of the Acland Street works, the development of Port Melbourne Heritage controls and the establishment of the corporate identity were other significant events in the 1994/95 year.

EP: How will Vision 2001 be implemented?

JH: The starting point is the completion of the various projects identified in the Plan. These include the development of a number of strategies covering issues such as urban design, land use, traffic and transport management, economic development and tourism. Together with the community development and human services strategies, these plans allow us to take an integrated approach to planning and service delivery in the municipality.

We're developing a Financial Management Strategy



r, Jon Hickman spoke Potter about Port



based on a rolling five-year budget process and five-year forward Capital Works Program. Service specifications and business plans are all part of sharpening our goals. These are some of the key objectives, all of which have a timetable for completion. There will, of course, be annual reviews of the Corporate Plan, and our financial plans, to ensure they reflect current Council thinking.

EP: Has the state of the economy made any noticeable impact on the City of Port Phillip?

JH: The slow improvement in the economy, and interest in inner city housing, has seen steady interest by developers in a number of key sites in the city. We are keen to play an active role, acknowledging the increase in jobs which accompany major site developments and the opportunities these create for local residents. Council is keenly

aware of the need for sensitive design, as well as the pressure which exists on inner city and bayside residential zones. Some of the Port Melbourne projects currently underway are examples of development which meet all these criteria.

EP: How has CCT affected local government?

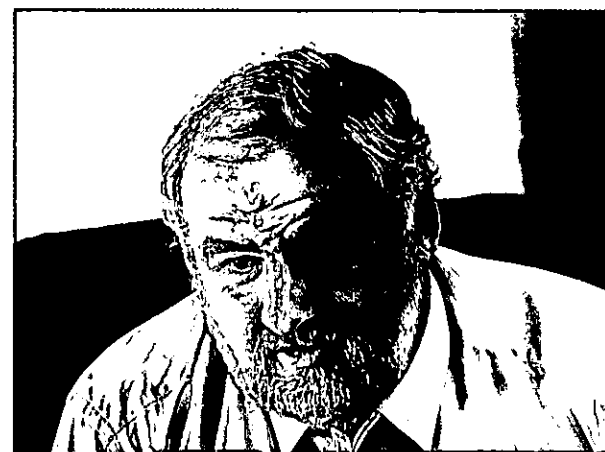
JH: CCT is one of the most important reforms affecting local government in its history in Victoria. CCT is already impacting on Port Phillip: we're more sharply focussed on the markets we serve and what services we actually provide. We're doing a lot more work determining the services and levels of quality that people want and looking at how they value them, and we're looking far more closely at our effectiveness and efficiency in providing those services. It's bringing a competitive philosophy and customer service focus to the organisation, from front-line service delivery staff to the management team.

The 1994/95 CCT target was achieved, and we're now moving towards our new targets.

EP: A feature of Port Phillip is its diversity. How will the distinct communities be maintained and enhanced in the new municipality?

JH: We are working towards developing neighbourhood strategies. What we want to achieve is an multi-disciplinary understanding of neighbourhoods, to look at social, environmental, physical, cultural and land use issues for particular communities. We need to ensure that the strategies respond to their unique needs. The way Council works with individual neighbourhoods and how we respond to their issues and concerns will play a key role in maintaining the distinct communities within the municipality.

Some key achievements have been made in the community services area from the amalgamations of services covering the three former municipalities. For example, the meals-on-wheels service can now provide chilled meals on Friday for weekend consumption across the whole city rather than to just eligible residents in St Kilda; standardised funding allocations across the city's pre-schools have been achieved; the pooling of bookstock has delivered greater choice across the branches. There have been changes, and some people may not always welcome all of the changes, but there has been a real effort to ensure that there have not been cuts to services or service closures. Council's goal is to maintain and enhance existing services. What we're doing is taking best practices from each area and building them into new service arrangements.



EP: How have staff found the changes?

JH: It has been a very difficult year for many of our people. New organisation structures, around 200 fewer staff, the negotiation of new industrial agreements, preparation for competitive tendering, new work roles for individuals, new work systems, a new corporate plan and local political reaction to many of the decisions of the State Government have made 1994/95 a unique year in many of our careers. 1994/95 was a year of great uncertainty for many people and uncertainty creates stress.

Many people with many years service to their local communities have accepted redundancy packages or left to pursue other career options in local government or in other



fields. I have appreciated greatly our people's commitment to meeting the needs of the community in often very difficult circumstances and I would like to publicly acknowledge this, and thank them for their efforts.

EP: One of the most important tasks for the new Council was to prepare for the return of Councillors. What progress has been made for the return to democracy?

JH: Decisions around the return to elected Council were made in the 1995/96 year and thus are not reported upon in detail in this report. However during 1994/95, an Options Paper was prepared and circulated within the community. Council staff and Commissioners were involved in community meetings, consultation and hearings. Electoral arrangements were recommended to the Minister for Local Government in August 1995 after Council adopted a "seven Councillors for seven Wards" approach.

Developing partnerships and links

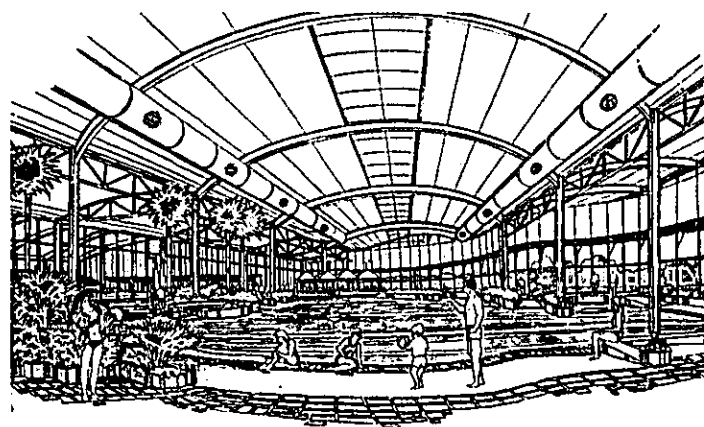
IT'S AN AREA KNOWN FOR ITS ACTIVE and informed community. Distinct communities, each with a strong voice, combine to create Port Phillip. The new city has sought to build on existing partnerships and create new links with its people - and one of the ways Council has achieved this is through the establishment of the community panel.

Created in February 1995, the panel represents residents, ratepayers and those who work in the city. With interests and experience spanning business, tourism, multi-culturalism, the arts and community services, gained both professionally and through voluntary service, members of the community panel have provided advice to Council on a wide range of issues. These have included the community swimming facility at the Sports and Aquatic Centre, Council's corporate identity and the development of a city-wide parking policy.

In addition, panel members are involved with the Albert Park, Library, Environment and St Vincent Gardens Advisory Committees and represent Council at a number of forums, including the Claremont Home for the Aged Committee of Management; Friends of Botanical Gardens; Hobson's Bay Secondary College; Australian Local Government Women's Association; Migrant Resource Centre; Napier Street Hostel; Port Phillip Multi-Cultural Advisory Council; St Kilda Community Group; and the St Kilda Housing Association.



As former Councillors and Mayors, representatives of community organisations or simply individuals keen to share their expertise and commitment to Port Phillip, the members of the Community Panel have brought their understanding of community issues and priorities to Council decision-making and policy development processes. They have allowed the City to draw on a range of backgrounds and experiences as diverse as the Port Phillip community itself and Commissioners and staff have greatly appreciated their efforts.



Meeting the target - Compulsory Competitive Tendering

The philosophy, the legislation

Councils are being encouraged to be more competitive and to provide more efficient services to the community. In May 1994, the Local Government (Competitive Tendering) Act 1994 was enacted. The thrust of the legislation requires Councils to have a minimum of 50% of total operating expenditure tested under a competitive process, as defined by the Act, by the 1996/97 financial year. That target is being phased in, so that in the two years preceding, the targets are 20% and 30% respectively.

Council's Challenge

The challenge for council therefore in complying with the requirements of CCT, is to deliver the best value for the ratepayer's dollar for those services required by the community.

Responding to the challenge

The City of Port Phillip has responded to the challenge of being more competitive by restructuring the organisation and developing a Corporate Plan - Vision 2001.

The organisational structure has been redrawn to clearly separate the 'client side' from the 'provider side'. Vision 2001 sets down the framework for the development and enhancement of the municipality.

Organisational Restructure

the client side - or Community Planning division - is responsible for ensuring that the requirements of the community are under-

stood as well as seeing that the appropriate quality services are delivered.

the provider side - the Operations, Corporate and Organisational Development divisions of council - is responsible for the actual delivery of those services.

Competitive process

The provider side is progressively being required to compete for the provision of all services through the competitive process. This is known as an "in-house bid". Council will assist in-house bids on the proviso that the services can be delivered at market competitive cost, and at the appropriate levels of service, quality and reliability.

Achievements in the CCT process

In the year ended 30 June 1995, 24% or \$11.7 million of relevant expenditure complied with the requirements of the legislation. Although that figure is subject to audit, the CCT target has been met for 1994/95.

Future targets

In order to meet the 1995/96 target of 30% and the future 50%, in-house work units will be required to go through the competitive process. To facilitate this, a tendering timetable has been prepared for the City of Port Phillip, and a CCT Taskforce has been established, meeting on a regular basis to develop policies and procedures for the effective management of the process.

ACHIEVEMENT OF 1994/95 CCT TARGET

1 October 1994 to 30 June 1995	
Total Operating Budget:	\$48,298,000.00
20% CCT target	\$9,659,600.00
Actual CCT Expenditure	\$11,710,008.84
Total %	24.25%

TYPES OF COMPETITIVE ARRANGEMENTS FOR 1994/95

Category	Total No. per category	Total Expenditure
A. Public Works & Services	60	\$6,652,455.11
B. Recreation Facilities & Services	10	\$287,950.85
C. Environment Services	5	\$423,295.46
D. Health & Welfare Services	1	\$13,675.00
E. Administrative, Financial & Professional	16	\$470,720.34
F. Statutory Services	0	\$0.00
G. Economic Development Activities	0	\$0.00
H. Approved Purchasing Schemes - Maps	94	\$2,421,760.45
- MAV	27	\$256,159.75
- 208F	1	\$620,820.08
Total No. of arrangements	214	
Total COPP (inc 208F)	93	\$8,468,916.84
Total MAPS + MAV	121	\$2,677,920.20
External (See Section 3)	1	\$563,171.80
	215	
TOTAL	215	\$11,710,008.84

PREPARING FOR THE NEW WORLD

Port Phillip produces long term savings

PORT PHILLIP'S GOAL is to be the leading municipality in Melbourne. To achieve this has involved change. Change in all areas: physical boundaries, management structures, systems and staffing.

