

City of Melbourne
Council Plan 2004 — 2008

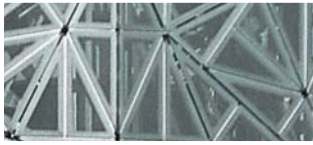
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On the waterfront: Docklands and surrounding areas have become popular drawcards for Melburnians and visitors.



Multicultural connections: The City of Melbourne is home to one of the world's most diverse communities.

1. Foreword

In December 2003, the *Local Government (Democratic Reform)* Act was passed through the Victorian parliament. New provisions now apply to a number of areas of Council operations as a consequence of the legislation. This Council Plan delivers on the new requirements for the preparation of:

- a) A four-year Council Plan; and
- b) A four-year Strategic Resource Allocation Plan.

In the Council Plan we have articulated six strategic objectives that we believe will help achieve a thriving and sustainable city. The strategic objectives are based on the achievement of:

- 1. A Connected and Accessible City
- 2. An Innovative and Vital Business City
- 3. An Inclusive and Engaging City
- 4. An Environmentally Responsible City
- 5. A Well-managed and Leading Corporation
- 6. A Financially Responsible Corporation

The activities and initiatives we are planning to address each of these objectives are contained in the following pages along with sustainability measures and targets that will help us monitor our progress toward achieving social, environmental and economic sustainability.

The Council Plan also contains our vision and values as an organisation and a summary of our Best Value Program to date and what we propose to do to continue implementation of Best Value over the life of the Plan.

We will report progress against our Council Plan annually to the community through the Annual Report.

The four-year Strategic Resource Allocation Plan identifies both the financial and non-financial resources to be utilised to deliver the plan. This plan is broad and strategic in nature and focuses predominantly on our financial forecasts over the four-year period and how we will manage human resources to ensure successful delivery of our Plan.

More detailed financial information is prepared as part of our annual budget process each year.

David Pitchford
Chief Executive

City of Melbourne Council Plan

2. Vision

Council's vision for Melbourne is to create a thriving and sustainable city.

Melbourne will be internationally recognised for the opportunities it offers all Victorians to live, learn, work and prosper in a quality and sustainable environment.

We want Melbourne to be viewed with pride by all Victorians.

3. Mission

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We are committed to:

- ensuring that the operations of Melbourne City Council are environmentally, socially and economically sustainable;
- encouraging and facilitating sustainable social, economic and environmental development and prosperity;
- promoting Melbourne's advantages;
- transparent and accountable governance;
- best value customer service;
- maintaining and enhancing the liveability of the city by providing quality assets and associated services; and
- building on the city's strategic advantages.

4. Values

Corporate values provide a reference point for all staff in the organisation and reflect the manner in which the City of Melbourne wishes to engage with its stakeholders and how it wishes to conduct itself as an organisation. The four corporate values are:

Accountability

Taking responsibility for using public resources wisely

- Manage resources wisely
- Take responsibility
- Demonstrate consistency
- Act with integrity
- Consider the environment

Excellent Service

Delivering services, which meet community expectations

- Value all customers
- Fulfil commitments
- Act professionally
- Build knowledge
- Seek feedback

Innovation and Continuous Improvement

Embracing new and improved ways of doing business

- Consider alternatives
- Look for partnerships
- Think creatively
- Put ideas into action
- Contribute to change

People

Valuing the contributions, commitment and diversity of people

- Communicate openly
- Support colleagues
- Work together
- Build trust
- Share expertise
- Recognise others
- Value diversity

View to the top: Old and new on the Melbourne skyline.



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5. Council

The Council of the City of Melbourne comprises a popularly elected Lord Mayor and Deputy Lord Mayor and seven Councillors. The Lord Mayor is the leader of the Council and chairs Council meetings. The Lord Mayor also represents the city at important government, business and community meetings and acts as the city's ceremonial head at civic events. Councillors attend formal Committee and Council meetings and represent the Council at civic events and functions. They also attend to issues raised by constituents.

In 2004, the Council's committees are:

- Finance, Corporate Services and Governance Committee [unchanged];
- City Services, Community and Cultural Development Committee;
- Commonwealth Games Infrastructure and Major Projects Committee;
- City Safety and Health Committee;
- Planning and Development Committee;
- Environment, Sustainability and Indigenous Affairs Committee;
- Marketing, Business Development and Major Events Committee;
- Councillor Travel Special Committee; and
- Inter-Government Advisory Committee

These may change from time to time. If changes to the committee structure do occur, the City of Melbourne website maintains an up-to-date list of the Council committees.

Councillors

OFFICE OF THE LORD MAYOR

**The Right Honourable
The Lord Mayor
John So**

Telephone: 9658 9825

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OFFICE OF THE DEPUTY LORD MAYOR

Deputy Lord Mayor Susan Riley

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**Cr Kate Redwood
Chair – Commonwealth Games Infrastructure
and Major Projects Committee**

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**Cr Kevin Chamberlin
Chair – Finance, Corporate Services
and Governance Committee**

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Email: kevcha@melbourne.vic.gov.au

**Cr Anthony Nicholson
Chair – City Safety and Health Committee**

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Email: antnic@melbourne.vic.gov.au

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6. Legislation

Cr Catherine Ng
Chair – Planning and Development Committee

Telephone: 9658 9056
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Cr Kimberley Kitching
Chair – City Services, Community and Cultural Development Committee

Telephone: 9658 9086
Email: kimkit@melbourne.vic.gov.au

Cr Irene Goonan
Chair – Marketing, Business Development and Major Events Committee

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Cr David Risstrom
Chair – Environment, Sustainability and Indigenous Affairs Committee

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Postal address for all Councillors

City of Melbourne
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Melbourne Vic 3001
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The *Local Government (Democratic Reform) Act 2003*, which amended the *Local Government Act 1989*, was passed through the Victorian Parliament in 2003. Both the *Local Government Act 1989* and the *Local Government (Democratic Reform) Act 2003* are available in full on the Victorian Government website www.vic.gov.au

This Council Plan fulfils our obligations under Part 6 (Section 125) *Planning and Accountability Reports of the Local Government Act 1989*. The Strategic Resource Plan fulfils the requirements of Part 6 (Section 126).

The Local Government Act 1989 specifies that the Council must a) produce a Council Plan by 30 June 2004 and b) within the period of six months after each general election or by the next 30 June, whichever is later.

The City of Melbourne, along with other Councils conducting general elections in November 2004, will be in the unusual position of producing a four-year Council Plan in June 2004 and a new four-year Council Plan in June 2005, following the November election. From June 2005, we expect a consistent four-year cycle for the preparation of Council Plans.

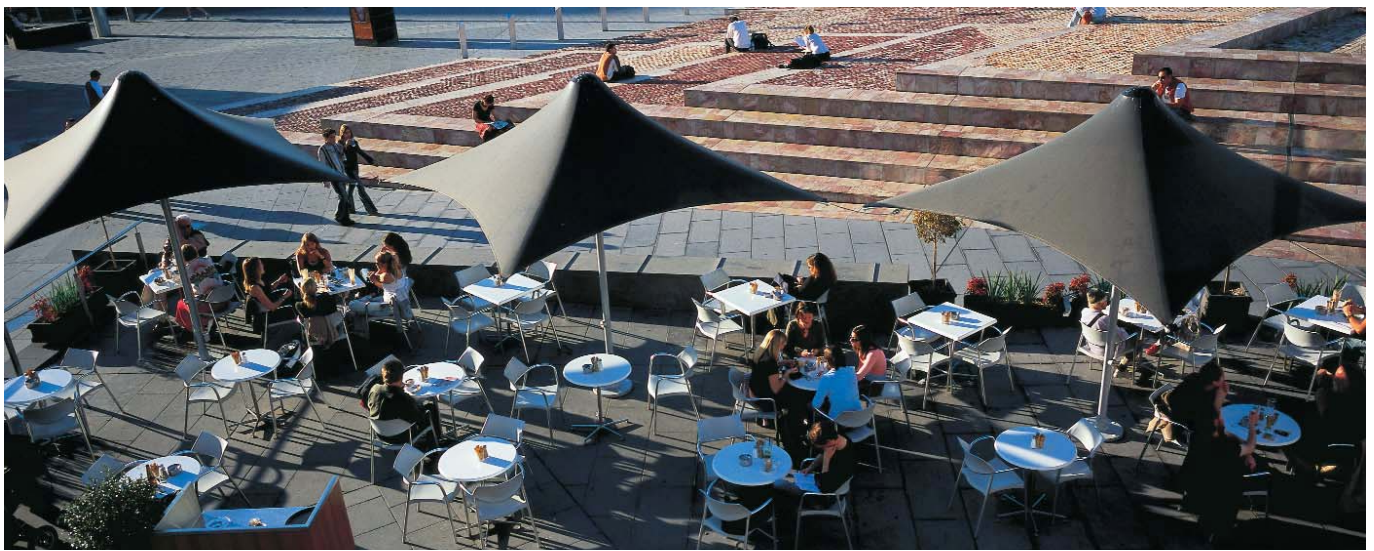
6.1 Elections

All council elections will be aligned to a common electoral cycle, with full alignment by November 2008.

