

Management report to Council

Agenda item 6.1

City of Melbourne Annual Report 2021-2022

Council

Presenter: Justin Hanney, Chief Executive Officer

25 October 2022

Purpose and background

1. The purpose of this report is to present Council with the City of Melbourne Annual Report 2021–22 (Annual Report).
2. This Annual Report was developed in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.
3. The Annual Report has also been prepared in accordance with the Victorian Local Government Better Practice Guide – Annual Report – Model Report of Operations 2021-2022 (as issued by the State Department of Jobs, Precincts and Regions 2022). There is no longer a legislative requirement for the City to submit a copy of the report to the Minister for Local Government or to publicly advertise the meeting in which the report will be presented.
4. Council must consider the Annual Report within four (4) months of the end of the financial year. This means that the Annual Report must be considered by Council at a public meeting by 31 October 2022. This also satisfies the requirement under Section 18(1)(d) of the *Local Government Act 2020* where the Lord Mayor is required to report to the community at least once per year on the implementation and progress of the Council Plan.
5. The Annual Report, once noted by Council, is the final step in the statutory annual reporting cycle.

Key issues

6. The Annual Report documents and describes the Council's performance for the 2021–22 financial year. This is the first year of reporting progress against the Council Plan 2021-2025.
7. The Annual Report includes the action plan and results from the Municipal Public Health and Wellbeing Plan that have been incorporated into the report as required under the *Public Health and Wellbeing Act 2008*. The Public Health and Wellbeing Plan must be reviewed annually as part of the annual reporting cycle.

Recommendation from management

8. That Council:
 - 8.1. notes the City of Melbourne Annual Report 2021–22 and the contents contained therein
 - 8.2. notes it has complied with the requirements of Section 100 of the *Local Government Act 2020*.

Attachments:

1. Supporting Attachment (Page 2 of 254)
2. City of Melbourne Annual report 2021-2022 (Page 3 of 254)

Supporting Attachment

Legal

1. Sections 98, 99 and 100 of the *Local Government Act 2020* applies to the preparation of the annual report for the financial year ending 30 June 2022.
2. Section 100 of the *Local Government Act 2020* provides:
 - (1) For the purposes of section 18(1)(d), the [Lord] Mayor must report on the implementation of the Council Plan by presenting the annual report at a Council meeting open to the public.
 - (2) The Council meeting must be held—
 - (a) in the year of a general election, on a day not later than the day before election day; and
 - (b) in any other year, within 4 months of the end of the financial year.
3. The report accurately identifies the statutory requirements in respect to the Annual Report.

Finance

4. The Financial Statements and Performance Report were presented to Council for consideration on 23 September 2022. The Victorian Auditor General's Office audit opinion, was unqualified. There are no other financial implications arising from this report.

Conflict of interest

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

Health and Safety

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

Stakeholder consultation

7. No external stakeholder consultation has been undertaken with the production of the Annual report. This is a report that describes the Councils performance for the 2021-2022 financial year.

Relation to Council policy

8. This recommendation is consistent with the Budget 2021–22 and the Council Plan 2021– 2025.
9. This report aligns with the community led 10-year Vision, "*The City of Melbourne is a city of possibility. Where the world meets and the extraordinary happens*".
10. This report responds to and measures the Council strategic objectives as detailed in the Council Plan 2021-2025.

Environmental sustainability

11. A full version of the City of Melbourne Annual Report 2021–22 will be published on the Council's website at www.melbourne.vic.gov.au
12. Hard copies of the Annual Report will be available on request. Only limited copies of the report will be produced in hardcopy to satisfy legal obligations.

CITY OF MELBOURNE ANNUAL REPORT 2021-22



CITY OF MELBOURNE

Acknowledgement of Traditional Owners

The City of Melbourne respectfully acknowledges the Traditional Owners of the land we govern, the Wurundjeri Woi Wurrung and Bunurong Boon Wurrung peoples of the Eastern Kulin and pays respect to their Elders past, present and emerging.

We acknowledge and honour the unbroken spiritual, cultural and political connection the Wurundjeri, Bunurong, Dja Dja Wurrung, Taungurung and Wadawurrung peoples of the Eastern Kulin have to this unique place for more than 2000 generations.

We are committed to our reconciliation journey, because at its heart, reconciliation is about strengthening relationships between Aboriginal and non-Aboriginal peoples, for the benefit of all Victorians.

Purpose of this document

Melbourne City Council's Annual Report content is guided by the requirements of the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020, our Council Plan 2021-25, 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.

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25 October 2022

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

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CITY OF MELBOURNE

Melbourne is the capital city of Victoria, Australia.

The City of Melbourne municipality covers more than 37 square kilometres across 14 suburbs.

It is governed by the Melbourne City Council, one of 79 municipal authorities in Victoria that operate as public statutory bodies under the *Local Government Act 2020*.

As a local government authority, the City of Melbourne aims to achieve the community's vision for Melbourne.

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 offers.

Neighbourhood planning

Melbourne is a dynamic municipality with a broad set of neighbourhoods, each with its own unique characteristics and needs, from densely populated urban environments, such as the central business district – Hoddle Grid, to more residential areas, such as Kensington, Carlton and South Yarra.

Recognising the unique strengths, needs and outlooks of each local area, the City of Melbourne is taking a stronger neighbourhood focus – capturing and connecting with the specific aspirations and priorities of our local communities.

While we're all Melburnians at heart, the support and services naturally differ for Carlton, Kensington, North Melbourne, West Melbourne, East Melbourne, Parkville, Docklands, Southbank, South Yarra and the CBD – Hoddle Grid. Each area features different demographics, opportunities and challenges.

Starting with Kensington and the CBD – Hoddle Grid, we progressively identified a set of neighbourhood priorities for each area in the municipality, based on what we heard from local communities about their aspirations.

To find out more about the City of Melbourne's neighbourhood planning process, go to <https://participate.melbourne.vic.gov.au/participate-neighbourhoods>

Neighbourhood map



Key
Neighbourhood boundary CoM municipality

0 1 2 3 Kilometers



NEIGHBOURHOOD PROFILES

CBD – Hoddle Grid	The CBD – Hoddle Grid is the centre of Melbourne and the economic and cultural capital of Victoria. Laid out in 1837, it encompasses the area from the Yarra River – Birrarung in the south to Victoria Street in the north, and Spencer Street in the west to Spring Street in the east. It has the highest density of jobs and activity in Victoria. The CBD Hoddle Grid is home to Melbourne’s famed laneways, arcades and cafe culture, a distinct blend of contemporary and Victorian architecture, diverse events, shopping, dining, and nightlife.	East Melbourne	East Melbourne is an established area to the east of the central city, home to many 19th century homes, iconic landmarks and the heritage-listed Fitzroy, Treasury and Parliament gardens. Terraced housing is common in East Melbourne, alongside remnant mansions, some of which are listed on the Victorian Heritage Register, and a growing number of residential apartment developments.
Carlton	Carlton is a diverse suburb, well known for the Italian cafes and restaurants on Lygon Street, its Victorian heritage streets and buildings, and its parks and gardens. Carlton is home to the second largest population of our municipality, with a significant proportion of residents born overseas, mainly in India, East and South-East Asia. Many of Carlton’s residents are local and international students who attend the nearby University of Melbourne and RMIT University. As well as entertainment, cultural and leisure activities, Carlton has educational, business, retail and residential facilities.	Fishermans Bend	Fishermans Bend is a 480-hectare urban renewal area consisting of five precincts across the City of Melbourne and the City of Port Phillip. The two precincts to the north of the Westgate Freeway are in the City of Melbourne – the Employment Precinct to the west of the Bolte Bridge and Lorimer to the east. The Employment Precinct is already recognised for innovation and manufacturing and is home to Boeing, the Department of Defence, and Bega Foods.
Docklands	Docklands is a high-density residential, commercial and entertainment-focused waterfront neighbourhood found west of the city centre around the historic Victoria Harbour and Yarra River – Birrarung. Docklands was once a shipping and light industrial area, but since urban renewal began in the 1990s, it has become home to more than 10,000 residents and 58,000 workers. Approximately 60 per cent of Docklands’ residents were born overseas. In 2021, a new primary school opened to cater to the growing number of families with school-aged children.	Kensington	Kensington is a mostly residential area in the west of the municipality. It has a distinct heritage character, an active local community and a village-like shopping hub around Kensington Station. Housing includes small heritage cottages, public housing and newer townhouses in Kensington Banks. There are some industrial and commercial uses in the south-east. The renewal precinct of Macaulay to the east of Kensington is expected to undergo significant change over the coming decades.

North Melbourne	North Melbourne is a well-established area with a mix of residential and commercial uses and a strong heritage character. The area features an eclectic range of housing, from Victorian-era terrace homes to converted warehouses, modern apartments and public housing. The renewal precincts of Arden and Macaulay to the west of North Melbourne are expected to undergo significant change over the coming decades.	South Yarra	South Yarra is located to the south of the Yarra River – Birrarung and east of St Kilda Road. The part of South Yarra to the west of Punt Road is within the City of Melbourne and includes significant open spaces, heritage buildings, residential streets and The Alfred Hospital. Fawkner Park is the primary open space in South Yarra. It has tennis courts, grassed areas, pavilions and barbecues, providing a variety of sporting and recreation opportunities for visitors and residents. The Domain Parklands are within the neighbourhood and comprise nearly 123 hectares of beautiful parks and gardens.
Parkville	Parkville is a large neighbourhood in the north-west of the municipality known for its leafy streets, heritage houses, vast parklands, and significant public institutions, including the University of Melbourne’s main bustling campus and residential colleges. Parkville forms part of the ‘City North’ innovation precinct, home to the Royal Melbourne, Women’s and Children’s hospitals, and global biomedical research and institutional facilities.	West Melbourne	West Melbourne is a long-established area with a strong community, diverse mix of housing, warehouses and businesses, and a rich cultural and architectural heritage. It has evolved into a distinct inner-urban neighbourhood and a counterpoint to the central city. Its mix of building types and uses give it its distinctive character, including heritage cottages, mid-rise factories and warehouses, and larger-scale high-rise apartment buildings in the south.
Southbank	Southbank is a high-density residential and commercial neighbourhood south of the Yarra River – Birrarung and bounded by St Kilda Road and the West Gate Freeway. It is home to entertainment, arts and tourism destinations. It has experienced rapid growth since the 1990s, transforming from an industrial area into a dense, high-rise neighbourhood. Southbank Promenade is one of Melbourne’s major entertainment precincts with many restaurants and hotels. In addition, Southbank is home to the Melbourne Arts Precinct, one of the highest concentrations of arts and cultural organisations anywhere in the world.		

OUR VISION AND OBJECTIVES

The 10-year Community Vision for the City of Melbourne was developed through a deliberative engagement process with people who live, work, study, visit or own a business in the municipality. The vision reflects this diverse set of voices collectively.

The Community Vision comprises an overarching vision statement and a series of future community aspirations. Together, these will guide decision-makers in shaping policy and plans, and prioritising investments.

The City of Melbourne is a city of possibility.

Where the world meets and the extraordinary happens.

Vision statement

Melbourne was hit hard by COVID-19 and together we experienced one of the world's longest and most restrictive lockdowns. Our efforts enabled life to return to a new normal, but it has come at an incredible cost.

Now we have an opportunity to think about how we want to evolve as a city over the next 10 years, and be bold in creating a better future for Melbourne. We need to build on today's strong foundations to be a city that thrives as a place that benefits all. We're creating a city of possibility, where the world meets and the extraordinary happens.

Our city is where people of all cultures, backgrounds, genders, sexualities and abilities are welcomed, celebrated and protected. We are proud of the vibrancy this diversity brings to every aspect of city life.

Our urban communities are energy efficient, sustainable, safe, affordable and inclusive, drawing people from around the world to visit, work and live.

Our distinct neighbourhoods are enjoyed day and night. Every street, laneway and public square is filled with movement, colour and excitement. The sights and sounds of sport, performance, art and public discourse flow through the streets and continually inspire us.

Our many urban parks provide us a place for reflection and respite. A forest extends through our city, linking our parks and helping to keep our city cool and clean. We can connect with nature anywhere and celebrate our leading action on climate change.

We are one of the most connected cities in the world, where collaboration is second nature and innovative startup, business and education sectors thrive as a result.

When we meet, we look out at one of our favourite places in the municipality—the beautiful Birrarung—and acknowledge and celebrate our Traditional Owners of the land, part of the longest surviving culture in the world. Melbourne is an Aboriginal city where we govern with our Traditional Owners and all have a shared commitment towards treaty, justice and reconciliation with our First Peoples.

QUICK FACTS 2021–22

In the past year we have:



Diverted **2500 tonnes** of food and garden waste from landfill



Removed more than **96km²** of graffiti



Planted **3041** trees



22,861 conversations with businesses through our Business Concierge



Renewed **170km²** roads and footpaths



Loaned more than **600,000** printed, audio and eBooks through our libraries



Collected **50k tonnes** of household waste and recycling



Registered **8490** cats and dogs



4210 families supported through Maternal and Child Health Services



Provided **2486** influenza vaccines

Resident population



169,860 residents

49% males

51% females

56% born overseas

48% speak a language other than English

87,000 overseas higher education students

1653 same-sex couple households

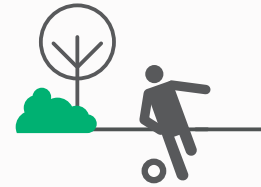
468 Aboriginal and Torres Strait Islander peoples

1.7% live with a disability

295 people experiencing homelessness

119 people sleeping rough

Built and natural environment



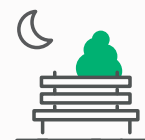
61.9% grow and consume their own food at home

23.3% tree canopy cover in the public realm

22.5 tonnes of greenhouse gas emissions per capita, an annual decrease of 17%

136 kilolitres from alternative water sources diverted to our parks and gardens

59.2% of trips to the city are made by public transport, cycling or walking



Economic environment



Melbourne contributes **20.7%** to the Victorian economy

15,000 businesses

458,000 jobs

5.5% unemployment rate

32% of households experience rental and mortgage stress

33.3% experience food insecurity

19% retail vacancy rate

YEAR IN REVIEW



MESSAGE FROM THE LORD MAYOR



Once again the City of Melbourne has proven its resilience by making progress on our community's vision despite another year of disruption. At each turn and each decision, we prioritised and invested in a cleaner, greener and busier city.

We advanced a number of ambitious projects, such as Power Melbourne, Greenline and the Queen Victoria Market renewal project. We conducted a feasibility study for a landmark renewable energy project and identified potential sites for the network of neighbourhood-scale batteries that will see Melbourne lead on climate action, clean energy innovation and jobs for the future. We endorsed our Greenline Implementation Plan which outlines the city's vision for this city-shaping project which will transform the north bank of the Yarra River – Birrarung.

In partnership with the Victoria Government, we've built momentum and confidence through the Melbourne City Recovery Fund and the Melbourne City Revitalisation Fund. Our streets and laneways were transformed with eye-catching art through the Flash Forward program, and we welcomed new enterprises as part of our Shopfront Activation Program.

Events like Moomba drew record crowds, and our highly popular Melbourne Money dining rebate inspired almost \$100 million to be spent across our famed city restaurants, cafes and bars, and supported other city businesses through increased visitation.

As borders reopened, we bolstered our international relationships to enhance future investment possibilities through Invest Melbourne, and ensure Melbourne remains a global destination of choice for international students. As part of this, we continued to advocate loudly for better pathways to post-study working opportunities and permanent residency.

The past two years have emphasised the importance of green, open spaces. In 2021-22, we increased public open spaces by 1185 square metres and completed significant upgrades to five parks, and opened one new dog park in Southbank.

This year has also seen us strengthen our commitment to an inclusive recovery – one that leaves no one behind. We were proud to establish the Homes Melbourne entity and appoint its CEO to drive Melbourne's housing affordability agenda. We have also signed a landmark agreement with Unison Housing to deliver our Make Room project, which will provide short-term accommodation and support, and provide pathways out of homelessness.

Cleaning the city has also been a high priority. In a four-month blitz, we've made the city even more attractive by removing the equivalent of two MCGs of graffiti, and worked to improve city safety. Residents are also embracing the food organics and gardens organics waste service we've introduced.

The delivery of the first year of our Council Plan 2021-25 is a testament to the tenacity, hard work and unwavering advocacy of my fellow councillors, Chief Executive Officer Justin Hanney and the City of Melbourne team.

We should have optimism and confidence about the future. Our investments into a cleaner, greener and busier city through our Council Plan will ensure Melbourne's sustainable growth for years to come.

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

Sally Capp
Lord Mayor

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



The City of Melbourne continues to share the global challenges faced by other cities, unpredictability chief among them. In the past year, we're proud that we have reignited our city's economy and attracted people back to the city through numerous events and community initiatives.

As in many other organisations, our biggest challenge over the past year has been working and living around the disruptions caused by the COVID-19 pandemic, which had a particularly significant impact on the city we work in and for.

I thank all staff for their adaptability and commitment during these challenges, and for the enthusiasm they have brought to our critical recovery efforts and exciting revitalisation program. Throughout the past year, city residents, workers and visitors have continued to see librarians, health workers, maternal and child health staff, waste and recycling teams, recreation centre workers and many more all remaining committed to customer service and excellence every day.

An important focus heading into 2022 was managing a safe return to work for those based in our central city offices, contributing to the city's revitalisation. As an employer, we are committed to providing flexibility and positive workplace experiences while recognising that working at the City of Melbourne is a job like no other. We are privileged to play an important role in advocating for the city's revitalisation and promoting its unique attractions.

We also launched our Corporate Strategy which sets a strategic direction for us internally. We want to ensure our staff feel empowered, understand their customers and work in a connected and collaborative way. It is equally important to remain financially sustainable and draw on the best data, analytics and feedback to improve community satisfaction.

We are continuing the cultural transformation we began in 2019, working collaboratively to make City of Melbourne an even better place to work, an employer of choice and to underpin great customer service experiences.

City of Melbourne leads the nation in a number of workforce initiatives and we encourage all staff working with us to take part in Aboriginal Cultural Safety Training. Our Reconciliation Action Plan is at the heart of a commitment to celebration and healing.

Local government has had a major role in managing the city's response to the pandemic – and our sustained recovery will be anchored by strong relationships with all levels of government, business, academia and community organisations. In partnership with the Victorian Government, we've built momentum through the Melbourne City Recovery Fund and the Melbourne City Revitalisation Fund.

Collaborations with our knowledge sector, including universities, will benefit all Melburnians. We have signed a charter with the University of Melbourne which strengthens our partnership – and focuses on the four priority areas of Aboriginal Melbourne, the economy of the future, Melbourne's unique identity and place, and the climate and biodiversity emergency. In innovative renewable energy projects, City of Melbourne and RMIT University have successfully partnered on the Power Melbourne battery proposal and in sharing resources to support RMIT's Electric Vehicle Research Facility.

Meeting a high standard for inclusive and fair communities is important to us – and we're proud to demonstrate our progress against the United Nations Sustainable Development Goals. Melbourne is the first Australian city to complete a Voluntary Local Review to measure our performance against the goals.

The goals are also useful as a framework for planning our infrastructure investments, which create jobs and benefit all our neighbourhoods. Achievements of the past year include completing the Western Pavilion, improvements at City Baths and opening the redeveloped Lady Huntingfield Early Learning and Family Services Centre. As part of the Queen Victoria Market renewal project, we undertook restoration works of the historic sheds.

Responsive leadership and sound financial management are expected of your council and we've worked hard to stabilise the city during difficult times. May I thank the councillors and all staff for your commitment to the people of Melbourne. I am confident we have the vision and plans to support Melbourne's recovery and prosperity in the year ahead.

A handwritten signature in black ink, appearing to read 'Justin Hanney'. The signature is fluid and cursive, with a long horizontal stroke at the end.

Justin Hanney
Chief Executive Officer

MESSAGE FROM THE CHIEF FINANCIAL OFFICER



Council reported an underlying deficit of \$45.1 million for the 2021-22 financial year, marginally below the prior year (by \$6.9 million).

The financial year began with staff continuing to work from home: recovery and a return to the city seemed a long way off.

Council staff began to return to their city workplaces in the first half of 2022 as vaccines became more available. This meant more direct support for ratepayers, businesses, and the broader community.

Essential services were delivered and capital works projects ramped up, although the pandemic continued to cause delays, and resulting materials and labour shortages.

Council revenue decreased by \$27.8 million on prior year, as a result of lower volumes of pedestrian and vehicle traffic in the central business district. This directly affected parking fees and fines, user fees and permits associated with the closure of cafes and restaurants, and less building development. Rate revenue increased with the assistance of supplementary valuations, however, grant funding from the Victorian Government reduced by \$27.1 million from prior year, due to the timing of programs being delivered.

Total expenditure increased by \$13.2 million when compared with the previous year. This was due to increased employee costs by \$11 million as a result of the acceptance of a new enterprise agreement, the resulting adjustments and back pay, and higher than average staff turnover during the year. Materials and services costs also increased by \$6.5 million on the prior year, and included some contractor costs associated with grants programs.

This was partially offset by grants and contributions costs that were lower than prior year by \$5.2 million. Despite this, ratepayers, businesses, community groups and visitors to the city were still able to benefit from specific grant programs carried forward, and new grants programs that were mainly funded by the Victorian Government.

The \$200 million Melbourne City Revitalisation Fund was initiated in 2021-22, as a 50 / 50 joint funding program between City of Melbourne and the Victorian Government. This program included the Melbourne Money dining rebate (\$11.8 million), streetscapes and cycle infrastructure (\$7.1 million), and events and festivals support (\$10.5 million). In addition 'Work for Victoria' continued to help clean the city, while local artists beautified laneways and stark building walls.

The Melbourne City Recovery Fund, which commenced in 2020-21, continued to support city events and promotions.

Capital expenditure was \$174.7 million, which was \$23.6 million higher than 2020-21. Delays in the building industry – related to labour shortages and supply chain pressures stemming from COVID-19 lockdowns and the transition through vaccination mandates – continued to affect capital programs. Assets such as buildings and infrastructure, and computer and telecommunications equipment and software were all subject to depreciation and amortisation, as new technology and system upgrade projects were completed.

The total impact on Council for the financial year is around \$63 million, and can be attributed directly to lost revenue, and assistance to ratepayers and businesses as we navigated the pandemic.

Council continued to provide support to its subsidiaries, Citywide Service Solutions Pty and Queen Victoria Market Pty Ltd. Lost revenue and additional expenses incurred as a result of the pandemic totalled \$11 million.

Citywide increased its profit despite lost revenue, while Queen Victoria Market Pty Ltd implemented cost reduction measures to minimise the financial impact of lockdowns and restricted trading. City of Melbourne provided grant funding to Queen Victoria Market for trader rent relief as the market was further impacted by a slower than expected recovery.

Net assets increased by \$185.6 million to \$4.8 billion with assistance from an increment in asset valuations of \$200.7 million, related to land and buildings. Cash and cash equivalents decreased to \$39.8 million from \$143.9 million, due to a combination of lower grant funding and lower monetary contributions as a result of development activity. This was compounded by higher employee costs related to the acceptance of the enterprise agreement, and higher materials and services costs as a result of supply pressures related to COVID-19. Net funds held at Council decreased to \$39.8 million.

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

Financial result	June 2022 (\$millions)	June 2021 (\$millions)
Income statement surplus / (Deficit)	(15.1)	25.9
Comprehensive result surplus / (Deficit)	185.6	38.3
Underlying result	(45.1)	(38.2)
Capital investment	174.7	151.1
Cash assets and equivalents	39.8	143.9
Net funds	39.8	173.9
Net assets	4,755.5	4,569.9
Current asset ratio	0.59	1.26

Council's current ratio, which measures its financial strength, reduced to 0.59 as a result of the reduction in cash and cash equivalents, and despite a reduction in trade payables and unearned income at 30 June 2022. The overall result has maintained a strong net asset position for Council, however budgeted borrowings will be required to meet planned capital projects in the new financial year.

City of Melbourne will continue to provide exemplary service and to deliver on its planned infrastructure needs, and provide support to its ratepayers and businesses as the recovery out of the COVID-19 pandemic builds further momentum.



Michael J Tenace FCPA
Chief Financial Officer
City of Melbourne



HEALTH AND WELLBEING IN OUR CITY

Our people at the ❤️ of what we do

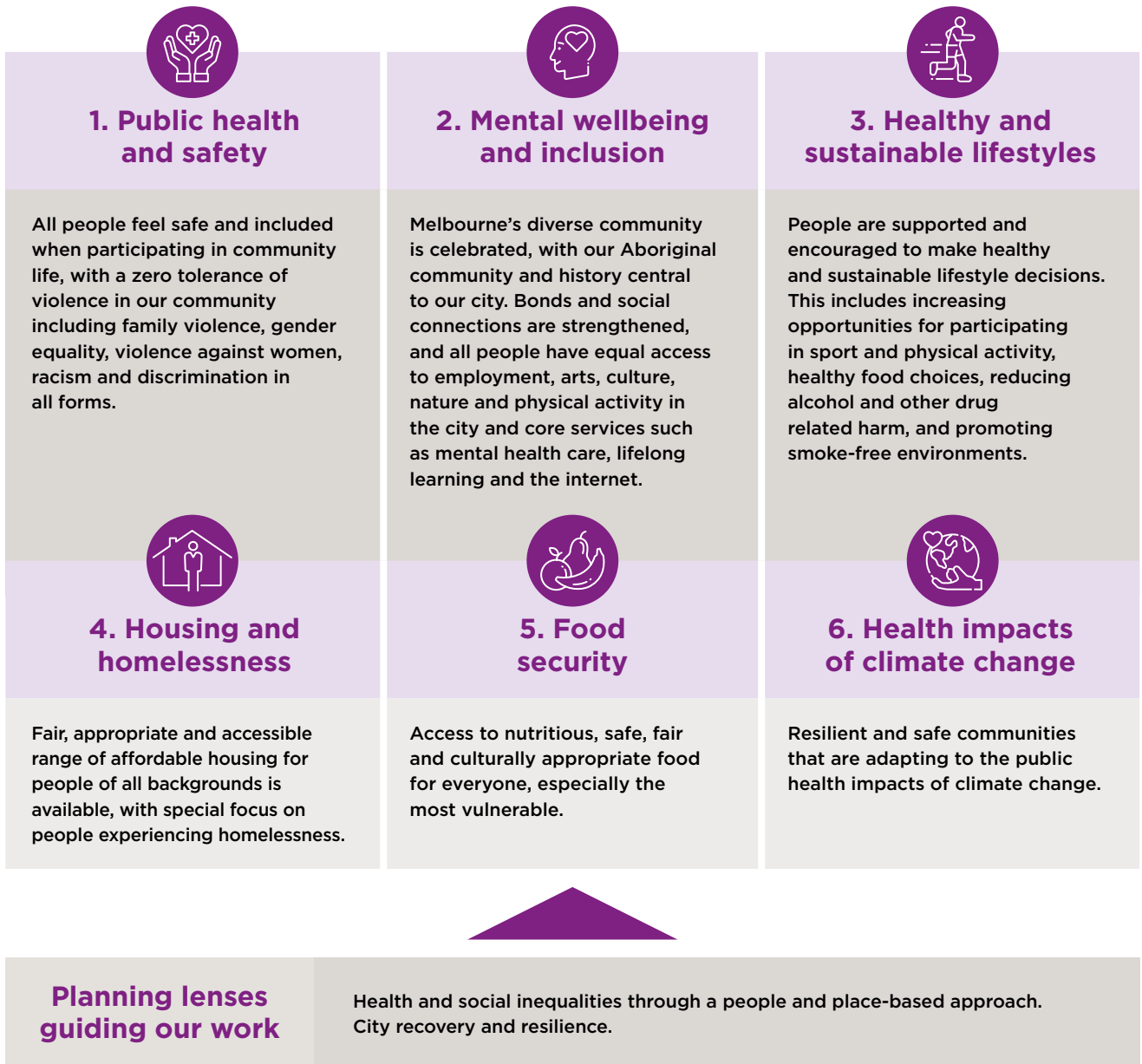
The *Public Health and Wellbeing Act 2008* provides the legislative foundation for public health and wellbeing in Victoria. Under the Act, all Victorian councils must prepare a four-year Municipal Public Health and Wellbeing Plan for their municipal area or include their strategic health and wellbeing priorities in their Council Plan. This is a strategic plan that establishes the overall aims and priorities for the local council in protecting, improving and promoting the public health and wellbeing of the people in the municipality. Council also commits to health and wellbeing planning requirements under the *Gender Equality Act 2020* and the *Climate Change Act 2017*.

At the City of Melbourne, we integrate our Municipal Public Health and Wellbeing Plan with our Council Plan to demonstrate that improving quality of life for people in the municipality is the business of the whole organisation, placed at the heart of what we do. The Council Plan 2021-25 forms the overarching strategic framework for health and wellbeing planning at the City of Melbourne.

We monitor our yearly progress on the Municipal Public Health and Wellbeing Plan 2021-25 through the Annual Report. This provides us with an opportunity to understand and highlight the impact that our programs, services and infrastructure are having on our local community's health. This Annual Report captures key actions from across the six health and wellbeing focus areas, achieved over 2021-22. These are a collection of selected major initiatives and key activities from operational plans. These are denoted throughout the document with a ❤️.

Our health and wellbeing focus areas for 2021–25

The Council Plan 2021–25 includes six key health and wellbeing focus areas:



Health and wellbeing indicators

A set of 22 indicators have been elevated from the full set of indicators in the Council Plan 2021-25 to help track the health and wellbeing of the community, and to gauge progress made towards the health and wellbeing focus areas. These indicators form our health and wellbeing evaluation framework.

The indicators in this plan will also help demonstrate progress against the Sustainable Development Goals (SDGs). Find these indicators along with headline 'health and wellbeing initiatives and activities' throughout each strategic objective.

Health and wellbeing evaluation framework

HEALTH AND WELLBEING FOCUS AREA	LINK TO SUSTAINABLE DEVELOPMENT GOALS	INDICATORS	TARGET OR DESIRED TREND
Public health and safety	SDG 3: Good health and wellbeing	Proportion of people who report feeling safe in the city.	90% by day, 65% by night
	SDG 5: Gender equity	Rate of recorded family violence incidents.	Decrease
	SDG 16: Promote justice, peace and inclusive societies	Rate of ambulance attendance for alcohol and drug misuse in the municipality.	Decrease
		Number of transport related injuries and fatalities.	Decrease
Mental wellbeing and inclusion	SDG 1: No poverty	Proportion of residents employed in the municipality.	Increase
	SDG 8: Decent work and growth	Proportion of residents within 300 m of public open space.	Increase
	SDG 10: Reduced inequalities	Proportion of people surveyed who visit a park in the municipality on a regular basis.	Increase
	SDG 11: Sustainable cities and communities	Proportion of people who support the city being made up of different cultures.	100%
		Proportion of people surveyed who believe the relationship with Aboriginal people is important.	100%
		Proportion of people who participate in arts and cultural activities in the municipality.	Increase
		Number of programs that are inclusive and respond to the needs of people with a disability.	Increase
		Melburnians' self-reported sense of belonging.	At least 70 on a scale of 100
	Complaints of discrimination based on sexual orientation, sexuality, disability, sex, gender, race, religious or political beliefs or other grounds for unlawful discrimination.	Decrease	

HEALTH AND WELLBEING FOCUS AREA	LINK TO SUSTAINABLE DEVELOPMENT GOALS	INDICATORS	TARGET OR DESIRED TREND
Healthy and sustainable lifestyles	SDG 3: Good health and wellbeing	Proportion of adults who get adequate physical exercise.	Increase
	SDG 9: Industry, innovation and infrastructure	Proportion of trips made by public transport, bicycle or on foot.	Increase
Housing and homelessness	SDG 11: Sustainable cities and communities	Number of people sleeping rough and have not been offered accommodation.	Zero
		Number of people supported through a range of accommodation including long-term supportive and affordable housing.	500 (by 2025)
		Number of new demonstration social and affordable housing units facilitated on City of Melbourne land.	100 (by 2025)
Food security	SDG 2: Zero hunger	Proportion of people reporting food insecurity.	25%
Health impacts of climate change	SDG 11: Sustainable cities and communities	Hospital admissions in relation to extreme weather events.	Decrease
		Tree canopy cover in the public realm.	TBD
	SDG 13: Climate action		
	SDG 15: Life on land	Number of trees planted in the municipality.	TBD

HEALTH AND WELLBEING SNAPSHOT

This snapshot shows Melbourne's first year of progress on key health and wellbeing indicators for Council Plan 2021-25.

70 average score out of 100
Residents self-reported score for overall wellbeing

65 average score out of 100
Self-reported feeling part of the community

94% Believe the relationship with Aboriginal peoples is important

94% Proportion of people who support diversity in the municipality

222 Inclusive programs that respond to needs of people with a disability

55% Proportion of residents (15 yrs+) employed within the municipality (no new data since 2016; latest data released October 2022)

96% Proportion of residents within 300 m of public open space

19% Proportion of people who participated in arts and cultural activities

85% Proportion of people who regularly visit a park in the municipality

16% Proportion of discrimination complaints made within the municipality

46% People get adequate physical exercise

Share of all trips originating within the municipality on an average weekday

46% public transport

7% walking

4% bicycle

7% People experiencing homelessness who are sleeping rough

25% People experiencing homelessness supported with range of accommodation

144 Social and affordable housing units within the municipality

32% Proportion of people reporting food insecurity

10% people accessing food relief services

27% worried food would run out

22% skipping meals

19% running out of food

62% produced and consumed own food



493 Number of transport related injuries and fatalities

81% by day
49% by night
People feel safe in the municipality

1398 people per 100,000 population
Rate of family violence recorded

1967 people per 100,000 population
Ambulance attendances for alcohol and drugs

2 Heat health alerts issued in relation to extreme weather events

25% Tree canopy cover in the public realm

3041 Number of trees planted in the municipality



DELIVERING MAJOR INITIATIVES

Below is a summary of the major initiatives (MI) for each of the six strategic objectives in the Council Plan 2021-25 undertaken in 2021-22. More detailed information on our 2021-22 major initiatives is provided in the 'delivering major initiatives section' section of this report.

MAJOR INITIAIVE NUMBER	MAJOR INITIATIVE (SHORT TITLE)	MI DELIVERY DATES			
		2021-22	2022-23	2023-24	2024-25
Strategic objective: Economy of the future					
1	Continue to strengthen Melbourne's economic recovery				
2	Establish Invest Melbourne				
3	Implement the Economic Development Strategy				
4	Deliver high quality public transport in urban renewal areas				
5	Establish Experience Melbourne and refresh City of Melbourne events program				
6	Market and promote Melbourne as a great place to live				
7	Central Pier redevelopment				
8	Review and optimise Melbourne's international relationships				
9	Support the development of globally competitive innovation ecosystems				
10	Set Corporate Strategy with defined targets and measures for productivity, efficiency and customer / employee experience				
11	Embed the United Nations Sustainable Development Goals in City of Melbourne plans and strategies				

MAJOR INITIAIVE NUMBER	MAJOR INITIATIVE (SHORT TITLE)	MI DELIVERY DATES			
		2021-22	2022-23	2023-24	2024-25
Strategic objective: Melbourne's unique identity and place					
12	Greenline				
13	Protect Queen Victoria Market				
14	Munro Library and Community Hub				
15	Deliver public art program				
16	Increase public open space				
17	Partner with Victorian Government to deliver high quality, sustainable urban renewal and innovation districts				
18	Facilitate increased investment in unique Melbourne events				
19	Advocate for investment in City of Melbourne waterways				
20	Municipal Planning Strategy				
21	Protect and celebrate heritage in our municipality.				
22	Design excellence				
Strategic objective: Aboriginal Melbourne					
23	Truth telling				
24	Declaration of recognition and commitment				
25	Govern with Sovereign First Nations				
26	First Nations Cultural Precinct				
27	Annual gathering of the Eastern Kulin				
Strategic objective: Climate and biodiversity emergency					
28	Global leader on climate action				
29	Employment centre of a resilient zero-carbon economy				
30	Environmental performance of buildings				
31	Deliver the Urban Forest Strategy				
32	Food Organics, Green Organics - FOGO				
33	Circular Economy				
34	Power Melbourne				
35	Implement the Climate and Biodiversity Emergency Action Plan				

MAJOR INITIAIVE NUMBER	MAJOR INITIATIVE (SHORT TITLE)	MI DELIVERY DATES			
		2021-22	2022-23	2023-24	2024-25
Strategic objective: Access and affordability					
36	Inclusive sports facilities or women				
37	Implementation of Neighbourhood Model				
38	Libraries				
39	Delivery of Disability Access and Inclusion Plan 2020-24				
40	Food Relief Plan				
41	Refine the approach to service planning to ensure City of Melbourne's core services remain accessible and affordable				
42	North Melbourne Community Centre redevelopment and precinct enhancement				
43	Digital literacy programs and digital inclusion				
44	Homes Melbourne				
Strategic objective: Safety and wellbeing					
45	Continue to implement the Transport Strategy 2030				
46	Transport and Amenity Program (TAP)				
47	City Road Masterplan				
48	Inclusive Melbourne Strategy				
49	Equality and inclusion programs for the community				
50	Street safety initiatives				
51	Rapid Response Clean Team				
52	Community resilience				



CHALLENGES AND OPPORTUNITIES IN 2021–22

Enhancing health, wellbeing and prosperity in the post-pandemic environment has been a priority for our city, right now and into the future. To do this, we have focused on boosting our community's health, wellbeing, economic recovery and resilience.

We want our community to feel positive about their day-to-day lives. Be inspired to dream big about their own futures, and the future of Melbourne, embracing opportunities as they arise.

We know that our health has an impact on our quality of life. A person's health can also influence how they connect with their community to enrich their lives, and in turn enrich our community with their unique experience and perspective.

The COVID-19 pandemic has affected our community's sense of wellbeing, as well as our economic and social conditions. It has also created fatigue and taken a toll on our mental health. We can see this in recent data from the Australian Bureau of Statistics: in 2021, mental health was identified as the most prevalent long-term health issue in City of Melbourne, affecting nearly one in 10 residents. Second only to asthma.

We can make a difference by raising awareness of services that will better support our community's access to mental health resources. We will also continue to engage with community members who have a lived experience of homelessness, alcohol and other drug misuse, and mental health conditions. We can also better educate the broader community and reduce stigma.

COVID-19, extreme weather events and the rising cost of living have highlighted many inequalities within our community. City of Melbourne's Social Indicators Survey 2022 reveals that one in three households – or 31.7 per cent of adult residents in the municipality – experienced food insecurity in 2021–22.

We are committed to the ongoing implementation of the Operation Protocol partnership with the Salvation Army, Victoria Police and City of Melbourne, which offers an on-street service that connects with people who are sleeping rough. This led to crucial support such as housing pathways, assistance with Centrelink issues, health issues and sourcing food.

We will continue to lobby the Australian Government to raise all income support payments to above the poverty line, so that people can access medical treatment, and feed themselves and their families. We will also advocate to the Victorian Government for an ongoing increase in funding for affordable housing.

Through our new neighbourhood partners, the community has renewed its interest in sharing ideas on what matters deeply to them, the challenges they face and their ideas for improving inclusion, health and wellbeing outcomes. We will draw on this rich information to shape, protect and promote health and wellbeing in our city.

This includes preparing the city for future shocks and stressors.

Here are some opportunities we created in communities across the city in 2021–22.

Economic activation

- The City of Melbourne acted as the city's principal champion through its leadership, events and activations that drove visitation to reignite the city as it emerged from the lockdowns of the past two years.
- While office workers have been cautiously returning, other parts of the city have been experiencing evening and weekend pedestrian numbers above pre-COVID-19 levels. Consumer-based economic activity in Melbourne reached levels that were consistently higher than before the pandemic, with retail spending in each of March, April and May 2022 exceeding 2019 levels for the same months.
- Key activations not only drove visitation, but also led to outcomes that were far greater than those delivered by the actual program. One example of this was Melbourne Money dining rebate scheme that provided much more than just cash back to diners in the municipality's eateries. The initiative generated almost \$100 million in revenue for our restaurants, bars and cafes, and survey results indicated that while the subsidy was the principal reason for attending the city, most diners went on to engage in retail activity or went on to enjoy some of the other outstanding entertainment the city had to offer during their visit.
- The city's shopfront activation initiatives also helped restore the buzz within the municipality. More than 100 vacant shops were activated through either the Shopfront Activation Program that filled vacancies with casual tenants or through the initiative that decorated vacant shops with artwork from local artists. The program gave low or no-cost space to artists, budding entrepreneurs and artisan makers to test their business ideas and helped attract Melburnians back into the city. It also inspired other landlords to activate their own shopfronts, creating even more benefits for the city.

- The city's famed program of major events and activities, and robust marketing campaigns encouraged more people into the city. We also leveraged third-party events such as RISING and the AFL premiership season. Our 2022 Moomba and Firelight festivals, for example, both attracted crowds in unprecedented numbers, with Firelight exceeding pre-COVID numbers by more than 20 per cent, and Moomba attracting the largest crowd on record.
- A strong focus on the value of international education to Melbourne underpins the city's efforts to be the world's best city for the student experience. Successful initiatives such as the Experience Melbourne program engaged hundreds of students and embedded our reputation as a destination of choice. With an almost 50 per cent increase in the number of students in the city since December 2021, these efforts are already reaping rewards.
- Businesses were supported directly through the introduction of the Business Concierge Service, which helped businesses cut through red tape so they could focus their energy and effort on what they do best – creating value for the city, its residents and visitors. The Business Concierge connected with businesses more than 10,000 times, and were warmly welcomed as a one-stop shop for those seeking support. As the pandemic eased, the team began to transition to a more proactive model of engagement that will underpin continued growth.
- The Night-time Economy Advisory Committee was formed, bringing together leaders from the retail, hospitality and creative industries with experts in city safety and urban planning. The committee developed strategic advice and programs to grow the night-time economy.
- Through the establishment of Invest Melbourne, the city has invested significant resources to attract new businesses to Melbourne.

Aboriginal Melbourne

- We delivered COVID-safe major events including Reconciliation Week incorporating the National Reconciliation Week Oration, Mabo Day and NAIDOC Week.

Gender equality

- We developed the Women's Safety and Empowerment Action Plan 2021-24, with 40 activities delivered in the first year to help us create communities of equality and respect.
- We hosted a night safety summit, developed and launched a Night Safety Charter, and ran the Step Up Speak Up sexual violence awareness campaign. These were year one actions of Project Night Justice in partnership with Victoria Police, Crime Stoppers Victoria, Full Stop Australia and the University of Melbourne.

Food security

- We prepared the Melbourne's Community Food Guide, a print and online interactive map which shows where people can find food relief in our municipality.
- We developed the Community Food Relief Plan 2021-25, to guide us as we plan for a food-secure city. This plan was endorsed by our Future Melbourne Committee in December 2021.

Smoke-free Melbourne

- Council adopted the Smoke-free Melbourne Policy in July 2021.
- We created a smoke-free area in McKillop Street between Little Collins and Bourke streets, following community consultation and endorsement at the Future Melbourne Committee in October 2021.
- We updated No Smoking signage to include a No Vaping reference and educated the community that the use of e-cigarettes is not permitted in smoke-free areas.
- We communicated with key stakeholders about the Smoke-free Melbourne Policy and discussed initiatives that can support the initiative, as part of year-one activities of the policy.

Inclusive Melbourne

- We launched the Inclusive Melbourne Strategy 2022-32, after it was endorsed in February 2022.
- We made sure that many people who were evacuated from Afghanistan to Melbourne felt welcome, and had access to immunisations, water education and swimming lessons. We also ran soccer matches within City of Melbourne for the Afghan women's soccer team.

Disability Access and Inclusion Plan

- We improved access around the city for people with a disability, upgrading 10 facilities. This also ensured compliance with the *Disability Discrimination Act 1992*. We upgraded pathways and lighting at four parks, and conducted an audit, a survey and ran user-testing of our existing tactile street signage with community members. The results will be used for future improvements.
- We enhanced access and inclusion at 116 events, creating quiet spaces and social stories, engaging Auslan interpreters, using closed captions and more. We also supported people with hidden disabilities by launching the Hidden Disability Sunflower Symbol at Moomba, and by distributing the sunflower symbols to community members at events and customer service desks.

Active Melbourne

- City of Melbourne signed a new 10-year contract with YMCA to manage Active Melbourne Recreation Facilities. The key objective was to provide facilities, programs and services that support people to be physically active and lead healthier and happier lives. The aim was to inspire increased physical activity within the community, and by extension improve health and wellbeing outcomes for the whole community. A particular focus was placed on increasing participation of people from under-represented groups: and to co-design initiatives to increase diverse participation and improve inclusion.

Youth

- We delivered the Child Safe Campaign in collaboration with the House of Muchness, to raise awareness of the need for a zero-tolerance approach to child abuse. The campaign also highlighted children's right to be safe and to feel safe. We also advocated for children to be seen, heard and celebrated in the City of Melbourne.
- We connected young people from local communities with education and work experience through our Active Melbourne recreational facilities. This is a key priority in the Active Melbourne Plan and to make it happen, we contracted YMCA in partnership with The Huddle which is a joint initiative of the North Melbourne Football Club, the Scanlon Foundation, and the Australian Multicultural Foundation.

