

# 2021-22

## Annual Report



City of  
**STONNINGTON**

[STONNINGTON.VIC.GOV.AU](https://stonnington.vic.gov.au)



# Reconciliation Acknowledgement Statement

The City of Stonnington acknowledges that we are on the Traditional Lands of the Wurundjeri Woi Wurrung and Bunurong peoples of the East Kulin Nations and pay our respect to their Elders past, present and emerging.

We extend that respect to all Aboriginal and Torres Strait Islander peoples. We acknowledge their living connection to Country, relationship with the land and all living things extending back tens of thousands of years.



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# Mayor and Chief Executive Officer message

We are pleased to present our Annual Report for 2021–22, which provides an overview of our highlights, operational performance, financial reports and statements for our governance and management practices.

This year, we saw Stonnington, Melbourne and Victoria begin to adapt to new ways of living with COVID-19. Our community were once again able to enjoy our vibrant program of events and experience our famous precincts, as life in our city started to return to normal.

Thank you to everyone who has played a role in our city's ongoing recovery, particularly our health care workers, who drove a significant immunisation rollout. Our very own Prahran Town Hall was an immunisation and COVID-19 testing hub – taking this beautiful building back to the role it played over 100 years ago during the Spanish Flu. We are very proud of the role Council played in partnership with Star Health.

While four major waves of COVID-19 have largely been contained, impacts of the pandemic are still being felt by communities, businesses and governments worldwide. Victoria was particularly affected due to the extended length of COVID-19 lockdowns, with these effects yet to be fully understood. Stonnington has continued to face and address the financial, community and workplace impacts, changes to customer expectations and the need to transform its technology.

Despite these challenges, Council continued to deliver on the Community Vision and our Council Plan, Future Stonnington. This was the first year of the Council Plan 2021–25, which was developed in partnership with our community through a comprehensive engagement program. Our Plan is centred on three strategic directions that reflect Council's broad aspirations in achieving the community's vision:

- » A thriving and unique place
- » An inclusive and healthy community
- » A people-centred and future ready city

Part of being a **thriving and unique place** includes hosting events that bring people together and support our arts and creative sector. As events returned in late 2021, we've been thrilled to see our community support them through strong attendance. Over 25,000 people joined us at Prahran Square and Central Park for the Glow Winter Arts Festival, nearly 4,000 people for our Sunset Sounds and The Classics Symphony concerts in our parks and gardens, and over 4,000 people (and lots of furry friends) for Pets in the Park. We know now, more than ever, the importance of opportunities for our community to come together and connect.

As an **inclusive and healthy community**, we're focused on the wellbeing of our community, from physical and mental health to access to sport and recreation facilities, and how we connect with our Traditional Owners. Over the last 12 months, we've revised our Acknowledgement Statement to reflect a recent determination by the Victorian Aboriginal Heritage Council and invited Traditional Custodians to deliver a Welcome to Country at our Citizenship Ceremonies. Stonnington also held our first ever Healing Ceremony on 26 January 2022 at Malvern Cricket Ground. Here, we were joined by hundreds of community members to acknowledge the mistreatment of our country's Aboriginal and Torres Strait Islander peoples, who for several decades were forcibly removed from their families and communities. Reconciliation is a long journey, but all Council and staff are committed to being a part of it.

A **people-centred and future ready city** is one that listens and responds to its community. In early 2022, we launched our brand new Connect Stonnington online engagement portal ([connectstonnington.vic.gov.au](https://connectstonnington.vic.gov.au)), which lets us ask questions of our community in new and exciting ways. Just a few examples of this in action included engagement on our annual budget through a simulation tool, inviting the community to mark-up feedback on our plans for Prahran Skate Park, and hearing from hundreds of people on what they want to see for their neighbourhoods in the future through our Place Led Economic Development strategy. Council is committed to genuinely engaging with our community, and to advising how we're responding to your feedback.



Other highlights throughout the year include:

- » Commencing construction to redevelop the multi-sport and recreation precinct at Percy Treuvaud Memorial Park in Malvern East, which will be home to four new indoor netball and basketball courts, a new lawn bowls venue, new tennis courts and sportsground pavilion.
- » Commencing works to restore the heritage-listed dive tower at the Harold Holt Swim Centre.
- » Awarding the contract to transform our iconic Chapel Street to reach its future potential as one of the world's great shopping streets.
- » Recruiting a new skills-based, high calibre Board for the Prahran Market and investing in significant upgrades to the building and market hall.
- » Establishing Stonnington Zero to support people who are sleeping rough across Stonnington.
- » Expanding our tree canopy to green and cool our city in a changing climate.
- » Implementing our roadmap to electrify Council buildings and facilities to transition away from gas and lower our emissions.
- » Commencing the restoration and clean-up of the Grange Road Wetlands in South Yarra to better filter stormwater before it enters our beautiful Yarra River.
- » Continuing work to reduce what we send to landfill by expanding our kerbside food and green waste service.
- » Development of our first Waste and Circular Economy Strategy in partnership with our community.

This is just a snapshot of the many achievements of Council, in partnership with our community, delivered during challenging times.

**Our prudent and responsible financial management has allowed Council to mitigate the financial impacts of COVID-19 and plan for the future. You can read more about our financial position in the pages that follow.**

**To our residents, businesses, and visitors – we thank you for working together to get through an incredibly tough two years and we look forward to working with you in the future for better times ahead.**



**Cr Jami Klisaris**  
Mayor



**Jacqui Weatherill**  
Chief Executive Officer









2021–22

# **Report of operations**

# The year that was

## Major achievements



Endorsed and commenced implementation of Stonnington's first Climate Emergency Action Plan to take our city towards a zero-carbon, climate-ready future.

Prepared a draft Place-Led Economic Development strategy following extensive community and stakeholder engagement. This strategy will shape the economic future of Stonnington over the next three years and will inform how our neighbourhoods become more place-led and people focused, offering economic opportunities and positive community experiences.



Adopted the Reconciliation Action Plan (RAP) 2022-24, which was endorsed by Reconciliation Australia. Key RAP achievements included NAIDOC Week, a Healing Ceremony, National Sorry Day and National Reconciliation Week.



Established a COVID-19 Response and Recovery Reserve and delivered recovery initiatives including youth and family programs, the establishment of Headspace Malvern, a volunteer support program and a community support event calendar.



Appointed a new skills-based Board of Directors to Prahran Market providing reinvigorated leadership. The Board appointed a new General Manager and engaged in extensive dialogue with the community to ensure the continued vibrancy of the Market.



Delivered \$47.39 million of capital projects and \$11.2 million of IT and digital transformation projects.



Progressed the Digital Transformation Program with investments in IT infrastructure and network systems to improve customer experience.



Utilised a new online budget simulation tool to better explain our budget planning process and more effectively involve our community in shaping our priorities.



Adopted Future Stonnington, which incorporates the Stonnington Community Vision 2040 and Council Plan 2021-25.



Commenced construction to redevelop the multi-sport and recreation precinct at Percy Treyvaud Memorial Park.



Updated the Community Engagement Policy and launched a new online engagement portal.

## Major capital works

During FY22, Council's overall expenditure on capital works was \$47.39 million which included:

### Open space projects (\$9.056 million):

This included works in:



### Roads and footpaths (\$9.91 million):

Including \$4.4 million on local roads programs, \$1.27 million on the three stages of the Orrong Road Toorak works, and \$1.25 million on the footpath refurbishment program.



### Drainage improvements (\$3.75 million)

including drainage improvement and replacement programs.



Percy Treyvaud Masterplan implementation (\$6.5 million)



Harold Holt Swim Centre Master Plan and Dive Pool & Tower Redevelopment (\$3.05 million)

### Specialised vehicles and fleet replacement program (\$1.69 million)



### CCTV and Access Control System upgrade (\$1.24 million)



Library books and materials (\$0.93 million)

In addition to the capital works program, Council also invested \$11.2 million in IT and Technology improvement.









**COVID-19 lockdown 6 hit hard with the closure of entertainment venues for over 120 days. The start of 2022 was heavily impacted by the Omicron COVID-19 variant keeping people outdoors.**

## January 2022



### Green Screen

Sustainable Outdoor Film Series of family favourites and environmentally themed documentaries



### Talismans Craft Library Workshop

### Sunset Sounds

Return of the well loved free outdoor concert featuring Kaiit and Kee'ahn

### Stories and Songs in the Square



### Hosted Melbourne Comedy Festival shows

- » Don Juan
- » Doctor Ahmed Gets Hitched



### NICA Presents: Raven Mad

### Active Stonnington: Kids Zumba Class

### Stonnington Street Bounce

- » Active Stonnington: Boomers Women's Clinic, Walking Basketball, Wheelchair Basketball and Helping Hoops Clinic
- » 3x3 Hustle Tournament



### Photo 2022

Two exhibitions presented within Prahran, one of our premier entrainment and cultural destinations

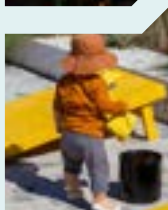
## February 2022



### Jess and Matt release top charting album Wildflowers

### The Classics with Stonnington Symphony Orchestra

Featuring special guests Jacqueline Porter (Opera) and Patrice Tipoki (Music Theatre) and host Sian Prior



### Leisure Loan Library + Outdoor Games

### Moto Bella at Prahran Square



## May 2022

### Rhonda Burchmore – Glamazonia

Living legend and Stonnington legend local wowed audiences with her autobiographical show

### HYPERFOCAL

Program included live music, neon photo booth installation and complimentary food from Oltre



### Small Business Bus Visit

### National Reconciliation Week: Yarning Circle

Program included Welcome to Country, Smoking Ceremony, Acknowledgement from Mayor and Yarning Circle

## March 2022



### Dance Hall

World-renowned burlesque and cabaret company Finucane and Smith performed their prize winning Dance Hall to the Chapel stage



### Pets in the Park

A pet friendly day of demonstrations, workshops and activities celebrating the furry, scaly and feathered

## April 2022



### Bruce Armstrong Public Art Restoration at Como Park

The bench was displayed at Como Park for over 25 years, originally commissioned by the Cran family to honour their father, Mayor of Stonnington David Cran. Originally made of timber, a large-scale restoration project was undertaken to restore the work and recast it in bronze to ensure the sculpture's longevity for our community.



## June 2022

### Christie Whelan Browne's Show People

Sold out season



### One night only with Nazeem Hussain

### Glow Winter Arts Festival

- » A stunning display of new and feature illuminated art installation at Central Park
- » 'Now Breathe' immersive sound and light installation in the Urban Forest



### Thread Together Pop Up

### Playable Streets: REFLECTION

# The year that was Cont...

## Challenges and economic factors

The year continued to be challenging, with the ongoing consequences of the COVID-19 pandemic compounded with other disruptive events. September 2021 saw the convergence of COVID-19 lockdowns, the Melbourne earthquake, the threat of Melbourne-wide civil unrest, and, closer to home, Council was also affected by a cyber security incident.

The impacts of the COVID-19 pandemic are still being felt by communities, businesses and governments worldwide. In Australia, Victoria was particularly affected due to the extended length of COVID-19 lockdowns.

Within Stonnington, these events have led to significant financial, community, workforce and technology impacts:

- » **Financial impacts:** The ongoing nature of the pandemic and other international events is continuing to drive an inflationary environment not seen in many decades, with central banks rapidly raising interest rates in an attempt to combat this. Within Council, this has led to decreased revenue, supply chain issues, labour shortages, contractor availability, and increased costs in both service delivery and capital projects. A summary of the financial impacts to Council during FY22 is included in the notes to the Financial Statements.
- » **Community impacts:** Our community continues to experience anxiety and trauma as a result of the pandemic. As the closest level of government to the community, Council continued to lead the community response whilst managing significantly increased demand on our services as residents spent more time at home. This was evident in an uplift in customer enquiries, increased service requests (particularly in the areas of trees, waste and footpath maintenance) and more widespread mental health issues across the community.

### Melbourne earthquake

Melbourne experienced an earthquake on 22 September 2021. There was some relatively minor damage to several buildings in the Chapel Street area. Council worked closely with Victoria Police, State Emergency Services and other emergency services to assess damage and make sites secure and safe. Support was also provided through Council's building surveyors, traffic management and waste operations staff.

- » **Workforce impacts:** Like many employers, Council is experiencing staff turnover at higher than pre-pandemic levels, consistent with a global trend. We are also adjusting to the hybrid workplace, which has become 'the new normal', and staff have embraced this new way of working as it provides opportunities and benefits to our customers and our workforce.
- » **Technology transformation:** Stonnington was early to recognise the need to transform its technology as the key enabler of our customer and employee experience, and endorsed the One Stonnington strategy (customer, technology and digital transformation) in 2019. This proved timely to mitigate the impacts of both COVID-19-related remote working and 2021's cyber security incident. Whilst investment in this program is significant, it is also fundamental to achieving Council's direction as a people-centred and future ready city.



### Cyber security incident

Stonnington experienced a cyber security incident on 27 August 2021. Council proactively disabled some systems while the issue was investigated and resolved. Whilst some service interruption was experienced, essential services delivered by Council remained operational, and measures implemented from the start of the incident ensured that there was no breach of customer data or systems. Council is continuing to invest in protecting the community's information and our systems.

# Our City

**The City of Stonnington is located in Melbourne's inner south-east, alongside the Yarra River, covering an area of 25.62 square kilometres. Stonnington takes in the suburbs of Armadale, Kooyong, Malvern, Malvern East, Prahran, Toorak and parts of Glen Iris, South Yarra and Windsor.**

Stonnington is primarily a residential area, with some commercial, industrial, office and institutional land uses. The municipality is well known for its shopping and lifestyle precincts, parks and gardens, leafy streets and historical architecture. The estimated resident population for 2021 is 114,340. It is anticipated that the municipality will experience population growth of approximately 14.48 per cent from 2022 to 2036.

## Our community

Stonnington has a relatively young population, with 32.4 per cent of residents aged 18–34 years and a median age of 37 years.

Of the families in Stonnington, 36 per cent are couples with children, 49.9 per cent are couples without children and 11.5 per cent are one-parent families.

Of all households, 37.3 per cent are single-person households, 6.9 per cent are group households, and the average size across all households is 2.1 persons per dwelling.

Stonnington has a culturally and economically diverse population. The housing stock ranges from some of Melbourne's finest mansions to large blocks of public housing, an indication of the community's contrasting lifestyles, needs and expectations. Just over one-quarter of the community speaks a language other than English at home, with the top five non-English languages being Mandarin, Greek, Cantonese, Spanish and Italian. Just over one-third of the community was born overseas, and the top five nations of origin are China, England, India, New Zealand and Greece. Stonnington has 4,014 residents who require assistance with core activities due to a long-term health condition, a disability, or old age, and one in 10 residents act in the role of unpaid carer for a person requiring assistance.

Just over a quarter (27.9 per cent) of residents fully own their home, with a further 24.5 per cent paying off a mortgage and 44.9 per cent renting.

Stonnington is home to 19,595 businesses creating 68,617 local jobs. Retail (19.8 per cent), and health care and social assistance (19.7 per cent) are Stonnington's largest employers. This adds to our \$9.88 billion gross regional product and contributes significantly to Stonnington's vibrancy and prosperity.

## Our history

Stonnington was formed in June 1994 through the amalgamation of the cities of Malvern and Prahran. Stonnington takes its name from a historically significant mansion in the area, which was named after Stonington in Connecticut, USA.

Stonnington is situated on the traditional land of the Wurundjeri Woi Wurrung and Bunurong people. The Wurundjeri Woi Wurrung and Bunurong people continued to live along the Yarra River as European settlement expanded beyond the centre of the Port Phillip district (Melbourne) in the 1800s.

As part of the expanding development of the area, the first Prahran Market was established in 1864. Originally known as Fitzroy Road, Chapel Street was named in 1852 when the first chapel was built.

The first commercial activity along Chapel Street was established in the late 1830s, making it one of the oldest shopping strips in Melbourne today.

Local government has operated in the area for more than 160 years. The first municipal election was held in Prahran in 1856, and the Prahran Town Hall opened in 1861. Planning for the Malvern Town Hall commenced as early as 1867, with the Shire of Malvern, as it was then, holding its first meeting there in 1886.

## A note on population

Population figures referred to within the Annual Report, unless otherwise stated, reflect the most recent Estimated Resident Population (ERP) as provided by the ABS prior to 30 June 2022. This is the figure specified by Local Government Victoria to be used in the calculation of relevant indicators within the Report of Operations and Performance Statement. The data release on 29 March 2022 estimated Stonnington's population at 114,340 for 2021, a 3.6% decrease from 2020. This was driven by interstate and international emigration at the height of the COVID-19 pandemic lockdowns, and broadly reflects those seen in other inner metropolitan councils such as Port Philip (-3.7%), Boroondara (-3.5%) and Yarra (-3.4%).



# Stonnington community profile

## Demographic profile

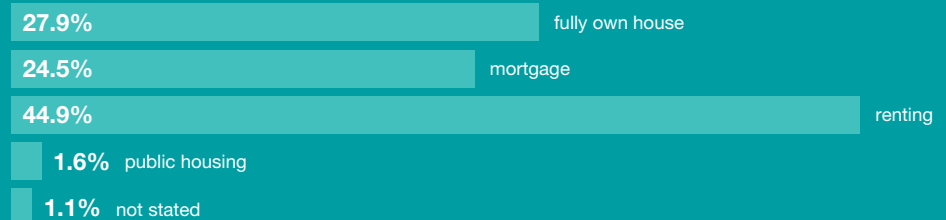
**Residents:**  
114,340

**Density:**  
4,460 persons per square km

**Median age:** 37\*

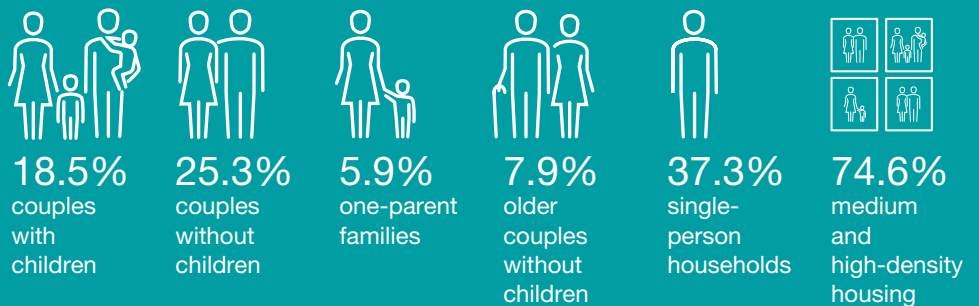
**Household income:**  
\$2,210 median per week\*

## Home ownership



## Households

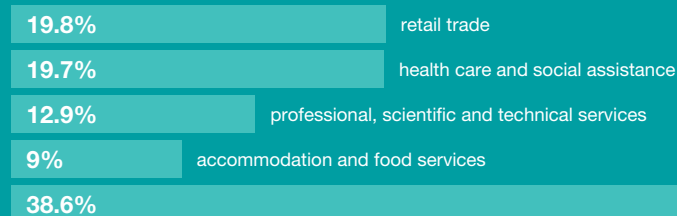
Average household size = 2.1\*



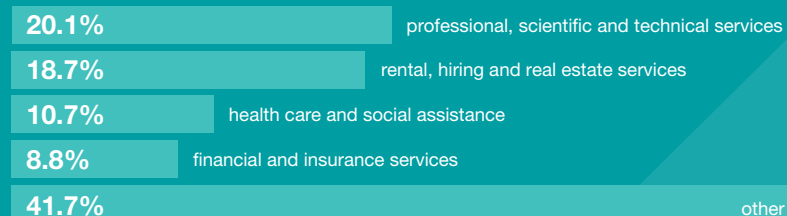
## Economy

Employed residents = 71,087

Local jobs: 68,617 / Largest employers:



Local businesses: 19,595 / Industry types:



## Fast facts



**26.8%**  
speak a language other than English at home\*



**15.9%**  
of people volunteer\*



**16.5%**  
do not own a car\*

Source: Profile i.d. (Online information tool which provides local demographic, economic, housing and population forecast data for Stonnington.) \* ABS 2021

# Our City cont...

## Future Stonnington:

### Community Vision 2040 and Council Plan 2021–25

**Our City's long-term vision and the outcomes Council will work towards over the next four years are described in Future Stonnington.**

Future Stonnington incorporates two important documents: the Stonnington Community Vision 2040, articulating the community's aspirations for the future, and the Council Plan 2021–25, which describes how Council will strive towards this vision during its four-year term.

#### Community Vision 2040

*Our community is a safe, inclusive and creative city that celebrates and embraces its vibrancy of cultures.*

*Walking the tree-lined streets, we pay respect to the influence of the Nation's First Peoples past and living on a modern, sustainable and interconnected way of life that supports the good health and wellbeing of all.*

*Welcome to Stonnington 2040.*

The Community Vision is supported by six principles, articulated in the Future Stonnington document.