Local Government election dates have been moved from March to the last Saturday in November. This is the same date as for fixed-term State elections, but State and local government election dates will be two years apart. The first City of Melbourne election under the new four-year system will be held on Saturday, 27 November, 2004.

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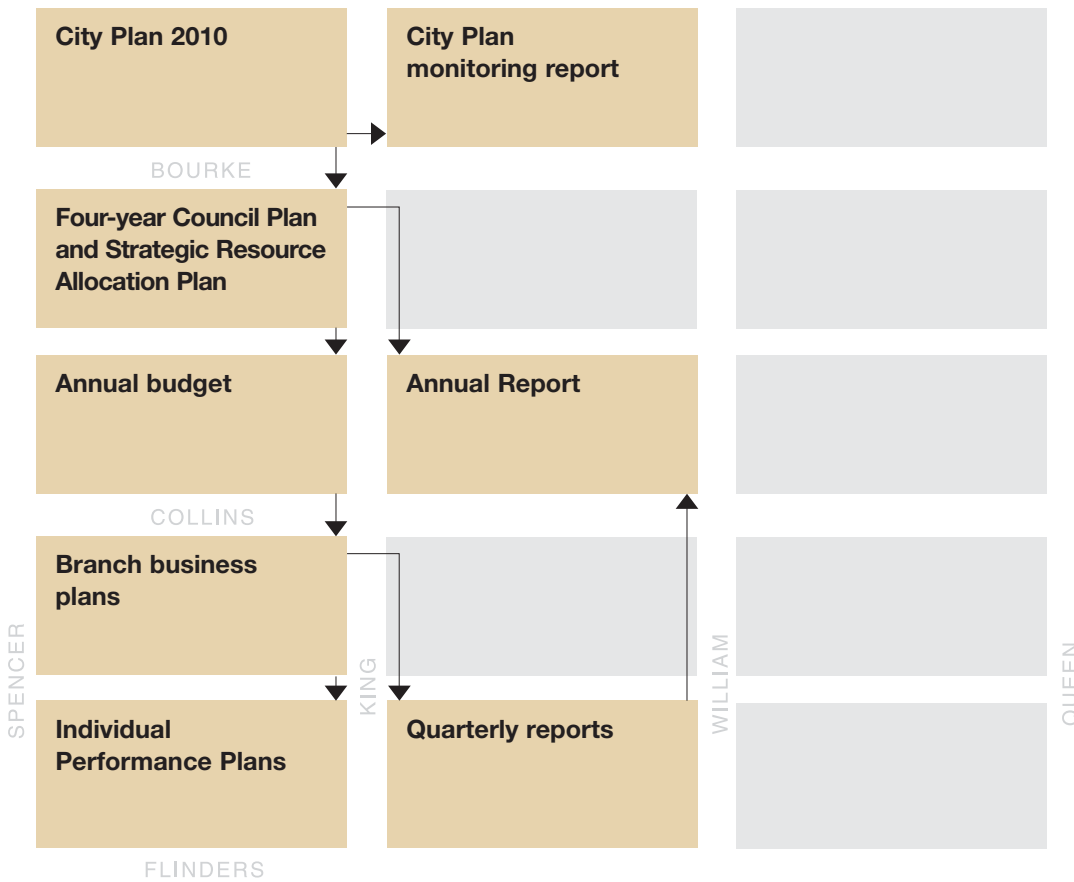


7. Integrated Planning Framework

The Council Plan is a vital part of our Integrated Planning Framework. The City of Melbourne's integrated planning framework has been developed to ensure that the efforts and resources of the organisation are directed towards achieving the vision and objectives outlined in City Plan 2010. City Plan 2010 is the long-term vision for the city, while the Council Plan, budgets, business plans and individual performance plans are all developed to ensure delivery of City Plan 2010.

The framework includes the necessary reports to monitor the implementation of our plans. Quarterly reports enable the corporate management team to closely monitor the progress of the whole organisation towards business plan goals.

The Annual Report details our performance during the year to the community.



8. Strategic Objectives

Council has identified six Strategic Objectives that will be pursued over the life of this plan. The following tables show:

- our strategic objectives;
- the strategies we will implement to deliver them; and
- the strategic direction in City Plan 2010 being addressed by each strategy.



Strategic Objective

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The Strategic Objective is a statement of our long-term goals and aspirations. We have six strategic objectives, which reflect important themes underpinning our vision for the city and the organisation

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Buzzing promenade: Southbank is a favourite place for locals and visitors.

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Strategic Objective 1: Connected and Accessible City



To enhance local, regional, national and global connections through provision of high-level accessible infrastructure.



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Strategy No.	Strategies to achieve Objective
Transport Infrastructure	
1.1.01	Integrate State Government planning into city planning to enhance Port operations, including: <ul style="list-style-type: none"> • extending the National Rail Terminal at South Dynon and improve rail freight efficiency; • linking the Port with the rail freight network via the Dynon Hub area; • enhancing channels to facilitate Port operations; and • developing standard gauge rail routes with the capacity to carry double-stacked containers.
1.1.02	Improve pedestrian and public transport linkages and amenity between Spencer Street Station and CBD, in response to the Spencer Street redevelopment.
Communications Infrastructure	
1.2.01	Advocate for competitive and affordable access to broadband infrastructure in the city.
1.2.02	Develop community awareness of broadband technology and its relevance to the future of a sustainable society.
1.2.03	Support the development of IT skills to increase competitiveness globally.
Local, National and International Connections	
1.3.01	Strengthen cultural, business and educational links and partnerships with other cities, networks and agencies within Australia and internationally.
1.3.02	Support events and delegations to further the city's vision and aims.
1.3.03	Attract branch offices of international non-government agencies.
1.3.04	Develop targeted business strategies for attracting key people, skills, businesses and projects to the city.
Corporate Citizenship	
1.4.01	Promote and facilitate the use of Triple Bottom Line planning, reporting and decision making.
1.4.02	Promote the benefits of 'corporate citizenship'.
1.4.03	Advocate for the preparation of a national policy on cities and urban areas.
Sustainable and Integrated Transport System Linking City Assets	
1.5.01	Prepare and implement a parking strategy, which meets the needs of residents and business, and is consistent with Council's sustainable transport objectives.
1.5.02	Provide well-located, short-term and affordable public car parking and 'park-and-ride' facilities.
1.5.03	Promote and encourage the development and use of water transport.
1.5.04	Ensure adequate safe car parking, public transport and pedestrian and bicycle facilities in the city, particularly after midnight, in accordance with A Strategy for a Safe City.

Strategic Objective 1: Connected and Accessible City (continued)

- 1.5.05 Implement on-road management to realise traffic management benefits with the operation of CityLink.
- 1.5.06 Implement road management strategies to meet the needs of residents, business and visitors.
- 1.5.07 Extend the existing system of dedicated cycle and pedestrian routes to fully link city assets.

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Public Transport

- 1.6.01 Advocate implementation of initiatives to increase public transport patronage and accessibility to and within the city.
- 1.6.02 Work with the State Government and transport providers to prioritise facilities for public transport at all Commonwealth Games venues.
- 1.6.03 Work with State Government and councils to encourage the establishment of park and ride facilities at key activity centres throughout metropolitan Melbourne.
- 1.6.04 Support the upgrade and sensitive development of key tram routes, including Bourke, Collins, Elizabeth and Swanston streets and St Kilda Road.
- 1.6.05 Encourage key stakeholders to increase public transport in the city through extension of light rail services to Docklands, extension of fixed and light rail services to Port Melbourne and in the northern corridor and the north eastern suburbs via the Eastern Freeway corridor.
- 1.6.06 Advocate for change to a more integrated transport funding system and promote non-car based transport modes.
- 1.6.07 Encourage the linking of public transport to major sports events and retail and entertainment packages.

An Integrated and Connected Park System

- 1.7.01 Complete and implement the suite of master plans for all the city's major parks and gardens.
- 1.7.02 Work with Heritage Victoria to assess City of Melbourne's parks for listing on the State Heritage Register.
- 1.7.03 Work to reduce car parking in parks where alternative parking opportunities become available.
- 1.7.04 Develop new open space as opportunities arise throughout the municipality.
- 1.7.05 Partner with state agencies, neighbouring municipalities, peak bodies and community groups to improve Melbourne's open-space network.

City Connections

- 1.8.01 Improve connections between Docklands, the central city, the Yarra River and key city attractions.
- 1.8.02 Improve pedestrian links from the Sports and Entertainment Precinct to the central city.
- 1.8.03 Enhance directional signage for key city attractions.

