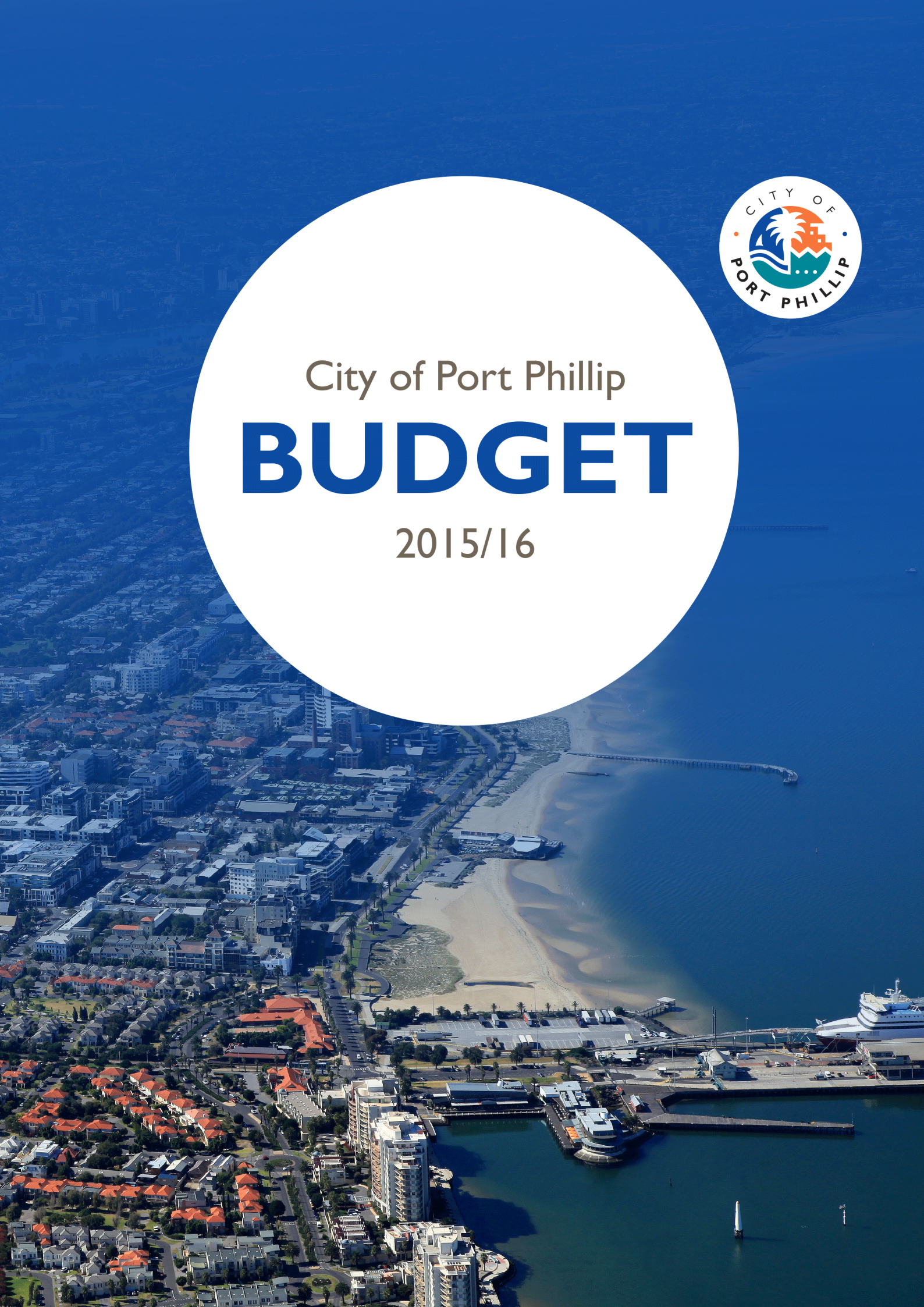




City of Port Phillip  
**BUDGET**  
2015/16







## Mayor's Message



The Councillors and I are pleased to release the Budget 2015/16 for the City of Port Phillip. This budget builds on our Council Plan 2013-2017 vision, which focuses on the following four key areas:

- ENGAGED – A Well Governed City
- HEALTHY – A Healthy, Creative and Inclusive City
- RESILIENT – A Strong, Innovative and Adaptive City
- VIBRANT – A Liveable and Connected City

The Council Plan 2013-2017 sets out our strategic plan to deliver our vision over the full term of this Council. This budget details the resources required over the next year to fund the large range of services we provide to our community. It also includes details of the capital expenditure allocated to improve and renew our City's physical infrastructure, buildings and operational assets as well as funding for operating projects.

**Council is proud of our long history of supporting vulnerable people especially the homeless, our commitment to social justice and equality, arts and culture, libraries, childcare, protecting the environment and to sustainability. I am pleased that this budget has approached our financial challenges in a way that protects and continues our commitment to these unique attributes that the City of Port Phillip is renowned for.**

As Councillors, it is our job to listen to community sentiment and understand your priorities. Since we started our term in late 2012, we have consistently heard that Council's services are greatly valued by the community and that Council should be prudent and keep rates as low as possible. In response, Council initiated a whole of organisation approach to find savings, with no impact on services, so as to provide increased value for money for ratepayers.

In setting this budget, and with strong organisational leadership, Council has found permanent operational savings of \$3 million. This is in addition to \$2 million of savings made the previous year. These efficiencies have been challenging to identify but are now built into Council's cost base so will continue in future years.

Council received 44 written and heard 17 submissions on the draft budget covering a wide range of matters including sustainability, housing affordability, funding for the arts, increases in rates and expenditure, flood mitigation and drainage. All submissions were considered before Council adopted this Budget.

This budget includes a rate increase of 4.75 per cent. Although this is above inflation, we have experienced several significant and unexpected costs that would have seen a much higher rate increase had we not found the operational savings outlined above. These costs include:

- the need for urgent repairs for the Palais Theatre (\$7.5 million in total, with \$3.5 million allocated in 2015/16 and a significant contribution from the State Government of \$13.4 million)
- the impact of the State Government's expanded Congestion Levy (\$1.0 million)
- covering the withdrawal of Commonwealth Government funding for Adventure Playgrounds to allow this important program for disadvantaged children to continue (\$250,000).

These items alone are equivalent to a 4.7 per cent rate increase and are over and above the 3.0 per cent increase in our base costs for delivering our core services and projects.

To ease the impact on ratepayers and ensure users help pay for Council services, we are proposing to increase most fees and charges by 2.5 per cent, in line with projected inflation. Additional increases in parking fees, to partially offset congestion levy costs imposed on Council, as well as childcare fees are necessary.

In this Budget, we are planning to spend around \$38 million to renew and upgrade our existing assets, including:

- drains, roads, footpaths and laneways (\$9.5 million)
- St Kilda Life Saving Club redevelopment (\$2.2 million)
- Alma Park pavilion replacement (\$1.7 million)
- Fitzroy Street streetscape improvements (\$1.4 million)
- street tree improvements (\$690,000)
- repair of Beacon Cove foreshore promenade (\$915,000)
- public toilets (\$600,000).

A key action in the Council Plan is to support the delivery of affordable housing to meet community needs. The Budget 2015/16 includes \$500,000 to support the delivery of new community housing in the City of Port Phillip. This is an increase of \$100,000 from 2014/15.

Council has allocated over \$4 million in the Budget 2015/16 to support a number of sustainability initiatives including:

- improving bike riding and walking infrastructure and networks across Port Phillip (\$1 million)
- retrofitting Council buildings including installing solar panels at the South Melbourne Market and St Kilda Town Hall (\$760,000)
- designing and delivering new rain gardens and to maintain best-practice urban water sensitive design across Council's public space assets (\$400,000)
- establishing the feasibility of stormwater harvesting at Albert Park Lake (with Parks Victoria and City of Melbourne) to help deliver alternative water to open space areas around the City (\$200,000)..

We have also allocated funding to deliver tangible progress on other key priorities such as:

- St Kilda Triangle design and detailed business case for investment (\$700,000)
- economic development within the municipality, including a \$200,000 increase in funding for the St Kilda Tourism Association and new funding of \$100,000 for Economic Development Strategy And Analysis.
- ensuring the vibrancy of our local villages and places.

Another key funding decision in this Budget is to identify Council properties that maybe surplus to requirements and which are not providing a critical community service. While some of these funds may need to be applied towards the restoration of the Palais Theatre, the bulk of the asset sale proceeds will be held in reserves with a view to being used for future asset acquisitions of higher strategic value to the community.

Overall, our focus over the next 12 months is to continue to deliver on the projects and services that make our City a great place to live and respond to the challenges we are currently facing. These challenges include:

- a projected doubling of our population in the next 40 years, with significant growth planned for the Fishermans Bend Urban Renewal Area and increasing urban densification elsewhere
- maintaining aging community assets that require significant upkeep
- balancing the desire to improve service provision and ensure a safety net for the vulnerable, while keeping rates affordable.

Looking forward, we will continue to explore new approaches to how we provide services to our community in a tighter fiscal environment, which is expected when the State Government's rate capping policy is introduced. We will be engaging with you on any planned changes.

Finally, Council recognises the financial pressures faced by pensioners and self-funded retirees and it is one of a few Victorian councils that offer a range of measures for eligible pensioners including:

- Providing eligible pensioners with a Council pensioner rate rebate of \$152 which when combined with the State Government pensioner rebate of \$208 provides them with rate relief of up to \$360. This Council sponsored rate rebate is indexed to the CPI and reviewed annually as part of the budget process. The cost of this initiative is approximately \$427,000 and Port Phillip is one of a small number of Victorian councils that provide additional rate relief to pensioners.
- Allowing all pensioners and self-funded retirees to defer their rates indefinitely at an interest rate of 4.75 per cent per annum (half the official penalty interest rate set by the State Government). This interest rate concession has also been expanded to include persons who have applied for rate relief and been assessed as experiencing financial support under Council's rates hardship policy.
- Providing a 50 per cent waiver of the general rates for the 'provision of housing accommodation for letting at reduced rentals to elderly persons of limited means'. This is an ongoing agreement between the Housing Commission and Council and currently costs \$133,000 per annum. None of the neighbouring councils benchmarked offer rate waivers.
- Offering rate deferment with an interest waiver at 50 per cent of the statutory interest rate. A number of neighbouring councils offer rate deferment including City of Melbourne and City of Glen Eira.
- Addressing other social issues through application of Council's Hardship Policy for residents and ratepayers who may experience difficulty in paying their rate accounts. In addition to rate deferment, Port Phillips Hardship Policy also provides for payment arrangements, ten month payment plan for pensioners (interest free) and additional rebate for eligible pensioners.

I encourage you to read the remainder of this document, in conjunction with our revised Council Plan 2013-2017.

## Chief Executive Officer's summary

Council has prepared a budget for 2015/16 which is aligned to the vision in the Council Plan 2013-2017. It seeks to maintain and improve services and infrastructure as well as deliver priority projects and services that are valued by our community while keeping rates affordable.

As well as seeking to improve services and projects, a focus of mine over the past two years has been to identify efficiency improvements so that our resources effectively support Council's service and infrastructure priorities. I am pleased that our staff have identified \$5 million of ongoing savings while improving services to our community.

For the 2015/16 financial year, Council is proposing to deliver over \$41.4 million of capital and operating projects. Details of these projects are available in Appendices C and D.



### The rates increase

Council's rate rise in this budget is 4.75 per cent, which will enable the organisation to meet its existing service obligations in a growing municipality. Key factors contributing to this rate rise are as follows:

- an underlying cost growth of 3.0 per cent, of which 2.5 per cent is due to inflation and 3.5 per cent linked to Enterprise Agreement salary increments
- Council's decision to invest \$3.5 million this year for urgent repair and upgrade works to the Palais Theatre, which is equivalent to a 3.3 per cent rate increase in its own right
- external budget shocks, including the loss of Commonwealth Government funding for Adventure Playgrounds and a new State Government Congestion Levy which Council, as an operator of paid off-street parking, is required to pay. Combined, these are equivalent to almost a 1.5 per cent rate increase
- a need to increase our investment in affordable housing and economic development.

Other financial challenges include a temporary slowing in property growth, impacting rates revenue we would normally receive from new developments; a significant downward trend in the value and volume of parking infringements and notices impacting revenue; and reductions in general purpose Commonwealth Government grants which has affected the local government sector.

### Being more efficient and effective

Our organisation has been able to respond to these financial challenges and manage many additional costs by actively identifying permanent operational savings of \$3 million for 2015/16, in addition to the \$2 million of savings found last year. In all cases we have sought to find improvements that do not impact on our highly valued service provision. For example it has been achieved by:

- instituting changes to the way we approve, release funding, change scope and track progress on all of our projects. This has already generated benefits in terms of transparency, deliverability and achieving agreed outcomes and is the result of the investment we have made in establishing an Enterprise Portfolio Management Office within the Council organisation; and
- identifying and realising efficiency savings through continuous improvement initiatives and better budgeting.

### Labour costs

Council's labour budget for 2015/16 has increased by 6.8 per cent from the previous year's budget. This increase is due to a number of factors; comprising:

- funding the final year of the current Enterprise Agreement of 3.5 per cent;
- work cover premium increases 0.3 per cent
- a provision, based on historical averages for re-structuring costs of 0.4 per cent;
- a 10.7 Full Time Equivalent (FTE) increase in staffing numbers due to transferring external contract staff to council staff. This has no cost increase on the budget overall but increases costs accounted for as labour by 1.7 per cent (and we have also managed to achieve a reduction in contract services compared to last year's budget – see Appendix A1 on page 63 for details);
- a 4.8 Full Time Equivalent (FTE) increase to employ more parking officers, strengthen project management and deliver safety and amenity improvements in public spaces especially during summer of 0.7 per cent.

- The remaining labour cost growth is attributable to additional salary increments linked to reclassifications of existing roles of 0.2 per cent.

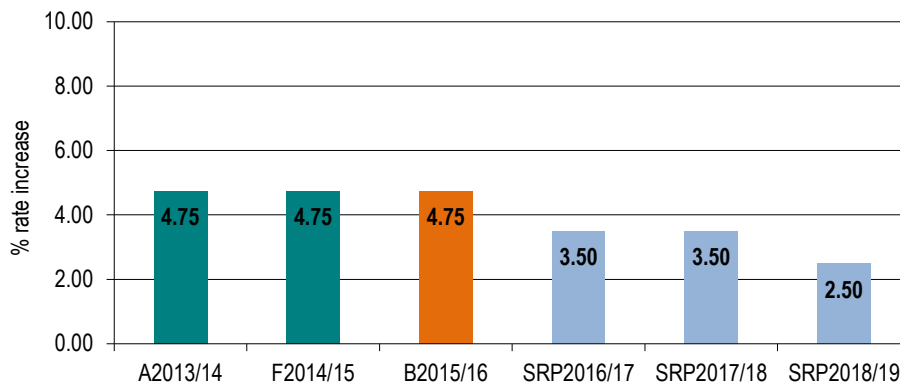
In summary, this budget includes:

- a 4.75 per cent rates increase which is consistent with what was projected in year two of last year’s Strategic Resource Plan
- a general increase in our fees and charges of 2.5 per cent in line with projected inflation. We have also budgeted for additional revenue of \$700,000 to partly offset increased costs associated with parking and childcare
- the purchase of solar panels to be installed on Council buildings, to reduce Council’s carbon emissions and save electricity (\$610,000 to be debt funded).

Going forward, as an organisation we will continue aim to provide improved value for money. Council makes decisions about the services and projects we deliver to the community and it is our role to ensure they are delivered efficiently and effectively. We have already commenced a number of reviews, looking at performance and assessing options for more effective ways of delivering services. I am proud to lead a committed and professional organisation that aims to put the community first in all that we do.

Key information supporting the Budget 2015/16 is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

### I. Rates

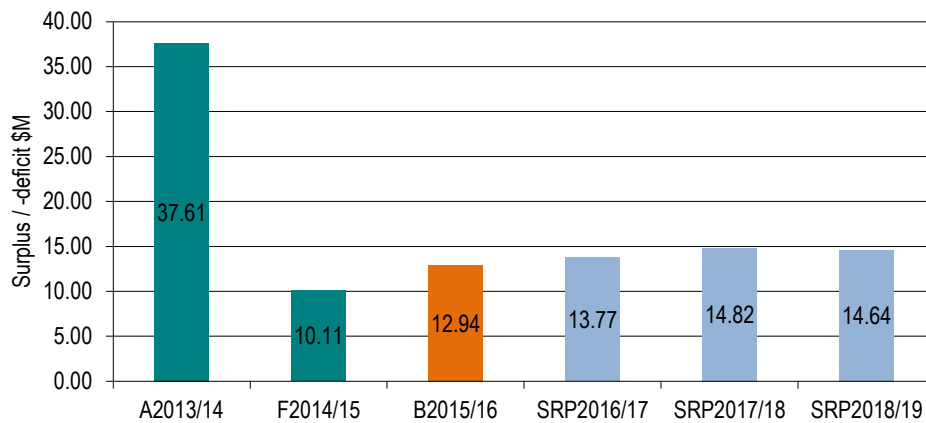


A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

It is proposed that general rates increase by 4.75% for 2015/16, raising total rates of \$113.14 million, including \$800,000 generated from supplementary rates. This increase coupled with revenue growth associated with newly created properties will ensure that Council can maintain existing service levels while funding an increase of \$3.5 million in its capital program to fund the Palais restoration. It will also enable Council to increase its capital works funding for asset renewal projects which will help it close the asset renewals gap. This rate increase is in line with the level foreshadowed in Council’s Strategic Resource Plan adopted in the previous year. (The rate increase for 2014/15 was 4.75%).

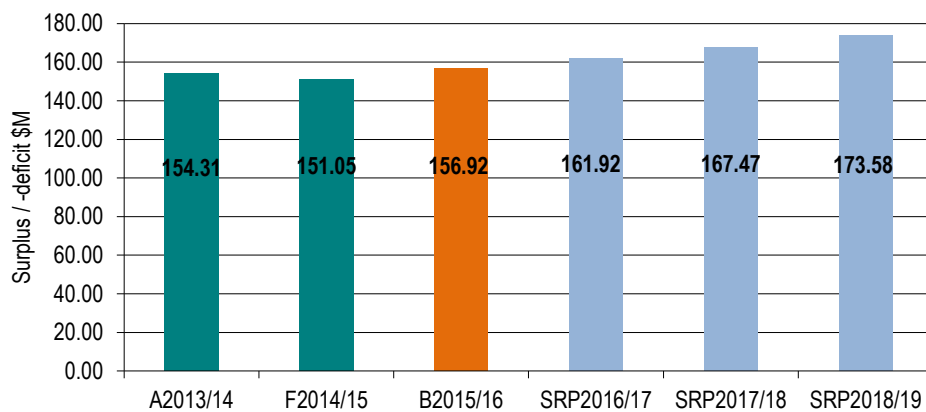


## 2. Operating result



The expected operating result for 2015/16 is a surplus of \$12.94 million, an increase of \$2.83 million from the 2014/15 forecast operating result of \$10.11 million. The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a surplus of \$8.70 million, which is an increase of \$2.55 million over 2014/15 – refer to section 4 of this summary for further information.

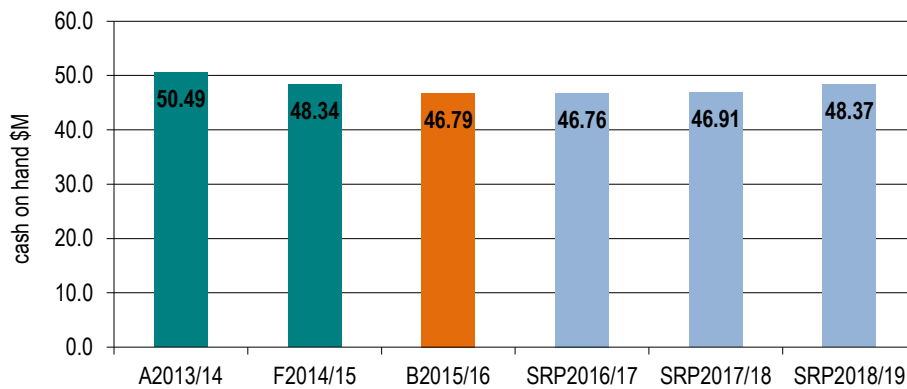
## 3. Services



The net cost of services delivered to the community for 2015/16 is expected to be \$156.92 million which is an increase of \$5.87 million over 2014/15. Budget setting disciplines including clearly defined targets and the inclusion of ongoing efficiencies have contributed towards this result.

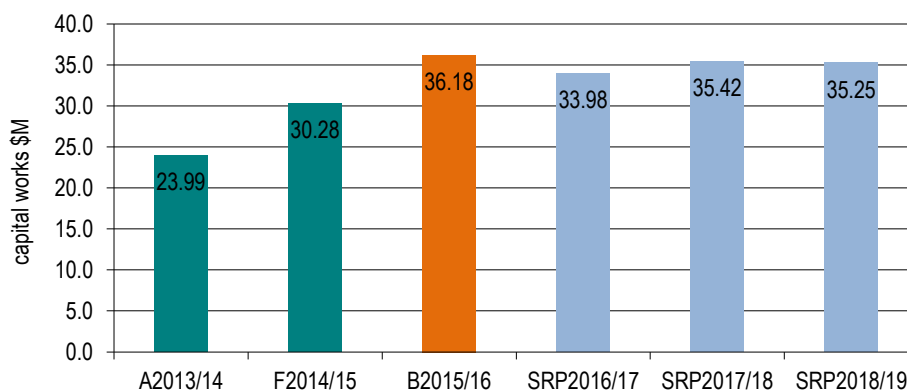
Key influencing factors in the development of the Budget 2015/16 have included the need to address the core Council place management priorities especially the restoration of the Palais Theatre and the progression of planning for the St Kilda Triangle. For the 2015/16 year, service levels have generally been maintained and in some cases improvements are proposed.

#### 4. Cash and investments



Cash and investments are expected to decrease by \$1.55 million during the year to \$46.79 million as at 30 June 2016. While underlying revenue growth of 4.7% is higher than the growth in underlying cash expenditure of 4.0%, Council has increased its contribution to the capital program by \$3.5 million to help fund the Palais restoration. This will be partially offset by a cash injection of \$3.0 million from asset sales. These are the key reasons for the reduction in the cash balance in 2015/16 (Cash and investments are forecast to be \$48.34 million as at 30 June 2015).

#### 5. Capital works

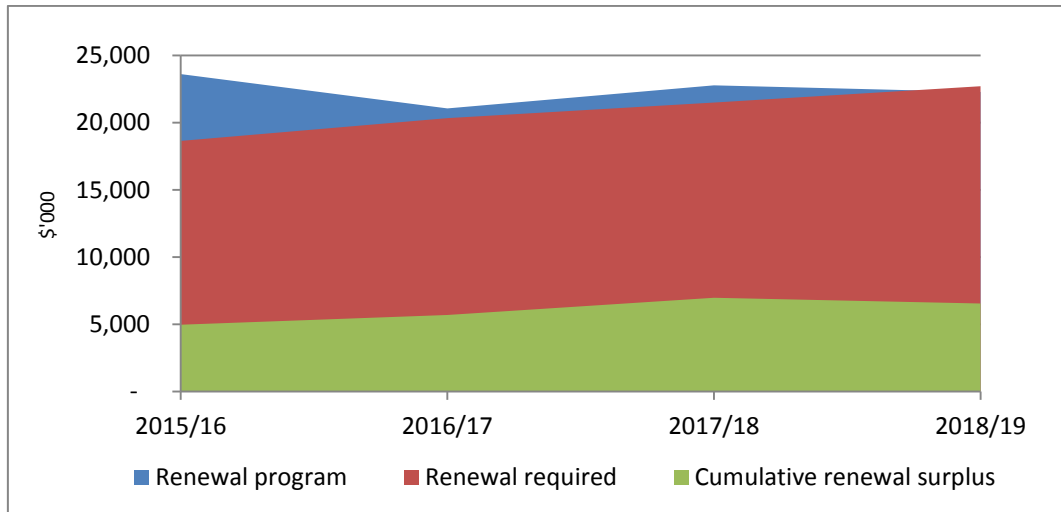


The capital works program for 2015/16 is expected to be \$36.2 million. This excludes the impact associated with projects that need to be carried forward from the 2014/15 year. Any carried forward component will be fully funded from the 2014/15 budget. The increase of the program is due to the \$3.5 million Palais restoration project.

Of the \$36.2 million of capital funding required, \$1.7 million will come from external grants, \$610,000 from borrowings with the balance of \$33.9 million from rates and reserves. The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project. This year's program includes an increased focus on asset renewals (increase of \$6.5 million). A number of building projects will be undertaken, including St Kilda Life Saving Club redevelopment (\$2.2 million), Alma Park Pavilion replacement (\$1.7 million) and works at the Palais Theatre (\$3.5 million).

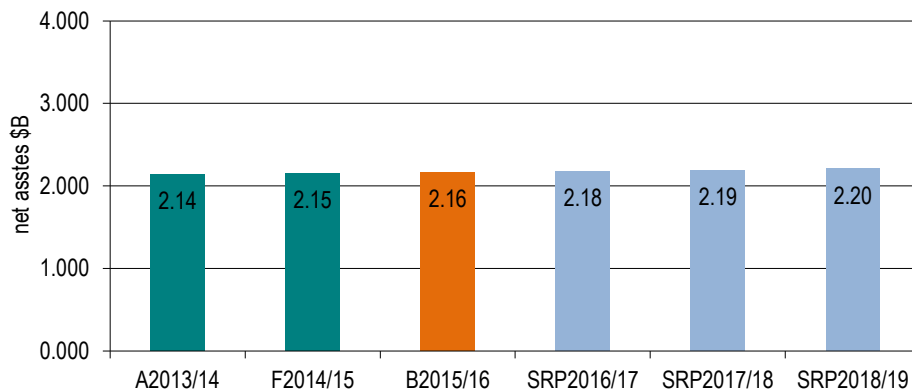
The program also continues to focus on improving our parks and public open space areas, with improvements to Fitzroy Street streetscape (\$1.4 million), repair to Beacon Cove foreshore promenade (\$915,000) and ensuring the vibrancy of our local villages and places (\$235,000).

The graph below sets out the required and actual asset renewal over the life of the current Strategic Resource Plan.



The asset renewal program has been increased to \$23.61 million in 2015/16. This \$6.46 million increase is due to the \$3.5 million major Palais restoration project. On an ongoing basis the forward trend is for asset expenditure to remain on trend over the four year turn of the SRP and fully fund depreciation.

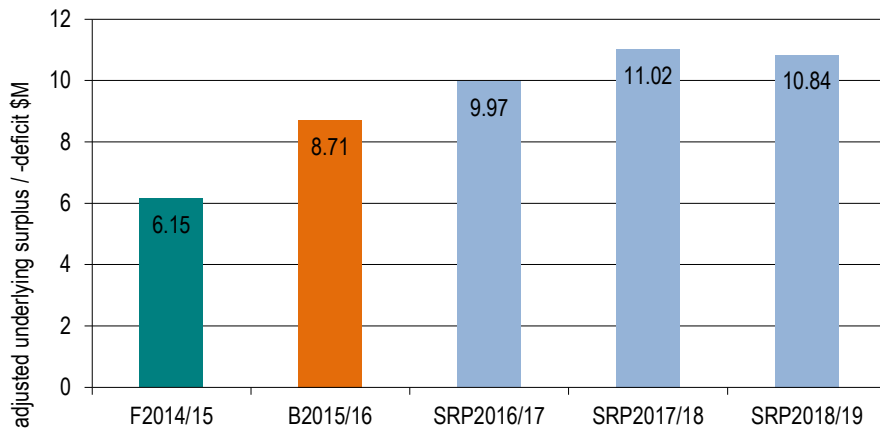
## 6. Financial position



The financial position is expected to improve with net assets (net worth) to increase by \$12.94 million to \$2.16 billion. This movement is linked to an increase in the projected value of Council's fixed assets which is related to capital works that restore life or lead to the creation of new assets. Working capital is expected to decrease by \$1.47 million which is due to the capital expenditure by Council to fund its share of the Palais project. (Total equity is forecast to be \$2.15 billion as at 30 June 2015).

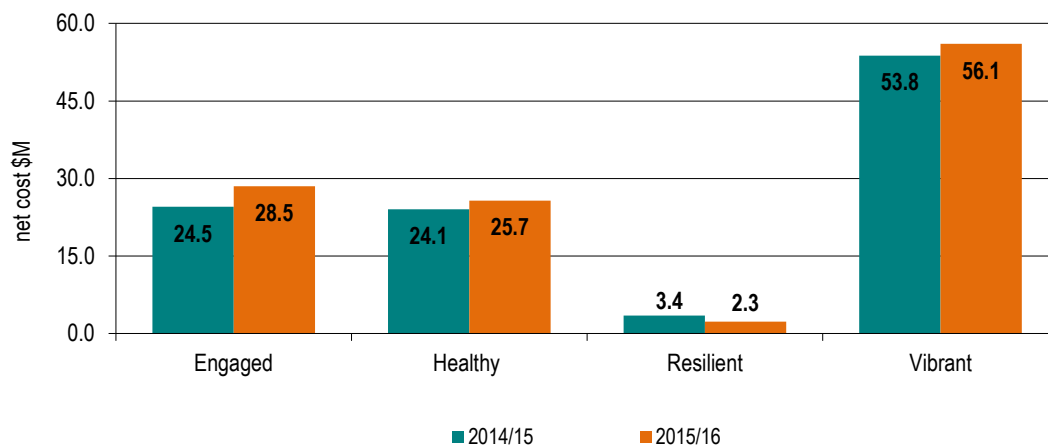


## 7. Financial sustainability



A high level Strategic Resource Plan for the years 2015/16 to 2018/19 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council’s strategic objectives as specified in the Council Plan. The adjusted underlying result, which is a measure of financial sustainability, shows strong surpluses over the four year period.