#### Council Plan 2021–25

Developed with our community, the Council Plan is one of the most critical pieces of work Council will undertake in its four-year term. It must consider our Community Vision, the challenges and opportunities we face, as well as the functions and obligations required of Councils by law. Once adopted, it becomes our framework for action and guides the delivery of everything we do.

The City of Stonnington has developed this Council Plan centred on three strategic directions representing our broad aspirations in achieving the community's vision:

- » A thriving and unique place
- » An inclusive and healthy community
- » A people-centred and future ready city

Each strategic direction is supported by four objectives – key themes that underpin the directions.





## Future outlook

Future Stonnington identifies and responds to the many opportunities and challenges faced by our City, including economic and wellbeing recovery following the impacts of the COVID-19 pandemic, climate change, urbanisation, rapid technology change, and health and wellbeing challenges.





# Your Council

## Description of operations

**The City of Stonnington is responsible for a broad range of services including family and children's services, transport and parking regulation, open space, youth facilities, waste management, community buildings, economic and cultural development, planning for appropriate development and ensuring accountability for financial resources.**

Our community services and infrastructure support the wellbeing and prosperity of our community. Our long-term vision for the City, and the outcomes Council has worked towards to further improve our services and facilities during the financial year, are described in Future Stonnington and 2021–22 Budget.

Delivering services, facilities, support and advocacy to achieve the key strategic objectives is measured by a set of service performance indicators and measures. Council also has a wide range of reporting responsibilities under Victorian and Australian legislation.



## Councillors

### North Ward



**Cr Kate Hely**

First elected 2020.  
Mayor 2020–21.

### South Ward



**Cr Melina Sehr**

First elected 2002, re-elected 2004, 2008, 2012, 2016 and 2020.  
Mayor 2003–04, March – November 2004 and 2010–11. Deputy Mayor 2020–22.

### East Ward



**Cr Jami Klisaris**

First elected 2012, re-elected 2016 and 2020. Mayor 2016–17 and 2021–22.



**Cr Matthew Koce**

First elected 2012, re-elected 2016 and 2020. Mayor 2012–13.



**Cr Nicki Batagol**

First elected 2020.



**Cr Alexander Lew**

First elected 2020.



**Cr Marcia Griffin**

First elected 2016, re-elected 2020.



**Cr Mike Scott**

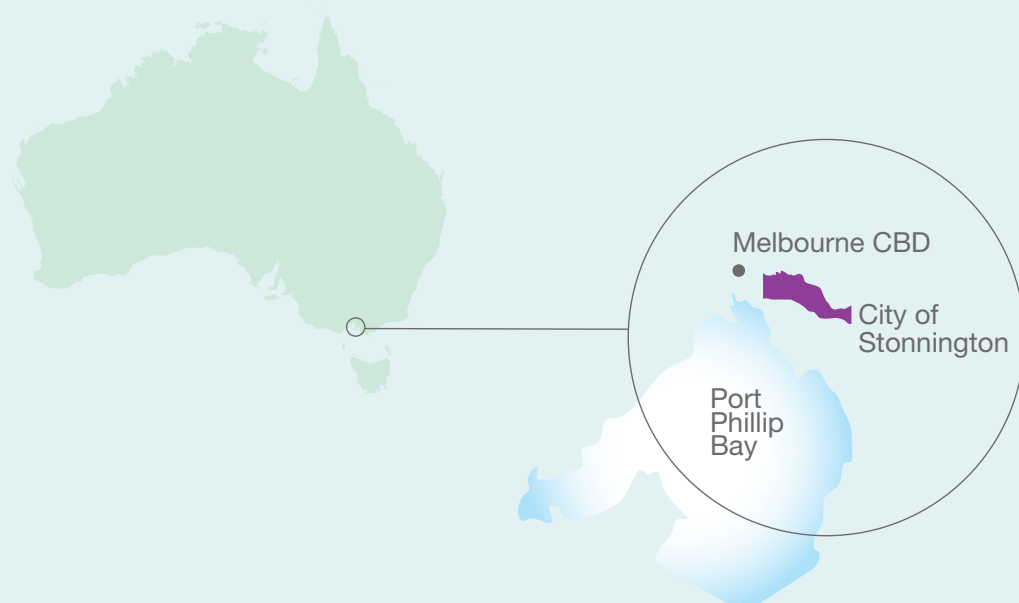
First elected 2020.



**Cr Polly Morgan**

First elected 2020.

## Stonnington wards map



## Contact us

### Stonnington City Centre

311 Glenferrie Road  
Malvern, 3144

### Stonnington Services and Visitor Hub

Prahran Square,  
corner Chatham and Izett Streets  
Prahran, 3181

### Stonnington Depot

Administration Building  
293 Tooronga Road  
Malvern, 3144

### Stonnington Waste Transfer Station

Weir Street,  
off Carrol Crescent  
Malvern, 3144

## Contact us

- ☎ 8290 1333
- ✉ PO Box 58, Malvern Victoria 3144
- @ council@stonnington.vic.gov.au

### Visit us

- 🖱 stonnington.vic.gov.au
- 📍 Stonnington City Centre  
311 Glenferrie Road, Malvern
- 📍 Stonnington Services and Visitor Hub  
Prahran Square,  
corner Chatham and Izett Streets Prahran

### Connect with us

- 📘 facebook.com/stonningtoncouncil
- 🐦 twitter.com/StonningtonNews
- 📷 instagram.com/whats\_on\_stonnington
- 🌐 linkedin.com/company/city-of-stonnington

## Hearing or speech impairment

We are a national relay service friendly organisation. If you are deaf or have a hearing or speech impairment, contact us through the National Relay Service (NRS):

- » **TTY users** call 133 677, then ask for 8290 1333
- » **Speak and listen users**, call 1300 555 727, then ask for 8290 1333
- » **Internet relay users**, connect to the NRS, then ask for 8290 1333

## Community languages

Call the Stonnington Community Link, a multilingual telephone information service.

Mandarin	普通話	9280 0730
Cantonese	廣東話	9280 0731
Greek	Ελληνικά	9280 0732
Italian	Italiano	9280 0733
Polish	Polski	9280 0734
Russia	Русский	9280 0735
Indonesian	Bahasa Indonesia	9280 0737
Vietnamese	Tiếng Việt	9280 0748
All other languages		9280 0736

# Financial summary

Council’s financial position continues to remain strong. A summary of our performance is outlined below. Detailed information relating to Council’s financial performance is included within the Financial Statements and Performance Statement sections of this report.

The Financial Statements are a general purpose financial report compliant with Australian Accounting Standards, the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2014. Consistent with the regulations, these statements are prepared in accordance with the Local Government Model Financial Report.

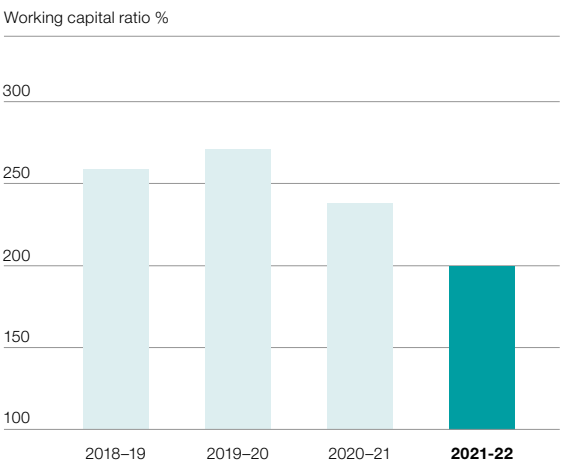
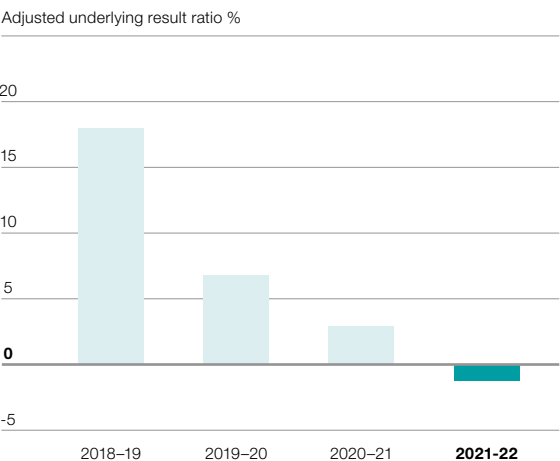
## Operating Position

During the first half of 2021-22 financial year, COVID-19 continued to significantly impact the delivery of all non-essential services and core services were also forced to adapt to the impact of various restrictions. Measures taken to mitigate the crisis has impacted City of Stonnington’s operations at year ended 30 June 2022.

The 2021-22 adjusted underlying result is also lower this year primarily due to the recognition of an accounting standard clarification released for the application of IAS 38 Intangible Assets – Configuration or Customisation Costs in a Cloud Computing Arrangement. The clarification reflected arrangements in respect of a specific part of cloud technology, Software-as-a-Service (SaaS), and how they should be accounted for and deals with specific circumstances in relation to configuration and customisation costs incurred in implementing SaaS. This has resulted in \$4.96 million of Digital Transformation costs expensed and a net loss of \$2.86 million in impairing the WIP balance of the Digital Transformation Program for future expected expenses.

Council achieved a surplus of \$10.94 million in 2021-22. Rates and Charges revenue was \$126.23 million with the Essential Services Commission capped average rate growth at 1.5% for 2021-22. There was some growth in the number of rateable properties as a result of development activity. \$9.37 million of total revenue was attributable to open space contributions, which will be used to fund future investments in the creation of open space for our growing population. Employee costs were \$77.99 million with Council providing employment opportunities for 725 employees and offering the resource required for service delivery. Expenditure on materials and services was \$69.89 million enabling Council to deliver an array of high-quality services to the community within another year of restrictions. The adjusted underlying surplus of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary contributions, is (\$2.64) million deficit or (1.32%) when compared to adjusted underlying revenue. This compares negatively to the Victorian Auditor General Office’s low risk target of >0%, only due to the new accounting treatment of SaaS as well as the impact of a write-off of infrastructure assets during the year of \$4.20 million.

Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to assist in funding renewal and maintenance of the \$3.33 billion of community assets under Council’s control.





## Liquidity

Council's current assets include cash and cash equivalents, investments in term deposits (other financial assets) and other assets. Current assets were \$110.65 million in 2021-22 compared to \$121.50 million in 2020-21. The working capital (liquidity) ratio, which assesses Council's ability to meet current commitments, is calculated by measuring Council's current assets as a percentage of current liabilities. Council's result of 199.74% is an indicator of an excellent financial position and is within the expected target band of 120% to 200%.

## Obligations

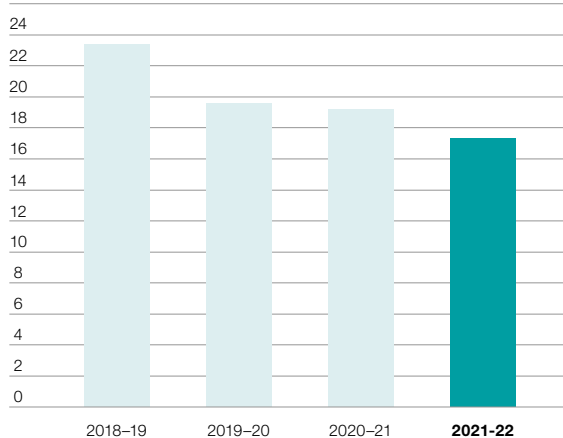
Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. Council invested \$32.31 million in renewal and upgrade works during the 2021-22 year. This was funded from cash from operations (Council's surplus). During 2021-22 Council did not take on new loan borrowings and repaid \$1.0 million of loan principle. At the end of the 2021-22 year Council's debt ratio, which is

measured by comparing interest-bearing loans and borrowings to rate revenue, was 17.03%. This is within the lower range of the expected target band of 20%-60%. Council's asset renewal and upgrade ratio, which is measured by comparing asset renewal expenditure to depreciation, was a healthy 153.87%, which was greater than the expected target band of 90%-110% and is building back up to levels pre COVID-19. This illustrates Council's focus on ensuring a sustainable level of funding is provided for the renewal of community infrastructure. Significant renewal projects during 2021-22 are detailed under the Major Capital Works section within the Report of Operations.

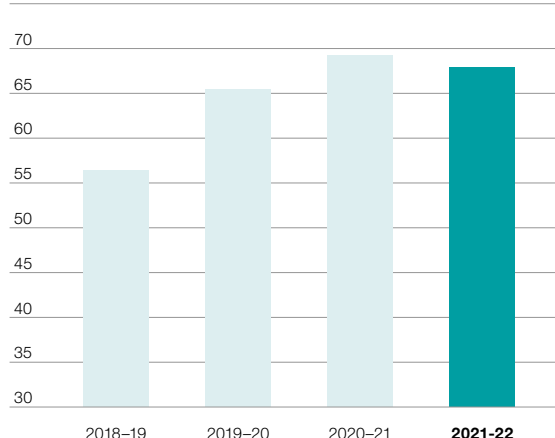
## Stability and Efficiency

Council raises a wide range of revenue including rates, user fees, grants and contributions. Council's rates concentration, which compares rate revenue to adjusted underlying revenue, was 64.21% for the 2021-22 year, which is within the expected target band of 50%-80%. With the average rate per assessment of \$1,505.92 for 2021-22, Council continues to have one of the lowest average rates and charges across Melbourne.

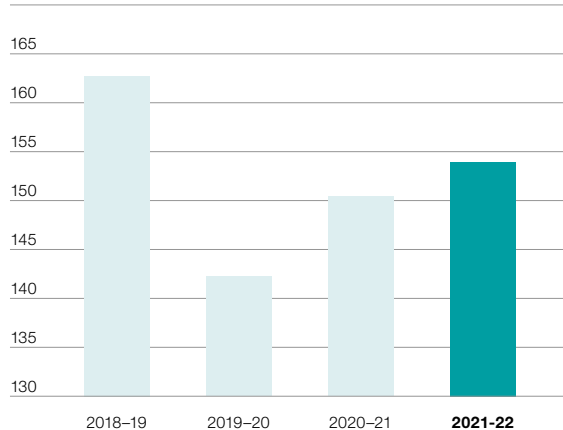
Loans and borrowings ratio %



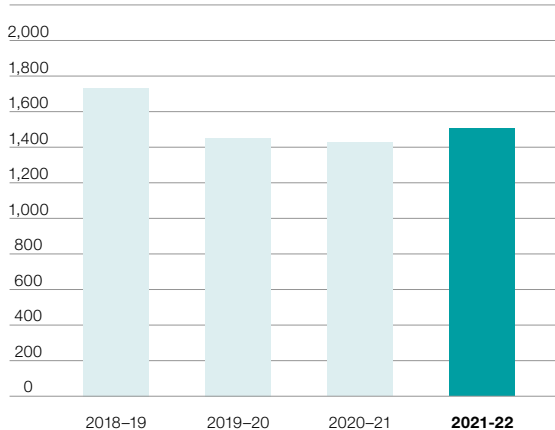
Rates concentration ratio %



Asset renewal ratio %



Average rate per property assessment \$



# Performance

## Integrated planning and performance framework

Part 4 of the *Local Government Act 2020* requires Councils to prepare the following:

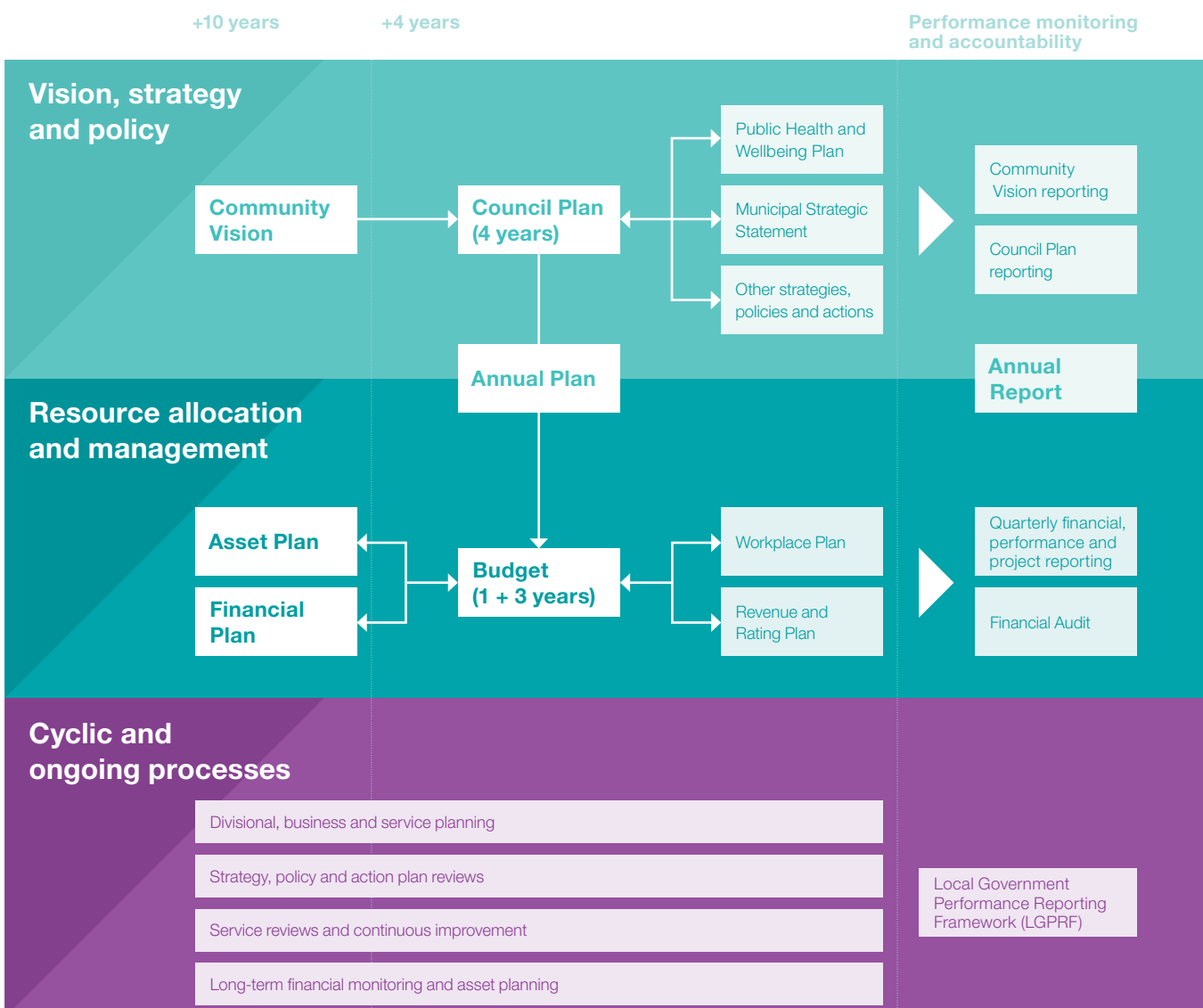
- » A Community Vision (for at least the next ten financial years)
- » A Council Plan (for at least the next four financial years)
- » A Financial Plan (for at least the next ten financial years)
- » An Asset Plan (for at least the next ten financial years)
- » A Revenue and Rating Plan (for at least the next four financial years)
- » An Annual Budget (for the next four financial years)

- » A Quarterly Budget Report
- » An Annual Report (for each financial year), and
- » Financial policies.

The *Local Government Act 2020* also requires councils to prepare:

- » A Workforce Plan (including projected staffing requirements for at least four years).

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and performance framework for local government, as adopted by Council.



Source: Department of Jobs, Precincts and Region; City of Stonnington.

# Performance





Council's performance for this financial year has been reported against each strategic direction and objective to demonstrate how Council is performing in achieving the Council Plan 2021–25. Performance has been reported and measured as follows:

» **Achievements:**

Highlights of the year for each strategic direction.

» **Delivery:**

Progress in relation to the activities within the Annual Plan 2021–22 and major initiatives identified in the Budget. Each activity is assigned one of the following status updates:

-  Action delivered as per Annual Plan (100 per cent)
-  Ongoing action without specific annual milestones
-  Action delayed with explanation provided
-  Action deferred with explanation provided

» **Indicators:**

- » Results achieved in relation to the **strategic indicators** against the Council Plan's strategic objectives.
- » Results against the **service performance indicators** prescribed in the Local Government Performance Reporting Framework (LGPRF). Retired LGPRF indicators, last reported in 2018-19, are included at the end of this Report of Operations.

» **Service areas:**

Services funded in the budget and the persons or sections of the community who are provided those services.

Council is also required to publish an audited Performance Statement as part of our Annual Report. The Performance Statement contains a selection of the service performance indicators as well as several financial performance indicators and sustainable capacity indicators. This is provided in the Performance Statement section.

