

*We are  
Port Phillip.*



CITY OF PORT PHILLIP  
COUNCIL PLAN 2017-27



# City of Port Phillip Council Plan 2017-27

Council respectfully acknowledges  
the Yalukut Weelam Clan of the  
Boon Wurrung.

We pay our respects to their Elders,  
both past and present.

We acknowledge and uphold their  
continuing relationship to this land.

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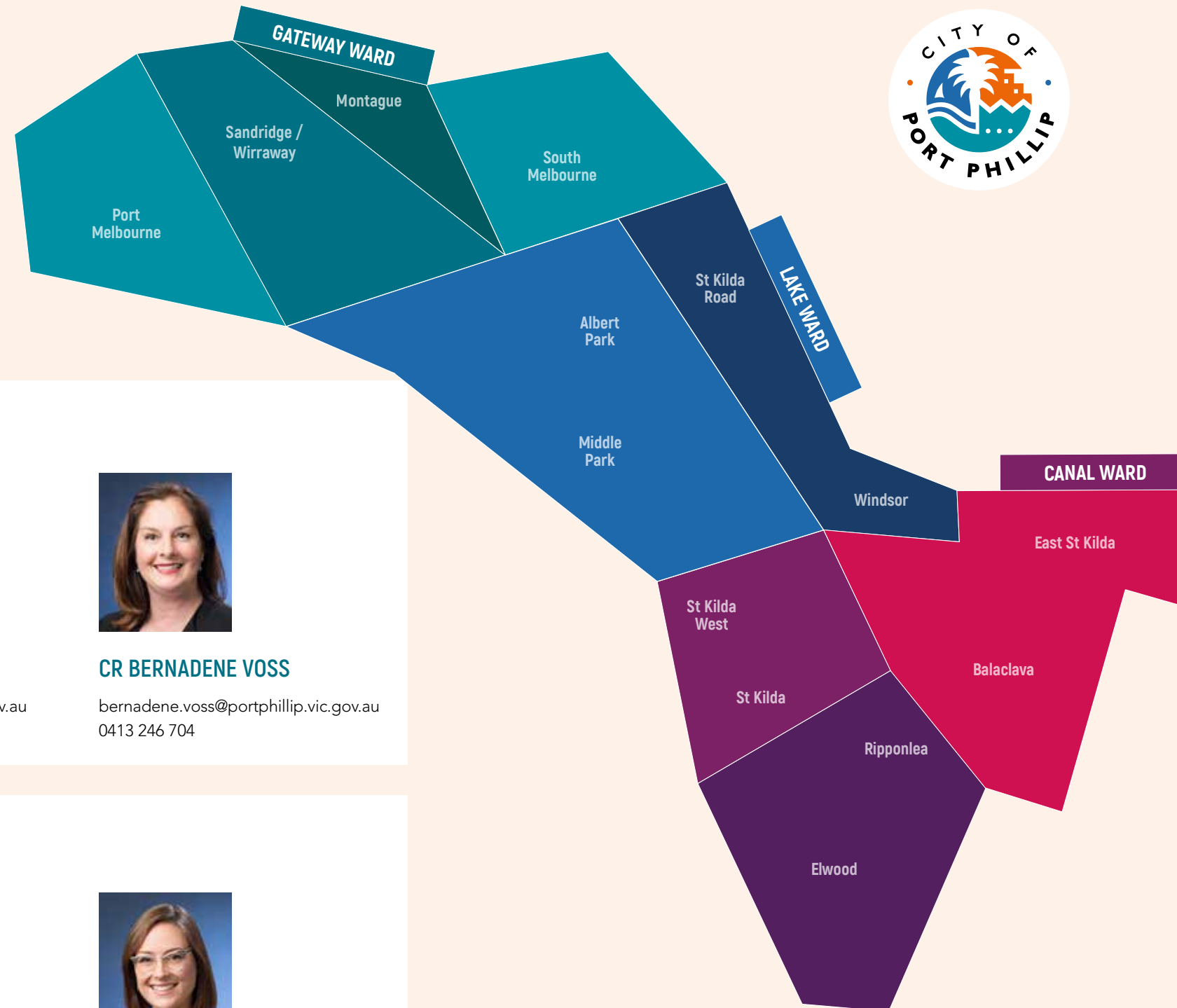


## CITY OF PORT PHILLIP COUNCILLORS

The City of Port Phillip has three wards, each represented by three elected councillors.

The Councillors were elected to the City of Port Phillip for a four year term on 22 October 2016. The Mayor, Councillor Bernadene Voss, was elected by the Councillors on 10 November 2016.

Councillors are responsible for setting the strategic direction for the City, representing the local community in their decision making, developing policy, setting service standards, and monitoring performance.



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## MAYOR'S MESSAGE



**CR BERNADENE VOSS**

Mayor  
City of Port Phillip

This plan represents what this Council stands for. It not only delivers for today, but sets us up to effectively address the challenges to come.

### **The Councillors and I are pleased to release the City of Port Phillip Council Plan 2017-27.**

This plan is the first of its kind for Port Phillip, as it sets out our long-term vision for the City and the outcomes we want to see over the next 10 years.

Our plan does what no other plan in Victoria does. It clearly links all Council activities and spending with the outcomes we seek for a liveable, inviting and caring City.

It makes a long-term commitment to improve and protect the health and wellbeing of our people and our places.

I am proud to lead a team of councillors who are committed to acting and making decisions in the long-term interests of Port Phillip. We are a diverse group. Our differences are a strength when it comes to making decisions that reflect the needs and desires of our communities.

This plan represents what this Council stands for. It not only delivers for today but sets us up to effectively address the challenges to come. Through this plan, we are continuing to build a City where people belong and our many cultures and differences are welcomed. We are creating a City that is connected and accessible for everyone and, in the face of growth, we are seeking to retain and celebrate the character and heritage of Port Phillip.

This plan will deliver a step change in the way we approach some of our most pressing challenges. Over the next four years we will work towards revolutionising the way we manage waste. We will invest in innovative water harvesting, work with our community to reduce greenhouse gas emissions, and ensure we are adapting to the ever present impacts of a changing climate.

Providing more transport choices and managing parking will also be a key focus as our City grows.

We will work hard with our partners in the Victorian Government to ensure Fishermans Bend is a unique, liveable and welcoming part of the City that we can be proud of.

Building partnerships will be at the heart of our approach to improving our services and ensuring they meet the needs and demands of our changing communities.

This Council is committed to strong governance and financial management that ensures value for money and a sustainable long-term financial outlook. When preparing this plan, we carefully considered the evidence and benefits before committing to spending.

Careful planning, while still investing in the things that matter, means we have achieved a small cash surplus of \$371,000 and kept the 2017/18 rate increase at two per cent, in line with the Victorian Government rate cap.

Taking a prudent approach to our budget means we are able to invest in improving existing core services and assets for current residents, as well as being well positioned to respond to future challenges.

This plan delivers a significant investment in the basics that matter most to our community and keep our City running. For example, we are increasing our commitment to keeping our streets and villages clean, maintaining our trees and parks, and ensuring community and recreation facilities are fit for purpose and can be used by more people, more often.

We are investing to substantially improve community outcomes, including delivery of our affordable housing strategy and our contribution to the Ferrars Street Education and Community Precinct.

We are also investing in the unique places in our City that are drawcards for residents and visitors, such as enhancing our beautiful foreshore and ensuring the South Melbourne Market remains the best market in Victoria.

Bigger than ever community engagement has informed this plan. We received more than 2,000 pieces of feedback and 125 submissions to the draft plan, which helped shape our priorities.

Our Council has started to build a great relationship with the community and we look forward to continuing this during our term.

**Cr Bernadene Voss**  
Mayor  
City of Port Phillip



## MESSAGE FROM THE CEO



**PETER SMITH**

Chief Executive Officer  
City of Port Phillip

This plan signals an intention to invest in services and projects that ensure Port Phillip remains the bold, liveable, caring and beautiful place residents and visitors know and love.

### **We are Port Phillip, Council Plan 2017-2027 is an exciting new chapter in the City of Port Phillip's history.**

For the first time, the Council Plan has been integrated with our 10-year financial plan, annual budget and our health and wellbeing plan. This integrated, long-term approach represents a significant shift in the way we plan for our people and places, and ensures that everything we do - our projects, services, people and spending is linked to Council's strategic direction for the City.

Our newly elected Council of nine members representing three wards, is embarking on an ambitious program through this plan. This plan signals an intention to invest in services and projects that ensure Port Phillip remains the bold, liveable, caring and beautiful place residents and visitors know and love.

This plan will commit the organisation to one of our largest ever capital programs, at \$42.5 million in 2017/18. We have achieved this significant level of investment, and an increase in some service levels, while still remaining within the Victorian Government's cap on rate increases. Our approach to maximising organisational efficiencies has enabled this. Over the last two years we have saved \$7 million without reducing services, and we have forecast to save a further \$1.6 million in the next year. Working closely with the Councillors to prudently budget over the long-term, we have also been able to reduce the impact of the rates cap gap over the next 10 years while keeping pace with the needs of our rapidly growing community.

Successfully delivering this plan will require a commitment to modernising the organisation so we can continuously improve and deliver best value to our community. We are deeply committed to being an efficient and effective organisation that is responsive to our diverse community and easy to work with.

I am very proud to lead a professional organisation that is driven by its commitment to put the community at the heart of everything we do. I look forward to working alongside the Council and the community to put this plan into action.

**Peter Smith**  
Chief Executive Officer  
City of Port Phillip





## ABOUT THIS PLAN

**This plan sets out what we want to achieve for the City of Port Phillip by 2027, and how we will support the current and future health and wellbeing of the City and our people.**

This plan delivers on our Victorian local government planning obligations under the Local Government Act 1989 and the Public Health and Wellbeing Act 2008. These obligations determine how we plan for community needs and aspirations over the long, medium and short term, and hold ourselves accountable.

This single, integrated plan delivers our council plan, municipal public health and wellbeing plan, strategic resource plan, 10-year financial outlook, and annual budget.

This plan is supported by the Port Phillip Planning Scheme and detailed strategies and delivery plans that will help deliver our vision and the outcomes we are committed to. Within the organisation, department and individual employee plans are also aligned to support the delivery of the Council Plan.

We are committed to a continuous cycle of planning, implementing, reporting and review to ensure we deliver the best outcomes for the community. In particular, we will improve over time the way we measure our performance and how we plan, report and engage at the neighbourhood level. This plan will be reviewed, updated and improved every year.

We will regularly report on our progress towards achieving the outcomes of this plan, our financial performance and project delivery. These reports, and our annual reports, are available online at [www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

## PARTNERS TO OUR PLAN

Local government plays a key role in protecting and enhancing liveability and the wellbeing of our current and future communities. We are well positioned to directly influence vital factors like transport and land use planning, housing, protection of the natural environment and mitigating impacts of climate change, fostering local connections, social development and safety.

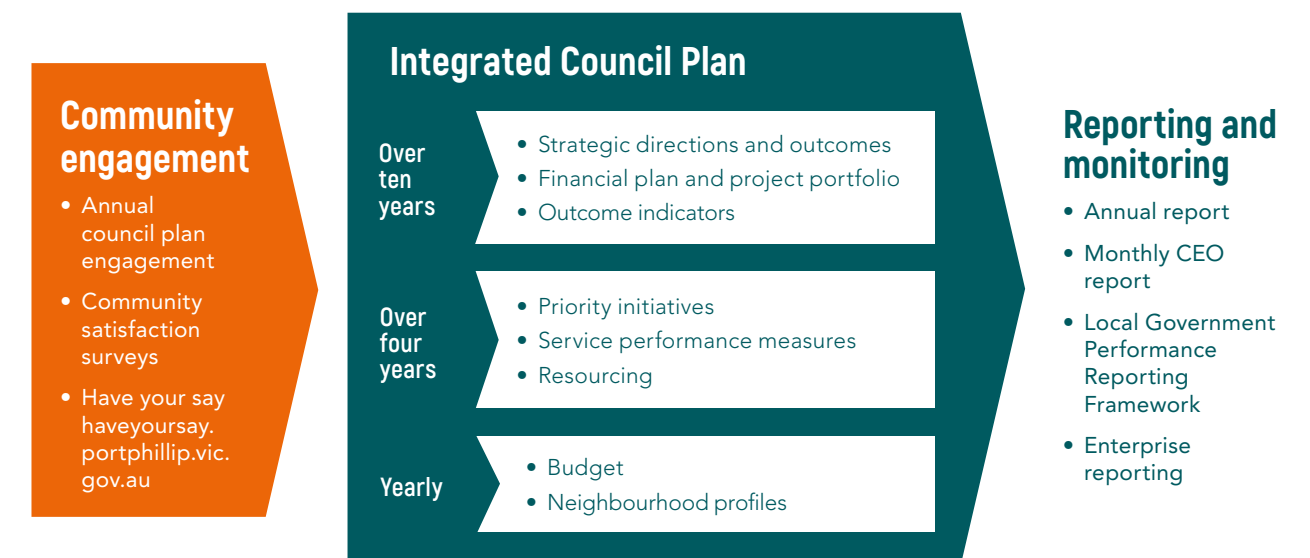
This plan sets out how we, and agencies working in Port Phillip, will work together to improve community outcomes.

We will partner with other levels of government, community, not-for-profit and business organisations, service providers and residents, to develop, implement and evaluate projects, programs and policies that deliver our vision and improve the health and wellbeing of our people and places.

### Integrated planning and delivery framework



### Engaging and reporting on the Council Plan





A photograph of two people fishing on a wooden pier at dusk. The person on the left is wearing a red and white jacket and is crouched next to a blue cooler. The person on the right is wearing a dark jacket and is sitting in a folding chair. In the background, a city skyline is visible across the water under a cloudy sky. The pier is made of wooden planks, and there is a green bag and some fishing gear on the ground.

*We are  
real.*

Section 1  
**PORT PHILLIP  
TODAY AND  
TOMORROW**



OUR CITY AND OUR PEOPLE

The Yalukut Weelam clan of the Boon Wurrung are the first people of the City of Port Phillip, with a continued strong connection to the land. Yalukut Weelam means ‘river home’ or ‘people of the river’ reflecting the original prevalence of wetlands between the Yarra River and the foreshore - a landscape that has altered vastly since European settlement.

Port Phillip is one of the oldest areas of European settlement in Melbourne, known and treasured by many for its urban village feel and artistic expression. It is a city of neighbourhoods, each with its own character, defined by heritage buildings, strip shopping precincts and tree-lined streets.

Port Phillip is one of the smallest municipalities in Victoria, only 21 square kilometres, and the most densely populated with more than twice the population density of the metropolitan Melbourne average.

Port Phillip is a popular inner city area of Melbourne, attracting more than 2.8 million visitors each year, making it one of the most visited places in metropolitan Melbourne, second only to the central business district. The foreshore that stretches over 11 kilometres, and vast public open spaces, make the City highly desirable to residents and visitors.

As we look to 2050, we know that the world will be different. Our physical environment will be more volatile and hostile, technology will continue to rapidly evolve

and our urban environment will be more dynamic as information becomes more readily available at all times. Our public places and spaces will significantly change and evolve as residential and mixed use development continues and density increases. Significant population growth is expected over the next 40 years, particularly in the Fishermans Bend renewal area on the northern edge of the City, and in established neighbourhoods like St Kilda Road and South Melbourne.

This plan is shaped by our desire to celebrate our history, protect our character, and encourage inclusion and creativity, while planning for the future of a dynamic and evolving City.

The Yalukut Weelam clan of the Boon Wurrung are the first people of the City of Port Phillip, with a continued strong connection to the land.

Population

110,967

(estimated 2017)



Age profiles

- 12% 0-17 years
- 36% 18-34 years
- 45% 35-69 years
- 7% 70+ years

Country of birth

31%

Were born overseas

- 6% United Kingdom
- 3% New Zealand
- 2% India

Language spoken at home

1/5

Speak a language other than English (20%)



Top three languages spoken at home

- Greek 3%
- Russian 1.5%
- Mandarin 1.5%



Household type

- 40% Singles
- 28% Couples without children
- 20% Families with children
- 12% Other household types

Transport



26%

Use public transport to get to work



Recent modes of transport



73%

Own one or more cars

13%

Rode bikes

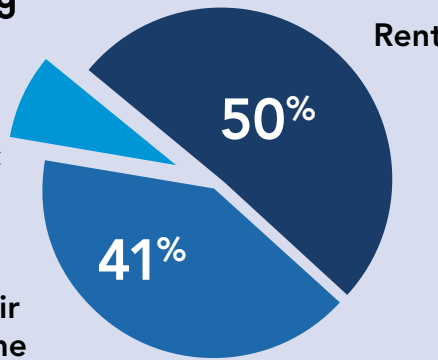
73%

Walked

Housing

8% social or public housing

Own their own home



Household income

31%

of households have a total weekly household income of greater than \$2,500



<sup>1</sup> Source: Tourism Research Australia Data (March 2016). Note: Excludes local (Melbourne) visitors.

Source: [www.profile.id.com.au/port-phillip](http://www.profile.id.com.au/port-phillip)



# OUR HEALTH AND WELLBEING

## Integrating health and wellbeing into the Council Plan

**Working at the interface with community, local government is well-positioned to directly influence conditions that enable positive health and wellbeing. We have a legislative responsibility under the Victorian Public Health and Wellbeing Act 2008 to prepare a Municipal Public Health and Wellbeing Plan every four years.**

To recognise the important role Council plays in supporting health and wellbeing, we have integrated the planning, implementation and evaluation requirements of the Municipal Public Health and Wellbeing Plan into this Council Plan. Integrating our plans in this way ensures we are working to protect, improve and promote public health and wellbeing in everything we do.

Socio-economic factors, and the natural and built environment impact on health. By working collaboratively with other levels of government, service providers, business and community we can reduce inequalities and optimise the conditions in which people can be healthy. In this way, we hope to provide coordinated, robust and appropriate responses, including:

- supporting the delivery of an integrated transport network that connects people and places
- designing infrastructure that creates a greener, cooler and more liveable city
- advocating for and facilitating partnerships to support delivery of diverse, affordable housing
- developing policies and programs that strengthen the community to prevent crime, injury and ill-health, and foster positive social and health change.

The six strategic directions of this plan have been informed and guided by analysing population health data, community consultation and stakeholder feedback, reviewing international, national, state and local research and policy, and the Victorian Public Health and Wellbeing Plan 2015-2019. This ensures we play our role in achieving the State vision of "a Victoria free of the avoidable burden of disease and injury, so that all Victorians can enjoy the highest attainable standards of health, wellbeing, and participation at every age".