Resilience

- We developed an interactive map to help people find free water fountains and a cool place to shelter under trees in Melbourne on hot days.

Homes Melbourne

- We created a special entity known as Homes Melbourne to reduce homelessness and increase the amount of safe, secure and affordable housing in our city. The City of Melbourne established Homes Melbourne in early 2022, recognising that the complexity and extent of the housing crisis needed a comprehensive, targeted response.
- We partnered with the Victorian Government, housing providers, corporate and philanthropic organisations to address the critical needs of people experiencing rough sleeping and homelessness.



MAJOR CHANGES

- The City of Melbourne underwent structural organisational changes during 2021-22. This was in line with the four-year Council Plan, and to better embed the strategic priorities into the operational plans.
- Public Affairs and Media was realigned within the organisation, with those teams moving into the newly created Strategic Communications Branch.
- People, Culture and Leadership delivered its first phase transformation, focusing on the structure of the People, Performance and Planning Team and the leadership team reporting lines.
- On-Street Support and Compliance (OSC) was split into two new branches during the year: Parking Services and City Safety, Security and Amenity. Staff from the original OSC were allocated across these new branches.
- The Community Development Branch was created in 2021.
- The Property Branch moved to join the Infrastructure and Design Division to become the Property, Infrastructure and Design Branch. This Branch was also realigned within the organisation. Changes were made to existing team structures and names.
- Branch reporting lines were changed and realigned. These included changes to the reporting lines for both the Legal Team and the Workplace of the Future project being moved under the CFO. Governance Branch was moved to report directly to the CEO with its director becoming a member of the Executive Leadership Team (ELT). Aboriginal Melbourne also joined the ELT.
- People, Culture and Leadership and Aboriginal Melbourne branches were moved to report directly to the Deputy CEO.
- Community and City Services Division changed reporting lines and moved to report directly to the CEO.
- A new branch called Invest Melbourne was established to attract new investment in the city.
- The Customer and Digital Division was created during this period and included the merging of Technology and Digital Innovation, City Data and Customer Relations branches.

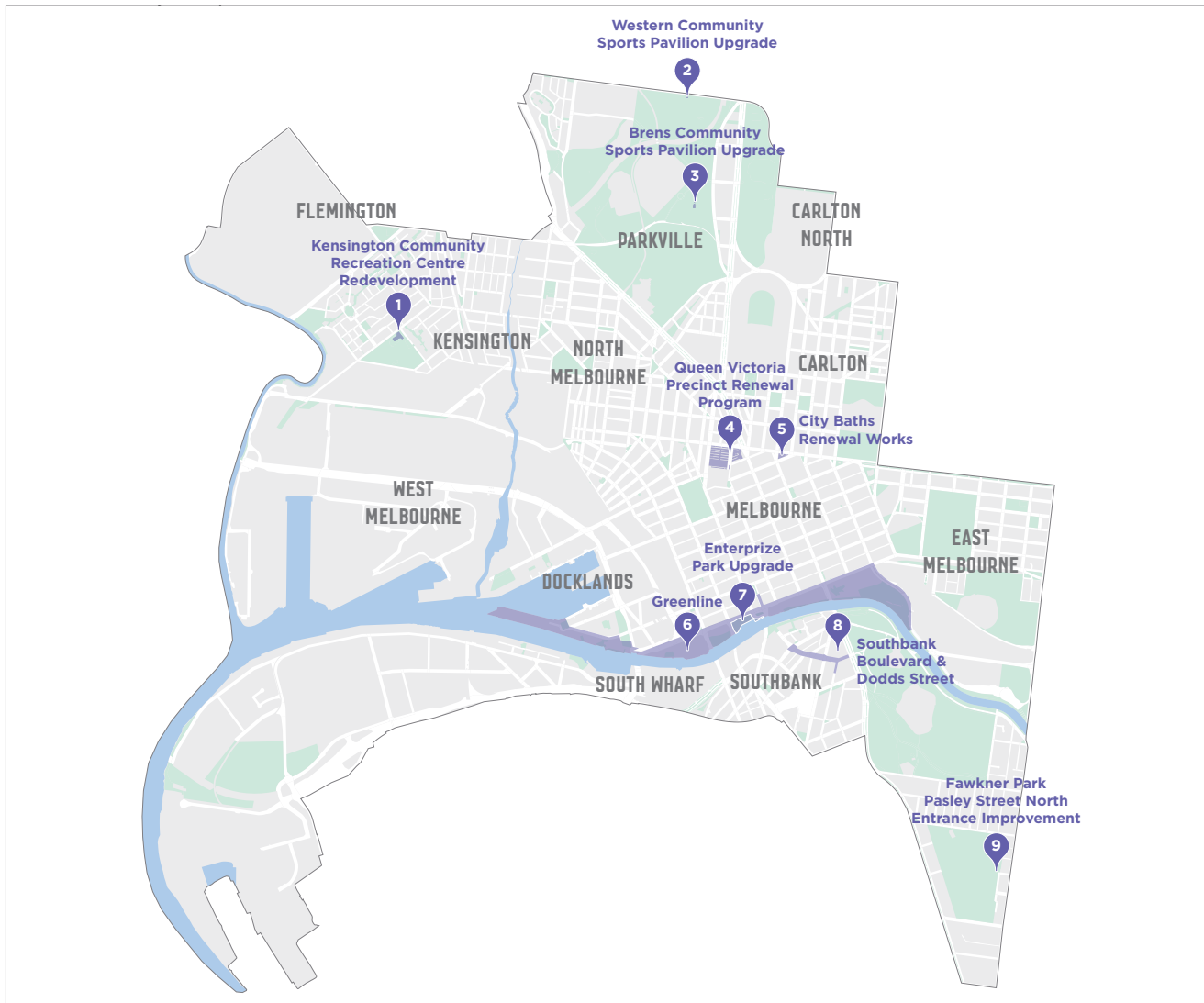
MAJOR ACHIEVEMENTS

- Ratified a Declaration of Recognition and Commitment to advance our commitment to reconciliation.
- Completed a feasibility study for the Power Melbourne renewable energy project.
- Established the Homes Melbourne entity and appointed its CEO.
- Established Invest Melbourne and appointed its CEO.
- Launched the Clean Melbourne Graffiti Blitz.
- Delivered the Greenline Implementation Plan.
- Delivered our biggest-ever Moomba Festival.
- Rolled out three rounds of the Melbourne Money dining rebate scheme.
- Revitalised laneways with the Flash Forward program.
- Delivered a \$789 million economic recovery Budget 2021-22.
- Developed new online Neighbourhood Portals.
- Signed a landmark lease agreement with Unison Housing to deliver the Make Room project.
- Revitalised vacant stores through the Shopfront Activation Program.
- Opened five new pop-up libraries, including the Mel-Van mobile library.
- Completed works at the new-look Enterprize Park.
- Joined an inner-city e-scooter trial.
- Established the Design Excellence Advisory Committee.
- Completed the Hoddle Grid Heritage Review.
- Endorsed the first Community Food Relief Plan.
- Introduced a food organics and green garden organics waste service.
- Completed the Western Sports Pavilion in Royal Park.
- Delivered major upgrades at Melbourne City Baths.
- Redeveloped Lady Huntingfield Early Learning and Family Services Centre.
- Undertook precinct renewal works at Queen Victoria Market, including restoration works of the historic sheds.
- Launched a new Corporate Strategy.
- Established Experience Melbourne.
- Became the first Australian city to effectively measure our performance against the United National Sustainable Development Goals.

For more information on City of Melbourne's achievements for 2021-22, see the Delivering Major Initiatives section.

BUDGET 2021–22

CAPITAL WORKS



More information on the City of Melbourne's capital works program is contained within the Financial Section of this report.

This is a snapshot of the major capital items in the 2021-22 financial year.

New projects

Western Community Sports Pavilion Upgrade - Royal Park	\$2.49 million
Swanston Street Hostile Vehicle Management Works	\$1.57 million
Cycle infrastructure	\$1.22 million
Fawkner Park Pasley Street North entrance improvement	\$1.25 million
Creative Laneways Program	\$2.07 million
Enterprize Park upgrade	\$1.15 million

Major capital works projects reappropriated in 2022-21

Queen Victoria Precinct Renewal Program	\$13.04 million
Public Art Program	\$7.72 million
Parks Renewal Program	\$5.17 million
Kensington Community Recreation Centre Redevelopment	\$4.13 million
Southbank Boulevard and Dodds Street	\$3.43 million
Major streetscape improvements	\$2.57 million
Parks Tree Planting and Replacement Program	\$2.26 million
City Baths renewal works	\$1.87 million
The Greenline Project	\$1.87 million
Public Art Melbourne - growth areas	\$1.4 million
Increase Public Open Space Program	\$1.24 million
Brens Community Sports Pavilion upgrade	\$1.12 million

Renewal works

Property Services renewal works	\$5.18 million
Footpath renewal	\$6.35 million
Roadway renewal	\$4.84 million
Drains renewal	\$1.72 million
Flood mitigation renewal	\$1.95 million

Maintenance works

Pedestrian improvements	\$1.03 million
Street lighting upgrade	\$1.04 million

EVENTS CALENDAR 2021–22

July 2021

- NAIDOC Week
- Magic Mike Live
- Truffle Melbourne Festival Weekend
- Bastille Day French Festival
- Open House Melbourne*
- Run Melbourne*

August 2021

- Melbourne International Film Festival*
- Melbourne Writers Festival*
- Indian Film Festival of Melbourne

September 2021

- no events due to COVID-19 restrictions

October 2021

- Melbourne World Rice Festival*
- Victorian Seniors Festival*

November 2021

- Ride2Work Day
Community Breakfast
- Indian Festival
- Polish Festival
- The Melbourne
Head Regatta
- Ability Fest
- Firefly Zipline
- Melbourne Fashion Week
- Christmas Festival

December 2021

- Melbourne Music Week
- Victorian Disability Sport and Recreation Festival
- Melbourne Marathon Festival
- Arriba Melbourne Mexican Festival
- Fair@Square Ethical Lifestyle Festival - Living Local
- Chinatown Melbourne Post Mid-Autumn Festival
- Vision Australia Carols by Candlelight
- New Year's Eve

January 2022

- Harmony Festival
- NGV Kids Summer Festival and kids' exhibitions
- Australian Open 2022
- Melbourne Renegades Super Clinic
- Midsumma Festival
- Australia Day

February 2022

- National Sustainable Living Festival
- Gallery Night presented by Melbourne Art Fair
- Melbourne Storm Family Day
- Melbourne Vixens Fan Day
- Lunar New Year Dragon Boat Festival

* Online program due to COVID-19 restrictions



March 2022

- Moomba Festival
- Ultra Music Festival
- Melbourne Fashion Festival
- Turkish Pazar Festival
- Blak and Bright First Nations Literary Festival
- Melbourne United Multicultural Festival
- Melbourne Food and Wine Festival
- Melbourne International Flower and Garden Show
- Melbourne Storm Multicultural Festival
- Carlton Harmony Festival
- Spanish Language Fiesta

April 2022

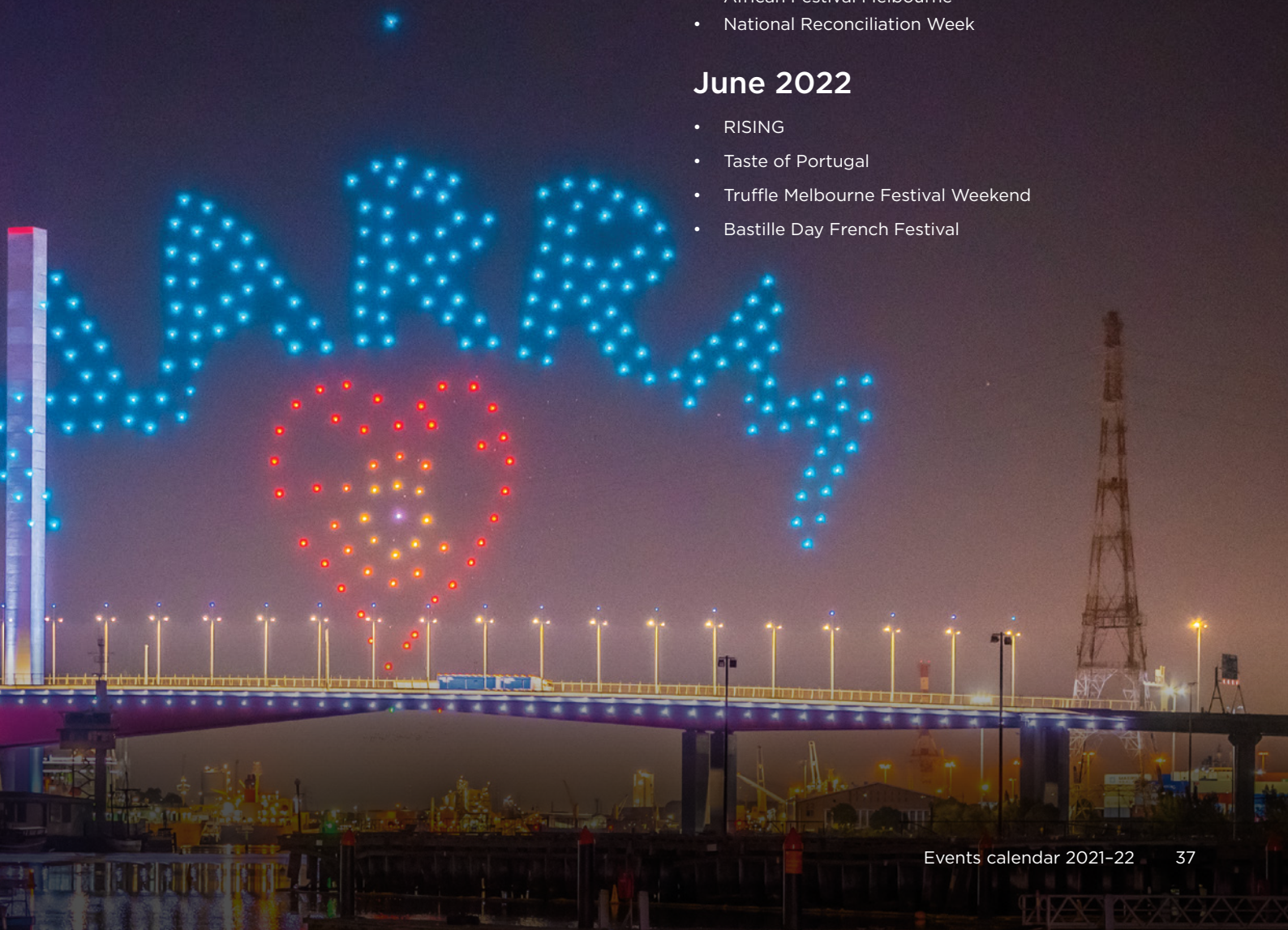
- Run for the Kids
- Melbourne Italian Festa – autumn edition
- Herald Sun / Transurban Run for the Kids
- Live Fast Festival presented by AGPC
- Ride2Work Day Community Breakfast
- Vida Melbourne Latin Festival
- Kids' Day Out
- Little Food Festival

May 2022

- Melbourne Chinatown Festival
- SalamFest Muslim Arts Festival
- South Asian Festival
- Melbourne International Student Week
- Mother's Day Classic
- Buddha's Day and Multicultural Festival
- The Long Walk
- African Festival Melbourne
- National Reconciliation Week

June 2022

- RISING
- Taste of Portugal
- Truffle Melbourne Festival Weekend
- Bastille Day French Festival



INTEGRATED PLANNING AND REPORTING FRAMEWORK

Our 10-year Community Vision informs Council on the longer-term aspirations of the community. The Council Plan 2021-25 is Council's medium-term strategy, which responds to community aspirations, and guides Council on its actions over the four-year council term. The Council Plan 2021-25 includes six Strategic Objectives, and the progress toward achieving them is monitored by a total of 49 Council Plan strategic indicators.

As part of the integrated planning framework, there are other key strategies and plans guiding Council's activities and commitments, including the:

- Public Health and Wellbeing Plan, which describes how the Council will promote the health and wellbeing of the community
- 10-year Financial Plan, which establishes how Council will achieve the Community Vision through responsible and sustainable financial management
- Asset Plan 2021-31 which establishes the asset management priorities for the next 10 years

Each year Council develops an Annual Plan and Budget, which establish Council's key activities for the 12-month period. These include delivery on major initiatives and tracking progress through Council Plan indicators. The Budget includes business as usual services we deliver for our community.

Strategic objectives 2021-25



Economy of the future

Over the next four years, we will focus on driving economic recovery and creating the conditions for a strong, adaptive, sustainable and thriving future city economy supported by a diverse mix of industries and jobs that provide dignity and opportunity.

Melbourne's unique identity and place

Over the next four years we will celebrate and protect the places, people and cultures that make Melbourne a unique, vibrant and creative city with world-leading liveability.

Aboriginal Melbourne

For the Wurundjeri, Bunurong, Taungurung, Dja Dja Wurrung and Wadawurrung peoples of the Eastern Kulin, the place now known as Melbourne has always been an important meeting place and location for events of political, cultural, social and educational significance. Over the next four years, we will ensure that First Peoples' culture, lore, knowledge, and heritage enrich the city's growth and development.

Climate and biodiversity emergency

Over the next four years, we will prioritise our environment and take urgent action to reduce emissions and waste in order to protect public health, strengthen the economy and create a city that mitigates and adapts to climate change. The City of Melbourne declared a climate and biodiversity emergency in 2019.

Access and affordability

Over the next four years, we will reduce economic and social inequality by ensuring universal access to housing, core services and information.

Safety and wellbeing

Over the next four years, we will plan and design for the safety and wellbeing of those who live, visit, work and do business in Melbourne, regardless of their background.

Our reporting framework


The following section 'performance against our measures' is divided into six sections – one chapter for each of our strategic objectives to support our vision of being a city of possibility.

How to read the following chapters

Each chapter covers:

- priority outcomes for the City of Melbourne over the four-year council term
- performance results for the year, as measured by the strategic indicators
- progress-to-date on each of Council's major initiatives – the priority activities under each goal, as listed in the Council Plan 2021–25
- Progress updates on health and wellbeing aligned roadmap activities and achievements that have contributed to the health and wellbeing focus areas.

Health and wellbeing priorities in this report

Many of the Council Plan outcomes, priorities and indicators also contribute to our health and wellbeing focus areas. Linkages to the strategic objectives are indicated with a heart symbol .

Our strategic indicators

This is the first reporting year of the Council Plan 2021–25. Strategic indicators enable Melbourne City Council to track our progress against each strategic objective over the four years of the Council Plan 2021–25.

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.

Strategies, frameworks and action plans

- A Great Place to Age Strategic Plan
- Affordable Housing Strategy 2030
- Arts Infrastructure Framework
- Climate and Biodiversity Emergency Response
- Climate Change Adaptation Strategy Refresh
- Climate Change Mitigation Strategy to 2050
- Community Food Relief Plan 2021-25
- Community Infrastructure Development Framework
- Creative Strategy
- Disability Access and Inclusion Plan 2020-24
- Economic Development Strategy 2031
- Emissions Reduction Plan 2021-26
- Gender Equality Action Plan 2021-24
- Green Our City Strategic Action Plan
- Heritage Strategy
- Inclusive Melbourne Strategy
- Municipal Integrated Water Management Plan

- Nature in the City
- Open Space Strategy
- Reconciliation Action Plan
- Skate Plan
- Smoke-free Melbourne Policy
- Transport Strategy 2030
- Urban Forest Strategy
- Waste and Resource Recovery Strategy 2030
- Women's Safety and Empowerment Action Plan

Place-based structure plans and master plans

- Macaulay Structure Plan 2021
- City North Structure Plan
- Docklands Community and Place Plan
- Docklands Public Realm Plan
- Docklands Waterways Strategic Plan
- Maribyrnong Waterfront - A Way Forward
- Melbourne Innovation Districts Opportunities Plan
- Moonee Ponds Creek Strategic Opportunities Plan
- Queen Victoria Market Precinct Renewal Master Plan
- Southbank Structure Plan
- West Melbourne Structure Plan
- Yarra River - Birrarung Strategy

Public space master plans

- Carlton Gardens Master Plan
- Domain Parklands Master Plan
- Fawkner Park Master Plan
- Fitzroy Gardens Master Plan
- Flagstaff Gardens Master Plan
- Greenline Implementation Plan
- Lincoln Square Concept Plan
- Princes Park Master Plan
- Royal Park Master Plan
- University Square Master Plan

Urban forest precinct plans

- Carlton Urban Forest Precinct Plan
- Central City Urban Forest Precinct Plan
- Docklands Urban Forest Precinct Plan
- East Melbourne Urban Forest Precinct Plan
- Fishermans Bend Urban Forest Precinct Plan
- Kensington Urban Forest Precinct Plan
- North and West Melbourne Urban Forest Precinct Plan
- Parkville Urban Forest Precinct Plan
- South Yarra Urban Forest Precinct Plan
- Southbank Urban Forest Precinct Plan

Major streetscape master plans

- City Road Master Plan
- Elizabeth Street Strategic Opportunities Plan
- Southbank Boulevard and Dodds Street Concept Plan

OUR CUSTOMERS AND SERVICE AREAS

Our customers

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

Service areas

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 that are delivered, the benefits that can be achieved and how the needs of our community may change in the future. These families may be further refined as we continue to manage and improve our services.

SERVICE AREA	SERVICES
Assistance and care	
Supporting vulnerable people to enable safe and independent living.	<ol style="list-style-type: none"> 1. Assisting independence 2. Counselling and support 3. Financial support to outsourced care providers 4. Food security 5. Targeted interventions for childhood development
Economic development	
Fostering the development of Melbourne's economy.	<ol style="list-style-type: none"> 1. Enable positive experiences within Melbourne 2. Support communities and businesses to prosper 3. Encourage investment in Melbourne 4. Promote Melbourne as a destination
Safety management	
Ensuring people are protected and safe when accessing and using spaces.	<ol style="list-style-type: none"> 1. Safeguarding public health 2. Reducing the risk of accident and injury 3. Planning for and responding to emergency and disaster events 4. Responding to and managing city issues
Welcome and connection	
Supporting people to experience and engage with Melbourne.	<ol style="list-style-type: none"> 1. Providing opportunities for social cohesion and connection with people 2. Welcoming visitors and providing opportunities to connect with the city 3. Providing opportunities to enhance our connection with Country
Early years development	
Supporting families with children to develop and thrive.	<ol style="list-style-type: none"> 1. Access to toys and equipment 2. Early learning and care 3. Parent education and family health 4. Delivery of language and literacy programs

SERVICE AREA	SERVICES
<p>Waste and resource management</p> <p>Repurposing, recycling or disposing of waste and reducing resource waste in the municipality.</p>	<ol style="list-style-type: none"> 1. The collection of public waste 2. The collection of waste from ratepayers 3. The sustainable management of resources
<p>Creativity and knowledge</p> <p>Providing opportunities to create, learn, connect, experience and share.</p>	<ol style="list-style-type: none"> 1. Providing and promoting access to creative opportunities, experiences, knowledge, information and education programs 2. Activating and embedding a culture that values creativity, inquiry and critical thought
<p>Movement and traffic</p> <p>Facilitating movement into, around and out of the municipality.</p>	<ol style="list-style-type: none"> 1. Advising and responding to varied transport needs 2. Enabling access through regulation and compliance 3. Providing and maintaining movement infrastructure
<p>Wellbeing and leisure</p> <p>Encouraging people to be healthy and active.</p>	<ol style="list-style-type: none"> 1. Planning, funding and delivering wellbeing programs and events 2. Producing and distributing healthy living information and advice 3. Providing, maintaining and managing access to recreation facilities and open space infrastructure

SUSTAINABLE DEVELOPMENT GOALS

In 2015, the Australian Government, together with all United Nations member states, committed to an overarching framework for global development, titled Transforming Our World: The 2030 Agenda for Sustainable Development. It sets out 17 ambitious goals supported by 169 targets and 231 indicators designed to measure progress at a national level.

Action on the Sustainable Development Goals (SDGs) is primarily directed at a national level. However, at the City of Melbourne, we recognise all levels of government must play a role to create change.

Recognising the role a global city like Melbourne has in helping achieve the SDGs, we have reflected in this document how each of the major initiatives the Council is delivering on as part of the Council Plan 2021-25 relate to particular SDG targets.

Separately, in a first for Australia, the City of Melbourne has conducted a Voluntary Local Review of Melbourne's progress against the SDGs. For more information about this, see melbourne.vic.gov.au/sdg



Source: The United Nations Sustainable Development Goals

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 our organisation and the community to preserve and improve the city we love.

City of Melbourne faces many challenges, from climate change to population growth, changing demographics and economic volatility. These challenges have prompted us to look at new ways to respond while growing Melbourne's position as one of the world's most liveable cities.

We are tackling these challenges in partnership with our community. Sharing responsibility for building and maintaining a healthy and resilient environment into the future. Our Future Melbourne goals, and health and wellbeing priorities outline the critical issues we need to focus on to address our sustainability challenges and aspirations.

Environmental sustainability

More information on our commitment to environmental sustainability can be found in the 'Performance against our measures' section – a city that cares for its environment and in 'our organisation' – our environmental performance.





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*, the *Local Government Act 1989* and the *Local Government Act 2020*.



Left to right: Cr Dr Olivia Ball, Cr Kevin Louey, Cr Roshena Campbell, Cr Jamal Hakim, Deputy Lord Mayor Nicholas Reece, Cr Davydd Griffiths, Lord Mayor Sally Capp, Cr Rohan Leppert, Cr Philip Le Liu, Cr Elizabeth Mary Doidge and Cr Jason Chang

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 a single ward and councillors represent residents and ratepayers across all of the city.
- 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 2020. Sally Capp was re-elected as Lord Mayor, and Nicholas Reece was elected as Deputy Lord Mayor. They, along with Dr Olivia Ball, Roshena Campbell, Jason Chang, Elizabeth Mary Doidge, Davydd Griffiths, Jamal Hakim, Philip Le Liu, Rohan Leppert and Kevin Louey, were sworn in on Tuesday 10 November 2020.

More information about local government elections is available from the Victorian Electoral Commission at website at vec.vic.gov.au

Councillor conduct

The City of Melbourne's Councillor Code of Conduct outlines the role of the Council. In addition, it provides an overview of councillor responsibilities under the *Local Government Act 2020* and *Local Government (Governance and Integrity) Regulations 2020*.

The code includes four mandatory standards, values and behaviours, specific councillor conduct obligations and dispute resolution options and processes.

A revised Councillor Code of Conduct was adopted by Council on 15 December 2020. Councillors receive communication and advice from the City of Melbourne and the Victorian Government with updated information and guidance on conduct matters.

Council decisions

Councillors make decisions at Council meetings and Committee meetings (to which the Council delegates certain powers). Future Melbourne Committee meeting decisions are subject to a 'referral notice process'.

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 2020* or any other Act may be delegated to a committee or Council, the CEO or individual staff, 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 under 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 the City of Melbourne through the Commonwealth Home Support Program, the Victorian Support for Carers Program, and to the broader 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.
- Meeting the needs of diverse carers, including LGBTQ+ carers, by providing specific support.
- Delivering carer-specific activities that provide support and recreation opportunities for carers.
- Delivering events that recognise and acknowledge the contributions of carers.
- Providing a carer support network with one-on-one support and information.
- Recognising the role of carers by including carers in the assessment, planning, delivery and review of services that impact them and their role.

- Providing information to people who contact the City of Melbourne, community networks and organisations represented in the municipality.
- Through policies that satisfy the Aged Care Quality Standards, which incorporate recognition of carers in relation to services that affect them in their role as carers.

Disability Act 2006

The City of Melbourne has endorsed a Disability Access and Inclusion Plan 2020–24, in line with section 38 of the *Disability Act 2006* (Vic).

This Plan outlines actions and measures to enable equitable and full participation of people with disabilities in our city. It does this by reducing and eliminating barriers to access in our built, social and informational environments.

A monitoring and evaluation framework – outlining the responsibility for actions and measures in each financial year – supports implementation of the Plan, as well as ownership, advocacy and reporting across the organisation.

Achievements for 2021–22 were underpinned by co-design, collaboration and engagement with people with disability and the City of Melbourne's Disability Advisory Committee.

Key achievements include:

- Enhanced access and inclusion at 116 events, through creation of quiet spaces, social stories, Auslan interpreters and closed captions.
- Affiliation with the Sunflower Symbol initiative, launched at Moomba Festival in March 2022. This initiative supports people with hidden disabilities. In addition, 263 staff and volunteers undertook Sunflower Symbol training.
- Access improvements at 10 facilities, upgrades of 26 footpaths, and 9 additional audible street signs.
- Securing \$110,000 of Victorian Government funding to install a Changing Places Toilet Facility at Kensington Recreation and Community Centre.
- Extending the contract with Travellers Aid to June 2024, to ensure seamless mobility support services for people at events and within the city.
- Community grants to the value of \$269,500 to support disability organisations and community led-projects.

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 Regions. We are in the last year of the plan for 2017–21.

Highlights included supporting Victoria's response to the COVID-19 pandemic, including providing walks to dogs whose owners were isolating, and helping to get animals to veterinary clinics when required. We also continued implementing agreements with vet clinics to reunite cats and dogs with their owners more efficiently during the COVID-19 pandemic. In addition, we finalised our review of dogs in public places and reviewed pound statistics to identify trends of animals admitted to the pound. We will continue to implement findings.

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 2021-22.

Freedom of Information Act 1982

The *Freedom of Information Act 1982* 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.

Freedom of Information requests received 2021-22

Number of personal requests received	8
Number of non-personal requests received	52
Total number of requests received	60
Number of requests that were transferred from another agency	1
Number of requests transferred to another agency	1
Outcome of requests	
Access granted in full (no exempt material)	16
Access granted in part (some exempt material)	2
Access denied in full (all material exempt)	2
Withdrawn	4
Not proceeded with	7
Act does not apply	1
Not processed	0
No documents	6
Outside the Act	13
Not yet finalised	9

Public Health and Wellbeing Act 2008

In accordance with section 27 (2)(b) of the *Public Health and Wellbeing Act 2008*, a council must conduct an annual review of the Municipal Public Health and Wellbeing Plan. This Annual Report 2021-22 fulfills our obligations.

Privacy and Data Protection Act 2014

Standards set out by Victoria's *Privacy and Data Protection Act 2014*, and our Privacy Policy, 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 in 2021-22.

Public Interest Disclosure Act 2012

To access our procedures, visit melbourne.vic.gov.au and search for 'public interest disclosures'.

During 2021-22, 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 2021-22.

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 and is set out on the next page.

Development Contributions Plan (DCP) Levies

Total Development Contributions Plan levies received in 2021-22

Development Contributions Plan and year approved	Levies received in 2021-22 \$
DCPO2 Macaulay Urban Renewal Area (Interim) (2017)	\$0
Total	\$0

Total Development Contributions Plan contributions received and expended
(for Development Contributions Plans approved after 1 June 2016)

DCP and year approved	Total levies received \$	Total levies expended \$	Total works-in-kind accepted \$	Total Development Contributions Plan contributions received (levies and works-in-kind) \$
DCPO2 Macaulay Urban Renewal Area (Interim) (2017)	\$1,272,403.28	\$0	\$0	\$1,272,403.28
Total	\$1,272,403.28	\$0	\$0	\$1,272,403.28

Documents available for inspection

The City of Melbourne has a Public Transparency Policy which supports Council in its ongoing commitment to open and accountable decision-making, and identifying how council information is to be made publicly available.

The Public Transparency Policy is a statutory document required under the *Local Government Act 2020*, which must:

- give effect to the public transparency principles
- describe the ways in which Council information is to be made publicly available
- specify which Council information must be publicly available, including all policies, plans and reports required under this Act or any other Act.

Council information will be made available through the City of Melbourne website melbourne.vic.gov.au or, in some instances, by request.

Members of the public can make various kinds of information requests to City of Melbourne (such as informal requests for documents and information, or formal FOI requests).

Council will respond to requests for information in alignment with:

- the *Local Government Act 2020* including the public transparency principles
- the Public Transparency Policy
- Part II of the *Freedom of Information Act 1982*.

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 develop and deliver IT and digital services for the local government sector (currently not trading).
- Queen Victoria Market Pty Ltd – a company established to manage and operate Queen Victoria Market.

Interest in other entities

- Regent Management Company Limited – shared with the Victorian Government, the City of Melbourne has a 50 per cent interest in this company. It was established to manage the historic Regent Theatre in Collins Street, Melbourne.
- MAPS Group Limited, trading as Procurement Australia – 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. Anyone may submit an item of correspondence (to Council or Committee) or a request to address Committee concerning an item listed on the agenda.

Members of the public may ask questions at 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

Council and Committee meetings are held both virtually and in-person and streamed live. Members of the public can follow the live stream on melbourne.vic.gov.au

Audio and video recordings are also published on the website following each meeting.

The second Future Melbourne Committee of each month is held at different community locations including a meet and greet with councillors beforehand.

The City of Melbourne provides the following options to allow community members to participate virtually in Future Melbourne Committee meetings.

In relation to public questions:

- Members of the public can submit their questions via an online link on melbourne.vic.gov.au/upcoming-meetings. The Chair of the meeting reads out questions received in writing, and responses are provided at the meeting, or the question is taken on notice and a response provided later.
- Members of the public can register to attend the meeting in person or join the meeting (via phone or Zoom) to ask their questions live via the online link on melbourne.vic.gov.au/upcoming-meetings

In relation to submissions:

- Members of the public can submit written submissions via the online link on melbourne.vic.gov.au/upcoming-meetings
- Members of the public can register to attend the meeting in person or join the meeting (via phone or Zoom) to make their submission via the on line link.

OUR COUNCILLORS

In 2021–22, 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.



The Lord Mayor is Chair of meetings of the Melbourne City Council and Future Melbourne Committee. The Lord Mayor leads the City Transport, Infrastructure and Operations and Aboriginal Melbourne portfolios.

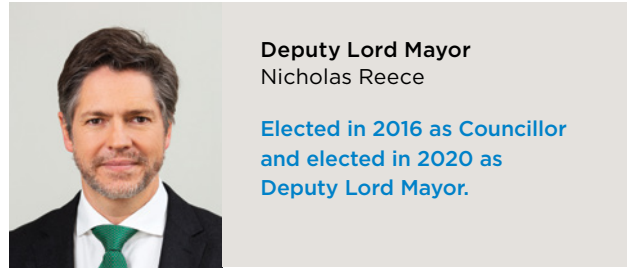
The Lord Mayor acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- C40 Cities Climate Leadership Group
- Chief Executive Officer Employment Matters Committee
- Council of Capital City Lord Mayors
- Fishermans Bend Mayor's Forum
- Lord Mayor's Charitable Foundation – Honorary Patron
- Local Government Mayoral Advisory Group
- Melbourne Art Trust
- Metropolitan Local Governments' Waste Forum
- Metropolitan Transport Forum
- Melbourne 9
- Shrine of Remembrance – Trustee
- Queen Victoria Market Committee of Trustees – Chairperson.

Contact details

Phone: 03 9658 9658

Email: lordmayor@melbourne.vic.gov.au



The Deputy Lord Mayor is Deputy Chair of meetings of the Future Melbourne Committee and Chair when the Committee considers planning matters where the Council is the responsible authority, referral authority or planning authority under the *Planning and Environment Act 1987*.

The Deputy Lord Mayor leads the City Planning portfolio and is deputy lead for the Finance, Governance and Risk, and Heritage portfolios.

The Deputy Lord Mayor acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Committee for Melbourne
- Melbourne Art Trust.

Contact details

Phone: 03 9658 9658

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



Councillor
Dr Olivia Ball

Elected in 2020.

Councillor Dr Olivia Ball leads the Health, Wellbeing and Belonging portfolio and is deputy lead for the Aboriginal Melbourne portfolio.

Councillor Dr Ball acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Family and Children's Advisory Committee (Chairperson)
- Disability Advisory Committee.

Contact details

Phone: 03 9658 9086

Email: olivia.ball@melbourne.vic.gov.au



Councillor
Roshena Campbell

Elected in 2020.

Councillor Roshena Campbell leads the City Activation portfolio and was deputy lead for the City Transport, Infrastructure and Operations portfolio.

Councillor Campbell acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Chief Executive Officer Employment Matters Committee
- Melbourne Art Trust
- Night-time Economy Advisory Committee.

Contact details

Phone: 03 9658 9043

Email: roshena.campbell@melbourne.vic.gov.au



Councillor
Jason Chang

Elected in 2020.

Councillor Jason Chang leads the Small Business portfolio and is deputy lead for the Business and Global Opportunities portfolio.

Councillor Chang acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Night Time Economy Advisory Committee
- Enterprise Melbourne Pty Ltd.

Contact details

Phone: 03 9658 9038

Email: jason.chang@melbourne.vic.gov.au



Councillor Elizabeth Mary Doidge leads the Sustainable Building portfolio and is deputy lead for the Environment and Creative Melbourne portfolios.

Councillor Doidge acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Northern Alliance for Greenhouse Action Executive Board.

Contact details

Phone: 03 9658 9636

Email: elizabethmary.doidge@melbourne.vic.gov.au



Councillor Davydd Griffiths leads the Education and Innovation portfolio.

Councillor Griffiths acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Chief Executive Officer Employment Matters Committee.

Contact details

Phone: 03 9658 9056

Email: davydd.griffiths@melbourne.vic.gov.au



Councillor Jamal Hakim leads the Creative Melbourne portfolio and is deputy lead for the Health, Wellbeing and Belonging, and City Activation portfolios.

Councillor Hakim acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Audit and Risk Committee
- Disability Advisory Committee (Chairperson)
- Association of Bayside Municipalities.

Contact details

Phone: 03 9658 8580

Email: jamal.hakim@melbourne.vic.gov.au



Councillor
Philip Le Liu

Elected in 2016 and re-elected in 2020.

Councillor Philip Le Liu leads the Finance, Governance and Risk portfolio and is deputy lead for the Education and Innovation portfolio.

Councillor Le Liu acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Audit and Risk Committee
- Chief Executive Officer Employment Matters Committee
- Melbourne Art Trust
- Victorian Local Governance Association.

Contact details

Phone: 03 9658 9630

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



Councillor
Rohan Leppert

First elected in 2012 and re-elected in 2016 and 2020.

Councillor Rohan Leppert leads the Environment and Heritage portfolios and is deputy lead for the Sustainable Building and City Planning portfolios.

Councillor Leppert acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Parks and Gardens Advisory Committee (Chairperson)
- International Council for Local Environment Initiatives
- Municipal Association of Victoria - Board member and Deputy President Metro
- Yarra Park Advisory Committee.

Contact details

Phone: 03 9658 9051

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



Councillor
Kevin Louey

First elected in 2008 and re-elected in 2012, 2016 and 2020.

Councillor Kevin Louey leads the Business and Global Opportunities portfolio and is deputy lead for the Small Business portfolio.

Councillor Louey acts as Council's representative (through membership or as a contact point) in relation to activities and functions of the following committees or external organisations:

- Future Melbourne Committee
- Business Partner City Network
- Enterprise Melbourne Pty Ltd.

Contact details

Phone: 03 9658 9170

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

Where to find out more about our councillors

To find out more about our councillors, go to melbourne.vic.gov.au and search for 'councillors'.

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:

Lord Mayor	\$238,634
Deputy Lord Mayor	\$119,317
Councillors	\$53,957

This includes an amount equivalent to the Superannuation Guarantee.

Councillors are also provided with a range of services and support as described in the Council Expenses Policy 2020.

Councillor expenses

Councillors incur expenses while fulfilling their roles. Expenditure is regulated by the Council Expenses Policy 2020, revised in August 2020 and consistent with section 40 of the *Local Government Act 2020*. Councillor expenses are reported in detail every quarter on melbourne.vic.gov.au

In accordance with section 40 of the *Local Government Act 2020*, City of Melbourne is required to reimburse a councillor for expenses incurred while performing their duties as a councillor. City of Melbourne 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. City of Melbourne 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 tables in the following pages.

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 that relate to areas and events that impact on the role of councillors and the City of Melbourne in general. This category also includes memberships and subscriptions to bodies and organisations that perform activities that are relevant to the 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 services, reimbursement for use of private vehicles while conducting Council business, car parking fees, access to bicycles, the provision of car parking permits, e-tags and use of City of Melbourne fleet vehicles as described in the Council Expenses Policy 2020. 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 City of Melbourne 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

Council will reimburse the cost of necessary carer expenses incurred by councillors while carrying out their duties. This covers childcare 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 2021-22. The tables are grouped by leadership team (Lord Mayor and Deputy Lord Mayor) and councillors.

Leadership Team - 1 July 2021 to 30 June 2022

Councillor	Conferences, functions and training	Travel local	Communication	Functions external to Town Hall	Carer expenses	Total expenses
Lord Mayor Sally Capp	\$85.00	\$22,945.59	\$3,523.98	\$0	\$0	\$26,554.57
Deputy Lord Mayor Nicholas Reece	\$0	\$23,465.30	\$1,949.31	\$66.34	\$0	\$25,480.95
Category total	\$85.00	\$46,410.89	\$5,473.29	\$66.34	\$0	\$52,035.52

Councillors - 1 July 2021 to 30 June 2022

Councillor	Conferences, functions and training	Travel local	Communication	Functions external to Town Hall	Carer expenses	Total expenses
Councillor Dr Olivia Ball	\$880.00	\$561.42	\$171.48	\$0	\$0	\$1,612.90
Councillor Roshena Campbell	\$172.73	\$455.60	\$908.12	\$0	\$19,566.50	\$21,102.95
Councillor Jason Chang	\$0	\$0	\$817.16	\$0	\$0	\$817.16
Councillor Elizabeth Mary Doidge	\$1,055.00	\$12.27	\$206.07	\$0	\$0	\$1,273.34
Councillor Davydd Griffiths	\$0	\$0	\$634.82	\$0	\$0	\$634.82
Councillor Jamal Hakim	\$715.00	\$410.90	\$226.02	\$59.83	\$0	\$1,411.75
Councillor Philip Le Liu	\$550.00	\$44.18	\$394.03	\$0	\$0	\$988.21
Councillor Rohan Leppert	\$0	\$1,173.31	\$1,501.20	\$0	\$0	\$2,674.51
Councillor Kevin Louey	\$436.37	\$205.00	\$2,344.80	\$0	\$0	\$2,986.17
Category total	\$3,809.10	\$2,862.68	\$7,203.70	\$59.83	\$19,566.50	\$33,501.81

Council delegated (special) committees

As well as Council meetings, Melbourne City Council had the following delegated committees in 2021-22:

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. All councillors participate in the Committee. The Committee's terms of reference are grouped into 13 themes or portfolios:

- Aboriginal Melbourne
- Business and Global Opportunities
- City Activation
- City Planning
- City Transport, Infrastructure and Operations
- Creative Melbourne
- Education and Innovation
- Environment
- Finance, Governance and Risk
- Health, Wellbeing and Belonging
- Heritage
- Small Business
- Sustainable Building

C278 Sunlight to Parks

This committee was established in August 2021 to hear submissions and make recommendations to Council on Planning Scheme Amendment C278. The committee consisted of councillors Doidge (Chairperson), Hakim and Le Liu. The only meeting of this committee was held in September 2021.

Council and committee meeting attendance

1 July 2021 to 30 June 2022

Councillor	Melbourne City Council meetings (total 12)	Future Melbourne Committee meetings (total 23)
Lord Mayor Sally Capp	12	23
Deputy Lord Mayor Nicholas Reece	11	23
Councillor Dr Olivia Ball	12	23
Councillor Roshena Campbell	10	21
Councillor Jason Chang	8	17
Councillor Elizabeth Mary Doidge	11	22
Councillor Davydd Griffiths	11	23
Councillor Jamal Hakim	12	23
Councillor Philip Le Liu	11	19
Councillor Rohan Leppert	12	23
Councillor Kevin Louey	12	23

PERFORMANCE AGAINST OUR MEASURES



ECONOMY OF THE FUTURE

Over the next four years, we will focus on driving economic recovery and creating the conditions for a strong, adaptive, sustainable and thriving future city economy, supported by a diverse mix of industries and jobs that provide dignity and opportunity.

Our priorities

- The city economy is stronger, resilient and fully recovered from the impacts of COVID-19.
- Existing businesses are supported, new businesses, talent and investment are attracted to the city and our growing residential community has access to employment in the municipality.
- Increased economic participation, with a city economy that is more inclusive and fair, enabling residents to access employment and key workers to access accommodation in the city. This priority aligns with, and contributes to, addressing our city's health and wellbeing focus areas. ❤️
- Doing business in the city is made more attractive by streamlining processes and alleviating costs.
- The central city is a magnet for events and has a strong reputation as a destination to visit, do business, study and live.
- A financially sustainable and highly effective City of Melbourne organisation.
- Melbourne is a digitally connected city that embraces new industries to create next-generation jobs and businesses.

How we will measure progress

Progress toward achieving our Council Plan strategic objectives is reflected through the results for each strategic indicator. The results for this financial year are below.

