

Management report to Council

Agenda item 3.1

Annual Report 2018–19

Special Council

Presenter: Justin Hanney, Chief Executive Officer

15 October 2019

Purpose and background

1. The purpose of this report is for the Council to consider the City of Melbourne Annual Report 2018–19 (Annual Report) in accordance with its obligations under sections 133(2) and 134 of the *Local Government Act 1989* (Act), which provides:
 - 133(2) *after the annual report has been submitted to the Minister, the Council must give public notice that the annual report has been prepared and can be inspected at the Council office and on the Council's Internet website*
 -
 - 134(1) *a Council must consider the annual report at a meeting of the Council*
 - 134(2) *the meeting:*
 - (a) *must be held as soon as practicable but within the time required by the regulations, after the Council has sent the annual report to the Minister*
 - (b) *must be advertised at least 14 days before the meeting is held in a public notice that states:*
 - (i) *that the annual report will be discussed at the meeting*
 - (ii) *the place from which copies of the annual report can be obtained before the meeting*
 - (c) *must be kept open to the public while the annual report is discussed.*
2. The Annual Report was delivered to the Minister for Local Government on Thursday 26 September 2019. Regulation 22(1) of the Local Government (Planning and Reporting) Regulations 2014 requires the Council to hold a meeting to consider the Annual Report within one month after submitting it to the Minister for Local Government.
3. Public notice of the Council meeting to consider the Annual Report was advertised on 1 October 2019 and included a list of locations where the report could be viewed prior to the special Council meeting. In accordance with section 82A of the Act, the public notice and Annual Report were also published on the Council's website at melbourne.vic.gov.au.
4. The Annual Report is the final step in the statutory annual reporting process.

Key issues

5. The Annual Report describes the Council's performance over the 2018–19 financial year against the objectives of the Annual Plan and Budget 2018–19. It also signifies the second year progress of Council's work against the Council Plan 2017–21.

Recommendation from management

6. That Council notes it has considered the City of Melbourne Annual Report 2018–19 in accordance with section 134(1) of the *Local Government Act 1989*.

Attachments:

1. Supporting Attachment (Page 2 of 256)
2. Annual Report 2018–19 (Page 3 of 256)

Supporting Attachment

Legal

1. This report accurately identifies the statutory requirements in respect to the Annual Report.

Finance

2. The Annual Report provided to the Minister for Local Government included the financial statements for 2018–19 and the Auditor General’s audit opinion, which was unqualified.
3. There are no financial implications arising from the recommendation of this report.

Conflict of interest

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Health and Safety

5. In developing this proposal, no Occupational Health and Safety issues or opportunities have been identified.

Stakeholder consultation

6. Public notice regarding the special Council meeting to consider the Annual Report 2018–19 was given on 1 October 2019.

Relation to Council policy

7. This recommendation is consistent with the Annual Plan and Budget 2018–19 and the Council Plan 2017–21.

Environmental sustainability

8. A full version of the Annual Report 2018–19 was published on the Council’s website at melbourne.vic.gov.au. Only minimal copies of the report were produced in hardcopy to satisfy the requirements of the Act and legal deposit obligations.

CITY OF MELBOURNE ANNUAL REPORT 2018–2019



CITY OF MELBOURNE

We are pleased to present the City of Melbourne's Annual Report for 2018-19. This report describes the City of Melbourne's performance over the 2018-19 financial year against the objectives of the 2018-19 Annual Plan and Budget and the four-year priorities of the Council Plan 2017-2021. The report tells us where we are doing well and where we can do better in helping the community realise its long-term goals.

This is the second year we have aligned and integrated the reporting requirements for the Municipal Public Health and Wellbeing Plan (developed in accordance with the *Public Health and Wellbeing Act 2008*) in the Annual Report.

The report is designed to meet our obligations under section 131 of the *Local Government Act 1989*.

The City of Melbourne has obtained external assurance for the financial and standard statements, as well as the performance statement contained in this report.

Visit melbourne.vic.gov.au for more information about our activities, policies and plans for the future.

We value your feedback on this Annual Report because it helps us make our next report better.

Email your feedback or questions to enquiries@melbourne.vic.gov.au

Write to us at:

Improvement and Program Integration
City of Melbourne
GPO Box 1603
Melbourne VIC 3001

Speak to a Customer Relations Officer on +61 3 9658 9658

Acknowledgement of Traditional Owners

The City of Melbourne respectfully acknowledges the Traditional Owners of the land, the Boon Wurrung and Woiwurrung (Wurundjeri) people of the Kulin Nation and pays respect to their Elders, past and present.

For the Kulin Nation, Melbourne has always been an important meeting place for events of social, educational, sporting and cultural significance.

Today we are proud to say that Melbourne is a significant gathering place for all Aboriginal and Torres Strait Islander peoples.

CONTENTS

City of Melbourne	2	A deliberative city	96
City of Melbourne in numbers	3	A city planning for growth	104
Our vision and goals	4	A city with an Aboriginal focus	120
Health and wellbeing in our city	6	Our organisation	128
Year in review	10	Our functions	130
Message from the Lord Mayor	10	Organisational structure	130
Message from the Chief Executive Officer	11	Senior executive team	131
Message from the Chief Financial Officer	12	Our people	134
Looking back on 2018–19 and future directions	13	Staff profile	136
Challenges and opportunities	16	Diversity and inclusion	140
2018–19 budget key projects	17	Employee health and safety	142
Events calendar 2018–19	18	Employee development and training	144
Our Council	20	Involving the community in our decisions	145
Council governance	20	Improvement	146
Legislative compliance	21	Our environmental performance	147
Our councillors	24	Risk management	148
Council planning framework	31	Audit operations	149
Our reporting framework	32	Our procurement and supply chain	151
Performance against our goals	34	Inner Melbourne Action Plan 2016–2026	153
A city that cares for its environment	36	Property holdings	154
A city for people	48	Governance and management checklist	155
A creative city	60	Local Government Performance Reporting Framework	158
A prosperous city	66	2018–19 Performance Statement	167
A knowledge city	80	Financial Report	180
A connected city	86	Glossary	249

City of Melbourne Annual Report 2018–19

September 2019

Disclaimer

This report is provided for information and it does not purport to be complete. While care has been taken to ensure the content in the report is accurate, we cannot guarantee it is without flaw of any kind. There may be errors and omissions or it may not be wholly appropriate for your particular purposes. In addition, the publication is a snapshot in time based on historic information which is liable to change. The City of Melbourne accepts no responsibility and disclaims all liability for any error, loss or other consequence which may arise from you relying on any information contained in this report.

To find out how you can participate in the decision-making process for City of Melbourne's current and future initiatives, visit melbourne.vic.gov.au/participate

CITY OF MELBOURNE

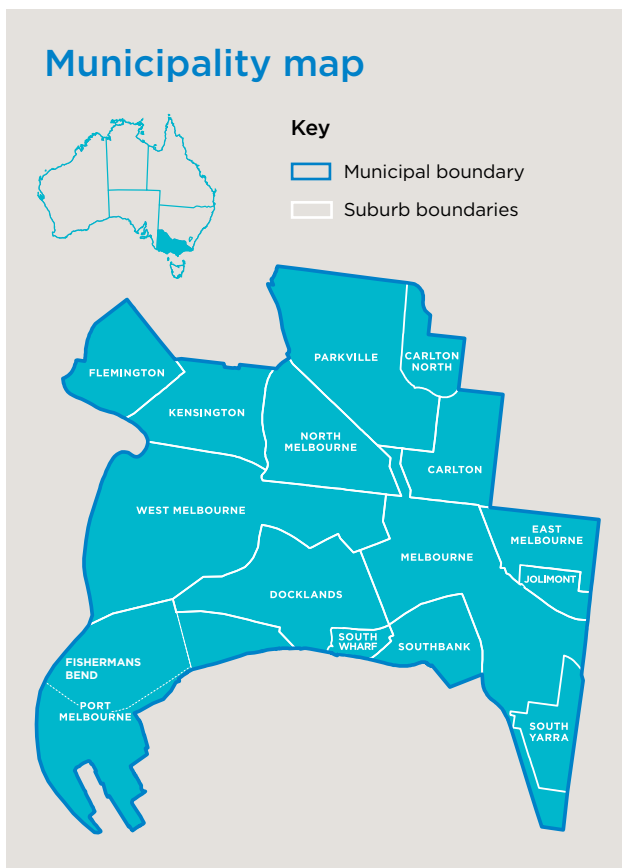
Melbourne is the capital of Victoria, Australia. It is run by the Melbourne City Council, one of 79 municipal authorities in Victoria operating as a public statutory body under the *Local Government Act 1989*.

As a local government authority, the City of Melbourne aims to achieve the community’s vision for Melbourne to be a bold, inspirational and sustainable city.

The population of Melbourne’s municipality is made up of people of all ages and from many different cultures. Residents include young professionals, international students and older couples looking to enjoy everything the city has to offer.

On an average weekday around 949,000 people use the city, and each year Melbourne hosts over a million international visitors.

There are 14 suburbs, which we have combined into 10 (excluding South Yarra-west) small area profiles for reporting purposes.



The municipality covers 37.7 sq.km and has a residential population of over 169,961 (as of 30 June 2018). It is made up of the city centre and a number of inner suburbs, each with its own distinctive character and with different businesses, dwellings and communities.

Carlton	Carlton is a lively suburb, well-known for the Italian cafes and restaurants of the Lygon Street Italian precinct. It is also known for its Victorian buildings and leafy parks and gardens.
Docklands	Docklands became part of the Melbourne municipality in July 2007. The suburb’s 200 hectares of land and water are on Victoria Harbour, west of the city centre.
East Melbourne	East Melbourne is an established, affluent area with many 19th century homes, iconic landmarks and parks. The historic Fitzroy, Treasury and Parliament gardens separate East Melbourne from the central city.
Kensington and Flemington	This area consists of Kensington and a small part of neighbouring Flemington including Flemington Racecourse and Melbourne Showgrounds.
Melbourne	Melbourne, including the central city, has the highest number of businesses and residents in the municipality.
North Melbourne	North Melbourne is one of the city’s most dynamic and complex areas. Its residences are a mix of established and new housing with commercial, industrial, retail and community facilities scattered throughout.
Parkville	Parkville is known for its leafy streets, heritage houses and the University of Melbourne’s bustling campus and residential colleges.
Port Melbourne	Port Melbourne is bordered by the shore of Hobsons Bay and the lower reaches of the Yarra River, and includes Fishermans Bend - a well-situated business location.
Southbank	The small suburb of Southbank is situated on the southern side of the Yarra River. Southbank includes Southbank Promenade, which stretches from Southgate shopping and dining complex to Queensbridge Square.
South Yarra - west	Only a portion of South Yarra is located in the City of Melbourne - the area west of Punt Road. The area to the east is in Stonnington City Council.
West Melbourne	West Melbourne is a sprawling region with the Yarra River forming part of its southern border. The west section of West Melbourne is mostly devoted to railway lines, container yards, shipping docks, and industrial, warehouse and wholesale activities. The east is mainly residential.

City of Melbourne in numbers

City of Melbourne area	37.7 sq.km
Estimated resident population	169,961 (2018)
Number of suburbs	14
Top three estimated resident populations of municipality by small area	
Melbourne (including central city)	49,097 (2018)
North and West Melbourne	25,334 (2018)
Southbank	24,376 (2018)
Residential dwellings	83,100 (2017)
Median age	28 (2016)
Daily population (on average weekday)	949,000 (2018)
Night time population (6pm to 6am on average weekday)	418,000 (2016)
International visitors per year (to Metropolitan Melbourne)	2,940,839 (2018)
Residents born overseas	56% (2016)
Overseas higher education students living or studying in the municipality	59,027 (2017)
Speaks a language other than English at home	48% (2016)
Most common language spoken, other than English	Mandarin: 19% (2016)
Household size (average persons)	2.0 (2016)
Median weekly income	\$1354 (2016)
Family households	43% (2016)
Lone person households	36% (2016)
Renting	66% (2016)
Living in a flat or apartment	83% (2016)
Total built space	32,762,231 sq.m (2017)
Total employment (jobs)	461,523 (2017)
Establishments (businesses)	16,716 (2017)
Cafe and restaurant venues	2360 (2017)
Cafe, restaurant or bistro seats	198,300 (2017)
Total length of roads	344 km (2019)
Total area of parks and reserves	4,941,000 sq.m (2017)
Tallest building	Eureka Tower, 92 levels, 300 m
Oldest building	Mitre Tavern, 1837

OUR VISION AND GOALS

Community vision

For Melbourne to be a bold, inspirational and sustainable city, as expressed in the Future Melbourne community plan.

Our aim

To achieve the community's vision of Melbourne as a bold, inspirational and sustainable city.

Our goals

Our Council Plan 2017–2021 includes nine goals to guide us. The goals were identified through a deliberative community process in 2016 that saw broad segments of the community, including residents, businesses and workers refresh the community plan – known as Future Melbourne 2026. The Council adopted the following Future Melbourne goals in November 2016, with minor amendments to the title of one of the goals:

- A city that cares for its environment
- A city for people
- A creative city
- A prosperous city
- A knowledge city
- A connected city
- A deliberative city
- A city planning for growth
- A city with an Aboriginal focus.

Find out more at melbourne.vic.gov.au/futuremelbourne

Health and wellbeing priorities

The Council Plan 2017–2021 includes five key health and wellbeing priority areas:

- Active living
- Healthier eating
- Preventing crime, violence and injury
- Planning for people
- Social inclusion.

To identify the health and wellbeing needs of people in our city, we reviewed the policy context and undertook data analysis and stakeholder consultation. This ensured that our chosen priorities reflect the evidence and voices of our community and are framed by the broader policy context.

Our strategies

Our strategies propose a course of action to realise the Council and community's vision and meet long-term challenges and opportunities. We continually review and update our strategies and plans.

Current strategies and plans

- Arts Infrastructure Framework
- Asset Management Strategy
- Bicycle Plan
- Climate Change Adaptation Strategy (Refresh)
- Climate Change Mitigation Strategy
- Community Infrastructure Development Framework
- Creative Strategy
- Docklands Community and Place Plan
- Green our City Strategic Action Plan
- Homes for People – Housing Strategy
- Heritage Strategy
- Last Kilometre Freight Plan
- Municipal Integrated Water Management Plan
- Music Plan
- Nature in the City
- Open Space Strategy
- Public Lighting Strategy
- Parks Masterplans (various)
- Resilient Melbourne
- Skate Melbourne Plan
- Start Up Action Plan
- Structure Plans (various)
- Total Watermark – City as a Catchment
- Transport Strategy
- Urban Forest Precinct Plans (various)
- Urban Forest Strategy
- Waste and Resource Recovery Strategy

Our service families

Service family	Description	Goal
Assistance and care	Supporting vulnerable people to enable safe and independent living.	<ul style="list-style-type: none"> • A city for people
Creativity and knowledge	Providing opportunities to create, learn, connect, experience and share.	<ul style="list-style-type: none"> • A creative city • A knowledge city
Early years development	Supporting families with children to develop and thrive.	<ul style="list-style-type: none"> • A creative city • A city for people • A knowledge city
Economic development	Fostering the development of Melbourne’s economy.	<ul style="list-style-type: none"> • A prosperous city
Movement and traffic	Facilitating movement into, around and out of the municipality.	<ul style="list-style-type: none"> • A connected city
Safety management	Ensuring people are protected and safe when accessing and using spaces.	<ul style="list-style-type: none"> • A city for people
Waste and resource management	Repurposing, recycling or disposing of waste and reducing resource waste in the municipality.	<ul style="list-style-type: none"> • A city that cares for its environment
Welcome and connection	Supporting people to experience and engage with Melbourne.	<ul style="list-style-type: none"> • A city for people
Wellbeing and leisure	Encouraging people to be healthy and active.	<ul style="list-style-type: none"> • A city for people

Our services

Providing valued services to our customers and community is central to everything we do. Our ‘service families’ are groups of services that share a common purpose. We use this lens to consider what we offer to our customers, the outcomes we deliver, benefits that can be achieved and how the needs of our community may change in the future. Our service families are listed in the table above. These families may be further refined as we continue to manage and improve our services.

Our customers

We strive to make everything we do easier, better, faster and cheaper for our customers, gaining more value from our limited resources.

Environmental sustainability
 More information on our commitment to environmental sustainability can be found in the ‘performance against our goals’ section - a city that cares for its environment and in ‘our organisation’ - our environmental performance.

Sustainability

Sustainability is at the heart of our community’s vision for Melbourne. We pride ourselves on being a sustainability leader, setting ambitious goals for both our organisation and the community to preserve and improve the city we love.

The City of Melbourne is facing a number of future challenges due to climate change, population growth, changing demographics and economic volatility. These challenges have prompted us to look at new ways to respond, while maintaining and growing Melbourne’s position as one of the world’s most liveable cities.

We are tackling these challenges in partnership with our community, by sharing the responsibility for building and maintaining a healthy and resilient environment for today and into the future. Our Future Melbourne Goals and Health and Wellbeing priorities encapsulate the critical issues we need to focus on in order to address our sustainability challenges and aspirations.

HEALTH AND WELLBEING IN OUR CITY

The *Public Health and Wellbeing Act 2008* provides the legislative foundation for public health and wellbeing in Victoria. Under this Act, all Victorian Councils must prepare a four-year Municipal Public Health and Wellbeing Plan for their municipal area, or include their strategic health and wellbeing priorities in their Council Plan. At the City of Melbourne, we have integrated our Municipal Public Health and Wellbeing Plan with our Council Plan to demonstrate that improving the quality of life of people in the municipality is the business of the whole organisation.

Monitoring yearly progress on the Municipal Public Health and Wellbeing Plan 2017–2021 through the City of Melbourne Annual Report provides us with an opportunity to understand and highlight the impact our programs, services and infrastructure have had on our local community’s health.

Our health and wellbeing priority areas

The Council Plan 2017–2021 includes five key health and wellbeing priority areas:

	<p>Active living Facilitate opportunities for people in Melbourne to live more active lifestyles.</p>
	<p>Healthier eating Advocate for enhanced access to nutritious food in the municipality so healthier eating is an easier choice.</p>
	<p>Preventing crime, violence and injury Partner to create an environment that feels safe and minimises harm, including from alcohol and other drug use and violence against women and children.</p>
	<p>Planning for people Provide community and social infrastructure and services to maintain quality of life in a growing and increasing diverse city.</p>
	<p>Social inclusion Facilitate opportunities for all people to participate in the social, economic and civic life of the city, irrespective of ability, background, class, gender and orientation.</p>

Health and wellbeing indicators

A set of 21 indicators have been elevated from the full set of Council Plan 2017–2021 indicators to help track the health and wellbeing of the community, and gauge progress made towards the health and wellbeing priority areas. These indicators form our health and wellbeing evaluation framework. You can find these indicators along with headline health and wellbeing initiatives and highlights marked with a triangle ▲ throughout each goal chapter.

Our health and wellbeing evaluation framework

- | |
|---|
| <p>1. Residents self-reported sense of wellbeing</p> |
| <p>Active living</p> |
| <p>2. Adequate physical exercise[^]</p> |
| <p>3. Commuters using active transport[^]</p> |
| <p>4. Ratio of indoor and outdoor recreation space</p> |
| <p>Healthier eating</p> |
| <p>5. Fruit and vegetable intake[^]</p> |
| <p>6. Experience of food stress[^]</p> |
| <p>7. Home food growing and consumption</p> |
| <p>Preventing crime, violence and injury</p> |
| <p>8. Perceptions of safety[^]</p> |
| <p>9. Rate of family violence[^]</p> |
| <p>10. Rate of ambulance attendance for alcohol and other drug misuse[^]</p> |
| <p>Planning for people</p> |
| <p>11. Access to community facilities and services</p> |
| <p>12. People sleeping rough on our streets[^]</p> |
| <p>13. Affordable housing</p> |
| <p>14. Available public open space</p> |
| <p>15. Ratio of green space</p> |
| <p>Social inclusion</p> |
| <p>16. Community support for diversity[^]</p> |
| <p>17. Participation in arts and cultural events sponsored by City of Melbourne[^]</p> |
| <p>18. Youth unemployment[^]</p> |
| <p>19. Participation in lifelong learning</p> |
| <p>20. Participation in civic engagement activities</p> |
| <p>21. Connection to Aboriginal culture[^]</p> |

[^] Linked to an indicator in the *Victorian public health and wellbeing outcomes framework*



Health and wellbeing highlight projects 2018-19

Below is a summary list of the highlight projects under each of the five health and wellbeing priority areas. More detailed information on these stories is provided in the 'performance against our goals' section of this report.

Priority	Highlight project	Goal	Page
Active living	Exercise opportunities for older people	A city for people	50
	Transport Strategy refresh	A connected city	87
	Safety and usage of our bicycle network	A connected city	87
	Share bikes	A connected city	88
	West-east active transport links	A connected city	88
	On-street bike parking trial	A connected city	88
	Bicycle lane design standards	A connected city	89
	Urban play reimagined	A city planning for growth	107
Healthier eating	Bees honey harvest	A city that cares for its environment	39
	Good food grown local	A city for people	50
Preventing crime, violence and injury	Respect and equity among young children	A city for people	51
	Gender and safety audit tools	A city for people	51
Planning for people	Green our City Strategic Action Plan	A city that cares for its environment	37
	Nature in the City Strategy	A city that cares for its environment	38
	Leafy laneways	A city that cares for its environment	39
	Pathways out of homelessness	A city for people	49
	Housing capacity study and needs analysis	A city for people	50
	Queen Victoria Market Precinct Renewal program	A city planning for growth	105
	Redevelopment of the Bourke Street Precinct	A city planning for growth	105
	Open Space Strategy	A city planning for growth	106
	Melbourne Food Alliance	A city for people	50
Social inclusion	Participation for people with disabilities	A city for people	50
	Engaging at risk young people (14 to 25)	A city for people	50
	Refugee Week	A city for people	51
	Cultural Diversity Week	A city for people	51
	Kids dreaming big	A creative city	61
	Wellbeing of international students	A prosperous city	69
	Future delivery of library services	A knowledge city	81
	Melbourne Knowledge Week	A knowledge city	81
	Children's forum	A deliberative city	98
	New community engagement techniques	A deliberative city	98
	Aboriginal Melbourne Action Plan	A city with an Aboriginal focus	121
	YIRRAMBOI Festival 2019	A city with an Aboriginal focus	121
	Warrior Woman Lane	A city with an Aboriginal focus	122
National Reconciliation Oration	A city with an Aboriginal focus	122	

YEAR IN REVIEW

MESSAGE FROM THE LORD MAYOR



For a decade Melbourne has been rated as one of the top 10 most liveable cities in the world, topping the charts for safety, culture, healthcare, education, environment and infrastructure on the international index.

It's a wonderful affirmation, but the question for the decade ahead is how do we maintain our high living standards as we embrace a massive surge in our city's population?

As we re-shape Melbourne, there's one thing we must never forget: cities are for people.

Our residents, retailers, workers, students and visitors are our most precious asset. Making Melbourne as attractive, caring, inspiring and functional as possible must be at the heart of every decision we make as a capital city council.

A record investment this year of \$581.7 million, the largest in our history, is helping deliver projects and programs to keep us sustainable, inclusive and prosperous.

There are some issues that require our focused attention. As a caring and prosperous community, it's no surprise many Melburnians are concerned about homelessness and actively reach out to the City of Melbourne with generous offers of help for rough sleepers taking shelter on our streets.

In response, the city is working with community housing groups, the corporate sector and philanthropic donors to create extra crisis accommodation across inner Melbourne so no one is without a bed or crucial support services. It's a first step on the pathway out of homelessness. Much more is required and we're advocating for stronger state and national action to provide long-term social housing.

Waste is another issue confronting many councils. Our new Waste and Resource Recovery Strategy 2030 is being fast-tracked and the city's ambition is to move towards zero waste in the next decade by reducing, re-using, composting and recycling.

This complements our Climate Change Mitigation Strategy, which commits the city to a significant reduction in greenhouse gas emissions by 2050. Investment in renewable energy, urban forests, waste innovation, better pedestrian and cycling infrastructure will yield economic and environmental dividends for our community.

Transport and congestion continue to be hot topics as we move around our city by foot, car, bike, tram and train.

Nearly a million people come into the central city daily and our new Transport Strategy, informed by hundreds of submissions, will strike a practical balance between all modes of movement. A special shout out to all commuters who are calmly navigating their way around construction zones as the new Metro Tunnel takes shape.

The Queen Victoria Market is the historic jewel in our city's crown and work is underway to restore its heritage architecture and create more open space for the public to enjoy the theatre of the traditional day market and its night-time festivals. Our renewal plans, carefully developed with traders, customers and the local community, will conserve the market's 140 year heritage and attract new customers to its fresh produce and specialty shops.

Other highlights of 2018-19 include Melbourne Knowledge Week, celebrating its 10th year, the always glamorous Melbourne Fashion Week connecting runway to retail, and Melbourne Music Week, which brought us the best of our city's renowned live music scene.

Melbourne's deep Aboriginal history and influence continues to be expressed and celebrated across our city through a multitude of events, policies and programs. In 2018-19, the outstanding YIRRAMBOI First Nations festival took centre stage across 25 venues.

None of this would be possible without the hard work of the City of Melbourne's passionate staff, volunteers and new CEO Justin Hanney, who joined us in January. We look forward to the city's development under his energetic leadership.

Finally, I would like to thank my fellow councillors for their camaraderie and deep commitment to this beautiful and extraordinary city.

A handwritten signature in black ink that reads "Sally Capp". The signature is written in a cursive, flowing style.

Sally Capp
Lord Mayor
City of Melbourne

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



I am pleased to present this annual report as Chief Executive Officer of the City of Melbourne. As a long-term resident of the city, I have a great appreciation of Melbourne's complexity, richness, diversity and inclusivity and I firmly believe that there is no better city in the world.

Every day almost 950,000 people visit the city for work, study or recreation, while another 170,000 reside in the municipality. These people are fuelling our municipality's \$94.96 billion economy, which in turn accounts for 25 per cent of Victoria's gross state product, and six per cent of Australia's gross domestic product.

Greater Melbourne's population has now passed five million and is projected to reach eight million in 2050. That makes Melbourne not only the fastest growing city in Australia, but one of the fastest growing cities in the world. Careful planning for the demands and opportunities presented by our growing population is vital if we are to maintain the prized liveability for which the city is renowned.

Over the last financial year the City of Melbourne has continued to work closely with our key stakeholders: the state and federal governments, business and industry, other local government organisations and our residents. We understand that only by working closely with all our stakeholders, can we overcome the significant challenges ahead. I thank all of our stakeholders for their significant contributions, and look forward to more opportunities to collaborate.

Looking back on the last financial year, municipal waste was a key issue for the city, and will continue to be a priority for us. The recycling crisis accelerated work on our new Waste and Resource Recovery Strategy, with elements of the strategy brought forward to urgently address the situation.

We've worked hard to foster a stronger sense of community in the city, to make people feel safer and more welcome. This has included working with the Victorian Government and Victoria Police to improve security in the city centre and invest in our bicycle network. We also started work on a new Aboriginal Melbourne Action Plan and Reconciliation Action Plan to improve understanding within the broader community of Aboriginal heritage and culture. And we delivered a series of retail and hospitality activations to promote the city as a premier shopping destination to increase visitation.

As a leading capital city, we're aiming to make engagement with the City of Melbourne as easy and efficient as possible for our customers, with an emphasis on extracting more value from our resources. Furthermore, we're eager to share our knowledge and tools for the benefit of others. In this spirit of sharing, we've improved access to our comprehensive Census of Land Use and Employment (CLUE) data. This valuable data, which has played a critical role in the facilitation of Melbourne's liveability, prosperity and sustainability, is now available to the public via a user-friendly interface. We are also engaging with neighbouring municipalities to identify other CLUE data sets to be added to the platform to increase its value for our stakeholders.

In my first six months as the CEO, I have greatly enjoyed working with our dedicated councillors, executive leaders and staff members and I thank them all for their hard work and commitment that has enabled the City of Melbourne to become a city that is globally recognised and locally loved.

My goal as the CEO is for the City of Melbourne to be an exceptional workplace, while continuing to deliver the excellent services and projects that make our city so great. As we continue to improve our organisation, the City of Melbourne will maintain our commitment to our five key values: Integrity, Courage, Accountability, Respect and Excellence.

I thank all City of Melbourne staff and our stakeholders for making the last financial year such a successful one. I look forward to the 2019-20 financial year with optimism and excitement, as we continue to work together to create a bright future for our city, and all Melburnians.

A handwritten signature in black ink, appearing to read 'Justin Hanney'. The signature is fluid and cursive.

Justin Hanney
Chief Executive Officer
City of Melbourne

MESSAGE FROM THE CHIEF FINANCIAL OFFICER



It was a strong performance from the Council in 2018-19 with the underlying surplus being \$17.8 million. The Council delivered and outperformed against the underlying budget for the financial year by 29.9 per cent as well as increasing the surplus by \$13.3 million on the previous year.

Increases in revenue flowing from contributions for projects, and a general increase in rates and charges, were partially offset by increases in expenditure. This related to a depreciation adjustment for intangible assets, an increase in bad debts from a change in accounting standard 'AASB 9: Financial instruments', and a reduction to asset revaluation due to land and building valuations being lower than the prior year.

The Council remained focused on delivering an ambitious capital works program in 2018-19, with works delivered in excess of \$122 million, which was almost \$17 million higher than the prior year and one of the highest on record. Despite a reduction in net assets of \$193 million to \$4.3 billion during the year – due largely to the revaluation decrement via declining land values of our parks, gardens and recreation facilities – the Council remains in a strong financial position.

Cash and cash equivalent increased by \$69.5 million from the prior year due to reclassification of term deposits over 90 days to Other Financial Assets. Net funds held at Council remained steady at \$140 million and this will be a key source of funds required to deliver our ongoing infrastructure, community facilities and major capital programs.

The Council divested the Sustainable Melbourne Fund during the year which totalled \$15.6 million and included a loan and equity investment amounts.

The table below provides a high-level view of the financial year:

Financial result	June 2019 (\$'000)	June 2018 (\$'000)
Income statement surplus / (Deficit)	50.2	33.4
Comprehensive result surplus / (Deficit)	(183.3)	265.9
Underlying result	17.8	4.5
Capital investment	122.0	105.3
Cash assets and equivalents	119.5	50.0
Net funds	140.5	138.0
Net assets	4,325.9	4,519.0
Current asset ratio	1.83	1.74

The Council's current asset ratio, which is a measurement of our financial strength, increased to 1.83. This means for every \$1 of current liability, the Council had \$1.83 in current assets to meet those commitments. The strong balance sheet means the Council has financial flexibility and is well positioned to meet the city's future infrastructure funding needs.

Michael J Tenace FCPA
Chief Financial Officer
City of Melbourne

LOOKING BACK ON 2018–19 AND FUTURE DIRECTIONS

Below is a summary list of the major initiatives for each of our nine Council Plan goals including those undertaken in 2018–19 and those planned for 2019–20. More detailed information on our 2018–19 major initiatives is provided in the ‘performance against our goals’ section of this report.



A city that cares for its environment

Looking back on 2018–19

To facilitate innovative solutions to minimise the municipality’s waste we:

- Drafted the Waste and Resource Recovery Strategy 2030 and Action Plan.

To facilitate greater greening of the private realm we:

- Implemented the Green our City Strategic Action Plan including the development of a business case for a future regulatory mechanism to support green roofs and vertical greening.

Future direction

Over 2019–20 we will:

- Deliver year one of the Waste and Resource Recovery Strategy 2030.



A city for people

Looking back on 2018–19

To improve community safety through crime prevention we:

- Continued to work with the Victorian Government and Victoria Police on the strategy and delivery of security treatments across different precincts within the central city and at key access points to the central city.

To support people sleeping rough to access the services they need we:

- Worked with our partners to support pathways out of homelessness, including the creation of a campaign that encourages appropriate giving whilst discouraging inappropriate donations of goods and services.

Future direction

Over 2019–20 we will:

- Establish mechanisms and partnerships to help provide additional crisis accommodation and support services for rough sleepers and those at high risk of homelessness.
- Partner with the Victorian Government, other councils and key stakeholders to progress affordable housing mechanisms.



A creative city

Looking back on 2018–19

To support creative arts industries and arts infrastructure, including technology, through new funding mechanisms, we:

- Advocated for increasing the supply of affordable commercial spaces for creative industries, small business and startups across the municipality through the provision of high-quality evidence and analysis.

Future direction

Over 2019–20 we will:

- Deliver an inclusive Melbourne in winter pilot program.



A prosperous city

Looking back on 2018-19

To support small business during a period of major disruption we:

- Delivered retail and hospitality activations that profiled the city as a premier shopping destination; strengthened our existing destination campaigns; and improved our support for affected residents and businesses.

To support Melbourne's startups and innovative businesses we:

- Advanced the delivery of Melbourne Innovation Districts City North.

Future direction

Over 2019-20 we will:

- Deliver digital tools in a defined precinct to communicate disruption to city users and enable them to report disruption to the City of Melbourne.



A knowledge city

Looking back on 2018-19

To provide opportunities for people to participate in lifelong learning through use of our libraries, digital technologies and other resources we:

- Explored options for the future delivery of library services to inform design of the new city library and offerings at the other five library locations.

Future direction

Over 2019-20 we will:

- Deliver phase two of the Melbourne Knowledge Week Festival growth plan.



A connected city

Looking back on 2018-19

To provide safer on-and-off street routes for cyclists we:

- Increased safety and usage of our bicycle network through high-quality extensions and improvements.

To facilitate planning for alternative transport modes, including electric and autonomous vehicles, share-cars and water transport, we:

- Drafted the Transport Strategy 2030.

Future direction

Over 2019-20 we will:

- Deliver year one of the Transport Strategy 2030.



A deliberative city

Looking back on 2018-19

To provide access to open municipal data and insights with appropriate privacy protection we:

- Improved community outcomes from the Census of Land Use and Employment (CLUE) by enhancing our processes and making CLUE accessible to other councils and local businesses.

To introduce a city data platform that can be contributed to and used by other government agencies, universities, businesses, non-profit organisations and individuals we:

- Designed and piloted the next phase of the City Data Centre including participation by individual community members and businesses.

Future direction

Over 2019-20 we will:

- Deliver the Melbourne City DNA engagement and participation hub at the Melbourne Town Hall.



A city planning for growth

Looking back on 2018-19

To provide renewal of the Queen Victoria Market precinct we:

- Continued the Queen Victoria Market Precinct Renewal program.

To provide policies to enable mixed land use that support local liveability and a strong and diverse economy we:

- Worked with the Victorian Government to transition the Melbourne Planning Scheme to the new Planning Policy Framework.

To advocate for significant additional open space in urban renewal areas we:

- Delivered on the Open Space Strategy by creating two hectares of new space.

To advocate for high-quality building design and public space we:

Commenced the redevelopment of the Bourke Street Precinct.

Future direction

Over 2019-20 we will:

- Continue the Queen Victoria Market Precinct Renewal Program.



A city with an Aboriginal focus

Looking back on 2018-19

To educate the broader community about Aboriginal and Torres Strait Islander heritage and culture we:

- Started the review and redevelopment of the Aboriginal Melbourne Action Plan and Reconciliation Action Plan.

Future direction

Over 2019-20 we will:

- Finalise the review of the combined Reconciliation Action Plan and Aboriginal Melbourne Action Plan, complete community consultation and commence delivery.

Challenges and opportunities

Moonee Ponds Creek Strategic Opportunities Plan

Before European settlement in 1835, Moonee Ponds Creek was a water and food source for the Wurundjeri tribe of the Woiwurrung language group. It fed into a picturesque saltwater lake near to what is now Southern Cross Station. After European settlement, for much of next 150 years, the creek's cultural importance to local Aboriginal people was ignored. The saltwater lake was turned into a tip then filled in and Moonee Ponds Creek was treated as an industrial drain and transport corridor.

The draft Moonee Ponds Creek Strategic Opportunities Plan highlights the opportunities along the creek between Brunswick Road and Docklands. It proposes a series of projects to restore the creek's ecological, cultural and recreational values. Community engagement on the plan took place in March and April, with over 300 people and organisations providing feedback. The final plan will be developed in collaboration with the Victorian Government, Victorian Planning Authority, partner agencies and the community and be presented for Council endorsement later in 2019.

The Moonee Ponds Creek corridor has enormous potential but three major challenges must be turned into opportunities.

- **Growth:** the lower reach of Moonee Ponds Creek is set to become one of the most intensely developed parts of Greater Melbourne. This will be driven by a chain of urban renewal sites that run along the Creek, from Arden and Macaulay to Dynon, E-Gate and Docklands.
- **Water management:** Moonee Ponds Creek has always had a long history of flooding. Modelling indicates that, by 2100, flooding risks will significantly increase. This is due predominantly to increasing runoff from urban densification and more extreme rainfall events and rising sea levels due to climate change.
- **Governance:** City of Melbourne does not own or manage the Moonee Ponds Creek corridor. The majority of the creek corridor is managed by various Victorian Government agencies and departments, for a variety of different purposes. Consequently, management of the corridor is complex.

Guiding the future of transport in the city

As our population grows and transport challenges become more complex, there are opportunities for technology and innovative policy to be part of the solution. Our streets, public spaces and transport network must be adapted to meet the travel demands of the future. The Transport Strategy 2030 proposes a series of actions to respond to the three main transport challenges outlined below.

Safety and security:

- Melbourne has the highest rate of pedestrian road trauma in Victoria. Approximately 46 pedestrians are seriously injured and one pedestrian dies each year on roads in the city. In recent years, motor vehicles have been used to deliberately harm people on our

streets. We are working with the Victorian Government to protect our primary gathering spaces, and need to expand this to other spaces.

- Pedestrian overcrowding occurs frequently on streets and at intersections. There are often so many pedestrians waiting to cross at the intersection of Spencer and Collins Streets that they spill onto the street, putting people in danger.
- While there is an extensive network of painted bike lanes in the city, our evidence shows that most people do not feel safe enough to use them. Protected bike lanes would attract more people to ride. Cycling could play a bigger role in the transport network for a relatively low cost investment.
- Every year 1000 tram / vehicle accidents occur, injuring people and causing extensive delays. Feeling unsafe at public transport stations and stops prevents some people accessing public transport services.

Network efficiency:

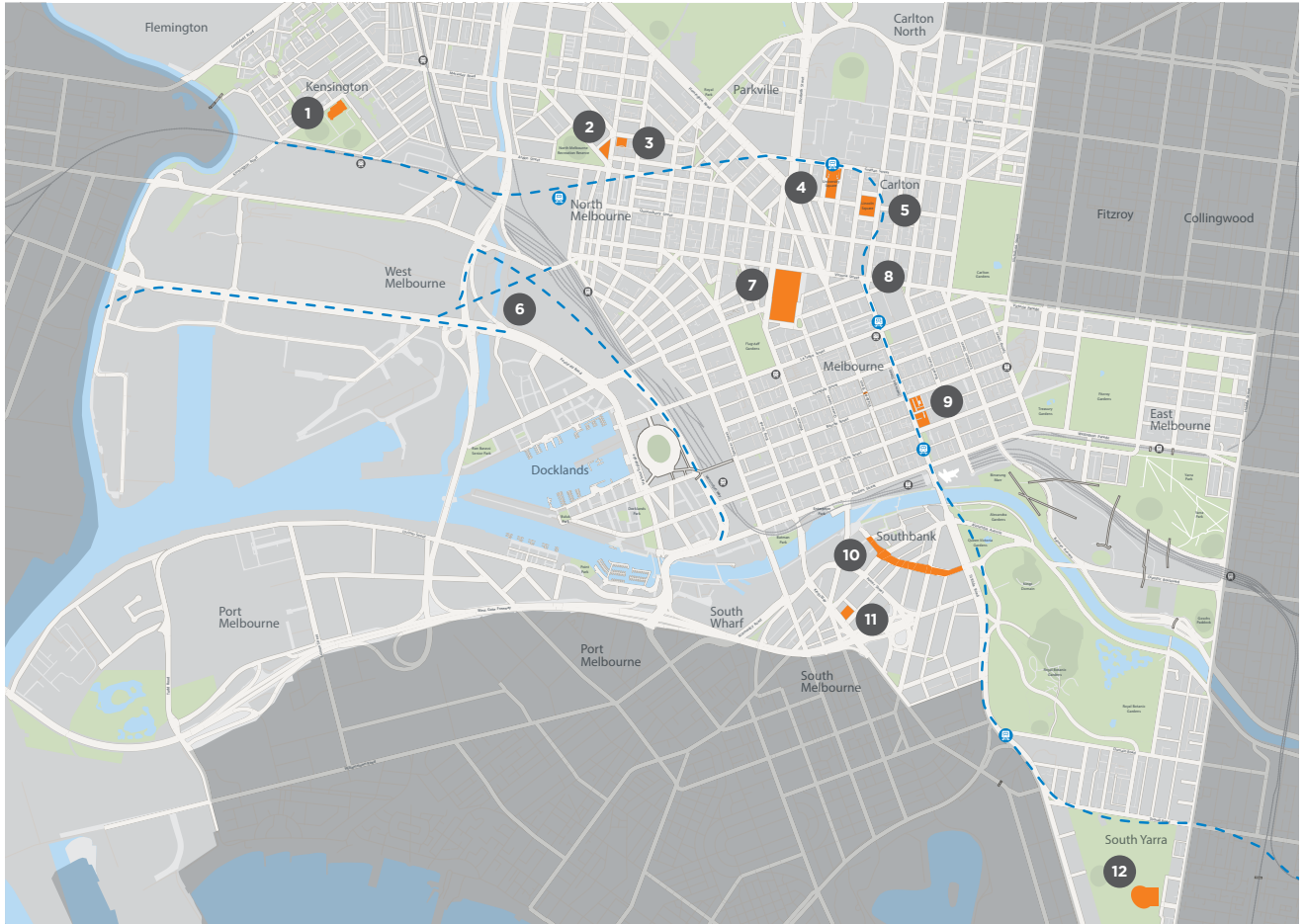
- Transport congestion costs Greater Melbourne \$4.6 billion per year, forecast to reach \$10 billion by 2030. Buses and trams get stuck in congested conditions – our trams are among the slowest in the world, averaging just 16 km/h. In addition, 43 per cent of vehicles in the central city are through-traffic.
- There is little evidence that on-street parking is essential for retail performance. This street space could be converted to other uses such as footpaths, bike lanes and street trees.

Disruption and transformation:

- Major projects currently underway include the Metro Tunnel, West Gate Tunnel and level crossing removals. Construction requires road closures, diversions and replacement bus services.
- Disruptive technology such as ride share apps and dockless bike share provide opportunities to improve transport and increase accessibility, yet there is a risk that without effective regulation, negative impacts will not be mitigated.
- Driverless cars could remove most human error in road accidents and complement efficient public transport. However, they are likely to contribute to additional car trips and more congestion.
- Transport emissions are increasing and current emissions exceed the levels required to align our actions to the Paris Climate Agreement. In 2018, cars contributed around 52 per cent of the Melbourne's land transport emissions.
- There is no price signal to manage road demand or encourage people to travel differently. People pay the same price for transport during peak hours as they do during off-peak hours.

For more on the Transport Strategy 2030, visit melbourne.vic.gov.au/participate

2018–19 BUDGET KEY PROJECTS



1. Kensington Community Recreation Centre \$198,000
2. Gardiner Reserve \$2,529,000
3. Lady Huntingfield Family and Children's Centre \$1,392,000
4. University Square Master Plan \$6,815,000
5. Lincoln Square Master Plan \$764,000
6. Westgate Tunnel (Victorian Government and Transurban project)
7. Queen Victoria Market Renewal \$5,657,000
8. Town Hall Buildings Restoration and Refurbishment \$4,805,000
9. Metro Rail Project \$270,000
10. Southbank Boulevard \$17,859,000
11. JH Boyd Redevelopment \$2,126,000
12. Fawkner Park Master Plan \$346,000

EVENTS CALENDAR 2018–19

July

- Run Melbourne
- Open House Melbourne
- NAIDOC Week

August

- Melbourne Writers Festival
- Indian Film Festival of Melbourne
- Melbourne Fashion Week
- Craft Cubed Festival
- Melbourne Day
- Melbourne International Film Festival

September

- Toyota AFL Finals Series and Parade
- Melbourne Fringe Festival
- Mid-Autumn Moon Lantern Festival

October

- Melbourne International Arts Festival
- Melbourne Marathon
- Victorian Seniors Festival
- Ride2Work Day Community Breakfast
- Blues Music Festival Docklands
- Carlton Italian Festa
- Taiwan Festival
- Spring Fling Festival 2018
- Melbourne Women in Business Lunch
- Fed Square Live 2018

November

- Melbourne Awards (Gala Ceremony)
- Raising the Bar
- Melbourne Music Week
- Melbourne Cup Carnival
- Melbourne Cup Parade
- Night Noodle Markets
- Polish Festival @ Federation Square
- Christmas Festival (November – December)

December

- Variety Children's Christmas Party
- Vision Australia Carols By Candlelight
- African Music and Cultural Festival
- New Year's Eve 2018
- RMIT Graduation Parade
- Mapping Melbourne
- Koorie Heritage Trust's A Very Koorie Krismas
- Head Of The Yarra

January

- Melbourne Latin Summer Festival
- Australian Open and Festival
- Sunset Series
- Midsumma Festival
- NGV – Kids Summer Festival
- Australia Day
- Balit Narrun Festival



February

- Melbourne Storm Community Events
- Melbourne Rebels 2019 Season
- Movies Under the Stars
- Sustainable Living Festival
- The Lonsdale Street Greek Festival
- Chinese New Year Festival Melbourne
- Melbourne Vixens 2019 Season
- Jayco Herald Sun Tour
- Melbourne Japanese Summer Festival

March

- Moomba Festival
- Virgin Australia Melbourne Fashion Festival
- International Women's Day Festival 2019
- Melbourne Food and Wine Festival
- Melbourne Food and Wine Festival River Graze
- Melbourne International Comedy Festival
- Melbourne Art Book Fair 2019
- Melbourne Queer Film Festival
- Turkish Pazar Festival 2019
- Formula 1 Australian Grand Prix
- Cultural Diversity Week - Victoria's Multicultural Festival
- Carlton Harmony Celebration
- Thai Culture and Food Festival
- Melbourne International Flower and Garden Show 2019
- Greek National Day

April

- ANZAC Day
- Run For The Kids
- Light Up Festival
- Lankan Festival
- Spanish Language Fiesta
- Good Friday Appeal Kids Day Out
- Fair@Square Ethical Lifestyle Festival
- The Food Truck Festival

May

- Melbourne Knowledge Week
- Law Week
- Buddha's Day and Multicultural Festival
- The Long Walk
- YIRRAMBOI
- Mothers' Day Classic
- Arts Learning Festival
- Melbourne International Jazz Festival (May - June)
- Reconciliation Week (May - June)

June

- Docklands Firelight Festival (June - July)
- Emerging Writers' Festival
- A Taste of Portugal 2019
- Truffle Melbourne Festival at Queen Victoria Market
- The Light in Winter
- Refugee Week

OUR COUNCIL

Council governance

Statutory responsibility for local government lies with each Australian state or territory. An Act of each State Parliament specifies local government powers, duties and functions. In Victoria, the legal basis for councils is established under the *Constitution Act 1975* and the *Local Government Act 1989*.



Left to right: Cr Susan Riley, Cr Kevin Louey, Cr Beverley Pinder-Mortimer, Cr Nicolas Frances Gilley, Lord Mayor Sally Capp, Cr Nicholas Reece, Deputy Lord Mayor Arron Wood, Cr Rohan Leppert, Cr Cathy Oke, Cr Philip Le Liu, Cr Jackie Watts.

The Melbourne City Council comprises a lord mayor and deputy lord mayor and nine councillors.

Under the provisions of the *City of Melbourne Act 2001*:

- Melbourne is not divided into wards
- the leadership team (lord mayor and deputy lord mayor) is elected separately from councillors
- the preferential voting system is used to elect the leadership team and proportional representation is used to elect councillors.

The Melbourne City Council elections were held in October 2016. A by-election was conducted in May 2018 and Sally Capp was sworn in as the Lord Mayor on 24 May 2018.

The next Council election is scheduled for October 2020. More information about local government elections is available from the Victorian Electoral Commission at www.vec.vic.gov.au

Councillor conduct

The Melbourne City Council Councillor Code of Conduct outlines the role of the Council and provides an overview of councillor responsibilities in accordance with the *Local Government Act 1989*.

The code includes guidelines for rules of conduct, decision-making and use of City of Melbourne resources. It also includes procedures for disclosure of interests and conflicts of interest that go beyond legislative requirements.

A revised Councillor Code of Conduct was adopted by Council on 4 September 2018. The Councillors receive regular communication via the City of Melbourne's Governance and Legal branch and the Victorian Government, in regards to updated information and guidance on conduct matters.

Council decisions

Councillors make decisions at Council meetings and Committee meetings (to which certain powers are delegated by the Council). Future Melbourne Committee meeting decisions are subject to a 'referral notice process,' meaning that where fewer than six committee members vote in favour of a motion, or the Chair uses their casting vote, members have the option of referring the matter to the next Council meeting for decision.

Delegations

Melbourne City Council's powers under the *Local Government Act 1989* or any other Act may be delegated to a committee or Council, to a City of Melbourne officer (including the CEO), or sub-delegated to a City of Melbourne officer by the CEO. Staff members are accountable to the CEO. The Council and its committees make policy, and staff members make decisions in accordance with that policy. The exercise of delegation is subject to the Council's Delegations Policy.

Legislative compliance

The following information is provided in accordance with legislative and other requirements.

Carers Recognition Act 2012

We have taken all practicable measures to comply with our responsibilities under Victoria's *Carers Recognition Act 2012*. We have promoted the principles of the Act to people in care relationships who receive services from City of Melbourne via the Commonwealth Home Support Program, the Home and Community Care Program for Younger People, the Support for Carers Program and to the wider community in the following ways:

- Assessing the needs of carers and providing appropriate support including peer support groups, respite and planned activity services for care recipients, accessible information and liaising with service providers on behalf of carers.
- Delivering peer support carers groups including a LGBTIQ+ specific group.

- Recognising the role of carers by including carers in the assessment, planning, delivery and review of services that impact on them and their role as carers.
- Providing information to people who contact the City of Melbourne, community networks and organisations represented in the municipality of Melbourne.
- Through policies that satisfy the Aged Care Quality Standards, which incorporate recognition of carers in relation to services that impact on them in their role as carers.

Disability Act 2006

The City of Melbourne is committed to ensuring equity of access in all our functions in accordance with the *Disability Discrimination Act 1992* (Cth) and *Disability Act 2006* (Vic).

Key achievements include a partnership research project with Melbourne University Disability Institute that engaged over one hundred people on how to make Melbourne more inclusive for people with disability. More than one hundred and twenty stakeholders participated in disability awareness training sessions and the Disability Advisory Committee continued to provide an opportunity for people with disability to input into City of Melbourne operations, policy and strategy developments. The new Accessing Melbourne web content was launched in May and includes access, information and resources for people with disability.

Domestic Animals Act 1994

In accordance with Victoria's *Domestic Animals Act 1994* we prepare and implement a Domestic Animal Management Plan at four-year intervals, in consultation with the Victorian Department of Jobs, Precincts and Region. We are currently implementing our 2017-2021 Plan.

Key implementation highlights include providing five dog training events to dog owners in the municipality, highlighting dog behaviour in public places and parks and investigating agreements with vet clinics to reunite cats and dogs with their owners more efficiently. We also began reviews of the presence and management of cats in the municipality, and of dog off-leash areas.

Food Act 1984

In accordance with section 7E of the *Food Act 1984*, we are required to publish a summary of any ministerial directions received during the financial year. We did not receive any ministerial directions during 2018-19.

Freedom of Information Act 1982

The *Freedom of Information Act 1982* (Vic) was created to promote openness, accountability and transparency in Victorian government agencies by giving members of the public the right to access government information. This allows people to request access to documents created by the City of Melbourne and those supplied to us by external organisations and individuals. In 2018-19, 104 applications were received and processed.

Privacy and Data Protection Act 2014

Standards set out by Victoria's *Privacy and Data Protection Act 2014* and our Privacy Policy Statement control how we manage personal information. Privacy compliance is included in our staff induction program. We have a dedicated privacy team to help staff and members of the public with privacy-related queries or issues.

No complaints from regulatory bodies were received. Two losses of customer data were reported to the Office of the Victorian Information Commissioner. In both instances the affected parties were advised and mitigation strategies employed to prevent future incidents.

Protected Disclosure Act 2012

To access our procedures, visit melbourne.vic.gov.au and enter 'protected disclosures' in the search box.

During 2018-19 no disclosures were notified to the Independent Broad-based Anti-corruption Commission.

Road Management Act 2004

In accordance with section 22 of Victoria's *Road Management Act 2004*, a council must publish a copy or summary of any ministerial direction in its annual report. We did not receive any ministerial direction during 2018-19.

Planning and Environment Act 1987

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in the council's annual report. For 2018-19 City of Melbourne did not receive any infrastructure and development contributions to disclose.

Documents available for inspection

The *Local Government Act 1989* (the Act) and Local Government (General) Regulations 2015 require us to keep certain statutory registers and documents, most of which can be viewed at melbourne.vic.gov.au or, in certain cases, on application. Details on how to obtain information and documents can be found in the 'About Council' section of our website, or by making a request in person at the Melbourne Town Hall Administrative Building, 120 Swanston Street, Melbourne during office hours.