## Understanding health

**We have embedded the World Health Organisation definition of health in this plan. That is, "a state of complete physical, mental and social wellbeing and not merely the absence of disease or infirmity".**

To support this holistic view of health and wellbeing we need to understand what influences health outcomes. Influences include biological factors and the conditions

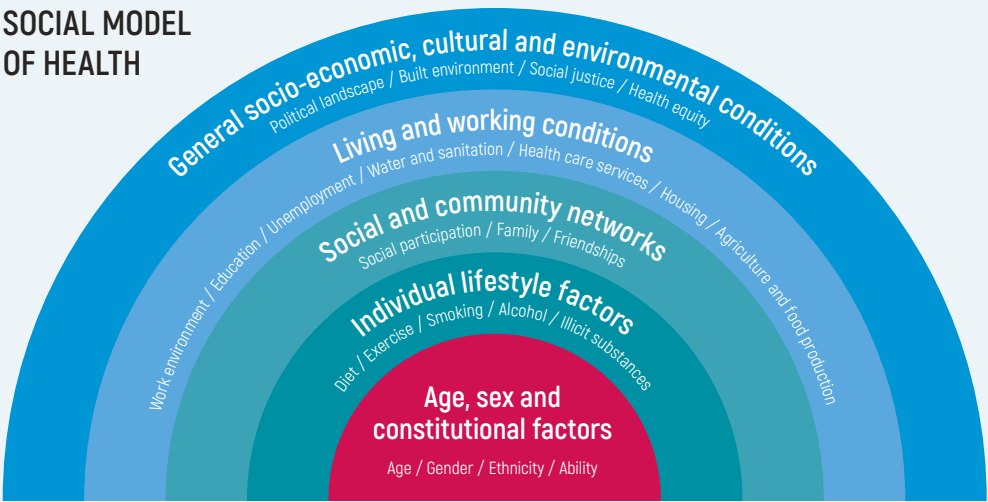
in which people are born, grow, live, work, play and age - known as the social determinants of health. The Social Model of Health diagram shows this best (below). This model guides our efforts and those of our partners to promote conditions that support people to be healthy.

We know that there will always be differences in health status in our community. These differences do not happen by chance. They follow

social patterns and a trajectory by which an individual's overall health tends to improve at each step up the economic and social hierarchy.

That is why we have a role in working to reduce health and wellbeing inequalities, by committing to prevention and early intervention across the life course and by embedding health equity and social justice principles in everything we do.

### SOCIAL MODEL OF HEALTH



7% 59% 6% 38%

Currently smoke. Get enough physical activity. Eat enough fruit and vegetables. Are pre-obese or obese.

\$297 44% 69% 65%

Annual personal pokie spending. Risk of alcohol related harm. Feel safe walking alone at night.

53% 4X 1.5X \$50

Have at least one chronic disease. Sexually transmissible infections rate. Rate of criminal offences. Weekly personal alcohol spending.

1,023 31% 96% 43%

Family violence incidents. Experienced anxiety or depression in their lifetime. Feel safe walking alone during the day. Excellent/very good health status (self-reported).



# Our health and wellbeing

## Port Phillip’s health profile

**Victorians' health and wellbeing is high by international standards and significant gains have been made in recent years. The health and wellbeing of the Port Phillip community is similarly relatively high.**

Available data shows that we are similar to the Victorian average in terms of general wellbeing, life satisfaction, day time safety,

resilience, levels of psychological distress, participation in health screening activities (for example, blood pressure check), neighbourhood cohesion, social trust, willingness to intervene in a situation of family violence, and fruit, vegetable and water consumption.

Our community has some more favourable outcomes than the

Victorian average, such as levels of physical activity and obesity, smoking rates, income and socioeconomic indicators, and some chronic diseases. Port Phillip also has higher than average levels of gender equity awareness, which contributes to lower rates of family violence. Our efforts in these aspects of health and wellbeing must continue to maintain these positive outcomes.

However, we also experience less favourable outcomes. Areas of concern include use of alcohol and illicit drugs, crime, sedentary work behaviours, housing affordability, people experiencing homelessness, and sexually transmissible infections.

This plan seeks to understand the complexities of these outcomes, and identify how we can work together with our partners to improve our health and wellbeing.

## Favourable health outcomes

Health indicator	Outcome
Personal safety	Almost two-thirds of Port Phillip residents feel safe walking alone in their local area after dark, which is significantly more than the state average.
Physical activity	The percentage of people who do not meet physical activity guidelines is the lowest in the state.
Diet	Port Phillip residents eat significantly more serves of vegetables per day than the state average.
Obesity	The rate of reported obesity is the lowest in the state.
Smoking	Significantly lower smoking rate than the state average.
Culture	The percentage of people who believe multiculturalism makes life better is among the highest in the state.
Income	The median household income is among the highest in the state and the percentage of people with income less than \$400 per week is the lowest in the state.

Health indicator	Outcome
Housing stress	The percentages of households with mortgage stress and rental stress are among the lowest in the state.
Social housing	The percentage of social housing is among the highest in the state.
Public transport	Use of public transport to get to work is the highest in the state.
Arthritis / Diabetes	The percentage of people reporting arthritis is the lowest in the state, and the percentages reporting type two diabetes and high blood pressure are among the lowest.
Kindergarten subsidy	Kindergarten fee subsidy rate is the lowest in the state.
Breastfeeding	Infant breastfeeding rates are among the highest in the state.
Childhood literacy	The percentage of children with speech or language problems at school entry is among the lowest in the state.

## Unfavourable health outcomes

Health indicator	Outcome
Criminal offences	The rate of criminal offences is among the highest in the state.
Working hours	Significantly higher levels of time spent sitting on a usual work day than state average.
Alcohol related harm	Significantly greater number of residents identified as being at risk of short-term harm from alcohol, and the number of people identified as being at very high risk of short-term harm is the highest in state.
Alcohol consumption	Significantly greater number of residents who agree that getting drunk every now and then is okay.
Alcohol related injuries	Significantly higher rates of alcohol related ambulance attendances, hospitalisation, emergency department presentations and assault, including the highest rate of male alcohol-related hospitalisations in the state.
Pharmaceutical related injuries	Significantly higher rate of pharmaceutical related ambulance attendances.

Health indicator	Outcome
Illicit drug related injuries	Significantly higher rates of illicit drug related ambulance attendances (in particular for amphetamines, methamphetamines and ecstasy) and the highest hospitalisation rate in the state.
Neighbour support	The percentage of people who feel they are able to get help from neighbours is among the lowest in the state.
Rent	The median weekly rent for a three-bedroom home is the highest in the state and the median house price is among the highest in the state.
Homelessness	The estimated rate of homeless people per 1,000 population is the highest in the state.
Sexually transmitted diseases	Significantly higher rates of sexually transmissible infections.



# OUR CHALLENGES

We have identified seven significant, long-term challenges facing our City, that we have considered when developing this long-term plan.

How we respond to these challenges impacts the liveability of our City, and the health of our community and has shaped this plan and the services we provide.

## Climate change

Port Phillip is already experiencing the impacts of climate change, including temperature increases (of between 1.2 and 1.4 degrees since 1950), lower than average rainfall (a decrease of between 100 and 200 millimetres since 1950), more flooding, sea level rise (of between 0.08 - 0.17 metres above the 2005 level) and a notable increase in the number of days over 35 degrees<sup>2</sup>.

Our City is Melbourne's playground. The beach lifestyle and coastal activities are very attractive and important to the health and enjoyment of residents and visitors. However, Port Phillip is built on reclaimed land to the south and north. Much of the City is only one to three metres above sea level and coastal areas are exposed to the impacts of climate change, especially flooding and erosion. Port Phillip is located at the bottom of the Elster Creek and Yarra River catchments, requiring a regional 'whole-of catchment' partnership approach to enable both proactive and emergency flood management responses.

We can expect increased flooding of coastal properties

and public amenities, storm damage to infrastructure, beach erosion, decreased water quality and security of water supply, reduced summer outdoor activities and hotter urban spaces. Changing environmental conditions may challenge some members of our community to stay healthy and safe. For example, those experiencing health or housing crises will be more vulnerable to periods of extreme heat or cold.

This will have an impact on Council services. Assets may be unable to provide the same level of service to the community. In particular, drainage (currently beyond capacity) and Council facilities may become cost-prohibitive to operate if they are not developed to the required sustainable design standards.

Greenhouse gas emissions reduction is one important way to address climate change and avoid dangerous temperature increases. Ninety-nine per cent of Port Phillip emissions are community generated, and these are increasing as our City grows and reliance on car travel continues.

<sup>2</sup> Climate Ready Victoria: Greater Melbourne, November 2015, State of Victoria Department of Environment, Land, Water and Planning



# Our challenges

## Population growth

**Port Phillip’s population is expected to grow to more than 167,870<sup>3</sup> people by 2041, a significant 51 per cent increase from the 2017 estimate of 110,967 people. Over the life of this plan, our population is expected to grow by 23 per cent to 136,300<sup>3</sup>.**

Our worker population will also rise dramatically. Fishermans Bend is expected to cater for 60,000 jobs by 2050, with just over half of these jobs (33,715) projected to be within Port Phillip. Adjacent municipalities are also expected to grow significantly. The population of the City of Melbourne is projected to double over the next 30 years.

Growth will not be uniform across our City. The St Kilda Road, Sandridge / Wirraway and Montague neighbourhoods are projected to grow significantly. Other established neighbourhoods will experience lower population growth.

In 2041, the population will continue to be highly mobile and dominated by 25-39 year olds, but with an increasing number of older people. The forecast median age for the Fishermans Bend suburbs (Montague, Sandridge and Wirraway) is 29, 30 and 34 years of age respectively. Our community will likely be more diverse, as the number of people born overseas grows. More than two-thirds of our households will be single person or couples without children.

Population growth and associated demographic and socio-economic shifts will increase demand for all Council services and amenities. Health inequities and wealth disparity may be exacerbated if people find it difficult to access programs, services and amenities that support health and wellbeing. Coupled with the increasing cost of providing services, increasing demand will stretch services and infrastructure. Achieving a balance between the economic benefits of tourism and thriving entertainment and shopping precincts, and minimising social harm and protecting residential amenity may become more challenging.

<sup>3</sup> Forecast.id projections

## Transport and parking

**Integrated transport infrastructure and services support healthy behaviours including safe walking, bike riding and use of public transport, and enjoyment of entertainment precincts, parks and open spaces.**

Road network congestion will continue to be an issue as our population grows. The road network for cars is at capacity and cannot be increased. The Victorian Government is prioritising more efficient and sustainable modes like trams, walking and bike riding. So we can expect that, in real terms, road network capacity for private cars is likely to remain static or decrease over time.

Managing on-street car parking for different users - residents, workers and visitors - is also an ongoing challenge. In many parts

of the City, demand for parking outstrips supply, and decisions will need to be made about how to best allocate this scarce resource.

Managing congestion as our City grows will only be possible by supporting people to travel by non-car modes. This will require ongoing investment in walking and bike riding infrastructure, behaviour change initiatives, and partnerships with the Victorian Government to deliver ‘place and movement’ projects that invest in our public spaces and increase public transport service levels, capacity and accessibility.

Traffic and parking congestion has a significant impact on our environment and health, and compromises the liveability of our City. Without safe and accessible transport, some people will be constrained in their ability to stay

connected and participate in important aspects of community life, like work, exercise, visiting friends and family, and accessing services and programs.

Increases in car trips cannot easily be accommodated, especially during peak travel times. It is expected that there will be a continuing shift to public transport, walking and bike riding, where these alternatives are safe, direct and convenient.

It will be important to ensure our public spaces are places for people, accessible by walking and riding a bike, and offer opportunities to be healthy. Learning from European cities, early planning for high capacity bike parking across the City will be required, with the new Domain station presenting a significant opportunity.



# Our challenges

## Urbanisation

**Population growth will drive an increase in urban density. Fishermans Bend will make a significant contribution to housing growth, with new high density neighbourhoods. The density of established areas across the City will also increase, with the St Kilda / St Kilda West and St Kilda Road neighbourhoods accounting for more than half of the projected housing growth outside Fishermans Bend over the next 20 years. We will see more medium to high density residential development and continued pressure to convert commercial areas to residential use. If not carefully managed, this could pose a threat to neighbourhood character and heritage.**

Compact cities enable more people to be connected to the things they need to be

healthy, like public transport, employment, education and services. However, urban environments increase exposure to pollution and traffic accidents, and reduce access to nature and green open spaces. Maintaining liveability in a higher density city will take concerted effort.

Demand for inner city housing increases price, and can constrain socio-economic and demographic diversity. Higher density, mixed use development means that we are fast becoming a 24 hour city. The ever growing night time economy, and social issues like drug and alcohol abuse and family violence, become more visible and intensified in urban areas.

With increasing density and vertical living, more people will use our parks, villages, roads and footpaths, beaches and public transport. Improving

travel choices and access to high frequency public transport will ensure liveability for residents, workers and visitors. Our public spaces and waterfront will need to be welcoming to all and cater for different and increased use as they become residents' 'backyards'.

Our neighbourhoods will need to be safe and walkable, with good access to shops and flexible community spaces, and have a balance of residential and business use so we can reap the benefits of a vibrant 'mixed use' city and support healthy, active and connected communities.

Housing affordability will continue to be a concern. Housing costs in Port Phillip are twice the Melbourne average and most low and moderate income households find buying a home and private rentals increasingly unaffordable.

## Rapid evolution of technology

**The world is becoming more connected. People, businesses and governments are increasingly moving online to connect, deliver and access services, obtain information and perform activities like shopping and working. Technology is also changing the way our residents work. Around one in every 12 workers works from home.**

We can expect increasing demand for council services to be delivered online, and engagement through social media and other digital means. We will need to respond to this demand and think about how we operate and support people to connect with Council, particularly those who have limited online access and/or digital literacy. The digital shift will reshape how we deliver services and engage our community in decision making.

Technological advances also present opportunities for Council to consider new methods of service delivery, such as electronic parking management, that have the potential to offer efficiencies and improved community outcomes. New technologies will enable our workforce to be more mobile and deliver services that support community health and wellbeing where, when and how they want them.

## Legislative and policy influence

**All Victorian councils operate in a complex legislative and policy environment that includes 75 Acts of Parliament and 28 Regulations. The key Act (the Local Government Act 1989) is under review.**

Government funding is being reduced or withdrawn from several sectors, placing additional expectation on local government to fill the gap. This trend of government cost shifting, along

with increased compliance, will likely continue. Large-scale sector reforms will exacerbate this challenge, requiring service model changes that may impact on those in our community with the most complex needs.

In addition, the cap on rate increases means local government's ability to control revenue is constrained. As a result, we are experiencing increased strain on our financial

sustainability. The cap on rate increases is forecast to impact our bottom line by \$35 million over the next 10 years if we don't make changes to the way we operate. Difficult decisions will need to be made about our services, investments and assets to ensure the health and wellbeing of our people and places within these fiscal constraints.

## Changing economic conditions

**Port Phillip's economy was close to \$12 billion in 2015<sup>4</sup>, contributing 4.2 per cent of the greater Melbourne economy. Our economy grew significantly in the early 2000s, and slowed over the last 10 years, but we experienced 2.9 per cent growth in GRP<sup>5</sup> between 2013 and 2015<sup>4</sup>.**

In recent years we have experienced some growth in the number of businesses and jobs - particularly in construction, manufacturing and some services. We have a higher than average proportion of professional, scientific and technical services (23.6 per cent compared to 9.1 per cent in Victoria), arts and recreation services (2.8 per cent compared to 1.6 per cent) and information media and telecommunications

(4 per cent compared to 2.2 per cent). The South Melbourne precinct has one of the highest concentrations of creative industries in Australia. Despite this, 75 per cent of our working population leave the area for work.

The Port Phillip neighbourhoods of Fishermans Bend are currently home to over 750 businesses and approximately 12,000 workers<sup>4</sup>. The transition of Fishermans Bend to a mixed use community will have a significant impact on the number and type of businesses and jobs in that area.

Our people can expect to spend more time travelling to work outside of the City. We may also continue to experience a change in the nature of our business community as high rental prices put pressure on smaller businesses.

Socio-economic factors have a significant impact on health and wellbeing. The spectrum of people considered vulnerable is widening due to increased costs of living, rental and property costs, social exclusion and health inequity. More than 8,000 residents are living in housing stress and 2,500 residents are on the public housing waiting list (excluding local community housing waiting lists). In the last two years, we have seen an increase of 104 per cent in the number of calls received about people sleeping rough in public places. We expect to observe ever-increasing vulnerability in our community.

<sup>4</sup> Economy.id, City of Port Phillip Economic Profile.  
<sup>5</sup> Gross Regional Product (GRP) is the market value of all final goods and services produced within an area in a period of time.





We are  
beautiful.  
liveable.  
caring. inviting.  
bold. real.



# OUR STRATEGIC DIRECTIONS

We will deliver the vision for Port Phillip through six directions. The plan is structured around these directions and the outcomes for the health and wellbeing of our people and places that we want to see by 2027.

DIRECTION 1

We embrace difference, and people belong

See page 38

- OUTCOMES BY 2027
- A safe and active community with strong social connections
  - An increase in affordable housing
  - Access to services that support the health and wellbeing of our growing community
  - Community diversity is valued and celebrated

DIRECTION 2

We are connected and it's easy to move around

See page 52

- OUTCOMES BY 2027
- An integrated transport network that connects people and places
  - The demand for parking and car travel is moderated as our City grows
  - Our streets and places are designed for people
- TRANSFORMING TRANSPORT AND PARKING

DIRECTION 3

We have smart solutions for a sustainable future

See page 62

- OUTCOMES BY 2027
- A greener, cooler and more liveable City
  - A City with lower carbon emissions
  - A City that is adapting and resilient to climate change
  - A water sensitive City
  - A sustained reduction in waste
- TRANSFORMING WASTE MANAGEMENT
- TRANSFORMING WATER MANAGEMENT

DIRECTION 4

We are growing and keeping our character

See page 74

- OUTCOMES BY 2027
- Liveability in a high density City
  - A City of diverse and distinctive neighbourhoods and places
- TRANSFORMING FISHERMANS BEND

DIRECTION 5

We thrive by harnessing creativity

See page 84

- OUTCOMES BY 2027
- A City of dynamic and distinctive retail precincts
  - A prosperous City that connects and grows business
  - A City where arts, culture and creative expression is part of everyday life

DIRECTION 6

Our commitment to you

See page 94

OUTCOME BY 2027

A financially sustainable, high-performing, well-governed organisation that puts the community first

# HOW THIS PLAN RESPONDS TO OUR COMMUNITY

The table that follows shows how this plan responds to our identified emerging health issues and the Victorian Public Health and Wellbeing Plan 2015-19.

There are four emerging health issues for Port Phillip. We determined these by analysing population health data and identifying priorities, and then assessing what impact we can have on the issue.

1. Housing and homelessness

2. Social inclusion and diversity

3. Safety

4. Access to information and services
- Including social network and mental health (prevalence of and lifestyle risk factors).

Including crime, alcohol, illicit and pharmaceutical drugs and family violence.

Including health services, maternal and child health, sexual and reproductive health, preventative action, health status, and prevalence of illness and disease.

Our direction	Outcomes by 2027	Emerging health issues that will be addressed	State health priorities that will be addressed
1. We embrace difference, and people belong	1.1 A safe and active community with strong social connections	Social inclusion and diversity	Reducing harmful alcohol and drug use
		Safety	Preventing violence and injury
	1.2 An increase in affordable housing	Housing and homelessness	Improving mental health
	1.3 Access to services that support the health and wellbeing of our growing community	Access to information and services	All
2. We are connected and it's easy to move around	1.4 Community diversity is valued and celebrated	Social inclusion and diversity	Improving mental health
	2.1 An integrated transport network that connects people and places	Access to information and services	Healthier eating and active living
	2.2 Demand for parking and car travel is moderated as our City grows	Social inclusion and diversity	Preventing violence and injury
	2.3 Our streets and places are designed for people	Safety	
3. We have smart solutions for a sustainable future	3.1 A greener, cooler and more liveable City	Access to information and services	Healthier eating and active living
	3.2 A City with lower carbon emissions	Housing and homelessness	Improving mental health
	3.3 A City that is adapting and resilient to climate change		
	3.4 A water sensitive City		
	3.5 A sustained reduction in waste		

Our direction	Outcomes by 2027	Emerging health issues that will be addressed	State health priorities that will be addressed
4. We are growing and keeping our character	4.1 Liveability in a high density City	Housing and homelessness	Healthier eating and active living
	4.2 A City of diverse and distinctive neighbourhoods and places	Access to information and services	Reducing harmful alcohol and drug use
5. We thrive by harnessing creativity		Social inclusion and diversity	Improving mental health
		Safety	
	5.1 A City of dynamic and distinctive retail precincts	Access to information and services	Reducing harmful alcohol and drug use
	5.2 A prosperous City that connects and grows business	Safety	Preventing violence and injury
6. Our commitment to you	5.3 A City where arts, culture and creative expression is part of everyday life	Social inclusion and diversity	Improving mental health
	6.1 A financially sustainable, high performing, well governed organisation that puts the community first	Social inclusion and diversity	All
		Access to information and services	



## How the community helped shape this plan

### Your views and aspirations for the City have been important contributions to this plan.

During February 2017, we ran a comprehensive community engagement program asking for your feedback on how to tackle some of the challenges we face and what you value most about the City.