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Strategic Objective 2: Innovative and Vital Business City



To promote Melbourne as a smart, creative and progressive city and ensure business development, job growth and enhancement of gateway infrastructure.



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Strategy No.	Strategies to achieve Objective
Knowledge City	
2.1.01	Promote Melbourne as a gateway for biotechnology in Australia and the Asia Pacific.
2.1.02	Implement the 'Knowledge City' strategy.
Innovation	
2.2.01	Enhance and further extend innovative enterprises, forums or projects that demonstrate Melbourne's creative capabilities.
2.2.02	Facilitate interaction and collaboration between business and research institutions.
2.2.03	Use the Commonwealth Games 2006 as an opportunity to demonstrate Melbourne's capability in sustainable and innovative infrastructure and management systems.
2.2.04	Foster innovation through awards programs and support for artists, partnerships and strategic alliances to increase investment in new innovative ideas.
2.2.05	Define and cost an initiative for the development of new creative industries and commercial applications for small business.
Centre for Commerce, Professional Services and Advanced Education	
2.3.01	Create internationally competitive business opportunities, particularly in knowledge-based sectors.
2.3.02	Assist precincts through the Precinct Marketing Program to develop their own unique identity and strengths.
2.3.03	Develop local, regional, national and international connections, conferences and forums that will promote Melbourne's business and trade potential.
2.3.04	Market Melbourne as a destination, using the Melbourne Campaign.
2.3.05	Gather and publish relevant local, national and international information on market trends and opportunities to business sectors.
2.3.06	Utilise Melbourne's international connections to increase small and medium business opportunities.
A World-Class Retail Experience	
2.4.01	Lead the revitalisation of the retail core, including the redevelopment of Bourke Street Mall, and introduce an effective and sustainable management model.
2.4.02	Improve effective signage and interactive information systems, parking and traffic management and amenity in the retail core.
2.4.03	Provide support and advice on business improvement to small retail.
Establishment, Growth and Diversity of Businesses in the City	
2.5.01	Provide services that support the establishment and growth of innovative new businesses and business support services.
2.5.02	Support the development of South Carlton as a location for the development of creative enterprises.
Advanced Manufacturing and Logistics	
2.6.01	Continue to promote Port Melbourne as the preferred location for high value added advanced manufacturing, research and development and associated services.

Strategic Objective 3: Inclusive and Engaging City

“To ensure the city welcomes and enables all people to participate fully in city life and to provide an attractive and stimulating place in which to live, work, and visit with a high level of cultural vibrancy and creativity.”

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Strategy No.	Strategies to achieve Objective
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Participation in Community Life	
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3.1.01	Improve access to and throughout the city for disabled persons including improved access to public spaces and transport.
3.1.02	Develop community and cultural development programs to promote cultural diversity and experience in community life.
3.1.03	Facilitate the development of social capital.
3.1.04	Support a diversity of land uses, community facilities and public spaces within local areas.

Facilities and Services to Support City Residents, Visitors and Workers	
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3.2.01	Plan for the changing needs of the increasing number of residents, visitors and workers in the city.
3.2.02	Develop primary health care services, including a community health care centre in the CBD.
3.2.03	Investigate place management models as a means of enhancing community participation in city life.
3.2.04	Work with government and other relevant agencies to reduce and manage complex social issues in an equitable and humane manner, specifically targeting those who are marginalised and disadvantaged.
3.2.05	Promote increased participation in sporting, leisure and recreation activities.
3.2.06	Work with key stakeholders to seek to increase access to 24-hour information regarding the wide range of essential services and facilities available within the municipality.
3.2.07	Develop programs and partnerships to improve city safety, amenity and management, especially in the areas of public safety, car parking and enforcement.
3.2.08	Work with the community to create a safe and welcoming central city environment, which attracts all age groups.

Arts, Culture and Sporting Capital	
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3.3.01	Maximise the artistic and cultural benefits of cultural precincts across the city.
3.3.02	Promote public art and cultural activity in the public domain.
3.3.03	Pursue opportunities for cultural organisations and diverse artistic activities to locate within the city.
3.3.04	Working with the indigenous community to promote both contemporary and traditional indigenous art.
3.3.05	Promote and further develop Melbourne as a city for the arts and culture.
3.3.06	Promote and further develop Melbourne as a national and international sporting capital.
3.3.07	Plan and deliver sporting infrastructure projects to support the Melbourne 2006 Commonwealth Games.

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Strategic Objective 3: Inclusive and Engaging City (continued)

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Increase the City's Residential Population

- 3.4.01 Work with government, non-government agencies and the community sector to ensure there is a diversity of housing tenures and types, and to retain and increase the supply of affordable housing options.
- 3.4.02 Investigate areas capable of sustaining an increase in housing density.
- 3.4.03 Research and evaluate factors that contribute to the liveability and amenity of the city.
- 3.4.04 In collaboration with other relevant agencies, sponsor/develop appropriate prototypes for affordable and sustainable housing.
- 3.4.05 Provide a level of residential amenity in the central city commensurate with a vibrant and active 24-hour city.

Physical Character – A Sense of Place and Identity

- 3.5.01 Reinforce the significance of the CBD/Hoddle Grid form through planning, design and landscaping.
- 3.5.02 Promote the integration of public art in new developments and lead by example in Council's own initiatives.
- 3.5.03 Conserve the city's historic and heritage assets and promote their contemporary usage.
- 3.5.04 Encourage active and creative street life.

Urban Environment

- 3.6.01 Continuously improve the urban design, amenity, safety and quality of the city's public environment, particularly its streets, laneways, parks, and gardens and improve links between key sites and activities in the city.
- 3.6.02 Provide prototypes, catalysts and urban design solutions to guide future development within the city, including lighting, safety, access, signage, street activity and urban renewal.
- 3.6.03 Work with the Docklands Authority and the State Government to ensure the Docklands development extends and reinforces the city's public environment initiatives and practices.
- 3.6.04 Investigate construction methods for the CBD and surrounding mixed-use areas to minimise the negative impacts on amenity from noisy activities.
- 3.6.05 To inform future planning, understand how different groups of the community use and perceive public space and environments.
- 3.6.06 Implement actions to improve the quality of the public environment of Southbank in accordance with strategies in the Southbank Structure Plan.

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Strategic Objective 3: Inclusive and Engaging City (continued)

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Yarra River Corridor

- 3.7.01 In conjunction with key stakeholders, develop and implement a strategic vision for the Yarra River as a whole, addressing its interface with abutting land uses and development including pedestrian and cycle links, removal of the Flinders Street overpass, redevelopment of the western end of Flinders Street, and redevelopment of the north bank of the River.
- 3.7.02 Realise Queensbridge Square and Sandridge Bridge as new public spaces.
- 3.7.03 Pursue the development of a youth precinct on the Northbank of the Yarra River.
- 3.7.04 Pursue plans for improved pedestrian links in the Yarra corridor, particularly the proposed footbridge between Birrarung Marr and Alexander Gardens.
- 3.7.05 Progressively implement the Melbourne Indigenous Artwalk as a key feature of the Yarra River Corridor.

Tourism

- 3.8.01 Implement the Tourism Plan for the City of Melbourne.
- 3.8.02 Adopt a lead role in the Melbourne Campaign Committee to ensure a dynamic approach to the marketing of Melbourne.
- 3.8.03 Support a wide range of cultural, sporting and community events as well as exhibitions, conferences and conventions to increase visitation to the city.
- 3.8.04 Strengthen Melbourne’s cultural tourism capacity including activities and events.
- 3.8.05 Develop high-quality, accessible and visible visitor information facilities, including online services and visitor facilities such as Federation Square.

Major City Events and Festivals

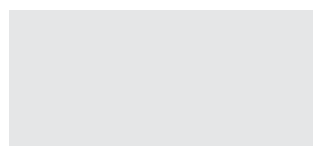
- 3.9.01 Attract, support and create a range of key events that reflect the diverse needs of the Melbourne community and visitors to the city and ensures a balance between major international events and local events.
- 3.9.02 Promote the city as the focus of the Melbourne major events and festivals program.
- 3.9.03 Develop strategies to ensure Melbourne derives maximum and lasting benefits from key events such as the 2005 World Games for the Deaf and the 2006 Commonwealth Games.
- 3.9.04 Work with the Melbourne Film Office to position Melbourne as an attractive filming destination.
- 3.9.05 Develop strategies to ensure that events and festivals lead people to explore the city’s parks and gardens, public spaces, the Yarra River, the central city, and retailing and entertainment facilities.
- 3.9.06 Celebrate the opening of major new public spaces.
- 3.9.07 Review the quality, mix and scheduling of the Melbourne events program.
- 3.9.08 Liaise with other stakeholders to continue developing a coordinated approach to conducting events in the city.
- 3.9.09 Develop plans to increase the flow-on effects of festivals and events in the city.