Registers required to be made available for public inspection:

- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by councillors or any City of Melbourne staff member in the previous 12 months, including the names of the councillors or members of staff and the dates, destination, purpose and total cost of the overseas or interstate travel, including accommodation costs.
- Agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of the Act except if the agendas or minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings that have been closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act.
- A register of delegations kept under sections 87 and 98 of the Act, including the dates on which the last reviews under sections 86(6) and 98(6) of the Act took place.
- Details of all leases involving land entered into by the Council as lessor, including the details of the lessee and the terms and value of the lease.
- A register of authorised officers appointed under section 224 of the Act.
- A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant.
- Election campaign donations.

Council also maintains a number of non-statutory registers which can be found at melbourne.vic.gov.au

Additional registers and information made available on our website:

- Chief Executive Officer’s employment contract.
- Details of current allowances fixed for the lord mayor and councillors under section 74 or 74A of the Act.
- Senior officers’ remuneration (at 31 December and 30 June), set out in a list that states:
 - (a) Ranges of remuneration of senior officers, where the difference between the lower amount and the higher amount in each range must not exceed \$10,000 and
 - (b) The number of senior officers whose total annual remuneration falls within the ranges referred to in subparagraph (a).
- A list of all special committees established and the purpose for which each committee was established.
- A list of all special committees established which were abolished or ceased to function during the financial year.
- Submissions received in accordance with section 223 of the Act during the previous 12 months.
- Travel by non-City of Melbourne passengers.
- Register of Councillor Conflicts of Interest (declarations made in open sessions of Council and Future Melbourne Committee meetings).
- A list of contracts valued at \$150,000 or more for the purchase of goods and services, entered into during the financial year without first engaging in a competitive process; and which are not contracts referred to in section 186(5) or (5A) of the Act.
- Purchase orders of \$500,000 or over.
- List of land and building assets valued at more than \$2.5 million.
- A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided by the Council.
- List of authorised officers under section 188 of the *Planning and Environment Act 1987*.
- Councillor Gift Register.
- Schedule of Councillor access to event tickets.

Subsidiaries and trusts

Citywide Service Solutions Pty Ltd – a company established to provide contract services on a competitive basis to local government and other public and private sector clients.

Enterprise Melbourne Pty Ltd – a company established to hold the registration for the Enterprise Melbourne Tianjin Representative Office, Tianjin, China.

Melbourne Digital Enterprises Pty Ltd – a company established to explore opportunities to develop and deliver IT and digital services for the local government sector. (Currently not trading.)

SMF Investment Management Pty Ltd – the City of Melbourne has divested its interest in this company as at 2 April 2019.

Sustainable Melbourne Fund Trust – the City of Melbourne has divested its interest in this company as at 2 April 2019.

Queen Victoria Market Pty Ltd – a company established to manage and operate the Queen Victoria Market.

The City of Melbourne has an interest in other entities including:

Regent Management Company Limited – shared with the Victorian Government, the City of Melbourne has a 50 per cent interest in this company, established to manage the historic Regent Theatre in Collins Street, Melbourne.

MAPS Group Limited trading as Procurement Australia – the City of Melbourne is the majority shareholder of this company.

Participating in Council

The City of Melbourne welcomes community and stakeholder attendance and participation at Council and Committee meetings. Any person may submit an item of correspondence (to Council or Committee) or a request to address Committee with respect to an item listed on an agenda.

Members of the public may also ask questions (no greater than 90 seconds in duration) at ordinary Committee meetings. A 15-minute period is provided for questions at the beginning and end of the meeting.

Records of meetings, meeting dates and times and information on how to interact with the Council are available at melbourne.vic.gov.au/committees

OUR COUNCILLORS

In 2018-19, the Melbourne City Council included the following elected representatives. The profiles outlined below reflect membership of those bodies and committees that were operating during this time.



Lord Mayor
Sally Capp

Elected in May 2018 as Lord Mayor of Melbourne and was the first woman to be directly elected as Lord Mayor.



Deputy Lord Mayor
Arron Wood

Elected in 2012 as a Councillor and elected in 2016 as Deputy Lord Mayor.

The Lord Mayor is Chair of meetings of the Melbourne City Council and Chair of the Future Melbourne (Major Projects) Committee and Chair of the Future Melbourne (Major Events) Committee. The Lord Mayor also represents the City of Melbourne on the following advisory committees and external organisations:

- C40 Cities Climate Leadership Group
- Chief Executive Officer Employment Matters Committee
- Legal Proceedings Committee
- Council of Capital City Lord Mayors
- Honorary Patron of the Lord Mayor's Charitable Foundation
- Melbourne Art Trust
- Trustee of the Shrine of Remembrance
- Queen Victoria Market Committee of Trustees.

Contact details
Phone: 03 9658 9658
Email: lordmayor@melbourne.vic.gov.au

Deputy Lord Mayor Arron Wood is Chair of the Future Melbourne (Finance and Governance) Committee and Deputy Chair of the Future Melbourne (Environment) Committee. Cr Wood also represents the City of Melbourne on the following advisory committees and external organisations:

- Audit and Risk Committee
- Chief Executive Officer Employment Matters Committee
- Committee for Melbourne
- Melbourne Art Trust
- Melbourne Sustainable Society Institute Advisory Board
- Victorian Local Governance Association.

Contact details
Phone: 03 9658 9658
Email: arron.wood@melbourne.vic.gov.au



Councillor
Nicolas Frances Gilley MBE

Elected in March 2017.

Cr Nicolas Frances Gilley is Chair of the Future Melbourne (Transport) Committee and Chair of the Future Melbourne (Aboriginal City) Committee. Cr Frances Gilley also represents the City of Melbourne on the following advisory committees and external organisations:

- Metropolitan Transport Forum
- Legal Proceedings Committee.

Contact details

Phone: 03 9658 9038

Email: nicolas.francesgilley@melbourne.vic.gov.au



Councillor
Rohan Leppert

First elected in 2012 and re-elected in 2016.

Cr Rohan Leppert is Chair of the Future Melbourne (Arts, Culture and Heritage) Committee, and Deputy Chair of the Future Melbourne (Planning) Committee and the Future Melbourne (Transport) Committee. Cr Leppert also represents the City of Melbourne on the following advisory committees and external organisations:

- Fishermans Bend Ministerial Advisory Committee (until July 2018)
- Municipal Association of Victoria (Board member)
- Victorian Local Governance Association (alternate delegate)
- Queen Victoria Market Committee of Trustees
- Melbourne Art Trust
- Legal Proceedings Committee.

Contact details

Phone: 03 9658 9051

Email: rohan.leppert@melbourne.vic.gov.au



Councillor
Philip Le Liu

Elected in 2016.

Cr Philip Le Liu is Chair of the Future Melbourne (International Engagement) Committee, and Deputy Chair of the Future Melbourne (Arts, Culture and Heritage) Committee and the Future Melbourne (Knowledge City). Cr Le Liu also represents the City of Melbourne on the following advisory committees and external organisations:

- Audit and Risk Committee
- Destination Melbourne.

Contact details

Phone: 03 9658 9630

Email: philip.leliu@melbourne.vic.gov.au



Councillor
Kevin Louey

First elected in 2008 and re-elected in 2012 and 2016.

Cr Kevin Louey is Chair of the Future Melbourne (Prosperous City) Committee. Cr Louey also represents the City of Melbourne on the following advisory committees and external organisations:

- Business Partner City (BPC) Network
- Enterprise Melbourne Pty Ltd.

Contact details

Phone: 03 9658 9170

Email: kevin.louey@melbourne.vic.gov.au



Councillor
Cathy Oke

First elected in 2008 and re-elected in 2012 and 2016.

Cr Cathy Oke is Chair of the Future Melbourne (Environment) Committee, and Deputy Chair of the Future Melbourne (Finance and Governance) Committee and the Future Melbourne (Aboriginal City) Committee. Cr Oke represents the City of Melbourne on the following advisory committees and external organisations:

- Parks and Gardens Advisory Committee
- Metropolitan Local Government Waste Forum
- International Council for Local Environment Initiatives (ICLEI) – Local Governments for Sustainability. Cr Oke is First Vice President and a member of the Global Executive Committee
- Yarra Park Advisory Committee.

Contact details

Phone: 03 9658 9086

Email: cathy.oke@melbourne.vic.gov.au



Councillor
Beverley Pinder-Mortimer

First elected in 2012 and re-elected in January 2018.

Cr Beverley Pinder-Mortimer is Chair of the Future Melbourne (People City) Committee, and Deputy Chair of the Future Melbourne (Small Business, Retail and Hospitality) Committee and the Future Melbourne (International Engagement) Committee. Cr Pinder-Mortimer also represents the City of Melbourne on the following advisory committees and external organisations:

- Family and Children's Advisory Committee
- Homelessness Advisory Committee
- Disability Advisory Committee
- Chief Executive Officer Employment Matters Committee.

Contact details

Phone: 03 9658 9086

Email: beverley.pinder@melbourne.vic.gov.au



Councillor
Nicholas Reece

Elected in 2016.

Cr Nicholas Reece is Chair of the Future Melbourne (Planning) Committee and Deputy Chair of the Future Melbourne (Major Projects) Committee. Cr Reece also represents the City of Melbourne on the following advisory committees and external organisations:

- Chief Executive Officer Employment Matters Committee
- Inner Melbourne Action Plan (IMAP) Committee.

Contact details

Phone: 03 9658 9704

Email: nicholas.reece@melbourne.vic.gov.au



Councillor
Susan Riley

Elected in March 2017.

Cr Susan Riley served as Deputy Lord Mayor in 2001-2004, 2008-2012 and 2012-2016.

Cr Riley is Chair of the Future Melbourne (Small Business, Retail and Hospitality) Committee, and Deputy Chair of the Future Melbourne (Prosperous City) Committee and the Future Melbourne (Major Events) Committee. Cr Riley also represents the City of Melbourne on the following advisory committees and external organisations:

- Enterprise Melbourne Pty Ltd
- Australian Intercultural Society
- Procurement Australia
- RMIT School of Fashion and Textiles Industry Advisory Group.

Contact details

Phone: 03 9658 9636

Email: susan.riley@melbourne.vic.gov.au



Councillor
Jackie Watts OAM

First elected in 2011 and re-elected in 2012 and 2016.

Cr Jackie Watts is Chair of the Future Melbourne (Knowledge City) Committee and Deputy Chair of the Future Melbourne (People City) Committee. Cr Watts also represents the City of Melbourne on the following advisory committees and external organisations:

- Disability Advisory Committee
- Homelessness Advisory Committee
- Victorian Local Government Women's Charter
- Family and Children's Advisory Committee
- Association of Bayside Municipalities
- Queen Victoria Market Committee of Trustees.

Contact details

Phone: 03 9658 8580

Email: jackie.watts@melbourne.vic.gov.au

Where to find out more on our councillors

To find out more about our councillors, go to melbourne.vic.gov.au and enter 'councillors' in the search box.

Councillor allowances

Councillors are paid an allowance set by the Victorian Government. This allowance is paid in recognition of the demands placed on councillors in carrying out their civic and statutory duties; for their work on policy development, as spokespeople on community matters and as Council representatives in Melbourne in Australia and overseas.

The allowances are:

Lord Mayor - \$196,931
 Deputy Lord Mayor - \$98,465
 Councillors - \$46,240

Councillors are also provided with a range of services and support as described in the Councillor Expenses and Resources Guidelines.

Councillor expenses

Councillors incur expenses in the course of fulfilling their roles. Expenditure is regulated by the Councillor Expenses and Resources Guidelines, revised in March 2017 and consistent with section 75 of the *Local Government Act 1989*. Councillor expenses are reported in detail every quarter on melbourne.vic.gov.au

In accordance with section 75 of the *Local Government Act 1989*, Council is required to reimburse a councillor for expenses incurred whilst performing his or her duties as a councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the lord mayor and councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each councillor and member of a council committee.

The details of the expenses including reimbursement of expenses for each councillor and member of a council committee are set out in the table on the following page.

Expense categories

1. Conferences, functions and training

This category covers registration fees associated with attendance by Councillors at local conferences, functions, seminars and one-off or short-term training courses. These are normally held by local government related organisations, professional bodies and institutions, educational institutions and private sector providers on areas and events which impact on the role of Councillors and the City of Melbourne in general. This category also includes memberships and subscriptions to bodies and organisations whose activities are relevant to role of Councillors and a capital city council.

2. Travel - local

This category covers costs associated with assisting Councillors in meeting the transport costs incurred in attending meetings, functions and other commitments within and outside the municipality. This comprises use of taxi service, reimbursement for use of private vehicle while conducting Council business, car parking fees, access to bicycles, the provision of car parking permits, e-tags and use of Council fleet vehicles as described in the Councillor Expenses and Resources Guidelines. This category also comprises costs associated with accommodation and incidentals incurred when travelling on Council business in outer metropolitan Melbourne and regional Victoria.

3. Communication

This category covers communication costs associated with ensuring that Councillors are accessible and are able to communicate with constituents, stakeholders, other Councillors, Council officers and family members while conducting Council business. This category comprises costs associated with use of mobile phones, home phones, internet services and cards to mark cultural occasions and the festive season.

4. Functions external to Town Hall

In some cases, Councillors may need to use external hospitality services when conducting Council business outside Council offices. In doing so, Councillors seek reimbursement for expenses incurred. These expenses comprise costs associated with the provision of meals, refreshments and other entertainment (for Councillors and their guests) considered appropriate to the nature of Council business being conducted.

5. Carer expenses

The Council will reimburse the cost of necessary carer expenses incurred by Councillors in the course of carrying out their duties. This covers child care and other forms of care needed to support immediate family members.

Published councillor expense reports

Details of expenses incurred by councillors are published on melbourne.vic.gov.au on a quarterly basis. The following tables depict details of expenses incurred within the year 2018-19. The tables are grouped by leadership team (lord mayor and deputy lord mayor) and councillors.

Leadership Team - Period 1 July 2018 to 30 June 2019

Councillor	Conferences, functions and training	Travel local	Communication	Functions external to Town Hall	Carer expenses	Total expenses
Lord Mayor Sally Capp	\$0	\$6356.85	\$3435.47	\$18.20	\$0	\$9810.52
Deputy Lord Mayor Arron Wood	\$540.91	\$13,711.37	\$1319.66	\$52.02	\$0	\$15,623.96
Category	\$540.91	\$20,068.22	\$4755.13	\$70.22	\$0	\$25,434.48

Councillors - Period 1 July 2018 to 30 June 2019

Councillor	Conferences, functions and training	Travel local	Communication	Functions external to Town Hall	Carer expenses	Total expenses
Cr Nicolas Frances Gilley	\$0	\$528.47	\$1463.71	\$272.13	\$0	\$2264.31
Cr Philip Le Liu	\$1923.00	\$1764.27	\$1353.45	\$938.18	\$0	\$5978.90
Cr Rohan Leppert	\$160.91	\$2436.28	\$1792.44	\$0	\$0	\$4389.63
Cr Kevin Louey	\$153.54	\$659.42	\$3179.56	\$0	\$0	\$3992.52
Cr Cathy Oke	\$0	\$1368.27	\$1314.12	\$0	\$0	\$2682.39
Cr Beverley Pinder-Mortimer	\$857.27	\$1573.11	\$1169.27	\$30.15	\$0	\$3629.80
Cr Nicholas Reece	\$0	\$220.19	\$1702.60	\$0	\$0	\$1922.79
Cr Susan Riley	\$944.80	\$2175.10	\$1166.85	\$56.40	\$0	\$4343.15
Cr Jackie Watts	\$50.00	\$1494.32	\$1188.18	\$441.34	\$0	\$3173.84
Category	\$4089.52	\$12,219.43	\$14,330.18	\$1738.20	\$0	\$32,377.33

Council special committees

As well as Council meetings, Melbourne City Council has four special committees:

1. Future Melbourne Committee (meets twice monthly)

This Committee has delegated powers, duties and functions directly relating to, or ancillary to, all aspects of our activities. The Future Melbourne Committee's terms of reference are grouped into 13 themes or portfolios:

- Aboriginal City
- Arts, Culture and Heritage
- Environment
- Finance and Governance
- International Engagement
- Knowledge City
- Major Events
- Major Projects
- People City
- Planning
- Prosperous City
- Small Business, Retail and Hospitality
- Transport.

All Councillors participate in the Future Melbourne Committee.

2. Inner Melbourne Action Plan (meets quarterly)

This Committee has delegated powers, duties and functions directly relating to, or ancillary to, overseeing implementation of the Inner Melbourne Action Plan 2016–2026. The Committee comprises representatives from the local governments of Melbourne, Port Phillip, Stonnington, Yarra and Maribyrnong.

3. Chief Executive Officer Employment Matters Committee

This Committee has delegated powers, duties and functions directly related to employment matters relating to the Chief Executive Officer. The Committee has an independent Chair and comprises the Lord Mayor, the Deputy Lord Mayor and two councillors and makes recommendations to Council.

4. Legal Proceedings Committee

This Committee has delegated powers, duties and functions of the Council to make decisions on matters referred to the Committee by the Chief Executive Officer, in respect to Supreme Court proceedings by Robert Doyle against the Council or its officers and any related proceedings.

Council and committee meeting attendance

Period 1 July 2018 to 30 June 2019

Councillor	Melbourne City Council meetings (total 15)	Future Melbourne Committee meetings (total 22)	Inner Melbourne Action Plan Committee meetings (total 4)	Chief Executive Officer Employment Matters Committee Meetings (total 11)	Legal Proceedings Committee meetings (total 3)
Lord Mayor Sally Capp	14	20	Not a member	11	3
Deputy Lord Mayor Arron Wood	14	19	Not a member	6	Not a member
Cr Nicolas Frances Gilley	11	18	Not a member	Not a member	2
Cr Philip Le Liu	12	20	Not a member	Not a member	Not a member
Cr Rohan Leppert	13	21	Not a member	Not a member	3
Cr Kevin Louey	14	19	Not a member	Not a member	Not a member
Cr Cathy Oke	13	17	Not a member	Not a member	Not a member
Cr Beverley Pinder-Mortimer	15	19	Not a member	11	Not a member
Cr Nicholas Reece	14	19	3	7	Not a member
Cr Susan Riley	13	17	Not a member	Not a member	Not a member
Cr Jackie Watts	10	19	Not a member	Not a member	Not a member

COUNCIL PLANNING FRAMEWORK

Elected by the community, Melbourne City Council is the decision-making body that sets the strategic direction and policy of the municipality.

The Council delivers:

- the four-year Council Plan, which sets out what the Council will achieve during its four-year term to further the community vision
- the Municipal Public Health and Wellbeing Plan, which describes how the Council will promote the health and wellbeing of the community
- the Annual Plan and Budget, which describes the Council's key objectives and activities for each 12-month period.

The administration, headed by a Chief Executive Officer appointed by the Council, delivers the vision of the elected Council.

This is done by:

- providing advice to the Council in a timely manner
- resourcing the administration to deliver the results sought by the Council
- complying with the statutory responsibilities required under legislation
- delivering services to the community required under legislation or by the Council
- implementing the decisions made by the Council.



OUR REPORTING FRAMEWORK

The following section 'performance against our goals' is divided into nine chapters, reflecting the nine goals that support our vision of being a bold, inspirational and sustainable city, as per the Council Plan 2017-2021.

How to read the following sections

Each goal chapter describes:

- outcomes the City of Melbourne aims to achieve within its four-year term, according to the Council Plan 2017-2021 and our approach to help achieve these outcomes
- how well we performed during the last year, as measured by the indicators of progress towards the outcomes in the Council Plan
- major initiatives (activities of particular importance under each goal, as listed in the Annual Plan and Budget 2018-19)
- other initiatives (activities of particular importance under each goal, as listed in the Annual Plan and Budget 2018-19)
- initiatives that have contributed to the health and wellbeing priority areas
- initiatives implemented to achieve Council's four-year outcomes, including whether they were completed or are ongoing.

Health and wellbeing priorities in this report

Many of the Council Plan outcomes, priorities and indicators also contribute to our health and wellbeing priority areas. Health and wellbeing priorities are indicated by a triangle ▲ throughout the report.

Our indicators

The City of Melbourne aims to achieve several outcomes against each goal over the four years of the Council Plan 2017-2021. We measure the performance of these outcomes by our indicators. These are divided into:

- City of Melbourne indicators - indicators that the City of Melbourne is able to control and is accountable for.
- Municipal indicators - indicators we do not control but, together with our partners and the community, we seek to influence.

Due to the differences in data collection methodology and accountability across our indicator set there are some reporting period variations which should be noted. Where possible, all data is collected and reported on per financial year (July to June) or per the previous calendar year. Any exceptions to this approach have been noted against the relevant indicators. Some results from 2017-18 have been updated where data was finalised after the publication of the 2017-18 Annual Report.

This is the second year we have collected data on the Council Plan 2017-2021 indicators, and where possible, a brief comparative analysis between reporting years has been included. We expect to show more detailed trend analysis against our indicators in future years as we progress through the delivery of our Council Plan.

Our reporting approach

The City of Melbourne's Annual Report content is substantially determined by the requirements of the *Local Government Act 1989*, the Local Government (Planning and Reporting) Regulations 2014, our Council Plan 2017-2021, Local Government Victoria's Better Practice Guide and the Local Government Performance Reporting Framework. The Framework is a mandatory system of performance reporting for all Victorian councils and promotes transparency and accountability in the local government sector. It is made up of 66 measures across three indicator areas covering service performance, financial performance and sustainable capacity. It also includes a governance and management checklist of 24 items which together build a comprehensive picture of council performance, details of which can be found later in this report.



PERFORMANCE AGAINST OUR GOALS





A CITY THAT CARES FOR ITS ENVIRONMENT



Environmental sustainability requires current generations to choose how they meet their needs without compromising the ability of future generations to be able to do the same. The city's urban ecology must be designed and managed as a dynamic whole to balance the interdependencies between its flora and fauna, microclimate, water cycles and its human, social and economic infrastructure.

Progress measures

City of Melbourne major indicator

A decrease in the City of Melbourne's greenhouse gas emissions in line with its science based emissions reduction target.

Result

35,914 tCO₂-e
3.4% decrease

Municipal major indicator

A decrease in municipal greenhouse gas emissions in line with the Paris Agreement.

Result

5,046,231 tCO₂-e
0.26% increase

Our approach

The health of our environment is the foundation of the health and wellbeing of our community. With our globally recognised credentials in environmental sustainability, we are well positioned to demonstrate continued leadership and innovation to address and adapt to climate change.

Melbourne is likely to face an increasingly volatile climate, with lower rainfall, more intense storms, floods, and heatwaves. This puts pressure on our natural living systems and the basic building blocks of our city's liveability – clean air and water, a temperate urban climate, a stable supply of fresh produce, shade and green spaces. It also impacts the health of individuals, particularly those with existing illness or on lower incomes and therefore less able to cope.

As a city that cares for its environment, we will continue to take bold action on climate change adaptation, reductions in municipal greenhouse gas emissions and resource efficiency by:

- Prioritising energy efficiency and renewable energy use to reduce greenhouse gas emissions.
- Responding to rising inner-city temperatures and restoring habitat flora and fauna by expanding our network of green spaces.
- Conserving resources by prioritising different quality water for different needs, and better managing stormwater and wastewater.
- Considering the interrelationships between natural and built environments so that human communities and all living species can thrive side by side.
- Reconnecting people to nature and working closely with Traditional Owners to enable them to fully participate in the stewardship of the land.
- Ensuring our communities are equipped to respond to weather events and are resourceful in the face of climate-related challenges.

Major initiatives



Finalise the Waste and Resource Recovery Strategy 2030 and Action Plan and commence year one deliverables including improving waste collection in the central city

Following extensive consultation with the community, in a year that saw many challenges for the sector, a final draft was presented to the Future Melbourne Committee on the 16 April 2019. The Committee endorsed the Strategy subject to further exploration of a number of specific improvements and inclusions. The Strategy has been designed to be flexible and adaptable to manage rapid changes in the waste and resource recovery sector. Waste reduction is a key pillar for reducing Melbourne's greenhouse gas emissions. We aim to divert 90 per cent of waste from landfill and reduce household waste by 20 per cent. We will test actions through pilots to improve efforts and focus on what works. The City of Melbourne will deliver options to separate organic waste, a new resource recovery hub network for businesses and electronic waste recycling options for residents. Transforming the waste and resource recovery system requires sustained actions on many initiatives at local, Victorian and Australian Government levels. For more information on the Waste and Resource Recovery Strategy 2030, visit melbourne.vic.gov.au and enter 'waste strategy' in the search box. To find out more on the community engagement process that helped shape this strategy, please visit melbourne.vic.gov.au/participate



Implement the Green our City Strategic Action Plan including development of a business case for a future regulatory mechanism to support green roof and vertical greening ▲

The business case is well advanced with a gap analysis of existing planning provisions, global lessons learned, development of draft standards and targets and an economic assessment nearing completion. Part of the business case involves industry engagement through two external advisory workshops. Representatives from peak bodies and organisations in the planning, development, sustainability and green infrastructure industries met with representatives from local and Victorian Governments, including Council Alliance for a Sustainable Built Environment. They determined potential partnerships and synergies and provided feedback on the draft business case. A web-based assessment tool for green / blue infrastructure is being developed, based on the Green Factor methodology used in other countries. The tool will help design and assess developments that propose green / blue infrastructure and can be used for City of Melbourne projects, planning applications and other developments.

▲Health and wellbeing related highlight.

Initiatives and highlights

■ Urban Forest Strategy

The City of Melbourne employed high resolution multispectral imagery as a new approach to mapping tree canopy cover in 2018-19. The imagery was analysed to determine that canopy cover was 23.7 per cent of the public realm. This approach also provided information about vegetation health and the extent of understorey vegetation throughout the municipality. We will use this data to establish species health benchmarks for monitoring tree health in the future. Delivery of the Urban Forest Strategy continued with more than 3000 trees planted in 2018-19.

■ Nature in the City Strategy ▲

Opportunities from the Nature in the City Strategy were integrated into the design, delivery and renewal of open spaces and streetscapes including Southbank Boulevard, Gardiner Reserve, Elliott Avenue billabong and Market Street. This process has become a routine part of service delivery. To increase understorey planting in Royal Park, we worked with researchers from the University of Melbourne to test new planting techniques for establishing native grassy understorey using cost effective methods. We also planted more than 600 shrubs, grasses, and wildflowers that will grow to create a complex vegetation structure around the base of a new habitat tree. This project enhanced the habitat value of the tree for bird species and provided an opportunity for Citizen Forester volunteers and Royal Park community groups to create new habitat.

■ Corporate Power Purchase Agreement

Strong interest from the large energy users in our city to participate in the Corporate Power Purchase Agreement, combined with Sustainability Victoria's recruitment of participants, has set this project up for success. A group of six customers with a collective energy load more than 100 GWh has formed and agreed on a go-to-market strategy and risk parameters for the Power Purchase Agreement. A detailed business case has been developed for all customers with advice from consulting firm Energetics. A decision to proceed to tender is expected in early 2019-20.

■ Zero Net Emissions Strategy

The City of Melbourne consulted with climate change experts and the community to develop a Climate Change Mitigation Strategy to 2050 (previously called Zero Net Emissions Strategy). The strategy guides our next steps in reducing the largest sources of emissions in our municipality - to achieve our science-based targets and to align our actions with the Paris Agreement on climate change. The four priorities for action in achieving our emissions reduction targets are: 100 per cent renewable energy, zero emissions buildings and precincts, zero emissions transport and reducing the impact of waste. The strategy identifies the actions that we can take to leverage systemic change. We want to pilot a community energy project powered by renewables in the city. We will also expand the ground-breaking Melbourne Renewable Energy Project to facilitate power purchase agreements for businesses across the city. This will generate investment in new renewable energy. We will also advocate for Victorian and Australian Government action to deliver 100 per cent renewable energy to our city and to increase the ambition of Australia's climate policy. To implement the strategy we will integrate climate adaptation and mitigation, deliver environmental, social and economic benefits to the community and support innovation, knowledge sharing and transparency.

▲ Health and wellbeing related highlight.

■ Year three of the Resilient Melbourne Strategy

The City of Melbourne continues to play a key leadership role by hosting the Resilient Melbourne Delivery Office and contributing to implementing year three of the Resilient Melbourne Strategy. We are one of the 41 organisations who have endorsed Living Melbourne: our metropolitan urban forest, which is a flagship action of the Resilient Melbourne Strategy. An Australian first for its metropolitan scale and innovative mapping, Living Melbourne was launched at the Melbourne Museum on World Environment Day, 5 June 2019 with endorsing organisations and city leaders from metropolitan councils, the Victorian Government, water authorities, statutory authorities and academics. The City of Melbourne also led the development of a Request for Quotation for the creation of the Inner Melbourne Action Plan (IMAP) cycling network model. This is a critical first step for the development of a metropolitan wide cycling network model. The successful applicant will begin developing the network model in 2019-20. Five residential developments across metropolitan Melbourne are participating in the Resilient Communities Action including one in Kensington. Aiming to improve social cohesion, a common denominator of community resilience, this Action looks to participatory development with future communities. The City of Melbourne continues to Chair the Resilient Melbourne Steering Committee and participate in bi-monthly Resilience Fundamentals training sessions aimed at improving the capacity of staff to achieve resilience outcomes in their work.

■ Partnership with Melbourne Water to update flood knowledge and mapping

The City of Melbourne worked in partnership with Melbourne Water, the Department of Environment, Land, Water and Planning and the Victorian Planning Authority to progress a whole of municipality Planning Scheme Amendment. An Amendment Implementation Plan including a flood modelling needs analysis was completed in 2018-19. The Amendment will include sea level rise, storm surge and climate change rainfall intensity. Stage one of the Amendment will be progressed in 2019-20 and will include the Elizabeth Street catchment, Fishermans Bend, Southbank and Arden and Macaulay. Stage two, from 2020 to 2024, will incorporate Docklands, West Melbourne, E-Gate and the rest of the municipality.

■ Bees honey harvest ▲

Melbourne City Rooftop Honey currently has more than 30 hives in the central city with each hive hosting up to 80,000 bees. The City of Melbourne has supported the company's work since 2011 and currently sponsors two hives – home to 160,000 urban bees – on the Emporium Melbourne rooftop. Each year, we donate the first 20 kg of honey harvested to organisations that help vulnerable people access nutritious food. Melbourne Rooftop Honey informs us that bees do really well in the city and each location of hives has its own flavour. The Southern Cross end of the city produces a stronger, bolder flavour, whereas the top end of the city has a light, floral taste. Bees play a vital role in our ecosystem, pollinating at least 65 per cent of the fruit and vegetables we eat. Without bees, and all their hard work, many crops would struggle and some would disappear.

■ Leafy laneways ▲

As part of the Green Your Laneway program, the City of Melbourne transformed these lanes into lush green spaces for everyone to enjoy:

- Guildford Lane – a quirky laneway between Queen and Sutherland streets with greenery flourishing in window boxes and climbing up building drain pipes.
- Meyers Place – a striking green wall with 80 species of plants is the jewel of this laneway between Bourke and Little Collins streets.
- Coromandel Place – stunning Boston ivy against historic red brick makes this laneway off Little Collins Street extra charming.
- Katherine Place – this foodie precinct near Melbourne Aquarium has turned over a new leaf, now boasting street trees, gardens and lush greenery in planter boxes and pots.
- Tattersalls Lane – a street art-lover's paradise with wicking beds, worm farms and herb gardens. Find it between Little Bourke and Lonsdale streets.

As a city that cares for its environment, greening projects help cool the city and adapt to climate change. We have also created an interactive map to show laneways that could go green, based on the amount of sunlight they receive, exposure to wind and physical characteristics.

▲Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

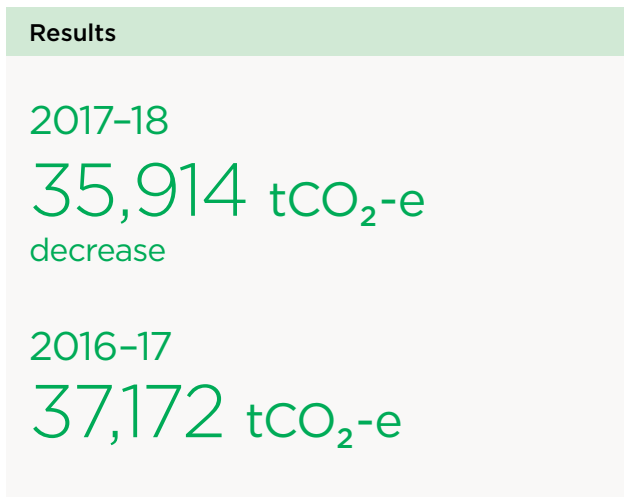
The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017–2021. We measure progress by the indicators below. Results are from 2017–18 and 2018–19 unless otherwise noted.

Outcome

Melbourne will meet its pledge to help deliver the Paris Agreement to limit global temperature rise.

City of Melbourne major indicator

A decrease in the City of Melbourne’s greenhouse gas emissions in line with its science based emissions reduction target.



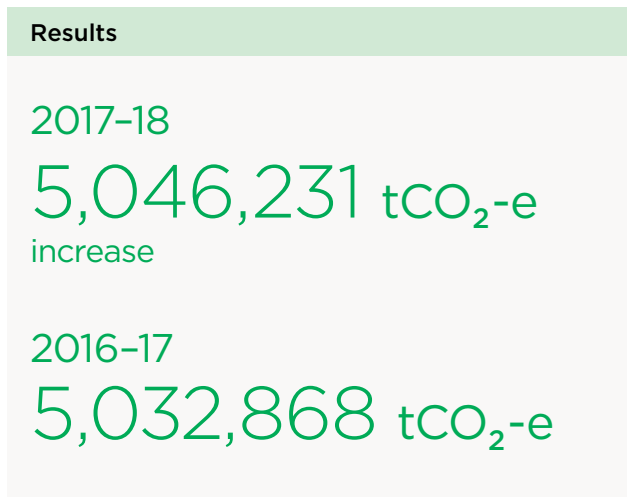
Our progress

The City of Melbourne achieved a 3.4 per cent reduction in greenhouse gas emissions for Council operations and has reduced emissions 31 per cent from our 2011–12 baseline. We are exceeding our science-based emissions reduction target of 4.5 per cent per year. This trend is set to accelerate now that Council is purchasing 100 per cent renewable energy via the Melbourne Renewable Energy Project. Total (scope 1, 2 and 3) greenhouse gas emissions for City of Melbourne operations have decreased from 37,172 tonnes of CO₂ equivalent (tCO₂-e) in 2016–17 to 35,914 tCO₂-e. This decrease is primarily due to energy efficiency and renewable energy upgrades across Council buildings and street lighting assets.

Note: Data is calculated for the financial year 2017–18 as 2018–19 data is unavailable at the time of publication.

Municipal major indicator

A decrease in municipal greenhouse gas emissions in line with the Paris Agreement.



Our progress

Our community-wide greenhouse gas emissions increased 0.26 per cent from 5,032,868 tonnes of CO₂ equivalent (tCO₂-e) in 2017 to 5,046,231 (tCO₂-e) in 2018, driven in part by a growing economy and population. While emissions from electricity use have decreased as a result of more renewables entering the energy system, this was offset by a 9 per cent increase in on-road transport activity in the municipality. Our residential population increased 6.4 per cent and the number of city users increased 2.2 per cent over this period, meaning emissions intensity per resident are continuing to trend down.

Note: Data is calculated per calendar year (January–December 2018) and updated from the figures published in our 2017–18 Annual Report.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne's reputation as a global city leader of sustainability is maintained.			
Indicator			
Melbourne's C40 participation rating.	207	175	The City of Melbourne achieved a C40 participation score of 175 out of a maximum of 345 points, and compliance with all nine mandatory participation standards. We met or exceeded the global average participation level across all categories, which include: data collection, emissions reporting and vulnerability assessment, target setting, action planning, annual reporting, partnerships, network participation, summit attendance, and website contributions. The City of Melbourne hosted a C40 workshop in 2017-18 but was not a host in 2018-19. As a result our 2018 participation rating decreased.
Outcome: Melbourne is adapting well to climate change.			
Indicators			
An increase in understorey vegetation in the municipality.	368,615 sq.m	384,559 sq.m	Understorey vegetation in the municipality has increased by 15,944 sq.m in 2018-19. This is the second year we have reported on understorey cover. In 2019-20 we will develop more sophisticated methods to measure understorey vegetation so the results may vary slightly over time.
The number of trees planted in the municipality per year.	3061	3138	3138 trees were planted in 2018-19, exceeding our target of 3000 trees per year as part of the Urban Forest Strategy.
The number of new tree species introduced to the whole municipality.	7	9	151 tree species were planted across the municipality in 2018-19. Nine species were new to our urban forest population resulting in a total of 16 new species being introduced over the last two years.
The percentage of permeable (public) surfaces within the municipality.	Not available	Not available	The percentage of permeable (public) surfaces within the municipality is a new indicator which relies on the development of a Geographic Information System layer for permeable surfaces. This tool is still under development.
The municipality's stormwater storage capacity.	102,306 kilolitres	102,306 kilolitres	Storage capacity is project dependent. The City of Melbourne did not build any additional projects hence the result is the same for 2018-19. Private data was not available.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne uses its resources efficiently.			
Indicator			
A decrease in residential and street litter bin collections. (Results only include street litter bin collections within the solar smart bin precinct in the central city.)	188,097	168,014	Litter bin collections have reduced in the solar smart bin precinct since the rollout of the solar compactor bins. Note: The number of collections is actually less than the provided figure due to a proportion of recorded 'collections' being for bin repair and cleaning.

Municipal indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne is adapting well to climate change.			
Indicators			
The percentage of tree canopy cover in the public realm.	23.6%	23.7%	Canopy cover has increased slightly in 2018-19, reflecting the growth of new trees and the removal of large, old trees in decline. Canopy cover is expected to increase more notably in coming decades as the trees planted under the Urban Forest Strategy become established.
The percentage of total permeable (public and private) surfaces within the municipality.	Not available	Not available	The percentage of permeable (public and private) surfaces within the municipality is a new indicator which relies on the development of a Geographic Information System layer for permeable surfaces. This tool is still under development and will identify the urban catchments in need of initiatives to increase permeable surfaces. A preliminary analysis suggested less than 15 per cent of total permeable surfaces within the Melbourne central city lower drainage catchment.

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne is adapting well to climate change. (cont'd)			

Indicator

An increase in the percentage of water sourced from alternative sources to meet municipal needs.

192,817
kilolitres

174,763
kilolitres

This indicator varies year on year depending on the volume and timing of rainfall during the irrigation season. Even with dryer conditions and an increased demand during the irrigation season, we harvested and re-used a total of 174,763 kilolitres. This represents a 9 per cent decrease from 2017-18 where we harvested and re-used a total of 192,817 kilolitres. Summer rainfall volume decreased compared with the last two years and the autumn rainfall volume was less than last year. The total rainfall for March, April and May was less than 90 millimetres, compared to 115 millimetres in the same period last year and to an average of 140 millimetres during the last 10 years. January 2019 was especially dry with a total rainfall volume of only 13 millimetres compared to 74 millimetres in 2018, which is about 80 per cent less rainfall. Stormwater harvested at Fitzroy Gardens, Darling Square, Queen Victoria Gardens, Carlton Squares, Birrarung Marr and Royal Park reduced the pressure on potable water use during the past dry irrigation season.

Outcome: Melbourne uses its resources efficiently.

Indicators

A decrease in energy consumption per capita.

9.9 GJ

9.4 GJ

(Reported as the residential energy use per resident.)

Energy use per resident was 9.4 gigajoules in 2018. This represents a decrease of 5.5 per cent on 2017 baseline levels when residential energy use was 9.9 gigajoules per capita. The residential population of the city increased 6.4 per cent over this period.

A decrease in water consumption per capita.

9.89%

2.48%

This result is compiled from water authorities and our residential population. The metric is the average daily consumption per resident for residential water use. In 2018-19 water consumption was 130 litres per resident.

A decrease in waste-to-landfill per resident.

0.006
tonnes
increase

0.033
tonnes
increase

In 2018-19, each resident household generated an average of 0.335 tonnes of landfill waste. This reflects a decrease of 0.033 tonnes per household compared to 2017-18. During the year, the number of residential households requiring landfill collections increased by 11,499 to 91,022. The waste collected from these residential households increased by 1,136 tonnes from 29,316 in 2017-18 to 30,453 in 2018-19.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

A total of five initiatives were completed under a city that cares for its environment in 2018–19. Three initiatives were carried over and will continue to be delivered in 2019–20. One initiative was discontinued.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will provide protection and enhancement of habitat to support greater biodiversity in a changing climate.	<ul style="list-style-type: none"> ✓ • As part of the Nature in the City strategy, develop an approach to biodiversity corridors and enhancement of understorey planting. ↻ • Improve urban stormwater and biodiversity outcomes through Elliott Avenue Billabong and levers Reserve projects. 	<ul style="list-style-type: none"> ✓ • Embed the Nature in the City strategy in our service delivery, including the increase of understorey planting in Royal Park and Southbank Boulevard. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will provide nature-based climate adaptation and integrated water management solutions.	<ul style="list-style-type: none"> ✓ • Implement the Urban Forest Fund to enable greening in the public and private realm. ✓ • (Major initiative) Work with Inner Melbourne Action Plan Councils and Resilient Melbourne to share and extend the objectives of the Urban Forest Strategy to the wider Melbourne area. ✓ • (Major initiative) Work with stakeholders to plan high-quality integrated water management for community protection and liveability in Arden Macaulay and Fishermans Bend. 	<ul style="list-style-type: none"> ✓ • Continue delivery of the Urban Forest Strategy and pilot new technologies to monitor and diagnose forest health. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will provide improved water infrastructure for flood mitigation.	<ul style="list-style-type: none"> ✓ • Work with partners to create a precinct in the Elizabeth Street catchment that is water sensitive, low carbon and well adapted to climate change. 	<ul style="list-style-type: none"> ✓ • Work in partnership with Melbourne Water to update flood knowledge and mapping to inform amendments to the Melbourne Planning Scheme. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will partner to play a leadership role within the C40 Cities Climate Leadership Group, International Council for Local Environmental Initiatives (ICLEI) Cities Biodiversity Centre and 100 Resilient Cities network.</p>	<ul style="list-style-type: none"> ✓ • Refresh the Zero Net Emissions Strategy to align to the Paris Agreement on climate change. ✓ • Facilitate collaboration between Resilient Melbourne, C40, ICLEI and Chair of Resilient Cities. ✓ • Enhance the resilience of Melbourne and its communities, in cooperation with all metropolitan councils. ✓ • Complete a desktop assessment of how City of Melbourne strategies and plans deliver against the United Nations Sustainable Development Goals. 	<ul style="list-style-type: none"> ✓ • Finalise the Zero Net Emissions Strategy 2020-2050. ✓ • Implement year three of the Resilient Melbourne strategy, continuing our leadership role in delivering the metropolitan wide urban forest and the metropolitan cycling network. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will partner to strengthen the municipality’s resilience, liveability, health and wellbeing through community education and mitigation of the impacts of climate change. ▲</p>	<ul style="list-style-type: none"> ✓ • Work with stakeholders, including emergency service organisations to deliver Year two of Refuge, a five-year interdisciplinary project exploring the role of art and culture in preparing communities for climate-related impacts. 	<ul style="list-style-type: none"> x • Identify and commence one or more small open space pilot sites that support liveability and resilience in a higher density or hotter area of the municipality. 	<ul style="list-style-type: none"> • Develop and implement a communications campaign to raise awareness, support advocacy and promote action on climate change mitigation and adaptation.
<p>We will facilitate introduction of ‘caring for country’ principles for urban land management.</p>	<ul style="list-style-type: none"> x • Trial the application of Caring for Country principles in the municipality. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will facilitate greater greening of the private realm. ▲	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ☹️ • (Major initiative) Implement the Green our City Strategic Action Plan including development of a business case for a future regulatory mechanism to support green roof and vertical greening. 	<ul style="list-style-type: none"> • Progress a planning scheme amendment to improve sustainability performance and deliver green infrastructure on buildings. • Progress stakeholder engagement to deliver small spaces in the Hoddle Grid.
We will facilitate promotion of environmental sustainability by linking businesses to new initiatives and key sustainability projects, including sustainable food practices. ▲	<ul style="list-style-type: none"> ✓ • Promote a suite of options to encourage residents and businesses to achieve energy savings and access renewable energy. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will facilitate greenhouse gas emissions reduction across the municipality and the uptake of renewable energy.	<ul style="list-style-type: none"> ✓ • Promote awareness of large-scale off-site renewable energy purchasing models for large customers by sharing lessons from the Melbourne Renewable Energy Project. 	<ul style="list-style-type: none"> ☹️ • Facilitate a corporate Power Purchase Agreement based on the lessons from the Melbourne Renewable Energy Project, to contribute to the municipality's renewable energy target. 	<ul style="list-style-type: none"> • Facilitate a corporate Power Purchase Agreement to contribute to the municipality's renewable energy target. • Facilitate a community renewable energy pilot such as a virtual power plant, solar garden, solar battery storage or smart grids.
We will facilitate innovative solutions to minimise the municipality's waste.	<ul style="list-style-type: none"> ✓ • (Major initiative) Deliver year one of the Smart Bin Implementation Plan. ✓ • Partner with Metropolitan Waste Management Group, Sustainability Victoria and Inner Melbourne Action Plan Councils to research and analyse the costs and benefits of innovative, smart waste management solutions that could be applied to inner Melbourne and the wider-metro catchment. 	<ul style="list-style-type: none"> ☹️ • (Major initiative) Finalise the Waste and Resource Recovery Strategy 2030 and Action Plan and commence year one deliverables including improving waste collection in the central city. 	<ul style="list-style-type: none"> • (Major initiative) Deliver year one of the Waste and Resource Recovery Strategy.

Key

✓ Completed ☹️ Carried over ✗ Discontinued

Symbols for 2017–18 initiatives have been updated to reflect current status.

▲ This is also a health and wellbeing priority.



A CITY FOR PEOPLE



A city for people welcomes all. It is accessible, affordable, inclusive, safe and engaging. It promotes health and wellbeing, participation and social justice. A city for people has political, religious and intellectual freedoms that nurture a rich and dynamic culture. It respects, celebrates and embraces human diversity. People of all ages and abilities feel secure and empowered.

Progress measures

Municipal major indicator

Average resident's self-reported sense of wellbeing.

Result

72.6% satisfied with life

Municipal major indicator

The number of people sleeping rough on our streets.

Result

279 people

Our approach

Melbourne is home to people of diverse backgrounds, cultures, gender, sexualities, ages and family structures. It is a hub for services, education, entertainment and business and can boast world-class open spaces that people of all ages and abilities can enjoy.

Like many cities, we face a number of challenges. The cost of living and housing is rising, people are experiencing increased levels of social isolation, more people are living alone and people are working longer hours. Lifestyles are increasingly sedentary, with rising rates of obesity, chronic illnesses and mental health issues.

The City of Melbourne has a complex role to play in supporting not only our residential population, but also those who commute into the city for work or to access services. As a city for people we will need to ensure Melbourne remains liveable, healthy and vibrant by:

- Welcoming people from all walks of life so they feel safe and can participate fully in their community.
- Supporting people to have access to appropriate housing, education, healthy food, and spaces for recreation and community services.
- Adapting to meet the needs of a growing, changing population.
- Supporting better life opportunities and outcomes for all, particularly the vulnerable.
- Fostering physical, psychological and social resilience in individuals and communities.

Major initiatives



Continue to work with the Victorian Government and Victoria Police on the strategy and delivery of security treatments across different precincts within the central city and at key access points to the central city

In 2018–19 the City of Melbourne continued to work closely with the Victorian Government and Victoria Police on the strategy and delivery of the Melbourne Protective Security Enhancement Program across the city. This included the completion of Flinders Street, Princes Bridge and Stage two improvements in the Bourke Street Mall. The final stage of works in the Bourke Street Mall will commence in July 2019. As well as the installation of safety barriers these works will include 31 new CCTV cameras and 94 pairs of speakers for our public address system. The City of Melbourne has taken an active role in the design of protective elements, adopting a layered, precinct-based approach in line with advice from security experts and police. Protective designs are in development for other priority sites including the State Library, Southbank Promenade, Federation Square, Olympic Boulevard, Southern Cross Station and Queen Victoria Market.

▲Health and wellbeing related highlight.



Work with our partners to support pathways out of homelessness, including the creation of a campaign that encourages appropriate giving whilst discouraging inappropriate donations of goods and services ▲

During the past year we focused on harnessing the community's goodwill to support people experiencing homelessness. In August 2018, the City of Melbourne hosted the Good Giving Roundtable to explore homelessness from the perspective of our city's corporate leaders and philanthropists. We used their insights to build collaborative approaches and help facilitate philanthropic investment into targeted homelessness responses within our municipality. We updated our homelessness communication channels to ensure 'Good Giving' messaging is incorporated. This included a focus on good giving during the festive season. The messaging encouraged people to donate directly to a homelessness support organisation rather than directly to people sleeping rough. The advantage of supporting these homelessness services is that they not only provide immediate help, such as food or a shower, but also the crucial long-term support people need to journey out of homelessness into secure housing. We developed a plan to work more closely with grassroots organisations to support our city's most vulnerable people. There are a range of groups providing meals, clothing, bedding, haircuts, showers, laundry facilities and other support to people experiencing homelessness. We worked with these groups to improve homelessness service coordination and to create a new voluntary, best-practice handbook. Through better coordination, we achieve a more even distribution of services across areas of need, promote city safety, and connect people to long-term support to help them find pathways out of homelessness.

Initiatives and highlights

■ Melbourne Food Alliance ▲

The Melbourne Food Alliance is a food governance group for metropolitan Melbourne. It is a forum for coordinated action around food system matters that will help navigate our city towards a more resilient food future. To inform the development of the Alliance, community leaders and subject matter experts were brought together for a focused discussion on establishing a new food governance body for our city. A steering group was established and terms of reference endorsed. The steering group is made up of twelve representatives from organisations spanning the breadth of Melbourne's food system including local government and academia. The group is currently working on establishment activities such as refining their vision and values, identifying priority areas for action and forming working groups.

■ Participation for people with disabilities ▲

The City of Melbourne partnered with the Melbourne University Disability Institute to explore how we can make Melbourne more inclusive for people with disabilities. A Steering Committee comprised of senior staff from the Institute, City of Melbourne and people with disability. The Steering Committee oversaw an innovative research method called 'group concept mapping', and the accompanying community engagement process. Seventy-nine people participated in workshops that generated over two hundred and forty ideas about how Melbourne can be made more inclusive for people with disability. These ideas were then sorted based on their importance and feasibility. The research findings were presented at a community forum in May. Over one hundred community members and staff attended the event. The findings will inform our updated Disability Action Plan, to be completed in 2019-20.

■ Exercise opportunities for older people ▲

To cater for Melbourne's growing older population, the City of Melbourne is keen to use national and international models of success to enhance our strategies and infrastructure. The aim is to encourage older adults in the municipality to lead an active, healthy, and connected lifestyle. For the purpose of this project, 'older people' were defined as people aged 60 and above. We analysed the current exercise provision and found at least 95 exercise options with 24 specifically aimed at older people. Our 11 recommendations focus on extending the reach of existing programs and facilities rather than funding new ones. This project will also inform future engagement with service users and groups to increase opportunities for older people to participate in physical activities within the municipality. Further work may also be required to understand how those who are frail or not physically active may be better engaged.

■ Engaging at risk young people (14 to 25) ▲

A wide range of activities were accomplished throughout the year, including two sector-wide facilitated workshops attended by 15 service providers, young people and community leaders. The workshops helped develop a common agenda that follows a collective impact model when delivering education, training, mentoring and employment services. These engagement and collaboration activities informed the development of a Youth Pathways Framework. The framework has been endorsed by seven delivery partners. It will underpin work in 2019-20 to connect young African Australians to professional pathways, including employment, training, leadership and mentoring. Another highlight was a youth-led event that introduced 162 local young people to 11 employment and mentoring service providers.

■ Housing capacity study and needs analysis ▲

The Housing Capacity and Needs Analysis estimates existing and future demand for affordable dwellings within the municipality, inner and metropolitan Melbourne. It also provides advice on potential affordable housing targets for the City of Melbourne. The analysis also identifies opportunities to enable greater provision of affordable housing. These include regulation (such as voluntary and mandatory requirements applied via the planning system); partnerships with private, community or government stakeholders; and investments (such as vesting City of Melbourne land, financial contributions, waiver of rates, and establishment of a trust). In addition the work provides an analysis of property market impacts and identifies a benefit-cost-ratio for the provision of affordable dwellings. The analysis forms an evidence base for the development of an affordable housing policy in 2019-20.

■ Good food grown local ▲

Urban farmers are getting their hands dirty across Melbourne to cultivate nutritious food and community spirit. Set amid the rustic timber stock pens of the old Newmarket Saleyards is the community-led Kensington Stockyard Food Garden. The garden was first planted in 2018 with a variety of winter vegetables such as broad beans, peas, kale, lettuce, coriander, onions, garlic, herbs, a few fruit trees and edible flowers. Engaging participants from all ages, the garden has 26 self-watering wicking beds – created from recycled material and filled with organic worm matter by award-winning Melbourne company Wormlovers. The garden's first year has been such a great success that there are now plans to expand the garden into more of the empty stockyard pens. The garden, an initiative of the City of Melbourne's Food Policy, was officially launched on Saturday 20 October 2018.

▲ Health and wellbeing related highlight.