Community engagement was widely promoted through a range of channels, including Council and library websites, social media, advertisements in local newspapers, and email updates to community networks. Postcards were distributed in town halls, libraries, shopping precincts, markets, childcare centres, community centres and other sites across the City. Community ideas and feedback were captured through:

- community surveys
- an avatar survey identifying community personas
- pop-up conversations between the community and Councillors
- targeted focus groups
- stakeholder meetings
- online discussion forums
- special focus workshops to explore particularly significant challenges like transport, parking and managing waste.

Tailored conversations and activities ensured that a range of groups were involved (including some that are typically harder to reach), such as Indigenous, culturally and linguistically diverse, older people, faith-based communities, youth and children. We used several methods, including facilitated focus group conversations, interpreters to assist with completing the community surveys, and translated feedback forms in Greek, Polish and Russian. A large print survey was provided to community members on request, to ensure the engagement was accessible and everyone had an opportunity to contribute their ideas.

We engaged community researchers to conduct surveys that were inclusive of all members of our community, to extend our reach to people who do not typically engage with Council. Community researchers are graduates of the Voices of the South Side program that provides public speaking, advocacy, research, communication and teamwork skills to people who live in social and public housing in Port Phillip.

Survey questions and prompts emphasised the central role that local government plays in creating communities and environments in which people can thrive. We know we have influence over some of the most powerful contributors to health and wellbeing, like employment, social support, land-use planning, transport and access to cultural activities, so we are ideally placed to have a profound impact on the quality of life of our community.

We received more than 2,000 pieces of feedback, and reached 450 people through the tailored engagement with harder to reach groups in our community. 125 groups and individuals made a submission to the draft plan when it was released in April.

Community engagement and consultation to help develop this plan is just one thread of an ongoing conversation about how to support the health and wellbeing of our community. We are committed to monitoring social change and participating in research to understand emerging trends based on evidence, working with community and other partners to innovate and advocating to meet community needs. We will do this by working with the Port Phillip Health and Wellbeing Alliance, Youth Advisory Committee, Older Persons Consultative Committee, Access Network, Multicultural Forum and Multifaith Network to develop policy, services and infrastructure that best meet diverse community needs.

The table that follows shows the key themes from our community engagement and consultation. This plan responds by reinforcing the attributes of our City that our community value most and planning for the City they want to see in 10 years' time.





What our communities value

How this plan responds

1.	<b>Supportive City for all</b> There is a desire to support all people in the community, including those who are most vulnerable and from diverse backgrounds, and to invest in supporting healthy living and community wellbeing for people of all ages, abilities and life stages. Council's role in developing community capacity was emphasised.	<b>Direction 1</b> <b>We embrace difference, and people belong</b> An active and well connected community, with access to services that enhance health and wellbeing. An increase in affordable housing, services targeted at supporting community members experiencing vulnerability, and programs and events that celebrate and are inclusive of our diverse cultural communities.	Major upgrades to sporting and community facilities, investing in delivering new affordable housing projects by partnering with housing organisations, and ensuring our services meet the needs of our rapidly growing community.
2.	<b>Transport choice and parking management</b> Improving transport, traffic management and parking management is one of the City's greatest challenges. Our community wants a city that makes it easier and more enjoyable to walk, bike ride or use public transport. There are wide ranging views about how to manage parking.	<b>Direction 2</b> <b>We are connected and it's easy to move around</b> A transport network offering real travel choices, an improved framework for managing our limited parking supply, and streets that are designed for healthy people not cars.	Developing an Integrated Transport Strategy, investing in improving pedestrian safety and the continuity of our bike routes, and advocacy to address gaps in the public transport network, including a high frequency tram connection to Fishermans Bend.
3.	<b>Creating a sustainable city and managing climate change</b> Reducing greenhouse gas emissions and managing a changing climate are considered key challenges. Ensuring an environmentally sustainable city is considered important.	<b>Direction 3</b> <b>We have smart solutions for a sustainable future</b> A cooler city through greening our buildings and streets. A city that has reduced waste going to landfill and increased the use of renewable energy sources. A city and community that has adapted for climate change and reduced the risk of flooding.	Developing a Sustainable City Community Action Plan and a new Sustainability Strategy Beyond 2020. Investing in stormwater harvesting, solar energy, waste service innovation and the EcoCentre.
4.	<b>Sense of place and community</b> Our communities value the places where they live, including beaches, parks and gardens. Clean, safe, and inviting streets, spaces and amenities are important to our community now and in the future. Protecting heritage and iconic buildings is also considered important.  <b>Developing our neighbourhoods in a balanced way</b> How our neighbourhoods can provide for growth, and maintain character is considered a challenge for the City.	<b>Direction 4</b> <b>We are growing and keeping our character</b> Liveability as the City grows and urban density increases, by ensuring high quality buildings contribute to safe, lively streets, and enhanced public spaces to cater for increased demand. Protection of the City's valued heritage places and 10-minute neighbourhoods to reinforce the sense of place.	Reviewing planning policy to effectively manage urban growth, strengthening heritage controls and developing a new Public Spaces Strategy. Working in partnership with the Victorian Government to develop a robust planning framework and precinct plans for Fishermans Bend to ensure a world class renewal area.
5.	<b>Creativity and diversity of the City</b> The culture and vibrancy of Port Phillip is highly regarded and considered a part of what makes the City unique.  <b>Balancing activation with protecting local amenity</b> Supporting businesses and activating shopping strips is seen as an opportunity. Events, festivals and attractions that bring people to the City need to be managed in a way that protects local amenity.	<b>Direction 5</b> <b>We thrive by harnessing creativity</b> A city where arts, culture and creative expression is part of everyday life, our creative industries cluster has grown, and thriving retail centres are a focal point for local communities and business.	Investing in retail precincts to improve accessibility and facilitating renewal. Developing a Creative and Prosperous City Strategy and transforming our libraries as creative and learning spaces.



A woman with a colorful patterned scarf and a black sweatshirt is smiling and holding a large rainbow flag high above her head with both arms. She is standing on a wooden deck with a green metal railing. In the foreground, a young child with red hair and a pink shirt looks up at the flag with an open-mouthed expression. To the right, another child with blonde hair and a blue hoodie is also looking up and smiling. The background shows green trees and a building under a bright sky.

*We are  
caring.*





## What we want to see by 2027

- 1.1 A safe and active community with strong social connections
- 1.2 An increase in affordable housing
- 1.3 Access to services that support the health and wellbeing of our growing community
- 1.4 Community diversity is valued and celebrated

### Direction 1

We embrace difference,  
and people belong

### How we will measure progress

Outcome indicators	2014/15 result	2015/16 result	2017/18 target	2020/21 target	2026/27 target
Residents that agree Port Phillip is a welcoming and supportive community for everyone	96 %	93 %	>95 %	>95 %	>95 %
Social housing as a percentage of housing stock <sup>6</sup>	7.2 %	7.2 %	7.2 %	7.2 %	7.2 %
Wellbeing index <sup>7</sup>	-	77.5	-	>77.5	>77.5

<sup>6</sup> Average 92 new dwellings per year required to maintain performance.  
<sup>7</sup> VicHealth Indicators Survey self-reported index, available every four years.



# We embrace difference, and people belong

## 1.1 A safe and active community with strong social connections.

We will work towards this outcome by:

- A. Providing access to flexible, multi-purpose facilities that support participation in community life through sport, recreation and life-long learning.
- B Supporting programs that create social connections and strengthen community networks.
- C Building community capacity by harnessing the knowledge, expertise and spirit within our community

Our priorities for the next four years:

- Plan and deliver a long-term program of sports field and pavilion upgrades to enhance capacity and broaden community participation in sport and recreation.
- Redevelop the South Melbourne Life Saving Club to provide contemporary clubhouse facilities and public amenities.
- Invest in a long-term program of community facility upgrades to ensure they are fit for purpose and meet current and future community needs.
- Establish outdoor gyms and fitness stations in open space and continue to upgrade recreation reserves and skate parks to facilitate an active, healthy community.
- Deliver community strengthening programs that harness community knowledge and expertise to support leadership, learning and volunteering, improve safety and foster positive social and health outcomes.
- Implement a whole of Council and community approach to preventing and responding to family violence.
- Collaborate with partners to understand and minimise the harms associated with alcohol and drug use.
- Provide funding to groups and organisations that support local networks, encourage community participation and support access and inclusion.

## 1.2 An increase in affordable housing.

We will work towards this outcome by:

- A. Pursuing new, sustainable funding streams to significantly increase the supply of social housing.
- B. Establishing and facilitating partnerships to support delivery of diverse and innovative new affordable housing projects, and to reduce the risk of homelessness.

Our priorities for the next four years:

- Implement In Our Backyard – Growing Affordable Housing in Port Phillip 2015-2025 to increase the supply and diversity of affordable housing aligned to priority local needs - low income families, older people, key workers, and single people at greatest risk of homelessness.
- Continue to implement the Homelessness Action Strategy 2015-2020 and provide support for people experiencing homelessness to access suitable housing.
- Use Council property assets (land and air space contributions) and cash contributions to facilitate delivery of new community housing units by local housing organisations, including progressing development of 46-58 Marlborough Street, Balaclava.
- Work with the Victorian Government and local community housing organisations to optimise benefits from existing social housing sites, through increased yield, quality and housing type, aligned to local needs.
- Facilitate partnerships between the community housing, private and philanthropic sectors that fund and deliver new housing projects, including in Fishermans Bend.



# We embrace difference, and people belong

## 1.3 Access to services that support the health and wellbeing of our growing community.

We will work towards this outcome by:

- A. Facilitating access to relevant services that cater for all ages and life stages.
- B Supporting co-located and integrated services, and shared use arrangements, to improve access for all.
- C Exploring partnerships and innovative ways of delivering services.

Our priorities for the next four years:

- Deliver new community spaces as part of the integrated Ferrars Street Education and Community Precinct at Fishermans Bend.
- Implement outcomes from reviewing Council’s role in aged care and disability support services, in the context of national sector reforms and with the aim of facilitating continued access to relevant, quality services.
- Complete the review of children’s services to determine Council’s future role in early childhood education and care.
- Explore new models of providing services and advocate to ensure the right mix and level of services to improve access and health equity for our communities.
- Implement improvements to maternal and child health services and family support services that respond to growing and changing demands.
- Investigate the feasibility of a dedicated youth space, including through potential partnership arrangements.
- Collaborate with partners and service providers to undertake neighbourhood planning and delivery of community infrastructure, services, programs and outreach that promote health and social inclusion and are aligned to community needs.
- Provide funding to community organisations and service providers to ensure access to relevant services and programs.

## 1.4 Community diversity is valued and celebrated.

We will work towards this outcome by:

- A. Supporting programs and events that engage, honour and are inclusive of our diverse social and cultural communities.
- B Targeting services and building community capacity to support vulnerable members of our community, emphasising prevention and early intervention.
- C Protecting and promoting Aboriginal culture and heritage, and continuing reconciliation with our Indigenous community.

Our priorities for the next four years:

- Establish the Pride Centre in St Kilda.
- Work with the Port Phillip Health and Wellbeing Alliance, Youth Advisory Committee, Older Persons Consultative Committee, Access Network, Multicultural Forum and Multifaith Network to develop policy, services and infrastructure that best meet diverse community needs.
- Ongoing delivery of programs and events that celebrate our diverse communities, including multicultural and multifaith events, senior events, and the Pride March.
- Review the Port Phillip Social Justice Charter.
- Retain Council’s Access and Ageing Department Rainbow Tick accreditation to ensure LGBTIQ inclusive service delivery.
- Develop and implement our second Reconciliation Action Plan 2017-2019, including the Aboriginal and Torres Strait Islander employment policy, and update the Aboriginal and Torres Strait Islander Arts Plan.



# We embrace difference, and people belong

## This direction is supported by

<b>Advocacy priorities</b>	Advocate to the Victorian Government: <ul style="list-style-type: none"><li>• for an affordable housing target in Fishermans Bend</li><li>• to introduce 'Inclusionary Zoning' to deliver affordable and social housing through private sector development</li><li>• for improved public and social housing and better standards for boarding and rooming houses to improve safety, amenity and privacy of residents</li><li>• for improved access to education and additional schools in Port Phillip.</li></ul> Advocate to the Federal Government for funded support and tax reform that addresses housing affordability.	
<b>Engagement and partnership priorities</b>	<ul style="list-style-type: none"><li>• Ongoing collaboration with partners to the Health and Wellbeing Alliance.</li><li>• Suai Covalima Timor Leste Partnership.</li><li>• Work in partnership with Victoria Police, the community and local service agencies to improve community safety.</li><li>• Work with new and current partners to monitor and respond to health and social change through research and evidence-based policy.</li><li>• Work with academic partners to undertake place-based evaluations of health outcomes.</li><li>• Work with inner Melbourne councils to collaborate on regional sport and recreational planning and delivery.</li></ul>	
<b>Strategies / plans <sup>13</sup></b>	<ul style="list-style-type: none"><li>• Childcare Policy 2006</li><li>• Disability Policy 2011</li><li>• Family, Youth and Children Collaborative Practice Framework 2016</li><li>• Family, Youth and Children Strategy 2014-2019</li><li>• Friends of Suai Strategic Plan 2010-2020</li><li>• Homelessness Action Strategy 2015-2020</li><li>• In Our Backyard - Growing Affordable Housing in Port Phillip 2015-2025</li></ul>	<ul style="list-style-type: none"><li>• Middle Years Commitment and Action Plan 2014-2019</li><li>• Protocol for Assisting People Who Sleep Rough 2012</li><li>• Reconciliation Action Plan 2017 (under development)</li><li>• Social Justice Charter 2011</li><li>• Sport and Recreation Strategy and Implementation Plan 2015-2024</li><li>• Youth Commitment and Action Plan 2014-2019</li></ul>

<sup>13</sup> Strategies, plans and policies are mapped to the direction they primarily contribute to. Some strategies, plans and policies will contribute to multiple directions.

## Key projects that will be underway by 2027

Service	Project	Cost (4-year projection)*	Council's role	17/18	18/19	19/20	20/21	21/22 - 26/27
<b>Affordable housing and homelessness</b>	In Our Backyard Strategy Implementation*	\$210,000	Partner	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
<b>Ageing and accessibility</b>	Aged Care Transition Service Review	\$183,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
<b>Children</b>	Children's Centres Improvement Program	\$3,800,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Bubup Nairn Non-Compliance Works	\$990,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Children's Services Review Implementation	\$210,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
<b>Community programs and facilities</b>	Ferrars Street Education and Community Precinct Community Facilities and Netball Courts*	\$2,995,000	Fund	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Community Facilities Upgrade Program - Liardet Street Community Centre	\$560,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Community Facilities Upgrade Program - South Melbourne Community Centre	\$590,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Pride Centre Implementation	\$20,000	Partner	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
<b>Families and young people</b>	Adventure Playgrounds Upgrade	\$700,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>

\* This is a major initiative that will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.



We embrace difference, and people belong

Service	Project	Cost (4-year projection)*	Council's role	17/18	18/19	19/20	20/21	21/22 - 26/27
Recreation	JL Murphy Reserve Pavilion Upgrade *	\$2,472,000	Deliver					
	Peanut Farm Reserve Sports Pavilion Upgrade *	\$2,815,000	Deliver					
	South Melbourne Life Saving Club Redevelopment *	\$6,350,000	Deliver					
	North Port Oval Upgrade	\$2,950,000	Deliver					
	Sports Playing Field Renewal Program	\$800,000	Deliver					
	Julier Reserve Pavilion Upgrade	\$240,000	Deliver					
	Lagoon Reserve Sport Field Upgrade	\$100,000	Deliver					
	Recreation Reserves Facilities Renewals Program	\$1,135,000	Deliver					

\* This is a major initiative that will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.

Services that contribute to this direction

Service	2017/18	2018/19	2019/20	2020/21
<b>Affordable housing and homelessness</b> Support people at risk of or experiencing homelessness through direct services and facilitating an increasing supply of affordable housing through research and advocacy, contributing property and funding for community housing projects, and facilitating affordable housing developments by the public, private and community sectors.	Operating \$1,479,490 Capital \$0	Operating \$1,446,325 Capital \$0	Operating \$1,484,787 Capital \$0	Operating \$1,548,791 Capital \$0
<b>Ageing and accessibility</b> Facilitate independence and promote social connectedness for older people and those living with a disability by providing in-home support services, social inclusion programs, funding for community groups and service providers, assessing clients to determine their needs, and consulting with community committees and networks.	Operating \$10,317,495 Capital \$76,176	Operating \$10,488,905 Capital \$121,032	Operating \$10,856,657 Capital \$119,808	Operating \$11,337,449 Capital \$89,496
<b>Children</b> Help families achieve their full potential by providing, funding and advocating for high quality, affordable early childhood education and care, maternal and child health services, playgroups and toy libraries.	Operating \$17,180,054 Capital \$1,565,392	Operating \$17,485,509 Capital \$1,190,344	Operating \$18,097,687 Capital \$1,389,936	Operating \$18,897,691 Capital \$1,379,832
<b>Community programs and facilities</b> Support inclusion for all people in our diverse community regardless of age, ethnicity, gender identity, sexuality, faith or socio-economic status, by working with community organisations, multicultural and multifaith networks, and through planning, programs, grants and facilities.	Operating \$16,182,392* Capital \$1,162,696	Operating \$4,365,020 Capital \$150,172	Operating \$4,517,817 Capital \$1,139,968	Operating \$4,717,956 Capital \$384,916
<b>Families and young people</b> Support for families and young people through case management services for vulnerable families, middle years services and programs for young people aged 8 to 11 years and programs and projects for young people aged 12 to 25 years who live, work, study or recreate in Port Phillip.	Operating \$4,128,338 Capital \$0	Operating \$4,271,231 Capital \$0	Operating \$4,419,112 Capital \$0	Operating \$4,905,461 Capital \$700,000
<b>Recreation</b> Support our community to remain active and healthy through programs, support and funding for local sports and recreation clubs and providers, providing quality sports facilities, and partnering with other organisations to facilitate health and wellbeing outcomes.	Operating \$1,829,060 Capital \$3,130,000	Operating \$1,885,692 Capital \$7,127,000	Operating \$1,944,294 Capital \$4,880,000	Operating \$2,021,566 Capital \$1,920,000

\* Includes one-off funding for the Ferrars Street Education and Community Precinct, and Pride Centre.