Strategic indicator	Target or desired trend	Results 2021-22	Our progress
Capital city gross local product.	Increase	\$107.4 billion	The 2021-22 result for Melbourne's gross local product records improvement on pre-pandemic levels. Notwithstanding the impacts of COVID-19 on the retail and hospitality sectors in particular, the higher outcome reflects the underlying strength of the city's economy. This is positive for the city's ongoing recovery as well as for Melbourne's longer-term economic goals as reflected in our economic development strategy - Melbourne's Thriving Economic Future: Economic Development Strategy 2031.
Number of businesses in the municipality.	Increase	14,513	Comparisons between the outcome for the year just ended and the previous year are not advised. To ensure overall consistency the City of Melbourne is now using data from its Census of Land Use and Employment (CLUE), rather than data from the ABS (from which the FY21 result is drawn). The CLUE data however are not complete as the nature of the survey's collection methodology requires a two-year cycle. Macroeconomic indicators such as GLP and number of jobs reflect - in a more contemporary fashion - the city's steady return to a growth trajectory.

Strategic indicator	Target or desired trend	Results 2021-22	Our progress
Number of startups in the municipality.	Increase	1180	<p>There has been a slight reduction (4%) in the number of startups in the municipality. Most startups are located in postcode 3000 (873) and postcode 3004 (51).</p> <p>While the number of startups remained steady in most postcodes in the City of Melbourne, postcode 3000 and 3004 saw a combined decline of 67 startups compared to 2020-21.</p> <p>Considering the difficult operating environment for small businesses and startups, this result - while not meeting the desired trend - was expected.</p>
Vacancy rate of retail premises.	Decrease	19%	<p>Due to data collection starting in October 2021, a full year of collection has not taken place. The initial recorded vacancy rate was 26% and is now 19% as of 30 June 2022.</p> <p>The Shopfront Activation Program has directly activated almost 100 vacant shops, bringing colour and interest to retail high streets, as well as attracting consumers and contributing to a decrease in shopfront vacancy rates.</p>
Proportion of residents employed in the municipality. ♥	Increase	54.9% (2016 Census data)	Reported result is derived from an analysis of the 2016 ABS Census. Updated data reflecting the most recent census is expected towards the end of 2022.
Gross local product per capita per person employed.	Increase	\$230,741	This result reflects the underlying strength of the city's economy as this metric has grown considerably since 2019 (\$209,000). Notwithstanding the pandemic, the value created by workers in the City of Melbourne remains strongly underpinned by the agglomerative benefits that the CBD and the broader municipality provide. The city is well on track to meet the target set in its economic development strategy of \$250,000 in GLP per worker by 2031.
Number of jobs in the municipality.	Increase	465,600	<p>The strength of the municipality's labour market is demonstrated through this result. Notwithstanding a dip in employment levels in 2020 and 2021 due to the pandemic, the resumption of a growth trajectory for jobs in the City of Melbourne augurs well for continued recovery and ongoing growth.</p> <p>(NB: Labour market figures in the Council's 2031 Economic Development Strategy are derived from ABS data, while this figure is drawn from the CLUE dataset to ensure year-on-year consistency with other metrics.)</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Strategic indicator	Target or desired trend	Results 2021-22	Our progress
Number of visitors to the municipality.	Increase	6,318,523	<p>As COVID-19 restrictions eased, visitor trips increased by 106.1% for the year ending March 2022.</p> <p>The data for year ended March 2022 does not include international visitation, as international travel into Australia was still limited until March 2022. International borders were only fully open to tourists from 21 February 2022, following a staged reopening in November 2021.</p> <p>We welcomed about 6.3 million domestic visitors, but total visitation was down by more than 54.9% when compared to the year ending March 2020. This shows the impact that COVID-19 has had on travel overall.</p> <p>Experience Melbourne has a planned program of work to address this and drive visitation and spend in 2022-23.</p>
Planning applications decided within required timeframes.	100%	59%	59% of planning applications were decided within the required time frame during 2021-22. This represents a 7% increase from the 2020-21 results of 52%.

Major initiatives

Our major initiatives represent City of Melbourne's commitments over 2021-25 to achieve its strategic objectives. Highlights of what we achieved last financial year are set out in the table below.

To find out what is planned for delivery in the 2022-23 financial year as part of our major initiatives, take a look at our Annual Plan 2022-23.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
1	Continue to strengthen Melbourne's economic recovery, including through precinct and shopfront activation, delivery of an enhanced Business Concierge Service and support for the night-time economy. ♥	Deliver	<p>Our Business Concierge team provided 23,000 businesses with dedicated support and mentoring. The team helped businesses set up new operating models, and helped 26 new and startup businesses easily navigate permit and application processes.</p> <p>We launched the Shopfront Activation Program, which transformed 71 vacant shops into new retail spaces and enterprises, including in the CBD, Lygon Street and Docklands precincts.</p> <p>Two Midweek Melbourne Money programs boosted visitor spending in the city from Monday to Thursday and, along with other events, revived pedestrian numbers to pre-COVID levels.</p> <p>The Night-time Economy Advisory Committee was formed to find ways to encourage people back into the city, to support the retail, hospitality and creative industries.</p>
2	Ensure Melbourne is the easiest place to start and grow a business through the establishment of Invest Melbourne, which will facilitate headquarter attraction, business support and fast-tracked permits.	Deliver	<p>Invest Melbourne was established. A Chief Executive Officer was appointed in November and an Investment and Attraction Strategy has been developed.</p> <p>Strong working relationships have been forged with Invest Victoria, Department of Jobs, Precincts and Regions, Global Victoria and Austrade.</p> <p>More than 40 projects have been identified with the potential to create 6000-plus jobs and more than \$1 billion in capital expenditure.</p> <p>Investment outcomes will be delivered in collaboration with the Victorian and Australian governments.</p> <p>As part of fostering our international relationships, we hosted delegates from the City of Changwon, South Korea and met with the ambassadors from Israel, Brazil, Peru and other locations.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

What we said we'd do in 2021-25	Our role	What we've achieved so far
<p>3 Drive economic growth and resilience by implementing the Economic Development Strategy, focusing our support on existing and emerging industry sectors.</p> <p>This will include close collaboration with industry and universities, development of globally competitive innovation districts (particularly in our renewal areas), strengthening of the creative sector, facilitation of digital and technology innovation, support for re-establishment of international education and efforts to unlock climate capital.</p>	<p>Deliver Partner</p>	<p>Implementation of the Economic Development Strategy began with delivery of the first tranche of the Melbourne City Revitalisation Fund in partnership with the Victorian Government. This included an expanded 2021 Christmas Festival, delivery of five pop-up libraries, and support to business and the city economy (see major initiative 1).</p> <p>The city continued to play a leadership role in retaining Melbourne's competitive advantage for international education through a new Student Arrivals Plan.</p> <p>We engaged with more than 2000 students during Melbourne International Student Week, hosted an event for 100 international student volunteers to acknowledge their contribution to initiatives such as The Couch, the International Student Centre and Melbourne International Student Week.</p> <p>We participated in the International Student Employability Roundtable to deliver better pathways to work, post-qualification work rights and permanent residency.</p>
<p>4 Work in partnership with the Victorian Government and other stakeholders to advocate for and deliver integrated high-quality public and active transport in urban renewal areas including Melbourne Metro 2, tram to Fishermans Bend and tram to connect the Arden precinct. ♥</p>	<p>Partner</p>	<p>This initiative is scheduled to begin in 2022-23.</p>
<p>5 Establish a new tourism entity called Visit Melbourne [now Experience Melbourne] and review and refresh the program of City of Melbourne-owned and sponsored events to maximise opportunities to drive visitation and spend. The program will be diverse, accessible and affordable, and showcase Melbourne's unique culture and creative strengths.</p>	<p>Deliver Partner</p>	<p>Experience Melbourne was established to deliver a new program of work to position the city as a world-class destination, and drive visitation and spend.</p> <p>More than 10 new tourism initiatives were delivered this year. Highlights include:</p> <ul style="list-style-type: none"> • Melbourne Money and Midweek Melbourne Money • the Melbourne Attractions Keypass • targeted industry support through the Victorian Tourism Industry Council Tourism Awards • new walking and cycling tours. <p>We reinvigorated our events program to showcase Melbourne through events such as:</p> <ul style="list-style-type: none"> • Melbourne Fashion Week with a new format • a refreshed Christmas Festival • New Year's Eve celebrations • On the Road Again with Creative Victoria supporting musicians • the largest Moomba festival yet • FOMO seasonal marketing campaigns that promoted local businesses • Retail sector campaign Shop the City.

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
6	Market and promote Melbourne as a great place to live for all, while ensuring key workers have access to affordable housing. ❤️	Deliver	<p>This is Your Local ran from 28 October to 31 May. The successful marketing campaign resulted in more than 323,000 clicks through to realestate.com.au and Domain microsites. Fifty editorial pieces were created, delivering 695,000 article views online. Each month saw steady growth in the uptake of the stamp duty offer.</p> <p>Anecdotal feedback from developers indicated increased enquiries and sales due to the campaign. At the end of financial year, the residential vacancy rate was lower than before the COVID-19 pandemic.</p> <p>In May 2022, the likelihood of a resident to recommend the city as a place to live delivered the strongest result recorded since June 2021.</p>
7	Increase visitation to Docklands by partnering with the Victorian Government and key stakeholders to enable reconstruction and redevelopment in Central Pier and surrounds.	Partner Advocate	<p>Development Victoria has been responsible for progressing the redevelopment of Central Pier. The department's community engagement on the redevelopment of Central Pier was deferred while various approvals and feasibility work progressed.</p> <p>Meanwhile, City of Melbourne planned a summit to engage key stakeholders and the community to elevate the need for action, and build enthusiasm for regeneration in Docklands.</p> <p>We also continued to capture important community sentiment through our neighbourhood planning for Docklands.</p>
8	Review Melbourne's international relationships to optimise future and existing partnerships, to enable mutual growth and opportunity.	Deliver	<p>We began the review of Melbourne's international relationships and development of a new International Engagement Framework, which will reset City of Melbourne's international relations in the context of the changing local and global landscape.</p> <p>We continued to support existing international partnerships as part of delivering the internationally focused actions in the Economic Development Strategy. This included:</p> <ul style="list-style-type: none"> • 45 in-person and virtual events with a combined participation of more than 5000 attendees. • Working with 136 partners and international communities to strengthen economic relationships. • Programs that supported 52 startups to connect globally, including with strategic partners in Nanjing, China and Bandung, Indonesia. • 124 WeChat stories posted to promote Melbourne's events, business highlights, tourism and international student programs, generating 90,000 reads. <p>We suspended the St Petersburg sister city relationship indefinitely as a result of Russia's invasion of Ukraine.</p>

❤️ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
9	Partner with industry to support the development of globally competitive innovation ecosystems, including through international engagement, emerging technology trials and digital infrastructure delivery.	Partner Deliver	<p>This year, we delivered new capacity-building programs and events.</p> <p>As part of Melbourne Knowledge Week, we supported the entrepreneurial efforts of underrepresented groups. We received 130 registrations for the Multicultural Entrepreneurship Series and 80 attendees to the Innovators and Entrepreneurs breakfast to discuss female leadership in Melbourne's startup ecosystem. The City Sensing exhibition allowed more than 320 visitors to see how real-time data is used to understand and support the needs of Melburnians.</p> <p>Melbourne ranked 42nd in the world for startups (down from 39 last financial year). Three emerging technology testbeds were piloted.</p> <p>The roadmap for deploying new infrastructure in the urban realm is underway, with three sites (Fishermans Bend, Argyle Square, Royal Park) in progress and two sites being explored (Grattan and The Greenline Project).</p> <p>The Fishermans Bend Innovation Challenge launched five events, helping 75 applicants develop solutions, data deep-dives and pitch workshops.</p>
10	Develop a corporate strategy for the City of Melbourne to drive exemplary customer service, digitise services and operations, improve productivity and identify new revenue opportunities.	Deliver	<p>Our newly developed Corporate Strategy defines how the City of Melbourne focuses its efforts as an organisation to deliver the most value for our city and to deliver the community's vision for Melbourne as a 'city of possibility'.</p> <p>While the Council Plan 2021-25 sets out what Council will do during its four-year term, the Corporate Strategy provides direction to guide the organisation internally, ensuring that we have an empowered workforce, we are driven by insight, connected and collaborative, and financially sustainable.</p> <p>As part of the corporate strategy, the City of Melbourne will develop a Customer Channel Strategy and refreshed corporate website. This year we completed an analysis of the channels that we use to engage with our customers, and identified opportunities to refine them. As a pivotal channel for customers, the corporate website is our highest priority channel and we commenced preparations for its redevelopment.</p> <p>We engaged a consultant to work with us to identify ways to generate revenue opportunities for the City of Melbourne. A long list was prepared, and some were realised this year. We will continue to search for feasible new sources of revenue to ensure economic sustainability for the city.</p>

	What we said we'd do in 2021-25	Our role	What we've achieved so far
11	Embed the Sustainable Development Goals in the way City of Melbourne plans, prioritises its investments, reports and benchmarks against other cities.	Deliver	<p>In a significant milestone, the City of Melbourne was the first city in Australia to make a Voluntary Local Review Declaration and report progress towards the United Nations Sustainable Development Goals (SDGS). The Voluntary Local Review Declaration was unanimously endorsed by the Future Melbourne Committee in June 2022.</p> <p>While designed with national governments in mind, the SDGs require action from a broad range of stakeholders and partnerships. As a major capital city, Melbourne has a key role to play in localising and addressing the issues articulated in the goals.</p>



MELBOURNE'S UNIQUE IDENTITY AND PLACE

Over the next four years we will celebrate and protect the places, people and cultures that make Melbourne a unique, vibrant and creative city with world-leading liveability.

Our priorities

- Our environment, parks and waterways are protected, restored and managed well.
- Our built, natural and cultural heritage is protected.
- New buildings, streets and spaces exhibit design excellence to create sustainable and enduring places, and our renewal areas are emerging as high-quality inner-city precincts.
- Melbourne's diverse communities are celebrated. This major initiative aligns with, and contributes to, addressing our city's health and wellbeing focus areas.
- Melbourne's creative, entertainment and education sectors are supported and nurtured.
- Drawing on the full potential of Melbourne's creative community is central to city planning, design and city operations.
- Melbourne is a university city and aspires to be the number one knowledge city in the world by 2030.

How we will measure progress

Our indicators represent how the City of Melbourne measures progress, so we know if we are on track to achieve our strategic objectives. The results for this financial year are below.

Indicator	Target or desired trend	Results 2021-22	Our progress
Proportion of residents within 300 m of public open space. ❤️	Increase	96.3%	We estimate that 96.3% of our municipality's population lives within a 300-metre walkable distance of open spaces, including parks, gardens, reserves, waterways, publicly owned forecourts and squares.
Proportion of people surveyed who visit a park in the municipality on a regular basis. ❤️	Increase	84.5%	The proportion of people who used City of Melbourne parks on a regular basis (defined as people surveyed who visited a park, public square or green space in the previous two weeks) remained steady at over 84%. This demonstrates a high level of community use. The 2021 and 2022 surveys have both occurred during the COVID-19 pandemic. It is uncertain the degree to which this has influenced the results.
Area of new public open space in Southbank.	1.1ha (by 2025)	0 ha	Currently there is 4.96ha of public open space in Southbank. While new spaces have been constructed, such as along Southbank Boulevard, they are yet to be formally gazetted. We have also upgraded additional space to make it functional for recreational purposes, such as the small new dog park between Kings Way and the Moray Street Reserve and a new skate space on the eastern side of the tram stop, along Hannah Street.

❤️ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
Neighbourhoods in the municipality with up-to-date local heritage studies and controls.	100%	43%	<p>Across the municipality, 43% of neighbourhoods have up-to-date local heritage studies and controls.</p> <p>A further 29% have up-to-date local heritage studies that are in the process of being implemented into controls. A further 14% have local heritage studies that are underway.</p> <p>The neighbourhoods used for this indicator are heritage review study areas.</p>
Proportion of people who support the city being made up of different cultures. ♥	100%	94.2%	94.2% support the city being made up of different cultures, which is a statistically insignificant change on the prior year (94.1%). Students have the highest support of this statement with 97% in agreement.
Value of the creative sector to the local economy. [Reported as Gross Value Added (GVA) by the creative sector to the local economy.]	Increase	\$7.37 billion Gross Value Added (GVA)	The value of the creative sector to the municipal economy was \$7.4 billion gross value added. The definition of the creative sector includes film studios at Docklands, fashion design, record labels, songwriters and web designers, to provide a more precise report. This year's result will form the baseline for measuring future progress. (Previous years' reported figures are not directly comparable.)
The number of creative spaces in the municipality. [Reported as the amount of floor space used by the creative sector.]	Increase	1,041,171 sq.m (2020-21 data)	Overall, the city experienced a decline of 40,486 sq.m (-3.77%) of floor space used by the creative sector compared to 2020. Notable changes are a decline in architectural, design and advertising services of 6.4% on previous year (8290 sq.m less). Independent artists floor space use in 2021 only declined 0.8% on 2020. Compared to 2018 however, there has been a 19.9% reduction of floor space used by independent artists (from 20,502 sq.m, down to 16,418 sq.m).

♥ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
The number of artists supported by City of Melbourne through city planning, design and city operations.	Increase	14	<p>This Indicator reflects the number of artists engaged by the City of Melbourne to provoke, tackle city problems and to assist in designing projects, programs and policies outlined in the Creative City Strategy 2018.</p> <p>On a project-by-project basis we are bringing creatives into concept design, curatorial roles and the 'early thinking' part of projects. We call it 'art at the start'. In 2021-22 these projects have included:</p> <ul style="list-style-type: none"> • creative direction of the Munro Library and Community Hub • The Greenline Project on the banks of Birrarung • co-design of Testing Grounds with creative team These Are The Projects We Do Together • creative redesign of the YIRRAMBOI Festival Panel.
The number of design reviews of major projects.	Increase	19	<p>A total of 19 projects were reviewed through formal design review processes.</p> <p>This includes nine projects reviewed by the Victorian Design Review Panel and 10 projects reviewed by the Melbourne Design Review Panel.</p> <p>The total figure is about double that of previous years, due to Council's commitment to major initiative 22: Design excellence, which includes the establishment of a 12-month pilot with the Melbourne Design Review Panel.</p> <p>City of Melbourne has also provided recommendations on achieving high-quality built form on 204 planning applications in 2021-22.</p> <p>This included 298 individual reviews as a result of design iterations or planning permit amendments. This figure is similar to last financial year, and is an increase on previous years, demonstrating that development activity in the municipality continues to thrive.</p>

Major initiatives

Our major initiatives represent City of Melbourne's commitments over 2021-25 to achieve its strategic objectives. Highlights of what we achieved last financial year are set out in the table below.

To find out what is planned to be delivered in the 2022-23 financial year as part of our major initiatives, take a look at our Annual Plan 2022-23.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
12	<p>Partner with the Victorian Government and other stakeholders to deliver specific components of The Greenline Project along the north bank of the Yarra River (including the implementation of the Yarra River – Birrarung Strategy). This major initiative aligns with a health and wellbeing focus area. ♥</p>	<p>Deliver Partner</p>	<p>Our new look Enterprize Park was opened to the public following major works, marking the first project on The Greenline Project. The project aims to transform the face of the north bank of the Yarra River – Birrarung. Once a gathering place for Aboriginal people, its connection with First Nations people is profound.</p> <p>Preparation of a cultural values assessment has begun in collaboration with Wurundjeri elders.</p> <p>Overwhelming community and stakeholder support was received on the draft Greenline Implementation Plan as part of public engagement held between August and October 2021. Council endorsed the plan in December 2021.</p>
13	<p>Protect Queen Victoria Market as a traditional open-air market, through heritage restoration and the provision of essential services and facilities that enhance the customer and trader experience, including projects such as the Shed Restoration, Food Hall, Trader Shed, Market Square, waste and logistics facility, and future developments to the south of the market. ♥</p>	<p>Deliver</p>	<p>Progress continued this year on the Queen Victoria Market precinct renewal, protecting its iconic open-air characteristics and delivering on the vision of a world-class market.</p> <p>Construction began on a contemporary new Food Hall on the corner of Queen and Victoria streets. Substantial work continued as part of the heritage restoration program, with sheds A and B fully restored, and traders moving back in mid-August.</p> <p>These works also included the installation of service bollards for essential services to provide power and running water for fruit and vegetable traders.</p> <p>Escalating construction costs and the flow-on effects of COVID-19 did place some pressures on the delivery program.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
14	Deliver Queen Victoria Market precinct improvements through quality public open space, new connections to the city, community services and facilities such as the Munro Community Hub. ❤️	Deliver Partner	<p>This major initiative focuses on delivering the Munro Library and Community Hub as part of the improvements to the Queen Victoria Market precinct.</p> <p>Designs for the library and family services spaces in the new Munro Hub are complete. The designs were based on significant community feedback, following a Participate Melbourne website survey which attracted 1600 visits. Information was presented for community consultation in the City Library and Elizabeth Street pop-up library near the market.</p> <p>Results indicated the community's top three needs from the new library are: borrowing library resources, attending events and programs, and having quiet space to read and reflect.</p> <p>Deep engagement with Traditional Owners informed the design. An Aboriginal curator was appointed to guide the artwork concepts and commissioning for the Munro development. Landscape designers began working with Wurundjeri representatives on the concepts and indigenous planting of the outdoor terrace.</p>
15	Deliver public art projects that reflect Melbourne's unique culture and heritage, attract visitors to the city and help stimulate our city's recovery. ❤️	Deliver	<p>This year we delivered 133 projects across many locations. This included the Creative Laneways flagship program Flash Forward, which launched 40 laneway artworks, 40 music albums and supported 165 creative professionals including Aboriginal, disabled and diverse artists. The program garnered national and international media attention.</p> <p>Irish artist Sean Lynch's commission was launched in University Square in December to critical acclaim.</p> <p>Test Sites Round 2 provided opportunities for 11 artists to explore the public realm.</p> <p>Four graduates were commissioned for ACCA's exhibition 'Who's Afraid of Public Space?' while James Geurts' Hero Building billboard commission launched in February.</p> <p>Tom Nicholson's commission, with ACCA, was warmly received when launched in March at Batman Park.</p> <p>For PHOTO 2022 International Festival of Photography, 15 large light box commissions were installed along Southbank Promenade in May.</p>

❤️ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
16	Increase the amount of public open space in the municipality with a focus on areas of greatest need, such as Southbank and emerging urban renewal areas. ❤️	Deliver	<p>Opportunities for acquiring land for public open space in Southbank and other areas continued to be investigated, including in the Macaulay and Fishermans Bend renewal areas.</p> <p>Newly-acquired a site in Chelmsford Street for development into a local park through our Urban Renewal Open Spaces program</p> <p>We also saw ongoing work to upgrade streetscapes throughout the municipality to make them more climate resilient through increased greening.</p>
17	<p>Play a lead role in facilitating the delivery of high-quality and climate adapted urban renewal in Arden and Macaulay, Fishermans Bend, and Docklands to deliver the emerging and future neighbourhoods of Melbourne in partnership with the Victorian Government and other partners.</p> <p>In Arden and Fishermans Bend, realise the place and investment conditions to support globally competitive innovation districts.</p>	Partner	<p>We made progress on several planning scheme amendments this year. Council endorsed the Macaulay Amendment (C417) to seek authorisation from the Minister for Planning to prepare and publicly exhibit the amendment, and to seek interim controls needed for the implementation of our Macaulay Structure Plan 2021.</p> <p>We have coordinated with the Department of Transport on the governance and delivery of infrastructure in the Arden renewal precinct.</p> <p>Work progressed with the Victorian Government on the draft Fishermans Bend National Employment Innovation Cluster Precinct Implementation Plan and Lorimer Development Contributions Plan.</p>
18	Facilitate increased investment in unique Melbourne events to further activate and celebrate the city. ❤️	Partner	<p>The Events Partnerships Program supported 85 events, helping to increase visitors to the city. Events included Taste of Portugal, Truffle Festival and Light: Works from Tate's Collection. Due to COVID-19, 33 events did not proceed, with the remaining 52 taking place at a cost of \$2 million. More than 10 new tourism initiatives were delivered this year. Highlights included Melbourne Money, the Melbourne Attractions Keypass, targeted industry support through the Victorian Tourism Industry Council Tourism Awards, and new walking and cycling tours. Event organisers were provided support through the City of Melbourne's 'one-stop shop' Event Concierge.</p>
19	Celebrate, partner and advocate for investment in the city's three key waterways, the Yarra River – Birrarung, the Maribyrnong River and Moonee Ponds Creek, to connect these key recreational and biodiversity assets of our city.	Partner Advocate	<p>Together with the Moonee Ponds Creek Chain of Ponds Group, we affirmed an ongoing commitment to improve the environment surrounding the Moonee Ponds Creek.</p> <p>Negotiations with the Victorian Government progressed to gain access to land adjacent to the creek to provide enhanced public open space.</p> <p>Advocacy to the Victorian Government continued for the reinstatement of the Moonee Ponds Creek trail in Docklands.</p>

❤️ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
20	Adopt the Municipal Planning Strategy in 2022-23.	Deliver	<p>A Municipal Planning Strategy (MPS) and the draft City Spatial Plan were developed this year. The MPS is a critical part of the Melbourne Planning Scheme, which provides an overview of local planning issues and sets the vision and strategic direction for future land use and development in the municipality.</p> <p>The City Spatial Plan is a background document to the MPS and provides a place-based vision for change and growth across the municipality.</p>
21	Complete heritage reviews and implement associated planning scheme amendments to protect and celebrate heritage in our municipality.	Deliver	<p>The Hoddle Grid Heritage Amendment (C387) and Fishermans Bend Heritage Amendment (C394) were endorsed by Council and are with the Minister for Planning for approval.</p> <p>Carlton Heritage Amendment (C405) finished its exhibition period.</p> <p>North Melbourne Heritage Amendment (C403) was authorised by the Minister and will begin exhibition in August.</p> <p>Interim heritage controls for North Melbourne (C402), Carlton (C404) and Punt Road Oval (C427) are with the Minister awaiting gazettal.</p>
22	Champion high-quality development and public realm design through delivering the Design Excellence Program, including implementing the City of Melbourne Design Review Panel and a Design Excellence Committee for strategic planning work.	Deliver	<p>As part of our new Design Excellence Program, we hosted and participated in many events advocating good design. These included:</p> <ul style="list-style-type: none"> • Four MPavilion Talks • Five Melbourne Design Week events • Design Excellence Soiree attended by 80 industry partners. <p>We also launched the Design Excellence Network for local government. The program also saw the successful establishment of the Melbourne Design Review Panel, which met to review 10 city-based projects, as well as our Design Excellence Advisory Committee, which has met 3 times. Progress was made on a set of draft Design Competition Guidelines including targeted discussions with industry experts.</p>

Branch Operational Plan activities

In addition to the major initiatives identified with a ♥, listed below is a key activity taken from branch operational plans that contribute to our six health and wellbeing focus areas.

Operational Plan Action	Activity update (what we've done)
Review the Open Space Strategy and Open Space Contributions Framework. ♥	<p>The scope for review of the Open Space Strategy and Open Space Contributions Framework was developed ahead of an approach to market in mid-2022.</p> <p>An external review is expected to be completed in the next financial year.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

ABORIGINAL MELBOURNE

For the Wurundjeri, Bunurong, Taungurung, Dja Dja Wurrung and Wadawurrung peoples of the Eastern Kulin, the place now known as Melbourne has always been an important meeting place and location for events of political, cultural, social and educational significance.

Over the next four years, we will ensure that First Peoples' culture, lore, knowledge and heritage enrich the city's growth and development.

Our priorities

- Governing with First Peoples drives our city forward and allows community to make the changes needed for the City of Melbourne to be an Aboriginal city. ♥
- We embrace and promote our First Peoples' identity across all areas of the city, including city design, and give voice to the treaty process with First Peoples. ♥
- The community is well educated about Melbourne's First Peoples' culture, lore, knowledge and heritage.
- The activation and protection of First Peoples' culture and know-how is a key driver to economic growth, and increases Melbourne's international engagement and participation.
- First Peoples experts are consulted and lead sustainable land management practices, and implement Caring for Country principles in the management, planning and development of city land. ♥

How we will measure progress

Progress toward achieving our Council Plan strategic objectives is reflected through the results for each strategic indicator. The results for this financial year are below.

Indicator	Target or desired trend	Results 2021-22	Our progress
Proportion of people surveyed who demonstrate an understanding of Melbourne's Aboriginal heritage and culture.	100%	13.9%	Recent survey results highlight the low levels of understanding of Melbourne's Aboriginal heritage and culture. In part this is due to the measure that has been adopted in which survey respondents must identify both names of the Traditional Owners whose land is within the municipality.
Proportion of people surveyed who believe the relationship with Aboriginal people is important. ♥	100%	89%	The proportion of people surveyed who believe the relationship with Aboriginal people is important is consistent with national surveys published by Reconciliation Australia.
Delivery of the City of Melbourne's Reconciliation Action Plan.	100%	50%	City of Melbourne is on track to deliver the Reconciliation Action Plan (RAP). The RAP is in its final year of delivery. A formal review will commence in 2022-23.
Level of involvement of Traditional Owners in city governance.	Increase	66	In 2021-22 Traditional Owners were consulted / engaged in projects on at least 66 occasions (this number excludes Welcomes to Country).

♥ This major initiative aligns with a health and wellbeing focus area.

Major initiatives

Our major initiatives represent City of Melbourne's commitments over 2021–25 to achieve its strategic objectives. Highlights of what we achieved last financial year are set out in the table below.

To find out what is planned to be delivered in the 2022–23 financial year as part of our major initiatives, take a look at our Annual Plan 2022–23.

	What we said we'd do in 2021–25	Our role	What we've achieved so far
23	Explore and deliver opportunities for 'truth telling' to facilitate learning, healing, and change within Melbourne and beyond. This will be an opportunity to impart knowledge of thousands of years of rich history, language and stories, as well as provide a form of restorative justice by acknowledging Aboriginal peoples' experiences of dispossession and inequity. ♥	Partner	<p>The Mapping Aboriginal Melbourne digital map was launched by the Lord Mayor and Traditional Owners during Melbourne Knowledge Week in May 2022. The map is a powerful truth-telling tool that outlines key places of Aboriginal cultural and historical significance in digital form. It also educates Melburnians on the history of the land and its Traditional Owners.</p> <p>A program of activities for National Reconciliation Week was delivered successfully, including an oration by Adam Briggs and a concert at Federation Square to celebrate Mabo Day.</p> <p>Three sites in the municipality were identified as potential locations for the establishment of a Stolen Generations marker.</p> <p>The City of Melbourne partnered with Melbourne Museum for the July school holiday program, aimed at developing children's understanding of the traditional Wurundjeri seasons.</p>
24	Implement the Declaration of Recognition and Commitment in good faith which signals and elevates the City of Melbourne's shared commitment for reconciliation across the whole of the organisation.	Deliver	<p>On 28 September 2021, the Council advanced its commitment to reconciliation by ratifying a Declaration of Recognition and Commitment.</p> <p>The declaration recognises the unique place of Aboriginal people in our shared place, the enduring value of their culture to Melbourne, and that as Traditional Owners their sovereignty has never been ceded.</p> <p>The declaration contains a set of guiding principles for the City of Melbourne's journey towards reconciliation and will guide our approach to delivering our Reconciliation Action Plan.</p> <p>The Lord Mayor and the Chief Executive Officer signed the declaration on behalf of the City of Melbourne.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
25	Govern with Sovereign First Nations to enable true self-determination, where deliberative engagement is proactive, responsive and consistent. ❤️	Deliver	<p>Scoping began this year for this major initiative, with a view to substantive work to be undertaken in 2022-23.</p> <p>This initiative seeks to build the City of Melbourne's relationship with Traditional Owners and the broader Aboriginal and Torres Strait islander community.</p> <p>This initiative will embed Aboriginal self-determination principles across City of Melbourne.</p>
26	Commence planning for a co-designed First Nations Cultural Precinct with First Peoples – a place to retain, maintain and recreate in a culturally specific geography, where First Peoples can practice continuity of customs and traditions, through uninterrupted connection to lands and waters. ❤️	Partner	<p>A pre-feasibility study on the First Nations Cultural Precinct was submitted to the Victorian Government for consideration.</p> <p>A full feasibility and business case are now required to advance.</p>
27	Support a partnership forum – an annual gathering of the Eastern Kulin (noting the history of Tanderrum).	Partner	This initiative is linked to major initiative 25 and is scheduled to be progressed in 2022-23.

❤️ This major initiative aligns with a health and wellbeing focus area.



CLIMATE AND BIODIVERSITY EMERGENCY

Over the next four years, we will prioritise our environment and take urgent action to reduce emissions and waste in order to protect public health, strengthen the economy and create a city that mitigates and adapts to climate change. The City of Melbourne declared a climate and biodiversity emergency in 2019.

Our priorities

- City of Melbourne is a leading city globally that sets the standard in climate action. ♥
- Resilient and safe communities that are adapting to the public health impacts of climate change. ♥
- Lead the transition towards net zero emissions for the city.
- Biodiversity, habitat, green spaces, water quality and tree canopy cover are increased in the city. ♥
- Eliminate waste through circular economies.
- Spaces and buildings showcase world-leading sustainable design principles to enhance liveability and lead innovative responses to climate change, including protecting communities from the impact of extreme weather events. ♥

How we will measure progress

Progress toward achieving our Council Plan strategic objectives is reflected through the results for each strategic indicator. The results for this financial year are below.

Indicator	Target or desired trend	Results 2021-22	Our progress
Municipal greenhouse gas emissions.	33% reduction (from 2015 baseline by 2025)	4,231,629 tCO ₂ -e (2021 calendar year data)	<p>Emissions across the municipality were 4,231,629 tCO₂-e in calendar year 2021, which represents a 9.98% reduction on the 2015 baseline of 4,700,672 tCO₂-e.</p> <p>An increase was experienced from 2020 to 2021. This follows the easing of COVID-19 restrictions, resulting in increased business activity. Increased emissions came from natural gas and electricity, particularly in commercial buildings.</p>
On-road transport emissions.	Decrease	457,890 tCO ₂ -e (2021 calendar year data)	<p>Emissions from on-road transport increased 2.1% from 410,175 tonnes CO₂-equivalent (tCO₂-e) in the calendar year 2020 to 418,867 tCO₂-e in calendar year 2021.</p> <p>Passenger cars and light commercial vehicles comprise 68% of total on-road transport emissions, with heavy vehicles and trucks making up 32%.</p> <p>The increase in emissions reflect higher road use in 2021 compared to 2020, when COVID-19 restrictions were in place.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
Installed battery storage capacity in the municipality.	Increase	0 kW	<p>The City of Melbourne has launched a major new initiative - Power Melbourne - to establish a network of community batteries across the municipality and a storage-linked renewable retail electricity offering for the community.</p> <p>The project commenced in 2021 with a goal to install 5000kW of battery capacity by 2024. This flagship project will help Melbourne realise its commitment to achieve a net zero emissions city by 2040 by supporting the integration of all-electric buildings, renewables, and electric vehicles into the grid.</p>
Household waste produced.	10% reduction (from 2018-19 baseline by 2025)	2.05% increase on baseline volume 40,716 t in 2018-19	<p>Household waste production has many and varied influences. Waste generation has fluctuated since the commencement of the City of Melbourne Waste and Resource Recovery Strategy in 2018. The COVID-19 pandemic has increased waste volumes of some households, and increased property vacancies that generate zero waste.</p> <p>The result for the 2021-22 year was 41,549 t, which is slightly more than 2% increase on the 2018-19 baseline volume of 40,716 t.</p>
Municipal waste diverted from landfill. [Reported as the percentage of waste diverted from landfill based on target of 50% diversion.]	50% increase (by 2025)	28.98% diverted	<p>The target of 50% of municipal waste (which includes all forms of household waste) diverted from landfill will be aided by the rollout of the new kerbside food and garden organics waste collection service to all single unit dwellings and low-rise multi-unit dwellings. The result for the 2021-22 year was 12,042.55 t, which is 28.98% total waste diverted from landfill. This represents a 14.32% increase on the 2018-19 year Waste and Resource Recovery Strategy baseline.</p>
Alternative water use.	Increase	No change	<p>Alternative water sources help reduce potable water demand across City of Melbourne, in particular for irrigation.</p> <p>Increasing the use of alternative water is an important climate change adaptation response to future drought, and is primarily achieved through stormwater harvesting schemes.</p> <p>City of Melbourne aims to meet 50% of non-potable water needs from alternative water sources by 2030. We are currently at 23%.</p> <p>We were awarded \$2.5 million in a competitive grant scheme from the Department of Environment, Land, Water and Planning to co-fund detailed design and construction of a new stormwater harvesting project in the coming years. This project has the potential to save over 60 ML of potable water used to irrigate Princes Park each year.</p> <p>We will continue to explore finance mechanisms to deliver projects.</p>

Indicator	Target or desired trend	Results 2021-22	Our progress
<p>Stormwater quality.</p> <p>(Reported as reduction in total nitrogen entering waterways.)</p>	Increase	No change	<p>Reducing pollutants from stormwater helps protect the health of our waterways, with total nitrogen from urban areas identified as the biggest threat to Port Phillip Bay.</p> <p>City of Melbourne aims for a 30% reduction in total nitrogen contributed to Melbourne's waterways by 2030 (baseline year 2000, per our Municipal Integrated Water Management Plan).</p> <p>Integrated water management through water sensitive urban design and stormwater harvesting significantly reduces the sediment and nutrient discharges to our waterways.</p> <p>Construction of 130 sq.m of raingardens delivered a marginal increase in stormwater quality. Our reduction in the total nitrogen entering waterways is currently 13% (from baseline year 2000 levels). There was no change in 2021-22.</p> <p>We will continue to collaborate with internal and external stakeholders to increase the delivery of integrated water management across the municipality, with opportunities arising in our urban renewal areas.</p>
<p>Hospital admissions in relation to extreme weather events</p> <p>(Reported as heat health alerts this year. ❤️)</p>	Decrease	<p>2</p> <p>(heat health alerts)</p>	<p>Data on hospital admissions related to extreme weather events is unavailable, as the Department of Health does not collect this information.</p> <p>This indicator will be reported as heat health alerts this year.</p> <p>In 2021-22, there were two heat health alerts issued in the central weather forecast region that includes Melbourne. This is the same as 2020-21.</p> <p>The Chief Health Officer at the State Department of Health issues heat health alerts to warn the public about extreme heat or heatwaves that are likely to negatively affect human health when the threshold is reached or exceeded.</p>

❤️ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
Percentage of tree canopy cover in the public realm. ♥	27% (by 2025)	25.22%	<p>The Urban Forest Strategy sets a target of doubling our canopy cover on City of Melbourne managed land by 2040. We hope to have reached 27% canopy cover by 2025.</p> <p>Increasing canopy cover in the city is achieved by protecting and increasing the health of existing trees, as well as planting new trees.</p> <p>This year, the canopy cover is 25.22% on public managed land, showing we are making good progress toward our long-term targets.</p> <p>A new method for measuring canopy cover in 2022 has resulted in a more accurate assessment of tree canopy cover. We've also applied this method retrospectively, updating canopy cover assessments for previous years, which had been under-reported. Consistent use of this methodology in future will enable a more accurate comparison between annual assessments.</p>
Number of trees planted in the municipality. ♥	2400 annually, plus number of trees removed in previous year, or 3000: whichever is more.	3041	<p>Incorporating new trees into our Urban Forest helps to meet multiple targets in our Urban Forest Strategy, such as increasing canopy cover and increasing tree diversity.</p> <p>The City of Melbourne has a target to plant 2400 new trees plus any replacements, or 3000 trees: whichever number is highest annually in order to maintain and enhance our urban forest.</p> <p>This year 3041 trees were planted on City of Melbourne managed land, an extra 100 trees compared to last year.</p>
Area of native understorey habitat in the public realm.	Increase	489,943 m²	<p>The Nature in the City Strategy has a target to increase understorey habitat on City of Melbourne managed land by 20% by 2027.</p> <p>This target was set based on evidence that understorey vegetation (not including turf or tree canopy) is critical for increasing biodiversity in the city.</p> <p>This year we have increased understorey habitat by 26%, or 12.1 hectares, since the baseline was established in 2017. This is 1.7 hectares (3%) more than last year's result.</p> <p>The continual increase in understorey habitat this year has predominantly occurred in Royal Park as part of our Parks Renewal program, with mulched beds under existing trees being converted to new understorey plantings.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Major initiatives

Our major initiatives represent the City of Melbourne's commitments over 2021-25 to achieve its strategic objectives. Highlights of what we achieved last financial year are set out in the table below.

To find out what is planned to be delivered in the 2022-23 financial year as part of our major initiatives, take a look at our Annual Plan 2022-23.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
28	To enhance Melbourne's position as a global leader on climate action, we will undertake bold advocacy on behalf of our community.	Advocate	<p>This year, we engaged with the Victorian and Australian governments on key climate and biodiversity priorities aligned with our Council Plan 2021-25.</p> <p>We undertook advocacy with other organisations including Better Futures Australia and C40's Renewable Energy Declaration.</p> <p>Federal funding support was announced for The Greenline Project (major initiative 12) and Moonee Ponds Creek initiatives (major initiative 19), and a community battery program that may support the delivery of City of Melbourne's Power Melbourne project (major initiative 34).</p> <p>The Lord Mayor and Deputy Lord Mayor spoke on the need for climate leadership at numerous high-profile events, including the United Nations climate change conference COP26.</p>
29	Create an enabling environment for Melbourne businesses and universities to become the employment centre of a resilient zero-carbon economy.	Partner	<p>One of the eight priorities in our Economic Development Strategy 2031 is to 'unlock climate capital'. This is aimed at supporting Melbourne's transition to a leading low-carbon economy.</p> <p>This year, we engaged with key stakeholders including Launch Vic and Start-Up Boot Camp to understand challenges and opportunities involved in supporting the growth of a zero-carbon sector and jobs cluster for the city.</p> <p>Collaboration with industry began on delivering a Zero-Carbon Jobs Summit in 2022-23, with a view to establishing a zero-carbon jobs cluster in 2023.</p> <p>This work also relates to Invest Melbourne's efforts to attract businesses to Melbourne to support the growth of this sector (major initiative 2).</p>
30	Progress a planning scheme amendment to improve the environmental performance of buildings in order to reduce emissions to zero by 2040. ♥	Deliver	<p>The project was delayed due to the Victorian Government's lack of support for the extent of the planning controls that City of Melbourne seeks to introduce.</p> <p>Conditional authorisation for the amendment has reduced the efficacy of the proposed provisions, to the extent that City of Melbourne's emission reduction goals would be unattainable.</p> <p>We continue to work with the Victorian Government to explore ways to resolve this impasse.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
31	Deliver on our Urban Forest Strategy including tree canopy, private greening incentives and city greening. ❤️	Deliver	<p>This year, we continued to deliver the milestones needed to ensure our Urban Forest Strategy is on track. Council endorsed the Tree Policy in August 2021 and discontinued the Tree Retention and Removal Policy.</p> <p>The Tree Policy became operational and has been used as the basis of advocating for our urban forest.</p> <p>Five grant projects were accepted under the Urban Forest Fund. The fund provides matched financial support for new greening projects in the private realm, including new green spaces, tree planting, biodiversity projects, vertical greening and green roofs.</p>
32	Lead the reduction of food waste and diversion of waste from landfill, by continuing the Food Organics, Green Organics (FOGO) rollout through high-rise apartment innovation and by addressing food-waste reduction. ❤️	Deliver	<p>The Food Organics, Green Organics (FOGO) waste service was successfully rolled out to low-rise households up to five storeys in height.</p> <p>All 23,000 low-rise households now have access to a FOGO service. We scoped a pilot program for similar services to be introduced in high-rise buildings and began delivery. Five buildings committed to the pilot as early adopters for the service.</p> <p>In June 2022, our first high-rise building produced fertiliser to be used in their community garden. Compost created from our FOGO service is being used in the Kensington Stockyard Food Garden.</p> <p>After the successful introduction of this service, more than 100 landfill bins were able to be removed from service, equal to more than 12,000 litres of landfill per week.</p> <p>A Waste Champions program commenced, involving residents committing to be community leaders on better waste practices.</p>
33	Support the development of a circular economy through bold leadership and community neighbourhood projects, including the container deposit scheme, alternative waste technologies, circular economy guidelines and partnered or aggregated demand to stimulate end markets. ❤️	Partner	<p>We developed a set of draft Circular Economy Guidelines for internal use at City of Melbourne. This will guide our work in supporting development of a circular economy. It is aimed at cutting waste, and boosting recycling and reuse of precious resources.</p> <p>Work was completed on the review of Container Deposit Scheme, and we continue to work with the Department of Environment, Land, Water and Planning in preparing for its implementation.</p> <p>We continued working with the M9 alliance of inner Melbourne councils on a business case that aims to identify infrastructure solutions for all waste streams for inner metro councils.</p>

❤️ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
34	Support the development of battery storage and renewable energy in the municipality through the Power Melbourne initiative.	Partner	<p>We began development of a commercial operating model through industry engagement and an expression of interest process, demonstrating the viability of the Power Melbourne concept.</p> <p>In partnership with RMIT and University of Melbourne we delivered a technical and economic feasibility assessment supported by the Victorian Government's Neighbourhood Battery Initiative. Through this assessment, we understood electricity network characteristics, revenue potential and identified five prospective battery host sites:</p> <ul style="list-style-type: none"> • Library at the Dock • Boyd Community Hub • Council House 2 • Queen Victoria Market • Kensington Recreation Centre.
35	Implement the Climate and Biodiversity Emergency Action Plan. ❤️	Deliver	<p>This initiative seeks to shift the City of Melbourne to gas-free operations, and to ensure climate change and biodiversity are considered as we manage City of Melbourne-owned assets.</p> <p>Progress this year towards implementing gas-free operations included:</p> <ul style="list-style-type: none"> • Securing funding for the electrification of North Melbourne Town Hall. • Preparing Carlton Baths to go gas free with an electrical upgrade scheduled in August 2022. • Getting a request-for-quotation out to market for the electrification of the Jean McKendry Neighbourhood Centre. <p>Other work focused on the development of organisational guidance to ensure sustainable and climate-resilient solutions are incorporated early into our infrastructure design.</p>

❤️ This major initiative aligns with a health and wellbeing focus area.