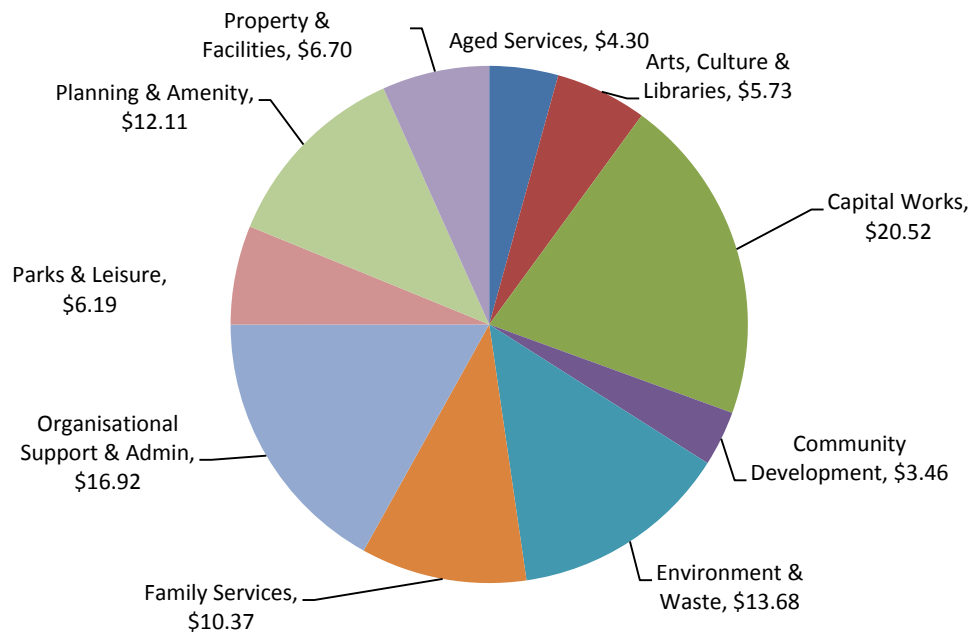
## 8. Strategic objectives



The Budget 2015/16 includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for 2015/16.



### 9. Council expenditure allocations



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is allocated to each service area for every \$100 that Council spends.

This budget has been developed through a rigorous process of consultation and review and management endorses it as financially responsible. More detailed budget information is available throughout this document.

**Tracey Slatter**

**Chief Executive Officer**

## Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The Budget 2015/16, of which a is included in this report, is for the year 1 July 2015 to 30 June 2016 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a Comprehensive Income Statement, Balance Sheet, and Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2016 in accordance with the Act and Regulations, and are consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with officers preparing the operating and capital components of the annual budget during January and February. Council also undertakes community engagement activities in February and early March to support decision-making on the Budget.

A consolidated budget is then prepared and for Council consideration at briefings and workshops during March and April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in May for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days' notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its website. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

Budget process	Timing
1. Council identifies and shortlists priorities for funding in the budget	February to March 2015
2. Council engages with the community to support decision-making on the proposed budget	11 February to 7 March 2015
3. Council considers budgets at briefings and workshops	March to April 2015
4. Proposed budget submitted to Council for release	5 May 2015
5. Budget available for public inspection and comment	5 May 2015
6. Budget advertised	7 May 2015
7. Submissions period closes (28 days)	4 June 2015
8. Submissions considered by Council	9 June 2015
9. Council adoption of final budget	23 June 2015
10. Copy of adopted budget submitted to the Minister	21 July 2015

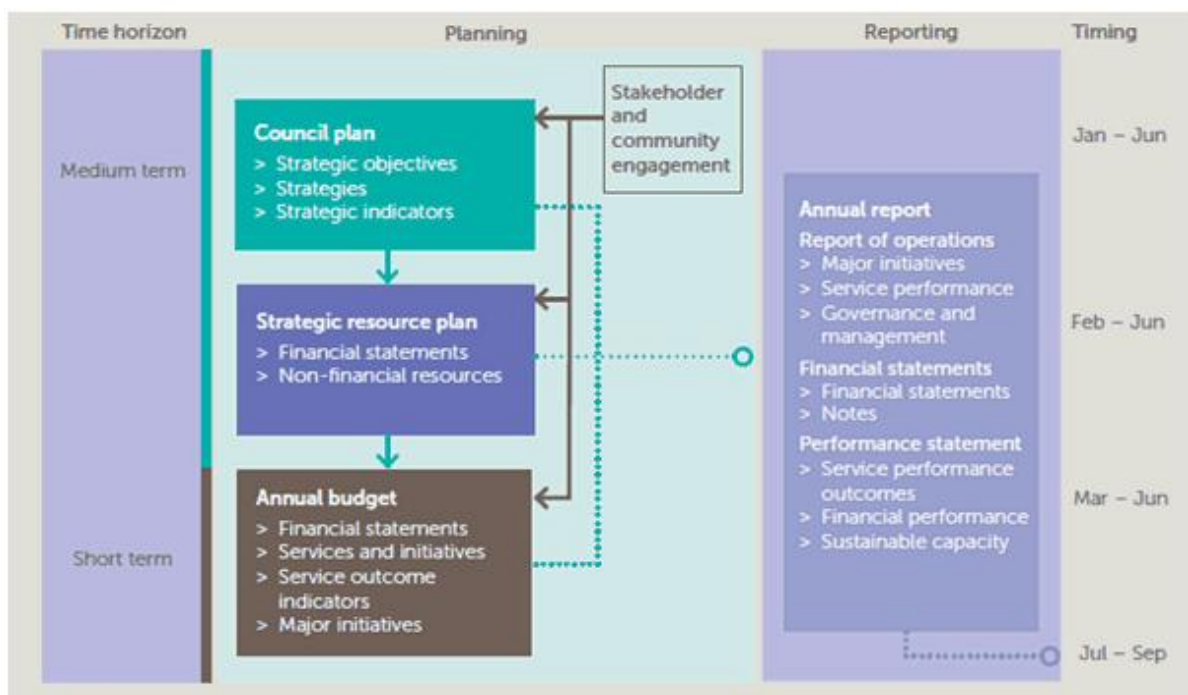


## I. Linkage to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (2007-2017 Community Plan), medium term (Council Plan 2013-17) and short term (Annual Budget) and then holding itself accountable (Audited Statements).

### I.1 Planning and accountability framework

The Strategic Resource Plan, included in the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The annual Budget is then framed within the Strategic Resource Plan, taking into account the services and initiatives included in the annual Budget, which contributes to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework of Council.



In addition to the above, Council has a long term plan (2007-2017 Community Plan) which articulates a community vision. The Council Plan is prepared with reference to Council's long term community plan.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following the quadrennial Council election and is reviewed each year in line with the development of our annual budget.

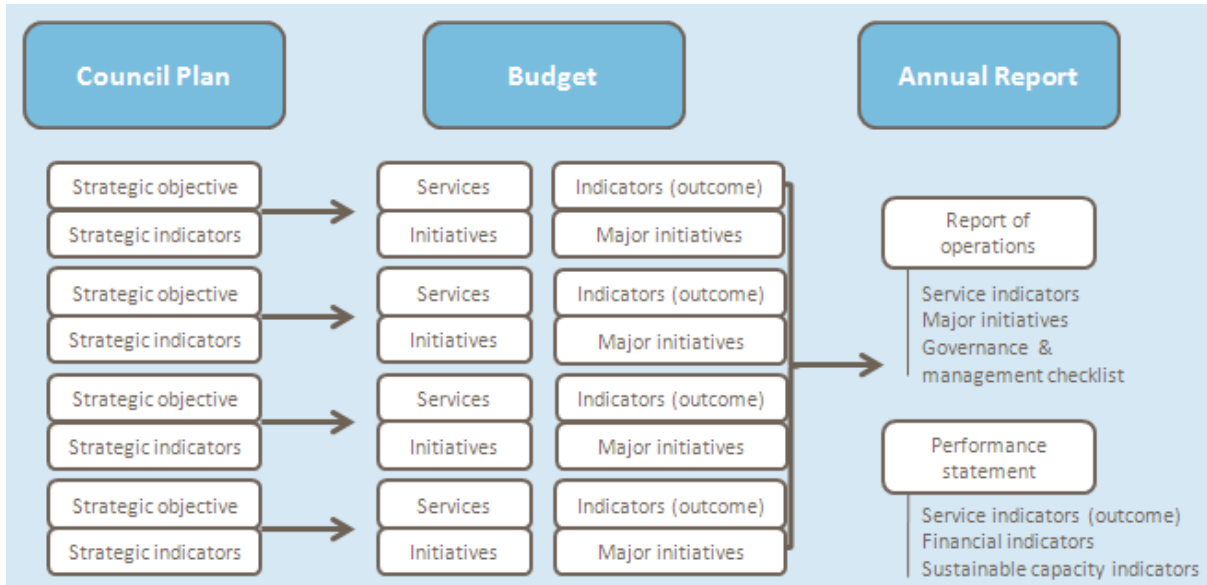
## 1.2 Our purpose

The Council Plan 2013-2017 outlines a vision of an engaged, healthy, resilient and vibrant city. To deliver this vision it identifies 16 objectives framed around four focus areas. The delivery of each objective is supported by key actions and progress measured by a number of indicators.

Council Plan Focus Area	Council Plan Objective
Engaged – A Well-Governed City	1.1 Provide clear and open communication and engagement that is valued by the community
	1.2 Value transparent processes in Council decision making
	1.3 Build and facilitate a network of active and informed communities
	1.4 Build strategic relations with our partners
	1.5 Achieve a reputation for organisational and service excellence
Healthy – A Healthy, Creative and Inclusive City	2.1 Ensure our City is a welcoming and safe place for all
	2.2 Support our community to achieve improved health and wellbeing
	2.3 Ensure quality and accessible family, youth and children's services that meet the needs of the community
	2.4 Foster a community that values lifelong learning, strong connections and participating in the life of the City
	2.5 Promote an improved range of cultural and leisure opportunities that foster a connected and engaged community
Resilient – A Strong, Innovative and Adaptive City	3.1 Build resilience through Council action and leadership
	3.2 Support and increase community action for a resilient city
Vibrant – A Liveable and Connected City	4.1 Encourage viable, vibrant villages
	4.2 Ensure growth is well planned and managed for the future
	4.3 Improve and manage local amenity and assets for now and the future
	4.4 Ensure people can travel with ease using a range of convenient, safe, accessible and sustainable travel choices

## 2. Activities, initiatives and key strategic activities

This section provides a description of the services and initiatives to be funded in the Budget for the 2015/16 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes a number of major initiatives, initiatives and service performance outcome indicators for key areas of Council’s operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



The activities and initiatives for each service category and key strategic objective is described below. Services can be listed under multiple strategic objectives noting that many contribute to the delivery of multiple objectives in the Council Plan.



## 2.1 Strategic Objective I - A Well Governed City

### Strategic Objectives:

- Provide clear and open communication and engagement that is valued by the community
- Value transparent processes in Council decision making
- Build and facilitate a network of active and informed communities
- Build strategic relations with our partners
- Achieve a reputation for organisational and service excellence

### Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Chief Executive Officer & Executive Team	This area provides executive leadership through the coordination of policy development, communication of strategic directions and performance monitoring.	3,266 <u>0</u> <b>3,266</b>
Access & Ageing	The area provides for the diverse needs of Council residents through opportunities for enhancing quality of life such as; maintaining independence, capacity building, social inclusion and service provision. Its key activities focus on ageing, multiculturalism and access.	5 <u>0</u> <b>5</b>
Business Technology	This area engages with the organisation and provides support to deliver on organisational priorities and improved service delivery to the community through information and communication technology.	7,862 <u>0</u> <b>7,862</b>
Community Relations	The ASSIST team provides key information via direct telephone, service desk and online request services and is the primary interface between Council, the community and the delivery of services. Communications and Engagement provide strategic and operational support for Council and the organisation's communications and community engagement needs, media and strategic relations and coordination of Council's Sister Cities partnerships.	3,614 <u>0</u> <b>3,614</b>
Culture & Capability	This area supports Council's management and staff to deliver the best service they can to the community by providing strategic advice in the areas of human resources and organisational development.	2,246 <u>0</u> <b>2,246</b>
Enterprise Portfolio Management	This area will is responsible for driving an enterprise approach to portfolio and project management	1,048 <u>0</u> <b>1,048</b>
Governance	This area is responsible for supporting Council in ensuring good governance practices and, manages the business of civic, community and commercial events and services at the Council meeting rooms, town halls, open spaces and minor foreshore events. This area provides administrative support and assistance to the Mayor and Councillors and handles enquiries and complaints from the public.	3,921 <u>(776)</u> <b>3,145</b>
Service & Business Improvement	This area is responsible for leading business planning, Council Plan updates, corporate reporting, managing insurance and leading risk management for the organisation, leading continuous improvement and undertaking internal audit function. Additionally, SBI is accountable to the entire CoPP executive team as it is responsible for delivering the Continuous Improvement pillar of the Community First strategy.	3,457 <u>(65)</u> <b>3,392</b>
Finance & Investments	This area ensures the effective management and control of the Council's financial resources. Provides strategic financial management and leadership, budgeting and financial performance monitoring, preparation of annual financial statements and treasury management.	9,597 <u>(6,422)</u> <b>3,176</b>
Initiatives	For further details in regards to these initiatives please see below.	737 <u>0</u> <b>737</b>



**Initiatives**

- 1) Asset Management Information System (AMIS) Business Case
- 2) Maternal Child Health change process
- 3) Health Services practice improvement
- 4) Enterprise Performance Management Framework
- 5) Learning Management System Implementation
- 6) Online Web and Intranet improvement program
- 7) Property Strategy and Initial Implementation
- 8) Port Phillip City Collection triennial valuation 2015/16

**Service Performance Outcome Indicators**

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community

**2.2 Strategic Objective 2 - A Healthy, Creative & Inclusive City**

Strategic Objectives:

- Ensure our City is a welcoming and safe place for all.
- Support our community to achieve improved health and wellbeing
- Ensure quality and accessible family, youth and children's services that meet the needs of our community
- Foster a community that values lifelong learning, strong connections and participating in the life of the City
- Promote an improved range of cultural and leisure opportunities that foster a connected and engaged community

Access & Ageing	The area provides for the diverse needs of Council residents through opportunities for enhancing quality of life such as; maintaining independence, capacity building, social inclusion and service provision. Its key activities focus on ageing, multiculturalism and access.	8,300 <u>(4,687)</u> <b>3,614</b>
Safety & Amenity	The Safety and Amenity Department is responsible for maintaining the health, safety and amenity of the Port Phillip community, providing Health Services aimed at promoting food safety in registered premises; improved public health standards under the Public Health & Wellbeing Act; and providing a safe and convenient immunisation service; Parking Enforcement and Administration which includes schools crossing supervision, clearways, abandoned vehicles and management of all contracts relating to the parking enforcement and infringement process; Animal Management which aims to support responsible pet ownership by ensuring registration of pets; keeping of pets under effective control ; Local Laws which aims to support compliance with Council's Community Amenity Local Law to protect the health and safety of the City and to limit activities which may be dangerous or detrimental to the amenity of the area; Planning Enforcement investigation and enforcement of alleged breaches of the Planning & Environment Act and the Port Phillip Planning Scheme.	4,372 <u>(1,652)</u> <b>2,720</b>



City Growth	The City Growth Department provides Council's strategic urban planning capacity with a focus on; integrated land use and transport planning; strategic economic planning for activity centres / business precincts; and planning for more diverse and affordable housing opportunities. Project outcomes aim to maximise community benefit and contribute to a more environmentally, socially, economically sustainable future for the City.	639 <u>0</u> <b>639</b>
Family, Youth & Children	This area provides management of Child Care Centres within the municipality and support to community run child care centres; registration and updates to the centralised child care waiting list; home based child care; respite care and assistance to families with children and young people with disabilities; support to playgroups. This area coordinates youth services and oversees service agreements with youth service providers; operates two staffed adventure playgrounds in St Kilda and South Melbourne.	19,383 <u>(12,248)</u> <b>7,134</b>
Community Health and Service Planning	This area delivers on Council's commitment to public policy and role it can play in shaping a social environment that is more conducive to better health. Department operations are based on sound research and analysis drawn primarily from social, health and demographic data and via community engagement, consultation and dialogue. We seek understand, plan and provide advice on the needs, priorities and trends of the whole community.	2,947 <u>(334)</u> <b>2,613</b>
Public Space	This area develops and implements open space policies and strategies; develops the public open space asset renewal and improvements program; undertakes project management for capital works relating to open space improvements; provides internal technical advice and assists local community groups; oversees external contracts for the provision of park maintenance; tree and gardens management; undertakes community education activities and advice; leads, develops and coordinates an integrated cross organisational approach to the planning and delivery of services for the Council foreshore; regional collaboration for the bay and represents the city on the Association of Bayside Municipalities. The area also supports sporting clubs and facilities; permitting events and commercial activities in the public domain including the foreshore; lifestyle and leisure program and activities.	715 <u>(239)</u> <b>477</b>
Art and Culture	This area supports Joint Council Access for All Abilities recreation and arts program; The area provides library services including free access to educational and recreational resources including books, magazines, DVDs and CDs; online databases; public internet access; programs and events; local history services; inter-library loans.	10,839 <u>(2,355)</u> <b>8,484</b>
Initiatives	For further details in regards to these initiatives please see below.	50 <u>0</u> <b>50</b>

- 9) 2015 Emerald Hill Festival Funding
- 10) Options for Fitness Stations
- 11) Port Phillip Housing Strategy





**Service Performance Outcome Indicators**

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population that receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people that receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Maternal and Child Health	Participation	Participation in MCH key ages and stages visits (Percentage of children attending the MCH key ages and stages visits)	Number of actual MCH visits / Number of expected MCH visits] x100
		Participation in MCH key ages and stages visits by Aboriginal children (Percentage of Aboriginal children attending the MCH key ages and stages visits)	[Number of actual MCH visits for Aboriginal children / Number of expected MCH visits for Aboriginal children] x100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food Safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

## 2.3 Strategic Objective 3 - A Strong, Innovative and Adaptive City

Strategic Objectives :

- Build resilience through Council action and leadership
- Support and increase community action for a resilient city

### Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Finance & Investments	Finance is responsible for the fleet management function and will continue to focus on reducing fleet operational costs in 2015/16.	508 <u>(1,085)</u> <b>(577)</b>
Asset Planning & Property	This area provides strategic asset management services regarding the maintenance, construction, renewal and disposal of Council's facilities and assets, including the preparation of the capital works program. Administers external infrastructure grants such as the Victorian Stormwater Action Program, Roads to Recovery and Vic Roads roads maintenance.	1,154 <u>0</u> <b>1,154</b>
Sustainability	This area leads the delivery of projects aimed at achieving a sustainable environment for the City and Organisation. Includes strategic planning in the areas of water, greenhouse gas and climate change adaptation.	1,572 <u>(200)</u> <b>1,372</b>
Community Relations	The ASSIST team provides key information via direct telephone, service desk and online request services and is the primary interface between Council, the community and the delivery of services. Communications and Engagement provide strategic and operational support for Council and the organisations communications and community engagement needs, media and strategic relations and coordination of Council's Sister Cities partnerships.	111 <u>0</u> <b>111</b>
Initiatives	For further details in regards to these initiatives please see below.	230 <u>0</u> <b>230</b>

### Initiatives

- 12) Albert Park Lake Stormwater Harvesting
- 13) Early Years Sustainability Leadership
- 14) Scoping the building design for the EcoCentre

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

## 2.4 Strategic Objective 4 - A Liveable and Connected City

Strategic Objectives :

- Encourage viable, vibrant villages
- Ensure growth is well planned and managed for the future
- Improve and manage local amenity and assets for now and the future
- Ensure people can travel with ease using a range of convenient, safe, accessible and sustainable travel choices

### Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Sustainability	This area leads the Council's activities to increase the uptake of walking, bike riding and public transport with the municipality. The delivery of safe, sustainable and leading edge transport management outcomes.	1,724 <u>(86)</u> <b>1,638</b>
Safety & Amenity	The Safety and Amenity Department is responsible for maintaining the health, safety and amenity of the Port Phillip community, providing Health Services aimed at promoting food safety in registered premises; improved public health standards under the Public Health & Wellbeing Act; and providing a safe and convenient immunisation service; Parking Enforcement and Administration which includes schools crossing supervision, clearways, abandoned vehicles and management of all contracts relating to the parking enforcement and infringement process; Animal Management which aims to support responsible pet ownership by ensuring registration of pets; keeping of pets under effective control ; Local Laws which aims to support compliance with Council's Community Amenity Local Law to protect the health and safety of the City and to limit activities which may be dangerous or detrimental to the amenity of the area; Planning Enforcement investigation and enforcement of alleged breaches of the Planning & Environment Act and the Port Phillip Planning Scheme.	9,147 <u>(500)</u> <b>8,647</b>
Asset Planning & Property	This area provides strategic asset management services regarding the maintenance, construction, renewal and disposal of Council's facilities and assets, including the preparation of the capital works program. Administers external infrastructure grants such as the Victorian Stormwater Action Program, Roads to Recovery and Vic Roads roads maintenance.	2,292 <u>(2,859)</u> <b>(567)</b>
Business Technology	This area engages with the organisation and provides support to deliver on organisational priorities and improved service delivery to the community through information and communication technology.	20 <u>0</u> <b>20</b>
City Development	This area administers local laws approvals for use of the footpaths and public roads to ensure public safety and amenity. This area issues planning permits; controls the use and development of land; subdivisions; liquor licences; administers heritage controls and advice; sustainable urban design advice.	5,731 <u>(7,148)</u> <b>(1,417)</b>
City Growth	The City Growth Department provides Council's strategic urban planning capacity with a focus on; integrated land use and transport planning; strategic economic planning for activity centres / business precincts; and planning for more diverse and affordable housing opportunities. Project outcomes aim to maximise community benefit and contribute to a more environmentally, socially, economically sustainable future for the City.	3,044 <u>(10)</u> <b>3,034</b>

Maintenance & Renewal	This area is responsible for the maintenance of councils roads and footpaths, cleaning of our streets and beaches and the collection and processing of domestic waste and recycling and the hard waste booking and dumped rubbish collection services and the internal operation of the litter bin collection services and the Resource Recovery Centre. These highly visible services are provided predominately via external commercial contracts along with some internal day labour staff. The department is committed to providing quality services which represent best value for money in meeting community needs in an environmentally responsible way.	23,128 <u>(1,102)</u> <b>22,026</b>
Public Space	This area develops and implements open space policies and strategies; develops the public open space asset renewal and improvements program; undertakes project management for capital works relating to open space improvements; provides internal technical advice and assists local community groups; oversees external contracts for the provision of park maintenance; tree and gardens management; undertakes community education activities and advice; leads, develops and coordinates an integrated cross organisational approach to the planning and delivery of services for the Council foreshore; regional collaboration for the bay and represents the city on the Association of Bayside Municipalities. The area also supports sporting clubs and facilities; permitting events and commercial activities in the public domain including the foreshore; lifestyle and leisure program and activities.	11,238 <u>(466)</u> <b>10,772</b>
Fishermans Bend	This area is principally concerned with designing and revitalizing the diverse places across our city. Through the application of a range of complementary planning and design skills as well as expertise in project feasibility and delivery, has primary responsibility for Council's strategic place programs and projects in Fishermans Bend.	650 <u>0</u> <b>650</b>
St Kilda Triangle	This area is principally concerned with designing and revitalizing of the St Kilda Triangle site. Through the application of a range of complementary planning and design skills as well as expertise in project feasibility, delivery and has primary responsibility for Council's strategic planning program and project.	183 <u>0</u> <b>183</b>
Vibrant Villages	This area is principally concerned with designing and revitalizing the diverse places across the municipality.	274 <u>0</u> <b>274</b>
South Melbourne Market	This area manages the retail spaces for permanent and temporary stallholders and provides the retail centre with support services including marketing, maintenance, cleaning security and waste management.	4,284 <u>(5,570)</u> <b>(1,286)</b>
Project and Building Services	The Department delivers new, improved or upgraded assets that in turn allows Council to deliver on a wide range of services to the community. The Project Delivery Department provides a range of capital project planning, community consultation, contamination advice, civil design and project management services as well as the delivery of capital program.	8,661 <u>(642)</u> <b>8,018</b>
Arts & Culture	This area supports Joint Council Access for All Abilities recreation and arts program. The area provides library services including free access to educational and recreational resources including books, magazines, DVDs and CDs; online databases; public internet access; programs and events; local history services; inter-library loans.	231 <u>(359)</u> <b>(129)</b>
Initiatives	For further details in regards to these initiatives please see below.	4,197 <u>0</u> <b>4,197</b>



**Initiatives**

- 15) Carlisle Street Supermarket Feasibility Stage 2
- 16) Vibrant Villages Program Management
- 17) St Kilda Triangle - Amendment C106
- 18) St Kilda Triangle - Project Design
- 19) St Kilda Triangle Winter Pavilion and Activation
- 20) Foreshore Vegetation Implementation 2015 - 2017
- 21) Gasworks Park Plan implementation
- 22) JL Murphy Reserve feasibility and planning for pavilion upgrade
- 23) Middle Park Beach Nourishment
- 24) Long Term Growth, Services and Property Planning
- 25) Port Melbourne Waterfront Activation Plan Year 2
- 26) Palais Theatre Program Management and completion of Stage 2 of lease process
- 27) Amendment C111 - Special Building Overlay
- 28) St Kilda Road South Precinct Urban Design and Land Use Framework (UDLUF)
- 29) Economic Development Strategy and Analysis
- 30) North Port Oval playing surface review 2015/16
- 31) Public Space Strategy
- 32) Public Realm Design and Technical Standards Stage 2
- 33) SMM York Street Feasibility
- 34) Port Melbourne skate park and Graham St bridge underpass
- 35) St Kilda Road Bike Lanes
- 36) St Kilda Tourism
- 37) Street Tree Improvement Program

**Service Performance Outcome Indicators**

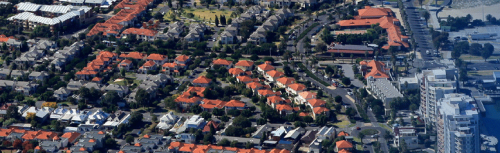
Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	$[\text{Number of businesses with an ABN in the municipality at the end of the financial year} - \text{Number of businesses at the start of the financial year}] / \text{Number of businesses with an ABN in the municipality at the start of the financial year}] \times 100$
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were upheld in favour of the Council)	$[\text{Number of VCAT decisions that upheld Council's decision in relation to a planning application} / \text{Number of decisions in relation to planning applications subject to review by VCAT}] \times 100$
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

## 2.5 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2014/15 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 8) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

## 2.6 Reconciliation with budgeted operating result

	Net Cost (Revenue)	Expenditure	Revenue
	\$'000	\$'000	\$'000
1. A Well Governed City	28,490	35,753	(7,263)
2. A Healthy, Creative & Inclusive City	25,730	47,246	(21,516)
3. A Resilient City	2,290	3,575	(1,285)
4. A Vibrant City	56,061	74,804	(18,744)
<b>Total services &amp; initiatives</b>	<b>112,571</b>	<b>161,378</b>	<b>(48,807)</b>
Other non-attributable - <i>depreciation</i>	18,644		
<b>Deficit before funding sources</b>	<b>131,215</b>		
<b>Funding sources:</b>			
Rates & charges	113,146		
Parking revenue	29,279		
Capital grants	1,734		
<b>Total funding sources</b>	<b>144,159</b>		
<b>Surplus for the year</b>	<b>12,942</b>		



### 3. Budget influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

#### 3.1 Snapshot of the City of Port Phillip

The City of Port Phillip is located south of the Melbourne city centre, on the northern shore of Port Phillip Bay. One of the oldest areas of European settlement in Melbourne, Port Phillip is known and treasured by many for its urban village feel and artistic expression. Heritage buildings, distinct shopping precincts, and tree-lined streetscapes have shaped Port Phillip as a city of defined neighbourhoods.