We embrace difference, and people belong

Performance measures

Service	Measure	Result 2014/15	Result 2015/16	Target 2017/18	Target 2020/21
Affordable housing and homelessness					
	Number of new social housing units facilitated	-	4,114 (total)	-	4,482
Ageing and accessibility					
	Resident satisfaction with services that support older people and people living with disabilities	94 %	93 %	>94 %	95 %
Children / families and young people					
	Proportion of state regulated family, youth and children's services that meet or exceed national quality and accreditation standards	100 %	100 %	100 %	100 %
	Participation in first maternal and child health home visit * 8	104.4 %	103.9 %	100 %	100 %
	Infant enrolment in maternal and child health services *	99.8 %	99.8 %	100 %	100 %
	Cost of maternal and child health service *	\$72.65	\$73.37	<\$75	<\$80
	Participation in maternal and child health services *	83.6 %	84.2 %	>85 %	>88 %
	Participation by Aboriginal children in maternal and child health services*	69.1 %	87.2 %	>85 %	>88 %
	Resident satisfaction with services that support families, youth and children	95 %	97 %	>95 %	>95 %
Community programs and facilities					
	Resident perception regarding whether City of Port Phillip services contribute to the overall health and wellbeing of the community	Data unavailable	66 % 9	67 %	68 %
	Visits per capita to community facilities	1.9	1.7	>1.9	>2
Recreation					
	Community rating of Council's recreational facility performance (index)	-	76	>75	>80
	Participation per capita in sport and recreation across formal and informal activities	-	Baseline to be established	1 % increase on baseline	5 % increase on baseline

\* Measure is required under the Local Government Performance Reporting Framework.

8 The greater than 100 % result is due to a greater number of visits than birth notifications, because some babies born late in the financial year received their first visit in the next financial year.

9 Result is from November 2016.

Major leases on council assets

	Market rental (estimate 10)	Rent per year (excluding GST)
Ada A'Beckett Childrens Centre 2 Batman Road, Port Melbourne	\$340,000	\$104
Albert Park Kindergarten 18 Dundas Place, Albert Park	\$102,500	\$104
Bubup Womindjeka Family and Childrens Centre 85 Liardet Street, Port Melbourne	\$385,000	\$104
Clarendon Childrens Centre 404-412 Clarendon Street, South Melbourne	\$105,000	\$104
Eildon Road Childrens Centre 17 Eildon Road, St Kilda	\$127,500	\$104
Lady Forster Kindergarten 63B Ormond Esplanade, Elwood	\$185,000	\$104
Lillian Cannam Kindergarten 97 Eastern Road, South Melbourne	\$155,000	\$104
Napier Street Aged Care 179 Napier Street, South Melbourne	\$483,000 11	\$0
Poets Grove Family and Childrens Centre 18 Poets Grove, Elwood	\$185,000	\$104
Port Melbourne Football Club North Port	\$210,000 11	\$9,805
South Melbourne Child Care 5-11 Carter Street, Albert Park	\$125,000	\$104
South Port Community Residential Home 18-30 Richardson Street, Albert Park	\$100,000 12	\$1
St Kilda Life Saving Club	\$420,000 11	\$1,000
The Elwood Childrens Centre 446 Tennyson Street, Elwood	\$100,000	\$104

10 Unless otherwise noted, market rent is the rating valuation calculated as five per cent of the Capital Improvement Value of the property.

11 Market rent determined by valuation report.

12 Ground rent only at market rates.



# We embrace difference, and people belong

## Service statistics (annual)

Organisations receiving community grants	50
Council facility bookings	11,700
Sports club members	20,000
Older persons referred for housing support	350
Number of contacts by young people (12-25 years) with youth services and programs	26,359
Hours of family support services provided	2,500
Visits to adventure playgrounds by middle years young people (8-11 years)	21,187
Children receiving maternal and child health support	5,138
Active home care clients	1,973
Community bus passengers	33,150
Playgroups	70

## Major financial contributions \*

Port Phillip Community Group	\$611k
Community housing contribution	\$500k
Community and neighbourhood grants	\$303k
Food services and social support grants	\$208k
Youth services	\$163k
Town hall hire subsidy	\$110k
Port Melbourne Neighbourhood House	\$109k
Star Health	\$102k
South Port Legal Service	\$58k
Friends of Suai	\$48k
South Port Day Links	\$47k
Melbourne City Mission	\$38k
Sacred Heart Mission	\$33k
New Hope Foundation	\$32k
Melbourne Sports and Aquatic Centre	\$30k

## Assets

Maternal and child health centres	7
Council and community managed childcare centres	12
Community centres	15
Sports club buildings	20

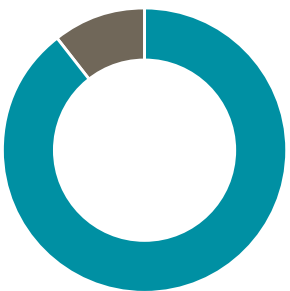
## Major contracts \*\*

Sports field maintenance	\$534k
Childcare and community centre grounds maintenance	\$186k

## Budget for this direction in 2017/18

\$57.1m

## How is it spent?



Operating	\$51,116,830
Capital	\$5,934,264

## How is it funded?



Rates	\$18,123,423
Fees and charges*	\$20,713,590
Other income #	\$18,214,081

\* Including parking

# Including reserves for the Pride Centre, and the Ferrars Street Education and Community Precinct community facilities

\* Annual value of \$30,000 or more  
\*\* Annualised 2017/18 value of \$150,000 or more







## What we want to see by 2027

- 2.1 An integrated transport network that connects people and places
- 2.2 Demand for parking and car travel is moderated as our City grows
- 2.3 Our streets and places are designed for people

### Direction 2

We are connected  
and it's easy to move  
around

### How we will measure progress

Outcome indicators	2014/15 result	2015/16 result	2017/18 target	2020/21 target	2026/27 target
Residents reporting choosing sustainable transport options to travel to work	57 %	57 %	58 %	60 %	65 %
Number of fatal and serious traffic collisions involving all road users	93	97	<127	<119	To be determined as part of the Integrated Transport Strategy
Number of schools participating in Ride 2 School Month and Walk to School Day	8	10	12	14	16



# We are connected and it's easy to move around

## 2.1 An integrated transport network that connects people and places.

We will work towards this outcome by:

- A. **Advocating for investment in public transport to address network gaps, increase capacity, and improve connections between modes.**
- B **Improving the connectivity, safety and amenity of walking and bike riding networks.**
- C **Influencing truck movements to facilitate business and manage local amenity impacts.**

Our priorities for the next four years:

- Develop and deliver an Integrated Transport Strategy, including network plans for all modes and intermodal connections.
- Plan for and deliver Kerferd Road safety and streetscape improvements to enhance walking and bike riding (subject to State funding).
- Implement walking projects that create safe, high amenity walking routes and reduce barriers to people walking across arterial roads.
- Work with Public Transport Victoria on the Balaclava Station interchange and Carlisle Street tram stop upgrade.
- Improve the attractiveness of bike riding as part of delivering Council's bike network.
- Ongoing program of renewals and improvements to laneways, roads, footpaths and street signage
- Deliver the Beach Street separated queuing lane to reduce traffic delays associated with cruise ship arrivals.

## 2.2 Demand for parking and car travel is moderated as our City grows.

We will work towards this outcome by:

- A. **Engaging with the community using a neighbourhood based approach, to encourage active and sustainable travel.**
- B **Reducing reliance on cars, by directing housing and employment growth to areas with the best access to public transport and shops.**
- C **Managing parking demand through technology, policy and pricing.**

Our priorities for the next four years:

- Develop a Parking Management Plan as part of the Integrated Transport Strategy, and develop new policies for paid parking, on-street permits and parking provision rates for new development.
- Expand the on-street network of car share vehicles, and encourage provision in new developments.
- Investigate Council's car parks for future development opportunities that deliver increased community benefit.
- Improve local community travel choices, especially by schools, by investing in infrastructure and behaviour change programs.
- Implement clever parking initiatives that help manage parking supply and turnover, and improve customer experience.
- Integrate land use and transport planning through a review of the Municipal Strategic Statement.



# We are connected and it's easy to move around

## 2.3 Our streets and places are designed for people.

We will work towards this outcome by:

- A. Prioritising walking, bike riding and public transport when designing roads and allocating resources.
- B Pursuing universal accessibility for people with disabilities, children and older people.

Our priorities for the next four years:

- Implement blackspot safety improvements at high collision locations (subject to external funding).
- Work with partners on the St Kilda Junction safety upgrade and St Kilda Road safety improvement study to facilitate walking, bike riding and use of public transport.
- Work with Public Transport Victoria to deliver a pipeline of place and movement projects, with fully integrated urban design and increased public transport service benefits for our communities.
- Complete the streetscape and intersection upgrade of Wellington Street to improve safety and amenity.
- Review and implement the City of Port Phillip Access Plan to support universal access, and implement accessibility improvements to council buildings, streets and public spaces, including the beach.
- Work with partners on the design and implementation of the Domain Station and precinct to prioritise walking, bike riding and public transport services.
- Progressively review and upgrade disabled parking spaces in commercial areas to meet updated Australian Standards.

### This direction is supported by

Advocacy priorities	Advocate to the Victorian Government: <ul style="list-style-type: none"><li>• to maximise community benefit from Melbourne Metro public transport and precinct works including the Park Street tram link and all associated tram stop upgrades</li><li>• to maximise community benefit from Public Transport Victoria’s tram stop upgrade program</li><li>• for the Shrine to Bay Boulevard, landscape and bike network connection</li><li>• to expedite funding and delivery of the St Kilda Road safety improvement project to provide for convenient, safe and continuous walking and bike riding</li><li>• for early implementation of strategic cycling corridors (continuous buffered and protected bike lanes), light rail and smart bus routes to and around Fishermans Bend</li><li>• for Balaclava Walk (Nightingale Street to Ripponlea Station).</li></ul> Advocate to VicRoads to confine truck travel to select routes through the City, including an extension of the truck curfew on Beaconsfield Parade and Beach Street.	
Engagement and partnership priorities	<ul style="list-style-type: none"><li>• Lead collaboration with inner Melbourne councils to secure funding for the inner metro strategic cycling corridor network.</li><li>• Partner with inner city councils to advocate for a consistent wayfinding strategy for pedestrians and public transport users.</li></ul>	
Strategies / plans *	<ul style="list-style-type: none"><li>• Access Plan 2013-2018</li><li>• Bike Plan: Pedal Power 2011-2020</li><li>• Car Share Policy 2016-2021</li><li>• Parking Permit Policy 2001</li><li>• Public Transport Advocacy Statement 2009</li><li>• Road Management Plan 2013</li></ul>	<ul style="list-style-type: none"><li>• Safer Streets 2013-2020: The Road User Safety Strategy</li><li>• Sustainable Transport and Parking Rates Policy 2007</li><li>• Sustainable Transport Precinct Plans</li><li>• Sustainable Transport Strategy: A Connected and Liveable City 2014</li><li>• Walk Plan 2011-2020</li></ul>

\* Strategies, plans and policies are mapped to the direction they primarily contribute to. Some strategies, plans and policies will contribute to multiple directions.



We are connected and it's easy to move around

Key projects that will be underway by 2027

Service	Project	Cost (four-year projection)*	Council's role	17/18	18/19	19/20	20/21	21/22 - 26/27
Transport and parking management	Integrated Transport Strategy Development *	\$150,000	Deliver	<div></div>				
	Beach Street Separated Queuing Lane Implementation *	\$519,000	Deliver	<div></div>				
	Kerferd Road Safety Improvements * **	\$1,950,000	Deliver	<div></div>				
	Kerferd Road Streetscape Upgrade * #	\$2,200,000	Deliver	<div></div>				
	Wellington Street Upgrade - Intersection Redevelopment	\$600,000	Deliver		<div></div>			
	Blackspot Safety Improvements **	\$2,106,000	Deliver	<div></div>				
	Parking Technology Renewal and Upgrade Program	\$2,600,000	Deliver	<div></div>				
	Walk Plan and Bike Plan Implementation *	\$4,040,000	Deliver	<div></div>				
	St Kilda Junction Safety Upgrade	\$500,000	Deliver		<div></div>			
	Street Signage and Furniture Renewal Program	\$1,440,000	Deliver	<div></div>				
	Footpath Renewal Program	\$3,050,000	Deliver	<div></div>				
	Kerb and Gutter Renewal Program	\$3,535,000	Deliver	<div></div>				
	Laneway Renewal and Upgrade Programs	\$1,970,000	Deliver	<div></div>				
	Public Space Accessibility Improvement Program	\$1,400,000	Deliver	<div></div>				
	Road Renewal Program	\$14,580,000	Deliver	<div></div>				
	Melbourne Metro Tunnel Project Support - Domain Station	\$500,000	Partner	<div></div>				
	Safer Streets Infrastructure Improvement Program	\$200,000	Deliver	<div></div>				

\* This is a major initiative that will contribute to Transforming Transport and Parking. Major initiatives will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.

\*\* Subject to external funding.

# Subject to the Kerferd Road Safety Improvements project proceeding, an approved business case and external funding.

Services that contribute to this direction

Service	2017/18	2018/19	2019/20	2020/21
Transport and parking management	Operating	Operating	Operating	Operating
Provide and maintain a safe transport network, develop transport and road safety strategy and policy, measure the impact of education programs, improve the range of travel modes, and manage parking policy, on-street parking controls and enforcement.	\$20,965,335	\$20,496,704	\$21,198,485	\$22,137,578
	Capital	Capital	Capital	Capital
	\$9,725,000	\$12,875,000	\$9,870,000	\$8,870,000



# We are connected and it's easy to move around

## Performance measures

Service	Measure	Result 2014/15	Result 2015/16	Target 2017/18	Target 2020/21
Transport and parking management					
	Resident satisfaction with transport planning policy, safety and design	-	91 % <sup>13</sup>	>90 %	>90 %
	Resident satisfaction with parking management	77 %	79 %	80 %	80 %
	Resident satisfaction with resident parking permits	-	74 % <sup>13</sup>	75 %	75 %
	Sealed local road requests *	59	52	<60	<60
	Satisfaction with sealed local roads	73	70	>70	>70
	Cost of sealed local road reconstruction *	\$170.70	\$156.51	<\$160	<\$164
	Cost of sealed local road resealing*	\$40.27	\$43.03	<\$50	<\$60
	Sealed local roads below the intervention level *	97 %	97 %	97 %	97 %

\* Measure is required under the Local Government Performance Reporting Framework.  
<sup>13</sup> Result is from November 2016.

## Service statistics (annual)

Parking infringement notices	158k
Parking permits	31k
Requests for infringement reviews	17k
Infringements lodged with the Infringements Court	28k

## Major contracts \*

Civil infrastructure and maintenance	\$8.9m
Parking administration services	\$2m
Parking machine maintenance	\$975k
Street lighting electricity	\$639k
Vehicle towing	\$509k

## Budget for this direction in 2017/18

\$30.7m

## How is it spent?



Operating	\$20,965,335
Capital	\$9,725,000

## How is it funded?



Rates	\$22,932,177
Fees and charges*	\$6,129,732
Other income	\$1,628,426

\* Including parking

## Assets

Bike network (lanes and paths)	59 km
Roads	265 km
Footpaths	414 km
Parking machines	489

\* Annual value of \$30,000 or more



Direction 3

We have smart solutions for a sustainable future



What we want to see by 2027

- 3.1 A greener, cooler and more liveable City
- 3.2 A City with lower carbon emissions
- 3.3 A City that is adapting and resilient to climate change
- 3.4 A water sensitive City
- 3.5 A sustained reduction in waste

How we will measure progress

Outcome indicators	2014/15 result	2015/16 result	2017/18 target	2020/21 target	2026/27 target
Total canopy cover	Data unavailable	19 %	20 %	22 %	29 %
Council's greenhouse gas emissions	43 % reduction <sup>14</sup>	60 % reduction	71 % reduction	100 % reduction	Zero net emissions
Council's potable water use (ML)	209	258	211.5	155	155
Kerbside collection waste diverted from landfill *	35 %	34 %	35 %	>35 %	Target to be set through the Waste Management Plan
Municipal-wide greenhouse gas emissions	-	-	Baseline to be established in 2017/18	Target to be set once baseline known, through the Sustainability Strategy Beyond 2020	Target to be set once baseline known, through the Sustainability Strategy Beyond 2020

<sup>14</sup> On 1996/97 emissions, which was 16,333 tonnes  
\* Measure is required under the Local Government Performance Reporting Framework.



# We have smart solutions for a sustainable future

## 3.1 A greener, cooler and more liveable City.

We will work towards this outcome by:

- A. Increasing canopy cover and diversity of tree species across our streets and open spaces.
- B Facilitating the greening of our built environment, through green roofs, walls and facades.

Our priorities for the next four years:

- Promote green buildings by applying environmentally sustainable design planning policy and guidelines.
- Develop a heat management plan to help cool the City and reduce the impact on health.
- Implement and review progress on the Greening Port Phillip Plan - An Urban Forest Approach, including implementing the street tree planting program 2017-2022 and ongoing investment in park trees and streetscape improvements, including in Fishermans Bend.
- Investigate opportunities to protect vegetation and increase canopy cover on private property.
- Complete an Ecological Biodiversity Study, in partnership with the EcoCentre and local experts.

## 3.2 A City with lower carbon emissions.

We will work towards this outcome by:

- A. Reducing Council energy consumption and greenhouse gas emissions.
- B Facilitating a reduction in community greenhouse gas emissions by partnering with the community and private sector.
- C Promoting sustainable and low energy precinct infrastructure, including in Fishermans Bend

Our priorities for the next four years:

- Develop a sustainability strategy for beyond 2020, including considering United Nations sustainability goals and targets and baselining municipal-wide greenhouse gas emissions.
- Invest in renewable energy and energy efficiency measures in Council buildings and in the Melbourne Renewable Energy Project, a group purchasing model to drive investment in renewable energy.
- Develop and implement a Sustainable City Community Action Plan and deliver behaviour change and education programs for the community and business.
- Contribute to the EcoCentre redevelopment and continue to invest in EcoCentre programs that support an environmentally aware community.
- Develop guidelines that enable increased uptake of environmentally sustainable design features, including roof top solar, in heritage areas.
- Examine the effectiveness of establishing a Port Phillip energy foundation, or partnering with an existing foundation, to undertake advocacy, research, advisory and community engagement initiatives.
- Embed sustainability into Council's procurement, fleet and investment policies and practices and investigate opportunities to install electric car charging stations.



# We have smart solutions for a sustainable future

## 3.3 A City that is adapting to climate change.

We will work towards this outcome by:

- A Increasing community resilience to the impacts of climate change.
- B Requiring development to adapt to and positively influence the local climate.
- C Managing and reducing the impacts of flooding and sea level rise.

Our priorities for the next four years:

- Develop tools to help the community understand and adapt to the impacts of climate change.
- Work with partners to develop a long-term action plan for the Elster Creek catchment to mitigate flooding.
- Develop and implement a framework to increase Council asset resilience to the impacts of climate change.
- Work with partners to develop a bay-wide coastal hazard assessment and advocate for a planning scheme tool to identify and manage coastal inundation.

## 3.4 A water sensitive City.

We will work towards this outcome by:

- A. Reducing potable water consumption by encouraging more efficient water use and establishing alternative water sources.
- B Improving the quality of water entering Port Phillip Bay and increasing ground permeability.

Our priorities for the next four years:

- Undertake integrated water management planning, including partnering with Melbourne Water and others to review and implement relevant plans.
- Plan and deliver water sensitive urban design interventions to reduce contaminants in water entering Port Phillip Bay.
- Investigate and implement (subject to viability) stormwater harvesting and flood mitigation works at key locations.
- Implement irrigation upgrades at key sports fields and parks to optimise water use.
- Increase the permeability of ground surfaces across public streets and spaces, and work with the community to achieve greater permeability on private property.
- Collaborate with the Cooperative Research Centre for Water Sensitive Cities.
- Develop a Stormwater Asset Management Plan and continue to invest in drainage improvements.
- Develop a Stormwater Management Policy and Guidelines to require onsite stormwater detention for new developments.