Change has been necessary in order to keep pace with global competition and increased efficiencies. The need to be more competitive economically is dictated by the need to keep improving our standard of living as a nation. Two strategies of change have been put in place to improve efficiencies in local government - amalgamation of councils to achieve economies of scale, and the Compulsory Competitive Tendering process (CCT), which is already well phased in at the City of Port Phillip.

Council's role is to deliver services to the community. And it is this desire to concentrate on providing improved services more efficiently which lies at the heart of restructuring.

In the past, service groups have been responsible for planning and delivering a service. In the new Port Phillip structure, planning the service requirement is the responsibility of one division, Community Planning, and delivering the service is the responsibility of another division, Operations. Separating the roles of service provision planning, from that of delivery of the service itself, is the essence of the City's approach to CCT.

In Community Planning, the General Manager David Spokes, has three managers in his team who are responsible for the three districts, North, Central and South, who in turn provide service planning in the areas of industrial/commercial, residential and foreshore/tourism/leisure. Community Planning also has the responsibility for Customer Services, and Urban Design.

In Operations, John Cincotta's team is responsible for delivering

services for Planning & Building; Health & Environment; Parking & Traffic; Road Services; Parks & Gardens; Aged & Disability; Family, Children & Youth; Libraries; and Recreation, Arts & Events. The way CCT works in Operations is vital to the success of the restructuring. It is imperative that providers of the services are competitive and accountable, whether they are contracted from the private or public sectors.

General Manager Corporate, David Graham, heads up Finance & Administration; Assets & Valuations; Information Systems; and Corporate Planning. The Corporate Division provides the finance and technological expertise to support Community Planning and Operations which are at the coal-face of Council's activities.

In Organisation Development and Communications, Mikki Young's division supplies an internal consultancy service to the other three divisions, and the CEO. Responsible for Human Resources; Employee Development, & Employee Relations; and Communications, the division provides the organisation with the tools to implement change.

Restructuring in the City of Port Phillip has simplified the functions of planning, providing and managing. Four main divisions answer directly to the chief executive, each pursuing a philosophy that aims to make Council a more responsive and efficient deliverer of services to the Port Phillip community. It is this commitment to become more focussed on the needs of the whole community - residents, ratepayers, local businesses, tourists and workers in the city - that will make Port Phillip a model for other Victorian councils.

THE GOVERNMENT'S recently published figures on savings achieved as a result of local government reform, confirm that Port Phillip has delivered savings of \$18.1 million. Rate savings have been achieved through organisational efficiencies whilst service levels have been maintained.

Rate revenue has been reduced 26% from \$43 million in 1993/94 to \$32 million in 1995/96. This is part of a 5 year financial plan which seeks to achieve a further \$2 million drop in rate revenue.

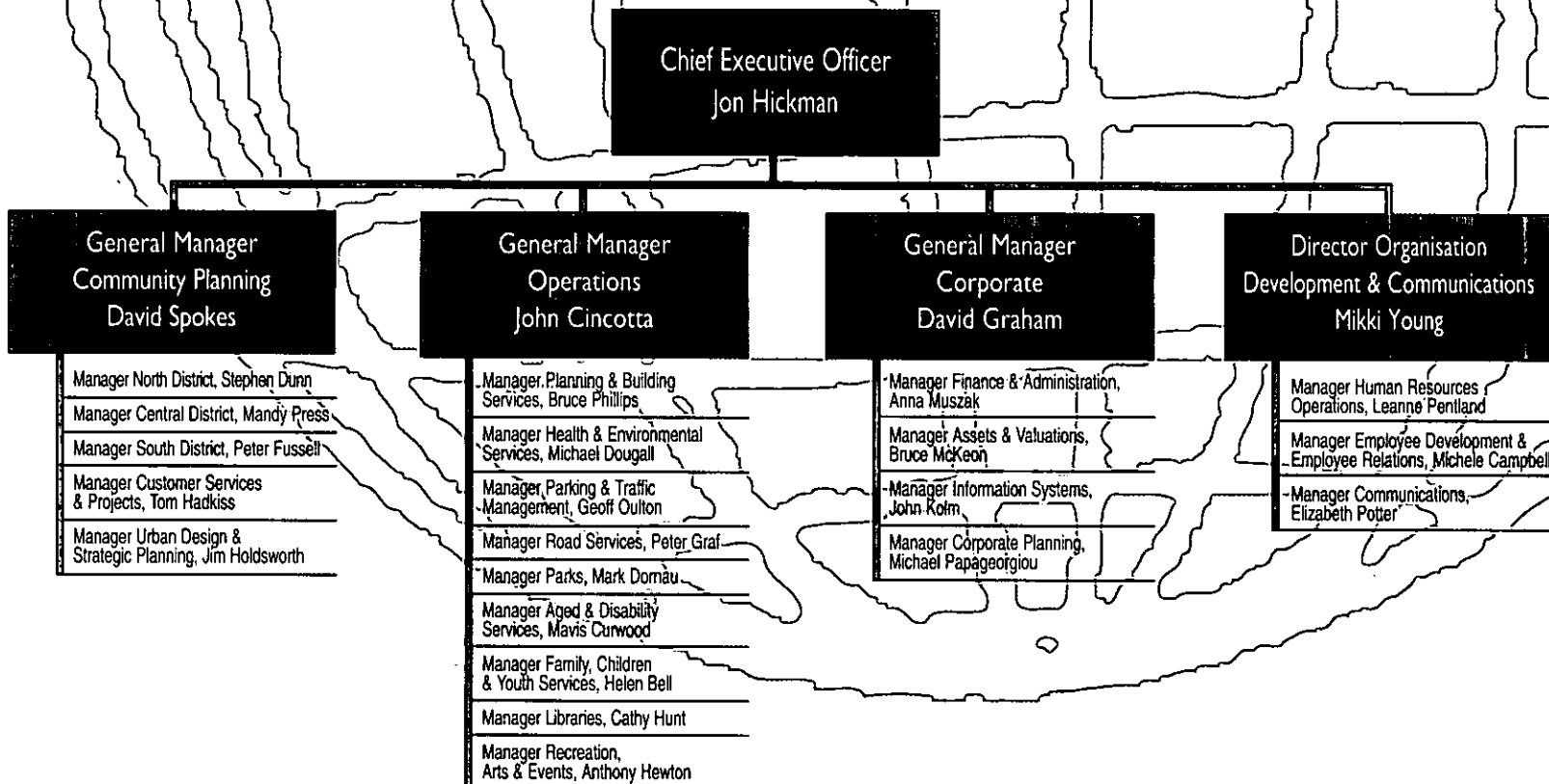
The City has moved to standardise rates across the former municipalities with the majority of properties having received rate reductions in 1995/96 following a rate freeze in 1994/95. Generally properties in St Kilda will receive a rate reduction of approximately 20% with minor increases in Port Melbourne and Prahran. Increases which would have flowed to South Melbourne from the standardisation have been capped at 10%.

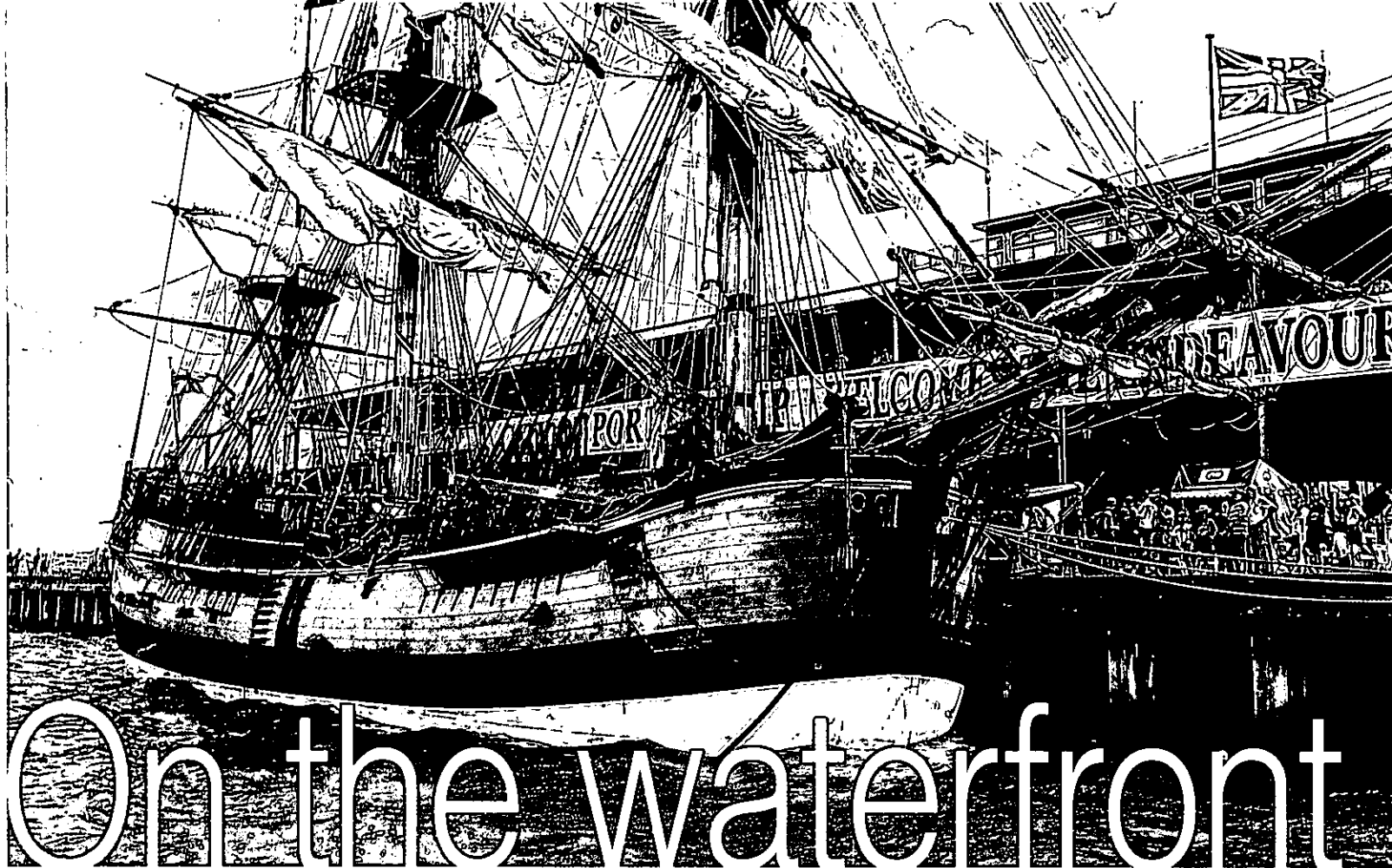
The financial plan also includes no new debt and a \$4.8 million reduction in existing debt over the first two years of the new City.