Branch Operational Plan activities

In addition to the major initiatives identified with a ♥, listed below are key activities taken from branch operational plans that contribute to our six health and wellbeing focus areas.

Operational Plan Activity	Activity update (what we've done)
<p>The Urban Forest Strategy is committed to mitigating the urban heat affect in the CBD, through urban greening. ♥</p>	<p>We have planted 3041 trees and facilitated the use of the Green Factor tool to increase urban greening.</p> <p>The Cool Routes platform - a wayfinding tool for optimal thermal comfort - has expanded to cover the whole municipality. We also conducted further research on heatwave preparedness in the community.</p> <p>In June 2022, councillors endorsed the City Champions for Heat Action initiative - a global program run by the Adrienne Arsht-Rockefeller Foundation to tackle extreme heat in cities.</p>
<p>Deliver the Waste and Resource Recovery Strategy 2030.</p> <p>Our vision is for Melbourne to transition toward zero waste to landfill. ♥</p>	<p>This year the food organics and and green garden organics service was offered across the municipality to all houses and apartments (up to five storeys), diverting more than half of the municipality's food waste from landfill. Overall waste generated by each household has reduced since the first Waste and Resource Recovery Strategy in 2018.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

ACCESS AND AFFORDABILITY

Over the next four years, we will reduce economic and social inequality by ensuring universal access to housing, core services and information.

Our priorities

- Fair, appropriate and accessible range of affordable housing for people of all backgrounds is available, with special focus on people experiencing homelessness. ♥
- Increased food security for everyone, especially the most vulnerable. ♥
- Core services are accessible and affordable to everyone, with special attention to mental health, lifelong education and internet services. ♥
- City activities including events, the arts and culture are accessible and affordable for everyone. ♥
- People with disability feel welcome in the city and have equal access. ♥

How we will measure progress

Progress toward achieving our Council Plan strategic objectives is reflected through the results for each strategic indicator. The results for this financial year are below.

Indicator	Target or desired trend	Results 2021-22	Our progress
Number of people sleeping rough who have not been offered accommodation. ♥	Zero	38	<p>In total, 514 people were either active on the Melbourne By Name List at the start of this financial year (296), or added subsequently from 1 July 2021 to 30 June 2022 (218). Of that number, 38 (7%) do not appear to have been offered accommodation.</p> <p>Note: this data is derived from the Melbourne Service Coordination Project (SCP), By Name List (BNL) that is held and managed by Launch Housing. The BNL brings together data from SCP partners and represents engagement outcomes enabled by the collective activity of all service partners.</p>
Number of people supported through a range of accommodation, including long-term supportive housing and affordable housing. ♥	500 (by 2025)	118	<p>In 2021-22 a total of 476 offers of accommodation were made to people known to have been sleeping rough in the City of Melbourne and recorded on the Melbourne By Name List.</p> <p>At the end of June 2022, 118 people who had been active on the Melbourne By Name List had moved into long-term supportive housing and affordable housing.</p> <p>Note: this data is derived from the Melbourne Service Coordination Project (SCP), By Name List (BNL) that is held and managed by Launch Housing. The BNL brings together data from SCP partners and represents engagement outcomes enabled by the collective activity of all service partners.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
Number of new demonstration social and affordable housing units facilitated on City of Melbourne land. ♥	100 (by 2025)	Zero	<p>In 2021-22, Council has begun to identify City of Melbourne land for potential affordable housing sites, including high-level feasibility studies.</p> <p>Detailed feasibility and community engagement has begun in the first half of 2022 to explore using 44-60 Curzon Street North Melbourne as a pilot project. No decision has been made about this project.</p> <p>Note: the result excludes units already committed during the life of the previous Council Plan on the Munro and Boyd sites, which are expected to be completed during the life of the 2021-25 Council Plan.</p>
Proportion of people reporting food insecurity. ♥	25% reduction (by 2025)	31.7%	<p>The proportion of residents reporting food insecurity was 31.7% in 2021-22.</p> <p>This includes those who were worried their food would run out, had to reduce or skip meals, ran out of food or accessed emergency food relief over the past 12 months.</p> <p>The previous year's result is not comparable due to changes to the City of Melbourne Social Indicators Survey 2022. This survey included a new way to measure of food security.</p> <p>Food relief providers report food relief need is still high this financial year, with cost-of-living pressures and inflation affecting the community's ability to access sufficient food.</p> <p>Note: this result will form the baseline for measuring progress towards reducing food insecurity in our city over the four years to 2025.</p>
Proportion of people surveyed who participate in lifelong learning in the municipality.	Increase	69%	<p>69% of people surveyed indicated that they participated in lifelong learning activities, programs and events this year, compared to 59% in 2020-21.</p> <p>This reflects people re-engaging in these sorts of activities after COVID-19 lockdowns. We see this increase also reflected in City of Melbourne Libraries programs with 21,872 participants attending 1473 sessions over the year.</p> <p>Programs and events were varied and included a focus on digital literacy skills, economic and job-ready support, personal development, wellbeing and community connection.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
Proportion of people surveyed who participate in arts and cultural activities in the municipality. ❤️	Increase	19.1%	<p>19.1% of residents and city users surveyed – including workers, students and visitors, indicated that they participated in arts and cultural activities in the municipality in 2021-22.</p> <p>This is a 3% increase from the previous year and brings participation back in line with pre-pandemic figures from 2019.</p> <p>The increase reflects people returning to the city and re-engaging with the arts and cultural sector after COVID-19 lockdowns. Programs and events were varied, and included a focus on concert, performance, exhibition, festival, event and parades.</p>
Number of City of Melbourne programs that are inclusive and respond to the needs of people with disability. ❤️	Increase	222	<p>There was a total of 222 inclusive programs and events. All included access provisions that enhanced inclusion of people with disability.</p> <p>This included 106 programs across:</p> <ul style="list-style-type: none"> • Signal (37) • ArtPlay (36) • Arts House (14) • Parenting Services (7) • Library Programs (12). <p>116 events across:</p> <ul style="list-style-type: none"> • New Year's Eve • Melbourne Awards • Melbourne Fashion Week • Melbourne Knowledge Week • The Playground • Moomba Festival.

❤️ This major initiative aligns with a health and wellbeing focus area.

Major initiatives

Our major initiatives represent City of Melbourne's commitments over 2021–25 to achieve its strategic objectives. Highlights of what we achieved last financial year are set out in the table below.

To find out what is planned to be delivered in the 2022–23 financial year as part of our major initiatives, take a look at our Annual Plan 2022–23.

	What we said we'd do in 2021–25	Our role	What we've achieved so far
36	Increase and upgrade accessible, inclusive spaces for women in City of Melbourne sports facilities. ♥	Deliver	<p>The Western Pavilion upgrade was completed, providing equity of access for all genders and abilities. The facility is being used by community sport stakeholders.</p> <p>Brens Pavilion foundation works commenced (with expected completion in 2023), the sewer upgrade is complete and steel fabrication is near completion.</p> <p>The Ryder Pavilion project design work and building and services engineering is ongoing, in conjunction with Landowner Consent and Heritage Victoria applications.</p> <p>A Recreational Provisional Master Plan was drafted, and includes a scope of future works to support inclusive sport facilities for women.</p>
37	Implement a neighbourhood model by working with communities to develop neighbourhood plans and neighbourhood service centres that respond to the local community's existing and projected needs. ♥	Deliver	<p>A Neighbourhood Planning Framework was endorsed by Council. More than 6000 people across 10 neighbourhoods were consulted to understand strengths, needs and priorities.</p> <p>Two online neighbourhood portals for the CBD and Kensington were launched in June 2022 as 'one-stop-shops' for community with neighbourhood information and resources.</p> <p>Portals for the remaining neighbourhoods will be launched in 2022–23. A neighbourhood grants program was initiated to fund community-led initiatives responding to neighbourhood priorities.</p>
38	Deliver a revitalised library network, including pop-up libraries, to increase access for our diverse community and to help revitalise the city. ♥	Deliver	<p>More than 22,000 people visited a pop-up library and 352 people joined the library network this year. Five pop-up libraries and a mobile library van were introduced across the municipality.</p> <p>A new library site was identified at the Munro Building at Queen Victoria Market in September. Designs and plans for the library, incorporating the City of Melbourne's family services, are almost complete.</p> <p>We delivered all first-year actions in the Future Libraries Framework, including click-and-collect services to support equitable access for the community. The framework also includes deep Traditional Owner engagement to inform the development of the new library.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
39	Deliver the Disability Access Plan 2020-24 [now the Disability and Inclusion Access Plan 2020-24] including ensuring our services and events are more accessible, increasing the number of accessible adult change facilities, and partnering with community and transport groups to make transport more accessible. ♥	Deliver Partner	<p>The Disability Advisory Committee provided best practice advice on nine Council Plan major initiatives.</p> <p>More than 7000 people attended the Disability Sports and Recreation Festival.</p> <p>Council provided almost \$270,000 in grants to support disability organisations and projects.</p> <p>The Victorian Government provided \$110,000 for a Changing Places Toilet Facility at the Kensington Community and Recreation Centre.</p> <p>City of Melbourne joined forces with the Sunflower Symbol Scheme, which supports participation and inclusion of people with hidden disabilities.</p> <p>116 events provided for enhanced access, enabling better access for all. Through a mobility support services partnership, Travellers Aid Australia advocated on the importance of accessible transport at Victorian forums and committees.</p>
40	Develop and deliver initiatives and programs that will provide food relief to vulnerable members of our community and improve local food production by supporting communities to grow their own food. ♥	Deliver Partner Advocate	<p>Research to understand the issue of food security in the municipality was finalised in September 2021. This research led to the development of a new Community Food Relief Plan 2021-25.</p> <p>The Community Food Guide was updated, and a new interactive map developed. We investigated opportunities to establish pop-up markets in key suburbs where food insecurity was high. In coordination with Queen Victoria Market, we explored options to redirect surplus food to support food relief.</p>
41	As part of a new corporate strategy for the City of Melbourne, ensure our core services remain accessible and affordable. ♥	Deliver	This initiative is scheduled to begin in 2022-23.
42	In partnership with the Victorian Government, commence construction on a replacement North Melbourne Community Centre precinct for the Melrose St community and growing Macaulay population.	Deliver Partner	<p>Progress was made on the North Melbourne Community Centre redevelopment plans. Detailed assessments were undertaken to determine a suitable site for the build.</p> <p>Council approved the proposed project direction, subject to further detailed planning. Planning for community engagement and funding models was progressed.</p>
43	Deliver programs that will build digital literacy skills and capabilities, improve access to free wi-fi from our community facilities, and advocate for appropriate digital infrastructure, to improve digital inclusion for all, particularly for vulnerable groups. ♥	Deliver	<p>This year the library presented 366 programs to 2317 people to improve their digital literacy skills and capabilities. Some 1138 participants accessed the creative technology in the libraries' makerspaces, demonstrating the popularity of the program and its role in supporting creativity and lifelong learning.</p> <p>The City of Melbourne acquired the Mel-Van library on wheels, to improve digital inclusion in the community. Eight sessions on accessing wi-fi and general digital skill development have been delivered to more than 249 participants.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
44	Create a new entity, Homes Melbourne, to coordinate and facilitate more affordable housing for key workers and people on low incomes, and progress a demonstration project on Council-owned land. This entity also supports the Make Room accommodation project and new homelessness support hubs for vulnerable citizens to access essential support services including food, showers, lockers, information, and housing and homelessness advice. ♥	Partner	Homes Melbourne was established, and a CEO appointed in late 2021. Homes Melbourne is designed to deliver on the City of Melbourne's commitment to improve housing access and affordability. The City of Melbourne's Make Room project was also launched. It will provide up to 50 short-term accommodation beds and critical support services for people sleeping rough in Melbourne's CBD.

Branch Operational Plan activities

In addition to the major initiatives identified with a ♥, listed below are key activities taken from branch operational plans that contribute to our six health and wellbeing focus areas.

Operational Plan Action	Activity update (what we've done)
Deliver Affordable Housing Strategy priorities. The Affordable Housing Strategy 2030 identifies five priorities to address Melbourne's affordable housing crisis. ♥	We have begun to convert a Council-owned building at 602 Little Bourke Street into secure, safe, and supported accommodation for people experiencing homelessness and sleeping rough. Please refer to major initiative 44 for additional activity updates.
Update the Community Food Guide, to provide current information about food access programs, services and resources within the City of Melbourne and surrounding suburbs. ♥	The Community Food Guide has been updated and includes an accessible word version, which is available on the City of Melbourne website. An interactive online Community Food Map has also been created.
Funding of Slow Food Melbourne. ♥	Slow Food Melbourne was funded through a City of Melbourne Connected Communities grant program, to deliver a monthly multicultural food market, supporting local businesses and the projects of diverse residents in Carlton. The food market was delayed by COVID-19 restrictions.
Advance our commitment to reconciliation, via the first year of the Innovate Reconciliation Action Plan 2021-23. ♥	We delivered the first year of the Innovate Reconciliation Action Plan 2021-23. This includes establishing a working group for the Stolen Generations Marker project and launching the Mapping Aboriginal Melbourne project.

♥ This major initiative aligns with a health and wellbeing focus area.

SAFETY AND WELLBEING

Over the next four years, we will plan and design for the safety and wellbeing of those who live, visit, work and do business in Melbourne, regardless of their background.

Our priorities

- All people feel safe and included when participating in Melbourne's economic, visitor and community life. This priority aligns with, and contributes to, addressing our city's health and wellbeing focus areas.
- Bonds and social connections between individuals and communities of different backgrounds are strengthened. This priority aligns with, and contributes to, addressing our city's health and wellbeing focus areas.
- Enforce zero tolerance of violence in our community, including family violence, violence against women, racism and discrimination in all forms. This priority aligns with, and contributes to, addressing our city's health and wellbeing focus areas.
- People are supported and encouraged to make healthy and sustainable lifestyle decisions. This priority aligns with, and contributes to, addressing our city's health and wellbeing focus areas.
- An efficient and safe transport network where our streets are safer for all users. This priority aligns with, and contributes to, addressing our city's health and wellbeing focus areas.

How we will measure progress

Our indicators represent how the City of Melbourne measures progress, so we know if we are on track to achieve our strategic objectives. The results for this financial year are below.

Indicator	Target or desired trend	Results 2021-22	Our progress
Proportion of people who report feeling safe in the city. ♥	90% by day 65% by night	81% by day 49% by night	There has not been a significant change in this indicator compared to the previous year. The proportion of people who reported feeling safe during the day is 81% which represents a slight, though not statistically significant, increase in people feeling safe during the day (from 78.9% in 2020-21). It represents a decline of 8% over the past four years. Similarly, the result was 49% at night (slightly up from 47.2% in 2020-21), which represents a decline of 10% during the night over the past four years.
Melburnians' self-reported sense of belonging to community. ♥	At least 70 on a scale of 100	64.8	Melburnians had a satisfaction rating of 64.8% in feeling part of their community. This was a slight increase on the previous year's results (63.2%), however over the past five years there has been minimal change, with results ranging between 63.2% to 65.4%.
Rate of recorded family violence incidents. ♥	Decrease	2168 (a rate of 1398 per 100,000 population)	There was a slight increase (1.5%) of reported family incidents with 2168 in 2022, up from 2137 in 2021. The most affected family members were female (1579) aged between 18 and 44 years.

♥ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
Complaints of discrimination based on sexual orientation, sexuality, disability, sex, gender, race, religious or political beliefs or other grounds for unlawful discrimination. ♥	Decrease	<p>5 racial vilification reports</p> <p>10 race discrimination reports</p> <p>4 disability discrimination reports</p>	<p>For this new Council Plan indicator, the data has been sourced from the Victorian Equal Opportunity Human Rights Commission in lieu of data at local government level.</p> <p>It represents the number of complaints received across Victoria for 2021-22.</p> <p>At a state level, the five most commonly reported discrimination complaints to the commission were:</p> <ul style="list-style-type: none"> • disability (772) • race (129) • sex (116) • employment activity (97) • sexual harassment (76).
Proportion of adults who get adequate physical exercise. ♥	Increase	46%	<p>The proportion of adults who get adequate physical activity (defined as 30 minutes or more of physical activity on four or more days per week) increased slightly in 2022 to 46%, up from 45.3% in 2021.</p> <p>City of Melbourne's Social Indicators Survey for 2022 revealed 49% of men were more active and got adequate physical exercise, compared to 44% of women, with the exception of the 45 to 54 year-old age group.</p> <p>Older adults (65+) got the most adequate physical exercise at 57%, compared to the average of 46% for the general population in the municipality.</p> <p>Residents who spoke a language other than English (41%) were less active compared to residents who spoke only English (51%), followed by students (38%) and families with the youngest child under 10 (35%). Less economically advantaged residents (37%) were also less active compared with the general population.</p> <p>East Melbourne is the most active suburb in the municipality (63%) with residents living in Melbourne 3000 the least active (40%) followed by North Melbourne and West Melbourne (43%).</p> <p>Overall physical activity levels declined compared to the pre-pandemic rate of 52.6% in 2018. This may be due to the closure of recreational facilities such as pools and gyms and the impact of the pandemic on community sport.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Indicator	Target or desired trend	Results 2021-22	Our progress
Rate of ambulance attendance for alcohol and drug misuse in the municipality. ♥	Decrease	1967 Rate per 100,000	<p>Based on latest available 2021 data, the number of ambulance attendances for alcohol and drug misuse in the community decreased in 2020-21 to 1967 per 100,000 population. Melbourne's Alcohol and Other Drug Network report a reduction in drug-related ambulance attendances due to COVID-19 lockdowns. This was attributed more broadly to a reduction in alcohol-related call outs.</p> <p>At the time of data gathering, late night business operators were closed including bars, pubs, clubs and restaurants, due to COVID-19 restrictions.</p> <p>In addition, people could not readily access illicit drugs due to local, national and international border closures.</p>
Number of transport related injuries and fatalities. ♥	Decrease	493 (2020-21)	<p>Based on most recent available 2020-21 data, there were 493 transport related injuries and fatalities, made up of 4 fatalities, 98 serious injuries and 391 other injuries. This is a significant overall reduction (about one third) from the previous year's result. This is most likely due to pandemic-related reduced road traffic volumes. This trend will be monitored in coming years.</p> <p>The number of fatalities has significantly increased (from 1 to 4). These occurred over 4 separate collisions.</p>
Proportion of trips made by public transport, bicycle or on foot. ♥	Increase	62.9%	<p>Since 2016, and based on most recent available 2018 data, public transport and walking mode share is unchanged. Bicycle mode share has slightly increased by 0.3%</p> <ul style="list-style-type: none"> • Bicycle (3.9%) • Public Transport (38%) • Walking (21%) <p>Private vehicle mode share (not reported) has slightly declined (-1%).</p> <p>Trips include those to, from and within the municipality.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Major initiatives

Our major initiatives represent City of Melbourne's commitments over 2021–25 to achieve its strategic objectives. Highlights of what we achieved last financial year are set out in the table below.

To find out what is planned to be delivered in the 2022–23 financial year as part of our major initiatives, take a look at our Annual Plan 2022–23.

	What we said we'd do in 2021–25	Our role	What we've achieved so far
45	Continue to implement the Transport Strategy 2030. This includes delivering a protected bike lane network, station precincts as key gateways, and little streets as streets for people. It also includes safer speed limits, micro mobility trials, and more efficient traffic signal timing. It also means developing an approach to support electric vehicles, and bicycling encouragement programs. ♥	Advocate Partner Deliver	<p>We delivered an e-scooter trial to explore alternative and convenient ways for people to get around, while keeping the city's transport emissions low. The trial inspired 1.2 million scooter trips: more than 800,000 of those within the municipality, providing a boost to economic activity in the city.</p> <p>The Let's Ride behaviour change program encouraged people to ride bikes and raised confidence around cycling through community classes.</p> <p>Speed limit reductions were implemented across our neighbourhoods.</p> <p>Progress was made on 13 pedestrian crossing upgrades, including in Southbank, North Melbourne and East Melbourne.</p> <p>The Council's roll-out of protected bike lanes in the city continued to be accelerated during COVID-19, with progress achieved ahead of schedule.</p>
46	Deliver the North and West Melbourne and Docklands Transport and Amenity Program in partnership with the Victorian Government.	Deliver Partner	<p>The North and West Melbourne and Docklands Transport and Amenity Program is a suite of streetscape improvement projects. These projects will help leverage the benefits and alleviate some effects of the West Gate Tunnel Project on local and arterial roads in the City of Melbourne.</p> <p>This year, we upgraded the shared user path on Dynon Road. Provost and Little Provost Street upgrades began construction. Hawke Street Linear Park, Spencer Street North Master Plan and Franklin Street streetscape improvements progressed to design phase.</p>
47	As part of the delivery of the City Road Master Plan, the City of Melbourne will design and deliver the upgrades to the City Road northern undercroft by the end of 2023–24, and advocate to the Victorian Government for the full delivery of upgrades to the City Road East and West.	Deliver Advocate	<p>The City Road Master Plan is a public realm plan that aims to improve the safety, amenity and environmental sustainability of City Road and adjacent spaces. City Road southern undercroft works to the dog park and skate space were completed and were opened to the public.</p> <p>Draft concept designs for the new northern undercroft space have been completed, with a view to opening for community consultation via Participate Melbourne once agreement is finalised with the Department of Transport regarding use of the space.</p> <p>We delivered ongoing advocacy to the Victorian Government as part of the Melbourne Arts Precinct Transformation.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
48	<p>Adopt in 2021-22 and then implement an Inclusive Melbourne Strategy that will increase access to opportunities for all people and outline how the City of Melbourne will respond to the diversity of religions, cultures, age groups, gender, sexual orientation and ability among the people who live, work, study in and visit the city. ♥</p>	Deliver	<p>A 10-year Inclusive Melbourne Strategy was endorsed by the Future Melbourne Committee in February 2022, following extensive community engagement. An implementation plan was developed for the first two years of the strategy, including actions focused on enhancing the inclusiveness of City of Melbourne programs, services, places and spaces, driving an inclusive recovery from COVID-19 and increasing community participation among diverse groups. A baseline data mapping project was completed to enable us to track progress against priority areas over the next 10 years.</p>
49	<p>We will be a leading organisation on equality and inclusion, and deliver programs in communities that will reduce physical and psychological harm to all people. We will adopt and deliver the Prevention of Violence Against Women Action Plan 2021-24 and meet our obligations under the <i>Gender Equality Act 2020</i>. ♥</p> <p>Specific requirements of the <i>Gender Equality Act 2020</i> includes the development of a work place Gender Equality Action Plan 2021-24 and gender impact assessments on Council policies, programs and services.</p>	Deliver	<p>The Women's Safety and Empowerment Action Plan 2021-24 (previous known as Prevention of Violence Against Women Action Plan 2021-24) was endorsed by Council in November 2021. Forty activities were delivered in the first year. These included:</p> <ul style="list-style-type: none"> • the Modelling Respect and Equality program for pilot of free period care products in six community facilities • Project Night Justice focusing on safety at night for women and gender diverse people • a sexual violence awareness campaign. <p>The Victorian Government's Family Violence Memorial at St Andrew's Place Reserve opened in April 2022 with support for design and delivery provided by City of Melbourne.</p> <p>A workplace gender audit was completed and a draft Gender Equality Action Plan developed and submitted to the Commission for Gender Equality in the Public Sector in April 2022.</p>
50	<p>We will continue to work with Victoria Police and other agencies to deliver a range of initiatives that improve safety on the streets of Melbourne and within our communities. ♥</p>	Partner Deliver	<p>We continued to work with Victoria Police in relation to specific and general safety related issues across the municipality.</p> <p>In June, Local Safety Committees began operating for Melbourne East and West Police patrol areas. These committees include representation from residents, businesses, resident group leaders and the City of Melbourne, and will continue in 2022-23.</p> <p>We undertook work around safety issues for international students, the outcomes of which will inform our approach next year.</p> <p>Work continued on improving city cleanliness and addressing graffiti (major initiative 51) as factors that contribute towards residents feeling safe.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

	What we said we'd do in 2021-25	Our role	What we've achieved so far
51	Deliver and maintain a clean city through the Rapid Response Clean Team initiative. ♥	Deliver	<p>This year, we launched a new specialised team of rapid-response cleaners to ensure the streets were welcoming for people returning to the city.</p> <p>We invested more than \$1 million to set up the Rapid Response Clean Team with an experienced crew and fleet of six new vehicles, including electric street sweeper units.</p> <p>The team carried out a graffiti blitz between March and June which resulted in more than 55,000 sq.m of graffiti removed as. Some 80,000 sq.m of graffiti were removed in total in 2022.</p> <p>The autumn special clean was completed in June. This involved high pressure cleaning and deodorising of our major thoroughfares, laneways, and hot spots within the Hoddle Grid, Southbank and Docklands.</p>
52	Engage and prepare residents and communities to enhance their resilience to hazards, disasters and the health impacts of climate change. ♥	Deliver	<p>Progress was made on disaster preparedness and building organisational and community resilience this year. This included research on acute shocks and chronic stresses in the municipality, and community engagement on disaster resilience, undertaken through our neighbourhood planning process.</p> <p>Global benchmarking of community preparedness programs was completed.</p> <p>An organisation-wide survey was held to inform our approach to internal capacity building on organisational preparedness and resilience.</p> <p>We delivered several workshops with external project partners and conducted climate justice workshops with community service organisations.</p> <p>We began exploring options to address heatwave vulnerability. We also developed a methodology to help us better understand community-based hazards, vulnerability and capacity.</p>

♥ This major initiative aligns with a health and wellbeing focus area.

Branch Operational Plan activities

In addition to the major initiatives identified with a ♥, listed below are key activities taken from branch operational plans that contribute to our six health and wellbeing focus areas.

Operational Plan Action	Activity update (what we've done)
Plan and implement a public-facing child-safe city campaign. ♥	<p>A Child Safe Awareness Campaign was held May 2022 to raise awareness for a zero-tolerance approach towards child abuse, as well as the importance of children's rights to feel and be safe, and empowered to be seen, heard and celebrated.</p> <p>A video and promotional material is under development.</p>
Raise awareness of hygiene and infection control measures through the roll out of hand sanitiser units in high-traffic public locations with appropriate community COVIDSafe messaging. ♥	<p>Funding for 12 hand sanitiser units were provided by Partnership for Healthy Cities, a global network supported by Bloomberg Philanthropies, in partnership with the World Health Organization and Vital Strategies.</p> <p>During the reopening of our community libraries in the central city, Docklands and East Melbourne, 12 mobile digital hand sanitiser units were provided to support hygiene and infection control. The mobile units were also relocated to large-scale events such as Moomba and Spring Fashion Week , along with night markets and cultural events at the Queen Victoria Night Market.</p>
Implementation of key projects aligned with City of Melbourne's Children Plan, and the action plan for Big City, Small Child activities. ♥	<p>This project is currently on hold.</p> <p>A pop-up library for kids – from preschool to young adults – was in place at Federation Square from January 2022 and will run until September 2022. This creates a place where kids can play, read and learn, and participate in activities. A preschool story time program offers stories, songs, rhymes and activities as part of the Melbourne City Revitalisation Fund, a collaboration between City of Melbourne and the Victorian Government.</p>
Deliver year two actions to address the impacts of COVID-19, lockdowns, restrictions and recovery for older people as part of the strategic plan for Melbourne: a Great Place to Age 2020-24. ♥	<p>Year two actions have been delivered to include outreach and wellbeing checks for older residents, home visits, telehealth assessments and case management. There has been information provision and community education, with technology training and support with a focus on social support outreach, and community groups.</p>

Operational Plan Action	Activity update (what we've done)
Continue working to provide a healthier city to reduce the harmful effects of smoking in our community, through the implementation of the Smoke-free Melbourne Policy. ❤️	<p>Year one of the Smoke-free Melbourne Policy has been implemented, with a focus on discussing initiatives with key stakeholders to establish how they can support the policy.</p> <p>The policy guides the creation of more smoke-free areas in the central city, as well as ways to reduce and de-normalise smoking, and support people to quit.</p> <p>McKillop Street was endorsed as a smoke-free area following support from community consultation. 'No smoking' signage has been updated to include 'no vaping', as the use of e-cigarettes is no longer permitted in smoke-free areas.</p>
Investigate and determine appropriate responses to identified issues around managing gambling, alcohol and drug-related harm, including the impact on mental health. ❤️	<p>City of Melbourne supported the development of Social and Economic Impact Assessment this year. This included considering the social impact of a new electronic gaming machine venue proposal for Silk Lounge on Lonsdale Street, and establishing conditions on the license of Silk Lounge.</p> <p>City of Melbourne continues to consult with the Melbourne Alcohol and Other Drugs Services Network to better understand emerging drug trends and impacts in our municipality. Feedback was included in new data sets, adding valuable information to the quarterly Melbourne Alcohol and Other Drug Trends Bulletin.</p> <p>Our membership continues with the Alliance for Gambling Reform and the Victorian Local Government Association, to prevent and minimise the harm from gambling addiction.</p>
Finalise the 2021-25 Active Melbourne Plan and implement actions. ❤️	<p>The vision for Active Melbourne is to be a global leader, inspiring people to be more active in their everyday life. Key achievements include the commencement of Kensington Community Aquatic and Recreation Centre redevelopment.</p> <p>We rolled out additional bike lanes. A new Active Melbourne recreation facilities contract was awarded. A new customer feedback tool, Net Promoter Score, has been implemented.</p> <p>Please refer to major initiative 36 for additional activity updates.</p>

OUR ORGANISATION



OUR FUNCTIONS

The City of Melbourne's functions are prescribed by the *Local Government Act 2020*.

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 primary functions ranging from arts and cultural programs and tourism to urban planning, capital works, maintenance and waste management.

To view a list of our functions and services, visit melbourne.vic.gov.au and search for 'functions and services'.

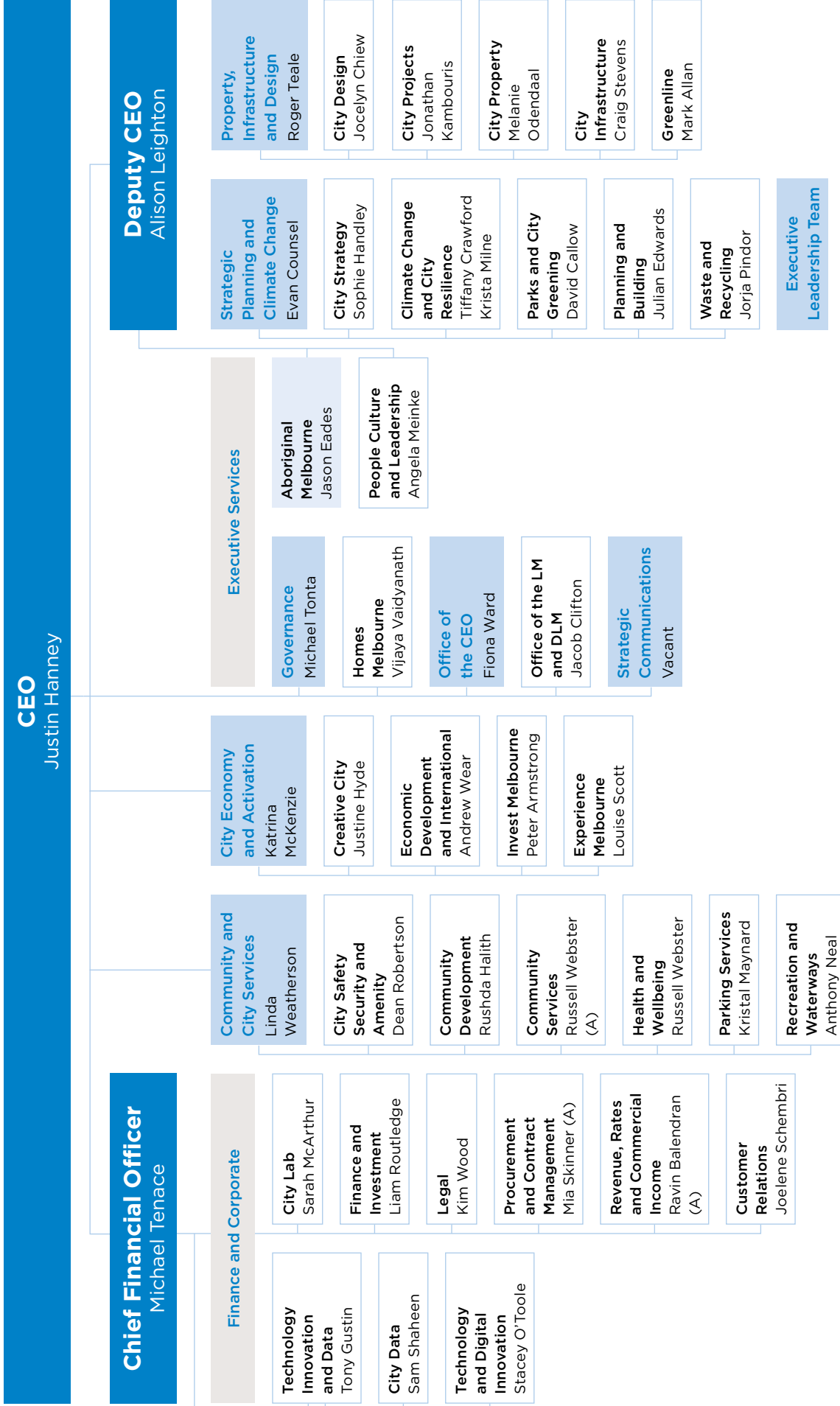
To view a list of the acts and local laws we enforce, visit our website at melbourne.vic.gov.au and search for 'acts and local laws'.

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

Organisational structure

(as at 30 June 2022)



Note: General Manager City Economy and Activation was also Lead General Manager, City Economy and Activation and Strategic Communications and Andrew Wear was Acting General Manager, City Economy and Activation. Mark Cochrane-Holley was Acting Director, Economic Development and International

SENIOR EXECUTIVE TEAM

The organisational structure comprises seven divisions, led by the CEO, Deputy CEO and six general managers.

The CEO, Deputy CEO and general managers 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 knowledge and expertise across the organisation. Information on the CEO, Deputy CEO, and general managers and their divisions is provided on the following pages.

The *Local Government (Planning and Reporting) Regulations 2020*, sec 10 (h) (i) (ii) requires the names and areas of responsibility of Council staff reporting directly to the Chief Executive Officer to be published in this annual report.



Justin Hanney
Chief Executive Officer

Commenced position in 2019

Justin has been CEO at the City of Melbourne since the beginning of 2019. In that time, he has introduced a program to enhance organisational culture and responsiveness. He has overseen a structural realignment to enhance the City of Melbourne's strategic, economic and capital works delivery capacity to enable Melbourne to best support residents, workers and businesses. This work has been particularly important with the current significant social and economic impact of the COVID-19 pandemic.

Prior to joining the City of Melbourne, Justin worked for the Victorian Government 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, Creative Victoria, Development Victoria, Resources and Agriculture Victoria, Trade and Investment Victoria, Small Business Victoria as well as the delivery of major projects nominated by the Victorian Government.

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.

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

As the City of Melbourne's 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, study or visit. The context of the global COVID-19 pandemic and the ongoing impacts of COVID-19 have dramatically changed the nature of this challenge, however the City of Melbourne remains committed to providing all the leadership and support necessary to ensure Melbourne's recovery and continuing success as a leading city.



Alison Leighton
Deputy Chief
Executive Officer

Commenced position in 2020

Alison joined the City of Melbourne in April 2020 as the General Manager, Strategy, Planning and Climate Change, and was promoted to the role of Deputy CEO in October that same year. As Deputy CEO, Alison also had oversight of the Community and City Services and Infrastructure and Design divisions, while retaining responsibility for Strategy, Planning and Climate Change.

Prior to joining the City of Melbourne, Alison was the Chief Executive Officer at Baw Baw Shire Council and the Chief Operating Officer at Mornington Peninsula Shire.

Alison has acquired more than 15 years of progressive leadership experience in infrastructure, planning, operations and public sector business transformation.

Alison is a qualified engineer, an alumni of Harvard Business School, a graduate of the Australian Institute of Company Directors and holds a Masters in Business Administration. Alison was recognised with an award in the inaugural Top 50 Woman in the Victorian Public Sector.



Evan Counsel
General Manager Strategy,
Planning and Climate Change

Commenced position in 2021

Evan joined the City of Melbourne in 2014. He holds a degree in Urban Planning and Development from the University of Melbourne. Evan previously held the role of Director Planning and Building at the City of Melbourne, complemented by prior roles in regional and metropolitan local government organisations and almost 15 years' experience as a high-performance sports coach. In 2021, Evan was appointed to the role of General Manager Strategy, Planning and Climate Change.

The Strategy, Planning and Climate Change division partners with Traditional Owners, community and stakeholders to enable the city and organisation's future to be imagined and realised. Strategy, Planning and Climate Change shapes and delivers a vision for Melbourne as a global city, guiding the next generation of Melbourne's growth to continue as a bold, inspirational and sustainable city.

Strategy, Planning and Climate Change comprises subject matter experts who are collaborative, outward facing, initiative-driven and customer-focused. The division ensures that the City of Melbourne leads public policy discussion. It is on the cutting edge of Aboriginal recognition, resilience, city and precinct planning, urban planning and development, sustainability, partnerships, advocacy and engagement.



Katrina McKenzie
General Manager City
Economy and Activation

Commenced position in 2016

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

Katrina was recognised in the Top 50 Public Sector Women in 2022 for her leadership, commitment and contribution during the COVID pandemic (Institute of Public Administration Australia).

The City Economy and Activation division works to position Melbourne as the destination of choice for business and enterprise by nurturing a vibrant economy for those who work, live, study, visit and invest here. Its leadership as an event, creative, cultural and education destination has been key to growing the visitor economy.

The division focuses on establishing strong private and public sector relationships that position Melbourne as a world-class city in local, national and international markets. It works closely with ratepayers, business, retail, city visitors, tourists, major sporting bodies and government departments.

Following the extensive and ongoing impacts of COVID-19 on our city's business sector, international student community and creative and events industries, the City Economy and Activation division now plays a critical role in driving and supporting our city's economic recovery, and building our economy of the future as we emerge from COVID-19.



Roger Teale
General Manager
Infrastructure and Design

Commenced position in 2021

Roger joined the City of Melbourne in 2021. He has more than 25 years of senior executive leadership and management experience in the property and construction industry in Australia. His experience includes managing client and stakeholder relationships in both public and private sectors and collaborating with government stakeholders on large-scale development and infrastructure projects within Victoria – across state and local governments.

Roger previously worked at Lendlease within the property and construction businesses for 12 years, leading origination and new business development, as well as leading the organisation's government engagement. Roger has been appointed to several Victorian government advisory committees and boards including lead chair of Rebuilding Victoria's Recovery Taskforce, the Ministerial Advisory Committee on Planning Mechanisms for Affordable Housing, the Victorian Aboriginal Economic Board and the Building Industry Consultative Council. He has also been an active participant in property and construction industry organisations over the past 15 years, including being past president and board member of the Property Council of Victoria, as well as a member of the Committee for Melbourne.

Currently Roger is a Director on the Victorian Government's Cladding Safety Victoria board and is chair of their Risk Committee.

The Property, Infrastructure and Design division is responsible for providing leadership and an integrated approach to city design, project delivery and the ongoing management of infrastructure in the municipality. The division plays a major role in shaping the City of Melbourne by ensuring the public realm remains a place for all people to live, learn, work and prosper, in a high-quality, high-amenity sustainable urban environment.



Michael Tenace
 General Manager
 Finance and Corporate
 (Chief Financial Officer)

Commenced position in 2019

Michael joined the City of Melbourne in 2018 as the Chief Financial Officer, managing Finance and Procurement. He is an experienced senior executive with strategic, financial, transformational and commercial skills in both public and private sectors and in domestic and international markets. He has extensive experience leading multiple functions and has also held numerous roles as company director and trustee.

Prior to joining the City of Melbourne Michael held numerous senior executive roles at Australia Post, BTR Nylex Plc and Cadbury Schweppes. Michael holds a Bachelor of Business (Major in Finance), is a Fellow of CPA Australia and is a graduate of Australian Institute of Company Directors.

The Finance and Corporate division partners with the broader organisation to provide financial, information and digital technology, customer relations, procurement and property services. Through its CityLab team, the division also delivers transformational change and process redesign, offering inspiration and support for new thinking to increase efficiency and overall effectiveness. Michael is also leading the Workplace of the Future project.



Linda Weatherson
 General Manager Community
 and City Services

Commenced position in 2019

Linda joined the City of Melbourne in 1987. 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 Director Corporate Performance, and in 2007 was appointed as Director City Communities.

In 2018 Linda became the Director City Operations before moving to her current position as General Manager Community and City Services in 2019. In June 2021, Linda was awarded a Public Service Medal for outstanding public service to social welfare initiatives in Victoria. She holds a Diploma of Teaching (Primary) and a Graduate Diploma of Special Education.

The Community and City Services division puts people, families and community at the forefront. It strives to ensure that Melbourne is a city for all: liveable, healthy and vibrant and meeting the needs of a diverse and growing population. It provides high-quality information, services, programs and spaces for the community and our customers.

Keith Williamson
 General Manager Governance
 and Organisational Development

Commenced position in 2019
 Resigned from City of Melbourne at 30 July 2021

Executive team

The City of Melbourne executive team 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.

Vijaya Vaidyanath
Chief Executive Officer Homes Melbourne

Commenced position in January 2022

Homes Melbourne is a newly established entity within the City of Melbourne.

The Homes Melbourne team brings housing, homelessness and policy experts together to innovate, advocate and collaborate with partners across the housing sector. The team also includes partnership and philanthropic professionals to assist with the funding and delivery of homelessness and affordable housing programs and projects.

We are working with governments, businesses, developers, funders, community housing organisations and the not-for-profit sector to deliver 6000 affordable homes and reduce homelessness in our city.

Every community member deserves access to safe, high-quality rental housing close to jobs and services. Research shows that for every \$1 invested in affordable housing, the community benefit is \$3.

Jacob Clifton
Office of the LM and DLM

Commenced position in 2020

The Lord Mayor's Office enables the Lord Mayor and Deputy Lord Mayor to perform their roles by providing advice and administrative support. This team supports the Lord Mayor and Deputy Lord Mayor to undertake their Council business, stakeholder engagement, advocacy and roles as spokespeople for the organisation and municipality.

Michael Tonta
Director Governance

Commenced position in 2020

The Governance Branch is responsible for the conduct of Council and Committee meetings, compliance with the *Local Government Act 2020* including maintaining statutory registers, risk management and insurance, civic functions and protocol including the conduct of Citizenship Ceremonies. The branch also coordinates the development, monitoring and reporting on the Council Plan and Annual Plan and other key corporate documents and a range of assurance activities including supporting the Audit and Risk Committee.

Fiona Ward
Office of the CEO

Commenced position in 2020

The Office of the Chief Executive Officer provides support and advice to the CEO and senior leadership team to enhance the effectiveness of the organisation, and ensure the successful accomplishment of City of Melbourne priorities.

This is a small team that plays a key role in fostering strong and effective relationships across external key stakeholders, and all levels of the organisation.

Ashlee Faletic
Director Strategic Communications

Commenced position in 2021.
Resigned from City of Melbourne at April 2022

Strategic Communications is responsible for end-to-end communications, content creation and channel management. Our goal is to proactively and positively position the City of Melbourne and drive delivery of strategic priorities through effective, authentic and consistent communications to our key audiences.

OUR PEOPLE

COVID-19 continued to present challenges in 2021-22, including lockdowns and ongoing recovery. City of Melbourne's workforce continued to meet these challenges with professionalism and flexibility, to make sure businesses and our communities received ongoing support.

All staff can now return to the workplace. This supports team members who worked onsite throughout the pandemic to deliver essential services across the municipality.

The City of Melbourne is committed to being a workplace of choice, investing in great talent and making it possible for our people to perform at their best.