# We have smart solutions for a sustainable future

## 3.5 A sustained reduction in waste.

We will work towards this outcome by:

- A Reducing waste and maximising recycling and diversion from landfill through service innovation and facilitating community action.
- B Managing waste collection to improve amenity and achieve cleaner streets, public spaces and foreshore areas.

Our priorities for the next four years:

- Develop and implement a new municipal Waste and Resource Recovery Strategy including an implementation plan to divert organic waste from landfill.
- Work with the Metropolitan Waste and Resource Recovery Group to develop a business case to establish an inner metropolitan organic waste management service.
- Increase investment in street cleaning, litter bins and equipment to improve amenity and responsiveness and investigate opportunities for further improvements to service delivery.
- Pursue waste innovations in Fishermans Bend.
- Update waste management guidelines for apartment developments and implement education programs.

### This direction is supported by

Advocacy priorities	<ul style="list-style-type: none"><li>• Work with partners to develop a long-term action plan for the Elster Creek catchment to mitigate flooding.</li><li>• Advocate for and promote reduced use of balloons, plastic bags and single use plastics.</li><li>• Advocate to the Victorian Government for sustainability targets in Fishermans Bend.</li><li>• Advocate for innovative sustainable infrastructure solutions for water reuse, energy and climate resilience, and partner to deliver advanced waste treatment and resource recovery.</li></ul>
Engagement and partnership priorities	<ul style="list-style-type: none"><li>• Collaborate with the South East Councils Climate Change Alliance and the Council Alliance for Sustainable and Built Environment.</li><li>• Work with partners to improve catchment management.</li><li>• Work with the Association of Bayside Municipalities to coordinate, cooperate and advocate to ensure sustainable management and health of Port Phillip Bay.</li><li>• Work with inner Melbourne councils on an Urban Forest and Biodiversity Strategy for the inner region.</li><li>• Work with inner Melbourne councils on an innovative waste management strategy for the inner region.</li><li>• Work with Parks Victoria and City of Melbourne to determine the viability of stormwater harvesting at Albert Park Lake.</li></ul>
Strategies / plans *	<div><ul style="list-style-type: none"><li>• Climate Adaptation Plan 2010</li><li>• Foreshore and Hinterland Vegetation Management Plan 2015</li><li>• Greenhouse Plan 2011</li><li>• Greening Port Phillip, An Urban Forest Approach 2010</li><li>• Graffiti Management Plan 2013-2018</li><li>• Public Toilet Plan 2013-2023</li></ul></div> <div><ul style="list-style-type: none"><li>• Stormwater Management Plan 2010</li><li>• Sustainable Design Strategy 2013</li><li>• Sustainable Public Lighting Strategy for Streets and Open Space 2011-2016</li><li>• Toward Zero Sustainable Environment Strategy 2007</li><li>• Water Plan 2010</li><li>• Water Sensitive Urban Design Guidelines 2009</li></ul></div>

\* Strategies, plans and policies are mapped to the direction they primarily contribute to. Some strategies, plans and policies will contribute to multiple directions.

# We have smart solutions for a sustainable future

## Key projects that will be underway by 2027

Service	Project	Cost (4-year projection)*	Council's role	17/18	18/19	19/20	20/21	20/21 - 26/27
Amenity	Stormwater Management Program *	\$5,200,000	Deliver					
	Plant and Equipment (Depot) Renewal Program	\$350,000	Deliver					
	Clean Streets Service Review	\$100,000	Deliver					
Sustainability	Water Sensitive Urban Design Program *	\$1,800,000	Deliver					
	Albert Park Stormwater Harvesting Development *	\$4,250,000	Partner					
	Alma Park Stormwater Harvesting Development *	\$1,150,000	Deliver					
	Baseline of Municipal Greenhouse Gas Emissions Development **	\$150,000	Deliver					
	Sustainability Strategy Beyond 2020 Review **	\$150,000	Deliver					
	Sustainable City Community Action Plan Implementation	\$300,000	Deliver					
	South Melbourne Market Solar Installation	\$690,000	Deliver					
	Energy Efficiency and Solar Program **	\$1,960,000	Deliver					
	Street and Park Tree Improvements Program	\$2,160,000	Deliver					
	EcoCentre Redevelopment ***	\$3,300,000	Partner					
Waste reduction	Waste and Resource Recovery Strategy Development #	\$95,000	Deliver					
	Litter Bin Renewal and Expansion Program	\$1,630,000	Deliver					

\* This is a major initiative that will contribute to Transforming Water Management. Major initiatives will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.

\*\* This is a major initiative that will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.

\*\*\* Subject to external funding.

# This is a major initiative that will contribute to Transforming Waste Management. Major initiatives will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.

## Services that contribute to this direction

Service	2017/18	2018/19	2019/20	2020/21
<b>Amenity</b> Manage waste collection, clean streets, beaches, foreshore, roads, footpaths, medians, trade commercial areas, public toilets and barbecues, maintain Council buildings and assets, respond to graffiti complaints and remove graffiti.	Operating \$16,442,776 Capital \$3,498,570	Operating \$17,120,072 Capital \$3,147,865	Operating \$17,616,894 Capital \$3,236,560	Operating \$18,124,202 Capital \$2,956,595
<b>Sustainability</b> Reduce Council and community impact on the environment and coordinate long-term approaches to climate adaptation through policy and tools to achieve environmental sustainability outcomes, behaviour change programs, community outreach, advice and support, partnership programs, advocacy, and by embedding sustainability into Council operations and projects.	Operating \$3,418,275 Capital \$1,639,348	Operating \$3,212,476 Capital \$3,527,086	Operating \$3,105,246 Capital \$6,159,984	Operating \$3,204,267 Capital \$3,157,458
<b>Waste reduction</b> Reduce waste going to landfill through kerbside and public place recycling, hard waste and green waste collection, operating the Resource Recovery Centre, waste and environment education, and support for the EcoCentre.	Operating \$3,897,818 Capital \$0	Operating \$3,860,448 Capital \$0	Operating \$3,928,261 Capital \$0	Operating \$4,015,606 Capital \$0



# We have smart solutions for a sustainable future

## Performance measures

Service	Measure	Result 2014/15	Result 2015/16	Target 2017/18	Target 2020/21
Amenity					
	Resident satisfaction with street cleaning	89 %	89 %	>90 %	>90 %
	Street cleaning audit compliance	85 %	95 %	>95 %	>95 %
Sustainability					
	New trees planted per year	1,305	1,466	1,055	1,055
	Resident satisfaction with making Port Phillip more environmentally sustainable	91 %	91 %	>90 %	>90 %
	Eligible applications that addressed sustainable design issues and received a planning permit	78 %	78 %	87 %	100 %
	Megalitres of water use from alternative sources	Data unavailable	1.68	15	138
	Total suspended solids removed from stormwater (tonnes)	Data unavailable	38.9	47.3	109.43
	Investments in fossil free institutions	28 %	49 %	60-80 %	60-80 %
Waste					
	Council waste production	62.2 tonnes	53.4 tonnes	50 tonnes	10.64 tonnes
	Resident satisfaction with waste and recycling collections	95 %	92 %	90 %	90 %
	Kerbside bins collections missed*	5.6	2.7	<2.5	<2.5
	Direct cost of kerbside garbage bin collection service*	\$75.10	\$72.89	<\$80	<\$85
	Direct cost of kerbside recycling collection*	\$32.00	\$33.93	<\$36	<\$40
	Kerbside garbage requests (per 1,000 households)*	48.64	33.57	<35	<35

\* Measure is required under the Local Government Performance Reporting Framework.

## Service statistics (annual)

Recycling bins collections	1.8 million
People participating in Council-run sustainability programs	7,500
Waste bins collected	2 million
Hard waste and green waste collections	15,600
Customer request responses	6,720

## Assets

Drain pipes	11,900 km
Drainage pits	10,400
Street and park litter bins	1,212
Street trees	31,042
Park trees	12,852

## Major financial contributions \*

EcoCentre contribution and funding for education programs	\$200k
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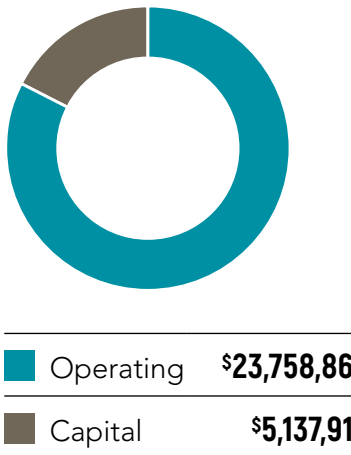
## Major contracts \*\*

Regional landfill	\$1.7m
Residential kerbside waste collection	\$1.5m
Residential kerbside recycling collection	\$1.5m
Hard waste and dumped rubbish collection	\$1.5m
Drainage maintenance	\$966k
Graffiti removal	\$267k
Mobile waste and recycling bins	\$179k

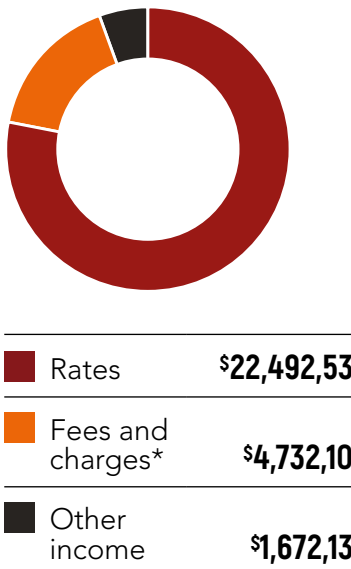
## Budget for this direction in 2017/18

\$28.9m

## How is it spent?



## How is it funded?



\* Including parking

\* Annual value of \$30,000 or more  
\*\* Annualised 2017/18 value of \$150,000 or more





## What we want to see by 2027

- 4.1 Liveability in a high density City
- 4.2 A City of diverse and distinctive neighbourhoods and places

### Direction 4

# We are growing and keeping our character

## How we will measure progress

Outcome indicators	2014/15 result	2015/16 result	2017/18 target	2020/21 target	2026/27 target
Residents who feel a sense of safety and security in Port Phillip	85 %	85 %	85 %	>87 %	>90 %
Residents who are proud of, connected to and enjoy living in their neighbourhood	97 %	96 %	95 %	>95 %	>95 %
Residents who agree the local area is vibrant, accessible and engaging	97 %	96 %	95 %	>95 %	>95 %
Planning decisions upheld by VCAT *	71 %	71 %	>70 %	>70 %	>70 %

\* Measure is required under the Local Government Performance Reporting Framework.



# We are growing and keeping our character

## 4.1 Liveability in a high density City.

We will work towards this outcome by:

- A. Requiring well-designed buildings that contribute to safe, lively, high amenity places.
- B. Designing, activating and managing public spaces that are safe and inviting places for people to enjoy.
- C. Extending, connecting and diversifying our open space network to cater for increased demand.

Our priorities for the next four years:

- Partner with the Victorian Government to ensure the Fishermans Bend Framework and precinct plans maximise outcomes for current and future Port Phillip residents, including employment, housing choice, quality public space and community facilities, and early delivery of fast, frequent public transport.
- Deliver open space and streetscape works in Fishermans Bend, particularly in the Montague Precinct and at the Ferrars Street Education and Community Precinct.
- Work with the Victorian Government to effectively manage soil contamination and management on open space sites, including at Gasworks Arts Park.
- Review and update the Port Phillip Planning Scheme and Municipal Strategic Statement to ensure an effective framework of local policy and controls to manage growth and support healthy communities.
- Implement planning scheme amendments to strengthen design and development controls in areas undergoing significant change.
- Develop a new public space strategy.
- Review Council’s design and technical standards for streets and public spaces.
- Deliver the Design and Development Awards, to showcase and promote design excellence in Port Phillip.
- Invest in improving parks, playgrounds and street and public space lighting.
- Continue to improve community safety by evaluating CCTV, undertaking community safety audits and implementing crime prevention through environmental design guidelines.
- Continue to maintain a high standard of amenity, ensure compliance with planning requirements and local laws, and support public health and safety through service improvements and mobile technology.
- Review Council’s local law to manage and improve community amenity.
- Review Council’s Domestic Animal Management Plan, which promotes animal welfare and responsible pet ownership.

## 4.2 A City of diverse and distinctive neighbourhoods and places.

We will work towards this outcome by:

- A. Planning for 10 minute walking neighbourhoods that give locals access to shops, community spaces and a strong sense of place.
- B. Protecting heritage places that represent our historic, social, cultural and architectural identity.
- C. Ensuring new development integrates with, respects and contributes to the unique heritage, character and beauty of our neighbourhoods.
- D. Enhancing the environmental and recreational qualities of the foreshore.

Our priorities for the next four years:

- Effectively manage the St Kilda Marina lease process, including developing design guidelines through stakeholder and community engagement.
- Advocate for and partner to develop a vision and plan for St Kilda Junction.
- Develop an urban design framework for the St Kilda Road North - Domain Station precinct and surrounds.
- Continued delivery of place-based planning and coordinated development and advocacy using a precinct management approach in Balaclava, Domain, Port Melbourne Waterfront and Fitzroy Street, St Kilda.
- Develop design guidelines for key foreshore destinations including the St Kilda Triangle and Port Melbourne Waterfront.
- Implement a program to strengthen heritage controls including assessing sites of cultural and social significance and implementing the review of Heritage Overlay 6 (East St Kilda) through the planning scheme.
- Review the Housing Strategy to ensure new residential development is well located and respects the character and heritage of established neighbourhoods.
- Review the Heritage Policy in the Planning Scheme to improve guidance on retention and adaptive reuse of the City’s heritage fabric.
- Reflect and interpret the City’s history by installing plaques, memorials and monuments.
- Upgrade the foreshore including vegetation projects and maritime infrastructure renewals.

# We are growing and keeping our character

## This direction is supported by

<b>Advocacy priorities</b>	Advocate to the Victorian Government for: <ul style="list-style-type: none"><li>• measures to mitigate the amenity impact of Melbourne Metro construction, including minimising the loss of trees</li><li>• early delivery of high frequency public transport links to Fishermans Bend</li><li>• a sustainable funding and financing strategy to fund the timely delivery of local infrastructure at Fisherman Bend</li><li>• community consultation for a replacement recreational structure that meets safety obligations, to recognise the cultural and heritage significance of Brookes Jetty</li><li>• the redevelopment of St Kilda Pier.</li></ul>	
<b>Engagement and partnership priorities</b>	<ul style="list-style-type: none"><li>• Engage with our communities and advocate for positive planning outcomes for Fishermans Bend, including walkability.</li><li>• Work with Parks Victoria on key projects, including use of Port Phillip Bay and Albert Park.</li></ul>	
<b>Strategies / plans *</b>	<div><ul style="list-style-type: none"><li>• Activating Laneways Strategy 2011</li><li>• City of Port Phillip Housing Strategy 2007-2017</li><li>• City of Port Phillip Activity Centre Strategy 2006</li><li>• Domestic Animal Management Plan 2012-2016</li><li>• Fishermans Bend Planning and Economic Development Strategy</li><li>• Foreshore Management Plan 2012</li><li>• Inner Melbourne Action Plan 2015-2025</li><li>• Management plans for: Catani Gardens and Southern Foreshore, Elwood Foreshore and Recreation reserves, JL Murphy Reserve, and Marina Reserve</li><li>• Masterplans for: Albert Park College Precinct, Balaclava Station, Emerald Hill Precinct, St Kilda Triangle</li><li>• Monuments and Memorials Guidelines</li><li>• Municipal Emergency Management Plan</li><li>• Open Space Strategy and Implementation Plan Framework 2009</li></ul></div> <div><ul style="list-style-type: none"><li>• Open Space Water Management Plan 2010</li><li>• Playspace Strategy 2011</li><li>• Port Melbourne Waterfront Activation Plan</li><li>• Port Phillip Heritage Review 2000 (Version 18)</li><li>• Port Phillip Local Law No.1 (Community Amenity) 2013</li><li>• Port Phillip Planning Scheme</li><li>• Precinct structure plans and urban design frameworks for: activity centres (Bay Street, Carlisle Street, South Melbourne Central and Ormond Road Elwood) and growth precincts (Montague Precinct, St Kilda Road South, St Kilda Road North, St Kilda Foreshore and Port Melbourne Waterfront)</li><li>• Port Phillip City Collection Policy 2017</li><li>• Soil Contamination Management Policy</li><li>• St Kilda Botanical Gardens Future Directions Plan 2009</li></ul></div>	

\* Strategies, plans and policies are mapped to the direction they primarily contribute to. Some strategies, plans and policies will contribute to multiple directions.

## Key projects that will be underway by 2027

Service	Project	Cost (four-year projection)*	Council's role	17/18	18/19	19/20	20/21	21/22 - 26/27
City planning and urban design	Fishermans Bend Managing Growth Program *	\$365,000	Partner	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Planning Scheme Amendments Program	\$1,000,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Precinct management: Domain, Balaclava, Port Melbourne Waterfront and Fitzroy Street	\$1,327,500	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Development approvals and compliance	Statutory Planning Service Review	\$100,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
Public space	Public Spaces Strategy Development **	\$120,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Ferrars Street Education and Community Precinct - Construction of Montague Park *	\$8,290,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Ferrars Street Education and Community Precinct - Streetscape Upgrade *	\$3,768,000	Partner	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Gasworks Arts Park Contamination Management Plan and Reinstatement **	\$4,660,000	Partner	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	St Kilda Marina New Lease **	\$200,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Foreshore Assets Renewal and Upgrade Program	\$1,485,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Maritime Infrastructure Renewal Program	\$3,300,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Parks and Playground Renewal and Upgrade Program	\$3,960,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Parks Furniture and Pathway Renewal Program	\$1,400,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Public Space Lighting Renewal and Upgrade Program	\$2,200,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>
	Public Space Lighting Expansion Program	\$600,000	Deliver	<div></div>	<div></div>	<div></div>	<div></div>	<div></div>

\* This is a major initiative that will contribute to Transforming Fishermans Bend. Major initiatives will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.

\*\* This is a major initiative that will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.