## A note on strategic indicators

During year 1 of the Council Plan 2021–25, preliminary strategic indicators have been introduced against each strategic objective. As part of our maturity uplift in planning and performance, these will be expanded upon in future years. Where relevant, commentary has been included where future strategic indicators are anticipated.









# Direction 1:

## A thriving and unique place

**By 2025, we are becoming a city of 20-minute neighbourhoods, reflecting the desired character and distinct identity that is defined by our community. Residents love and are proud of their neighbourhoods – shopping, socialising, learning and living locally.**

We are identifying and fostering points of difference for our precincts and shopping strips. They are unique, attractive, appealing and have the right mix of businesses. Council is an activator not a red tape machine – we proactively facilitate and collaborate with businesses and the broader community to craft a place we all want to be part of and share our successes. We are leading the way in positive change and renewal. We celebrate our local landmarks and heritage whilst also embracing modern, well-designed spaces and places. Chapel Street is waking from its slumber, with Council prioritising and investing in its revitalisation as an iconic location. We have had significant successes, delivering on key projects and outcomes to ensure Stonnington is a much-loved place – iconic, beautiful and thriving.

### Achievements in 2021-22

- » Prepared draft Place-Led Economic Development and Arts and Culture strategies
- » Awarded the contract for the once-in-a-generation Chapel Street Transformation project and commenced preparation of masterplan
- » Undertook extensive restoration works at Prahran Arcade
- » Recruited and adopted a new skills-based Board for Prahran Market
- » Endorsed the Walking Action Plan
- » Established a COVID-19 Business Liaison Officer and enhanced our Business Concierge service to work with our local businesses to help them meet Victorian Government COVID-19 directives

# Objective 1.1: Identity and destination

## Annual plan and major initiative delivery

The following table outlines our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>1.1A:</b> Develop a Place-Led Economic Development strategy and complementary precinct plans to guide our approach and priorities for evolving our future neighbourhoods <b>Major initiative:</b> Implementation of Economic Development / Business Strategy (\$0.035 million net cost)	✓	Prepared the draft PLED strategy with seven place plans following extensive community engagement. Draft under internal review. Expected adoption FY23
<b>1.1B:</b> Prepare a new masterplan to guide the transformation of the Chapel Street precinct as a premier shopping and lifestyle destination <b>Major initiative:</b> Chapel Street Transformation (\$3.25 million net cost)	✓	Awarded contract and commenced masterplan preparation for the Chapel Street Transformation project. This major project is being phased over the next ten years
<b>1.1C:</b> Develop a destination marketing program to stimulate visitation by showcasing our unique places, events, businesses and services	➔	Project deferred in Q3. Following internal resourcing reprioritisation, Council's short-term marketing effort promoted the existing calendar of events and activations (e.g. Glow Winter Arts Festival)
<b>1.1D:</b> Develop an Arts and Culture Strategy to support, grow and promote Stonnington as a creative city	✓	Prepared draft Arts and Culture Strategy for Council endorsement in FY23
<b>1.1E:</b> Deliver the annual Arts and Culture Grants Program to support artists and organisations to deliver creative, innovative, dynamic and contemporary projects that enhance the cultural, community and economic development of our city	✓	Delivered Annual Arts and Culture Programs as planned. Endorsed and delivered 18 projects. Provided \$448,220.50 in grants
<b>1.1F:</b> Promote Prahran Square as a cultural and recreational destination through community events and activations	✓	Resumed regular events and activations at Prahran Square as planned, including Pop-Up Park, 12 Days of Christmas, National Reconciliation Week and the Autumn Series program
<b>1.1G:</b> Present diverse programming at Chapel Off Chapel that attracts visitation and supports the creative sector	✓	Resumed programming at Chapel Off Chapel as planned, despite COVID-19 interruptions, with audiences and artists returning. Over 22,000 patrons attended the 150 performances presented during FY22
<b>1.1H:</b> Deliver a visual and public art program and maintain, manage and curate our contemporary art collection.	✓	Achieved several projects as planned, despite COVID-19 interruptions, including NAIDOC Week and exhibitions at Prahran Market, Prahran Square and Chapel Off Chapel
<b>1.1I:</b> Deliver a signature program of free and ticketed events to increase visitation, dwell time and spend in our city	✓	Delivered signature free programs as planned, attracting community and visitors to our city. For more details refer to the calendar of events

## Development of Stonnington's Place-Led Economic Development (PLED) Strategy

This year, Council commenced development of our PLED strategy to shape Stonnington's economic future for the next three years. This strategy outlines a forward thinking and sustainable approach to economic development, that prioritises people, place, and quality of life to create greater opportunities for economic success.

Extensive engagement was undertaken to ensure the PLED is reflective of local needs and aspirations.

This included:

- » 1,210 online survey responses
- » 324 street talk intercept surveys
- » Five internal workshops with 60+ employees from City of Stonnington
- » Three Councillor meetings including one interactive workshop, and
- » Eight workshops facilitated with Council's five special rated Business Associations and businesses located in Stonnington's key commercial precincts.

## Key Findings



**74.1% lived in the area of the precinct they responded in**

Highlighting the importance of convenience, access and attraction

*\*online survey only*



**Most frequent mode of transport was walking 57%**

car (32%), public transport (6%), bike (3%), other (2%)

*\*online survey only*

*\*\* Toorak Village not included in question*



**34.4% would use or their employer would use a local co-working space if provided**

(the highest was Prahran at 40.9%)



**'Projecting the local character'**

was the most common comment raised across all precincts

**% of people in all precincts:**

**visit the precincts everyday**

**55.1%**

**would recommend the precincts as a place to live**

**83.4%**

**would recommend the precincts as a place to visit**

**76.9%**

**would recommend the precincts as a place to work**

**79.5%**

Additional consultation with key industry stakeholders has also been facilitated to identify economic opportunities and a 24-month action plan for economic growth in Stonnington more broadly.

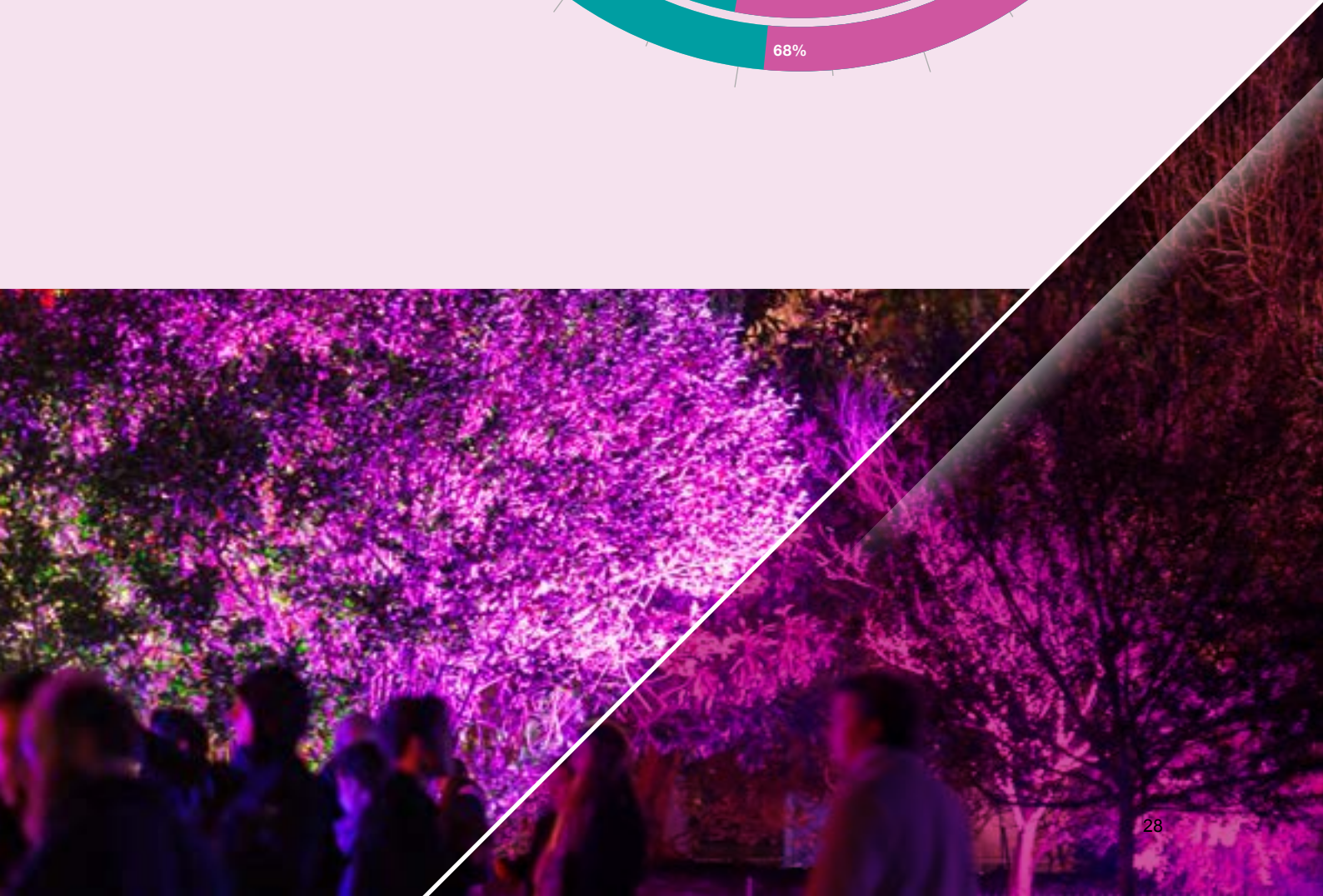
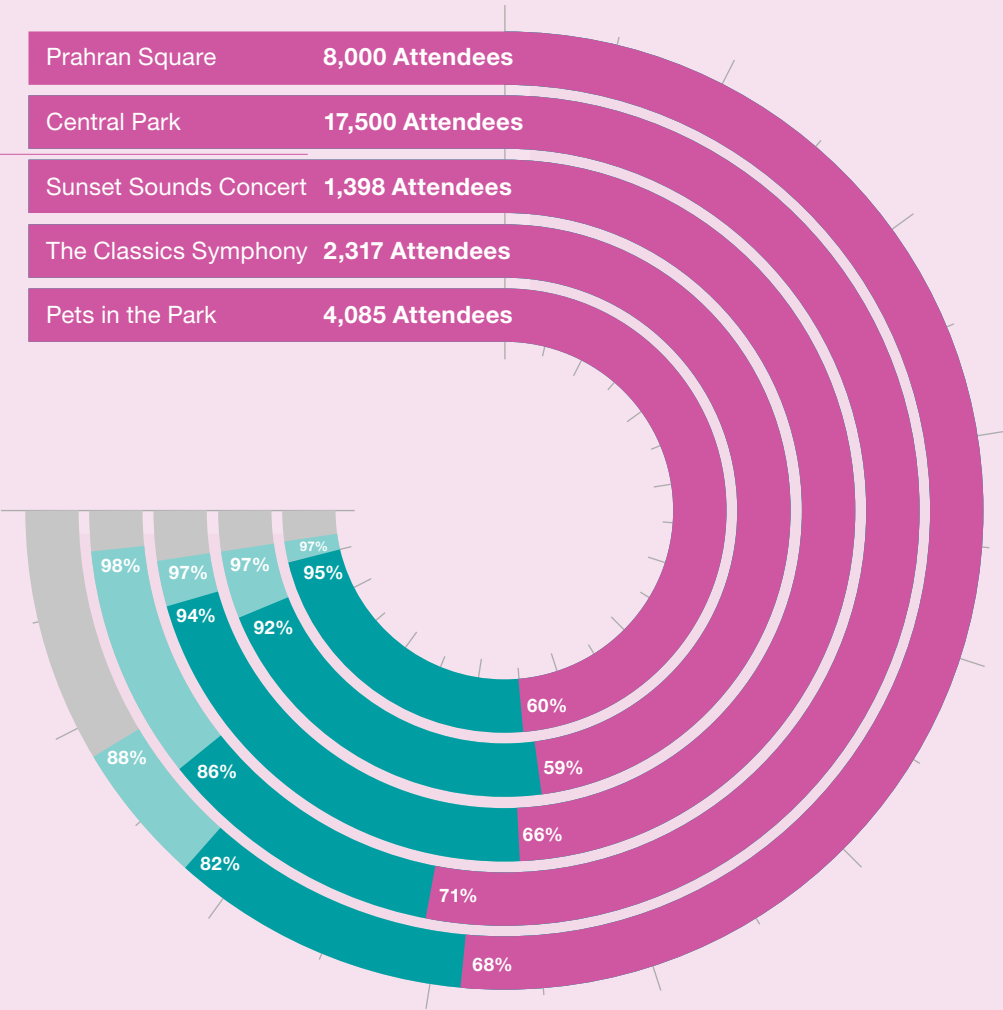
Work on the PLED will continue over the coming year, including the development of specific Place Plans for seven of Stonnington's main commercial precincts: South Yarra, Prahran, Windsor, Glenferrie Road, High Street Armadale, Toorak Village and Hawksburn Village. The strategy is expected to be adopted during FY23.

# Festivals and events

## Glow Winter Arts Festival

## Other Festivals & Events

- Satisfaction rating
- Importance rating
- Visitors to Stonnington





## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Community and cultural activities performance	CSS	Annual	May 2022	64	This result is slightly unfavourable compared to 2021 (66), and is similar to Metro and State-wide results (both 65)

Further strategic indicators for the *Identity and destination* strategic objective are anticipated to be introduced as the Place Led Economic Development strategy is progressed.

## Service performance indicators

There are currently no prescribed performance measures for the service areas under this strategic objective within the LGPRF.

## Service areas

The following table provides information about the services funded in the 2021–22 Budget and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Chapel Off Chapel</b>	This service provides theatre services including technical staging advice and performance operations, facilities for events, exhibitions of works by local artists, and function and catering services including seminars, meetings and conferences	(849) (718) <b>(132)</b>
<b>Events, Arts and Culture</b>	This service recognises arts, culture and creativity which are at the heart of the health, wellbeing and prosperity of our community by creating opportunities that support local artists, galleries and art projects	(2,847) (2,755) <b>(92)</b>



# Objective 1.2: Thriving and desirable businesses

## Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>1.2A:</b> Provide funding, information and relief measures for businesses to support COVID-19 recovery <b>Major initiative:</b> <i>COVID-19 Response and Recovery Reserve (\$1.49 million net cost; \$1.89 million total cost)</i>	✓	Continued waivers of Council fees for businesses. Provided COVID-19 updates to businesses through communications and face-to-face engagement, and outdoor dining and trading programs
<b>1.2B:</b> Deliver the See Opportunity Action Plan initiatives to attract new tenants, retain existing tenants and activate vacant tenancies	✓	Continued to deliver the See Opportunity Action Plan including Business Concierge to improve customer experience, and shopfront activation projects
<b>1.2C:</b> Undertake a feasibility assessment as part of the Renew Chapel initiative to explore a short-term leasing model to attract complementary tenants and local creatives	✓	Completed Renew Chapel feasibility study. Recommendations from the study are being implemented where relevant
<b>1.2D:</b> Continue to expand and streamline our Stonnington Business Concierge service to support business permit and approval processes	✓	Consolidated Business Concierge service and uplifted business customer experience in collaboration with the Customer Experience Process Improvement team
<b>1.2E:</b> Leverage Stonnington's five Precinct Associations to deliver maximum value to businesses that pay the Special Rate	✓	Enhanced opportunities for collaboration through the See Local Fund and uplifting partnerships with Precinct Associations. Commenced service review which lead into renewal process in FY23, improving outcomes for Special Ratepayers

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Gross regional product of the municipality (\$b)	Profile i.d.	Annual	June 2021	9.88	This result is slightly unfavourable compared to the previous year (\$10.10 billion, 2.1% reduction). This compares with a 0.6% reduction for the State
Estimated number of GST registered businesses within the municipality	Profile i.d.	Quarter	March 2022	19,595	There were 472 new businesses and 340 business GST cancellations

Further strategic indicators for the *Thriving and desirable businesses* strategic objective are anticipated to be introduced as the Place Led Economic Development strategy is progressed.

## Service performance indicators

There are currently no prescribed performance measures for the service areas under this strategic objective within the LGPRF.

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Economic Development and Recovery</b>	This service provides a range of events and activities to support and develop local businesses, including marketing and promotion, business support and partnerships	(5,467)
		(4,812)
		<b>(655)</b>








# Objective 1.3: Pride of place and character

## Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>1.3A:</b> Complete a design review and permit application process for the Prahran Town Hall redevelopment project <b>Major initiative:</b> <i>Progress the Prahran Town Hall redevelopment project (\$0.5 million net cost)</i>	→	Building leased to Star Health for a COVID-19 vaccination and testing hub. Project therefore deferred to FY24 during Q2
<b>1.3B:</b> Complete the permanent skills-based Board recruitment, leasing and management agreement review, and asset management review of the Prahran Market	✓	Recruited and appointed new skills-based Board in Q2. Commenced preparation of new leasing and management agreement. Risk, asset management, and project prioritisation process underway
<b>1.3C:</b> Improve public realm outcomes in accordance with adopted masterplans (including Forrest Hill, Mount Street and Windsor Siding). <b>Major initiative:</b> <i>Improve public realm outcomes through delivering the annual Masterplan program (Forrest Hill, Mount Street, Windsor Siding) (\$2.75 million net cost)</i>	✓	Undertook public realm improvement works as planned, including Hobson Street Pocket Park, Thomas Oval Dog Park, Gardiners Creek, Forest Hill and Prahran Square
<b>1.3D:</b> Undertake a review of the Stonnington Planning Scheme to ensure relevance and alignment with Future Stonnington objectives, State Government and local policy directions	✓	Approved project plan and community consultation. Actions on track to be completed within statutory timelines during Q2 of FY23
<b>1.3E:</b> Finalise the Neighbourhood Activity Centre Framework (NACF) to guide the future growth and development of our neighbourhoods	✓	Completed review of the NACF. Workshops to discuss key findings are underway. Endorsement anticipated in FY23
<b>1.3F:</b> Complete suburb-by-suburb heritage reviews and implement associated Planning Scheme Amendments to protect and celebrate our heritage	✓	Progressed Heritage Review Part 1 (Malvern) and Part 2 (Toorak, Kooyong and Armadale) through important milestones with the amendment process continuing into FY23. Commenced Heritage Review Part 3 (Prahran and Windsor)
<b>1.3G:</b> Finalise the Housing Strategy to guide the amount, type and location of future housing within Stonnington	✓	Commissioned and completed a review of the draft Housing Strategy as planned. Council endorsement and community consultation planned for FY23
<b>1.3H:</b> Advocate to the State Government to improve public housing quality and amenity	∞	Ongoing action. Advocacy priorities progressed for the Horace Petty Estate, Essex Street and Bangs Street Homes Victoria Projects
<b>1.3I:</b> Liaise with the Victorian Government Architects Panel to peer review major or culturally significant planning applications	→	Project deferred in Q2. Action unlikely to progress due to a lack of capacity of the Office of the Victorian Government Architect (OVGA) Council. Will continue to utilise internal expert panels for peer review of planning applications



Activity	Status	Comments
<b>1.3J:</b> Advocate for improved community outcomes related to major State Government projects		Ongoing action. Council continued to advocate for the community regarding Major State Government projects including Metro Tunnel and Homes Victoria through construction and delivery phases
<b>1.3K:</b> Maintain and apply the Stonnington Planning Scheme, and prepare major planning policy documents to shape the future of the City		Progressed a number of key strategies as planned ahead of community engagement in FY23. This included the Housing Strategy and Neighbourhood Activity Centre Framework. The Municipal Heritage Review continued, with two Planning Scheme Amendments currently underway
<b>1.3L:</b> Review, administer and enforce Council's Local Laws		Ongoing action. Council continues to apply and enforce Local Laws

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Appearance of public areas performance	CSS	Annual	May 2022	77	While this result is similar compared to 2021 (78), it is significantly more favourable compared to the Metro and State-wide results, 72 and 71 respectively
Time taken to decide planning applications	LGPRF	Quarter	June 2022	82	Application processing times have increased compared to FY21 which can be attributed to staff leave, position vacancies, and delays associated with application referral response times
Proportion of the municipality that has been reviewed as part of the Stonnington Heritage Review	Internal	Annual	June 2022	39%	Heritage Review Part 1 (Malvern) and Part 2 (Armadale, Kooyong and Toorak) have been completed and endorsed by Council, with planning scheme amendments progressing to implement the recommendations. These study areas represent approximately 39% of Stonnington's land area
Proportion of adult population who reported feelings of being valued by society	VPHS	Every 3 years	2020	63.7% of adult population responded with "Yes, definitely"	This result is significantly more favourable compared to Victoria (51.6%) and more favourable compared to South Division <sup>1</sup> (52.6%)