The plan includes disposal of some properties no longer required by Council. The proceeds of property sales will be invested in capital works projects which will improve the city's infrastructure.

The financial surplus for 1994/95 was \$10 million as budgeted and reflects some \$9 million of rates collected in advance due to the change of financial year. The audit of council's finances was signed off in early August with an unqualified audit report.

PORT PHILLIP ORGANISATION STRUCTURE





HOME TO MANY Melbourne icons, the City of Port Phillip is probably best known and best loved, after Luna Park, for its beaches. Nine kilometres of sand and sea, stretching from Port Melbourne through to St Kilda, form a popular Melbourne playground.

Significantly, the beachfront in Port Melbourne, with its strong industrial background, is evolving as a highly desirable place to live.

During the year, planning for the redevelopment and further enhancement of the beachfront area of Port Melbourne progressed and intensified. The transformation of rundown and disused light industrial areas into residential precincts is well underway.

Major Port Melbourne beachfront developments include the Bayside development; various other developments in the vicinity of Beach Street, such as The Anchorage and Sandridge Bay Towers; and improvements to the foreshore reserve.

Bayside

In August 1994, the Minister for Major Projects, Mr Mark Birrell MLC, unveiled plans for the development of some 27ha of land fronting the bay in Port Melbourne.

The release of the project followed several months of negotiation between Mirvac, the Office of Major Projects and the City of Port Phillip. In the years prior, community consultation produced the Bayside Open Planning Forum Outcomes document and the Bayside Position Statement. Both played an important part in the shape of the final concept plan.

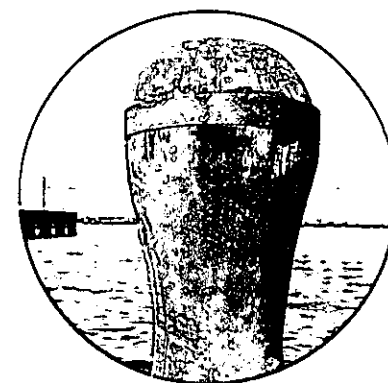
Known, at least for now, as the Bayside development, it will include over the next 7 - 10 years more than 560 homes,



around 300 apartments, restaurants, cafés, offices, a boat harbour, and tourism-oriented features, chiefly in and around the Station Pier precinct.

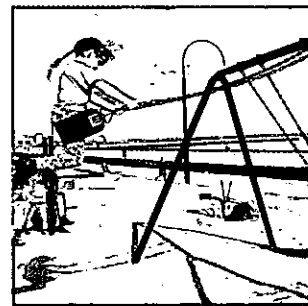
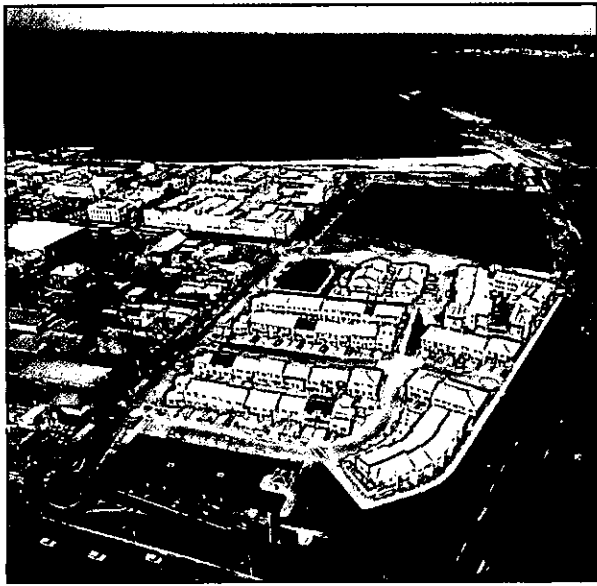
Residential development along the beachfront will follow the newly re-aligned extension of Beach Street, which will be built behind the buildings and large public promenade. This will afford residents direct access to the waterfront and Station Pier facilities.

The Bayside development is one of the largest of its kind in the country. At a total cost in excess of \$300 million, it will provide a dramatic new northern gateway to the city. Stage 1 is now underway and is scheduled for completion in early to mid 1996. It comprises 57 houses, a child care centre, recreational facilities and the construction of the Station Pier access and ancillary roads. Intensive landscaping will be a feature.



Specific elements of the Bayside project

- 850 houses and apartments, with the majority of houses being developed as 2 storey. New development along the foreshore will include 5 buildings between 8 - 12 storeys in height
- Restaurants, cafés and tourist-related commercial uses at the northern end of Station Pier
- Sports and community facilities
- Public boat harbour - the NW corner of Station Pier will also include permanent berths for the historic 'tall ship', the Alma Doepfel and the steam tug Wattle
- A Civic Square
- A National Immigration Museum is planned for the end of Station Pier
- The refurbishment of the Port Melbourne railway station - it is to become the terminus for the extended light rail service.



Beach Street & Environs

The area bounded by Beach, Princes, Graham and Pickles Streets is the subject of ongoing planning and development by the City of Port Phillip.

Within this area, and predominantly on the land with foreshore frontage, considerable interest has been generated about the development of multi-unit residential dwellings. Previously used for light industrial purposes over many years, some of the remaining buildings are suitable for conversion for residential use.

Council recently issued development approvals for sites in Beach Street. Two of those, The Anchorage (the former Swallow & Ariell building), and Sandridge Bay Towers (the old Harper's starch factory) are being redeveloped into apartments.

To ensure appropriate and consistent development of land within this precinct (especially the foreshore area), Council has prepared an amendment (L21) to the Port Melbourne Planning Scheme. It proposes three Development Control Areas, and sets out design principles for future development in the area, including maximum building heights.

The amendment was adopted by Council on 6 June 1995 after its public exhibition and a Panel hearing. It is currently before the Minister for Planning for a final determination.

Another strategically significant foreshore property is the HMAS Lonsdale site. It became surplus to the needs of the Commonwealth Government and has substantial development potential. During the year, as a precursor to a proposed 'site specific' amendment establishing development controls, Council facilitated a public consultation process with adjacent residents to discuss all aspects of the site and its future development. Following extensive consultative and planning processes, a proposed amendment was adopted by Council and submitted to the Minister for Planning, which is expected to be introduced when ownership of the land changes.

Leading the way

The Port Phillip City Council regards the development of this and adjacent areas, from both the design and amenity aspects, as an exciting opportunity. Council is leading the way in its response to the need for the provision of more residential accommodation in a way that recognises, respects and reflects the original character of the area.

The foreshore

Enhancement and improvements continued throughout the year. Major works included the removal of the old wall between the Port Melbourne Life Saving Club and Lagoon

Pier. This has enabled the construction of bicycle and pedestrian paths and extensive landscaping treatment. New street lights and outdoor furniture have been installed to complement the beachfront upgrade.

As well as affording better amenity, the works have led to a wider range of recreational activities in that part of the foreshore.

Significant upgrading and refurbishment also took place in the adjoining Albert Park beachfront area. These include the relocation of the bluestone sea wall opposite Victoria Avenue. It was moved out seven metres and accompanied the construction of pedestrian and bicycle paths and landscaping. The Kerferd Road Pier has also undergone a substantial upgrading, including new lighting, seating and landscaping.

Keenly aware of its responsibilities both to residents and visitors, the City of Port Phillip is showing that sensitive and responsive development can further improve one of Melbourne's most popular and sought after locales.

Key appointments

THE IMPORTANT TASK of making appointments to senior management positions was completed in the 1994/95 financial year.

These appointments have created a management team which combines comprehensive private and public sector skills, with the track records and expertise necessary to manage change successfully in local government.

The team will provide the leadership necessary to bring quality services to the city.



JOHN CINCOTTA - General Manager Operations

Port Phillip is John's first experience of the public sector. With wide experience gained in public and private companies, John's most recent role was with HPA (Hermes Precisa Pty Ltd) as General Manager in Victoria. HPA is the largest Australian company in integrated data management, laser imaging and information scanning, storage and retrieval.

Previously Managing Director of Hunter Douglas Pty Ltd, Australia's largest manufacturer of window furnishing products and components (including the Luxaflex brand), John brings a competitive drive to the City of Port Phillip's business units, established to provide services in nine key areas.

"Our target is to deliver the benefits of competition to the community - the best "value for money" service solutions at quality levels, levels which are continually being improved. We accept that in the end the community of Port Phillip, through people's satisfaction levels, will determine our success," said John in a recent interview.

He finds entry into local government a stimulating management challenge, helping very capable people confront the challenge of a competitive world.

Other positions he has held include a general management role with a large building products group; his functional career path being predominantly in marketing and strategic business planning.

Married with four children aged 24 to 13, John and his wife Maria live in Mount Eliza.



DAVID GRAHAM - General Manager Corporate

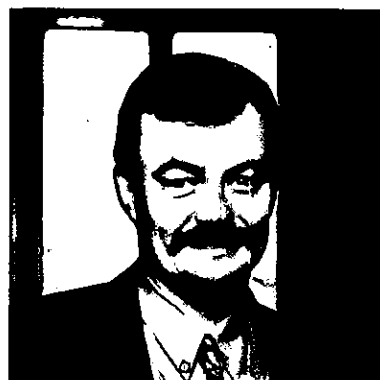
Before his appointment as General Manager Corporate, David Graham was Interim General Manager, Finance, Information and Administration with the City of Port Phillip. Prior to the amalgamation of the three Councils, David was Chief Executive Officer at the City of Port Melbourne. David brings valuable local government experience and local knowledge to the new city.

His key role as General Manager Corporate, is to ensure the provision of quality strategic and corporate planning, financial, information systems and asset management services for the whole organisation, supporting both line management and the business units.

Among his many responsibilities, David will monitor and review the implementation of both the City's Compulsory Competitive Tendering policies and its Corporate Plan

David said, "Whilst the role has technical challenges, the acid test is to enhance the value of services delivered. National Competitive Policy dictates that we pursue much enhanced performance. The challenge is to ensure the alignment of that performance, with our Corporate Plan."

David and his wife Patricia have three teenage sons. David has worked in the Port Melbourne area for many years, and enjoys living and working in Melbourne's bayside regions.



DAVID SPOKES - General Manager Community Planning

David's role in Port Phillip's new structure is to develop and implement strategies which define and obtain high quality services for the city. Through careful management of those contracts, David and the Community Planning Division will ensure that specific services to end-users meet community expectations and needs.

"The key challenge is to develop and promote broad debate and support for the future vision of Port Phillip and how this can be achieved. The Vision 2001 project provides a sound basis to meet this challenge but we expect this to be reviewed by incoming councillors during 1996."

The Division is accountable for managing the competitive tendering process to procure the best available quality and level of services, and for establishing and maintaining a strong partnership relationship with providers - both internal and external - and acting as the link between service providers and the City's customers.