We are growing and keeping our character

Services that contribute to this direction

Service	2017/18	2018/19	2019/20	2020/21
<b>City planning and urban design</b>	Operating	Operating	Operating	Operating
Direct and manage changes in land use, the built environment and the public realm to maximise community benefit through place-based urban strategy and projects, land-use policies, reviewing and amending the Port Phillip Planning Scheme and Municipal Strategic Statement, precinct management to coordinate development in key areas, working to enhance the public realm and protect buildings of architectural, cultural or historical interest through urban design and heritage advice, and contributing to state planning policy and regulation.	\$5,442,216	\$4,771,463	\$4,758,152	\$4,825,665
	Capital	Capital	Capital	Capital
	\$288,088	\$60,516	\$59,904	\$44,748
<b>Development approvals and compliance</b>	Operating	Operating	Operating	Operating
Regulate how land is developed, used and occupied safely by providing advice and education, processing planning applications and supporting community participation in the planning process, issuing and enforcing permits for activity in and around building sites, investigating and enforcing land use and development issues, protecting our assets, roads and footpaths, carrying out building and site inspections and assessments.	\$8,552,518	\$8,749,977	\$9,057,908	\$9,459,173
	Capital	Capital	Capital	Capital
	\$0	\$0	\$0	\$0
<b>Health services</b>	Operating	Operating	Operating	Operating
Support public health by monitoring registered food premises, accommodation properties, registered hairdressers, tattooists, beauty parlours, and water quality in public swimming pools and spas, providing for immunisation and syringe disposal, and investigating public health nuisance complaints.	\$1,885,914	\$1,952,155	\$2,020,725	\$2,110,243
	Capital	Capital	Capital	Capital
	\$0	\$0	\$0	\$0
<b>Local laws and animal management</b>	Operating	Operating	Operating	Operating
Ensure community safety by enforcing local laws (use, occupation and behaviour on Council land, commercial activities, illegal advertising, dumped rubbish and illegal camping), monitoring building site activity and protecting Council assets, responding to complaints about breaches of the Domestic Animals Act 1995, and encouraging responsible pet ownership through education and registration.	\$2,200,728	\$2,278,032	\$2,358,052	\$2,462,513
	Capital	Capital	Capital	Capital
	\$0	\$0	\$0	\$0
<b>Municipal emergency management</b>	Operating	Operating	Operating	Operating
Ensure our community is safe in the event of an emergency, and supported to recover from such events.	\$550,506	\$569,598	\$589,353	\$615,461
	Capital	Capital	Capital	Capital
	\$0	\$0	\$0	\$0

Service	2017/18	2018/19	2019/20	2020/21
<b>Public space</b>	Operating	Operating	Operating	Operating
Improve our network of accessible parks and open spaces including foreshore, playgrounds, gardens, reserves, sports fields and streetscapes by planning and delivering improvements, ongoing maintenance and management, and activation through permitted recreation, cultural and community activities and events.	\$16,496,022	\$16,993,308	\$17,428,840	\$17,885,055
	Capital	Capital	Capital	Capital
	\$8,961,740	\$4,460,430	\$7,424,920	\$11,182,290

Note: These services ensure we deliver on our responsibilities under the Planning and Environment Act 1978, Building Act 2006, Domestic Animals Act 1995, Emergency Management Act 1986, State Food Act 1984, Public Health and Wellbeing Act 2008, Tobacco Act 1987 and Council's local law.

# We are growing and keeping our character

## Performance measures

Service	Measure	Result 2014/15	Result 2015/16	Target 2017/18	Target 2020/21
Development approvals and compliance					
	Days taken to decide planning applications *	67	75	<75	<75
	Planning applications decided within 60 days *	63 %	58 %	>60 %	>60 %
	Cost of statutory planning service *	\$1,367	\$1,725	<\$2,200	<\$2,500
	Resident satisfaction with Council's planning services	77 %	79 %	>80 %	>80 %
Health services					
	Children fully vaccinated in municipality	95 %	98 %	99 %	99 %
	All critical and most major non-compliance notifications about food premises followed up on the due date *	96 %	99 %	95 %	95 %
	Days between receipt and first response actions for all food complaints *	1.8	1.8	<2 days	<2 days
	Food premises receiving assessment or audit *	-	100 %	100 %	100 %
	Cost of food safety service	\$690	\$548	<\$562	<\$603
Local laws and animal management					
	Animal management prosecutions *	4	5	<10	<10
	Days between receipt and first response actions for all animal management requests*	1	1	<2	<2
	Animals reclaimed*	55 %	59 %	>55 %	>55 %
	Cost of animal management service*	\$74.30	\$75.10	<\$76	<\$80
Public space					
	Resident satisfaction with parks and open space	96 %	94 %	>90 %	>90 %
	Resident satisfaction with beach cleaning	94 %	92 %	>90 %	>90 %
	Contract delivered to standard for parks and open space	99 %	95 %	95 %	95 %
	Public space community requests resolved on time	76 %	86 %	85 %	90 %

\* Measure is required under the Local Government Performance Reporting Framework.

## Service statistics (annual)

New planning permit applications processed	1,550+
Building permits and report and consent applications processed	500
Proactive inspections to improve planning compliance	200
Permits issued for footpath trading, construction related street occupation and skip bins	6,000
Attendances at VCAT to advocate for Council policies and decisions	100
Playground inspections	3,692
Events permitted	350
M <sup>2</sup> of beach cleaned (weekly)	238,000
Customer requests responded to	4,300
Animal management requests	1,350
Pet registrations	8,300
Square metres of graffiti removed	23,000
Premise and property inspections	2,100
Vaccinated school children	2,000
Public health nuisance investigations	400

\* Annual value of \$30,000 or more.  
\*\* Annualised 2017/18 value of \$150,000 or more.

## Assets

Historical and heritage sites	31
Playgrounds and sports fields	75
Immunisation centres	6
Reserves and gardens	176 ha

## Major financial contributions \*

Inner Melbourne Action Plan	\$95k
Contribution to State Emergency Services	\$32k

## Major contracts \*\*

Parks and open space maintenance	\$4.6m
Tree maintenance	\$4.0m
Cleaning public facilities	\$1.8m
Street furniture	\$651k
Natural heritage area maintenance	\$252k

## Budget for this direction in 2017/18

\$44.4m

## How is it spent?



Operating	\$35,127,903
Capital	\$9,249,828

## How is it funded?



Rates	\$21,882,756
Fees and charges *	\$15,206,128
Other income #	\$7,288,848

\* Including parking  
# Including \$7.8 million of open space contributions





## What we want to see by 2027

- 5.1 A City of dynamic and distinctive retail precincts
- 5.2 A prosperous City that connects and grows business
- 5.3 A City where arts, culture and creative expression is part of everyday life

Direction 5  
We thrive by harnessing creativity

### How we will measure progress

Outcome indicators	2014/15 result	2015/16 result	2017/18 target	2020/21 target	2026/27 target
People employed in the top five industries as a proportion of total employment in the municipality	54 %	-	>54 %	56 %	60 %
Visitors to the City of Port Phillip <sup>15</sup>	1.6 million	1.7 million	1.8 million	1.9 million	2.4 million
Residents who agree they have the opportunity to participate in affordable local community events and activities	92 %	90 %	92 %	95 %	>95 %
Residents who agree Port Phillip has a culture of creativity	95 %	90 %	95 %	>95 %	>95 %

<sup>15</sup> Excluding visitors from within 50 km and people attending festivals.



# We thrive by harnessing creativity

## 5.1 A City of dynamic and distinctive retail precincts.

We will work towards this outcome by:

- A. Enhancing the prosperity of our shopping precincts and the South Melbourne Market by working with traders and land owners to build on the unique character, vitality and retail offer of each precinct.**
- B. Collaborating to ensure our entertainment and local economies thrive, while ensuring safe, enjoyable places for everyone.**

Our priorities for the next four years:

- Adopt a place-based precinct management approach to coordinate development, activation and advocacy.
- Pursue improvements to the Carlisle Street retail precinct, including planning for redevelopment of the supermarket precinct to enhance the retail offer and surrounding street spaces.
- Develop a strategic plan for the St Kilda precinct, including a strategy to revitalise Fitzroy Street.
- Review footpath trading policies to promote street activity and accessibility.
- Continue to collect special rates to support traders and fund the promotion, marketing and development of retail precincts.
- Develop a strategic business case for the South Melbourne Market to shape the future direction and investment, and plan for and deliver renewal works.
- Work with inner Melbourne councils to develop approaches to better manage licenced premises and entertainment precincts.

## 5.2 A prosperous City that connects and grows business.

We will work towards this outcome by:

- A. Fostering the knowledge economy and creative industry clusters.**
- B Facilitating innovation and investment that enables businesses to start-up, connect and grow.**
- C Partnering to promote Port Phillip as a visitor destination in a way that respects local amenity.**

Our priorities for the next four years:

- Develop a Creative and Prosperous City Strategy that features all elements of our City's economy.
- Facilitate networking events, training and development programs for local businesses.
- Deliver a Business Awards program to recognise and promote exemplary local businesses.
- Ongoing support for local industry associations, including visitor and volunteer groups like the Port Melbourne Waterfront Welcomers.
- Work with inner Melbourne councils on strategies to protect, promote and grow inner Melbourne's creative and knowledge economy and boost local employment.



# We thrive by harnessing creativity

## 5.3 A City where arts, culture and creative expression are part of everyday life.

We will work towards this outcome by:

- A. Promoting and celebrating community creativity and participation in art, music, culture, heritage and festivals.
- B Activating our public spaces and streets through local cultural events and urban art.
- C Transforming our library services and spaces to support inclusive, creative opportunities and learning outcomes.

Our priorities for the next four years:

- Invest in our key arts and culture venues, including continuing to fund the operation of Gasworks Arts Park and Linden Gallery.
- Improve and expand the City collection by acquiring artworks.
- Deliver and facilitate a program of festivals that celebrate local culture and talent.
- Provide grants, funding and spaces for arts and cultural organisations and service providers to ensure access for everyone to relevant services and programs.
- Implement the Events Strategy through event attraction and communications.
- Support early stage entrepreneurs in the creative industries by reinventing a library space and working with partners to identify and unlock creative spaces.
- Deliver improvements to library branches and the library collection, including planning for redeveloping the St Kilda Library.

### This direction is supported by

Advocacy priorities	<ul style="list-style-type: none"><li>Advocate for Victorian Government funding to support City of Port Phillip festivals.</li><li>Advocate to Creative Victoria to resource and support the reinvention of libraries to help increase the impact of creative industries at a local level.</li></ul>	
Engagement and partnership priorities	<ul style="list-style-type: none"><li>Working with creative practitioners to create opportunities for industry experience, collaboration and innovation.</li></ul>	
Strategies / plans *	<ul style="list-style-type: none"><li>Aboriginal and Torres Islander Arts Strategy 2014-2017</li><li>Arts and Culture Policy 2011</li><li>Community Grants Subsidies and Donations Policy 2014-2017</li><li>Events Strategy 2015-2017</li><li>Outdoor Events Policy 2014</li></ul>	<ul style="list-style-type: none"><li>Port Phillip City Collection Policy 2017</li><li>South Melbourne Market Strategic Plan 2015-2020</li><li>St Kilda Esplanade Market Strategic Plan 2016-2020</li><li>St Kilda Festival Strategy and Multi-Year Operational Plan 2016-2018</li></ul>

\* Strategies, plans and policies are mapped to the direction they primarily contribute to. Some strategies, plans and policies will contribute to multiple directions.

We thrive by harnessing creativity

Key projects that will be underway by 2027

Service	Project	Cost (4-year projection)*	Council's role	17/18	18/19	19/20	20/21	21/22 - 26/27
Arts, culture and heritage	Creative and Prosperous City Strategy Development *	\$50,000	Deliver	<div></div>				
	Linden Gallery Upgrade*	\$1,675,000	Deliver	<div></div>				
Libraries	Balaclava Precinct Program - St Kilda Library Redevelopment Strategy	No funding allocated in the next four years	Deliver					<div></div>
	Library Purchases	\$3,140,000	Deliver	<div></div>				
Markets	South Melbourne Market Building Compliance	\$2,175,000	Deliver	<div></div>				
	South Melbourne Market Renewal Program	\$800,000	Deliver	<div></div>				

\* This is a major initiative that will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.

Services that contribute to this direction

Service	2017/18	2018/19	2019/20	2020/21
<b>Arts, culture and heritage</b> Promote community participation and engagement in arts, culture and heritage and foster development of the City's creative people and culture through programs, services, spaces and funding for artists and arts organisations.	Operating \$2,894,584 Capital \$2,693,088	Operating \$2,942,370 Capital \$980,516	Operating \$3,044,537 Capital \$89,904	Operating \$3,178,701 Capital \$74,748
<b>Economic development and tourism</b> Support our business community to be successful by developing economic strategies, supporting economic activity centres and villages, collaborating with businesses and associations, facilitating training and development for business owners, facilitating special rate schemes for trader groups and attracting investment in growth sectors and urban renewal areas.	Operating \$1,763,860 Capital \$0	Operating \$1,965,344 Capital \$0	Operating \$1,774,624 Capital \$0	Operating \$1,650,646 Capital \$0
<b>Festivals</b> Deliver accessible and inclusive festivals that celebrate creativity, provide opportunities for artists, traders and business, and meet the needs and aspirations of the community.	Operating \$4,568,271 Capital \$0	Operating \$4,528,754 Capital \$0	Operating \$4,685,482 Capital \$0	Operating \$4,893,049 Capital \$0
<b>Libraries</b> Provide branch-based, online and in-home library and information services, including access to technology, flexible, safe and welcoming community spaces, literacy and life-long learning programs and events.	Operating \$5,096,544 Capital \$785,000	Operating \$5,227,516 Capital \$785,000	Operating \$5,561,763 Capital \$785,000	Operating \$5,801,504 Capital \$785,000
<b>Markets</b> Operate and promote the South Melbourne and St Kilda Esplanade markets, and support and permit local markets (for example, Gasworks, Veg Out, Hank Marvin).	Operating \$5,419,112 Capital \$1,000,000	Operating \$5,481,456 Capital \$825,000	Operating \$5,670,079 Capital \$825,000	Operating \$5,921,169 Capital \$825,000



# We thrive by harnessing creativity

## Performance measures

Service	Measure	Result 2014/15	Result 2015/16	Target 2017/18	Target 2020/21
Arts, culture and heritage / Festivals					
	Resident satisfaction with delivering arts and festivals	95 %	97 %	90 %	90 %
Economic development and tourism					
	Residents who agree their local area has a good range of business services and local conveniences	94 %	94 %	90 %	90 %
	Resident satisfaction with visitor management	-	92 %	>90 %	>90 %
Libraries					
	Active library members in the community*	20 %	19.4 %	20 %	21 %
	Collection items purchased in the last five years (standard of library collection) *	46 %	47 %	48 %	50 %
	Cost per capita of library service *	\$5.76	\$6.13	<\$7	<\$8
	Visits to library per capita	6.5	6.5	6.5	7.0
	Rate of turnover for physical items (loans per item) *	4.8	4.8	5	5.5
Markets					
	Residents who agree South Melbourne Market is a significant benefit to residents	98 %	99 %	90 %	90 %

\* Measure is required under the Local Government Performance Reporting Framework.

## Major leases on council assets

	Market rental (estimate *)	Rent per year (excluding GST)
ANAM South Melbourne Town Hall (proposed)	\$450,000	\$1,000 <sup>16</sup>
Gasworks Arts Inc Gasworks Arts Park	\$566,000	\$104
Linden New Art 26 Acland Street, St Kilda	\$220,000	\$104

\* Market rent determined by valuation report.

<sup>16</sup> In addition, ANAM contributes \$120,000 per annum as a capital contribution to renewing the building.

## Service statistics (annual)

Visitors to Council-owned arts facilities	115k
Grants to arts and culture projects and events	34
Visitors to South Melbourne Market	4.7m
Attendees at the St Kilda Festival	440k
Attendees at the St Kilda Film Festival	13k
Attendees at Indigenous arts program events	12k
Attendees at Yalukit Wilum Ngargee	8k
Attendees at Live N Local	10k
Number of active businesses	18k
Number of local jobs	86k
Registered ABNs in Port Phillip	60k
Library visits	670k
Online sessions at libraries	250k
Loans from the library collection	1m
Public programs hosted at libraries	445
Public internet access bookings	90k
Number of participants at major events	225.5k

## Major contracts \*\*

St Kilda Festival	\$1.7m
South Melbourne Market cleaning	\$980k

\* Annual value of \$30,000 or more

\*\* Annualised 2017/18 value of \$150,000 or more

## Assets

Library branches	5
Library books	206,749
Value of Council-owned art works	\$16.8m
Arts facilities	4
Value of South Melbourne Market	\$20.2m

## Major financial contributions \*

Gasworks Arts Park management and programming	\$560k
St Kilda Film Festival	\$307k
Linden Gallery management and programming	\$257k
Cultural Development Fund (grants)	\$137k
Local Festivals Fund (grants)	\$135k
Indigenous Arts	\$111k
Live n Local	\$93k
Pride March	\$50k
Emerald Hill Cultural Precinct Program (2017/18 only)	\$40k
Red Stitch Actors Theatre (2017/18 only)	\$30k
Theatre Works (2017/18 only)	\$30k

## Budget for this direction in 2017/18

\$24.2m

## How is it spent?



Operating	\$19,742,371
Capital	\$4,478,088

## How is it funded?



Rates	\$11,037,112
Fees and charges *	\$5,171,343
Other income #	\$8,012,004

\* Including parking

# Including \$5.6 million of markets rental and hire income





# What we want to see by 2027

6.1 A financially sustainable, high performing, well-governed organisation that puts the community first

## Direction 6

# Our commitment to you

## How we will measure progress

Outcome indicators	2014/15 result	2015/16 result	2017/18 target	2020/21 target	2026/27 target
Satisfaction with community consultation and engagement (index) *	61	62	>60	>65	>70
Proportion of residents who have participated in community engagement activities * <sup>17</sup>	No data	No data	Baseline will be set in 2017/18	Baseline will be set in 2017/18	Baseline will be set in 2017/18
Satisfaction with the overall performance of Council (index)	68	64	>65	>70	>70
Overall financial sustainability risk rating <sup>18</sup>	Low	Low	Low	Low	Low
Efficiency savings as a percentage of operating expense (excluding depreciation)	1.2 %	1.8 %	1 %	1.5 %	1.5 %

\* Measure is required under the Local Government Performance Reporting Framework.  
<sup>17</sup> This is a new measure. Baseline will be set in 2017/18.  
<sup>18</sup> As measured against the VAGO Financial Sustainability Risk Framework.



# Our commitment to you

6.1

A financially sustainable, high performing, well-governed organisation that puts the community first

We will work towards this outcome by:

- A Improving customer experience and technology and being more innovative.
- B Improving community engagement, advocacy, transparency and governance.
- C Inspiring leadership, a capable workforce and culture of high performance and safety.
- D Ensuring sustainable financial and asset management and effective project delivery.

Our priorities for the next four years:

- Develop and implement a Customer Experience Improvement Plan and Information and Communications Technology Strategy.

• Be the partner of choice for other councils and organisations to work with, to enable improved customer experience, productivity and innovation.

• Be catalysts for greater community action, including by opening up more of our data to the public.

• Develop and implement a Community Engagement Policy and a plan for deeper community participation in Council planning and budgeting activities.

• Develop and implement an advocacy strategy to advance Council and community priorities.

• Improve our enterprise planning, performance, risk and compliance frameworks.
- Deliver the Council Election 2020.

• Improve record-keeping, including digitising historical records.

• Upgrade the organisation’s financial and asset management systems, processes and practices.

• Invest in improving the condition, functionality, capacity and sustainability of council assets.

• Continue to build organisational capability and maturity in project management.

• Review our rating strategy, property policy and investment policy.

• Review the organisation’s People and Culture Strategy and develop a workforce plan.

• Improve the organisation’s health and safety practices.

This direction is supported by

Advocacy priorities	• Advocate to the Victorian Government for access to Fishermans Bend development contributions to support delivery of community infrastructure.	
Engagement and partnership priorities	• Work with the Municipal Association of Victoria (MAV) to advocate for a cost-shift index to be applied to the Victorian Government cap on rates increases.  • Work with other councils, the MAV, and organisations on opportunities to drive efficiency and service improvements through collaborative procurement, process and system improvement, and where relevant, service delivery.	
Strategies / plans *	• Asset management plans (under review) • Asset Management Policy 2017 and Strategy (under development) • City of Port Phillip Security Camera Footage Policy 2012 • Civic Recognition and Support Strategy	• Councillor Code of Conduct (including Councillor Support and Expense Reimbursement Policy 2016) • Employee Code of Conduct • Property Policy 2009 • Risk Management Policy 2017

\* Strategies, plans and policies are mapped to the direction they primarily contribute to. Some strategies, plans and policies will contribute to multiple directions.