We do this by empowering our workforce, demonstrating inspirational leadership and using contemporary tools and processes.

We also strive for a constructive culture. Each year, we run the People Matter Survey, a culture survey that measures and benchmarks employee sentiment. We share the data to encourage reflection.

All employees are involved in developing their Branch Culture Action Plans. These plans focus on developing the workplace culture preferred by our people. Together, we create a workplace where we enjoy our work, and accomplish organisational goals through people development, teamwork and strong relationships.

Our culture plans are further supported and enhanced through our Employee Experience Survey. This survey provides another way to give every employee a voice to help us move towards our ideal culture.

Through these cultural measurement surveys – the Employee Experience Survey and the People Matter Survey – we can better understand our employees' experience and the diversity in our workforce. This helps us to shape an outstanding employee experience in a diverse and inclusive organisation.

In 2021-22 we also developed our first workplace Gender Equality Action Plan, and we are refreshing our Diversity, Equity and Inclusion Strategy.

A range of professional and personal development opportunities, flexible work arrangements, and health and wellbeing programs also assist our employees to achieve a healthy work-life balance and reach their full potential.

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 and agency staff. All employees are provided access to our code of conduct e-learning module. New employees receive an electronic copy of the code of conduct with their offer of employment.

Enterprise agreement

The City of Melbourne Enterprise Agreement 2021 is underpinned by the National Employment Standards, which together provide the legal framework that covers the employment terms and conditions for most of our employees.

For executive employees, employment terms and conditions are governed by the National Employment Standards and the Local Government Industry Award 2020, and individual employment contracts.

Bargaining for the 2021 agreement was completed in September 2021. The four-year Enterprise Agreement 2021 came into effect on 29 October 2021 after 1195 employees voted, and 90 per cent voted 'yes'.

Staff classifications

The City of Melbourne appoints employees to a position within one of the Classes 1 to 7, in accordance with the City of Melbourne Enterprise Agreement 2021.

- 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 – directors, general managers, the Deputy CEO and the CEO.

Our volunteers

The City of Melbourne recognises the unique skills, strengths, experiences and passion that volunteers bring to the organisation. Volunteers make an invaluable contribution to our work. They bring expertise, insight and knowledge to the services we deliver to the community.

Our volunteer programs include:

- Advisory committees
- English as a Second Language Conversation Club in our libraries
- Events including Moomba, Melbourne Fashion Week, Melbourne Music Week and Melbourne Knowledge Week
- Gardens for Wildlife
- International Student Program
- Italian for Beginners
- Library Services Digital Heritage Program
- Tourism services.

COVID-19 continued to affect our volunteer program in 2021-22. This means fewer volunteers and some activities delivered online. And yet, volunteers gave their time and expertise generously. They shared their skills and enthusiasm in event operations, customer service, tourist and visitor support, garden guides, language lessons, and expert advice.

More than 900 volunteers spent 18,000 hours in service to the organisation and the community in 2021-22. Volunteers helped make Moomba Festival the biggest and most successful event in 10 years. They offered advice and recommendations on preserving local biodiversity and protecting habitats in 2000 m² of private green space. They added to our online library archive, co-designed improvements to the Accessing Melbourne webpage and welcomed 200,000 visitors as the city recovered.

STAFF PROFILE

The City of Melbourne employed 1704 people (headcount) at the end of June 2022, with a full-time equivalent (FTE) of 1479.43.

The breakdown is as follows:

Employment type	Headcount	FTE
Permanent full-time	1037	1028.88
Permanent part-time	314	196
Maximum-term temporary (full-time and part-time)	254	224.65
Casual	99	29.91
Total	1704	1479.43

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

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

Number of staff (headcount) by employment type and gender 2020–21 to 2021–22

2020–21

Employment type	Women	Men	Non-binary / gender diverse
Permanent full-time	503	469	0
Permanent part-time	282	64	0
Maximum term (full / part-time)	144	90	0
Casual	36	16	0
Total	965	639	0

The City of Melbourne employed an additional 47 casuals over the financial year to lend additional support to the much-anticipated reopening of a wide range of community and recreation facilities that had been previously closed under COVID-19 public health orders.

Total workforce by gender as of 30 June 2022

Gender	%	Headcount	FTE
Women	60.04%	1023	866.68
Men	39.96%	681	612.75
Nonbinary / gender diverse *	0%	0	0
Total	100%	1704	1479.43

* Staff have not identified as gender diverse within Council's record keeping system. People Matters Survey 2021 respondents have identified as Woman (58%), Man (32%), Prefer not to say (9%), Non-binary and I use a different term (1%).

2021–22

Employment type	Women	Men	Non-binary / gender diverse
Permanent full-time	554	483	0
Permanent part-time	258	56	0
Maximum term (full / part-time)	156	98	0
Casual	55	44	0
Total	1023	681	0

In response to the launch of new capital works projects, such as The Greenline Project, City of Melbourne has increased workforce capability to support delivery.

Additionally, the City of Melbourne invested in a range of key capability roles across Customer and Digital services to support the reopening of the city as well as providing key support to staff as they transitioned back into the physical workplace after two years of working from home.

New staff by gender and age

Age	Female	Male	Non-binary / gender diverse	Total
Under 30 years	93 (86.01 FTE)	61 (58.57 FTE)	0 (0 FTE)	154 (144.58 FTE)
30 to 49 years	146 (136.35 FTE)	88 (83.99 FTE)	0 (0 FTE)	234 (220.34 FTE)
Over 50 years	31 (26.83 FTE)	15 (14.26 FTE)	0 (0 FTE)	46 (41.09 FTE)
Total	270 (249.19 FTE)	164 (156.82 FTE)	0 (0 FTE)	434 (406.01 FTE)

Our rate of new employee hires during the reporting period was 25.47 (by head count) or 27.44 FTE. (Last year's rate is 10.57 head count or 10.08 FTE).

Workforce turnover in 2021-22 by gender and age

Age	Female	Male	Non-binary / gender diverse	Total
Under 30 years	42 (39.83 FTE)	26 (23.46 FTE)	0 (0 FTE)	68 (63.29 FTE)
30 to 49	119 (110.41 FTE)	74 (72.80 FTE)	0 (0 FTE)	193 (183.21 FTE)
Over 50 years	46 (41.12 FTE)	27 (24.77 FTE)	0 (0 FTE)	73 (65.89 FTE)
Total	207 (191.36 FTE)	127 (121.03 FTE)	0 (0 FTE)	334 (312.39 FTE)

Number of staff (FTE) by organisational group, employment type and gender as of 30 June 2022

Employment type	Gender	Infrastructure and Design	City Economy and Activation	Community and City Services	Executive Services	Finance and Corporate	Customer and Digital	Strategy, Planning and Climate Change	Grand total
Permanent full-time	Women	52.28	130.02	151.21	84.25	28.80	37.44	64.12	548.11
Permanent full-time	Men	80.08	48.00	155.77	34.95	35.57	60.75	65.66	480.77
Permanent part-time	Women	6.83	51.86	63.31	7.00	4.69	8.85	22.34	164.88
Permanent part-time	Men	0	14.24	8.09	0.50	1.47	1.19	5.64	31.12
Maximum term full-time	Women	10.80	26.92	23.99	14	5.75	12.46	13.65	107.57
Maximum term full-time	Men	11.00	18.00	8.00	4.00	5.00	12.00	16.00	74.00
Maximum term part-time	Women	0.81	10.53	10.50	0.00	0.90	0.00	5.80	28.54
Maximum term part-time	Men	1.34	5.92	3.20	0.00	0.00	0.00	4.08	14.54
Casual	Women	0.79	3.97	9.78	0	0	3.06	0.00	17.59
Casual	Men	1.00	1.35	8.59	0	0	1.39	0	12.32
Grand total	N/A	164.92	310.80	442.42	144.70	82.18	137.14	197.29	1479.43

City of Melbourne executive remuneration

Position	Name	Total employment package	Start at City of Melbourne	Current contract start	Current contract end
Chief Executive Officer	Justin Hanney	\$513,052	14 January 2019	1 July 2022	30 June 2026
Deputy Chief Executive Officer	Alison Leighton	\$435,000	30 March 2020	30 March 2020	29 March 2025
General Manager Strategy, Planning and Climate Change	Evan Counsel	\$330,000	17 July 2013	14 June 2021	13 June 2025
General Manager City Economy and Activation	Katrina McKenzie	\$381,381	21 January 2016	2 March 2020	1 March 2024
General Manager Finance and Corporate	Michael Tenace	\$393,000	22 October 2018	1 July 2021	30 June 2024
General Manager Infrastructure and Design	Roger Teale	\$420,000	1 February 2021	1 July 2021	30 June 2023
General Manager Community and City Services	Linda Weatherson	\$381,381	7 December 1987	20 July 2020	19 July 2023

DIVERSITY AND INCLUSION

We embrace the benefits of inclusion and diversity, and openly value the different experience, skills, knowledge and perspectives our people bring with them.

We believe in equality. We know that diversity and being inclusive helps us become an organisation that makes better decisions. We know that an inclusive workplace supports a higher sense of wellbeing and psychological safety and this leads to greater engagement, and higher levels of commitment and satisfaction.

Our values are the foundation of our commitment to equality, diversity and inclusion. We value integrity, courage, accountability, respect and excellence. Each of these values highlights and celebrates the equality, diversity and inclusion ethos that is 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.	Challenge our own unconscious biases.
Courage Speak up, have courage, make things happen.	Speak 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.	Ensure 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 participate fully.
Excellence Display excellence, and 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.

Melbourne Pride network

The Melbourne Pride network continued its work in a digital environment as we recovered from the COVID-19 pandemic. The focus for 2021-22:

- Inclusion and advocacy: by supporting and empowering allies to foster a workplace culture where diversity is embraced.
- Support for our people: by connecting our people and encouraging participation in our networking activities.
- Visibility: by addressing barriers to inclusion and issues being addressed and faced by LGBTIQ+ members and allies.

Many employees now wear pride lanyards across all areas of the organisation, meaning more than 750 employees have formally pledged to speak out and act against homophobia, biphobia, intersexism and transphobia, and will stand with or among LGBTIQ+ colleagues as members of Melbourne Pride.

Key Melbourne Pride activities in 2021-22 included:

- Wear it Purple Day: starting to distribute 1000 pronoun badges for staff. Melbourne Town Hall illuminated in purple lights.
- Pride in Diversity training through City of Melbourne's Pride in Diversity membership.
- Melbourne Town Hall's illumination in purple lights.
- International Day against Homophobia, Biphobia, Intersexism and Transphobia: marked with a morning tea and with the opening of nominations for a new Melbourne Pride Executive committee.
- Foundations of LGBTIQ+ inclusion sessions: more than 30 staff attended. Hosted by Minus 18.

In 2021 City of Melbourne established a Diversity and Inclusion Senior Adviser role to increase the focus on workplace diversity, equity and inclusion. The first piece of work to be delivered was the writing of City of Melbourne's first Gender Equality Action Plan, a key piece of work under the *Gender Equality Act 2020*.

The process of writing the Gender Equality Action Plan included a workplace audit, consultation with staff and preparation of strategies that will ensure we increase gender equality in the workplace. Strategies focus on cultures of safety and respect, and leadership and enablement, ensuring representation and participation, and reducing the gender pay gap.

Work has also begun on implementing recommendations from the report into Sexual Harassment in Local Government by the Victorian Auditor General's Office, and the revision of the Diversity, Equity and Inclusion Strategy.

We collect data to help us assess how well we are achieving our equity, diversity and inclusion goals. This includes data on our workforce's gender and age, and incidents of harassment, bullying and discrimination.

Ratio of basic salary and remuneration of women to men by employee category at 30 June 2022

Award employees

Class 1 to Class 7 including senior officer staff (2021-22)

1 woman to 0.69 men

(2020-21 was 0.65 men; 2019-20 was 0.63 men; 2018-19 was 0.63 men; 2017-18 was 0.62 men)

1 man to 1.46 women

(2020-21 was 1.53 women; 2019-20 was 1.60 women; 2018-19 was 1.60 women; 2017-18 was 1.62 women)

Executive employees

(Executive 1 to Executive 5)

1 woman to 1.07 men

(2020-21 was 1 man; 2019-20 was 1.06 men; 2018-19 was 1 man; 2017-18 was 1.07 man)

1 man to 0.93 women

(2020-21 was 1 woman; 2019-20 was 0.94 women; 2018-19 was 1 woman; 2017-18 was 0.94 women)

Employee classification by gender (FTE) as at 30 June 2022

Gender	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7 / Senior Officer Contract	Exec	Total
Women	11.36	30.40	147.74	174.28	193.72	175.11	94.52	39.57	866.68
Men	12.32	12.40	106	97.68	108.65	135.31	99.01	41.40	612.75
Non-binary / gender diverse	0	0	0	0	0	0	0	0	0
Total	23.68	42.80	253.73	271.96	302.37	310.41	193.53	80.97	1479.43

Employee classification by age group (FTE) as at 30 June 2022

Age group	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7 / Senior Officer Contract	Exec	Total
Under 30 years	12.97	8.35	49.34	47.36	24.67	10.62	1	0	154.30
30 to 49 years	3.51	23.72	108.54	159.49	196.72	205.29	126.35	43.57	867.19
50 years plus	7.21	10.73	95.86	65.11	80.98	94.50	66.18	37.40	457.95
Total	23.69	42.80	253.74	271.96	302.37	310.41	193.53	80.97	1479.43

EMPLOYEE HEALTH AND SAFETY

Our goal is to provide a safe and healthy workplace and environment for our staff, suppliers, contractors, volunteers and visitors. At the City of Melbourne, our culture recognises safety as everyone's responsibility.

We integrate this messaging into our organisational values. Each person is responsible for recognising workplace hazards and correcting or reporting them promptly. The City of Melbourne then has a robust system in place to support the investigation and either rectify, or oversee the rectification of reported hazards.

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

COVID-19 has continued to affect how people work and interact with each other. We recognise the unique challenges faced by our frontline employees and those running community facilities. They are charged with maintaining their safety while also delivering services to the community and our customers.

The data below represents our employees and does not include contractors. There were no fatalities or occupational diseases recorded during 2021-22.

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

Annual statistics

Lost time injury frequency rate	Total recordable injury frequency rate	Occupational disease rate	Absentee rate	Total work-related fatalities
7.37	12.15	0	6.17%	0

Lost time injury frequency rate is calculated as the number of lost time injuries recorded in the reporting period divided by total hours worked multiplied by 1 million.

Total recordable injury frequency rate is calculated as the number of lost time injuries plus the number of medical treatment injuries recorded in the reporting period divided by total hours worked multiplied by 1 million.

Absentee rate is total sick leave absences as a percentage of ordinary time available. The previous year's absentee rate was 4.68 per cent. This includes sick leave with and without a medical certificate, carers' leave, sick unpaid leave, sick leave pending a WorkCover claim and WorkCover. The absenteeism rate does not include special leave.

Lost time and medically treated injuries by type

Nature of injury (medically treated)	Number of reported incidents
Biological factors of non-human origin (COVID-19)	6
Body stressing without handling object	6
Slips, trips and falls	6
Harassment and / or bullying	3
Hitting object with part of body	2
Hit by moving object	1
Body stressing while handling object	1
Single contact with chemical or substance	1
Occupational violence	1
Exposure to environmental heat	1
Total	28

WorkCover claims

We received 25 WorkCover claims in 2021-22. All were accepted by our insurer. Our WorkCover premium rate for 2021-22 was 1.25 per cent. The performance rating, which will be applied to the new financial year, is 0.67 per cent. This indicates a significant performance improvement and has led to a projected reduction in premium for the 2022-23 financial year.

Financial year	Standard claims	Minor claims	Premium including GST (\$)	Performance rating
2021-22*	17	8	2,459,833.13	0.97
2020-21	11	2	2,663,517.82	1.31
2019-20	15	2	2,110,586.47	0.98
2018-19	18	1	2,164,974.90	0.99
2017-18	19	11	1,779,287.36	0.80

*Accurate at the time of this report. Annual claims data may change retrospectively due to minor claims progressing to standard claims and claims being rejected.

EMPLOYEE DEVELOPMENT AND TRAINING

During the past 12 months, the Learning and Development team delivered as many face-to-face courses as possible, within the constraints of COVID-19 restrictions.

This included the return of the Safer People Interactions course, which promotes safer workplace interactions when dealing with members of the public in either a fixed or dynamic environment. Important conflict management techniques and practical skills are learnt, including understanding how to de-escalate situations that have the potential to become dangerous.

A total of 170 employees from various teams and branches across the organisation completed this training.

Core learning program engagement

Corporate Induction

The Corporate Induction program was paused in line with COVID-19 restrictions. In December 2021, this important welcome to the organisation recommenced in a face-to-face format. The agenda has been reviewed and re-designed and is now a two-day program where participants learn about:

- the City of Melbourne, local government and the role of Council
- some of the many different projects being delivered across the city
- the organisation-wide cultural program which focuses on a building a constructive culture.

About 21,900 courses were completed by employees during the past 12 months. Most were mandatory e-learning. Less instructor-led training could be delivered due to the pandemic and lockdowns. Overall, there was an increased rate of course completion, with about 1500 more completions recorded than the previous year.

New learning resources

Aboriginal Cultural Safety Training (online)

The Aboriginal Cultural Safety Training course began in November 2021. It builds on cultural awareness by providing practical tips and skills for putting cultural safety considerations into practice.

Participant learning and understanding is enhanced by the personal stories and the lived experience of our facilitators, while exploring Aboriginal identities, cultures, and history. 256 employees attended and completed this course this year.

INVOLVING THE COMMUNITY IN OUR DECISIONS

This year we heard from more than 15,000 people through community engagement activities across 58 city-shaping projects. Our community engagement has influenced decision-making and improved policy, services and project outcomes across Council deliverables.

Communities had their say on a range of key initiatives set out in our four-year Council Plan. The projects that the community most engaged with included the rollout of the food organics and garden organics waste service, bike lanes, planning for the new Munro Library and Community Hub, scoping affordable housing sites, the domestic animal management plan and neighbourhood planning. Community members representing broad sections of the municipality also helped develop critical strategies, including our 10-year Inclusive Melbourne Strategy and our 10-year Financial and Assets plans.

We spoke to community at the neighbourhood level, to further develop our understanding of the strengths, needs and priorities of each of the unique neighbourhoods which make up our municipality. From this consultation we have developed Neighbourhood Portals to facilitate regular and ongoing conversations between City of Melbourne and the diverse communities that live, work, study and visit each of our neighbourhoods. Neighbourhood Portals can be accessed at participate.melbourne.vic.gov.au/participate-neighbourhoods

Community satisfaction with our consultation and engagement continued to rank above the state-wide average (index score of 61), as measured by the 2022 Community Satisfaction Survey. The City of Melbourne strives to build on these high standards. A priority for the year ahead is to strengthen the reach of our community consultations, ensuring we hear from diverse and often under-represented voices across the municipality. We are building on a strong foundation, using a range of approaches to engage with community, including through community reference groups, intercept surveys, one-on-one conversations, workshops and focus groups.

Online engagement on our Participate Melbourne platform continues to evolve with new and improved digital tools and formats, making it easier for the community to learn about and submit their ideas on projects, plans and strategies. This year we saw a 16.8 per cent increase in subscribers to our monthly Participate Melbourne newsletter, giving an additional 1000 people regular communication and access to the latest in engagement news and project updates. More information is available at participate.melbourne.vic.gov.au

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

- Greenline Implementation Plan
- Participate Neighbourhoods
- Inclusive Melbourne Strategy 2022-32
- Women's Safety and Empowerment Action Plan 2021-24
- Budget 2022-23
- Annual Plan 2022-23
- Munro Library and Community Hub
- Making Errol Street Exceptional
- Scoping Affordable Housing Sites
- Carlton Gardens Master Plan
- Financial and Assets Plans 2021-31
- Domestic Animal Management Plan
- Food and Garden Waste Service
- Kensington Stock Route Food Walk
- New Bike Lanes
- Transforming our Little Streets

Participate Melbourne metrics

Financial year	2017-18	2018-19	2019-20	2020-21	2021-22
Website visitors	109,696	145,093	125,179	157,865	179,103
Registered members	8409	12,138	11,111	13,419	14,889

OUR ENVIRONMENTAL PERFORMANCE

The Council Plan strategic objective to respond to the climate and biodiversity emergency – and related city-wide strategies and plans – drives our approach to reducing the environmental impact of our organisational and city. To lead and inspire action throughout the community, we continually reduce the impact of our own operations, with a current focus on three 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 measures' section under Climate and biodiversity emergency.

Energy and emissions

The City of Melbourne has set an ambitious target to become a zero emissions city by 2040. We recognise that we must lead by example to support the community to transition to a zero emissions future. Council has set corporate emissions reduction targets to reduce emissions from Council's day-to-day operations in line with the Paris Agreement. We have exceeded our Paris-aligned emissions reduction of 4.5 per cent, which represents our contribution to keep global temperature rise below 1.5 degrees.

We are committed to maintaining our status as a certified carbon neutral organisation. Since 2012, we have calculated and publicly reported the emissions impact of our operations and supply chain through a submission to the Australian Government's Climate Active Program. All residual emissions are offset by investing in projects that reduce or absorb emissions, allowing us to achieve this carbon neutrality status.

A new Emissions Reduction Plan 2021–26 was endorsed by Council in October 2021 and ratifies the increased ambition set when Council declared a climate and biodiversity emergency. With Council assets being powered by 100 per cent renewable energy, our focus now shifts to eliminating gas and fuel use through electrification of these assets. We have begun the work to measure and minimise the emissions from materials across our capital works and continue the work of reducing emissions from our supply chain, subsidiaries and major events.

2020–21 results

This is the second full year that all Council operations have been powered by 100 per cent renewable electricity through the Melbourne Renewable Energy Project. Our corporate fleet is also transitioning, with the number of hybrid and fully electric vehicles in our fleet increasing to 69 per cent. Upgrades were completed across several administration buildings, and a roadmap was developed to switch all City of Melbourne buildings assets from gas to electricity.

Our 2021–22 carbon report shows that operational emissions have decreased 9 per cent from the previous year to 11,209 tonnes of carbon dioxide (CO₂) equivalent.

Moomba and Firelight Festival joined Melbourne Fashion Week, Music Week and Melbourne Knowledge Week as certified carbon neutral events.

All offsets retired by the City of Melbourne have been independently verified and selected to maximise social, economic and environmental co-benefits aligned to the United Nations Sustainable Development Goals.

To download the Emissions Reduction Plan 2021–26 and view our achievements to date, visit melbourne.vic.gov.au and search for 'emissions reduction plan'.

RISK MANAGEMENT

Three policies help to guide our risk management approach:

- Risk Management Policy
- Crisis and Business Continuity Policy
- Fraud and Corruption Policy.

These policies detail the objectives and key responsibilities, and outline timeframes for the review, reporting and approval of risks. We enact our policies 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. Six-monthly reporting on operational risks is provided to the CEO and general managers. Significant risks are reported to the executive leadership team and reported to the Audit and Risk Committee throughout the year.

Exercise Torrent

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

To understand how these events could play out, the City of Melbourne has long committed to running an annual exercise to strengthen our skills to respond to emergencies. Exercise Torrent was conducted on 17 June 2022 at Arts House, North Melbourne Town Hall.

This year's Exercise Torrent explored the response, relief and recovery needs of the local community when there is a significant flood incident in the Melbourne municipal area.

After a scene-setting presentation by Victoria State Emergency Service on recent flooding in New South Wales, participants worked in groups in response to a hypothetical scenario. Then they reported back to the group.

About 80 participants took part in the exercise, including emergency services agencies, local residents and community leaders, business owners, and council and emergency management staff.

This exercise helped us to better understand the impact a natural disaster might have on our community, particularly marginalised people.

It also helped lay the foundations for more localised neighbourhood emergency plans, with North Melbourne as a case study for municipality.

ASSURANCE PROGRAM

Audit and risk committee

Melbourne City Council has operated an Audit and Risk Committee since 1999, in accordance with section 53 of the *Local Government Act 2020*. The Committee oversees the activities of our external and internal auditors and gives us independent advice on appropriate accounting, auditing, internal control, risk management, compliance and reporting systems, processes and practices.

The Audit and Risk Committee met five times during 2021-22 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 2021-22 the independent members were: Geoff Harry (Chair), Therese Ryan and Stuart Hall.

Council representatives appointed to the Committee are Councillor Philip Le Liu and Councillor Jamal Hakim. Their appointment commenced on 15 December 2020.

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 chair of a range of audit committees, including the Department of Premier and Cabinet, City of Greater Geelong, Kingston City Council, City of Whittlesea, City of Greater Dandenong, IBAC, Agriculture Services Victoria and Orygen Mental Health.

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 of the Australian Institute of Company Directors. In 2021 Geoff was reappointed to a new four-year term on the Committee.

Therese Ryan – appointed July 2013

Therese Ryan is a professional non-executive director who sits on several 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 the University of Melbourne.

Therese's appointment to the Committee ended on 30 June 2022.

Stuart Hall – appointed August 2013

Stuart Hall is an independent mining consultant with more than 40 years' experience in corporate roles in the mining industry, most recently as CEO 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.

Audit and risk committee meeting attendance

Attendee	Role	6.08.21 Quarterly	3.09.21 Special	12.11.21 Quarterly	11.02.22 Quarterly	6.05.22 Quarterly
Geoff Harry	Chair	Yes	Yes	Yes	Yes	Yes
Therese Ryan	Member	Yes	Yes	Yes	Yes	Yes
Stuart Hall	Member	Yes	Yes	Yes	Yes	Yes
Councillor Philip Le Liu	Council representative	No	Yes	Yes	Yes	Yes
Councillor Jamal Hakim	Council representative	Yes	Yes	Yes	Yes	No

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.

PricewaterhouseCoopers was appointed on 1 July 2021 to deliver internal audit services for three years until June 2024.

External audit

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

PROCUREMENT AND CONTRACTS

The City of Melbourne operates a centre-led model for managing procurement and suppliers. The model aims to improve our focus on delivering value and commercial outcomes by:

- simplifying the procurement process
- increasing the focus on sustainability within the procurement process
- introducing automation and efficiency through tools and systems
- implementing a supplier management framework to improve the overall benefit to the community, increasing value from contracts, enhancing the relationship and governance with our suppliers, and driving mutual benefits and innovation
- strengthening the contract management process
- centrally managing all tenders greater than \$250,000.

City of Melbourne is also implementing a new procurement system, COMBUY, to manage procurement activities and achieve:

- efficiencies
- automation
- digitisation
- compliance management
- reporting
- consistency of supplier process.

For service contracts with a value greater than \$250,000, strategic reviews are carried out to determine:

- whether the service is still required
- the strategic approach for delivering and providing the service
- how the service aligns to Council's strategic objectives
- analysis of the supplier market
- the best procurement methodology and delivery.

A total of 45 tenders were issued in 2021-22, covering the following service categories:

- events services
- marketing services
- community services
- consultancy and other work
- capital and infrastructure works
- operational services
- technology.

Procurement policy updates

In line with the new *Local Government Act 2020*, the City of Melbourne has updated its procurement policy. The policy also reflects the changing requirements of Council, the community and suppliers. The focus is to:

- clarify and simplify procurement
- remove obsolete and ineffective processes
- minimise risk
- maximise value
- respond to City of Melbourne's sustainability goals
- realign thresholds aligned to the risk and complexity of the procurement
- concentrate on local economic benefits.

The updated procurement policy was approved at a Council meeting on 29 June 2021, with a three-month window for implementation.

City of Melbourne did not enter into any other contracts valued at \$250,000 or more for goods or services without engaging in a competitive process.

In line with the new procurement policy, the following exemptions from not going to tender were approved by the CEO:

CEO exemptions

- provision of outdoor dining infrastructure and maintenance services
- revenue review
- eDocs support and maintenance renewal
- legal exemption
- street cleaning contract extension
- Midweek Melbourne Money
- relocation of Testing Grounds infrastructure and activation to Market Square
- home care packages
- media buying services
- CIS contract extension.

We entered the following contracts in 2021–22 in line with section 186(5)(c) of the *Local Government Act 1989*.

<p>Procurement Australia</p>	<ul style="list-style-type: none"> • recruitment training and associated services • courier services • office library furniture • stationery, office and workplace supplies • library collections, furniture, equipment and associated requirements • debt collection services • electricity and associated services • provision of printing and related services • IT products and services • fleet management services • metered electricity services • recruitment learning and development • commercial furniture • defined facilities management services and products • natural gas to City of Melbourne-owned buildings • security and cash collection services • Melbourne Renewable Energy Project
<p>State Purchase Contract</p>	<ul style="list-style-type: none"> • computing equipment panel contract • Wog Cloud Services Panel • Wog ICT Panel • Eservices Register State Purchase Contract • Media Buying (MAMS) • Print Management and Associated Services • Marketing Services Register • Salesforce • Construction Supplier Register • Professional Advisory Services Panel • Mail and postal services • VIC Fleet Contracts • CAMMS Interplan Renewal DTA 02836 • Cloud Marketplace (CMP) • Adobe Licences
<p>Municipal Association of Victoria</p>	<ul style="list-style-type: none"> • VMware - vm4323 (thomas dureya) • Telecommunications - npn1.18 • Energy efficient street lighting contract - sl3911 • Autodesk renewal - insight enterprise • Office supplies, products, equipment and accessories - os4400 • Easyweb internet and support services
<p>City of Melbourne</p>	<ul style="list-style-type: none"> • Active Melbourne recreation facilities - YMCA • eDocs maintenance renewal - Konika Minolta • Accela licensing, maintenance and support services agreement • Melbourne rewards program - waivpay • Daily Support Team - Launch Housing • Integrated night safe space program - Salvation Army



PROPERTY HOLDINGS

Asset	Consolidated Value
Royal Park, Flemington Road, Parkville	\$352,197,000
Fitzroy Gardens, Wellington Parade, East Melbourne	\$243,491,000
Fawkner Park, Commercial Road, South Yarra	\$233,010,000
Kings Domain, St Kilda Road, South Yarra	\$214,387,000
Flagstaff Gardens, William Street, West Melbourne	\$154,093,000
Town Hall, Swanston Street, Melbourne	\$133,750,000
Princes Park, Royal Parade, Carlton	\$115,837,000
Queen Victoria Market, Victoria Street, Melbourne	\$114,339,000
Munro Building, Queen & Therry Street, Melbourne	\$74,982,000
Council House 2, Little Collins Street, Melbourne	\$63,500,000
Council House 1, Little Collins Street, Melbourne	\$62,279,000
Treasury Gardens, Spring Street, East Melbourne	\$50,168,000
Carlton Gardens South, Rathdowne Street, Carlton	\$45,638,000
Carlton Gardens North, Carlton Street, Carlton	\$39,585,000
Birrarung Marr, Batman Avenue, Melbourne	\$38,850,000
Alexandra Park, Alexandra Avenue, Melbourne	\$37,697,000
Argyle Square, Lygon Street, Carlton	\$35,003,000
Queen Victoria Gardens, St Kilda Road, South Yarra	\$33,249,000
University Square, 190 Pelham Street, Carlton	\$31,818,000
Lincoln Square, Swanston Street, Carlton	\$28,461,000

- All valuations are as of 30 June of the respective year.
- The consolidated values in this list include 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. The valuations are done in accordance with International Valuation Standard 2020 (released 31 January 2020), which aligns with the AASB.

GOVERNANCE AND MANAGEMENT CHECKLIST 2021–22

The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.

Governance and management items		Assessment	
1	Community engagement policy (policy under section 55 of the <i>Local Government Act 2020</i> outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the 2020 Act Date of adoption: 23 February 2021	<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 adoption: 23 February 2021	<input checked="" type="checkbox"/>
3	Financial Plan (plan under section 91 of the 2020 Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the 2020 Act Date of adoption: 26 October 2021	<input checked="" type="checkbox"/>
4	Asset Plan (plan under section 92 of the 2020 Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the 2020 Act Date of adoption: 26 October 2021	<input checked="" type="checkbox"/>
5	Revenue and Rating Plan (plan under section 93 of the 2020 Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the 2020 Act Date of adoption: 28 June 2021	<input checked="" type="checkbox"/>
6	Annual Budget (plan under section 94 of the 2020 Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the 2020 Act Date of adoption: 28 June 2022	<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 commencement of current policy: Last revised 28 February 2020	<input checked="" type="checkbox"/>
8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of commencement of current policy: 31 December 2019	<input checked="" type="checkbox"/>

Governance and management items	Assessment
9 Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 2013</i> for emergency prevention, response and recovery)	Complies with the requirements of the <i>Emergency Management Act 2013</i> , including having regard to any of the relevant guidelines under section 77 of that Act Date of preparation: May 2021
10 Procurement policy (policy under section 108 of the 2020 Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)	Adopted in accordance with section 108 of the 2020 Act Date of approval: 29 June 2021
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)	Date of operation of current plan: 31 January 2020 New plan scheduled for July 2022
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: 24 May 2021
13 Risk management framework (framework outlining council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 31 May 2021
14 Audit and Risk Committee (advisory committee of Council under sections 53 and 54 of the 2020 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 sections 53 and 54 of the 2020 Act Date of establishment: 28 July 2020 Original date of establishment: 1 July 1999
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)	Internal auditor engaged. Date of engagement of current provider: 16 June 2021
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 1989 Act)	Current framework in operation Date of operation of current framework: 1 July 2014
17 Council Plan report (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: 14 June 2022
18 Financial reporting (quarterly statements to Council under section 97 (1) of the 2020 Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Quarterly statements presented to Council in accordance with section 138(1) of the 1989 Act Date statements presented: 31 August 2021 (Quarterly Financial Performance Report & Budget) Quarterly performance reporting: 23 November 2021, 22 February 2022, 31 May 2022

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: 18 March 2022	<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 98 of the 2020 Act)	Reports Date of reports: 23 November 2021, 22 February 2022, 31 May 2022	<input checked="" type="checkbox"/>
21	Annual report (annual report under sections 98 and 99 of the 2020 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 100 of the 2020 Act Date statements presented: 26 October 2021	<input checked="" type="checkbox"/>
22	Councillor Code of Conduct (Code under section 139 of the 2020 Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 139 of the 2020 Act Date adopted: 15 December 2020	<input checked="" type="checkbox"/>
23	Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the 2020 Act)	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the 2020 Act Date of review: 28 July 2020	<input checked="" type="checkbox"/>
24	Meeting procedures (Governance Rules under section 60 of the 2020 Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the 2020 Act Date Governance Rules adopted: 25 August 2020	<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: 27 September 2022



Sally Capp
Lord Mayor
Dated: 27 September 2022



LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK

Report of operations

	Service performance indicators Service / indicator / [measure]	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Aquatic facilities						
AF2	Service standard <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	2	2	1	2	There were three Council-owned aquatic facilities open during 2021-22, with one closed for renovations. All six inspections were compliant.
AF6	Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.07	2.94	1.33	1.69	There were 286,280 visits to aquatic centres during 2021-22, an increase of 17%, from 244,797 in 2020-21.
AF7	Service cost <i>Cost of aquatic facilities</i> [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	New in 2020	\$2.94	\$8.08	\$8.28	In 2021-22, the cost per visit to aquatic centres increased by 2.5% to \$8.28, due to COVID-19 restrictions on service and facility closures. This resulted in a higher net cost, with limited income to offset fixed costs - including maintenance, labour and utilities.

Service performance indicators		Results	Results	Results	Results	Material variations
Service / indicator / [measure]		2019	2020	2021	2022	and comments
Animal management						
AM1	<p>Timeliness <i>Time taken to action animal management requests</i></p> <p>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</p>	1.77	1.92	2.09	1.50	The reduced time taken to respond to requests, 1.49 days in 2021-22, down from 2.09 in 2020-21, was the result of service improvement work. Understanding how and when our customers want to be communicated with has assisted the ability to efficiently resolve matters.
AM2	<p>Service standard <i>Animals reclaimed</i></p> <p>[Number of animals reclaimed / Number of animals collected] x100</p>	43%	52%	33%	44.62%	In 2021-22, 45% of impounded cats and dogs were reclaimed from Council, which is consistent with the 2018-19, and 2019-20 years. It is an 11% increase on 2020-21, and we are working with neighbouring councils and vet clinics to reduce the number of animals impounded in the City of Melbourne from other council areas.
AM5	<p>Service standard <i>Animals rehomed</i></p> <p>[Number of animals rehomed / Number of animals collected] x100</p>	New in 2020	28%	28%	36.16%	All avenues are explored to reunite animals with their owner prior to offering them up for adoption to new owners. In 2021-22, 36% of dogs and cats collected by Council were rehomed, which is 8% higher than 2020-21.
AM6	<p>Service cost <i>Cost of animal management service per population</i></p> <p>[Direct cost of the animal management service / Population]</p>	New in 2020	\$4.62	\$4.25	\$3.93	Council provides a consistently cost-effective service compared with similar Councils. During 2021-22 the service cost reduced by 7% on the previous year, due to temporary staff changes. Officers conduct proactive patrols in public places, promote responsible pet ownership and registration, and conduct audits on domestic animal businesses.
AM7	<p>Health and safety <i>Animal management prosecutions</i></p> <p>[Number of successful animal management prosecutions / Number of animal management prosecutions x100]</p>	New in 2020	75%	100%	100%	In 2021-22 there were three animal management prosecutions, and each related to serious dog attacks on other dogs. All three were successfully prosecuted.

	Service performance indicators Service / indicator / [measure]	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Food safety						
FS1	Timeliness <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	2.5	2.5	2.4	2.4	Council's average response time of 2.4 days to action food complaints remains consistent with previous reporting periods. The five-year average is 2.42 days.
FS2	Service standard <i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	100%	99.5%	36%	85.05%	During the reporting period, many businesses remained closed and were slow to reopen when COVID-19 restrictions eased, resulting in an 85% food safety assessment rate. All high-risk Class 1 premises were inspected.
FS3	Service cost <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$932.67	\$906.15	\$718.30	\$956.22	The cost per registered food business increased during the reporting period. Revenue declined with about 200 fewer food businesses registered with Council, while the cost of providing the service remained the same, resulting in a higher unit cost.
FS4	Health and safety <i>Critical and Major non-compliance outcome notifications</i> [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	100%	100%	100%	100%	During the 2021 calendar year, all major and critical non-compliances received a follow-up.

	Service performance indicators Service / indicator / [measure]	Results 2019	Results 2020	Results 2021	Results 2022	Material variations 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>	24%	19%	17%	20.6%	Of the 55 Council decisions made at meetings closed to the public, 27 of these relate to grants and administrative matters, and commercial matters such as subsidiary trading results and contract procurement. Eighteen of the confidential decisions include resolutions for the matter to be made public following an operational process. Council is committed to improving public transparency, and is reviewing processes to increase the number of decisions made in open.
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>	62	60	62	61	The level of community satisfaction with how Council has performed on community consultation and engagement in 2022 has remained consistent with previous years. The five-year average is 61.6% satisfaction.
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>	87%	85%	99%	92%	Councillor attendance statistics reflect the current environment, with absences due to COVID and / or illness. Where Councillors have been unable to attend meetings, apologies have been provided.

Service performance indicators		Results	Results	Results	Results	Material variations
Service / indicator / [measure]		2019	2020	2021	2022	and comments
Governance						
G4	<p>Service cost</p> <p><i>Cost of elected representation</i></p> <p>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</p>	\$85,697.20	\$85,301.18	\$80,664.73	\$87,648.49	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. While costs decreased during the previous two years during COVID-19 restrictions, total costs have increased by \$6984 as travel and other restrictions eased, and is consistent with the five-year average of \$85,162.
G5	<p>Satisfaction</p> <p><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>	65	65	68	64	The level of community satisfaction with how Council has performed in making decisions in the interest of the community in 2022, at 64% satisfaction, is consistent with the five-year average of 65% satisfaction.

	Service performance indicators Service / indicator / [measure]	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Libraries						
LB1	Utilisation <i>Physical library collection usage</i> [Number of library collection item loans / Number of library collection items]	5.4	4.3	2.2	3.1	There was an increased physical turnover from the previous year, with libraries open for longer periods of time than in the previous year, the community had increased access to borrow from the physical collections. In 2020-21 the collection averaged 2.22 loans per item, which reflected the impacts of COVID-19 restrictions.
LB2	Resource standard <i>Recently purchased library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	69%	62%	65%	62%	The 2021-22 result for the recently purchased library collection is consistent with recent years, and the 3.5% decrease is within the acceptable range.
LB4	Participation <i>Active library borrowers in municipality</i> [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	28%	27%	25%	21%	The results for this indicator are based on the previous three years, creating a lag-effect. The previous two years of COVID-19 restrictions affected the result for 2021-22 most significantly, with 21% active library borrowers. An issue with data cleansing across all library borrower subscription services prompted a revision of the result reported for 2020-21. The corrected active library data for 2020-21 was 24% (instead of the previously reported 25%). Prior year results are unable to be revised. The 2021-22 result of 21% was 3% less than 2020-21 (24%).
LB5	Service cost <i>Cost of library service per population</i> [Direct cost of the library service / Population]	New in 2020	\$65.28	\$62.60	\$73.09	There has been a statistically significant increase in the cost of library service per population, due to the population decrease from 183,756 in 2020-21, to 169,860 in 2021-22.

	Service performance indicators Service / indicator / [measure]	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Maternal and child health (MCH)						
MC2	<p>Service standard <i>Infant enrolments in the MCH service</i></p> <p>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100</p>	99%	99%	102%	101%	The result demonstrates a high level of awareness of, and engagement with, the Maternal and Child Health service. Council has successfully adapted its service delivery as per Department of Health guidelines during COVID-19.
MC3	<p>Service cost <i>Cost of the MCH service</i></p> <p>[Cost of the MCH service / Hours worked by MCH nurses]</p>	\$81.32	\$76.61	\$82.90	\$82.03	The result of \$82.03 for 2021-22 is consistent with prior years. Maternal and Child Health hours have increased from last year, however there is a decrease in cost due to reduction in on-costs of supplies, training, venue hire and utilities as result of COVID-19. A mix of telehealth and face-to-face consultations were offered, and online resources were used in place of printed materials.
MC4	<p>Participation <i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p>	76%	82%	85%	83%	Participation in Maternal and Child Health Service is voluntary. Regular reminders for missed visits are sent and followed up. Family participation can vary between years.
MC5	<p>Participation <i>Participation in the MCH service by Aboriginal children</i></p> <p>[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</p>	70%	79%	85%	92%	The 92% participation for 2021-22 is a positive increase on recent years, and family participation in maternal and child health may vary significantly between years. The City of Melbourne has a small Aboriginal community and families are also able to attend Aboriginal Health Services to receive Maternal and Child Health, and many use both services depending on the age of the child.
MC6	<p>Satisfaction <i>Participation in 4-week Key Age and Stage visit</i></p> <p>[Number of 4-week key age and stage visits / Number of birth notifications received] x100</p>	New in 2020	90%	89%	87%	The 2021-22 result is consistent with recent years. The Maternal and Child Health Service makes contact with 100 per cent of families following a birth. In some cases, families choose to seek alternative family support services in the early days of parenting to meet their specific and cultural needs. Our service assists these families to connect with other community support services and networks.

Service performance indicators Service / indicator / [measure]		Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Roads						
R1	<p>Satisfaction of use <i>Sealed local road requests</i></p> <p>[Number of sealed local road requests / Kilometres of sealed local roads] x100</p>	192	230	148	189	The number of service requests received for our sealed local roads during the 2021-22 financial year is higher than the previous year. This increase is due largely to the COVID-19 lockdown resulting in lower requests in the 2020-21 financial year. After the end of this lockdown period, reporting has increased to previous levels.
R2	<p>Condition <i>Sealed local roads maintained to condition standards</i></p> <p>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100</p>	79%	95%	95%	94%	The percentage of sealed local roads that are below the renewal intervention standard set by the Council and not requiring renewal has slightly reduced compared to the previous financial year. This is marginal and within the acceptable range.
R3	<p>Service cost <i>Cost of sealed local road reconstruction</i></p> <p>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</p>	\$265.85	\$286.89	\$261.31	\$279.66	The direct reconstruction cost per square metre of sealed local roads has increased compared to the previous financial year. This is due to the increase in schedule of rates (rise and fall) and cost of material due to supply chain issues.
R4	<p>Service cost <i>Cost of sealed local road resealing</i></p> <p>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</p>	\$53.88	\$48.94	\$48.36	\$49.97	The direct resealing cost per square metre of sealed local roads has slightly increased during the year due the increase in schedule of rates (rise and fall).
R5	<p>Satisfaction <i>Satisfaction with sealed local roads</i></p> <p>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</p>	73	67	70	68	The level of community satisfaction with how the Council has performed on the condition of sealed local roads in 2021-22 is two points lower than the previous year. This reduction is likely due to the increase in traffic and construction activity in the city following the end of the COVID-19 lockdown period.