█ Refugee Week ▲

Refuge Week is a time when we stand with refugees and celebrate the positive contributions that people from a refugee background make to our community. Refugee Week coincides with World Refugee Day, celebrated internationally on 20 June and is an opportunity to welcome refugees and people seeking asylum and to celebrate their achievements. Several events occurred over the week but highlights included:

- Taste the Difference: a feast of Sri Lankan, Persian and Syrian dishes whilst dining with extraordinary Melburnians and learning about their incredible journeys to Australia as refugees.
- A Conversation with Fadak: a lawyer and community advocate who, 16 years ago, arrived in Australia as a refugee from Iraq. Guests shared lunch whilst watching his conversational documentary, followed by question and answer.
- Coffee welcoming ceremony: guests shared in this important Ethiopian cultural ritual. Questions were explored around how to face climate change while understanding the role in welcoming newcomers to our community.

█ Cultural Diversity Week ▲

Sharing cultures and traditions helps to break down barriers, and promote mutual respect. Celebrated in March, this year's theme was Proud – Your Generation, Your Stories. Cultural Diversity Week invited people to reflect on living in a multicultural society and to feel proud to live in a country shaped by the oldest continuous living Indigenous population and culture. It featured an exciting program of festivals and events including: Multicultural Hub Open Day – a chance to learn craft skills, experiment with Henna painting, sample Ethiopian coffee and try sushi-making while watching various cultural performances. Events during the week included Victoria's Multicultural Festival, a free one-day program at Fed Square featuring music, performance, food and art. The family friendly activities included the City of Melbourne's Global Garden and Culture Waves, an evening of live performances. The One Beat One Love Festival celebrated a contemporary expression of African culture. The Immigration Museum showcased music, dance, stories, art, film, fashion and food. Melbourne Conversations hosted: Mama, I made it! The event celebrated stories of African community members who have found success in business, law, health, academia and social enterprise. Kensington Community Festival provided a perfect opportunity to celebrate neighbourhood diversity including a free, family-friendly event at JJ Holland Park with live music, international cuisine, community stalls and exciting workshops.

▲Health and wellbeing related highlight.

█ Respect and equity among young children ▲

As part of the City of Melbourne's commitment to gender equality we developed a range of fact and tip sheets for educators, parents and carers to use as tools for promoting respect and equity among young children. Child specific and other resource books are now available for parents to borrow that challenge gender stereotypes and promote respectful relationships. These tools and approach were developed in response to a pilot project completed in 2017 that examined age appropriate ways of promoting respect and equity among young children and the importance of working with children and their families to build safer and more equal communities. To find out more about the project and download a copy of the report and resources available, visit melbourne.vic.gov.au and enter 'respect and equity' in the search box.

█ Gender and safety audit tools ▲

The City of Melbourne is committed to ensuring licensed venues, events, facilities and services within the municipality are safe, welcoming and inclusive for everyone in the community. Building upon the gender equality Statement of Commitment, endorsed in early 2018 to establish the expectation that gender equality is considered and prioritised in all current and future Council practices, a number of assessment tools and guides were developed in 2018-19 to address safety and security risks that consider the needs of women and girls. The gender safety audit checklist aims to identify and address venue design issues and management practices which may be facilitating sexual harassment and assaults within and around licensed venues. Additional checklists developed include Planning Safe and Inclusive Events, and Safe People, Safe Spaces. To access the checklists and our gender equality Statement of Commitment, visit melbourne.vic.gov.au and type 'gender equality' in the search box.

HOW WE PERFORMED AGAINST OUR INDICATORS

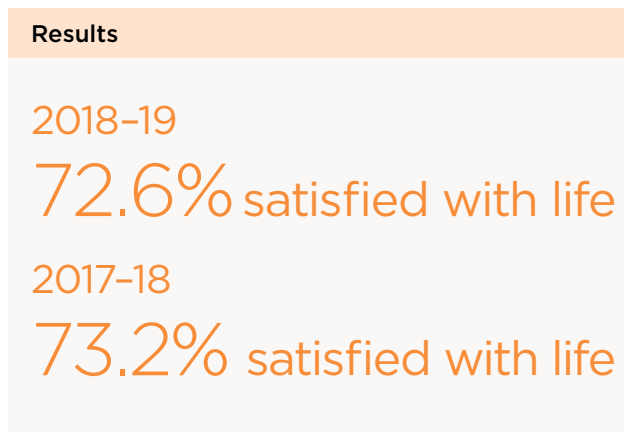
The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017-2021. We measure progress by the following indicators. Results are from 2017-18 and 2018-19 unless otherwise noted.

Outcome

People will feel welcomed and included.

Municipal major indicator

Residents' self-reported sense of wellbeing. ▲



Our progress

Wellbeing is the stable, long term state of feeling comfortable, healthy and contented, as opposed to momentary happiness. It is also an indicator of resilience. This indicator is the population's average satisfaction, out of 100, with their personal wellbeing in terms of their standard of living, health, community connection and safety. Residents in the municipality score their personal wellbeing at 72.6 out of 100 which is slightly lower than the normative score for Australians (75.3 out of 100).

Note: Municipal data is from City of Melbourne Community Indicator Survey 2019; national data is from the Australian Unity Wellbeing Index.

▲ This is also a health and wellbeing related indicator.

Outcome

People are supported to find pathways out of homelessness.

Municipal major indicator

The number of people sleeping rough on our streets. ▲



Our progress

As StreetCount is a biennial research event, it was not undertaken in 2018-19. The next count is scheduled for June 2020. The 2018 StreetCount covered 100 per cent of the municipality and 279 people were counted sleeping rough.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People feel welcomed and included.			
Indicators			
The percentage of international students surveyed who value the impacts of City of Melbourne programs in improving integration and quality of life while in Melbourne.	65%	Not available	There was no survey carried out in 2018-19.
The number of projects funded through community grants programs that are aimed at increasing participants' connection to their community.	71	81	In 2018-19 the community grants programs funded 81 projects whose primary aim was to increase participant's connection to their community. These projects included events on social inclusion for older people, activities of residents groups, cultural events and inclusive sports programs.
Outcome: People are supported to find pathways out of homelessness.			
Indicator			
The proportion of people who sleep rough who are assisted through housing related or other support services. (Reported as the number of contacts made through supported services.)	53,112	62,682	Currently, it is not possible to accurately measure the proportion of people who sleep rough who are assisted through housing related or other support services. We have reported the number of contacts through key City of Melbourne supported homelessness services. The breakdown of contacts made through supported services is: <ul style="list-style-type: none"> • Daily Support Team: 2348 (1838 in 2017-18) • Night Cafe: 50,244 (40,912 in 2017-18) • Frontyard Youth Services: 9979 (10,243 in 2017-18) • Service coordination project: 111 (119 in 2017-18)
Outcome: Melbourne's housing meets diverse needs.			
Indicator			
The number of affordable housing units in City of Melbourne projects. ▲	96	96	The City of Melbourne has publicly declared its intention to deliver affordable housing as part of the Queen Victoria Market Precinct Renewal program and Boyd site redevelopment projects. The Queen Victoria Market Precinct Renewal Master Plan identified opportunities for affordable housing within the Munro site of the precinct. In 2018 the Minister for Planning approved the development application for the Munro site which will include 56 affordable apartments.

Municipal indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People feel welcomed and included.			
Indicator			
An increase in community support for diversity. ▲ (Reported as the proportion of respondents who were supportive.)	92.8%	94.7%	In response to a survey of 3000 residents, workers, visitors and students, 94.7 per cent agreed to the question "To what extent do you agree or disagree that it is a good thing for a society to be made up of people from different cultures?" This represents an increase of around two per cent from the previous year.
Outcome: People are safe.			
Indicators			
A decrease in personal and property related crimes.	1.2%	13%	The rate of crimes against people reported to Victoria Police has decreased by 13 per cent from 2876.0 per 100,000 population in 2018 (year ending March) to 2501.5 per 100,000 population in 2019 (year ending March).
	10.5%	13.2%	The rate of property and deception offences reported to Victoria Police has decreased by around 13 per cent from 9696.9 per 100,000 population in 2018 (year ending March) to 8414.8 per 100,000 population in 2019 (year ending March).
The proportion of people who feel safe. ▲	88%	83.5%	The proportion of people who reported feeling safe by day was around 83 per cent.
	58.7%	44.7%	The proportion of people who reported feeling safe by night was around 45 per cent. The difference between the results for perceptions by day and night are consistent with national and international research which suggests that people generally feel less safe being alone at night.
The rate of ambulance attendance for alcohol and drug misuse in the municipality. ▲ (Results are from 2016-17 and 2017-18.)	1421	1513	The rate of ambulance attendance for alcohol related intoxication in the municipality increased by around 6 per cent between 2016-17 to 2017-18 (from 1421.4 per 100,000 population to 1513.3 per 100,000 population).
	837.6	934.3	The rate of ambulance attendance for illicit drug use in the municipality increased by around 12 per cent between 2016-17 and 2017-18 (837.6 per 100,000 population to 934.3 per 100,000 population).
The rate of family violence recorded by police. ▲	950.8	884.8	The rate of family violence incidents reported to Victoria Police decreased by around 7 per cent from 2017-18 to 2018-19. There were 66 fewer reports per 100,000 population, from 950.8 to 884.8. The majority of affected family members are women aged between 20-49 years old. Note: A family incident is an incident attended by Victoria Police where a Victoria Police Risk Assessment and Risk Management Report were completed.

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne's housing meets diverse needs.			
Indicator			
The number of affordable housing units negotiated through development planning.	0	0	No affordable housing units were built in 2018-19, however the City of Melbourne has publicly declared its intention to deliver affordable housing as part of the Queen Victoria Market Precinct Renewal (Munro site) and Boyd site redevelopment projects.
Outcome: People are healthy and well.			
Indicators			
An increase in the proportion of adult residents who consume enough fruit and vegetables to meet daily dietary requirements. ▲ (Reported as the proportion of adults in the municipality.)	6%	4%	Around 4 per cent of adults in the municipality consume both the recommended daily intake of fruit and vegetables. For comparison, the latest rate across Victoria is 3.3 per cent. While around 2 in 5 of the adult population in the municipality consume enough fruit per day (39.6 per cent), only 7.7 per cent consume enough vegetables per day. These results are similar for fruit consumption and higher for vegetable consumption compared with Victorian averages (41.4 per cent and 4.8 per cent respectively for Victoria). Note: municipal data is taken from the City of Melbourne Community Indicator 2019 survey; state average comparisons are from the latest Victorian Population Health Survey 2016.
A decrease in the proportion of people who experience food stress. ▲ (Reported as the proportion of residents who experienced food stress.)	26.2%	25.8%	The proportion of residents who reported experiencing food stress decreased slightly from 26.2 per cent in 2017-18 to 25.8 per cent in 2018-19. This included people who: <ul style="list-style-type: none"> • ran out of food and could not afford to buy more • skipped meals or ate less because they worried about not having enough food • worried about running out of food.
The proportion of residents who produce and consume their own food. ▲	58.9%	61.4%	The proportion of residents who produced and consumed their own food has increased from 58.9 per cent in 2017-18 to 61.4 per cent in 2018-19. This includes people who grow herbs, fruit or vegetables; keep fowl for eggs; freeze, dry or cure meat; freeze, dry, pickle or bottle fresh fruit and vegetables; make jams and preserves or make cheese or yoghurt.
The proportion of adults who get adequate physical exercise. ▲	52.6%	45.4%	The proportion of adults who get adequate physical exercise decreased by more than seven per cent from 2017-18 to 2018-19. Adequate exercise was defined as 30 minutes or more of physical activity on four or more days per week.

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Children and families have access to quality early years programs.			
Indicator			
The Australian Early Development Index score for the municipality.	77.7	78.3	The 2018 national Australian Early Development Census data focuses on the developmental health and wellbeing of all children starting formal school in the Melbourne community. Data is collected across five domains closely linked to child health, education and social outcomes. Of 552 children in this study, around 78 per cent are developmentally on track. This statistic implies that almost 22 per cent of children in early education in the municipality are still developmentally vulnerable on at least one developmental domain. This represents an improvement of almost 2 per cent in the proportion of children who are developmentally on track.

▲ This is also a health and wellbeing indicator.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

A total of six initiatives were completed under a city for people in 2018–19. One initiative was carried over and will continue to be delivered in 2019–20.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will provide opportunities to celebrate cultural diversity. ▲	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the new year.
We will provide a review of the options for housing in the municipality taking into account the needs of a diverse population. ▲	<ul style="list-style-type: none"> ✓ • Review and broker affordable housing options to enable more affordable housing in the municipality. 	<ul style="list-style-type: none"> ✓ • Undertake a housing capacity study and needs analysis to build the evidence base on emerging challenges in preparation for further work on affordable housing in the municipality. 	<ul style="list-style-type: none"> • (Major initiative) Partner with the Victorian Government, other Councils and key stakeholders to progress affordable housing mechanisms and commence development of an Affordable Housing Policy.
We will partner to improve community safety through crime prevention with Victoria Police, business and resident groups. ▲	<ul style="list-style-type: none"> ✓ • Address and improve safety for women inside and around the city's night entertainment venues. 	<ul style="list-style-type: none"> ↻ • (Major initiative) Continue to work with Victorian Government and Victoria Police on the strategy and delivery of security treatments across different precincts within the central city and at key access points to the central city. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the new year.
We will partner to create and maximise use of recreation spaces. ▲	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Complete designs for the renewal of Brens, Ryder and Western Oval sporting pavilions in Royal Park. • Engage the community to inform preparation and completion of detailed designs for the Kensington Community Recreation Centre. • Finalise location, concept design and delivery arrangements for the redevelopment of the North Melbourne Community Centre.
We will partner to ensure early years programs deliver quality outcomes for children and families by working with service providers.	<ul style="list-style-type: none"> ✓ • (Major initiative) Commence construction of the Lady Huntingfield integrated children and family centre. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the new year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will partner to support people sleeping rough to access the services they need. ▲	✓ • (Major initiative) Implement the Pathways Innovation Package for housing and homelessness.	✓ • (Major initiative) Work with our partners to support pathways out of homelessness, including the creation of a campaign that encourages appropriate giving whilst discouraging inappropriate donations of goods and services.	• Work supporting this priority is included in our regular business throughout the new year.
We will facilitate integrated service provision for people experiencing homelessness. ▲	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority was included in our regular business throughout the year.	• (Major initiative) Establish mechanisms and partnerships to enable donations from the corporate and philanthropic sectors to help provide additional crisis accommodation and support services within inner metropolitan municipalities for rough sleepers and those at high risk of homelessness.
We will facilitate opportunities for the community to participate in activities that improve their health and connection to the community. ▲	✓ • Implement the agreed next steps following the Sunday streets trial.	✓ • Investigate options for the provision of exercise opportunities for seniors.	• Propose to make Bourke Street Mall a smoke-free area. • Provide opportunities for all students, both international and local, to participate in local events.
We will facilitate opportunities for international students to acquire leadership skills, integrate in and contribute to the wider community. ▲	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority is included in our regular business throughout the new year.
We will facilitate ongoing education and promotion regarding urban agriculture and access to healthy food. ▲	• Work supporting this priority was included in our regular business throughout the year.	✓ • Establish and lead a Melbourne Food Alliance to address current and future urban food system issues associated with city growth and development.	• Investigate incorporating Aboriginal food in communal gardens in Kensington, with a focus on engaging young people.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will advocate for increased access, inclusion and participation of all people in public spaces, programs and services irrespective of ability, background, class, gender and orientation. ▲</p>	<p>✓ • Review Council’s role in the provision of services and activities to older people and people with disability in response to the National Disability Insurance Scheme and Aged care reforms.</p>	<p>✓ • Support social cohesion within our communities by engaging at risk young people (14 to 25) and linking them to employment and training pathways and local mentors.</p> <p>✓ • Explore opportunities to partner with the Melbourne Disability Institute to ensure full participation for people with disabilities.</p>	<p>• Coordinate a sector-wide local agency partnership framework that connects young African Australians to professional pathways, including employment, training, leadership and mentoring.</p>
<p>We will advocate for the promotion of gender equity and prevention of violence against women and children including in the home. ▲</p>	<p>✓ • Develop a gender equity statement that informs and guides services, programs and projects delivered by the City of Melbourne.</p>	<p>• Work supporting this priority was included in our regular business throughout the year.</p>	<p>• Work supporting this priority is included in our regular business throughout the new year.</p>

Key

- ✓ Completed
- ↻ Carried over

Symbols for 2017-18 initiatives have been updated to reflect current status.

▲ This is also a health and wellbeing priority.



A CREATIVE CITY

Melbourne will be a place that inspires experimentation, innovation and creativity and fosters leaders of ideas and courage. It supports and values its artists and broader creative community. It will invest in the creativity of people of all backgrounds and ability in all pursuits. Melbourne’s reputation will attract and retain pioneers in the creative arts and innovation sector and enable them to contribute to the city’s prosperity.

Progress measures

Municipal major indicator

The value to the local economy of the creative sector in gross local product.

Result

\$4.18 billion

Municipal major indicator

The amount of arts and cultural space in the municipality.

Result

398,000 sq.m

Our approach

Great cities bring together people of diverse backgrounds and talent to collectively reinvent the future. They provide opportunities for people to imagine new possibilities, take risks, and give expression to their ideas and insights.

Melbourne’s artistic, cultural and creative life is vital for community wellbeing. It provides a shared language for people of all ages and backgrounds to explore ideas, connect with one another through authentic experiences, and participate in conversations larger than themselves. A creative city is about fulfilling people’s basic needs around meaning and belonging. It is about enabling them to realise their highest ideals and potential.

Fostering a creative city requires the right foundations and supporting infrastructure. We will consolidate our strength as a global arts and cultural hub by:

- Embracing the transformative role that creativity plays in building all aspects of a bold, innovative and sustainable city.
- Enabling artists and creative practitioners by providing resources and spaces for production and collaboration.
- Encouraging all people to participate in the free flow of ideas.
- Respecting the role that artistic and creative experiences play in healthy individual development, community wellbeing and social cohesion.
- Investing in social and cultural capital by supporting arts and culture.
- Providing an environment that inspires artists, creative practitioners and innovative enterprise and encourages the public to question, challenge boundaries and explore new horizons.

Major initiative



Advocate for increasing the supply of affordable commercial spaces for creative industries, small business and startups across the municipality through the provision of high-quality evidence and analysis

Desktop research was conducted into the shortfalls in existing service provision for creative uses and the market conditions for startups. The research was supported by a survey on the startup market to determine potential barriers to entry. A report on the findings also includes a series of examples of funding and operating models for creative spaces in Australia and internationally. It references work from the World Cities Culture Forum, and Toronto based advocates Artscape. Design briefs will be introduced as an advocacy resource to guide conversations with developers and other agencies and to ensure that creative spaces delivered in the municipality are fit for purpose and attractive to users.

Initiatives and highlights

■ Celebrate the unique winter identity of Melbourne

Melbourne is a city with an incredible concentration of creative and cultural institutions. There are many festivals, arts events and other cultural offerings happening year round. This year, through a creative strategy approach, we explored how Melbourne's unique winter identity as a creative city could be boldly expressed given this cultural and creative landscape. The approach capitalises on the city's existing reputation for being a place that is particularly inclusive, tolerant, welcoming and emotionally warm and draws on ancient Aboriginal wisdom related to the season: a time of feasting, teaching, playing and coming out to enjoy the winter sun. The City of Melbourne worked with a series of cultural institutions on ways to open up their activities to people from more diverse walks of life. Working with subject experts on ways to overcome barriers to participation, proposals were developed for three winter events. These will be trialled in August 2019 and the results shared with others to make our city more welcoming for everyone.

■ Kids dreaming big ▲

The City of Melbourne encouraged children to dream big and get creative at ArtPlay during the July 2018 school holidays – with a program completely dreamt up by kids. By Kids for Kids ran across the holiday break, with a huge range of workshops and art experiences to keep children and parents entertained. Standout experiences included sculpting a dragon egg from slime, designing superhero costumes, going on a quest through a labyrinth, solving the mysteries of a haunted mansion and mapping family memories in a large scale installation. By Kids for Kids is part of ArtPlay's Young Idea Makers initiative that brought together 40 children to generate and collaborate on ideas for workshops, art experiences and performances. The children's ideas were then matched to professional artists who brought them to life for other children to enjoy. Nine-year-old collaborator Thomas said he was excited to bring his experience Lost back to ArtPlay for the school holidays, after its debut in January. The experience taught kids that it is good to be creative and okay to be different. Artists involved in the By Kids for Kids program included Artistic Director of House of Muchness, Alex Walker, award winning visual artist Kathy Holowko, participatory and installation artist Dan Goronszy and performing artists Afsaneh Torabi and Shannan Lim.

▲ Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017-2021. We measure progress by the following indicators. Results are from 2017-18 and 2018-19 unless otherwise noted.

Outcome

Artists are supported to test, develop and realise ideas.

Municipal major indicator

The value to the local economy of the creative sector in gross local product.



Our progress

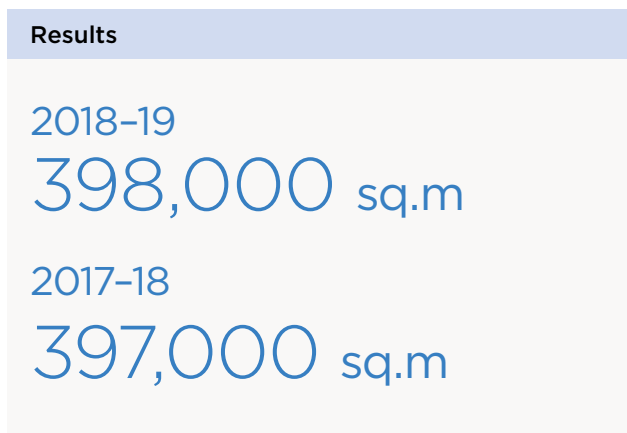
The 2018-19 value to the local economy of the creative sector in gross local product remains steady compared with the 2017-18 result. The sector contributes \$4.18 billion in gross local product to the municipal economy. Melbourne's creative industry is vibrant; from state-of-the-art film studios at Docklands to fashion design, record labels, songwriters and web designers.

Outcome

The economic value of Melbourne's creative industries sector grows.

Municipal major indicator

The amount of arts and cultural space in the municipality.



Our progress

The amount of arts and cultural space in the municipality has risen slightly due to an increase in floor space occupied by religious services. This indicator measures the total floor space occupied by arts and cultural activity in Melbourne including work performed by creative artists, musicians, writers and performers, performing arts operations, performing arts venue operations, museum operations and religious services.

Note: The result for 2017-18 has been updated from the figure published in our 2017-18 Annual Report.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Artists are supported to test, develop and realise ideas.			
Indicators			
The number of creative spaces made available for artists by the City of Melbourne.	212	157	The number of creative spaces made available by the City of Melbourne has dropped by 55. This is due to the closure of the temporary creative spaces at Boyd Community Hub to make way for the development of Boyd Park; and the transformation of the Guild co-working space. The Guild space has been reconfigured from 32 single desks into two dedicated work spaces for creative practitioner use. The remaining figure represents the number of creative spaces made available through the Creative Spaces program as well as the following venues: Meat Market, Arts House, Signal, ArtPlay, Town Hall Grand Organ, Federation Bells, Library at the Dock, City Library, Kathleen Syme Library and Community Centre.
The number of artists supported by the City of Melbourne.	17,678	19,463	The number of artists supported by the City of Melbourne has increased through our grants programs and Moomba Festival. The City of Melbourne supports artists in a number of ways including the creative investigation, development and presentation of programs at Arts House, Signal and ArtPlay, access to creative spaces, and through events such as YIRRAMBOI, Australia's premier First Nations arts and cultural festival.
Outcome: The economic value of Melbourne's creative industries sector grows.			
Indicator			
The number of co-working and incubator spaces for creative industry practitioners provided by the City of Melbourne.	40	8	As co-working spaces have become increasingly common in Melbourne, usage of the City of Melbourne's co-working areas has decreased. This year we decided the creative industries would be better served if the 32 single desks provided at the Guild were converted to two tenancies offered to creative organisations. While the organisation is still providing the same amount of space, the number of co-working and incubator areas available for individuals has decreased from 40 to eight, which are at Signal, ArtPlay, Library at the Dock and the Kathleen Syme Library and Community Centre.

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People participate in the creative life of the city.			

Indicator

The number of people who participate in selected arts and cultural events sponsored by the City of Melbourne. ▲

4,836,825 4,859,188

The number of people who participate in selected arts and cultural events sponsored by the City of Melbourne has increased due to the delivery of biannual festivals in the 2018-19 year. This includes the YIRRAMBOI Festival, Australia's premier First Nations arts and cultural event. The figure comprises the number of people who have participated in City of Melbourne programming at Arts House, ArtPlay and Signal, and concerts on the Melbourne Town Hall Grand Organ and Federation Bells. It includes City of Melbourne-owned premier events New Year's Eve, Moomba, Melbourne Fashion Week and Melbourne Music Week. Also included is participation at Melbourne Knowledge Week and Melbourne Conversations, activities at our galleries, libraries and makers' spaces and participation in events the City of Melbourne has supported through funding.

Municipal indicator

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: The economic value of Melbourne's creative industries sector grows.			

Indicator

Creative sector jobs as a proportion of total employment.

7.92% 7.98%

The creative industries sector accounted for around 8 per cent of the City of Melbourne's total employment in 2018, up from 7.92 per cent. The rise is due to an increase in computer system design jobs. This sector includes film, broadcasting, fashion, creative and performing arts, publishing, library, computer system design and other activities.

▲ This is also a health and wellbeing indicator.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

One initiative was completed under a creative city in 2018–19. One initiative was carried over and will continue to be delivered in 2019–20.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will provide resources for artists to develop new ideas.	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> (Major initiative) Deliver an inclusive Melbourne in Winter pilot program.
We will provide opportunities for the public to experience and participate in art. ▲	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ Explore opportunities to celebrate the unique winter identity of Melbourne as a creative city, focusing on laneways. 	<ul style="list-style-type: none"> Respond to the review of Hosier Lane and street art across the City of Melbourne. Investigate quarterly free public events or concerts at the Melbourne Town Hall.
We will provide public and purpose-built spaces for community arts and performing arts. ▲	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Work supporting this priority is included in our regular business throughout the next year.
We will provide a completed plan for the renewal of the North Melbourne performing arts precinct.	<ul style="list-style-type: none"> ✓ (Major initiative) Progress the Arts House Strategic Plan including the scoping of precinct planning. 	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Work supporting this priority is included in our regular business throughout the next year.
We will provide co-working and incubator spaces for creative industry practitioners.	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Work supporting this priority is included in our regular business throughout the next year.
We will partner to integrate public art in projects.	<ul style="list-style-type: none"> ✓ Integrate public art into significant capital works projects. 	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the next year. 	<ul style="list-style-type: none"> Develop new major public art in Southbank.
We will facilitate affordable creative spaces for artists.	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> Review the Creative Spaces program and provide options for its strategic direction.
We will facilitate support for creative arts industries and arts infrastructure, including technology, through new funding mechanisms.	<ul style="list-style-type: none"> ✓ Review and improve the way the City of Melbourne's support for the arts intersects with creative industries to contribute to creativity and prosperity. 	<ul style="list-style-type: none"> ⌚ (Major initiative) Advocate for increasing the supply of affordable commercial spaces for creative industries, small business and startups across the municipality through the provision of high-quality evidence and analysis. 	<ul style="list-style-type: none"> Work supporting this priority is included in our regular business throughout the next year.

Key

✓ Completed ⌚ Carried over

▲ This is also a health and wellbeing priority.

A PROSPEROUS CITY



Melbourne will be regarded as the destination of choice amongst international and local business and enterprise by excelling in its ability to nurture a vibrant economy for those who work, live, study, visit and invest. Its leadership as an event, cultural and education destination will be key to its national and international connections and growing visitor economy.

Progress measure

Municipal major indicator

Growth in capital city gross local product.

Result

3.08% increase

Our approach

Melbourne is home to a range of small businesses, professional, scientific, technical, education and financial and insurance services. It has a 24-hour economy attracting a steady stream of visitors that underpin a multi-billion dollar retail and hospitality sector.

Our capital city role, global networks and international outlook allows us to benefit from home-grown businesses as well as export driven services, such as education and tourism services. Melbourne's international credentials in urban development, clean technology and life sciences, together with the emerging fields of biotechnology, communications technology, creative industry and advanced manufacturing, makes us well positioned to expand our profile on the world stage.

As a prosperous city, we will support existing and emerging businesses to thrive by:

- Building on our existing assets and supporting existing businesses.
- Consolidating our reputation as a preferred Australasian destination for business, work, education, tourism, leisure and culture.
- Leveraging local and global relationships with city governments, businesses, industry associations, and peak bodies to drive investment and location decisions.
- Stimulating future growth and innovation through partnerships with government, business, community and peak bodies.
- Increasing the capability of new and emerging businesses, and new industries, by linking investment and talent.

Major initiatives



Actively support businesses, visitors and residents during periods of city disruption and change through: delivery of retail and hospitality activations that profile the city as a premier shopping destination; strengthening our existing destination campaigns and improving our support for affected residents and businesses

Our city continues to be shaped by rapid development, the implementation of significant Victorian Government infrastructure projects and our own Queen Victoria Market Precinct Renewal including the Munro site development. The City of Melbourne has an important role to play in helping businesses by activating the city. We supported businesses that have been disrupted by Metro Tunnel works, Queen Victoria Market Precinct Renewal and the Southbank Boulevard transformation and promoted them through additional advertising. This included 1966 promotional posts through What's On Melbourne digital channels during the year. This work has established a clear process for supporting businesses through regular stakeholder engagement and destination marketing promotional activities, and will continue as part of normal operations.



Advance the delivery of Melbourne Innovation Districts, City North including: commencing preparation of a planning scheme amendment to better target land use, delivering Lincoln Square upgrades and commencing improvements to Cardigan Street

To advance the delivery of Melbourne Innovation Districts, City North, we established governance and funding processes. We also undertook research and data gathering to assess the viability of a Special Use Zone and / or planning scheme amendment. We supported upgrades to Lincoln Square including developing in-road tree planting details that include passive irrigation and optimal conditions for tree growth. We also partnered with RMIT to 3D scan existing trees that will form a new play space amongst the tree canopies in Lincoln Square. In Cardigan Street we commenced design and urban realm improvements including utilising test sites for community experimentation and participation to demonstrate the value of Melbourne Innovation Districts.

Initiatives and highlights

Year three of the Startup Action Plan

Melbourne's innovative startup environment was showcased through a range of marketing and communications activities across the year. These included:

- a partnership with Startupbootcamp to collaborate with, mentor and support startups through the EnergyAustralia smart energy accelerator program
- startup breakfast events at Melbourne Knowledge Week 2019
- winning two accolades at the Tech Diversity Awards
- supporting the Global Students Entrepreneur Program alongside the Australian China Association of Scientists and Entrepreneurs and Study Melbourne
- Victoria-wide collaboration with Runway to select 15 startups to participate in the NEXUS startup summit in Nanjing
- the Local Food Launchpad Accelerator Program including a pitch event for startups with bright ideas to help improve Melbourne's local food system and grow our local food economy.

Digital tools for road closures and disruptions

Melbourne is experiencing an increase in potentially disruptive activities, including major infrastructure projects, public works and events. Working collaboratively with the Victorian Government, industry partners and residents, prototypes of digital tools were developed and tested to inform city users, businesses, residents and partners of significant road closures and disruptions. In addition, 10 critical city datasets relating to city activities were released onto our Open Data Portal to enable better communication and planning of city activities. This work will continue into 2019–20, focussed on digital tools to communicate disruption to city users and enable them to report disruption to the City of Melbourne.

What's On

The What's On Melbourne website is a vital digital asset for the City of Melbourne, providing a valuable service for city visitors, while also supporting city events and businesses. The website attracts over five million unique visitors per year, making it our most visited domain. It is a central portal for information on what to see and do in the city. To enhance the customer experience, we have produced robust user research and customer insights, updated content and visual design, and implemented significant business process improvements. Completion of the technical build and delivery of the refreshed What's On website has been delayed. The software development to date has been independently reviewed with recommendations for recovery and ongoing development support. This work will progress via engagement of a suitable third-party software development partner. A first stage website release is scheduled for 2020.

Smart City influencers and business leaders from India

In October 2018, our inbound India mission showcased Melbourne as a leading source of expertise in liveability and smart cities. Twenty-five delegates participated in a four-day program with a focus on urban design and development, water and waste management, innovation and startups. The 18 events included briefings from City of Melbourne, the Victorian Government, business roundtable meetings, business matching and networking events and site visits. Twenty-three Melbourne businesses showcased their capabilities in the context of their contribution to Melbourne's enviable record in liveability and smart cities and their relevance to India's major '100 smart cities' initiatives and requirements. The program was a powerful demonstration of the value of our enhanced collaboration across the three levels of Australian government. In a survey of the Melbourne businesses that participated, 70 per cent rated the events as meeting or exceeding their expectations. Five Melbourne companies have received significant business leads directly as a result of the mission.

■ Small Business Grants program

A thorough review of the Small Business Grants program was undertaken, including extensive internal and external community consultation to better understand the effectiveness of the program and the successes and challenges faced by small businesses in the municipality. A number of improvements were subsequently recommended for implementation, including the reduction and refinement of administrative processes to better meet customer needs and enable greater clarity and transparency, and the alignment of funding cycles. The program has now been aligned with the Business Events Sponsorship Program and Social Enterprise Grant funding programs. The first consolidated funding round opened in March 2019, attracting a total of 177 applications.

■ Wellbeing of international students ▲

The City of Melbourne is committed to improving the wellbeing of international students by working with institutions and service providers to better understand and address matters relating to their accommodation needs. In 2018-19 we responded to the analysis and recommendations of our International Education Accommodation Project report. We also strengthened efforts to manage various housing activities and continued to engage with partners to address accommodation issues. A highlight was the development of the International Student Legal Information portal on Inner Melbourne Community Legal Service's website. This portal was developed in conjunction with the City of Melbourne and funded through a community grant.

■ WeChat

To better engage our Chinese residents, businesses and visitors, the City of Melbourne launched its official WeChat account in 2017. Melbourne was the first and is still the only Australian capital city on WeChat - China's most popular social media platform. In 2018-19 our WeChat followers increased 74 per cent, from 5400 to 9400. We posted more than 100 pieces of content with a total reach of 188,000 views. Due to the success of the WeChat channel we expanded the program, working with Melbourne retailers to reach Chinese visitors to the city. We trialled the world's first cashless busking program using Alipay facilities; introduced WeChat Pay and Alipay payment facilities at Cooks Cottage and Fitzroy Gardens Visitor Centre and launched Melbourne's first WeChat mini program. The program encourages Chinese tourists to visit iconic city destinations using a gamified digital map. It is important that Melbourne continues to explore and leverage opportunities in WeChat to further engage our Chinese audience, drive the city's visitor economy, and remain competitive with other global cities.

■ Visitation in Melbourne's off-peak winter season

In 2018-19 the City of Melbourne worked towards increasing visitation in Melbourne's off-peak winter season by collaborating with key stakeholders through events and other activations. Our 2018 winter marketing campaign used the 'Our City' creative approach across outdoor, digital, radio, social media and press advertising to profile real Melburnians showcasing the city's unique winter strengths. The City of Melbourne supported eight events in the winter months of 2018-19 via its Events Partnership Program. These events delivered 230,673 attendees - an increase of 23,000 on 2017. A highlight was the Docklands Firelight Festival, a celebration of the Winter Solstice, and a unique and compelling event aimed at driving visitation to the Docklands precinct. Building on the success of our inaugural event, the three-night festival included new initiatives on land and water. Crowds of over 50,000 flocked to the festival to celebrate art, fire, entertainment and community, up 18,000 on 2017.

■ New visitor services model

An expanded visitor services presence was delivered through the opening of the new Melbourne Visitor Hub at Town Hall, the Queen Victoria Market Visitor Hub, tailored visitor services at key conferences and extending the City Ambassador Program. To assist visitors to better navigate the city, map-based wayfinding signage was updated. New signage was also placed at the Queen Victoria Market, Melbourne Town Hall and around Melbourne Metro tunnel works. Supporting the goal of being a city with an Aboriginal focus, an audio visual Wominjeka installation was delivered at the Melbourne Visitor Hub at Town Hall. Plaques acknowledging Traditional Owners were installed or updated across all visitor services sites. WeChat Pay and Alipay payment systems were implemented at the Fitzroy Gardens Visitor Centre, enabling Chinese visitors to purchase admission tickets to Cooks' Cottage. We also translated self-guided walk content into Mandarin and published it online. The new visitor services model has now been adopted on an ongoing basis.

▲Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

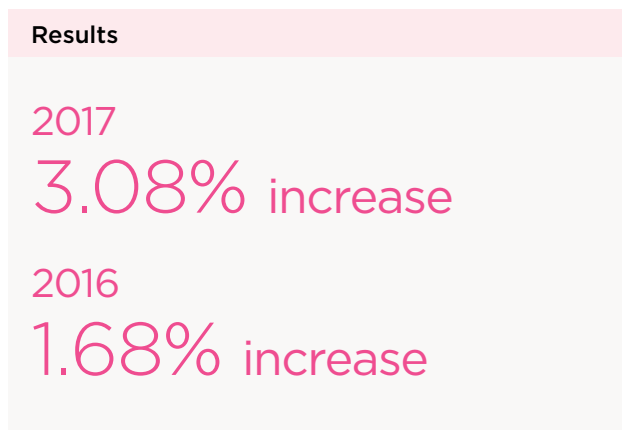
The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017-2021. We measure progress by the indicators below. Results are from 2017-18 and 2018-19 unless otherwise noted.

Outcome

Melbourne prospers through global business relationships and investment attraction.

Municipal major indicator

Growth in capital city gross local product.



Our progress

There has been a 3.08% increase in Gross Local Product (GLP) from \$92.12 billion to \$94.96 billion indicating that Melbourne is continuing on a trajectory of prosperity. This continued prosperity is important for driving investment and business confidence. With the local economy growing from strength to strength, the city remains in a strong position to leverage global business relationships and attract investment. This is particularly important as the city faces a period of disruption.

The result for this indicator was calculated by the change in GLP (billions) in 2017 from GLP (billions) in 2016, presented as a percentage. The latest data available is for 2017.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne's businesses are supported despite disruption caused by major projects.			

Indicator			
The average economic contribution of City of Melbourne premier events per year.	\$70.32 million	\$78.79 million	<p>The City of Melbourne premier events are Melbourne Fashion Week, Melbourne Music Week, Christmas Festival, New Year's Eve and Moomba.</p> <ul style="list-style-type: none"> Melbourne Fashion Week – total economic impact was \$13.1 million. The average spend per person increased six per cent to \$355.54. Our return on investment increased by 84 per cent to \$6.13 million. Melbourne Music Week – achieved a 16 per cent increase in attendees to 2017, which contributed to an increase of 13 per cent in terms of economic impact. Moomba – total economic impact was \$34.7 million with a strong balance between free and ticketed events. Christmas Festival – total economic impact was \$28 million with 93 per cent of businesses surveyed indicating that they would participate again and 32 per cent indicating the campaign led to an increase in sales.

Outcome: Melbourne prospers through global business relationships and investment attraction.			
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Indicator			
<p>The change in trade connections made per year.</p> <p>(Reported as the number of trade connections made not the change.)</p>	566	768	<p>The number of trade connections (the number of introductions of local businesses to prospective international customers, partners and investors) was 768 in 2018-19 compared with 566 in 2017-18. A targeted approach is taken to generate business introductions so that these connections contribute to Melbourne's prosperity through creating global business relationships.</p> <p>A significant contribution to this year's trade connections was made in October 2018 by showcasing Melbourne's capabilities in liveability, smart cities, urban design, water and waste management, innovation and startups to 25 key senior business people and government representatives who visited Melbourne from India. Collaboration with the Victorian Government and with Austrade contributed to the success of the program. Another highlight was the many connections made between Victorian startups who travelled to Nanjing, China and pitched their business plans to prospective investors, partners and customers as part of the NEXUS Jiangsu-Victoria Start-up Summit in May 2019.</p>

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne supports new businesses and a vibrant start-up economy.			
Indicator			
The number of small businesses and startups supported through City of Melbourne grants.	15	16	The Small Business Grants program 2018 funding round received 165 applications with a total request of \$4.5 million in funding. This funding round had one of the highest number of applications received by the program since its introduction. Sixteen applications were approved for funding with 10 applications from the startup category. Collectively, these applications are anticipated to deliver gross turnover of \$13.7 million, equity investment of \$3.4 million and more than 100 new employment positions (full-time, part-time and casual).
Outcome: Melbourne is the destination of choice to visit, live and study.			
Indicators			
The number of conventions and conferences supported by City of Melbourne per year.	22	21	The number of activities supported through the Business Events Sponsorship Program was 21. In total the program generated 64 days of activity with a total of 57,000 delegate days. While the average attendance at events was three days, it did increase to six days for some activities. In addition, 100 per cent of events featured an acknowledgement of country, there were 13 sponsored messages and City of Melbourne support was promoted via 79 messages. The investment of \$100,000 resulted in audiences of 23,000 and of these, 2500 were international visitors.
The number of events supported by City of Melbourne per year.	923	829	A total of 829 events were supported this year by the City of Melbourne. This figure is made up of the following: <ul style="list-style-type: none"> • Events Partnership Program sponsored 46 events. • Triennial Sponsorship Program sponsored 14 events. • Planning and Operations Team permitted 769 events.

Municipal indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne is the destination of choice to visit, live and study. (cont'd)			
Indicator			
The number of attendees at City of Melbourne premier events per year.	2,967,952	3,064,501	<p>A total of 3,064,501 attended City of Melbourne premier events across 2018-19. The City of Melbourne premier events are Melbourne Fashion Week, Melbourne Music Week, Christmas Festival, New Year's Eve and Moomba Festival.</p> <p>A highlight of 2018-19 was the implementation of a number of sustainability initiatives at Melbourne Fashion Week to reduce the event's landfill and carbon emissions. This included attendees being able to carbon off-set their tickets at purchase and a commitment to no single use plastics, including a no straw policy and no single-plastic cups or water bottles at the Hub. Melbourne Fashion Week core events attendance increased by 8 per cent on 2017 to over 75,000 attendees, with the event exposed to a secondary audience of over two million people.</p>
Outcome: Melbourne's businesses are supported despite disruption caused by major projects.			
Indicator			
The rate of change in business numbers.	1.9%	2.57%	<p>The number of businesses has increased by almost 3 per cent from 14,159 to 14,532. A continued increase in business numbers indicates a confidence in starting or moving a business into the municipality. This figure is particularly encouraging as the city continues to experience disruption from major projects and threat of competition from other local economies. City initiatives will continue to ensure that this disruption has minimal impact on businesses.</p>
Outcome: Melbourne supports new businesses and a vibrant start-up economy.			
Indicators			
The number of startups in the municipality.	1100	Not available	<p>This data is drawn from a comprehensive city profile on the Melbourne startup ecosystem, commissioned by LaunchVic and prepared by Startup Genome, a global body researching startup ecosystems around the world. There is no data available for 2018-19. The 2017-18 result relates to technology startups in the municipality and shows that Melbourne has about twice the average for other ecosystems at a similar developmental stage.</p>

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne supports new businesses and a vibrant start-up economy. (cont'd)			
Growth in the number of new patents per year. (Results are from years ending 2015 and 2016.)	16.8% decrease	19.5% decrease	There was around a 20 per cent decrease in patent numbers from 139 to 112 in the municipality. The number of patents issued to resident persons or corporations of a city is an indicator of innovation; a result of the production and use of knowledge. This information enables the City of Melbourne to gain an understanding of how much innovation is occurring in the city and to measure the success of Melbourne's startup ecosystem and knowledge economy.
The number of co-working spaces located in the municipality.	42	49	The City of Melbourne provides data on co-working spaces in the municipality via the co-working spaces in Melbourne webpage. There are 49 co-working spaces in the municipality. This is a 17 per cent increase from 2017-18 and demonstrates Melbourne's growing reputation as the co-working capital of Australia.
Youth unemployment in the municipality. ▲	10%	9%	Youth unemployment remained between 7 and 9 per cent during 2018. The municipality's youth employment rate is lower than that of Greater Melbourne which ranged between 9 and 12 per cent during the same year.
Outcome: Melbourne is the destination of choice to visit, live and study.			
Indicator			
Growth in visitor numbers. (Results are from calendar years 2017 and 2018.)	8.46%	7.43%	There has been a 7.43 per cent increase in visitor numbers in 2018 (compared to 2017). The increase consolidates the city's reputation as a preferred destination for business, work, education, tourism, leisure and culture. This data has been sourced from Tourism Research Australia National Visitor Survey (NVS) and International Visitor Survey (IVS). This figure was calculated using total NVS day trips, NVS overnight trips and IVS trips into the municipality suburbs. Trips from year ending December 2018 were compared to trips from year ending December 2017.

▲ This is also a health and wellbeing indicator.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

A total of 10 initiatives were completed under a prosperous city in 2018–19. One initiative was carried over and will continue to be delivered in 2019–20.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will provide enhanced support to small business during a period of major disruption.</p>	<ul style="list-style-type: none"> ✓ • (Major initiative) Implement the Continuing Business Program at Queen Victoria Market. ✓ • Mitigate the effects of disruption in the city and competition from suburbs by boosting destination marketing that influences people's preference to visit the city for events, arts, leisure, conferences, hospitality and shopping. 	<ul style="list-style-type: none"> ✓ • Develop digital tools that will inform city users, businesses, residents and partners of significant road closures and disruptions within the municipality in real time. ✓ • (Major initiative) Actively support businesses, visitors and residents during periods of city disruption and change through: <ul style="list-style-type: none"> • delivery of retail and hospitality activations that profile the city as a premier shopping destination • strengthening our existing destination campaigns • improving our support for affected residents and businesses. 	<ul style="list-style-type: none"> • (Major initiative) Deliver digital tools in a defined precinct to communicate disruption to city users and enable them to report disruption to City of Melbourne. • Deliver a promotional marketing program aimed at increasing visitation to independent retailers. • Invest in Melbourne's night time economy by delivering activation that supports our small business and hospitality sector. • Set up a concierge for retail and small businesses.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will provide marketing and branding campaigns to support and grow the visitor and international student economy.</p>	<ul style="list-style-type: none"> ↻ • Continue to improve the What's On Melbourne digital experience, investigate and evaluate options for the delivery of an enhanced customer experience for both businesses and visitors. ✓ • Strengthen how the City of Melbourne utilises social media to engage visitors, promote Melbourne's assets and further influence visitation. ✓ • Design and implement targeted initiatives for visitor groups including city workers, residents, cruise ships passengers, international students, visiting friends and relatives that drive the economic spend in the retail, hospitality and tourism sectors. ✓ • Develop the next iteration of the Music Strategy to build on the achievements to date in collaboration with the music industry and key partners. ✓ • Extend the Christmas Festival across multiple precincts to strengthen the city's offering and drive visitation through the festive season month. ✓ • Develop a new approach to the visitor services model to activate Melbourne's visitor entry points. 	<ul style="list-style-type: none"> ↻ • Enhance the What's On Melbourne digital experience by providing personalised and tailored information for visitors based on customer preferences. ✓ • Increase City of Melbourne's WeChat social media reach to Chinese visitors, international students, business and potential investors. ✓ • Improve the wellbeing of international students by working with institutions and service providers to better understand and address matters relating to their accommodation needs. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will provide support to local, national and global public events that stimulate the economy and contribute to a vibrant city life.</p>	<ul style="list-style-type: none"> ✓ • Curate the city's events and activation calendar and ensure sustainable use of open public space, to drive year-round visitation and city exploration. 	<ul style="list-style-type: none"> ✓ • Increase visitation in Melbourne's off-peak winter season in collaboration with key stakeholders through events and other activations. 	<ul style="list-style-type: none"> • Explore opportunities to strengthen Melbourne's status as the esports capital of Australia.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will provide support to Melbourne’s startups and innovative businesses.</p>	<ul style="list-style-type: none"> ✓ • Enhance the City of Melbourne’s support to help more startups and small businesses to ‘start, grow and go global’ from Melbourne. 	<ul style="list-style-type: none"> ✓ • Deliver year two of the Startup Action Plan, including investigating and testing opportunities to provide publicly accessible innovation space, better marketing of Melbourne’s Startup landscape and exploring support for commercialisation opportunities. ✓ • (Major initiative) Advance the delivery of Melbourne Innovation Districts, City North including: commencing preparation of a planning scheme amendment to better target land use delivering Lincoln Square upgrades and commencing improvements to Cardigan Street. ✓ • Identify opportunities to improve or expand the impact of the Small Business Grants program. 	<ul style="list-style-type: none"> • Deliver year three of the Startup Action Plan, including identifying partners and options for a Melbourne Innovation Hub, and delivering new skills-building programs for underrepresented groups. • Deliver greater investment to small businesses in Melbourne through our grants program.
<p>We will provide opportunities for increased economic participation through social enterprise. ▲</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will partner to ensure Melbourne’s economy continues to thrive by working with the Victorian and Australian Government and other stakeholders.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will partner to support innovation and invention through citizen, academic and business participation.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will facilitate attraction of national and international businesses to Melbourne.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will facilitate attraction of conferences and conventions to Melbourne.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will facilitate opportunities in the Asia-Pacific for small-and-medium enterprises by growing global connections with Business Partner City Network cities.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Investigate the appetite to establish a designated Indian Precinct in the municipality.
We will facilitate business relationships between Melbourne and partner cities in China and other key markets that support investment.	<ul style="list-style-type: none"> ✓ • (Major initiative) Plan and deliver 2018 City of Melbourne led business mission to key Asian markets. 	<ul style="list-style-type: none"> ✓ • Host key Smart City influencers and business leaders from India to grow business relationships with Melbourne urban design firms, education institutions and other organisations. ✓ • Implement a new visitor services model that prepares Melbourne and supports businesses for increased numbers of visitors from key Asian markets. 	<ul style="list-style-type: none"> • Assist businesses for the future of retail by building capacity, increasing resilience, and facilitating activity that creates new opportunities. • Plan and deliver the 2020 Biennial Trade Mission to Japan and China.

Key

✓ Completed

↻ Carried over

▲ This is also a health and wellbeing priority.



Image: Nicholas Building

A KNOWLEDGE CITY



In a knowledge city, the collective power of mind and experience drives the city's prosperity, its ability to compete globally and the quality of life its people enjoy. It supports a well-resourced education and research system collaborating with business to produce a highly skilled and talented workforce, and a culture of innovation. It has a vibrant, collaborative and city-based lifelong-learning culture.

Progress measure

Municipal major indicator

The proportion of people in the municipality employed by businesses and institutions in the knowledge sector.

Result

64% of people employed in the knowledge sector

Our approach

Cities like Melbourne succeed because they are magnets for knowledge and talent. The City of Melbourne supports the diffusion of ideas and encourages innovation, which are the basis of productivity and jobs growth.

We have enjoyed a steady stream of skilled talent, but the competition amongst cities for skills will become increasingly fierce. The challenge and opportunity for Melbourne is to consolidate our credentials as Australia's research capital and leading producer of applied knowledge.

As a knowledge city, we will need to focus on attracting skilled workers and ensuring people get the right start in life through access to appropriate education, as well as opportunities to upskill throughout their working lives. We will need to keep pace with these challenges and opportunities while building on our reputation as a knowledge capital by:

- Nurturing, attracting and retaining talent and firms involved in the creation, sharing and use of knowledge.
- Ensuring all individuals have access to life-long learning, in particular those vulnerable to being left behind in a transitioning economy.
- Fostering the growth of knowledge-intensive activities.
- Strengthening relationships, networks and partnerships between academic, research, business and public sector agencies to maximise the potential of existing resources and knowledge.
- Raising the profile of our knowledge sector, locally, nationally and internationally to attract investment.

Major initiative



Explore options for future delivery of library services to inform design of the new city library and offerings at the other five library locations ▲

City Library on Flinders Lane is operating over capacity and sits within a leased building that is no longer fit for purpose. A planned relocation of City Library in the next five years provides the opportunity to design a new facility and review all of our libraries. This will ensure that they continue to be relevant and innovative and provide state of the art resources and services to the community. An options paper was developed to:

- understand City of Melbourne libraries in relation to changes within the broader city landscape
- provide an overview of how library services around the world have approached 21st-century operational opportunities and challenges
- outline a framework and direction to shape a new City Library and the full network.

This process has informed the future location and a functional design brief for the library. It will be vital in planning future community engagement and detailed design.

Initiative

■ Melbourne Knowledge Week ▲

Celebrating its 10th year, Melbourne Knowledge Week annual festival celebrated Melbourne's best and brightest in May 2019. The festival explores smart, innovative and unique solutions to improve our city. Seven days of interactive events, workshops, dinners and performances were dedicated to discovering and shaping the future of our city. Most events were free and the community was encouraged to discover bold ideas, inspiring creativity and smart technologies that will shape Melbourne in the coming years. The festival included virtual reality, robotic arms, a tiny house and more mind-bending ideas about food innovation, sustainability, democracy, culture, technology, music and more. Highlights included:

- Kids in the Know - including artificial intelligence robots, craft experiences and a democracy expo.
- Lunchtime Talks at the Wheeler Centre - stimulating talks pondering big questions: What if we didn't have prisons? What if Melbourne was underwater?
- Prototype Street - a working prototype of a future Melbourne street where you could ride on a driverless bus, share the street with drones and play on an artificially intelligent see-saw.
- Startup Breakfast Series - taking Melbourne's startup culture to the next level with thought-provoking talks.

▲Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017-2021. We measure progress by the indicators below. Results are from 2017-18 and 2018-19 unless otherwise noted.

Outcome

Melbourne has a thriving knowledge sector and industry.

Municipal major indicator

The proportion of people in the municipality employed by businesses and institutions in the knowledge sector.