David will be supported by the Managers of the North,

Central and South districts, whose prime responsibility is integrating services in defined geographical settings for the business and industry, residential, and tourism markets respectively.

With an excellent background in the Community Services and City Planning areas, David had his own community consultancy business which specialised in social planning, before joining the City of Melbourne in 1988.

At the City of Melbourne he was responsible for the management of a wide range of services including Community, Cultural, Recreation, and Business Support. David played a strong role in strategic and urban planning issues.

David is married with 4 teenage children. He said, "I was attracted to the position because of the complexity and cosmopolitan character of Port Phillip. The job provides a unique opportunity to focus on planning for the municipality's long-term future requirements and its responsibility to meet the differing needs of residents, business, tourists and visitors."



MIKKI YOUNG - Director Organisation Development and Communications

Mikki Young brings essential experience with her to the City of Port Phillip. She has an impressive record in the Victorian public sector. Her most recent role was with Melbourne Water, where she occupied the position of Manager, Customer Service Change Implementation. Previously, she was employed in a Human Resource Management role in a number of organisations including the Accident Compensation Commission and the Victorian Tourist Commission.

Mikki reports to and works closely with the Chief Executive Officer, Jon Hickman. The overall objective of her role is to assist the CEO in leading the strategic, cultural and corporate policy changes necessary to implement and sustain the new organisation structure.

The role is an advisory one, providing support to the Commissioners, the Chief Executive and the General Managers in relation to change management strategy and associated support systems.

Among her key responsibilities is to co-ordinate the introduction of new strategies and processes for performance management, cultural change and employee relations across the organisation. An important feature of Mikki's work is communicating these changes throughout the organisation to ensure there is an understanding of all organisation development and human resources initiatives.

Mikki has twenty years experience in human resources management and sees local government as being in an exciting and challenging phase.

"The reform process has given local government an opportunity to examine the way it works. It's a time to introduce new initiatives to provide better service delivery across a wide range of services," she said.

"This is a period of significant change for local government. Our employees need to understand that and be supported through these times of rapid change."

Mikki resides in the municipality with her 8 year old son.

GIFTED MUSICIANS WANT TO STAY IN MELBOURNE



find home in Port Phillip

The influx of Australia's best young musicians, will bring a "left bank" atmosphere to the area, and revitalise the unique Town Hall precinct. And the South Melbourne Town Hall, undoubtedly one of the best performance venues in Melbourne, will again take its place in the artistic life of Australia's cultural capital.

AUSTRALIA'S MOST GIFTED MUSIC students are expectantly tuning up in the hope that they may be selected to attend specialist music courses when the newly created Australian National Academy of Music gets under way at the South Melbourne Town Hall next year.

The Academy is the brainchild of Prime Minister Keating, and comes under the banner of the Creative Nation policy. The idea was taken up by the State Government of Victoria, with the City of Port Phillip providing the historic Town Hall as the venue. To fund the project, the Federal Government will provide \$2.2 million a year.

Once planning approvals and permits have been obtained, the Academy, which will operate under the auspices of the University of Melbourne, hopes to begin operations in early to mid 1996. Short courses will be available for 40 highly talented young soloists from all over Australia. These courses will be run by acclaimed teachers, and national and international performers, and provide students with a level of training which in the past they have had to go overseas to obtain.

In addition to the annual grant, the Federal Government will also spend \$1.5 million on alterations to make the present accommodation suitable for music teaching. These alterations will be carried out in consultation with the Historic Buildings Council and the City of Port Phillip. Under a 20 year lease, the Academy will occupy the eastern half of the building, previously used as offices by the former South Melbourne Council.

The main auditorium, regarded as a hall with outstanding acoustics, will continue to be used by the community and the public, as well as for performances staged by the Academy pupils. The council chamber, apart from minimal alterations to the seating, will also be kept in its present state. Preservation of the historical aspects of the building is paramount. A full inventory of important historical items will be made, and the care and safe keeping of these items will be the responsibility of the City of Port Phillip.

The South Melbourne Symphony Orchestra will continue to have free access to the Town Hall on a weekly basis for rehearsals and for at least four concerts a year. Local non-profit community organisations can apply to have free use of

the hall facilities with the Academy responsible for taking bookings for the auditorium when it is available.

The Board of the Academy, chaired by the Rt Hon Sir Zelman Cowen, is made up of distinguished music academics and business leaders. In a recent statement, Sir Zelman said, "The Academy, with its focus on performance rather than award based training, will fill a much needed gap in music education in this country."

Fellow Board member Professor Warren Bebbington, who is Dean of the Faculty of Music at Melbourne University said, "the Academy will cater for a class of musicians at the extreme top end of talent whom we cannot hold in Australia."

The influx of Australia's best young musicians, will bring a "left bank" atmosphere to the area, and revitalise the unique Town Hall precinct. And the South Melbourne Town Hall, undoubtedly one of the best performance venues in Melbourne, will again take its place in the artistic life of Australia's cultural capital.

Capturing the essence of the city

IT'S SET TO BECOME one of Melbourne's most identifiable logos: Port Phillip's new corporate identity captures the essence of the city in one bright, visually exciting design.

Developed by Meg Robertson Design, the logo has gained wide popular support and is set to play a key role in identifying Council activities throughout the community.

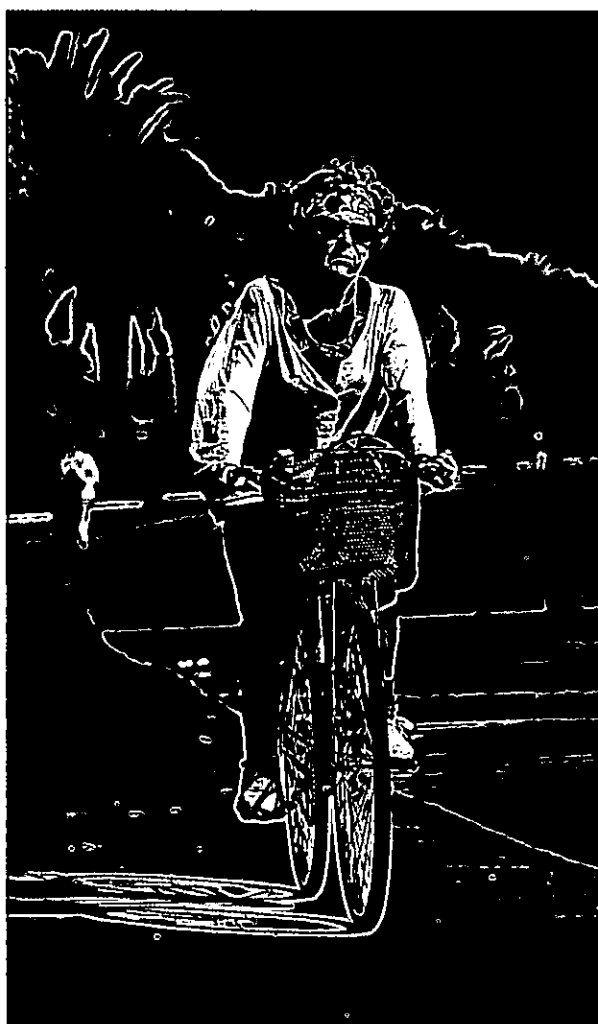
The central palm tree captures one of the city's most identifiable features. From the Port Melbourne foreshore, to Albert Park and the gardens of St. Kilda, palm trees remain one of the city's icons. The City's bayside setting is represented by the top left of the logo with the blue of the bay and the yacht and wave symbols.

The burnt orange of the top right segment depicts the profiles of office buildings lit by the sunset. The rows of terraces and cottages, so characteristic of the city, are represented by the zigzag. The teal green symbolises the many parks and gardens throughout the city, with the three dots representing people enjoying the facilities.



Preliminary designs by several companies were publicly displayed. Input from the community and members of the Community Panel and ideas from council staff and Commissioners ensured that the final design was one the community would accept and enjoy.

Highlighting the unique characteristics of the city, Port Phillip's new logo, whether fluttering on street banners, highly visible on street signage or simply marking out council facilities, will bring a special vibrancy to Melbourne's inner city bayside suburbs.



Set for international exposure

RENOWNED FOR ITS FESTIVALS and cosmopolitan food, Port Phillip will be the focus of international attention in 1996. The Australian Formula 1 Grand Prix, moving to Albert Park in 1996, is one of the world's major international sporting events, bringing an estimated 500,000 people to the city over its four days and a world-wide viewing audience of millions.

Although the Grand Prix circuit is located entirely within the bounds of Albert Park, which as a State Reserve is outside the direct control of the city, Council will face many extra responsibilities leading up to, during and following the event. For example, the City of Port Phillip is responsible for all roads and streets (other than 'declared roads' which remain the responsibility of VicRoads) within the municipality, which means the city will have to manage parking and traffic control across the Albert Park site.

Of paramount concern is the amenity of the residents and the promotion and optimisation of opportunities for local businesses throughout all phases of the Australian Grand Prix.

Port Phillip's responsibilities

The City of Port Phillip's responsibilities and duties in connection with the Australian Grand Prix are broad. They include participating in all appropriate aspects of planning for the conduct of the 1996 and subsequent Australian Grand Prix. Council officers have been available to serve on committees, and liaise with community, business and interest groups, all relevant authorities and agencies. The City has facilitated the development of a detailed Traffic Management Plan to ensure that access and mobility requirements, external to the Grand Prix site are adequately met and has worked with the Victoria Police (with particular



regard to 'alcohol issues') and other emergency services. Council's role is three-fold: minimising (or negating) any adverse impact on the amenity of residents; creating and maximising opportunities for local businesses to obtain a net benefit from the staging of the event; and using the opportunity to promote the features and the attractions of the City of Port Phillip from all viewpoints, including tourism.

Amenity issues include:

- access to surrounding streets for:
 - residents and visitors
 - local businesses, customers and service providers
 - emergency vehicles
 - council and community service providers
 - visitors to hospitals and care centres
- special consideration of needs of educational establishments
- adequacy of "through routes" for traffic
- noise
- adequacy of street lighting, cleaning and security
- food and liquor - control and licensing aspects

Participation, liaison & co-operation with others

The Council is represented on two critical committees, each of which operate under specific charters. The framework of those charters reflects the City of Port Phillip's principal areas of responsibilities and concerns. The Transport & Traffic Committee includes representatives of VicRoads, Victoria Police, Public Transport Corporation, Metropolitan Ambulance, Melbourne Parks & Waterways, the Cities of Melbourne and Stonnington, and the Australian Grand Prix Corporation. The Community Relations, Health & Environment Committee is an advisory committee whose membership includes representatives from community and business, users group, environment, and the Australian Grand Prix Corporation.