<sup>1</sup> South Division includes the municipalities of Bass Coast, Baw Baw, Bayside, Cardinia, Casey, East Gippsland, Frankston, Glen Eira, Greater Dandenong, Kingston, Latrobe, Mornington Peninsula, Port Phillip, South Gippsland, Stonnington and Wellington

## Service performance indicators

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Animal Management							
Timeliness							
AM1	Time taken to action animal management requests  [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.12	1.60	1.81	1.05	-41.71%	There has been an improvement in response time this financial year with operation returning to normal levels post COVID-19 lockdowns
Service standard							
AM2	Animals reclaimed  [Number of animals reclaimed / Number of animals collected] x100	50.68%	37.19%	46.23%	54.55%	17.98%	Cats are less likely than dogs to be reclaimed, as such the percentage of reclaimed animals is influenced by how many cats are collected. Animals not reclaimed are sent to Save-A-Dog Scheme (SADS) for rehoming
AM5	Animals rehomed  [Number of animals rehomed / Number of animals collected] x100	New in 2020	62.81%	52.76%	44.81%	-15.08%	All animals not reclaimed are sent to Save-A-Dog Scheme (SADS) for adoption. SADS has a euthanasia rate less than 1 per cent, thus all animals not reclaimed are counted as rehomed
Service cost							
AM6	Cost of animal management service per population  [Direct cost of the animal management service / Population]	New in 2020	\$8.18	\$7.69	\$6.01	-21.91%	The cost of the animal management service has improved this year which is attributed to the upskilling of staff to perform duties previously outsourced
Health and safety							
AM7	Animal management prosecutions  [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	0.00%	100.00%	100.00%	0	All eight animal prosecutions heard in FY22 were successful

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Statutory Planning							
Timeliness							
SP1	<i>Time taken to decide planning applications</i>  [The median number of days between receipt of a planning application and a decision on the application]	86.00	70.00	67.00	82.00	22.39%	Application processing times have increased compared to FY21 which can be attributed to staff leave, position vacancies, and delays associated with application referral response times
Service standard							
SP2	<i>Planning applications decided within required time frames</i>  [(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	66.00%	71.21%	71.37%	63.72%	-10.73%	The percentage of planning applications decided within required time frames is reduced compared to the previous year. Processing delays can be attributed to staff leave and position vacancies
Service cost							
SP3	<i>Cost of statutory planning service</i>  [Direct cost of the statutory planning service / Number of planning applications received]	\$4,053.98	\$2,560.10	\$2,753.45	\$2,847.04	3.40%	There was a reduction in the number of applications received in FY22 (1556) compared to FY21 (1631) which has resulted in the cost per application being slightly higher
Decision making							
SP4	<i>Council planning decisions upheld at VCAT</i>  [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	48.00%	52.63%	42.55%	45.71%	7.43%	This result will be variable as Council continues to make decisions in the best interest of the community. A slightly larger percentage of Council decisions in FY22 were upheld by the Tribunal compared to FY21

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Urban Development</b>	This service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal. The service monitors and amends Council's Planning Scheme as well as preparing major planning policy documents to shape the future of the City	3,066 <u>3,638</u> <b>(571)</b>
<b>Animal Management Services</b>	This service oversees animal registrations, animal complaints and prosecutions, pound operations and animal welfare education	4 <u>(111)</u> <b>115</b>
<b>Liveability and compliance</b>	This service provides statutory building services, including processing of building permits, emergency management responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works. It also provides education, regulation and enforcement of the General Local Law and State legislation	(1,030) <u>(1,093)</u> <b>63</b>







# Objective 1.4: Active transport and connected city

## Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>1.4A:</b> Monitor and implement the Integrated Transport Plan to address key challenges, identify gaps and maximise opportunities to improve the future planning and development of the City's transport system	✓	Continued to implement the Integrated Transport Plan with ongoing monitoring and evaluation to allow for adaptive management. Council entered into a memorandum of understanding with share bike provider Lime which will increase local rates of cycling and reduce vehicle dependency
<b>1.4B:</b> Deliver improved off-road trails and on-road cycling paths, and supporting infrastructure, to make it easier and safer for people to cycle within and through the City	○	Delayed at 60% against plan due to internal resource constraints. Completed preliminary works including detailed design
<b>1.4C:</b> Plan for walkable communities and places by providing connected and comfortable pathways that encourage walking to everyday destinations	✓	Endorsed the Walking Action Plan and Transport Policy. Completed the Light and Dark Strategy and progressed the Wayfinding Implementation Plan. Five schools have also adhered to the TagOn project
<b>1.4D:</b> Deliver campaigns to encourage more people to walk and cycle, including education and training programs	✓	Implemented initiatives to encourage more people to walk and cycle as planned, despite COVID-19 interruptions. Commenced an issues analysis and a Behaviour Change Program for Council and the community. Council continued to work with selected schools to deliver behaviour change programs to increase active transport uptake
<b>1.4E:</b> Advocate for improved accessibility and efficiency of public transport	✓	Commenced preparation of the new Public Transport Advocacy Reference Document. Liaised with Yarra Trams and the relevant Minister to advocate for improved public transport. Upgrades were made to the Route 58 tram and South Yarra Station
<b>1.4F:</b> Implement a car share scheme allowing members to hire vehicles on demand as an alternative to private car ownership	✓	Endorsed Car Share Policy and installed twelve new car-share bays  Finalised internal process to manage existing car share and expand car share operations, with applications for new car share to be ongoing as determined by Council
<b>1.4G:</b> Undertake a parking study to optimise parking opportunities across the municipality	➔	Project deferred in Q2. Review required to align with Council sustainable transport objectives
<b>1.4H:</b> Provide well-designed and managed roads, crossings and footpaths to keep all road users safe	✓	Actions progressed on a number of projects in local streets in line with plan throughout the year. Some projects are complete, some are in the design stage, and many are awaiting construction. Speed limit reviews are continuing

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Proportion of trips made from the municipality via active transport	Victorian Integrated Survey of Travel & Activity (VISTA)	Variable	2018	29.69% Walking (26.2%) Bicycle (3.49%)	This result is similar compared to 2016 (29.37%). Data collected in 2022 is anticipated to be available in late 2024

A new strategic indicator for the *Active transport and connected city* strategic objective will be introduced in FY23: "Proportion of residents who are satisfied with travel options around the municipality"

## Service performance indicators

There are currently no prescribed performance measures for the service areas under this strategic objective within the Local Government Performance Reporting Framework.

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Streets, Roads and Drains Cleaning and Maintenance</b>	This service provides street cleaning, leaf collection, weed removal, drainage pit cleaning and maintains street litter bins	(3,578) <u>(3,926)</u> <b>347</b>
<b>Traffic and Parking Services</b>	This service provides strategic planning, policy development and day to day management of traffic and transport related issues, including managing Council's activity centre car parks	3,659 <u>4,570</u> <b>(912)</b>









## Direction 2:

# An inclusive and healthy community

**By 2025, our community has emerged from the challenges of COVID-19 more resilient, responsive and connected than before.**

We have learnt from the challenges and have adapted to make improvements for our future, with Council evolving our services to meet community needs. Our community is living healthy, happy and fulfilled lives, recognising that good health is about physical, mental and social wellbeing. We are a community that is welcoming, safe and accommodating for all who live, work and play here. People are more connected to their local neighbourhoods. Residents know each other, feel part of their community, are increasingly members of local community groups and sporting organisations, support the vulnerable among us, and embrace their 20-minute neighbourhood. They feel safer, more engaged, and happy. We acknowledge our cultural heritage, paying respect to the Nation's First Peoples past, present and emerging. Our parks, gardens and facilities are used to their maximum; there is no exclusive ownership – they are open and accessible to all, are used for multiple purposes and have the right balance between active and passive usage. We celebrate our sustainability wins with climate considerations embedded across everything we do. We are on track to meet emission reduction targets within our Climate Emergency Action Plan, and are supporting the community to mitigate, prepare for and adapt to our changing climate. We have expanded our canopy cover to green and cool the City.

### Achievements in 2021-22

- » Endorsed and commenced implementation of the Climate Emergency Action Plan
- » Adopted the Reconciliation Action Plan (RAP) 2022–24
- » Progressed construction to redevelop the multi-sport and recreation precinct at Percy Treyvaud Memorial Park, and the Harold Holt Swim Centre
- » Adopted the Stonnington Health and Wellbeing Plan 2021-25
- » Conducted fit for purpose audits across 60 buildings in the municipality
- » Awarded grant funding from Sustainability Victoria for the Dunlop Pavilion battery installation and the Sunnyside Kinder Energy Audit
- » Adopted the Development Contributions Plan (DCP) ahead of submission to the Minister for Planning for approval
- » Established Stonnington Zero to address homelessness

## Objective 2.1: Health and wellbeing

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22.

Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>2.1A:</b> Implement the Stonnington Health and Wellbeing Plan and complementary strategies to improve and promote the health and wellbeing of our community over the next four years	✓	Adopted Stonnington Health and Wellbeing Plan 2021-25 and developed annual Action Plan for implementation. Activities conducted this year included 16 Days of Activism against Gender Based Violence program and Community Safety Committee meetings
<b>2.1B:</b> Implement the COVID-19 Community Recovery Plan to support families, groups and individuals to recover from the impacts of COVID-19 on health, wellbeing and resilience	✓	Developed the Community Recovery Plan which responded to social issues, physical and psychosocial impacts of the COVID-19 pandemic  Achievements included convening the Community Recovery Committee, establishment of a volunteer support program and establishment of the Stonnington Zero program to address homelessness
<b>2.1C:</b> Develop the Affordable Housing Strategy and continue to advocate for increased housing supply	➔	Project deferred in Q3 following unexpected withdrawal of State Government social housing proposal. Council continued to discuss regarding State Government affordable housing initiatives
<b>2.1D:</b> Implement the Active Stonnington Strategic Framework to support the Stonnington community to be more physically active, lead healthier lifestyles and be socially connected	✓	Delivered 252 programs with 2,869 attendees across the four strategic pillars: Active Recreation, Organised Sport, Aquatic and Fitness Services and Socially Connected
<b>2.1E:</b> Support local sporting clubs to increase participation and inclusion, including opportunities for people living with disabilities	✓	Continued providing ongoing support to local sporting clubs. Activities undertaken included four Sport4All abilities inclusive workshops and a series of inclusive sports opportunities conducted during the week of International Day of People with Disability
<b>2.1F:</b> Deliver the annual Community Grants Program to support eligible community organisations delivering Stonnington-based programs that respond to community needs and align with Council's priorities	✓	Approved the annual community grant program in September 2021. More than 60 applicants were successful with over \$640,000 issued. A new 'Quick Response' grant option was also introduced this year
<b>2.1G:</b> Develop and implement a Library Strategy to define how we contribute to building literate, productive and engaged communities over the next ten years	✓	Completed draft Library Strategy ahead of Council endorsement in FY23
<b>2.1Ha:</b> Deliver community services for children, young people and families to increase health and wellbeing, foster community connection and increase awareness in relation to mental health and accessing services	✓	Continued to provide support services for children, young people and families within the municipality including home visits to new parents and youth services programs
<b>2.1Hb:</b> Deliver community services for older persons to increase health and wellbeing, foster community connection and increase awareness in relation to mental health and accessing services	✓	Delivered services to support older persons to continue living independently at home, including the Regional Assessment Service and Commonwealth Home Support Program

Activity	Status	Comments
<b>2.1I:</b> Implement the Stonnington Zero program to support people who are homeless to achieve stable housing and implement an associated community and trader awareness program	✓	Engaged Launch Housing to lead the Stonnington Zero project. Achievements included the development of a Statement of Commitment signed by partner agencies and the completion of the baseline rough sleeping data
<b>2.1J:</b> Deliver an ongoing program of events through our Libraries	✓	Continued to deliver face-to-face programs as planned, despite COVID-19 disruptions, complemented by online services. Events held included story time, school holiday programs and a range of author talks, lifestyle, and wellness speakers
<b>2.1K:</b> Advocate for allied community health and supports services provided out of Council buildings to deliver stronger health systems to the community	✓	Supported Access Health and Community to open headspace Malvern at Northbrook House. Supported Star Health to deliver a COVID-19 vaccination and testing hub at Prahran Town Hall. Partnered with Star Health, Baby Makes 3, Mum's Matter Psychological Services, St Kilda police, Citizens Youth Club and Jobs Victoria to deliver programs through existing services and facilities (Maternal and Child Health, Early Years, Middle Years and Youth Services, and Libraries)







## COVID-19 response and recovery

Since the onset of the COVID-19 pandemic, Council has been deeply committed to keeping our community safe, informed and connected, and has invested more than \$11 million towards community and economic support.

Over time, our response adapted to address the impacts which have emerged. This year, Council established a \$1.89 million COVID-19 Response and Recovery Reserve to provide targeted community and business support to help our city rebound from lockdowns. Initiatives delivered by Council for the community to date are outlined in the following table.

Project title	Description
Youth programs	<p>Two programs were delivered, aimed at increasing resilience, emotional regulation, self-esteem and social engagement in young people:</p> <ul style="list-style-type: none"><li>» <b>Game Aware:</b> 32 young people participated to better understand the psychology and culture of video games and encourage responsible gaming.</li><li>» <b>TriTactics:</b> 185 young people participated to develop stronger skills in emotional self-regulation, friendship building, physical movement, and develop stronger sense of self-confidence &amp; belonging.</li></ul>
headspace Malvern	<p>Council worked with Access Health and Community to open headspace Malvern at Northbrook House in March 2022, to provide mental health services for young people aged 12-25 living in Stonnington.</p>
Salvation Army Street Team	<p>The Salvation Army Street Team has been operational in the Chapel Street entertainment precinct since November 2021; operating Friday and Saturday nights, and public holiday eves, from 10pm until the early hours of the morning supporting substance affected and vulnerable young people. The team takes referrals from local police, late night venues, security teams and patrons providing transport assistance and undertaking welfare checks.</p>



Project title	Description
<b>Skills for Stronger Families workshop series</b>	A series of workshops for parents and caregivers on the topics of resilience, bullying, mood and communication were held, with 201 people attending across the four programs.
<b>MCH Family Support Worker</b>	Employed to deliver generalist outreach support, referral and advocacy to vulnerable and at risk families and children who live in the City of Stonnington area with a prevention and early intervention focus, family strengthening initiatives, sleep and settling support and community connectedness. The majority of the referrals are from Enhanced MCH clients with multiple issues and include material aid, parenting support, mental illness support, extreme isolation, family violence, as well as help with connection to services, filling out forms and assistance with school refusal.
<b>Baby Makes 3</b>	An evidenced-based education and social change initiative for gender equality, promoting equality in parenting and supporting families to thrive. As a health promotion intervention, Baby Makes 3 shapes long-term attitudes and social norms about parenting by challenging outdated gendered expectations of becoming a parent. It builds mutual understanding, appreciation and respect among first-time parents and the capacity of local governments, maternal and child health services and maternity services to promote gender equality in antenatal and postnatal settings.
<b>Calendar of events</b>	More than 100 people have been involved in a series of capacity building events covering topics such as Volunteer Marketing and Retention; Introduction to Volunteering; Finance Beginner: Introduction to Roles and Reports; Mental Health First Aid; Sports Community Training (weekly webinars ranging from marketing to grant applications; Communication, Promotion and Marketing for Community Groups; and more.
<b>Volunteer support program</b>	The Volunteering Stonnington webpage launched on Council's website in April 2022 and includes information and resources for volunteers and volunteer managers, as well as a listing of volunteering opportunities by interest areas. Since launching, contact has been made with over 85 community groups and organisations and has matched 29 volunteers to positions.
<b>Seasons in the Square</b>	<p>Prahran Square's Autumn Series hosted over 20 activations throughout February to July 2022, with highlights including NICA's Raven Mad, Stonnington Street Bounce, PHOTO2022, National Reconciliation Week, and 'Now Breathe' as part of the Glow Winter Arts Festival. Within these key activations, Prahran Square partnered with and supported eight local food and beverage traders and engaged more than 50 creative artists and performers to provide entertainment throughout the series.</p> <p>Prahran Square welcomed over 140,000 visitors during this period. Audience surveys revealed that overall 89.67% of attendees expressed their satisfaction with the offerings and 97.75% believed these types of activations and events are an important responsibility of Council.</p>
<b>Streetscapes</b>	<p>Streetscapes was a collaboration between Council's Graffiti Management and Visual Arts teams which saw the installation of three large-scale murals in high traffic, high density, heavy graffiti areas to enhance liveability, improve public safety and support social, cultural and economic benefits for our community.</p> <p>Graphic, enticing and engaging, the themes are a celebration as we welcome back our community in 2022, providing pride of place and a renewed sense of identity. Mural locations include 224 Malvern Road, Prahran, Corner of Chapel Street and Barry Street, South Yarra, and Bert Healy Pavilion, between Malvern East Station and Waverly Oval, Malvern East.</p>
<b>Outside the Locker Room</b>	Outside the Locker Room delivered a two session program with six local sporting clubs to discuss mental health and wellbeing, club culture, leadership and inclusion. A further four clubs will participate in the program over Summer.
<b>Library programs</b>	<p>Three programs delivered aimed at promoting good health, wellbeing and social connection.</p> <ul style="list-style-type: none"> <li>» 'Secrets of Women's Healthy Ageing: Living Better, Living Longer': Event with author Cassandra Szoeki, in conversation with A/Professor Sandra Petty. Total attendance: 45 people</li> <li>» 'Digital skills building for Stonnington CALD communities': Interpreter supported workshops with three local cultural groups on how to access and register for myGov, how to use Zoom, and how to take, send and store digital photos on their smartphones. Average attendance per session (six sessions): 24 people</li> <li>» 'Get Job Ready': A day-long series of free career education workshops on improving job application skills. Total attendance: 64 people</li> </ul>
<b>Thread Together</b>	Thread Together collects brand new unsold clothing from across the country, saving it from landfill, then distributes it at no cost to people in need. Through the pop-up location in Prahran Square, 197 appointments were made over two months, referred by 20 different services and agencies.

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Proportion of adult population who are sufficiently active <sup>2</sup>	VPHS	Every 3 years	2017	54.1%	This result is favourable compared to Victoria (50.9%) and South Division <sup>3</sup> (52.4%)
Proportion of adult population with a low level of psychological distress	VPHS	Every 3 years	2020	53.9%	This result is significantly more favourable compared to Victoria (44.9%) and favourable compared to South Division <sup>3</sup> (47.2%)
Proportion of adult population with a self-reported health status of excellent/very good	VPHS	Every 3 years	2020	50.8%	This result is significantly more favourable compared to Victoria (40.5%) and favourable compared to South Division <sup>3</sup> (41.7%)  This result is slightly unfavourable compared to the 2017 result (52.2%)

Further strategic indicators for the *Health and Wellbeing* strategic objective are anticipated to be introduced as the Health and Wellbeing Plan is implemented

<sup>2</sup> A modified question was included in the 2020 survey to assess whether physical activity levels had changed as a result of the COVID-19 pandemic. This data will be reported when released.