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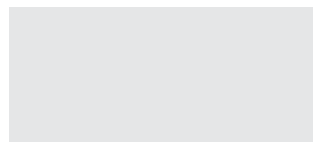
Strategic Objective 4: Environmentally Responsible City



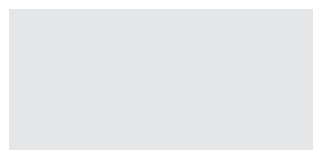
To actively increase natural assets through sustainable decision making and demonstrate environmental leadership.



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Strategy No.	Strategies to achieve Objective
Reduced Greenhouse Gas Emissions	
4.1.01	Reduce greenhouse gas emissions generated in the City of Melbourne.
4.1.02	Broker the reduction of greenhouse gas emissions in the commercial sector by undertaking partnership programs and implementing policies with other levels of government.
4.1.03	Develop further business partnerships with local businesses and council subsidiaries involved in energy reduction programs.
4.1.04	Encouraging the uptake of renewable energy, through specific programs targeted at residents, businesses and industry.
4.1.05	Promote the Sustainable Melbourne Fund.
4.1.06	Establish programs to offset emissions from Council fleet.
4.1.07	Promote the switching of transport modes to those that produce less greenhouse gases.
Efficient Resource Use and Waste Reduction	
4.2.01	Reduce water consumption and encourage reuse of reclaimed water.
4.2.02	Achieve improved water quality through the implementation of programs, including the Stormwater Management Plan and Yarra Catchment Strategy.
4.2.03	Implement the Waste Management Strategy and Waste Education Plan.
4.2.04	Protect and improve the city's biodiversity.
4.2.05	Identify opportunities for and encourage planting habitat creation projects, including street 'corridors' and native vegetation planting.
Demonstrate Environmental Leadership	
4.3.01	Reduce greenhouse gas emissions in council operations.
4.3.02	Reduce energy consumption, waste generation and water consumption in Council operations.
4.3.03	Advocate change to state and federal legislation for environmental sustainability.
4.3.04	Demonstrate leadership through improved environmental performance.
4.3.05	Provide support and incentives for business to improve environmental performance.
4.3.06	Promote and demonstrate the benefits of a life cycle approach to Council works, programs, projects and operations to determine their ability to increase the city's natural capital.
4.3.07	Audit existing and implement new Council policies, strategies and local laws to ensure consistency with ecologically sustainable development (ESD) principles.
4.3.08	Provide advice and assistance to the building and development sector on ESD and development.

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Strategic Objective 5: Well-Managed and Leading Corporation

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To deliver effective and accountable governance and business processes and ensure that the Corporation is widely recognised for its high-calibre staff, processes and products and its interactions with key stakeholders.

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Strategy No.	Strategies to achieve Objective
Expert and High-Performing Corporation	
5.1.01	Use leading-edge information technology and communication systems to optimise service delivery, engage the community and promote innovation.
5.1.02	Review Council's services, contracts and activities to ensure that Best Value principles and targets are achieved.
5.1.03	Implement strategies to deliver excellence in customer service, good governance, participation and consultation.
5.1.04	Develop long and short-term plans against which performance is measured, monitored and reported incorporating Triple Bottom Line.
5.1.05	Apply audit and risk management processes to ensure probity, reliability and continuity of corporate operations.
5.1.06	Attract, develop and retain high-calibre, high-performing staff through the implementation of the Human Resource Management Strategy.
5.1.07	Enhance capital city government through appropriate legal advice and review processes, protocols and support to Councillors to facilitate effective and democratic government.
5.1.08	Advocate for the transfer of management and governance of Docklands to City of Melbourne and plan future services in liaison with the State Government and Vic Urban.
5.1.09	Resolve staff accommodation requirements including the construction of the Council administration building, CH2.
5.1.10	Implement the Asset Management Strategy and manage the facilities and security of Council buildings.
5.1.11	Enhance the Council's reputation and stakeholder perceptions through implementation of the Customer Relationship Management Strategy.
5.1.12	Enhance the efficiency of the organisation through high quality, accurate and timely communication and management of issues and information.
5.1.13	Increase the national and international reputation of Melbourne City Council's role in service provision and as leaders in capital city management.
5.1.14	Invest in systems that deliver consistent, timely, transparent and reliable information on the performance of the corporation and its various business units.
5.1.15	Improve Corporate Contract Management capabilities.

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Think Melbourne: think fashion.



Strategic Objective 6: Financially Responsible Corporation



To ensure Council's finances and assets are well managed in the short term and strategically planned to secure the corporation's long-term sustainability.



Strategy No.	Strategies to achieve Objective
Long-Term Financial Sustainability	
6.1.01	Ensure rate collections are directly supportive of Council's objectives for the city.
6.1.02	Optimise alternative sources of income.
6.1.03	Ensure that income and expenditure deliver best value for short and long-term city needs.
6.1.04	Implement the Council's long-term Financial Plan.
6.1.05	Develop and implement an asset management strategy under the direction of an asset management steering group.
6.1.06	Develop and implement a detailed five-year Council works program.
6.1.07	Develop a long-term strategy for the Oracle Financial System.
6.1.08	Review and optimise corporate supply arrangements to deliver best value and progressively introduce self service for procurement.
6.1.09	Seek to integrate major debt management initiatives across Council activities.
6.1.10	Implement strategies to ensure compliance with new provisions bought about by the Local Government Act update.



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9. Performance Indicators and Targets

The City of Melbourne has adopted a Triple Bottom Line (TBL) approach to measuring and reporting on performance. Triple Bottom Line reporting indicates the inter-dependence between society, its economic and cultural values and the natural environment upon which it depends. Sustainable decisions are the objective of this type of reporting. The values which underpin a TBL approach recognise this fundamental fact and help sustain society and assist the well being of future generations.

The concept of TBL first appeared in 1997 in John Elkington's book *Cannibals with Forks: The Triple Bottom Line of the 21st Century business*. The driving forces that gave rise to Elkington's work were first expressed at the UN conference on Environment and Development in 1992 where the growing need for corporations to account for their environmental and social performance was expressed.

The City of Melbourne adopted a TBL framework in November 2000 and developed a set of core TBL indicators against which it reports annually. These were created with Melbourne's 'Sustainability Priorities' in mind. They acknowledge the significance of:

- health and well-being of Melbourne's communities and Council staff;
- business investment and corporate financial viability; and
- greenhouse gas emissions, water consumption and waste management.

These priorities are not new to local government. The core business of local government is to develop social and economic capital, protect its essential environmental qualities and maintain responsible governance. The TBL adaptation strives for an appreciation of natural capital, its limits and processes, which guide those of local government.

The Melbourne Principles

A TBL approach assumes a set of agreed principles, which articulate our values. The City of Melbourne formally adopted the *Melbourne Principles for Sustainable Cities* on 2 May, 2002. These have the potential to guide the decision-making process.

Melbourne Principles for Sustainable Cities

1. Long-term planning for intergenerational social, economic and political equity
2. Long-term economic and social security
3. Biodiversity, natural ecosystems and their restoration
4. Minimising ecological footprint
5. The form and function of ecosystems
6. Society and culture
7. Participatory communities
8. Social networks
9. Sustainable production and consumption
10. Continuous improvement, accountability and good governance

TBL reporting is an evolving practice, which refines local governance and strategic planning. Its practice allows for more informed public to understand how they are being served. The indicators on the following pages reflect a continuing evolution of performance management and reporting using the Triple Bottom Line, based on our six strategic objectives. Over time the indicators and targets will be refined to reflect new learnings and new endeavours that will take us toward our vision of sustainability. We have both city indicators and corporate indicators in order to track how we are going in terms of external impact and internal improvement.