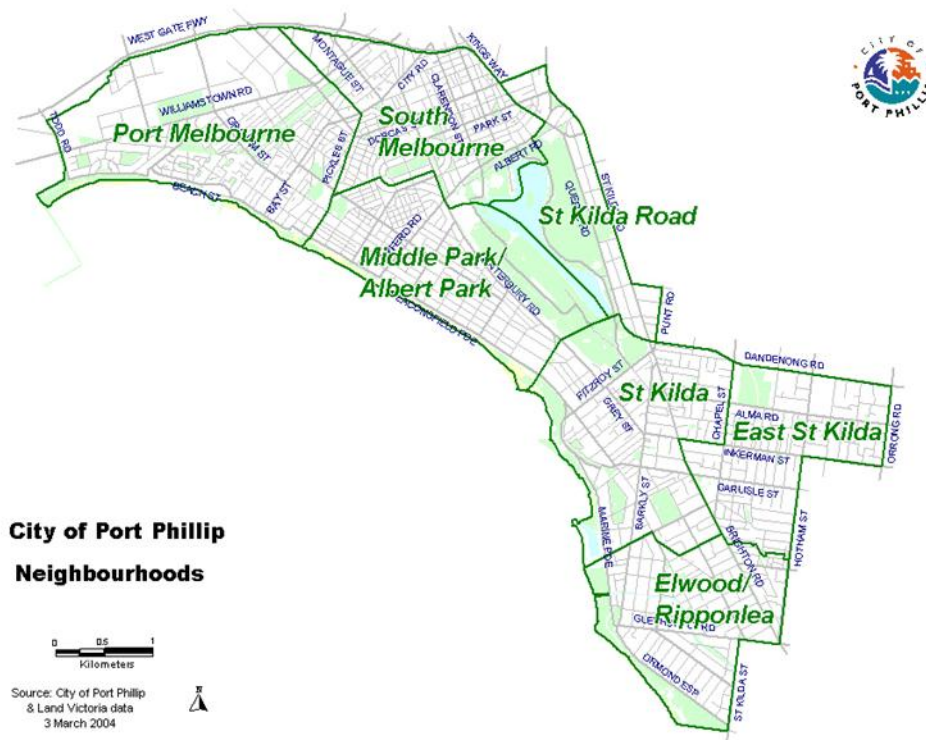
The major village precincts of Bay Street (Port Melbourne), Clarendon Street (South Melbourne), Fitzroy and Acland Streets (St Kilda) and Carlisle Street (Balaclava) provide a variety of retail, leisure and entertainment experiences, each with their own character and cultural expression.

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

The foreshore stretches over 11 km and a network of public open spaces makes the city a desirable place for residents and visitors alike to enjoy. It is well served by public transport, with a substantial network that includes the St Kilda and Port Melbourne light rail lines, two railway stations on the Sandringham line and various tram and bus routes.

As a sought-after inner city area of Melbourne the physical environment is subject to change. The city continues to experience significant residential development, with substantial growth anticipated in the northern edge of Port Phillip. Valuing the history, ensuring a sense of place and planning for the future of a dynamic and evolving city will continue to present a challenge.

#### Neighbourhood Map of the City of Port Phillip





## Population

The City of Port Phillip is a diverse community and has experienced many changes over time. The City has the 16th largest population in Victoria, is also the smallest in geographic size and most densely populated municipality in Victoria. The City's official population has grown to 104,846 in 2014. This represents an additional 2424 residents or 2.4% increase in the population from 2013 – the 13th fastest growth in the State. St Kilda is the largest neighbourhood within the City of Port Phillip, with a population of 21,202 in 2011. (Source: Australian Bureau of Statistics, Census of Population and Housing).

## Age Structure

The age structure of the population shows that, relative to the Victorian population, there are a smaller proportion of people in the younger age groups (0-17) and in the older age groups (60+). The City of Port Phillip has a higher concentration of 25 to 34 year olds with 27.7% of the population when compared with the Victorian population (14.2%). (Source: Australian Bureau of Statistics, Census of Population and Housing).

The number of young people in the 5-17 age bracket has increased slightly in recent years as well as the 0-4 age group which now represents 5% of the population.

## Births

Despite an ageing population, an average of 1,283 babies, have been born each year since 2005. In the 2012/13 financial year, 1,385 babies were born in the municipality. (Source: Maternal and Child Health database).

## Cultural Diversity

The City of Port Phillip is a culturally and linguistically diverse municipality. Many different cultural groups live in the city with 31% of residents born overseas. The main countries of birth of residents, apart from Australia, are the United Kingdom, New Zealand, India and Greece.

Nearly 20% of the population have a non-English speaking background. The dominant language spoken at home, other than English, is Greek with 3.2% of the population, followed by Russian, Mandarin and Italian. The largest increases in the spoken languages of the population were for those speaking French, Mandarin, Hindi and Gujarati. (Source: Australian Bureau of Statistics, Census of Population and Housing). This confirms the trend in migration is moving away from the post-war pattern (i.e. Greece, Poland and Italy) towards arrivals from India, China and Malaysia.

## Housing

Port Phillip's housing stock continues to increase in line with its population growth. In 2011 there were 52,413 dwellings, of which 46,005 were privately occupied. While more housing stock is available, 47.7% were high density dwellings (up from 46.4% in 2006). The largest changes in family/household types came from couples without children (+1,708 households). (Source: Australian Bureau of Statistics, Census of Population and Housing).

Today 40.8% of City of Port Phillip residents report that they own or are purchasing their own home and 50.1% of residents report renting. The city attracts a large number of visitors (approximately four million) each year. These demographics provide just a narrow description of the people within our community. The rich diversity and depth of community, individual experience and contribution is the greater story that brings life and expression to the City of Port Phillip and will continue to play a significant role in shaping its future.



## Education and Occupation

In the City of Port Phillip, the highest level of secondary schooling completed for 71% of the population was Year 12 or equivalent in 2011. This figure was 63.2% in 2006.

In addition 61.6% of the population aged 15 and over held educational qualifications and 26.5% had no qualifications, compared with 47.4% and 42.4% respectively for Greater Melbourne. The major differences between qualifications held by the population of Port Phillip and Greater Melbourne were a larger percentage of persons with Bachelor or higher degrees (42.2% compared to 23.6%).

The occupations of residents in the municipality are skewed towards managers and professionals. 10,215 residents (or 18.6%) are managers while 21,245 (or 38.7%) are professionals. This compares to 12.5% and 24.1% respectively for Greater Melbourne). Technicians, trade workers, community workers, clerical/administrative, sales workers, machinery operators and labourers are under- represented in the municipality when compared with the rest of the Melbourne Statistical division. (Source Australian Bureau of Statistics, Census of Population and housing).

These demographics provide just a narrow description of the people within our community. The rich diversity and depth of community, individual experience and contribution is the greater story that brings life and expression to the City of Port Phillip and will continue to play a significant role in shaping its future.

## Budget implications

The City's demographic profile gives rise to a number of budget implications in the short and long term namely:

- Although the City's small geographic area reduces transport costs when compared with rural shires, our increasing population growth within our City and very limited opportunities to expand the capacity of our local road network means traffic congestion is likely to increase. Therefore greater focus is on finding the most effective ways to reduce congestion and to encourage people to use public transport, cycle or walk rather than use their car.
- The City has one of the most highly educated communities compared with other metropolitan councils. Although there are a number of wealthy households, approximately 16% of households are classified as low income and almost 8% of our residents live in social or public housing.
- Approximately 5% of residential ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community. Council offers a pensioner rate rebate of \$152 in addition to the current State Government rebate of \$208. The total rebate is capped at a maximum of 50% of the current rates amount. Council also provides a discounted interest rate of 50% of the statutory rate to all eligible pensioners and self-funded retirees who defer their rates and charges.
- The city is substantially developed and while it is experiencing an ongoing increase in property numbers, these mainly arise from higher density developments. This increased density impacts the infrastructure network especially drainage and requires Council to replace drains which cannot cope with the higher run off in the urban environment. These costs cannot be passed on to the developer and are paid for from rates.
- While the City has relatively lower proportions of the population at the two ends of the age spectrum, there has been a sustained increase in the number of births which has future implications for child care. In addition the ongoing increase in life expectancies for the population as a whole will require the City to ensure that adequate resources are provided for the purpose of Home Care.

### 3.2 External influences

The Australian economy continues to exhibit below trend growth with significant headwinds emerging in the resource rich states (especially Western Australia) as the mining related construction boom dissipates. While the Australian dollar has depreciated significantly over the last two years, it is still having an adverse impact on the manufacturing and tourism sectors. There has more recently been a dramatic and sustained fall in some key commodity prices especially iron ore as well as the oil price. This has resulted in the Reserve Bank of Australia cutting the cash rate to 2.25 per cent in February 2015 with economists and financial market futures projecting further rate cuts during the year. Unemployment has increased albeit more modestly from 5.9 per cent in March 2014 to 6.1 per cent in March 2015. Prices as measured by movements in the consumer price index remain under control as confirmed by the latest headline inflation rate of 1.7 per cent (December 2014). Lower fuel prices have been the main contributor to the low headline inflation result. While consumer sentiment is mixed, there has been a strong recovery in property sales volumes and prices in Sydney and to a lesser degree, Melbourne, which has been fuelled by the current low interest rate environment. This environment is expected to persist in the short term. Council has continued to focus on relevant local issues in setting its budget and these are detailed below.

- Inflationary expectations have been maintained at 2.5%. This is in line with Deloitte Access Economics December 2014 forecast of 2.6% for underlying inflation in 2015/16.
- The City has continued to experience above average population growth which has had an impact on the cost of providing services to the community. This manifests itself in increased contractual costs for waste collection and disposal, increased demand for social services especially child care, more intensive use of community facilities and increased pressure on ageing infrastructure especially drainage assets.
- Council 's Enterprise Agreement will expire in June 2016 and the budget provides for across the board salary increases of 3.5 per cent to be effected in July 2015. This is in line with the provisions of the Agreement. No provision has been made for banding and salary reclassification movements and the earlier allowance for increased employer superannuation has also been removed following the decision by the Federal government to defer this until June 2021.
- The Victorian Government has announced its intention for the Fishermans Bend Urban Renewal Area to transform the mainly industrial zone in Port Melbourne and parts of South Melbourne into a mixed use residential and commercial precinct. This urban renewal project which is the largest of its kind in Australia is expected to result in a doubling of the population in Port Phillip over the next 40 years. Council has identified this as a priority and the budget contains funding to progress the planning for this major change in the municipality
- The Victorian State government has extended the Congestion Levy to include large parts of the City of Port Phillip with effect from 1 January 2015. Large parts of the City of Port Phillip have been impacted from 1 January 2015. This levy which is raised on the operators of pay parking garages and spaces is expected to have an ongoing cost impact of \$1 million to the City of Port Phillip for the 2015/16 financial year. The budget has made a provision for the full \$1 million cost impact of this levy (\$500,000 in 2014/2015).
- The cost of providing long day child care services is being impacted by the introduction of the National Quality Standard which sets a national benchmark for early childhood education and care and outside school hours care services in Australia.
- While the Local Government sector in general has been affected by reductions in general purpose Federal Government grants, Port Phillip currently receives a minimum grant that is per capita based and has been relatively unscathed.

### 3.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the 2015/16 Budget. These internal influences are set out below.

- The historical Palais theatre requires significant renewal works to restore the building and address safety issues. Council has agreed to provide \$3.5 million in funding that will go towards the restoration of this iconic heritage listed asset. This will have a significant impact on the total capital works budget.
- Identification of efficiencies. The Budget 2014/15 contained a target of \$1.8 million for operating efficiencies which has been exceeded. Approximately \$3 million in sustainable ongoing efficiencies has been allocated into the base budget for 2015/16.
- Place management priorities. The Council Plan has prioritised the St Kilda Triangle redevelopment and the Vibrant Villages program. The Budget 2015/16 includes funding to progress the planning for the St Kilda Triangle of \$700,000 as well as a capital project for the St Kilda Life Saving Club redevelopment of \$2.2 million and \$235,000 for a range of Vibrant Villages programs.
- The transfer of maintenance obligations from the State government to Council for the marine and park assets in the Beacon Cove area.
- There has been a marked decline in the number of new properties coming on stream in 2014/15 and this has had an adverse impact of approximately \$750,000 on our rate revenue projections for 2015/16,

### 3.4 Budget assumptions

In response to these influences, the following assumptions have been used to prepare this budget:

- CPI for 2015/16 of 2.5%.
- Rate revenue to increase by 4.75% plus growth of 1.3%.
- Existing fees and charges to be increased, where possible, to recover costs or otherwise set at the rate of inflation.
- Operating grants to increase by CPI each year.
- A 2.5% increase in parking fines, with revenue from parking fees (ticket machines) increasing by 3.97% to partly offset the increased Congestion Levy.
- Other revenue to increase by CPI per annum.
- Interest received is dependent on cash reserves available. It is assumed that funds invested will achieve a rate of return of 3.0% per annum.
- Employee costs to increase by 3.5% being a provision for Enterprise Agreement increases.
- Utility costs to increase by 2.5% per annum.
- Materials and other expenses to increase by 2.5% per annum.



### **3.5 Legislative requirements**

Under the Local Government Act 1989 (“the Act”), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Local Government Amendment (Performance Reporting and Accountability) Act 2014 (“the Regulations”) which support the Act. These Regulations require all councils to prepare a set of standard financial performance indicators as well as service performance indicators in the budget.

The Budget 2015/16, which is included in this report, is for the year 1 July 2015 to 30 June 2016 and is prepared in accordance with the Act and Regulations. The budget includes standard statements being a budgeted Income Statement, Balance Sheet, Cash Flows and Capital Works. These statements have been prepared for the year ended 30 June 2016 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken, proposed fees and charges and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

### **3.6 Long term strategies**

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include a Strategic Resource Plan for the years 2015/16 to 2018/19 (section 8.), Rating Strategy (section 9.) and Other Long Term Strategies (section 10.) including borrowings, infrastructure and service delivery.



## 4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2015/16 year.

### 4.1 Budgeted income statement

	Ref	Forecast		Variance
		Actual	Budget	
		2014/15	2015/16	
		\$'000	\$'000	\$'000
Operating income	4.2	179,805	188,506	8,701
Operating expenditure	4.3	169,691	175,564	5,873
<b>Surplus (deficit) for the year</b>		<b>10,114</b>	<b>12,942</b>	<b>2,827</b>
<i>Less:</i>				
Open space contributions		(2,563)	(2,500)	63
Grants - capital		(1,400)	(1,734)	(334)
<b>Underlying surplus (deficit)</b>	4.1.1	<b>6,152</b>	<b>8,708</b>	<b>2,556</b>

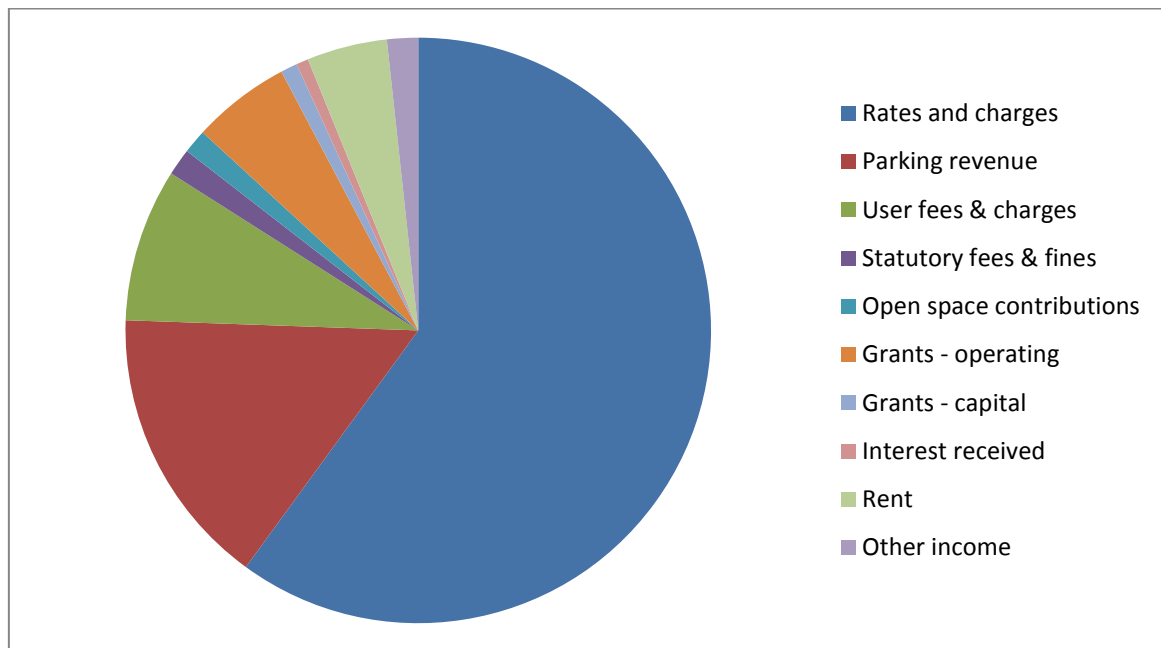
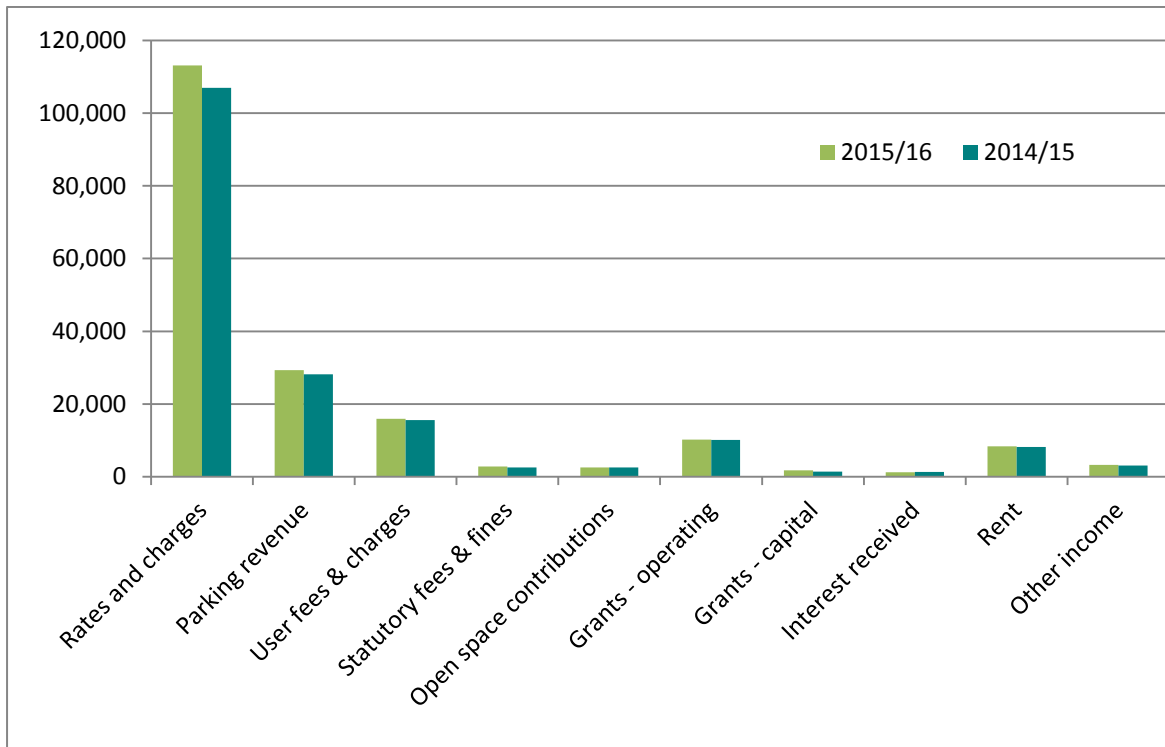
#### 4.1.1 Adjusted underlying surplus (\$2.56 million increase)

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2015/16 year is a surplus of \$8.71 million which is an increase of \$2.56 million on the 2014/15 forecast. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year

### 4.2 Income

Income Types	Ref	Forecast		Variance
		Actual	Budget	
		2014/15	2015/16	
		\$'000	\$'000	\$'000
Rates and charges	4.2.1	106,980	113,146	6,166
Parking revenue	4.2.2	28,160	29,279	1,119
User fees & charges	4.2.3	15,554	15,936	382
Statutory fees & fines	4.2.4	2,540	2,804	264
Open space contributions	4.2.5	2,563	2,500	(63)
Grants - operating	4.2.6	10,116	10,243	127
Grants - capital	4.2.7	1,400	1,734	334
Interest received	4.2.8	1,300	1,260	(40)
Rent	4.2.9	8,134	8,369	236
Other income	4.2.10	3,059	3,234	175
<b>Total income</b>		<b>179,805</b>	<b>188,506</b>	<b>8,701</b>

### Income Analysis





#### **4.2.1 Rates and charges (\$6.17 million increase)**

Council's rate revenue is expected to increase by 5.8% with a rate rise of 4.75% and growth in the number of assessments (property base) accounting for the balance.

#### **4.2.2 Parking Revenue (\$1.12 million increase)**

Parking revenue incorporates both paid parking and parking fines.

Parking revenue is anticipated to increase by \$1.12 million due to increases in paid parking rates across the municipality, improved efficiency resulting from updated parking machine infrastructure and improved monitoring.

#### **4.2.3 User fees (\$382,000 increase)**

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include separate rating schemes, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home help services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels.

A detailed listing of fees and charges is included in Appendix D.

#### **4.2.4 Statutory fees and fines (\$264,000 increase)**

Statutory fees and fines relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These are primarily City Permits fees where the price is set by State Government.

A detailed listing of statutory fees and charges is set out in Appendix D.

#### **4.2.5 Rent (\$236,000 increase)**

Rental income primarily relates to the revenue generated from the rental of Council controlled buildings including a number of restaurants on the foreshore and the South Melbourne Market.

#### **4.2.6 Open space contributions (\$63,000 decrease)**

Open space contributions relate to monies paid by developers in regard to public resort & recreation, drainage and car parking in accordance with planning permits issued for property development. Open space contributions are projected to remain consistent over the four year plan.

#### 4.2.7 Grants operating (\$127,000 increase)

Operating Grant Funding Types and Source	Forecast	Budget 2015/16 \$'000	Variance \$'000
	Actual 2014/15 \$'000		
<i>Recurrent - Commonwealth Government</i>			
Victoria Grants Commission	2,520	2,582	62
Emergency Relief & Vulnerable groups	51	0	(51)
Family Day Care	62	0	(62)
Immunisation	15	19	4
Screen Australia	24	23	(1)
Yalukit Willam Ngargee	12	33	21
<i>Recurrent - State Government</i>			
Aged Care	3,912	3,972	60
Art & Heritage Collection	108	10	(98)
Emergency Management	16	16	0
Film Victoria	46	43	(3)
FReeZA youth development	24	25	1
Health Services	11	11	0
Immunisation	51	60	9
Individual support packages/young adults	38	39	1
Integrated Family Services	224	244	20
Joint Councils Access for All Abilities	448	454	6
Kindergarten funding	499	642	143
L2P learner driver mentor program	36	36	0
Libraries	588	613	25
Living Rivers Funding	118	200	82
Maternal & Child Health	628	643	15
Metro Access	108	111	3
Multicultural Commission	5	0	(5)
Primary Care Partnerships	62	0	(62)
School crossing supervisors	89	92	3
Seniors Festival	3	3	0
Special Needs Subsidy Scheme	24	41	17
Street & Beach Cleaning	323	331	8
Yalukit Willam Ngargee	12	0	(12)
<b>Total recurrent grants</b>	<b>10,056</b>	<b>10,243</b>	<b>187</b>
<i>Non-recurrent - Commonwealth Government</i>			
	0	0	0
<i>Non-recurrent - State Government</i>			
Victorian Adaptation & Sustainability Partnership	60	0	(60)
<b>Total non-recurrent grants</b>	<b>60</b>	<b>0</b>	<b>(60)</b>
<b>Total operating grants</b>	<b>10,116</b>	<b>10,243</b>	<b>127</b>



Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council’s services to ratepayers and contributions from other parties towards property development costs. Overall, the level of operating grants has increased by 1.26% or \$127,000 compared to 2014/15.

#### 4.2.8 Grants - capital (\$334,000 increase)

Capital Grant Funding Types and Source	Forecast		Variance
	Actual 2014/15 \$'000	Budget 2015/16 \$'000	
<i>Recurrent - Commonwealth Government</i>			
Roads to Recovery	200	389	189
<i>Recurrent - State Government</i>			
	0	0	0
<b>Total recurrent grants</b>	<b>200</b>	<b>389</b>	<b>189</b>
<i>Non-recurrent - State Government</i>			
Buildings	1,200	220	980
Drainage	0	35	35
Roads	0	1,090	1,090
<b>Total non-recurrent grants</b>	<b>1,200</b>	<b>1,345</b>	<b>145</b>
<b>Total capital grants</b>	<b>1,400</b>	<b>1,734</b>	<b>334</b>

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. The level of capital grants has increased by \$334,000 compared to 2014/15. Section 6. “Analysis of Capital Budget” includes a more detailed analysis of the grants and contributions expected to be received during the 2015/16 year.

#### 4.2.9 Interest Revenue (\$40,000 decrease)

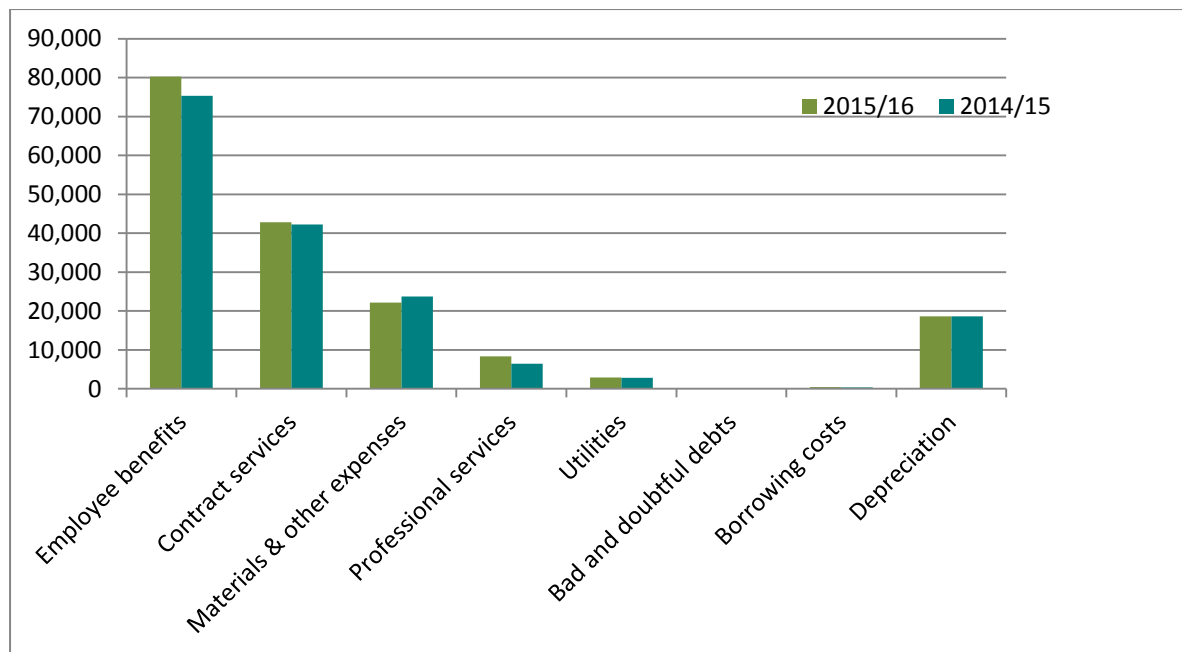
Interest revenue is received on funds invested by Council. It is anticipated that interest revenue will decrease by \$40,000 compared to 2014/15. This reduction is due to a lower interest rate environment (projected interest rates of 3.0% per annum). Higher levels of funds available for investment have offset the decline in interest revenue.

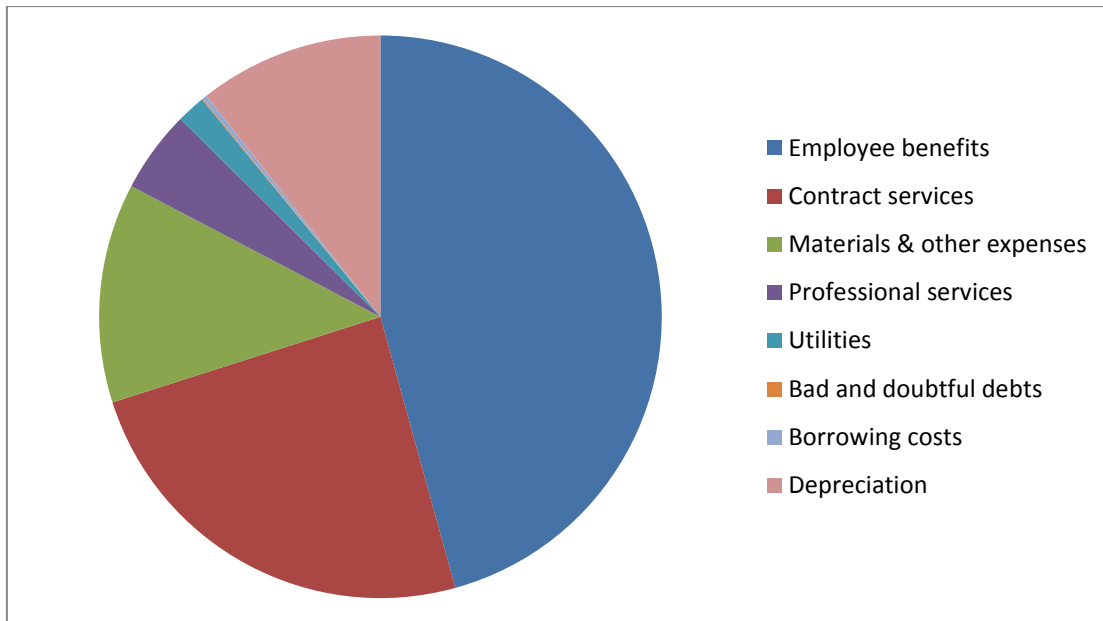
#### 4.2.10 Other Income (\$175,000 increase)

Other income relates to a range of items such as rental income, hire revenue, sales and other miscellaneous income items. Other income is forecast to increase by 5.72% or \$175,000 compared to 2014/15.