<sup>3</sup> South Division includes the municipalities of Bass Coast, Baw Baw, Bayside, Cardinia, Casey, East Gippsland, Frankston, Glen Eira, Greater Dandenong, Kingston, Latrobe, Mornington Peninsula, Port Phillip, South Gippsland, Stonnington and Wellington



## Service performance indicators

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Aquatic facilities							
Service standard							
AF2	Health inspections of aquatic facilities  [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1.00	0.33	1.00	1.67	66.67%	Council ensures aquatic facilities operate in accordance with the Public Health and Wellbeing Act 2008. All three Council aquatic facilities (Harold Holt Swim Centre, Prahran Aquatic Centre and Prahran Square water feature) have been inspected by an Authorised Officer
Utilisation							
AF6	Utilisation of aquatic facilities  [Number of visits to aquatic facilities / Municipal population]	5.30	4.09	2.82	3.44	22.15%	Despite the first half of the year being impacted by COVID-19 closures, utilisation is starting to return to pre-COVID-19 levels. However, staff shortages are still impacting our ability to deliver our full program offering. Capital works over the last 12 months, including at Harold Holt Swim Centre, has also impacted our casual visits
Service cost							
AF7	Cost of aquatic facilities  [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	New in 2020	\$1.76*	\$1.73*	\$4.38	153.10%	<i>*FY20 and FY21 Actuals calculated in error by using Q4 cost rather than full year cost. If calculated correctly, FY21 would be \$6.59, and FY20 would be \$4.45</i>  This improvement from \$6.59 to \$4.38 reflects an increase in visitors as the community returns post COVID-19 and consequential increase in income

## Service performance indicators Cont...

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Libraries							
Utilisation							
LB1	<i>Physical library collection usage</i>  [Number of physical library collection item loans / Number of physical library collection items]	5.00	3.23	0.93	3.56	282.77%	Continued growth in loans was observed as the year progressed  While still below pre-COVID-19 levels, loan levels improved as libraries have had less impacts to operation and opening hours as restrictions eased
Resource standard							
LB2	<i>Recently purchased library collection</i>  [Number of library collection items purchased in the last five years / Number of library collection items] x100	99.94%	82.98%	90.96%	74.32%	-18.29%	Stonnington continues to maintain the standard of the library collection through targeted purchasing and active de-selection program. However, some of these activities were impacted by COVID-19 closures and supply chain issues
Participation							
LB4	<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	15.46%	15.84%	13.32%	12.22%	-8.25%	This indicator has continued to be impacted by COVID-19 restrictions. Unlike other LGPRF indicators, this indicator takes into account a three-year average of active borrowers which means we are only now reflecting the full impact of COVID-19, including the 'Click and Collect' operational model which was in place until November 2021  Latest quarter (Q4) shows the number of active borrowers has increased from previous corresponding period (11,297 for Q4 FY21; 13,863 for Q4 FY22)
Service cost							
LB5	<i>Cost of library service per population</i>  [Direct cost of the library service / Population]	New in 2020	\$48.18	\$31.14	\$36.90	18.48%	Cost of library service per population has increased this year and reflects wider factors on running library services (COVID-19 impacts, supply chain issues and associated on-costs), and a reduction in municipal population compared to the previous year



No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Maternal and Child Health (MCH)							
Service standard							
MC2	Infant enrolments in the MCH service  [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	101.43%	101.13%	100.90%	100.64%	-0.26%	All families of children born during this time have completed a home visit  This result is consistent with previous performance and demonstrates the value placed in our Maternal and Child Health service  *Results over 100% occur where babies were born late in the previous reporting year, but enrolment occurred early in the new reporting year; or where the birth notice was received in a different Council, but enrolment occurred within Stonnington
Service cost							
MC3	Cost of the MCH service  [Cost of the MCH service / Hours worked by MCH nurses]	\$97.33	\$62.39	\$74.21	\$79.27	6.81%	Council is committed to providing cost efficient services. The cost of the MCH service remains stable, with a 6.81 per cent increase in FY22
Participation							
MC4	Participation in the MCH service  [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	78.84%	82.39%	80.45%	74.78%	-7.05%	Participation rate continues to be impacted by COVID-19 There were 3,404.5 children enrolled in the MCH service, of which 74.78% attended at least once in the year  (Note: Any 0.5 increment of enrolment or attendance occurs when a child moves in or out of Council part way through the year)
Participation							
MC5	Participation in the MCH service by Aboriginal children  [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	73.33%	95.45%	89.47%	95.00%	6.18%	Participation rate reflects high attendance by Aboriginal children  There were 10 Aboriginal children enrolled in the MCH service, of which 95.0% attended at least once in the year  (Note: Any 0.5 increment of enrolment or attendance occurs when a child moves in or out of Council part way through the year)

## Service performance indicators Cont...

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Satisfaction							
MC6	Participation in four-week Key Age and Stage visit  [Number of four-week key age and stage visits / Number of birth notifications received] x100	New in 2020	96.83%	96.90%	96.72%	-0.19%	This year’s result is consistent with last financial year and demonstrates strong participation, especially given the COVID-19 environment  Strong participation is an indication of how our community values our Maternal and Child Health service

## Service areas


The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Diversity and Aged Services</b>	This service provides a range of services for the aged and culturally diverse community including home delivered meals, centre based meals, personal care, transport, home maintenance, housing support, regional assessment services, domestic assistance, respite care and senior citizen clubs	(5,894) (7,738) <b>1,844</b>
<b>Aquatic Services</b>	This service supports a healthy community by providing a range of recreational facilities including indoor and outdoor swimming pools, a fully equipped gymnasium, aqua aerobics, and a range of fitness classes	(2,342) (1,749) <b>(593)</b>
<b>Children and Family Services</b>	This service provides family oriented support services including child care, pre-schools, toy library, maternal and child health, pre-school dental, counselling and support, youth services, immunisation, family day care and holiday programs	(5,009) (4,271) <b>(738)</b>
<b>Library and Local History Services</b>	This service provides public library services at four locations and local history services, and provides a focal point for the community to enjoy the facilities and services offered	(4,181) (4,732) <b>551</b>
<b>Active Communities</b>	This service is responsible for the management and use of sporting grounds, pavilions and community centres. The service provides advice to Council on recreation needs, assists community groups with funding applications, event management and promotion, and administers license agreements	(2,183) (1,010) <b>(1,173)</b>

## Objective 2.2: Diverse, inclusive and safe

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>2.2A:</b> Adopt and implement the Reconciliation Action Plan as a framework for how we recognise the contributions made by Aboriginal and Torres Strait Islander peoples and provide leadership for our community as we continue our reconciliation journey		Adopted Reconciliation Action Plan (RAP) 2022–24 with endorsement by Reconciliation Australia Activities included the Healing Ceremony conducted on Australia Day 2022 and the update of the Acknowledgment Statement to reflect Traditional Custodian boundaries
<b>2.2B:</b> Undertake gender impact assessments for new policies, programs or services that have a direct and significant impact on our community		Appointed an internal Gender Impact Advisor to continue coaching staff in developing gender impact assessments as planned
<b>2.2C:</b> Coordinate the LGBTIQ+ Advisory Committee and develop an action plan to support our continuing development as a safe and inclusive organisation and City		Project delayed at 90% due to extended time for consultation. Established the LGBTIQ+ Committee and conducted three meetings  Completed community consultation with draft Action Plan to be presented for Council endorsement in FY23
<b>2.2D:</b> Integrate updated Child Safe standards into our ongoing commitment to providing welcoming, safe and accessible environments where children feel valued, listened to and considered in decisions that affect their lives		Conducted an audit of Child Safe policies, procedures and reporting with a current focus on updating relevant information
<b>2.2E:</b> Implement the final year of the Inclusion Plan to support people living with a disability and their families and carers		Projects delivered include the inaugural Stonnington Disability Forum, Carers Forum, 16 Days of Activism Women, disability staff awareness training and International Day of People with Disability. Key activities included production and distribution of Access News and 'fit for purpose' audits across Council owned buildings to identify DDA compliance Development of new Inclusion Plan underway ahead of engagement in FY23
<b>2.2F:</b> Commence design and construction of a regional accessible playground catering for all ages and abilities at Sir Zelman Cowan Reserve		Endorsed design in March 2022 ahead of construction in FY23
<b>2.2G:</b> Implement the Municipal Emergency Management Plan (MEMP) and sub-plans		Continued to implement the updated Municipal Emergency Management Plan (MEMP) and subplans to reflect changes to legislation and pandemic plan requirements  Key achievements included ongoing partnership with Star Health to facilitate vaccination during the pandemic and ongoing partnerships to provide emergency food relief for at risk community members isolating with COVID-19
<b>2.2H:</b> Develop the Community Safety Strategy and identify priorities, partnerships and actions		Project delayed at 70% against plan due to resourcing constraints. Progress included Project Working Group establishment, methodology refined and reviewed, and external stakeholders' database created
<b>2.2I:</b> Deliver the community safety camera program and leverage funding opportunities to address emerging safety issues		Continued maintenance of the Community Safety Camera program system including replacement of damaged infrastructure. Facilitated the connection between Prahran Police and tactical vision unit and new cameras commissioned following liaison with the Rail Infrastructure alliance
<b>2.2J:</b> Monitor and minimise risks to public health through the enforcement of legislation and guidelines		Continued to inspect and respond to all public health related matters. All food premises that were unable to be inspected due to COVID-19 have since been inspected as part of a health premises catch-up program



## Indigenous reconciliation

**Our Innovate Reconciliation Action Plan 2022–24 (the RAP) was adopted by Council in February 2022 and has been endorsed by Reconciliation Australia.**

The RAP is our promise that we will work together with Aboriginal and Torres Strait Islander peoples to strengthen relationships and opportunities for all Stonnington residents. It demonstrates how we will continue to develop connections with First Nations peoples in our community and build on the four key areas of relationships, respect, opportunities and governance through 16 key actions.

### Achievements:

- » Revised Council's Acknowledgement Statement to reflect the Victorian Aboriginal Heritage Council determination appointing the Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation and Bunurong Land Council Aboriginal Corporation as the Registered Aboriginal Parties for the City of Stonnington. Acknowledgement of Country was made at citizenship ceremonies, Mayoral and civic receptions, official functions and events and staff meetings with external and internal participants.
- » Redesigned staff lanyards to include a new Acknowledgement Statement and RAP design.
- » Conducted RAP Advisory Committee meetings in November 2021 and February 2022. Terms of Reference renewed and Councillor Chair appointed.
- » Appointed Council's Aboriginal Liaison Officer and increased the role to full-time.
- » Invited Traditional Custodians to deliver a Welcome to Country at citizenship ceremonies and Welcome to Country and Smoking Ceremonies at official functions and events.
- » Updated Indigenous History Teacher and Student resources. Release delayed due to additional review in accordance with RAP boundaries.

### Events:

- » Celebrated NAIDOC Week 2021 (Heal Country) with an online (virtual) concert recorded at Chapel Off Chapel that featured a Welcome to Country and performances by Dave Arden, Shauntai Wiradjuri, Brett Lee and MC Kimmie Lovegrove. Other activities included a visual representation of Aboriginal painting on The Pipes at Prahran Square, a film screening of In My Blood it Runs by Stonnington Youth Expressions Committee, a Smoking Ceremony and Welcome to Country for Supported Playgroup families, an online conversation, art exhibition and art tour.





- » Held inaugural Healing Ceremony on 26 January 2022 at Malvern Cricket Ground. Welcome to Country and Smoking Ceremony delivered by Auntie Diane Kerr, Wurundjeri Elder and traditional dance performance by Nhanbu Togip. The ceremony paid respect to and acknowledged the Traditional Custodians living connection to Country, relationship with the land and all things extending back tens of thousands of years.
- » Hosted National Sorry Day afternoon tea on 26 May 2022 by Councillors and Executive team to remember and acknowledge the mistreatment of our country's Aboriginal and Torres Strait Islander peoples who were forcibly removed from their families and communities. Extended invitation to Wurundjeri and Bunurong Elders and community members and Welcome to Country delivered by respected Wurundjeri man, Alex Kerr.
- » National Reconciliation Week 2022:
  - » Conducted a showcase event at Prahran Square on Saturday 28 May 2022 involving a Welcome to Country by Wurundjeri Elder, Auntie Diane Kerr, Yarning Circle with Auntie Di and Auntie Gail, dance performance by Yarrabah Dancers, Wurundjeri jewellery making workshop; Reconciliation Stonnington Information Stand and illumination of The Pipes with the National Reconciliation Week design.
  - » Walk and Talk Buddies visited the Lost Lands Found (LLF), eco-art installation at Central Park, Malvern; a 4x4 metre living installation packed with indigenous flowers, grasses, herbs and lilies that once flourished throughout Victoria prior to European settlement. Walk guided by Wemba Wemba-Wergaia educator, ecologist and creator Dean Stewart.
  - » Provided staff with free access to documentaries including Wurundjeri Baggarrook, a documentary depicting the sacred ceremony of Women's Business and featuring Wurundjeri Elder, Auntie Diane Kerr; and Native Title Rockets discussing the testing of nuclear weapons and impact on country.
  - » Held Christian Thomas Art Installation at Toorak Library.

### **Actions carried forward to FY23:**

- » Enhancement of our internal processes to be inclusive and further strengthen our commercial relationships with and support for Aboriginal and Torres Strait Islander-owned businesses in Stonnington.
- » Initiate engagement with Aboriginal and Torres Strait Islander staff on employment strategies including professional development, to increase workforce participation.
- » Explore new ways to increase staff cultural competency and promote and advocate for Aboriginal and Torres Strait Islander communities.
- » Develop a Public Places Naming Policy that acknowledges the Aboriginal heritage of the City of Stonnington.
- » Redesign and release Indigenous History Curriculum materials.

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Proportion of adult population who reported multiculturalism making life in their area better	VPHS	Every 3 years	2020	81.4% of adult population responded with "Yes, definitely"	This result is significantly more favourable compared to Victoria (63.5%) and favourable compared to South Division <sup>1</sup> (63.8%)

A new strategic indicator for the Diverse, *Inclusive* and *Safe* strategic objective will be introduced in FY23 – "Proportion of residents who feel a sense of safety and security in Stonnington"

## Service performance indicators

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Food Safety							
Timeliness							
FS1	<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]	2.88	2.94	2.82	2.61	-7.50%	There has been an improvement in response times this financial year which will be further supported by planned technology upgrades enabling real-time data entry
Service standard							
FS2	<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 Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	91.58%	96.84%	94.05%	86.56%	-7.96%	Environmental Health Officers inspected approximately 86% of food premises between January and September 2021, with premises closed between October and December 2021 due to COVID-19 restrictions  A planned catch-up program will ensure all premises are inspected in 2022  ^Food Safety measures are reported for the 2021 Calendar year in line with LGPRF guidelines

<sup>1</sup> South Division includes the municipalities of Bass Coast, Baw Baw, Bayside, Cardinia, Casey, East Gippsland, Frankston, Glen Eira, Greater Dandenong, Kingston, Latrobe, Mornington Peninsula, Port Phillip, South Gippsland, Stonnington and Wellington

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Service cost							
FS3	Cost of food safety service  [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$643.29	\$611.40	\$548.26	\$611.69	11.57%	Costs per premises have remained consistent with previous periods
Health and safety							
FS4	Critical and major non-compliance outcome notifications  [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	90.75%	99.50%	100.00%	100.00%	0.00%	All annual inspections that resulted in major or critical non-compliance have been reinspected for compliance  This totalled 125

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)	
		Actual	Budget
		Variance	
		Favourable / (unfavourable)	
<b>Environmental Health</b>	This service protects the community by coordinating food safety support programs, Tobacco Act activities and smoke free dining and gaming venue issues. The service also responds to public health concerns relating to unreasonable noise emissions, housing standards and pest controls	(251)	(426)
		<b>175</b>	




## Objective 2.3: Public and green spaces

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22.

Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>2.3A:</b> Review the Public Realm Strategy through the development and implementation of the Open Space Strategy	✓	Commenced project planning and reconvened the Strategies for Creating Open Space (SCOS) working group with Councillor support. Project plan to determine milestones and guide progress into FY23 and will involve community consultation
<b>2.3B:</b> Strategically purchase land across the municipality to create increased open space through the Strategies for Creating Open Space (SCOS) <b>Major initiative:</b> Continue to strategically purchase land as it becomes available across the municipality to create increased open space (\$10.0 million net cost)	∞	Ongoing action. Council continues to strategically invest in open spaces under the terms of the SCOS and Open Space Reserves. \$20 million set aside for the development of Toorak Village Square
<b>2.3C:</b> Redevelop the multi-sport and recreation precinct at Percy Treyvaud Memorial Park through phased capital works as resolved by Council. <b>Major initiative:</b> Commence construction of the Multi-Sport and Recreation Precinct at Percy Treyvaud Memorial Park (subject to adoption of Masterplan) (\$3.0 million net cost)	✓	Commenced construction in January 2022 as planned. On track for completion in FY24
<b>2.3D:</b> Deliver Harold Holt Swim Centre upgrade works, including outdoors areas and dry program rejuvenation project	✓	Progressed construction with completion on track for Q1 FY23
<b>2.3E:</b> Deliver community sporting facility upgrades, including Toorak Park Charles Lux Pavilion and East Malvern Tennis, and other priority works <b>Major initiatives:</b> - Charles Lux Pavilion redevelopment (consistent with Stage 3 of Toorak Park and Victory Square Masterplan) (\$0 million net cost, funded by \$2.4 million capital grant in 2021–22) - East Malvern Tennis Clubroom urgent maintenance (\$0.1 million net cost)	✓	Undertook works at East Malvern Tennis Centre and Armadale Learning Centre as planned Design underway with tender process to commence in Q1 FY23 for Toorak Park Masterplan. Grattan Gardens Community Centre works will be undertaken in FY23
<b>2.3F:</b> Provide high-quality and well-maintained public open spaces, including parks, gardens, reserves, golf course and sportsgrounds to cater for diverse community needs through delivering the annual program of works <b>Major initiative:</b> As described (\$0.2 million net cost)	✓	Continued to provide high quality and well-maintained public open spaces through delivery of annual program. Works undertaken included the Serrell Street Reserve playground upgrade, the Aberdeen Reserve renovation, and works to remedy the effects of the stormwater event at Beavan Street
<b>2.3G:</b> Deliver the staged implementation of the Gardiners Creek Masterplan and other waterway and biodiversity improvement projects <b>Major initiative:</b> As described (\$0.8 million net cost)	✓	Led 22 organisations in exploring regional collaboration for enhancement of Gardiners Creek catchment. Progressed work on a governance model for a formal collaboration. Finalised procurement for the detailed design of the Gardiners Creek (KooyongKoot) Masterplan and progressed design work for shared path upgrades in Darling Park Developed and finalised a biodiversity-sensitive Light and Dark Strategy
<b>2.3H:</b> Develop the Community Infrastructure Plan (CIP) to strategically review current and future infrastructure and service requirements for Stonnington	✓	Undertook a supply audit to determine the current state of Council owned, operated and/or leased community facilities involving mapping of services and assets, collecting utilisation records and conducting fit for purpose audits as planned  FY23 will focus on population and demographic data analysis to enable Council to forecast future service need and demand for community infrastructure and services in each suburb. The Community Infrastructure Plan will be developed in 2024

Activity	Status	Comments
<b>2.3i:</b> Implement the Development Contributions Plan through Planning Scheme Amendments and operationalisation		Adopted the Development Contributions Plan (DCP) in February 2022 ahead of submission to the Minister for Planning for approval. Approval is pending and is likely to occur in H1 FY23

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Square metres of open space per person	Internal/ Profile i.d.	Annual	April 2022	18.0 sqm/ person	Calculated in accordance with Strategies for Creating Open Space. There has been an improvement from 17.5 sqm / person in 2013
Recreational facilities performance	CSS	Annual	May 2022	71	While this result is unfavourable compared to 2021 (75), it is slightly more favourable compared to the State-wide result (69)

## Service performance indicators

There are currently no prescribed performance measures for the service areas under this strategic objective within the LGPRF.

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Malvern Valley Golf Course</b>	This service provides public open space, significant environmental areas and an 18 hole public golf course	438 <u>251</u> <b>187</b>
<b>Public Spaces Design and Development</b>	This service prepares policies and strategies related to open space and urban design, and prepares and implements an annual capital works program. The service also provides landscape and urban design advice	(309) <u>3,287</u> <b>(3,596)</b>
<b>Parks and Environment</b>	This service provides arboriculture and horticulture services such as tree pruning, planting, removal, planning and street tree strategies, parks and sports ground mowing and maintenance	(12,165) <u>(10,994)</u> <b>(1,172)</b>
<b>Venue Facilities</b>	This service provides venues for commercial hire and community use at Malvern Town Hall, Functions On Chapel and Armadale meeting rooms. The service supports Council's civic functions and activities	(1,396) <u>(1,860)</u> <b>464</b>

## Objective 2.4: Sustainability and climate action

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22.

Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>2.4A:</b> Finalise and commence implementation of the Climate Emergency Action Plan <b>Major initiative:</b> <i>Implement climate emergency response initiatives (\$0.16 million net cost)</i>	✓	Endorsed and commenced implementation of the Climate Emergency Action Plan. Achievements included collaborative work with other LGAs to address climate change awareness and implementation of environmentally sustainable designs in all council building infrastructure projects
<b>2.4B:</b> Maintain and grow Stonnington's urban forest and enhance biodiversity through implementing the Urban Forest Strategy and Sustainable Environment Strategy.	✓	Continued to maintain and grow Stonnington's urban forest to enhance biodiversity  Milestones included annual tree planting program and the completion of the Practical Ecology biodiversity inventory and habitat connectivity study
<b>2.4C:</b> Develop a roadmap to electrify Council buildings and facilities, and transition away from gas	✓	Completed Council 's electrification roadmap. Completed electric HVAC design reviews at some community buildings and grant funding successfully received to install a battery at Dunlop Pavilion
<b>2.4D:</b> Support the community to reduce energy use, install rooftop solar and purchase renewable energy through education, advice and programs	✓	Continued partnership with Australian Energy to deliver six information sessions on home energy efficiency and community emissions. Continued support the community in the interest of solar/battery installation and energy efficiency products
<b>2.4E:</b> Build community capacity to take climate action through the Environmental Champions program	✓	Successfully delivered the Environmental Champions program with 19 graduates, leading to several new community projects Supported the Stonnington Fresh Fruit Squad with seed funding to launch their initiative. Continued to support Champions alumni
<b>2.3F:</b> Support local businesses to reduce energy use, implement environmental upgrades and save money through education, engagement and financing options	✓	Promoted the Small Business Energy Savers Program through the Eastern Alliance for Greenhouse Action to support small businesses reduce energy use through energy efficiency upgrades
<b>2.4G:</b> Develop and implement the Waste and Circular Economy Strategy	✓	Prepared a draft Waste and Circular Economy Strategy outlining our direction around avoiding and reducing waste, increasing reuse, maximising resource recovery and transitioning to a circular economy  Undertook community consultation and prepared the revised strategy ahead of Council endorsement in Q1 FY23
<b>2.4H:</b> Reduce food and green waste to landfill through expanding Council's kerbside food and green waste service and targeted education and engagement.	✓	Finalised a comprehensive multimedia campaign to expand the number of households using Council's food and green waste services  This is to be rolled out alongside the bin changeover in Q1 FY23  Established a long-term contract for membership with Compost Revolution to provide ongoing community support
<b>2.4I:</b> Provide best practice and innovative waste management solutions	✓	Council was awarded state government funding which will be used to support the delivery of the Waste and Circular Economy Strategy. Commenced preparation for the colour standardisation of all bins to occur in FY23



Activity	Status	Comments
<b>2.4J:</b> Implement water sensitive urban design throughout Council buildings and infrastructure projects, reducing potable water use and increasing alternative water use	✓	<p>Council has a comprehensive program to implement water sensitive urban design, reduce potable water use and increase alternative water use</p> <p>Undertook works in line with this program including at Princes Close Child Care Centre, Waverley Oval and Percy Treyvaud</p> <p>Council received funding from Melbourne Water and commenced procurement for design services or stormwater harvesting and reuse projects at three sportsgrounds</p>
<b>2.4K:</b> Develop and implement a Sustainable Assets Policy to drive Environmentally Sustainable Design in Council buildings and infrastructure projects	✓	<p>Endorsed policy in March 2022 and commenced implementation on relevant projects</p> <p>Policy implementation monitored through a regular project working group</p>



# Towards Zero Carbon 2030

## Priority 1 – Zero carbon Stonnington

### Our actions in FY22 to avoid and reduce greenhouse gas emissions:

- » After signing up to the Victorian Energy Collaboration (VECO) at the end of the FY21 to ensure all of Council's electricity comes from renewable sources, Council's next priorities to reduce emissions are the elimination of gas heating and hot water in favour of electric alternatives and, transitioning our fleet to electric and hybrid vehicles.
- » Electrification roadmap: Council completed an electrification roadmap, which involved reviewing all existing gas equipment at 30 Council buildings, identifying suitable all-electric replacement equipment and prioritising projects across a five-year period.
- » Electric Vehicles: working together with the Institute for Sensible Transport, the Eastern Alliance for Greenhouse Action and five other Councils, Council completed an Electric Vehicle (EV) transition plan for our own fleet. We have purchased four new electric vehicles (due for delivery in late 2022), doubling our existing fleet. In addition, we have also received grant funding from the Department of Environment, Land, Water and Planning (DELWP) to install several additional chargers to support this expansion of our EV fleet.
- » The Stonnington community is also embracing EVs. Council's EV charger in Prahran Square recorded 1,012 charging sessions across FY22. Council has also secured a grant from DELWP to install additional fast chargers for community use near Malvern Town Hall and is also working with the private sector to facilitate a second fast charger in the Glenferrie precinct.

## Priority 2 – Thriving in a changing climate

### Our actions in FY22 to adapt to a changing climate:

- » Restoration of Grange Road Wetlands: Council successfully applied for part-funding to restore the Grange Road Wetlands. This project will involve clearing out built-up sediment and overgrown vegetation at the wetlands to ensure they are able to effectively filter urban stormwater before it enters the Yarra River. This project will be completed in late 2022.
- » Flood modelling, water balance and WSUD options: Council is working hard to understand the impacts of climate change on the future of water for the municipality. We have conducted a high-density precinct flood modelling to understand the potential impacts of small flooding events to determine potential mitigation actions towards the end of the century. Council has also completed a feasibility study to identify fit-for-purpose Water Sensitive Urban Design solutions to provide flood-calming and urban cooling benefits for the city including a water balance which explored the city's future water sources and needs towards the middle of the century. This study also involved identifying a list of climate-resilient and drought-tolerant species for future tree planting work.
- » Chapel Precinct Climate Vulnerability Assessment: Council has completed a Climate Vulnerability Assessment of the Chapel precinct to understand our climate vulnerabilities (including heat, drought and flooding), and what this means for both Council's assets and functions and the broader Stonnington community. We will use the learnings from this study to inform a wider assessment for the municipality and inform our adaptation and risk planning.

## Priority 3 – Working together for change

### Our actions in FY22 to embed climate response throughout Council and work in partnership for change include:

- » 19 local leaders graduating from the second year of our Environmental Champions program.
- » Climate emergency considerations embedded into Council's Health and Wellbeing Plan 2021–25.
- » Council working collaboratively, as part of the Eastern Alliance for Greenhouse Action, to deliver projects and advocacy work. Projects include increasing recycled content in Council projects, EV Fleet Transition and Community Net Zero Emissions strategies, and a State-wide cost benefit analysis of climate adaptation.



## Sustainable Assets Policy

Council endorsed its first Sustainable Assets Policy in March 2022. The purpose of the policy is to integrate environmentally sustainable design and climate adaptation into the full lifecycle of Council assets. The policy sets a minimum design standard to ensure all Council building and infrastructure projects showcase best practice environmentally sustainable design, and climate resilience and leadership, from minor upgrades to major redevelopments and new builds across all asset classes.

An internal working group was established, and stakeholder workshops were held to develop the policy in collaboration with Council officers.

The Policy was endorsed after a pilot phase in 2021, where it was applied to three active projects including Percy Treyvaud stadium development. These test cases demonstrated that the policy

should be implemented early in the project management lifecycle for best impact. However, positive environmental outcomes were still achieved for the trial projects. Design changes were made in order for Percy Treyvaud stadium to comply with the five-star green star Policy requirement, which will deliver both lower carbon emissions and ensure the facility operates more efficiently.

Goals and targets outlined within the policy can be easily incorporated into all future projects. Developed Sustainability briefs to specify the relevant standards and minimum requirements for each asset class and activity. The policy will also support the delivery of other adopted plans and strategies including the Council Plan 2021–25, Asset Plan 2022, Sustainable Environment Strategy 2018–23 and Climate Emergency Action Plan 2021–24.



## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Council emissions – gas, electricity and fleet	Internal	Quarter	June 2022	4,850 t CO2	<p>This result is a 71% reduction from Council's baseline 2005–06</p> <p>Council emissions have reduced significantly for 2021–22 due to the commencement of the Victorian Energy Collaboration (VECO) from 1 July 2021 Council now purchases 100% renewable energy for all electricity used by our streetlights, buildings and facilities</p> <p>Council Fleet also contributed to the decrease, with an 11% drop in emissions from fuel use</p>
Council solar and battery uptake	Internal	Quarter	June 2022	980 kW of rooftop solar, 1 battery	<p>Four new systems were installed in FY22 at Council owned community buildings with suitable roofs:</p> <ul style="list-style-type: none"> <li>» Armadale Early Learning Centre</li> <li>» Brookville Kindergarten</li> <li>» Phoenix Park Children's Hub</li> <li>» Stonnington Children's Centre</li> </ul>
Community solar	Internal (PV map)	Quarter	June 2022	10.8%	Small increase on prior year, with almost 3,200 solar systems now installed across Stonnington residences
Kerbside collection waste diverted from landfill	LGPRF	Quarter	June 2022	39.52%	<p>There was a slight decrease in diversion rate compared to FY21</p> <p>This may relate to people returning to the workplace and being less conscious of waste separation at home</p>

## Service performance indicators

No.	Service performance indicators	2018–19	2019–20	2020–21	2021–22	Variance	Comments
<b>Waste collection</b>							
<b>Satisfaction</b>							
WC1	<i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	138.73	150.22	155.80	162.25	4.14%	Bin collection requests have increased compared to FY21, possibly due to increased bin refills associated with work from home arrangements
<b>Service standard</b>							
WC2	<i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	3.80	4.40	3.95	4.67	18.18%	<p>The percentage of bins missed has slightly increased compared to last financial year</p> <p>This may be due increased requests as people were working from home and more likely to notice and report a missed bin</p>



No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Service cost							
WC3	<i>Cost of kerbside garbage bin collection service</i>  [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$119.87	\$118.68	\$127.93	\$128.89	0.75%	The overall cost of the garbage collection service has slightly increased in line with increases in CPI, fuel indexation, landfill gate disposal costs and other associated landfill expenses
Service cost							
WC4	<i>Cost of kerbside recyclables collection service</i>  [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$37.83	\$37.51	\$38.11	\$41.22	8.17%	The cost of the kerbside recyclables bin collection service has slightly increased in line with annual CPI increases
Waste diversion							
WC5	<i>Kerbside collection waste diverted from landfill</i>  [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	34.81%	40.20%	39.89%	39.52%	-0.95%	There was a slight decrease in diversion rate compared to FY21. This may relate to people returning to the workplace and being less conscious of waste separation at home

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Environment and Sustainability</b>	This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance, including greenhouse gas emissions reduction program	(1,115) <u>(1,236)</u> <b>121</b>
<b>Waste collection and management</b>	This service provides kerbside rubbish collections of garbage, hard waste, recycling and green waste from all households and commercial properties in Stonnington	(19,799) <u>(20,345)</u> <b>546</b>







## Direction 3:

# A people-centred and future ready city

**By 2025, we do all the basics correctly – bins are collected, our roads and footpaths are maintained – and we not only meet our community expectations, we exceed them.**

We hear the many voices of our diverse community, and ensure they are meaningfully involved in decision-making, strategy development and service design.

Community engagement takes many forms and comes from a broader cross-section of people than ever before, particularly people who are vulnerable or who have previously felt unheard and underrepresented.

We meet community expectations on communication and transparency, and customer interactions with Council are positive and responsive. Council is trusted and the community feels respected, valued and that they belong.

Council systems are easy to use and customer-focused. They enhance customer experience while delivering value-for-money services and products. They are streamlined, provide a one-stop-shop for the community, and provide a connected view of the customer for Council. Our systems are complemented by excellent personal service.

Council staff are proud of where they work and have a strong connection to their role in serving the community. We have the right people, with the right capabilities, working in the right organisational culture and living by Stonnington's values. Our people feel safe, respected and supported.

Council is organised to best manage our built and natural environment and to deliver our services. We balance best practice with value for money and strive for continuous improvement in the best interests of our community.

### Achievements in 2021-22

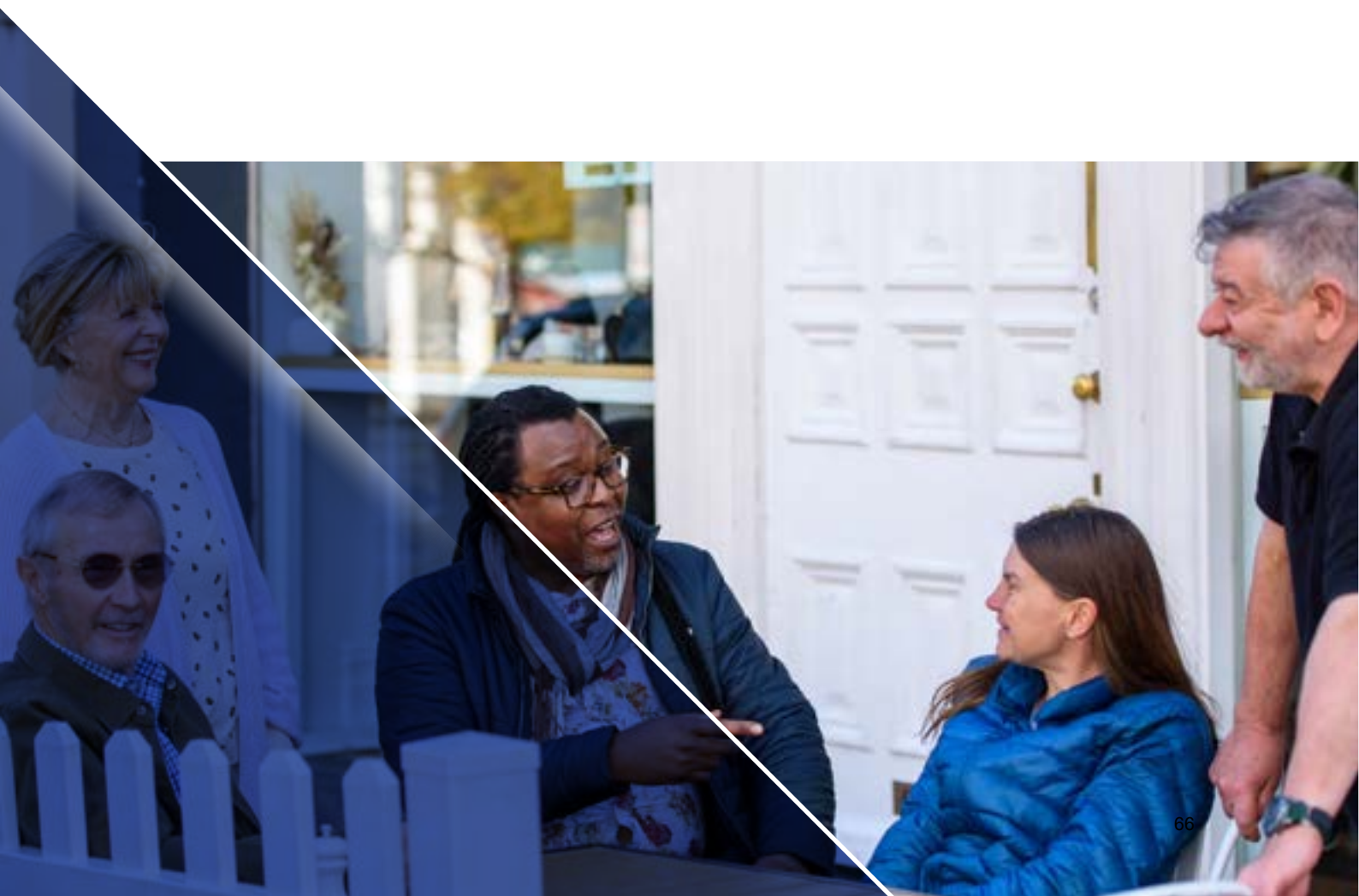
- » Successfully delivered annual maintenance program relating to roads, laneways, footpaths, bicycle paths and drains
- » Implemented all Pandemic Order requirements across all services
- » Updated Community Engagement Policy and launched a new online engagement portal
- » Progressed the update of Council's PC equipment with all laptops now using the latest supported Windows software
- » Council's Gender Equality Action Plan was assessed as compliant under the Gender Equality Act 2020
- » Endorsed the Enterprise Risk Framework and Strategic Risks by the Audit and Risk Committee

## Objective 3.1: Community focus, connection and engagement

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>3.1A:</b> Engage with the community about matters that affect them, using different forms and levels of engagement as defined by the Community Engagement Policy	✓	Updated Community Engagement Policy and launched new online engagement portal in early 2022. Engagement highlights included a revamped budget engagement approach, a detailed review with the community on preferences for hard waste collection and number strategy development streams of work
<b>3.1B:</b> Provide timely and effective communication to promote and celebrate our services and achievements, in alignment with our corporate identity and brand	✓	Improved Council's communications suite including regular, informative and consistent updates to our residents through Stonnington News and Stonnington's social media channels
<b>3.1C:</b> Develop and maintain Council's advocacy program, including collaboration with M9 Councils	∞	Continued membership and collaboration with M9 Councils. Developed successful federal government advocacy package against key capital works programs





## Summary of engagement activities and new engagement portal

During this financial year, Council launched its new online engagement portal. This allows a more user-friendly experience for community members to engage with on important Council projects. This was complimented by face-to-face sessions and other forms of engagement.

Key projects engaged on included:

- |   |   |
|---|---|
| » Council Plan 2021-25                      | » Prahran Skate Park & Basketball Court |
| » Place-Led Economic Development Strategy   | » Toorak Village Streetscape design     |
| » Have your say on our Draft Budget 2022-23 | » Wilmot Street intersection changes    |
| » Arts & Culture Strategy                   | » Domestic Animal Management Plan       |
| » Meet Your Councillors                     | » Windsor Siding Reserve                |
| » Central Park Floodlighting                | » Volunteering Framework                |
| » Prahran Skate Park                        | » Road Management Plan Review           |
| » LGBTIQA+ Action Plan                      | » Health & Wellbeing Plan               |
| » Waste Strategy                            | » Reconciliation Action Plan            |
| » Hard Waste                                | » Climate Emergency Action Plan         |
| » Asset Management Plan                     | » Outdoor Dining                        |
| » Central Park lighting passive use hours   | » Accessibility & Inclusion co-design   |
| » Walking Action Plan                       | » Smart Cities Strategy                 |

## Advocacy activities

This financial year, Council endorsed the following key advocacy priorities for the federal election campaign:

- » Community sport and community facility/building improvements
- » Shared path and cycling trails
- » Open space
- » Accessible playgrounds
- » Carbon zero initiatives
- » Waste harmonisation and circular economy
- » Biodiversity and environmental outcomes for Gardiners Creek, and
- » Upgraded precincts and community safety.

We are pleased to have secured local funding commitments in line with these priorities following the results of the federal election of 21 May 2022:

- » \$1m for Gardiners Creek (KooyongKoot) - Tooronga wetland
- » \$250,000 to Rewilding Stonnington (Kooyong to Heyington Nature Walk and a South Yarra-Prahran-Windsor Indigenous Heritage Walk)
- » \$25,000 to Wattle tree Early Childhood Centre

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Overall Council Performance	CSS	Annual	May 2022	64	While this result is unfavourable compared to 2021 (70), it is similar to the metro result (65), and significantly more favourable compared to the State-wide result (59)
Community satisfaction with consultation and engagement	CSS	Annual	May 2022	56	Satisfaction with community consultation and engagement reduced by 4 points since last year (from 60 to 56 overall). This result is still slightly more favourable than the State-wide average (54)
Lobbying on behalf of the community performance	CSS	Annual	May 2022	52	This result is consistent with last year's result and remains unfavourable compared to the metro result (55)

## Service performance indicators

There are currently no prescribed performance measures for the service areas under this strategic objective within the LGPR.

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Communications</b>	This service ensures the City of Stonnington communicates with our community in a consistent, proactive and integrated way that aligns with our corporate identity and brand. This service is responsible for the management and provision of advice on external communication on behalf of Council	(1,769) (1,608) <b>(161)</b>
<b>Digital and marketing</b>	Marketing support to actively attract customers to Stonnington's places, events, business and Council services, through current and new digital channels	(514) (175) <b>(339)</b>

## Objective 3.2: Enhanced customer experience

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>3.2A:</b> Implement the Digital Transformation Strategy / One Stonnington to support current and future organisational business needs and customer expectations <b>Major initiative:</b> As described (\$8.29 million net cost)	✓	Developed Digital Transformation roadmap and defined costs and value streams. This is a multi-year project. Year 2 (FY22) of the transformation was completed within key projects scope and budget. Year 3 (FY23) will focus on shifting infrastructure projects to Core Business Systems to improve customer experience
<b>3.2B:</b> Develop and implement the Data Strategy to unlock Council's data and information to better meet expectations of modern customer interactions and operations	○	Delayed at 90% against plan due to cyber incident. Re-planning the deliverables assisted in mitigating impact
<b>3.2C:</b> Develop and implement the Customer Experience Strategy to identify, build and implement the required people, system and process capabilities	✓	Launched Customer Experience training sessions and implemented end-to-end improvements in parking permits. Asset Maintenance and Trees Maintenance request are undergoing service design reviews
<b>3.2D:</b> Develop and implement the Smart Cities Strategy	○	Delayed at 90% against plan due to COVID-19 impacts on community consultation. Completed draft strategy and appointed partner organisation. Undertook community engagement with findings to inform the action plan for implementation. Trialling the use of sensor technology in a range of locations to support service delivery and data informed decision making
<b>3.2E:</b> Develop and implement new customer products and channels and improve and optimise existing customer channels	○	Delayed at 80% against plan due to internal resource constraints. Achievements included ongoing improvements to Stonnington's website and introduction of new channels to uplift the entire website
<b>3.2F:</b> Develop and implement the Voice of Customer capability – 'know me'	✓	The Voice of the Customer approach is providing valuable insights into customer satisfaction and informing the priorities of the wider program. Commenced embedding The Voice of the Customer capability across the organisation as planned. Numerous listening posts for our customers have been established to support service delivery
<b>3.2G:</b> Streamline Council processes and services and improve community satisfaction.	✓	Improved technology and support were provided to Council staff which enabled streamlined performance of Council providing services to the community
<b>3.2H:</b> Enhance Council's data and cyber security to align with Office of Victorian Information Commissioner standards	✓	Introduced multifactor authentication (MFA) as part of the Cyber Security Strategy. Updated PC equipment to more secure standards with all laptops now using the latest supported Windows software



# Digital transformation and customer experience

**The One Stonnington Transformation Program has delivered significant changes over the last 18 months. As COVID-19 continued to impact the community, we invested in tools to enable our employees to work in hybrid and flexible ways to ensure we could continue to maintain and delivery services.**

We have invested in the IT fleet to provide mobility devices to many staff and have embedded an organisation-wide collaboration platform to help our staff stay connected and to respond to the needs of the community in our lock down or hybrid environment.