Service performance indicators		Results	Results	Results	Results	Material variations and comments
Service / indicator / [measure]		2019	2020	2021	2022	
Statutory planning						
SP1	Timeliness <i>Time taken to decide planning applications</i>	101	99	107	103	In 2021-22, a median of 103 days to decide planning applications represents a 3% reduction from 2020-21 result of 107 days. Improvement from 2020-21 is reflected in the implementation of ongoing service improvement and staffing.
	[The median number of days between receipt of a planning application and a decision on the application]					
SP2	Service standard <i>Planning applications decided within required time frames</i>	66%	57%	52%	60%	In 2021-22 60% of planning applications were decided within the required time frame. This represents an 8% increase from the 2020-21 results of 52%.
	[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100					
SP3	Service cost <i>Cost of statutory planning service</i>	\$2383.38	\$2802.54	\$3530.32	\$4776.27	The cost of the statutory planning service per planning application received in 2020-21 financial year has increased by 35% when compared with 2020-21. This measure only captures planning applications and does not include Ministerial / Heritage Victoria referrals or other large scale projects. The change can be attributed to the lower number of planning applications received compared with previous years and increases in operating costs.
	[Direct cost of the statutory planning service / Number of planning applications received]					
SP4	Decision making <i>Council planning decisions upheld at VCAT</i>	53%	81%	56%	70%	In 2021-22 only 24 appeals were considered, and the number of VCAT outcomes that upheld Council's decision increased from 56% to 70%. An additional 33 appeals were resolved with the consent of all parties and are excluded from this measure. The year-on-year variation is due to the low total number of appeal decisions considered as part of the measure.
	[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					

Service performance indicators		Results	Results	Results	Results	Material variations
Service / indicator / [measure]		2019	2020	2021	2022	and comments
Waste collection						
WC1	<p>Satisfaction <i>Kerbside bin collection requests</i></p> <p>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000</p>	55	56	50	46	During 2021-22 there were 246 additional requests compared to 2020-21, primarily due to the introduction of food and garden organics services, and changes to the kerbside recycling service. The result is consistent to the previous three years, and considered low when compared to the number of customers serviced (about 110,000).
WC2	<p>Service standard <i>Kerbside collection bins missed</i></p> <p>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</p>	3.7	1.8	1.6	2.7	There was a slight increase in missed service requests due to changes in collection services, including changes to collection days (recycling service changed from weekly to fortnightly and the introduction of food and garden organics services). The total number of missed services is less than 0.003% overall (more than 1 million collection services provided to the community and less than 5000 actual services missed throughout the year).
WC3	<p>Service cost <i>Cost of kerbside garbage bin collection service</i></p> <p>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</p>	\$246.32	\$416.92	\$352.08	\$361.52	The cost of kerbside garbage collection service has increased by about \$1.7 million compared to the previous financial year, largely due to the Victorian Government landfill levy. While our waste diversion rate has increased by 2.5%, our total tonnes have increased with growth. Approximately 1800 new properties were serviced this year.

	Service performance indicators Service / indicator / [measure]	Results 2019	Results 2020	Results 2021	Results 2022	Material variations and comments
Waste collection						
WC4	<p>Service cost <i>Cost of kerbside recyclables collection service</i></p> <p>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</p>	\$93.99	\$235.04	\$174.57	\$160.72	The cost of kerbside recycling collection service has increased by about \$1.5 million compared to the previous financial year. This increase is associated with the introduction of food and garden organics service to all single-unit dwellings and low rise multi-unit dwellings in the municipality (increase in costs is attributed to collections and the supply of new bin infrastructure). The introduction of food and garden organics services has diverted 1326 tonnes of organics from landfill and aligns with the Council's Recycling Victoria Policy which requires a 50% reduction in landfilled organics by 2030 and 20% by 2025.
WC5	<p>Waste diversion <i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	26%	21%	25%	29%	Results indicate that Council has increased recycling by about 2203 tonnes compared to the previous financial year. This is largely due to introduction of the food and garden organics services to about 22,000 dwellings. The City of Melbourne is now achieving 29.07% diversion from landfill, this represents an increase of 2.5% from the previous year.

	Service performance indicators Service / indicator / [measure]	Results 2017	Results 2018	Results 2019	-	Comments
Retired Measures						
	Aquatic Facilities Service cost					
AF4	<i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$1.98	\$4.05	\$2.42	Retired in 2020	This measure was replaced by AF7 from 1 July 2019.
AF5	<i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$2.14	\$3.36	\$2.51	Retired in 2020	This measure was replaced by AF7 from 1 July 2019.
	Animal Management Service cost					
AM3	<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$104.66	\$122.59	\$126.78	Retired in 2020	This measure was replaced by AM6 from 1 July 2019.
AM4	Health and Safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	6	10	4	Retired in 2020	This measure was replaced by AM7 from 1 July 2019.
	Libraries Service cost					
LB3	<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$7.82	\$7.93	\$7.65	Retired in 2020	This measure was replaced by LB5 from 1 July 2019.
	Maternal and Child Health (MCH) Satisfaction					
MC1	<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	104.5%	101.1%	102.6%	Retired in 2020	This measure was replaced by MC6 from 1 July 2019.

CITY OF MELBOURNE 2021-22 PERFORMANCE STATEMENT

For the year ended 30 June 2022

Description of municipality

The City of Melbourne is at the centre of greater Melbourne, covering an area of 37 square kilometres. It takes in the central city and 14 inner city suburbs.

Our diverse population is comprised of 154,000 people who live in the municipality. Almost half of all residents in the municipality speak a language other than English at home.

The population is expected to grow rapidly as more people seek out the cultural, business, education, work and lifestyle opportunities the city offers.

We are working towards an inclusive recovery from COVID-19 pandemic, launching many initiatives this year to build momentum and inspire confidence. And yet, the COVID-19 pandemic has significantly affected our community, business owners, visitors and other city users.

Our revenue streams and budget will continue to be affected into the future.

Where the pandemic has had an impact on the performance of particular indicators, appropriate specific commentary has been provided throughout this section.

The broader impact of COVID-19 on our organisation, community, and programs and services is referenced throughout this Annual Report.

SUSTAINABLE CAPACITY INDICATORS

For the year ended 30 June 2022

Indicator / measure	Results				Material variations
	2019	2020	2021	2022	
Population					
<i>Expenses per head of municipal population</i>	\$2706	\$2703	\$2820	\$3146	An increase in the costs per head relates to an increase in expenses for 2021-22 as a result of the new enterprise agreement and costs associated with grants programs, and changes to population numbers as the city returns to pre COVID-19 levels.
[Total expenses / Municipal population]					
<i>Infrastructure per head of municipal population</i>	\$11826	\$11883	\$11727	\$26411	A combination of the completion of capital works programs during the year, and net increments related to asset valuations on infrastructure as at 30 June, and fluctuations in population.
[Value of infrastructure / Municipal population]					
<i>Population density per length of road</i>	700	737	755	696	No material variation.
[Municipal population / Kilometres of local roads]					
Own-source revenue					
<i>Own-source revenue per head of municipal population</i>	\$2586	\$2640	\$2283	\$2613	A result of increases to user fees and charges that increased on prior year in the area of parking fees and permits, and fluctuations in population as the city returns to pre-COVID levels.
[Own-source revenue / Municipal population]					
Recurrent grants					
<i>Recurrent grants per head of municipal population</i>	\$116	\$108	\$99	\$116	An increase in recurrent operating grants received from Victorian Government appropriations, for programs associated with libraries, maternal and child health, and the aged and disabled, and fluctuations in population as the city returns to pre-COVID levels.
[Recurrent grants / Municipal population]					
Disadvantage					
<i>Relative socio-economic disadvantage</i>	7	7	7	7	No material variation.
[Index of Relative Socio-economic Disadvantage by decile]					
Workforce turnover					
<i>Resignations and terminations compared to average staff</i>	11.3%	9.3%	9.6%	15.7%	Staff turnover increased for the year following some internal realignment and the end of lockdowns.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100					

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 2022

Service/indicator/[measure]	Results				Material variations
	2019	2020	2021	2022	
Aquatic facilities					
Utilisation					
<i>Utilisation of aquatic facilities</i>	4.1	2.9	1.3	1.7	There were 286,280 visits to aquatic centres during 2021-22, an increase of 17%, from 244,797 in 2020-21.
[Number of visits to aquatic facilities / Municipal population]					
Animal management					
Health and safety					
<i>Animal management prosecutions</i>	New in 2020	75%	100%	100%	In 2021-22 there were three animal management prosecutions, and each related to serious dog attacks on other dogs. All three were successfully prosecuted.
[Number of successful animal management prosecutions / Total number of animal management prosecutions] x100					
Food safety					
Health and safety					
<i>Critical and major non-compliance outcome notifications</i>	100%	100%	100%	100%	During the 2021 calendar year, all Major and Critical non-compliances received a follow up.
[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>	65	65	68	64	The level of community satisfaction with how Council has performed in making decisions in the interest of the community in 2022, at 64% satisfaction, is consistent with the five-year average of 65% satisfaction.
[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
	2019	2020	2021	2022	
Libraries					
Participation					
<i>Active library borrowers in the municipality</i>	28%	27%	25%	21%	The results for this indicator are based on the previous three years, creating a lag-effect, and the previous two-years of COVID-19 restrictions impacted the result for 2021-22 most significantly, with 21% active library borrowers. An issue with data cleansing across all library borrower subscription services prompted a revision of the result reported for 2020-21. The corrected active library data for 2020-21 was 24% (instead of the previously reported 25%). Prior year results are unable to be revised. The 2021-22 result of 21% was 3% less than 2020-21 (24%).
[The sum of the number of active library borrowers in the last 3 years / The sum of the population in the last 3 years] x100					
Maternal and child health					
Participation					
<i>Participation in the MCH service</i>	76%	82%	85%	83%	Participation in Maternal and Child Health Service is voluntary. Regular reminders for missed visits are sent and followed up. Family participation can vary between years.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<i>Participation</i>					The 92% participation for 2021-22 is a positive increase on recent years, and family participation in maternal and child health may vary significantly between years. The City of Melbourne has a small Aboriginal community and families are also able to attend Aboriginal Health Services (VAHS) to receive Maternal and Child Health services, and many use both services depending on the age of the child.
<i>Participation in the MCH service by Aboriginal children</i>	70%	79%	85%	92%	
[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					

Service / indicator / [measure]	Results				Material variations
	2019	2020	2021	2022	
Roads					
Satisfaction					
<i>Satisfaction with sealed local roads</i>	73	67	70	68	The level of community satisfaction with how the Council has performed on the condition of sealed local roads in 2021-22 is two points lower than the previous year. This reduction is likely due to the increase in traffic and construction activity in the city following the end of the 2020-21 COVID-19 lockdown period.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					
Statutory planning					
Decision making					
<i>Council planning decisions upheld at VCAT</i>	53%	81%	56%	71%	In 2021-22 only 24 appeals were considered, and the number of VCAT outcomes that upheld Council's decision increased from 56% to 71%. An additional 33 appeals were resolved with the consent of all parties and are excluded from this measure. The year-on-year variation is due to the low total number of appeal decisions considered as part of the measure.
[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%	21%	25%	29%	Results indicate that Council has increased recycling by approximately 2203 tonnes compared to the previous financial year. This is largely due to introduction of Food Organics and Garden Organics (FOGO) services to approx. 22,000 dwellings. The City of Melbourne is now achieving 29.07% diversion from landfill, this represents an increase of 2.5% from the previous year.
[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 borrower" 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 section 98 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

FINANCIAL PERFORMANCE INDICATORS

For the year ended 30 June 2022

Dimension / indicator / measure	Results				Forecasts			Material variations	
	2019	2020	2021	2022	2023	2024	2025		2026
Efficiency Expenditure level Expenses per property assessment [Total expenses / Number of property assessments]	\$3832	\$3933	\$4018	\$4048	\$4098	\$3866	\$3930	\$4030	No material variation.
Revenue level Average rate per property assessment [Total rate revenue / Number of property assessments]	New in 2020	\$2445	\$2446	\$2463	\$2536	\$2606	\$2675	\$2779	No material variation.
Liquidity Working capital Current assets compared to current liabilities [Current assets / Current liabilities] x100	183.28%	129.60%	128.26%	58.67%	93.11%	98.39%	86.89%	100.88%	The city received lower grants and monetary contributions during the year that was related to delays in programs from COVID-19 effects. In addition, lower than pre-COVID-19 fees and charges, and an increase in employee costs and materials and services costs, and capital spending left cash and cash equivalents significantly lower than prior year, as no borrowings were drawn during the year. The forecast is for borrowings to increase initially, along with fees and charges which will improve cash balances as we move further into recovery.
Unrestricted cash Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	68.44%	22.99%	18.57%	-43.67%	46.85%	64.90%	65.49%	44.03%	Reflects the reduction in the cash balance as at 30 June as a result of lower grant revenue and increased expense in 2021-22 in relation to recovery following COVID-19.

Dimension / indicator / measure	Results			Forecasts			Material variations	
	2019	2020	2021	2022	2023	2024		2025
Obligations								
Loans and borrowings								
Loans and borrowings compared to rates	9.93%	0.00%	0.00%	0.00%	54.33%	64.90%	65.49%	44.03%
[Interest bearing loans and borrowings / Rate revenue] x100								
								No loans drawn as at 30 June 2022, however, as per the published budget for 2022-23 and the following three years, City of Melbourne will require the use of its loan facilities to meet program targets.
Loans and borrowings repayments compared to rates	0.86%	9.55%	0.03%	0.03%	0.69%	1.16%	1.86%	20.44%
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100								
								Borrowings will increase in line with the published budget over the next four years as Council recovers to pre COVID-19 levels.
Indebtedness								
Non-current liabilities compared to own source revenue	7.54%	2.02%	2.25%	2.29%	39.72%	44.90%	46.71%	29.69%
[Non-current liabilities / Own source revenue] x100								
								Borrowings will increase in line with the published budget over the next four years as Council recovers to pre COVID-19 levels.
Asset renewal								
Asset renewal compared to depreciation	New in 2020	117.67%	152.37%	103.25%	145.59%	166.94%	122.72%	95.32%
[Asset renewal and asset upgrade expenditure / Depreciation] x100								
								The slow recovery from COVID-19 has meant delays in capital works programs during the year. However, asset renewal and upgrade programs were affected less than new assets. Our ambitious capital works program will continue into the forecast years as major programs not commenced during 2021-22 are still required and are to be funded from carry overs and future budgets.

Dimension / indicator / measure	Results					Forecasts				Material variations
	2019	2020	2021	2022	2023	2024	2025	2026		
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) / [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	8.39%	3.98%	-4.93%	-5.79%	2.53%	7.51%	5.53%	16.09%	The negative result is due to the reduction in own source revenue related to the slower than expected recovery from COVID-19, against increased expenses as the city recovers to pre COVID-19 levels. This is expected to return to the positive in the forward estimates as the city returns to a surplus position and revenue streams recover.	
Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	57.15%	59.90%	64.01%	64.52%	60.44%	62.54%	64.47%	58.01%	No material variation.	
Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.24%	0.24%	0.23%	0.23%	0.23%	0.23%	0.23%	0.23%	No material variation.	

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.

Retired measures Service / indicator / measure	Results			
	2017	2018	2019	
Animal Management Health and Safety <i>Animal Management Prosecutions</i>	6	10	4	Retired in 2020
[Number of successful animal management prosecutions]				This measure was replaced by AM7 from 1 July 2019
Efficiency Revenue Level <i>Average Residential rate per residential property assessment</i>	\$1062	\$1109	\$1186	Retired in 2020
[Residential rate revenue / Number of residential property assessments]				This measure was replaced by E4 from 1 July 2019
Obligations Asset renewal <i>Asset renewal compared to depreciation</i>	74.65%	86.18%	65.36%	Retired in 2020
[Asset renewal expense / Asset depreciation] x100				This measure was replaced by O5 from 1 July 2019

OTHER INFORMATION

For the year ended 30 June 2022

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 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

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 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its financial plan on 30 June 2022 and which forms part of the council plan. The financial 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 financial 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 2020* and the Local Government (Planning and Reporting) Regulations 2020.

A handwritten signature in blue ink, appearing to read 'Michael Tenace'.

Michael Tenace (FCPA)

General Manager Finance and Corporate (Chief Financial Officer)

Melbourne

Dated: 27.09.2022

In our opinion, the accompanying Performance Statement of the Melbourne City Council for the year ended 30 June 2022 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

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 2020 to certify this Performance Statement in its final form.

A handwritten signature in black ink, appearing to read 'Sally Capp'.

Sally Capp

Lord Mayor

Melbourne

Dated: 27.09.2022

A handwritten signature in black ink, appearing to read 'Philip Le Liu'.

Philip Le Liu

Councillor

Melbourne

Dated: 27.09.2022

A handwritten signature in blue ink, appearing to read 'Justin Hanney'.

Justin Hanney

Chief Executive Officer

Melbourne

Dated: 27.09.2022

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 2022 • sustainable capacity indicators for the year ended 30 June 2022 • service performance indicators for the year ended 30 June 2022 • financial performance indicators for the year ended 30 June 2022 • other information and • certification of the performance statement. <p>In my opinion, the performance statement of Melbourne City Council in respect of the year ended 30 June 2022 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</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 <i>APES 110 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 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 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.</p>

Auditor's responsibilities for the audit of the performance statement

As required by the *Audit Act 1994*, 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 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 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
18 October 2022



Travis Derricott
as delegate for the Auditor-General of Victoria

ANNUAL FINANCIAL REPORT 2021–22





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FINANCIAL REPORT



Certification of the Financial Statements

In my opinion the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020, Australian Accounting Standards and other mandatory professional reporting requirements.

Michael Tenace (FCPA)

General Manager Finance and Corporate (Chief Financial Officer)

Melbourne

Date: 27.09.2022

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 2022 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 2020 to certify the financial statements in their final form.

Sally Capp

Lord Mayor

Melbourne

Dated: 27.09.2022

Philip Le Liu

Councillor

Melbourne

Dated: 27.09.2022

Justin Hanney

Chief Executive Officer

Melbourne

Dated: 27.09.2022

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 2022 • 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 2022 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</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 <i>APES 110 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, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</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's 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's 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's 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.

Auditor's responsibilities for the audit of the financial report

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
18 October 2022



Travis Derricott
as delegate for the Auditor-General of Victoria

FINANCIAL STATEMENTS

Comprehensive Income Statement

For the Year Ended 30 June 2022

	Consolidated		Note	Council	
	2022 \$'000	2021 \$'000		2022 \$'000	2021 \$'000
Income					
Rates and charges	325,615	315,896	3.1	325,868	316,147
Statutory fees and fines					
Parking fines	24,068	24,501	3.2	24,068	24,501
Other statutory fees and fines	12,397	11,743	3.2	12,398	11,747
User fees					
Parking fees	41,658	34,640	3.3	38,995	32,009
Other user fees	17,932	15,645	3.3	17,932	15,645
Grants - operating	50,222	62,595	3.4	50,222	62,595
Grants - capital	17,906	32,626	3.4	17,906	32,626
Contributions - monetary	7,203	31,700	3.5	7,193	31,700
Contributions - non monetary	-	490	3.5	-	490
Net gain / (loss) on disposal of property, infrastructure, plant and equipment	2,693	(467)	3.6	2,177	(1,114)
Fair value adjustments for investment properties	5,223	3,939	6.3	5,223	3,939
Other income	304,000	231,810	3.7	17,192	16,721
Total Income	808,917	765,118		519,174	547,006
Expenses					
Employee costs	317,940	290,481	4.1	178,205	167,152
Materials and services	358,887	301,922	4.2	222,550	216,067
Depreciation	79,462	76,769	4.3	66,221	63,393
Amortisation / Impairment - intangible assets	13,160	12,727	4.4	11,874	11,824
Amortisation - right of use assets	7,343	6,644	4.5	2,349	2,326
Bad and doubtful debts	8,072	7,274	4.6	8,048	7,262
Borrowing costs	355	289	4.7	91	82
Finance costs - leases	756	569	4.8	189	173
Other expenses	9,943	8,195	4.9	7,563	6,723
Grants and contributions	28,900	32,417	4.10	36,600	41,817
Impairment loss on asset revaluation	608	4,298	4.11	608	4,298
Total Expenses	825,426	741,585		534,298	521,117
Surplus / (deficit) for the year	(16,509)	23,533		(15,124)	25,889
Other Comprehensive Income					
Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation (decrement) / increment	200,676	12,941	9.1(a)	200,676	12,941
Gain on defined benefits plans	1,467	2,129	9.3	-	-
Total Other Comprehensive Income	202,143	15,070		200,676	12,941
Total Comprehensive Result	185,634	38,603		185,552	38,830

The Comprehensive Income Statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at 30 June 2022

	Consolidated		Note	Council	
	2022 \$'000	2021 \$'000		2022 \$'000	2021 \$'000
Assets					
Current Assets					
Cash and cash equivalents	49,631	158,721	5.1 (a)	39,801	143,870
Trade and other receivables	67,819	74,187	5.1 (c)	32,145	39,594
Other financial assets	2,000	31,750	5.1 (b)	-	30,000
Inventories	2,795	1,610	5.2 (a)	-	-
Non-current assets classified as held for sale	436	-	6.1	-	-
Other assets	25,920	8,044	5.2 (b)	13,853	7,861
Total Current Assets	148,601	274,312		85,799	221,325
Non-Current Assets					
Other financial assets	33,717	33,626	5.1 (b)	33,717	33,626
Investment in subsidiaries and associates	7,750	7,750	6.2	26,356	26,356
Property, infrastructure, plant and equipment	4,596,956	4,361,377	6.1	4,488,466	4,242,465
Right of use assets	22,783	27,606	5.8	5,868	5,655
Investment property	227,978	188,518	6.3	227,978	188,518
Intangible assets	76,319	70,546	5.2 (c)	43,700	36,798
Net assets of City of Melbourne's Defined Benefits	16,511	15,276	9.3	-	-
Total Non-Current Assets	4,982,014	4,704,699		4,826,085	4,533,418
Total Assets	5,130,615	4,979,011		4,911,884	4,754,743
Liabilities					
Current Liabilities					
Trade and other payables	96,860	113,978	5.3 (a)	64,003	83,286
Trust funds and deposits	15,839	15,062	5.3 (b)	13,653	13,676
Unearned income / revenue	31,405	43,300	5.3 (c)	25,843	39,158
Provisions	58,365	53,253	5.5	41,099	37,313
Interest-bearing liabilities	13,200	12,000	5.4	-	-
Lease liability	5,898	6,173	5.8	1,649	1,962
Total Current Liabilities	221,567	243,766		146,247	175,395
Non-Current Liabilities					
Trade and other payables	-	1,435	5.3 (a)	-	-
Trust funds and deposits	1,617	2,377	5.3 (b)	1,617	1,526
Provisions	5,105	4,978	5.5	4,050	3,992
Interest-bearing liabilities	-	6,200	5.4	-	-
Lease liability	17,484	21,047	5.8	4,510	3,922
Total Non-Current Liabilities	24,206	36,037		10,177	9,440
Total Liabilities	245,773	279,803		156,424	184,835
Net Assets	4,884,842	4,699,208		4,755,460	4,569,908
Equity					
Accumulated surplus	2,245,695	2,258,962		2,167,018	2,180,367
Reserves	2,639,147	2,440,246	9.1	2,588,442	2,389,541
Total Equity	4,884,842	4,699,208		4,755,460	4,569,908

The Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity
For the Year Ended 30 June 2022

	Note	Total Equity		Accumulated Surplus		Revaluation Reserve		Other Reserves	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at beginning of the financial year		4,699,208	4,660,605	2,258,962	2,248,730	2,350,656	2,337,715	89,590	74,161
Surplus / (deficit) for the year		(16,509)	23,533	(16,509)	23,533	-	-	-	-
Net asset revaluation increment / (decrement)	9.1	200,676	12,941	-	-	200,676	12,941	-	-
Investment in associates	9.1	-	-	-	-	-	-	-	-
Transfers to other reserves	9.1	-	-	(5,086)	(27,787)	-	-	5,086	27,787
Transfers from other reserves	9.1	-	-	6,861	12,358	-	-	(6,861)	(12,358)
Actuarial gain - City of Melbourne's Defined Benefits Superannuation Fund	9.3	1,467	2,129	1,467	2,129	-	-	-	-
Balance at the end of the financial year		4,884,842	4,699,208	2,245,694	2,258,962	2,551,332	2,350,656	87,815	89,590

Council	Note	Total Equity		Accumulated Surplus		Revaluation Reserve		Other Reserves	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at beginning of the financial year		4,569,908	4,531,078	2,180,367	2,169,907	2,299,951	2,287,010	89,590	74,161
Surplus / (deficit) for the year		(15,124)	25,889	(15,124)	25,889	-	-	-	-
Net asset revaluation increment / (decrement)	9.1	200,676	12,941	-	-	200,676	12,941	-	-
Investment in associates	9.1	-	-	-	-	-	-	-	-
Transfers to other reserves	9.1	-	-	(5,086)	(27,787)	-	-	5,086	27,787
Transfers from other reserves	9.3	-	-	6,861	12,358	-	-	(6,861)	(12,358)
Balance at the end of the financial year		4,755,460	4,569,908	2,167,018	2,180,367	2,500,627	2,299,951	87,815	89,590

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 2022

	Consolidated		Note	Council	
	2022 \$'000	2021 \$'000		2022 \$'000	2021 \$'000
Cash Flows from Operating Activities					
Rates and charges	325,710	312,168		325,963	312,419
Statutory fees and fines	42,220	37,327		42,221	37,331
User fees	46,553	54,590		60,604	61,644
Grants - operating	30,464	96,653		30,464	96,653
Grants - capital	26,496	40,909		26,496	40,909
Contributions - monetary	7,291	31,922		7,281	31,922
Interest received	404	806		392	804
Dividends received	25	18		25	18
Other receipts	333,817	256,215		14,072	15,113
Net GST refund	14,799	6,498		31,385	20,796
Trust funds and deposits taken / (repaid)	75	632		126	(1,149)
Employee costs	(326,156)	(281,743)		(186,215)	(160,331)
Materials and services	(411,333)	(336,373)		(267,414)	(242,903)
Short-term, low value and variable lease payments	(1,079)	(963)		(979)	(867)
Grants and contributions	(32,706)	(36,538)		(40,453)	(45,983)
Other payments	(10,388)	(8,824)		(7,880)	(7,310)
Net cash provided by / (used in) operating activities	46,191	173,297	9.2	36,087	159,066
Cash Flows from Investing Activities					
Proceeds from sale of property, infrastructure, plant and equipment	8,065	27,136	3.6	7,404	26,282
Payments for property, infrastructure, plant and equipment	(177,082)	(155,436)		(174,992)	(145,569)
Proceeds from / for sale of investments	29,750	64,000		30,000	64,000
Payment to new business vendors as part of acquisition	(3,544)	(15,235)		-	-
Net cash provided by / (used in) investing activities	(142,811)	(79,535)		(137,588)	(55,287)
Cash Flows from Financing Activities					
Finance costs	(355)	(289)		(91)	(82)
Proceeds from borrowings	-	25,417		-	7,217
Repayment of borrowings	(5,000)	(7,217)		-	(7,217)
Interest paid - lease liability	(756)	(569)		(189)	(173)
Repayment of lease liability	(6,358)	(6,401)		(2,287)	(2,253)
Net cash provided by / (used in) financing activities	(12,469)	10,941		(2,567)	(2,508)
Net increase / (decrease) in cash and cash equivalents	(109,090)	104,703		(104,069)	101,271
Cash and cash equivalents at beginning of the financial year	158,721	54,018		143,870	42,599
Cash and cash equivalents at the end of the financial year	49,631	158,721		39,801	143,870
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 2022

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Property				
Land	5,086	-	5,086	-
Total Land	5,086	-	5,086	-
Buildings				
Buildings	56,558	3,875	56,558	3,670
Heritage buildings	3,847	8,296	3,847	8,296
Building improvements	15,446	46,933	14,836	46,356
Total Buildings	75,851	59,104	75,241	58,322
Total Property	80,937	59,104	80,327	58,322
Plant & Equipment				
Plant, machinery and equipment	11,712	13,395	5,693	4,140
Fixtures, fittings and furniture	870	1,016	735	1,016
Computers and telecommunications	18,958	17,270	18,644	17,110
Library books	1,479	1,043	1,479	1,043
Total Plant & Equipment	33,019	32,724	26,551	23,309
Infrastructure				
Roads	7,101	9,229	7,101	9,229
Bridges	1,908	1,547	1,908	1,547
Footpaths and cycleways	14,222	18,392	14,222	18,392
Drainage	5,861	5,028	5,861	5,028
Recreational, leisure and community facilities	4,710	593	4,710	593
Waste management	492	327	492	327
Parks, open space and streetscapes	21,525	21,931	21,525	21,931
Other infrastructures	12,041	12,377	12,041	12,377
Total Infrastructure	67,860	69,424	67,860	69,424
Total Capital Works Expenditure	181,816	161,252	174,738	151,055
Represented by:				
New asset expenditure	108,512	52,999	102,136	43,661
Asset renewal expenditure	46,910	48,214	46,910	48,214
Asset expansion expenditure	4,231	10,801	4,231	10,801
Asset upgrade expenditure	22,163	49,238	21,461	48,379
Total Capital Works Expenditure	181,816	161,252	174,738	151,055

The Statement of Capital Works should be read in conjunction with the accompanying notes.

NOTES TO FINANCIAL STATEMENTS

Note 1 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.

Reporting entity

The reporting entity comprises Melbourne City Council and its wholly owned subsidiaries Citywide Service Solutions Pty Ltd (Citywide), Queen Victoria Market Pty Ltd (QVM), Enterprise Melbourne Pty Ltd and Melbourne Digital Enterprises Pty Ltd. The results of the operations of these entities are included in the consolidated results of the Group. Refer to Note 6.2 for details of the subsidiary entities and Council's consolidation principles.

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 general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board (AASB), the *Local Government Act 2020*, and the Local Government (Planning and Reporting) Regulations 2020.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs (Australian-specific) applicable to a not-for-profit entity under the Australian Accounting Standards.

Significant accounting policies

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.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

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.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Revisions to accounting estimates to reflect more accurate 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 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of doubtful debts provisions (refer Note 4.6)
- the measurement of goodwill [refer to Note 5.2 (c)]
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities [refer to Note 3.4 (d)]
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- the analysis of Council results by program (refer to Note 2)
- the measurement of fair values of net assets and goodwill on Citywide acquisitions [Note 6.2 and Note 5.2 (c)]
- the determination of a financial liability due to a 'Termination for Convenience' clause within the Melbourne City Recovery Fund (MCRF) grant.

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.

Impact of COVID-19

On 16 March 2020 a state of emergency was declared in Victoria due to the COVID-19 pandemic. A state of disaster was subsequently declared by the Victorian Government on 2 August 2020. The impacts of the pandemic continued through to the beginning of 2021-22 which began with Victoria's fifth lockdown for two weeks in July 2021, and then the sixth lockdown in early August 2021 that extended through various iterations related to the Omicron variant and mandatory vaccinations, before restrictions began easing in November 2021 and into early 2022. Council has noted the following impacts on its financial operations, and the financial operations of the Group (group information refer to Note 6.2).

- Council and the Group's annual budgets were adjusted to reflect conditions that were prevalent in the first half, and expected to recover in the second half of 2021-22. Council's own source revenue came in below budget in 2021-22 due to: lower supplementary rates revenue related to delays in building developments; lower than expected volumes of traffic through the city; lockdown restrictions that effected access to various community facilities; and general activity levels in the city during the first half of the year. Monetary contributions were also lower than budget as the slowdown in the building development sector meant lower contributions related to public open space. To show the full effect of COVID-19 on Council financial statements for the year, a comparison against the last pre-COVID budget (2019-20) is more relevant. Lower than expected activity in all sectors, and the slow re-opening of recreation and sports facilities and libraries following lockdown saw further reductions in statutory fees and fines and user fees over the twelve months. The major components effected when measured against 2019-20 were: parking fees and fines (\$31.5 million); statutory fees and other user fees (\$14 million) and; other income (\$3.4 million), which totalled \$51.6 million. In addition, Council provided assistance in the form of waivers and extensions in commercial rent and permits to the value of \$1 million, giving a total effect on revenue of approximately \$52.6 million.
- Queen Victoria Market revenue was significantly impacted through the provision of rent relief to food, market stall and hospitality traders by \$3.7 million against budget. Lower market visitation and less city workers reduced car park revenue by \$1.9 million against budget and COVID-19 restrictions reduced events and tourism revenue by \$1.4 million against budget. The City provided assistance to QVM in the form of a \$7.7 million grant during the year. Citywide Service Solutions Pty Ltd (Citywide) revenue position improved from the prior year, however, COVID-19 still had an impact on revenue of \$3.6 million due to the cancellation of events, and plant shutdowns related to the Asphalt Joint Ventures. The effect on the subsidiaries total revenue was a reduction of \$10.6 million.
- The Group again incurred additional expense during the 2021-22 financial year directly related to COVID-19, for cleaning, city revitalisation, and various business support programs. Programs that were fully or partially funded by the Victorian Government included in Council's 2021-22 result were the Melbourne City Reactivation Fund (\$18.3 million), Melbourne Revitalisation Fund (\$13.9 million), Laneway Revitalisation (\$1.4 million) and other cleaning and assistance programs (\$4.5 million). All but \$3 million was funded by the Victorian Government. Citywide's result included additional expenditure of \$2.7 million to complete works on local government contracts, while Queen Victoria Market implemented cost reduction measures to minimise the financial impacts of lost revenue.
- COVID-19 has had a significant impact on the Group's cash position, as net cash provided by operating activities is \$127.1 million lower than prior year. Grants and monetary contributions of \$62.4 million to support city programs were \$105.2 million lower than 2020-21 levels. Higher materials and services and employee related costs which were up by \$75 million and \$44.4 million respectively on prior year also contributed. Employee costs included the acceptance of a new enterprise agreement and related back pay and adjustments. Total debtors outstanding across the Group fell by \$6.4 million in the 12 months to 30 June 2022, with Council reducing by \$7.4 million. All entities in the Group have closely reviewed bad and doubtful debts provisions at balance date to ensure that impairments have been identified and recognised. Payments for property, infrastructure, plant and equipment increased on prior year for the group by \$21.6 million. Valuation gains on land freehold of \$175.8 million and buildings \$42 million, and a reduction in current liabilities related to reduced trade payables and unearned income led to an increase in the net assets of the group of \$185.6 million.
- The total financial impact of COVID-19 on the group result during 2021-22 is therefore about \$74 million, which includes reduced revenue of \$63 million and additional expense of \$11 million. The impact on the City of Melbourne was reduced revenue of \$52.6 million and an increase in expenses of \$10.7 million (total impact on City result \$63.3 million).

Note 2 Performance against budget

2.1 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 2020 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.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

The budget information provided only relates to Council. A consolidated budget is not required and therefore not prepared.

2.1.1 Income and expenditure

Council	Budget	Actual	Variance		
	2022 \$'000	2022 \$'000	\$'000	%	Ref
Income					
Rates and charges	327,807	325,868	(1,939)	(1%)	1
Statutory fees and fines					
Parking fines	39,041	24,068	(14,973)	(38%)	2
Other statutory fees and fines	10,920	12,398	1,478	14%	3
User fees					
Parking fees	51,912	38,995	(12,917)	(25%)	4
Other user fees	21,800	17,932	(3,868)	(18%)	5
Grants - operating	47,091	50,222	3,131	7%	6
Grants - capital	44,784	17,906	(26,878)	(60%)	7
Contributions - monetary	22,755	7,193	(15,562)	(68%)	8
Net gain / (loss) on disposal of property, infrastructure, plant and equipment	8	2,177	2,169	27113%	9
Fair value adjustments for investment properties	-	5,223	5,223	100%	10
Other income	16,921	17,192	271	2%	
Total Income	583,039	519,174	(63,865)	(11%)	
Expenses					
Employee costs	180,267	178,205	2,062	1%	11
Materials and services	214,585	222,550	(7,965)	(4%)	12
Depreciation	67,410	66,221	1,189	2%	13
Amortisation - intangible assets	11,759	11,874	(115)	(1%)	
Amortisation - right of use assets	1,729	2,349	(620)	(36%)	
Bad and doubtful debts	12,755	8,048	4,707	37%	14
Borrowing costs	148	91	57	39%	
Finance costs - leases	82	189	(107)	(130%)	
Other expenses	7,243	7,563	(320)	(4%)	
Grants and contributions	49,205	36,600	12,605	26%	15
Impairment loss on asset revaluation	-	608	(608)	100%	16
Total Expenses	545,183	534,298	10,885	2%	
Surplus / (Deficit) for the year	37,856	(15,124)	(52,980)	-140%	

Explanation of material variations

Ref.	Item	Explanation
1	<i>Rates and charges</i>	Rates and charges are slightly below budget due to lower than expected supplementary rates revenue as a result of COVID-19 impacts on the construction industry and major developments.
2	<i>Parking fines</i>	The below budget result reflected lower than expected traffic volumes as a result of COVID-19 restrictions and the city recovery.
3	<i>Other statutory fees and fines</i>	Other statutory fees and fines are just over budget mainly due to higher than expected construction zone permits for small projects, food registrations act permits, and planning fees as the city starts to recover.
4	<i>Parking fees</i>	Parking meter activity is \$12.9m lower than budget as a result of the lower than expected traffic volumes relating to COVID-19 impacts.
5	<i>Other user fees</i>	Total other user fees are below budget due to lower than budget building service fees (\$1.1 million), recreation centre fees (\$0.9 million), and street trading and kerbside cafe charges (\$0.6 million) as a result of COVID-19 restrictions.
6	<i>Grants - operating</i>	Grants - operating are above budget due to increases in state government appropriations, federal government aged and disability grants, and \$3 million in COVID-19 grants for public health officers.
7	<i>Grants - capital</i>	Grants - capital are lower than budget for the year as a result of grants not being received (or recognised) in 2021-22 for various projects totalling \$28.9 million, related to affordable housing, footpath renewal, St Kilda Road - Metro Bike Lane, Cycle Infrastructure, Southbank Promenade Stage 1, Public Art, and North and West Melb and Docklands Transport and Amenity Program. Grants received and not recognised in 2021-22 will be recognised in the relevant income statement when works specified in the grants agreements have been completed.
8	<i>Contributions - monetary</i>	Contributions - monetary are lower than budget as Council received less Public Open Space Contributions which is a direct result of lower construction project activity.
9	<i>Net gain on disposal of property, infrastructure, plant and equipment</i>	The higher than budget gain on sale relates to the sale of apartments and affordable housing units in relation to the Munro site project, and the sale of partial laneways that are surplus to Council's requirements.
10	<i>Fair value adjustments for investment properties</i>	This is the unbudgeted net result of annual valuations of investment properties (land and buildings) owned by Council.

Explanation of material variations (cont'd)

Ref.	item	Explanation
11	<i>Employee costs</i>	Employee costs are below budget due to the level of vacant positions across Council that are a result of organisational realignment, market movements and delays in recruitment. This has been partially offset by agency costs included in materials and services.
12	<i>Materials and services</i>	Materials and services costs were above budget due to a combination: <ul style="list-style-type: none"> • additional contract related expenditure on the Melbourne City Reactivation Fund project (\$13.5 million) • additional agency expense for backfilling of staff vacancies (\$5 million) • write-offs related to project expenditure (small projects) not capitalised (\$4.5 million).
13	<i>Depreciation</i>	Depreciation expense was lower than budget due to delays in project capitalisation as a result of COVID-19.
14	<i>Bad and doubtful debts</i>	A lower than budget bad and doubtful debt provision for the year was a result of adopting a consistent level of provisioning across all outstanding debts, in line with policy.
15	<i>Grants and contributions</i>	Grants and contributions were below budget as \$10 million of grants relating to Melbourne City Reactivation Fund was taken up as contract payment under the material and services expense category.
16	<i>Impairment loss on asset revaluation</i>	The impairment loss is a result of the reduction in the valuation of trees due to a significant shift in the ratio of park to street trees, and thus a lower value per tree across Council.

2.1.2 Capital works

Council	Budget	Actual	Variance		
	2022 \$'000	2022 \$'000	\$'000	%	Ref
Property					
Land	-	5,086	(5,086)	0%	1
Total Land	-	5,086	(5,086)	0%	
Buildings					
Buildings	16,716	56,558	(39,842)	(238%)	2
Heritage buildings	4,649	3,847	802	17%	
Building improvements	62,951	14,836	48,115	76%	3
Total Buildings	84,316	75,241	9,075	11%	
Total Property	84,316	80,327	3,989	5%	
Plant & Equipment					
Plant & equipment	6,603	5,693	910	14%	
Fixtures, fittings & furniture	897	735	162	18%	
Computers and telecommunications	18,398	18,644	(246)	(1%)	
Library books	1,400	1,479	(79)	(6%)	
Total Plant & Equipment	27,298	26,551	747	3%	
Infrastructure					
Roads	7,095	7,101	(6)	(0%)	
Bridges	1,931	1,908	23	1%	
Footpaths and cycleways	33,352	14,222	19,130	57%	4
Drainage	9,545	5,861	3,684	39%	5
Recreational, leisure and community facilities	5,863	4,710	1,153	20%	6
Waste management	1,890	492	1,398	74%	7
Parks, open space and streetscapes	70,512	21,525	48,987	69%	8
Other Structures	17,022	12,041	4,981	29%	9
Total Infrastructure	147,210	67,860	79,350	54%	
Total Capital Works Expenditure	258,824	174,738	84,086	32%	
Represented by:					
New asset expenditure	129,246	102,136	27,110	21%	
Asset renewal expenditure	48,273	46,910	1,363	3%	
Asset expansion expenditure	12,020	4,231	7,789	65%	
Asset upgrade expenditure	69,285	21,461	47,824	69%	
Total Capital Works Expenditure	258,824	174,738	84,086	32%	

From the \$84.1 million variance to budget in total capital works expenditure for 2021-22, \$34.8 million will be carried forward to 2022-23 (2021: \$28.2 million was carried forward to 2021-22) [refer to Note 5.1 (b) other financial assets]. This leaves a balance of \$49.3 million. The balance of budgeted funds not spent or carried forward to next financial year relates predominantly to the following major projects that will be funded from future budgets:

- The Parks Renewal Program
- Major Streetscape Improvements
- North and West Melbourne Transport Amenity Program (TAP)
- New Southbank Open Space Reserve
- Queen Victoria Market Precinct Renewal Project (QVMPR)
- Cycle Infrastructure

The underspends on these projects for 2021-22 relate to a combination of factors associated with COVID-19, planned deferrals, and project postponements. COVID-19, the associated lockdowns, slow transition of workers back to work for some sectors, and the generally slow recovery has led to shortages of materials leading to delays in delivery, and shortages of labour in the construction industry due to sickness. We have seen a reduction in tender applicants in some instances where a combination of labour shortages, technical expertise, and increasing costs associated with construction has meant businesses are reluctant to apply.

Explanation of material variations

Ref.	Item	Explanation
1	<i>Land</i>	The acquisition of land at 70-90 Chelmsford Street, Kensington (settlement January 2022) was not budgeted and relates to a Council Resolution to use the Public Open Space Reserve. This land will be used to provide open space and flood management in conjunction with a number of Council Plans for the area.
2	<i>Buildings</i>	The above budget amount relates to the final payment (\$46 million) on the Munro development which was a capital purchase and not budgeted under capital works.
3	<i>Building improvements</i>	Building improvements are below budget due to: <ul style="list-style-type: none"> • Delays related to the Queen Victoria Market Precinct Renewal project due to COVID-19 contractor restrictions, revised procurement approaches, external authority approvals and consultation undertaken with traders on disruption (\$37.2 million under-spent); this has affected the next stage which is now expected to be completed in 2022-23. • The reclassification of the Make Room project which is the repurposing of 602 Little Bourke Street into specialist accommodation for the homeless for up to 50 residents - the lease component of this project has been reclassified from new works to a capital grant, and will be reflected as maintenance, as the housing provider will enter into a lease of up to 20 years giving them control of the asset (\$9 million under-spent).
4	<i>Footpaths and cycleways</i>	Expenditure on footpaths and cycleways was below budget due to a combination of the following: <ul style="list-style-type: none"> • The pausing of the Cycle Infrastructure program by Council as part of the independent Transport Strategy Review. The program was further delayed due to permit approvals on designs (\$2 million under-spent). Construction of bike lanes in Royal Parade was put on hold by the Department of Transport (DoT), with assessment now completed and approval due in the second half of 2022. Designs for Grattan Street, Arden Street, Macaulay Road and Queensberry Street have been submitted to DoT for comment, and we anticipate consultation will begin in late 2022. • The cessation of the St Kilda Road - Metro Bike Lane which is a State funded project, and will no longer be delivered by City of Melbourne resulting in \$5 million in surplus funds. • Delays in the Exhibition Street Bike Lane project due to authority approval being delayed, which in turn resulted in additional traffic surveys (\$3.3 million under-spent). Completion now due in 2022-23. • Delays in the Gateway to GMH Turner Street works which is a partnership with the Victorian Government funded via the Department of Jobs, Precincts and Region for early works on transforming Turner Street into a key multi-modal corridor. Delays were due to COVID-19, design changes and service authority approvals (\$3.2 million under-spent), funds have been carried forward with works expected to be completed by December 2022. • Delays in funding for the Flinders Street Hostile Vehicle Mitigation project which is funded via the Department of Justice and Community Safety with funding arriving later than anticipated. Further delays related to latent conditions, and the project being placed on hold to allow the Melbourne Metro Project to have 24 / 7 site access (\$1.7 million under-spent); funds have been carried forward with works expected to re-commence from 1 August 2022 and be completed by December 2022.
5	<i>Drainage</i>	Expenditure on drainage was below budget as the Pump Station Upgrade - Stubbs Street was delayed due to a limited number of tender applications. This is a result of the complexity of the works, construction risks with the site, in addition to permits and the unexpected relocation of services (\$3.2 million under-spent); funds have been carried forward with construction expected to be completed by January 2023.
6	<i>Recreational, leisure & community facilities</i>	Recreational, leisure and community facilities expenditure is below budget mainly due to tender delays due to latent conditions, permit approvals for temporary building, and external authority approvals on the Brens Pavilion Upgrade Works (\$700,000 under-spent); funds have been carried forward with construction expected to be completed by February 2023.