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9.1 City Indicators

Performance Indicators	04/05 Target	2010 Target
Economic Performance Indicators		
Number of businesses funded by the City of Melbourne Small Business Development Fund per annum.	20	25
Survival rate of businesses funded by City of Melbourne Small Business Development Fund after two years of operation.	90%	90%
Number of new jobs created by businesses funded under the Small Business Development Fund.	60	300
Number and estimated value of outcomes from international business and trade initiatives.	Four outcomes \$1m Value	\$20m
Social Performance Indicators		
Percentage of fully immunised children between 72 and 75 months.	83%	98%
Growth rate in participation/engagement in City of Melbourne funded community and cultural events and activities from the baseline year 2002/03 for the following: <ul style="list-style-type: none"> Moomba Waterfest: 850,000 Melbourne International Comedy Festival: 383,771 Melbourne International Arts Festival: 300,000 Melbourne International Film Festival: 157,000 	Maintain or enhance participation	5%
Number and percentage of visitors who feel safe in the CBD.	83%	90%
Number of services being offered in 39 Council-owned community facilities.	47 (29 CoM + 18 external organisations)	n/a
Number of organisations applying for Community Services Grants.	106 or above	Greater than 106
Percentage of all library loans in languages other than English compared to state average.	20.8%	20.8%
Environmental Performance Indicators		
The achievement of Council's Zero Net Emissions (greenhouse gas) by 2020 strategy aimed at reducing the net emissions of greenhouse gases in the City of Melbourne to zero by 2020, compared to a baseline year of 1999/2000.	17%	20%
Reduction of residential waste to landfill per household.	3%	10%
Percentage of municipal waste diverted for recycling.	20%	25%
Achievement of Council's Watermark, Sustainable Water Management by 2020 strategy aimed at reducing consumption of drinking-quality water within the City of Melbourne by 12% by 2020 as compared to a baseline year of 1999/2000.	1%	6%

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9.2 Corporate Indicators

Performance Indicators	04/05 Target	2010 Target
Economic Performance Indicators		
Standard and Poor's credit rating.	Maintain AAA rating	Maintain AAA rating
Annual Financial Plan targets; within + or – 5% Variation to Budget Financial Performance Surplus;		
<ul style="list-style-type: none"> • Total Revenue; • Total Operating Expenditure; • Council Works Program; and • Cash Investments 	Achieve key targets within + or – 5%	Achieve key targets within + or – 5%
Total annual debt level as a percentage of total annual rate income.	Zero debt	Zero debt
Social Performance Indicator		
Overall employee satisfaction.	70%	70%
Percentage of total employment cost relative to training spend.	2%	2%
Percentage of total labour days lost to staff absenteeism/sickness per annum.	3.5%	3.5%
Annual staff turnover rate.	10%	10%
Environmental Performance Indicator		
Total reduction of waste to landfill from Council facilities per annum (offices).	2.5%	50%
Total reduction of greenhouse gas emissions from council operations.	19%	30%
Total reduction of energy consumption attributable to Council buildings.	19.2%	20%
Total reduction of water consumed for buildings and gardens.	1%	10%
Percentage increase in use of renewable energy by Council operations.	0%	10%

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10. Best Value

10.1. Background

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Best Value was introduced at the City of Melbourne in 1998 as part of Council's commitment to providing relevant and effective levels of service delivery. The Local Government Act 1989 was amended by the Victorian Government in 1999 to incorporate six principles for Best Value.

These place an onus on councils to:

- offer services that are the best possible quality and value for money;
- offer services that are responsive to community needs;
- offer services that are accessible to the people they are intended for;
- show continuous improvement of service performance;
- regularly consult the community about service standards; and
- regularly report to the community on its achievements in relation to the five requirements listed above.

10.2. Schedule of Best Value Reviews

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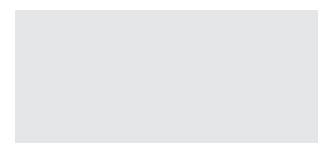
As part of the Best Value program, Councils are required to conduct a Best Value review of all services by December 2005. The City of Melbourne's schedule of reviews for services, contracts and cross corporate activities appears in the following table. The table shows both reviews completed to date and those scheduled for completion by December 2005.

World fame: Melbourne's Royal Exhibition Building has been added to the World Heritage List.

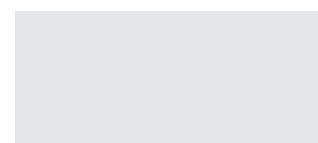
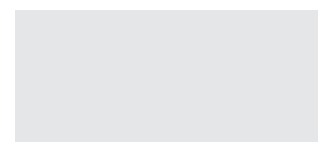


10.2. Schedule of Best Value Reviews (continued)

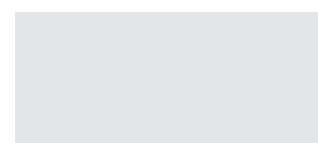
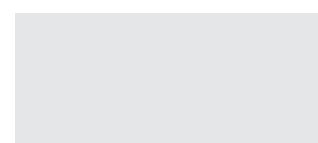
Service/contract/cross corporate activity	Linked to strategic objective	Commencement date	Expected completion	Completed
Parking and traffic management	Strategic Objective 1	Sep-02	Mar-03	✓
Courtesy letter production and mailing	Strategic Objective 1	Sep-02	Apr-03	✓
Management of Elgin Street and Council House Carpark	Strategic Objective 1	Dec-02	Feb-03	✓
Operation and management of Council's City Square Carpark	Strategic Objective 1	Dec-02	Feb-03	✓
Open spaces management	Strategic Objective 1	Mar-03	Mar-03	✓
Provision of towing services	Strategic Objective 1	Sep-03	Oct-03	✓
Vehicle impound service	Strategic Objective 1	Sep-03	Oct-03	✓
Parking meter and ticket machine revenue collection and banking	Strategic Objective 1	Oct-03	Oct-03	✓
Management of parking in parklands	Strategic Objective 1	Jun-04	Jan-05	
Maintenance of parking meters	Strategic Objective 1	Jan-04	Apr-04	✓
Roads and infrastructure	Strategic Objective 1	Jul-04	Feb-05	
Civil infrastructure services	Strategic Objective 1	Jan-05	Jul-05	
Tree management and maintenance services	Strategic Objective 4	Mar-03	Mar-03	✓
Syringe disposal unit Servicing	Strategic Objective 4	Mar-03	Mar-03	✓
Street cleaning	Strategic Objective 4	Dec-03	Mar-04	✓
Environmental sustainability	Strategic Objective 4	Mar-04	Oct-04	
Waste management services	Strategic Objective 4	May-04	Jul-04	✓
Telecommunication services (MAPS)	Strategic Objective 6	Mar-02	Jun-02	✓
Provision of banking services	Strategic Objective 6	Mar-03	Jul-03	✓



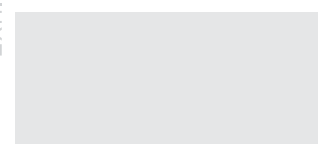
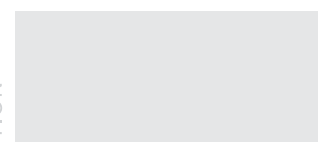
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10.2. Schedule of Best Value Reviews (continued)

	Council works	Strategic Objective 6	May-03	Dec-03	✓
	Financial Services Panel	Strategic Objective 6	Sep-03	Dec-03	✓
	Debt collection	Strategic Objective 6	Jan-04	Jan-04	✓
	Financial services	Strategic Objective 6	Mar-05	Dec-05	
	Immunisation and medical officer	Strategic Objective 3	Jul-02	Aug-03	✓
	Provision of Aged and Disability Services for a period of three years	Strategic Objective 3	Jul-02	Jan-04	✓
	Provision of meals – preparation	Strategic Objective 3	Jul-02	Jun-04	✓
	Management and production – Melbourne Spring Fashion Week 02/03	Strategic Objective 3	Sep-02	Mar-03	✓
	Town Hall venue management	Strategic Objective 3	Sep-02	Mar-03	✓
	Arts and Culture Consultancy Panel	Strategic Objective 3	Nov-02	Dec-02	✓
	Safe City Cameras – maintenance service agreement	Strategic Objective 3	Dec-02	Feb-03	✓
	Animal Management Services	Strategic Objective 3	Jan-03	Jun-03	✓
	City development	Strategic Objective 3	Feb-03	Jun-03	✓
	Melbourne Osaka Yacht coordination	Strategic Objective 3	Jun-03	Aug-03	✓
	Events	Strategic Objective 3	Jun-03	Apr-04	✓
	Recreation and leisure services	Strategic Objective 3	Jul-03	Mar-04	✓
	Community Services	Strategic Objective 3	Sep-03	Jul-05	
	Melbourne City Sports activity program	Strategic Objective 3	Nov-04	Mar-05	
	Royal Park Golf Course – horticultural maintenance	Strategic Objective 3	Oct-03	Feb-04	✓
	Visitor and resident information services	Strategic Objective 3	Oct-03	Oct-04	
	Summer Fun in the Parks program 2002/03	Strategic Objective 3	Oct-04	Dec-04	

