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## ABOUT THIS REPORT

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This is the eleventh annual report produced by the City of Port Phillip. It is an opportunity for us to reflect on where we have been over the past year and celebrate our achievements.

We are committed to providing open and transparent reporting to the community. We are also committed to meeting all our statutory reporting responsibilities. This includes responding to the Local Government Act 1989 and the Local Government (General) Regulations 2004, which outline what is to be contained in the annual report.

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

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

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

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

## INTRODUCTION FROM THE MAYOR

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The last twelve months has been a dynamic time for the City of Port Phillip. One critical community event was the council election in November 2004. With the retirement of four councillors at those elections, the newly elected team of seven included four first-time councillors.

Highlights of the 2004-2005 year have included planting an extra 1,000 trees in streets and parks, securing state government funding to save Middle Park Beach, new environmental initiatives such as Port Phillip's first stormwater retention system.

With the new council determined to focus on the future, we have developed a four year council plan that aims to keep Port Phillip a great place 10 or 20 or 50 years into the future.

The council plan tackles many tough issues such as the child care access crisis, where future residential development should and shouldn't go, and how to look after the long-term environmental future of the city.

We have to do the groundwork now so that services and facilities support an inclusive community in years to come. For instance, we are looking to a future where older people can access local care services - so they can stay in the communities they cherish, near the people they love. We need to work closely with other levels of government to address these long-term challenges.

Dealing with all these challenges doesn't just require an ongoing conversation with the community about their vision for the future. It also requires smart and far-thinking resource management. In this report you will also find details of council's healthy financial position.

Council's annual report is an important part of the Port Phillip council's accountability and good governance. It's an opportunity for conversation about what has been achieved and where we're heading.

Community members can also stay informed about what's happening through our community newsletter, *Diversity*, through Port Phillip Online ([www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)) and through local media. These are exciting times, so keep in touch!



**Councillor Darren Ray**  
**Mayor**

## THE CHIEF EXECUTIVE OFFICER

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The last financial year has seen significant progress on a number of projects critical to the future of the City of Port Phillip.

St Kilda's Edge is a twenty year vision for the rejuvenation of the St Kilda foreshore. In April 2004 expressions of interest were called for to develop the 'triangle site', the site that includes the Palais, the Palace and a car park. The call for expressions of interest emphasised the need to celebrate the 'St Kilda-ness' of the site.

A preliminary plan was drawn up for a new St Kilda promenade along the beach, which will be the subject of community consultation later in 2005. The redevelopment of West Beach Pavilion near the Catani Gardens progressed significantly. This will see a new café and a new public space available free for community events.

Construction started on the upgrade to South Melbourne Market in January 2005. The upgrade will ensure the market complies with health, safety and food standards. I'm grateful for the co-operation of shoppers and stallholders as we ensure the future for Melbourne's most authentic community market.

Reflecting the vital importance of public libraries, council increased its spending on library books, magazines, videos, DVDs and other items by 20% over the year. A new library strategic plan was developed.

The council made a range of improvements to open space and environmental services, including planting new trees, improving beach cleaning, and implementing a new on-demand hard rubbish service.

A planning permit was granted for the redevelopment of the St Kilda Town Hall. This project will make the best use possible of our town halls, which are important and symbolic community spaces. The building redevelopment will see Port Phillip staff consolidated at St Kilda Town Hall and substantially free up some space in the South Melbourne Town Hall for use by community groups.

The attached financial statements show that council's financial position is sound, with a net operating surplus of \$5.3m and a marked improvement in its working capital ratio to 3.68 (2004: 2.86). Council continues to expand capital works within a responsible financial strategy to ensure infrastructure adequacy throughout the City. A number of projects extend beyond this financial year and funds have been set aside to be drawn down as required, to complete the projects.

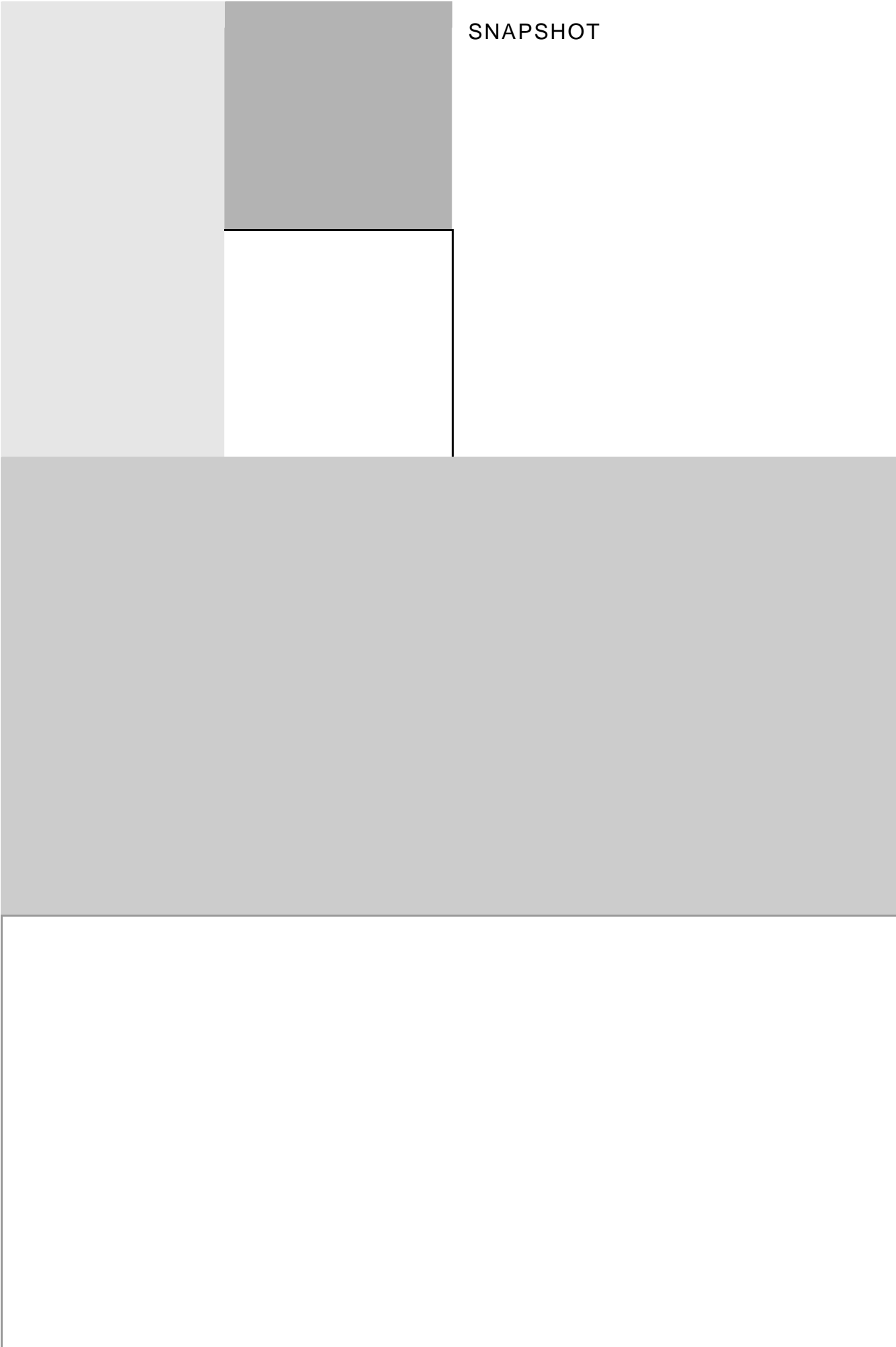
Although Port Phillip is financially healthy, the local government sector as a whole is facing a real challenge in ensuring long-term financial sustainability. The federal government, state government and the local government sector are now working on an agreement to deliver full funding of allocated responsibilities. I have been working with a group of local government CEOs across Australia to model long-term solutions to local government financing. We hope that the federal government will make a decision to restore and maintain local government proportional funding levels.