Explanation of material variations (cont'd)

Ref.	Item	Explanation
7	<i>Waste management</i>	Waste management expenditure was below budget due to delays on the Waste and Resource Recovery Hub Expansion Program due to additional community engagement following COVID-19 restrictions, and the tender evaluation period being extended for on-site demonstrations, as the service will be a world-first (\$1.6 million under-spent); funds have been carried forward to complete the delivery of four Hubs to be completed in the 2022-23 financial year.
8	<i>Parks, open space & streetscapes</i>	<p>Expenditure on parks, open spaces and streetscapes was well under budget due to a combination of the following:</p> <ul style="list-style-type: none"> • Delays in the new Southbank Open Space reserve (\$20 million under-spent) and Urban Renewal Open Spaces (\$10 million under-spent), which have now progressed, as suitable sites for acquisition have been selected. • Delays in the North Melbourne, West Melbourne and Docklands Transport and Amenity Program which is a co-funded project with the Department of Transport (DoT) in a matched funding arrangement. The projects have not been completed as endorsement was sought from DoT for the next three to four years of the program (\$5.7 million surplus funds). The budget was revised down during the year with remaining funds included in the four-year budget commencing 2022-23. • Delays in the Dodds Street linear park due to the deferral of detailed design of landscape works by Southbank Major Public Art commission (\$4.9 million under-spent); funds have been carried forward with construction due to commence in October 2022, and completion expected by the end of the financial year. The budget was revised down during the year with remaining funds included in budget 2022-23. • The postponement of the Southbank Promenade project, which is part funded via the Department of Justice and Community Safety, to allow traders to operate soon after the COVID-19 restrictions were lifted (\$3.4 million under-spent). Construction commenced in May 2022 with funds carried forward to complete outstanding works due by December 2022. • Delays in the Southbank Boulevard project due to the late award of the tender and permit approvals (\$2.5 million under-spent); funds have been carried forward with the final package expected to be completed by August 2022. • Delays in the Pocket Parks relating to Bedford Street due to resourcing constraints. Funding this year was used for finalising the design and permit approvals (\$2.2 million under-spent). Construction is due to commence in early 2023.
9	<i>Other Structures</i>	<p>Expenditure on other structures is under budget due to:</p> <ul style="list-style-type: none"> • A delay in securing some of the external funding for the Public Art program which is also part funded via a Victorian Government grant as part of the Melbourne City Recovery Fund program (\$2.1 million under-spent). • A delay in the Melbourne City Marina Renewal project due to the Port of Melbourne Corporation currently being in the process of approving an access agreement to the facility (\$1 million under-spent). A construction contract is in place with funds carried forward, subject to access, expected to complete the works by December 2022. • Delays in the Australia Wharf fitout due to access being restricted as a result of Parks Victoria dredging the river, and resourcing issues securing a sub-contractor (\$600,000 under-spent). A contract is in place with funds carried forward to complete stage one piling early September and stage two electrical and plumbing early November 2022.

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following groups:

- Executive Services
- Finance and Corporate
- Property, Infrastructure and Design
- Strategy, Planning and Climate Change
- Community and City Services
- City Economy and Activation

For more information on our groups and their functions, refer to annual report Our Functions.

Summary of income, expenses, assets and capital expenses by program

2022	Income	Expenses	Surplus / (Deficit)	Grants Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Executive Services	6,879	38,292	(31,413)	1,002	32
Finance and Corporate	339,230	69,337	269,893	5,816	377,856
Property, Infrastructure and Design	21,852	106,393	(84,541)	13,533	4,308,180
Strategy, Planning and Climate Change	26,521	110,792	(84,270)	2,816	177,464
Community and City Services	83,676	89,414	(5,738)	9,426	140
City Economy and Activation	41,016	120,072	(79,056)	35,534	48,212
Total	519,174	534,298	(15,124)	68,128	4,911,884

2021	Income	Expenses	Surplus / (Deficit)	Grants Income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
Executive Services	4,344	53,687	(49,344)	86	-
Finance and Corporate	328,426	61,527	266,899	4,162	3,156,873
Property, Infrastructure and Design	46,846	113,963	(67,117)	41,543	1,371,493
Strategy, Planning and Climate Change	54,479	103,980	(49,500)	7,892	177,166
Community and City Services	76,732	83,976	(7,244)	8,662	195
City Economy and Activation	36,179	103,984	(67,805)	32,876	49,016
Total	547,006	521,117	25,889	95,221	4,754,743

There was a corporate realignment during 2021-22 financial year with some branch functions being split and realigned to other groups. The main changes incorporated into the above table were:

- The Governance and Organisational Development group is removed and its functions aligned to the Executive Services group.
- The Aboriginal Melbourne branch moved from Strategy, Planning and Climate Change to the Executive Services group.
- The Property branch split into two parts with City Property moved from the Finance and Corporate group to Property, Infrastructure and Design group; the Rates and Revenue branch stays in the Finance and Corporate group.
- The parking meter function is moved from the Property, Infrastructure and Design group to the Parking Service branch in the Community and City Services group.

Note - The above groups are named according to areas of assigned responsibility and not according to expense types included in the Comprehensive Income Statement. Each category contains the full range of expense items including salaries and wages, materials and services, depreciation, grants etc. as applicable to the branch.

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 2021-22 was \$7.2 billion (2020-21 \$7.1 billion).

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Residential	139,986	128,252	139,986	128,252
Non-residential	184,605	176,793	184,858	177,044
Culture & recreational	620	451	620	451
Supplementary rates and rate adjustments	246	10,298	246	10,298
Interest on Rates & Charges	158	102	158	102
	325,615	315,896	325,868	316,147

Supplementary rates and rate adjustment movement is due to the building industry accelerated projects that were under construction in 2020-21 enabling earlier completions which reduced the amount of supplementary valuation revenue received in 2021-22. In addition, the general economic uncertainty caused by the COVID-19 global pandemic had a detrimental effect on the new development pipeline. Building industry shutdowns during the second half of 2021, and more recent developer collapses have also contributed to these delays in building completions.

The date of the latest general revaluation of land (2022 General Valuation) for rating purposes within the municipal district was 1 January 2022 and the valuation will be first applied in the rating year commencing 1 July 2022.

Annual rates and charges are recognised as revenue when Council issues annual rates notices. Supplementary rates are recognised when a valuation and assessment is completed and a supplementary rates notice is issued.

3.2 Statutory fees and fines

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Infringements and costs				
Parking fines	24,068	24,501	24,068	24,501
Total parking fines	24,068	24,501	24,068	24,501
Infringements and costs				
General fines	1,167	802	1,167	802
Town planning fees	6,837	6,118	6,837	6,118
Land Information Certificates	283	223	283	223
Permits	1,847	1,753	1,847	1,756
Food and Health Act registration	2,263	2,847	2,264	2,848
Total other statutory fees and fines	12,397	11,743	12,398	11,747
Total statutory fees and fines	36,465	36,244	36,466	36,248

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	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Parking	41,658	34,640	38,995	32,009
Total parking fees	41,658	34,640	38,995	32,009
Aged and health services	122	69	122	69
Leisure centre and recreation	2,015	1,254	2,015	1,254
Child care / children's programs	1,275	1,077	1,275	1,077
Registration and other permits	1,296	373	1,296	373
Building services	10,842	10,964	10,842	10,964
Waste management services	373	507	373	507
Berthing	432	327	432	327
Other fees and charges	1,577	1,074	1,577	1,074
Total other user fees	17,932	15,645	17,932	15,645
Total user fees	59,590	50,285	56,927	47,654

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

3.4 Funding from other levels of government

Grants were received in respect of the following:

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Summary of Grants				
Commonwealth funded grants	7,789	8,831	7,789	8,831
State funded grants	60,339	86,390	60,339	86,390
Total grants received	68,128	95,221	68,128	95,221

(a) Operating grants

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Recurrent - Commonwealth Government</i>				
Aging and Inclusion	1,104	717	1,104	717
Financial Assistance Grant	4,654	4,162	4,654	4,162
Other	79	222	79	222
<i>Recurrent - State Government</i>				
Aged care	310	428	310	428
Libraries	1,069	1,033	1,069	1,033
Maternal & Child Health	1,191	1,010	1,191	1,010
Pre School Services	229	366	229	366
Support Services for Families	852	751	852	751
Arts Programs	636	570	636	570
Event	51	170	51	170
Infrastructure projects	374	-	374	-
Other	595	540	595	540
<i>Total Recurrent Operating Grants</i>	11,144	9,969	11,144	9,969
<i>Non-recurrent - Commonwealth Government</i>				
Other	-	70	-	70
<i>Non-recurrent - State Government</i>				
Infrastructure	1,380	405	1,380	405
Homeless Services support	1,000	-	1,000	-
Arts Programs	184	184	184	184
Melbourne City Recovery Fund	18,010	24,750	18,010	24,750
Melbourne City Reactivation Fund	12,588	-	12,588	-
COVID-19 Impact	3,068	10,767	3,068	10,767
CBD Dining Voucher	-	7,400	-	7,400
Lane Revitalization	-	5,711	-	5,711
CBD Business Support Impacted by COVID-19	925	1,429	925	1,429
Other	1,923	1,910	1,923	1,910
<i>Total Non-recurrent Operating Grants</i>	39,078	52,626	39,078	52,626
Total Operating Grants	50,222	62,595	50,222	62,595

(b) Capital grants

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Recurrent - Commonwealth Government</i>				
Roads to recovery	469	469	469	469
Road & Streets	1,005	739	1,005	739
<i>Recurrent - State Government</i>				
Parking Levy	7,000	7,000	7,000	7,000
<i>Total Recurrent Capital Grants</i>	8,474	8,208	8,474	8,208
<i>Non-recurrent - Commonwealth Government</i>				
Local Roads and Community Infrastructure	478	2,452	478	2,452
<i>Non-recurrent - State Government</i>				
Public Security	2,615	14,905	2,615	14,905
Parks, gardens and infrastructure	2,927	3,896	2,927	3,896
Sports pavilion	2,000	-	2,000	-
Digital permits	1,162	-	1,162	-
Working for Victoria and City Recovery	250	1,321	250	1,321
Gateway to GMH site (Fisherman's Bend)	-	1,844	-	1,844
	8,954	21,966	8,954	21,966
<i>Total Non-recurrent Capital Grants</i>	9,432	24,418	9,432	24,418
Total Capital Grants	17,906	32,626	17,906	32,626

(c) Unspent grants received on condition that they be spent in a specified manner

	Consolidated		Council	
	2022 \$'000	2022 \$'000	2022 \$'000	2021 \$'000
Operating				
Balance at start of year	29,004	1,022	29,004	1,022
Received during the financial year and remained unspent at balance date	2,350	29,004	2,350	29,004
Received in prior years and spent during the financial year	(25,152)	(1,022)	(25,152)	(1,022)
Balance at year end	6,202	29,004	6,202	29,004
Capital				
Balance at start of year	5,738	1,758	5,738	1,758
Received during the financial year and remained unspent at balance date	9,645	5,466	9,645	5,466
Received in prior years and spent during the financial year	(1,677)	(1,486)	(1,677)	(1,486)
Balance at year end	13,706	5,738	13,706	5,738

(d) Recognition of grant income

Before recognising funding from government grants as revenue, the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 Revenue from Contracts with Customers. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract / agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered.

Where the contract is not enforceable and / or does not have sufficiently specific performance obligations, the Council applies AASB 1058 Income for Not-for-Profit Entities.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

For the Melbourne City Recovery Fund (MCRF 1) and Melbourne City Revitalisation Fund (MCRF 2), City of Melbourne has concluded that a "Termination of Convenience" clause gives rise to a financial liability under AASB 9 Financial Instruments for all amounts received during the year. Income is subsequently recognised as Council commits and spends agreed funds in completing grant obligations.

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<i>Income recognised under AASB 1058 Income of Not-for-Profit Entities</i>				
General purpose grants	14,268	13,162	14,268	13,162
Specific purpose grants to acquire non-financial assets	8,699	20,967	8,699	20,967
Other specific purpose grants	33,051	22,347	33,051	22,347
<i>Income recognised under AASB 15 Revenue from Contracts with Customers</i>				
Specific purpose grants	12,110	38,745	12,110	38,745
Total grants income recognised	68,128	95,221	68,128	95,221

3.5 Contributions

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Public Open Space	4,649	27,105	4,649	27,105
Child Care Benefit	1,669	2,126	1,669	2,126
Sponsorships	779	1,085	769	1,085
Non-Government Capital	51	1,073	51	1,073
Other Contributions	55	311	55	311
Total Contributions - Monetary	7,203	31,700	7,193	31,700
Land	-	490	-	490
Total Contributions - Non Monetary	-	490	-	490

Monetary and non-monetary contributions are recognised as revenue at their fair value when Council obtains control over the contributed asset.

3.6 Net gain / (loss) on disposal of property, infrastructure, plant and equipment

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Land & Buildings				
Proceeds of sales*	7,348	26,347	7,339	26,347
Written down value of assets disposed*	(5,094)	(26,410)	(5,073)	(26,431)
Gain / (Loss) on sale	2,254	(63)	2,266	(84)
Plant and Equipment				
Proceeds of sales	717	877	65	23
Written down value of assets disposed	(278)	(1,281)	(154)	(1,053)
Gain / (Loss) on sale	439	(404)	(89)	(1,030)
Proceeds of sale	8,065	27,224	7,404	26,370
Written down value of assets disposed	(5,372)	(27,691)	(5,227)	(27,484)
Total net gain / (loss) on disposal of property, infrastructure, plant and equipment	2,693	(467)	2,177	(1,114)

* Proceeds of sales includes the sale of apartments and air rights associated with the Munro development, and parts of laneways that were surplus to Council's requirements.

The profit on sale of an asset is determined when control of the asset has been passed to the buyer.

3.7 Other income

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Interest	404	806	392	804
Dividends	25	18	4,025	4,218
Investment property / market rentals*	14,753	7,317	4,739	3,560
Intercompany revenue	-	-	2,635	3,404
Sales & recoveries**	288,399	223,404	4,973	4,470
Project income	419	265	428	265
Total Other Income	304,000	231,810	17,192	16,721

* Consolidated income includes Queen Victoria Market stall holder revenue of \$10 million for 2021-22 (2020-21: \$3.8 million).

** Consolidated income includes Citywide services and sales and services revenue of \$282.4 million for 2021-22 (2020-21: \$220.9 million).

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 the Group entities gain control over the rights to receive the income.

Note 4 The cost of delivering services

4.1 Employee costs

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Wages and salaries	261,929	238,106	142,173	132,439
WorkCover	6,050	4,914	2,049	2,448
Superannuation contributions	24,830	22,459	16,341	14,544
Fringe benefit tax	(185)	620	181	158
Annual leave and long service leave	25,316	24,382	17,461	17,563
	317,940	290,481	178,205	167,152

Wages and salaries increased during 2022 as Council's new Enterprise Agreement was accepted by staff. Resulting increases and back pay to 2018 (which was accrued in prior years) was paid in November 2021. Group Fringe Benefits Tax (FBT) is lower in 2022 as a result of the Citywide adjustment to FBT expense following its FBT submission.

Superannuation contributions

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Defined benefit fund				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	100	152	100	152
Melbourne City Council Superannuation sub-plan (Vision Super)	923	848	709	687
	1,023	1,000	809	839
Accumulation funds				
Employer contributions to Vision Super	10,052	11,037	7,738	7,540
Employer contributions - other funds	13,755	10,422	7,794	6,165
	23,807	21,459	15,532	13,705
Total Superannuation contributions	24,830	22,459	16,341	14,544
Employer contributions payable at reporting date	879	850	-	-

Refer to Note 9.3 for further information relating to Group's superannuation obligations.

4.2 Materials and services

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Contract payments				
Strategy, Planning and Climate Change	64,625	62,581	64,625	62,250
Property, Infrastructure and Design	38,736	27,152	23,485	31,957
City Economy and Activation	30,998	21,126	30,998	22,025
Finance and Corporate	4,992	18,476	4,992	5,574
Community and City Services	21,695	13,529	21,695	21,542
Other	13,100	4,493	6,905	8,340
Building maintenance	2,298	221	2,269	214
General maintenance	32,388	28,463	20,790	19,609
Utilities	10,885	12,018	7,849	7,803
Administration / Supplies	102,069	82,619	12,029	13,743
Information technology	11,831	10,360	8,355	8,144
Insurance	5,637	5,052	3,214	2,253
Consultants	19,633	15,832	15,344	12,613
	358,887	301,922	222,550	216,067

Expenses are recognised as they are incurred and reported in the financial year to which they relate. Contract payments includes expenditure associated with the Melbourne City Recovery and Melbourne City Reactivation funds.

4.3 Depreciation

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property	10,601	9,772	9,374	8,721
Plant and equipment	19,287	19,673	7,273	7,348
Infrastructure	49,574	47,324	49,574	47,324
Total depreciation	79,462	76,769	66,221	63,393

4.4 Amortisation / Impairment - intangible assets

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Software	12,176	12,250	11,874	11,824
Customer relations	984	477	-	-
Total amortisation / Impairment - intangible assets	13,160	12,727	11,874	11,824

Refer to Note 5.2(c), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.5 Amortisation - Right of Use assets

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Property	5,581	4,833	1,968	1,935
Vehicles	1,762	1,811	381	391
Total amortisation - Right of Use assets	7,343	6,644	2,349	2,326

4.6 Bad and doubtful debts

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Parking fine debtors	8,052	7,150	8,052	7,150
Trade debtors	20	124	(4)	112
Total bad and doubtful debts	8,072	7,274	8,048	7,262

Movement in doubtful debts - parking infringements	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the year	87,772	81,300	87,772	81,300
New provisions recognised during the year	8,052	7,150	8,052	7,150
Amounts already provided for and written off as uncollectible	(436)	(724)	(436)	(724)
Amounts provided for but recovered during the year	60	46	60	46
Balance at the end of the year	95,448	87,772	95,448	87,772

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.

4.7 Borrowing costs

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest - borrowings	355	289	91	82
	355	289	91	82

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.

4.8 Finance costs - Leases

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Interest - lease liabilities	756	569	189	173
	756	569	189	173

Refer to Note 5.8 for a more detailed breakdown of lease finance costs and accounting policy.

4.9 Other expenses

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Auditors remuneration - VAGO- audit of financial statements	304	283	163	158
Audit services - external acquittal and assessment	19	28	19	28
Audit services - internal audit	676	512	392	216
Fire brigade levy	215	176	215	176
Taxes & Levies	5,310	4,169	4,348	3,433
Other costs	3,419	3,027	2,426	2,712
	9,943	8,195	7,563	6,723

4.10 Grants and contributions

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Arts grant	4,431	4,312	4,431	4,312
Tourism and events	2,719	4,031	2,719	4,031
Economic development*	11,243	10,743	18,943	20,143
Community and city services	1,535	1,468	1,535	1,468
Other	8,972	11,863	8,972	11,863
	28,900	32,417	36,600	41,817

* Economic development funding includes Melbourne City Reactivation Fund (\$10 million), Melbourne City Recovery Fund (\$2.5 million) and CBD dining (\$5 million).

A \$7.7 million grant paid by Council to QVM is eliminated on consolidation in 2021-22 (2020-21 \$9.4 million).

4.11 Impairment loss on asset revaluations

An impairment loss of \$0.6 million (2020-21: \$4.3 million loss) has been taken to the Income Statement and relates to the valuation of Parks, Open Space and Streetscapes (tree assets) of Council. This is a result of the overall impairment loss being greater than the balance held in the tree valuation reserve at valuation date. Under Australian Accounting Standards (AASB136 Impairment of Assets) where the loss is greater than the balance of the reserve, the loss amount in excess of the balance is taken to the Income Statement as an expense. For 2021-22, the removal of unhealthy trees in parks, and the resultant replacement of those trees, and additional trees has meant there has been significantly more trees planted in parks than in streets, which incurs lower establishment costs. This has resulted in a significant shift in the ratio of park to street trees, and thus a lower value per tree across Council.

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 three months 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.

Other financial assets include term deposits and those with original maturity dates of 3 to 12 months are classified as current, while term deposits with maturity dates greater than 12 months are classified as non-current.

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
(a) Cash and Cash Equivalents				
Cash on hand	589	46	28	25
Cash at bank	49,042	158,675	39,773	143,845
Total Cash and cash equivalents	49,631	158,721	39,801	143,870
(b) Other financial assets				
Term deposits - current	2,000	31,750	-	30,000
Term deposits - non current*	33,717	33,626	33,717	33,626
Total other financial assets	35,717	65,376	33,717	63,626
Total financial assets	85,348	224,097	73,518	207,496

* Term deposits - non-current is the Acquisition Trust funds created in relation to the compulsory sale of City Square assets to Rail Projects Victoria (\$33.6 million in 2020-21).

The Group's funds are subject to external restrictions that limit amounts available for discretionary use. These include:

	Consolidated			Council	
	2022 \$'000	2021 \$'000	Note	2022 \$'000	2021 \$'000
Trust funds and deposits	17,456	17,439	5.3	15,270	15,202
Acquisition Trust*	33,717	33,626		33,717	33,626
Total restricted funds	51,173	51,065		48,987	48,828
Unrestricted funds**	34,175	173,032		24,531	158,668
Total Council funds	85,348	224,097		73,518	207,496

* Acquisition Trust funds created in relation to compulsory sale of City Square to Rail Projects Victoria. The Acquisition Trust funds received have been placed in a trust account earning interest until the City Square land is handed back to City of Melbourne.

** Unrestricted funds balance is significantly reduced for Council as a result of lower revenue and higher expenditure for the year. Council has established a line of credit through Treasury Corporation Victoria (TCV), and forecasts total borrowings of \$187.8 million for 2022-23 to fund major capital works.

Intended allocations

Although not externally restricted the following amounts have been allocated for future purposes specified by the Group:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Carried forward capital works	38,647	32,403	34,779	28,248
Total funds subject to intended allocations	38,647	32,403	34,779	28,248

(c) Trade and other receivables

Current	Consolidated			Note	Council	
	2022	2021	2022		2021	
	\$'000	\$'000	\$'000		\$'000	
Statutory receivables						
Rate debtors	18,678	18,773		18,678	18,773	
Infringement debtors	99,863	93,456		99,863	93,456	
Provision for doubtful debts - Infringements	(95,448)	(87,772)	4.6	(95,448)	(87,772)	
Net GST receivable	2,174	3,209		4,478	7,457	
Non statutory receivables						
Trade debtors*	43,781	47,590		5,336	8,447	
Provision for doubtful debts - Trade debtors	(1,229)	(1,069)		(762)	(767)	
Total current trade and other receivables	67,819	74,187		32,145	39,594	

* Consolidated trade debtors includes Citywide trade receivables of \$38.5 million (2021: \$39.8 million), and QVM trade receivables of \$0.4 million (2021: \$0.6 million).

Short term receivables are carried at the 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 (trade debtors)

The ageing of the Group's trade and other receivables (excluding statutory receivables) that are not impaired was:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current (not yet due)	33,503	31,193	1,780	7,171
Past due by up to 30 days	6,980	7,956	2,523	469
Past due between 31 and 180 days	2,408	7,455	583	378
Past due between 181 and 365 days	569	686	367	426
Past due by more than 1 year	321	300	83	3
Total trade and other receivables	43,781	47,590	5,336	8,447

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$1.2 million (2021: \$1.1 million) were impaired. The amount of the provision raised against these debtors was \$0.2 million (2021: \$0.3 million). They individually have been impaired due to their doubtful collection. Many of the long outstanding past due amounts relating to Council 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	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current (not yet due)	307	243	250	200
Past due by up to 30 days	-	-	-	-
Past due between 31 and 180 days	285	229	100	180
Past due between 181 and 365 days	555	591	330	381
Past due by more than 1 year	82	6	82	6
Total	1,229	1,069	762	767

5.2 Non-financial assets

(a) Current – Inventories

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Inventory held for distribution*	2,795	1,610	-	-
Total inventories	2,795	1,610	-	-

*Inventory held at Citywide (\$2.7 million) and Queen Victoria Market (\$100,000).

Citywide 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.

(b) Current – Other assets

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Prepayments	13,312	3,859	6,542	2,016
Accrued income	12,608	4,185	7,311	5,845
Total other assets	25,920	8,044	13,853	7,861

(c) Non-current intangible assets

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Software	44,162	37,565	43,700	36,798
Goodwill	30,551	30,551	-	-
Customer relationships	1,606	2,590	-	-
	76,319	70,706	43,700	36,798

Consolidated	Software	Goodwill	Customer relationships	Total
	\$'000	\$'000	\$'000	\$'000
Gross carrying amount				
Balance at 30 June 2021	97,890	39,890	4,567	142,347
Additions	10,356	-	-	10,356
WIP	7,955	-	-	7,955
Balance at 30 June 2022	116,201	39,890	4,567	160,658
Accumulated amortisation and impairment				
Balance at 30 June 2021	(60,325)	(9,339)	(1,977)	(71,641)
Amortisation expense	(11,714)	-	(984)	(12,698)
Balance at 30 June 2022	(72,039)	(9,339)	(2,961)	(84,339)
Net book value at 30 June 2021	37,565	30,551	2,590	70,706
Net book value at 30 June 2022	44,162	30,551	1,606	76,319

Council	Software	Goodwill	Customer relationships	Total
	\$'000	\$'000	\$'000	\$'000
Gross carrying amount				
Balance at 30 June 2021	96,391	-	-	96,391
Additions	10,356	-	-	10,356
WIP	7,955	-	-	7,955
Balance at 30 June 2022	114,702	-	-	114,702
Accumulated amortisation and impairment				
Balance at 30 June 2021	(59,593)	-	-	(59,593)
Amortisation expense	(11,409)	-	-	(11,409)
Balance at 30 June 2022	(71,002)	-	-	(71,002)
Net book value at 30 June 2021	36,798	-	-	36,798
Net book value at 30 June 2022	43,700	-	-	43,700

IAS 38 - Intangible assets, and configuration costs for cloud computing arrangements

In April, 2021 the International Financial Reporting Standards Interpretations Committee (IFRIC) issued a final decision in relation to IAS 38 - Intangible Assets, and configuration costs for cloud computing arrangements (Software as a Service arrangements - SaaS). SaaS arrangements occur where a customer does not have possession or control of the underlying software used in the arrangement and where the infrastructure management remains with the software vendor. The IFRIC decision affects current accounting practice of capitalising customisation and implementation costs incurred when installing new software. The IFRIC decision is retrospective.

Council has entered into two SaaS contracts during the year, and have determined the customisation and configuration applicable to the city to be capitalised. Council's subsidiary Citywide Service Solutions Pty Ltd has restated prior period comparative amounts in their financial statements following a review of this accounting policy. The group has examined the impact from adopting the IFRIC decision, and has deemed it to be immaterial, and has not restated the consolidated financial statements.

Goodwill

Goodwill relates to Council's subsidiary Citywide Service Solutions Pty Ltd. Goodwill acquired in a business combination is measured at cost as established at the date of the business combination and subsequently measured at cost less any accumulated impairment losses. The cost represents the excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired.

Impairment of assets

Goodwill has been reviewed for impairment at the year ended 30 June 2022. Citywide tests assets to ensure that they are not carried above their recoverable amounts:

- annually, or more frequently if events or changes in circumstances indicate that the assets may be impaired, for goodwill and intangible assets that have an indefinite useful life
- for all other assets whenever an indication of impairment may exist.

An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units or CGUs).

The recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and fair value in use, is compared to the asset's carrying value. The excess of the asset's carrying value over its recoverable amount is expensed to other comprehensive income.

Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. When an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or CGU). A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Allocation of goodwill to Cash Generating Units (CGU)

For the purpose of annual impairment testing, goodwill is allocated to Citywide's operating divisions. The aggregate carrying amounts of goodwill allocated to each Cash Generating Unit (CGU) are as follows:

	2022	2021
	\$'000	\$'000
Victoria Operations	9,588	9,588
NSW / ACT Operations	3,325	3,325
Technigro	6,188	6,188
Gordon McKay	4,104	4,104
Frontline Electrical	2,887	2,887
Ultegra	4,460	4,460
	30,552	30,552

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 for each CGUs was determined to be in excess of the carrying value and therefore no impairment was recognised.

Key assumptions used in the discounted cash flow projections

Future cash flows have been based on the 2021-22 Budget and overlaid with appropriate discount and growth rates. The discount and growth rate assumptions are as follows:

	2022	2021
Discount Rate (WACC)	5.80%	5.80%
Growth rate	2.95%	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 2022-23 Budget. The terminal growth rate in Net Profit after Tax is estimated by management using past experience and expectations for the future.

Estimation of recoverable amount

The recoverable amounts of CGUs have been determined based on value in use calculations using discounted cash flow projections based on the budget approved by the Board for the next financial year and management's forecasts covering a five-year period. These calculations require the use of assumptions as outlined above.

Fair value calculation

The fair value of customer relationships acquired is calculated considering the estimated future recurring revenues from existing customers in the acquired operations at the date of the acquisition. The calculation involves the development of expected cash flows discounted at an appropriate discount rate. Projecting the expected cash flows involves estimating the likelihood of existing customers extending and renewing long-term contracts based on historical observations. The estimated useful life for amortisation is determined based on that assessment.

5.3 Payables, trust funds and deposits, and unearned income / revenue

(a) Trade and other payables

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Trade payables	35,812	35,794	15,977	19,262
Accrued operating expenses	50,185	68,408	30,072	45,705
Accrued capital work expenses	10,863	9,776	17,954	18,319
	96,860	113,978	64,003	83,286
Non Current				
Trade payables	-	1,435	-	-
	-	1,435	-	-
	96,860	115,413	64,003	83,286

(b) Trust funds and deposits

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Refundable deposits	8,446	7,614	6,302	6,338
Fire services levy	7,025	7,018	7,025	7,018
Retention amount	82	76	82	76
Other refundable deposits	286	354	244	244
	15,839	15,062	13,653	13,676
Non Current				
Refundable deposits	1,617	2,377	1,617	1,526
	1,617	2,377	1,617	1,526
Total trust funds and deposits	17,456	17,439	15,270	15,202

Amounts received as deposits and retention amounts controlled by the Group are held in trust until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in the Group gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Purpose and nature of items

Refundable Deposits – Deposits are taken by the Group 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 on a quarterly basis.

Retention Amounts – The Group has a contractual right to retain certain amounts until a contractor has met specific 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 will be paid to the relevant contractor in line with the Group's contractual obligations.

Amounts received as deposits and retention amounts controlled by the Group 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 the Group gaining control of the funds, are recognised as revenue at the time of forfeit.

(c) Current - unearned income

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Grants received in advance - operating	6,203	29,004	6,203	29,004
Grants received in advance - capital	13,707	5,738	13,707	5,738
Other	11,495	8,558	5,933	4,416
	31,405	43,300	25,843	39,158

Refer to Note 3.4 (c) for details of unspent grants.

5.4 Interest-bearing liabilities

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Other borrowing - secured	13,200	12,000	-	-
Non-current				
Borrowing - secured	-	6,200	-	-
Total	13,200	18,200	-	-
Maturity profile for borrowing is:				
Not later than one year	13,200	12,000	-	-
Later than one year and not later than five years	-	6,200	-	-

Borrowings at 30 June 2022 relate to a Citywide secured bank loan. Refer to Note 8.3 (d) for more details.

5.5 Provisions

Summary of current and non-current provisions:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current provisions				
Employee provisions	55,134	50,947	38,433	35,571
Other provisions	3,231	2,306	2,666	1,742
	58,365	53,253	41,099	37,313
Non-current provisions				
Employee provisions	5,105	4,978	4,050	3,992
	5,105	4,978	4,050	3,992
Total provisions	63,470	58,231	45,149	41,305

Below is a summary of provisions by categories:

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Employee provisions				
Balance at the beginning of year	55,925	51,156	39,563	38,312
Additional provisions	25,316	24,382	17,461	17,563
Amounts used	(21,002)	(19,613)	(14,541)	(16,312)
Balance at the end of year	60,239	55,925	42,483	39,563
Insurance claims				
Balance at the beginning of year	1,742	1,814	1,742	1,814
Additional provisions	1,551	433	1,551	433
Amounts used	(627)	(505)	(627)	(505)
Balance at the end of year	2,666	1,742	2,666	1,742
Other provisions				
Balance at the beginning of year	564	1,141	-	-
Additional provisions	565	560	-	-
Amounts used	(564)	(1,137)	-	-
Balance at the end of year	565	564	-	-
Total provisions	63,470	58,231	45,149	41,305

(a) Employee provisions

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current provisions expected to be wholly settled within 12 months				
Annual leave	23,994	21,882	13,466	12,200
Long service leave	8,034	2,294	1,861	1,798
	32,028	24,176	15,327	13,998
Current provisions expected to be wholly settled after 12 months				
Annual leave	-	71	-	-
Long service leave	23,106	26,700	23,106	21,573
	23,106	26,771	23,106	21,573
Total current employee provisions	55,134	50,947	38,433	35,571
Non-Current				
Long service leave	5,105	4,978	4,050	3,992
Total non-current employee provisions	5,105	4,978	4,050	3,992
Aggregate carrying amount of employee provisions				
Current	55,134	50,947	38,433	35,571
Non-current	5,105	4,978	4,050	3,992
Total aggregate carrying amount of employee provisions	60,239	55,925	42,483	39,563

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. 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 and measured at present value.

Long service leave key assumptions:

	Consolidated		Council	
	2022	2021	2022	2021
Discount rate	1.5% to 3.7%	-0.02% to 1.5%	2.38% to 3.66%	-0.02% to 1.5%
Inflation rate	1.5% to 3.85%	1.0% to 3.0%	1.5% to 3.85%	1.0% to 3.0%

(b) Insurance claims and other provisions

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Current				
Insurance claims	2,666	1,742	2,666	1,742
Other provisions	565	564	-	-
	3,231	2,306	2,666	1,742

5.6 Financing arrangements

The Group has the following funding arrangements in place as at 30 June 2022.

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Bank overdraft facility	2,500	2,500	-	-
Credit card facilities	590	800	300	300
Treasury Corporation of Victoria facilities	242,921	-	242,921	-
Bank loan facility*	111,200	111,200	75,000	75,000
Other financing facilities	-	18,000	-	-
Total facilities	357,211	132,500	318,221	75,300
Used facilities	27,093	(33,489)	(2)	-
Unused facilities	384,304	99,011	318,219	75,300

* Includes Citywide's \$36.2 million bank loan facility which has been extended to 27 July 2025, and Council's \$75 million floating rate loan facility with ANZ Bank which expires on 30 June 2023. For full details refer to Note 8.3 (d).

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. (Commitments relate to Council only.)

Council 2022	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	22,981	22,900	39,902	-	85,783
Roads, Streets & Related Infrastructure	41,579	-	-	-	41,579
Parks & Gardens	24,359	18,252	-	-	42,611
Cleaning - Outdoor	19,704	610	-	-	20,315
Parking	8,986	6,136	2,259	-	17,381
Facilities & Maintenance	14,493	14,136	2,080	-	30,709
Community Services	7,023	58	30	-	7,111
Information Technology	2,530	561	76	-	3,167
Integrated Security Services, Infrastructure & Maintenance	3,125	14	-	-	3,139
Events	6,212	13	-	-	6,225
Cleaning - Indoor	6,459	-	-	-	6,459
Media & Advertising	6,632	95	-	-	6,727
Other categories	32,596	9,422	300	-	42,318
Total	196,679	72,198	44,647	-	313,525
Capital					
Building & Equipment	73,535	42	-	-	73,577
Parks & Gardens	13,455	11	-	-	13,467
Roads	862	4	-	-	866
Total	87,852	58	-	-	87,910

Council 2021	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	20,273	20,273	60,251	19,507	120,305
Roads, Streets & Related Infrastructure	45,113	44,972	377	-	90,462
Property	3,146	3,146	9,437	3,146	18,875
Parks & Gardens	22,643	22,643	17,105	-	62,389
Cleaning - Outdoor	12,910	1,399	353	-	14,662
Parking	6,563	562	110	-	7,235
Facilities & Maintenance	2,491	1,698	5,094	656	9,939
Community Services	2,111	972	-	-	3,084
Information Technology	5,424	3,151	2,480	27	11,082
Integrated Security Services, Infrastructure & Maintenance	5,112	5,112	4,812	-	15,036
Events	4,108	3,620	6,769	-	14,497
Cleaning - Indoor	4,947	-	-	-	4,947
Media & Advertising	81	56	139	-	276
Other categories	1,840	1,173	2,624	-	5,637
Total	136,762	108,778	109,553	23,335	378,426
Capital					
Building & Equipment	14,816	15	-	-	14,831
Parks & Gardens	5,527	714	120	-	6,362
Roads	5,232	-	-	-	5,232
Total	25,575	729	120	-	26,424

(b) Operating lease receivables

The Group's leasing profile comprises largely of crown land and property for the Council, and property for Citywide and Queen Victoria Market. For Queen Victoria Market this also includes market stalls and standard enclosure rentals. Other inclusions in the portfolio relate to freehold or lease commitments. The Group has a number of leases varying from monthly, over holding, to short term, and to long term. The rental amounts are either fixed term, or annual CPI or market reviews.

Future minimum lease receivables under non-cancellable operating leases are as follows:

	Consolidated		Council	
	2022	2021	2022	2021
Not later than one year	7,690	9,459	3,212	3,178
Later than one year and not later than five years	18,941	12,240	9,174	9,962
Later than five years	20,957	21,338	17,390	17,591
	47,588	43,037	29,776	30,731

5.8 Leases

At inception of a contract the group assesses whether a contract is, or contains a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- the contract involves the use of an identified asset
- the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use, and
- the customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As lessees, the Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received, plus
- any initial direct costs incurred, and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, the Group used 3 per cent as the discount rate (3 per cent for 2020-21).