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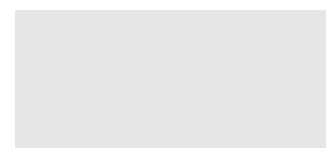
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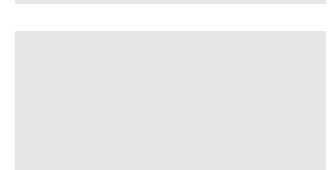
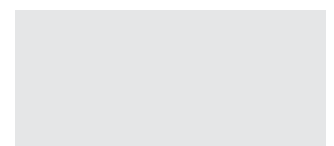
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Arts and Culture	Strategic Objective 3	Feb-04	Apr-04	✓
Pest control	Strategic Objective 3	Feb-04	Mar-04	✓
Monitoring and operation of the CCTV Safe City Cameras Program	Strategic Objective 3	Apr-04	Jan-05	
Street cleaning waste management	Strategic Objective 3	Jun-04	Dec-04	
Social planning and development	Strategic Objective 3	Nov-04	Jul-05	
Massage services at the City Baths	Strategic Objective 3	Nov-04	Jan-05	
Melbourne City Sports Activity Program	Strategic Objective 3	Nov-04	Jul-05	
Health Services laboratory testing	Strategic Objective 3	Dec-05	Dec-05	
Management of aquatic and community recreation facilities	Strategic Objective 3	Dec-05	Dec-05	
Management of Cook's Cottage and Fitzroy Gardens tourism	Strategic Objective 3	May-04	Jul-04	✓
Distribution of City of Melbourne News	Strategic Objective 2	Aug-02	Aug-02	✓
Communication and Marketing panels	Strategic Objective 2	Aug-02	Nov-02	✓
Melbourne Moomba Waterfest 2003	Strategic Objective 2	May-03	Jul-03	✓
Fireworks program NYE	Strategic Objective 2	May-03	Jul-03	✓
Managing activity on the street	Strategic Objective 2	Jun-03	Jul-05	
Business development and research	Strategic Objective 2	Dec-03	Nov-04	
Printing of Melbourne Events – monthly events publication	Strategic Objective 2	Oct-04	Jan-05	
City promotion	Strategic Objective 2	Jul-05	Dec-05	
Advertising and public relations services for Melbourne City	Strategic Objective 2	Mar-04	Apr-04	✓
International Relations	Strategic Objective 2	Nov-03	Apr-04	✓
Sustainable Planning and Reporting	Strategic Objective 2	Nov-04	Mar-05	

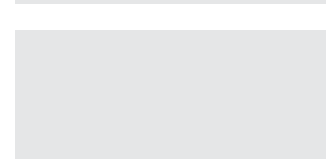
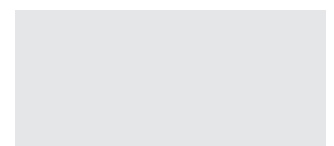
10.2. Schedule of Best Value Reviews (continued)



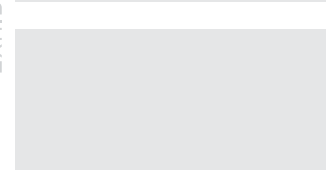
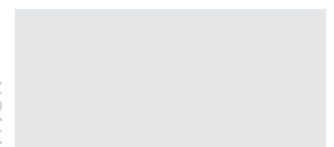
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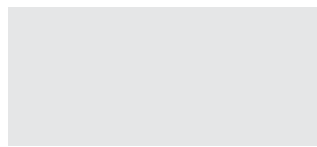
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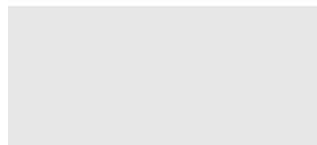
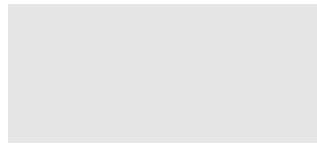
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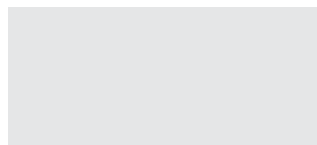
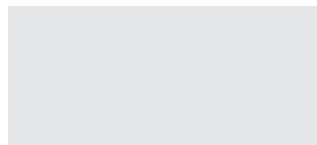
10.2. Schedule of Best Value Reviews (continued)



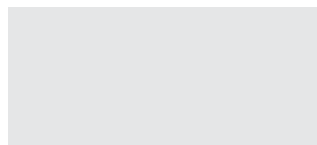
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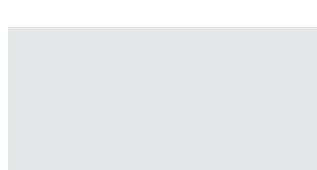
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Sustainable City Research	Strategic Objective 2	Dec-03	Nov-04	
Catering review	Strategic Objective 5	Jul-01	Oct-01	✓
Stationery review	Strategic Objective 5	Oct-01	Jan-02	✓
Research	Strategic Objective 5	Nov-01	Feb-02	✓
IT and T review	Strategic Objective 5	Jan-02	Jun-02	✓
Technology management	Strategic Objective 5	Jan-02	Jul-02	✓
Fleet review	Strategic Objective 5	Jan-02	Aug-02	✓
Fleet maintenance and management services	Strategic Objective 5	Jan-02	Aug-02	✓
Well at Work Services	Strategic Objective 5	May-02	May-02	✓
Corporate Communications	Strategic Objective 5	Sep-02	Dec-02	✓
Provision of media monitoring services	Strategic Objective 5	Mar-03	May-03	✓
Competitive neutrality	Strategic Objective 5	Apr-03	Jul-03	✓
Property management	Strategic Objective 5	Apr-03	Mar-04	✓
Contracts	Strategic Objective 5	May-03	May-04	✓
Provision of WorkCover	Strategic Objective 5	Jun-03	Jun-03	✓
Legal Services Panel	Strategic Objective 5	Aug-03	Aug-03	✓
Temporary staff services	Strategic Objective 5	Sep-03	Oct-03	✓
Information/knowledge management (including records management)	Strategic Objective 5	Oct-03	Jul-04	✓
Property maintenance services	Strategic Objective 5	Oct-03	Dec-03	✓
Provision of real estate services	Strategic Objective 5	Nov-03	Dec-03	✓

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Legal and Governance/ Corporate Support	Strategic Objective 5	Dec-03	Jun-05	
Provision of internal audit services	Strategic Objective 5	Jan-04	Mar-04	✓
Service charters	Strategic Objective 5	Feb-04	Jun-04	✓
Human Resources	Strategic Objective 5	Feb-04	Jun-04	✓
Security guard services patrol and guard	Strategic Objective 5	Apr-04	Jun-04	✓
Chief Executive's office/ Governance and Resources, group administration/ Corporate Support	Strategic Objective 5	Jun-04	Jul-04	✓
Best Value	Strategic Objective 5	Dec-04	Mar-05	
Provision of print and copying services	Strategic Objective 5	Nov-04	Dec-04	
Corporate Learning and Development Services	Strategic Objective 5	Dec-04	Mar-05	
Best Value Panel	Strategic Objective 5	Oct-05	Dec-05	

10.2. Schedule of Best Value Reviews (continued)

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10.3. Best Value Beyond 2005

Following completion of reviews, all services, contracts and cross-corporate activities will have one of either:

- a three-year improvement plan outlining quality and cost measures (services);
- a best value diagnostic resulting in recommendations for service improvement, contract management improvements and improvements to the procurement process (contracts); and
- recommendations for process improvements (cross corporate activities).

These plans/recommendations are implemented from the date of completion of the Best Value Review.

Beyond December 2005, which marks the close of the Best Value review period, the City of Melbourne will continue to implement improvement plans and continue to integrate the six Best Value Principles in service management and delivery.

1. Strategic Resource Allocation Plan

The Strategic Resource Allocation Plan identifies the financial and non-financial resources required to deliver the Council Plan.

Details of our new organisation structure, implemented from 1 July, 2004, are contained in this section along with the major elements of our human resource management strategy and long-term financial plan.

1.1. Organisation Structure

The organisation structure was reviewed by the Chief Executive David Pitchford, in consultation with the Council over several months during 2003/04.

The new structure is based on finding the best ways to align our resources, minimise inefficiency and maximise output. It takes into account four major challenges, which will affect the way we do business in the short-to-medium term. These are:

- the transition of Docklands to the City of Melbourne;
- the forthcoming election in November;
- our major accommodation project, CH2; and
- the 2006 Commonwealth Games.

To achieve these four objectives as well as meeting the ongoing needs of the community, a new management structure has been in place from 1 July, 2004.

The new structure has been achieved without any redundancies and will result in enhanced service delivery, as well as taking on the major projects and events facing the city.

The following chart shows the new structure with the major responsibilities within each division.

Strategic Resource Allocation Plan



Creative energy: Arts project 'Eating the City' at Birrarung Marr.

1.2. Financial Summary

The Long-Term Financial Plan has been updated to reflect changed priorities as set out in the Council Plan, but excludes Docklands. The first year includes Council's budget and the following year is used as the benchmark for development of future budgets. Updating the Long-Term Financial Plan ensures that adequate financial resources are available to achieve the aims of the Corporate Plan, as profiled in the annual budget and business plan processes.

1.2.1 Key Issues

The Plan includes proceeds from the disposal of Council-owned properties \$9.5 million in 2005/06. The plan assumes a modest level of rate increases from 2005/06 of 4 per cent.

In 2005/06 there is insufficient cash generated to allow this transfer to the investment fund. This will occur progressively over the plan period and be finalised in 2008/09.

1.2.2 Key Components of the Plan

The key components of the Plan include:

- key objectives and assumptions; and
- investment strategy.