Looking beyond the 1996 Formula 1 Australian Grand Prix

Council will continue to monitor and assess the impacts throughout the community of the staging of the Formula 1 event at Albert Park next year. It will strive to preserve the amenity of the area and at the same time to identify opportunities for the benefit and future enjoyment of residents and businesses of the City of Port Phillip.

As a part of that ongoing assessment, Council will continue the consultative processes already begun, and report to residents and the business community on those aspects, prior to and after the March 1996 event.



Melbourne Grand Prix Promotions

Melbourne Grand Prix Promotions Pty Ltd has been granted the right under a licence to conduct the Australian Grand Prix. It is making and coordinating arrangements for the construction of the track and the provision of related facilities in consultation with Melbourne Parks and Waterways and other agencies and groups. And it will promote and manage the event itself.

Melbourne Parks and Waterways

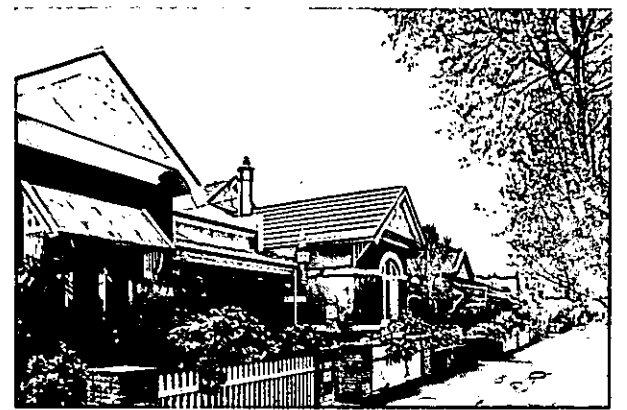
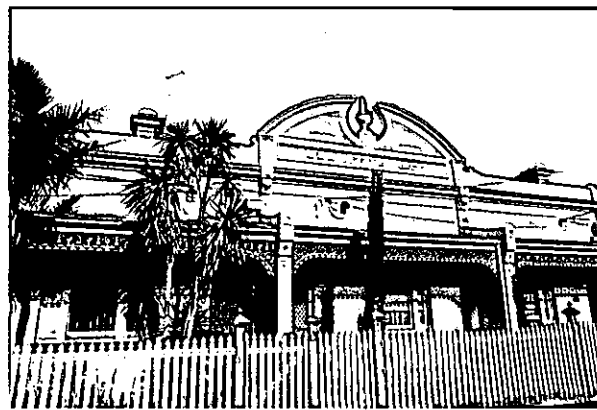
The Albert Park Reserve encompasses a range of active and passive recreational facilities, and is presently being extensively remodelled and enhanced by Melbourne Parks and Waterways under the Albert Park Master Plan. The redesign of course takes into account the requirements for the staging of an international Formula 1 motor race - in particular, the 5.3 km circuit and facilities. Melbourne Parks and Waterways, as the committee of management, manages the Albert Park Reserve. It has the responsibility of managing the park, all its roads, and the actual use of land within the reserve. It must also ensure that all development works are carried out in accordance and compliance with the Albert Park Master Plan.

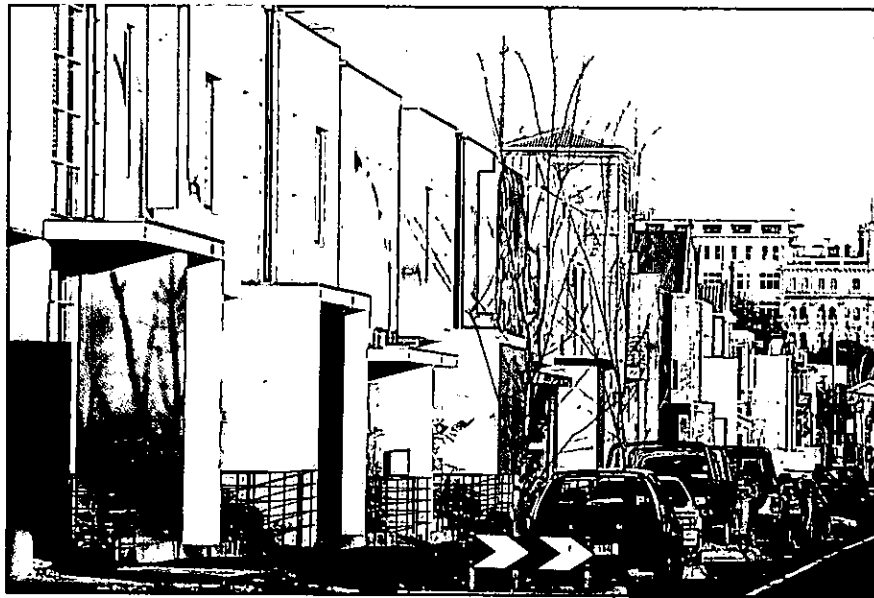
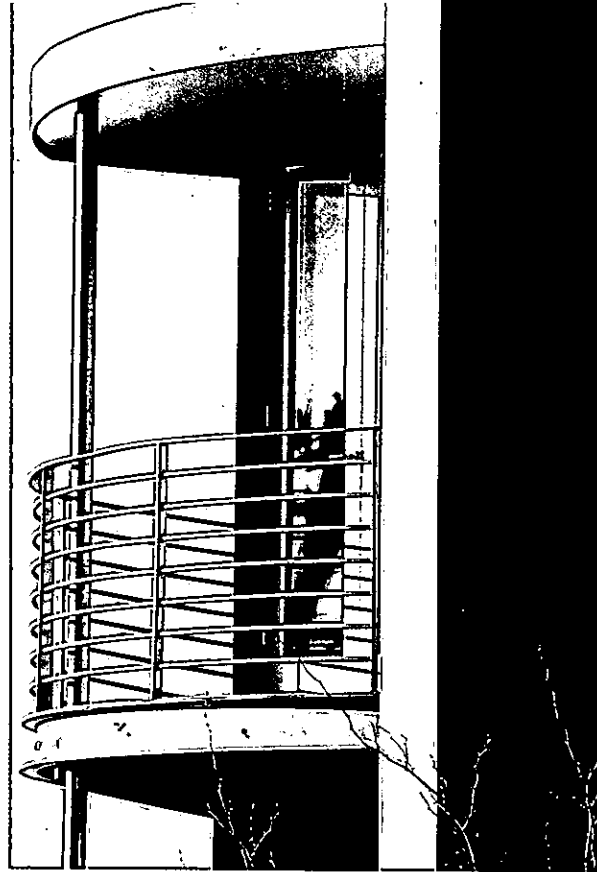
Streetscape

S
t



In an area renowned for its style and architecture, good design in new developments remains high on the City of Port Phillip's agenda.





THE DEPARTMENT OF PLANNING AND DEVELOPMENT'S Victorian Code for Residential Development - Multi-buildings which became known as VicCode 2, has been adopted by the City of Port Phillip as its basis for considering and assessing medium density development. VicCode 2 relates to residential developments, such as town houses and apartments, on lots with an area of less than 300 square metres.

Designed to promote high quality multi-dwelling development, VicCode 2 encourages site-responsive designs providing a variety of dwellings that have minimal adverse impact on the neighbouring environment. The design elements relate to site layout and density, landscaping, energy efficiency, parking and access, private open space and dwelling entries and interiors.

The City of Port Phillip has provided a consistent approach in encouraging designs which contribute to the character of the streetscape. But even with a consistent approach, each application is considered on its merits, and to its likely overall impact on neighbouring properties and the amenity of the area generally.

During the year, the Administrative Appeals Tribunal (Planning Division) upheld each of Port Phillip Council's decisions under the provisions of the then VicCode 2, confirming Council's approach.

Since the end of the year under review, the Minister for Planning and Development has released the Good Guide for Medium Density Housing. Known as the Good Design (or GD) Guide, it has replaced VicCode 2 from end August 1995. The main differences are in the car parking and open space criteria, within a radius of 7 km of the GPO Melbourne.

Some examples of developments processed under the VicCode 2 guidelines are:

- | | | | | |
|-------------------|-------------------|-----------------------------|---|---------------------------|
| • Elwood | 87 Marine Parade | multi-dwelling development | • Eastern Road Primary School (South Melbourne) | 20+ residential dwellings |
| • East St Kilda | 109 Hotham Street | 20+ residential development | • Albert Park | 156 Beaconsfield Parade |
| • South Melbourne | 394 Dorcas Street | 4 residential dwellings | • Middle Park | 246 Richardson Street |
- multi-dwelling development
dual occupancy.

OPERATING STATEMENT FOR THE NINE MONTHS ENDED 30 JUNE 1995

REVENUE	Note	1995 \$000	1994 \$000
Rates	1(g)(i)(j)	35,819	43,369
Grants	1(g)	4,160	8,461
Interest		1,054	1,120
Grants Commission		1,671	251
Charges, Fees, Fines		12,493	17,230
Other		597	5,932
Profit on Sale of Assets		902	245
		56,696	76,608
EXPENSES			
Employee Costs		20,043	33,078
Plant Hire		1,501	1,291
Materials & Contracts		7,425	20,588
Utility Payments		1,534	953
Depreciation	1(d)	3,536	4,796
Consultants		1,026	420
Debt Servicing Costs		1,165	1,672
Contributions & Donations		875	1,740
Other		7,249	8,084
		44,354	72,622
OPERATING SURPLUS BEFORE ABNORMAL ITEMS			
Abnormal Items	3	12,342	3,986
- Staff Redundancies		3,944	-
OPERATING SURPLUS AFTER ABNORMAL ITEMS		8,398	3,986

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 1995

CURRENT ASSETS	Note	1995 \$000	1994 \$000
Cash	4	384	4,228
Receivables	5	8,554	4,192
Investments	1(f),6	24,645	24,490
Inventories	1(h)	113	148
TOTAL CURRENT ASSETS		33,696	33,058
CURRENT LIABILITIES			
Bank overdraft		694	4,360
Creditors	7	8,724	9,971
Provisions	1(e),8	4,388	6,614
Borrowings	9	2,225	5,173
TOTAL CURRENT LIABILITIES		16,031	26,118
NET CURRENT ASSETS		17,665	6,940
NON-CURRENT ASSETS			
Receivables	5	59	38
Investments	1(f),6	20	799
Property, Plant and equipment	1(c),1(d),11	256,150	194,018
TOTAL NON-CURRENT ASSETS		256,229	194,855
NON-CURRENT LIABILITIES			
Provisions	1(e),8	704	704
Borrowings	9	8,260	7,681
Other	10	413	209
TOTAL NON-CURRENT LIABILITIES		9,377	8,594
NET NON-CURRENT ASSETS		246,852	186,261
NET ASSETS		264,517	193,201
EQUITY			
Accumulated surplus		122,065	108,960
Reserves	16	142,452	84,241
TOTAL EQUITY		264,517	193,201

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 JUNE 1995

	Total	Accumulated Surplus	Asset Revaluation Reserve	General Reserves	Statutory Reserves
	1995 \$000	1995 \$000	1995 \$000	1995 \$000	1995
Balance at Beginning of Period	193,201	108,960	72,393	8,089	3,759
Adjustment to Opening Equity	3,495			3,495	
Operating surplus after abnormal items	8,398	8,398	-	-	-
Asset Revaluations	59,423	-	59,423	-	-
Transfers to reserves	0	(941)	-	450	491
Transfers from reserves	0	5,648	-	(5,200)	(448)
BALANCE AT END OF PERIOD	264,517	122,065	131,816	6,834	3,802

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 JUNE 1995 (CONT'D)

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

(a) **The Local Government reporting entity**

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. In the process of reporting on the municipality as a single unit, all transactions and balances between those funds (for example, loans and transfers between funds) have been eliminated.