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee, and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council currently has eight low value property leases (peppercorn) which are used in providing community services for parents, children and visitors to the city. Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Right of Use Assets

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Property				
Balance at 1 July 2021	25,458	19,748	5,342	5,103
Additions	894	6,408	-	57
Modifications	778	4,135	2,069	2,117
Amortisation charges	(5,581)	(4,833)	(1,968)	(1,935)
Balance at 30 June 2022	21,549	25,458	5,443	5,342
Fleet Vehicles				
Balance at 1 July 2021	2,148	3,895	313	390
Additions	354	35	354	188
Modifications	494	29	139	126
Amortisation charges	(1,762)	(1,811)	(381)	(391)
Balance at 30 June 2022	1,234	2,148	425	313
Total Balance at 30 June 2022	22,783	27,606	5,868	5,655

Lease Liabilities

Maturity analysis - contractual undiscounted cash flows

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Less than one year	6,420	6,863	1,801	2,102
One year to five years	13,106	17,069	3,996	3,041
More than five years	6,166	9,655	815	1,214
Total undiscounted lease liabilities as at 30 June 2022	25,692	33,587	6,612	6,357

Lease liability included in the Balance Sheet at 30 June 2022

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Property lease	5,102	4,725	1,387	1,731
Fleet lease	796	1,448	262	231
	5,898	6,173	1,649	1,962
Non-current				
Property lease	17,114	20,191	4,355	3,837
Fleet lease	370	856	155	85
	17,484	21,047	4,510	3,922
Total Lease Liabilities	23,382	27,220	6,159	5,884

Short-term and low-value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Expenses relating to:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Short-term leases	100	96	-	-
Leases of low value assets	979	867	979	867
Total	1,079	963	979	867

Non-cancellable lease commitments for minimum lease payments for short-term and low-value leases are payable as follows:

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Within one year	635	526	635	526
Later than one year but not later than five years	1,920	1,565	1,920	1,565
Total	2,555	2,091	2,555	2,091

Note 6 Assets we manage

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6.1 Property, infrastructure, plant and equipment
a. Summary of property, infrastructure, plant and equipment

Consolidated Category	Carrying amount 30 June 2021 \$'000	Additions \$'000	Asset held for sale \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-offs \$'000	Transfers \$'000	Carrying amount 30 June 2022 \$'000
Property	2,556,637	25,124	-	217,789	(10,595)	(1,715)	-	-	2,787,240
Infrastructure	1,586,416	45,769	-	(17,722)	(49,576)	-	-	-	1,564,887
Plant & Equipment	73,188	14,002	(436)	-	(19,291)	(145)	-	-	67,318
Work in progress	145,136	121,503	-	-	-	-	(4,233)	(84,895)	177,511
Total	4,361,377	206,398	(436)	200,067	(79,462)	(1,860)	(4,233)	(84,895)	4,596,956

Council Category	Carrying amount 30 June 2021 \$'000	Additions \$'000	Asset held for sale \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-offs \$'000	Transfers \$'000	Carrying amount 30 June 2022 \$'000
Property	2,493,612	23,627	-	217,789	(9,376)	(1,715)	-	-	2,723,937
Infrastructure	1,586,416	45,769	-	(17,722)	(49,576)	-	-	-	1,564,887
Plant & Equipment	24,083	7,977	-	-	(7,269)	-	-	-	24,791
Work in progress	138,354	118,103	-	-	-	-	(4,233)	(77,373)	174,851
Total	4,242,465	195,476	-	200,067	(66,221)	(1,715)	(4,233)	(77,373)	4,488,466

6.1 Property, infrastructure, plant and equipment (cont'd)

b. Summary of work in progress

Consolidated	Balance 30 June 2021	Additions	Write offs	Transfers	Balance 30 June 2022
Category	\$'000	\$'000	\$'000	\$'000	\$'000
Property	84,315	44,796	-	(25,124)	103,987
Infrastructure	40,394	71,458	(4,117)	(45,769)	61,966
Plant & Equipment	20,427	5,248	(116)	(14,002)	11,557
Total	145,136	121,502	(4,233)	(84,895)	177,510

Council	Balance 30 June 2021	Additions	Write offs	Transfers	Balance 30 June 2022
Category	\$'000	\$'000	\$'000	\$'000	\$'000
Property	84,315	43,584	-	(23,627)	104,272
Infrastructure	40,394	71,458	(4,117)	(45,769)	61,966
Plant & Equipment	13,645	3,061	(116)	(7,977)	8,613
Total	138,354	118,103	(4,233)	(77,373)	174,851

6.1 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 2021	1,975,458	168,965	2,144,423	204,710	116,591	86,036	13,182	420,519	84,315	2,649,257
Accumulated depreciation 30 June 2021	-	-	-	-	-	-	(8,305)	(8,305)	-	(8,305)
Carrying amount 30 June 2021	1,975,458	168,965	2,144,423	204,710	116,591	86,036	4,877	412,214	84,315	2,640,952
Movements in Fair Value										
Additions	370	-	370	19,840	1,771	1,646	1,497	24,754	44,796	69,920
Revaluations	161,293	14,538	175,831	29,601	2,985	9,372	-	41,958	-	217,789
Disposals	(1,715)	-	(1,715)	-	-	-	-	-	-	(1,715)
Transfers from WIP	-	-	-	-	-	-	-	-	(25,124)	(25,124)
Total	159,948	14,538	174,486	49,441	4,756	11,018	1,497	66,712	19,672	260,870
Movements in Accumulated Depreciation										
Depreciation and amortisation	-	-	-	(3,589)	(3,584)	(2,175)	(1,247)	(10,595)	-	(10,595)
Total	-	-	-	(3,589)	(3,584)	(2,175)	(1,247)	(10,595)	-	(10,595)
At fair value 30 June 2022	2,135,406	183,503	2,318,909	254,151	121,347	97,054	14,679	487,231	103,987	2,910,127
Accumulated depreciation 30 June 2022	-	-	-	(3,589)	(3,584)	(2,175)	(9,552)	(18,900)	-	(18,900)
Carrying amount 30 June 2022	2,135,406	183,503	2,318,909	250,562	117,763	94,879	5,127	468,331	103,987	2,891,227

6.1 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 2021	1,929,361	158,142	2,087,503	204,710	114,379	86,035	3,286	408,410	84,315	2,580,228
Accumulated depreciation 30 June 2021	-	-	-	-	-	-	(2,301)	(2,301)	-	(2,301)
Carrying amount 30 June 2021	1,929,361	158,142	2,087,503	204,710	114,379	86,035	985	406,109	84,315	2,577,927
Movements in Fair Value										
Additions	370	-	370	19,840	1,771	1,646	-	23,257	43,584	67,211
Revaluations	161,293	14,538	175,831	29,601	2,985	9,372	-	41,958	-	217,789
Disposals	(1,715)	-	(1,715)	-	-	-	-	-	-	(1,715)
Transfers from WIP	-	-	-	-	-	-	-	-	(23,627)	(23,627)
Total	159,948	14,538	174,486	49,441	4,756	11,018	-	65,215	19,957	259,658
Movements in Accumulated Depreciation										
Depreciation and amortisation	-	-	-	(3,589)	(3,391)	(2,175)	(221)	(9,376)	-	(9,376)
Total	-	-	-	(3,589)	(3,391)	(2,175)	(221)	(9,376)	-	(9,376)
Fair value 30 June 2022	2,089,309	172,680	2,261,989	254,151	119,135	97,053	3,286	473,625	104,272	2,839,886
Accumulated depreciation 30 June 2022	-	-	-	(3,589)	(3,391)	(2,175)	(2,522)	(11,677)	-	(11,677)
Carrying amount 30 June 2022	2,089,309	172,680	2,261,989	250,562	115,744	94,878	764	461,948	104,272	2,828,209

6.1 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 2021	808,901	112,445	173,402	162,009	7,969	44,798	232,351	58,430	40,394	1,640,699
Accumulated depreciation 30 June 2021	-	-	-	-	(3,485)	-	-	(10,404)	-	(13,889)
Carrying amount 30 June 2021	808,901	112,445	173,402	162,009	4,484	44,798	232,351	48,026	40,394	1,626,810
Movements in Fair Value										
Additions	10,188	2,601	13,462	6,626	1,617	1,945	9,302	28	71,458	117,227
Revaluations	4,981	1,904	(18,663)	2,458	(1,122)	(608)	(6,672)	-	-	(17,722)
Write-offs	-	-	-	-	-	-	-	-	(4,117)	(4,117)
Transfers from WIP	-	-	-	-	-	-	-	-	(45,769)	(45,769)
Total	15,169	4,505	(5,201)	9,084	495	1,337	2,630	28	21,572	49,619
Movements in Accumulated Depreciation										
Depreciation and amortisation	(19,331)	(1,760)	(7,730)	(2,118)	(452)	-	(17,557)	(628)	-	(49,576)
Total	(19,331)	(1,760)	(7,730)	(2,118)	(452)	-	(17,557)	(628)	-	(49,576)
Fair value 30 June 2022	824,070	116,950	168,201	171,093	8,464	46,135	234,981	58,458	61,966	1,690,318
Accumulated depreciation 30 June 2022	(19,331)	(1,760)	(7,730)	(2,118)	(3,937)	-	(17,557)	(11,032)	-	(63,465)
Carrying amount 30 June 2022	804,739	115,190	160,471	168,975	4,527	46,135	217,424	47,426	61,966	1,626,853

6.1 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 2021	808,901	112,445	173,402	162,009	7,969	44,798	232,351	58,430	40,394	1,640,699
Accumulated depreciation 30 June 2021	-	-	-	-	(3,485)	-	-	(10,404)	-	(13,889)
Carrying amount 30 June 2021	808,901	112,445	173,402	162,009	4,484	44,798	232,351	48,026	40,394	1,626,810
Movements in Fair Value										
Additions	10,188	2,601	13,462	6,626	1,617	1,945	9,302	28	71,458	117,227
Revaluations	4,981	1,904	(18,663)	2,458	(1,122)	(608)	(6,672)	-	-	(17,722)
Write-offs	-	-	-	-	-	-	-	-	(4,117)	(4,117)
Transfers from WIP	-	-	-	-	-	-	-	-	(45,769)	(45,769)
Total	15,169	4,505	(5,201)	9,084	495	1,337	2,630	28	21,572	49,619
Movements in Accumulated Depreciation										
Depreciation and amortisation	(19,331)	(1,760)	(7,730)	(2,118)	(452)	-	(17,557)	(628)	-	(49,576)
Total	(19,331)	(1,760)	(7,730)	(2,118)	(452)	-	(17,557)	(628)	-	(49,576)
Fair value 30 June 2022	824,070	116,950	168,201	171,093	8,464	46,135	234,981	58,458	61,966	1,690,318
Accumulated depreciation 30 June 2022	(19,331)	(1,760)	(7,730)	(2,118)	(3,937)	-	(17,557)	(11,032)	-	(63,465)
Carrying amount 30 June 2022	804,739	115,190	160,471	168,975	4,527	46,135	217,424	47,426	61,966	1,626,853

6.1 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 2021	169,390	10,703	49,412	17,717	20,427	267,649
Accumulated depreciation 30 June 2021	(107,818)	(8,320)	(43,327)	(14,569)	-	(174,034)
Carrying amount 30 June 2021	61,572	2,383	6,085	3,148	20,427	93,615
Movements in Fair Value						
Additions	7,282	430	4,734	1,556	5,248	19,250
Disposals	(3,768)	-	(12,364)	-	-	(16,132)
Write-offs	-	-	-	-	(116)	(116)
Transfers from WIP	-	-	-	-	(14,002)	(14,002)
Non-current assets classified as held for sale	(2,459)	-	-	-	-	(2,459)
Total	1,055	430	(7,630)	1,556	(8,870)	(13,459)
Movements in Accumulated Depreciation						
Depreciation and amortisation	(14,563)	(570)	(2,945)	(1,213)	-	(19,291)
Accumulated depreciation on disposals	3,623	-	12,364	-	-	15,987
Non-current assets classified as held for sale	2,024	-	-	-	-	2,024
Total	(8,916)	(570)	9,419	(1,213)	-	(1,280)
Fair value 30 June 2022	170,445	11,133	41,782	19,273	11,557	254,190
Accumulated depreciation 30 June 2022	(116,734)	(8,890)	(33,908)	(15,782)	-	(175,314)
Carrying amount 30 June 2022	53,711	2,243	7,874	3,491	11,557	78,876

6.1 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 2021	42,841	8,455	39,471	17,717	13,645	122,129
Accumulated depreciation 30 June 2021	(29,074)	(6,416)	(34,342)	(14,569)	-	(84,401)
Carrying amount 30 June 2021	13,767	2,039	5,129	3,148	13,645	37,728
Movements in Fair Value						
Additions	1,776	273	4,372	1,556	3,061	11,038
Disposals	(213)	-	(12,364)	-	-	(12,577)
Write-offs	-	-	-	-	(116)	(116)
Transfers from WIP	-	-	-	-	(7,977)	(7,977)
Total	1,563	273	(7,992)	1,556	(5,032)	(9,632)
Movements in Accumulated Depreciation						
Depreciation and amortisation	(3,299)	(339)	(2,418)	(1,213)	-	(7,269)
Accumulated depreciation on disposals	213	-	12,364	-	-	12,577
Total	(3,086)	(339)	9,946	(1,213)	-	5,308
Fair value 30 June 2022	44,404	8,728	31,479	19,273	8,613	112,497
Accumulated depreciation 30 June 2022	(32,160)	(6,755)	(24,396)	(15,782)	-	(79,093)
Carrying amount 30 June 2022	12,244	1,973	7,083	3,491	8,613	33,404

6.1 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 the Group, 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 property, infrastructure, plant and equipment assets of \$2,000 which means that these assets with a fair value of \$2,000 (2021: \$2,000) or greater are recognised in these financial statements. Citywide and Queen Victoria Market's recognition thresholds are different to Council's at \$300 and \$500 respectively. Council has adopted a threshold limit for right-of-use leased assets of \$10,000. Refer to Note 5.8 leases.

Land under roads

Council recognises land under roads it controls at the fair value as at the date of election as the deemed cost.

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 the Group 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 by the Group.

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 by Council are summarised below and are consistent with the prior year unless otherwise stated. Citywide and Queen Victoria Market depreciation periods are different with Council's, which is not considered material for the consolidated financial statements.

6.1 Property, infrastructure, plant and equipment (cont'd)

	Depreciation Period (Years)
Land & land improvement	
Land	-
Buildings	
Heritage buildings	100
Buildings	0-96
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	25-130
Footpaths and cycleways	7-60
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
Marina and Wharves	100
Park and Garden irrigation	30
Parks infrastructure	100
Intangible assets	1-5
Right-of-use leased assets	earlier of the end of useful life or lease term

h. Valuation of land and buildings

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 John O'Leary, Fellow of the Australian Property Institute (FAPI, Grad Dip (Prop), F.Fin), Certified Practising Valuer, member number 62206, in compliance with International Valuation Standards (IVS 2020) effective 31 January 2020, who is employed by Council. Date of the valuation (DoV) is 30 June 2022.

The COVID-19 pandemic continues to result in a significant reduction in visitors to the City of Melbourne, including up to 90 per cent drop in pedestrian numbers. Melbourne CBD suffered from one of the longest recorded lockdowns of any major city worldwide. In early 2022 the return to city gained momentum albeit impacted by new workplace practices, a trending preference for shorter office attendance of around three days instead of five days per week, and fragmented city visit reasons. Restaurants have struggled to find staff to enable longer trading or requiring smaller seating numbers, entertainment venues have reported mixed recovery, and offices are below capacity. However signs of recovery are evident with numerous new leasing and sub leasing deals taking place as business adapts to the changed work environment. Property markets remain highly volatile. Bank interest rates increased for the first time in several years and had a moderate softening of demand effect, demonstrated by the increased number of properties passing in at auction, and notwithstanding that auctions were almost non-existent during the pandemic. There is some expectation of further interest rate increases due to current world economic and political conditions. These may further soften real estate demand. All indications are that the result of the Federal election held on 21 May 2022 has not had any adverse impact on property valuations.

Details of Council's land and buildings and other relevant information about the fair value hierarchy as at 30 June 2022 are as follows:

Council	Level 1	Level 2	Level 3	Total	DoV
	\$'000	\$'000	\$'000	\$'000	
Non-specialised land	-	172,680	-	172,680	30 / 6 / 22
Specialised land	-	-	2,089,309	2,089,309	
Total land	-	172,680	2,089,309	2,261,989	
Heritage Buildings	-	-	250,562	250,562	30 / 6 / 22
Buildings	-	94,878	115,744	210,622	
Total buildings	-	94,878	366,306	461,184	

No transfers between levels occurred during the year.

i. Valuation of infrastructure

In accordance with Council policy, a revaluation was undertaken of infrastructure assets at the reporting date. The date of the current valuation is 30 June 2022 as detailed in the following table.

Valuation of infrastructure assets was undertaken by Thyagie Wettasinghe, Asset Engineer, Master of Infrastructure Engineering and Management who is employed by Council. The valuation is at fair value (refer Note 8.4 for description of levels) based on current replacement cost less accumulated depreciation as at the date of valuation.

Details of Council's infrastructure and information about the fair value hierarchy as at 30 June 2022 are as follows:

Council	Level 1	Level 2	Level 3	Total	DoV
	\$'000	\$'000	\$'000	\$'000	
Roads	-	-	804,739	804,739	30 / 6 / 22
Bridges	-	-	115,190	115,190	30 / 6 / 22
Footpaths and cycleways	-	-	160,471	160,471	30 / 6 / 22
Drainage	-	-	168,975	168,975	30 / 6 / 22
Recreational, leisure and community facilities	-	-	4,527	4,527	30 / 6 / 22
Parks, open space and streetscapes	-	-	46,135	46,135	30 / 6 / 22
Promenades and wharves	-	-	57,958	57,958	30 / 6 / 22
Other infrastructure	-	-	159,466	159,466	30 / 6 / 22
Total Infrastructure	-	-	1,517,461	1,517,461	

No transfers between levels occurred during the year.

j. Description of significant unobservable inputs into level 3 valuations

Council	2022	2021
	\$'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 \$38 and \$28,497 per square metre of site area.	2,089,309	1,929,361
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 \$100 to \$39,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 0 year to 95 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Building materials and construction times are presently highly volatile and inflationary. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.	115,744	114,380
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 0 to 130 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 are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.	1,517,461	1,538,390

k. Reconciliation of specialised land

Council	2022	2021
	\$'000	\$'000
Land under roads	17,200	17,200
Parks and reserves	2,072,109	1,912,161
Total specialised land	2,089,309	1,929,361

6.2 Investment in subsidiaries and associates

Non-Current	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
a) Subsidiaries				
CityWide Service Solutions Pty Ltd	-	-	18,406	18,406
Queen Victoria Market Pty Ltd	-	-	200	200
Enterprise Melbourne*	-	-	-	-
	-	-	18,606	18,606
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	26,356

* Investment in Enterprise Melbourne Pty Ltd is \$10.

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2022 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.

Entities consolidated into Council include:

- Citywide Service Solutions Pty Ltd and its subsidiaries
- Queen Victoria Market Pty Ltd
- Enterprise Melbourne Pty Ltd
- Melbourne Digital Pty Ltd - non-operating entity.

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
- Technigro Pty Ltd
- Citywide Utilities Pty Ltd.

Citywide has a 50 per cent equity interest in:

- Citywide Asphalt Group Pty Ltd (previously known as Citywide North Melbourne Asphalt Pty Ltd), a joint operation in partnership with Fulton Hogan Industries Pty Ltd.

The principal activities of Citywide 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.

Citywide Service Solutions Pty Ltd	2022	2021
	\$'000	\$'000
Summarised statement of comprehensive income		
Total income	350,276	300,746
Total expenses	343,847	294,632
Surplus / (deficit) for the year	6,429	6,114
Income tax equivalent expense	(1,932)	(1,995)
Total comprehensive result	4,497	4,119
Summarised balance sheet		
Current assets	75,725	77,026
Non-current assets	162,674	178,800
Total assets	238,399	255,826
Current liabilities	88,813	94,420
Non-current liabilities	32,947	44,142
Total liabilities	121,760	138,562
Net assets	116,639	117,264
Summarised statement of cash flows		
Net cash provided / (used in) operating activities	19,355	15,360
Net cash provided / (used in) investing activities	(9,461)	(23,615)
Net cash provided / (used in) financing activities	(14,280)	11,947
Net increase / (decrease) in cash and cash equivalents	(4,386)	3,692

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 marketplace, 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.

Queen Victoria Market Pty Ltd	2022	2021
	\$'000	\$'000
Summarised statement of comprehensive income		
Total income	23,371	17,089
Total expenses	23,953	18,857
Surplus / (deficit) for the year	(582)	(1,768)
Income tax equivalent expense	(55)	(18)
Total comprehensive result	(527)	(1,750)
Summarised balance sheet		
Current assets	3,788	4,120
Non-current assets	5,764	6,356
Total assets	9,552	10,476
Current liabilities	4,720	4,639
Non-current liabilities	3,929	4,408
Total liabilities	8,649	9,047
Net assets	903	1,429
Summarised statement of cash flows		
Net cash provided / (used in) operating activities	148	338
Net cash provided / (used in) investing activities	(737)	(415)
Net cash provided / (used in) financing activities	(48)	(183)
Net increase / (decrease) in cash and cash equivalents	(637)	(260)

The financial results of QVM for 2021-22 were positively impacted by the receipt of a grant of \$7.7 million (2021: \$9.4 million) under Council's Quick Response Grants package to enable the market to provide trader rent relief and lease modifications to stall holders.

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.

Enterprise Melbourne Pty Ltd	2022	2021
	\$'000	\$'000
Summarised statement of comprehensive income		
Total income	-	-
Total expenses	342	351
Surplus / (deficit) for the year	(342)	(351)
Other comprehensive income	-	-
Total comprehensive result	(342)	(351)
Summarised balance sheet		
Current assets	68	66
Non-current assets	-	-
Total assets	68	66
Current liabilities	45	45
Non-current liabilities	-	-
Total liabilities	45	45
Net assets	23	21
Summarised statement of cash flows		
Net cash provided / (used in) operating activities	(342)	(351)
Net cash provided / (used in) investing activities	-	-
Net cash provided / (used in) financing activities	350	329
Net increase / (decrease) in cash and cash equivalents	8	(22)

Enterprise Melbourne Pty Ltd transactions are included in Council's accounts.

b) Associates

Council's investments in associates are accounted for using the cost method of accounting as Council does not have significant influence or control over the associates.

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 loss of \$921,961 (unaudited) for the year ended 30 June 2022 (2021: loss of \$1,492,201 unaudited). There was a restatement of the 2019-20 financial statements due to a correction to revenue out of the valuation of the Theatre that was detected during the 2020-21 final audit. This has delayed the signing of the accounts for 2020-21, and ultimately 2021-22.

Procurement Australasia Ltd (formerly MAPS Group Ltd) (63 per cent owned by Council)

- Procurement Australasia Ltd 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.
- Procurement Australasia Ltd reported an operating profit for the year ended 30 September 2021 of \$585,183 compared to a profit of \$164,332 for the previous year. The Company paid a dividend for the 30 September 2021 financial year of 10 cents per share. A dividend payment of \$25,000 was received in December 2021 by Council (2020: \$17,500). Net assets are \$10.6 million as at 30 September 2021.

6.3 Investment property

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Land				
Balance at beginning of financial year	143,238	169,444	143,238	169,444
Additions	5,086	-	5,086	-
Disposals	(3,358)	(26,342)	(3,358)	(26,342)
Fair value adjustments	3,248	136	3,248	136
Balance at end of financial year	148,214	143,238	148,214	143,238
Buildings				
Balance at beginning of financial year	45,280	41,478	45,280	41,478
Additions	32,510	-	32,510	-
Fair value adjustments	1,974	3,802	1,974	3,802
Balance at end of financial year	79,764	45,280	79,764	45,280
Total investment properties	227,978	188,518	227,978	188,518

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 and Council employed 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 by John O'Leary, Fellow of the Australian Property Institute (FAPI, Grad Dip (Prop) F.Fin), Certified Practising Valuer, member number 62206, in compliance with International Valuation Standards (IVS 2020) effective 31 January 2020, who is employed by Council. The valuation is at fair value (refer to Note 8.4), based on the current market value for the property. Date of the valuation (DoV) is 30 June 2022.

Commercial investment property has also shown resilient results, however leasing levels remain fragile. In the 12 months to 30 June 2022, 25 sales have occurred in the \$15 million to \$50 million range within the City of Melbourne. There were 7 landmark office building sales in excess of \$100 million. This included 85 Spring Street for \$130 million, 1010 Latrobe Street for \$150 million, 330 Collins Street for \$236 million, 567 Collins Street for 245 million, 120 Spencer St for \$320 million, and half shares in 121 Exhibition Street for \$1.050 billion and 691 Collins St Docklands for \$1.2 billion. There have been no major retail transactions in 2021-22.

There continued a trend away from individual title residential apartment development to commercial and / or build-to-rent development, resulting in several transactions of older buildings which are now planned to be refurbished and upgraded. Larger retail property continued to struggle. Outside of the central business district and fringe there were relatively low volumes of commercial property transactions in all markets. Supply chain disruptions are causing significant issues for builders as they attempt to complete projects. Further, materials costs have risen significantly, with more cost inflation expected to be reported in the second half of 2022.

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 associates are detailed in Note 6.2.

(b) Key management personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of the City of Melbourne. The Councillors, Chief Executive Officer and Executive Leadership Team members are deemed KMP. Details of KMP at any time during the year are:

Councillors

Lord Mayor Sally Capp
 Deputy Lord Mayor Nicholas Reece
 Olivia Ball
 Roshena Campbell
 Jason Chang
 Elizabeth Mary Doidge
 Davydd Griffiths
 Jamal Hakim
 Philip Le Liu
 Rohan Leppert
 Kevin Louey

Chief Executive Officer and other Key Management Personnel

Position	Name
Chief Executive Officer	Justin Hanney
Deputy Chief Executive Officer	Alison Leighton
Chief Financial Officer	Michael Tenace
General Manager Community and City Services	Linda Weatherson
General Manager City Economy and Activation	Katrina Mckenzie / Andrew Wear
General Manager Property, Infrastructure and Design	Roger Teale
General Manager Strategy Planning and Climate Change	Evan Counsel
Director Strategic Communications	Katrina Mckenzie
General Manager Governance and Organisational Development	Keith Williamson
Chief Digital Officer and General Manager, Customer and Digital	Michelle Fitzgerald
Total number of Councillors	11
Total Chief Executive Officer and other Key Management Personnel	10
Total number of Key Management Personnel	21

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2022	2021
	\$'000	\$'000
Short-term benefits	3,815	3,829
Post-employment benefits	389	406
Long-term benefits	70	60
Resignation / Retirement benefits (unused leave)	187	-
Total	4,461	4,295

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2022	2021
\$10,000 - \$19,999	-	5
\$30,000 - \$39,999	-	7
\$50,000 - \$59,999	9	3
\$70,000 - \$79,999	-	1
\$100,000 - \$109,999	-	1
\$140,000 - \$149,999	1	-
\$170,000 - \$179,999	1	2
\$190,000 - \$199,999	-	1
\$210,000 - \$219,999	1	1
\$240,000 - \$249,999	1	1
\$270,000 - \$279,999	1	-
\$280,000 - \$289,999	-	1
\$320,000 - \$329,999	-	1
\$330,000 - \$339,999	1	-
\$360,000 - \$369,999	-	3
\$390,000 - \$399,999	2	-
\$400,000 - \$409,999	2	-
\$420,000 - \$429,999	-	1
\$440,000 - \$449,999	1	-
\$490,000 - \$499,999	-	1
\$530,000 - \$539,999	1	-
	21	29
	\$'000	\$'000
Total remuneration for the financial year included above	4,461	4,295

Total KMP decreased as a result of overlap with the change of council during the prior year, however total remuneration increased in 2022 following resignation / retirement of long-term staff, organisational realignment, and staff who were in an acting capacity.

(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 \$151,000 (2021: \$151,000), or
- b) For subsidiaries, are the Managing Director, Chief Executive Officers and executives, or whose total annual remuneration exceeds \$151,000 (2021: \$151,000).

The number of Senior Officers is shown below in their relevant income bands:

Income Range	Consolidated		Council	
	2022	2021	2022	2021
\$150,000 - \$159,999	63	63	51	51
\$160,000 - \$169,999	49	53	42	49
\$170,000 - \$179,999	49	7	47	5
\$180,000 - \$189,999	19	22	16	14
\$190,000 - \$199,999	12	8	9	5
\$200,000 - \$209,999	11	4	6	2
\$210,000 - \$219,999	4	5	3	4
\$220,000 - \$229,999	6	8	4	5
\$230,000 - \$239,999	7	10	6	8
\$240,000 - \$249,999	8	5	6	3
\$250,000 - \$259,999	8	5	7	3
\$260,000 - \$269,999	4	1	3	1
\$270,000 - \$279,999	3	3	-	1
\$290,000 - \$299,999	2	1	1	1
\$300,000 - \$309,999	1	2	1	1
\$310,000 - \$319,999	2	-	1	-
\$320,000 - \$329,999	-	1	-	-
\$330,000 - \$339,999	-	2	-	-
\$340,000 - \$349,999	-	1	-	1
\$350,000 - \$359,999	1	1	-	1
\$360,000 - \$369,999	-	2	-	1
\$370,000 - \$379,999	1	-	-	-
\$390,000 - \$399,999	1	-	-	-
\$430,000 - \$439,999	1	-	-	-
\$530,000 - \$539,999	-	1	-	-
\$780,000 - \$789,999	1	-	-	-
	253	205	203	156
	\$'000	\$'000	\$'000	\$'000
Total remuneration for the reporting year for Senior Officers included above, amounted to	48,061	38,840	36,795	28,520

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.

The increase in the number of Senior Officers and the remuneration for 2021-22 is a result of:

- an enterprise agreement and resultant back pay to 2018 approved and paid
- increased amounts of overtime worked in compliance branches
- realignments relating to some redundancy costs
- lump sum payments of entitlements on resignation and retirement of staff.

7.2 Related party disclosure

(a) Transactions with related parties

During the year Council entered into related party transactions totalling \$297,002 (2021: \$404,626). The nature of the transactions are related to the city's public liability insurance premium (Municipal Association of Victoria), venue hire, conference costs and purchases.

(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. Melbourne Digital Pty Ltd is a non-operating entity.

All subsidiaries are incorporated and are residents in Australia.

	Citywide Service Solutions Pty Ltd		Queen Victoria Market Pty Ltd		Enterprise Melbourne Pty Ltd	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue from subsidiaries	523	473	374	378	-	-
Expenditure to subsidiaries	64,835	79,089	628	108	-	-
Funding to subsidiaries	-	-	7,700	9,400	342	351
Income Tax and Payroll Tax Equivalent payments from subsidiaries	2,168	2,950	-	-	-	-
Dividend payments from subsidiaries	4,000	4,200	-	-	-	-
Owing to subsidiaries	11,067	16,609	426	6	-	-
Owing by subsidiaries	48	43	-	-	-	-

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

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

At balance date contingent assets relate to crown land for Council and property for Citywide and Queen Victoria Market as detailed in Note 5.7 (b).

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council, or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or
 - the amount of the obligation cannot be measured with sufficient reliability.

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 2022.

Legal matters

As at balance date, there is one award of legal costs against Council regarding planning, with an amount pending that is difficult to estimate.

Building cladding

As at balance date, there are no formalised estimates that exist in relation to rectification works or other matters in relation to building cladding that may have an adverse impact on Council.

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, however, exposure is limited to \$250,000 in a year.

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

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2022 reporting period. The Group assesses the impact of these new standards. As at 30 June 2022 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2023 that are expected to impact the Group.

8.3 Financial instruments

(a) Objectives and policies

The Group'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 the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Group. These policies include identification and analysis of the risk exposure to the Group and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of the Group financial instruments will fluctuate because of changes in market prices. The Group'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. The Group's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which expose the Group 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. The Council and its subsidiaries have 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 2020*. The Group 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 the Group'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 the Group's year end result.

The Group's interest rate liability risk for the 2021-22 year arises from the borrowings of Citywide.

Citywide have borrowing and overdraft facilities which has been arranged with a major Australian bank. Interest rate risk is managed by:

- an ongoing review of borrowing levels, and
- 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 the Group to make a financial loss. The Group has exposure to credit risk on some financial assets included in the consolidated balance sheet. To help manage this risk:

- The Group has a policy for establishing credit limits for the entities it deals with.
- The Group may require collateral, where appropriate.
- The Group only invest surplus funds with financial institutions which have a recognised credit rating specified in the Group's investment policies.

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.

The Group may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council and its subsidiaries provide 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 the Group'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 the Group:

- have liquidity policies 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 Group'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 the Group'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 to be low given Citywide borrowing levels and our current assessment of risk.

Council has a \$75 million floating rate loan facility with ANZ bank which expires on 30 June 2023, and has entered into an additional loan agreement with the Treasury Corporation of Victoria (TCV) for \$242.9 million during the 2021-22 year. The loan with TCV is an ongoing facility that does not have an expiry date but the total loan amount available is assessed annually in line with the approved budget. The interest rate on the ANZ Bank facility is the Bank Bill Interest Rate plus a margin of 0.60 per cent (for relevant interest period less than 3 months) and 0.49 per cent (for relevant interest period equal or greater than 3 months). A line fee of 0.12 per cent is also applicable to the facility. The interest rate on the TCV facility is the TCV cost of funds plus a margin of 0.265 per cent. The facilities are secured by a charge over the general rates levied by Council. No loans were drawn as at 30 June 2022.

With respect to borrowings at Citywide, their facilities are comprised of a new \$20 million revolving asset finance facility (2021: \$0 million), \$16.2 million cash advance facility (2021: \$36.2 million) and a \$2.5 million overdraft facility (2021: \$2.5 million). The facilities were renewed in August 2022 and are secured with a first ranking fixed and floating charge over the net assets of the Citywide group. There were \$13.2 million of borrowings drawn at 30 June 2022 (2021: \$18.2 million). Subject to the continuance of satisfactory covenants achievement, the banking facilities may be drawn at any time. The banking facilities may be terminated by the bank if Citywide defaults under the loan agreement. The facilities expire on 27 July 2025.

(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 that are 'reasonably possible' to expect over the next 12 months are between +1 per cent and +2 per cent in market rates (AUD) from the year-end rate of 0.85 per cent (2021: 0.10 per cent).

In the event there are movements in interest rates, it is expected they will not have a material impact on the valuation of the Group's financial assets and liabilities, nor will they have a material impact on the results of the Group's operations.

8.4 Fair value measurement*Fair value hierarchy*

The Group's financial assets and liabilities are not valued in accordance with the fair value hierarchy, the Group's financial assets and liabilities are measured at amortised cost.

The Group 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.

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, the Group 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, the Group 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, the Group 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, the Group undertake 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 and its subsidiaries.

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 Group review 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

Council has worked through two years of COVID-19 effects on its financial assets, putting in plans to recover and build on its strong base. In line with the 2022-23 budget, in the months post 30 June, Council has drawn \$30 million in short term loans from Treasury Corporation Victoria (TCV) with a repayment date of 27 September 2022.

A Planning Scheme Amendment C380 to the Melbourne Planning Scheme was gazetted on 7 July 2022. The amendment applies to 29 council open spaces, the Carlton Baths, and 46 Victorian Government Open Spaces. Of these, only 14 Council owned and 2 Government owned lands required the rezoning adjustment. Adjustments will be carried to the 2022-23 financial statements.

Council's subsidiary, Citywide Services Solutions Pty Ltd renewed its banking facilities in August 2022. The renewed facilities are comprised of a \$38.7 million Multi Option Facility with interchangeable limits between a Revolving Asset Finance Facility.

A Planning Scheme Amendment for the Arden Structure Plan was gazetted on 28 July 2022. This amendment has the potential to impact the valuation of Citywide's North Melbourne land from the date of the gazettal. A re-valuation has not yet been undertaken due to a lack of comparable market data in the precinct at this time.

There are no other material matters or circumstances that have arisen post 30 June 2022 that have or will significantly affect Council or the group.

Note 9 Other matters

9.1 Reserves

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Asset revaluation - property and infrastructure	2,551,332	2,350,656	2,500,627	2,299,951
Other Reserves				
<i>Restricted</i>				
Public Open Space reserve	77,360	79,572	77,360	79,572
<i>Non-Restricted</i>				
Developer Contribution Plan reserve	1,272	1,272	1,272	1,272
Investments revaluation reserve	4,725	4,725	4,725	4,725
Tree compensation reserve	4,458	4,021	4,458	4,021
	2,639,147	2,440,246	2,588,442	2,389,541

(a) Asset revaluation reserve

Consolidated	Balance at beginning of 2021	Increment (Decrement)	Balance at end of 2021	Increment (Decrement)	Balance at end of 2022
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Land	1,509,046	10,915	1,519,961	175,830	1,695,791
Buildings	124,121	(1,646)	122,475	41,959	164,434
Infrastructure					
Roads & Laneways	459,955	11,026	470,981	4,981	475,962
Bridges	23,431	1,509	24,940	1,904	26,844
Footpaths and cycleways	119,355	(4,393)	114,962	(18,662)	96,300
Drainage	31,672	217	31,889	2,458	34,347
Parks, open space and streetscapes	2,924	(2,924)	-	-	-
Other infrastructure	61,807	(1,763)	60,044	(7,794)	52,250
Artworks	5,404	-	5,404	-	5,404
	2,337,715	12,941	2,350,656	200,676	2,551,332

Council	Balance at beginning of 2021	Increment (Decrement)	Balance at end of 2020	Increment (Decrement)	Balance at end of 2022
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Land	1,458,342	10,915	1,469,257	175,830	1,645,087
Buildings	124,120	(1,646)	122,474	41,959	164,433
Infrastructure					
Roads & Laneways	459,955	11,026	470,981	4,981	475,962
Bridges	23,431	1,509	24,940	1,904	26,844
Footpaths and cycleways	119,355	(4,393)	114,962	(18,662)	96,300
Drainage	31,672	217	31,889	2,458	34,347
Parks, open space and streetscapes	2,924	(2,924)	-	-	-
Other infrastructure	61,807	(1,763)	60,044	(7,794)	52,250
Artworks	5,404	-	5,404	-	5,404
	2,287,010	12,941	2,299,951	200,676	2,500,627

The asset revaluation reserve is used to record the increased (net) value of the Group's assets over time.

(b) Other reserves – Summary

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at the beginning of the year	89,590	74,161	89,590	74,161
Transfers from accumulated surplus	5,086	27,787	5,086	27,787
Transfers to accumulated surplus	(6,861)	(12,358)	(6,861)	(12,358)
Balance at the end of the financial year	87,815	89,590	87,815	89,590

Other reserves – reserve for Public Open Space

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at the beginning of the year	79,572	63,625	79,572	63,625
Transfers from accumulated surplus	4,649	27,105	4,649	27,105
Transfers to accumulated surplus	(6,861)	(11,158)	(6,861)	(11,158)
Balance at the end of the financial year	77,360	79,572	77,360	79,572

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 – reserve for Developer Contribution Plan

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at the beginning of the year	1,272	1,022	1,272	1,022
Transfers from accumulated surplus	-	250	-	250
Transfers to accumulated surplus	-	-	-	-
Balance at the end of the financial year	1,272	1,272	1,272	1,272

Other reserves – investments revaluation reserve – Regent Management Pty Ltd

	Consolidated		Council	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at the beginning of the year	4,725	4,725	4,725	4,725
Transfers from investment-non current asset	-	-	-	-
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 decreased) value of Council's share of Regent Management Pty Ltd assets over time.

Other reserves – tree compensation reserve

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the year	4,021	4,789	4,021	4,789
Transfers from accumulated surplus	437	432	437	432
Transfers to accumulated surplus	-	(1,200)	-	(1,200)
Balance at the end of the financial year	4,458	4,021	4,458	4,021

Tree compensation reserve is used to fund future tree planting following compensation from developers who remove mature trees within the municipality.

9.2 Reconciliation of cash flow from operating activities to surplus / (deficit)

	Consolidated		Council	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Surplus for the year	(16,509)	23,533	(15,124)	25,889
Depreciation / amortisation	99,965	96,140	80,444	77,543
Profit / (Loss) on disposal of property, plant and equipment	(2,693)	467	(2,177)	1,114
Fair value adjustments for investment property	(5,223)	(3,939)	(5,223)	(3,939)
Contributions - Non-monetary assets	-	(490)	-	(490)
Work in progress write off	4,233	3,117	4,233	3,117
Lease modifications (QVM)	-	1,712	-	-
Asset reserve revaluation impairment loss	608	4,298	608	4,298
Other	1,300	(5,721)	646	(5,209)
Changes in assets and liabilities in relation to operating activities:				
(Increase) / Decrease in trade and other receivables	6,220	(17,442)	7,301	(1,370)
(Increase) / Decrease in prepayment	(9,453)	516	(4,526)	873
(Increase) / Decrease in accrued income	(8,423)	14,196	(1,466)	4,950
(Decrease) / Increase in trade and other payables	(15,683)	53,819	(19,283)	52,259
(Decrease) / Increase in unearned income / revenue	(11,895)	-	(13,315)	-
(Increase) in Inventories	(1,185)	(898)	-	-
(Decrease) / Increase in provisions	925	(649)	924	(72)
(Decrease) / Increase in employee benefits	3,079	3,168	2,920	1,251
(Decrease) / Increase in trust funds and deposits	925	1,470	125	(1,148)
Net cash provided by / (used in) operating activities	46,191	173,297	36,087	159,066

9.3 Superannuation

Local Authorities Superannuation Fund

The Group 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. Obligation for contribution to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Group makes both employer and employee contributions to The Fund's accumulation category, Vision MySuper / Vision Super Saver, on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2022, this was 10 per cent as required under Superannuation Guarantee legislation) (2021: 9.5 per cent).

Defined Benefit

The Group 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.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of the Group in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee Benefits.

Funding arrangements

The Group will make employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

From time to time the fund actuary will perform an actuarial investigation. If there is a shortfall of assets as compared to liabilities Council is obligated to make a funding payment. Due to the number of Council employees (current and retired) participating in the plan, it is unlikely to be material.

Employer contributions and funding calls

On the basis of the results of the 2021 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2022, this rate was 10 per cent of members' salaries (9.5 per cent in 2020-21). This rate is expected to increase in line with any increases in the Superannuation Guarantee contribution rate and was reviewed as part of the 30 June 2021 triennial valuation. In addition, the Group reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council and its subsidiaries) are required to make an employer contribution to cover the shortfall.

The 2021 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which the Group is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2021 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which the Group is a contributing employer:

- a VBI (Vested Benefits Index) surplus (\$214.7 million 2021; \$100 million 2020)
- a total service liability surplus (\$270.3 million 2021; \$200 million 2020)
- a discounted accrued benefits surplus (\$285.2 million 2021; \$217.8 million 2020).

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 2021. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2021. The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2021. The Group was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

The 2022 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2022 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2022.

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. The Group 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.

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 Group in the CMSSP cannot be measured as a percentage compared with other participating employers in the Group's individual entity level financial statements. 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 Group, the surplus or deficit of the CMSSP is recorded in accordance to AASB119 at the consolidated level for reporting purposes.

Funding arrangements

The Group makes employer contributions to the CMSSP at rates determined by the Fund's Trustee on advice of the Fund's Actuary.

The last triennial actuarial investigation was as at 30 June 2020. As at 30 June 2020, the CMSSP's VBI is 136.9 per cent. At 30 June 2022, the Fund Actuary determined the VBI to be 143.7 per cent (2021: 144.7 per cent)

Employer contributions and funding calls

The Group has made employer contributions to the CMSSP at a rate of 13 per cent of salary for active defined benefit members for the year ended 30 June 2022.

Where the VBI is less than 100 per cent, the Group 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).

In the event that the Fund Actuary determines that the CMSSP has a shortfall, the CMSSP's participating employers 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.

The 2020 actuarial investigation surplus amounts

The last actuarial investigation was as at 30 June 2020. This investigation identified the following in the defined benefit category:

- a VBI surplus of \$14.7 million
- a total service liability surplus of \$9.2 million
- a discounted accrued benefits surplus of \$11.1 million.

The VBI surplus means that the market value of the CMSSP's assets as at 30 June 2020 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 2020. 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 2020. 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 2020.

The 2021 interim actuarial investigations

An interim actuarial investigation of the CMSSP's liability for accrued benefits was carried out at 30 June 2021. The VBI is 144.7 per cent as at 30 June 2021.

The 2022 interim actuarial investigations

The next interim actuarial investigation of the CMSSP's liability for accrued benefits is based on the CMSSP's position as at 30 June 2022. It is anticipated that this actuarial investigation will be completed in August 2022.

AASB 119 Disclosures for CMSSP in the Financial Statements

Melbourne City Council Superannuation Sub Plan	2022	2021
	000's	000's
Asset / (Liability) recognised in Balance Sheet	16,511	15,276
Total amount recognised in Comprehensive Income Statement	1,467	2,129

Super contribution included in Note 4.1

Note 10 Change In Accounting Policy

There have been no changes to accounting policies in 2021-22.

APPENDIX

Health and Wellbeing Major Initiatives and Operational Plan activity 2021–22

Below is a summary index of the Major Initiatives and operational plan activities under each of the six Health and Wellbeing Focus Areas. More detailed information on these activities is provided in “Performance against our measures” section (page 60) of this report.

HEALTH AND WELLBEING FOCUS AREA	MAJOR INITIATIVE (MI), OPERATIONAL PLAN ACTIVITY (O) OR (R)	COUNCIL PLAN STRATEGIC OBJECTIVE
Public health and safety	(MI 45) Continue to implement the Transport Strategy 2030	Safety and Wellbeing
	(MI 49) Equality and inclusion programs for the community	Safety and Wellbeing
	(MI 50) Street safety initiatives	Safety and Wellbeing
	(MI 51) Rapid Response Clean Team	Safety and Wellbeing
	(MI 52) Community resilience	Safety and Wellbeing
	(O) Plan and implement a public-facing child safe city campaign	Safety and Wellbeing
	(O) Raise awareness of hygiene and infection control measures via the roll out of hand sanitiser units in high traffic public location with appropriate community (COVID) safety messaging.	Safety and Wellbeing
Mental wellbeing and inclusion	(MI 1) Continue to strengthen Melbourne’s economic recovery	Economy of the Future
	(MI 14) Munro Library and Community Hub	Melbourne’s unique identity and place
	(MI 15) Deliver public art program	Melbourne’s unique identity and place
	(MI 18) Facilitate increased investment in unique Melbourne events	Melbourne’s unique identity and place
	(MI 23) Truth telling	Aboriginal Melbourne
	(MI 25) Govern with sovereign First Nations	Aboriginal Melbourne
	(MI 26) First Nations Cultural Precinct	Aboriginal Melbourne
	(MI 37) Implementation of Neighbourhood Model	Access and Affordability
	(MI 38) Libraries	Access and Affordability
	(MI 39) Delivery of Disability Access and Inclusion Plan 2020–24	Access and Affordability
(MI 41) Refine the approach to service planning to ensure City of Melbourne’s core services remain accessible and affordable.	Access and Affordability	

HEALTH AND WELLBEING FOCUS AREA	MAJOR INITIATIVE (MI), OPERATIONAL PLAN ACTIVITY (O) OR (R)	COUNCIL PLAN STRATEGIC OBJECTIVE
Mental wellbeing and inclusion (continued)	(MI 43) Digital literacy programs and digital inclusion	Access and Affordability
	(MI 48) Inclusive Melbourne Strategy	Safety and Wellbeing
	(R) Implementation of key projects aligned with City of Melbourne's Children Plan	Safety and Wellbeing
	(R) Advance our commitment to Reconciliation.	Access and Affordability
	(O) Ageing and Inclusion: Deliver the Melbourne: A Great Place to Age Strategic Plan 2020-24	Safety and Wellbeing
Healthy and sustainable lifestyle	(MI 4) Deliver high quality public transport in urban renewal areas	Economy of the Future
	(MI 12) The Greenline Project	Melbourne's Unique Identity and Place
	(MI 16) Increase public open space	Safety and Wellbeing
	(MI 36) Inclusive sports facilities for women	Access and Affordability
	(O) Continue working to provide a healthier city through the implementation of the Smoke - Free Melbourne Policy.	Safety and Wellbeing
	(O) Investigate and determine appropriate responses to identified issues in managing gambling, alcohol and drug related harm including the impact on mental health.	Safety and Wellbeing
	(O) Finalise the four-year Active Melbourne Plan and implement actions.	Safety and Wellbeing
Housing and Homelessness	(MI 6) Market and promote Melbourne as a great place to live	Economy of the Future
	(MI 44) Homes Melbourne	Access and Affordability
	(R) Deliver priorities of the Affordable Housing Strategy	Access and Affordability
Food Security	(MI 13) Protect Queen Victoria Market	Melbourne's Unique Identity and Place
	(MI 40) Food Relief Plan	Access and Affordability
	(O) Community Food Guide	Access and Affordability
	(O) Community Grants	Access and Affordability

HEALTH AND WELLBEING FOCUS AREA	MAJOR INITIATIVE (MI), OPERATIONAL PLAN ACTIVITY (O) OR (R)	COUNCIL PLAN STRATEGIC OBJECTIVE
Health impacts of climate change	(MI 30) Environmental performance of buildings	Climate and Biodiversity Emergency
	(MI 31) Deliver the Urban Forest Strategy	Climate and Biodiversity Emergency
	(MI 32) Food Organics, Green Organics (FOGO)	Climate and Biodiversity Emergency
	(MI 33) Circular economy	Climate and Biodiversity Emergency
	(MI 35) Implement the Climate and Biodiversity Emergency Action Plan.	Climate and Biodiversity Emergency
	(O) Mitigating urban heat - cooling in the city	Climate and Biodiversity Emergency
	(O) Open Space Strategy Implementation review	Climate and Biodiversity Emergency
	(O) Deliver Waste and Resource Recovery Strategy 2030	Climate and Biodiversity Emergency





GLOSSARY

Term	Definition
Annual report	The report of Council's operations of the previous financial year.
Budget	The budget of Council prepared for each financial year must include financial statements and other information as prescribed by the <i>Local Government Act 2020</i> .
City of Melbourne	The organisation called the City of Melbourne.
Council Plan	Council's key strategic document that describes the outcomes 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 under 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 Council's consideration of its Council Plan.
Goals	The nine Future Melbourne goals adopted by Council (with minor amendments) that guide the City of Melbourne to achieve the community's vision.
Governance and management checklist	A prescribed checklist of policies, plans and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting and decision making.
Highlights	Stories about projects delivered during 2020-21 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 accountable for and can control.
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 on the Annual Plan and Budget.
Local Government Performance Reporting Framework	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.

Term	Definition
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 Council seeks to achieve during its term of office. Also known as 'strategic objectives' as prescribed by the Local Government Act 1989 and <i>Local Government Act 2020</i> .
Performance statement	Audited results achieved against the prescribed performance indicators and measures (see Local Government Performance Reporting Framework).
Priorities	The areas of work Council intends to focus on for the next four years to achieve its desired outcomes. These are Council's strategies for achieving its objectives within the <i>Local Government Act 1989</i> and <i>Local Government Act 2020</i> .
Report of operations	The report containing the complete set of Local Government Performance Reporting Framework service performance indicators.
The Council	Melbourne City Council comprising the elected officials – the Councillors.



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