The Port Phillip community rightly expects high standards of services and facilities across the municipality. Port Phillip puts significant effort into ensuring staff are trained and supported to respond promptly and effectively to community demands. As an organisation we are also planning for a sustainable future to ensure that services and facilities meet community needs in the years to come.



David Spokes  
Chief Executive Officer

SNAPSHOT



# SNAPSHOT

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## The City

A municipality on the north eastern shores of Port Phillip Bay, the City of Port Phillip covers 20.4 square kilometres, and is one of the oldest areas of European settlement in Melbourne. Port Phillip is known for its many dynamic urban villages and a foreshore that stretches for over 11 kilometres, incorporating several of Melbourne's most popular beaches. It also features some of Victoria's most celebrated and innovative cultural events, recreational facilities, restaurants and entertainment venues.

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

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

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

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

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

More information about Port Phillip, including maps, local history, a community profile, a business profile and census information from the Australian Bureau of Statistics, is available on the council's website at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

## The Services

The City of Port Phillip provides an extraordinary breadth and depth of services for the city's residents and countless visitors and workers.

The council has responsibility for services under the ground (drains), on the ground (roads, kerbing, nature strips, footpaths and garbage collection), and above the ground (libraries, art spaces, parks and beaches, street lighting, furniture and trees).

The organisation keeps 11.16 kilometres of beach clean and safe. Over a year, it empties 18,939 tonnes of garbage from 32,000 bins, and collects 10,972 tonnes of recyclables (glass, plastic and metal). It also maintains an extensive network of roads, drains, and footpaths, including 222 kilometres of roads.

Support services are provided for all aspects of life (health and residential, education and recreation) at all stages of life (new-born babies, children, youth, family, adult and aged care). For example, the council's home care workers commit 60,000 hours to elderly and disabled people.

The council also monitors and directs development in the city, handling 170,000 queries on planning and managing 1,600 planning applications. It offered \$165,000 in community grants in the 2004/2005 financial year and advocated on the community's behalf to other levels of government to provide funding to maintain further services and facilities to ensure Port Phillip's amenity is maintained.

# SNAPSHOT

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## Capital Works

In 2004/2005 the City of Port Phillip directed over \$17.6 million towards the rehabilitation, improvement and creation of infrastructure such as roads, footpaths, drains, parks and open space as well as street furniture. The scope of these projects extended from horticultural improvement, planting of additional trees, road and street construction and building improvements to future project design.

Following is a snapshot of some of the 2004/2005 capital works.

### **St Kilda Town Hall Accommodation Strategy \$5 million.**

Alterations and additions to the Port Phillip municipal offices at St Kilda to enhance service delivery to the community. Construction works will commence in 2005.

### **Childcare Centre compliance works \$200,000**

Alterations arising from regulatory changes covering children's services were undertaken. These works included installation of shade structures, improved fencing, toilet and bathroom improvements.

### **South Melbourne Market stage 2 compliance \$3 million**

The deli aisles and Cecil street stalls are being upgraded. There are also improvements to the waste management areas. The installation of a fire sprinkler together with stall improvements will bring the market up to date with the latest Food Act and Building Regulations and Occupational Health and Safety regulations. It will create a better environment for the stallholders to present their wares to shoppers.

### **Sandridge Beach \$300,000**

Priority works identified in the masterplan were designed and implemented. The works will include boulevard planting and foreshore landscaping to connect the Sandridge Foreshore from Beacon Cove to Webb Dock.

### **Port Melbourne Light Rail Reserve \$250,000**

This is the 3<sup>rd</sup> stage of a 4 stage project and included; planting, playground upgrade, heritage wall restoration, new water feature/dog drinking areas and park furniture.

### **Playgrounds improvements \$220,000**

This is an annual program designed to replace old and broken equipment. Projects included upgrade of the playground at Alma Park East St Kilda, Clarke Street Elwood and Crean Reserve Middle Park.

### **Catani Arch Rehabilitation \$250,000**

The Catani Arch is recognised as a historic asset. The project has involved a detailed structural analysis of the bridge and extensive remedial works to ensure preservation.

### **Richardson, Pickles and Liardet Street traffic signals \$460,000**

Installation of traffic and pedestrian signals at the intersection of Richardson, Pickles and Liardet Street, Port Melbourne, to improve safety for pedestrian and vehicles.

### **Footpaths \$945,000**

Resurfacing of various footpaths across Port Phillip.

### **Road works**

Road works including resurfacing on;

- Little Lyell Street \$80,000
- Victoria Lane \$100,000
- Railway Place \$80,000
- Spray Street \$225,000
- Woodgate Street \$210,000
- Liardet Street \$140,000
- Foam Street Footbridge \$125,000
- Montague Street \$200,000

## Awards

Awards won by the City of Port Phillip throughout 2004/2005 include:

- Planning Institute of Australia (Victoria), Planning Minister's Award for Melbourne 2030 Implementation, for the South Melbourne Central structure plan
- National Planning Institute, Urban Design Plan and Ideas Award joint winner, for the South Melbourne Central structure plan
- LGPro, Awards for Excellence 2004, Innovative Management Initiative finalist, for the Corporate Plan 2003-2006
- Australian Institute of Landscape Architects, 2004 Victoria Merit Award for Environment in Landscape Architecture, for the Port Phillip EcoCentre and St Kilda Botanic Gardens North West Landscape (won by EcoCentre Management in association with the community)
- Australian and New Zealand Mental Health Service, 2004 Achievement Award, for RAG Theatre, BiPolar Bears and KickstART (arts programs for people who experience mental illness)

## Commitments

### Community Vision

Our vision for the City of Port Phillip is of a city where diversity and harmony are sustained and encouraged.