(b) **Basis of Accounting**

This financial report has been prepared to comply with applicable Australian Accounting Standards. It has been prepared on the accrual basis under the convention of historical cost accounting. However certain non-current assets are included at independent valuation or were revalued to their current cost less accumulated depreciation as at 30th June 1995, and are subsequently revalued on that basis at least every 3 years.

(c) **Recognition of Assets**

The following classes of assets which have been acquired up to 30th September 1992 have not been recognised in the statement of financial position except to the extent referred to in Note 11:

Class of Asset:	Limit at which recognised:
Roads, Streets and Bridges	> \$50,000
Drainage	> \$50,000
Land Improvements	> \$50,000

These assets will be recognised at the conclusion of the identification and valuation procedures which will be undertaken over the next year.

All other items of property, plant and equipment with a value greater than \$1,000 are recognised as assets.

Assets acquired are initially recorded at cost. Cost includes all costs incidental to the acquisition and incurred in getting the asset ready for use. Where assets are constructed by the council, cost includes an appropriate share of variable and fixed overheads.

(d) **Depreciation of non-current assets**

Non-current assets having limited useful lives are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on the prime cost basis, using rates which are reviewed each year. Major depreciation periods are:

Bridges - timber	30 to 40 years
- steel and concrete	80 to 100 years
Buildings	20 to 100 years
Main drains	75 to 85 years
Plant and equipment	2 to 20 years
Sealed roads and streets:	
construction	20 to 100 years
original surfacing and major resurfacing - bituminous seals	7 to 10 years
- asphalt surfaces	15 to 20 years
Unsealed roads	5 to 10 years
Improvements to parks and gardens	15 to 20 years
Trees	10 to 25 years
Motor vehicles	2 to 10 years
Library books	10 to 20 years

(e) **Employee Entitlements**

Long Service Leave is accrued on the following basis:

For full-time and part-time employees with more than 10 years service, entitlements are provided for in full.

For full-time and part-time employees with more than five years and less than ten years service, 70% of entitlements are provided for.

For full-time and part-time employees with less than five years service, 25% of entitlements are provided for.

Annual leave entitlements are accrued in respect of services provided by employees up to the reporting date. Such accruals are assessed as at each reporting date, having regard to current rates of pay and other factors.

The superannuation expense for the reporting period is the amount of the statutory contribution the municipality makes to the superannuation plan which provides benefits to its employees. Details of those arrangements are set out in Note 12.

(f) **Investments**

Investments are valued at cost. Interest revenues are recognised as they accrue.

(g) **Rates, grants, donations and other contributions**

Rates, grants, donations and contributions other than reciprocal contributions received from owners are recognised as revenues when the municipality obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates. Control over granted assets is normally obtained upon their receipt or upon prior notification that a grant has been secured.

(h) **Inventories**

Costs have been assigned to particular inventory items by the methods of specific identification or weighted average cost. Inventories are valued at the lower of cost and net realisable value.

(i) **Nine Month Financial Year**

Due to the change of financial year from September year end to June year end these accounts have been prepared for a nine month period. Rate Revenue has been accrued to this nine month period even though rates were originally levied to the twelve month period ending 30 September 1995.

(j) **City of Melbourne Act**

On 18 November 1993 the City of Melbourne Bill was given Royal Assent. This Act has annexed a portion of the former Cities of South Melbourne and Port Melbourne to the City of Melbourne. This in effect will constitute a loss of revenue of \$8 million per annum to the City of Port Phillip, commencing 1 October 1994.

(k) **Aquatic Centre Contribution**

The City of Port Phillip has an agreement with the Government of Victoria to contribute \$4 million to an Aquatic Centre to be built in Albert Park. The first instalment of this contribution (\$1 Million) was accounted for in the 1995 financial year and has been capitalised as an asset. This amount will be amortized over the minimum service life of the pool as per the agreement which is 15 years.

(l) **Parking Infringement Notices**

Income from Parking Infringement Notices are accounted for on a cash basis. As at 30 June 1995 tickets to the value of \$760,000 are outstanding. It is expected that of this amount 10% will be uncollectable.

NOTE 2 COMPARISON OF BUDGET AND ACTUAL RESULTS FOR RATE DETERMINATION AND OPERATING STATEMENT FOR THE NINE MONTHS ENDED 30TH JUNE 1995

	Rate Determination		Operating Statement	
	Estimate	Actual	Budget	Actual
	\$000	\$000	\$000	\$000
OPERATING REVENUE				
Rate Income	35,932	35,819	35,932	35,819
Administration & Finance	5,155	4,703	5,155	4,703
Human Services	7,130	5,654	7,130	5,654
Infrastructure	8,816	7,193	8,816	7,193
Vision 2001	0	6	0	6
Planning and Development	2,955	2,080	2,955	2,082
Capital and Other Funding	16,162	9,108	8,380	1,239
TOTAL REVENUE	76,150	64,563	68,368	56,696
OPERATING EXPENSES				
Finance and Administration	10,809	9,198	13,301	11,690
Organisation Development	1,418	1,198	1,418	1,198
Human Services	14,891	12,153	14,891	12,153
Infrastructure	21,584	17,766	22,628	18,735
Planning and Development	4,986	3,720	4,986	3,720
CCT	476	406	476	406
Vision 2001	615	396	615	396
Capital Works	16,711	10,759	0	0
Other Works	4,840	943	0	0
TOTAL EXPENSES	76,330	56,539	58,315	48,298
Surplus on Operations after				
Abnormal Items	-180	8,024	10,053	8,398
Accumulated Surplus B/Fwd	180	1,982		
Accumulated Surplus as at				
30 June 1995	0	10,006		

NOTE 2(A) RECONCILIATION BETWEEN RATE SURPLUS/(DEFICIT) AND OPERATING SURPLUS FOR THE NINE MONTHS ENDED 30TH JUNE 1995

	1995 \$000	1994 \$000
Consolidated Surplus on Operations	8,398	3,986
(less Rate Surplus)/plus Rate Deficit	(8,024)	1,185
DIFFERENCE REQUIRING RECONCILIATION	<u>374</u>	<u>5,171</u>
<i>Items included in the Calculation of the General Rate which are not included in the Operating Statement:</i>		
PURCHASE OF ASSETS:		
- Furniture/Equipment	1,342	805
- Land and Buildings	2,511	7,597
- Drainage Works	435	796
- Road Construction/Reconstruction	1,026	1,167
- Special Projects Capital Works in Progress	33	388
- Land Improvements & Other Infrastructure	2,162	2,577
- Plant	958	1,104
LESS PLANT TRADE IN VALUE	<u>(3,121)</u>	<u>(3,091)</u>
	5,346	11,343
Loan Repayments (Principal)	2,369	2,532
Reserve Transfers	<u>(4,707)</u>	<u>4,153</u>
	3,008	9,722
<i>Included in the Consolidated Operating Statement which are not included in the Calculation of the General Rate.</i>		
Depreciation	(3,536)	(4,796)
Profit on Sale of Property, Plant and Equipment	902	245
TOTAL	<u><u>374</u></u>	<u><u>5,171</u></u>

NOTE 3 THE OPERATING SURPLUS BEFORE ABNORMAL ITEMS HAS BEEN DETERMINED AFTER CREDITING AS REVENUE AND CHARGING AS EXPENSE THE FOLLOWING ITEMS:

	1995 \$000	1994 \$000
I) OPERATING REVENUES AND EXPENSES		
Total operating revenues and expenses for the reporting year were as follows:		
Proceeds from disposal of plant and equipment	3,121	3,091
Other revenues	55,794	73,571
Less		
Carrying amount of plant and equipment sold	(2,219)	(2,846)
Other Expenses	(48,298)	(69,830)
Change in net assets from the reporting period's operations	<u>8,398</u>	<u>3,986</u>
II) DEPRECIATION EXPENSES		
Depreciation expenses for the period were charged in respect of:		
Buildings	740	1,939
Plant and Machinery	1,044	2,486
Road, Streets and Bridges	35	66
Drainage Works	254	253
Land Improvement	108	52
Furniture and Equipment	1,355	
	<u>3,536</u>	<u>4,796</u>

NOTE 4 CASH

	1995	1994
Cash on hand	7	16
Cash at Bank - unrestricted	377	4,212
	<u>384</u>	<u>4,228</u>

	1995 \$000	1994 \$000
NOTE 5 RECEIVABLES		
CURRENT		
Rates debtors	6,009	1,882
Other debtors and Prepayments	2,545	2,310
	<u>8,554</u>	<u>4,192</u>
NON-CURRENT		
Other debtors	<u>59</u>	<u>38</u>

NOTE 6 INVESTMENTS

Bank Bills and Government Securities at Cost:		
Current	24,645	24,490
Non Current	20	799
TOTAL INVESTMENTS	<u>24,665</u>	<u>25,289</u>

The following restrictions have been imposed
by regulations or other externally imposed requirements:

Car Parking Contributions	- Current Investment	1,150
Resort and Recreation	- Current Investment	2,323
Sale of Right of Way	- Current Investment	329

NOTE 7 CREDITORS

CREDITORS, TRUST FUNDS, ACCRUALS & DEPOSITS	<u>8,724</u>	<u>9,971</u>
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	1995 \$000	1994 \$000
NOTE 8 PROVISIONS		
CURRENT		
Provision for Doubtful Debts	100	100
Sick Leave Retirement Gratuity	887	1,774
Annual leave	1,910	2,491
Long Service Leave	1,392	2,110
Rostered Days Off	99	139
	<u>4,388</u>	<u>6,614</u>
NON-CURRENT		
Long Service Leave	<u>704</u>	<u>704</u>

NOTE 9 BORROWINGS

CURRENT		
Loans - secured	2,225	5,173
NON-CURRENT		
Loans - secured	8,260	7,681
	<u>10,485</u>	<u>12,854</u>

The bank overdraft and loans are secured over
the general rates of the Council.