The key objective, which underlines the development of the Plan, is financial sustainability in the long term, while still achieving Council's corporate objectives as specified in the Council Plan. The key financial objectives, which underpin the Long-Term Financial Plan, include:

- a modest increase in General Rates from 2005/06 by 4 per cent, which continues to recognise the significant growth of the municipality and Council's objective to meet new and increased service levels;
- achieve an inflow of cash to support the Council strategy of transferring the proceeds from disposal of Council owned properties to the Investment Fund;
- support the creation of the Melbourne Convention Centre;
- provide a Council Works program to meet the service needs of the stakeholders and ensure that Infrastructure assets are maintained at an optimal asset rating level;
- maintain the debt-free status; and
- maintain the Investment Portfolio growth over the medium term to at least the level of CPI.

Office of the Chief Executive

David Pitchford

Office of the Chief Executive						
David Pitchford						
	Director Marketing and Communications Scott Chapman	Director Assets and Services Terry Makings	Director Design and Culture Rob Adams	Director Sustainability and Innovation Geoff Lawler	Director Corporate Performance Linda Weatherson	Director Finance Martin Cutter
<i>Melbourne Marketing</i>	<i>Parks and Recreation</i>	<i>Design Facilities Management</i>	<i>Sustainable Policy and Planning</i>	<i>Legal and Governance</i>	<i>Finance Services</i>	
<i>Events Melbourne</i>	<i>Community Services</i>	<i>Urban Design</i>	<i>Environmentally Sustainable Development</i>	<i>Human Resources</i>	<i>Business Information Services</i>	
<i>Customer and International Relations</i>	<i>Asset Management</i>	<i>Major Project Delivery</i>	<i>Sustainable Regulatory Services</i>	<i>Councillor Support</i>	<i>Docklands Transition</i>	
<i>Corporate Communications</i>	<i>Engineering Services</i>	<i>Arts and Culture Works Program</i>	<i>Sustainable City Research</i>	<i>Contracts</i>	<i>Rates and Valuations</i>	
<i>Media Relations</i>			<i>Sustainable Business and Trade Development</i>	<i>Continuous Improvement</i>	<i>Parking and Traffic</i>	
<i>Moomba Waterfest</i>					<i>Street Activities</i>	

The following table summarises the key financial indicators for the Long-Term Financial Plan.

Long-Term Financial Plan	Budget 2004/05	Plan 2005/06	Plan 2006/07	Plan 2007/08	Plan 2008/09
Indicator	\$Millions				
Financial Performance Surplus	6.42	(3.33)	(8.52)	(8.61)	9.07
Total Revenue	225.82	237.23	238.20	245.97	260.46
Total Operating Expenditure	219.40	240.56	246.72	254.58	251.39
Gross Council Works Program	89.45 ¹	43.77	32.70 ³	33.18 ³	43.77
Cash inflow/(outflow)	(40.86)	3.95 ²	1.05	0.59	7.75
Cash	87.44	91.40	92.45	93.04	100.78
Asset Renewal ⁴	0.73	0.59	0.60	0.62	0.62

Notes:

¹ Includes \$39.59M for Council House.

² Includes proceeds of \$9.5m from the disposal of Council properties.

³ Reduced by funding for the Melbourne Convention Centre.

⁴ Asset Renewal = Capital expenditure on existing assets

Depreciation

1.2.3 Key Outcomes

The key outcomes of the Long-Term Financial Plan are as follows:

- Rating Strategy – A 2 per cent rate increase in 2004/05 followed by a modest increase in the following four years, set at 4 per cent. This is well below that expected of other comparable councils. The gap between the differential residential and non-residential rates in the dollar maintains parity over the plan period;
- Borrowing Strategy – The ‘no-borrowing strategy’ continues to be a feature of the plan, with Council works projects funded out of cash generated from operations and reserves. The total Gross Council Works program over the plan of \$153.42 million will be funded solely from operating funds, reserves or external contributions;
- Asset Management Strategy – Council continues to develop its Asset Management systems and review existing depreciation and condition of its significant investment in infrastructure. Infrastructure assets exceed \$2.2 billion by the end of the plan with the redevelopment of Little Collins Street and construction of the new accommodation building finalised in the 2004/05.
- Financial Sustainability – The City is expected to sustain its solid financial position and self-financing capacity largely based on its debt-free position, the healthy economic prospects and its commitment to maintain prudent and conservative financial management. A positive cash flow is maintained over the plan period, which includes provision for additional expenditure in 2005/06 during the Commonwealth Games and Council’s cash commitment to the Convention Centre in 2006/07 and 2007/08.

1.2.4 Financial Plan Summary

Most of the key objectives of the financial strategy are achieved or progressed during the course of the Plan. Provisions for an increase in rates are modest. Fees and charges revenue remains largely the same over the period with the exception of adjustments to reflect changing growth patterns in the economy and a movement towards a level of cost recovery for the services provided.

Council Works program has been increased significantly in 2004/05 to fund Council’s CH2 project and in 2005/06 to accommodate Commonwealth Games commitments. In 2006/07 and 2007/08 the program has been reduced to fund the Council’s commitment to the Melbourne Convention Centre. The funding for the Melbourne Convention Centre is included as Grants and Contributions.

There has been no need to make an allocation from the General Fund to maintain the real value of the investment portfolio. Capital appreciation over the three-year plan is estimated to grow the investment portfolio at above the forecast in CPI.

The Docklands integration has not been fully factored into the plan. Because of the uncertainty around cashflow estimates of the municipal accounts and ongoing development of the Memorandum of Understanding supporting the transfer, the financial impact cannot, at this stage, be reliably measured.

The long-term financial statements are provided in Appendix 1.

1.3. People Resources

The City of Melbourne makes a major investment in people including 983 employees at 31 December, 2003. Total annual employee costs of \$59.0 million (excluding staff in externally contracted services) represented 35.8 per cent of the total organisational budget of \$164.9 million in 2003/04 (mid-year adjusted budget).

Council has adopted a Human Resources Management (HRM) Strategy that will provide a strategic framework for managing its investment in people who underpin the work of the organisation.

The HRM Strategy 2002/05 supports achievement of City Plan 2010 and the Council's Strategic Objectives through developing and implementing policies, programs, and action plans in four critical HR objective areas:

- productive and flexible workforce;
- competent and capable workforce;
- health and wellbeing; and
- employer of choice.

The strategy is guided by the principle that in order to sustain a high level of performance, we must provide an appropriate organisational environment, which ensures our staff are motivated and capable of delivering Council's vision and strategic priorities for the city.

The strategy reinforces Council's commitment to being an employer of choice – that is to recruit, develop and retain the highest calibre executives and staff required to achieve our strategic vision.

Council's Vision for People Management

The HRM strategy is founded on a commitment to our vision for people management:

'We will provide an environment which brings out the best in people. The efforts of motivated, capable people will ensure that we meet our goal of creating a thriving and sustainable city.'

Our People Management Strategy:

- Recognises the important role that people play in achieving Council's vision and corporate goals.
- Assists in the deliverance of best value services and a leader in sustainable practices.
- Aims to maximise the performance, fit and development of employees working for the City of Melbourne.
- Encourages the development as an 'Employer of Choice'.
- Provides a framework to integrate and enhance current programs and processes.
- Aims to maximise the value of Council's investment in people.

Challenges

Eight high-level challenges have been identified and represent the strategic HR agenda of priorities, programs and actions the Corporation will pursue over the next three to five years:

- Strategic corporate HR support – Strategic support to Council and Corporate Management Team (CMT) to meet corporate-wide people management and related challenges;
- Organisational culture and environment – Recruitment and employee initiatives and programs to support City of Melbourne's commitment to be an employer of choice;
- Collaborative business partnerships – Building effective partnerships with key internal clients and corporate stakeholders to support their people management and change management objectives;
- Human resource management (HRM) systems and support – Strengthening HR technical support, systems, protocols, policies, procedures and technology;
- Learning organisation – Policies and programs to achieve employee growth, learning and development – including identified core capabilities;
- Outcome-focused organisation – Strengthening commitment to best value management and practices through enhancing performance management processes, systems and expertise;
- Communications, consultation and responsiveness – Strategies to improve business unit awareness of, and access to, HR resources, services and products; and
- Healthy organisation – Strategies and programs to encourage diversity, occupational health and safety and effective work/life balance.

Appendix 1: Long-Term Financial Plan

This section includes Council's forecast financial performance and financial and cash positions for the years 2004/2005 to 2008/2009. It also includes details of non-financial resources for the same period. Council's long-term financial plan is prepared on a rolling basis whereby the plan always has a five-year outlook period.