Results

2018-19

64% of people
employed in the
knowledge sector

2017-18

64% of people
employed in the
knowledge sector

Our progress

Melbourne is home to infrastructure and key organisations which are characteristic of a knowledge city. We have recognised strengths in fields such as biotechnology, education, finance, advanced manufacturing, and creative industries. Melbourne's knowledge sector comprises knowledge repositories such as libraries; research hardware and software including communications facilities; and capabilities and analytical tools. These support public and private organisations and networks involved in knowledge production, dissemination and application, including the business, education, government and not-for-profit sectors. In 2018 there were just over 10,500 establishments (businesses and organisations) in the knowledge sector providing about 306,000 jobs out of a total of 479,000 jobs in the municipality.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People have access to knowledge resources and forums.			
Indicator			
The number of people who participated in City of Melbourne knowledge festivals and forums.	23,401	31,481	This result is made up of participation in Melbourne Knowledge Week (estimated at 26,483 attendees to our festival hub, plus an estimated 2971 attendees at events outside the hub), Melbourne Conversations (1027) and Raising the Bar (1000). Melbourne Conversations events included discussions on urban design, the entrepreneurial state, Melbourne's war on waste, and cyber security. Melbourne Knowledge Week 2019 took place at Meat Market in North Melbourne with a program of events focussed on connecting people, place, research and technology to imagine the city of the future.
Outcome: People have options to actively participate in lifelong learning.			
Indicator			
The number of people who participated in City of Melbourne learning programs.	76,060	105,604	105,604 participants attended 1349 learning programs across six library branches in 2018-19. This is an increase of 28 per cent on the previous year.

Municipal indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne has a thriving knowledge sector and industry.			
Indicator			
Growth in the knowledge sector. (Results are for 2017 and 2018 and compared at two years.)	3.87%	0.5%	In 2016 there were 10,489 establishments (businesses and organisations) in the knowledge sector and this slightly increased to 10,542 by 2018. Melbourne is home to infrastructure and key organisations with recognised strengths in fields such as biotechnology, education, finance, advanced manufacturing, and creative industries. Melbourne's knowledge sector comprises knowledge repositories such as libraries; research hardware and software including communications facilities; and capabilities and analytical tools. These support public and private organisations and networks involved in knowledge production, dissemination and application, including the business, education, government and not-for-profit sectors.
Outcome: People have options to actively participate in lifelong learning.			
Indicators			
The proportion of residents and city users who participated in lifelong learning. ▲	86.3%	87.9%	This result covers residents and city users including workers, students and visitors that participated in lifelong learning in the last 12 months within the municipality or elsewhere. Of those that participated in lifelong learning, 70 per cent did so within the municipality. The lifelong learning categories considered included seminars, private lessons, self-directed learning (including reading), short-courses, onsite and industry training.
Public school availability per school-age population.	0.00117	0.00097	The municipality has a total of ten government schools within its boundary in 2019, for a population of approximately 10,300 children of school-age (5 to 11 years and 12 to 17 years). Two of the ten government schools are special schools. Although the municipality has a small school age population it also attracts non-resident students in large numbers. By contrast, in 2018 there were nine government schools, including two special schools. There were approximately 9500 children of school age in the municipality. Victoria, with over 1500 government schools and a school-age population of just over one million, has a government school to school-age population ratio of 0.001505986, slightly higher than the municipality's ratio.

▲ This is also a health and wellbeing indicator.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

One initiative was completed under a knowledge city in 2018-19.

Our 4-year priorities are	Our 2017-18 focus was	Our 2018-19 focus was	Over the next year we will
We will provide opportunities for people to participate in knowledge festivals and forums. ▲	✓ • Undertake a post-implementation review of the City of Melbourne Knowledge Fellowship program to inform future Knowledge programs.	• Work supporting this priority was included in our regular business throughout the year.	• (Major initiative) Deliver phase two of the Melbourne Knowledge Week Festival growth plan.
We will provide opportunities for people to participate in lifelong learning through use of our libraries, digital technologies and other resources. ▲	• Work supporting this priority was included in our regular business throughout the year.	✓ • (Major initiative) Explore options for the future delivery of library services to inform design of the new city library and offerings at the other five library locations.	• Work supporting this priority is included in our regular business throughout the next year.
We will partner to strengthen collaboration within the sector including with tertiary institutions and other providers beyond our municipality.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority is included in our regular business throughout the next year.
We will partner to broker access to resources and assets in the municipality that help grow the knowledge sector, including open data.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority is included in our regular business throughout the next year.
We will facilitate growth of Melbourne's reputation as a leading knowledge city in alignment with the local tertiary, research and business sector.	✓ • Work with government bodies, education providers and student bodies to increase the profile of Melbourne as a student city and destination of choice to study.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority is included in our regular business throughout the next year.
We will advocate for provision of lifelong learning resources and assets to support our changing population, including schools. ▲	✓ • (Major initiative) Advocate for the appropriate siting and staged provision of new schools with a particular focus on Arden Macaulay, Fishermans Bend and Docklands / Central City.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority is included in our regular business throughout the next year.

Key

✓ Completed

▲ This is also a health and wellbeing priority.



A CONNECTED CITY

In a connected city, all people and goods can move to, from and within the city efficiently. Catering for growth and safeguarding prosperity will require planning for an efficient and sustainable transport network. Technology and innovative forms of movement will play a significant role in changing the way people and goods move. The responsible agencies will collaborate with stakeholders to implement measures making it easier for people to make sustainable and smart travel choices to and around the city, whether by foot, bicycle, tram, bus, train or car.

Progress measure

Municipal major indicator

The percentage of all commuter trips to the central city made by public transport, cycling or walking.

Result

71% of trips to
the central city

Our approach

Key to Melbourne's liveability and prosperity is the ability for people to move around safely and with ease, for work, socialising, or simply going about one's daily business.

Transport also supports people's health and wellbeing. It facilitates lifestyle choices, by allowing residents to live close to their sources of employment, food and recreation. Increasingly, people are choosing to cycle, walk or use public transport to get to, from and around the city, while the number of car trips in the municipality has declined.

Through the coordinated efforts of all levels of government, the City of Melbourne will continue building on its existing strengths as a connected city by:

- Supporting efficient and sustainable travel to, from and within the city including through walking, cycling and public transport.
- Enabling safe inner city travel experiences any time, any day, for people of all ages, needs and abilities.
- Meeting current and future transport needs by adapting to new innovations and technologies.
- Supporting the city's liveability and prosperity by enabling seamless connections between people and places.
- Taking a cohesive planning approach so that infrastructure investments made today by all levels of government support the liveability and prosperity of the city in the future.

Major initiatives



Finalise the Transport Strategy Refresh and begin implementation of priority projects ▲

The City of Melbourne developed a draft Transport Strategy to guide the future of transport in the city. By 2036, the number of people moving around our municipality each day will increase to 1.4 million. We need to make sure our growing population can move around the city safely and efficiently. The strategy will provide more space for people on footpaths and around major transport hubs; reduce congestion for cars coming to the city and improve safety for people walking and riding bikes. It sets a long-term vision to protect the liveability, reputation and economic prosperity of Melbourne. It has been informed by extensive community input and research. In July 2018, the community was asked to respond to eight transport discussion papers via Participate Melbourne. The response was overwhelming with more than 1300 submissions received. An independent analysis of the community responses showed strong support for the ideas presented in the discussion papers. The final strategy will be presented to the Future Melbourne Committee for endorsement in late 2019.



Improve safety and increase usage of our bicycle network through high-quality extensions and improvements in Southbank Boulevard, Carlton, North Melbourne, Kensington and Southbank and the installation of an additional 500 bike storage hoops ▲

This year's bicycle network improvement program has included improving facilities at various locations around the municipality. The works included head start traffic signal upgrades at 15 intersections and the installation of 580 bicycle parking hoops and six new or improved bicycle lanes. Protected bike lanes were installed in College Crescent Carlton, and bicycle maintenance and pump stations were installed in Royal Parade and Birrarung Marr. Upgrades in Linlithgow Avenue and Arden Street have experienced minor delays and are expected to be completed by August 2019. A small number of other projects have been deferred for a range of reasons including disruption from other major projects or waiting for VicRoads' approval. Work will continue in 2019-20 and focus on delivering cycling infrastructure including protected bike lanes and new bike parking.

▲ Health and wellbeing related highlight.

Initiatives and highlights

Share bikes ▲

Micro mobility such as dockless bikes and e-scooters has the potential to deliver benefits however amenity and safety risks need to be addressed. After the experience of oBike in Melbourne during 2017-18 we determined that a system of shared mobility needs to be designed for the unique circumstances of Melbourne. An appropriate framework would involve multiple stakeholders working together, including the Victorian Government, which regulates public transport and road rules in Victoria. In 2018-19 we continued to engage with the dockless mobility industry and looked at trials of micro mobility services in other cities to learn from their experiences. We also advocated to the Victorian Government for an appropriate regulatory framework for dockless share bikes and e-scooters. The City of Melbourne will continue to work with the Victorian Government and other stakeholders to realise the transport benefits and manage the safety and amenity risks of new transport models.

West-east active transport links ▲

Detailed studies were undertaken into creating a high-quality west-east bicycle route across the southern section of the central city. The studies explored utilising Flinders Lane, Little Collins Street, or Bourke Street and concluded that modifications could be made to improve safety for cyclists travelling east to west but none could provide a safe or comfortable west to east movement. A detailed feasibility study will be started in 2019-20 to assess Flinders Street as an appropriate long-term option for separated cycle lanes. The lanes could provide a west-east cycle connection following the completion of the Melbourne Metro Rail Project.

On-street bike parking trial ▲

The City of Melbourne continues to trial on-street bicycle parking facilities by installing new corrals using cost-effective spike down kerbing in Cardigan Street, Bouverie Street and Leicester Street in Carlton. We are also carrying out consultation for additional corrals in Flinders Lane, near Hosier Lane to encourage less bicycles parking on adjacent footpaths. The trials have led to increased use of the new corrals. The installation of bicycle corrals will now continue on an ongoing basis, as part of the bicycle improvement program.

Racecourse Road Streetscape Improvements Plan

A draft Strategic Improvement Plan has been prepared that identifies potential opportunities for safety and amenity improvements to Racecourse Road. The opportunities identified need to be further interrogated to determine their operational viability. Further transport modelling will take place in 2019-20. The next step is to work with key stakeholders to progress the traffic modelling and understand potential constraints and feasibility in the context of stakeholder funding. Whilst the 2018-19 initiative was prepared anticipating community engagement, this was considered premature in the absence of adequate traffic modelling to demonstrate the potential impacts and benefits. Therefore this initiative has been discontinued.

▲ Health and wellbeing related highlight.

■ **Bicycle lane design standards** ▲

The City of Melbourne Bike Lane Design Guidelines were designed to deliver best practice bicycle infrastructure and maximise the safety of cyclists. The guidelines draw upon an extensive review of existing bike lanes operating in Melbourne and many other cities. They provide guidance in selecting appropriate treatments, alternative materials and preferred dimensions that should be used in the construction of bike lanes, separation devices and adjacent traffic lanes. The use of these guidelines in rolling out optimal bike lanes will increase bicycle usage and safety, while also improving the consistency of bike lane treatments across the city.

■ **Metro Tunnel Project**

The Victorian Government's Metro Tunnel Project is scheduled for delivery in 2025. The City of Melbourne has continued to contribute to the successful design and delivery of the project in partnership with Rail Projects Victoria and Cross Yarra Partnership. It will consist of five stations around the municipality - North Melbourne station, Parkville station, State Library station, Town Hall station and Anzac station. The City of Melbourne is working with Rail Projects Victoria and the construction teams to manage disruption and advocating for high-quality urban design outcomes. We have provided input on urban design plans for each station precinct and agreed on land and property acquisition processes. There will be significant construction impacts during 2019 to 2022. We are helping to plan for these impacts, manage disruption and ensure on-going safety and amenity for city residents, businesses, workers and visitors.

■ **Elizabeth Street streetscape improvements**

Streetscape improvement works for Elizabeth Street South were put on hold to allow for the completion of a major private development on Flinders Street. In order to re-commence works, the City of Melbourne needs to re-engage with the relevant transport and government agencies to ensure a coordinated approach. We also need to revisit and refine the design to ensure that two years on, we are providing the best solution for the streetscape between Flinders Street and Flinders Lane and that the design is in line with the long-term vision for major streetscape improvements to Elizabeth Street. While the Elizabeth Street South works are progressed through design to construction, the project planning and design phases for stage two will commence in 2019-20.

▲ Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017-2021. We measure progress by the indicators below. Results are from 2017-18 and 2018-19 unless otherwise noted.

Outcome

People and goods are able to move sustainably in and out of the city.

Municipal major indicator

The percentage of all commuter trips to the central city made by public transport, cycling or walking. ▲

Result

2015-16

71% of trips to the central city

Our progress

This data is collected every few years so a yearly comparison is not possible. The breakdown of weekday commuter trips to the central city in 2015-16 was 60 per cent (197,961) for public transport (197,961), 7 per cent (24,267) for walking and 4 per cent (13,632) for cycling.

Note: Most recent data available is from 2015-16.

▲ This is also a health and wellbeing indicator.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People of all abilities are able to move freely, safely and sustainably around the city.			
Indicators			
<p>The level of footpath congestion.</p> <p>(Reported as the average number of pedestrians per hour.)</p>	27,895	28,897	<p>The result provided is the average number of pedestrians per hour counted from specific locations where 50 pedestrian counters / sensors are located.</p> <p>In 2018-19 the sensors were located in the following locations: 42 in the central city, eight in Carlton, three in Southbank and six in Docklands and one in South Wharf.</p> <p>Whilst the overall average number of pedestrians per hour is 28,897, the minimum average per hour was 26,890 (in June) and the maximum average per hour was 29,720 (in March).</p> <p>Observable crowding that may impact on people's comfort levels usually takes place in the central city at intersections near railway stations.</p> <p>In the absence of actions to reduce crowding (reducing pedestrian delays at signals or creating more pedestrian space or connections), the result is considered unfavourable as the number of people walking in these locations has increased leading to greater crowding.</p>
<p>The kilometres of bicycle paths in the municipality to population.</p>	0.000011 km	0.000097 km	<p>This result has been calculated by counting the length of bicycle paths (separated bike lanes, separated paths and shared paths) which total 91.74 km in 2018 and the daily 2018 population of 950,000. The result equates to 9.7 centimetres per city user (0.000097 km per city user).</p>

Municipal indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People of all abilities are able to move freely, safely and sustainably around the city.			
Indicators			
<p>Fewer transport related accidents, injuries and fatalities in the municipality.</p> <p>(Results are from 2016-17 and 2017-18.)</p>	8.09% decrease	13.4% decrease	<p>The City of Melbourne monitors data provided by VicRoads on injuries and fatalities resulting from police attended transport accidents in the city. Results for 2017-18 indicated there were 754 injuries and fatalities, 117 less than 2016-17 or a reduction of over 13 per cent. This was despite increasing movements of vehicles and pedestrians across the city. While there are many factors that contribute to the occurrence of these injuries and fatalities, the City of Melbourne will continue to prioritise measures from our Transport Strategy that will contribute to road safety.</p>
<p>An increase in the share of all trips to, from and within the municipality made on foot.</p> <p>(Result is from 2015-16.)</p>	21%	Not available	<p>This data is only collected every few years by the Victorian Integrated Survey of Travel and Activity. The increase of 21 per cent is from the most recent survey conducted over 2015-16.</p>
<p>An increase in the share of all trips to, from and within the municipality that are made by bike.</p> <p>(Result is from 2015-16.)</p>	3.6%	Not available	<p>This data is only collected every few years by the Victorian Integrated Survey of Travel and Activity (VISTA). The increase of 3.6 per cent is from the most recent survey conducted over 2015-16.</p>
Outcome: Melbourne's street network is optimised for current and future travel modes.			
Indicator			
<p>Increased number of car share spaces installed in the municipality.</p>	11	137	<p>In 2018-19, the City of Melbourne approved the installation of 86 new on-street car share spaces. Once all spaces are installed, this will increase the total number of car share spaces on our streets from 300 to 386 spaces. Also, our car share companies installed 51 new car share vehicles in off-street locations. Subsequently, the total number of car share spaces increased by 137 in the past 12 months.</p>

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

A total of four initiatives were completed under a connected city. Five initiatives were carried over and will continue to be delivered in 2019–20. One initiative was discontinued.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will provide high quality major streetscapes and boulevards including in urban renewal areas.</p>	<ul style="list-style-type: none"> ✓ • Design and commence implementation of stage two of Elizabeth Street Streetscape Improvements. 	<ul style="list-style-type: none"> ↻ • Finalise design of Elizabeth Street Stage 2 and Elizabeth Street South, and subject to completion of localised development, commence construction of Elizabeth Street South. x • Engage the community on the final Racecourse Road Streetscape Improvements Plan and complete design documentation for improvements. 	<ul style="list-style-type: none"> • Develop a Future Streets strategic framework to better define the future role, function and opportunities of Hoddle Grid streets in response to competing business, technology and mobility demands on our city's footpaths. • Finalise Racecourse Road Strategic Opportunities Plan and advance discussions with VicRoads and key stakeholders to progress development of a co-funded implementation plan. • Partner with the Victorian Government to consider updates to the Victorian Planning Provisions and City of Melbourne Advertising Signage Policy and other policies to ensure our public streets and civic spaces are appropriately regulated and aligned with community expectations.
<p>We will provide an expanded pedestrian network, including wider footpaths to make the city more walkable and accessible. ▲</p>	<ul style="list-style-type: none"> ✓ • (Major initiative) Develop options to manage pedestrian pressure points at train stations, particularly Southern Cross. ✓ • (Major initiative) Work with the Victorian Government to deliver a masterplan for the Flinders Street Station Precinct that builds on individual projects including the Melbourne Metro Tunnel, Flinders Street Station upgrade and Elizabeth Street improvements, and addresses pedestrian pressure. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will provide safer on-and-off street routes for cyclists to support Melbourne as a cycling city. ▲</p>	<ul style="list-style-type: none"> ✓ • Implement year two of the Bike Plan including Albert Street full-time bike lanes, Yarra River Corridor lighting upgrade, local bike route upgrades, Collins Street early starts for bikes and installation of bicycle corrals. 	<ul style="list-style-type: none"> ✓ • Improve on our bicycle lane design standards by consulting with relevant transport safety experts and other cities to determine current best practice for bike lane infrastructure across a variety of riding environments. ↻ • (Major initiative) Improve safety and increase usage of our bicycle network through high-quality extensions and improvements in Southbank Boulevard, Carlton, North Melbourne, Kensington and Southbank and the installation of an additional 500 bike storage hoops. ✓ • Conduct analysis and consultation on west - east active transport links for the southern part of the central city. ✓ • Continue to trial on-street bike parking using designated car parking bays to improve footpath amenity. 	<ul style="list-style-type: none"> • Deliver cycling infrastructure, including protected bike lanes and new bike parking.
<p>We will partner to improve opportunities for more seamless travel for cyclists around the municipality and between neighbouring areas, including through the Inner Melbourne Action Plan.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will partner to manage the disruption to transport networks from the Melbourne Metro Project with the Victorian Government and the community.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017-18 focus was	Our 2018-19 focus was	Over the next year we will
We will facilitate planning for alternative transport modes, including electric and autonomous vehicles, share-cars and water transport.	<ul style="list-style-type: none"> ⌚ (Major initiative) Review and refresh the Transport strategy. 	<ul style="list-style-type: none"> ⌚ (Major initiative) Finalise the Transport Strategy Refresh and begin implementation of priority projects. ⌚ Advocate to and work with the Victorian Government and related bodies to establish regulatory certainty and a strategic framework for share bikes within the municipality. 	<ul style="list-style-type: none"> • (Major initiative) Deliver year one of the Transport Strategy.
We will facilitate alternative future use of car parking spaces for new transport requirements or other community needs.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will facilitate the flow of people and goods by enhancing the inner Melbourne transport network, including last-kilometre freight.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ⌚ Progress the preferred vision for Spencer Street Station and Flinders Street Station precincts to improve pedestrian and bicycle capacity and safety, and progress concept design to inform delivery of short to medium term public realm improvements. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will advocate for an integrated public transport network that is carbon-neutral. ▲	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will advocate for an expanded public transport network that includes a focus on the next metro line and rail link to the airport.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will advocate for the best interests of the municipality in regards to significant transport projects.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ Continue to contribute to the successful design and delivery of the Metro Tunnel Project in partnership with Rail Projects Victoria and Cross Yarra Partnership. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Key

✓ Completed ⌚ Carried over X Discontinued

Symbols for 2017-18 initiatives have been updated to reflect current status.

▲ This is also a health and wellbeing priority.



A DELIBERATIVE CITY

Melbourne will be a leader in using participatory, consultative and innovative approaches to decision-making. The diverse voices of Melbourne will be heard. New information technologies will be used to help citizens engage with local governance processes.

Progress measure

City of Melbourne major indicator

The proportion of people in the municipality satisfied with Council engagement activities.

Result

62 out of 100 people
satisfaction score

Our approach

A deliberative city is a city where people are encouraged to participate in civic activities, decision-making and information sharing. Communities are involved in how services that affect them are designed and delivered and people feel empowered to be agents of their own lives.

The City of Melbourne recognises that our community is a great source of knowledge and expertise – made up from those who choose to live in our municipality, and those who work, socialise and play here. This collective asset can be harnessed to help find solutions to local problems as well as complex city challenges.

As a local government, we strive for high levels of transparency and accountability in everything that we do. We share information through our open data platform, which currently makes datasets on land use and employment, our parks and environment, parking, accessibility, and community services available to the public. By sharing our data, we can help improve public services, and support social and economic innovation.

As a deliberative city we will encourage community participation and strive for greater integrity and accessibility of data by:

- Empowering people to participate in designing services, decision-making and problem solving in ways that are meaningful to them.
- Embracing technological innovation in information sharing and engagement, delivering online systems that enable collaborative and community-driven solutions to city problems.
- Working across business, research, community and government sectors to achieve innovation in the provision and application of city data.

Major initiatives



Design and pilot the next phase of the City Data Centre including active participation by individual community members and businesses

The second Melbourne City DNA pilot exhibit was successfully run at this year's Melbourne Knowledge Week in May 2019. More than 26,000 people attended the Hub throughout the course of the week. A series of interactive experiences were showcased as part of the Melbourne City DNA exhibit including:

- projection mapping over a 3D printed model
- interactive touch screens showing city analytics
- virtual reality experiences to facilitate better place making and engagement outcomes.

A suite of modular display furniture was built for the exhibit alongside the purchase of necessary hardware and technology. These assets will continue to support the emerging Melbourne City DNA service. Work will continue in 2019-20 through the initiative to deliver a Melbourne City DNA engagement and participation hub on the ground floor of the Melbourne Town Hall.



Improve community outcomes from the Census of Land Use and Employment (CLUE) by enhancing our processes and making CLUE accessible to other councils and local businesses

CLUE provides comprehensive information about land use, employment and economic activity across the municipality. This valuable research tool has played a critical role in contributing to Melbourne's liveability, prosperity and sustainability since the 1960s. The CLUE redevelopment project was jointly funded by the City of Melbourne, an Australian Government Smart Cities and Suburbs Grant and the Inner Melbourne Action Plan. The aim was to make the CLUE system accessible to the other four councils making up the Inner Melbourne Action Plan Implementation Committee: the Cities of Port Phillip, Yarra, Maribyrnong and Stonnington. The project successfully delivered: a cloud based CLUE database, analytics and reporting platform, mobile digitised data collection tools and processes, and a standardised and streamlined data model. The new CLUE system went live on 31 May 2019. We are now engaging with other councils regarding CLUE data collections that can be migrated onto the platform in the future. To explore our interactive visualisation of the latest CLUE data, please go to melbourne.vic.gov.au and enter 'CLUE' in the search box.

Initiatives and highlights

◀ Children's forum ▲

The first Children's Forum – Big City, Small Child – was held in June 2019 at Melbourne Town Hall. One hundred and ninety nine children along with 164 of their parents and carers took part. Hosted by The House of Muchness, the forum was facilitated by children and explored themes of politics, power, decision making and children's voice. We asked participants four questions: What do you love about Melbourne? What would you do to make Melbourne better for those who are less lucky than you? What things do you worry about? What things would you change about the city? Over 400 suggestions and ideas were offered – children told us that they are concerned about climate change and the environment, want better support for homeless people and those who are doing it tough and love Melbourne's parks, gardens, food and people. Children said that they would improve Melbourne by reducing traffic, planting more trees, building more parks and reducing the use of plastic. The forum will help guide our responses to these important issues and improve the way we give children a voice.

◀ New community engagement techniques ▲

The City of Melbourne developed new community engagement research and resources to increase participation, inclusion and accessibility for a diverse range of participants. These resources include a random selection guide and place-based community panel tool, research and guidelines on using social media for community engagement and a virtual reality test. We introduced several new Participate Melbourne online engagement tools, and together with the University of Melbourne, we are researching ways to make our engagement techniques more inclusive for people with disability. These new tools have already seen a 64 per cent increase in community contributions to Participate Melbourne.

◀ Citizenship ceremony

Melbourne welcomed 300 new Australians on Wednesday 5 June at the largest ever citizenship ceremony in the municipality's history. The super ceremony at Melbourne Town Hall for new citizens from 54 nations was a celebration of Melbourne's diverse multicultural community. In 2018, Melbourne welcomed hundreds of new citizens, hosting six citizenship ceremonies to keep up with demand. Applications to become citizens of the city continue to rise, from 60 per month in 2016 to an average of 90 to 100 per month this year. More than 7650 Melbourne residents have become Australian citizens since September 2016, with China the biggest contributor with 1403 citizens, followed by India with 1026 citizens.

▲ Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

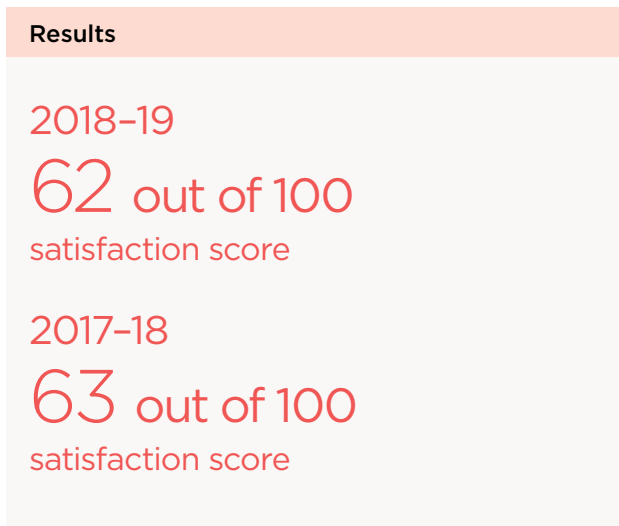
The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017–2021. We measure progress by the indicators below. Results are from 2017–18 and 2018–19 unless otherwise noted.

Outcome

People participate in co-creating Melbourne’s future.

City of Melbourne major indicator

The proportion of people in the municipality satisfied with Council engagement activities.



Our progress

This result is higher than both the average Melbourne Metropolitan (Greater Melbourne local government areas) index score of 58 and the Victorian-wide local government areas score of 56. Although one point down on last year, it is still regarded as a 'top performing area'.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People participate in co-creating Melbourne's future.			
Indicator			
The number of people who participated in City of Melbourne engagement initiatives.	6415	9359	The result includes people who took time to write a submission, answer a survey, attend an engagement activity and who have read or heard information and provided informed feedback. A total of 4347 people contributed feedback on Participate Melbourne - the City of Melbourne's online consultation platform and around 5012 people participated in engagement activities. The increase is due to increased promotion of community engagement activities, and new engagement tools and content design on Participate Melbourne.
Outcome: We are transparent and accountable to our community.			
Indicator			
The percentage of decisions by the Council that are made public.	82%	85%	In 2018-19 there were 301 Council and Future Melbourne Committee resolutions of which 71 were made in confidential session. Of these, 22 were then made public in whole or part, immediately following the passing of the resolution, or have been / will be made public at a future date.
Outcome: City of Melbourne's open data platform is available for public use.			
Indicators			
The total number of datasets available on the City of Melbourne's open data platform - City of Melbourne owned and owned by other organisations.	180	202	The number of datasets released has had a positive impact for Melbourne's technology / startup community and the City of Melbourne's brand as a leader in Open Data. Recent data releases have included aerial imagery, 3D city mesh and 3D point cloud. This offering of high impact data has driven up usage and demand of the platform with over 51,000 users and 310,000 page views within the last 12 months.
The average number of dataset views on the City of Melbourne's open data platform each month.	17,070	25,899	This year the open data platform had a phenomenal year of usage and growth. The year had a total of 310,000 page views which was an annual increase of 48 per cent. The underlying growth factor is our close working relationships with universities and startups. The use of social media posts also boosted usage of the platform which can be seen through combining daily usage rate increases with timings of these posts.

Municipal indicator

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People participate in co-creating Melbourne's future.			
Indicator			
The percentage of people surveyed who have participated in specific engagement activities to address city issues, including through the use of digital technology. ▲	61.2%	59.1%	The percentage of people surveyed who participated in specific engagement activities to address city issues was almost 60 per cent. This included some people who used digital and online channels such as social media, websites, apps or email. Around 26 per cent of people engaged on city issues using digital technology. A selection of the engagement activities included attending a council meeting, writing a letter, participating in a workshop and joining a Citizen Advisory Committee or Citizen Jury.

▲ This is also a health and wellbeing indicator.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

A total of five initiatives were completed under a deliberative city in 2018-19. One initiative was carried over and will continue to be delivered in 2019-20.

Our 4-year priorities are	Our 2017-18 focus was	Our 2018-19 focus was	Over the next year we will
<p>We will provide opportunities for all members of the community to participate in civic decision-making. ▲</p>	<ul style="list-style-type: none"> ✓ • Run an open innovation competition on city accessibility, using relevant data from the City of Melbourne open data platform, to encourage third party development of digital tools. ✓ • Investigate new methods for capturing input for council meetings. 	<ul style="list-style-type: none"> ✓ • Establish a children's forum to empower children to speak up and engage in Council decision making. ✓ • Trial new community engagement techniques to increase participation, inclusion and accessibility for a diverse range of participants. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will provide a network of physical and digital spaces for ratepayers and city users to collaborate using new technologies to solve city problems. ▲</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Deliver Melbourne City DNA engagement and participation hub on the ground floor of the Melbourne Town Hall.
<p>We will provide continued leadership on transparency in local government.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ • Strengthen our communications approach to better connect Council, policies and strategies to valued outcomes for the community, businesses, residents and ratepayers. ↻ • Refresh the 10 Year Financial Plan with a focus on shaping future options for sustainable revenue streams, and engage community and stakeholders as necessary. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017-18 focus was	Our 2018-19 focus was	Over the next year we will
<p>We will provide access to open municipal data and insights with appropriate privacy protection.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ • (Major initiative) Improve community outcomes from the Census of Land Use and Employment by enhancing our processes and making CLUE accessible to other councils and local businesses. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will partner to introduce a city data platform that can be contributed to, and used by, other government agencies, universities, businesses, non-profit organisations and individuals.</p>	<ul style="list-style-type: none"> ✓ • (Major initiative) Develop a City Data Centre pilot to engage the community using emerging technologies and visual tools such as 3D, augmented reality and virtual reality. 	<ul style="list-style-type: none"> ✓ • (Major initiative) Design and pilot the next phase of the City Data Centre including active participation by individual community members and businesses. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will advocate for other organisations to adopt an open data policy to support their participation in a city data platform.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Key

- ✓ Completed
- ↻ Carried over

Symbols for 2017-18 initiatives have been updated to reflect current status.

▲ This is also a health and wellbeing priority.



A CITY PLANNING FOR GROWTH

Melbourne will be a leader in planning for growth and technological advancement. We will guide and influence the future development of the city for the benefit of all city users and in a way that values and celebrates its historical and cultural identity.

Progress measures

Municipal major indicator

An increase in the diversity of the residential, commercial and office spaces across the municipality.

Result

18.6% of total floor space

Municipal major indicator

A net increase in public open space by population.

Result

1.88 sq.m decrease

Our approach

Melbourne has built a strong reputation as a great place to live, work and visit. The central city is a magnet for young professionals, students, and visitors alike, drawn to its human scale. Melbourne's density and proximity benefits businesses by concentrating firms and resources in ways that are the most economically productive.

In the future more can be done to fully unlock the city's assets by extending good planning and design to other areas of the municipality. Melbourne must keep pace with future growth while having a clear vision of the type of city we want to be.

The City of Melbourne can continue to be an exemplar of urban planning and innovation by:

- Leading in the design and development of resilient neighbourhoods that demonstrate environmental sustainability, liveability, connectivity and diversity.
- Recognising and valuing Aboriginal history and land management.
- Supporting liveability and prosperity, by exploiting the advantages of density and proximity that allow seamless connections between people, places and resources.
- Working closely with government and private sector partners to ensure the city can fund and manage growth in sustainable ways.
- Championing high-quality design in buildings, streets and public spaces, as the basis of a healthy, safe and people-friendly environment.
- Looking to the future, by harnessing the opportunities presented by new technological innovations.
- Respecting its past, by enhancing the character and distinctive identity of the city's heritage buildings, spaces and landscapes.

Major initiatives



Commence the redevelopment of the Bourke Street Precinct, including preparation of a planning permit application for the proposed new buildings ▲

Plans are underway to revitalise the civic heart of the city to create new spaces where people can meet, connect and engage with the city. The ambitious project will redevelop the eastern edge of Melbourne's retail core between Bourke Street and Little Collins Street. The redevelopment will include: spaces for the community including shared rooftops and a community forum; new laneways at ground level to connect the precinct; new retail spaces; and office space for leasing and City of Melbourne staff accommodation. Considerable progress was made this year towards the redevelopment. Council approved the final investment case in October, as well as the submission of the planning permit and heritage permit applications in December. Stage two of the Schematic Design was completed, and a Heritage Permit was issued by Heritage Victoria in March 2019.



Continue the Queen Victoria Market Precinct Renewal Program ▲

The \$250 million Queen Victoria Market Precinct Renewal will secure the market's place as a traditional open-air market, supporting it to thrive as Melbourne's number one tourist destination and a source of affordable, local food. Much needed open space and community facilities will be created within the market precinct, meeting the needs of our growing city. An independent business case confirmed the need for significant renewal to secure the market's future viability. A 40-member People's Panel, comprised of market traders, customers, residents and key stakeholders, was established. Over the course of six workshops, the panel considered information, evidence and expert input to assist with their deliberations on how to deliver much needed market infrastructure at the Queen Victoria Market including customer facilities, car parking, and trader requirements such as storage, delivery areas and waste management. The panel developed 14 recommendations as part of a report which was presented to Council in December. The City of Melbourne would like to acknowledge each and every member of the People's Panel for their time and commitment to the process and for working together to deliver an outcome. In April 2019, Council endorsed Option A for the provision of market infrastructure and requested management undertake detailed designs to be presented later in 2019. Control of the Munro development site was transferred to Council-appointed developer PDG Pty Ltd in November 2018, followed by site establishment and façade retention works before Christmas. Archaeological investigations were completed in April 2019 and work commenced on phase two of construction - piling and site excavation for the basement car park. Heritage Victoria approved a permit exemption for the conservation and restoration works to Sheds A to D, H and I in March 2019.

▲ Health and wellbeing related highlight.

Major initiatives



Deliver on the Open Space Strategy by creating two hectares of new open space, through the delivery of Southbank Boulevard and Dodds Street and University Square [▲]

The Open Space Strategy provides the overarching framework and strategic direction for public open space planning in the municipality. This initiative highlights two ambitious projects the City of Melbourne has been working on over the past 12 months. Collectively they will create 2.5 hectares of new open space. Southbank is Melbourne's most densely populated suburb and the project is located in the heart of Melbourne's Arts Precinct, transforming this once busy street into one of Australia's most pedestrian-friendly places. Significant progress has been made in recent months, with the reopening of Southbank Boulevard between St Kilda Road and Sturt Street to vehicles and cyclists. We are also working with the University of Melbourne and the Victorian Government to transform University Square, one of Carlton's oldest and most loved public squares. Stage one works are now complete, with the park open for use by the public. Through this project we have realised the first stage of a vision to transform a 19th century landscape into a 21st-century expanded park. Stage one works included the completion of 8400 square metres of lawn area, planting of 76 trees, creation of over 2000 square metres of biodiverse garden beds, street and park lighting upgrades, and the completion of the Pelham Street gateway plaza.



Finalise and implement the findings of the review of the Municipal Strategic Statement

To progress the review of the Municipal Strategic Statement, the Melbourne Planning Scheme must first undergo a transition to the new Planning Policy Framework structure introduced by the Victorian Government's Smart Planning reforms of 2018. The City of Melbourne is working closely with the Victorian Government to progress this transition as quickly as possible. In the meantime, we continued to develop the City Vision document to guide community consultation and inform the updated Municipal Strategic Statement. The draft City Vision addresses key challenges and opportunities and defines a long-term vision and priorities for each area in the municipality.

[▲]Health and wellbeing related highlight.

Initiatives and highlights

■ Melbourne's maritime heritage

The Heritage Fleet (tall ships Enterprize, Alma Doepel and steam tug Wattle) are temporarily berthed at Collins Wharf, Docklands, a future construction site for Lendlease. Uncertainty around the timeline for construction and lack of assurances around permanent berthing arrangements has resulted in some elements of the Heritage Fleet considering relocation. The City of Melbourne is working with Development Victoria on the potential opportunity for a more permanent facility within Docklands. Research has been undertaken to determine the potential viability of a Maritime Commercial Heritage Museum in Docklands. This will be explored further in 2019-20, with the objective of securing collaborative co-funding partnership agreements to deliver maritime legacy outcomes in the municipality.

■ Waterways Operations Precinct

The City of Melbourne has worked closely with Parks Victoria and Development Victoria to explore opportunities to establish a Waterways Operations Precinct to support effective growth of marine activities in Docklands. A concept plan was finalised and in April 2019 the minister approved a planning application that recognised marine operations facilities in the Bolte Precinct West Addendum: Yarra's Edge Bolte Precinct Development Plan. We have also engaged professional project and development management consultancy to assist in further developing the design and project funding options. The project will continue in 2019-20 to progress planning including establishing costs and funding arrangements for a Waterways Operations Precinct.

■ Arden and Macaulay

Following on from the Arden Vision (2018), the City of Melbourne has worked with the Victorian Planning Authority and other Victorian Government agencies to develop the evidence base for the Arden Structure Plan and to test and refine new conceptual spatial ideas for Arden. This has included work related to contamination, transport, open space, built form and working collaboratively with Melbourne Water on flood modelling. In line with direction from the Minister for Planning, we have been reviewing the current built form controls in Macaulay to test how they could be strengthened and improved. This has included built form and capacity modelling to test good urban design outcomes and the potential future resident and worker population. There will be community engagement on both projects in 2019-20.

■ Fishermans Bend

The Fishermans Bend Framework and Planning Controls were released by the Victorian Government in October 2018 along with a detailed a long-term strategic plan for the development of Australia's largest urban renewal area. Work is now well underway on Precinct Implementation Plans for Lorimer and the Employment Precinct, which provide on the specific place qualities for each precinct, including topics such as movement, open space, built form and land use. The plans are being developed in collaboration with the Fishermans Bend Taskforce, the City of Port Phillip, Melbourne Water, Department of Environment, Land, Water and Planning, and Development Victoria. A community engagement period in May and June provided community members with an opportunity to contribute to the development of the plans.

■ Urban play reimagined ▲

This year we worked on the Lincoln Square Concept Plan, which will transform the site of Victoria's first playground into a contemporary children's paradise. The new green oasis will include 3000 square metres of new open space and a tree house-inspired playground. We will retain the 150 year old Moreton Bay fig trees, expand the children's playground and integrate high tech features such as stormwater tanks, solar lighting, wi-fi and USB phone charging ports. The new playground will be tactile, immersive and engaging, and has been designed for kids of all ages and abilities. From play spaces for toddlers set among the trees' giant buttress roots, to adventure course climbing up into the tree canopies for older children, Lincoln Square will host Melbourne's most majestic tree house. The new play space will be constructed in 2020.

▲Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017-2021. We measure progress by the indicators below. Results are from 2017-18 and 2018-19 unless otherwise noted.

Outcome

Melbourne's commercial, retail and residential development will meet the needs of a growing working and residential community.

Municipal major indicator

An increase in the diversity of the residential, commercial and office spaces across the municipality.

Results

2018-19

18.6% of total floor space

2017-18

19% of total floor space

Our progress

Data on residential, commercial and office spaces is not available. The result is based on the area of commercial (office space) and industrial (manufacturing) floor space use (6,314,148 square metres) as a proportion of the total floor area in the municipality.

Outcome

The built form of the city reflects high quality design.

Municipal major indicator

A net increase in public open space by population. ▲

Results

2018-19

1.88 sq.m decrease

2017-18

2.77 sq.m decrease

Our progress

There was a net decrease of 1.88 square metres of open space per resident in the municipality. The indicator includes City of Melbourne spaces and Crown Land. It also includes some key median strips roadside open space and areas that are partially paved, for example Queensbridge Square and Federation Square. The calculation is based on open space square metres per population and indicates the change between 2018 and 2019 (June 30).

▲ This is also a health and wellbeing indicator.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: There is a clear vision and direction for sustainable growth across the municipality.			
Indicators			
The area of the municipality with structure plans and built form policies in place.	17.41 sq.km	12.04 sq.km	As of June 2019, 12.04 square kilometres (or 32 per cent) of the municipality was covered by either a Structure Plan (since 2010) or other current built form policy (introduced since 2013). The deduction in area by approximately 5 square kilometres can be attributed to the differences in the methodology used in the previous financial year. It is possible that areas falling within more than one built form policy were double counted. This has been corrected in the current methodology and the 2018-19 result.
The area of the municipality with development contribution schemes in place.	3.05 sq.km	3.05 sq.km	There is no change in the result for 2018-19. The area of the municipality with development contributions in place is 3.05 square kilometres out off a total municipal area of 36.2 square kilometres.
Outcome: Melbourne respects and preserves its heritage.			
Indicator			
The area of the municipality with heritage controls informed by heritage reviews.	14.15 sq.km	14.47 sq.km	In 2018-19, the number of places and precincts covered by a Heritage Overlay was 1026, which is an increase of 238 since 2008-09. It is worth noting that some precincts may have many properties within them, so the number of properties covered by a Heritage Overlay is higher.
Outcome: The built form of the city reflects high quality design.			
Indicator			
An increase in the diversity of public open space by typology. (Reported as the net increase in public open spaces.)	7	1	There was a net increase of one Small Local open space. Small Local open spaces are one of the eight hierarchy types (typology) identified in the City of Melbourne Open Space Strategy Technical Report (2012). The hierarchy defines different open spaces by their existing use and in some cases size.

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: People have access to green spaces and recreation spaces.			

Indicator

The ratio of indoor and outdoor recreational space to population. ▲	59.52 sq.m	51.96 sq.m	In 2018 there was 51.96 square metres per capita of indoor and outdoor recreation space in the municipality; down from 59.52 square metres per capita in 2016. The total amount of indoor and outdoor space in the municipality was 8,830,833 square metres. This comprised outdoor space totalling 7,823,553 square metres, including parks and reserves, outdoor sports and recreation space, squares and promenades and publicly accessible private outdoor space. It also included indoor space of 1,007,280 square metres, which refers to indoor entertainment / recreation space.
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Outcome: Melbourne's housing meets the diverse needs of its population.

Indicator

The number of affordable housing units in City of Melbourne projects. ▲	96	96	The City of Melbourne has publicly declared its intention to deliver affordable housing as part of the Queen Victoria Market Precinct Renewal program and Boyd site redevelopment projects. The Queen Victoria Market Precinct Renewal Master Plan identified opportunities for affordable housing within the Munro site of the precinct. In 2018 the Minister for Planning approved the development application for the Munro site which will include 56 affordable apartments.
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Outcome: Melbourne is prepared for future technological change.

Indicator

The number of new smart infrastructure prototypes implemented in the municipality.	802	14	To ensure we can plan and prepare for the future, 14 smart infrastructure prototypes were implemented in the municipality in 2018-19 to help us understand how our city works. These smart infrastructure projects included: <ul style="list-style-type: none"> • Six microclimate sensors have been installed in Melbourne Innovation District - City North to collect data on air temperature, humidity and wind. This data helps us understand the impact different interventions such as tree canopy have on reducing urban heat. • Eight new pedestrian sensors were installed in key locations. We also developed and trialed a new type of pedestrian sensor that improved the accuracy of our pedestrian counting system.
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Municipal indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne's commercial, retail and residential development will meet the needs of a growing working and residential community.			
Indicator			
The percentage of residents that can access the community facilities and services they need within a 15-20 minute walk of their home. ▲	94%	86%	<p>The 8 per cent difference to 2017-18 is likely due to the combination of:</p> <ul style="list-style-type: none"> • The initial facility list used to calculate the 2017-18 result was a snapshot / work in progress of the social infrastructure component of the draft City of Melbourne Infrastructure Plan. The list has been refined as the Infrastructure Plan has progressed. • A number of facilities permanently closed or were combined with other facilities. • A number of facilities are temporarily closed for renovation or upgrades.
Outcome: The built form of the city reflects high quality design.			
Indicators			
The number of buildings in the municipality that win industry awards for design excellence.	22	25	<p>A total of 25 awards and commendations were achieved within the municipality in 2018-19 (excluding awards for gallery based temporary works or installations). Of most significance, the Enduring Architecture Award, Melbourne Prize and Victorian Architecture Medal were among these accolades. Additionally, the Parliament of Victoria Members' Annexe by Peter Elliot Architecture + Urban Design won the Urban Design Named Award, Heritage Commendation, Public Architecture Named Award, Sustainable Architecture Named Award, Melbourne Prize and Victorian Architecture Medal. A stronger balance of public and private projects is noted when compared to the previous year.</p>

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: The built form of the city reflects high quality design. (cont'd)			

Indicators

The number of major development and capital works projects reviewed through a formal design review process.	12	8	A total of 10 reviews were carried out of projects within the municipality however some of these were repeat reviews of the same project. The result of eight represents the number of individual projects reviewed through a formal design review process. This constitutes 17 per cent of the design reviews performed by the Office of Victorian Government Architects Design Review Panel. All projects are of Victorian significance. In addition, the City of Melbourne reviewed and provided recommendations on achieving high quality built form on 168 planning applications in 2018-19. This increase results primarily from increased reporting of repeat internal design referrals.
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Outcome: People have access to green spaces and recreation spaces.

Indicator

The ratio of green space to population in the municipality. ▲	34 sq.m	32 sq.m	This result is based on hectares of green area divided by the residential population. It includes City of Melbourne spaces, Crown Land, and some key median strips and roadside open space. It also includes spaces that are partially paved such as Queensbridge Square and Federation Square.
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Outcome: Melbourne's housing meets the diverse needs of its population.

Indicator

The number of affordable housing units negotiated through development planning.	0	0	No affordable housing units were built in 2018-19, however the City of Melbourne has publicly declared its intention to deliver affordable housing as part of the Queen Victoria Market Precinct Renewal (Munro site) and Boyd site redevelopment projects.
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▲ This is also a health and wellbeing indicator.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

A total of nine initiatives were completed under a city planning for growth in 2018–19. Fourteen initiatives were carried over and will continue to be delivered in 2019–20.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will provide renewal of the Queen Victoria Market Precinct. ▲	✓ • (Major initiative) Continue the Queen Victoria Market Precinct Renewal Program.	↻ (Major initiative) Continue the Queen Victoria Market Precinct Renewal Program.	(Major initiative) Continue the Queen Victoria Market Precinct Renewal Program.
We will provide staged urban renewal of Southbank and Docklands.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority is included in our regular business throughout the next year.
We will provide clear guidance to ensure sustainable growth in West Melbourne which respects its character, retains its mixed use and improves its streets and spaces.	✓ • Deliver the West Melbourne structure plan in collaboration with the Victorian Government and the community.	↻ • Work with landowners and the community to develop a vision and strategic framework for West Melbourne Waterfront.	• Prepare a vision and planning framework for Maribyrnong River (West Melbourne Waterfront) to guide future development.
We will provide policies to enable mixed use that support local liveability and a strong and diverse economy in the central city. ▲	• Work supporting this priority was included in our regular business throughout the year.	↻ • (Major initiative) Finalise and implement the findings of the review of the Municipal Strategic Statement.	• Finalise the City Vision and consult with the Victorian Government to progress its implementation as the new Municipal Planning Strategy in the Melbourne Planning Scheme.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will provide up-to-date heritage controls and policies throughout the municipality.</p>	<ul style="list-style-type: none"> ✓ • Progress the Hoddle Grid / Central City Heritage Review. ✓ • Progress work on incentives to property owners for ongoing heritage preservation and identify gaps to be addressed in 2018-19. 	<ul style="list-style-type: none"> 🔄 • Prepare a Master Plan for the restoration, refurbishment and future use of the heritage listed Melbourne Town Hall buildings. ✓ • Commission a North Melbourne Heritage review. ✓ • Progress priority recommendations from commissioned research on incentives for heritage preservation. ✓ • Further progress the Hoddle Grid Heritage Review and seek appropriate protections for significant places, including Aboriginal and post contact heritage. 	<ul style="list-style-type: none"> • Finalise a master plan for the restoration, refurbishment and future use of the heritage listed Melbourne Town Hall buildings. • Commission a South Yarra Heritage review. • Update the Carlton Gardens Master Plan with a focus on world heritage management.
<p>We will provide recreational and environmental corridors for the city to support urban renewal. ▲</p>	<ul style="list-style-type: none"> ✓ • Develop a strategic opportunities plan for the Moonee Ponds Creek throughout the municipality that advocates Council's vision. ✓ • Prepare a streetscape improvements plan for Racecourse Road, in collaboration with Moonee Valley Council. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Complete the delivery of Southbank Boulevard. • Progress investigation of a connected network of green public spaces from Royal Park to the Bay along Moonee Ponds Creek, Docklands, Yarra River Northbank, Birrarung Marr, Domain Parklands and St Kilda Road.
<p>We will provide a review of the options for housing in the municipality taking into account the needs of a diverse population. ▲</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ • Assess the key issues for student housing developments in the central city and define an action plan to improve the design quality of student housing in the city. 	<ul style="list-style-type: none"> • Partner with the Victorian Government, universities and student accommodation providers to improve student housing design standards.
<p>We will provide a comprehensive evidence base to inform future decisions regarding land use and infrastructure. ▲</p>	<ul style="list-style-type: none"> 🔄 • Undertake municipal wide integrated land use and infrastructure planning to identify the long term land use and infrastructure opportunities and challenges. 	<ul style="list-style-type: none"> 🔄 • Develop and maintain a Local Area Infrastructure Priority List of local infrastructure needs initially focused on the Capital City Zone and urban renewal areas. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will partner to progress the design, planning and delivery of high-quality urban renewal in Arden Macaulay and Fishermans Bend that utilises their heritage assets.</p>	<ul style="list-style-type: none"> ✓ • Work with the Victorian Government to influence the outcomes of the structure plan in Arden. ✓ • Work with the Fishermans Bend Taskforce to develop the Framework and provide leadership on the Neighbourhood Precinct Structure Plans for Lorimer and the Employment Precinct. ✓ • Work with the Victorian Government to deliver a master plan in Macaulay that facilitates City of Melbourne’s strategic outcomes including the delivery of community facilities and open space. 	<ul style="list-style-type: none"> ✓ • Review planning scheme controls for Macaulay, and work with the Victorian Government to progress strategic planning in Arden. 	<ul style="list-style-type: none"> • Partner with the Victorian Government to prepare the Arden Structure Plan. • Partner with the Victorian Government to prepare the precinct plans for Lorimer and the Employment Precinct in Fishermans Bend.
<p>We will partner to design, plan and enable a world class innovation district in City North and deliver public realm improvements.</p>	<ul style="list-style-type: none"> ✓ • Complete the City North innovation district action plan and commence implementation. ✓ • Prepare the evidence base to support Development Contributions for Community Infrastructure in City North and Southbank. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Advance the delivery of Melbourne Innovation Districts City North.
<p>We will partner to deliver a world-class arts precinct in Southbank including significant public realm projects.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will partner to develop the city’s vision for the Yarra River and its waterways.</p>	<ul style="list-style-type: none"> ⌚ • Deliver a City River Concept Plan, as a framework for integrated public realm improvements along the river. x • Develop a strategic approach to integrated waterfront access. 	<ul style="list-style-type: none"> ✓ • Advocate to Development Victoria to ensure that Melbourne’s maritime heritage is considered as part of the development of Harbour Esplanade and Victoria Harbour. 	<ul style="list-style-type: none"> • Adopt a leadership and advocacy role with key stakeholders, with the objective of securing collaborative co-funding partnership agreements to deliver maritime legacy outcomes in the municipality, including interpretive maritime heritage signage and a maritime museum. • Work with the Victorian Government, Parks Victoria and Development Victoria to progress planning including establishing costs and funding arrangements for a Waterways Operations Precinct in the Bolte Precinct West.
<p>We will partner to ensure people have access to services and community facilities appropriate to their needs through all stages of life. ▲</p>	<ul style="list-style-type: none"> ✓ • Prepare a plan for the renewal of North Melbourne Community Centre and surrounds. 	<ul style="list-style-type: none"> ⌚ • Complete design documentation for the North Melbourne Community Centre redevelopment. 	<ul style="list-style-type: none"> • Complete a Development Contributions Plan (DCP) for City North and Southbank, and investigate the feasibility of a municipal wide DCP.
<p>We will partner to ensure Melbourne is a leader in urban technology innovation, with a focus on the internet-of-things and supporting networks such as 5G.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ • Develop a business case that builds on sensor and open data initiatives to support practical involvement of local businesses and other key partners in the use and provision of advanced technology infrastructure. 	<ul style="list-style-type: none"> • In collaboration with external partners, trial 5G and other digital urban infrastructure and services to provide reliable and efficient data about our city, solve city challenges and deliver on the overall digital urban infrastructure vision for the city.
<p>We will partner to ensure the city has sustainable funding sources to support the delivery of better community infrastructure and services. ▲</p>	<ul style="list-style-type: none"> ✓ • Scope and prepare concept design for the redevelopment of Kensington Community Recreation Centre. ✓ • Develop options for a redevelopment that realises the full potential of the Town Hall precinct properties. 	<ul style="list-style-type: none"> ⌚ • Pursue developer contributions for community infrastructure in City North and Southbank and advocate for a standard development contribution from the Victorian Government. ⌚ • Create a property portfolio plan. 	<ul style="list-style-type: none"> • Establish an Advancement Program for the City of Melbourne to enable the corporate and philanthropic sector to partner with the City of Melbourne to deliver our Council Plan goals. • Investigate the feasibility and timing (given the current proposed investment and borrowing requirements) for the establishment of a future fund to deliver ongoing revenue for the City of Melbourne.