### 4.3 Expenses

Expense Types	Ref	Forecast		Variance
		Actual 2014/15 \$'000	Budget 2015/16 \$'000	
Employee costs	4.3.1	75,303	80,245	4,942
Contract Services	4.3.2	42,230	42,784	554
Utilities	4.3.3	2,854	2,884	30
Materials & other expenses	4.3.4	23,760	22,139	(1,621)
Bad and doubtful debts	4.3.5	101	109	8
Professional Services	4.3.6	6,477	8,300	1,823
Borrowing Costs	4.3.7	323	459	136
Depreciation		18,644	18,644	0
<b>Total expenses</b>		<b>169,691</b>	<b>175,564</b>	<b>5,873</b>





### 4.3.1 Employee costs (\$4.94 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc. It also includes agency staff costs and overtime.

Employee costs are forecast to increase by 6.56% or \$4.94 million compared to the 2014/15 forecast. This movement is attributable to the following factors:

- Enterprise Agreement (EA) related increase of 3.5% in salary costs
- An increase of 0.3% to cover increases in the Work Cover premium rate
- The deployment of additional staff to support and deliver a significantly expanded capital program
- Additional resourcing in child care services to meet the staffing ratios required for long day care

Employee Cost Breakdown \$'000	Budget 2015/16	Comprises	
		Permanent Full Time	Permanent Part Time
CEO's Office	625	625	0
Community Development	26,511	15,974	10,537
Governance & Culture	7,419	6,392	1,027
Infrastructure and Amenity	19,127	17,476	1,651
Organisational Performance	11,597	10,233	1,364
Place Strategy and Development	11,750	10,576	1,174
<b>Total permanent staff expenditure</b>	<b>77,029</b>	<b>61,276</b>	<b>15,753</b>
Casuals and other expenditure	3,216		
<b>Total</b>	<b>80,245</b>		



Employee Number Breakdown	Comprises		
	Budget	Permanent	Permanent
Full Time Equivalents by Division	FTE	Full Time	Part Time
CEO's Office	3.0	3.0	0.0
Community Development	312.8	176.1	136.7
Governance & Culture	70.4	59.8	10.6
Infrastructure and Amenity	204.3	185.0	19.3
Organisational Performance	103.3	89.4	13.9
Place Strategy and Development	102.7	92.4	10.3
Total permanent staff expenditure	<b>796.5</b>	605.7	190.8
Casuals and other expenditure	<b>14.0</b>		
<b>Total</b>	<b>810.5</b>		

#### 4.3.2 Contract Services (\$554,000 increase)

Contract services include payments to contractors for the provision of services. Contract services are forecast to increase by 1.31% or \$554,000 compared to 2014/15. This below inflation increase reflects the cost savings realised as a result of competitive procurement processes for the valuation service and the cleaning service.

#### 4.3.3 Utilities (\$30,000 increase)

Utilities represent payments for water, electricity and gas. Utility costs are expected to increase in line with CPI. This increase has been negated by savings of \$388,000 from the installation of energy efficient street lighting during 2014/15.

#### 4.3.4 Materials and other expenses (\$1.62 million decrease)

Materials and services include the purchases of consumables, lease charges, advertising costs, contributions/donations and other costs. The decrease of \$1.62 million is largely due to several one-off expenses incurred in 2014/15 and savings found during the 2015/16 budget process.

This decrease is partially offset by the full year effect of the Congestion Levy (additional \$500,000) which was introduced in January 2015; the levy is imposed by the State Government on “off-street” parking spaces used for parking cars.

#### 4.3.5 Depreciation and amortisation (No change)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council’s property, plant and equipment including infrastructure assets such as roads and drains. Refer to section 6. ‘Analysis of Capital Budget’ for a more detailed analysis of Council’s capital works program for the 2015/16 year.





## 5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2015/16 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

## 5.1 Budgeted cash flow statement

		Forecast		
	Ref	Actual 2014/15 \$'000	Budget 2015/16 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	5.1.1			
<i>Receipts</i>				
Rates and charges		106,932	113,120	6,188
Parking revenue		28,160	29,279	1,119
User fees and charges		15,554	15,936	382
Statutory fees and fines		2,540	2,804	264
Open space contributions		2,563	2,500	(63)
Grants - operating		10,116	10,243	127
Grants - capital		1,400	1,734	334
Interest received		1,300	1,260	(40)
Rent		8,134	8,369	236
Other receipts		3,059	3,235	176
		<b>179,757</b>	<b>188,481</b>	<b>8,724</b>
<i>Payments</i>				
Employee costs		(75,303)	(80,245)	(4,942)
Payments to suppliers		(42,230)	(42,784)	(554)
Other payments		(33,146)	(33,387)	(241)
		<b>(150,678)</b>	<b>(156,416)</b>	<b>(5,737)</b>
<b>Net cash provided by operating activities</b>		<b>29,079</b>	<b>32,065</b>	<b>2,987</b>
<b>Cash flows from investing activities</b>	5.1.2			
Payments for property, infrastructure, plant and equipment		(30,276)	(36,177)	(5,901)
Proceeds from Sale of Assets			3,000	3,000
<b>Net cash used in investing activities</b>		<b>(30,276)</b>	<b>(33,177)</b>	<b>(2,901)</b>
<b>Cash flows from financing activities</b>	5.1.3			
Finance costs		(323)	(459)	(136)
Repayment of borrowings		(637)	(587)	50
Proceeds from borrowings		0	610	610
<b>Net cash used in financing activities</b>		<b>(960)</b>	<b>(436)</b>	<b>524</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(2,157)</b>	<b>(1,548)</b>	<b>609</b>
Cash and cash equivalents at beginning of year		50,492	48,335	(2,157)
<b>Cash and cash equivalents at end of the year</b>	5.1.4	<b>48,335</b>	<b>46,787</b>	<b>(1,548)</b>

### 5.1.1 Operating activities (\$2.99 million increase)

The increase in cash inflows from operating activities is due mainly to increase of Council's rates and charges cash by \$6.18 million which is in accordance with the rate increase of 4.75% plus growth in the property base. This is offset by increases in payments to suppliers and employees of \$5.74 million.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

	Forecast		
	Actual	Budget	Variance
	2014/15 \$'000	2015/16 \$'000	\$'000
<b>Surplus (deficit) for the year</b>	<b>10,114</b>	<b>12,942</b>	2,827
Depreciation	18,644	18,644	(0)
Loss (gain) on sale of assets	0	0	0
Net movement in current assets and liabilities	320	479	159
<b>Cash flows available from operating activities</b>	<b>29,079</b>	<b>32,065</b>	2,987

### 5.1.2 Investing activities (\$2.90 million increase in outflows)

The increase in payments for investing activities represents the planned increase in capital works expenditure disclosed in section 6 of this budget report.

### 5.1.3 Financing activities (\$520,000 decrease in outflows)

New borrowings of \$610,000 are anticipated for 2015/16 which will be used to fund the purchase of assets that will have long term benefits for ratepayers.

### 5.1.4 Cash and cash equivalents at end of the year (\$1.54 million decrease)

Overall, total cash and investments is forecast to decrease by \$1.54 million to \$46.78 million as at 30 June 2016. Organisational savings in 2014/15 have resulted in a larger than expected cash surplus and this surplus is being used to fund additional costs in 2015/16 such as the introduction of a parking congestion levy. These are the key reasons for the reduction in the cash balance.

## 5.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2016 it will have cash and investments of \$46.78 million of which has been restricted as shown in the following table.

	Ref	Forecast		
		Actual	Budget	Movement
		2014 \$'000	2015 \$'000	\$'000
<b>Total cash and investments</b>		<b>48,335</b>	<b>46,787</b>	(1,548)
Restricted cash and investments				
- Statutory reserves	5.2.1	10,415	10,207	(208)
- Discretionary reserves	5.2.2	11,867	12,454	587
<b>Unrestricted cash and investments</b>	5.2.4	<b>26,054</b>	<b>24,126</b>	<b>(1,927)</b>



### **5.2.1 Statutory reserves (\$208,000 decrease)**

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes. During 2015/16 \$2.5 million is budgeted to be transferred to and \$2.7 million from Statutory Reserves.

### **5.2.2 Discretionary reserves (\$587,000 increase)**

These funds are shown as discretionary reserves as, although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and, unless there is a further Council resolution, these funds will be used for the purposes earmarked. During the 2015/16 year \$4.12 million is budgeted to be transferred to and \$3.53 million from Discretionary Reserves. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

### **5.2.4 Unrestricted cash and investments (\$1.92 million decrease)**

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.



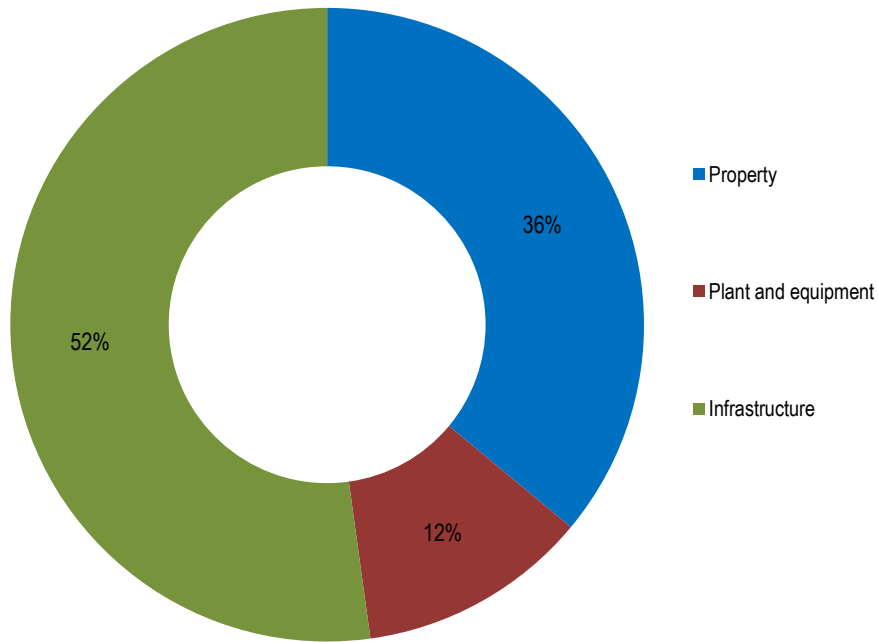
## 6. Analysis of capital budget

This section analyses the planned capital works expenditure budget for the 2015/16 year and the sources of funding for the capital budget. Further detail on the capital works program can be found in Appendix C.

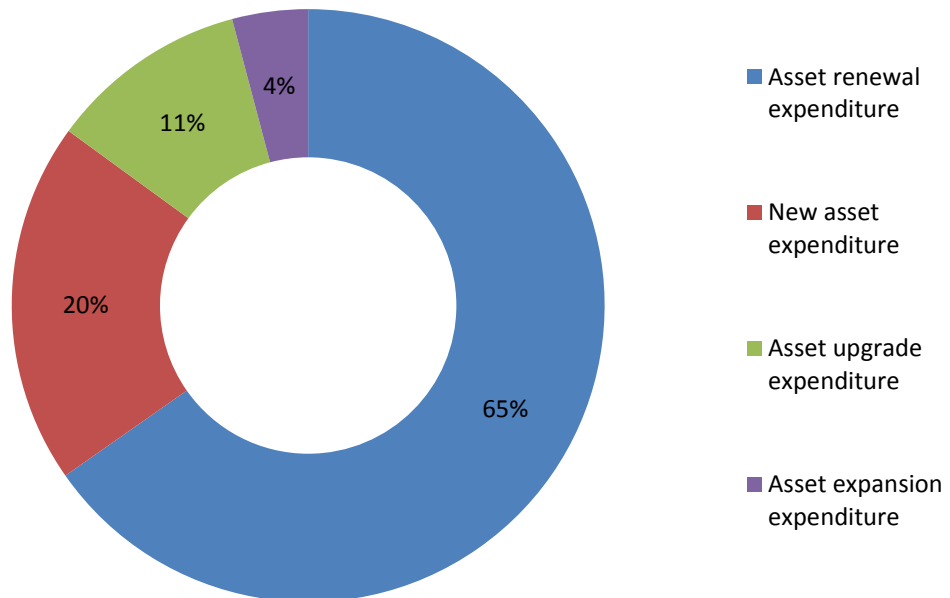
Capital Works Areas	Ref	Forecast		Variance
		Actual 2014/15 \$'000	Budget 2015/16 \$'000	
<b>Property</b>	6.1.2			
Buildings		8,084	13,035	4,951
Total property		8,084	13,035	4,951
<b>Plant and equipment</b>	6.1.3			
Plant, machinery and equipment		1,653	2,284	631
Computers and telecommunications		1,525	1,185	(340)
Library books		708	795	87
Total plant and equipment		3,886	4,264	378
<b>Infrastructure</b>	6.1.4			
Roads		8,457	10,479	2,022
Footpaths and cycleways		2,243	3,100	857
Drainage		1,346	1,440	94
Parks, open space and streetscapes		5,691	3,859	(1,832)
Other infrastructure		569	0	(569)
Total infrastructure		18,306	18,878	572
<b>Total new works</b>		<b>30,276</b>	<b>36,177</b>	<b>5,902</b>
<b>Total capital works expenditure</b>		<b>30,276</b>	<b>36,177</b>	<b>5,902</b>
<b>Represented by:</b>				
Asset renewal expenditure	6.1.5	17,154	23,614	6,461
New asset expenditure	6.1.5	8,837	7,145	(1,692)
Asset upgrade expenditure	6.1.5	4,015	3,923	(92)
Asset expansion expenditure	6.1.5	271	1,495	1,224
<b>Total capital works expenditure</b>		<b>30,276</b>	<b>36,177</b>	<b>5,901</b>

## Capital Works Analysis

### Budgeted capital works 2015/16



### Budgeted capital works 2015/16



Source: Appendix A. For a detailed listing of capital works refer Appendix C.

### 6.1.2 Property (\$13.03 million)

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2015/16 year, \$13.03 million will be expended on building and building improvement projects. The more significant projects include Palais Theatre Works (\$3.5 million), St Kilda Life Saving Club Redevelopment (\$2.2 million), Alma Park Pavilion Replacement (\$1.67 million) and various works through the Building Renewal Program (\$1.16 million).

### 6.1.3 Plant and equipment (\$4.26 million)

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, and library books.

For the 2015/16 year, \$4.2 million will be expended on plant, equipment and other projects. The more significant projects include ongoing replacement of the vehicle fleet (\$1.03 million), replacement of core information technology (\$1.9 million) and library material purchases (\$0.80 million).

### 6.1.4 Infrastructure (\$18.87 million)

Infrastructure includes roads, bridges, footpaths and bike paths, drainage, recreation, leisure and community facilities, parks, open space and streetscapes, off street car parks and other structures.

For the 2015/16 year, \$10.5 million will be expended on road projects. The more significant projects include the Fitzroy Streetscape works (\$1.3 million), Major Civil Road Renewal Program (\$4.3 million) and road resurfacing (\$1.7 million).

\$1.44 million will be expended on drainage projects. The more significant of these include drainage renewal (\$1.04 million) and the Water Sensitive Urban Design Implementation Program (\$400,000).

Other infrastructure expenditure includes \$2.1 million on footpath rehabilitation, \$1 million on implementing the Walk and Bike Plan, \$360,000 on street signage and furniture renewal and \$40,000 on parking ticket machine renewal.

### 6.1.5 Asset renewal (\$23.61 million), new assets (\$7.14 million), upgrade (\$3.92 million) and expansion (\$1.49 million)

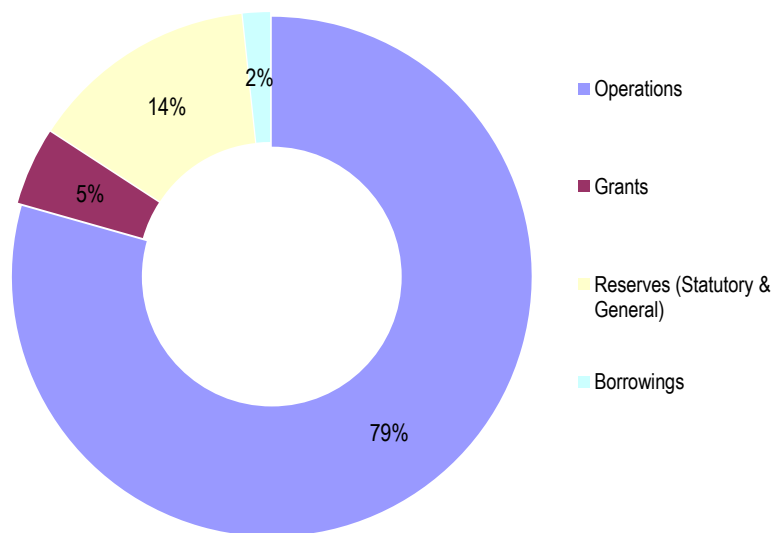
A distinction is made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

The major projects included in the above categories, which constitute expenditure on new assets, are the Alma Park Pavilion Replacement (\$1.17 million), and Fitzroy Streetscape works (\$1.3 million). The remaining capital expenditure represents renewals and expansion/upgrades of existing assets.

## 6.2 Funding sources

Sources of funding	Ref	Forecast		
		Actual 2014/15 \$'000	Budget 2015/16 \$'000	Variance \$'000
<b>Current year funding</b>				
Grants	6.2.2	1,400	1,734	334
Council cash				
- operations	6.2.3	23,123	28,720	6,832
- reserve cash and investments	6.2.4	5,753	5,113	(1,875)
- borrowings	6.2.5	0	610	610
<b>Total new works</b>		<b>30,276</b>	<b>36,177</b>	<b>5,901</b>
<b>Total funding sources</b>		<b>30,276</b>	<b>36,177</b>	<b>5,901</b>

Budgeted total funding sources 2015/16







**6.2.2 Grants (\$1.73 million)**

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program.

**6.2.3 Council cash - operations (\$28.72 million)**

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$28.72 million generated from operations will fund the 2015/16 capital works program.

**6.2.4 Council cash - reserve cash and investments (\$5.11 million)**

Council has significant cash reserves, which it is currently using to fund its annual capital works program. The reserves include monies set aside for specific purposes such as open space improvements and non-specific reserves such as the Council Fleet reserve. For 2015/16 \$5.11 million will be used to fund part of the new capital works program including the Palais Theatre contribution (\$1.75 million), Community Gardens soil remediation (\$695,000), foreshore renewal (\$435,000), the implementation of walk and bike plans (\$700,000) and the Murphy Reserve masterplan (\$209,000).

## 7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2014/15 and 2015/16. It also considers a number of key performance indicators.

### 7.1 Budgeted balance sheet

	Ref	Forecast		Variance \$'000
		Actual 2015 \$'000	Budget 2016 \$'000	
<b>Current assets</b>	7.1.1			
Cash and cash equivalents		25,715	24,147	(1,568)
Financial Assets		22,620	22,640	20
Trade and other receivables		10,197	10,223	25
Other assets		2,877	2,877	0
<b>Total current assets</b>		<b>61,409</b>	<b>59,887</b>	<b>(1,523)</b>
<b>Non-current assets</b>	7.1.1			
Financial assets		235	235	0
Property, infrastructure, plant and equipment		2,130,306	2,144,839	14,533
<b>Total non-current assets</b>		<b>2,130,541</b>	<b>2,145,074</b>	<b>14,533</b>
<b>Total assets</b>		<b>2,191,950</b>	<b>2,204,960</b>	<b>13,010</b>
<b>Current liabilities</b>	7.1.2			
Trade and other payables		18,207	18,253	46
Trust funds and deposits		3,193	3,193	0
Provisions		10,583	10,583	0
Interest-bearing liabilities		587	497	(90)
<b>Total current liabilities</b>		<b>32,570</b>	<b>32,526</b>	<b>(44)</b>
<b>Non-current liabilities</b>	7.1.2			
Provisions		2,732	2,732	0
Interest-bearing loans and borrowings		7,863	7,976	113
<b>Total non-current liabilities</b>		<b>10,595</b>	<b>10,708</b>	<b>113</b>
<b>Total liabilities</b>		<b>43,165</b>	<b>43,234</b>	<b>69</b>
<b>Net assets</b>		<b>2,148,784</b>	<b>2,161,726</b>	<b>12,942</b>
<b>Equity</b>	7.1.4			
Accumulated surplus		636,819	649,382	12,563
Asset revaluation reserve		1,489,683	1,489,683	0
Other reserves		22,282	22,661	379
<b>Total equity</b>		<b>2,148,784</b>	<b>2,161,726</b>	<b>12,942</b>

### 7.1.1 Current Assets (\$1.52 million decrease) and Non-Current Assets (\$14.53 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. The balances are projected to decrease by \$1.52 million during the year as a result of servicing the needs of the operation.

Other assets include items such as prepayments for expenses that Council has paid in advance of service delivery. Other assets are not expected to change significantly in the budget.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$36.17 million) offset by depreciation of assets (\$18.64 million) and sale of assets worth \$3.00 million.

### 7.1.2 Current Liabilities (\$44,000 decrease) and Non-Current Liabilities (\$113,000 increase)

Trade and other payables represent Council liabilities to external suppliers as at 30 June. These liabilities are expected to remain relatively consistent with 2014/15 levels.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are only expected to increase marginally due to more active management of entitlements despite factoring in an increase for Collective Agreement outcomes.

Council proposes raising new borrowings of \$610,000 during 2015/16. This borrowing is linked to the acquisition and development of community assets. After taking into account budgeted repayments of loan principal, Non-Current Liabilities will increase by \$113,000.

### 7.1.3 Working Capital (\$1.48 million decrease)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

Council has also committed further current assets to specific and restricted purposes, represented by reserves, which may not yet be represented as current liabilities at 30 June.

	Forecast		
	Actual	Budget	Variance
	2015	2016	
	\$'000	\$'000	\$'000
<b>Current assets</b>	61,409	59,887	(1,523)
<b>Current liabilities</b>	32,570	32,526	(44)
<b>Working capital</b>	28,839	27,361	(1,478)
Restricted cash and investment current assets			
- Statutory reserves	(10,415)	(10,207)	208
- Discretionary reserves	(11,867)	(12,454)	(587)
<b>Unrestricted working capital*</b>	<b>6,557</b>	<b>4,700</b>	<b>(1,857)</b>

\* Unrestricted working capital may also be committed to completion of carry forward capital works. Refer to table 6.2 for funding of capital works carried forward out of prior years.



#### 7.1.4 Equity (\$12.94 million increase)

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the historical written down cost of assets and their current replacement cost.
- Other reserves are funds that Council sets aside to meet a specific purpose in the future. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time.

During the year an amount of \$379,000 (net) is budgeted to be transferred to other reserves from accumulated surplus. This is a transfer between equity balances only and has no impact on the total balance of equity.

#### 7.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2016 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 98% of total rates and charges raised will be collected in the 2015/16 year (2014/15: 98% forecast actual)
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days
- Other debtors and creditors to remain consistent with 2014/15 levels
- Employee entitlements to be increased in line the Enterprise Agreement increase of 3.5%
- Repayment of loan principal to be \$587,000.
- Total capital expenditure to be \$36.17 million.
- A net total of \$379,000 to be transferred to reserves from accumulated surplus.

## 8. Strategic resource plan and financial performance indicators

This section includes a summary of the Strategic Resource Plan 2015-19 (SRP) to provide information on the four-year financial projections of Council.

### 8.1 Plan development

The Act requires a SRP to be prepared describing both financial and non-financial resources (including human resources) for the next four financial years to achieve the strategic objectives in the Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared a SRP for the four years 2015/16 to 2018/19 to assist in adoption of a budget that ensures a sound financial position in the medium to long term. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

In preparing the SRP, Council has been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

### 8.2 Financial challenges

The financial pressures relevant to the preparation of this SRP include the:

- Community concern regarding rates affordability and the State Government’s implementation of rate capping from 2016/17.
- Maintenance and renewal of ageing community assets, particularly the major restoration of the Paliás Theatre.
- Impacts of State and Commonwealth Government policy.
- Significant expected growth in the municipality.

Council recognises the rising community concern regarding the affordability of Council services, with rates and other essential services forming an increasing share of average household income. Whilst Council has responded to this in its own decision making, the State Government also intends to cap rates increases to CPI from 2016/17. Council’s SRP projects rate increases of 3.5%, 3.5% and 2.5% in the three years from 2016/17 to 2018/19. These rate increases are higher than the projected CPI increases in each year, leaving a ‘gap’ as outlined in the table below.

	2015/16	2016/17	2017/18	2018/19
Proposed rates increase	4.75%	3.5%	3.5%	2.5%
Increase in projected consumer price index (CPI)	2.5%	3.0%	2.7%	2.5%
Approximate difference in annual revenue (\$m)	\$2.5	\$0.6	\$1.0	-

The ‘gap’ outlined above represents a significant challenge for Council. While the initiatives to improve Council’s efficiency and effectiveness will position Council favourably to manage this, the long-term magnitude of the rate capping challenge will require Council to fundamentally review the sustainability of its operations.





This includes consideration of:

- Any further reductions of the current Council cost base.
- The opportunities to collect revenue from those who directly benefit from Council services and can reasonably afford to pay.
- The current scope of Council services, including fundamental changes to the way services are currently delivered and possible consideration of service level reductions.
- Applying to the independent economic regulator (which will administer the rate capping framework) for rate increases above CPI, where those increases are justifiable to the community.

Council has committed to contributing a total of \$7.5 million to the urgent repair and restoration of the Palais Theatre. Of this, \$1.4 million of this funding commitment has already been spent, a further \$3.5 million is proposed for 2015/16 and the remainder is planned to be spent from 2016/17 to 2017/18. This is a significant reason for Council's proposed rates increases exceeding CPI. Council's community consultation indicates that community opinion was divided about using any more Council funding, over and above the \$7.5 million already committed. Therefore Council is working closely with key government and other stakeholders to develop a funding plan for its restoration.

The State Government's extension of the Congestion Levy in the municipality and the withdrawal of Commonwealth Government funding for Adventure Playgrounds has also had a significant impact on the SRP forecasts. Council considers that the full impact of the Congestion Levy would ultimately lead to reduced visitation and trade in the affected areas, and therefore have made the decision not to pass-through the full costs. Council will also continue to fund Adventure Playgrounds without Commonwealth Government support, to ensure that the highly valued service continues.

Finally, the Council faces a period of significant growth in the municipality due to urban densification and development in the Fishermans Bend Urban Renewal Area (FBURA). Current planning projections provide for a possible population increase of 120,000 people in the next 40 years, over 100% of the current population in the municipality. Consistent with community feedback, Council is taking a prudent approach to planning for growth FBURA, with no capital investment in community infrastructure included in this SRP. Should any investment occur, it will be financed through borrowings, rather than rates revenue, and repaid from future developer contributions.

### 8.3 Financial planning assumptions

The key assumptions for Council expenditure and funding sources over the four-year planning period are:

- A general increase in fees and charges of 2.5% per annum.
- The sale of property assets of lower strategic value (\$3 million) to fund future asset acquisitions and invest in the Palais Theatre works.
- A general increase in forward operating expenditure consistent with the consumer price index, with some allowance for growth.
- An increase in capital expenditure consistent with the consumer price index and an increase in renewals based on the increase in Council's asset base. In addition to this, capital investment for the Palais Theatre restoration is included.

### 8.4 Financial resources

The SRP achieves a sustainable financial position for the Council. The plan generates a neutral budget position which demonstrates that Council can identify sufficient and appropriate funding sources for its planned expenditure.