Our commitment to you

Key projects that will be underway by 2027

Service	Project	Cost (four-year projection)*	Council's role	17/18	18/19	19/20	20/21	21/22 - 26/27
Asset management	South Melbourne Town Hall Lifts Upgrade	\$1,400,000	Deliver	<div></div>				
	Building Renewal and Upgrade Program *	\$11,630,000	Deliver	<div></div>				
	Building Safety and Accessibility Program	\$6,810,000	Deliver	<div></div>				
	Staff Accommodation Plan Development	\$200,000	Deliver	<div></div>				
	Council Fleet Renewal Program	\$5,646,000	Deliver	<div></div>				
Governance and engagement	Integrated Council Plan and Budget Community Engagement	\$845,000	Deliver	<div></div>				
Technology, transformation and customer experience	Business Enablement and Innovation Fund	\$800,000	Deliver	<div></div>				
	Improvement in Technology and Customer Experience * 17	\$15,092,000	Deliver	<div></div>				
	Online Communications Improvement Program	\$621,000	Deliver	<div></div>				

\* This is a major initiative that will be reported on in Council's Annual Report, pursuant to section 131 of the Local Government Act 1989.  
17 Includes Core Application Renewal and Upgrade Program and Core Business Technology Infrastructure Renewal and Upgrade Program.

Services that contribute to this direction

Service	2017/18	2018/19	2019/20	2020/21
<b>Asset management</b> Ensure effective management of our assets and property.	Operating \$4,579,287	Operating \$4,533,126	Operating \$4,692,372	Operating \$5,050,244
	Capital \$3,502,696	Capital \$4,570,172	Capital \$5,069,968	Capital \$7,714,916
<b>Finance and project management</b> Maintain financial sustainability by ensuring effective management and control of our financial resources and ensuring Council's projects deliver best value.	Operating \$8,278,721	Operating \$8,503,227	Operating \$8,808,343	Operating \$9,193,454
	Capital \$49,726	Capital \$79,007	Capital \$78,208	Capital \$58,421
<b>Governance and engagement</b> Enable good governance by supporting Councillors to make well-informed decisions, managing freedom of information, maintaining records, ensuring robust planning, reporting and risk management, and facilitating inclusive engagement with our community to support decision making.	Operating \$9,521,737	Operating \$9,721,154	Operating \$10,056,956	Operating \$10,740,835
	Capital \$25,392	Capital \$383,844	Capital \$317,436	Capital \$154,832
<b>People, culture and capability</b> Ensure our employees are supported to deliver our services, have access to development opportunities, and work in a safe and healthy environment.	Operating \$3,933,402	Operating \$3,643,302	Operating \$3,770,494	Operating \$3,937,527
	Capital \$12,696	Capital \$20,172	Capital \$19,968	Capital \$14,916
<b>Technology, transformation and customer experience</b> Enable efficient and effective service delivery to our community through best practice information and communication technologies, clever information management, continuous improvement of the community's experience of Council, and ensuring our community are informed about available services and their queries and requests are responded to.	Operating \$3,112,090	Operating \$3,212,658	Operating \$3,516,702	Operating \$3,454,772
	Capital \$4,354,392	Capital \$3,640,344	Capital \$3,639,936	Capital \$3,629,832

Note: These services ensures Council delivers on its requirements under the Local Government Act 1989, the Local Government Performance Reporting Framework, and employment and occupational health and safety regulations.



Our commitment to you

Performance measures

Service	Measure	Result 2014/15	Result 2015/16	Target 2017/18	Target 2020/21
Asset management					
	Asset management maturity	883	883	>1,000	Under development
	Asset renewal as a percentage of depreciation * <sup>20</sup>	73 %	72 %	78 %	84 %
Finance and project management					
	Average residential rate per residential property assessment *	\$1,359	\$1,434	\$1,513	\$1,625
	Expenditure per property assessment *	\$2,623	\$2,620	\$2,952	\$2,840
	Working capital *	221 %	243 %	202 %	194 %
	Unrestricted cash *	94.9 %	104 %	95 %	103 %
	Loans and borrowing compared to rate revenue *	8.5 %	8.0 %	7.4%	6.5 %
	Adjusted underlying result *	(0.6) %	1.0 %	(9.3) %	4.5 %
	Rates concentration *	60.2 %	61.3 %	60.2 %	60.3 %
	Rates revenue compared to property values *	0.22 %	0.23 %	0.19 %	0.19 %
	Rates collection rate	98 %	98 %	98 %	98 %
	Return on financial investments	2.86 %	2.88 %	2.28 %	50 basis points above the 90 day BBSW swap rate
	Percentage of significant priority projects on track	77%	68%	80 %	80 %
	Project management maturity score	16.8	18.1	>21	>21
Governance and engagement					
	Council decisions closed to public *	2 %	7 %	<10 %	<10 %
	Councillor attendance rate at Council meetings *	92 %	92 %	>90 %	>90 %
	Direct cost of delivering Council's governance service per Councillor *	\$55,333	\$59,459	<\$60,000	<\$65,000
	Material legislative breaches	4	9	0	0
	Audit actions completed on time	73 %	93 %	>90 %	>90 %
	Community satisfaction with advocacy (index)	59	59	60	62
	Community satisfaction with Council decisions (index)	60	59	60	62

Service	Measure	Result 2014/15	Result 2015/16	Target 2017/18	Target 2020/21
People, culture and capability					
	Staff engagement score	71 %	74 %	>74 %	>74 %
	Staff alignment score	52 %	59 %	>59 %	>59 %
	Staff turnover*	10 %	10.4 %	10 %	10 %
	Total recordable injury frequency rate per million work hours	22.2	19.4	14.5	9.5
Technology, transformation and customer experience					
	Community time saved (days)	3,685	19,054	10,000	12,000
	Staff time saved (hours)	1,242	3,401	5,000	3,000
	Operating efficiencies	\$2 million	\$3 million	\$2 million	\$2.6 million
	Community satisfaction with customer service (index)	73	71	>70	>70
	Calls answered within 30 seconds	75 %	78 %	>80 %	>80 %
	Requests resolved within agreed timeframe	89 %	91 %	>90 %	>90 %
	Percentage of residents that agree the website is easy to use and navigate through the sections you want	92 %	87 %	90 %	90 %

\* Measure is required under the Local Government Performance Reporting Framework.  
<sup>20</sup> Council uses VAGO asset renewal / upgrade to depreciation as a key measure of financial sustainability

Major leases on council assets	Market rental (estimate *)	Rent per year (excluding GST)
Access Arts Victoria - 222 Bank Street, South Melbourne	\$235,000	\$59,702
Brewsters - Ground floor, 147 Liardet Street, Port Melbourne	\$211,993	Equals market rental estimate
Café Watersedge - 11 Waterfront Place, Port Melbourne	\$309,000 **	\$62,535
Palais Theatre Live Nation - 14 Lower Esplanade, St Kilda	\$875,000	Equals market rental estimate
Redside - 9 Waterfront Place, Port Melbourne	\$371,500 **	\$41,797
Sails on the Bay - 15 Elwood Foreshore, Elwood	\$207,126	Equals market rental estimate
Schiavello Group - 13 Waterfront Place, Port Melbourne	\$422,500 **	\$61,742
Shorething Donovans - 36 Jacka Boulevard, St Kilda	\$291,490	Equals market rental estimate
St Kilda Sea Baths Car Park - 8 Jacka Boulevard, St Kilda	\$225,000	Equals market rental estimate
St Kilda Marina - 42a Marine Parade, St Kilda	\$1,152,000 **	\$157,310
Stokegroup - 30 Jacka Boulevard, St Kilda	\$490,000 <sup>21</sup>	\$461,491
The Vineyard - 71a Acland Street, St Kilda	\$245,000 <sup>21</sup>	\$202,591
West Beach Bathing Pavilion - 330 Beaconsfield Parade, St Kilda West	\$358,000	\$0 <sup>23</sup>

\* Unless otherwise stated, market rental is determined by valuation report.  
\*\* Market rent is Net Annual Value - a rating calculation for market rent undertaken every two years for rating purposes and used where a valuation report is not available.  
<sup>21</sup> The Stokehouse lease allows for initial discounts related to the fire reinstatement and business reestablishment, reflecting direct investment by the Stokehouse operators.  
<sup>22</sup> Market rental estimate is currently contested.  
<sup>23</sup> Percentage of turnover above threshold amount is currently under review.



# Our commitment to you

## Service statistics (annual)

Customers interactions	206,802
Twitter followers (total)	5,450
Rates invoices	175k
Leases and licences managed (total)	170
Building maintenance requests processed	5,100+
Rateable residential properties (total)	61,952
Rateable commercial / industrial properties (total)	7,877

## Assets

Council corporate fleet cars	123
Computers	826
Mobile phones	614

## Major financial contributions \*

Councillor committee donations and neighbourhood contributions	\$35k
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## Major contracts \*\*

Insurance services °	\$1.2m
Recruitment services	\$875k
Electricity	\$806k
Valuation services	\$709k
Security services °	\$584k
Microsoft licensing agreements	\$576k
Procurement panel (recruitment and training)	\$493k
Banking and bill payment services	\$489k
After hours customer service	\$480k
Printing services °	\$423k
Internet network services	\$391k
Stationary and associated services	\$300k
Internal audit and core assurance services	\$213k
Mechanical maintenance services	\$200k
Local area network infrastructure	\$192k
Diversity newsletter	\$192k
Electronic security services	\$176k

## Budget for this direction in 2017/18

\$37.4m

## How is it spent?



Operating	\$29,425,236
Capital	\$7,944,902

## How is it funded?



Rates	\$24,300,994
Fees and charges *	\$5,084,155
Other income	\$7,984,990

\* Including parking

\* Annual value of \$30,000 or more.  
\*\* Annualised 2017/18 value of \$150,000 or more.  
° Actual expenditure is allocated to relevant services.



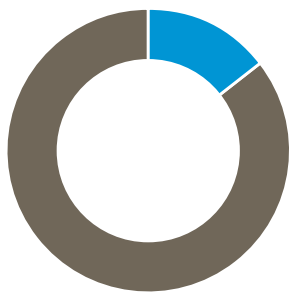


# DELIVERING OUR STRATEGIC DIRECTIONS

## Four-year budget at a glance

We embrace difference, and people belong

Total spend 2017-21



Operating	\$175,800,000
Capital	\$25,500,000

Value per \$100 of rates



We are connected and it's easy to move around

Total spend 2017-21



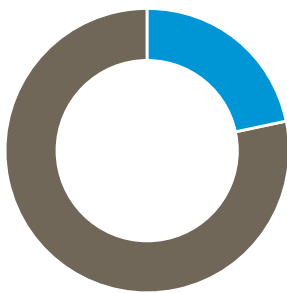
Operating	\$84,800,000
Capital	\$41,300,000

Value per \$100 of rates



We have smart solutions for a sustainable future

Total spend 2017-21



Operating	\$97,900,000
Capital	\$27,300,000

Value per \$100 of rates



We are growing and keeping our character

Total spend 2017-21



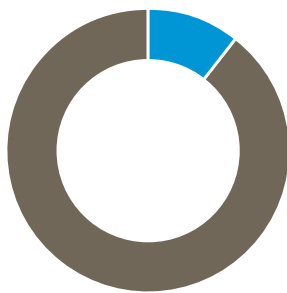
Operating	\$144,000,000
Capital	\$32,500,000

Value per \$100 of rates



We thrive by harnessing creativity

Total spend 2017-21



Operating	\$82,100,000
Capital	\$10,500,000

Value per \$100 of rates



Our commitment to you

Total spend 2017-21



Operating	\$122,300,000
Capital	\$37,300,000

Value per \$100 of rates



# OUR FINANCIAL STRATEGY

Our financial strategy provides clear direction on the allocation, management and use of financial resources. It aims to ensure that Council stays financially sustainable while maintaining assets and services, responding to growth, and delivering on our priorities.

The financial strategy is embedded in our 10-year Financial Plan and throughout this plan. It sets the parameters within which Council agrees to operate to maintain acceptable financial outcomes over the short, medium and long term.

The 10-year Financial Plan is in Section 3.

## Addressing the rates cap challenge

Over the next 10 years, we will face many challenges that require strong financial leadership and creative solutions to overcome them. Key among these challenges will be rates capping. Without action, the Financial Plan forecasts a cumulative \$35 million funding gap due to rate capping.

We closely monitor the affordability of services, and recognise ongoing community concerns about the financial impost of rates and the cost of other essential services. As such, we are not planning to apply for a rate increase above the rates cap over the life of the Financial Plan.

We plan to balance the budget and close the rates cap gap by adjusting the following strategic levers.

## Delivering efficiency and cost savings

The community’s expectations for better value service delivery are of primary concern to Council.

We have identified permanent operational savings of \$2 million in Budget 2017/18. This adds to the \$7 million of savings delivered in the last three budgets.

Over the financial plan period, we will target the delivery of efficiency savings equivalent to one per cent of operating expenditure, less depreciation, per annum for the first three years and 1.5 per cent per annum thereafter. This is expected to reduce our cost base by a cumulative \$22.5 million over the 10-year period.

Key initiatives to deliver these savings include a service review program to better define service requirements and target support, a commitment to better practice procurement and asset management, the sale of surplus properties, and investment in business process and system improvement.

## Appropriate use of borrowings and reserves

We will consider borrowings for property acquisitions, large capital works or operating projects that provide intergenerational community benefit, and initiatives that deliver sufficient revenue streams to service the debt. Borrowings will not be used to fund ongoing operations.

The financial plan includes refinancing a \$7.5 million loan due to mature in 2021/22 on interest only terms. It is expected that this will release \$5.3 million in cash over the 10-year period while maintaining very low debt levels.

We maintain general reserves at levels sufficient to ensure operational liquidity. Reserves may be built up over time to part-fund large capital works or appropriate operating projects where this is considered more efficient than the use of debt.

The financial plan includes using general reserves as an internal source of borrowing for projects that will benefit future generations such as the Ferrars Street Education and Community Precinct works (\$9.8 million). We will continue to use open space contributions for investment in parks and foreshore open space assets.

The financial plan also includes a progressive build-up of the Palais Theatre Reserve funded from significantly increased rental returns following the successful leasing process last year to ensure funds are available to maintain the theatre over the long term.

Our investment in the Pride Centre will be part funded from the Strategic Property Reserve (built up from sale of surplus assets) and general reserves.

## Careful management and prioritisation of expenditure

We undertake a rigorous and robust budget setting process each year, including a line by line review of operating budgets and proposed projects to ensure alignment with strategic priorities and best value. Performance is monitored closely throughout the year with forecasts updated monthly.

In addition to the disciplined budget setting and expenditure monitoring, the strategy in the financial plan provides \$4.2 million per annum for operating projects. This represents a minor reduction compared to historical expenditure levels, resulting in cumulative savings of \$2.0 million over the 10-year period.

Our focus on improved asset management sees investment prioritised on assets most in need of intervention rather than those in relatively good condition. This translates to an increase in spending on buildings, drainage and technology over the 10-year period of the plan, partially offset by reducing road and footpath renewal budgets.

## Setting fair and appropriate user charges

The annual budget process includes a thorough review of user charges to ensure they remain affordable, fair, and appropriate. We believe that those who directly benefit from and/or cause expenditure should make an appropriate contribution to the service balanced by the capacity of people to pay.

The financial plan links increases in Council user charges to the rates cap plus 0.25 percentage points from 2018/19. This is forecast to contribute a cumulative \$1.7 million towards the rates cap gap. The application and impact of this policy setting will be reviewed annually to ensure affordability and fairness.



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# FINANCIAL OVERVIEW

## Operating result

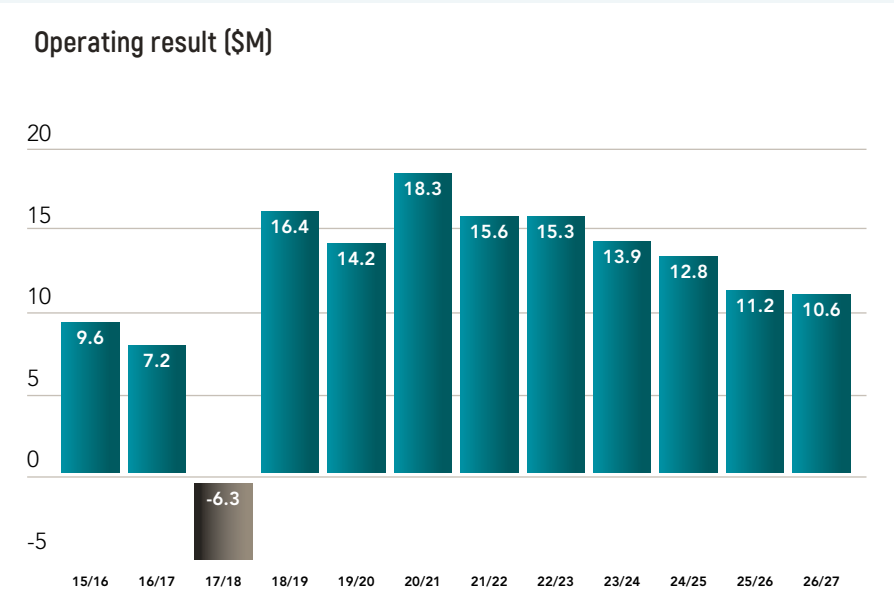
Achieving an operating surplus is a key component of our financial strategy. It provides capacity to renew our \$2.6 billion portfolio of community assets, meet debt repayment obligations, and manage the impact of financial risks materialising.

There are three significant one-off items in 2017/18 totalling \$19.4 million:

- Pride Centre contributions (cash and property)
- Ferrars Street precinct works
- relinquishing a Committee of Management property of crown land located at 62-74 Pickles Street, South Melbourne.

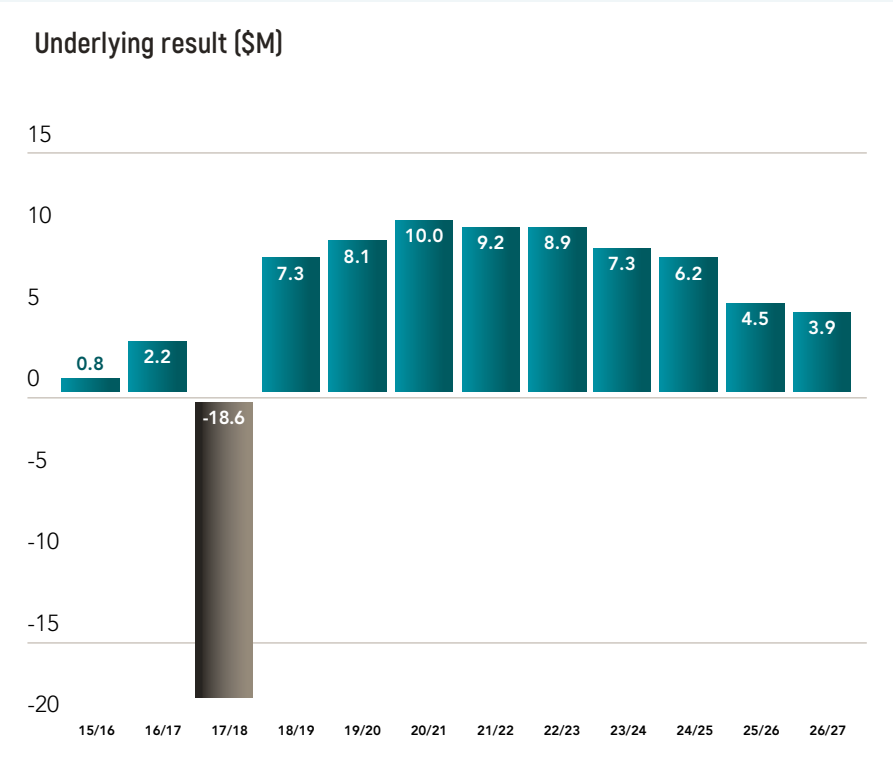
These items do not detrimentally impact our objective of financial sustainability, as a large component has no cash impact and/or represents reclassification to operations from the capital portfolio. If the result is adjusted for these items, we would achieve an operating surplus of \$13.1 million.