A place where all members of our community feel connected through a sense of belonging and pride in our city. There is a shared responsibility to ensure all people, regardless of age or of cultural and socio-economic background enjoy the benefits of our city and participate in all it has to offer.

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

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

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

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



## SNAPSHOT

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We envisage that our city's services match the people's needs, are innovative, responsive and continually improving. Our services are wide ranging and address the needs of our community on a physical, human and cultural level.

Our vision is of a city where the council services provide support to the four key pillars of our community - environmental responsibility, economic viability, cultural vitality and social equity - to create a sustainable and harmonious future.

### **Community Plan**

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

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

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

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

### **Council Plan**

The 2004/2008 council plan outlined our four main goals, strategic objectives and strategies for achieving the objectives for the period from 2004/2005. A summary of the council's strategic resources plan was also included in the council plan. The strategic resource plan explains how we allocate our financial and non-financial resources to achieve our strategic objectives. The council plan also listed the major initiatives and key strategic activities from our 2004/2005 budget with performance targets and measures.

Looking back, our performance against the commitments made in our 2004/2005 is demonstrated in a number of ways throughout this annual report. The highlights table summarises our performance at a glance. The performance statement reports on the key strategic activities selected to represent the top priorities for the organisation in 2004/2005. Other achievements are outlined in the key projects section, which profiles some of these achievements in more detail.

# SNAPSHOT

## Highlights

This table is a snapshot of the council's performance during 2004/2005.

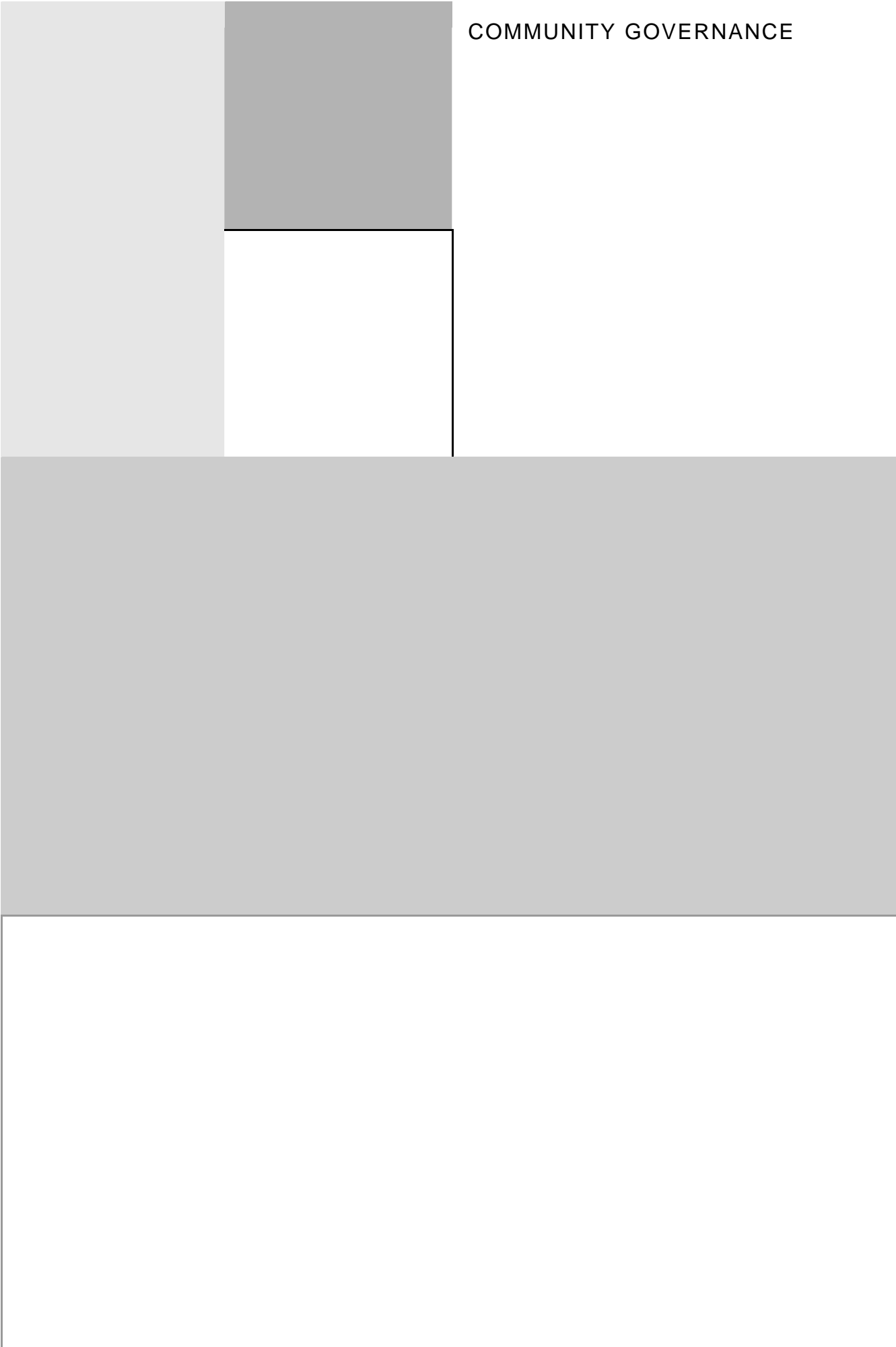
Further information and supporting data and evidence is available elsewhere in this report and on the council's website. Information on corporate/council plan indicators is also available on the council's website at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