Our 4-year priorities are	Our 2017-18 focus was	Our 2018-19 focus was	Over the next year we will
<p>We will facilitate development of a strategic vision with the community for E-Gate and Dynon to enable future urban renewal of this area.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
<p>We will advocate for continued public realm improvements in Docklands including better connections to adjacent neighbourhoods.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ↻ • Partner with Development Victoria and the AFL to develop a Stadium Precinct Masterplan to deliver exemplar connected public spaces in Harbour Esplanade, Bourke and Latrobe streets, integrated with the future direction of Etihad Stadium, Southern Cross Station and Central Pier. ↻ • Prepare concepts for a transformative HighLine-like project of public space connecting Flinders Street Station to Docklands along the northern bank of the Yarra River, incorporating Seafarers Park, linking with other proposed initiatives in the Docklands Victoria Harbour area and extending through to the Ron Barassi Senior Park. ↻ • Progress planning and design for Waterways Operations Precinct in the Bolte Precinct West, to support effective growth of marine activities in Docklands. 	<ul style="list-style-type: none"> • Partner with Development Victoria to progress an integrated master plan for Harbour Esplanade and the Stadium precinct.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
<p>We will advocate for significant additional open space in urban renewal areas. ▲</p>	<ul style="list-style-type: none"> ✓ • (Major initiative) Finalise design and commence implementation of Southbank Boulevard open space. ✓ • Continue to deliver the Open Space Strategy with a focus on delivery of Carlton Gardens Master Plan, upgrade to Railway / Miller Reserve, and the park expansion of Gardiner Reserve. 	<ul style="list-style-type: none"> ↻ • (Major initiative) Deliver on the Open Space Strategy by creating two hectares of new open space, through the delivery of: Southbank Boulevard and Dodds Street, and University Square. ↻ • Begin implementing year one of the Moonee Ponds Creek Strategic Opportunities Plan, including advocacy to the Victorian Government, key stakeholders and the community. 	<ul style="list-style-type: none"> • Consider and assess future Committee of Management options for Westgate Park. • Partner with the Victorian Government to commence delivery of the Moonee Ponds Creek Strategic Opportunities Plan.
<p>We will advocate for high-quality building design and public space through improved policy and establishment of a design excellence program.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ↻ • (Major initiative) Commence the redevelopment of the Bourke Street Precinct, including preparation of a planning permit application for the proposed new buildings. ✓ • Extend City of Melbourne’s commitment to high- quality urban design through advocacy, internal design review and investigation of design competitions on significant sites. 	<ul style="list-style-type: none"> • Continue to progress the Bourke Street Precinct redevelopment. • Partner with the Victorian Government and other Councils to consider opportunities to improve planning, planning panel and Victorian Civil and Administrative Tribunal processes. • Progress implementation of a design excellence program including but not limited to the establishment of a City of Melbourne Design Review Panel to ensure Melbourne continues to be recognised as a patron of leadership in design. • Work with the Victorian Government to review Federation Square design and usage patterns.

Our 4-year priorities are	Our 2017-18 focus was	Our 2018-19 focus was	Over the next year we will
<p>We will advocate for increased influence in decision-making in all areas of significant change including central city and urban renewal areas.</p>	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ • Work with the Victorian Government on Fishermans Bend to progress the Employment Precinct and Lorimer structure plans to deliver ambitious, high-quality and sustainable urban renewal. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Key

✓ Completed ↻ Carried over

Symbols for 2017-18 initiatives have been updated to reflect current status.

▲ This is also a health and wellbeing priority.



A CITY WITH AN ABORIGINAL FOCUS

Aboriginal culture, knowledge and heritage will enrich the city's growth and development. For the Boon Wurrung, Woiwurrung (Wurundjeri), Taungurong, Dja Dja Wurrung and Wathaurung people who make the Kulin Nation, Melbourne has always been and will continue to be an important meeting place and location for events and social, educational, sporting and cultural significance.

Progress measure

Municipal major indicator

An increase in the proportion of people who believe the relationship with Aboriginal and Torres Strait Islander people is important.

Result

95.6% of residents, workers and students

Our approach

The City of Melbourne was the first local government in Australia to have a Reconciliation Action Plan endorsed by Reconciliation Australia. As a capital city, our vision for reconciliation is to lead by example. We want to show how true reconciliation can happen, working in partnership with Traditional Owners, Aboriginal partners and with organisations such as Jawun and Supply Nation.

We are committed to ensuring that the Aboriginal cultural heritage of Melbourne is appropriately recognised, conserved and celebrated by all.

By creating more job opportunities for Aboriginal people and supporting Aboriginal businesses, the City of Melbourne, together with the broader community, can improve economic outcomes for Aboriginal people.

In partnership with Traditional Owners and Aboriginal people, we have an opportunity to strengthen our reputation locally, regionally and globally and develop a mature identity as a city with an Aboriginal focus by:

- Acknowledging that Aboriginal and Torres Strait Islander people were the First Nations people of this land and respect their customs, traditions and their special relationship with the land, waterways and sea.
- Acknowledging the right of Aboriginal and Torres Strait Islander people to live according to their own values and customs, subject to Australian law.
- Recognising the valuable contribution made by Aboriginal and Torres Strait Islander people, including the diversity and strength of Aboriginal and Torres Strait Islander cultures to the heritage of all Australians.
- Supporting the ideal reconciliation with Aboriginal and Torres Strait Islander people to redress their serious social and economic disadvantage.
- Recognising, protecting and respecting Aboriginal and Torres Strait Islander heritage and cultures and understanding the impact of non-Aboriginal settlement in this country.

Major initiative



Implement year one of the Aboriginal Melbourne Action Plan ▲

Delivery of the Aboriginal Melbourne Action Plan was delayed following the identification of further work required prior to public consultation. Subsequently it was resolved to incorporate this work into the Reconciliation Action Plan. The review of both documents has commenced and will be reported to Council for endorsement prior to going out for community consultation.

Initiatives and highlights

YIRRAMBOI Festival 2019 ▲

YIRRAMBOI Festival is Australia's premier First Nations arts and cultural event. The 2019 festival filled the city with an exciting program of free and low-cost events across music, dance, theatre, film, exhibitions, markets, fashion parades, family-friendly events, talks and symposiums, at 24 venues. YIRRAMBOI means 'tomorrow' in the shared local languages of the Boonwurrung and Woiwurrung peoples. The 2019 festival had this idea at its core, presenting a future-focused celebration of the sophistication, diversity and continuous evolution of the longest living culture in the world. YIRRAMBOI hosted performances by First Nations artists from Australia as well as from the USA, Canada and Taiwan. Events included: Barring Yanabul, an all-day series of outdoor performances around the city featuring more than 100 performers; 'dis rupt,' a youth takeover of Hamer Hall; and four new performance commissions in dance, theatre and music. It is the Year of Indigenous Languages, and the festival also hosted the Victorian Aboriginal Corporation for Languages. The festival connected more than 180,000 people to First Nations living culture. Research confirmed the festival generated a high level of satisfaction and pride among those associated with the festival.

▲Health and wellbeing related highlight.

■ **Warrior Woman Lane** ▲

Take a moment to reflect on the courageous women who have shaped our community as you pass by the newly-named Warrior Woman Lane in Carlton. The name pays tribute to the late Lisa Bellea, a passionate advocate for Aboriginal rights and representation, broadcaster, photographer and poet. At the age of 27, Lisa became the first female Aboriginal councillor for the former Collingwood City Council and went on to serve the Victorian Stolen Generations Taskforce and Reconciliation Victoria. Among her many achievements, Lisa was a founding member of Ilbijerri theatre company and presented Not Another Koori Show on 3CR Community Radio for more than 20 years. Warrior Woman Lane is located off Nicholson Street between Kay Street and Alexander Parade. It has existed since the 1800s and, until now, had no name. A recent subdivision of a property on the laneway required an address for residents of the new dwelling. Lisa's family suggested the laneway be named Warrior Woman, words that feature in one of her poems.

■ **National Reconciliation Oration** ▲

The City of Melbourne is committed to demonstrating how genuine reconciliation can happen between Aboriginal people and the broader community. Aboriginal culture, knowledge and heritage enrich Melbourne's growth and development. As part of National Reconciliation Week, the annual National Reconciliation Oration was hosted at Melbourne Town Hall in May. Author and advocate for Aboriginal literacy Dr Anita Heiss delivered a powerful keynote on theme of Grounded in Truth: Walk Together with Courage, inspiring us all to be braver and more honest as we work towards a unified future. The free event was streamed live on the City of Melbourne's Facebook page and viewed by more than 3000 people.

▲ Health and wellbeing related highlight.

HOW WE PERFORMED AGAINST OUR INDICATORS

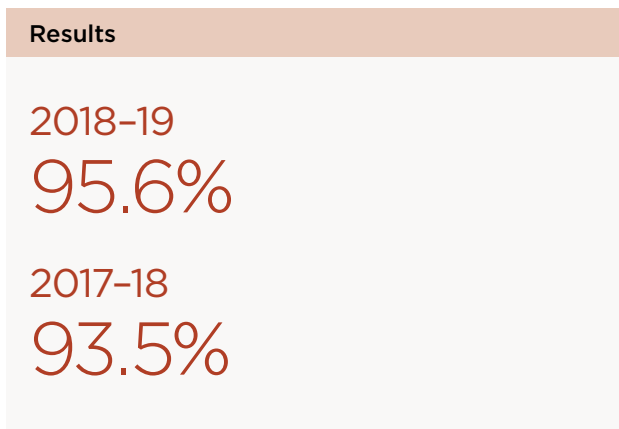
The City of Melbourne aims for several outcomes over the four years of its Council Plan 2017–2021. We measure progress by the indicators below. Results are from 2017–18 and 2018–19 unless otherwise noted.

Outcome

Melbourne acknowledges its Aboriginal history, heritage and identity.

Municipal major indicator

An increase in the proportion of people who believe the relationship with Aboriginal and Torres Strait Islander people is important. ▲



Our progress

The proportion of residents, workers, students and national visitors who believe the relationship with Aboriginal and Torres Strait Islander people is important increased from 93.5 per cent in 2017–18 to 95.6 per cent in 2018–19.

▲ This is also a health and wellbeing indicator.

City of Melbourne indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne acknowledges its Aboriginal history, heritage and identity.			
Indicator			
The percentage of City of Melbourne staff that have completed the Aboriginal induction program.	42.8%	56.3%	The final results indicate a 13.5 per cent increase in attendance compared to last reporting round's 43 per cent attendance. This change is attributed to an increased promotion of the Aboriginal Cultural Awareness programme across various channels including Yammer.
Outcome: Aboriginal and Torres Strait Islander peoples contribute to the city's cultural, social and economic life.			
Indicators			
The number of City of Melbourne traineeships and jobs for Aboriginal and Torres Strait Islander people.	27	14	Over the last 12 months we have seen a reduction of Aboriginal and Torres Strait Islander employees across the organisation primarily due to natural attrition. The City of Melbourne is currently reviewing its entire Aboriginal employment strategy including employment to meet the organisations future direction.
The value of contracts awarded to Aboriginal individuals and enterprises by the City of Melbourne. (Reported as the total spend with Aboriginal suppliers.)	\$602,000	\$317,386	The City of Melbourne does not consistently collect data on the value of contracts awarded to Aboriginal individuals and enterprises. The result indicates our spend with Aboriginal suppliers in 2018-19. The City of Melbourne uses Supply Nation, Australia's premier listing of Aboriginal businesses to consider opportunities.
The number of non-Aboriginal enterprises contracted by the City of Melbourne that contribute to employment for Aboriginal and Torres Strait Islander people.	Not available	Not available	The City of Melbourne does not collect data on successful contractors and their employment of Aboriginal and Torres Strait Islander people. We have developed an Aboriginal Procurement Strategy that involves Aboriginal employee targets with selected large suppliers (as opposed to all contracts). In order to encourage increased employment outcomes of Aboriginal and Torres Strait Islanders, we give consideration to tenderers who are Aboriginal owned, employing or will employ Aboriginal staff and / or will engage Aboriginal businesses as a subcontractor.

Municipal indicators

Outcomes and indicators	Results 2017-18	Results 2018-19	Our progress
Outcome: Melbourne fosters understanding about its Aboriginal heritage and culture.			
Indicator			
An increase in people's understanding of Aboriginal culture.	4.7%	7.3%	The proportion of residents, workers, students, national and international visitors who demonstrated an understanding of Aboriginal culture by being able to name both of the traditional owners of the land around Melbourne increased from 4.7 per cent in 2017-18 to 7.3 per cent in 2018-19.
Outcome: Aboriginal and Torres Strait Islander peoples contribute to the city's cultural, social and economic life.			
Indicator			
The number of people employed in the municipality who identify as Aboriginal and Torres Strait Islander. (Based on 2016 Census data.)	1677	Not available	According to the 2016 Census there are 1677 people employed in the municipality who identify as Aboriginal and or Torres Strait Islander. This represents a 67 per cent increase from 1003 people in the 2011 Census.

PRIORITIES AND INITIATIVES

The table below lists our Annual Plan and Budget initiatives against our four-year Council Plan priorities.

One initiative was completed under a city with an Aboriginal focus in 2018-19.
One initiative was discontinued.

Our 4-year priorities are	Our 2017-18 focus was	Our 2018-19 focus was	Over the next year we will
We will provide protection, recognition and promotion of Aboriginal culture, heritage and place.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> ✓ • Deliver YIRRAMBOI Festival 2019. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will provide opportunities which support cultural, social and economic development for Aboriginal and Torres Strait Islander people. ▲	<ul style="list-style-type: none"> ✓ • Provide a year-round program of support to Aboriginal artists and community members to develop and present creative projects, including for the City of Melbourne's 2019 YIRRAMBOI First Nations Arts Festival. ✓ • Continue to strengthen Aboriginal procurement collaboration opportunities. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Investigate and pilot a co-working space with the Aboriginal Chamber of Commerce in order to assist the development of Aboriginal owned businesses in Melbourne.
We will provide due recognition for Traditional Owners of the land through public events and commemorations, and opportunities for elders to provide welcome to country.	<ul style="list-style-type: none"> ✓ • Look for opportunities to name places to recognise Aboriginal people and culture. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.
We will provide promotion of Aboriginal experiences for the public to celebrate Melbourne as an Aboriginal place.	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority was included in our regular business throughout the year. 	<ul style="list-style-type: none"> • Work supporting this priority is included in our regular business throughout the next year.

Our 4-year priorities are	Our 2017–18 focus was	Our 2018–19 focus was	Over the next year we will
We will partner to educate the broader community about Aboriginal and Torres Strait Islander heritage and culture.	✓ • Understand our current knowledge of Aboriginal culture and heritage within the City; categorised by council staff, residents, visitors, students and business.	x • (Major initiative) Implement year one of the Aboriginal Melbourne Action Plan.	• Work supporting this priority is included in our regular business throughout the next year.
We will partner to promote community understanding of reconciliation including as part of National Reconciliation Week.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority was included in our regular business throughout the year.	• Work supporting this priority is included in our regular business throughout the next year.
We will advocate for the ideal of reconciliation with Aboriginal and Torres Strait Islander people including through a treaty or other instrument of reconciliation.	✓ • (Major initiative) Develop a Stretch Reconciliation Action Plan for 2018–2021.	• Work supporting this priority was included in our regular business throughout the year.	<ul style="list-style-type: none"> • (Major initiative) Finalise the review of the combined Reconciliation Action Plan and Aboriginal Melbourne Action Plan, complete community consultation and commence delivery. • Explore a cultural learning exchange with the First Nations people of Victoria, Canada to learn from each other's experiences and approaches to reconciliation.

Key

✓ Completed x Discontinued

Symbols for 2017–18 initiatives have been updated to reflect current status.

▲ This is also a health and wellbeing priority

OUR ORGANISATION





OUR FUNCTIONS

The City of Melbourne's functions are prescribed by the *Local Government Act 1989*.

We plan and provide services, facilities and infrastructure for the local community, strategically plan and regulate land use in the municipality, make and enforce local laws and discharge duties we have under other Acts.

The City of Melbourne also performs many major functions ranging from arts and cultural programs, tourism, to urban planning, capital works, maintenance and waste management.

A list of our major functions and services is provided on our website at melbourne.vic.gov.au by entering 'functions and services' in the search box.

A list of the Acts and local laws we enforce is provided on our website at melbourne.vic.gov.au by entering 'acts and local laws' in the search box.

For more information on how we perform our functions, provide services and exercise our powers visit our melbourne.vic.gov.au.

Our core administrative and operational functions are conducted out of three buildings: Melbourne Town Hall on Swanston Street and Council House 1 and Council House 2 on Little Collins Street.

In 2018-19 the organisation comprised seven groups and 29 branches. Finance and Procurement, Governance and Legal, Strategy and Partnerships and the Lord Mayor's chief of staff reported directly to the CEO.

Organisational structure (as at 30 June 2019)

Council			
Chief Executive Officer Justin Hanney	City Communities Eamonn Fennessy (Acting)	City Design and Projects Rob Adams AM	City Economy and Activation Katrina McKenzie
Executive Services Finance and Procurement Michael Tenace Governance and Legal Keith Williamson Kim Wood (Chief Legal Counsel) Strategy and Partnerships Letitia Hatton Lord Mayor's Chief of Staff Giulia Baggio	Arts Melbourne Kaye Glamuzina Community Services Alison Duncan Health and Wellbeing Russell Webster Libraries and Recreation Graham Porteous Social Investment Angela Meinke (Acting)	City Design Studio Jonathan Kambouris (Capital Works) Skye Haldane (Design) State Infrastructure* Rob Moore Town Hall Precinct* Ian Winter QVM Precinct Renewal Program* Joanne Wandel	Business and Tourism Dean Griggs Corporate Affairs and Strategic Marketing Joanne Whyte Events Melbourne Louise Scott International and Civic Services David Livingstone
	City Strategy and Place Claire Ferres Miles	City Operations Linda Weatherson	Customer and Business Transformation Brendan Flynn (Acting)
	Chief Digital Officer and Smart City Office Michelle Fitzgerald Placemaking and Engagement Krista Milne (Acting) Urban Strategy Emma Appleton Urban Sustainability Deb Cailles	Engineering Services Jenny Bailey On-street Compliance Services Dean Robertson Parks, Property and Waterways Greg Stevens Planning and Building Evan Counsel (Acting) Resilience* Toby Kent	Customer Relations Joelene Schembri Improvement and Program Integration Marlo Emmitt (Acting) Technology Services Colin Fairweather People and Culture Clive Peter

* Limited term projects

SENIOR EXECUTIVE TEAM

On 1 July 2018 an organisational realignment came into force that broadened the composition of the senior executive team. In 2018-19 the new City of Melbourne organisational structure comprised seven groups, led by the CEO and six directors.

The CEO and directors manage our operations and ensure the Council receives the strategic information and advice it needs to plan for the municipality and make decisions.

Branches within each division perform specific functions, collaborate on projects and share their particular knowledge and expertise across the organisation. Information on the CEO, directors and their groups is provided below.



Justin Hanney
Chief Executive Officer
Commenced position in 2019.



Professor Rob Adams AM
Director City Design and Projects
Commenced position in 1995.

Justin started in the role of CEO in January 2019. Prior to this, Justin worked as the Head of the Employment, Investment and Trade Group within the Department of Economic Development, Jobs, Transport and Resources. His portfolio encompassed economy-wide work to attract and facilitate international and domestic investment, grow employment and expand Victoria's offshore trade.

Justin had responsibility for development of Victoria's key sectors and oversight of key entities including Regional Development Victoria, Visit Victoria, Development Victoria, Agriculture Victoria, Trade and Investment Victoria, Small Business Victoria as well as the delivery of Victorian Government nominated major projects.

Justin was previously CEO at the City of Yarra and the City of Wangaratta, the CEO of statutory body Regional Development Victoria and Deputy Secretary at the Department of Premier and Cabinet.

As City of Melbourne CEO, Justin has made it his priority that Melbourne continues to be a leading organisation for a leading city for all people, whether they come here to live, work or visit.

Justin has a Bachelor of Arts (Major in Human Resources), Graduate Diploma in Business Management and Masters of Public Policy and Governance.

The CEO position was occupied by Ben Rimmer from July 2018 until December 2018.

Rob joined the City of Melbourne in 1983 and has 46 years' experience as an architect and urban designer. Rob has a Masters in Urban Design and a Bachelor of Architecture. He has been a visiting lecturer at RMIT and Melbourne University. In June 2004, the University of Melbourne recognised Rob's contribution to the University and the city with the title of Professorial Fellow within the Faculty of Architecture, Building and Planning.

Rob was awarded the Prime Minister's Environmentalist of the year Award in 2008, has an Order of Australia for his contribution to architecture and urban design and is a member of the World Economic Forum's Future of Cities Council.

The City Design and Projects Group is responsible for the design and delivery of the Council's major projects and projects within the Capital Works Program. The group comprises two branches and two limited term project teams whose work and advocacy plays a major role in shaping the city and influencing the future Melbourne – a place for all people to live, learn, work and prosper in a high quality and high amenity urban environment.



Claire Ferres Miles
Director City Strategy
and Place

Commenced position in 2018.

Claire joined the City of Melbourne in May 2018. Previously Claire held executive roles in Local Government (City of Port Phillip), Victorian Government (Transport and Planning), Transport for London and in the private sector. Claire has a Master of Transport, a Master of Traffic, a Bachelor of Planning and Design with majors in Landscape Architecture and Urban Design and is a Graduate of the Australian Institute of Company Directors.

In 2017 Claire was recognised as a 'Top 50 Woman in the Victorian Public Sector'.

The City Strategy and Place Group enables the city and organisation of the future to be imagined and realised. Combining strategic analysis, planning and deep engagement, the group ensures that Melbourne has a clear plan for the future, including our environment, land use and infrastructure, built form, technology and economy. The group comprises four branches that work collaboratively to shape a vision which will guide the next generation of Melbourne's growth towards a sustainable and smart city.



Linda Weatherson
Director City Operations

Commenced position in 2018.

Linda joined the City of Melbourne in 1987. She holds a Diploma of Teaching (Primary) and Graduate Diploma of Special Education. Linda has held management positions at the City of Melbourne in Family and Children's Services, Human Resources, Business Development and Best Value. In 2004 Linda was appointed to the role of Director Corporate Performance and in 2007 was appointed to the role of Director City Communities which she occupied until 2018 before moving to her current position as Director City Operations.

The City Operations group manages Council's physical assets, maintains Council infrastructure, delivers environmental and regulatory services and is responsible for major revenue streams. It comprises six branches.



Brendan Flynn (Acting)
Director Customer and
Business Transformation

Commenced position in 2019.

Brendan joined the City of Melbourne on short-term contract in March 2019. Previously Brendan held senior roles in the Victorian Public Service, including the Melbourne Biomedical Precinct, Infrastructure Victoria, the Department of Premier and Cabinet, and the Department of Treasury and Finance. Brendan also has extensive private sector experience, including at Standard & Poor's Ratings where he was leader of the Pacific Public Finance and Financial Institutions businesses. Brendan holds a Masters degree in Economics, a Bachelor of Economics with Honours, and a Graduate Diploma of Applied Finance and Investment. He is a Graduate of the Australian Institute of Company Directors and a Victorian Fellow of the Institute of Public Administration Australia.

The Customer and Business Transformation group supports the City of Melbourne's vision of becoming a bold, inspirational and sustainable city by driving and embedding organisational strategy and change. The group comprises four branches that work collaboratively across the organisation to support and enhance our ability to deliver Council's priorities and prepare for future needs.

The Director Customer and Business Transformation position was occupied by Keith Williamson (acting role) from July 2018 until August 2018. Andrew Wegener occupied the position from September 2018 until February 2019.



Eamonn Fennessy (Acting)
Director City Communities

Commenced position in 2019.

Eamonn joined the City of Melbourne in 2007, initially leading open space and parks planning. Previously Eamonn held roles in the private sector, with the Department of Conservation in Western Australia, VicRoads and Moreland City Council and holds a Bachelor of Landscape Architecture. More recently, Eamonn has held a number of executive roles with the City of Melbourne, including Manager Strategy and Partnerships and from 2017 Manager Placemaking and Engagement.

The City Communities group delivers key services to the community. It contributes to the city's enhancement and its reputation as a creative, safe, caring and inclusive city for people of all cultures, religions, ages and abilities. The group comprises five branches that provide a range of services and programs for residents and visitors.

The Director City Communities position was occupied by Angela Meinke (acting role) from July 2018 until August 2018. Ali Wastie (acting role) occupied the position from September 2018 until February 2019.



Katrina McKenzie
Director City Economy and Activation

Commenced position in 2016.

Katrina joined the City of Melbourne in 2015. Previously Katrina held senior executive roles in Australian, Victorian and local government including with the Environment Protection Authority, Department of Environment and Primary Industries as well as Department of Environment, Land, Water and Planning. Katrina holds a degree in Applied Science, a Masters in Innovation and Service Management and is a Graduate of the Australian Institute of Company Directors.

Katrina has been the Executive Sponsor of the City of Melbourne Pride Network since its formation in 2018.

The City Economy and Activation Group focuses on establishing strong private and public sector relationships that position Melbourne as a world-class city in local, national and international markets. Through its work in customer service, place management, tourism, major events and destination marketing, the group drives the high standards of customer contact and the Melbourne 'brand'. The group comprises four branches that work closely with a wide range of stakeholders including ratepayers, business, retail, city visitors, tourists, major sporting bodies and government departments.

Executive team

The City of Melbourne also has a broader executive team that assists in the overall leadership and governance of the organisation. In particular, it:

- provides impartial and professional advice to Council
- implements Council decisions efficiently and effectively
- leads the organisation and its people, including enhancing collaboration and providing stewardship for the future
- manages ongoing programs and services
- supports good local governance in the community
- builds partnerships and advocates in the best interests of the community, consistent with Council priorities.

OUR PEOPLE

Our highly engaged, diverse and deeply committed workforce enables us to deliver our vision of being a leading organisation for a leading city.

Our values guide how we achieve our vision and how we Make the Difference. Our values form the basis of how we work. Our “Five Values in Five Weeks” initiative prompted our leaders to lead values based discussions with employees, and consider what each of the values look like in practice.

Our leaders are expected to:

- role model the values
- allow enough time in team meetings to hold regular conversations about the values
- think and discuss how values manifest in the team’s work
- encourage employees to reflect on the values and their meaning
- be non-judgmental, encourage all ideas and value differences in people
- make decisions as a team
- share ideas and success stories with other leaders
- consider values in performance evaluation and regular feedback to employees.

In April we commenced an organisation-wide cultural change journey. All staff members were invited to complete a survey asking them to identify the workplace culture they would like the City of Melbourne to have. This helped us to understand our ideal culture.

All staff members were then asked to tell us about their experience of the current culture at the City of Melbourne. Understanding the actual culture provides us with information about what needs to change, and how we can achieve that change.

The ideal culture our staff want to experience at the City of Melbourne encourages accomplishment of organisational goals through people development, promotion of team work, and constructive interpersonal relationships. Staff members want a culture that values quality over quantity, encourages setting and achieving challenging goals and promotes individual growth.

Across the organisation we are now developing change plans to move closer to our ideal culture.

A range of professional and personal development activities, flexible work arrangements, health and wellbeing programs and leave variations help all employees maintain a healthy work-life balance and reach their full potential. This includes The Club, a non-profit association with a focus on achieving excellence in health and wellbeing initiatives for all members. The Club encourages and promotes a healthy work-life balance for members by providing resources, programs, services and activities. Services range from discounted cinema, entertainment, sporting and theatre tickets to subsidised gym memberships, social and charity events.

We have established a dedicated learning and development program for volunteer managers. Specific volunteer management training has been implemented to ensure that all volunteer managers feel fully supported in their role and are gaining the skills and knowledge to adequately manage and support their volunteers. Training includes A-Z of volunteer management, volunteer and the law, volunteer performance counselling and how to implement the volunteering national standards. The development of a best practice framework and guidelines has enhanced leadership and problem solving skills and provided a continuous learning environment for all volunteer managers.

Employee code of conduct

The code of conduct provides a practical set of principles, standards and expected behaviours to help our employees make informed and appropriate decisions in their day-to-day work.

Our code of conduct applies to everyone who works at the City of Melbourne including all employees, contractors, consultants, agency staff and volunteers. All employees are provided access to our code of conduct e-learning module, and all new employees receive an electronic copy of the code of conduct with their offer of employment.

Enterprise agreement

The Melbourne City Council Enterprise Agreement 2016 is underpinned by the National Employment Standards, which together provide the legal framework through which our employment terms and conditions are established for the majority of our employees. For executive employees, employment terms and conditions are governed by the Standards, Local Government Industry Award 2010 and individual employment contracts.

The current enterprise agreement expired on 30 June 2019. The Enterprise Agreement 2016 conditions and entitlements will remain until a new enterprise agreement is approved by a majority of employees. The enterprise agreement covers 95 per cent of employees.

Staff classifications

- Classification 1 and 2 – childcare workers, school crossing supervisors, fitness instructors, information officers.
- Classification 3 – childcare workers, compliance officers, office administrative support.
- Classification 4 – administrative support, environmental health, project officers and kindergarten teachers.
- Classification 5 and 6 – professionals, analysts, programmers, technical staff, maternal and child health nurses, immunisation nurses and event managers.
- Classification 7 – team leaders and professionals.
- Executive – managers, directors and the CEO.

Our volunteers

In 2018, we initiated an ambitious project to support our 2400 volunteers and their managers. Our initial focus was to implement management software to provide the organisation with information on our volunteers and volunteer program. In 2019, this project came to fruition and we have seen incredible change across our program. We now have a centralised role to support staff managing volunteers and to implement a best practice volunteering program model. This significant investment supports our volunteers to have the right tools and information before they commence with us, and also fully enables volunteer managers to get the best out of our volunteers.

We are exceptionally proud of our large and diverse volunteer program. Our program consists of:

- Festivals and Events – Melbourne Music week, Melbourne Fashion Week and Moomba
- Community Services – Friendly Visitor program, Social Support, Seniors Christmas Party
- Library Services – English as a Second Language Conversation Classes
- ArtPlay
- Arts House
- Visitor Services
- Citizen Forester program
- Gardens 4 Wildlife program
- Lord Mayors Student Welcome – InterCom3 and The Welcome Game
- Melbourne Knowledge week
- YIRRAMBOI
- Carols by Candlelight Fundraising program.

Our longest serving volunteer has volunteered for the Visitor Services program for 29 years. The Visitor Services program also has four volunteers with 24 years, one with 23 years and eight with 22 years of service. That's amazing dedication, and we are thankful to each and every one of our volunteers.

STAFF PROFILE

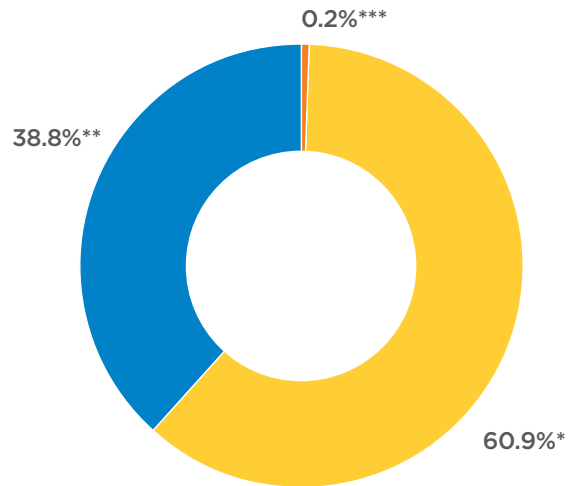
As at 30 June 2019, we employed 1674 people, with a full-time equivalent (FTE) of 1424.76. Whilst our staff numbers increase slightly during summer due to a seasonal operating pool, direct employees of the organisation complete most of our work. A breakdown of our direct employees is:

- 1013 permanent, full-time (988.11 FTE)
- 383 permanent, part-time (229.31 FTE)
- 243 maximum-term temporary - full-time and part-time (204.25 FTE)
- 35 casual (3.09 FTE)

Most of our employees work in the central city, with the remainder based at other sites across the municipality.

Note: Employee data includes active employees on payroll (employees could be on paid and unpaid leave) and excludes supervised worker data, as this is currently unavailable.

Total workforce by gender as at 30 June 2019

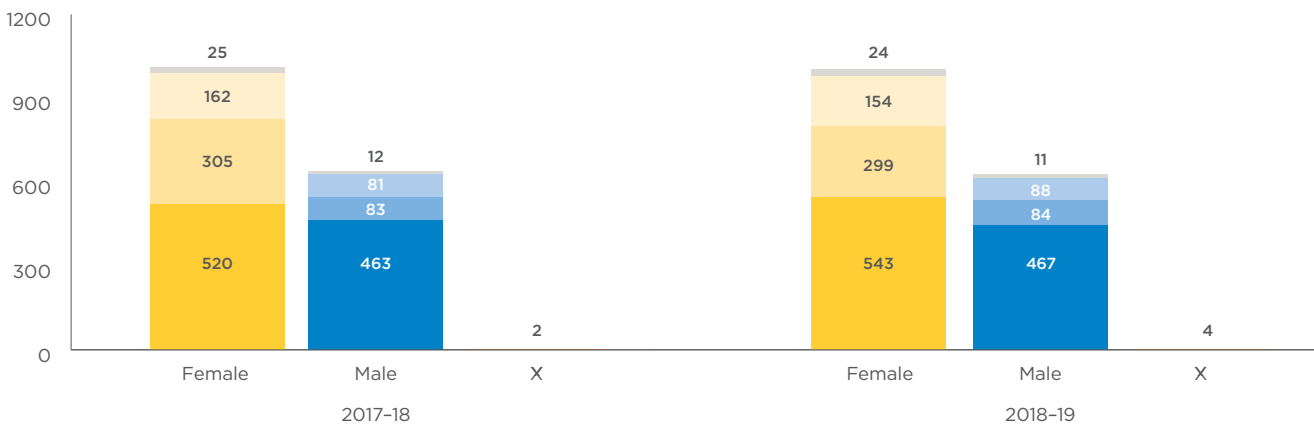


Key

- Female
- Male
- Indeterminate / Intersex / Unspecified

* 1020 (841.99 FTE) previous year 61.2%
 ** 650 (579.77 FTE) previous year 38.7%
 *** 4 (3 FTE) previous year 0.1%

Number of staff (head count) by employment type and gender 2017-18 to 2018-19



Key

- Permanent full-time
- Permanent part-time
- Maximum term (full / part-time)
- Casual
- X = Indeterminate / Intersex / Unspecified

New staff by gender and age

Age	Female	Male	Indeterminate / Intersex / Unspecified	Total
Under 30 years	43 (32.83 FTE)	27 (19.17 FTE)	2 (1.00 FTE)	72 (52.99 FTE)
30-49 years 11 months	89 (74.54 FTE)	39 (31.75 FTE)	0 (0 FTE)	128 (106.27 FTE)
Over 50 years	24 (17.33 FTE)	14 (10.29 FTE)	0 (0 FTE)	38 (27.62 FTE)
Total	156 (124.68 FTE)	80 (61.21 FTE)	2 (1.00 FTE)	238 (186.88 FTE)

Our rate of new employee hires during the reporting period was 7.03 (by head count) or 7.62 FTE. (This is up from last year's rate of 5.88 head count and 6.50 FTE.)

Workforce turnover in 2018-19 by gender and age

Age	Female	Male	Indeterminate / Intersex / Unspecified	Total
Under 30 years	37 (31.97 FTE)	21 (19.50 FTE)	0 (0 FTE)	58 (51.46 FTE)
30-49 years 11 months	108 (90.53 FTE)	50 (46.35 FTE)	0 (0 FTE)	158 (136.88 FTE)
Over 50 years	29 (21.90 FTE)	16 (14.43 FTE)	0 (0 FTE)	45 (36.33 FTE)
Total	174 (144.40 FTE)	87 (80.28 FTE)	0 (0 FTE)	261 (224.68 FTE)

Number of staff (FTE) by organisational group, employment type and gender as at 30 June 2019

Employment type	Gender	City Economy and Activation	City Design and Projects	City Strategy and Place	City Communities	City Operations	Executive Services	Customer and Business Transformation	Grand total
Permanent full-time	Female	92.78	19.92	46.69	163.27	112.32	43.13	51.38	529.49
Permanent full-time	Male	28.61	26.00	35.98	63.91	214.62	30.55	56.95	456.62
Permanent full-time	Interdeterminate / Intersex / Unspecified	0.00	0.00	1.00	0.00	0.00	0.00	1.00	2.00
Permanent part-time	Female	20.75	5.12	16.10	92.52	25.29	7.39	16.37	183.54
Permanent part-time	Male	1.81	0.80	2.29	27.16	10.52	0.00	3.20	45.77
Maximum term full-time	Female	19.77	15.00	13.88	15.15	15.58	1.00	10.00	90.36
Maximum term full-time	Male	7.00	11.00	9.90	8.00	18.25	2.00	7.98	64.13
Maximum term full-time	Interdeterminate / Intersex / Unspecified	0.00	0.00	0.00	0.00	1.00	0.00	0.00	1.00
Maximum term part-time	Female	5.85	3.78	5.75	11.47	5.98	0.00	3.42	36.25
Maximum term part-time	Male	3.60	0.00	0.80	3.67	4.45	0.00	0.00	12.52
Casual	Female	0.25	0.00	0.00	2.09	0.00	0.00	0.00	2.34
Casual	Male	0.30	0.00	0.00	0.42	0.03	0.00	0.00	0.75
Grand total		180.72	81.62	132.38	387.64	408.04	84.07	150.29	1424.76

City of Melbourne senior executive remuneration

Position	Name	Total employment package*	Start at City of Melbourne	Current contract start	Current contract end
Chief Executive Officer	Justin Hanney	\$498,000	14 January 2019	14 January 2019	13 January 2023
Director City Design and Projects	Rob Adams	\$408,784	14 October 1986	15 September 2017	14 September 2020
Director City Strategy and Place	Claire Ferres Miles	\$368,377	7 May 2018	7 May 2018	6 May 2021
Director City Economy and Activation	Katrina McKenzie	\$368,377	21 January 2016	17 October 2016	28 February 2020
Director City Operations	Linda Weatherson	\$368,377	7 December 1987	19 July 2018	18 July 2020
Director Customer and Business Transformation	Brendan Flynn (Acting)	\$368,377	4 March 2019	6 May 2019	16 August 2019
Director City Communities	Eamonn Fennessy (Acting)	Acting arrangements in place.			

DIVERSITY AND INCLUSION

We embrace the benefits of inclusion and diversity, and openly value the different skills, knowledge and perspectives our people bring with them. We know that diversity makes us an organisation that makes better decisions, has a higher sense of employee well-being and psychological safety, has greater engagement and higher levels of commitment and satisfaction.

Our values are the foundation of our commitment to diversity and inclusion. We value integrity, courage, accountability, respect and excellence. Each of these values highlights and celebrates the diversity and inclusion ethos that is so important to our culture.

This is how we can see our diversity and inclusion ethos shine through in our values:

Our values	How we see diversity and inclusion in our values
Integrity Be honest and reliable, have integrity.	Challenging our own unconscious biases.
Courage Speak up, have courage, make things happen.	Speaking up when observing actions that are not supportive of our commitment to inclusion.
Accountability Act with accountability; be responsible for what you do and how you do it.	Ensuring you welcome, value and support your colleagues and customers.
Respect Stay open, be inclusive, value every voice, establish respect and collaborate.	Be open to individuals' differences and experiences and enable them to fully participate.
Excellence Display excellence; work with energy and passion for the best possible results.	Draw on the unique differences of our people (diversity of thought and experience) to achieve the best possible results.

In 2018-19 our Pride network went from strength to strength. The focus for City of Melbourne Pride in 2018-19 was:

- **Embracing diversity:** mapping current activities and partnerships (internal and external).
- **Supporting staff:** supporting and empowering allies to foster a workplace culture where diversity is embraced.
- **Addressing barriers to inclusion:** to increase understanding of the network, its activities, and issues being addressed and faced by the LGBTQI members and allies.

Pride lanyards are now worn by many employees. Over 500 employees formally took the pledge to speak out and act against homophobia, biphobia, intersexism and transphobia and will stand with or amongst LGBTQI colleagues as members of City of Melbourne Pride.

Some key Pride activities in 2018-19 included a flag raising at Town Hall in support of the International Day Against Homophobia, Biphobia, Intersexism and Transphobia, further training of staff, participation in our first Australian Workplace Equality Index survey and benchmarking, and networking with other councils and organisations with regards to best practices.

The City of Melbourne was delighted to win the 2018 Champion of Flexible Work Awards in the category of local government. We continue to drive a culture of flexibility, with our 'all roles flex' policy and suite of supporting tools to assist managers and employees brainstorm ways to walk the talk. Workplace flexibility enhances the culture of our organisation and enriches the experience of our employees as we work hard to serve our community.

Our organisation continues to break down the barriers for gender equity through greater workplace flexibility, addressing everyday sexism and supporting the prevention of violence against women in our community, and actively encouraging a culture of speaking up.

To help us assess how well our equality and diversity goals are being achieved we collect data on the gender and age makeup of our workforce and incidents of discrimination. There were no incidents of discrimination recorded during the reporting year.

Ratio of job classifications of women to men by employee category as at 30 June 2019

Award employees

(Class 1 to Class 7 also including senior officer staff)

1 female to 0.63 males

(2017-18 was 0.62 males, 2016-17 was 0.61, 2015-16 was 0.71)

1 male to 1.60 females

(2017-18 was 1.62 females, 2016-17 was 1.60, 2015-16 was 1.55)

Executive employees

(Executive 1 to Executive 5)

1 female to 1.00 males

(2017-18 was 1.07 males, 2016-17 was 1.10, 2015-16 was 1.50)

1 male to 1.00 females

(2017-18 was 0.94 females, 2016-17 was 0.91, 2015-16 was 0.67)

Note: Ratio not completed for one Indeterminate / Intersex / Unspecified.

Employee classification by gender (FTE) as at 30 June 2019

Gender	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7 / Snr Off.*	Exec	Grand total
Female	14.61	43.72	164.87	183.69	169.13	164.54	69.01	32.40	841.99
Male	17.27	19.74	112.90	99.62	113.32	114.55	69.77	32.60	579.77
Indeterminate / Intersex / Unspecified	0.00	1.00	0.00	0.00	0.00	2.00	0.00	0.00	3.00
Grand total	31.88	64.46	277.77	283.32	282.45	281.09	138.78	65.00	1424.76

*Snr Off. – Senior Officer Contract

Employee classification by age group (FTE)

Age group	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7 / Snr Off.*	Exec	Grand total
Under 30 years	18.83	19.08	46.14	46.85	10.00	6.43	0.00	0.00	147.32
30-49 years	8.50	29.61	130.11	166.55	189.95	187.17	85.27	32.30	829.44
50 years plus	4.56	15.78	101.53	69.92	82.51	87.50	53.51	32.70	448.00
Grand total	31.88	64.46	277.77	283.32	282.45	281.09	138.78	65.00	1,424.76

EMPLOYEE HEALTH AND SAFETY

We strive to provide a safe and healthy workplace and environment for our staff, suppliers, contractors, volunteers and visitors. Each person is responsible for recognising workplace hazards and correcting or reporting them in a timely manner.

We have a number of programs and initiatives to support the safety and wellbeing of our employees, including free flu vaccinations, a partnership with a local medical and allied health provider, safety committees, our safety and wellbeing learning program and our extensive people assist program to support staff with both personal and work-related issues.

During 2018-19, we commenced a complete overhaul of our documented Safety Management System with clear objectives to streamline, simplify and align the system to organisational needs and contemporary best practice. We will transition the system from certification against Australian Safety Standard AS/NZS 4801 to ISO 45001 over the next two financial years.

This is the sixth year we have reported safety data. The data below is representative of our employees only; currently we do not record this data for contractors. There were no fatalities or occupational diseases recorded during 2018-19.

We have a proactive injury prevention strategy and an early intervention approach to all work-related injuries and illnesses that focuses on sustainable return-to-work programs.

Lost Time Injury Frequency Rate (LTIFR)*	Total Recordable Injury Frequency Rate (TRIFR)**	Occupational Disease Rate (ODR)	Absentee Rate (AR)***	Total Work-Related Fatalities
5.37	30.91	0	4.84%	0

* LTIFR calculated as number of Lost Time Injuries recorded in the reporting period divided by total hours worked multiplied by 1,000,000..

** TRIFR calculated as number of Lost Time Injuries plus number of Medical Treatment Injuries (MTIs) recorded in the reporting period divided by total hours worked multiplied by 1,000,000.

*** Absentee Rate (AR) is total sick leave absences as a percentage of ordinary time available. The previous year's AR rate was 4.72 per cent. This includes sick leave with and without medical certificate, carers' leave, sick unpaid leave, sick leave pending a WorkCover claim and WorkCover.

Lost time and medically treated injuries by type

Nature of injury (medically treated)	Number of reported incidents
Slips, trips and falls	13
Other types of accident	9
Muscular stress during manual handling	5
Muscular stress with no objects being handled	4
Occupational overuse syndrome	4
Fall from height	2
Physical assault by other person(s)	2
Contact with hot substance or object	1
Contact with electric current	1
Bite (insect, animal)	1
Grand total	42

WorkCover claims

We received 24 WorkCover claims in 2018-19. Nineteen of these claims were accepted, four were rejected, and one claim remains pending. Our WorkCover premium rate is currently 1.217 per cent and our performance rating is currently 0.998.*

Financial year	Standard claims	Minor claims	Premium including GST (\$)	Premium as % of remuneration
2018-19**	16	3	2,224,781.08	1.37
2017-18	19	11	1,779,287.36	1.11
2016-17	21	8	1,354,185.42	0.86
2015-16	20	8	1,072,540.39	0.67
2014-15	16	3	729,389.86	0.52

* The premium and performance rates are projected at the time of reporting and subject to change following confirmation by the regulator.

** Annual claims data will change retrospectively as a result of minor claims progressing to standard claims and claims being rejected.

EMPLOYEE DEVELOPMENT AND TRAINING

Our organisational vision is to be a leading organisation for a leading city. We're here to make the difference for Melbourne and its people.

Having the right culture is critical to realising our vision. Everyone has a part to play in creating a desirable culture for the City of Melbourne. It is built by people who demonstrate behaviours and attitudes that are aligned with our values of integrity, courage, accountability, respect and excellence. This includes complying with all corporate policies and completing all compulsory learning within the required timeframes. Our learning and development program focuses on ensuring our employees are provided with the knowledge and skills required to achieve this through learning and compliance programs.

In 2018-19 we developed, successfully piloted and formally commenced delivery of a leadership program as part of a continued focus on the development of our leaders. The first full cohort of the leadership program had 29 participants. The learning and development team also continued to support identified staff to participate in the City of Melbourne-supported leadership scholarships for the Masters in Public Administration through ANZSOG and the Future Focus Leadership Program through the Committee for Melbourne.

Last year 2346 courses were delivered through our learning program across 242 individual subjects, with a total of 2151 participants. A breakdown of average training hours by gender and classification can be seen in the following table for average formal training hours by gender and classification.

We are upholding our commitment to becoming a recognised child safe organisation. After a significant

push in the first year, our people leaders and employees in occupational roles that interact with children continued to attend speak-up workshops. We ran nine speak-up workshops, educating 164 employees to identify the signs of, or potential for child abuse and how to report it. In line with legislative requirements, we also introduced and rolled out the reportable conduct e-learning module as mandatory for the whole organisation.

The City of Melbourne is proud to fully support reconciliation. As part of our Reconciliation Action Plan 2015-18, we jointly created an Aboriginal Cultural Awareness Program for our employees. This program includes a cultural awareness workshop that looks at the history of Aboriginal people from the local area and throughout Australia. This year we held 11 workshops, educating 104 employees. The program also includes a local Aboriginal Cultural Awareness Walk facilitated by the Koorie Heritage Trust. This year, 141 employees participated in the walk experience across 13 sessions.

We continued a biennial compliance-training program so that our employees understand their roles and responsibilities regarding key corporate policies, Acts, local and national legislations. This mandatory staff program consists of 16 training modules with a group of modules being run every quarter over a 24-month period. These modules include such topics as our code of conduct, privacy and data protection, cyber security, work health and safety, fraud and improper conduct, equal employment, bullying and harassment, family violence prevention, child safety and reportable conduct and gender equality.

Average formal training hours by gender and classification

Gender	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7 / Snr Off.*	Exec
Female	29	49	198	184	194	183	72	23
Male	27	17	75	84	85	86	45	21
Indeterminate / Intersex / Unspecified	0	0	0	0	0	6	0	0

Child Safe Standards 'Speak-up'

Class	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7 / Snr Off.*	Exec	Total Hours Delivered
Number	15	33	27	60	72	84	39	18	348

*Snr Off. - Senior Officer Contract

Note: A large proportion of staff attended this training in 2016-17 when it first launched. The numbers are therefore reflective of ongoing compliance efforts for new staff.

INVOLVING THE COMMUNITY IN OUR DECISIONS

This year we engaged directly with the community on 48 key city shaping projects. Community members shared their views on streets, parks, community spaces, creeks and rivers. Waste, heritage, health and creativity were key themes, as well as the future of transport and market infrastructure for the Queen Victoria Market Precinct Renewal Program.

Our community engagement has resulted in decisions that improve policy and services and greater community satisfaction and wellbeing. As shown by the Department of Environment, Land, Water and Planning's 2019 Community Satisfaction Survey, satisfaction with our community consultation and engagement (index score of 62) is above the state-wide average (index score of 56). This is in line with the recent high standards that have been established.

Our online engagement on Participate Melbourne continues to evolve with new and improved digital tools that make it easier for the community to submit their ideas on projects, plans, and strategies. Contributions to Participate Melbourne are up 64 per cent on the previous year showing the impact of new and more engaging online tools. More information is available at melbourne.vic.gov.au/participate

We have also brought the community into the conversation on collaborative projects with the Victorian Government, especially in areas of growth and urban renewal. These projects include the Metro Tunnel Project, the West Gate Tunnel Project, Fishermans Bend, Arden Macaulay Renewal Area, and Public Housing Renewal Program.

The renewal of Arden Macaulay involves a range of government agencies, including the Department of Economic Development, Jobs, Transport and Resources and the Victorian Planning Authority, Rail Projects Victoria and Melbourne Water. The City of Melbourne has led the delivery of www.ardenmacaulay.vic.gov.au A single online presence brings government partners together to inform communities about the renewal area.

Our community helped shape the direction and detail of projects across the municipality including:

- 2019-20 Annual Plan and Budget
- A new park for Market Street
- Carlton Heritage Review
- City River Strategy
- Climate Change Mitigation Strategy
- Council Plan 2017-2021 (Review)
- Creative Strategy
- Domain Parklands Master Plan
- Elizabeth Street long-term vision
- Innovation District Urban Realm Action Plan
- JJ Holland Park play space renewal
- Kensington Recreation Centre
- levers Reserve landscape concept plan
- Lincoln Square concept plan
- Melbourne Music Strategy
- Moonee Ponds Creek Strategy Opportunities Plan
- Queen Victoria Market Precinct Renewal (People's Panel)
- Planning scheme amendments including the Gaming Policy, land use in West Melbourne, heritage in Southbank and the Melbourne Arts Precinct
- Ron Barassi Senior park community use
- Seafarers Rest Park
- Transport Strategy
- Waste and Resource Recovery Strategy
- Yarra's Edge Community Space

Participate Melbourne metrics

2017-18

109,696
website visitors

8409
registered members

2018-19

145,093
website visitors

12,138
registered members

IMPROVEMENT

Improving the way we work and serve our customers is central to everything we do. We are focused on ensuring our data and services are accessible, fast, integrated, simple to use and designed with the customer's needs in mind.

Online data visualisation tool

As part of Council's commitment to improving data accessibility, we developed an online data visualisation tool to show how the municipality performs on a range of key liveability and social indicators. This online tool presents over 100 indicators accessible to both Council and the general public.

Indicators help us to assess our municipality's performance, measure progress and compare with other cities. The results also help us to monitor our Council Plan and guide policy, planning and management to ensure that Melbourne continues to be a liveable, bold, inspirational and sustainable city.

- Liveability indicators were derived in accordance with the World Council on City Data international (ISO) standard for city data, and compiled using various sources including but not limited to Council's annual reports and ABS data. They are grouped into 10 themes according to different areas and city services: profile; economy; finance; fire, safety and shelter; governance; health and education; recreation and urban planning; transportation; and water, energy and environment.
- Social indicators were derived in accordance with Council Plan municipal outcome indicators and support our health and wellbeing priorities. They are grouped into five themes: health and physical activity; wellbeing; food security and production; culture, diversity and safety; and participation in activities.