The decline in operating surplus in the outer years is primarily the impact of the projected 3.8 per cent per annum increase in depreciation expense, the result of our commitment to invest in new and upgraded capital assets over the financial plan.



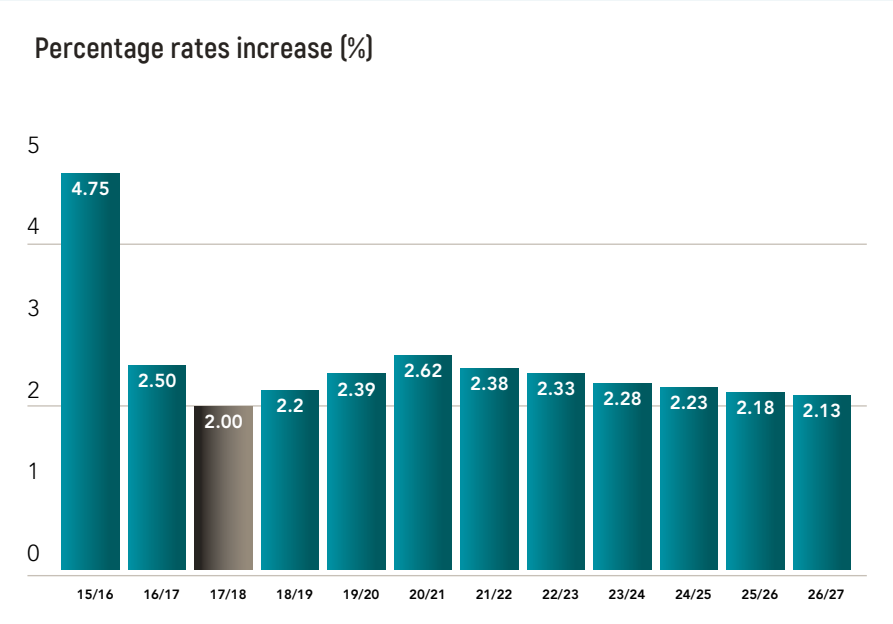
## Underlying result

The adjusted underlying result excludes capital related revenue (grants and open space contributions). Reasons for the movement in the underlying result are consistent with the operating result.



## Rates percentage increase

Budget 2017/18, which funds a \$42.5 million capital program and maintains existing service levels, includes a 2.0 per cent rates increase, consistent with the Victorian Government cap. This has been achieved through a continued strong focus on prudent financial management, careful prioritisation and commitment to productivity and efficiency (\$9 million identified over the last four budgets). Future rates increases are based on forward projections of inflation and the ESC methodology for setting the rates cap.





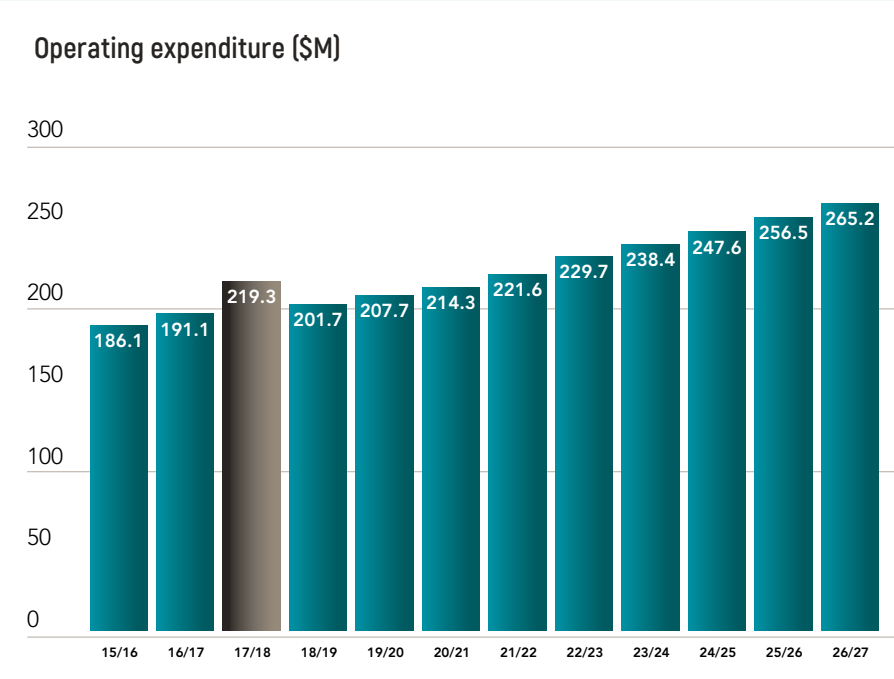
# Financial overview

## Operating expenditure

The \$28.2 million increase in operating expenditure in 2017/18 has been impacted by increases in non-cash depreciation expenses of \$3.2 million, a \$5.3 million provision for Ferrars Street Education and Community Precinct works, one-off cash and property contributions of \$10.5 million for the Pride Centre, and a non-cash asset write-off of \$3.6 million for the relinquished Committee of Management property of crown land located at 62-74 Pickles Street, South Melbourne.

If these items are removed, 2017/18 adjusted operating expenditure is \$196.7 million, a \$5.6 million or 2.9 per cent increase compared to 2016/17.

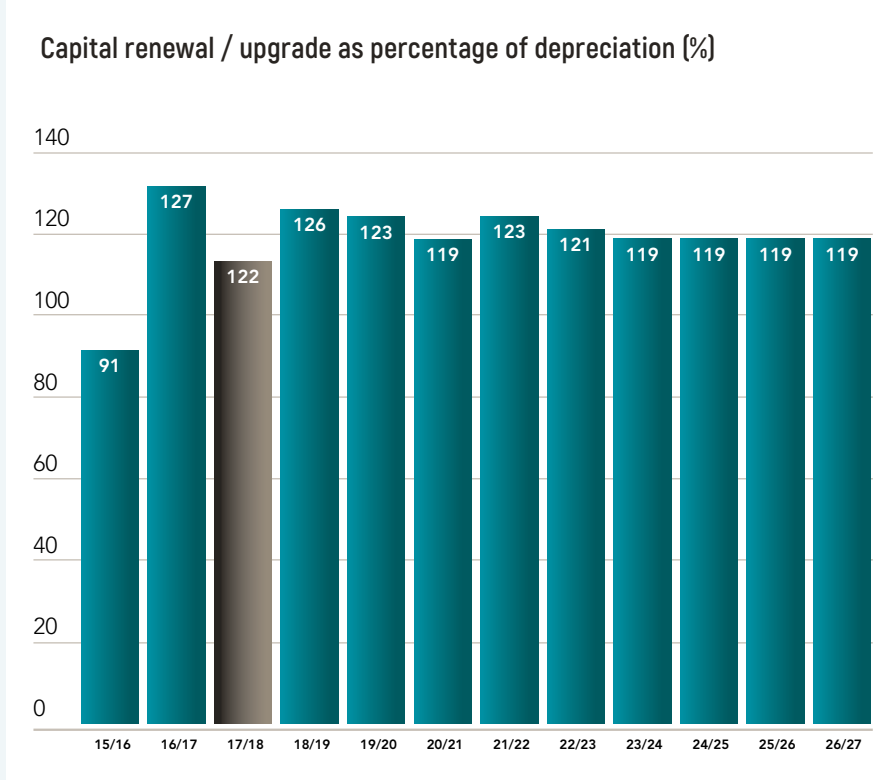
The small but steady growth in operating expenditure in future years is driven largely by inflation (around 2.0 - 2.3 per cent per annum), service demand increases associated with population growth (around 1.3 per cent per annum), and the operating expenditure impact of new and improved assets (for example depreciation increase of 3.8 per cent per annum). This is partially offset by our commitment to efficiency and cost savings (1.0 - 1.5 per cent per annum).



## Infrastructure renewal gap

This graph shows the asset renewal and upgrade budget over the financial plan compared to depreciation.

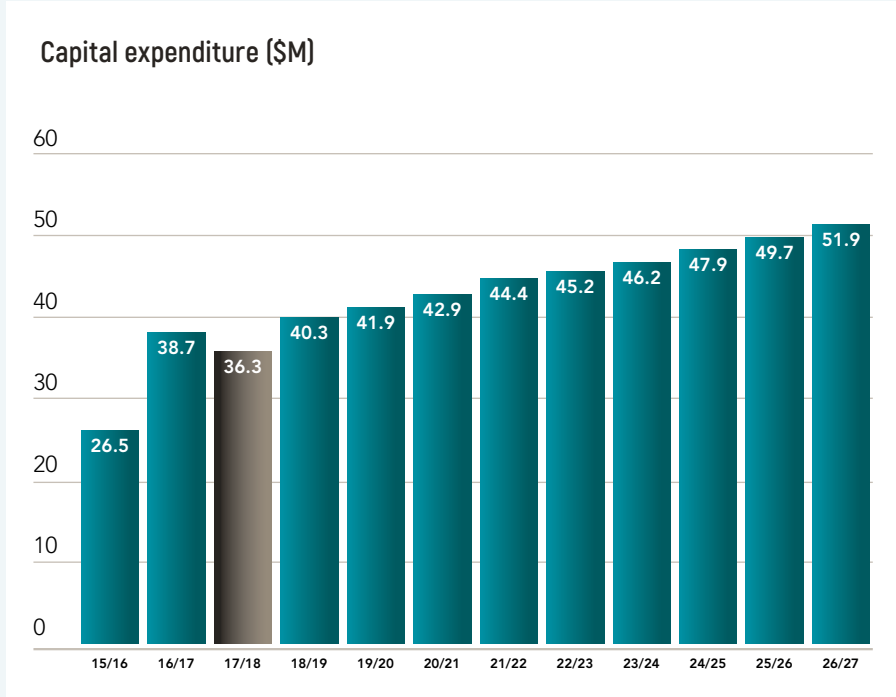
The forecast in 2016/17 includes a significant one-off contribution towards the Palais Theatre restoration. Over the 10-year period, we intend to stay above 100 per cent, which shows our commitment to maintaining and upgrading our existing assets.



## Capital expenditure

Capital works expenditure in 2017/18 is expected to be \$36.3 million, out of a total \$42.5 million capital program. The \$6.2 million gap represents the component of the capital program budget expected to be treated as operating expenditure, such as community engagement and feasibility studies.

Over the period of the financial plan, we provide for appropriate levels of capital expenditure to ensure existing assets are maintained and improved, while investing in growth driven assets. Over the 10-year period, we plan for our total capital expenditure to be greater than 150 per cent of depreciation expenditure.



# Financial overview

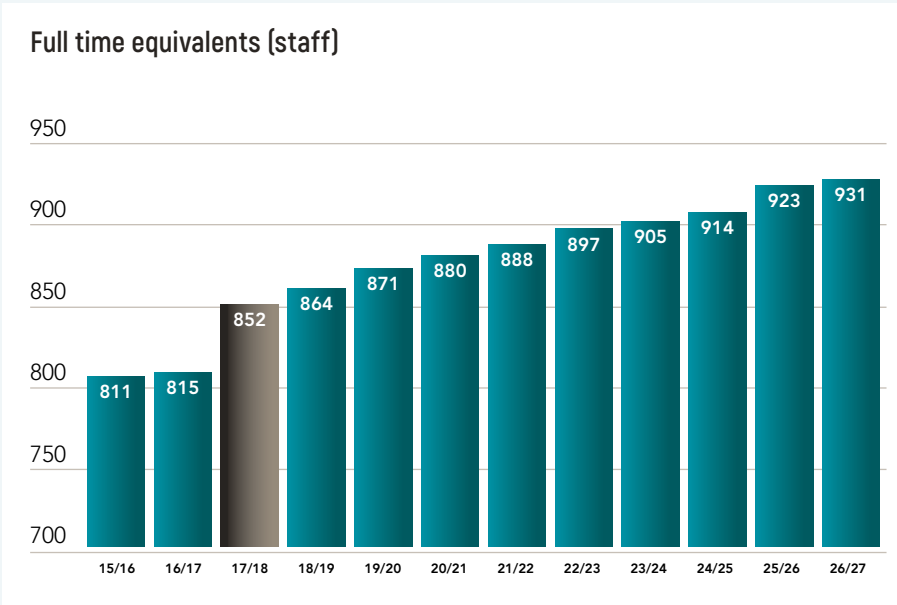
## Council staff

Council employees are our most valued resources, enabling the delivery of a broad range of services. While we constrained employee growth to 4.6 full time equivalents (FTE) in Budget 2016/17, in Budget 2017/18 we are proposing a 37 FTE increase based on 47 new positions partially offset through the disestablishment of 10 existing FTE positions. The key drivers for this increase include:

- 14.1 FTE to support delivery of the project portfolio including 3.4 externally funded positions for the Melbourne Metro Rail Authority
- 5.3 FTE in response to population and resultant service growth - primarily the Fishermans Bend Children’s and Community Centre
- 8 FTE to support increased service levels for street cleaning - a priority identified through community complaints and engagement
- 8 FTE to support risk mitigation and legislative compliance including ensuring our buildings and the South Melbourne Market are safe.

Over the last two financial years, the increase in FTE is equivalent to 2.6 per cent per annum.

Over the life of the financial plan, the growth in FTEs is expected to increase by 1.3 per cent in line with projected population growth.



# RATES EXPENDITURE ALLOCATION

This chart shows how rates revenue is spent across our services, for every \$100 we spend.

Some services receive substantial funding from other sources, such as government grants, fees and charges.

Transport and parking management	\$19.60
Amenity	\$12.90
Public space	\$12.00
Governance and engagement	\$6.30
Technology, transformation and customer experience	\$5.30
Sustainability	\$4.70
Asset management	\$4.60
Families and young people	\$4.10
Community programs and facilities	\$3.50
City planning and urban design	\$3.30
Libraries	\$3.30
Finance and project management	\$2.90
Arts, culture and heritage	\$2.50
People, culture and capability	\$2.50
Waste reduction	\$2.20
Festivals	\$2.10
Recreation	\$2.10
Children	\$1.80
Ageing and accessibility	\$1.20
Economic development and tourism	\$1.20
Affordable housing and homelessness	\$1.00
Local laws and animal management	\$0.90
Health services	\$0.60
Development approvals and compliance	\$0.30
Municipal emergency management	\$0.30
Markets	(\$1.20)
Total	\$100.00



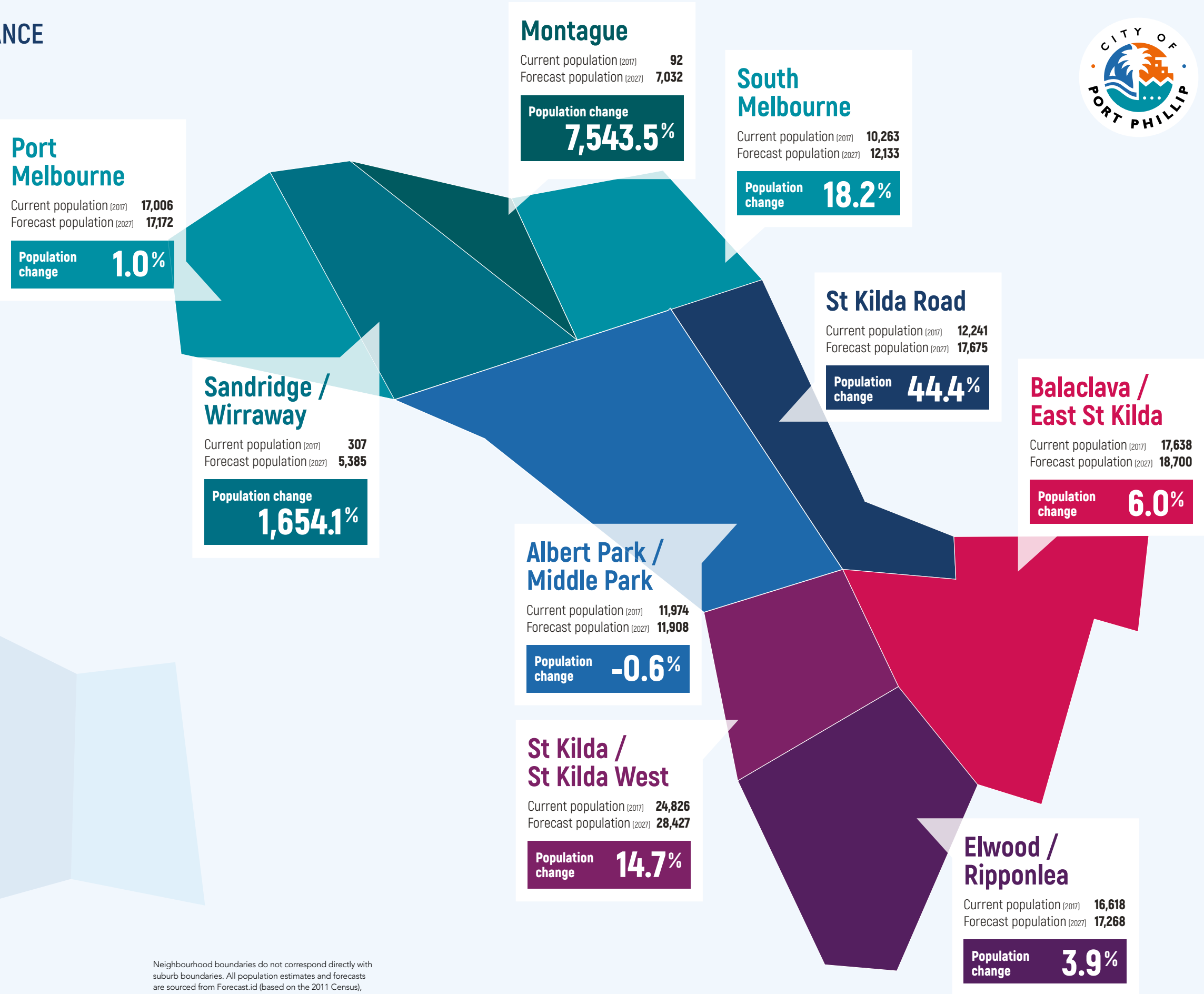
# OUR NEIGHBOURHOODS AT A GLANCE

People who live in Port Phillip tend to experience the City at a neighbourhood level. Strong communities of interest exist in local areas, and people relate closely with the distinctive characteristics of their own neighbourhood.

We have nine defined neighbourhoods, each with distinct character and attributes. Two of these are emerging neighbourhoods in Fishermans Bend.

We deliver services and projects in our each of our neighbourhoods, and each place is home to community infrastructure that enables us to provide services locally, city-wide and regionally.

We have nine defined neighbourhoods, each with distinct character and attributes.



Neighbourhood boundaries do not correspond directly with suburb boundaries. All population estimates and forecasts are sourced from Forecast.id (based on the 2011 Census), updated in January 2017.