	Economic Viability	Environmental Responsibility
Goals	To promote effective stewardship of the city's resources and promote positive economic development within Port Phillip that supports the council's social, cultural and environmental goals.	To place a minimal and balanced load on our environment while recognising that the city is highly complex, urbanized and altered.
Outcomes	The council has significantly improved our contact record ratings, obtained planning approval to redevelop the St Kilda Town Hall, effectively participated in a national campaign to raise awareness of the impact of cost shifting on local government, established a Government Relations Taskforce to improve advocacy at all levels of government; continued to promote the South Melbourne Market as an authentic community market whilst conducting extensive renovations, finalised an Economic Development Strategy and achieved adequate governance arrangements and government support for St Kilda's Edge.	The council has finalised service levels and methods for the collection and disposal of hard and green waste, negotiated a new parks and open space contract, implemented a new Noise Management Strategy, made considerable progress on greening Port Phillip, updated the Elwood Foreshore Management Plan following extensive community consultation and progressed sustainable transport policy and initiatives in the city.
Outputs	Highlights planned – 31 Highlights completed – 28 Some examples: <ul style="list-style-type: none"> <li>• 95% of all contacts with persons and actions recorded</li> <li>• 87% of the community who had contact with the council rate council's performance in customer contact as adequate or better (up from 67% in 2003/2004)</li> <li>• 85% community rating satisfaction of adequate or better for the overall performance generally of the council</li> </ul>	Highlights planned – 16 Highlights completed – 12 Some examples: <ul style="list-style-type: none"> <li>• 80% feel that council addresses environmental issues as adequate or better</li> <li>• 1052 trees planted</li> <li>• 74% of the community rate satisfaction with the appearance of public areas as adequate or better</li> <li>• 87% of the community feel there is easy access to parks, bike tracks and recreation areas</li> <li>• 324 participants in the Sustainable Living at Home program</li> </ul>
Way Forward	In 2005/2006 the council will focus on: <ul style="list-style-type: none"> <li>• Our service to the community – improving the contract experience with council and providing new on line services</li> <li>• Town Halls Strategy – building works at St Kilda Town Hall and ensuring project delivery within approved council budget</li> <li>• Commonwealth Games – delivering on our responsibilities and ensuring expenditure falls within approved financial commitments</li> <li>• St Kilda's Edge – achieving significant progress on the redevelopment of the triangle site</li> <li>• Port Melbourne – Advocating for final decisions on financial transfers, the future of Princes Pier, infrastructure improvements for Waterfront Place and transfer of planning responsibilities back to council</li> </ul>	In 2005/2006 the council will focus on: <ul style="list-style-type: none"> <li>• Environmental performance – Improving the council's environmental performance</li> <li>• Waste – concluding a regional contract for processing of recyclables and the garbage stream as an alternative to landfill</li> <li>• Sustainable transport – Delivering a number of projects such as the Beach Road bicycle lane and encouraging walking, cycling and public transport trips within the city</li> <li>• Capital works – implementing the 2005/2006 capital works program of \$21.788 million</li> </ul>

# SNAPSHOT

Cultural Vitality	Social Equity	
<p>To support the conditions that allows all communities within Port Phillip to experience and enjoy diversity of values, beliefs and aspirations.</p>	<p>To develop resilient and fair communities by ensuring residents are effectively and appropriately supported in accessing services.</p>	Goals
<p>The council has lifted the profile of council services , reached agreement with Parks Vic and the Grand Prix Corporation to more effectively accommodate local sporting users of Albert Park Reserve, finalised the draft of Inner Melbourne Action Plan for community consultation prior to its adoption, broadened participation in neighbourhood forums, improved our communications, adopted the nightlife policy framework and implemented the improved Advisory Committee framework.</p>	<p>The council has formed a coalition of aged care providers, developed the Municipal Early Years Plan, participated in the development of the Community Schoolyard initiative to improve local connections for schools, arranged for the selection of Port Phillip Housing Association as an Affordable Housing Association, implemented a number of projects from Disability Action Plan, implemented the community meals' subsidies program and implemented a number of priority actions in the Healthy and Safer Cities' Plan and the Municipal Drug Strategy.</p>	Outcomes
<p>Highlights planned – 22            Highlights completed – 22            Some examples:</p> <ul style="list-style-type: none"> <li>• 68% of the community agree that council's communications are accessible for people with multicultural needs</li> <li>• 57% of our community feel encouraged to participate</li> <li>• 89% community rating recreation facilities as adequate or better</li> <li>• 93% community rating quality of life as adequate or better</li> </ul>	<p>Highlights planned – 21            Highlights completed – 19            Some examples:</p> <ul style="list-style-type: none"> <li>• Opened Excelsior Hall (community housing project)</li> <li>• 56% of the community feel that there are opportunities to volunteer in local groups</li> <li>• 65% of the community feel that people are friendly, good neighbours and help others</li> <li>• 59% of the community attend community events</li> </ul>	Outputs
<p>In 2005/2006 the council will focus on:</p> <ul style="list-style-type: none"> <li>• Community engagement – target areas where there is evidence of less community contact to improve community engagement</li> <li>• Melbourne 2030 implementation – progressing three structure plans, for South Melbourne, Carlisle Street and Bay Street</li> <li>• Shopping centre character – implement strategies to reinforce the distinct and diverse characters of the activity centres</li> <li>• Sport and Recreation Strategy – develop a new strategy that identifies trends and opportunities to boost participation in physical activity</li> </ul>	<p>In 2005/2006 the council will focus on:</p> <ul style="list-style-type: none"> <li>• Child Care – adopt a new council position on child care services within the municipality following the children's services review as well as commence construction of the Elwood Family Children's Services Centre</li> <li>• Community centre – make significant progress on a number of community centres within the municipality</li> <li>• Aged care – facilitate an alternative site for the South Port Nursing Home</li> <li>• Community strengthening – pursue opportunities in the State Government Community Strengthening Program</li> </ul>	Way Forward

COMMUNITY GOVERNANCE



# COMMUNITY GOVERNANCE

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## Local Government

Australia has three levels of government: federal, state and local government. Local government (or your local council) is responsible for your local area and is the closest sphere of government to the people. In addition to providing a wide range of services, councils have the power to make and enforce local laws and collect revenue to fund their activities. Constitutional responsibility for local government rests with the state, which provides the legal framework in which local governments operate. The activities of councils in Victoria are regulated by the Local Government Act 1989, which provides a framework for councils by articulating their purposes, objectives, functions and powers. Just like federal and state governments, local councils have elected representatives (councillors) who are elected by residents and property owners. Councillors are responsible for developing council policies and overseeing the management of issues affecting the local community through their planning activities and the decisions they make at formal council meetings .

## Establishment of the City

In 1994 the City of Port Phillip was created by government decree. The City marked its first decade on 22 June 2004.