The visualisation provides current information including changes over time, making it easy to see trends. The rationale and data sources behind each indicator are also carefully detailed. This allows users to easily understand, interpret and cite results.

It is anticipated that this tool will be an invaluable resource in terms of providing an evidence base when developing Council plans and strategies. It will allow us to demonstrate progress against our Climate Mitigation Strategy to 2050. It will be used to form Council's Urban Health Profile in uncovering and highlighting the health and wellbeing priority areas for the next Council Plan, including the Municipal Health and Wellbeing Plan.

The visualisation will be updated on a regular basis following the release of new data to ensure indicators remain current. Additional indicators from the ISO standard may also be added to provide a fuller picture of the different sectors, services and themes covered.

To use the visualisation, enter 'liveability and quality of life' in the search box at melbourne.vic.gov.au

Melbourne City DNA

It is our goal to be a deliberative city, one that is a leader in the use of participatory and innovative approaches to decision making. The Melbourne City DNA initiative is moving us closer to achieving this goal and has been prototyping a new type of human-centred, civic engagement space. The aim is to help people engage with, and shape, the future of Melbourne by more deeply connecting to the city: its past, present, and possible futures through the use of new and emerging technologies.

The following principles underpin these prototypes:

- connect people, place and technology
- encourage participation no matter the level of expertise
- use diverse approaches to communication and interactivity
- continually prototype new modes of engagement
- keep it human and accessible for all.

A Melbourne City DNA exhibit ran at Melbourne Knowledge week 2019 with more than 26,000 people attending throughout the course of the week. The exhibit showcased a range of new and emerging technologies in a highly interactive space including virtual reality, a large 3D printed model of the city, projection mapping and a series interactive touch screens.

Based on the success of the exhibit and positive feedback from community and industry representatives, Melbourne City DNA will be part of a service pilot to operate out of Town Hall. The service pilot will be designed and delivered in 2019-20.

OUR ENVIRONMENTAL PERFORMANCE

Our approach to managing both our organisational and city environmental performance is driven by the priorities identified within Council Plan goal – a city that cares for its environment, and the city-wide strategies and plans which support it. To lead and inspire action throughout the community we continually work on improving our own operations, with a current focus on three key impact areas: greenhouse gas emissions, energy consumption, and water management.

More information on our environmental approach, highlights and performance can be found in the 'performance against our goals' section - a city that cares for its environment.

Energy and emissions

The City of Melbourne is a certified carbon neutral organisation through the National Carbon Offset Standard, as well as a signatory to the Paris Climate Change Agreement, which introduced science-based emission reduction targets to limit global temperature rise to well below 2 °C and to pursue efforts to limit it to 1.5 °C above pre-industrial levels. The City of Melbourne Emissions Reduction Plan for our Operations, launched in 2016, is our roadmap for reducing emissions from our activities between 1 July 2016 and 30 June 2021. To do our share to avoid a 1.5 °C rise in global average temperature by 2050, we need to reduce our emissions by approximately 4.5 per cent each year, or 17,524 tonnes of carbon dioxide equivalent, based on our 2011-12 baseline year for the National Carbon Offset Standard. The City of Melbourne's 2017-18 National Carbon Offset Standard report shows that we have achieved a 22 per cent reduction in our emissions since commencement of the Emissions Reduction Plan and are surpassing our science-based emissions reduction target.

2018-19 results

Improving the energy efficiency of our operations and increasing our uptake of renewable energy sources is critical to achieving our ambitious emissions reduction targets. We have undertaken a number of energy efficiency upgrades in the reporting year. These include thermal efficiency improvements, energy management controls, and energy optimisation and building tuning projects across our offices, libraries, recreation centres, and community buildings. We have also upgraded a further 1445 LED streetlights, which will result in an annual greenhouse gas emissions reduction of around 993 tonnes per year, and generated approximately 1093 MWh of renewable energy from solar PV systems installed across 24 buildings since 2003. These solar installations reduce Council's reliance on Victoria's carbon-intensive electricity grid and are estimated to abate over 1300 tonnes of emissions per year.

From 1 January 2019, City of Melbourne's operations have been powered by 100 per cent renewable electricity as part of the Melbourne Renewable Energy Project. The project marks the first time in Australia that a group of local governments, cultural institutions, universities and corporations have collectively purchased renewable energy from a newly built facility. Under this project, fourteen members of the buying group combined their purchasing power to support the construction of the 39-turbine windfarm at Crowlands, near Ararat.

Through energy efficiency and renewable energy initiatives such as these, the City of Melbourne is on track to significantly exceed its science-based emissions reduction target in 2018-19. We report annually on progress towards our emissions reduction target. Our annual carbon accounts will be finalised in October 2019, in line with the reporting cycle in the National Greenhouse and Energy Reporting Scheme under the *National Greenhouse and Energy Reporting Act 2007*.

To download the Emissions Reduction Plan for Our Operations 2016-2021 and view our achievements to date, visit melbourne.vic.gov.au and enter 'emissions reduction plan' in the search box.

Water management

Water is essential for liveability in Melbourne, keeping our green spaces healthy and cooling the city. As the climate changes and we have less but more intense bursts of rainfall, we need to be clever about how we design our city to ensure that we use the right water for the right purpose, while minimising flood risk. In order to meet our water management challenges across our operations and the municipality we practice Integrated Water Management, defined as the coordinated management of all components of the water cycle including water consumption, rainwater, stormwater, wastewater and groundwater, to secure a range of benefits for the wider catchment. Total Watermark – City as a Catchment Strategy and the Municipal Integrated Water Management Plan guide our work in this area and contain both operational and municipal targets for the City. See our results and municipal water indicators under Council Plan goal – a city that cares for its environment.

To download the Total Watermark – City as a Catchment Strategy and the Municipal Integrated Water Management Plan, visit melbourne.vic.gov.au and enter 'total watermark strategy' in the search box.

RISK MANAGEMENT

Three policies help to guide our risk management approach: the Risk Management Policy, Crisis and Business Continuity Policy and Fraud and Corruption Policy. They detail the objectives and key responsibilities and timeframes for the review, reporting and approval of risks. Our policies are enacted through the Risk Management Framework and various processes and procedures. Our risk management approach is based on the international standard for risk management, ISO 31000:2018.

Risk management planning is an organisation-wide exercise, covering strategic risks as well as operational and project risks. It is also part of the daily business activities of individual branches and contractors. Quarterly reporting on operational risks is provided to the CEO and directors. Significant risks are reported on a monthly basis to the executive leadership team and also reported to the audit and risk committee throughout the year.

Exercise Eris

How do you prepare for an urgent and unexpected event? From extreme heat, to a serious fire, to a terrorist incident, the City of Melbourne has an important role to play if and when these events happen in our city.

To understand how one of these events could play out, we ran a hypothetical exercise. The exercise covered the hypothetical actions of a single terrorist entering a Victoria University building in the central city and taking hostages. It helped us to evaluate the effectiveness of our municipal arrangements, the CBD Safety Plan, and the supporting plans of other organisations.

Exercise Iris was jointly facilitated by the City of Melbourne and Victoria Police. Participants worked in groups in response to the progressing scenario and reported back to the entire group regarding actions and considerations.

Using the CBD Safety Plan, municipal arrangements and their own response plans for each stage of the incident, participants looked at the preparation, considerations, response and actions needed to deal with this situation. This included community messaging, evacuating part of the central city, managing exclusion zones and preparing medical services. It also involved business continuity plans and additional support to deliver key services despite reduced workforce availability due to the emergency.

In these challenging situations we need to collaborate with our partners across the city. The exercise involved City of Melbourne staff members, our contractors, Victoria Police, Ambulance Victoria, Metropolitan Fire Brigade, Department of Health and Human Services, Victoria State Emergency Services, Victorian Council of Churches, Red Cross, Metro Trains, V/Line, Transdev (buses), Public Transport Victoria, Yarra Trams, VicRoads, Victoria University and the Melbourne Convention and Exhibition Centre.

Also participating and observing were representatives from Southern Cross Station, Department of Jobs, Precincts and Regions, Royal Children's Hospital, Epworth Hospital, Melbourne Museum, Melbourne Cricket Ground, Deakin University, RMIT University, Arts House and Emergency Management Victoria.

The exercise allowed us to better understand our plans and validate the arrangements in place to manage the impacts of a central city terrorist incident on the community. It also provided opportunities for improvement. We have committed to an annual program that will strengthen our skills to respond to emergencies.

AUDIT OPERATIONS

Audit and risk committee

In accordance with section 139 of the *Local Government Act 1989*, the Melbourne City Council has operated an audit and risk committee since 1999. The committee oversees the activities of our external and internal auditors and gives us independent advice on appropriate accounting, auditing, internal control, business risk management, compliance and reporting systems and processes and practices.

The audit and risk committee met five times during 2018–19 and considered issues including our:

- risk profile
- statement of annual accounts and performance report as well as reports on our wholly owned subsidiaries
- occupational health and safety risks
- information technology risks
- fraud and corruption risks
- business continuity planning and exercises
- governance responsibilities applicable to associated entities and trusts in which we have either an indirect interest or stake
- legal action reports
- internal and external audit reports.

Audit and risk committee members

Our audit and risk committee comprises two Council representatives and three independent members.

In 2018–19 the independent members were:

Geoff Harry (Chair), Therese Ryan and Stuart Hall.

Council representatives Deputy Lord Mayor Arron Wood and Councillor Philip Le Liu served on the committee in 2018–19.

Geoff Harry – appointed July 2016 and as Committee Chair from July 2018

Geoff Harry, a Fellow of the Institute of Chartered Accountants, was an audit partner at PricewaterhouseCoopers for 25 years, and more recently held Chief Risk Officer positions at Fortescue Metals Group Ltd and at Jemena Ltd. Geoff has a number of appointments as an independent member or chairperson of a range of audit committees, including the Department of Premier and Cabinet, City of Greater Geelong, Monash City Council, City of Whittlesea, City of Greater Dandenong, IBAC, Agriculture Services Victoria, Orygen Mental Health and Regional Kitchens Group. Geoff has a Bachelor of Economics from Monash University and is a Fellow of both the Institute of Chartered Accountants and CPA Australia. Geoff is a graduate member of the Australian Institute of Company Directors.

Therese Ryan – appointed July 2013

Therese Ryan is a professional non-executive director who sits on a number of listed, government and not-for-profit boards. Therese was Vice President and General Counsel of General Motors International Operations and has over 35 years' experience as a business executive and commercial lawyer. She is a graduate of the Australian Institute of Company Directors and holds a law degree from Melbourne University.

Stuart Hall – appointed August 2013

Stuart Hall is an independent mining consultant with over 40 years' experience in corporate roles in the mining industry, most recently as Chief Executive Officer at Crosslands Resources. Prior senior management positions included roles at Marathon Resources, BHP Billiton and WMC Resources. Stuart is a graduate of the Australian Institute of Company Directors and holds a Masters of Arts from Lancaster University and a Bachelor of Science from Sussex University.

Internal audit

Our internal audit service helps us, and our subsidiaries, Citywide Service Solutions Pty Ltd and Queen Victoria Market Pty Ltd, maintain strong, relevant and effective internal controls. Oakton Services Pty Ltd have provided internal audit services under contract since July 2014 and in June 2018 were reappointed for a further three years.

External audit

The Victorian Auditor-General's Office is responsible for our external audit and that of our subsidiary companies. It focuses mainly on three key areas: strategic planning, detailed audit system testing and financial statements.

Audit and risk committee meeting attendance

Attendee	Role	3.08.18 Quarterly	24.08.18 Special	16.11.18 Quarterly	15.02.19 Quarterly	3.05.19 Quarterly
Geoff Harry	Chairman	✓	✓	✓	✓	✓
Therese Ryan	Member	✓	X	✓	✓	✓
Stuart Hall	Member	✓	✓	✓	✓	✓
Deputy Lord Mayor Arron Wood	Council representative	✓	✓	✓	✓	✓
Councillor Philip Le Liu	Council representative	✓	✓	✓	✓	✓

OUR PROCUREMENT AND SUPPLY CHAIN

Over the last four years the City of Melbourne has transitioned to a centre-led model for managing procurement.

The model continues to be improved, while focusing on delivering value and commercial outcomes by:

- simplifying the procurement process
- increasing focus on sustainability and social benefits
- introducing automation and tools such as a central contract management system
- the development of a strategic supplier management framework to improve value from contracts and enhance service delivery to the community
- centrally managing all tenders greater than \$150,000.

During 2018-19, we issued 62 tenders.

For service contracts with a value greater than \$150,000, strategic reviews are carried out to determine:

- whether or not the service is still required
- alignment of the service to Council's strategic objectives
- analysis of the supplier market and a determination of the best procurement approach.

Contracts were awarded or extended in the following key service categories:

- events services
- marketing services
- community services
- consultancy and other work
- capital works
- operational services
- waste management
- information technology.

Procurement policy updates

In accordance with the *Local Government Act 1989*, the City of Melbourne has a procurement policy encompassing the principles, processes and procedures applied to the purchase of all goods, services and work. This policy was recently updated to improve controls and enhance processes.

The policy also states that in procuring goods, works and services under a contractual arrangement, we will:

- support our corporate strategy, aims and objectives
- ensure we achieve best value in terms of time, service delivery and value
- establish and put in place appropriate performance measures
- provide effective and efficient commercial arrangements
- support a sustainable approach to procurement
- ensure fairness and probity during the procurement process
- focus on the use of recycled material within the supply chain.

Contracts

This year, the City of Melbourne did not enter into any contracts valued at \$150,000 or more for services or \$200,000 or more for works of a kind specified in section 186(5)(a) of the *Local Government Act 1989*. We did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

We entered into the following contracts in 2018-19 in accordance with section 186(5)(c) of the *Local Government Act 1989*. These contracts were entered into in reliance on Ministerial exemption.

Ministerial exemption	Contract title
Procurement Australia	<ul style="list-style-type: none"> • Cash Collection • Recruitment Training and Associated Services • Courier Services • Office Library Furniture, Shelving and White Good, Electrical • Planning, Design and Engineering / Civil Consultancy Services • Library Books, AV Media, Periodicals, Related Services • Debt Collection Services • Electricity and Associated Services • Provision of Printing and Related Services • IT Products and Services • Fleet Services • Metered Electricity Services • Recruitment Learning and Development • Commercial Furniture • Defined Facilities Management Services and Products • Natural Gas to Council Buildings
State Purchase Contract	<ul style="list-style-type: none"> • PC Hardware Purchase for Libraries • eServices Register State Purchase Contract • Provision of Travel Management Services • Media Buying • Mail and Postal Services • Print Management and Associated Services • VIC Fleet Contracts • Citrix Systems Asia Pacific • Salesforce • Construction Supplier Register
Municipal Association of Victoria	<ul style="list-style-type: none"> • VMware • Park, playground, outdoor furniture and equipment and related • Telecommunications • Energy efficient street lighting contract
City of Melbourne	<ul style="list-style-type: none"> • Yarra Trams

INNER MELBOURNE ACTION PLAN 2016–2026

The Inner Melbourne Action Plan (IMAP) Implementation Committee is a Special Committee of five councils working as one. Established since 2006 under section 86 of the Local Government Act 1989, it comprises representatives from the Cities of Port Phillip, Yarra, Melbourne, Maribyrnong and Stonnington. The City of Stonnington hosts the IMAP Executive Officer who provides governance and administration for the IMAP Implementation Committee. The committee held quarterly meetings in August and December 2018, February and May 2019 to progress implementation of the five goals and 27 strategies included in the Inner Melbourne Action Plan 2016–2026.

During 2018–19 the IMAP councils undertook the following joint projects:

Completed projects

Implementation of the Census for Land Use and Employment (CLUE) – City of Melbourne, in conjunction with its IMAP partners, commenced a process to modernise the Council-owned CLUE database into a cloud based in-browser operating technology system. This has been extended to IMAP partners to collect, store, report and publish city business census data. City of Melbourne has completed development of the system so as to be interoperable with partner councils.

IMAP tourism – During 2018–19 the IMAP Tourism Working Group maintained the regional tourism map and collaborated with Cultural Tourism Victoria on a third publication of the Cultural Guide. A recent review indicated less demand for printed material and increased social media capabilities within councils to promote their own activities. This has led to the working group being disbanded.

Ongoing projects

Wayfinding and Signage – IMAP councils, Public Transport Victoria and VicRoads are promoting consistent visitor signage across inner Melbourne and Victoria. During 2018–19 the project team developed a website and reviewed their Wayfinding Signage Standards for Victoria with seven external user groups. Amendments to the manual are underway and Committee members corresponded with Victorian Government ministers to encourage support for consistent signage across the major infrastructure projects.

Regional active sport and recreation facilities planning study – IMAP councils consolidated all data on sporting facilities, infrastructure and use across inner Melbourne and engaged consultants to assess the future provision of active outdoor and aquatic sport and recreation facilities. The report on future options is due in 2019–20.

Affordable housing: the Community Land Trust research project – Stage two of this project involves University of Western Sydney preparing a companion document to the Australian Community Land Trust Manual 2013. It investigates a risk management framework for banks, case studies and market research, the applicability of the Community Land Trust model to other legal tenure options, and guidance for the development process and risks involved in housing. The final publication is due in 2019–20.

New projects

Affordable housing: investigate scalability of a private market affordable housing delivery model for negotiating delivery of affordable rental housing by developers – This project investigates a new approach to negotiating long-term private affordable rental housing under voluntary affordable housing agreements with developers. It also investigates incentives required to scale up use of the model.

Cycling network modelling project – This project will provide a cycling model to map existing infrastructure, analyse gaps and prioritise future network planning across IMAP councils. It will be based on existing cycling infrastructure (bike lanes, protected bike lanes and off-road) and GIS data from the IMAP councils. It will include Victorian Government priorities including the Strategic Cycling Corridors, Metropolitan Trails Network, Principal Bicycle Network.

IMAP urban forest plan – This project will create joint policy across IMAP councils for the protection of trees on private property; create education tools for relevant decision makers to increase tree canopy coverage and prepare landscaping guidelines for planners to assist in any decision relating to protection.

PROPERTY HOLDINGS

As part of our commitment to increase the level of transparency in our financial reporting, we include a list of the City of Melbourne's top 20 properties by value.

Address	2019 consolidated value \$ million	2018 consolidated value \$ million	2017 consolidated value \$ million
Royal Park, Flemington Road Parkville VIC 3052	\$325.08	\$364.12	\$364.51
Fawkner Park, 24-88 Commercial Road South Yarra VIC 3141	\$194.73	\$257.05	\$235.97
Fitzroy Gardens, 230-298 Wellington Parade East Melbourne VIC 3002	\$191.80	\$204.85	\$205.41
Kings Domain, Alexandra Avenue Melbourne VIC 3004	\$191.16	\$219.72	199.56
Princes Park, 200-590 Royal Parade Carlton North VIC 3054	\$114.83	\$118.03	\$112.86
Queen Victoria Market, 65-159 Victoria Street Melbourne VIC 3000	\$105.30	\$118.97	\$120.30
Flagstaff Gardens, 309-311 William Street West Melbourne VIC 3003	\$102.83	\$118.03	\$55.66
Melbourne Town Hall (including Administration Building) 90-130 Swanston Street, Melbourne VIC 3000	\$96.88	\$109.14	\$100.03
Munro Site, Therry Street Melbourne VIC 3000	\$77.40	\$105.97	\$82.56
Council House 2, 218-242 Little Collins Street Melbourne VIC 3000	\$59.70	\$82.57	\$63.46
Carlton Gardens South, Victoria Street Carlton VIC 3053	\$47.41	\$40.99	\$44.15
Council House, 196-212 Little Collins Street Melbourne VIC 3000	\$44.49	\$37.63	\$36.99
Carlton Gardens North, 1-111 Carlton Street Carlton VIC 3053	\$41.29	\$37.26	\$36.06
Alexandra Park, Alexandra Avenue Melbourne VIC 3004	\$34.60	\$37.73	\$35.96
Argyle Square, Lygon Street Carlton VIC 3053	\$34.52	\$34.71	\$12.63
Birrarung Marr, Batman Avenue Melbourne VIC 3000	\$32.24	\$50.26	\$47.25
University Square, 190 Pelham Street Carlton VIC 3053	\$31.52	\$34.55	\$26.88
J.J. Holland Park, 67-121 Kensington Road Kensington VIC 3031	\$30.09	\$29.73	\$31.55
Queen Victoria Gardens, St Kilda Road Melbourne VIC 3004	\$27.82	\$39.72	\$35.11
Treasury Gardens, 2-18 Spring Street East Melbourne VIC 3002	\$26.91	\$32.74	\$38.72

- All valuations as at 30 June of the respective year.
- The consolidated values contained within this list include both land and building asset values applicable to the specific sites.
- The land values included in the Council Asset Register relate to land holdings both owned and controlled by the Council.
- The City of Melbourne has significant crown land holdings controlled on behalf of the Crown via various structures including crown grants, committees of management and other reservations.
- The Council is required to value land and building assets pursuant to the provisions of AASB 116 and AASB 13. The 'fair value' applicable to land value assessments, specifically parks and alike, are significantly adjusted against full market value reflecting legislative provisions, site control, use restrictions and other limitations directly associated with their public use.

GOVERNANCE AND MANAGEMENT CHECKLIST

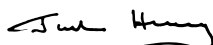
The following are the results of the Council's assessment against the governance and management checklist prescribed by the Local Government (Planning and Reporting) Regulations 2014.

Governance and management items		Assessment	
1	Community engagement policy (policy outlining council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy: 2 February 2017	<input checked="" type="checkbox"/>
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines: 25 March 2019	<input checked="" type="checkbox"/>
3	Strategic resource plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 25 June 2019	<input checked="" type="checkbox"/>
4	Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 25 June 2019	<input checked="" type="checkbox"/>
5	Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of operation of current plans: Roads and Footpaths Asset Management Plan 28 June 2019 Drainage Asset Management Plan 28 June 2019 Bridges Asset Management Plan 28 June 2019 Metered Public Lighting Asset Management Plan 28 June 2019 Marine Structure Asset Management Plan 28 June 2019 Buildings Asset Management Plan 28 June 2019 Parks and Outdoor Recreation Asset Management Plan 28 June 2019	<input checked="" type="checkbox"/>
6	Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 25 June 2019	<input checked="" type="checkbox"/>
7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 1 December 2018	<input checked="" type="checkbox"/>

Governance and management items		Assessment	
8	Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 2 May 2018	<input checked="" type="checkbox"/>
9	Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: 31 May 2019	<input checked="" type="checkbox"/>
10	Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> Date of approval: 26 March 2019	<input checked="" type="checkbox"/>
11	Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of operation of current plan: 1 May 2019	<input checked="" type="checkbox"/>
12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of operation of current plan: 13 May 2019	<input checked="" type="checkbox"/>
13	Risk management framework (framework outlining council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 1 December 2018	<input checked="" type="checkbox"/>
14	Audit committee (advisory committee of council under section 139 of the Act whose role is to oversee the integrity of a council's financial reporting, processes to manage risks to the council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: 1 July 1999	<input checked="" type="checkbox"/>
15	Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged Date of engagement of current provider: 1 July 2018	<input checked="" type="checkbox"/>
16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 1 July 2014	<input checked="" type="checkbox"/>
17	Council Plan reporting (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of report: 27 March 2019	<input checked="" type="checkbox"/>
18	Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to council in accordance with section 138(1) of the Act Date statements presented: 21 August 2018, 13 November 2018, 19 February 2019, 28 May 2019	<input checked="" type="checkbox"/>

Governance and management items		Assessment	
19	Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 20 November 2018 and 7 May 2019	<input checked="" type="checkbox"/>
20	Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports Date of reports: 31 July 2018 and 18 February 2019	<input checked="" type="checkbox"/>
21	Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of council in accordance with section 134 of the Act Date statements presented: 16 October 2018	<input checked="" type="checkbox"/>
22	Councillor code of conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act Date adopted: 4 September 2018	<input checked="" type="checkbox"/>
23	Delegations (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Date of review: 28 February 2017	<input checked="" type="checkbox"/>
24	Meeting procedures (a local law governing the conduct of meetings of council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made: 28 February 2017	<input checked="" type="checkbox"/>

I certify that this information presents fairly the status of Council's governance and management arrangements



Justin Hanney
Chief Executive Officer
Dated: 10 September 2019



Sally Capp
Lord Mayor
Dated: 10 September 2019

LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK

Report of operations

	Service performance indicators Service / indicator / measure	Results 2016	Results 2017	Results 2018	Results 2019	Material variations and comments
Aquatic facilities						
	Service standard					
AF2	<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1	1	1	2	All aquatic facilities were inspected twice in 2018-19 to ensure a high standard of pool water quality is maintained.
AF3	Health and safety <i>Reportable safety incidents at aquatic facilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]	2	5	4	3	There were three reportable incidents for the year. 1. YMCA staff member hit in nose with kickboard. Neck and back injury sustained. 2. Chlorine leak from exhaust pipe. 3. YMCA staff member had an asthma attack whilst swim teaching. No material variation from 2017-18.
AF4	Service cost <i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$1.17	\$1.98	\$4.05	\$2.42	\$2.42 cost per visit in 2018-19 is significantly lower than \$4.05 in 2017-18. This is predominately due to a reduction in cyclical routine and reactive maintenance costs at Melbourne City Baths in 2018-19.
AF5	Service cost <i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$2.34	\$2.14	\$3.36	\$2.51	No material variation.
AF6	Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.2	4.1	3.8	4.1	No material variation.
Animal management						
AM1	Timeliness <i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.4	1.6	1.6	1.8	On average, it takes 1.77 days to first respond to a customer's request. This number is slightly higher than previous reporting periods due to changes in the team and a period of being short staffed.

Service performance indicators		Results	Results	Results	Results	Material variations and comments
Service / indicator / measure	2016	2017	2018	2019		
AM2	<p>Service standard</p> <p><i>Animals reclaimed</i></p> <p>[Number of animals reclaimed / Number of animals collected] x100</p>	38%	37%	37%	43%	<p>A total of 42.57 per cent of animals that were impounded were returned to their original owner. All avenues are explored to reunite animals with their owner prior to delivering to the pound and whilst at the pound. A review of our cat management policy is underway, in consultation with key stakeholders, to reduce the number of unowned or semi owned cats collected which are unable to be rehomed. Euthanasia rates have decreased thanks to an increase in the number of animals rehomed, however the total number of animals collected has dramatically increased. An extra 100 cats were collected in the second half of the year.</p>
AM3	<p>Service cost</p> <p><i>Cost of animal management service</i></p> <p>[Direct cost of the animal management service / Number of registered animals]</p>	\$114.01	\$104.66	\$122.59	\$126.78	<p>The City of Melbourne has a team of four Animal Management Officers and this combined with a lower number of animals registered in comparison to many other Councils results in a higher cost to provide animal management services. The team conduct proactive park patrols to minimise the risk of dog attacks and dogs creating a nuisance in public places, attend community events to promote responsible pet ownership and registration, conduct audits of domestic animal businesses annually as well as regular proactive spot checks. The City of Melbourne also provides a contracted 24 hour emergency service and pound facilities for animals. There has been an increase in the number of animals collected (20-30 per cent) which has led to an increase in the cost for the pound service as well as holding two dogs in custody for the entire second half of the financial year.</p>
AM4	<p>Health and safety</p> <p><i>Animal management prosecutions</i></p> <p>[Number of successful animal management prosecutions]</p>	4	6	10	4	<p>All four prosecutions were as the result of serious dog attacks. This year there has been a decrease in the number of prosecutions due to three being delayed due to Court adjournments, negotiations and complexities. In previous years there have been prosecutions for other offences such as repeat offences for dogs off-leash in an on-leash area and failing to comply with the direction of an authorised officer. These were not observed or investigated in this financial year.</p>

	Service performance indicators Service / indicator / measure	Results 2016	Results 2017	Results 2018	Results 2019	Material variations and comments
Food safety						
FS1	<p>Timeliness <i>Time taken to action</i> <i>food complaints</i></p> <p>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</p>	3.6	3.5	2.2	2.5	The City of Melbourne respond to and investigate all food-related complaints using a risk-based approach, for example: a complaint of food poisoning is responded to faster than a complaint about the condition of a premises due to the higher risk to public health. Response times will fluctuate due to the varying break-down of complaint types.
FS2	<p>Service standard <i>Food safety assessments</i></p> <p>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</p>	96%	100%	100%	100%	All available Class 1 and Class 2 premises were inspected.
FS3	<p>Service cost <i>Cost of food safety service</i></p> <p>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</p>	\$647.77	\$687.47	\$642.33	\$932.67	The increase in cost from last year is driven by an amendment of calculation error from previous years (employee on-costs were not included in the indicator costs in the past).
FS4	<p>Health and safety <i>Critical and major non-compliance outcome notifications</i></p> <p>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</p>	100%	99%	100%	100%	No material variation.

Service performance indicators		Results	Results	Results	Results	Material variations
Service / indicator / measure		2016	2017	2018	2019	and comments
Governance						
G1	<p>Transparency <i>Council decisions made at meetings closed to the public</i></p> <p>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</p>	27%	29%	26%	24%	71 of the total 301 council and committee resolutions (23.59 per cent) were made in closed session. This is a reduction when compared to the number of council and committee resolutions which were made in closed session in the 2017-18 financial year (25.7 per cent).
G2	<p>Consultation and engagement <i>Satisfaction with community consultation and engagement</i></p> <p>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</p>	58	64	63	62	The level of satisfaction with community consultation and engagement in 2019 is one point lower than last year. It is four points higher than other councils across metropolitan Melbourne and six points higher than the state wide average for councils who participate in the same community satisfaction survey.
G3	<p>Attendance <i>Councillor attendance at council meetings</i></p> <p>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100</p>	91%	92%	92%	87%	Councillor attendance at Council meetings in this financial year has decreased only slightly when compared to the previous year. Councillors remain committed to active participation in decision-making and to representing their community when available.
G4	<p>Service cost <i>Cost of governance</i></p> <p>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</p>	\$86,967.27	\$87,460.54	\$86,500.36	\$85,697.20	The allowances set by the Victorian Government for councillors (including the Lord Mayor and Deputy Lord Mayor) are higher for the capital city council than those for other municipalities.
G5	<p>Satisfaction <i>Satisfaction with council decisions</i></p> <p>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	62	66	63	65	The level of community satisfaction with how the Council has performed in making decisions in the interest of the community in 2019 is two points higher than last year. It is five points higher than other councils across metropolitan Melbourne and ten points higher than the state wide average for councils who participate in the same community satisfaction survey.

Service performance indicators		Results	Results	Results	Results	Material variations
Service / indicator / measure		2016	2017	2018	2019	and comments
Libraries						
LB1	Utilisation <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	5.1	5.0	5.5	5.4	No material variation.
LB2	Resource standard <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	86%	84%	83%	69%	The proportion of the library collection that has been purchased in the last five years has decreased from 83 per cent in 2017-18 to 69 per cent in 2018-19. This is due to the collection purchased for Library at The Dock which has now aged beyond five years.
LB3	Service cost <i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$7.39	\$7.82	\$7.93	\$7.65	No material variation..
LB4	Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	35%	34%	30%	28%	No material variation.
Maternal and child health (MCH)						
MC1	Satisfaction <i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	110%	105%	101%	103%	No material variation.
MC2	Service standard <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100%	100.0%	100%	99%	No material variation.
MC3	Service cost <i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	\$75.25	\$78.17	\$82.69	\$81.32	No material variation.

	Service performance indicators Service / indicator / measure	Results 2016	Results 2017	Results 2018	Results 2019	Material variations and comments
	Participation					
MC4	Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	84%	82%	80%	76%	The decrease in numbers of children attending the MCH services at least once is a reflection of current data system capability to accurately capture families moving out of the City of Melbourne municipality.
MC5	Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	81%	88%	83%	70%	Four Aboriginal children were recorded incorrectly as 'active clients' when they had moved out of the municipality. Nineteen Aboriginal children were enrolled in the service and 16 visits occurred providing a participation rate of 84 per cent.
Roads						
	Satisfaction of use					
R1	Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	109	174	173	192	There has been a slight increase in the sealed local road requests during the 2018-19 financial year compared to the previous year. This may be due to increased construction activities taking place within the city due to major construction projects such as Metro Tunnel works and associated service relocation works.
R2	Condition Sealed local roads below the intervention level [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	82%	82%	78%	79%	There has been a slight increase in the number of sealed local roads requiring renewal intervention during the 2018-19 financial year compared to the previous year. The road condition data was collected more than four years ago and may not reflect the actual condition of the roads. Also, increased construction activities due to major projects may have contributed to the deterioration of road pavement conditions.
R3	Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$264.27	\$275.34	\$277.18	\$265.85	The direct cost of sealed local road reconstruction has slightly decreased during the 2018-19 financial year compared to the previous year. This is mainly due to Council undertaking more works outside the central city and reconstruction of less bluestone laneways.

Service performance indicators		Results	Results	Results	Results	Material variations and comments
Service / indicator / measure	2016	2017	2018	2019		
Service cost						
R4	<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$48.32	\$43.66	\$44.34	\$53.88	The direct cost of local road resealing has increased slightly during the 2018-19 financial year compared to the previous year. This is due to the increase in schedule of rates for resurfacing and increased traffic management costs associated with increased city congestion.
Satisfaction						
R5	<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	75	73	70	73	The level of community satisfaction with how the Council has performed on the condition of sealed local roads in 2019 is three points higher than last year. It is four points higher than other councils across metropolitan Melbourne and 17 points higher than the state wide average for councils who participate in the same community satisfaction survey.
Statutory planning						
Timeliness						
SP1	<i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	74	80	95	101	A median of 101 days to decide planning applications represents only a 5 per cent increase from the previous year's results. There is a trend in decisions taking longer over the last few years. As reflected in last year's results this has been attributed to the increasing complexity in the applications the Council receives. In order to get to a final decision, complex applications may need to be referred to multiple authorities before the final decision can be determined.
Service standard						
SP2	<i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	75%	74%	59%	66%	66 per cent of Councils planning applications were decided within the required time frames. This has improved by 12 per cent from 2017-18 year-end figures and is predominantly due to an increased focus on VicSmart and simple applications.
Service cost						
SP3	<i>Cost of statutory planning service</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$2448.00	\$2383.47	\$2451.90	\$2383.38	The cost of our statutory planning service per planning application received has remained consistent with the previous financial year.

Service performance indicators		Results	Results	Results	Results	Material variations
Service / indicator / measure		2016	2017	2018	2019	and comments
Decision making						
SP4	Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	62%	69%	68%	53%	The number of VCAT decisions that uphold council's decision has reduced this year, from 68 per cent to 53 per cent. Unfortunately VCAT did not agree with Council on an increased number of complex decisions on matters such as signage. Also, on some occasions whilst Council initially refused a proposal, the applicant later amended plans prior to the VCAT hearing (i.e. VCAT was not considering the same proposal initially assessed by the Council). It is noted that Council also reached mediated outcomes for 34 per cent of all VCAT cases this year which is not reflected in these results.
Waste collection						
Satisfaction						
WC1	Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	78	103	61	55	Results show improved performance relating to kerbside bin collection requests compared to 2017-18.
Service standard						
WC2	Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	3.8	4.9	4.7	3.7	The City of Melbourne worked closely with the collection contractor to implement new processes to minimise the number of missed bin collections and improve the overall service. This led to a 22 per cent decrease in kerbside collection bins missed in 2018-19 compared to the previous financial year.
Service cost						
WC3	Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$213.62	\$217.11	\$237.33	\$246.32	The cost of the kerbside garbage collection service has remained consistent with last year, with a slight increase due to new waste services being provided to new developments. The cost of the garbage collection service provided by the City of Melbourne is historically higher when compared to other local councils due to the provision of a five day per week collection to high rise developments.

	Service performance indicators Service / indicator / measure	Results 2016	Results 2017	Results 2018	Results 2019	Material variations and comments
	Service cost					
WC4	<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$63.25	\$60.02	\$62.56	\$93.99	The cost of providing a kerbside recycling bin collection service increased dramatically compared to 2017-18 due to the introduction of a fee to process recycling.
	Waste diversion					
WC5	<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	26%	27%	27%	26%	Results show no material difference in the percentage of waste diverted from landfill compared to 2017-18.

I certify that this information presents fairly the status of Council's LGPRF - Report of Operations.



Justin Hanney
Chief Executive Officer
Dated: 10 September 2019

CITY OF MELBOURNE 2018–19 PERFORMANCE STATEMENT

For the year ended 30 June 2019

Description of municipality

The Melbourne municipality is the heart of greater Melbourne and covers the central city and 14 inner city suburbs. Just under 170,000 people call the municipality home and a further 778,000 people visit every day for work and recreation. Our population is diverse: 48 per cent of our residents speak a language other than English at home. As more people seek out the cultural, business, education, work and lifestyle opportunities the city offers, the population is expected to continue growing rapidly. The weekday population is forecast to increase by around 50 per cent by the year 2036.

The Local Government Area covers an area of 37.7 square kilometres and has 4.9 square kilometres of parks and reserves.

SUSTAINABLE CAPACITY INDICATORS

For the year ended 30 June 2019

<i>Indicator / measure</i>	Results				Material variations
	2016	2017	2018	2019	
Population					
<i>Expenses per head of municipal population</i>	\$3001	\$3037	\$2728	\$2706	No material variation.
[Total expenses / Municipal population]					
<i>Infrastructure per head of municipal population</i>	\$14,513	\$14,007	\$12,084	\$11,826	No material variation.
[Value of infrastructure / Municipal population]					
<i>Population density per length of road</i>	519	565	663	700	No material variation.
[Municipal population / Kilometres of local roads]					
Own-source revenue					
<i>Own-source revenue per head of municipal population</i>	\$3153	\$3433	\$2654	\$2586	No material variation.
[Own-source revenue / Municipal population]					
Recurrent grants					
<i>Recurrent grants per head of municipal population</i>	\$123	\$148	\$119	\$116	No material variation.
[Recurrent grants / Municipal population]					
Disadvantage					
<i>Relative socio-economic disadvantage</i>	8	8	7	7	No material variation.
[Index of Relative Socio-economic Disadvantage by decile]					

Definitions

“adjusted underlying revenue” means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

“infrastructure” means non-current property, plant and equipment excluding land

“local road” means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

“population” means the resident population estimated by council

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

“relative socio-economic disadvantage”, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

“SEIFA” means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

SERVICE PERFORMANCE INDICATORS

For the year ended 30 June 2019

Service / indicator / measure	Results				Material variations
	2016	2017	2018	2019	
Aquatic facilities					
Utilisation					
<i>Utilisation of aquatic facilities</i>	4.2	4.1	3.8	4.1	No material variation.
[Number of visits to aquatic facilities / Municipal population]					
Animal management					
Health and safety					
<i>Animal management prosecutions</i>	4	6	10	4	All four prosecutions were as the result of serious dog attacks. This year there has been a decrease in the number of prosecutions due to three being delayed due to Court adjournments, negotiations and complexities. In previous years there have been prosecutions for other offences such as repeat offences for dogs off-leash in an on-leash area and failing to comply with the direction of an authorised officer. These were not observed or investigated in this financial year.
[Number of successful animal management prosecutions]					
Food safety					
Health and safety					
<i>Critical and major non-compliance outcome notifications</i>	100%	99%	100%	100%	No material variation.
[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100					
Governance					
Satisfaction					
<i>Satisfaction with council decisions</i>	62	66	63	65	The level of community satisfaction with how the Council has performed in making decisions in the interest of the community in 2019 is two points higher than last year. It is five points higher than other councils across metropolitan Melbourne and ten points higher than the state wide average for councils who participate in the same community satisfaction survey.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					

Service / indicator / measure	Results				Material variations
	2016	2017	2018	2019	
Libraries					
Participation					
<i>Active library members</i>	35%	34%	30%	28%	No material variation.
[Number of active library members / Municipal population] x100					
Maternal and child health					
Participation					
<i>Participation in the MCH service</i>	84%	82%	80%	76%	The decrease in numbers of children attending the MCH services at least once is a reflection of current data system capability to accurately capture families moving out of the City of Melbourne municipality.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Participation					
<i>Participation in the MCH service by Aboriginal children</i>	81%	88%	83%	70%	Four Aboriginal children were recorded incorrectly as 'active clients' when they had moved out of the municipality. Nineteen Aboriginal children were enrolled in the service and 16 visits occurred providing a participation rate of 84 per cent.
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					
Roads					
Satisfaction					
<i>Satisfaction with sealed local roads</i>	75	73	70	73	The level of community satisfaction with how the Council has performed on the condition of sealed local roads in 2019 is three points higher than last year. It is four points higher than other councils across metropolitan Melbourne and 17 points higher than the state wide average for councils who participate in the same community satisfaction survey.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					

Service / indicator / measure	Results				Material variations
	2016	2017	2018	2019	
Statutory planning					
Decision making					
<i>Council planning decisions upheld at VCAT</i>	62%	69%	68%	53%	<p>The number of VCAT decisions that uphold council's decision has reduced this year, from 68 per cent to 53 per cent. Unfortunately VCAT did not agree with Council on an increased number of complex decisions on matters such as signage. Also, on some occasions whilst Council initially refused a proposal, the applicant later amended plans prior to the VCAT hearing (i.e. VCAT was not considering the same proposal initially assessed by the Council).</p> <p>It is noted that Council also reached mediated outcomes for 34 per cent of all VCAT cases this year which is not reflected in these results.</p>
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100					
Waste collection					
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i>	26%	27%	27%	26%	<p>Results show no material difference in the percentage of waste diverted from landfill compared to 2017-18.</p>
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					
Definitions					
"Aboriginal child" means a child who is an Aboriginal person					
"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006					
"active library member" means a member of a library who has borrowed a book from the library					
"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act					
"class 1 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 1 food premises under section 19C of that Act					
"class 2 food premises" means food premises, within the meaning of the Food Act 1984, that have been declared as class 2 food premises under section 19C of that Act					
"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health					
"food premises" has the same meaning as in the Food Act 1984					
"local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004					
"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken					
"MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age					
"population" means the resident population estimated by council					
"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.					

FINANCIAL PERFORMANCE INDICATORS

For the year ended 30 June 2019

Dimension / indicator / measure	Results				Forecasts				Material variations	
	2016	2017	2018	2019	2020	2021	2022	2023		
Efficiency										
Revenue level										
Average residential rate per residential property assessment	\$1130	\$1062	\$1109	\$1186	\$1214	\$1234	\$1245	\$1259	No material variation.	
[Residential rate revenue / Number of residential property assessments]										
Expenditure level										
Expenses per property assessment	\$3950	\$3870	\$3862	\$3832	\$3600	\$3593	\$3576	\$3589	No material variation.	
[Total expenses / Number of property assessments]										
Workforce turnover										
Resignations and terminations compared to average staff	8.41%	12.24%	11.45%	11.34%	12.51%	12.62%	12.63%	12.57%	No material variation.	
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100										
Liquidity										
Working capital										
Current assets compared to current liabilities	141.28%	229.82%	173.77%	183.28%	142.56%	105.12%	106.07%	105.50%	No material variation.	
[Current assets / Current liabilities] x100										
Unrestricted cash										
Unrestricted cash compared to current liabilities	48.48%	24.59%	-0.62%	68.43%	0%	0%	0%	0%	Increase due to release of cash for 2019-20 projects.	
[Unrestricted cash / Current liabilities] x100										
Obligations										
Asset renewal										
Asset renewal compared to depreciation	68.82%	74.65%	86.18%	65.36%	67.85%	59.49%	59.81%	60.47%	Council's asset renewals have been increasing in the last four years. Lower ratio of 2018-19 than prior years due to additional depreciation incurred for intangible assets as a result of reduced useful life of software assets. One-off impact for 2018-19.	
[Asset renewal expenses / Asset depreciation] x100										

Dimension / indicator / measure	Results				Forecasts			Material variations	
	2016	2017	2018	2019	2020	2021	2022		2023
Loans and borrowings Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	12.31%	11.44%	11.05%	9.93%	9.50%	9.91%	43.40%	35.17%	Borrowings remain steady while rates increased. Council is forecasted to have higher borrowings over the medium term to fund major infrastructure projects.
Loans and borrowings Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	0.37%	0.36%	0.37%	0.86%	0.27%	0.46%	0.44%	9.91%	Part repayment of Clean Energy Finance Corporation loan in 2018-19.
Indebtedness Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	8.19%	7.19%	7.96%	7.54%	8.47%	9.00%	31.99%	26.80%	Slight decrease in non-current liabilities offset by higher revenue for 2018-19.
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) / Adjusted underlying revenue] x100	9.53%	16.11%	3.64%	8.39%	8.48%	8.05%	7.77%	7.82%	Increase due to growth in revenue, including rates, user fees and additional compensation funding in relation to Metro Tunnel Project, offset by controlled cost increase.
Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	56.96%	53.14%	59.95%	57.17%	60.51%	61.69%	62.57%	63.23%	No material variation.
Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.27%	0.25%	0.25%	0.24%	0.24%	0.24%	0.23%	0.23%	The decrease in rates compared to property values is as a result of a moderate increase in rateable capital improved values from the 2018 general valuation, as well as higher than expected amounts for rate exemptions in 2018-19.

Definitions

“adjusted underlying revenue” means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

“adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure

“asset renewal expenditure” means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

“current assets” has the same meaning as in the AAS

“current liabilities” has the same meaning as in the AAS

“non-current assets” means all assets other than current assets

“non-current liabilities” means all liabilities other than current liabilities

“non-recurrent grant” means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council’s Strategic Resource Plan

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants

“population” means the resident population estimated by council

“rate revenue” means revenue from general rates, municipal charges, service rates and service charges

“recurrent grant” means a grant other than a non-recurrent grant

“residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

“restricted cash” means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

OTHER INFORMATION

For the year ended 30 June 2019

1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. The City of Melbourne has adopted materiality thresholds relevant to each indicator and measure according to the range of results we are prepared to accept based on the known changes that have occurred during the year. Explanations have not been provided for variations within the materiality thresholds unless the variance is considered to be of interest to the public for other reasons.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 25 June 2019 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

CERTIFICATION OF THE PERFORMANCE STATEMENT



In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

Michael Tenace (FCPA)

Principal Accounting Officer

Dated: 10/9/2019

In our opinion, the accompanying performance statement of the Melbourne City Council for the year ended 30 June 2019 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.

Sally Capp

Lord Mayor

Dated: 10.9.2019

Arron Wood

Deputy Lord Mayor

Dated: 10/09/2019

Justin Hanney

Chief Executive Officer

Dated: 10.9.19



Independent Auditor's Report

To the Councillors of Melbourne City Council

Opinion	<p>I have audited the accompanying performance statement of Melbourne City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2019 • sustainable capacity indicators for the year ended 30 June 2019 • service performance indicators for the year ended 30 June 2019 • financial performance indicators for the year ended 30 June 2019 • other information for the year ended 30 June 2019 (basis of preparation) • certification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2019, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Performance Statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors of the council are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance</p>


Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

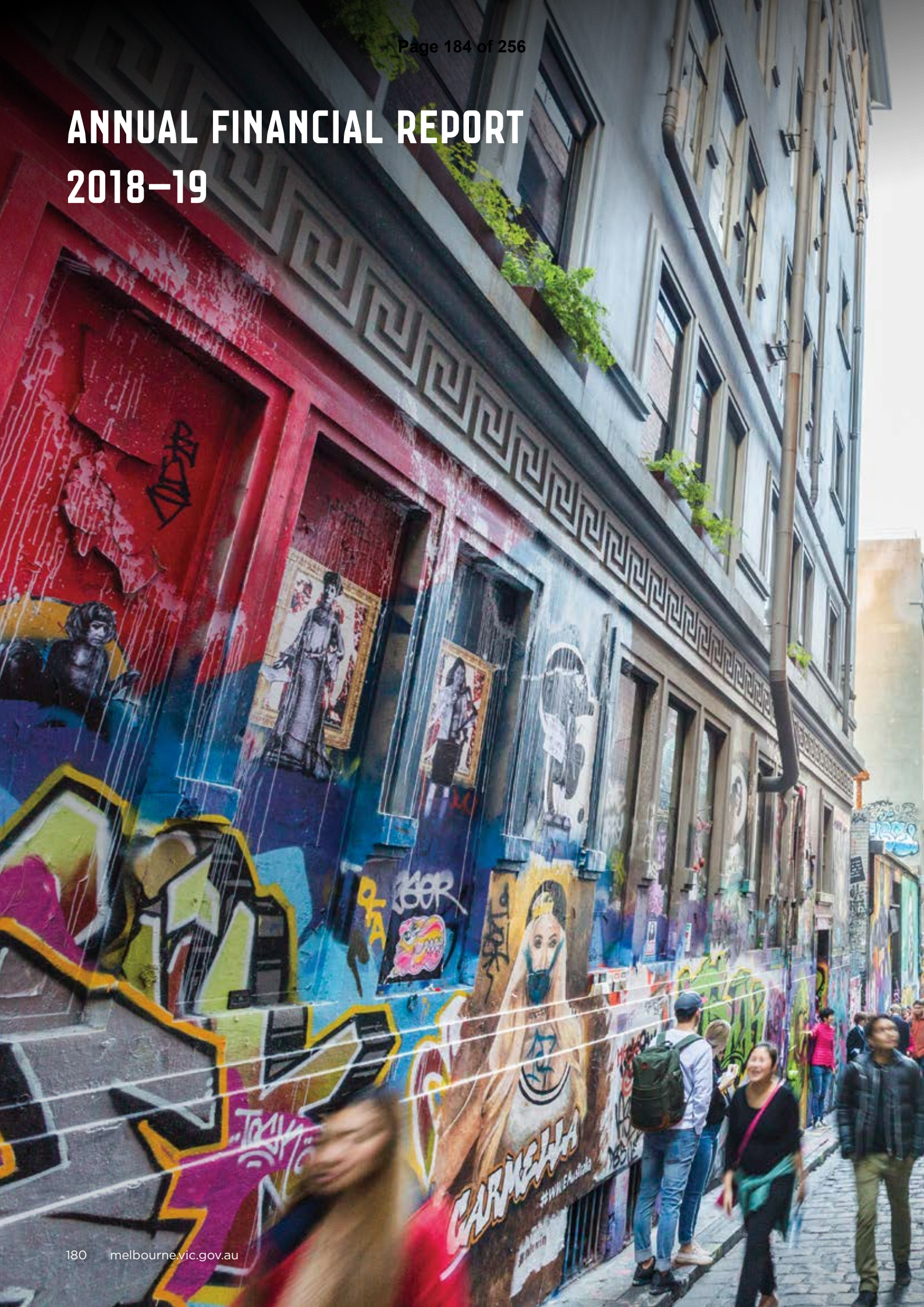
- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether the performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
20 September 2019


Jonathan Kyvelidis
as delegate for the Auditor-General of Victoria

ANNUAL FINANCIAL REPORT 2018-19





CONTENTS

Certification of the Financial Statements	183	Note 5 Our financial position	205
Victorian Auditor-General's Office Audit Report	184	5.1 Financial assets	205
Financial Statements	186	5.2 Non-financial assets	207
Comprehensive Income Statement	186	5.3 Payables	209
Balance Sheet	187	5.4 Interest-bearing loans and borrowing	210
Statement of Changes in Equity	188	5.5 Provisions	210
Statement of Cash Flows	189	5.6 Financing arrangements	212
Statement of Capital Works	190	5.7 Commitments	213
Overview	191	Note 6 Assets we manage	215
Notes to Financial Statements	192	6.1 Assets held for sale	215
Note 1 Performance against budget	192	6.2 Property, infrastructure, plant and equipment	216
1.1 Income and expenditure	192	6.3 Investment in Subsidiaries, Associates and Trusts	227
1.2 Capital works	194	6.4 Investment property	231
Note 2 Analysis of council results by program	196	Note 7 People and relationships	232
Note 3 Funding for the delivery of our services	197	7.1 Council and key management remuneration	232
3.1 Rates and charges	197	7.2 Related party disclosure	235
3.2 Statutory fees and fines	197	Note 8 Managing uncertainties	236
3.3 User fees	198	8.1 Contingent assets and liabilities	236
3.4 Funding from other levels of government	198	8.2 Change in accounting standards	237
3.5 Contributions	200	8.3 Financial instruments	237
3.6 Net gain / (loss) on disposal of property, infrastructure, plant and equipment	200	8.4 Fair value measurement	239
3.7 Other income	201	8.5 Events occurring after balance date	240
Note 4 The cost of delivering services	202	Note 9 Other matters	241
4.1 Employee costs	202	9.1 Reserves	241
4.2 Materials and services	202	9.2 Reconciliation of cash flow from operating activities to surplus / (deficit)	243
4.3 Depreciation and amortisation	203	9.3 Superannuation	243
4.4 Bad and doubtful debts	203		
4.5 Borrowing costs	203		
4.6 Other expenses	204		

CERTIFICATION OF THE FINANCIAL STATEMENTS



In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, *Australian Accounting Standards* and other mandatory professional reporting requirements.

Michael Tenace (FCPA)

Principal Accounting Officer

Dated: 10/9/2019

In our opinion the accompanying financial statements present fairly the financial transactions of the Melbourne City Council Group and the Melbourne City Council for the year ended 30 June 2019 and the financial position of the Melbourne City Council Group and Melbourne City Council as at that date.

As at the date of signing, we are not aware of any circumstance, which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2014 to certify the financial statements in their final form.