NOTE 10 OTHER LIABILITIES

NON-CURRENT		
Trust funds	413	209
	<u>413</u>	<u>209</u>

NOTE 11

	1995	1994
	\$000	\$000
Land		
- at Council's valuation of current cost as at 30 June 1995	149,940	38,045
Building		
- at cost		
- at Council's valuation of current cost as at 30 June 1995	95,713	126,796
Less Accumulated depreciation	(21,566)	-
	224,087	164,841
Plant and Machinery		
- at cost	7,797	5,548
Less Accumulated depreciation	(3,279)	-
	4,518	5,548
Roads, streets and bridges		
- Works at cost (acquired after 30 June 1995)	4,736	3,549
Less Accumulated depreciation	(96)	-
	4,640	3,549
Land Improvement		
- at cost	6,628	3,655
Less Accumulated depreciation	(172)	-
	6,456	3,655
Drainage works		
- at cost	2,712	-
- at Council's valuation of current cost as at 30 June 1995	23,085	10,359
Less Accumulated depreciation	(15,046)	-
	10,751	10,359
Capital works in progress at cost	33	388
Furniture and Equipment	10,275	5,678
Less Accumulated depreciation	(4,610)	-
	5,665	5,678
TOTAL PROPERTY, PLANT AND EQUIPMENT	256,150	194,018

NOTE 12 SUPERANNUATION

The City of Port Phillip contributes in respect of its employees to the Local Authorities Superannuation Board's defined benefit superannuation Scheme established in respect of Local Authorities, as defined, in Victoria. In accordance with statutory requirements, the former cities contributed amounts as determined by the Scheme's actuary. As such, assets accumulate in the scheme to meet members' benefits as they accrue.

The audited Financial Statements of the Local Authorities Superannuation Board for the year ended 30 June 1994, which were not subject to any audit qualification, indicates that the assets of the Scheme were insufficient to meet the accrued benefits liability of the Scheme. The Notes to the Financial Statements disclose that the most recent full actuarial assessment of the Scheme was undertaken as at 30 June 1992 and that the liability for accrued benefits was determined by reference to expected future salary levels and by application of a market-based, risk-adjusted discount rate and relevant actuarial assumptions. The funding policy adopted in respect of the Scheme is directed at ensuring that the benefits accruing to members and beneficiaries are fully funded in the long term. Accordingly the City of Port Phillip's 30 June 1995 share of the Scheme's 30 June 1992 unfunded liability is \$5,876,459. The unfunded liability is at 30 June 1992, the date of the last actuarial review by the Scheme's actuary, C.J. Haberecht FIA, FIAA, of Towers Perrin, recommended that Authorities continue to contribute to the Scheme at the rate of 13.25% of salaries.

NOTE 13 CASH FLOW STATEMENT

	1995	1994
	\$000	\$000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from ratepayers	31,692	43,439
Grants received	4,160	2,893
Interest Received	1,054	1,244
User Charges	12,493	18,106
Contributions & Donations	(875)	(1,740)
Payments to suppliers & employees	(35,473)	(57,579)
Interest paid	(1,165)	(1,693)
Other receipts	2,012	10,823
Other payments	(10,483)	(7,035)
NET CASH PROVIDED BY OPERATING ACTIVITIES (NOTE A)	<u>3,415</u>	<u>8,458</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Payments from investing activity, payments for property, plant and equipment.	(4,969)	(9,315)
Proceeds from sale of property, plant and equipment.	3,121	3,091
NET CASH USED IN INVESTING ACTIVITIES	<u>(1,848)</u>	<u>(6,224)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowing	(2,369)	(3,103)
NET CASH USED IN FINANCING ACTIVITIES	<u>(2,369)</u>	<u>(3,103)</u>
Net (decrease) in cash held	(802)	(869)
CASH AT BEGINNING OF THE PERIOD	25,157	17,194
CASH AT THE END OF THE PERIOD (NOTE B)	<u>24,355</u>	<u>16,325</u>

NOTES TO CASH FLOW STATEMENT

NOTE A) RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES TO OPERATING SURPLUS

	1995	1994
	\$000	\$000
Operating Surplus	8,398	3,986
Increase in Projects & Trust Funds	-	579
Depreciation	3,536	4,796
Increase in Rate Debtors	(4,127)	(105)
Increase in receivables	(256)	(7)
Increase in prepayments and accrued income	-	727
Decrease in inventories	35	53
Decrease in creditors	(1,247)	(1,316)
Increase (Decrease) in trust funds	204	(332)
(Profit) on sale of property, plant and equipment	(902)	(245)
Decrease (Increase) in accrued employee entitlements	(2,226)	322
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>3,415</u>	<u>8,458</u>

NOTE B) RECONCILIATION OF CASH

For the purposes of the statement of cash flows, cash includes cash on hand and at banks and investments in money market instruments, net of outstanding bank overdrafts. Cash at the end of year as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	1995
	\$000
Cash	384
Investments	24,665
Bank Overdraft	(694)
	<u>24,355</u>
FINANCING FACILITIES	
Bank Overdraft:	
Used Facilities	706
Unused Facilities	694
	<u>1,400</u>

NOTE 14 COMMITMENTS FOR CAPITAL AND OTHER EXPENDITURE

At the reporting date, the municipality had entered into contracts for the following capital and other expenditure:

Buildings	6,685
	<u>6,685</u>
These expenditures are due for payment:	
Not later than one year	5,185
Later than one year and not later than two years	1,500
	<u>6,685</u>

NOTE 15 OPERATING LEASE COMMITMENTS

At the reporting date, the municipality had the following obligations under non-cancellable operating leases (these obligations are not recognised as liabilities):

Not later than one year	351
Later than one year and not later than two years	269
Later than two years and not later than five years	112
Later than five years	-
	<u>732</u>

NOTE 16 RESERVES

	1995
	\$000
ASSET VALUATION RESERVE	
Balance 1/10/1994	72,393
Revaluation of:	
Land and Buildings	59,423
Land under Roads, Streets & Bridges	-
BALANCE AT END OF YEAR	<u>131,816</u>
GENERAL	
Balance 1/10/1994	8,089
Amount transferred from accumulated surplus	3,945
Amount transferred to accumulated surplus	5,200
BALANCE AT END OF YEAR	<u>6,834</u>
STATUTORY RESERVES:	
Resort and Recreation Reserve	
Balance 1/10/1994	2,330
Amount transferred from accumulated surplus	441
Amount transferred to accumulated surplus	448
BALANCE AT END OF YEAR	<u>2,323</u>
Contributions for Car Parking Reserve	
Balance 1/10/1994	1,100
Amount transferred from accumulated surplus	50
BALANCE AT END OF YEAR	<u>1,150</u>
Sale of R.O.W. Reserve	
Balance 1/10/1994	329
Amount transferred from accumulated surplus	-
Amount transferred to accumulated surplus	-
BALANCE AT END OF YEAR	<u>329</u>
STATUTORY RESERVES TOTAL:	<u>3,802</u>
TOTAL RESERVES	<u><u>142,452</u></u>

NOTE 17 PERFORMANCE INDICATORS

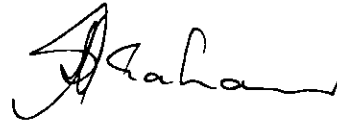
	1995	1994												
(i) Debt servicing ratio														
Purpose: To identify the capacity of a council to service its outstanding debt.														
<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Debt servicing costs</td> <td style="text-align: center;">(9 months)</td> <td></td> </tr> <tr> <td style="text-align: center;"><hr style="width: 50%; margin: 0 auto;"/></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Total revenue</td> <td style="text-align: center;">2.05%</td> <td style="text-align: center;">2.18%</td> </tr> </table>	Debt servicing costs	(9 months)		<hr style="width: 50%; margin: 0 auto;"/>			Total revenue	2.05%	2.18%					
Debt servicing costs	(9 months)													
<hr style="width: 50%; margin: 0 auto;"/>														
Total revenue	2.05%	2.18%												
(This means that 2.05% of total revenue received goes to servicing Council debt)														
(ii) Debt commitment ratio														
Purpose: To identify a council's debt redemption strategy.														
<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Total debt commitment (Debt Services & Debt Redemption)</td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;"><hr style="width: 50%; margin: 0 auto;"/></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Rate revenue</td> <td style="text-align: center;">(9 months)</td> <td></td> </tr> <tr> <td></td> <td style="text-align: center;">9.87%</td> <td style="text-align: center;">11.01%</td> </tr> </table>	Total debt commitment (Debt Services & Debt Redemption)			<hr style="width: 50%; margin: 0 auto;"/>			Rate revenue	(9 months)			9.87%	11.01%		
Total debt commitment (Debt Services & Debt Redemption)														
<hr style="width: 50%; margin: 0 auto;"/>														
Rate revenue	(9 months)													
	9.87%	11.01%												
(This means that 9.87% of rate revenue is used to pay the interest and amortisation of the council's debts.)														
(iii) Rate revenue to total revenue														
Purpose: To identify council's dependence upon rates.														
<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Rate revenue</td> <td style="text-align: center;">(9 months)</td> <td></td> </tr> <tr> <td style="text-align: center;"><hr style="width: 50%; margin: 0 auto;"/></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Total revenue</td> <td style="text-align: center;">63.18%</td> <td style="text-align: center;">56.61%</td> </tr> </table>	Rate revenue	(9 months)		<hr style="width: 50%; margin: 0 auto;"/>			Total revenue	63.18%	56.61%					
Rate revenue	(9 months)													
<hr style="width: 50%; margin: 0 auto;"/>														
Total revenue	63.18%	56.61%												
(This means that 63.18% of total revenue is earned from rates.)														
(iv) Total indebtedness to total assets														
Purpose: To identify council's exposure to debt.														
<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Total indebtedness</td> <td style="text-align: center;">(9 months)</td> <td></td> </tr> <tr> <td style="text-align: center;"><hr style="width: 50%; margin: 0 auto;"/></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Total assets</td> <td style="text-align: center;">1:8.36</td> <td style="text-align: center;">1:6.56</td> </tr> </table>	Total indebtedness	(9 months)		<hr style="width: 50%; margin: 0 auto;"/>			Total assets	1:8.36	1:6.56					
Total indebtedness	(9 months)													
<hr style="width: 50%; margin: 0 auto;"/>														
Total assets	1:8.36	1:6.56												
(This means that for every dollar of debt, the council controls \$8.36 of total assets.)														
(v) Working capital ratio														
Purpose: To assess a council's ability to meet current commitments.														
<table border="0" style="margin-left: auto; margin-right: auto;"> <tr> <td style="text-align: center;">Current assets</td> <td style="text-align: center;">(9 months)</td> <td></td> </tr> <tr> <td style="text-align: center;"><hr style="width: 50%; margin: 0 auto;"/></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Current liabilities</td> <td style="text-align: center;">1.27:1</td> <td style="text-align: center;">1.26:1</td> </tr> </table>	Current assets	(9 months)		<hr style="width: 50%; margin: 0 auto;"/>			Current liabilities	1.27:1	1.26:1					
Current assets	(9 months)													
<hr style="width: 50%; margin: 0 auto;"/>														
Current liabilities	1.27:1	1.26:1												
(This means that for every dollar of current liabilities, council has \$1.27 of current assets.)														