## Neighbourhoods and Wards

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

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

Detailed neighbourhood profiles are available on the council's website at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

# COMMUNITY GOVERNANCE

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## Councillors

### Elected during 2004/2005

**Darren Ray (Mayor)**

Telephone (03) 9209 6431  
(business hours)  
Mobile 0413 334 523  
Fax (03) 9536 27111  
Ward Alma  
Date of election 27/11/04  
(current term)  
Date of retirement 29/11/08  
dray@portphillip.vic.gov.au

**Janet Bolitho (Deputy Mayor)**

Telephone (03) 9209 6705  
(business hours only)  
Mobile 0411 096 400  
Fax (03) 9536 2766  
Ward Sandridge  
Date of election 27/11/04  
(current term)  
Date of retirement 29/11/08  
jbolitho@portphillip.vic.gov.au

**Janet Cribbes**

Telephone (03) 9209 6705  
(business hours)  
Mobile 0411 098 553  
Fax (03) 9536 2769  
Ward Ormond  
(current term)  
Date of retirement 29/11/08  
jcribbes@portphillip.vic.gov.au

**Peter Logan**

Telephone (03) 9209 6705  
(business hours)  
Mobile 0412 697 074  
Fax (03) 9536 2718  
Ward Emerald Hill  
Date of election 27/11/04  
(current term)  
Date of retirement 29/11/08  
plogan@portphillip.vic.gov.au

**Dick Gross**

Telephone (03) 9209 6705  
(business hours only)  
Mobile 0411 446 167  
Fax (03) 9536 2719  
Ward Blessington  
Date of election 27/11/04  
(current term)  
Date of retirement 29/11/08  
dgross@portphillip.vic.gov.au

**Karen Sait**

Telephone (03) 9209 6705  
(business hours)  
Mobile 0411 098 477  
Fax (03) 9536 2767  
Ward St Kilda  
Date of election 27/11/04  
(current term)  
Date of retirement 29/11/08  
ksait@portphillip.vic.gov.au

**Judith Klepner**

Telephone (03) 9209 6705  
(business hours only)  
Mobile 0409 968 850  
Fax (03) 9536 2768  
Ward Albert Park  
Date of election 27/11/04  
(current term)  
Date of retirement 29/11/08  
jklepner@portphillip.vic.gov.au

## Councillors

### Retired during 2004/2005

#### David Brand

Ward	St Kilda
Date of election	16/03/02
Date of retirement	27/11/04

#### Julian Hill

Ward	Sandridge
Date of election	16/03/02
Date of retirement	27/11/04

#### Carolyn Hutchens

Ward	Albert Park
Date of election	16/03/02
Date of retirement	27/11/04

#### Liz Johnstone

Ward	Ormond
Date of election	16/03/02
Date of retirement	27/11/04

## Councillor Remuneration

The councillors of the City of Port Phillip received an annual allowance of \$15,000 in 2004/2005. The mayor of the City of Port Phillip received an annual allowance of \$46,500 in 2004/2005.

## Decision Making

Council decisions are made through a series of council and committee meetings. The current council/committee structure is explained below. Full details of the council's meeting procedures are outlined in Port Phillip City Council Local Law No. 2/2000. A copy of this local law is available on the council's website at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au), or contact the ASSIST Centre to request a printed copy.

More information about council meetings, including meeting schedules, locations, agendas and minutes, is available on the council's website at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

## Statutory Planning Committee

10 Statutory Planning Committee meetings were held in 2004/2005.

This committee has been established under Section 86 of the Local Government Act 1989, which means that the council can delegate certain powers to the committee, and that decisions made under that delegation are effectively decisions of the council.

The purposes of Statutory Planning Committee meetings are to:

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

# COMMUNITY GOVERNANCE

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## **Strategy and Policy Review Committee**

11 Strategy and Policy Review Committee meetings were held in 2004/2005.

The Strategy and Policy Review Committee does not have delegated powers, however it can make recommendations, which are then referred to the council meeting for ratification.

The purposes of Strategy and Policy Review Committee meetings are to:

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

## **Council**

12 council meetings were held in 2004/2005.

The purpose of Council meetings is to:

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

## **Special Council**

9 special council meetings were held in 2004/2005.

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

## **Neighbourhood Forums**

3 neighbourhood forums were held in 2004/2005.

No forums were held in the three-month period prior to the council election. This ensured that sitting councillors were not given an advantage over other candidates.

Neighbourhood forums take place in various venues across the City. They offer an opportunity for local groups and individuals to hear what services are currently being provided in their area, and are also a chance to present local issues and concerns to council representatives. Neighbourhood forums offer a chance for two-way conversation between the council and residents. These forums have been very well received, with strong attendances and positive feedback.

More information about neighbourhood forums is available on the council's website at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

## **Delegation to the Chief Executive Officer**

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

The chief executive officer is also responsible for the day-to-day management of the council's operations including: establishing and maintaining an appropriate organisational structure for the council; appointing, directing, managing and dismissing council staff and all other issues that relate to council staff; ensuring that the decisions of the council are implemented without undue delay; and providing timely advice to the council.



CORPORATE GOVERNANCE

## Effective Service Delivery

The City of Port Phillip has an ongoing continuous improvement program and conducts formal reviews of the services it provides. The City must also comply with several legislative requirements regarding its service delivery.

### National Competition Policy

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

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

The federal government allocates money annually to each state for compliance with national competition policy, and the states share this funding with their respective local governments.

In 2004/2005 the City of Port Phillip received a local government improvement incentive program payment of \$255,434 from the Minister for Local Government, on the basis of information provided for the 2003/2004 financial year.

### Local Government Improvement Incentive Program (LGIIP)

In November 2002, the Victorian Government introduced the Local Government Improvement Incentive Program (LGIIP) to regulate the distribution of the national competition policy compliance funding it receives from the federal government.

To qualify for incentive payments, councils are required to comply with the requirements of this program. This includes complying with the requirements of national competition policy and best value provisions, and demonstrating ongoing progress in the development and implementation of asset management plans.

To meet these compliance requirements, the City of Port Phillip has:

- complied with national trade practices legislation that prohibits certain forms of anti-competitive behaviour
- reviewed its local laws to ensure they do not restrict competition
- identified its significant businesses and applied competitive neutral pricing where appropriate
- instituted a program to review all of its services having regard to best value principles, and reported the outcomes of the reviews to its community
- set infrastructure planning targets to achieve a minimum standard of asset management

The council is also testing competitive neutrality during its best value review process.

### Best Value

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

The best value legislation includes the following principles:

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

In June 2005, the state government announced key changes to the program. This presents the City of Port Phillip with the opportunity to align the way it goes about improving service delivery to the community. Under the current best value requirement, the City of Port Phillip 'badged' its approach to the sustainable value program, with a formal review of services a key element.

# CORPORATE GOVERNANCE

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This comprehensive sustainable value program includes:

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

The following service reviews were completed during 2004/2005:

- Social Planning and Community and Neighbourhood Development
- Environmental Projects
- Corporate Planning
- Fleet Management

A full and comprehensive copy of the City of Port Phillip's 2004/2005 best value annual report to the community is available on the council's website at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

## **Risk Management**

The City of Port Phillip has taken a number of steps to manage risk. This includes risk awareness and reduction activities, insurance coverage, and an internal audit process.

### **Risk Awareness**

Risk management is an essential part of the City of Port Phillip's culture.

The City of Port Phillip's policy is to manage risk in accordance with best practice. We will comply with the Australian standard for risk management (AS/NZS 4360:2004) and our risk management decisions and practices align with our established values and ethical standards.