Council has also made investments in our IT infrastructure and network systems which will continue in coming months. These investments will ensure the security and reliability of our network across our facilities and will ensure our customer-facing services such as maternal child health, youth, health and wellbeing services can continue to be delivered and meet our community's needs. As we saw during the pandemic, the ability to deliver online services will grow in the coming years and Council's IT network needs to be able to meet this demand.

Cyber security is an important focus and we are making investments to ensure that all interactions our customers have with Council are underpinned by security and trust, and that all our customer data is protected.

Ensuring we have the right controls in place to meet our obligations to the community has seen investment in foundational capabilities and Procurement and Project Management system and processes.

Meeting our customer needs in efficient and effective ways is paramount to Council and key capability is being built to drive great customer experiences of our residents, property owners and ratepayers. Understanding what is important to our customers when they interact with Council underpins our Customer Experience and Continuous Improvement programs. Key improvements have been made in a range of high-volume services, including parking services, waste and support to small businesses. Improving the way our customers find what they need on our website, and through the provision of other digital tools, continues to be a focus area. The launch of the My Stonnington App will provide a way for customers to keep track of waste services and learn more about recycling.

Delivering efficient services drives our investment in data capability. Through unlocking data from disparate systems, we can gain insights through data analysis which helps us be more responsive in the delivery of services and allows our field staff to have data at their fingertips when they are in the community delivering services. Council is also investing in smart technologies which will support efficient, sustainable and inclusive service delivery. Smart technologies are being embedded into our City, such as traffic tracking sensors (pedestrian, bike, vehicle), parking technologies, sustainable lighting and increasing the availability of Wi-Fi.

# Smart city initiatives

## Current initiatives

The City of Stonnington has begun its journey to becoming a smarter, more liveable, and efficient city by delivering smart initiatives. These initiatives aid in the rollout of the *Smart City Strategic Framework* forming a foundation in which future initiatives can leverage. These projects include:



### Pedestrian, bike, vehicle, and visitor counters

Council has deployed anonymised vehicle, pedestrian, and visitor sensors across 10 locations in the City. They relay information to staff via a dashboard. Locations include Chapel St, Prahran Square and Prahran Market

Establishing data on the usage of walkways, bike tracks, roads and public spaces enables Council to make more informed planning decisions



### Smart lighting

Council has installed smart lighting infrastructure across the city and leverage a dashboard to monitor use and maintenance requirements

Installing smart lighting improves visibility across the city while also reducing electricity usage and maintenance issues



### Smart parking

Council has begun trialling smart parking technology and a user-based app across the city

Smart parking leverages parking data to improve parking convenience for users, communicate parking availability, reduce congestion and emissions, and increase parking enforcement efficiencies



### Free Wi-Fi

Free Wi-Fi has been established in public spaces and community housing estates

Free Wi-Fi increases accessibility to online services and provides greater connectivity to all members of the community



### Digital literacy training

Council libraries and other service providers lead a number of digital literacy training programs to build digital skills, understanding and confidence

Improving digital capabilities within the community builds education, employment, and creativity opportunities

Improving our customer experiences continues to be the focus into this next year as we update our key business system applications so that they are contemporary and meet customer expectations in an ever-increasing digital age. We will upgrade our customer relationship management system so that customers can request and receive services in ways that meet their needs. Improvements to our Finance and Property and Rating systems will also progress as these are fundamental to how Council operates and delivers core services to the community.

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Customer service rating	CSS	Annual	May 2022	74	<p>Customer service remains one of the highest areas of satisfaction for council, with Stonnington scoring significantly higher than the state-wide average and slightly higher than the metro group average</p> <p>Despite a small drop of 3% since last year, scores have remained relatively stable over the last ten years</p>
Proportion of requests actioned within target days (%)	Internal	Quarter	June 2022	90.4	<p>The majority of customer requests lodged through TechOne were resolved within the target days</p> <p>For FY22, this was around 90.4%, an increase of about 1% when compared to the previous year. There is significant variance in % overdue depending on request type and service area</p> <p>Note: Service Level Agreements are being reviewed this financial year</p>

## Service performance indicators

There are currently no prescribed performance measures for the service areas under this strategic objective within the LGPRF.

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Transformation and customer experience</b>	This service identifies and builds data-driven customer experiences and implements the required people, system and process capabilities	(5,381) (85) <b>(5,296)</b>
<b>Customer services</b>	This service partners with our service delivery partners to provide optimal customer experience across all channels, through our service centres, phone, digital applications and email	(2,147) (1,868) <b>(278)</b>

## Objective 3.3: Engaged and capable people

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>3.3A:</b> Baseline our organisational culture and implement targets and plans to shift our culture to improve organisational performance  <b>Major initiative:</b> <i>Scope and commence organisational culture program and capability uplift</i>	✓	Integrated Staff Development Plans into the People Hub, enabling staff to better track work and development goals, with a greater focus on performance  Continued to implement culture improvement action plans. Developed an organisational-wide action plan based on improvement opportunities highlighted in the Pulse Survey results
<b>3.3B:</b> Develop and embed a toolkit to enable staff to increase and practice digital transformational skills (e.g. agile training, new ways of working and change management)	○	Delayed at 75% due to resourcing constraints. Improved resources to staff to work remotely and paced introduction of new way of working
<b>3.3C:</b> Embed the safety culture transformation four pillars; Walk, Share, Care and Learn	✓	Embedded the safety culture transformation as planned. Improvements seen in incident reporting (refer to strategic indicator)
<b>3.3D:</b> Embed an organisational capability framework to build capability that enables Council to deliver on its strategic objectives  <b>Major initiative:</b> <i>Scope and commence organisational culture program and capability uplift</i>	✓	Introduced the Capability Framework to staff as planned, which now forms part of the Staff Development Program  The framework will also be embedded into Success Profiles and may be used for recruitment purposes
<b>3.3E:</b> Develop and embed a new Risk Framework in alignment with the new Council Plan and engage staff so that risk is embraced as a performance improvement and value creation tool	✓	Endorsed Enterprise Risk Framework and Strategic Risks by the Audit & Risk Committee in June 2022
<b>3.3F:</b> Refresh our organisational values to support the delivery of our new Council Plan and to meet our cultural aspirations.  <b>Major initiative:</b> <i>Scope and commence organisational culture program and capability uplift</i>	➔	Project deferred in Q3 to FY23 due to reprioritised initiatives underway
<b>3.3G:</b> Raise the profile of diversity and inclusion and undertake a gender equality audit to identify any workplace inequality within our organisation to improve our diversity composition and to make Council an Employer of Choice	✓	Council's Workplace Gender Equality Audit and Council's Gender Equality Action Plan were both assessed as compliant under the <i>Gender Equality Act 2020</i>  Launched the Stonnington Pride Network. Celebrated International Women's Day, IDAHOBIT Day and NAIDOC week



## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Number of OHS incidents	Internal	Annual	June 2022	89	Council has seen a 11% reduction in incidents compared to FY21 (100 incidents). These results are showing that the implementation of the Safety Transformation Project speaks to Council staff becoming more aware of their surroundings and the processes that they are required to follow
Staff turnover	LGPRF	Annual	June 2022	18.31%	Workforce turnover from resignations and terminations is broadly similar to FY21, however has shown a slight decrease. The level remains higher than pre-pandemic levels as the entire market sector is seeing employees take different development opportunities outside Local Government

## Service performance indicators

There are currently no prescribed performance measures for the service areas under this strategic objective within the LGPRF.

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Organisation Development</b>	This area builds the right organisational culture and capability that enables us to deliver on our Council Plan and organisational objectives now and into the future	(3,487) (2,652) <b>(835)</b>

## Objective 3.4: Fit for purpose operating model and resource management

### Annual plan and major initiative delivery

The following table reviews our progress in relation to delivery of the Annual Plan 2021–22. Where an activity is also a major initiative as identified within the Budget 2021–22, this is indicated.

Activity	Status	Comments
<b>3.4A:</b> Implement the Technology Enablement Program to: <ul style="list-style-type: none"> <li>» Support Council business through network upgrades, cyber security resilience, laptop renewal and replacement</li> <li>» Ensure staff have access to the right systems and programs to best do their jobs and effectively meet community needs</li> </ul> <b>Major initiative:</b> <i>Implement the Technology Enablement Program, including network upgrades, laptop renewal and replacement to support Council business (\$2.11million net cost)</i>	✓	Finalised initial staffing of the reorganised team as planned Program success reflected in improved employee experience
<b>3.4B:</b> Scope and commence modernising Council's record management services, including digitisation	✓	Completed Content Manager Project update. Improvements include automated email capture and filing, dashboard view of recordkeeping activity and workflow and a network style user interface
<b>3.4C:</b> Review Council's ten-year Asset Management Plans to guide long-term management of our assets and commence phase one of the Strategic Asset Management Program	✓	Reviewed, updated and adopted the Strategic Asset Management Policy and Asset Plan in line with the statutory requirements of the <i>Local Government Act 2020</i>
<b>3.4D:</b> Develop and implement an integrated planning and performance framework that links the community's aspirations with Council strategy, operations and performance	✓	Revised Integrated Planning and Performance Framework endorsed by Executive Team Completed key elements of framework included adoption of Future Stonnington (Council Plan and Community Vision), FY22 Service Planning and establishment of CEO Quarterly Update
<b>3.4E:</b> Coordinate annual business planning aligned with the annual Budget	✓	Completed FY22 Service Plans. On track to introduce refreshed Service Planning approach in line with budget, capital and initiative prioritisation cycle in mid FY23
<b>3.4F:</b> Complete building renewal and upgrade projects through delivery of the Capital Works Program	○	Delayed against plan due to resourcing and supply chain issues. Several minor and major upgrades undertaken
<b>3.4G:</b> Maintain Council's property assets including municipal building, pavilions and other community buildings	∞	Undertook a general building condition audit to determine the condition of all Council building assets Council carried out Essential Safety Measures assessments, routine maintenance, and reactive maintenance through the management of the building maintenance contractor UMS
<b>3.4H:</b> Deliver ongoing maintenance of our roads, laneways, footpaths, bike paths and drains to maintain amenity	∞	Delivered annual maintenance program relating to roads, laneways, footpaths, bicycle paths and drains. Road Management Plan (RMP) response times fully complied in addressing any identified defect items
<b>3.4I:</b> Optimise the fuel efficiency of Council's vehicle fleet	○	Delayed against plan due to supply chain challenges, no local manufacturing capacity and other market forces
<b>3.4J:</b> Ensure Council's governance practices meet legislative requirements	∞	Ensured legislative requirements were met in Council Business Administration, Audit & Risk Committee Administration, and Councillor Conduct Arbitration
<b>3.4K:</b> Develop and implement an integrated service review framework (Best Value program) that will enable Council to review and optimise service delivery and efficiency and improve our customer experience	○	Delayed at 95% against plan due to deferral by Council. Developed Service Performance Framework for adoption in Q1 FY23. Pilot Review to commence in Q1 FY23
<b>3.4L:</b> Optimise technology service management to support staff obtaining the best value from our IT systems	✓	Improved responsiveness and availability of key IT services across Council, managed a high volume of requests while reducing response times for high priority work. Improved system outage metrics

## Strategic indicators

Indicator	Source	Frequency	Last reported	Result	Comment
Percentage of capital budget complete	Internal	Annual	June 2022	55.98%	<p>This result is unfavourable compared to FY21 (69.11%). The driver for this year's delay on capital works delivery is due to the impact of COVID-19 lockdowns in Q1, and labour shortage and supply chain disruption from the pandemic</p> <p>FY19: 88.79% FY20: 55.75% FY21: 69.11%</p>

Further strategic indicators for the Fit for purpose operating model and resource management strategic objective are anticipated to be introduced as the Digital Transformation Strategy is progressed.

## Service performance indicators

No.	Service performance indicators	2018-19	Results 2019-20	2020-21	2021-22	Variance	Comments
<b>Governance</b>							
<b>Transparency</b>							
G1	<p><i>Council decisions made at meetings closed to the public</i></p> <p>[Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors ] x100</p>	14.47%	10.76%	5.61%	5.67%	0.99%	<p>Council strives to make decisions in open Council meetings as part of its commitment to public transparency</p> <p>The proportion of Council decisions made at meetings closed to the public is consistent with last year's result</p>
<b>Consultation and engagement</b>							
G2	<p><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>	56.00	56.00	60.00	56.00	-6.67%	<p>Community satisfaction with consultation and engagement reduced by 4 points since last year (from 60 to 56 overall)</p> <p>This result is still slightly higher than the State-wide average (54)</p>

No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Attendance							
G3	<i>Councillor attendance at council meetings</i>  [The sum of the number of Councillors who attended each Council meeting / (Number of Council meetings) × (Number of Councillors elected at the last Council general election)] x100	89.37%	89.86%	95.45%	100.00%	4.76%	As per the Local Government Better Practice Guide, Councillors are recorded as having attended a Council meeting if they are on an approved leave of absence. Given all leave requests have been granted this year, a result of 100% is to be expected. Note that previous years were calculated in error with approved leaves of absence not counted as attendance
Service cost							
G4	<i>Cost of elected representation</i>  [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$57,214.56	\$61,032.11	\$45,229.33	\$51,010.89	12.78%	The cost of elected representation has increased this year. This can be attributed to the lifting of COVID-19 restrictions enabling in-person attendance at community events, technology upgrades and additional induction requirements under the <i>Local Government Act 2020</i>
Satisfaction							
G5	<i>Satisfaction with council decisions</i>  [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	58.00	57.00	61.00	56.00	-8.20%	After an improvement following COVID-19 lockdowns, satisfaction with Council decisions returned to similar levels to previous corresponding period – above the State-wide average, but slightly below the Metro average
Roads							
Satisfaction of use							
R1	<i>Sealed local road requests</i>  [Number of sealed local road requests / Kilometres of sealed local roads] x100	51.52	76.67	83.41	87.65	5.09%	The number of requests has increased slightly compared to last year  This is likely due to a change in the process of how requests are actioned (all requests are marked as complete regardless of whether they are redirected to service authorities or other areas within Council)



No.	Service performance indicators	Results				Variance	Comments
		2018–19	2019–20	2020–21	2021–22		
Condition							
R2	Sealed local roads maintained to condition standards  [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	98.79%	99.70%	99.77%	99.38%	-0.39%	Road condition has been maintained by ongoing maintenance and renewal programs
Service cost							
R3	Cost of sealed local road reconstruction  [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$133.99	\$199.90	\$169.06	\$125.36	-25.85%	While the result is lower than previous years, the streets reconstructed consisted of standard materials such as concrete and asphalt and were in residential streets requiring less complex traffic management and standard construction processes. The result was a more efficient per square meter price
Service cost							
R4	Cost of sealed local road resealing  [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$21.52	\$26.13	\$25.96	\$25.36	-2.32%	Despite COVID-19 restrictions, the road resealing program has been completed as scheduled for the year with 26 streets resurfaced. There has been a small reduction in cost this financial year due to less complex traffic requirements and larger roads on the resealing program that are generally more efficient per square meter
Satisfaction							
R5	Satisfaction with sealed local roads  [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	70.00	65.00	70.00	67.00	-4.29%	Community satisfaction with sealed local roads (67) was reduced compared to previous corresponding period (70), however, is still above the Metro average (65)  Council continues to annually assess road condition to inform scheduling of road resurfacing works to maintain our high-quality road infrastructure

## Service areas

The following table provides information about the services funded in the Budget 2021–22 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)
		Actual Budget Variance Favourable / (unfavourable)
<b>Councillors, Chief Executive, Executive Team and Governance</b>	This area includes the Mayor, Councillors, Chief Executive Officer, Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas	(6,161) <u>(7,255)</u> <b>1,094</b>
<b>Financial Services and strategic council plan</b>	This service provides strategic financial based services to internal and external customers including the management of Council's finances, procurement, raising and collection of rates and charges, and valuation of properties	2,389 <u>2,052</u> <b>337</b>
<b>Fleet Services</b>	This service purchases and maintains Council vehicles, plant and equipment to meet functionality and safety needs, and to minimise operational cost of the fleet	996 <u>1,369</u> <b>(373)</b>
<b>Geographical Information System</b>	To provide a Geographic Information System and associated services that support strategic and operational decision-making across Council	(378) <u>(415)</u> <b>37</b>
<b>Information Services and Business Systems</b>	This service provides, supports and maintains reliable and cost effective communications and computing systems, facilities and infrastructure to Council staff enabling them to deliver services in a smart, productive and efficient way	(2,232) <u>(763)</u> <b>(1,469)</b>
<b>Project Management and Delivery</b>	This service manages and implements Council's capital works program to maintain and improve Council's assets, land and property in accordance with Council priorities. Works include the progressive renewal, upgrade and redevelopment of Council facilities, infrastructure and open space	(3,716) <u>6,734</u> <b>(10,450)</b>
<b>Records management</b>	This service provides secure and compliant record management services	(904) <u>(971)</u> <b>67</b>
<b>Risk Management</b>	This service ensures that Council's risk is managed to minimise and prevent injury and loss. The service supports Council's internal operations to ensure a safe and healthy environment for all staff, contractors and the public and to ensure all contracts are prepared, evaluated, awarded and managed in accordance with the <i>Local Government Act</i> and Council's Procurement Policy	(4,091) <u>(3,629)</u> <b>(462)</b>
<b>Property Maintenance</b>	This service prepares long term maintenance management programs for Council's property assets in an integrated and prioritised manner to optimise their strategic value and service potential. These include municipal buildings, pavilions and other community buildings	(3,307) <u>(3,225)</u> <b>(82)</b>
<b>Asset Management and Planning</b>	This service conducts capital works planning for Council's main civil infrastructure assets in an integrated and prioritised manner to optimise their strategic value and service potential. This service undertakes design, tendering, contract management and supervision of works such as roads, laneways, car parks, foot/bike paths, drains and bridges	(2,255) <u>(2,531)</u> <b>276</b>

# Our people

## Organisational structure

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day-to-day management of operations in accordance with the strategic directions of the Council Plan.