DEFINITIONS

- **Debt Services:**
Includes interest and charges on loans, overdrafts, financial leases and interest on payments for capital items purchased on vendor terms, and contributions to sinking funds.
- **Debt Redemption:**
Includes the principal component of loan repayments and financial leases and capital items purchased on vendor terms.
- **Rate Revenue:**
Includes revenue from general rates, municipal charges, special rates, special charges, service rates and service charges.
- **Total Revenue:**
Total Revenue as shown in the Operating Statement.
- **Total Indebtedness:**
Total Liabilities, both Current and Non-Current, as shown in the Statement of Financial Position.
- **Total Realisable Assets:**
Total Current Assets and net realisable Non-Current Assets.
- **Current Assets:**
Total Current Assets as shown in the Statement of Financial Position.
- **Current Liabilities:**
Total Current Liabilities as shown in the Statement of Financial Position.

STATEMENT BY COMMISSIONERS AND PRINCIPAL ACCOUNTING OFFICER

I, David Graham, Principal Accounting Officer, certify that in my opinion the financial statements are properly drawn up so as to present fairly the results of the operations of the City of Port Phillip for the nine months ended 30 June 1995 and the financial position of the City of Port Phillip as at 30 June 1995 in accordance with the provisions of the Local Government Act 1989 and in accordance with statements of accounting concepts and applicable Australian Accounting Standards.



DAVID GRAHAM - PRINCIPAL ACCOUNTING OFFICER,
General Manager Corporate
Date: 31 July 1995

We, Desmond Clark, Chairman of Commissioners
and Geoffrey Vincent, Commissioner

having made all reasonable inquiries, certify that to the best of our knowledge and belief, the financial statements present fairly the financial affairs of the City of Port Phillip for the nine months ended 30 June 1995.



DESMOND CLARK
Chairman of Commissioners
Date: 31 July 1995



GEOFFREY VINCENT
Commissioner
Date: 31 July 1995

CITY OF PORT PHILLIP

INDEPENDENT AUDIT REPORT

To the ratepayers of the City of Port Phillip.

SCOPE

We have audited the financial statements being the Operating Statement, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, Notes to the Financial Statements and Statements by Commissioners and Principal Accounting Officer of the City of Port Phillip for the nine months ended 30 June 1995. The Commissioners and Council Officers are responsible for the preparation and presentation of the financial statements and the information they contain. We have conducted an independent audit of these financial statements in order to express an opinion on them to the ratepayers of the Municipality.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material mis-statement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, 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 statements are presented fairly in accordance with Australian Accounting Standards and statutory requirements so as to present a view of the Municipality which is consistent with our understanding of its financial position and the results of its operations and cash flows.

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

QUALIFICATIONS RE 1994 COMPARATIVE AMOUNTS

1. Compilation

The 1994 amounts in the City of Port Phillip accounts constitute a compilation of the three former cities of Port Melbourne (excluding its Electricity Supply), South Melbourne and St.Kilda. In the 1994 year we acted as auditors of that compilation and of the former City of St.Kilda.

The former cities of Port Melbourne and South Melbourne were not audited by us in the 1994 year. We therefore give no assurance as to the reliability of those two components of the 1994 compilation but note that the audit reports attached to those two components were unqualified audit reports.

2. Council Amalgamation

By an order in Council under part 10C of the Local Government Act 1989 the City of Port Phillip was formed on 22 June 1994. The Accounts of the three former cities were consolidated and compiled for the whole of the 1994 financial year and it is impractical to apportion amounts between the old and new municipalities.

AUDIT OPINION

In our opinion, the accounts of the City of Port Phillip are properly drawn up:

- (a) so as to give a true and fair view of
 - (i) the Council's state of affairs as at 30 June 1995 and of its operations and cash flows for the nine months ended on that date; and
 - (ii) the other matters required by the Local Government Regulations to be dealt with in the financial statements;
- (b) in accordance with the provisions of the Local Government Act, 1989; and
- (c) in accordance with applicable Accounting Standards.



G.F. YATES & SON



John P. Yates

Partner

Melbourne: 31 July 1995

EQUAL EMPLOYMENT OPPORTUNITY

The City of Port Phillip recognises that all individuals are entitled to fair and consistent treatment in employment. Under the Victorian Equal Opportunity Act (1984) and the Local Government Act (1989), the City of Port Phillip has a statutory responsibility to ensure that all individuals are treated fairly and the workplace is free from harassment, discrimination and unfair treatment.

The City of Port Phillip is committed to the principle of Equal Employment Opportunity and will ensure that:

- (1) no person shall be discriminated against on the grounds of sex, age, marital status, national or ethnic origin, physical disability, socio-economic status, sexual preference or religious beliefs,
- (2) all employees and clients work and conduct business in an environment free from harassment and discrimination.
- (3) employment opportunities for all groups should be as wide as possible and cover all areas of Council activity.
- (4) employment, promotion or advancement, training and staff development will be assessed only on the grounds of merit in fair and open competition according to the skills, qualifications, knowledge and efficiency relevant to the position involved.

In addition to the EEO policy the following policies and practices have been implemented by the City of Port Phillip. The Workplace Harassment, Discrimination and Unfair Treatment policy intends to create a workplace free from harassment, discrimination and unfair treatment with mechanisms for support in the event of any grievance claims. Equity Employment Advisers will be appointed and trained accordingly. All staff will attend EEO and harassment seminars.

The draft Recruitment and Selection Policy and Procedures objective is to recruit staff members on the basis of merit,

ensuring selection of the best person for the job and eliminating any form of discrimination. Employees involved in the recruitment of others will be trained in the recruitment process and EEO principles in recruitment.

The Study Leave policy is an integral part of Council's staff development program and equal opportunity policy and aims to provide an incentive to staff to pursue further studies which will enable them to upgrade their work skills and knowledge.

Included in the City of Port Phillip's EEO program will be the following objectives and performance indicators:

- 1) increase the opportunities and access to promotion for all internal staff.
Performance Indicator:
the total number of internal appointments made in 1995/96.
- 2) Provide training to staff about the value of equal opportunity and the role it has in the workplace.
Performance Indicator:
staff attendance at training courses and the number of training courses provided.
- 3) To provide a workplace free from discrimination and sexual harassment.
Performance Indicator:
total number of discrimination and sexual harassment complaints lodged.
- 4) Promote the City of Port Phillip as an equal opportunity employer and attract and employ people from diverse backgrounds.
Performance Indicator:
a) total number of women appointed to positions,
b) number of people appointed from other designated groups such as NESB's, aborigines and people with disabilities.

INFORMATION AVAILABLE FOR INSPECTION

The following information is available for public inspection at the St. Kilda Town Hall and upon payment of the relevant fees:

- an operating statement
- a statement of financial position
- notes to the financial statements
- details of senior officers' current gross salaries, allowances and other benefits for the current financial year and two previous financial years;
- details of overseas or interstate travel, undertaken in an official capacity by commissioners 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 commissioners 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 kept under section 93 of the Act except where such minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- a list of all major committees established by council and the purpose for which each committee was established;
- a list of all major committees established by the council which were abolished or ceased to function during the financial year
- minutes of meetings of special committees established under section 86 of the Act except where such minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act;
- applications for enrolment on the voter's roll under sections 12 and 13 of the Act for the immediate past roll and the next roll being prepared
- register of delegations kept under section 87 of the Act;
- register of delegations kept under section 88 of the Act;
- submissions received under section 223 of the Act during the previous 12 months
- agreements to establish regional corporations under section 196 of the Act
- guarantees given by a council under section 197 of the Act;
- register of leases entered into by the council;
- register of authorised officers appointed under section 224 of the Act.

As per Part 10 of the Local Government (Reporting and Accounting) Regulations 1992 and Section 222 of the Local Government Act 1989.

PORT PHILLIP CITY COUNCIL LOCAL LAWS

- Parking Local Law No.1
- Market Local Law No.2
- Environment Local Law No.3
- Streets, Roads and Other Public Places Local Law No.4

CLASSIFICATION AWARD BANDS	FEMALE			TOTAL FEMALE EACH GROUP	MALE			TOTAL MALE EACH GROUP	TOTAL FOR EACH BAND OR GROUP
	FULL TIME	PART TIME	TEMP/CASUAL		FULL TIME	PART TIME	TEMP/CASUAL		
1	0	55	9	64	23	16	14	53	117
2	4	45	33	82	41	6	29	76	158
3	18	16	27	61	56	6	7	69	130
4	27	9	8	44	30	0	4	34	78
5	45	12	10	67	28	0	5	33	100
6	17	3	2	22	20	0	0	20	42
7	7	0	1	8	11	0	1	12	20
8	0	0	0	0	0	0	2	2	2
SEO	4	1	0	5	14	0	0	14	19
CONTRACT G.M'S / MGRS	7	1	0	8	17	0	0	17	25
CEO	0	0	0	0	1	0	0	1	1
SUB TOTAL	129	142	90		241	28	62		
CHILD CARE WORKERS	15	30	146	-	-	1	16	-	208
MATERNAL NURSES	25	-	-	-	-	-	-	-	25
APPRENTICES	-	-	-	-	2	-	-	-	2
TOTAL FOR EACH CATEGORY	169	172	236		243	29	78		927
NON ENGLISH SPEAKING BACKGROUND	NOT AVAILABLE								
ABORIGINES/TORRES STRAIT ISLANDERS	NOT AVAILABLE								1
DISABLED	NOT AVAILABLE								
WOMEN									577
TOTAL FOR ALL STAFF									927

adults families Teenagers Parents Young people



ACKNOWLEDGMENTS:

Produced and edited by: Elizabeth Potter
Text: Ray Stewart, Rod Kinnear, Elizabeth Potter
Photography: Peter Bennetts, John Gollings
Graphic Design and Layout: Artbytes Communication
Printing: Jenkin Buxton Pty Ltd

Sports and Aquatic Centre, illustration page 6: Peddle and Thorpe Pty Ltd
Bayside development, aerial photograph page 8: Mirvac
Streetscape style, photograph page 15: McBride Charles Ryan



pedestrians cyclists visitors Ratepayers Tourists users

Disabled people
residents
HOME OWNERS
Businesses
Library road users

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