Our risk management policy and risk management strategy are reviewed annually.

The main policy objectives of managing risk are to:

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

Each division is responsible for managing their own risks.

## CORPORATE GOVERNANCE

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### **Insurance and Risk Reduction**

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

Increased risk management has assisted council in maintaining or reducing its insurance costs. The continued challenge is to ensure the council's risk management policy objectives are embraced sufficiently by staff such that risk management becomes an integral part of business planning and everyday business operations.

All council departments have undergone risk identification assessments and established departmental risk management plans. These plans have assisted service areas in addressing risks identified as potential areas of exposure to the council, and enabled them to develop and implement suitable controls that can be integrated into the normal course of operations.

### **Audit Committee and Internal Audit**

As part of its duty to fulfill governance obligations to the community, the City of Port Phillip has established an audit committee. The audit committee is an advisory committee of the council and was established in December 1995, nearly eight years before the Victorian Government legislated that all councils must have an audit committee. The council has adopted a charter, terms of reference and documented responsibilities to govern the activities of the audit committee.

In consultation with council management, the audit committee develops an annual internal audit program to address the risks that the organisation may confront. This includes the effective management of financial risks, the credibility and objectivity of financial reports, and compliance with laws and regulations. The audit program is a dynamic strategy that can be continually developed and realigned to suit the needs of the organisation.

The audit committee membership consists of external and internal representatives. The chief executive officer also attends the meetings and the council's internal auditor attends to present audit reports and provide advice to the audit committee.

External representatives:

- John Warburton - Mr John Warburton chairs the audit committee. He is a member of the Australian Society of Certified Practising Accountants, holds past and present directorships in a range of companies and as director of state government statutory corporations. He is a member of two state government audit committees and chair or member of five council audit committees. Mr Warburton receives \$4,500 per annum for his role on the City of Port Phillip's audit committee.
- Graham Lockwood - Mr Graham Lockwood is a retired certified practising accountant and a previous executive director and manager of a range of companies and organisations. He receives \$4,000 per annum for his role on the City of Port Phillip's audit committee.

Internal representatives:

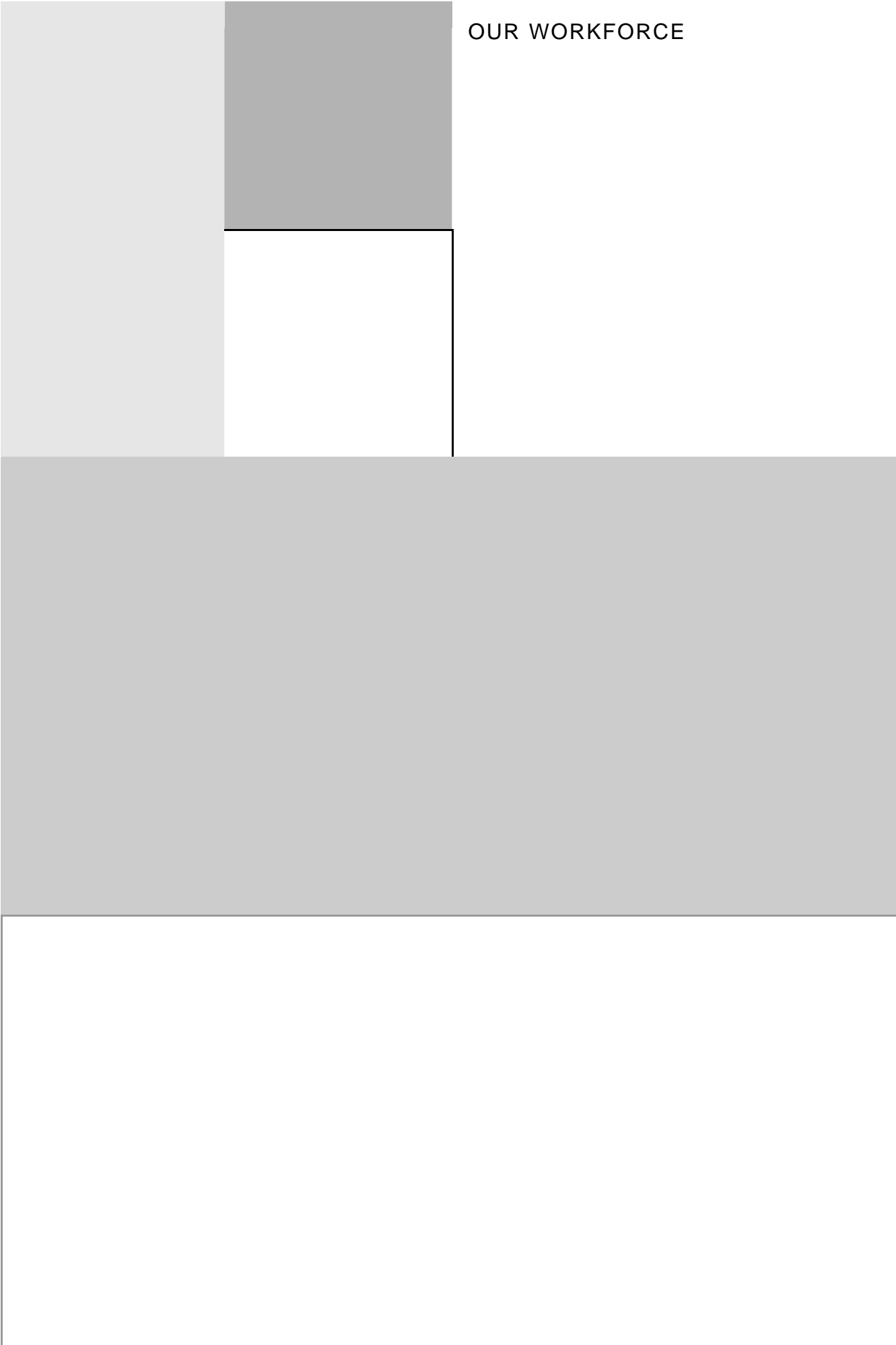
- Mayor of the City of Port Phillip
- executive director of the Corporate Management division

During 2004/2005, the committee met on five occasions.

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

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

OUR WORKFORCE



# OUR WORKFORCE

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## Leadership and Culture

As an organisation the City of Port Phillip serves a diverse municipality and has worked to develop a unique culture to deliver the organisation's commitment to our community. Our key goals are;

- Service
- Sustainability
- Less busyness
- Fun and growth at work

Led by our Executive team and Management, all staff are encouraged to be leaders, to demonstrate personal judgment and to understand that service delivery in an ever changing world is complex and dynamic.