Sally Capp

Lord Mayor

Dated: 10.9.2019

Arron Wood

Deputy Lord Mayor

Dated: 10/9/2019

Justin Hanney

Chief Executive Officer

Dated: 10/9/19



Independent Auditor's Report

To the Councillors of Melbourne City Council

Opinion	<p>I have audited the consolidated financial report of Melbourne City Council (the council) and its controlled entities (together, the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"> • consolidated entity and council balance sheet as at 30 June 2019 • consolidated entity and council comprehensive income statement for the year then ended • consolidated entity and council statement of changes in equity for the year then ended • consolidated entity and council statement of cash flows for the year then ended • consolidated entity and council statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the council as at 30 June 2019 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report


As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council and the consolidated entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council and the consolidated entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the council and the consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the council and the consolidated entity. I remain solely responsible for my audit opinion.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
20 September 2019


Jonathan Kyvelidis
as delegate for the Auditor-General of Victoria

FINANCIAL STATEMENTS

Comprehensive Income Statement

For the Year Ended 30 June 2019

	Consolidated		Note	Council	
	2019 \$'000	2018 \$'000		2019 \$'000	2018 \$'000
Income					
Rates and charges	286,584	271,273	3.1	286,833	271,508
Statutory fees and fines					
Parking fines	38,532	44,347	3.2	38,532	44,347
Other statutory fees and fines	14,122	11,467	3.2	14,122	11,467
User fees					
Parking fees	58,731	50,352	3.3	54,474	46,621
Other user fees	26,327	22,681	3.3	26,331	22,683
Grants - operating	27,827	15,545	3.4	27,827	15,292
Grants - capital	12,881	9,955	3.4	12,881	9,955
Contributions - monetary	26,318	19,968	3.5	26,308	19,947
Contributions - non monetary	3,297	35	3.5	3,297	35
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(178)	2,707	3.6	(177)	2,156
Fair value adjustments for investment properties	(5,971)	1,186	6.4	(5,971)	1,186
Other income	212,252	210,236	3.7	25,603	24,631
Total Income	700,722	659,752		510,060	469,828
Expenses					
Employee costs	252,363	250,221	4.1	164,350	160,925
Materials and services	273,727	267,012	4.2	190,002	185,304
Depreciation and amortisation	85,857	76,883	4.3	72,554	63,392
Bad and doubtful debts	12,484	6,452	4.4	12,485	6,458
Borrowing costs	1,031	1,117	4.5	961	995
Other expenses	9,598	10,354	4.6	5,100	6,099
Grants and contributions	13,607	13,245		14,379	13,245
Total Expenses	648,667	625,284		459,831	436,418
Surplus For The Year	52,055	34,468		50,229	33,410
Other Comprehensive Income Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation (decrement)/increment	(233,537)	257,097	9.1(a)	(233,537)	232,528
Gain on defined benefits plans	471	1,675	9.3	-	-
Total Other Comprehensive Income	(233,066)	258,772		(233,537)	232,528
Total Comprehensive Result	(181,011)	293,240		(183,308)	265,938

The Comprehensive Income Statement should be read in conjunction with the accompanying notes.

Balance Sheet

For the Year Ended 30 June 2019

	Consolidated		Note	Council	
	2019 \$'000	2018 \$'000		2019 \$'000	2018 \$'000
Assets					
Current Assets					
Cash and cash equivalents	128,767	59,866	5.1 (a)	119,529	49,982
Trade and other receivables	64,519	57,174	5.1 (c)	42,913	33,603
Other financial assets	23,748	89,750	5.1 (b)	21,000	88,000
Inventories	561	749	5.2 (a)	-	-
Non-current assets classified as held for sale	8,985	-	6.1	8,985	-
Other assets	7,003	7,130	5.2 (b)	3,255	2,677
Total Current Assets	233,583	214,669		195,682	174,262
Non-Current Assets					
Trade and other receivables	-	9,686	5.1 (c)	-	7,500
Other financial assets	32,965	32,175	5.1 (b)	32,965	32,175
Investment in subsidiaries, associates and trust	7,750	7,750	6.3	26,356	31,980
Property, infrastructure, plant and equipment	4,069,350	4,259,240	6.2	3,968,505	4,157,894
Investment property	205,476	211,447	6.4	205,476	211,447
Intangible assets	62,428	61,258	5.2 (c)	36,884	37,813
Net assets of City of Melbourne's Defined Benefits Superannuation Fund	11,333	10,818	9.3	-	-
Total Non-Current Assets	4,389,302	4,592,374		4,270,186	4,478,809
Total Assets	4,622,885	4,807,043		4,465,868	4,653,071
Liabilities					
Current Liabilities					
Trade and other payables	86,253	81,824	5.3 (a)	63,780	60,853
Trust funds and deposits	8,247	6,290	5.3 (b)	7,994	6,036
Provisions	47,167	45,152	5.5	34,991	33,393
Interest bearing liabilities	150	223	5.4	-	-
Total Current Liabilities	141,817	133,489		106,765	100,282
Non-Current Liabilities					
Trust funds and deposits	2,559	1,758	5.3 (b)	865	75
Provisions	5,010	6,024	5.5	3,807	3,713
Interest bearing liabilities	28,482	30,000	5.4	28,482	30,000
Total Non-Current Liabilities	36,051	37,782		33,154	33,788
Total Liabilities	177,868	171,271		139,919	134,070
Net Assets	4,445,017	4,635,772		4,325,949	4,519,001
Equity					
Accumulated surplus	2,168,727	2,097,055		2,089,520	2,020,146
Reserves	2,276,290	2,538,717	9.1	2,236,429	2,498,855
Total Equity	4,445,017	4,635,772		4,325,949	4,519,001

The Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
For the Year Ended 30 June 2019

Consolidated	Note	Total Equity		Accumulated Surplus		Asset Revaluation Reserve		Other Reserves	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance at beginning of the financial year		4,635,772	4,342,032	2,097,055	2,121,793	2,428,274	2,171,177	110,443	49,062
Surplus for the year	9.1	52,055	34,468	52,055	34,468	-	-	-	-
Net asset revaluation increment	9.1	(233,537)	257,097	-	-	(233,537)	257,097	-	-
Investment in associates	9.1	-	500	-	-	-	-	-	500
Transfers to other reserves	9.1	-	-	(25,012)	(76,241)	-	-	25,012	76,241
Transfers from other reserves	9.1	-	-	53,902	15,360	-	-	(53,902)	(15,360)
Actuarial gain - City of Melbourne's Defined Benefits Superannuation Fund	9.1	471	1,675	471	1,675	-	-	-	-
Prior year adjustment (AASB 9 transition)		(9,744)	-	(9,744)	-	-	-	-	-
Balance at the end of the financial year		4,445,017	4,635,772	2,168,727	2,097,055	2,194,737	2,428,274	81,553	110,443

Council	Note	Total Equity		Accumulated Surplus		Asset Revaluation Reserve		Other Reserves	
		2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance at beginning of the financial year		4,519,001	4,252,563	2,020,145	2,047,616	2,388,413	2,155,885	110,443	49,062
Surplus for the year	9.1	50,229	33,410	50,229	33,410	-	-	-	-
Net asset revaluation decrement	9.1	(233,537)	232,528	-	-	(233,537)	232,528	-	-
Investment in associates	9.1	-	500	-	-	-	-	-	500
Transfers to other reserves	9.1	-	-	(25,012)	(76,241)	-	-	25,012	76,241
Transfers from other reserves	9.1	-	-	53,902	15,360	-	-	(53,902)	(15,360)
Prior year adjustment (AASB 9 transition)		(9,744)	-	(9,744)	-	-	-	-	-
Balance at the end of the financial year		4,325,949	4,519,001	2,089,520	2,020,145	2,154,876	2,388,413	81,553	110,443

The Statements of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the Year Ended 30 June 2019

	Consolidated		Note	Council	
	2019 \$'000	2018 \$'000		2019 \$'000	2018 \$'000
Cash Flows from Operating Activities					
Rates and charges	283,317	269,698		283,566	269,933
Statutory fees and fine	46,958	55,303		46,668	55,303
User fees	84,841	75,487		77,493	78,035
Grants - operating	29,478	15,770		29,478	15,517
Grants - capital	14,054	10,805		14,054	10,805
Contributions - monetary	26,806	20,236		26,796	20,215
Interest received	4,268	4,064		4,155	3,533
Dividends received	73	45		3,273	2,595
Other receipts	229,795	227,373		19,263	19,239
Net GST refund	8,553	8,425		20,794	20,654
Trust funds and deposits taken/(repaid)	1,737	(104)		1,727	(1,401)
Employee costs	(252,375)	(250,620)		(163,382)	(160,059)
Materials and services	(322,605)	(309,778)		(231,495)	(218,210)
Other payments	(23,641)	(24,714)		(19,495)	(20,039)
Net cash provided by operating activities	131,259	101,988		112,895	96,120
Cash Flows from Investing Activities					
Proceeds from sale of property, infrastructure, plant and equipment	1,798	65,639	3.6	468	65,088
Payments for property, infrastructure, plant and equipment	(137,222)	(113,667)		(121,461)	(101,637)
Proceeds/(payments) from/for sale of Investments	60,378	(93,675)		67,000	(94,175)
Proceeds from divestment (Sustainable Melbourne Fund)	5,624	-		5,624	-
Loans and advances made	-	(3,928)		(2,500)	(5,000)
Proceeds from loan repaid	9,686	-		10,000	-
Net cash used in investing activities	(59,736)	(145,631)		(40,869)	(135,724)
Cash Flows from Financing Activities					
Borrowing costs	(1,031)	(1,117)		(961)	(995)
Proceeds from borrowings	-	223		-	-
Repayment of borrowings	(1,591)	-		(1,518)	-
Net cash used in financing activities	(2,622)	(894)		(2,479)	(995)
Net increase/(decrease) in cash and cash equivalents	68,901	(44,537)		69,547	(40,599)
Cash and cash equivalents at beginning of the financial year	59,866	104,403		49,982	90,581
Cash and cash equivalents at the end of the financial year	128,767	59,866		119,529	49,982
Financing arrangements			5.6		
Restrictions on cash assets			5.1		

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

Statement of Capital Works

For the Year Ended 30 June 2019

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Property				
Land	43	-	43	-
Total Land	43	-	43	-
Buildings				
Buildings	7,889	9,960	7,652	9,600
Heritage buildings	5,278	-	5,278	-
Building improvements	10,013	11,344	9,572	10,880
Total Buildings	23,180	21,304	22,502	20,480
Total Property	23,223	21,304	22,545	20,480
Plant & Equipment				
Plant, machinery and equipment	16,239	16,952	4,078	3,566
Fixtures, fittings and furniture	546	285	515	279
Computers and telecommunications	17,315	14,912	15,149	14,665
Library books	1,350	1,427	1,350	1,427
Total Plant & Equipment	35,450	33,576	21,092	19,937
Infrastructure				
Roads	8,431	7,173	8,431	7,173
Bridges	974	201	974	201
Footpaths and cycleways	7,269	9,092	7,269	9,092
Drainage	5,139	9,905	5,139	9,905
Recreational, leisure and community facilities	964	695	964	695
Parks, open space and streetscapes	43,558	32,712	43,558	32,712
Other infrastructures	12,162	5,061	12,162	5,061
Total Infrastructure	78,497	64,839	78,497	64,839
Total Capital Works Expenditure	137,170	119,719	122,134	105,256
Represented by:				
New asset expenditure	43,335	50,389	43,335	36,157
Asset renewal expenditure	47,418	50,420	47,418	50,420
Asset expansion expenditure	23,077	10,401	23,077	10,401
Asset upgrade expenditure	23,340	8,509	8,304	8,278
Total Capital Works Expenditure	137,170	119,719	122,134	105,256

The Statement of Capital Works should be read in conjunction with the accompanying notes.

OVERVIEW

Introduction

These financial statements are the consolidated Group accounts for Melbourne City Council (the "Council") and its controlled entities. Council is the ultimate successor at law to the Mayor Aldermen Councillors and Burgesses of the Town of Melbourne which was incorporated on 12 August 1842 by An Act to Incorporate the Inhabitants of the Town of Melbourne 6 Victoria No. 7. The name 'Melbourne City Council' replaced the former 'Council of the City of Melbourne' via the *City of Melbourne Act 1993*. The Town Hall is located at 90-120 Swanston Street, Melbourne VIC 3000.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Local Government Act 1989*, and the Local Government (Planning and Reporting) Regulations 2014.

Significant accounting policies

Basis of accounting

Application of Accrual Basis

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Use of Judgements, Estimates and Assumptions

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates to reflect better information or to reflect actual results are recognised in the period in which the estimates are revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair values of assets and liabilities (refer to Note 8.4 related to determination of fair value);
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2);
- the determination of employee provisions (refer to Note 5.5);
- the measurement of goodwill (refer to Note 5.2 (c)); and
- the analysis of Council results by program (refer to Note 2).

Application of Accounting Policies

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

NOTES TO FINANCIAL STATEMENTS

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 5 per cent and \$1 million where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 30 June 2018. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters

for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable at the time of budget preparation.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

The budget information provided only relates to Council. A consolidated budget is not required and therefore not prepared.

1.1 Income and expenditure

Council	Budget	Actual	Variance	%	Ref
	2019 \$'000	2019 \$'000	2019 \$'000		
Income					
Rates and charges	287,013	286,833	(180)	(0%)	
Statutory fees and fines					
Parking fines	41,923	38,532	(3,391)	(8%)	1
Other statutory fees and fines	13,390	14,122	732	5%	
User fees					
Parking fees	52,070	54,474	2,404	5%	2
Other user fees	21,727	26,331	4,604	21%	3
Grants - operating	10,812	27,827	17,015	157%	4
Grants - capital	9,867	12,881	3,014	31%	5
Contributions - monetary	13,882	26,308	12,426	90%	6
Contributions - non monetary	-	3,297	3,297	100%	7
Net gain on disposal of property, infrastructure, plant and equipment	964	(177)	(1,141)	(118%)	8
Fair value adjustments for investment properties	-	(5,971)	(5,971)	100%	9
Other income	19,000	25,603	6,603	35%	10
Total Income	470,648	510,060	39,412	8%	
Expenses					
Employee costs	163,291	164,350	(1,059)	(1%)	
Materials and services	179,514	190,002	(10,488)	(6%)	11
Depreciation and amortisation	65,464	72,554	(7,090)	(11%)	12
Bad and doubtful debts	6,183	12,485	(6,302)	(102%)	13
Borrowing costs	1,400	961	439	31%	
Other expenses	6,700	5,100	1,600	24%	14
Grants and contributions	13,863	14,379	(516)	(4%)	
Total Expenses	436,415	459,831	(23,416)	(5%)	
Surplus for the year	34,233	50,229	15,996	47%	

Explanation of material variations

Ref.	Item	Explanation
1	<i>Parking fines</i>	Largely due to a reduced volume of infringement notices issued.
2	<i>Parking fees</i>	Increased volume of parking meter revenue and reserved parking fees.
3	<i>Other user fees</i>	Higher building service revenue as a result of an increased volume of construction activities.
4	<i>Grants - operating</i>	Largely due to significant (\$13.7 million) compensation funding in relation to the Metro Tunnel Project, additional project grants to deliver arts projects and higher Victoria Grants Commission funding (\$3 million).
5	<i>Grants - capital</i>	Funding received towards the Protective Security Enhancement Project and CFA to deliver the Emergency Services Memorial.
6	<i>Contributions - monetary</i>	Due to increased Public Open Space and South Boulevard Upgrade Project contributions.
7	<i>Contributions - non monetary</i>	Due to increase in external contributions towards the Newquay park assets.
8	<i>Net gain on disposal of property, infrastructure, plant and equipment</i>	No major assets sold in 2018-19.
9	<i>Fair value adjustments for investment properties</i>	This reflects a general market reduction of property (land and building) valuations.
10	<i>Other income</i>	Resulting from higher interest revenue from a larger than anticipated cash balance.
11	<i>Materials and services</i>	Growth in the city population has seen an increase across contract costs for key services including waste management, utilities and legal costs and key initiative consulting expenditure.
12	<i>Depreciation and amortisation</i>	Additional depreciation incurred for intangible assets due to reduced useful life of software assets. One-off impact for 2018-19.
13	<i>Bad and doubtful debts</i>	Due to change in accounting standard AASB 9: Financial Instruments, application of expected credit loss has been reviewed for parking infringement debts. This resulted in one-off adjustment to bad debts.
14	<i>Other expenses</i>	Decrease as a result of the QVM land tax exemption accepted by the state government.

1.2 Capital works

Council	Budget	Actual	Variance	%	Ref
	2019 \$'000	2019 \$'000	2019 \$'000		
Buildings					
Land	-	43	(43)	100%	
Total Land	-	43	(43)	100%	
Buildings					
Buildings	7,693	7,652	41	1%	
Heritage buildings	8,407	5,278	3,129	37%	1
Building improvements	29,461	9,572	19,889	68%	2
Total Buildings	45,561	22,502	23,059	51%	
Total Property	45,561	22,545	23,016	51%	
Plant & Equipment					
Plant & equipment	4,572	4,078	494	11%	
Fixtures, fittings & furniture	847	515	332	39%	
Computers and telecommunications	15,028	15,149	(121)	(1%)	
Library books	1,320	1,350	(30)	(2%)	
Total Plant & Equipment	21,767	21,092	675	3%	
Infrastructure					
Roads	10,207	8,431	1,772	17%	3
Bridges	1,125	974	151	13%	
Footpaths and cycleways	5,835	7,269	(1,434)	(25%)	4
Drainage	4,662	5,139	(477)	(10%)	
Recreational, leisure and community facilities	1,510	964	546	36%	
Waste management	200	-	200	100%	
Parks, open space and streetscapes	55,712	43,558	12,158	22%	5
Other Structures	5,373	12,162	(6,789)	(126%)	6
Total Infrastructure	84,624	78,497	6,127	7%	
Total capital works expenditure	151,952	122,134	29,818	20%	
Represented by:					
New asset expenditure	39,554	43,335	(3,781)	(10%)	
Asset renewal expenditure	47,015	47,418	(403)	(1%)	
Asset expansion expenditure	38,152	23,077	15,075	40%	
Asset upgrade expenditure	27,231	8,304	18,927	70%	
Total capital works expenditure	151,952	122,134	29,818	20%	

Out of the \$30 million variance in total capital works expenditure, \$26.6 million will be carried forward to 2019-20 (2018: \$10.3 million was carried forward to 2018-19) (refer to Note 5.1).

i. Explanation of material variations

Ref.	Item	Explanation
1	<i>Heritage Buildings</i>	<p>Bourke Street Precinct Redevelopment design development phase delayed due to scope and timing review (\$2.0 million); construction is now due to commence during the 2021-22 financial year.</p> <p>Town Hall Buildings Restoration and Refurbishment delayed due to revision of the feasibility study and investment case (\$1.2 million); construction is now due to commence during the 2022-23 financial year.</p>
2	<i>Building improvements</i>	<p>Queen Victoria Market Precinct Renewal delayed due to external authority approvals and engagement of the People's Panel (\$14.1 million).</p> <p>Lady Huntingfield Child Care Centre construction delayed due to latent conditions (\$4.8 million); construction is now due to be completed during the 2019-20 financial year.</p>
3	<i>Roads</i>	<p>Elizabeth Street South Streetscape Improvements was placed on hold to allow for the completion of a major private development on Flinders Street (\$1.8 million); construction is due to commence during the 2019-20 financial year.</p>
4	<i>Footpaths and cycleways</i>	<p>Additional funds approved for Bicycle Hoops in line with the Year Three Bike Plan and further works including new and improved bike lanes in line with the Bicycle Improvement Program (\$0.9 million).</p> <p>Footpath Renewal additional funds endorsed in line with the Asset Management strategy (\$0.6 million).</p>
5	<i>Parks, open space & streetscapes</i>	<p>Southbank Boulevard upgrade Package One delayed due to latent conditions and external authority approvals resulting in delays to Package Two (\$7.6 million); both Packages are due to be completed by December 2019.</p> <p>Lincoln Square delayed due to tender process and neighbouring construction works at University Square (\$2.8 million); the tender has been awarded with construction due to be completed by October 2019.</p> <p>Enterprise park delayed due to external authority approvals (\$2.0 million).</p>
6	<i>Other Structures</i>	<p>External funding was received from the Department of Justice and Community Safety to design and install Vehicle Security Barriers across key locations in the Melbourne Central Business District (\$6.9 million).</p>

Note 2 Analysis of council results by program

Council delivers its functions and activities through the following groups.

- Executive Services
- City Operations
- City Design and Projects
- City Strategy and Place
- City Communities
- City Economy and Activation
- Customer and Business Transformation.

For more information on our groups and their functions, refer to annual report Our Functions.

Summary of revenues, expenses, assets and capital expenses by program

2019	Income	Expenses	Surplus / (Deficit)	Grants Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Executive Services	21,994	23,922	(1,928)	17,467	497,363
City Operations	444,655	230,507	214,148	7,246	3,886,718
City Design and Projects	573	4,593	(4,020)	573	-
City Strategy and Place	10,829	26,257	(15,428)	6,545	5
City Communities	25,348	77,923	(52,575)	8,857	48,910
City Economy and Activation	6,578	49,107	(42,529)	20	1,846
Customer and Business Transformation	83	47,522	(47,439)	-	31,026
Total	510,060	459,831	50,229	40,708	4,465,868

2018	Income	Expenses	Surplus / (Deficit)	Grants Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Executive Services	15,767	22,757	(6,990)	2,992	245,917
City Operations	419,541	220,088	199,453	13,820	4,320,006
City Design and Projects	332	4,806	(4,474)	304	-
City Strategy and Place	3,410	24,574	(21,164)	180	9
City Communities	24,508	78,631	(54,123)	7,786	49,337
City Economy and Activation	6,172	48,426	(42,254)	165	1,925
Customer and Business Transformation	98	37,136	(37,038)	-	35,877
Total	469,828	436,418	33,410	25,247	4,653,071

Note 3 Funding for the delivery of our services

3.1 Rates and charges

Council uses 'net annual value' as the basis of valuation for all properties within the municipal district. The net annual value of a property approximates the annual net rental for a commercial property and five per cent of the capital improved value for a residential property.

The valuation base used to calculate general rates for 2018-19 was \$6.6 billion (2017-18: \$6.1 billion).

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Residential	110,227	100,709	110,526	100,944
Non-residential	171,765	169,546	171,765	169,546
Culture & recreational	440	430	440	430
Supplementary rates and rate adjustments	3,449	74	3,449	74
Interest on Rates & Charges	653	514	653	514
	286,584	271,273	286,833	271,508

The 2018 General Valuation reflects property values as at 1 January 2018 was used for 2018-19 rating purposes. The valuation was first applied in the rating year commencing 1 July 2018 and will end 30 June 2019 after which the 2019 General Valuation will take effect from 1 July 2019.

Annual rates and charges are recognised as revenue when Council issues annual rates notices. Supplementary rates are recognised when a valuation is returned and supplementary rates notices are issued.

3.2 Statutory fees and fines

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Infringements and costs				
Parking fines	38,532	44,347	38,532	44,347
Total parking fines	38,532	44,347	38,532	44,347
Infringements and costs				
General fines	2,667	1,350	2,667	1,350
Town planning fees	5,557	4,449	5,557	4,449
Land Information Certificates	207	220	207	220
Permits	2,143	2,097	2,143	2,097
Food and Health Act registration	3,548	3,351	3,548	3,351
Total other statutory fees and fines	14,122	11,467	14,122	11,467
Total Statutory fees and fines	52,654	55,814	52,654	55,814

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

3.3 User fees

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Parking	58,731	50,352	54,474	46,621
Total parking fees	58,731	50,352	54,474	46,621
Aged and health services	322	291	322	291
Leisure centre and recreation	4,187	4,985	4,191	4,987
Child care/children's programs	2,031	2,763	2,031	2,763
Registration and other permits	2,115	2,096	2,115	2,096
Building services	13,134	9,204	13,134	9,204
Waste management services	568	546	568	546
Berthing	635	628	635	628
Other fees and charges	3,335	2,168	3,335	2,168
Total other user fees	26,327	22,681	26,331	22,683
Total user fees	85,058	73,033	80,805	69,304

User fees are recognised as revenue when the service has been provided or Council has otherwise earned the income. The consolidated financial statements are prepared using uniform accounting policies. AASB 15 Revenue from Contracts with Customers is effective for Council's for profit subsidiary companies from 2018-19 and for Council from 1 July 2019.

3.4 Funding from other levels of government

Grants were received in respect of the following:

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Summary of Grants				
Commonwealth funded grants	7,380	6,970	7,480	6,717
State funded grants	33,228	18,530	33,228	18,530
Total grants received	40,708	25,500	40,708	25,247

(a) Operating grants

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Recurrent - Commonwealth Government				
General home care	2,158	2,110	2,158	2,110
Financial Assistance Grant	3,778	2,991	3,778	2,991
Other	38	56	38	56
Recurrent - State Government				
Aged care	1,224	1,253	1,224	1,253
Libraries	983	858	983	858
Maternal & Child Health	889	850	889	850
Pre School Services	323	380	323	380
Support Services for Families	638	604	638	604
Disability Services Grant	145	139	145	139
Arts Programs	854	641	854	641
Events	20	150	20	150
Other	612	698	612	698
Total Recurrent Operating Grants	11,662	10,730	11,662	10,730
Non-recurrent - Commonwealth Government				
Other	355	453	355	200
Non-recurrent - State Government				
Roads & Streets	462	104	462	104
Resilience	309	333	309	333
Arts Programs	995	562	995	562
Public Security	-	3,266	-	3,266
Other*	14,044	97	14,044	97
Total Non-recurrent Operating Grants	16,165	4,815	16,165	4,562
Total Operating Grants	27,827	15,545	27,827	15,292

* Increase in other non-recurrent operating grants relates to compensation funding in relation to Metro Tunnel project.

(b) Capital grants

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Recurrent - Commonwealth Government				
Roads to recovery	324	654	324	654
Road & Streets	728	706	728	706
Recurrent - State Government				
Parking Levy	7,000	7,000	7,000	7,000
Total Recurrent Capital Grants	8,052	8,360	8,052	8,360
Non-recurrent - Commonwealth Government				
Other	99	100	99	100
Non-recurrent - State Government				
Public Security	2,700	-	2,700	-
Park & Gardens	2,030	67	2,030	67
Road & Streets	-	1,428	-	1,428
Total Non-recurrent Capital Grants	4,829	1,595	4,829	1,595
Total Capital Grants	12,881	9,955	12,881	9,955

(c) Unspent grants received on condition that they be spent in a specified manner

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Balance at start of year	2,080	1,877	2,080	1,877
Received during the financial year and remained unspent at balance date	3,492	745	3,492	745
Received in prior years and spent during the financial year	(622)	(542)	(622)	(542)
Balance at year end	4,950	2,080	4,950	2,080

Grant income is recognised when Council obtains control of the contributions. Control normally occurs upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

3.5 Contributions

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Public Open Space	19,012	15,299	19,012	15,299
Child Care Benefit	2,420	1,962	2,420	1,962
Sponsorships	978	580	968	559
Non-Government Capital	3,245	1,583	3,245	1,583
Other Contributions	663	544	663	544
Total Contributions - Monetary	26,318	19,968	26,308	19,947
Land	2,851	-	2,851	-
Infrastructure	446	35	446	35
Total Contributions - Non Monetary	3,297	35	3,297	35

Monetary and non monetary contributions are recognised as revenue when Council obtains control over the contributed assets.

3.6 Net gain / (loss) on disposal of property, infrastructure, plant and equipment

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Land & Buildings				
Proceeds of sales	467	2,310	467	2,310
Written down value of assets disposed	(273)	(73)	(273)	(73)
Gain on sale	194	2,237	194	2,237
Plant and Equipment				
Proceeds of sales	1,331	604	-	53
Written down value of assets disposed	(1,703)	(134)	(371)	(134)
Gain/(Loss) on sale	(372)	470	(371)	(81)
Proceeds of sale	1,798	2,914	467	2,363
Written down value of assets disposed	(1,976)	(207)	(644)	(207)
Total net gain on disposal of property, infrastructure, plant and equipment*	(178)	2,707	(177)	2,156

* The profit or loss on sale of an asset is determined when control of the asset has been passed to the buyer.

3.7 Other income

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Interest	4,268	4,064	4,155	3,533
Dividends	73	45	3,273	2,595
Investment property/market rentals*	23,337	23,838	6,404	6,718
Intercompany revenue	-	-	3,034	4,011
Sales & recoveries**	184,278	182,107	8,441	7,592
Project income	296	182	296	182
Total Other Income	212,252	210,236	25,603	24,631

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the rights to receive the income.

* Consolidated income includes Queen Victoria Market stall holder revenue of \$16.9 million for 2019 (2018: \$17.1 million).

** Consolidated income includes Citywide Services revenue for rendering of contractual services of \$172.9 million for 2019 (2018: \$172.7 million).

Note 4 The cost of delivering services

4.1 Employee costs

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Wages and salaries	207,213	202,834	132,546	128,847
WorkCover	3,134	4,103	1,673	1,461
Superannuation contributions	20,877	20,009	14,497	13,715
Fringe benefit tax	545	706	467	470
Annual leave and long service leave	20,594	22,569	15,167	16,432
	252,363	250,221	164,350	160,925

Superannuation

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Defined benefit fund				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	171	175	171	175
Melbourne City Council Superannuation sub-plan (Vision Super)	1,111	1,247	927	985
	1,282	1,422	1,098	1,160
Accumulation funds				
Employer contributions to Vision Super	10,535	11,784	8,231	8,317
Employer contributions - other funds	9,060	6,803	5,168	4,238
	19,595	18,587	13,399	12,555
Total Superannuation contributions	20,877	20,009	14,497	13,715
Employer contributions payable at reporting date	755	812	-	-

Refer to Note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Contract payments				
City Operations	100,288	100,545	92,006	87,654
City Communities	14,543	13,505	14,543	13,505
City Economy and Activation	11,370	11,784	11,370	11,784
Other	1,894	11,951	5,779	6,079
Building maintenance	837	530	555	306
General maintenance	34,540	40,549	19,523	23,775
Utilities	13,111	11,784	9,202	7,895
Administration/Supplies	60,328	45,673	10,322	11,902
Information technology	8,336	7,373	5,938	4,833
Insurance	4,264	3,102	1,918	1,528
Consultants	24,216	20,216	18,846	16,043
	273,727	267,012	190,002	185,304

4.3 Depreciation and amortisation

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Property	9,069	8,526	8,159	7,557
Plant and equipment	20,421	21,174	8,108	8,952
Infrastructure	41,679	41,998	41,679	41,998
Total depreciation	71,169	71,698	57,946	58,507
Intangible assets	14,688	5,185	14,608	4,885
Total depreciation and amortisation	85,857	76,883	72,554	63,392

Refer to Note 5.2 (c) and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy. From 2018-19, useful life for Intangible Assets for Council was revised from 5-8 years to 1-5 years. This is a reflection on the assets lives for future use.

4.4 Bad and doubtful debts

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Parking fine debtors*	12,573	6,467	12,573	6,467
Trade debtors	(89)	(15)	(88)	(9)
Total bad and doubtful debts	12,484	6,452	12,485	6,458

Movement in doubtful debts - parking infringements	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the year	15,458	17,381	15,458	17,381
Prior year adjustment (AASB 9 transition)*	42,753	-	42,753	-
New provisions recognised during the year	12,573	6,467	12,573	6,467
Amounts already provided for and written off as uncollectible	(1,396)	(2,622)	(1,396)	(2,622)
Amounts provided for but recovered during the year	(1,634)	(5,768)	(1,634)	(5,768)
Balance at the end of the year	67,754	15,458	67,754	15,458

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

* Increase in 2019 relates to AASB 9: Financial Instruments standard application for credit loss, which resulted in one-off adjustment to parking infringement debtors, provision for doubtful debt and parking fine debtors.

4.5 Borrowing costs

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Interest - Borrowings	1,031	1,117	961	995
	1,031	1,117	961	995

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

4.6 Other expenses

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Auditors remuneration - VAGO - audit of financial statements	235	251	150	146
Audit services - external acquittal and assesment	45	45	25	45
Audit services - internal	340	513	207	258
Fire brigade levy	213	159	213	159
Taxes & Levies	1,711	2,097	433	881
Operating lease rentals	5,006	4,708	2,181	2,228
Other costs*	2,048	2,581	1,891	2,382
	9,598	10,354	5,100	6,099

* Other costs include written down investment in Sustainable Melbourne Fund (\$0.024 million).

Note 5 Our financial position

5.1 Financial assets

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

(b) Other financial assets

Other financial assets are valued at fair value (refer to Note 8.4) at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
(a) Cash and Cash Equivalents				
Cash on hand	50	65	23	32
Cash at bank	61,717	27,047	52,506	17,950
Term deposits	67,000	32,754	67,000	32,000
Total Cash and cash equivalents	128,767	59,866	119,529	49,982
(b) Other financial assets				
Term deposits - current	23,748	89,750	21,000	88,000
Term deposits - non current*	32,965	32,175	32,965	32,175
Total other financial assets	56,713	121,925	53,965	120,175
Total financial assets	185,480	181,791	173,494	170,157

Council funds are subject to external restrictions that limit amounts available for discretionary use. These include:

	Consolidated		Note	Council	
	2019 \$'000	2018 \$'000		2019 \$'000	2018 \$'000
Trust funds and deposits	10,806	8,048	5.3	8,859	6,111
Acquisition trust*	32,965	32,175		32,965	32,175
Reserve funds (Public Open Space)	37,606	44,489	9.1	37,606	44,489
Total restricted funds	81,377	84,712		79,430	82,775
Unrestricted funds	104,103	97,079		94,064	87,382
Total Council funds	185,480	181,791		173,494	170,157

* Term deposit - non current is the Acquisition Trust fund created in relation to compulsory sale of City Square assets by Rail Projects Victoria in 2016-17. The funds received have been placed in a trust account until the City Square land has been handed back to City of Melbourne.

Intended allocations

Although not externally restricted the following amounts have been allocated for future purposes specified by Council:

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Cash held to fund carried forward capital works	33,463	13,790	26,566	10,332
Total funds subject to intended allocations	33,463	13,790	26,566	10,332

(c) Trade and other receivables

Current	Consolidated			Council	
	2019	2018	Note	2019	2018
	\$'000	\$'000		\$'000	\$'000
Statutory receivables					
Rate debtors	5,844	2,577		5,844	2,577
Infringement debtors**	78,440	36,295		78,440	36,295
Provision for doubtful debts - Infringements**	(67,754)	(15,458)	4.4	(67,754)	(15,458)
Non statutory receivables					
Trade debtors*	46,721	30,167		21,365	3,912
Provision for doubtful debts - Trade debtors	(993)	(1,101)		(270)	(358)
Net GST receivable	2,261	4,694		5,288	6,635
Total current trade and other receivables	64,519	57,174		42,913	33,603

* Consolidated trade debtors includes Citywide trade receivables of \$20.9 million (2018: \$19.3 million). Increase in 2019 for Council due to compensation funding invoiced to Rail Projects Victoria related to loss of car park revenue at City Square asset due to Metro Rail Project.

** Increase in 2019 relates to AASB9: Financial Instruments standard application for credit loss, which resulted in one-off adjustment.

Non-Current	Consolidated			Council	
	2019	2018	Note	2019	2018
	\$'000	\$'000		\$'000	\$'000
Non statutory receivables					
Project loan*	-	9,686		-	-
Loan to subsidiary**	-	-		-	7,500
Total non-current trade and other receivables	-	9,686		-	7,500

* Project loan in 2017-18 includes Sustainable Melbourne Fund issuing Environmental Upgrade Agreement (EUA) financial loans to borrowers that are asset backed.

** Loan to subsidiary relates to loan to the Sustainable Melbourne Fund in 2017-18. Council divested from Sustainable Melbourne Fund in April 2019.

Short term receivables are recognised at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of receivables (other debtors)

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Current (not yet due)*	41,568	26,362	19,891	2,370
Past due by up to 30 days	3,445	1,573	1,004	692
Past due between 31 and 180 days	1,253	1,407	318	517
Past due between 181 and 365 days	226	374	148	299
Past due by more than 1 year	229	451	4	34
Total trade and other receivables	46,721	30,167	21,365	3,912

* Increase in 2019 due to compensation funding invoiced to Rail Projects Victoria related to loss of car park revenue at City Square asset due to Metro Rail Project.

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$1.0 million (2018: \$1.1 million) were impaired. The amount of the provision raised against these debtors was \$0.1 million (2018: \$0.4 million). They individually have been impaired due to their doubtful collection. Many of the long outstanding past due amounts are in the hands of Council's debt collectors or are subject to payment arrangements.

The ageing of trade receivables that have been individually determined as impaired at reporting date was:

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Current (not yet due)	144	-	-	-
Past due by up to 30 days	70	-	-	-
Past due between 31 and 180 days	445	440	78	86
Past due between 181 and 365 days	275	569	133	180
Past due by more than 1 year	59	92	59	92
Total	993	1,101	270	358

5.2 Non-financial assets

(a) Inventories

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Inventory held for distribution	561	749	-	-
Total inventories	561	749	-	-

Stores and raw materials are stated at the lower of cost and net realisable value. Costs have been assigned to inventory quantities on hand at reporting date using the weighted average cost method. The cost of purchase comprises the purchase price including taxes (other than those subsequently recoverable by the entity from the taxing authorities) transport, handling and other costs directly attributable to the acquisition of raw materials. Volume discounts and rebates are included in determining the cost of purchase. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(b) Other assets

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Prepayments	3,044	2,778	1,455	1,421
Accrued income	3,959	4,352	1,800	1,256
Total other assets	7,003	7,130	3,255	2,677

(c) Intangible assets

	Consolidated		Council	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Software	38,883	38,413	36,884	37,813
Goodwill	23,545	22,770	-	-
Customer relationships	-	75	-	-
	62,428	61,258	36,884	37,813

Consolidated	Software	Goodwill	Customer relationships	Total
	\$'000	\$'000	\$'000	\$'000
Gross carrying amount				
Balance at 30 June 2018	61,960	22,770	75	84,805
Additions	12,053	775	-	12,828
WIP	3,161	-	-	3,161
Balance at 30 June 2019	77,174	23,545	75	100,794
Accumulated amortisation and impairment				
Balance at 30 June 2018	(23,547)	-	-	(23,547)
Amortisation expense	(14,744)	-	(75)	(14,819)
Balance at 30 June 2019	(38,291)	-	(75)	(38,366)
Net book value at 30 June 2018	38,413	22,770	75	61,258
Net book value at 30 June 2019	38,883	23,545	-	62,428

Council	Software	Goodwill	Customer relationships	Total
	\$'000	\$'000	\$'000	\$'000
Gross carrying amount				
Balance at 30 June 2018	61,248	-	-	61,248
Additions	10,518	-	-	10,518
WIP	3,161	-	-	3,161
Balance at 30 June 2019	74,927	-	-	74,927
Accumulated amortisation and impairment				
Balance at 30 June 2018	(23,435)	-	-	(23,435)
Amortisation expense	(14,608)	-	-	(14,608)
Balance at 30 June 2019	(38,043)	-	-	(38,043)
Net book value at 30 June 2018	37,813	-	-	37,813
Net book value at 30 June 2019	36,884	-	-	36,884

All intangible assets (except goodwill) have finite lives and are amortised as expenses on a systematic basis over the assets' useful lives. Amortisation is generally calculated on a straight line basis, at a rate that allocates asset values, less any estimated residual values over their estimated useful lives. Estimates of the remaining useful lives and amortisation methods are reviewed at least annually, and adjustments made where appropriate. For 2018-19, useful life for Intangible Assets for Council was revised from 5-8 years to 1-5 years. This is a reflection on the assets lives for future use.

Impairment testing for cash generating units containing goodwill

Goodwill is related to Council's subsidiary Citywide Service Solutions Pty Ltd. Goodwill has been reviewed for impairment at the year ended 30 June 2019.

For the purpose of impairment testing, goodwill is allocated to Citywide's operating divisions. The aggregate carrying amounts allocated to each Cash Generating Unit (CGU) are as follows:

	2019	2018
	\$'000	\$'000
Victoria Operations	9,490	8,714
NSW/ACT Operations	7,868	7,868
Technigro	6,188	6,188
	23,546	22,770

Citywide Service purchased Just Roots through an asset sale agreement for \$1.0 million of which includes \$0.8 million goodwill (intangible).

The recoverable amount of each CGU has been determined based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the CGU. The recoverable amount of each unit was determined to be in excess of the carrying value for each CGU, and therefore no impairment has been recognised.

Key assumptions used in the discounted cash flow projections

Future cash flows have been based on the 2019-20 budget and overlaid with appropriate discount and growth rates. The discount and growth rate assumptions are as follows:

	2019	2018
Discount Rate	8.50%	8.50%
Terminal Value Growth Rate	2.20%	2.20%

The discount rate used is a post-tax measure based on the Citywide's weighted average cost of capital (WACC). The WACC has been determined in conjunction with professional valuation advice received from an independent consulting firm.

Each CGU has five years of cash flows included in its discounted cash flow models and a terminal growth rate thereafter. In the model the first year of cash flows are based on the 2019-20 budget. The long-term compound annual growth rate in EBITDA is estimated by management using past experience and expectations for the future.

Sensitivity to change in assumptions

Citywide has modelled reasonably possible changes in key assumptions to determine whether sensitivities would cause the carrying value of any CGU to exceed its recoverable amount.

The Group has modelled a 10 per cent reduction in base EBITDA in each CGU and a 1 per cent increase in the discount rate. In each case, the value in use would not be lower than the carrying amount and therefore no impairment would arise.

5.3 Payables

(a) Trade and other payables

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Trade payables	22,129	18,711	8,094	8,358
Accrued operating expenses	45,729	48,133	32,763	31,805
Accrued capital work expenses	10,554	9,017	18,273	17,628
Income in advance	7,841	5,963	4,650	3,062
	86,253	81,824	63,780	60,853

(b) Trust funds and deposits

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Refundable deposits	4,945	3,649	4,757	3,462
Fire services levy	2,726	2,032	2,726	2,032
Retention amount	113	212	113	212
Other refundable deposits	463	397	398	330
	8,247	6,290	7,994	6,036
Non Current				
Refundable deposits	2,559	1,758	865	75
	2,559	1,758	865	75

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in Council gaining control of the funds, are recognised as revenue at the time of forfeit.

Purpose and nature of items

Refundable Deposits – Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Service Levy – Council is the collection agent for fire services levy on behalf of the Victorian Government. Council remits amounts received to the Victorian Government.

Retention Amounts – Council has a contractual right to retain certain amounts until contractors have met those requirements, or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts are paid to the relevant contractor in line with Council's contractual obligations.

5.4 Interest-bearing loans and borrowing

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Security deposits	150	223	-	-
Non-current				
Borrowing - secured*	28,482	30,000	28,482	30,000
Total	28,632	30,223	28,482	30,000
Maturity profile for borrowing is:				
Not later than one year	150	223	-	-
Later than one year and not later than five years	28,482	30,000	28,482	30,000

* Borrowings consist of a \$28.5 million fixed term loan (ending 9 October 2020) with Clean Energy Finance Corporation, secured by a charge over general rates levied by Council.

5.5 Provisions

Below is a summary of current and non-current provisions:

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current provisions				
Employee provisions	44,471	43,454	33,144	32,235
Other provisions	2,696	1,698	1,847	1,158
	47,167	45,152	34,991	33,393
Non-current provisions				
Employee provisions	5,010	6,024	3,807	3,713
	5,010	6,024	3,807	3,713
Total provisions	52,177	51,176	38,798	37,106

Below is a summary of provisions by categories:

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Employee provisions				
Balance at the beginning of year	49,478	48,139	35,948	35,042
Additional provisions	20,594	22,569	15,167	16,432
Amounts used	(20,591)	(21,230)	(14,164)	(15,526)
Balance at the end of year	49,481	49,478	36,951	35,948
Insurance claims				
Balance at the beginning of year	1,158	728	1,158	728
Additional provisions	1,046	609	1,046	609
Amounts used	(357)	(179)	(357)	(179)
Balance at the end of year	1,847	1,158	1,847	1,158
Other provisions				
Balance at the beginning of year	540	9	-	-
Additional provisions	847	535	-	-
Amounts used	(538)	(4)	-	-
Balance at the end of year	849	540	-	-
Total provisions	52,177	51,176	38,798	37,106

(a) Employee provisions

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current provisions expected to be wholly settled within 12 months				
Annual leave	15,487	16,082	10,860	11,166
Long service leave	2,681	2,504	1,749	1,740
	18,168	18,586	12,609	12,906
Current provisions expected to be wholly settled after 12 months				
Annual leave	71	69	-	-
Long service leave	26,232	24,799	20,535	19,329
	26,303	24,868	20,535	19,329
Total current provisions	44,471	43,454	33,144	32,235
Non-Current				
Long service leave	5,010	6,024	3,807	3,713
Total non-current provisions	5,010	6,024	3,807	3,713
Aggregate carrying amount of employee provisions				
Current	44,471	43,454	33,144	32,235
Non-current	5,010	6,024	3,807	3,713
Total aggregate carrying amount of employee provisions	49,481	49,478	36,951	35,948

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability.

Long service leave key assumptions:

	Consolidated		Council	
	2019	2018	2019	2018
Discount rate	1.0%-1.5%	1.9%-2.7%	1.0%-1.3%	1.9%-2.7%
Inflation rate	2.0%-4.3%	2.0%-3.9%	2.0%-4.3%	2.0%-3.9%

(b) Insurance claims and other provisions

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Current				
Insurance claims	1,847	1,158	1,847	1,158
Other provisions	849	540	-	-
	2,696	1,698	1,847	1,158

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2019.

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Bank overdraft facility	2,500	2,500	-	-
Credit card facilities	580	630	300	300
Bank loan facility*	102,100	102,100	75,000	75,000
Other financing facilities**	28,482	30,000	28,482	30,000
Total facilities	133,662	135,230	103,782	105,300
Used facilities	(28,539)	(30,093)	(28,493)	(30,029)
Unused facilities	105,123	105,137	75,289	75,271

* Include Citywide's \$27.1 million bank loan facility and Council's \$75 million floating rate loan facility with ANZ Bank. Details refer to note 8.3 (d).