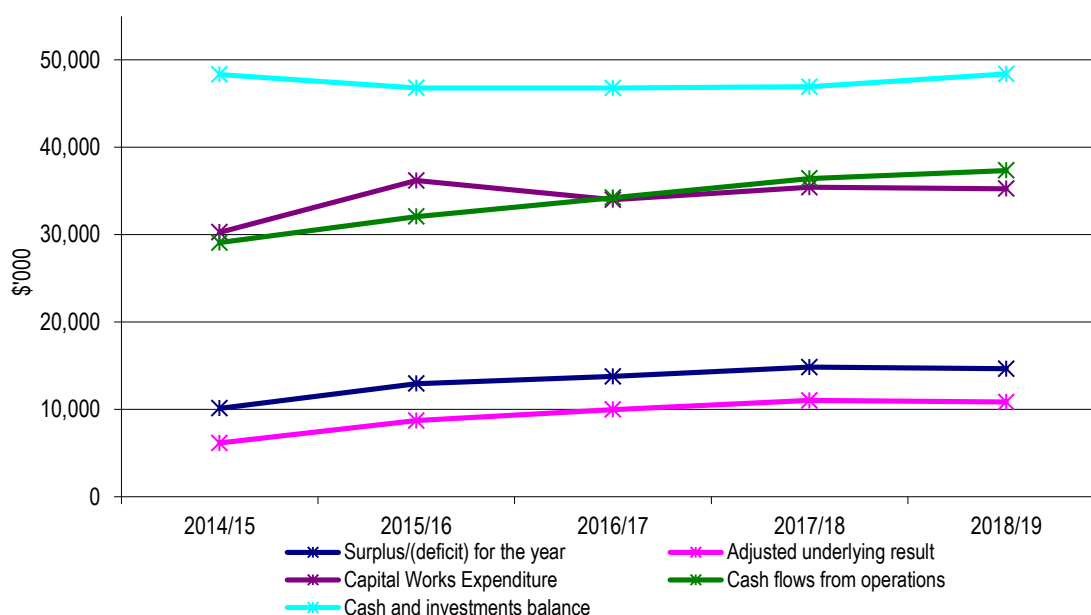
The following table summarises the key financial results for the next four years as set out in the SRP for years 2015/16 to 2018/19. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend +/-
	Actual		Projections			
	2014/15	2015/16	2016/17	2017/18	2018/19	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	10,114	12,942	13,766	14,823	14,639	+
Adjusted underlying result	6,152	8,708	9,966	11,023	10,839	+
Cash and investments balance	48,335	46,787	46,763	46,907	48,373	+
Cash flows from operations	29,079	32,065	34,224	36,423	37,340	+
Capital works expenditure	30,276	36,177	33,984	35,423	35,245	+

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

The following graph shows the general financial indicators over the four year period.



The key outcomes of the SRP are as follows:

- **Financial sustainability (section 5)** - Cash and investments are forecast to increase over the four year period from \$48.33 million to \$48.37 million, which indicates a balanced budget on a cash basis in each year.
- **Rating levels (section 9)** – Annual rate increases from 2015/16 have been forecast as 4.75%, 3.5%, 3.5% and 2.5% respectively. Growth in rateable properties of 1.3% has also been forecast.
- **Service delivery strategy (section 10)** – Operating surpluses are forecast in all four years of the plan (an annual average of \$18.54 million).
- **Borrowing strategy (section 10)** – Debt reduces from \$8.45 million in 2014/15 to \$7.89 million in 2018/19.
- **Infrastructure strategy (section 10)** - Capital expenditure over the four year period will total \$140.829 million at an average of \$35.207 million.

### 8.4.1 Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

Indicator	Measure	Notes	Forecast		Strategic Resource Plan Projections			Trend +/o/-
			Actual 2014/15	Budget 2015/16	2016/17	2017/18	2018/19	
<b>Operating position</b>								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	3.5%	4.7%	5.2%	5.5%	5.2%	+
<b>Liquidity</b>								
Working Capital	Current assets / current liabilities	2	188.5%	184.1%	184.1%	185.6%	190.0%	o
Unrestricted cash	Unrestricted cash / current liabilities		80.0%	74.2%	73.5%	73.9%	73.9%	-
<b>Obligations</b>								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	7.9%	7.5%	7.2%	6.5%	6.1%	+
Loans and borrowings	Interest and principal repayments / rate revenue		0.6%	0.5%	0.4%	0.4%	0.2%	+
Indebtedness	Non-current liabilities / own source revenue		6.3%	6.1%	5.9%	5.6%	5.2%	+
Asset renewal	Asset renewal expenditure / depreciation	4	92.0%	126.7%	105.0%	107.5%	100.0%	-
<b>Stability</b>								
Rates concentration	Rate revenue / adjusted underlying revenue	5	60.8%	61.4%	61.8%	62.3%	62.4%	-
Rates effort	Rate revenue / property values (CIV)		0.22%	0.23%	0.24%	0.24%	0.25%	+
<b>Efficiency</b>								
Expenditure level	Total expenditure / no. of assessments		\$2,465	\$2,512	\$2,566	\$2,620	\$2,680	o
Expenditure level	Specific purpose grants expended / Specific purpose grants received		90.0%	95.0%	100.0%	100.0%	100.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,375	\$1,441	\$1,491	\$1,543	\$1,582	o
Workforce turnover	No. of resignations & terminations / average no. of staff		11.85%	10.25%	10.00%	10.00%	10.00%	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

## Notes to indicators

**1 Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives.

**2 Working Capital** – The proportion of current liabilities represented by current assets.

**3 Debt compared to rates** – A measure of Council's ability to manage and repay debt. The VAGO prudential borrowing guidelines provide for a maximum of 60%.

**4 Asset renewal** - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

**5 Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

### 8.4.2 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also utilise non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2015/16 year is shown below and further detail is included in section 4.3.1 of this budget. A statement of Human Resources is included in Appendix A9.

Indicator	Budget	Forecast	Budget 2015/16	Strategic Resource Plan Projections		
	2014/15	Actual 2014/15		2016/17	2017/18	2018/19
Employee Costs (\$'000)						
Employee costs - operating	75,133	75,303	<b>80,245</b>	83,494	86,876	90,394
Employees	795.1	801.9	810.4	821.0	831.7	842.5

#### Note for movements in staff expenditure and numbers:

Council's labour budget for 2015/16 has increased by 6.8% from the previous year's budget. This increase is due to a number of factors, comprising:

- Funding for the final year of the current Enterprise Agreement (3.5%).
- Work cover premium increases (0.3%).
- A provision, based on historical averages for re-structuring costs (0.4%).
- A 10.7 Full Time Equivalent (FTE) increase in staffing numbers due to transferring external contract staff to council staff. This has no cost impact on the budget overall but does increase the costs accounted for as labour by 1.7% (Council achieved a reduction in contract services in the Budget 2015/16 compared to Budget 2014/15 as outlined in Appendix A1).
- A 4.8 FTE increase to increase parking officers, strengthen project management and deliver safety and amenity improvements in public spaces (especially during summer) (0.7%).
- The remaining labour cost growth is attributable to additional salary increments linked to reclassifications of existing roles (0.2%).

The growth in full time equivalent staff from 2016/17 to 2018/19 is based on an assumption of 1.3% growth in service provision in the municipality, consistent with the financial assumptions for growth.

## 9. Rating information

This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuations. Council's Rating Strategy is also currently being reviewed with a view to the revised strategy being formally adopted by Council in June 2015.

### 9.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 8), rates and charges were identified as an important source of revenue, accounting for over 55% of the total revenue received by Council annually. Planning for future rate increases has historically been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Port Phillip community.

Council recognises the rising community concern regarding the affordability of Council services, with rates and other essential services forming an increasing share of average household expenditure.

The community's expectation for better value in Council service delivery has been reflected in Council's decision making. Council has recently launched a number of initiatives to ensure that its services are delivered in the most efficient and effective manner possible. These initiatives include a successful drive for efficiency savings, resulting in permanent operational savings of \$3 million (to date). These initiatives have been supported by improved capability in Council planning, process improvement and project management.

To ensure that deliberations about future rate increases have been made on an informed basis, comparisons of historical rate increases were made between Council and other inner metropolitan councils (Stonnington, Yarra and Glen Eira). The following table shows a comparison of the last five years and the average rates per capita for 2014/15.

Year	Port Phillip City Council	Average Inner Metro Council
2011/12	5.25%	7.63%
2012/13	7.33%	5.57%
2013/14	5.90%	5.56%
2014/15	6.0%	4.8%
2015/16	6.8%	6.8%
<b>Average Rate Revenue increase</b>	<b>6.25%</b>	<b>6.07%</b>
<b>Average per capita 2014/15</b>	<b>\$983</b>	<b>\$865</b>

Source: Council's strategic resource plan 2015/16 to 2018/19

The table indicates that over the past five years Council's general rate increases have been in line with the average of other comparative councils. The average rate per capita was \$118 higher than the average of comparative councils in 2014/15 and this reflects the fact that Port Phillip has a significantly larger commercial and industrial property base.



## 9.2 Current year rate

Council's Budget 2015/16 has been impacted by the need to contribute towards the major restoration of the iconic heritage listed Palais theatre. It contains a proposal to make a Council contribution of \$3.5 million towards these works in 2015/16. While Council has been able to fund the expansion of \$3.5 million in its capital program through the realisation of ongoing efficiency costs of \$3 million, it has also needed to respond to some significant budget shocks, including an abnormal increases in work cover and insurance costs, the loss of Commonwealth funding for Adventure playgrounds and lower than projected growth in the rates base. Council will continue to provide planning and support for for the St Kilda Triangle and work with the State Government in developing the major Fishermans Bend Urban Renewal Area.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the general rate will increase by 4.75%, in 2015/16. This will raise total rates and charges for 2015/16 of \$113.146 million, including \$800,000 generated from supplementary rates.

The following table sets out future proposed increases in rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2015.

Year	General Rate Increase %	Total Rates Raised \$'000
2014/15	4.75	106,980
2015/16	4.75	113,146
2016/17	3.50	118,599
2017/18	3.50	124,317
2018/19	2.50	129,058

## 9.3 Rating structure

Council has established a rating structure which is comprised of two key elements. These are:

- Property values, which form the central basis of rating under the Local Government Act 1989 and reflect capacity to pay.
- A 'user pays' component that reflects fees for optional services provided by Council (large bins and garbage collection fees for non-rateable properties).

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

The Port Phillip rating system is based on Net Annual Value (NAV). Municipalities which have a relatively large commercial property base (ie. inner city councils) have tended to remain on NAV due to the fact that it offers protection to residential ratepayers through an in built differential.

Port Phillip is one of only a few councils in Victoria continuing to use the NAV rating system. Under NAV rating, property rates are determined in accordance with the rental yield and this is always assessed as being 5% of the Capital Improved Value (CIV) for residential properties and at a higher rate (typically 7% to 9%) for commercial and industrial properties. Councils that use CIV rating typically have differential rates in place for commercial and industrial properties; this is not necessary under NAV rating which has an in built differential.

Council provides for rate concessions for recreational land. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any 'recreational lands' which meet the test of being rateable land under the Act. There are 27 recreational properties in Port Phillip that are rated under the Cultural and Recreational Lands Act and rate concessions ranging from 25% to 85% are provided.

The following table summarises the rates to be determined for 2015/16. A more detailed analysis of the rates to be raised is contained in Appendix B ‘Statutory Disclosures’.

Rate type	How applied	2014/15	2015/16	Change
General rates	Cents in \$ of NAV	4.0708	4.2642	4.75%
Municipal charge	\$ per property	Nil	Nil	Nil
Annual garbage charge – non-rateable properties	\$ per property	\$260	\$260	Nil
240 Litre bin annual service charge	\$ per property	\$120	\$120	Nil

Council has previously adopted a formal *Rating Strategy* that contains expanded information on Council's rating structure and the reasons behind its choices in applying the rating mechanisms it has used. This strategy is currently being reviewed with a view to being formally adopted by Council in June 2015.



## 10. Summary of other strategies

This section sets out summaries of the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure and service delivery.

### 10.1 Borrowings

Council's Strategic Resource Plan SRP (see Section 8) contains a number of principles that reflect its strategy around the use of borrowings to fund the delivery of Council objectives. Council's debt management strategy prohibits the use of borrowings to fund ongoing operations and provides for the use of debt as an option where the servicing costs (principal and interest) can be funded from future revenue streams or cost savings that can be expected from the investment of the funds raised. Borrowing funds is also permissible for large non-renewals capital works projects that can be expected to provide benefits to future generations.

Council participated in the inaugural issue of a Municipal Bond under the umbrella of the Local Government Funding Vehicle (LGFV) during 2014/15 and have applied the \$7.5 million raised to re-finance its borrowings .

The SRP includes the results of an analysis of Council's debt position against both State averages and large Council averages over a number of different indicators. It also shows the results of the 'obligations' indicators that are part of the prescribed financial reporting indicators. This analysis has highlighted that Council has significant capacity to increase its borrowings if required.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2014/15	0	637	323	8,450
2015/16	610	587	459	8,473
2016/17	610	497	377	8,586
2017/18	0	454	402	8,132
2018/19	0	235	395	7,897

The table below shows information on borrowings specifically required by the Regulations.

	2014/15 \$	2015/16 \$
Total amount borrowed as at 30 June of the prior year	9,087,000	<b>8,450,000</b>
Total amount to be borrowed	0	<b>610,000</b>
Total amount projected to be redeemed	(637,000)	<b>(587,000)</b>
Total amount proposed to be borrowed as at 30 June	8,450,000	<b>8,473,000</b>

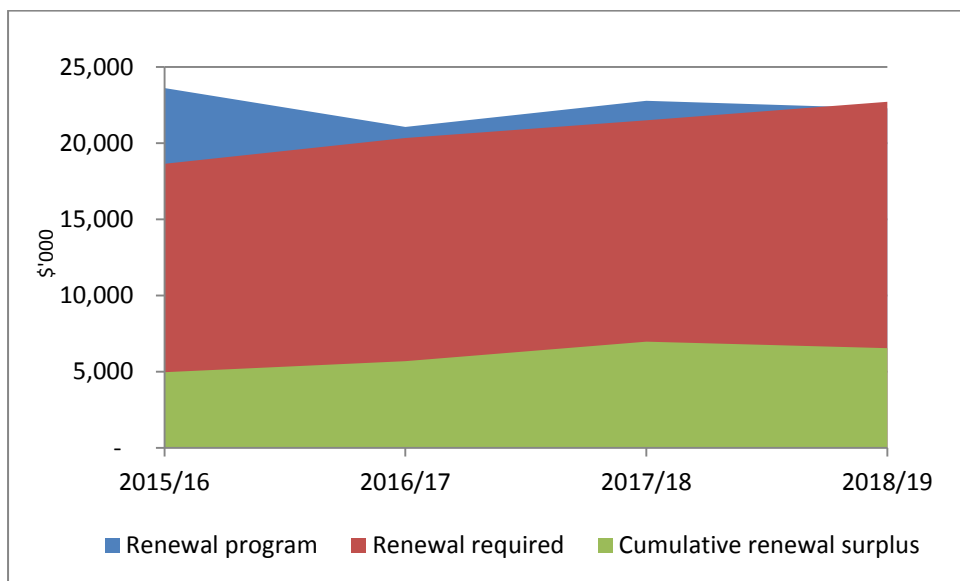
## 10.2 Infrastructure

Council’s infrastructure and asset management principles are articulated in the Strategic Resource Plan (SRP). The key principles include a need for the council to encourage environmental responsibility, fund asset renewals from the annual depreciation charge and the prioritisation of maintaining this expenditure ahead of debt reduction and investment in new assets. Council has included in the budget documentation a four year forward capital works plan and program which sets out the capital expenditure requirements of the Council for the next 4 years by class of asset and is a key input to the long term financial plan. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy has been developed through a rigorous process of evaluation. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes
- Identification of capital projects through the preparation of asset management plans
- Prioritisation of capital projects within classes on the basis of evaluation criteria
- Methodology for allocating annual funding to classes of capital projects
- Business Case template for officers to document capital project submissions.

A key objective of the Infrastructure Strategy is to maintain or renew Council’s existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council’s investment in those assets will reduce, along with the capacity to deliver services to the community.

The graph below sets out the required and actual asset renewal over the life of the current SRP.



The asset renewal program has been increased to \$23.61 million in 2015/16 which means that expenditure on assets renewals exceeds the asset renewal requirements (ie. the renewal gap no longer exists). The plan maintains this favourable “renewal surplus” over the 4 year term of the Strategic Resource Plan and is a key achievement for Council.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Summary of funding sources					
Year	Total Capital Program \$'000	Grants \$'000	Reserves \$'000	Council Cash \$'000	Borrowings \$'000
2014/15	30,276	1,400	4,064	24,812	0
2015/16	36,177	1,734	5,113	28,720	610
2016/17	33,984	1,300	3,050	29,024	610
2017/18	35,423	1,300	3,050	31,073	0
2018/19	35,245	1,300	3,050	30,895	0

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has significant cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include developer contributions and open space contributions. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

### 10.3 Service delivery

The key objectives in Council's Strategic Resource Plan (referred to in Section 8) which directly impact the future service delivery strategy are to maintain existing service levels and to achieve a breakeven operating result within five to six years. The Rating Information (see Section 9) also refers to modest rate increases into the future approximating CPI plus 1%. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

The general influences affecting all operating revenue and expenditure include the following:

	2015/16 %	2016/17 %	2017/18 %	2018/19 %
Consumer Price Index	2.5	3.0	2.7	2.5
Average Weekly Earnings	2.6	2.8	3.2	3.4
Engineering Construction Index	2.5	3.0	2.7	2.5
Non-residential Building Index	2.5	3.0	2.7	2.5
Rate increases	4.75	3.5	3.5	2.5
Property growth	1.3	1.3	1.3	1.3
Wages growth	3.5	2.75	2.75	2.75
Government funding	2.5	3.0	2.7	2.5
Statutory fees	2.0	3.0	2.7	2.5
Investment return	3.0	3.4	4.1	4.1

As well as the general influences, there are also a number of specific influences which relate directly to service areas or activities. The most significant changes in these areas are summarised below.





**Transfer Station**

Waste tipping fees for inert waste are expected to rise further as the State Government has increased the levy payable upon disposal of waste at landfill. Following an increase of \$44 per tonne since 2008/09, the fee will rise a further \$2.34 per tonne (4%) to \$60.84 in 2014/15. The financial impact will be to increase tipping fee costs at the Transfer Station from \$2.44 million in 2014/15 to \$2.50 million in 2015/16.

**Aged and Disability Services**

Government funding for aged and disability services is expected to increase by approximately \$228,000 (6.0%) from 2014/15. This includes General Home Care, Personal Care, Respite Care and Meals.

**Valuation Services**

The Council is required to revalue all properties within the municipality every two years. The last general revaluation was carried out as at 1 January 2014 effective for 2014/15 and the next revaluation will be undertaken as at 1 January 2016.

The service delivery outcomes measured in financial terms are shown in the following table.

Year	Surplus (Deficit) for the year \$'000	Adjusted Underlying Surplus (Deficit) \$'000	Net Service (Cost) \$'000
2014/15	10,114	6,152	151,047
2015/16	12,942	8,708	156,920
2016/17	13,766	9,966	161,921
2017/18	14,823	11,023	167,466
2018/19	14,639	10,839	173,583

Service levels have been maintained throughout the four year period with continued growth in projected operating surpluses over the life of the plan. While this indicates a very strong financial position, caution needs to be exercised given the significant growth related challenges that the municipality will face to deal with the impact of urban renewal in Fisherman’s Bend. Council will also need to maintain an expanded capital program to deliver on key priorities including the Palais upgrade. The net cost of the services provided to the community is projected to increase from \$156.92 million to \$173.58 million over the four year period.

## Appendix A

### Budgeted Statements

This appendix presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2015/16 to 2018/19 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget.

The appendix includes the following budgeted information:

- A1 Budgeted Income Statement converted to Cash (2014/15 v 2015/16)
- A2 Budgeted Income Statement converted to Cash (2014/15 - 2018/19)
- A3 Budgeted Comprehensive Income Statement (2014/15 - 2018/19)
- A4 Budgeted Balance Sheet (2014/15 - 2018/19)
- A5 Budgeted Statement of Changes in Equity (2014/15 - 2018/19)
- A6 Budgeted Statement of Cash Flows (2014/15 - 2018/19)
- A7 Budgeted Statement of Capital Works (2014/15 - 2018/19)
- A8 Budgeted Schedule of Reserve Movements (2014/15 - 2018/19)
- A9 Budgeted Statement of Human Resources (2014/15 - 2018/19)

## Appendix A1

### Budgeted Income Statement converted to Cash

Comparison of 2014/15 and 2015/16 budget

	Budget 2014/15 \$'000	Budget 2015/16 \$'000
<b>Income</b>		
Rates and charges	107,080	113,146
Parking revenue	28,110	29,279
User fees & charges	15,034	15,936
Statutory fees & fines	2,390	2,804
Open space contributions	2,563	2,500
Grants - operating	9,979	10,243
Grants - capital	1,400	1,734
Interest received	1,260	1,260
Rent	8,028	8,369
Other income	3,415	3,234
<b>Total Income</b>	<b>179,259</b>	<b>188,506</b>
<b>Expenses</b>		
Employee benefits	75,133	80,245
Contract services	43,493	42,784
Materials & other expenses	19,964	22,139
Professional services	5,998	8,300
Utilities	3,219	2,884
Bad and doubtful debts	151	109
Borrowing costs	507	459
Depreciation	18,244	18,644
<b>Total Expenses</b>	<b>166,709</b>	<b>175,564</b>
<b>Operating surplus (deficit) for the year</b>	<b>12,550</b>	<b>12,942</b>
<b>CONVERSION TO CASH</b>		
<b>Less cash items not included in the operating result</b>		
Capital expenditure	32,731	36,177
Loan repayments	537	587
Borrowings	0	(610)
Proceeds from sale of assets	0	(3,000)
Transfers to/(from) statutory reserves	(641)	(208)
Transfers to/(from) general reserves	(310)	587
	<b>32,317</b>	<b>33,533</b>
<b>Plus non cash items included in operating result</b>		
Depreciation	18,244	18,644
<b>Surplus/(deficit) for the year</b>	<b>(1,523)</b>	<b>(1,947)</b>
Carry Over Surplus/(Deficit)	2,500	2,193
<b>Surplus/(Deficit) Carried Forward</b>	<b>977</b>	<b>246</b>

## Appendix A2

### Budgeted Income Statement converted to Cash

For the four years ending 30 June 2019

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	106,980	113,146	118,599	124,317	129,058
Parking revenue	28,160	29,279	30,011	30,716	31,407
User fees & charges	15,554	15,936	16,414	16,858	17,279
Statutory fees & fines	2,540	2,804	2,888	2,966	3,040
Open space contributions	2,563	2,500	2,500	2,500	2,500
Grants - operating	10,116	10,243	10,550	10,835	11,106
Grants - capital	1,400	1,734	1,300	1,300	1,300
Interest received	1,300	1,260	1,333	1,701	2,035
Rent	8,134	8,369	8,621	8,853	9,075
Other income	3,059	3,234	3,531	3,421	3,707
<b>Total Income</b>	<b>179,805</b>	<b>188,506</b>	<b>195,748</b>	<b>203,468</b>	<b>210,507</b>
<b>Expenses</b>					
Employee benefits	75,303	80,245	83,494	86,876	90,394
Contract services	42,230	42,784	44,624	46,409	48,173
Materials & other expenses	23,760	22,139	22,804	23,419	24,005
Professional services	6,477	8,300	7,551	7,209	7,389
Utilities	2,854	2,884	2,970	3,051	3,127
Bad and doubtful debts	101	109	100	100	100
Borrowing costs	323	459	377	402	395
Depreciation	18,644	18,644	20,062	21,179	22,285
<b>Total Expenses</b>	<b>169,691</b>	<b>175,564</b>	<b>181,983</b>	<b>188,645</b>	<b>195,868</b>
<b>Operating surplus (deficit) for the year</b>	<b>10,114</b>	<b>12,942</b>	<b>13,766</b>	<b>14,823</b>	<b>14,639</b>
<b>CONVERSION TO CASH</b>					
<b>Less cash items not included in the operating result</b>					
Capital expenditure	30,276	36,177	33,984	35,423	35,245
Loan repayments	637	587	497	454	235
Borrowings	0	(610)	(610)	0	0
Proceeds on Sale of Assets	0	(3,000)	0	0	0
Transfers to/(from) statutory reserves	(637)	(208)	0	0	0
Transfers to/(from) general reserves	(1,210)	587	203	125	1,444
	<b>29,066</b>	<b>33,533</b>	<b>34,074</b>	<b>36,002</b>	<b>36,924</b>
<b>Plus non cash items included in operating result</b>					
Depreciation	18,644	18,644	20,062	21,179	22,285
<b>Surplus/(deficit) for the year</b>	<b>(307)</b>	<b>(1,947)</b>	<b>(246)</b>	<b>0</b>	<b>0</b>
<b>Accumulated position brought forward</b>					
Carry Over Surplus/(Deficit)	2,500	2,193	246	(0)	(0)
Brought forward surplus to fund capital carry over		0	0	0	0
<b>Surplus/(Deficit) Carried Forward</b>	<b>2,193</b>	<b>246</b>	<b>(0)</b>	<b>(0)</b>	<b>(0)</b>

## Appendix A3

### Budgeted Comprehensive Income Statement

For the four years ending 30 June 2019

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000
<b>Income</b>					
Rates and charges	106,980	113,146	118,599	124,317	129,058
Parking revenue	28,160	29,279	30,011	30,716	31,407
User fees & charges	15,554	15,936	16,414	16,858	17,279
Statutory fees & fines	2,540	2,804	2,888	2,966	3,040
Open space contributions	2,563	2,500	2,500	2,500	2,500
Grants - operating	10,116	10,243	10,550	10,835	11,106
Grants - capital	1,400	1,734	1,300	1,300	1,300
Interest received	1,300	1,260	1,333	1,701	2,035
Rent	8,134	8,369	8,621	8,853	9,075
Other income	3,059	3,235	3,531	3,421	3,707
Fair value adjustments for investment property			0	0	0
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method			0	0	0
<b>Total income</b>	<b>179,805</b>	<b>188,506</b>	<b>195,748</b>	<b>203,468</b>	<b>210,507</b>
<b>Expenses</b>					
Employee benefits	75,303	80,245	83,494	86,876	90,394
Contract services	42,230	42,784	44,624	46,409	48,173
Materials & other expenses	23,760	22,139	22,804	23,419	24,005
Professional services	6,477	8,300	7,551	7,209	7,389
Utilities	2,854	2,884	2,970	3,051	3,127
Bad and doubtful debts	101	109	100	100	100
Borrowing costs	323	459	377	402	395
Depreciation	18,644	18,644	20,062	21,179	22,285
<b>Total Expenses</b>	<b>169,691</b>	<b>175,564</b>	<b>181,983</b>	<b>188,645</b>	<b>195,868</b>
<b>Surplus (deficit) for the year</b>	<b>10,114</b>	<b>12,942</b>	<b>13,766</b>	<b>14,823</b>	<b>14,639</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit:</b>					
Impairment of fire impacted infrastructure	0	0	0	0	0
Net asset revaluation increment /(decrement)	0	0	0	0	0
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	0	0	0	0	0
<b>Comprehensive result</b>	<b>10,114</b>	<b>12,942</b>	<b>13,766</b>	<b>14,823</b>	<b>14,639</b>



## Appendix A4

### Budgeted Balance Sheet

For the four years ending 30 June 2019

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and cash equivalents	25,715	24,147	24,103	24,227	25,673
Financial Assets	22,620	22,640	22,660	22,680	22,701
Trade & other receivables	10,197	10,223	10,248	10,274	10,300
Other assets	2,877	2,877	2,877	2,877	2,877
<b>Total current assets</b>	<b>61,409</b>	<b>59,887</b>	<b>59,888</b>	<b>60,058</b>	<b>61,550</b>
<b>Non Current Assets</b>					
Financial assets	235	235	235	235	235
Property, infrastructure, plant and equipment	2,130,306	2,144,839	2,158,761	2,173,005	2,185,965
<b>Total non current assets</b>	<b>2,130,541</b>	<b>2,145,074</b>	<b>2,158,996</b>	<b>2,173,240</b>	<b>2,186,200</b>
<b>Total assets</b>	<b>2,191,950</b>	<b>2,204,960</b>	<b>2,218,884</b>	<b>2,233,297</b>	<b>2,247,750</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Trade and other payables	18,207	18,253	18,299	18,344	18,390
Trust funds and deposits	3,193	3,193	3,193	3,193	3,193
Provisions	10,583	10,583	10,583	10,583	10,583
Interest bearing liabilities	587	497	454	235	235
<b>Total current liabilities</b>	<b>32,570</b>	<b>32,526</b>	<b>32,529</b>	<b>32,355</b>	<b>32,401</b>
<b>Non Current Liabilities</b>					
Provisions	2,732	2,732	2,732	2,732	2,732
Interest bearing loans and borrowings	7,863	7,976	8,132	7,897	7,662
<b>Total non current liabilities</b>	<b>10,595</b>	<b>10,708</b>	<b>10,864</b>	<b>10,629</b>	<b>10,394</b>
<b>Total liabilities</b>	<b>43,165</b>	<b>43,234</b>	<b>43,393</b>	<b>42,984</b>	<b>42,795</b>
<b>Net assets</b>	<b>2,148,784</b>	<b>2,161,726</b>	<b>2,175,491</b>	<b>2,190,313</b>	<b>2,204,954</b>
<b>Equity</b>					
Accumulated surplus	636,819	649,382	662,944	677,641	690,838
Asset revaluation reserve	1,489,683	1,489,683	1,489,683	1,489,683	1,489,683
Other reserves	22,282	22,661	22,864	22,989	24,433
<b>Total equity</b>	<b>2,148,784</b>	<b>2,161,726</b>	<b>2,175,491</b>	<b>2,190,313</b>	<b>2,204,954</b>