Budgeted Statement of Financial Performance for the five years ending 30 June 2009

Financial Performance	Budget 2004/05 (\$000's)	Plan 2005/06 (\$000's)	Plan 2006/07 (\$000's)	Plan 2007/08 (\$000's)	Plan 2008/09 (\$000's)
Revenue					
Net Rates	119,015	126,558	133,596	141,391	149,643
Grants and Subsidies					
Operating	7,499	6,838	7,143	7,387	7,639
Capital Contributions	5,526	2,776	2,838	2,909	2,909
Total Fees and Charges	71,321	70,736	73,699	74,990	79,730
Intercompany Revenue	10,381	10,360	10,679	10,689	10,689
Finance Income	7,438	6,856	5,850	5,246	5,246
Sales and Recoveries	3,215	2,329	3,506	2,470	3,719
Proceeds from sale of non current assets	1,429	10,778	884	884	884
Total Revenue	225,824	237,231	238,195	245,967	260,460
Expenditure					
Employee Costs	69,951	71,821	75,161	78,740	82,415
Total Materials and Services	100,862	107,979	110,273	113,679	116,867
Finance and Insurance Costs	2,300	2,404	2,498	2,573	2,650
Grants and Contributions	9,647	9,935	20,327	21,214	10,961
Government Taxes and Levies	2,814	2,941	3,055	3,147	3,241
Depreciation	32,705	34,699	34,519	34,340	34,375
Carrying amount of non-current assets sold	1,120	10,778	884	884	884
Loss/(Profit) share of associates	0	0	0	0	0
Total Operating Expenditure	219,399	240,557	246,717	254,577	251,394
Result from Ordinary Activities	6,424	(3,326)	(8,522)	(8,610)	9,066

Budgeted Statement of Financial Position for the five years ending 30 June 2009

	Original Budget 2004/2005 (\$000's)	Plan 2005/2006 (\$000's)	Plan 2006/2007 (\$000's)	Plan 2007/2008 (\$000's)	Plan 2008/2009 (\$000's)
Assets					
Current Assets					
Cash Assets	87,443	91,400	92,447	93,043	100,797
Receivables	21,421	21,422	21,826	22,153	22,486
Inventories	2	2	2	2	2
Other Assets	3,600	3,600	3,600	3,600	3,600
Total Current Assets	112,466	116,424	117,875	118,798	126,886
Non Current Assets					
Receivables					
Investments	32,470	32,470	32,470	32,470	32,470
Property Infrastructure, Plant and Equipment	2,129,751	2,153,729	2,177,409	2,202,564	2,239,255
Total Non Current Assets	2,162,221	2,186,199	2,209,879	2,235,034	2,271,725
Total Assets	2,274,687	2,302,623	2,327,754	2,353,833	2,398,611
Liabilities					
Current Liabilities					
Bank Overdraft					
Payables	28,849	27,605	27,596	27,601	27,613
Employee Entitlements	13,824	14,192	14,852	15,559	16,285
Provisions	1,777	1,777	1,777	1,777	1,777
Total Current Liabilities	44,450	43,574	44,224	44,937	45,676
Non Current Liabilities					
Employee Entitlements	2,267	2,327	2,435	2,551	2,670
Total Non Current Liabilities	2,267	2,327	2,435	2,551	2,670
Total Liabilities	46,717	45,901	46,660	47,488	48,346
Net Assets	2,227,970	2,256,722	2,281,094	2,306,344	2,350,265
Equity					
Accumulated Surplus	1,485,249	1,481,857	1,473,267	1,464,586	1,473,581
Asset Revaluation Reserve	742,721	774,865	807,828	841,758	876,684
Reserves					
Total Equity	2,227,970	2,256,722	2,281,094	2,306,344	2,350,265

Budgeted Statement of Cash Flows for the five years ending 30 June 2009

	Original Budget 2004/2005 (\$000's)	Plan 2005/2006 (\$000's)	Plan 2006/2007 (\$000's)	Plan 2007/2008 (\$000's)	Plan 2008/2009 (\$000's)
Cash Inflows/(Outflows) From Operating Activities					
Receipts					
Rates, Fees and Charges	180,776	189,554	198,688	207,861	220,871
Grants and Other Contributions	13,026	9,614	9,981	10,296	10,548
Interest received	7,438	6,856	5,850	5,246	5,246
Other (Including Sales and Recoveries)	26,100	20,429	22,387	21,352	22,578
Payments					
Employee Cost	(68,742)	(71,393)	(74,393)	(77,917)	(81,570)
Materials and Services	(114,734)	(122,166)	(133,734)	(138,106)	(131,128)
Financial Cost	(2,301)	(2,404)	(2,498)	(2,573)	(2,650)
Net Cash Provided by Operating Activities	41,563	30,489	26,282	26,161	43,895
Cash Inflows/(Outflows) From Investing Activities					
Proceeds from sale of Property Plant and Equipment	1,429	10,778	884	884	884
(Payments) Receipts for Property, Infrastructure, Plant and Equipment	(83,849)	(37,310)	(26,120)	(26,449)	(37,024)
(Purchase) Sale of Investments					
Net Cash Used in Investing Activities	(82,420)	(26,532)	(25,236)	(25,565)	(36,140)
Net increase/(decrease) in cash held	(40,857)	3,957	1,046	596	7,755
Cash at beginning of the financial year	128,300	87,443	91,400	92,447	93,043
Cash at end of the financial year	87,443	91,400	92,447	93,043	100,797

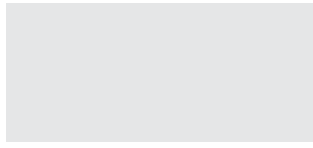
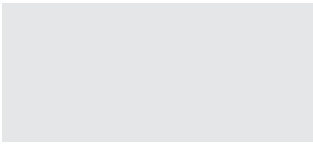
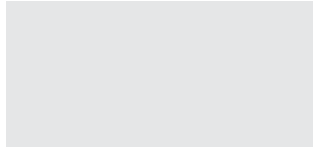
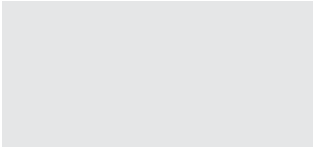
Five-Year Statement of Council Works

	Original Budget 2004/2005 (\$000's)	Plan 2005/2006 (\$000's)	Plan 2006/2007 (\$000's)	Plan 2007/2008 (\$000's)	Plan 2008/2009 (\$000's)
Maintenance					
Capital Grants	690	400	400	410	410
Maintenance	4,394	5,479	5,587	5,726	5,726
Minor Works	515				
Total Maintenance	5,599	5,879	5,987	6,136	6,136
Capital Works					
New Works/Upgrade	19,341	14,938	5,274	5,081	15,656
Renewal/Refurbishment	23,065	20,372	20,846	21,368	21,368
Strategic Projects	1,850	2,000			
CH2	39,593				
Total Capital Expenditure	83,849	37,310	26,120	26,449	37,024
Total Council Works Program	89,448	43,189	32,107	32,585	43,160

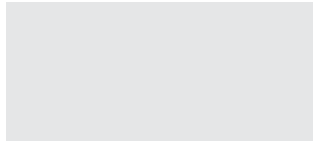
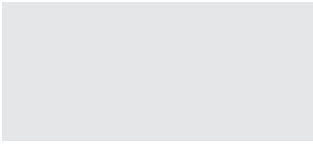
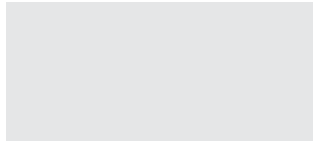
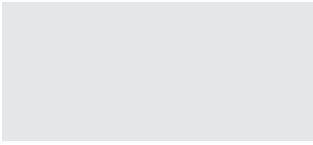


City of Melbourne Council Plan

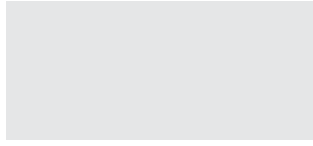
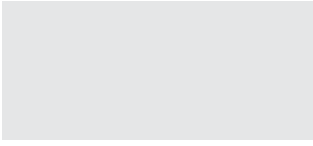
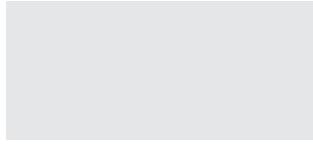
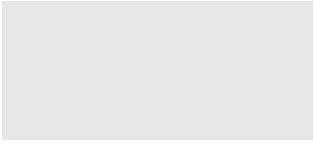
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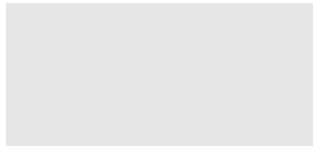
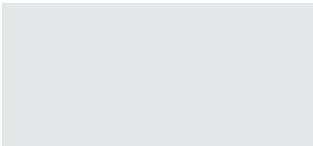
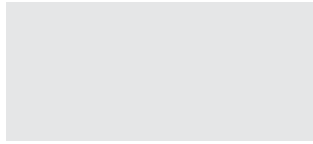
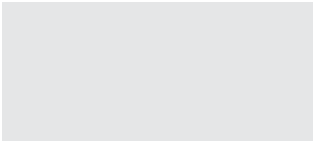
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