** Loan from Clean Energy Finance Corporation.

5.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

Council 2019	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste	7,796	5,025	1,215	-	14,036
Roads, Streets & Related Infrastructure	43,938	41,647	112	-	85,697
Parks & Gardens	19,521	14,689	-	-	34,210
Parking	4,932	3,138	-	-	8,070
Integrated Security Services, Infrastructure & Maintenance	3,707	2,621	9	-	6,337
Facilities & Maintenance	15,702	2,544	-	-	18,246
Events	6,320	967	3	-	7,290
Community Services	4,588	2,592	-	-	7,180
Cleaning - Outdoor	11,376	8,753	373	-	20,502
Cleaning - Indoor	3,056	1,026	-	-	4,082
Energy & Utilities	13,882	10,292	-	-	24,174
Property	2,046	1,450	2,542	-	6,038
IT Hardware	3,287	2,476	-	-	5,763
Other categories	6,701	2,716	752	-	10,169
Total	146,852	99,936	5,006	-	251,794
Capital					
Building & Equipment	13,225	-	-	-	13,225
Total	13,225	-	-	-	13,225

Council 2018	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste	14,570	3,516	2,544	-	20,630
Roads, Streets & Related Infrastructure	49,070	47,374	45,997	-	142,441
Parks & Gardens	17,060	17,044	12,690	-	46,794
Parking	6,775	1,501	205	-	8,481
Integrated Security Services, Infrastructure & Maintenance	4,963	4,870	2,734	-	12,567
HR Services	6,563	444	778	87	7,872
Facilities & Maintenance	4,677	214	323	-	5,214
Events	5,710	4,002	2,945	-	12,657
Community Services	5,298	1,427	958	-	7,683
Cleaning - Outdoor	12,985	12,347	9,141	-	34,473
Energy & Utilities	3,197	3,197	9,166	3,055	18,615
Business Services	2,301	2,132	2,074	-	6,507
Other categories	12,857	3,293	114	-	16,264
Total	146,026	101,361	89,669	3,142	340,198
Capital					
Building & Equipment	14,752	154	-	-	14,906
Parks & Gardens	255	-	-	-	255
Total	15,007	154	-	-	15,161

Operating lease commitments

At the reporting date, Council and its subsidiaries have the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use by Council and its subsidiaries in carrying out their normal operations (these obligations are not recognised as liabilities):

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Property rentals				
Not later than one year	4,366	3,765	1,907	1,430
Later than one year and not later than five years	6,006	5,220	2,286	1,944
Later than five years	1,089	852	631	602
	11,461	9,837	4,824	3,976
Fleet lease				
Not later than one year	708	2,346	224	686
Later than one year and not later than five years	4,780	4,257	-	224
Later than five years	-	23	-	-
	5,488	6,626	224	910
Total operating lease payable	16,949	16,463	5,048	4,886

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

Note 6 Assets we manage

Note	Content	Page
6.1	Assets held for sale	215
6.2	Property, infrastructure, plant and equipment	
	a. Summary of property, infrastructure, plant and equipment	216
	b. Summary of work in progress	217
	c. Details of property category	218
	d. Details of infrastructure category	220
	e. Details of plant and equipment category	222
	f. Recognition	224
	g. Depreciation and amortisation	224
	h. Description of significant unobservable inputs into level 3 valuations	225
	i. Valuation of property	226
	j. Valuation of infrastructure	226
	k. Reconciliation of specialised land	227

6.1 Assets held for sale

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Carrying value as at 30 June 2019	8,985	-	8,985	-
Total non current assets classified as held for sale	8,985	-	8,985	-

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

6.2 Property, infrastructure, plant and equipment
a. Summary of property, infrastructure, plant and equipment

Consolidated	Fair Value 30 June 2018	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Transfers	Fair Value 30 June 2019
Category	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	2,643,214	18,955	2,851	(267,454)	(9,068)	(257)	(8,985)	2,379,256
Infrastructure	1,454,754	45,127	446	33,917	(41,582)	(16)	-	1,492,646
Plant & Equipment	74,486	19,964	-	-	(20,519)	(1,332)	-	72,599
Work in progress	86,786	108,419	-	-	-	-	(70,356)	124,849
Total	4,259,240	192,465	3,297	(233,537)	(71,169)	(1,605)	(79,341)	4,069,350

Council	Fair Value 30 June 2018	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Transfers	Fair Value 30 June 2019
Category	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	2,590,327	18,314	2,851	(267,454)	(8,158)	(257)	(8,985)	2,326,638
Infrastructure	1,454,753	45,127	446	33,917	(41,582)	(16)	-	1,492,645
Plant & Equipment	27,550	6,716	-	-	(8,206)	-	-	26,060
Work in progress	85,264	108,055	-	-	-	-	(70,157)	123,162
Total	4,157,894	178,212	3,297	(233,537)	(57,946)	(273)	(79,142)	3,968,505

6.2 Property, infrastructure plant and equipment (cont'd)

b. Summary of work in progress

Consolidated	Balance 30 June 2018	Additions	Write offs	Transfers	Balance 30 June 2019
Category	\$'000	\$'000	\$'000	\$'000	\$'000
Property	29,502	12,272	-	(18,494)	23,280
Infrastructure	38,197	86,083	-	(45,127)	79,153
Plant & Equipment	19,088	10,064	-	(6,735)	22,417
Total	86,787	108,419	-	(70,356)	124,850

Council	Balance 30 June 2018	Additions	Write offs	Transfers	Balance 30 June 2019
Category	\$'000	\$'000	\$'000	\$'000	\$'000
Property	28,931	12,276	-	(18,314)	22,893
Infrastructure	38,197	86,083	-	(45,127)	79,153
Plant & Equipment	18,136	9,696	-	(6,716)	21,116
Total	85,264	108,055	-	(70,157)	123,162

6.2 Property, infrastructure plant and equipment (cont'd)

c. Details of property category

Consolidated	Land		Buildings					Work In Progress \$'000	Property Total \$'000	
	Specialised \$'000	Non-specialised \$'000	Total \$'000	Heritage \$'000	Specialised \$'000	Non-specialised \$'000	Leasehold Improvements \$'000			Total \$'000
At fair value 30 June 2018	2,105,131	165,564	2,270,695	200,847	107,117	58,641	11,798	378,403	29,502	2,678,600
Accumulated depreciation at 30 June 2018	-	-	-	-	-	-	(5,884)	(5,884)	-	(5,884)
Fair Value 30 June 2018	2,105,131	165,564	2,270,695	200,847	107,117	58,641	5,914	372,519	29,502	2,672,716
Movements in Fair Value										
Additions	3,445	-	3,445	5,295	5,800	3,940	475	15,510	12,272	31,227
Contributions	2,851	-	2,851	-	-	-	-	-	-	2,851
Revaluations	(238,753)	(24,666)	(263,419)	(14,362)	3,756	6,571	-	(4,035)	-	(267,454)
Disposals	-	-	-	-	(487)	-	(487)	(974)	-	(974)
Write-offs	-	-	-	-	-	-	-	-	-	-
Transfers from WIP	-	-	-	-	-	-	-	-	(18,494)	(18,494)
Non-current assets classified as held for sale	(8,985)	-	(8,985)	-	-	-	-	-	-	(8,985)
Total	(241,442)	(24,666)	(266,108)	(9,067)	9,069	10,511	(12)	10,501	(6,222)	(261,829)
Movements in Accumulated Depreciation										
Depreciation and amortisation	-	-	-	(3,012)	(3,318)	(1,809)	(929)	(9,068)	-	(9,068)
Accumulated depreciation on disposals	-	-	-	-	392	-	325	717	-	717
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	(3,012)	(2,926)	(1,809)	(604)	(8,351)	-	(8,351)
Fair value 30 June 2019	1,863,689	140,898	2,004,587	191,780	116,186	69,152	11,786	388,904	23,280	2,416,771
Accumulated depreciation 30 June 2019	-	-	-	(3,012)	(2,926)	(1,809)	(6,488)	(14,235)	-	(14,235)
Fair Value/Written Down Value 30 June 2019	1,863,689	140,898	2,004,587	188,768	113,260	67,343	5,298	374,669	23,280	2,402,536

6.2 Property, infrastructure plant and equipment (cont'd)

Council	Land		Buildings						Work In Progress \$'000	Property Total \$'000
	Specialised \$'000	Non-specialised \$'000	Total \$'000	Heritage \$'000	Specialised \$'000	Non-specialised \$'000	Leasehold Improvements \$'000	Total \$'000		
At fair value 30 June 2018	2,058,986	165,564	2,224,550	200,847	104,938	58,641	3,037	367,463	28,931	2,620,944
Accumulated depreciation at 30 June 2018	-	-	-	-	-	-	(1,686)	(1,686)	-	(1,686)
Fair Value 30 June 2018	2,058,986	165,564	2,224,550	200,847	104,938	58,641	1,351	365,777	28,931	2,619,257
Movements in Fair Value										
Additions	3,514	-	3,514	5,295	5,565	3,940	-	14,800	12,276	30,590
Contributions	2,851	-	2,851	-	-	-	-	-	-	2,851
Revaluations	(238,774)	(24,645)	(263,419)	(14,362)	3,756	6,571	-	(4,035)	-	(267,454)
Disposals	-	-	-	-	(261)	-	-	(261)	-	(261)
Write-offs	-	-	-	-	-	-	-	-	-	-
Transfers from WIP	-	-	-	-	-	-	-	-	(18,314)	(18,314)
Non-current assets classified as held for sale	(8,985)	-	(8,985)	-	-	-	-	-	-	(8,985)
Total	(241,394)	(24,645)	(266,039)	(9,067)	9,060	10,511	-	10,504	(6,038)	(261,573)
Movements in Accumulated Depreciation										
Depreciation and amortisation	-	-	-	(3,012)	(3,142)	(1,809)	(195)	(8,158)	-	(8,158)
Accumulated depreciation on disposals	-	-	-	-	4	-	-	4	-	4
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	(3,012)	(3,138)	(1,809)	(195)	(8,154)	-	(8,154)
Fair value 30 June 2019	1,817,592	140,919	1,958,511	191,780	113,998	69,152	3,037	377,967	22,893	2,359,371
Accumulated depreciation 30 June 2019	-	-	-	(3,012)	(3,138)	(1,809)	(1,881)	(9,840)	-	(9,840)
Fair Value/Written Down Value 30 June 2019	1,817,592	140,919	1,958,511	188,768	110,860	67,343	1,156	368,127	22,893	2,349,530

6.2 Property, infrastructure plant and equipment (cont'd)

d. Details of infrastructure category

Consolidated	Roads	Bridges	Footpaths & cycleways	Drainage	Recreational, leisure and Community	Parks open spaces and streetscapes	Other	Statues, sculptures & artworks	Work In Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 30 June 2018	747,925	108,345	142,845	142,885	6,895	46,158	213,604	56,603	38,197	1,503,457
Accumulated depreciation at 30 June 2018	-	-	-	-	(2,000)	-	-	(8,507)	-	(10,507)
Fair Value 30 June 2018	747,925	108,345	142,845	142,885	4,895	46,158	213,604	48,096	38,197	1,492,950
Movements in Fair Value										
Additions	11,913	603	8,800	7,337	1,885	1,423	12,968	198	86,083	131,210
Contributions	-	-	-	-	-	-	446	-	-	446
Revaluations	16,005	1,783	4,784	2,144	274	341	8,586	-	-	33,917
Disposals	(16)	-	-	-	-	-	-	-	-	(16)
Write-offs	-	-	-	-	-	-	-	-	-	-
Transfers from WIP	-	-	-	-	-	-	-	-	(45,127)	(45,127)
Total	27,902	2,386	13,584	9,481	2,159	1,764	22,000	198	40,956	120,430
Movements in Accumulated Depreciation										
Depreciation and amortisation	(17,723)	(1,789)	(6,509)	(1,899)	(386)	-	(12,646)	(630)	-	(41,582)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total	(17,723)	(1,789)	(6,509)	(1,899)	(386)	-	(12,646)	(630)	-	(41,582)
Fair value 30 June 2019	775,827	110,731	156,429	152,366	9,054	47,922	235,604	56,801	79,153	1,623,887
Accumulated depreciation 30 June 2019	(17,723)	(1,789)	(6,509)	(1,899)	(2,386)	-	(12,646)	(9,137)	-	(52,089)
Fair Value/Written Down Value 30 June 2019	758,104	108,942	149,920	150,467	6,668	47,922	222,958	47,664	79,153	1,571,798

6.2 Property, infrastructure plant and equipment (cont'd)

Council	Roads	Bridges	Footpaths & cycleways	Drainage	Recreational, leisure and Community	Parks open spaces and streetscapes	Other	Statuses, sculptures & artworks	Work In Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
At fair value 30 June 2018	747,925	108,345	142,845	142,885	6,895	46,158	213,604	56,603	38,197	1,503,457
Accumulated depreciation at 30 June 2018	-	-	-	-	(2,000)	-	-	(8,507)	-	(10,507)
Fair Value 30 June 2018	747,925	108,345	142,845	142,885	4,895	46,158	213,604	48,096	38,197	1,492,950
Movements in Fair Value										
Additions	11,913	603	8,800	7,337	1,885	1,423	12,968	198	86,083	131,210
Contributions	-	-	-	-	-	-	446	-	-	446
Revaluations	16,005	1,783	4,784	2,144	274	341	8,586	-	-	33,917
Disposals	(16)	-	-	-	-	-	-	-	-	(16)
Write-offs	-	-	-	-	-	-	-	-	-	-
Transfers from WIP	-	-	-	-	-	-	-	-	(45,127)	(45,127)
Total	27,902	2,386	13,584	9,481	2,159	1,764	22,000	198	40,956	120,430
Movements in Accumulated Depreciation										
Depreciation and amortisation	(17,723)	(1,789)	(6,509)	(1,899)	(386)	-	(12,646)	(630)	-	(41,582)
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total	(17,723)	(1,789)	(6,509)	(1,899)	(386)	-	(12,646)	(630)	-	(41,582)
Fair value 30 June 2019	775,827	110,731	156,429	152,366	9,054	47,922	235,604	56,801	79,153	1,623,887
Accumulated depreciation 30 June 2019	(17,723)	(1,789)	(6,509)	(1,899)	(2,386)	-	(12,646)	(9,137)	-	(52,089)
Fair Value/Written Down Value 30 June 2019	758,104	108,942	149,920	150,467	6,668	47,922	222,958	47,664	79,153	1,571,798

6.2 Property, infrastructure plant and equipment (cont'd)

e. Details of plant and equipment category

Consolidated	Plant machinery & equipment	Fixtures fittings & furniture	Computers & telecomms	Library books	Work in Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 30 June 2018	149,665	9,601	47,087	13,596	19,088	239,037
Accumulated depreciation at 30 June 2018	(92,067)	(7,185)	(35,905)	(10,306)	-	(145,463)
Fair Value 30 June 2018	57,598	2,416	11,182	3,290	19,088	93,574
Movements in Fair Value						
Additions	14,172	664	3,292	1,836	10,064	30,028
Contributions	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Disposals	(10,658)	(116)	(261)	-	-	(11,035)
Write-offs	-	-	-	-	-	-
Transfers from WIP	-	-	-	-	(6,735)	(6,735)
Total	3,514	548	3,031	1,836	3,329	12,258
Movements in Accumulated Depreciation						
Depreciation and amortisation	(13,591)	(487)	(4,787)	(1,654)	-	(20,519)
Accumulated depreciation on disposals	9,341	112	250	-	-	9,703
Impairment losses recognised in operating result	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Total	(4,250)	(375)	(4,537)	(1,654)	-	(10,816)
Fair value 30 June 2019	153,179	10,149	50,118	15,432	22,417	251,295
Accumulated depreciation 30 June 2019	(96,317)	(7,560)	(40,442)	(11,960)	-	(156,279)
Fair Value/Written Down Value 30 June 2019	56,862	2,589	9,676	3,472	22,417	95,016

6.2 Property, infrastructure plant and equipment (cont'd)

Council	Plant machinery & equipment	Fixtures fittings & furniture	Computers & telecomms	Library books	Work In Progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 30 June 2018	37,643	7,330	37,578	13,596	18,136	114,283
Accumulated depreciation at 30 June 2018	(24,228)	(5,505)	(28,558)	(10,306)	-	(68,597)
Fair Value 30 June 2018	13,415	1,825	9,020	3,290	18,136	45,686
Movements in Fair Value						
Additions	1,448	573	2,859	1,836	9,696	16,412
Contributions	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Disposals	(53)	-	-	-	-	(53)
Write-offs	-	-	-	-	-	-
Transfers from WIP	-	-	-	-	(6,716)	(6,716)
Total	1,395	573	2,859	1,836	2,980	9,643
Movements in Accumulated Depreciation						
Depreciation and amortisation	(2,635)	(307)	(3,610)	(1,654)	-	(8,206)
Accumulated depreciation on disposals	53	-	-	-	-	53
Impairment losses recognised in operating result	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Total	(2,582)	(307)	(3,610)	(1,654)	-	(8,153)
Fair value 30 June 2019	39,038	7,903	40,437	15,432	21,116	123,926
Accumulated depreciation 30 June 2019	(26,810)	(5,812)	(32,168)	(11,960)	-	(76,750)
Fair Value/Written Down Value 30 June 2019	12,228	2,091	8,269	3,472	21,116	47,176

6.2 Property, infrastructure, plant and equipment (cont'd)

f. Recognition

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value (refer to Note 8.4) is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

Recognition thresholds

Council has set a threshold limit for all categories of assets of \$2000 which means that all assets with a fair value of \$2000 (2018: \$2000) or greater are recognised in these financial statements.

Land under roads

Council recognises land under roads it controls at deemed cost.

Financial leases

Council does not have any financial leases.

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 10 to 17 year period.

g. Depreciation and amortisation

Buildings, infrastructure, plant and equipment, and other assets having limited useful lives are systematically depreciated over their estimated useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually. For 2018-19, useful life for Intangible Assets for Council was revised from 5-8 years to 1-5 years. This is a reflection on the assets lives for future use.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are summarised below and are consistent with the prior year unless otherwise stated.

6.2 Property, infrastructure, plant and equipment (cont'd)

	Depreciation Period (Years)
Land & land improvement	
Land	0
Buildings	
Heritage buildings	100
Buildings	8-40
Leasehold improvements	10-17
Plant and equipment	
Plant, machinery and equipment	3-20
Fixtures, fittings and furniture	5-10
Computers and telecommunications	3-8
Library books	4-5
Infrastructure	
Road pavements and seals	12-20
Road substructure	50-90
Road kerb, channel and minor culverts	32-50
Bridge deck	15-25
Bridge substructure	25-100
Footpaths and cycleways	7-50
Drainage	90-120
Recreational, leisure and community facilities	12-50
Parks, open space and streetscapes	0-20
Off street car parks	4-15
Statues, sculptures and artworks	0-100
Intangible assets	1-5

h. Description of significant unobservable inputs into level 3 valuations

Council	2019	2018
	\$'000	\$'000
Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$41 and \$9680 per square meter.	1,817,592	2,058,986
Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$74 to \$10,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.	110,860	104,938
Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition and design lives of the assets and vary from 10 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure assets are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.	1,444,981	1,406,657

6.2 Property, infrastructure, plant and equipment (cont'd)

i. Valuation of Property

In accordance with Council policy, a revaluation was undertaken for land and buildings at the reporting date. For land and buildings, fair value (refer to Note 8.4) is market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and / or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

Valuation of land and buildings were undertaken by a qualified independent valuer John O'Leary, Fellow of the Australian Property Institute, Certified Practising Valuer, Member No 62206. Date of valuation is 30 June 2019.

Details of Council's land and buildings and other relevant information about the fair value hierarchy as at 30 June 2019 are as follows:

Council	Level 1	Level 2	Level 3	Total	DoV
	\$'000	\$'000	\$'000	\$'000	
Non-specialised land	-	125,717	15,202	140,919	30/6/2019
Specialised land	-	12,857	1,804,739	1,817,596	30/6/2019
Total land	-	138,574	1,819,941	1,958,515	
Heritage Buildings	-	14,294	174,474	188,768	30/6/2019
Buildings	-	70,207	107,996	178,203	30/6/2019
Total buildings	-	84,501	282,470	366,971	

No transfers between levels occurred during the year.

j. Valuation of Infrastructure

In accordance with Council policy, a revaluation was undertaken of infrastructure assets at the reporting date. For infrastructure, fair value (refer to Note 8.4) is replacement cost less accumulated depreciation as the date of valuation. The date of the current valuation is detailed in the following table.

Valuation of infrastructure assets was undertaken by Thyagie Wettasinghe, Asset Engineer, Master of Infrastructure Engineering and Management. Date of valuation is 30 June 2019.

Details of Council's infrastructure and information about the fair value hierarchy as at 30 June 2019 are as follows:

Council	Level 1	Level 2	Level 3	Total	DoV
	\$'000	\$'000	\$'000	\$'000	
Roads	-	-	758,104	758,104	30/6/2019
Bridges	-	-	108,942	108,942	30/6/2019
Footpaths and cycleways	-	-	149,920	149,920	30/6/2019
Drainage	-	-	150,467	150,467	30/6/2019
Recreational, leisure and community facilities	-	-	6,668	6,668	30/6/2019
Parks, open space and streetscapes	-	-	47,922	47,922	30/6/2019
Promenades and wharves	-	-	68,934	68,934	30/6/2019
Other infrastructure	-	-	154,024	154,024	30/6/2019
Total Infrastructure	-	-	1,444,981	1,444,981	

No transfers between levels occurred during the year.

k. Reconciliation of specialised land

Council	2019	2018
	\$'000	\$'000
Land under roads	17,200	17,200
Parks and reserves	1,800,392	2,041,786
Total specialised land	1,817,592	2,058,986

6.3 Investment in Subsidiaries, Associates and Trusts

Non-Current	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
a) Subsidiaries				
CityWide Service Solutions Pty Ltd	-	-	18,406	18,406
Queen Victoria Market Pty Ltd	-	-	200	200
Sustainable Melbourne Fund*	-	-	-	5,624
Enterprise Melbourne**	-	-	-	-
	-	-	18,606	24,230
b) Associates				
Regent Management Company Pty Ltd	7,500	7,500	7,500	7,500
MAPS Group Ltd (Procurement Australia)	250	250	250	250
	7,750	7,750	7,750	7,750
	7,750	7,750	26,356	31,980

* City of Melbourne (the Council) has divested from the Sustainable Melbourne Fund (the Fund) as at April 2019. The fund has repaid \$15.6 million to the Council, which includes the Council's units in the fund being sold for \$5.6 million and repayment of \$10 million loan by the Council to the fund. The divestment of the Fund resulted in write down of investment (\$0.024 million), which has been included in the Council's figures under Other Expenses.

** Investment in Enterprise Melbourne Pty Ltd is \$10.

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2019 and the results of their operations for the year then ended. There were no changes in Council's ownership or control of its subsidiary entities during the year except the Sustainable Melbourne Fund.

Entities consolidated into Council include:

- Citywide Service Solutions Pty Ltd and its subsidiaries
- Queen Victoria Market Pty Ltd
- Enterprise Melbourne Pty Ltd.

Principles of consolidation

Council controls an entity when it is exposed to, or has the rights to, variable returns from its involvement with that entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which Council assumes control.

Where dissimilar accounting policies are adopted by subsidiary entities and the effect of those differences are considered to be material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

a) Subsidiaries

Citywide Service Solutions Pty Ltd (100 per cent owned subsidiary of Council)

Citywide has a 100 per cent equity interest in the following subsidiaries: Sterling Group Services Pty Ltd, AWD Earthmoving Pty Ltd, Technigro Australia Pty Ltd and Technigro Pty Ltd.

The principal activities are to meet the contract service needs of local government, other government and private and public sector corporations and the community by providing a comprehensive range of quality, physical services.

Council has 100 per cent voting rights which clearly demonstrate power over investee and the ability to affect the amount of the investor's returns. Council is exposed to variable returns in the form of dividends and tax equivalent payments. A controlling interest is held by Council.

Summarised financial information

	2019	2018
	\$'000	\$'000
Summarised statement of comprehensive income		
Total income	235,232	243,155
Total expenses	230,485	238,921
Surplus/(deficit) for the year	4,747	4,234
Other comprehensive income	-	-
Total comprehensive result	4,747	4,234
Summarised balance sheet		
Current assets	49,460	50,004
Non-current assets	128,424	126,750
Total assets	177,884	176,754
Current liabilities	51,408	50,660
Non-current liabilities	13,509	14,674
Total liabilities	64,917	65,334
Net assets	112,967	111,420
Summarised statement of cash flows		
Net cash provided/(used in) operating activities	18,986	12,062
Net cash provided/(used in) investing activities	(15,171)	(12,559)
Net cash provided/(used in) financing activities	(2,550)	(3,800)
Net increase / (decrease) in cash and cash equivalents	1,265	(4,297)

Queen Victoria Market Pty Ltd (100 per cent owned subsidiary of Council)

The principal activities are to ensure that the market maintains and enhances an industry reputation as Australia's foremost leading market, whilst meeting world's best practice standards.

Council has 100 per cent voting rights which clearly demonstrate power over investee and the ability to affect the amount of the investor's returns. Council is exposed to variable returns in the form of dividends and tax equivalent payments. A controlling interest is held by Council.

Summarised financial information

	2019	2018
	\$'000	\$'000
Summarised statement of comprehensive income		
Total income	25,029	23,928
Total expenses	24,723	23,680
Surplus/(deficit) for the year	306	248
Other comprehensive income	-	(931)
Total comprehensive result	306	(683)
Summarised balance sheet		
Current assets	4,789	3,898
Non-current assets	2,945	3,475
Total assets	7,734	7,373
Current liabilities	3,144	3,171
Non-current liabilities	1,894	1,813
Total liabilities	5,038	4,984
Net assets	2,696	2,389
Summarised statement of cash flows		
Net cash provided/(used in) operating activities	1,629	225
Net cash provided/(used in) investing activities	(1,350)	32
Net cash provided/(used in) financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	279	257

Enterprise Melbourne Pty Ltd (100 per cent owned subsidiary of Council)

Enterprise Melbourne was established by Council to drive economic development for the city through supporting existing business growth, as well as attracting new local and international investment.

Council has 100 per cent voting rights which clearly demonstrate power over investee and the ability to affect the amount of the investor's returns. Council is exposed financially to the investee as it funds its operations. A controlling interest is held by Council.

Summarised financial information

	2019	2018
	\$'000	\$'000
Summarised statement of comprehensive income		
Total income	2	2
Total expenses	479	508
Surplus/(deficit) for the year	(477)	(506)
Other comprehensive income	-	-
Total comprehensive result	(477)	(506)
Summarised balance sheet		
Current assets	82	88
Non-current assets	-	-
Total assets	82	88
Current liabilities	44	60
Non-current liabilities	-	-
Total liabilities	44	60
Net assets	38	28
Summarised statement of cash flows		
Net cash provided/(used in) operating activities	(477)	(515)
Net cash provided/(used in) investing activities	-	-
Net cash provided/(used in) financing activities	482	563
Net increase / (decrease) in cash and cash equivalents	5	48

Enterprise Melbourne Pty Ltd transactions are included in Council's accounts.

b) Associates

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

MAPS Group Pty Ltd (trading as Procurement Australia) and Regent Management Company Pty Ltd are accounted for using the equity method of accounting.

Regent Management Company (50 per cent owned by Council)

- Council and the State Government of Victoria hold an equal 50 per cent share in this entity. Council has 50 per cent voting rights. Both parties collectively control the entity but neither party can direct activities without co-operation of the other. Therefore a significant interest is held but not a controlling interest.
- Regent Management Pty Ltd reported an operating profit of \$364,455 for the year ended 30 June 2019 (2018: operating profit of \$36,410).
- The latest valuation of the Regent Management Company Pty Ltd.'s assets was undertaken by Ernst & Young on 23 November 2017 using the Income Capitalisation Approach. That valuation resulted in land and buildings being revalued at \$15 million as at 31 December 2017 (previous valuation was \$14.0 million). The Income Capitalisation Approach is based on primary valuation method.

MAPS Group Ltd (63 per cent owned by Council)

- MAPS Group Ltd (MAPS) has issued a total of 396,862 fully paid ordinary shares. Council holds 250,000 shares in the Company, being 63 per cent of the issued capital of the Company. Council has approximately 15 per cent of the voting rights (it does not have the ability to direct activities of the entity without the co-operation of the other Councils). Therefore, a significant interest is held but not a controlling interest.
- MAPS reported an operating profit for the year ended 30 September 2018 of \$3,161,540 compared to a profit of \$815,835 for the previous year. A substantial portion of the operating profit was due to a non - recurring Energy Contract Access fees amounting to \$1,763,881. The Company paid a dividend for the 2018 financial year of 29 cents per share. Dividend payment of \$72,500 was received in December 2018. Net assets are \$8.2 million as at 30 September 2018.

6.4 Investment property

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Land				
Balance at beginning of financial year	169,430	154,233	169,430	154,233
Fair value adjustments	(2,347)	15,197	(2,347)	15,197
Balance at end of financial year	167,083	169,430	167,083	169,430
Buildings				
Balance at beginning of financial year	42,017	56,114	42,017	56,114
Fair value adjustments	(3,624)	(14,097)	(3,624)	(14,097)
Balance at end of financial year	38,393	42,017	38,393	42,017
Total investment properties	205,476	211,447	205,476	211,447

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property was undertaken in June 2019. The valuation has been determined in accordance with a valuation by a qualified valuer John O'Leary, Fellow of the Australian Property Institute, (FAPI, Grad Dip (Prop) F.Fin, Certified Practising Valuer, Member No 62206. The valuation is at fair value (refer to Note 8.4), based on the current market value for the property.

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent entity

Melbourne City Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associated are detailed in Note 6.3.

(b) Key management personnel

Details of persons holding the position of Councillors or other members of key management personnel at any time during the year are:

Councillors	
Lord Mayor Sally Capp	
Deputy Lord Mayor Arron Wood	
Cathy Oke	
Jackie Watts	
Kevin Louey	
Rohan Leppert	
Susan Riley	
Beverley Pinder-Mortimer	
Nicolas Frances Gilley	
Philip Le Liu	
Nicolas Reece	
Position	Name
Chief Executive Officer	Justin Hanney / Ben Rimmer
Director City Operations	Linda Weatherson
Director City Design and Projects	Rob Adams
Director City Strategy and Place	Claire Ferres Miles
Director City Communities	Eamonn Fennessy / Ali Wastie / Angela Meinke
Director Economy and Activation	Katrina McKenzie
Director Customer and Business Transformation	Andrew Wegener / Brendan Flynn
Chief Financial Officer	Michael Tenace / Phu Nguyen
Manager Governance and Legal	Keith Williamson
Chief Digital Officer and Manager Smart City Office	Michelle Fitzgerald
Manager Strategy and Partnerships	Letitia Hatton / Miriam Slattery
Chief of Staff	Giulia Baggio / Ben Hart
Chief Legal Counsel	Kim Wood
Councillors	11
Chief Executive Officer and other key management personnel	13
Total Key management personnel positions	24

(c) Remuneration of key management personnel

Total remuneration of key management personnel was as follows:

	2019	2018
	\$'000	\$'000
Short-term benefits	4,469	5,055
Post-employment benefits	495	508
Long-term benefits	94	34
Termination benefits	272	378
Total	5,330	5,975

The numbers of key management personnel whose total remuneration from Council fall within the following bands:

	2019	2018
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	-	3
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	2	8
\$50,000 - \$59,999	8	1
\$60,000 - \$69,999	2	-
\$110,000 - \$119,999	1	-
\$120,000 - \$129,999	1	1
\$139,000 - \$139,999	-	1
\$140,000 - \$149,999	1	-
\$150,000 - \$159,999	3	-
\$170,000 - \$179,999	1	-
\$180,000 - \$189,999	-	2
\$210,000 - \$219,999	2	-
\$220,000 - \$229,999	2	1
\$230,000 - \$239,999	1	1
\$240,000 - \$249,999	-	1
\$260,000 - \$269,999	1	-
\$270,000 - \$279,999	-	1
\$280,000 - \$289,999	1	1
\$300,000 - \$309,999	-	1
\$340,000 - \$349,999	-	1
\$360,000 - \$369,999	1	-
\$370,000 - \$379,999	1	2
\$390,000 - \$399,999	1	1
\$400,000 - \$409,999	1	1
\$410,000 - \$419,999	1	-
\$430,000 - \$439,999	-	1
\$450,000 - \$459,999	-	1
\$510,000 - \$519,999	-	1
	31	32
	\$'000	\$'000
Total remuneration for the financial year included above	5,330	5,975

(d) Senior officers' remuneration

A senior officer is an officer of Council, other than key management personnel, who:

- a) For Council, is an officer who has management responsibilities and reports directly to the Chief Executive; or whose total annual remuneration exceeds \$148,000 (2018: \$145,000); or
- b) For subsidiaries, are the Managing Director, Chief Executive Officers and executives, or whose total annual remuneration exceeds \$148,000 (2018: \$145,000).

The number of senior officers' are shown below in their relevant income bands:

Income Range	Consolidated		Council	
	2019	2018	2019	2018
\$148,000 - \$149,999	15	21	11	17
\$150,000 - \$159,999	55	43	46	39
\$160,000 - \$169,999	52	59	43	54
\$170,000 - \$179,999	14	17	11	15
\$180,000 - \$189,999	10	14	6	11
\$190,000 - \$199,999	9	8	6	7
\$200,000 - \$209,999	9	6	4	4
\$210,000 - \$219,999	5	6	4	3
\$220,000 - \$229,999	4	5	3	3
\$230,000 - \$239,999	4	-	3	-
\$240,000 - \$249,999	2	5	1	2
\$250,000 - \$259,999	2	5	2	1
\$260,000 - \$269,999	2	3	1	2
\$270,000 - \$279,999	2	1	1	1
\$280,000 - \$289,999	1	-	-	-
\$290,000 - \$299,999	-	1	-	1
\$300,000 - \$309,999	1	-	-	-
\$310,000 - \$319,999	1	1	1	1
\$330,000 - \$339,999	1	1	-	-
\$340,000 - \$349,999	1	-	-	-
\$350,000 - \$359,999	-	1	-	-
\$360,000 - \$369,999	1	-	-	-
\$370,000 - \$379,999	1	-	-	-
\$390,000 - \$399,999	1	-	-	-
\$600,000 - \$699,999	1	1	-	-
	194	198	143	161
	\$'000	\$'000	\$'000	\$'000
Total remuneration for the reporting year for senior officers' included above, amounted to	34,260	35,263	24,677	27,601

The remuneration threshold for senior officers' is reviewed each year by the Minister for Local Government. The threshold amount in 2018-19 was \$148,000 (2018: \$145,000). Total employment package for senior officers includes:

- Under an executive contract, taxable salary, superannuation and motor vehicle component
- For award staff, salary, superannuation, leave loading and overtime
- Includes staff with termination / retirement payments

7.2 Related party disclosure

(a) Transactions with related Parties

During the period Council entered in to related party transactions totalling \$3000. The nature of the transactions is related with funding for community club and delivery services for supplier.

(b) Outstanding balances with related parties (key management personnel)

There are no outstanding balances that have been made to key management personnel. There were no matters to report in the previous financial year.

(c) Loans to / from related parties (key management personnel)

There are no loans that have been made to key management personnel. There were no matters to report in the previous financial year.

(d) Commitments to / from related parties (key management personnel)

There are no commitments that have been made to key management personnel. There were no matters to report in the previous financial year.

(e) Wholly-Owned Group

Council is the ultimate parent entity in the wholly-owned group. Transactions with the controlled entities, Citywide Service Solutions Pty Ltd and its subsidiaries, Queen Victoria Market Pty Ltd and Enterprise Melbourne Pty Ltd during the financial year are shown below.

All subsidiaries are incorporated and are resident in Australia.

\$'000	Citywide Service Solutions Pty Ltd		Queen Victoria Market Pty Ltd		Enterprise Melbourne Pty Ltd	
	2019	2018	2019	2018	2019	2018
Revenue from subsidiaries	458	449	335	171	-	-
Expenditure to subsidiaries	61,035	69,840	51	91	-	-
Funding to subsidiaries	-	-	700	-	479	508
Income Tax and Payroll Tax Equivalent payments from subsidiaries	2,599	2,608	(26)	931	-	-
Dividend payments from subsidiaries	3,200	2,550	-	-	-	-
Owing to subsidiaries	13,058	14,579	13	58	-	-
Owing by subsidiaries	42	41	-	40	-	-

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

(a) Contingent assets

Operating lease receivable

Council's leasing profile comprises of largely crown land. Others in the portfolio include freehold or lease commitments. Council has a varying number of leases varying from monthly over holding to short term to long term. The rental amounts are either fixed term, some are annual CPI reviews or market reviews.

Consolidated leasing includes Queen Victoria Market stall and standard enclosure rentals.

Future minimum lease receivables under non-cancellable operating leases are as follows:

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Not later than one year	15,797	16,358	3,092	3,881
Later than one year and not later than five years	27,119	29,567	6,634	9,207
Later than five years	29,580	34,768	25,499	30,533
	72,496	80,693	35,225	43,621

(b) Contingent liabilities

Superannuation

As shown in Note 9.3, Council and its subsidiaries contribute to two superannuation schemes that may require additional employer contributions depending on the performance of the schemes. Details of the circumstances which may result in the need to make additional contributions are explained in Note 9.3.

Future superannuation contributions

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2019.

Other contingent liabilities

Due to the nature of its business operations, Council has a number of outstanding insurance claims and associated litigation at balance date of which some may result in legal proceedings to determine liability. At balance date, Council is unable to reliably measure the outcomes of these proceedings.

Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

8.2 Change in accounting standards

The following new Australian Accounting Standards (AAS's) have been issued that are not mandatory for the 30 June 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Revenue from contracts with customers (AASB 15) (applies 2019–20 for LG sector)

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016–7) (applies 2019–20)

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019–20)

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements, Council expects that the transition to the new standard will see the initial recognition of \$6.0 million in lease related assets and an equivalent liability.

Income of Not-for-Profit Entities (AASB 1058) (applies 2019–20)

This standard is expected to apply to certain transactions currently accounted for under AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable a not-for-profit entity to further its objectives.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of Council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which expose Council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product
- monitoring of return on investment
- benchmarking of returns and comparison with budget.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on Council's year end result.

Council's interest rate liability risk arises from fixed and floating rate borrowing and our subsidiary company's Citywide Service Solutions Pty Ltd borrowings.

Council's subsidiary company Citywide Service Solutions Pty Ltd has a borrowing and overdraft facility which has been arranged with a major Australian bank. Council's subsidiary company manages the interest rate risk by:

- an ongoing review of borrowing levels
- having a limit imposed on the maximum borrowing amount allowed by Council.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in Council's balance sheet. To help manage this risk:

- Council has a policy for establishing credit limits for the entities it deals with
- Council may require collateral, where appropriate
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of Council's contingent liabilities are disclosed in Note 8.1 (b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained
- have readily accessible standby facilities and other funding arrangements in place
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments
- monitor budget to actual performance on a regular basis
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and is deemed insignificant based on prior period's data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

The Consolidated Entity's exposure to liquidity risk is deemed insignificant given our high levels of cash and cash equivalents unused facilities, Citywide Service Solutions Pty Ltd borrowing levels and our current assessment of risk.

Council has two loan facilities, CEFC \$28.48 million interest only loan with interest rate fixed at 3 per cent due for repayment on 8 October 2020 and a \$75 million floating rate loan facility with ANZ Bank which expires on 30 June 2019 (The loan has been extended for further two years). The interest rate on the ANZ Bank facility is the Bank Bill Interest Rate (for the relevant interest period plus a margin of 0.80 per cent). A line fee of 0.12 per cent is also applicable to the facility. Both facilities are secured by a charge over the general rates levied by Council.

With respect to borrowings at Citywide Service Solutions Pty Ltd the following should be noted. The bank overdraft facility of \$2.5 million and bank loan facility of \$27.1 million are secured facilities with a 1st ranking fixed and floating charge over the net assets of the Group. There were \$0 bank loans drawn at 30 June 2019. Subject to the continuance of satisfactory covenants achievement, the bank facilities may be drawn at any time. The bank facilities may be terminated by the bank if the Group defaults under the loan agreement. The facilities expire on 27 July 2019. Subsequent to year end, the facility was extended to July 2022.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the movements 'reasonably possible' over the next 12 months are a parallel shift of + 0.5 per cent and -0.5 per cent in market interest rates (AUD) from year-end rates of 1.24 per cent (2018: 1.51 per cent).

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

The \$28.48 million interest bearing loan is a fixed interest facility.

8.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non current physical assets, other than plant and equipment, are measured at their fair value, being the amount for which the assets could be exchanged subsequent to initial recognition. At reporting date each year, Council reviews the carrying value of the individual classes of assets to ensure that each asset materially approximates their fair value. Where the carrying value materially differs from the fair value, the class of assets is revalued.

Fair value valuations are determined in accordance with a valuation hierarchy, changes to which can only occur if an external change in the restrictions or limitations on the use of an asset result in changes to the permissible or practical highest and best use of the asset. Further details of the fair value hierarchy are explained in Note 6 for each class of asset.

In addition, Council undertakes a formal valuation of land, buildings and infrastructure assets annually. The valuations are performed either by experienced Council officers or independent experts engaged by Council.

Where assets are revalued, the revaluation increments arising from the valuations are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had previously been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments have been included in the asset revaluation reserve for that class of asset in which case the decrement is debited to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

Subsequent to year end, Citywide Services Solutions Pty Ltd's borrowing facility was extended to July 2022 with a variation to the Cash Advance facility increasing it from \$27.1 million to \$36.2 million bringing the total borrowing limits to \$38.7 million (inclusive of \$2.5 million overdraft). Citywide Service Solutions Pty Ltd bank loan facility was extended to July 2022.

No other matters have occurred after balance date that requires disclosure in the financial report.

Note 9 Other matters

9.1 Reserves

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Asset revaluation - property and infrastructure	2,194,737	2,428,274	2,154,876	2,388,413
Other Reserves				
Restricted				
Reserve for public open space	37,606	44,489	37,606	44,489
Non-Restricted				
Investments revaluation reserve	4,725	4,725	4,725	4,725
Tree Compensation Reserve	4,049	3,470	4,049	3,470
Queen Victoria Market Renewal Project Reserve	35,173	57,759	35,173	57,759
	2,276,290	2,538,717	2,236,429	2,498,855

(a) Asset revaluation reserve

Consolidated	Balance at beginning of 2018 \$'000	Increment (Decrement) \$'000	Balance at end of 2018 \$'000	Increment (Decrement) \$'000	Balance at end of 2019 \$'000
Property					
Land	1,412,050	249,925	1,661,975	(263,419)	1,398,556
Buildings	121,070	7,777	128,847	(4,035)	124,812
Infrastructure					
Roads & Laneways	400,800	4,618	405,418	16,005	421,423
Bridges	16,955	1,310	18,265	1,783	20,048
Footpaths and cycleways	101,094	(6,636)	94,458	4,784	99,242
Drainage	30,386	772	31,158	2,144	33,302
Recreational, leisure and community facilities	2,092	(69)	2,023	274	2,297
Parks, open space and streetscapes	3,485	(244)	3,241	341	3,582
Other infrastructure	77,635	(356)	77,279	8,586	85,865
Artworks	5,610	-	5,610	-	5,610
	2,171,177	257,097	2,428,274	(233,537)	2,194,737

Council	Balance at beginning of 2018 \$'000	Increment (Decrement) \$'000	Balance at end of 2018 \$'000	Increment (Decrement) \$'000	Balance at end of 2019 \$'000
Property					
Land	1,396,758	225,356	1,622,114	(263,419)	1,358,695
Buildings	121,070	7,777	128,847	(4,035)	124,812
Infrastructure					
Roads & Laneways	400,800	4,618	405,418	16,005	421,423
Bridges	16,955	1,310	18,265	1,783	20,048
Footpaths and cycleways	101,094	(6,636)	94,458	4,784	99,242
Drainage	30,386	772	31,158	2,144	33,302
Recreational, leisure and community facilities	2,092	(69)	2,023	274	2,297
Parks, open space and streetscapes	3,485	(244)	3,241	341	3,582
Other infrastructure	77,635	(356)	77,279	8,586	85,865
Artworks	5,610	-	5,610	-	5,610
	2,155,885	232,528	2,388,413	(233,537)	2,154,876

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

(b) Other reserves – Summary

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance at the beginning of the year	110,443	49,062	110,443	49,062
Transfers from accumulated surplus	25,012	76,241	25,012	76,241
Transfers to accumulated surplus	(53,902)	(15,360)	(53,902)	(15,360)
Transfers from investment-non current asset	-	500	-	500
Balance at the end of the financial year	81,553	110,443	81,553	110,443

Other reserves – Reserve for public open space

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance at the beginning of the year	44,489	37,740	44,489	37,740
Transfers from accumulated surplus	19,012	15,299	19,012	15,299
Transfers to accumulated surplus	(25,895)	(8,550)	(25,895)	(8,550)
Balance at the end of the financial year	37,606	44,489	37,606	44,489

Public Open Space reserve is used to transfer contributions from developers to provide for open space within the Municipality pursuant to Section 18A of the *Subdivision Act 1988*.

Other reserves – Investments revaluation reserve – Regent Management Pty Ltd

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance at the beginning of the year	4,725	4,225	4,725	4,225
Transfers from investment-non current asset	-	500	-	500
Transfers to investment-non current asset	-	-	-	-
Balance at the end of the financial year	4,725	4,725	4,725	4,725

This revaluation reserve is used to record the increased (or decrease) value of Council's share of Regent Management Pty Ltd assets over time.

Other reserves – Tree compensation reserve

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance at the beginning of the year	3,470	3,203	3,470	3,203
Transfers from accumulated surplus	579	1,267	579	1,267
Transfers to accumulated surplus	-	(1,000)	-	(1,000)
Balance at the end of the financial year	4,049	3,470	4,049	3,470

Tree compensation reserve is used to fund future tree planting following compensation from developers who remove mature trees within the municipality.

Other reserves – Queen Victoria Market Renewal Project reserve

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Balance at the beginning of the year	57,759	3,894	57,759	3,894
Transfers from accumulated surplus	5,421	59,675	5,421	59,675
Transfers to accumulated surplus	(28,007)	(5,810)	(28,007)	(5,810)
Balance at the end of the financial year	35,173	57,759	35,173	57,759

Queen Victoria Market renewal reserve is used to facilitate a major redevelopment of the Queen Victoria Market site.

9.2 Reconciliation of cash flow from operating activities to surplus / (deficit)

	Consolidated		Council	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Surplus/(deficit) for the year	52,055	34,468	50,229	33,410
Depreciation/amortisation	85,857	76,883	72,554	63,392
Profit/(Loss) on disposal of property, plant and equipment	178	(2,707)	177	(2,156)
Impairment losses	-	-	-	-
Fair value adjustments for investment property	5,971	(1,186)	5,971	(1,186)
Contributions - Non-monetary assets	(3,297)	(35)	(3,297)	(35)
Prior year adjustment (AASB 9 transition)	(9,744)	-	(9,744)	-
Other	397	(3,493)	316	(3,579)
Changes in assets and liabilities in relation to operating activities:				
(Increase)/Decrease in trade and other receivables	(7,114)	(7,315)	(9,079)	(4,358)
(Increase)/Decrease in prepayment	(266)	409	(34)	350
(Increase)/Decrease in accrued income	393	(823)	(544)	1,635
(Decrease)/Increase in trade and other payables	4,429	5,852	2,927	7,415
(Increase) in Inventories	188	(28)	-	-
(Decrease)/Increase in provisions	998	426	689	430
(Decrease)/Increase in employee benefits	(512)	(359)	1,003	906
(Decrease)/Increase in trust funds and deposits	1,726	(104)	1,727	(104)
Net cash provided by/(used in) operating activities	131,259	101,988	112,895	96,120

9.3 Superannuation

Local Authorities Superannuation Fund

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

Accumulation

The Fund's accumulation categories receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2019, this was 9.5 per cent as required under Superannuation Guarantee legislation).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan. Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. For the year ended 30 June 2019, this rate was 9.5 per cent of members' salaries (9.5 per cent in 2017-18).

As at 30 June 2018, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 106.0 per cent. The financial assumptions used to calculate the VBIs were:

- Net investment returns 6.0% pa
- Salary inflation 3.5% pa
- Price inflation (CPI) 2.0% pa.

Vision Super has advised that the VBI as at 30 June 2019 is 107.1 per cent. The VBI is to be used as the primary funding indicator. Because the VBI was above 100 per cent, the 30 June 2018 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

The 2018 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2018 and a full actuarial investigation was conducted as at 30 June 2017.

- A VBI surplus of \$131.9 million for 2018 (\$69.8 million 2017)
- A total service liability surplus of \$218.3 million for 2018 (\$193.5 million 2017)
- A discounted accrued benefits surplus of \$249.1 million for 2018 (\$228.8 million 2017).

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2018. Council was notified of the 30 June 2018 VBI during August 2018.

2019 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2019. It is anticipated that this actuarial investigation will be completed in December 2019.

Melbourne City Council Superannuation Sub Plan (CMSSP) Members

A separate plan is operated for Melbourne City Council (the Council) defined benefit members under the Local Authorities Superannuation Fund (the Fund). This separate plan (the CMSSP) is a multi-employer sponsored plan and was closed to new members on 23 December 1993. The majority of the members in the CMSSP are employees of the participating employers that are wholly owned subsidiaries of the Council.

As provided under paragraph 34 of AASB 119, the Council does not use the defined benefit accounting for its defined benefit obligations under the CMSSP at the individual entity level. This is because the CMSSP is a multi-employer sponsored plan.

As a multi-employer sponsored plan, the CMSSP is a mutual scheme between participating employers to allow for the mobility of the workforce between the participating employers without attaching a specific CMSSP liability to employees and their current employer. There is no proportional split of the CMSSP defined benefit liabilities, assets or costs between the participating employers as the CMSSP defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate CMSSP obligation is allocated to specific employers is when a funding call is made. As a result, the level of participation of the Council in the CMSSP cannot be measured as a percentage compared with other participating employers in the Council's individual entity level financial statements. While there is an agreed methodology to allocate any CMSSP shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate CMSSP benefit liabilities, assets and costs between participating employers for accounting purposes. Therefore, the Fund Actuary is unable to allocate CMSSP benefit liabilities, assets and costs between employers on an individual entity basis for purposes of AASB 119 because of the pooled nature of the CMSSP's defined benefit category.

However, as the majority of the members of the CMSSP are employees of the Council group, the surplus or deficit of the CMSSP is recorded in accordance to AASB119 at the consolidated level for reporting purposes.

CMSSP member profiles are reviewed periodically to determine if and when reporting at the individual entity level is appropriate.

Funding arrangements

The Council makes employer contributions to the CMSSP at rates determined by the Fund's Trustee on advice of the Fund's Actuary.

The CMSSP's latest actuarial investigation was as at 30 June 2017. As at 30 June 2017, the CMSSP's VBI was 123.5 per cent. At 31 March 2019, the Fund Actuary advised that the VBI is 127.5 per cent.

The Australian Prudential Regulation Authority (APRA) superannuation prudential standard (SPS 160) - Defined Benefit Matters determines the requirements for actuarial investigations and the funding requirements of a defined benefit (DB) arrangement. Under this standard:

- The VBI is the measure to determine whether there is an unfunded liability; and
- Any unfunded liability that arises must be fully funded within three years.

Under SPS 160, the VBI is used as the primary funding indicator. Because the VBI was above 100 per cent at 30 June 2017, the Fund Actuary determined that no change was necessary to the Defined Benefit category's funding arrangements from prior years and that the CMSSP was in a satisfactory financial position under SPS 160.

The CMSSP's employer funding arrangements comprise of three components as follows:

- 1) Regular contributions - which are ongoing contributions needed to fund the balance of benefits for current members and pensioners
- 2) Funding calls - which are contributions in respect of each participating employer's share of any funding shortfalls that arose
- 3) Retrenchment increments - which are additional contributions to cover the increase in liability arising from retrenchments.

Council is also required to make additional contributions to cover the contribution tax payable on components 2 and 3 referred to above.

Employees are also required to make member contributions to the CMSSP. As such, assets accumulate in the CMSSP to meet member benefits, as defined in the Trust Deed, as they accrue.

Employer contributions

Regular contributions

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 30 June 2017, Council makes employer contributions to the CMSSP at rates determined by the Fund's Trustee. For the year ended 30 June 2019, this rate was 13 per cent of salary for active defined benefit members.

In addition, Council makes top-up payments to the CMSSP for exiting members equal to the exiting member's benefit payment less the existing member's vested benefit adjusted for the CMSSP's vested benefit index (VBI) where the VBI is less than 100 per cent.

Funding calls

The Fund's Trustee is required to comply with the superannuation prudential standards. Under SPS 160, the Fund's Trustee is required to target full funding of its vested benefits for each of its sub-plans (including the CMSSP). There may be circumstances where:

- a sub-plan is in an unsatisfactory financial position at an actuarial investigation (i.e. its vested benefit index (VBI) is less than 100 per cent at the date of the actuarial investigation); or
- a sub-plan VBI is below its shortfall limit at any time other than at the date of the actuarial investigations.

If either of the above occur, the sub-plan has a shortfall for the purposes of SPS 160 and the Fund Trustee is required to put a plan in place for the sub-plan so that the shortfall is fully funded within three years of the shortfall occurring. There may be circumstances where the APRA may approve a period longer than three years.

The Fund's Trustee monitors the CMSSP's VBI on a quarterly basis and the shortfall limit for the CMSSP is set at 100 per cent (2018: 98 per cent).

In the event that the Fund Actuary determines that the CMSSP has a shortfall based on the above requirement, the CMSSP's participating employers (including Council) are required to make an employer contribution to cover the shortfall. The methodology used to allocate a shortfall should result in a fair and reasonable apportionment of the shortfall between the participating employers. A number of factors are taken into consideration when determining the fairness/ reasonableness of the apportionment including:

- the salary of the CMSSP members in participating CMSSP employer, and
- the vested benefit of each CMSSP members.

Due to the nature of the contractual obligations between the participating CMSSP employers and the CMSSP, it is unlikely that the CMSSP will be wound up. In the unlikely event the CMSSP is wound up and there is a surplus in the CMSSP, the surplus cannot be applied for the benefit of the CMSSP employers where there are on-going defined benefit obligations. The surplus would be transferred to the fund accepting the defined benefit obligations of the CMSSP.

In the event that a participating CMSSP employer is wound up, the CMSSP defined benefit obligations of that CMSSP employer will be transferred to that employer's successor.

Difference between calculations

The CMSSP surplus or deficit (i.e. the difference between the CMSSP's assets and liabilities) is calculated differently for funding purposes (i.e. calculating the required contributions), for the calculation of accrued benefits as required in AASB 1056 and for the values needed for the AASB 119 disclosures in Council's financial statements.

For each measure, the asset value used is the same but the value of liabilities can be different. Under AASB 119, a Commonwealth Government bond rate is used to calculate the liability. This means the discount rate under AASB 119 is independent of the way the assets of CMSSP are actually invested. The AASB 119 liability is also calculated using the Council's estimate of future salary increases.

The above contrasts with AASB 1056 and the actuarial funding review which both require the discount rate to be based on the best estimate of the expected investment return on CMSSP's assets and use a salary increase assumption based on the advice of the Fund Actuary. The assumptions and methods adopted in determining the value of the liabilities for these purposes are largely prescribed by either the relevant accounting standard and / or actuarial professional standards.

Retrenchment increments

During 2018-19, Council was not required to make payments to the CMSSP in respect of retrenchment increments (\$50,974 in 2017-18). Council's liability to the CMSSP as at 30 June 2019 for retrenchment increments, accrued interest and tax is \$0 (2018: \$0).

2017 actuarial investigation surplus amounts

The CMSSP's latest actuarial investigation was as at 30 June 2017. This investigation identified the following in the defined benefit category:

- A VBI surplus of \$10.8 million;
- A total service liability surplus of \$12.2 million, and
- A discounted accrued benefits surplus of \$13.5 million.

The VBI surplus means that the market value of the CMSSP's assets as at 30 June 2017 supporting its defined benefit obligations exceeded the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017.

The total service liability surplus means that the current value of the assets in the CMSSP's defined benefit category plus expected future contributions exceeded the value of expected future benefits and expenses as at 30 June 2017.

The discounted accrued benefit surplus means that the current value of the assets in the CMSSP's defined benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2017.

Council was notified of the 30 June 2017 VBI during August 2017.

Accrued benefits

The CMSSP's liability was determined in the 30 June 2017 actuarial investigation pursuant to the requirements of the

	30 June 2017
	\$ million
Net market value of assets	56.7
Accrued benefits (per Accounting Standards)	43.2
Difference between Assets and Accrued benefits	13.5
Vested benefits	45.9
Vested benefits index	123.5%

Australian Accounting Standard AAS 1056 as follows:

The financial assumptions used to calculate the accrued benefits of the CMSSP as at 30 June 2017 were:

- Net investment return 5.5% pa
- Salary inflation 3.5% pa
- Price inflation 2.5% pa.

Favourable or unfavourable variations may arise should the experience of the CMSSP differ from the assumptions made by the Fund's Actuary in estimating the CMSSP's accrued benefit liability.

Interim actuarial investigation

An interim actuarial investigation was carried out at 30 June 2018. The next interim actuarial investigation of the CMSSP's liability for accrued benefits is based on the CMSSP's position as at 30 June 2019. It is anticipated that this actuarial investigation will be completed in September 2019. The Fund Trustee has de-risked the investment portfolio of the CMSSP because of its VBI position. The financial assumptions for the purposes of 2019 investigations were:

- Net investment return 2.0% pa (2.0% pa 2017-18)
- Salary inflation 3.5% pa (3.5% pa 2017-18)
- Price inflation 2.0% pa (2.0% pa 2017-18).

The interim 31 March 2019 was 127.5 per cent (2018: 124.0 per cent). Council will be notified of the interim 30 June 2019 VBI during August 2019 (2018: August 2018).

Superannuation contributions

The total amount of superannuation contributions paid by Council (inclusive of its wholly-owned subsidiary Citywide Service Solutions Pty Ltd) during the year was \$1.3 million (2018: \$1.3 million).

Citywide Service Solutions Pty Ltd contributes in respect of its employees to the following sub-plans of the Local Authorities Superannuation Fund:

- The Melbourne City Council sub-plan
- The Defined Benefits plan
- The Accumulation plan.

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2020 is \$1.5 million.

AASB 119 disclosures for CMSSP in the financial statements

Melbourne City Council Superannuation Sub Plan	2019	2018
	000's	000's
Asset/(Liability) recognised in Balance Sheet	11,333	10,818
Total amount recognised in Comprehensive Income Statement	471	1,675



GLOSSARY

Annual Plan and Budget	The budget of the Council prepared for each financial year which must include financial statements and other information as prescribed by the <i>Local Government Act 1989</i> .
Annual report	The report of the Council's operations of the previous financial year.
City of Melbourne	The organisation called the City of Melbourne.
Council Plan	The Council's key strategic document that describes the outcomes the Council intends to achieve during its four-year term, how it will achieve these outcomes, the resources required, and how it will measure success.
Councillors	The elected representatives of the Council.
Financial report	The financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards.
Future Melbourne	The municipality's community plan outlining the community's vision and goals. Informs the Council's consideration of its Council Plan.
Goals	The nine Future Melbourne goals adopted by the Council (with minor amendments) that guide the City of Melbourne to achieve the community's vision.
Governance and management checklist	A checklist of 24 items which show Councils policies, plans and procedures in place.
Highlights	Stories about projects delivered during 2018-19 that demonstrate how the City of Melbourne contributes to the achievement of the Council Plan.
Indicators (City of Melbourne)	How the City of Melbourne measures progress towards the desired outcomes of the Council Plan that it is able to control and is accountable for.
Indicators (Municipal)	How the City of Melbourne measures progress towards the desired outcomes of the Council Plan that it does not control but has some influence, together with other responsible stakeholders and community agents.
Initiatives	Initiatives / projects that contribute to the achievement of the Council Plan and have a focus in the Annual Plan and Budget.
Local Government Performance Reporting Framework (LGPRF)	A mandatory system of performance reporting for all Victorian councils that ensures councils are measuring and reporting on their performance in a consistent way to promote transparency and accountability in the local government sector.
Major indicators	The key indicators in the Council Plan that measure progress towards the desired outcomes of the Council Plan.
Major initiatives	The significant initiatives / projects that contribute to the achievement of the Council Plan and have a major focus in the Annual Plan and Budget.
Melbourne	The municipality of Melbourne.
Municipal Public Health and Wellbeing Plan	Council's key health and wellbeing strategic document that sets priorities to enable people living in the municipality to achieve maximum health and wellbeing. It is integrated with the Council Plan.

Outcomes	What the Council seeks to achieve during its term of office. Also known as 'strategic objectives' as prescribed by the <i>Local Government Act 1989</i> .
Performance statement	Audited results achieved against the prescribed performance indicators and measures (see LGPRF).
Priorities	The areas of work the Council intends to focus on for the next four years to achieve its desired outcomes. These are the Council's strategies for achieving its objectives within the terms of the <i>Local Government Act 1989</i> .
Report of operations	The report containing the full set of LGPRF service performance indicators (see LGPRF).
The Council	Melbourne City Council comprising the elected officials - the Councillors.

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03 9280 0726 All other languages

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