We want a work environment where employees aspire to have shared values around fairness, integrity, honesty and trust. These values are underpinned by our three simple rules: care for ourselves, care for each other and caring for this place.

These shared values provide a foundation upon which we can achieve our goals and provide service to our community in a sustainable way.

## Supporting and Developing our Employees

### Professional Development and Training

Having an organisation that understands the importance of learning together is our commitment to improve service delivery. Key learning principles have been endorsed to provide guidelines for future learning opportunities. These key learning principles build internal capacity, fill knowledge gaps and meet legislative obligations.

An internal professional development 'Sustainable Learning' program is made available to all employees to help grow their capabilities, skills and competencies.

Over 200 employees attended one of these 15 internal training sessions in 2004/2005.

### Leadership Development

The organisation delivered a leadership development program, Frontline Management, through Swinburne University in 2004/2005. 20 selected employees participated in this program.

### Introduction to the City of Port Phillip – Induction of New Employees

The City of Port Phillip aims to provide new employees with practical support and information. This includes an overview of the structure and general operation of the City of Port Phillip as well as an opportunity to meet other new employees. The City of Port Phillip is also committed to ensuring that all employees understand the organisation's values and commitment to service culture and the role they play in making this happen.

## Appreciating Diversity

### 'Respect for Others'

The City of Port Phillip's equal employment opportunity policy, 'Respect for Others', ensures that individuals receive fair and consistent treatment in a work place that is free from harassment, discrimination, bullying and unfair treatment. Our recruitment strategies include considering whether positions may be suitable for indigenous candidates or candidates that may have a disability.

No discrimination claims were made against the City of Port Phillip in 2004/2005.

During 2004/2005, equal opportunity training programs were held for staff. This program recognises that how we behave affects not only other employees but our community as well.

### Indigenous Employment Program

The City of Port Phillip's Indigenous employment program supports, employs, trains and retains Indigenous Australians.

## OUR WORKFORCE

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Over the past 10 years, the City of Port Phillip has committed to and worked towards the improvement of services, economic development, employment, reconciliation, cultural heritage and recognition of its Indigenous Australian community. The Indigenous employment program is a result of this ongoing commitment.

Through targeted advertisements in Indigenous newspapers the City of Port Phillip will seek to attract Indigenous applicants and promote our organisation as an employer of choice to the Indigenous Community.

By way of an Indigenous Employee Support Network the City of Port Phillip continues to resource and facilitate a regional support and networking mechanism aiming to reduce the risks of working in isolation.

### **Work and Life Balance**

The City of Port Phillip has long been regarded as an employer of choice, well before the term became well known. Particularly in local government circles, people want to work at the City of Port Phillip and among the reasons for this has been its image as an organisation that values people as its most important asset. A significant number of our total workforce also lives within our municipal boundaries. This information is significant for several reasons. Less travel time means more family time and also means that our employees can better take advantage of other council initiatives like the after school program and subsidized child care. The City of Port Phillip continues to be innovative in the area.

The City of Port Phillip was nominated as one of the finalists in the Australian Chamber of Commerce (ACCI) / Business Council of Australia (BCA) National Work and Family Awards 2005.

### **Health, Safety and Wellbeing**

The City of Port Phillip continues to work in partnership with employees to implement and encourage various health, safety and wellbeing initiatives and activities.

#### **Help Yourself to Health**

The ongoing and innovative Help Yourself to Health program aims to improve the general health and wellbeing of our employees. The program has covered a variety

of health seminars and activities including smart skin screening, onsite coaching and healthy living and eating tips.

### **Occupational Health and Safety**

Each division within the organisation has developed a specific occupational health and safety work plan. The aim of these plans is to build a committed and effective occupational health and safety program that meets legislative requirements, reduces workplace injury and encourages a safe and healthy workplace.

### **WorkSafe**

WorkSafe, the Victorian WorkCover Authority's occupational health and safety arm, continues to audit workplace practices in all local government organisations.

In 2004/2005 WorkSafe undertook a number of visits to council departments including the depot, libraries, home care, traffic enforcement and local laws. To date WorkSafe are satisfied with the City of Port Phillip efforts and the systems we have in place.

### **WorkCover**

In 2004/2005, there were only 13 standard WorkCover claims, of which 11 are now closed.

Our WorkCover premium rate of 1.37% (averaged across all work sites), based on claims history, is lower than the average local government industry rate of 2.62%.

The organisation is committed to providing injured employees with modified or alternative duties to assist in the rehabilitation process. The City of Port Phillip has a dedicated Occupational Health and Safety Consultant who is committed to continuous improvements in this area.