## Appendix A5

### Budgeted Statement of Changes in Equity

For the four years ending 30 June 2019

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2016</b>				
Balance at beginning of the financial year	2,148,784	636,819	1,489,683	22,282
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	12,942	12,942	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	208	-	(208)
Transfer from reserves	-	(587)	-	587
<b>Balance at end of the financial year</b>	<b>2,161,727</b>	<b>649,383</b>	<b>1,489,683</b>	<b>22,661</b>
<b>2017</b>				
Balance at beginning of the financial year	2,161,727	649,383	1,489,683	22,661
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	13,766	13,766	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	0	-	0
Transfer from reserves	-	(203)	-	203
<b>Balance at end of the financial year</b>	<b>2,175,492</b>	<b>662,945</b>	<b>1,489,683</b>	<b>22,864</b>
<b>2018</b>				
Balance at beginning of the financial year	2,175,492	662,945	1,489,683	22,864
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	14,823	14,823	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	0	-	0
Transfer from reserves	-	(125)	-	125
<b>Balance at end of the financial year</b>	<b>2,190,314</b>	<b>677,642</b>	<b>1,489,683</b>	<b>22,989</b>
<b>2019</b>				
Balance at beginning of the financial year	2,190,314	677,642	1,489,683	22,989
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	14,639	14,639	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	0	-	0
Transfer from reserves	-	(1,444)	-	1,444
<b>Balance at end of the financial year</b>	<b>2,204,955</b>	<b>690,839</b>	<b>1,489,683</b>	<b>24,433</b>

## Appendix A6

### Budgeted Statement of Cash Flows

For the four years ending 30 June 2019

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>					
Rates and garbage charges	106,932	113,120	118,574	124,291	129,033
Parking fees and fines	28,160	29,279	30,011	30,716	31,407
User charges and other fines	15,554	15,936	16,414	16,858	17,279
Statutory fees and fines	2,540	2,804	2,888	2,966	3,040
Grants - operating	10,116	10,243	10,550	10,835	11,106
Grants - capital	1,400	1,734	1,300	1,300	1,300
Contributions - cash	2,563	2,500	2,500	2,500	2,500
Interest	1,300	1,260	1,333	1,701	2,035
Rent	8,134	8,369	8,621	8,853	9,075
Other receipts	3,059	3,235	3,531	3,421	3,707
Employee costs	(75,303)	(80,245)	(83,494)	(86,876)	(90,394)
Payments to suppliers	(42,230)	(42,784)	(44,624)	(46,409)	(48,173)
Other payments	(33,146)	(33,387)	(33,380)	(33,734)	(34,574)
<b>Net cash provided by operating activities</b>	<b>29,079</b>	<b>32,065</b>	<b>34,224</b>	<b>36,423</b>	<b>37,340</b>
<b>Cash flows from investing activities</b>					
Payments for property, plant and equipment	(30,276)	(36,177)	(33,984)	(35,423)	(35,245)
Proceeds from the sale of property, plant and equipment	0	3,000	0	0	0
Trust funds and deposits	0	0	0	0	0
Repayment of loans and advances	0	0	0	0	0
<b>Net cash used in investing activities</b>	<b>(30,276)</b>	<b>(33,177)</b>	<b>(33,984)</b>	<b>(35,423)</b>	<b>(35,245)</b>
<b>Cash flows from financing activities</b>					
Finance costs	(323)	(459)	(377)	(402)	(395)
Repayment of borrowings	(637)	(587)	(497)	(454)	(235)
Proceeds from borrowings	0	610	610	0	0
<b>Net cash provided by (used in) financing activities</b>	<b>(960)</b>	<b>(436)</b>	<b>(264)</b>	<b>(856)</b>	<b>(630)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(2,157)</b>	<b>(1,548)</b>	<b>(24)</b>	<b>144</b>	<b>1,466</b>
Cash & cash equivalents at beginning of year	50,492	48,335	46,787	46,763	46,907
<b>Cash &amp; cash equivalents at end of year</b>	<b>48,335</b>	<b>46,787</b>	<b>46,763</b>	<b>46,907</b>	<b>48,373</b>

## Appendix A7

### Budgeted Statement of Capital Works

For the four years ending 30 June 2019

	Forecast				
	Actual	Budget	Strategic Resource Plan Projections		
	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>					
Buildings	8,084	13,035	11,921	8,622	7,251
<b>Total property</b>	<b>8,084</b>	<b>13,035</b>	<b>11,921</b>	<b>8,622</b>	<b>7,251</b>
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,653	2,284	1,828	3,441	3,562
Computers and telecommunications	1,525	1,185	550	250	250
Library books	709	795	795	815	795
<b>Total plant and equipment</b>	<b>3,887</b>	<b>4,264</b>	<b>3,173</b>	<b>4,506</b>	<b>4,607</b>
<b>Infrastructure</b>					
Roads	8,457	10,479	9,568	6,898	6,380
Footpaths and cycleways	2,243	3,100	3,427	3,100	3,100
Drainage	1,346	1,440	1,550	1,560	1,571
Parks, open space and streetscapes	5,691	3,859	2,724	2,717	2,570
Other infrastructure	569	0	1,621	8,020	9,766
<b>Total infrastructure</b>	<b>18,306</b>	<b>18,878</b>	<b>18,890</b>	<b>22,295</b>	<b>23,387</b>
<b>Total capital works expenditure</b>	<b>30,276</b>	<b>36,177</b>	<b>33,984</b>	<b>35,423</b>	<b>35,245</b>
<b>Represented by:</b>					
Asset renewal expenditure	17,154	23,614	21,062	22,778	22,285
New asset expenditure	8,837	7,146	5,779	7,210	8,021
Asset expansion expenditure	4,015	1,494	704	2,558	2,910
Asset upgrade expenditure	271	3,923	6,439	2,877	2,029
<b>Total capital works expenditure</b>	<b>30,277</b>	<b>36,177</b>	<b>33,984</b>	<b>35,423</b>	<b>35,245</b>

## Appendix A8

### Budgeted Schedule of Reserve Movements

For the four years ending 30 June 2019

	2014/15		2015/16			2016/17			2017/18			2018/19			
	Forecast		Forecast Balance 2014/15 Reserves \$000s	Budgeted		Budgeted Balance 2015/16 Reserves \$000s	Budgeted		Budgeted Balance 2016/17 Reserves \$000s	Budgeted		Budgeted Balance 2017/18 Reserves \$000s	Budgeted		Budgeted Balance 2018/19 Reserves \$000s
	Forecast Tfrs To Reserves \$000s	Tfrs (From) Reserves \$000s		Budgeted Tfrs To Reserves \$000s	Tfrs (From) Reserves \$000s		Budgeted Tfrs To Reserves \$000s	Tfrs (From) Reserves \$000s		Budgeted Tfrs To Reserves \$000s	Tfrs (From) Reserves \$000s				
	Tfrs To Reserves \$000s	(From) Reserves \$000s	Tfrs To Reserves \$000s	(From) Reserves \$000s	Tfrs To Reserves \$000s	(From) Reserves \$000s	Tfrs To Reserves \$000s	(From) Reserves \$000s							
	Tfrs To Reserves \$000s	(From) Reserves \$000s	Tfrs To Reserves \$000s	(From) Reserves \$000s	Tfrs To Reserves \$000s	(From) Reserves \$000s	Tfrs To Reserves \$000s	(From) Reserves \$000s							
<b>GENERAL RESERVE ( 4721)</b>															
General	0	(810)	5,435	3,576	(1,835)	7,176	203	0	7,379	125	0	7,504	1,444	0	8,948
Tied Grants	1,079	(1,079)	1,079	0	0	1,079	0	0	1,079	0	0	1,079	0	0	1,079
Child Care Centre Infrastructure Levy	0	0	2,369	0	0	2,369	0	0	2,369	0	0	2,369	0	0	2,369
Middle Park Beach Ongoing Maintenance	0	(400)	1,749	0	(1,000)	749	0	0	749	0	0	749	0	0	749
<b>Total</b>	<b>1,079</b>	<b>(2,289)</b>	<b>10,631</b>	<b>3,576</b>	<b>(2,835)</b>	<b>11,372</b>	<b>203</b>	<b>0</b>	<b>11,575</b>	<b>125</b>	<b>0</b>	<b>11,700</b>	<b>1,444</b>	<b>0</b>	<b>13,144</b>
Sustainable Transport	550	(550)	1,232	550	(700)	1,082	550	(550)	1,082	550	(550)	1,082	550	(550)	1,082
South Melbourne Central (Red Bears)	0	0	4	0	(4)	0	0	0	0	0	0	0	0	0	0
	550	(550)	1,235	550	(704)	1,082	550	(550)	1,082	550	(550)	1,082	550	(550)	1,082
<b>TOTAL GENERAL RESERVE</b>	<b>1,629</b>	<b>(2,839)</b>	<b>11,867</b>	<b>4,126</b>	<b>(3,539)</b>	<b>12,454</b>	<b>753</b>	<b>(550)</b>	<b>12,657</b>	<b>675</b>	<b>(550)</b>	<b>12,782</b>	<b>1,994</b>	<b>(550)</b>	<b>14,226</b>
<b>STATUTORY RESERVE (4720 &amp; 9910)</b>															
Resort & recreation	2,563	(3,204)	8,322	2,500	(2,409)	8,413	2,500	(2,500)	8,413	2,500	(2,500)	8,413	2,500	(2,500)	8,413
Car park	4	0	1,794	0	0	1,794	0	0	1,794	0	0	1,794	0	0	1,794
Port Melbourne DCP	0	0	299	0	(299)	0	0	0	0	0	0	0	0	0	0
<b>TOTAL STATUTORY RESERVE</b>	<b>2,567</b>	<b>(3,204)</b>	<b>10,415</b>	<b>2,500</b>	<b>(2,708)</b>	<b>10,207</b>	<b>2,500</b>	<b>(2,500)</b>	<b>10,207</b>	<b>2,500</b>	<b>(2,500)</b>	<b>10,207</b>	<b>2,500</b>	<b>(2,500)</b>	<b>10,207</b>
<b>TOTAL GENERAL &amp; STATUTORY RESERVE</b>	<b>4,196</b>	<b>(6,043)</b>	<b>22,282</b>	<b>6,626</b>	<b>(6,247)</b>	<b>22,661</b>	<b>3,253</b>	<b>(3,050)</b>	<b>22,864</b>	<b>3,175</b>	<b>(3,050)</b>	<b>22,989</b>	<b>4,494</b>	<b>(3,050)</b>	<b>24,433</b>

	2014/15	2015/16	2016/17	2017/18	2018/19
Net transfers to / (from) general reserve	(1,210)	587	203	125	1,444
Net transfers to / (from) statutory reserve	(637)	(208)	0	0	0
	(1,847)	379	203	125	1,444



## Appendix A9

### Budgeted Statement of Human Resources

For the four years ending 30 June 2019

	Forecast		Budget 2015/16 \$'000	Strategic Resource Plan Projections		
	Budget 2014/15 \$'000	Actual 2014/15 \$'000		2016/17 \$'000	2017/18 \$'000	2018/19 \$'000
<b>Staff expenditure</b>						
Employee costs - operating	75,133	75,303	<b>80,245</b>	83,494	86,876	90,394
Employee costs - capital		524	<b>911</b>	936	962	988
<b>Total staff expenditure</b>	<b>75,133</b>	<b>75,827</b>	<b>81,156</b>	<b>84,431</b>	<b>87,838</b>	<b>91,383</b>
	EFT	EFT	<b>EFT</b>	EFT	EFT	EFT
<b>Staff numbers</b>						
Employees	795.1	801.9	<b>810.4</b>	821.0	831.7	842.5
<b>Total staff numbers</b>	<b>795.1</b>	<b>801.9</b>	<b>810.4</b>	<b>821.0</b>	<b>831.7</b>	<b>842.5</b>

**Appendix B**  
**Rates and charges**

This appendix presents information which the Act and the Regulations require to be disclosed in the Council's annual budget.

## Rates and charges

### I. Rates and charges

I.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2014/15 cents/\$NAV	2015/16 cents/\$NAV	Change
General rate for rateable properties	4.0708	<b>4.2642</b>	4.75%

I.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	2014/15 \$	2015/16 \$	Change
Residential	82,918,689	<b>87,931,075</b>	6.04%
Commercial	18,983,872	<b>19,539,093</b>	2.92%
Industrial	4,649,369	<b>4,961,695</b>	6.72%
Cultural and Recreational	161,008	<b>163,963</b>	1.84%
Total amount to be raised by general rates	106,712,938	<b>112,595,826</b>	5.51%

I.3 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2014/15	2015/16	Change
Residential	60,454	<b>61,028</b>	0.95%
Commercial	6,867	<b>6,777</b>	-1.31%
Industrial	998	<b>1,020</b>	2.20%
Cultural and Recreational	27	<b>27</b>	0.00%
Total number of assessments	68,346	<b>68,852</b>	3.10%

I.4 The basis of valuation to be used is the Net Annual Value (NAV)

I.5 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2014/15 \$	2015/16 \$	Change
Residential	2,036,913,850	<b>2,062,076,700</b>	1.24%
Commercial	466,342,550	<b>458,212,400</b>	-1.74%
Industrial	114,212,650	<b>116,357,000</b>	1.88%
Cultural and Recreational	3,955,200	<b>3,845,100</b>	-2.78%
Total value of land	2,621,424,250	<b>2,640,491,200</b>	6.34%

1.6 The municipal charge under section 159 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2014/15 \$	Per Rateable Property 2015/16 \$	Change
Municipal	0	0	0.00%

1.7 The estimated total amount to be raised by municipal charges compared with the previous financial year

Type of Charge	2014/15 \$	2015/16 \$	Change
Municipal	0	0	0.00%

1.8 The rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2014/15 \$	Per Rateable Property 2015/16 \$	Change
Annual Garbage Charge for non-rateable tenements	260	260	0.00%
240 Litre Bin - Annual Service Charge	120	120	0.00%

1.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Charge	2014/15 \$	2015/16 \$	Change
Annual Garbage Charge for non-rateable tenements	21,580	22,620	4.82%
240 Litre Bin - Annual Service Charge	214,200	238,330	11.27%
Total	235,780	260,950	10.7%

1.10 The estimated total amount to be raised by all rates and charges compared with the previous financial year

Type of Charge	2014/15 \$	2015/16 \$	Change
General Rates	106,712,938	112,595,826	5.51%
Supplementary Rates	600,000	800,000	33.33%
Rate rebates and adjustments	(484,636)	(510,770)	49.70%
Waste Collection Charges	248,120	260,950	5.20%
Total	107,076,422	113,146,006	5.67%

### **1.11 Any significant changes that may affect the estimated amounts to be raised by rates and charges**

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges.

However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations (2015/16: estimated \$800,000, 2014/15: \$600,000)
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

## **2. Differential rates**

The City of Port Phillip uses the Net Annual Value (NAV) system for determining the distribution of rates across the municipality.

Section 161 (1) of the Local Government Act 1989 only allows for differential rates to be applied by councils that use the Capital Improved Value (CIV) system for valuing land. While councils using other rating systems may raise limited differential rates under Section 161A of the Local Government Act 1989 this may only be applied between the following land categories farm land, urban farm land and residential properties which does not apply to Port Phillip which is an inner metropolitan council. The other option available under this provision is a differential between different wards which is also not appropriate.



## Appendix C

### 2015/16 Capital Program Summary

#### Summary

The 2015/16 Capital Works Program has been developed to respond to demands across the municipality, with particular focus on environmentally sustainable walkability projects that enhance Port Phillip's special places and spaces.

The Council has developed a program based on robust discussion and debate and on the likelihood of projects being completed in the year that they were proposed. The proposed capital works program budget for 2015/16 is \$42.88 million.

#### Background

Council has developed a capital works program based on the strategic directions of its Council Plan. These four directions are:

- A Well Governed City
- A Healthy, Creative and Inclusive City
- A Resilient City
- A Vibrant City

The capital works program has identified projects and programs for each of the above strategies.

Strategy	No. of Projects	Funding (\$)
A Well Governed City	6	\$1,980,000
A Healthy, Creative and Inclusive City	13	\$7,192,000
A Resilient City	2	\$1,160,000
A Vibrant City	35	\$25,845,000
	<b>56</b>	<b>\$36,177,000</b>

#### Development of the 2015/16 Program

The following principles were used in developing the 2015/16 capital works program:

- A focus on projects that have elements of environmentally sustainable design or function
- To deliver on sustainable transport, further developing the quality and safety of the city's walking & cycling opportunities
- A program that responds to community consultation
- A degree of flexibility to respond to emerging issues and needs
- A project management resource commensurate with the size of the capital works program.

The program has also been developed to ensure that adequate funding is allocated to the timely renewal of Council's existing assets to ensure current service levels are maintained.

The proposed allocation for the various asset types is as follows:

2015/16 Capital Program by Asset Type	
Property	\$13,035,500
Infrastructure	\$18,878,000
Plant & Equipment	\$4,264,000
<b>Total</b>	<b>\$36,177,500</b>

The proposed allocation for each category of funding is as follows:

2015/16 Capital Program by Expenditure Type	
Asset Renewal Expenditure	\$23,614,000
New Asset Expenditure	\$7,145,000
Asset Upgrade Expenditure	\$3,923,000
Asset Expansion Expenditure	\$1,495,000
<b>Total</b>	<b>\$36,177,000</b>

#### Asset Renewals

Asset Renewal projects to be constructed in 2015/16 total 71% of the program. The significant projects include:-

- Palais Theatre capital works - \$3.50 million
- Major Civil Road Renewal Program - \$4.31 million
- Footpath Rehabilitation Program - \$2.10 million
- Core IT infrastructure renewal program - \$1.32 million
- Building Renewal Program - \$1.16 million
- Drainage Renewal Program - \$1.04 million

#### New Assets

New assets to be constructed in 2015/16 total 17% of the program. The significant projects include:-

- St Kilda Life Saving Club Facility Redevelopment - \$1.52 million
- Fitzroy Street Streetscape - construction - \$1.36 million
- Alma Park Pavilion Redevelopment - \$1.18 million
- Walk Plan and Bike Plan Implementation - \$500,000
- Public Toilet Plan Implementation - \$300,000

#### Asset Upgrades

Enhancements to assets to be constructed in 2015/16 total 9% of the program. The significant projects include:-

- Walk Plan and Bike Plan Implementation - \$500,000
- Fishermans Bend Community Centre - \$480,000
- Environmental Building Retrofits Program - \$380,000
- Gasworks Building Upgrade - \$300,000
- Public Toilet Plan Implementation - \$300,000

#### Asset Expansion

Expansion to assets to be constructed in 2015/16 total 3% of the program. The significant projects include:-

- St Kilda Life Saving Club Facility Redevelopment - \$653,000
- Alma Park Pavilion Redevelopment - \$504,000
- Middle Park Community Centre - Refurb of Civic Kindergarten and MCH - \$199,000

Source of Funds for 2015/16 Capital Works Budget	\$
Rates and General Operations	28,720,000
Borrowings	610,000
External Income (Grants, Contributions, etc)	1,734,000
<i>Reserve Transfers</i>	
- Resort & Recreation Reserve	2,379,000
- Sustainable Transport Reserve	700,000
- Other Reserves	2,034,000
	<b>5,113,000</b>
	<b>36,177,000</b>

## Appendix C1

### Capital Program 2015/16

This appendix presents a listing of the capital works projects (grouped by asset class) that will be undertaken in 2015/16.

#### Capital works program - by Asset Type & Funding Source

For the year ending 30 June 2016:

Capital Works Area	Project Cost \$'000	Asset expenditure types				Funding sources Council			
		New	Renewal	Upgrade	Expansion	Grants	Reserves	Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>PROPERTY</b>									
<b>BUILDINGS</b>									
South Melbourne Life Saving Club Facility Redevelopment (planning & design)	250	250	0	0	0	0	0	250	0
St Kilda Life Saving Club Redevelopment	2,175	1,522	0	0	653	0	0	2,175	0
St Kilda Triangle	40	40	0	0	0	0	0	40	0
Library Minor Branch Improvements	10	5	0	5	0	0	0	10	0
Public Toilet Plan Implementation	600	300	0	300	0	0	0	600	0
400 Clarendon St South Melbourne	77	0	0	23	54	0	0	77	0
Palais Theatre Phase 1 and 2 Capital Contribution	3,500	0	3,500	0	0	0	1,735	1,765	0
South Melbourne Market Roof-top Car Park Balustrade Replacement	560	0	560	0	0	0	0	560	0
Building Renewal Program	1,164	0	1,164	0	0	0	0	1,164	0
South Melbourne Market Renewal Works	300	0	300	0	0	0	0	300	0
South Melbourne Market Stall Fit Outs	120	0	120	0	0	0	0	120	0
Alma Park Pavilion Replacement	1,679	1,175	0	0	504	0	0	1,679	0
Community Facilities Refits and Upgrades Program	180	0	90	90	0	0	0	180	0
Elwood Beach Community Centre - Lady Forster Kindergarten	170	0	0	85	85	220	0	(50)	0
Environmental Building Retrofits Program	760	0	380	380	0	0	0	450	310
Gasworks Building Upgrade	300	0	0	300	0	0	0	300	0
Peanut Farm Reserve Sports Pavilion Upgrade	20	0	0	20	0	0	0	20	0
Middle Park Community Centre - Refurbishment of Kindergarten and MCH	496	0	49	248	199	0	0	496	0
Disability Discrimination Act Compliance Retrofit for Council Facilities	154	0	0	154	0	0	0	154	0
Fishermans Bend Community Centre (FBCC)	480	0	0	480	0	0	0	480	0
<b>TOTAL BUILDINGS</b>	<b>13,035</b>	<b>3,292</b>	<b>6,163</b>	<b>2,085</b>	<b>1,495</b>	<b>220</b>	<b>1,735</b>	<b>10,770</b>	<b>310</b>
<b>TOTAL PROPERTY</b>	<b>13,035</b>	<b>3,292</b>	<b>6,163</b>	<b>2,085</b>	<b>1,495</b>	<b>220</b>	<b>1,735</b>	<b>10,770</b>	<b>310</b>

Capital Works Area	Project Cost \$'000	Asset expenditure types				Funding sources Council			
		New	Renewal	Upgrade	Expansion	Grants	Reserves	Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>PLANT AND EQUIPMENT</b>									
<b>PLANT, MACHINERY AND EQUIPMENT</b>									
Plant and Equipment Renewal Program	400	0	400	0	0	0	0	400	0
Council Furniture and Fittings, Venues Plant and Equipment	50	35	15	0	0	0	0	50	0
Replacement of Council Fleet	1,039	0	1,039	0	0	0	0	1,039	0
<b>TOTAL PLANT, MACHINERY &amp; EQUIPMENT</b>	<b>1,489</b>	<b>35</b>	<b>1,454</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,489</b>	<b>0</b>
<b>COMPUTERS AND TELECOMMUNICATIONS</b>									
Core IT Infrastructure Renewal Program	1,320	0	1,320	0	0	0	0	1,320	0
Business Transformation Program	660	528	0	132	0	0	0	360	300
<b>TOTAL COMPUTERS &amp; TELECOMMUNICATIONS</b>	<b>1,980</b>	<b>528</b>	<b>1,320</b>	<b>132</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,680</b>	<b>300</b>
<b>LIBRARY BOOKS</b>									
Library purchases	795	0	795	0	0	0	0	795	0
<b>TOTAL LIBRARY BOOKS</b>	<b>795</b>	<b>0</b>	<b>795</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>795</b>	<b>0</b>
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>4,264</b>	<b>563</b>	<b>3,569</b>	<b>132</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,964</b>	<b>300</b>

Capital Works Area	Project Cost \$'000	Asset expenditure types				Funding sources Council			
		New	Renewal	Upgrade	Expansion	Grants	Reserves	Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INFRASTRUCTURE</b>									
<b>ROADS</b>									
Litter Bin Renewal Program	60	0	60	0	0	0	0	60	0
Major Civil Road Renewal Program	4,305	0	4,305	0	0	0	0	4,305	0
Parking Ticket Machine Renewal Program	400	0	400	0	0	0	0	400	0
Laneway Upgrade Program	50	0	0	50	0	0	0	50	0
Road Resurfacing	1,720	0	1,720	0	0	0	0	1,720	0
Street Signage & Furniture Renewal	360	0	360	0	0	0	0	360	0
Redundant Vehicle Crossings Removal	75	0	38	37	0	0	0	75	0
Roads to Recovery Program	240	0	240	0	0	389	0	(149)	0
Charles St. Balaclava pedestrian connection	225	225	0	0	0	200	0	25	0
Acland Street Upgrade	245	245	0	0	0	0	0	245	0
Dickens and Mitford Streets	200	0	0	200	0	100	0	100	0
Fitzroy Street Streetscape - Construction	1,359	1,359	0	0	0	250	0	1,109	0
Port Melbourne Urban Renewal Development Contributions (DCP)	500	0	350	150	0	140	299	61	0
Port Melbourne Waterfront UDF Program (including commencing the implementation of an upgrade to the Princes Street roundabout)	220	110	0	110	0	0	0	220	0
Strategic Parking	120	120	0	0	0	0	0	120	0
Queens Lane Upgrade	200	0	0	200	0	200	0	0	0
Wellington Street Upgrade	200	0	0	200	0	200	0	0	0
<b>TOTAL ROADS</b>	<b>10,479</b>	<b>2,059</b>	<b>7,473</b>	<b>947</b>	<b>0</b>	<b>1,479</b>	<b>299</b>	<b>8,701</b>	<b>0</b>
<b>FOOTPATHS AND CYCLEWAYS</b>									
Footpath Rehabilitation Program	2,100	0	2,100	0	0	0	0	2,100	0
Walk Plan and Bike Plan Implementation	1,000	500	0	500	0	0	700	300	0
<b>TOTAL FOOTPATHS AND CYCLEWAYS</b>	<b>3,100</b>	<b>500</b>	<b>2,100</b>	<b>500</b>	<b>0</b>	<b>0</b>	<b>700</b>	<b>2,400</b>	<b>0</b>
<b>DRAINAGE</b>									
Drainage Renewal Program	1,040	0	1,040	0	0	0	0	1,040	0
Water Sensitive Urban Design Implementation Program	400	400	0	0	0	35	0	365	0
<b>TOTAL DRAINAGE</b>	<b>1,440</b>	<b>400</b>	<b>1,040</b>	<b>0</b>	<b>0</b>	<b>35</b>	<b>0</b>	<b>1,405</b>	<b>0</b>



Capital Works Area	Project Cost \$'000	Asset expenditure types				Funding sources Council			
		New	Renewal	Upgrade	Expansion	Grants	Reserves	Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>PARKS, OPEN SPACE AND STREETSCAPES</b>									
Alma Park West park footpath	35	35	0	0	0	0	0	35	0
Elwood Canal Safety Signage	80	80	0	0	0	0	0	80	0
Foreshore Asset Renewal Program	435	0	435	0	0	0	435	0	0
Parks furniture, signage and pathway renewal	440	0	440	0	0	0	440	0	0
Repair of Beacon Cove Foreshore Promenade	915	0	915	0	0	0	0	915	0
Memorials and Monuments Renewal Program	50	0	50	0	0	0	0	50	0
Parks and Playground Renewal Program	660	0	660	0	0	0	660	0	0
Public Space Lighting Renewal	130	0	130	0	0	0	130	0	0
Recreation Reserves Facilities Renewal	305	0	305	0	0	0	305	0	0
Structural Assessment Carlos Catani Lava Rock Walls	50	0	50	0	0	0	0	50	0
Sports Playing Field Renewal	200	0	200	0	0	0	200	0	0
JL Murphy Reserve Implementation Plan	209	41	84	84	0	0	209	0	0
Public Space Accessibility Improvement Program	350	175	0	175	0	0	0	350	0
<b>TOTAL PARKS, OPEN SPACE &amp; STREETSCAPES</b>	<b>3,859</b>	<b>331</b>	<b>3,269</b>	<b>259</b>	<b>0</b>	<b>0</b>	<b>2,379</b>	<b>1,480</b>	<b>0</b>
<b>TOTAL INFRASTRUCTURE</b>	<b>18,878</b>	<b>3,290</b>	<b>13,882</b>	<b>1,706</b>	<b>0</b>	<b>1,514</b>	<b>3,378</b>	<b>13,986</b>	<b>0</b>
<b>TOTAL NEW CAPITAL WORKS 2015/16</b>	<b>36,177</b>	<b>7,145</b>	<b>23,614</b>	<b>3,923</b>	<b>1,495</b>	<b>1,734</b>	<b>5,113</b>	<b>28,720</b>	<b>610</b>
<b>Summary:</b>									
Property	13,035	3,292	6,163	2,085	1,495	220	1,735	10,770	310
Plant & Equipment	4,264	563	3,569	132	0	0	0	3,964	300
Infrastructure	18,878	3,290	13,882	1,706	0	1,514	3,378	13,986	0
<b>Total Capital Works</b>	<b>36,177</b>	<b>7,145</b>	<b>23,614</b>	<b>3,923</b>	<b>1,495</b>	<b>1,734</b>	<b>5,113</b>	<b>28,720</b>	<b>610</b>