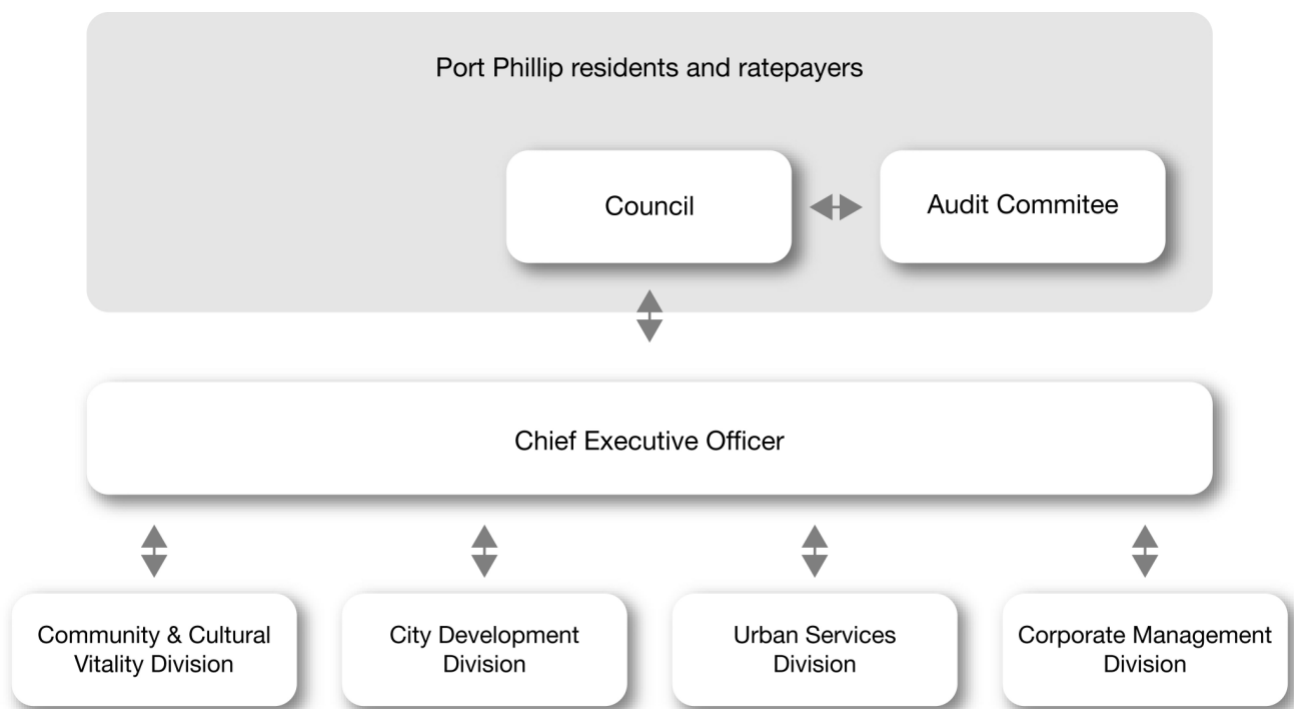
### **Employee Assistance**

The wellbeing of our employees is supported through an employee assistance program. This counselling and consulting program is available to all staff and their immediate family members. It is a confidential service that may cover work or personal issues. Feedback from the provider is that 6.5% of employees used the service in 2004/2005, enabling them to strategically address work life, morale and productivity issues.

# OUR WORKFORCE

## The Organisation

The following diagram represents the administrative structure of the organisation in 2004/2005, including the links between the organisation and the council and community. This structure supports a web style of work that relies on collaboration, project management, networking and innovation.





## OUR WORKFORCE

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### The Executive Directors

**David Spokes,  
Chief Executive Officer**

David Spokes joined Port Phillip in 1995 as a general manager before being appointed chief executive officer in March 2001. His professional experience includes over 22 years in a variety of local government settings in Victoria and New South Wales. He also enjoyed a significant period in community health and ran his own planning consultancy for several years. David has degrees in arts and social work from the University of Melbourne, and has completed the Cranlana Foundation Leadership program. He is also a fellow of the Institute of Public Administration Australia and an associate of the Australian Institute of Company Directors.

**Sally Calder,  
Director Community and Cultural Vitality**

Sally Calder has been the director of the Community and Cultural Vitality division at the City of Port Phillip since May 2001. Prior to moving into local government, Sally worked for over 10 years in a senior management role in health in New South Wales, and held a variety of executive roles in primary health care in regional and remote New South Wales. Sally also set up one of the first Skillshare programs for the long-term unemployed in rural New South Wales. Sally has a Masters of Arts and Diploma of Education from the University of Sydney, as well as a Graduate Diploma in Business Administration.

**David Yeouart,  
Director Urban Services**

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

**Geoff Oulton,  
Director City Development**

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

**David Graham,  
Director Corporate Management**

David Graham has been in local government for more than 30 years. His work experience includes line management roles within Port Melbourne, Darebin and Kew councils, and he was chief executive officer of Port Melbourne Council before local government amalgamations in 1994. David has a Diploma of Local Government Administration, a Bachelor degree in Business (accounting) and a Masters of Business Administration.

# OUR WORKFORCE

## The People

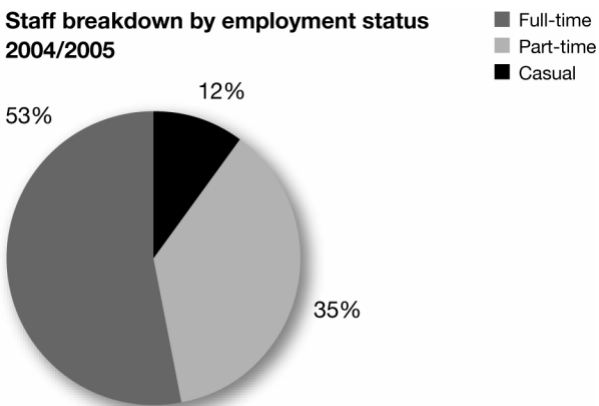
The following table outlines the number, classification and types of jobs within the City of Port Phillip organisation, including the numbers of staff of both sex, and members of staff in designated groups.

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

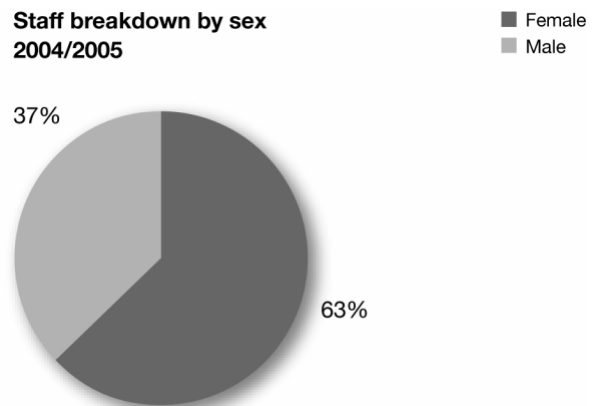
Division	Full-Time		Part-Time		Casual		Total head count	Total EFT
	Male	Female	Male	Female	Male	Female		
Chief Executive Officer's Office	1	1	0	0	0	0	2	2
City Development	64	45	18	28	2	6	163	129.47
Community and Cultural Vitality	34	100	41	140	15	41	371	278.25
Urban Services	54	25	1	5	0	0	85	78.04
Corporate Management	20	34	8	19	2	3	86	83.54
<b>Total</b>	<b>173</b>	<b>205</b>	<b>68</b>	<b>192</b>	<b>19</b>	<b>50</b>	<b>707</b>	<b>571.30</b>

These figures indicate the people paid in the last normal and off line pay runs for the 2004/2005 financial year (i.e. 22 and 30 June 2005)

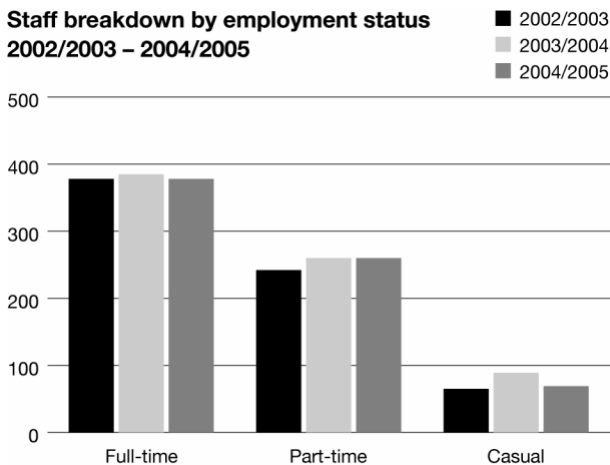
**Staff breakdown by employment status 2004/2005**



**Staff breakdown by sex 2004/2005**



**Staff breakdown by employment status 2002/2003 – 2004/2005**



**Staff breakdown by sex 2002/2003 – 2004/2005**