## Appendix C2

### Capital Program 2015/16 - Projects by Council Plan Strategic Objective

	2015/16 \$ '000
<b>A Well Governed City</b>	
<b>Initiatives</b>	
Health Services practice improvement	150
Stakeholder management database	50
Maternal Child Health change process	100
Project Guidance System	160
Business Enablement and Innovation Fund	200
Core IT Infrastructure Renewal Program 2015/16	1,320
Sub Total	1,980
<b>A Healthy, Creative and Inclusive City</b>	
<b>Major Initiatives</b>	
JL Murphy Reserve Implementation Plan	209
Peanut Farm Reserve Sports Pavilion Upgrade	20
St Kilda Life Saving Club Redevelopment	2,175
Fishermans Bend Community Centre (FBCC) Upgrade 2015/16	480
<b>Initiatives</b>	
400 Clarendon St South Melbourne	77
Alma Park Pavilion Replacement	1,679
Community Facilities Refits and Upgrades Program	180
Elwood Beach Community Centre - Lady Forster Kindergarten	170
Gasworks Building Upgrade	300
Middle Park Community Centre - Refurbishment of Civic Kindergarten and MCH	497
Library Minor Branch Improvements 2015/16	10
Library Purchases 2015/16	795
Public Toilet Plan Implementation 2015/16	600
Sub Total	7,192
<b>A Resilient City</b>	
<b>Major Initiatives</b>	
Environmental Building Retrofits Program	760
WSUD Implementation Program	400
Sub Total	1,160
<b>A Vibrant City</b>	
<b>Major Initiatives</b>	
Acland Street Upgrade	245
Fitzroy Street Streetscape - Construction	1,359
Palais Theatre Phase 1 and 2 Capital Works Delivery	3,500
Queens Lane Upgrade	200
South Melbourne Life Saving Club Facility Redevelopment – Planning and Design 15-16	250
St Kilda Triangle - Quick Wins Capital Works Enabling Activation	40
Charles St. Balaclava pedestrian connection	225
Wellington Street Upgrade	200

<b>Initiatives</b>	
Alma Park West park footpath	35
Dickens and Mitford Streets	200
Drainage Renewal	1,040
Footpath Rehabilitation	2,100
Foreshore Asset Renewal Program 15-19	435
Laneway Upgrade Program	50
Litter Bin Renewal Program	60
Major Civil Road Renewal Program	4,305
Parking Ticket Machine Renewal Program	400
Parks furniture, signage and Pathway renewal	440
Plant and Equipment Renewal Program	400
Port Melbourne Urban Renewal Development Contributions (DCP)	500
Port Melbourne Waterfront UDF Program (including commencing the implementation of an upgrade to the Princes Street roundabout)	220
Redundant Vehicle Crossings Removal	75
Repair of Beacon Cove Foreshore Promenade	915
Road Resurfacing	1,720
Roads to Recovery Program	240
Strategic Parking	120
Street Signage & Furniture Renewal	360
Walk Plan and Bike Plan Implementation	1,000
South Melbourne market Roof-top Car Park Balustrade Replacement	560
Disability Discrimination Act (DDA) Compliance Retrofit for Council Facilities 2015/16	154
Council Furniture and Fittings, Venues Plant and Equipment	50
Building Renewal Program 2015/16	1,164
Memorials and Monuments Renewal Program 2015/16	50
Parks and Playground Renewal Program 2015-19	660
Public Space Lighting Renewal 2015-19	130
Recreation Reserves Facilities Renewal 2015-19	305
Replacement of Council Fleet 2015/16	1,039
South Melbourne Market Renewal Works 2015/16	300
Elwood Canal Safety Signage	80
Public Space Accessibility Improvement Program 2015-19	350
Structural Assessment Carlos Catani Lava Rock Walls 2015/16	50
South Melbourne Market Stall Fit Outs 2015/16	120
Sports Playing Field Renewal 2015-19	200
Sub Total	25,846

<b>Summary of Capital Works</b>	
A Well Governed City	1,980
A Healthy, Creative and Inclusive City	7,192
A Resilient City	1,160
A Vibrant City	25,846
<b>TOTAL</b>	<b>36,177</b>

**Appendix D**  
**Council Operating Projects**

This appendix presents details of the Council Operating Projects that were approved for funding in 2015/16

## Appendix D I

### Operating Projects by Council Plan Objective

Council Plan Objective	Project Details	Budget (\$)
<b>ENGAGED - A Well Governed City</b>		
<b>Initiatives</b>		
1.5	Asset Management Information System (AMIS) Business Case	100
1.5	Maternal Child Health change process	250
1.5	Health Services practice improvement	50
1.5	Enterprise Performance Management Framework	107
1.5	Learning Management System Implementation	40
1.5	Online Web and Intranet improvement program	75
1.5	Property Strategy and Initial Implementation	100
1.5	Port Phillip City Collection triennial valuation 2015/16	15
		<b>737</b>
<b>HEALTHY - A Healthy, Creative &amp; Inclusive City</b>		
<b>Major Initiatives</b>		
2.1	2015 Emerald Hill Festival Funding	40
	Options for Fitness Stations <sup>(1)</sup>	-
2.2	Port Phillip Housing Strategy	10
		<b>50</b>
<b>RESILIENT - A Resilient City</b>		
<b>Major Initiatives</b>		
3.2	Albert Park Lake Stormwater Harvesting	200
3.2	Early Years Sustainability Leadership	30
3.2	Scoping building design of EcoCentre <sup>(2)</sup>	-
		<b>230</b>
<b>VIBRANT - A Vibrant City</b>		
<b>Major Initiatives</b>		
4.1	Carlisle Street Supermarket Feasibility Stage 2	48
4.1	Vibrant Villages Program Management	235
4.1	St Kilda Triangle - Amendment C106	60
4.1	St Kilda Triangle - Project Design	700
4.1	St Kilda Triangle Winter Pavilion and Activation	50
4.2	Foreshore Vegetation Implementation 15-17	75
4.2	Gasworks Park Plan implementation	7
4.2	JL Murphy Reserve feasibility and planning for pavilion upgrade	20
4.2	Middle Park Beach Nourishment	1,000
4.2	Long Term Growth, Services and Property Planning	400
4.2	Port Melbourne Waterfront Activation Plan Year 2	97
4.3	Palais Theatre Program Management and completion of Stage 2 of lease process	260

#### Notes

(1) - Projects with NIL budget will be delivered using internal resources and do not require additional funding in 2015/16

(2) - Project funds of \$100K to be funded from deferred 14/15 budget allocation



Council Plan Objective	Project Details	Budget (\$)
<b>Initiatives</b>		
4.1	Amendment C111 - Special Building Overlay	15
4.1	St Kilda Road South Precinct Urban Design and Land Use Framework (UDLUF)	70
4.2	Economic Development Strategy and Analysis	100
4.2	North Port Oval playing surface review 2015/16	30
4.2	Public Space Strategy	30
4.2	Public Realm Design and Technical Standards Stage 2	30
4.2	SMM York Street Feasibility	50
4.3	Port Melbourne skate park and Graham St bridge underpass	30
	St Kilda Road Bike Lanes <sup>(1)</sup>	-
4.3	St Kilda Tourism	200
4.3	Street Tree Improvement Program	690
		<b>4,197</b>
<b>Summary of Operating Projects</b>		
	ENGAGED - A Well Governed City	737
	HEALTHY - A Healthy, Creative & Inclusive City	50
	RESILIENT - A Strong, Innovative and Adaptive City	230
	VIBRANT - A Liveable and Connected City	4,197
		<b>5,214</b>

**Notes**

(1) - Projects with NIL budget will be delivered using internal resources and do not require additional funding in 2015/16

## **Appendix E**

### **Fees and charges schedule**

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2015/16 year.

The appendix includes the following budget information:

- \* E1 Budgeted Fees and Charges - Organisational Performance
- \* E2 Budgeted Fees and Charges - Infrastructure and Amenity
- \* E3 Budgeted Fees and Charges - Community Development
- \* E4 Budgeted Fees and Charges - Governance and Culture
- \* E5 Budgeted Fees and Charges - Place Strategy and Development

**Appendix E1**  
**Fees and Charges - Organisational Performance**

Description	2015/16 Fee	2014/15 Fee
<b>Finance and Investments</b>		
<b>Rates</b>		
Land Information Certificates	\$20.00	\$20.00
Urgent Land Information Certificates	\$88.15	\$86.00
<b>Financial Management</b>		
Dishonoured Cheques	\$41.70	\$40.70
<b>Business Technology</b>		
<b>Geospatial Information Systems</b>		
Simple Map - A4	\$9.20	\$9.00
Simple Map - A3	\$20.50	\$20.00
Simple Map - A2	\$33.80	\$33.00
Simple Map - A1	\$50.75	\$49.50
Simple Map - A0	\$76.90	\$75.00
Simple Map with Aerial Photo - A4	\$20.50	\$20.00
Simple Map with Aerial Photo - A3	\$33.80	\$33.00
Simple Map with Aerial Photo - A2	\$56.40	\$55.00
Simple Map with Aerial Photo - A1	\$90.20	\$88.00
Simple Map with Aerial Photo - A0	\$129.65	\$126.50
GIS hourly rate for further work	\$62.00	\$60.50

## Appendix E2

### Fees and Charges - Infrastructure & Amenity

Description	2015/16 Fee	2014/15 Fee
<b>Maintenance &amp; Renewal</b>		
<b>Waste Management Operations</b>		
Sale of worm farms	\$69.00	\$67.00
Sale of compost bins	\$37.00	\$36.00
Resource Recovery Centre Fees (Car Boot)	\$19.00	\$18.00
Resource Recovery Centre Fees (Station Wagon, Utility)	\$38.00	\$36.00
Resource Recovery Centre Fees (Small Trailer)	\$51.00	\$49.00
Resource Recovery Centre Fees (Large Trailer)	\$95.00	\$91.00
Resource Recovery Centre Fees (Contractors m <sup>3</sup> )	\$83.00	\$80.00
Resource Recovery Centre Fees - Non Resident (Car Boot)	\$26.00	\$25.00
Resource Recovery Centre Fees - Non Resident (Station Wagon, Utility)	\$47.00	\$45.00
Resource Recovery Centre Fees - Non Resident (Small Trailer)	\$62.00	\$60.00
Resource Recovery Centre Fees - Non Resident (Large Trailer)	\$104.00	\$100.00
<b>Infrastructure Maintenance</b>		
Road Reinstatement - Refundable Deposit	\$1,000.00	\$1,000.00
<b>South Melbourne Market</b>		
Parking - Market Days	\$0.00	\$0.00
Car Parking on market days is free for the first two hours, then 2-3 hrs - \$6, 3-4 hrs \$12, 4-5hrs \$20, 5-6hrs \$26, 6-7hrs \$32, 7+ \$40		
Parking - Non Market Days	\$11.00	\$9.00
Car Parking on roof non Market Days (Mon, Tues, Thurs) \$9 all day		
<b>Safety &amp; Amenity</b>		
<b>Health Services</b>		
<i>Food Act Registration &amp; Renewal of Registration Fees - High Risk Class 1 Permits. Initial registration fees decrease on a pro-rata basis by 1/4 every 3 months throughout the annual registration period.</i>		
Less than 10 staff	\$265.00	\$259.00
11-20 staff	\$358.00	\$349.00
21-30 staff	\$447.00	\$436.00
31-40 staff	\$590.00	\$576.00
<i>Food Act Registration &amp; Renewal of Registration Fees - Class 2 regular (predominantly) commercial premises - open most days of the week or mobile or temporary premises operating regularly (most weekends, large events). Initial registration fees decrease on a pro-rata basis quarterly.</i>		
Less than 10 staff	\$536.00	\$523.00
11-20 staff	\$757.00	\$739.00
21-30 staff	\$888.00	\$866.00
31-40 staff	\$1,182.00	\$1,153.00
41-50 staff	\$1,477.00	\$1,441.00
51-60 staff	\$1,769.00	\$1,726.00
> 60 staff	\$2,064.00	\$2,014.00

## Appendix E2

### Fees and Charges - Infrastructure & Amenity

Description	2015/16 Fee	2014/15 Fee
<i>Food Act Registration &amp; Renewal of Registration Fees - Class 2 regular (predominantly) commercial premises - open most days of the week or mobile or temporary premises operating regularly (most weekends, large events). Initial registration fees decrease on a pro-rata basis quarterly.</i>		
Less than 10 staff	\$265.00	\$259.00
11-20 staff	\$358.00	\$349.00
21-30 staff	\$447.00	\$436.00
31-40 staff	\$590.00	\$576.00
<i>Small fixed premises - commercial premises - operating regularly i.e. most weekends or similar for short periods or to significantly smaller or confined target markets.</i>		
Class 3	\$160.00	\$156.00
Class 2	\$265.00	\$259.00
<i>Small fixed premises - commercial premises - operating occasionally (once/week or less often), seasonally or equivalent, or for short periods or to significantly smaller or confined target markets.</i>		
Class 3	\$116.00	\$113.00
Class 2	\$138.00	\$135.00
<i>Small fixed premises - Community group, sporting club or other not for profit premises - operating regularly; i.e. most weekends or similar. (12 month registration)</i>		
Class 3	\$116.00	\$113.00
Class 2	\$138.00	\$135.00
<i>Small fixed premises - Community group, sporting club or other not for profit - operating occasionally; i.e. seasonally, or for short periods or to significantly smaller or confined target markets</i>		
Class 3	\$57.00	\$56.00
Class 2	\$67.00	\$66.00
<i>Mobile or temporary premises associated with a permanent fixed premises</i>		
Class 3	\$116.00	\$113.00
Class 2	\$138.00	\$135.00
<i>Commercial mobile or temporary premises(Large Scale)-Operating regularly statewide</i>		
Class 3	\$265.00	\$259.00
Class 2	\$536.00	\$523.00
<i>Commercial mobile or temporary premises - operating regularly Statewide</i>		
Class 3	\$160.00	\$156.00
Class 2	\$265.00	\$259.00
<i>Commercial mobile or temporary premises - operating occasionally, seasonally or equivalent</i>		
Class 3	\$116.00	\$113.00
Class 2	\$138.00	\$135.00
<i>Commercial mobile or temporary premises - single event or day registration</i>		
Class 3	\$57.00	\$56.00
Class 2	\$67.00	\$66.00
<i>Community group, sporting club, school or other not for profit - mobile or temporary premises - operating occasionally, seasonally or up to 12 months</i>		
Class 3	\$57.00	\$56.00
Class 2	\$67.00	\$66.00
<i>Community group, sporting club, school or other not for profit - mobile or temporary premises - single event or day registration (festivals)</i>		
Class 2 & 3	\$0.00	\$0.00

## Appendix E2

### Fees and Charges - Infrastructure & Amenity

Description	2015/16 Fee	2014/15 Fee
<i>Food Act Registration Late Fees</i>		
Registration late fee (Class 1)	\$31.00	\$30.00
Registration late fee (Class 2 and 3)	\$90.00	\$88.00
<i>Transfer of Registration Fees (Food Act)</i>		
Class 1 & 3	\$121.00	\$118.00
Class 2	\$178.00	\$174.00
<i>Plan Approval Fee</i>		
Class 1 & 3	\$121.00	\$118.00
Class 2	\$178.00	\$174.00
<i>Transfer Inspection Report fees (Food Act)</i>		
Class 1 & 3	\$121.00	\$118.00
Class 2	\$178.00	\$174.00
<i>Registered Charities</i>		
Class 1,2 & 3	\$0.00	\$0.00
<i>Public Health &amp; Wellbeing Act Fee - Personal services premises (Hairdressers, Beauty Parlour, Skin Penetration, Colonic Irrigation)</i>		
Registration Fee	\$143.00	\$139.00
Registration Late Fee	\$59.00	\$58.00
Plan Approval Fee	\$54.00	\$53.00
Transfer of registration fees	\$72.00	\$70.00
Transfer Inspection Report fees	\$72.00	\$70.00
<i>Prescribed Accommodation - Residential Accommodation / Rooming House / Youth Hostel / Student Dormitory / Hotel / Motel</i>		
<i>Registration Fees</i>		
1 - 10 residents	\$201.00	\$196.00
11 - 20 residents	\$378.00	\$369.00
21 - 30 residents	\$563.00	\$549.00
31 - 40 residents	\$752.00	\$734.00
41 - 50 residents	\$919.00	\$897.00
51 - 60 residents	\$1,147.00	\$1,119.00
61 - 80 residents	\$1,534.00	\$1,497.00
81 - 100 residents	\$1,894.00	\$1,848.00
100+ residents	\$2,224.00	\$2,170.00
<i>Registration Late Fee</i>		
Registration Late Fee	\$60.00	\$59.00
<i>Plan Approval Fee</i>		
Category 1 (1-30 residents)	\$90.00	\$88.00
Category 2 (31-60 residents)	\$121.00	\$118.00
Category 3 (61+ residents)	\$178.00	\$174.00
<i>Transfer of registration fees (Public Health &amp; Wellbeing Act)</i>		
Category 1 (1-30 residents)	\$121.00	\$118.00
Category 2 (31-60 residents)	\$239.00	\$233.00
Category 3 (61+ residents)	\$358.00	\$349.00
<i>Transfer Inspection Report fees (Public Health &amp; Wellbeing Act)</i>		
Category 1 (1-30 residents)	\$121.00	\$118.00
Category 2 (31-60 residents)	\$239.00	\$233.00
Category 3 (61+ residents)	\$358.00	\$349.00



## Appendix E2

### Fees and Charges - Infrastructure & Amenity

Description	2015/16 Fee	2014/15 Fee
<b>Animal Management</b>		
Domestic Animal Business	\$248.00	\$242.00
<i>Dog</i>		
Multiple animal permit - once off for lifetime	\$62.00	\$60.00
Restricted breed dog - includes any declared, menacing, dangerous dogs	\$243.00	\$237.00
Maximum fee pensioner	\$92.00	\$92.00
Minimum fee pensioner	\$30.50	\$30.50
Maximum fee non- pensioner	\$190.00	\$184.00
Minimum fee non- pensioner	\$63.00	\$61.50
Reclaim fees New Fee	\$158.00	\$154.00
Rebate for Assist Dogs (on production of required documentation)	-\$63.00	-\$61.50
<i>Cat</i>		
Minimum fee non- pensioner	\$33.00	\$32.00
Minimum fee pensioner	\$15.50	\$15.50
Maximum fee pensioner	\$47.50	\$47.50
Maximum fee non- pensioner	\$97.50	\$95.00
Reclaim fees New Fee	\$80.00	\$77.00
<b>Local Laws</b>		
Reclaim fee - impounded goods	\$120.00	\$118.00
Fee for any goods/materials impounded by council that are released to the owner e.g. shopping trolleys		
<b>Parking Enforcement</b>		
Vehicle Clearway Release Fee	\$395.00	\$359.00
Vehicle Transfer from Nationwide Towing to Manheim	\$700.00	\$0.00
<b>Parking Permits</b>		
Resident parking permit 1st	\$0.00	\$69.00
Resident parking permit 2nd	\$0.00	\$90.00
Resident parking permit 3rd	\$0.00	\$128.00
Resident parking permit	\$75.00	(\$69 - \$128)
Combined parking permit (resident/foreshore) 1st & 2nd	\$0.00	\$87.00
Combined parking permit (resident/foreshore) 3rd	\$0.00	\$128.00
Combined parking permit (resident/foreshore)	\$110.00	\$87.00
Party parking permit (for two days and one night)	\$4.72	\$4.60
Visitor parking permit (annual)	\$100.00	\$98.00
Foreshore parking permit	\$53.00	\$51.00
Foreshore Club Parking permit	\$90.00	\$87.00
Tradesman parking permit (per week)	\$47.00	\$46.00
Temporary parking permit - Admin fee	\$83.00	\$81.00
Unrestricted bay	\$5.50	\$5.20
Non-metered restricted time parking per bay	\$35.00	\$34.00
All Day parking ticket or meter parking per bay	\$19.00	\$18.50
Time restricted paid parking per bay	\$30.00	\$29.00

## Appendix E2

### Fees and Charges - Infrastructure & Amenity

Description	2015/16 Fee	2014/15 Fee
<b>Parking Machine Charges</b>		
Foreshore area (tourist) - per day	\$12.00	\$11.00
Foreshore area (tourist) - per hour	\$5.00	\$4.80
St Kilda Road - North of the junction (commercial) - per hour	\$3.60	\$3.40
Fitzroy Street Area (tourist/retail) - per day	\$12.00	\$11.00
Fitzroy Street Area (tourist/retail) - per hour	\$3.60	\$3.40
South Melbourne East - North East of Kingsway (commercial) - per hour	\$3.60	\$3.40
South Melbourne South - Albert Road area (commercial) - per day	\$11.50	\$10.50
South Melbourne South - Albert Road area (commercial) - per hour	\$3.60	\$3.40
South Melbourne Central - North of Park and Ferrars Street (industrial) - per day	\$8.10	\$7.40
South Melbourne Central - North of Park and Ferrars Street (industrial) - per hour	\$1.60	\$1.50
South Melbourne Central - Clarendon Street Retail Precinct - per day	\$8.10	\$7.40
South Melbourne Central - Clarendon Street Retail Precinct - per hour	\$1.60	\$1.50
South Melbourne Central - Whiteman Street car park - per day (to 31 Dec 2015. Free from 1 Jan 2016)	\$8.10	\$7.40
South Melbourne Central - Whiteman Street car park - per hour (to 31 Dec 2015. Free from 1 Jan 2016)	\$1.60	\$1.50
South Melbourne Central - Park Street car park - per day (to 31 Dec 2015. Free from 1 Jan 2016)	\$8.10	\$7.40
South Melbourne Central - Park Street car park - per hour (to 31 Dec 2015. Free from 1 Jan 2016)	\$1.60	\$1.50
South Melbourne West - South West of Ferrars Street (Industrial) - per day	\$8.10	\$7.40
South Melbourne West - South West of Ferrars Street (Industrial) - per hour	\$1.60	\$1.50
St Kilda Road - South of St Kilda Junction (commercial / retail) - per day	\$6.10	\$5.60
St Kilda Road - South of St Kilda Junction (commercial / retail) - per hour	\$1.60	\$1.50
York Street Car Park (South Melbourne Market) - Per Day (to 31 Dec 2015. Free from 1 Jan 2016)	\$11.00	\$9.30
York Street Car Park (South Melbourne Market) - hourly rate (to 31 Dec 2015. Free from 1 Jan 2016)	\$1.60	\$1.50
<b>Parking Fines</b>		
Penalty Fines - class 1	\$76.00	\$74.00
Penalty Fines - class 2	\$91.00	\$88.00
Penalty Fines - class 3	\$151.00	\$148.00
Penalty Reminder Notice	\$24.50	\$23.00
Enforcement fee	\$53.00	\$49.00

## Appendix E2

### Fees and Charges - Infrastructure & Amenity

Description	2015/16 Fee	2014/15 Fee
<b>Public Space</b>		
<b>Events</b>		
Event and promotion application fee	\$125.00	\$90.00
Busking Fee - 6 months 9am - 9pm	\$64.50	\$62.50
Street Stall Permit/Collection	\$59.00	\$57.50
Temporary signage fee - up to 14 days only	\$139.00	\$135.50
<i>Commercial Promotions</i>		
Product Promotions - roving, no structures (per hour)	\$296.50	\$289.00
Product Promotions - with structures or vehicles (per hour) - St Kilda Precinct	\$450.00	\$397.00
Product Promotions - with structures or vehicles (per hour) - Outside St Kilda Precinct	\$350.00	
Product Promotions - overnight fee for multiple day set-up		\$0.00
Product Promotions - per day fee for an eight hour day	\$2,700.00	\$0.00
Product Promotions - per day fee for an eight hour day package.	\$2,250.00	\$0.00
<i>Commercial Event or Promotion - site fee per day</i>		
Unique site (up to 5000 participants)	\$6,000.00	\$5,770.00
Combined use of South Beach Reserve and St Kilda Foreshore (up to 5000 participants)	\$7,073.00	\$6,900.00
Small events	\$263.00	\$256.00
Medium events	\$1,182.00	\$1,153.00
Large events	\$2,365.00	\$2,307.00
Major event	\$5,915.00	\$5,770.00
High risk/high impact event	\$5,915 - \$20,000	\$5770 - \$10550
St Kilda peak season (December - February)	\$5,915 - \$20,000	
*Carpark Events (as determined)	\$0.00	\$412 to \$10,300
*Closed Road Events (per site) - as determined	\$0.00	\$412 to \$10,300
Bump in and bump out fee - weekends per day	\$600.00	10% of event fee
Bump in and bump out fee - weekdays per day	\$450.00	10% of event fee
Refundable Security Bond per site	\$500 - \$50 000	\$500 - \$50 000
<i>On-Road Events</i>		
Event Fee per participant (multiple sites e.g. road and reserve) - minimum charge 2000 participants	\$4.80	\$4.65
Traffic management costs (per hour)	\$103.00	\$100.50
On-Road Only (per participant) - minimum charge 2000 participants	\$1.30	\$1.25
<i>Community Event (single site per day)</i>		
Community Event (single site per day)	10% of event	10% of event fee
<i>Markets</i>		
Outdoor Markets (per session)	\$600.00	\$545.00
<i>Grand Prix</i>		
Grand Prix stallholders (units sq m)	\$46.50	\$45.00
Grand Prix roving permits (per user)	\$405.00	\$395.00
Grand Prix existing traders (units sqm)	\$46.50	\$45.00

## Appendix E2

### Fees and Charges - Infrastructure & Amenity

Description	2015/16 Fee	2014/15 Fee
<b>Sport and Recreation</b>		
<i>Commercial Recreation Activities - New Licences &amp; Permits (Statutory Fees)</i>		
Commercial Recreation Activity (beach and water activities) - Annual Licence Fee	\$274.00	\$266.50
Commercial Recreation Activity (beach based activities) - Annual Licence Fee	\$274.00	\$267.50
Commercial Recreation Activity (launch of craft only) - Annual Licence Fee	\$525.50	\$512.50
Commercial Recreational Activity - Kite boarding - Annual Licence Fee	\$1,850.00	\$1,805.00
Commercial Recreational Activity - Skydiving - Annual Licence Fee	\$128,700.00	\$125,560.00
Commercial Recreation Activity (all activities) - Participant Fee Adult	\$2.60	\$2.45
Commercial Recreation Activity (all activities) - Participant Fee Child	\$1.70	\$1.65
Personal Training (1 to 15 participants) - Annual Licence Fee	\$500.00	\$261.00
Personal Training (1 to 15 participants) - Participant Fee Adult	\$0.00	\$0.01
Personal Training (1 to 15 participants) - Participant Fee Child	\$0.00	\$0.01
<i>Sports Ground and Facilities Bookings</i>		
Sports ground casual booking (community per day)	\$124.00	\$121.00
Sports ground casual booking (corporate per day)	\$178.50	\$174.00
Sports ground casual booking (high & private schools per term)	\$59.00	\$57.50
Pavilion hire casual (community & school groups)	\$92.00	\$90.00
Pavilion hire casual (corporate groups)	\$168.00	\$164.00
Pavilion Hire casual - Elwood Pavilion (corporate groups)	\$336.00	\$328.00
North Port Oval casual hire	\$463.00	\$451.00
Casual use - Refundable Security Deposit		
Sports club use - Refundable Security Deposit		

## Appendix E3

### Fees and Charges - Community Development

Description	2015/16 Fee	2014/15 Fee
<b>Arts &amp; Culture</b>		
<b>Arts &amp; Festivals</b>		
Curatorial Services (heritage image reproduction service - digital image delivery by email or CD)	\$34.70	\$33.85
Filming Permits (motion pictures & related photography (first day))	\$820.00	\$800.00
Filming Permits (motion pictures & related photography (second day))	\$498.00	\$486.00
Filming Permits (motion pictures & related photography (third and subsequent days))	\$171.00	\$167.00
Filming Permits (motion pictures & related photography (community / cultural benefit))	\$171.00	\$167.00
Filming Permits (motion pictures, half day)	\$498.00	\$486.00
Filming Permits (service fee - low budget)	\$47.00	\$46.00
Filming Permits (service fee - no budget)	\$20.00	\$20.00
Photography Permit (commercial stills photography (first day))	\$383.00	\$374.00
Photography Permit (commercial stills photography second & subsequent days)	\$171.00	\$167.00
SKF Footpath trading (non alcohol per m2)	\$9.30	\$9.06
SKF Road Trading (with alcohol per m2)	\$24.50	\$23.90
SKF Itinerant Market Stall (high pedestrian zone)	\$306.15	\$298.70
SKF Itinerant Market Stall (regular zone)	\$158.35	\$154.50
SKF All Food Vending Areas (under 15 m2)	\$72.85	\$71.06
SKF All Food Vending Areas (over 15 m2)	\$112.40	\$109.67
St Kilda Film Festival call for entry fee	\$33.00	\$33.00
St Kilda Festival call for entry fee	\$33.00	\$33.00
Esplanade Market (3 monthly permits) 2.4 meter size stall	\$620.00	\$605.00
Esplanade Market (6 monthly permits) 2.4 meter size stall	\$1,133.00	\$1,133.00
Esplanade Market (12 monthly permits) 2.4 meter size stall	\$2,112.00	\$2,112.00
Esplanade Market (casual permits) 2.4 meter size stall	\$77.00	\$75.00
<b>Library Services</b>		
Local History - microfiche reader printer copies	\$0.20	\$0.20
Internet/PC copy charge	\$0.20	\$0.20
Black and white photocopy charges - A4	\$0.20	\$0.20
Black and white photocopy charges - A3	\$0.20	\$0.20
Colour Photocopy Charges	\$1.00	\$1.00
Inter Library Loans	\$2.00	\$2.00

## Appendix E3

### Fees and Charges - Community Development

Description	2015/16 Fee	2014/15 Fee
<b>Community Health &amp; Service Planning</b>		
<b>Community Connect-Community Facilities</b>		
Community groups Type 1 Based within CoPP	\$11.90	\$11.60
Community groups Type 2 operate from outside CoPP	\$17.50	\$17.00
Semi Commercial Hirers	\$41.50	\$40.50
Private Hire	\$59.00	\$57.50
Public Liability Insurance	\$28.50	\$28.50
Security Deposit - Standard	\$100.00	\$100.00
Security Deposit - Specific	\$500.00	\$0.00
<b>Access &amp; Ageing</b>		
<b>Access &amp; Inclusion</b>		
PAG - quarter day activities for older people and people with disabilities	\$5.20	\$5.05
PAG - half day activities for older people and people with disabilities - this includes water leisure activities	\$9.05	\$8.85
PAG - full day activities for older people and people with disabilities	\$14.25	\$13.90
PAG - Package	\$74.75	\$72.95
<b>Community Support</b>		
Personal Care - Base	\$5.85	\$5.70
Personal Care - Medium	\$13.85	\$13.45
Personal Care - Max	\$37.80	\$36.65
Personal Care - Package	\$49.40	\$48.00
Respite Care - Base Fee	\$4.15	\$4.00
Respite Care - Medium Fee	\$7.05	\$6.85
Respite Care - Max Fee	\$34.85	\$33.82
Respite Care - Package	\$49.40	\$48.00
Additional respite care	\$49.40	\$48.00
Additional respite care after hours	\$59.30	\$57.50
Additional respite care Public Holidays	\$74.20	\$71.95
Additional respite care overnight	\$106.70	\$103.50
Home Care - Base Fee	\$7.65	\$7.45
Home Care - Med Fee	\$18.05	\$17.50
Home Care - Max Fee	\$33.45	\$32.45
Home Care - Package	\$49.40	\$48.00
Property Maintenance - Base Fee	\$11.20	\$10.85
Property Maintenance - Med Fee	\$17.60	\$17.05
Property Maintenance - Max Fee	\$46.95	\$45.50
Property Maintenance - Package	\$66.50	\$64.50
<b>Food Services</b>		
Food Services	\$8.60	\$8.40
Food Services - Package	\$9.85	\$9.60
<b>Community Transport Bus Hire</b>		
Cleaning charge on hire buses	\$46.45	\$45.30
<b>Cora Graves - Hall Hire</b>		
Semi-Commercial Use	\$41.50	\$40.50
Casual Hire	\$59.00	\$57.50
Community Groups	\$11.90	\$11.60



## Appendix E3

### Fees and Charges - Community Development

Description	2015/16 Fee	2014/15 Fee
<b>Family, Youth &amp; Children</b>		
<b>Children's Services</b>		
Long Day Care daily fee	\$115.20	\$110.60
<b>Youth Services</b>		
Party Hire fees for St Kilda APG: Non-resident	\$188.00	\$188.00
Party Hire fees for St Kilda APG: Resident	\$121.50	\$121.50
Party Hire fees for St Kilda APG: Resident Concession	\$60.80	\$60.80
Party Hire fees for St Kilda APG: Non-resident Concession	\$110.00	\$110.00
Hire fees for St Kilda APG: Community groups based within CoPP	\$11.90	\$11.60
Hire fees for St Kilda APG: Community groups operate from outside CoPP	\$17.50	\$17.00
Hire fees for St Kilda APG: Semi Commercial Hirers	\$41.50	\$40.50

## Appendix E4

### Fees and Charges - Governance and Culture

Description	2015/16 Fee	2014/15 Fee
<b>Governance</b>		
<b>Meetings &amp; Events</b>		
<b>Minor Foreshore and Parks Weddings &amp; Events</b>		
St Kilda Botanical Gardens - Wedding Ceremony	\$389.00	\$379.25
Catani Gardens and St Vincents Gardens - Wedding Ceremony, Private Function	\$389.00	\$379.25
Catani Gardens and St Vincents Gardens - Corporate Function	\$735.00	\$717.50
General Gardens (non heritage) - Wedding Ceremony, Private Function	\$242.00	\$235.75
General Gardens (non heritage) - Corporate Function	\$646.00	\$630.38
Additional Structures (rides, jumping castles, etc)	\$194.00	\$189.63
<b>Hall Hire</b>		
<b>St Kilda Town Hall</b>		
<i>Auditorium - Half (including kitchen)</i>		
Commercial Mon-Fri half day	\$1,620.00	\$1,578.50
Commercial Mon-Fri whole day	\$2,375.00	\$2,316.49
Commercial Sat - Sun half day	\$2,000.00	\$1,952.63
Commercial Sat-Sun whole day	\$3,170.00	\$3,095.50
Community Mon-Fri half day	\$790.00	\$768.75
Community Mon-Fri whole day	\$1,155.00	\$1,127.50
Community Sat-Sun half day	\$945.00	\$922.50
Community Sat-Sun whole day	\$1,365.00	\$1,332.50
After Hours Hr Rate (before 8am, after 1am) - Community	\$158.00	\$153.75
After hours hourly rate (before 8am, after 1pm) - Commercial	\$282.00	\$275.11
<i>Auditorium - Full (including kitchen)</i>		
Commercial Mon-Fri half day	\$2,200.00	\$2,147.37
Commercial Mon-Friday whole day	\$3,310.00	\$3,228.75
Commercial Sat - Sun half day	\$2,890.00	\$2,818.75
Commercial Sat - Sun whole day	\$4,370.00	\$4,264.00
Community Mon-Fri half day	\$946.00	\$922.50
Community Mon-Fri Whole day	\$1,366.00	\$1,332.50
Community Sat-Sun half day	\$1,156.00	\$1,127.50
Community Sat-Sun whole day	\$1,576.00	\$1,537.50
<i>Casual Kitchen Hire (without Auditorium)</i>		
Commercial per hour	\$557.00	\$543.46
Community per hour	\$210.00	\$205.00
<b>Port Melbourne Town Hall</b>		
<i>Auditorium (Including Kitchen)</i>		
Commercial Mon-Fri half day	\$1,329.00	\$1,296.63
Commercial Mon-Fri whole day	\$2,217.00	\$2,162.75
Commercial Sat-Sun half day	\$1,676.00	\$1,634.88
Commercial Sat-Sun whole day	\$2,784.00	\$2,716.25
Community Mon-Fri half day	\$630.00	\$615.00
Community Mon-Fri whole day	\$946.00	\$922.50
Community Sat-Sun half day	\$946.00	\$922.50
Community Sat-Sun whole day	\$1,156.00	\$1,127.50
After Hours Hourly Rate Commercial- before 8am or after 1am	\$168.00	\$163.49
After Hours Hourly Rate Community- before 8am or after 1am	\$53.00	\$51.25

## Appendix E4

### Fees and Charges - Governance and Culture

Description	2015/16 Fee	2014/15 Fee
<b>South Melbourne Town Hall</b>		
<i>Auditorium (Including Kitchen)</i>		
Commercial Mon-Fri half day	\$1,565.00	\$1,527.25
Commercial Mon-Fri whole day	\$2,280.00	\$2,224.25
Commercial Sat - Sun half day	\$1,944.00	\$1,896.25
Commercial Sat-Sun whole day	\$3,047.00	\$2,972.50
Community Mon-Fri half day	\$788.00	\$768.75
Community Mon-Fri whole day	\$1,156.00	\$1,127.50
Community Sat-Sun half day	\$946.00	\$922.50
Community Sat-Sun whole day	\$1,366.00	\$1,332.50
After hours hourly rate (before 8am, after 1pm) - Commercial	\$281.00	\$273.98
After Hours Hr Rate (before 8am, after 1am) - Community	\$158.00	\$153.75
<b>Meeting Rooms</b>		
<b>St Kilda Town Hall Meeting Rooms</b>		
<i>Nairn</i>		
Commercial per hour	\$87.00	\$84.56
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Gunwarra Room</i>		
Commercial per hour	\$110.00	\$107.63
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Wominjeka Reception Room</i>		
Commercial per hour	\$110.00	\$107.63
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Council Chamber</i>		
Commercial per hour	\$163.00	\$158.88
Community per hour	\$79.00	\$76.88
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>St Kilda</i>		
Commercial per hour	\$87.00	\$84.56
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Ngargee</i>		
Commercial per hour	\$110.00	\$107.63
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Yalukit</i>		
Commercial per hour	\$110.00	\$107.63
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Training Room</i>		
Commercial per hour	\$110.00	\$107.63
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Port Melbourne Room</i>		
Commercial per hour	\$87.00	\$84.56
Community per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25

## Appendix E4

### Fees and Charges - Governance and Culture

Description	2015/16 Fee	2014/15 Fee
<b>Port Melbourne Town Hall Meeting Rooms</b>		
Mayors Room - Commercial, Private - per hour	\$87.00	\$84.56
Mayors Room - Community - per hour	\$42.00	\$41.00
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
Council Chamber - Commercial, Private - per hour	\$110.00	\$107.63
Council Chamber - Community - per hour	\$63.00	\$61.50
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<b>South Melbourne Town Hall Meeting Rooms</b>		
<i>Ballantyne Room</i>		
Commercial per hour	\$163.00	\$158.88
Community per hour (peak 9am - 5pm)	\$79.00	\$76.88
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<i>Council Chamber</i>		
Commercial per hour	\$163.00	\$158.88
Community per hour (peak 9am - 5pm)	\$79.00	\$76.88
Community per hour (non peak before 9am and after 5pm)	\$11.00	\$10.25
<b>Staff Labour</b>		
Duty Officer and Security Staff		
Duty Officer Fees - (Mon - Fri)	\$38.00	\$36.90
Duty Officer Fees - (Sat, Sun)	\$59.00	\$58.02
Duty Officer Fees - (Public Holidays)	\$76.00	\$73.78
Security Officer Fees - (Mon - Fri)	\$45.00	\$44.08
Security Officer Fees - (Sat, Sun & PH)	\$76.00	\$73.80
<b>Statutory Functions</b>		
Freedom of Information requests (excluding photocopying charges)	\$26.50	\$25.10

## Appendix E5

### Fees and Charges - Place Strategy and Development

Description	2015/16 Fee	2014/15 Fee
<b>City Development</b>		
<b>Building Control</b>		
<b>Building Control Fees</b>		
Legal Point of Discharge	\$60.90	\$60.90
Property enquiry (Form 2.10) 326/1	\$48.60	\$48.60
Property enquiry (Form 2.10) 326/1 - plus \$40 fast track fee	\$88.60	\$88.60
Flood level certificate 326/2	\$48.60	\$48.60
Flood level certificate 326/2 - plus \$40 fast track fee	\$88.60	\$88.60
Property enquiry - 326/3	\$48.60	\$48.60
Lodgement fee from Private Building Surveyors - commercial	\$36.40	\$36.40
Lodgement fee from Private Building Surveyors - residential	\$36.40	\$36.40
Govt building levy (Calculated as % of value of work)	0.128% & 0.034%	0.128% & 0.034%
Report and Consent Fee - Rescode	\$244.00	\$244.00
Report and Consent Fee - Hoarding	\$244.00	\$244.00
Fire Safety Determination - Small Building	\$525.30	\$512.50
Fire Safety Determination - Medium Building	\$1,575.95	\$1,537.50
Fire Safety Determination - Large Building	\$2,626.55	\$2,562.50
<b>Building Permit Internal</b>		
Demolish detached dwelling	\$1,074.80	\$1,048.60
Demolish attached dwelling	\$1,292.30	\$1,260.80
Demolish outbuildings	\$647.20	\$631.40
Swimming pools (includes barrier to AS 1926)	\$1,769.60	\$1,752.80
Fences	\$646.00	\$630.40
Carports/garages <20,000	\$861.50	\$840.50
Carports/garages >20,000	\$1,076.80	\$1,050.60
Alterations and additions to a dwelling <100,000	\$1,292.30	\$1,260.80
Alterations and additions to a dwelling 100,000-200,000	\$1,506.60	\$1,469.90
Alterations and additions to a dwelling 200,000-300,000	\$1,796.60	\$1,752.80
Alterations and additions to a dwelling >300,000	\$2,151.50	\$2,099.00
New dwellings <250,000	\$2,296.70	\$2,240.70
New dwellings 250,000-500,000	\$2,726.40	\$2,659.90
New dwellings >500,000	\$3,157.00	\$3,080.00
Multiple dwellings (2)	\$4,305.50	\$4,200.50
Multiple dwellings (3)	\$5,022.50	\$4,900.00
Multiple dwellings (4)	\$5,740.00	\$5,600.00
Amendment to building permits issued	\$502.20	\$490.00
Extension of time to building permits issued	\$502.20	\$490.00
Shop fit outs <100,000	\$1,148.30	\$1,120.30
Shop fit outs 100,000-200,000	\$1,363.70	\$1,330.50
Shop fit outs >200,000	\$1,578.50	\$1,540.00
Internal alterations to class 2 apartments	\$1,077.30	\$1,051.00
Extension of time- Class 1 or 10	\$299.30	\$292.00
Extension of time- Class 2-9	\$430.50	\$420.00
Lapsed Permit Renewal (Class 1 or 10)	\$597.75	\$583.20
Lapsed Permit Renewal (Class 2 - 9) Minimum Fee	\$747.00	\$728.80

## Appendix E5

### Fees and Charges - Place Strategy and Development

Description	2015/16 Fee	2014/15 Fee
<b>Class 2, 3, 4, 5, 6, 7 &amp; 9 Alterations, additions and new buildings.</b>		
Up to \$40,000	\$784.00	\$765.00
\$40,000 - \$100,000	\$ value x (1.749%)	\$ value x (1.749%)
\$100,001 - \$500,000	\$ value x (1.523%)	\$ value x (1.523%)
\$500,001 - \$2 million	\$ value x (0.617%)	\$ value x (0.617%)
>\$2 - \$10 million	\$ value x (0.3284%)	\$ value x (0.3284%)
>\$10 - \$20 million	\$ value x (0.219%)	\$ value x (0.219%)
>\$20 - \$30 million	\$ value x (0.215%)	\$ value x (0.215%)
>\$30 - \$40 million	\$ value x (0.1965%)	\$ value x (0.1965%)
>\$40 - \$50 million	\$ value x (0.2048%)	\$ value x (0.2048%)
>\$50 million	\$ value x (0.1872%)	\$ value x (0.1872%)
<b>Business Support</b>		
Form A Report & Consent Request (Bldg Surv)	\$55.55	\$55.55
File/Search Requests Res - pre 2002 (Tax 10%)	\$106.00	\$103.50
File/Search Requests Res - 2002 onwards (Tax 10%)	\$57.00	\$55.50
File/Search Requests Comm- pre 2002 (Tax 10%)	\$308.00	\$300.00
File/Search Requests Comm - 2002 onwards (Tax 10%)	\$90.00	\$88.00
Residential Property Information Request (Tax 10%)	\$101.00	\$98.40
Commercial Property Information Request (Tax 10%) (Includes copies of Permits - not plans)	\$308.00	\$300.00
Search fees - Residential	\$96.00	\$93.20
Search fees - Apartments	\$288.00	\$280.90
Search fees - Commercial	\$288.00	\$280.90
Search fees - Cert of Occupancy, Permits etc	\$57.00	\$55.40
<b>Advertising</b>		
Board	\$76.00	\$73.80
Letter	\$11.00	\$10.30
<b>Photocopying - Plan Printing</b>		
A4	\$1.35	\$1.30
A3	\$2.25	\$2.20
A2	\$4.95	\$4.80
A1 & AO	\$7.60	\$7.40
Planning Confirmation	\$174.00	\$169.00
Copy of Planning Register	\$76.00	\$73.80

## Appendix E5

### Fees and Charges - Place Strategy and Development

Description	2015/16 Fee	2014/15 Fee
<b>Statutory Planning</b>		
Planning permit to change the use of the land only	\$502.00	\$502.00
<i>To develop or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of development included in the application is:</i>		
< \$10 000	\$0.00	\$0.00
≥ \$10 000 ≤ \$100 000	\$239.00	\$239.00
> \$100 001	\$490.00	\$490.00
<i>To develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:</i>		
≤ \$10 000	\$102.00	\$102.00
≥ \$10 000 ≤ \$250 000	\$604.00	\$604.00
≥ \$250 000 ≤ \$500 000	\$707.00	\$707.00
≥ \$500 000 ≤ \$1 000 000	\$815.00	\$815.00
≥ \$1 000 000 ≤ \$7 000 000	\$1,153.00	\$1,153.00
≥ \$7 000 000 ≤ \$10 000 000	\$4,837.00	\$4,837.00
≥ \$10 000 000 ≤ \$50 000 000	\$8,064.00	\$8,064.00
> \$50 000 000	\$16,130.00	\$16,130.00
To subdivide an existing building	\$386.00	\$386.00
To subdivide land into two lots	\$386.00	\$386.00
To effect a realignment of a common boundary between lots or to consolidate two or more lots	\$386.00	\$386.00
To subdivide land	\$781.00	\$781.00
To remove a restriction over the land if the land has been used or developed for more than 2 years before the date of the application in a manner which would have been lawful under the Planning and Environment Act 1987 but for the existence of the restriction	\$249.00	\$249.00
To create, move or vary a restriction; or to create or remove a right of way	\$541.00	\$541.00
To create, move or remove an easement other than a right of way; or to vary or remove a condition in the nature of an easement other than a right of way in Crown grant.	\$404.00	\$404.00
Amend an application after notice has been given (Section 57A) (no fee for one dwelling if the estimated cost of development included in the development is less than \$10,000)	\$102.00	\$102.00
Certificate of Compliance	\$147.00	\$147.00
Determining whether a matter has been carried out to the satisfaction of the responsible authority (including car parking consent)	\$102.00	\$102.00
<b>Amendment to Permits</b>		
<b>Subdivisions</b>		
Application to amend	\$386.00	\$386.00
Change of use or an amendment to a condition in a permit	\$502.00	\$502.00
<i>An application to amend a permit (other than a permit to subdivide land) to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of any additional development to be permitted by the amendment is:</i>		
< \$10 000	\$0.00	\$0.00
> \$10 000 - \$100 000	\$239.00	\$239.00
> \$100 001	\$490.00	\$490.00



## Appendix E5

### Fees and Charges - Place Strategy and Development

Description	2015/16 Fee	2014/15 Fee
<i>An application to amend a permit to develop, other than (a) a permit to undertake development ancillary to the use of the land for a single dwelling per lot where the total estimated cost of the development originally permitted and the additional development to be permitted by the amendment is not more than \$10,000; or (b) a permit to subdivide land if the estimated cost of any additional development to be permitted by the amendment is:</i>		
< or equal to \$10 000	\$102.00	\$102.00
> \$10 001 - \$250 000	\$604.00	\$604.00
> \$250 001 - \$500 000	\$707.00	\$707.00
> \$500 001 - 1,000 000	\$815.00	\$815.00
Secondary consent	\$130.20	\$127.00
<b>Discretionary Planning Fees</b>		
Certification	\$129.20	\$126.00
Certification (per lot)	\$20.00	\$20.00
<b>Permit Extension of Time</b>		
1 dwelling	\$574.50	\$560.50
2-9 dwellings	\$693.40	\$676.50
10 or more dwellings	\$920.35	\$897.90
Subdivisions	\$573.60	\$559.60
Commercial/industrial	\$863.55	\$842.50
Car parking consent	\$130.20	\$127.00
Fast Track Applications	\$122.90	\$119.90
<b>City Permits</b>		
<b>Community Amenity</b>		
Work Zone - application fee	\$97.00	\$95.00
Works zone permit for 3 or less months: Parking in front of construction site for workers' private vehicles for 3 months or less. Up to 4 bays or the width of the site (whichever is the lesser)	\$1,224.00	\$1,194.00
Works zone permit for 6 months Parking in front of construction site for workers' private vehicles for 6 months. Up to 4 bays or the width of the site (whichever is the lesser)	\$2,185.00	\$2,132.00
Works zone permit for 9 months Parking in front of construction site for workers' private vehicles for 9 months. Up to 4 bays or the width of the site (whichever is the lesser)	\$2,860.00	\$2,790.00
Works zone permit for 12 months Parking in front of construction site for workers' private vehicles for 12 months. Up to 4 bays or the width of the site (whichever is the lesser)	\$3,557.00	\$3,470.00
Work Zone permit extensions: An extension to the permit allowing parking in front of construction site for workers' private vehicles.	\$821.00	\$801.00
Work Zone permit (additional parking bays, in excess of four) Additional parking bays for workers' private vehicles in front of a construction site.	\$250.00	\$244.00
Work Zone Signage installations and removal ( <b>NEW FEE 15/16</b> )	\$368.00	\$0.00
Advertising Signs (Real Estate Agents) application fee Application fee for the permit to allow small Auctions signs to be placed in residential streets at the time of auctions or open for inspections only.	\$97.00	\$95.00
Advertising Signs (Real Estate Agents) permit fee Annual permit for small Auctions signs to be placed in residential streets at the time of auctions or open for inspections only.	\$627.00	\$612.00

## Appendix E5

### Fees and Charges - Place Strategy and Development

Description	2015/16 Fee	2014/15 Fee
<b><i>Itinerant Trading</i></b>		
Charity Bins application fee	\$97.00	\$95.00
Application fee for permit to place a charity clothing bin on council land.		
Charity Bins permit fee	\$62.00	\$60.50
Permit fee to place a charity clothing bin on council land.		
Charity Bins Permit Renewal Fee ( <b>NEW FEE 15/16</b> )	\$97.00	\$0.00
Commercial Waste Bins application fee	\$97.00	\$95.00
Application fee to apply for permit to store waste bins for commercial premises on council land e.g. for cafes (not skip bins).		
Commercial Waste Bins permit fee	\$62.00	\$60.50
Permit fee to store waste bins for commercial premises on council land e.g. for cafes (not skip bins).		
Commercial Waste Bins - 120 litre bin	\$62.00	\$60.50
Commercial Waste Bins - 240 litre bin	\$90.00	\$88.00
Commercial Waste Bins - up to 1200 litres	\$359.00	\$350.00
Non motorised trading permit fee (including pedicabs & horse drawn carts)	\$2,306.00	\$2,250.00
<b><i>Occupying the road for works:</i></b>		
Asset Protection Permit.	\$213.00	\$208.00
Permit and deposit for protection of council land and assets to cover costs for any damage associated with development works at a construction site.		
Out of Hours Permit - application fee	\$97.00	\$95.00
Application fee for development work undertaken outside approved hours under the Local Law: 7am-6pm M-F, 9am-3pm Sat. No works on Sunday or public holidays.		
Out of Hours Permit - permit fee per day	\$353.50	\$345.00
Fee per day for development work undertaken outside approved hours under the Local Law: 7am-6pm M-F, 9am-3pm Sat. No works on Sunday or public holidays.		
Road Opening Permit - application fee	\$97.00	\$95.00
Application fee to excavate council land for the purposes of water, electricity, telecommunications etc for private contractors. Under legislation, service authorities are not required to obtain permits.		
Road Opening Permit - permit fee	\$106.50	\$104.00
Permit fee to excavate council land for the purposes of water, electricity, telecommunications etc for private contractors. Under legislation, service authorities are not required to obtain permits.		
Vehicle Crossing - application fee	\$97.00	\$95.00
Application fee for permit to construct or repair a private driveway to council specifications.		
Vehicle Crossing - permit fee	\$159.00	\$155.00
Permit fee to construct or repair a private driveway to council specifications (paid once assessment of application determines that a permit is okay to be issued).		
Street Occupation Permits - application fee	\$97.00	\$95.00
Application fee to apply for a permit to occupy council land for works or storage of associated building materials.		
Street Occupation Permits - permit fee	\$116.00	\$113.00
Permit fee to occupy council land for works or storage of associated building materials.		

## Appendix E5

### Fees and Charges - Place Strategy and Development

Description	2015/16 Fee	2014/15 Fee
Street Occupation Permits - (plus \$2 ground / \$1 head gantry per sq meter per day) For street occupation permits, an additional \$2 per square meter of ground level surface taken up per week or \$1 per square metre per day for overhead gantry (air space e.g.	Plus \$2.10 ground / \$1.10 head gantry per sq meter per day	Plus \$2.10 ground / \$1.10 head gantry per sq meter per day
Road Closure Permit - application fee Application fee for permit to close off one lane of traffic or to close the whole road subject to Traffic Management Plan approval.	\$97.00	\$95.00
Road Closure Permit - fee per day with road opening Permit fee to close off one lane of traffic or to close the whole road subject to Traffic Management Plan approval.	\$122.00	\$119.00
Road Closure Permit - fee per day for other closures	\$203.00	\$198.00
Skip Bin Permit - application fee Application fee to apply for a permit to store a refuse/skip bin on council land.	\$25.50	\$25.00
Skip Bin Permit - per day Daily fee for permit to store a refuse/skip bin on council land.	\$17.50	\$17.00
Skip Bin Permit - per week Weekly fee to store a refuse/skip bin on council land.	\$84.50	\$82.50
Skip Bin Permit - per day discounted rate Daily fee for permit to store a refuse/skip bin on council land.	\$0.00	\$0.01
Skip Bin Permit - per week discounted rate Weekly fee to store a refuse/skip bin on council land.	\$0.00	\$0.01
Shipping Container or Portable Storage Containers - up to 6 meter; per day rate <b>(NEW FEE 15/16)</b>	\$120.00	\$0.00
Shipping Container or Portable Storage Containers - greater than 6 meter; per day rate <b>(NEW FEE 15/16)</b>	\$200.00	\$0.00
<b>Signage</b>		
Significant Trees - application fee Application fee to apply for permit to remove or prune a significant tree on private land.	\$97.00	\$95.00
Significant Trees - permit fee Permit fee to remove or prune a significant tree on private land.	\$62.50	\$61.00
General Local Laws Permit Fee	\$169.00	\$165.00
<b>Footpath Trading</b>		
<b>Occupancy Permits - Tables (charge is annually per item)</b>		
Acland Street	\$141.00	\$141.00
Fitzroy Street	\$109.00	\$109.00
Standard	\$73.00	\$73.00
Discount	\$45.00	\$45.00
<b>Footpath occupancy permits- Chairs</b>		
Acland Street	\$206.00	\$206.00
Fitzroy Street	\$135.00	\$135.00
Standard	\$108.00	\$108.00
Discount	\$70.00	\$70.00
<b>Footpath occupancy permits- Glass Screens - Tables</b>		
Fitzroy Street	\$148.00	\$148.00
Standard	\$98.00	\$98.00
Discount	\$61.00	\$61.00

## Appendix E5

### Fees and Charges - Place Strategy and Development

Description	2015/16 Fee	2014/15 Fee
<b>Footpath occupancy permits- Glass Screens - Chairs</b>		
Fitzroy Street	\$181.00	\$181.00
Standard	\$146.00	\$146.00
Discount	\$95.00	\$95.00
Footpath occupancy permits - Advertising signs 1 per property only	\$296.00	\$296.00
Footpath occupancy permits - Display of goods	\$354.00	\$354.00
Footpath occupancy permits - Planters per premises with outdoor furniture	\$102.00	\$102.00
Footpath occupancy permits - Screens per premises with outdoor furniture	\$180.00	\$180.00
Footpath occupancy permits - Outdoor heaters	\$119.00	\$119.00
Renewal Fee	\$68.00	\$68.00
New Applications Fee	\$68.00	\$68.00
Transfers	\$68.00	\$68.00
Glass Screen Application Fees	\$237.00	\$237.00
<b>Temporary Permits</b>		
Temporary Application Fee	\$68.00	\$68.00
Temp - Marketing & Promotion activity (daily charge) to a max of \$305	\$74.00	\$74.00
Advertising signs application fee	\$68.00	\$68.00
Advertising signs per day (with a max of \$255)	\$40.00	\$40.00
<b>Extended Trading - Outdoor seating</b>		
Extended Trading application fee	\$68.00	\$68.00
Extension of current situation \$10m <sup>2</sup> Min of \$200	\$223.00	\$223.00
Marque enclosing outdoor seating \$15m <sup>2</sup> Min of \$200	\$223.00	\$223.00
Marque - once off yearly sales \$110/day max \$550	\$119.00	\$119.00
<b>Mobile Food Vans</b>		
Mobile Food Vans Permit	\$2,173.00	\$2,120.00
Mobile Food Vehicle Application Fee	\$70.00	\$68.00
<b>City Growth</b>		
<b>Planning Scheme Amendment Fees</b>		
Assessment of Request	\$798.00	\$798.00
Consideration of Submissions	\$798.00	\$798.00
Adoption	\$524.00	\$524.00



For more information, please contact us via:  
[www.portphillip.vic.gov.au/contact\\_us.htm](http://www.portphillip.vic.gov.au/contact_us.htm)

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You can also visit our website [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

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For more information visit: [www.relayservice.gov.au](http://www.relayservice.gov.au)

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#### Language assistance

廣東話	9679 9810	Ελληνικά	9679 9811
普通話	9679 9858	Русский	9679 9813
Polska	9679 9812	Other	9679 9814