The CEO and four Directors form the Executive Team. The Executive Team manage the day-to-day operations of the municipality and lead the organisation. Membership as at 30 June 2022 was:

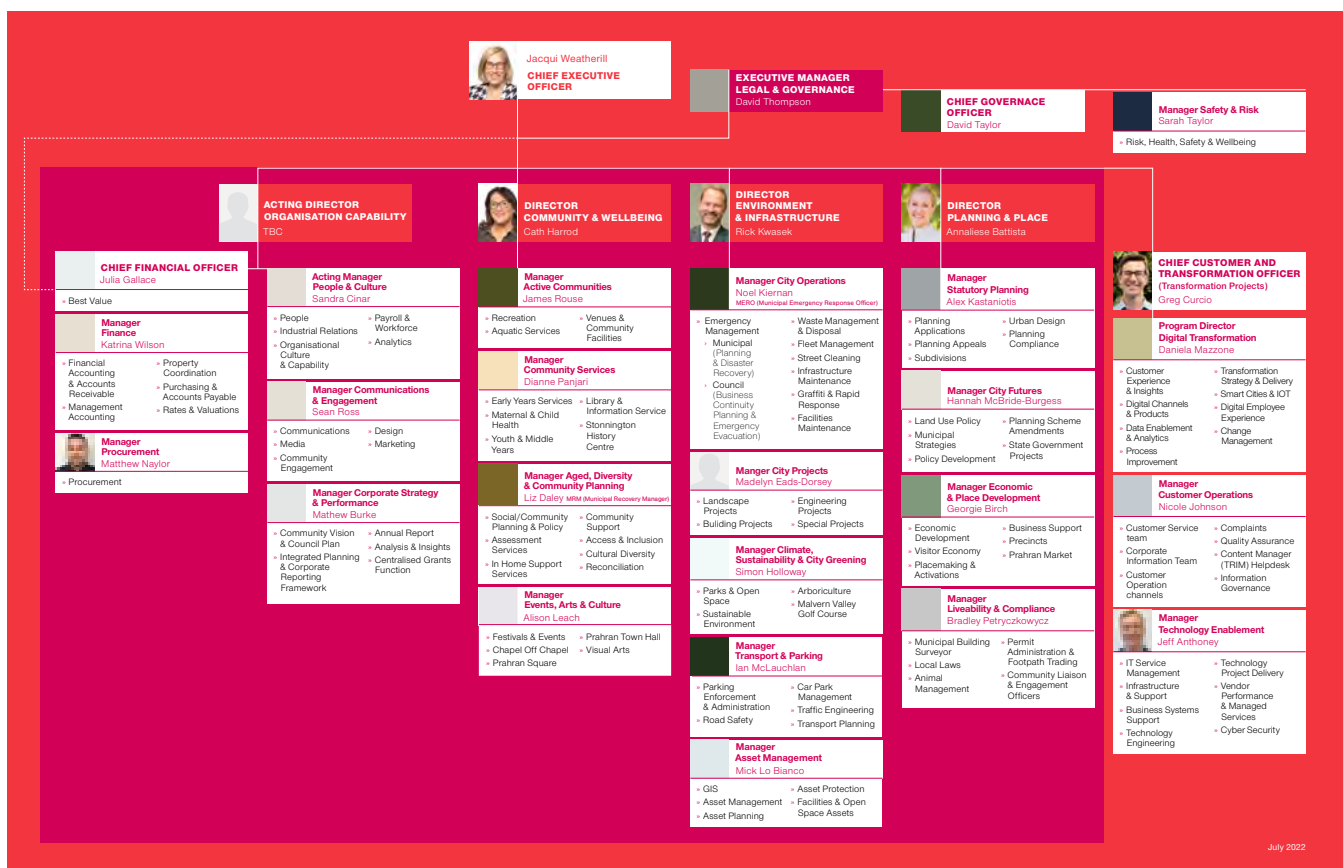
- » Chief Executive Officer, Jacqui Weatherill
- » Director Planning and Place, Annaliese Battista
- » Director Community and Wellbeing, Cath Harrod
- » Director Environment and Infrastructure, Rick Kwasek

- » Acting Director Organisation Capability, Tracey Limpens

The following senior Council officers have access to the Executive Team agenda, papers and minutes and attend meetings on request:

- » Chief Customer and Transformation Officer, Greg Curcio
- » Chief Financial Officer, Julia Gallace
- » Executive Manager Legal and Governance, David Thompson

The areas of responsibility of the Executive Team members and their direct reports are included in the organisational chart.



## Major changes

Cr Kate Hely's term as mayor concluded on 23 November 2021 and Cr Jami Klisaris was elected as mayor for the second year of the four-year term.

COVID-19 restrictions, as well as capacity limitations have significantly impacted the delivery of all non-essential services such as operation of our aquatic facilities, libraries and large-scale events, and Council

has had to adapt some of our core services such as aged care and maternal child health.

In March 2022, a new Organisation Capability directorate was formed consisting of Council's finance, people and culture, communications and engagement, and corporate strategy and performance departments.

## Council staff

A summary of the number of our full time equivalent (FTE) staff across a range of aspects as at 30 June 2022 is set out below. Full time equivalent (FTE) is represented by actual time worked across the financial year (as a pro-rata of FTE).

Employment type – gender	CEO Office	Community & Wellbeing	Customer & Technology	Environment & Infrastructure	Organisation Capability	Planning & Place	Total FTE
Permanent full time – F	13.96	83.30	18.17	36.14	33.70	50.45	235.72
Permanent part time – F	0.00	65.83	3.75	0.76	2.65	3.59	76.59
Temporary part time – F	0.00	11.32	0.00	0.50	0.97	0.85	13.64
Temporary full time – F	0.02	13.42	10.76	5.13	3.70	4.65	37.67
Casual – F	0.26	22.04	2.05	0.43	0.00	0.68	25.46
Permanent full time – M	5.02	28.70	24.67	138.04	14.92	33.19	244.54
Permanent part time – M	0.00	34.37	0.85	2.77	0.00	0.60	38.59
Temporary part time – M	0.95	3.69	0.00	1.39	0.00	0.40	6.43
Temporary full time – M	0.46	4.05	9.93	4.40	2.72	3.24	24.81
Casual – M	0.00	10.93	2.01	6.83	0.85	0.89	21.52
Casual – X (self-prescribed gender)	0.00	0.22	0.00	0.00	0.00	0.00	0.22
<b>Total</b>	20.68	277.89	72.19	196.40	59.50	98.54	725.19

Staff profile by employment classification and gender. Full time equivalent (FTE) is represented by actual time worked across the financial year (as a pro-rata of FTE).

Employment classification	Female FTE	Male FTE	X FTE	Total FTE
Band 2	20.58	25.99	0.00	46.57
Band 3	39.82	15.39	0.18	55.39
Band 4	69.70	27.02	0.04	96.75
Band 5	79.51	41.78	0.00	121.29
Band 6	75.67	43.07	0.00	118.74
Band 7	32.06	32.99	0.00	65.05
Band 8	27.83	27.17	0.00	55.00
Other	43.92	122.47	0.00	166.39
<b>Total</b>	389.09	335.88	0.22	725.19



## Equal employment opportunity

Discrimination, bullying, harassment, sexual harassment and victimisation are not only unacceptable they are unlawful under Victorian and Commonwealth legislation.

The City of Stonnington is committed to providing a workplace free of all forms of discrimination, bullying, harassment, sexual harassment and victimisation. We aim for equality of opportunity for all employees and to eliminate discrimination relating to the protected attributes outlined in the *Equal Opportunity Act 2010*.

We have well-established policies and procedures in place to support this aim including the ability to report complaints. We ensure employees receive information and training about equal opportunity expectations at induction and regular intervals throughout their employment.

As part of our commitment, we also have a network of trained contact officers to provide confidential support and advice to any employee who believes they may be experiencing discrimination or harassment in the workplace. In 2022 we also introduced two LGBTIQ+ contact officers, who are dedicated to supporting Council employees belonging to the LGBTIQ+ communities.

- » Indicator: percentage of new employees receiving equal opportunity training within six months of commencement. Target: 100 per cent. Result: 68 per cent
- » Indicator: percentage of existing employees receiving refresher equal opportunity training at least every two years. Target: 100 per cent. Result: 74 per cent
- » Indicator: number of contact officers per number of Council employees. Target: 1:50. Result: 1:66

	2018–19	2019–20	2020–21	2021–22
Training sessions conducted	15	face-to-face (+ online)	Online training only due to COVID-19	Training completed via online module
Employees completing training sessions	214	167	118	349 completed online module
Number of equal opportunity reports	4	5	2	2
Number of equal opportunity investigations reported to external bodies	2	2	0	0
Number of equal opportunity complaints resolved internally	1	3	1	2

## Workplace diversity, equity and inclusion

Through extensive consultation with staff at all levels across Council, an ambitious multi-year workforce plan has been developed and endorsed by our Executive Leadership Team to elevate Stonnington's commitment to diversity, equity and inclusion. A new team has been established to manage key strategies, policies and initiatives across the organisation, including *Gender Equality Act 2020* obligations.

### Gender equality

The *Gender Equality Act 2020* results from the 2016 Royal Commission into Family Violence and requires public service entities in Victoria to take positive action towards achieving workplace gender equality. We successfully met all obligations set out in the reporting year, including:

#### Stonnington's first Workplace Gender Equality Audit

The audit provided valuable insights into the state and nature of gender equality in our workplace through an intersectional lens. It highlighted priority areas for developing a tailored Gender Equality Action Plan. This comprehensive audit will be undertaken and submitted to the Commission for Gender Equality in the Public Sector every four years to measure progress.

#### Stonnington's first Gender Equality Action Plan (GEAP)

GEAPs and audits help us plan, implement and measure the change in our workplace. Our GEAP presents Council's commitment to improving workplace gender equality from 2021–25, through ambitious strategies and measures. The plan embeds this critical work and shares responsibilities at all levels and business areas across Council.

#### Conducting Gender Impact Assessments (GIA)

GIAs help us build more inclusive practices into how we design, develop and deliver policies, programs and services that directly impact the public and our communities. We are currently undertaking GIAs while building the capacity of the organisation to meet this legislated obligation.

### Working groups and networks

- » An ongoing Workforce Diversity and Inclusion Working Group was established this year which was open to all staff and provides an opportunity to connect across teams and departments on Diversity, Equity and Inclusion (DEI) initiatives.

- » Stonnington's first Workforce Pride Network began in early 2022, participating in the Midsumma Pride March. The network was formally launched with a Live Drag Bingo Event for IDAHOBIT Day.
- » Stonnington is represented as an active participant in the Local Government Diversity and Inclusion Network (LGDIN). The network has grown significantly in the last 12 months, with DEI practitioners working collaboratively to share resources and knowledge to improve the workforce DEI right across Victoria.
- » Stonnington is represented as a participant in the Koorie State-wide Local Government Advocacy Group Network Meeting. The monthly meeting brings Aboriginal and Torres Strait Islander staff across Victoria together for peer support, networking, and collaboration.

### Significant DEI calendar of events

- » Wear it Purple Day: CEO Jacqui Weatherill and guest speaker Cr Mike Scott joined Council employees for a virtual Morning Tea to celebrate Wear It Purple Day 2021.
- » Sorry Day and Reconciliation Week: to mark these two significant dates we acknowledged the critical role we as a Council play in influencing and enacting change both as an employer and a provider of services through a curated collection of film, documentary, music and art for staff to connect with.
- » NAIDOC Week: to celebrate NAIDOC Week we hosted an afternoon tea with music and recorded music and storytelling from First Nations Artists in the Malvern Town Hall on the theme 'Get up, Show up, Stand up'.
- » Midsumma Pride March: in January 2022, Stonnington Councillor's, LGBTIQ+ Advisory Committee, the Workforce Pride Network and staff marched together to represent Stonnington at the Midsumma Pride March.
- » International Women's Day: to celebrate IWD, we hosted a lunchtime concert for staff featuring three amazing First Nations artists, Maurial Spearim, Lauren Sheree and Madi Coleville Walker.
- » IDAHOBIT Day: to celebrate International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT) we hosted a lively Drag Bingo session and formally launched Stonnington's Workforce Pride Network.
- » Cultural Diversity Week: to celebrate Cultural Diversity Week 2022 the Workforce DEI Working Group created a Connecting with Culture cookbook featuring recipes and stories by employees.

## Pulse (engagement) survey February 2022



80%

of participants believe Stonnington is committed to creating a diverse and inclusive workplace



87%

of participants believe they have an effective working relationship with their manager and that their manager appreciates their contributions



98%

of participants are committed to delivering on expectations



80%

feel enthusiastic and engaged about their work



81%

of respondents feel connected to their team and co-workers



87%

of participants believe the work they do makes a positive difference

### Our focus areas

In February 2022, employees found themselves in a challenging work environment with the Omicron wave in Melbourne resulting in Stonnington offices being closed. Working under such conditions was resulting in employees having less energy and feeling less connected to the organisation. In response to employee feedback, we implemented additional wellbeing initiatives into our Wellbeing Program, are developing different ways to communicate with staff to ensure they feel part of the organisation and ensuring our people are taking regular breaks and enjoying work/life balance. We also encourage the use of our Employee Assistance Program (EAP), where employees and their families can access free counselling support.

### New ways of working

Since the COVID-19 pandemic, Council has shifted to a hybrid working model, allowing office-based staff to work a hybrid of home and office-based work.

Since the introduction of the hybrid working model Stonnington has also observed a positive impact upon productivity levels. We want to ensure employees feel happy, healthy and productive in a flexible working environment that fosters safety and positively benefits wellbeing and work/life balance. Employees are encouraged to work with their direct manager to discuss what working flexibly means to them and how Council can support them.

### Professional development

*We recognise potential and support learning.*

We have a strong commitment to helping staff develop and further enhance their skills. We support and encourage this development through a variety of methods. This year Council introduced a City of Stonnington Capability Framework. The Capability Framework has been developed to provide a consistent and common language for all staff across Council to understand what is required of them in their roles. It is intended to be used as a guide to identify learning and development needs of staff.

## Enterprise bargaining agreement

Council has been negotiating Enterprise Agreement 11 with bargaining representatives since March 2021 and negotiations are progressing. Council is committed to expediting the bargaining agreement to reach a successful finalisation of the process for all stakeholders.

## Wellbeing program

The FY22 Wellbeing Program was transformed into a hybrid format as the State Government COVID-19 requirements began to ease. Throughout this process, our staff remained engaged and enjoyed our new approach to Wellbeing. The program continued to focus on the three key pillars – healthy mind, healthy body and healthy life. We ended the year with an in-person Wellbeing Expo promoting all the services available to Council staff. This year, Council appointed a new Employee Assistance Program provider, AccessEAP, for our employees to access support services ranging from financial, career, family, wellbeing and health. These important services have assisted our employees through an ever-changing climate

## Remuneration

Our staff are remunerated in accordance with our Enterprise Agreement, currently the Stonnington City Council Enterprise Agreement No.10 2017–21. A summary of remuneration is included in the financial report under *Note 7.1 – Council and key management remuneration*.

## Volunteers

City of Stonnington does not currently have any volunteer staff.





# Corporate governance

## Governance

Council consists of nine Councillors who are democratically elected in accordance with the *Local Government Act 2020*. The City of Stonnington is constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and the local community. The overarching principles outlined in the Act include:

- » Council decisions are to be made and actions taken in accordance with the relevant law.
- » Priority is to be given to achieving the best outcomes for the municipal community, including future generations.
- » The economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted.
- » The municipal community is to be engaged in strategic planning and strategic decision-making.
- » Innovation and continuous improvement is to be pursued.
- » Collaboration with other Councils, Governments and statutory bodies is to be sought.
- » The ongoing financial viability of the Council is to be ensured.

- » Regional, State and national plans and policies are to be taken into account in strategic planning and decision making.

- » The transparency of Council decisions, actions and information is to be ensured.

Our formal decision-making processes are conducted through Council meetings and Delegated Committees of Council. Decision making is also delegated to Council staff. These delegations are exercised in accordance with the relevant legislation and adopted policies.

## Council

A council must consist of not fewer than five and not more than 12 Councillors. The City of Stonnington has had nine Councillors since the amalgamation of councils in the 1990s and subsequent boundary reviews conducted by the Victorian Electoral Commission at various legislative periods since then.

Council elections are held every four years at the end of October. The last general Council election was held by postal ballot on 24 October 2020. Council positions by ward are summarised below:

	Suburbs	2020–24 Council term
<b>East Ward</b>	Glen Iris	Cr Jami Klisaris
	Malvern East	Cr Alexander Lew
	Malvern (Eastern part of suburb)	Cr Polly Morgan
<b>South Ward</b>	Armada	Cr Nicki Batagol
	Prahran	Cr Melina Sehr
	Windsor (Northern part of suburb)	Cr Mike Scott
	Malvern (South-western part of suburb)	
<b>North Ward</b>	Kooyong	Cr Marcia Griffin
	Toorak	Cr Kate Hely
	South Yarra	Cr Matthew Koce
	Malvern (North-western part of suburb)	

## Mayor

The Mayor chairs all meetings of Council at which they are present. The Mayors during FY22 were:

- » Cr Kate Hely: 23 November 2020 – 23 November 2021
- » Cr Jami Klisaris: 23 November 2021 – present

## Meetings of Council

Meetings of the Council are held fortnightly, excluding January. Interested members of the public can attend Council meetings in person or view live stream over the internet. Recordings are usually available on our website within 48 hours after the meeting. Copies of the Council Agenda are available prior to the meeting on the website and for viewing at the Stonnington Centre. Minutes and Agendas of past meetings are also available on the website and the meeting procedure is outlined in the Council's Governance Rules.

Councillor Briefings are held on alternative Mondays and are not open to the public. These are not decision-making meetings but closed, informal meetings where Councillors have the opportunity to have in-depth discussions on strategic policy development, new and ongoing projects and other matters that may require clarity.

Planning consultative meetings are part of the City of Stonnington's planning process. These meetings provide a forum for the ward Councillors, applicant and objectors to discuss their points of view in respect to a proposed development and endeavour to reach some mutual agreement on the proposal before the Council considers the permit application. Such meetings are held when there are seven or more objectors.

### Councillor meeting attendance 2021–22<sup>4</sup>

	Council Meetings	Councillor Briefings	Planning consultative meetings		
			East Ward	South Ward	North Ward
<b>Total meetings held</b>	<b>21</b>	<b>19</b>	<b>9</b>	<b>15</b>	<b>9</b>
N Batagol	20	19		9	
M Griffin	19	19			8
K Hely (Mayor from 23 November 2020- 23 November 2021)	19	17			8
J Klisaris (Mayor from 23 November 2021-Present)	21	17	5		
M Koce	20	19			8
A Lew	19	16	9		
P Morgan	19	16	8		
M Scott	19	15		11	
M Sehr (Deputy Mayor from 23 November 2020-Present)	18	15		10	

<sup>4</sup> Whilst non-attendance at a Council meeting due to an approved leave of absence is counted as an attendance for the purposes of calculating service performance indicator G4: Councillor attendance at council meetings (page 77), such non-attendance due to an approved leave of absence is not counted as an attendance in this table.

## Governance Cont...

### Advisory Committees

Council also has a number of local advisory committees as detailed below. Councillors attend meetings of these committees as the Council representatives.

- » Stonnington Cycling Reference Group
- » Prahran Town Hall Redevelopment Steering Group
- » Community Grants Working Group
- » Multi-purpose sports and recreation facility – Percy Treyvaud Memorial Park Steering Committee.
- » Climate Emergency Advisory Committee
- » Stonnington Community Recovery Committee
- » Stonnington Disability and Access Committee
- » Stonnington LGBTIQ+ Advisory Committee
- » Reconciliation Action Plan Advisory Committee
- » Volunteer Awards Working Group
- » Transport Advisory Committee
- » Transformation Councillor Reference Group
- » Economic & Place Development Advisory Committee
- » Toorak Park Redevelopment Steering Committee
- » Chapel Street Transformation Steering Committee

### Delegated Committees

The *Local Government Act 2020* allows Councils to establish one or more delegated committees consisting of Councillors, Council staff, other persons, and any combination of these. The previous Inner Melbourne Action Plan Implementation Committee (IMAP), which was a delegated committee, was dissolved on 3 May 2021 and no longer convenes. The Melbourne 9 (M9) now convenes and consists of the Cities of Melbourne, Stonnington, Port Phillip, Yarra, Moonee Valley, Maribyrnong, Moreland, Hobsons Bay and Darebin.

### Citizenship

Citizenship may be conferred upon people wishing to become Australian Citizens and is a Federal Government process conducted by the Office of Home Affairs. Once the application is approved by the Office of Home Affairs, it authorizes a Local Government to conduct a Citizenship Ceremony on its behalf and provides the names of the applicants to take their Affirmation of Allegiance (or Oaths) and receive their Australian Citizenship Certificate. The City of Stonnington is proud to be able to conduct these citizenship ceremonies on behalf of the Federal Government.

	2018–19	2019–20	2020–21	2021–22
Number of ceremonies	6	12*	12*	13*
Number of people naturalised	553	795	324	583

Note: \* Seven ceremonies were conducted online in FY20, nine in FY21 and nine in FY22 due to COVID-19 restrictions.

### Code of Conduct

The *Local Government Act 2020* requires Councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. The Code of Conduct was adopted on 15 February 2021 with individual declarations signed and witnessed on 15 March 2021.

### Conflict of Interest

Sections 126 to 131 of the *Local Government Act 2020*, and Chapter 5 of the Governance Rules require each Councillor to identify, manage and disclose any conflicts of interest they may have. Regulation 7 of the *Local Government (Governance and Integrity) Regulations 2020* sets out matters that are prescribed to be exempt under section 129(g) of the Act.

Section 132 of the *Local Government Act 2020* requires Councillors to submit 'initial personal interests return' and 'biannual personal interests return' – March and September. Council meets the requirements of the Act and publishes the summary of personal interests on the Council's website and available for inspection at the Council office.

## Councillor Allowances and Expenses

Section 41 of the *Local Government Act 2020* provides that Councils must adopt and maintain an Expenses Policy in relation to the reimbursement of out-of-pocket expenses for Councillors and members of delegated committees. The Councillor and Member of a Delegated Committee Expenses Policy was operational on 2 February 2021.

The Council publishes (in this report) the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council committee paid by the Council.

The *Local Government Act 2020* provides for annual adjustments for Mayor, Deputy Mayor and Councillor allowances by the Minister for Local Government in line with movements in the remuneration of Victorian statutory and executive officers, and are as follows:

As at 30 June 2022	
Mayor	\$119,316
Deputy Mayor	\$59,659
Councillors	\$35,972

The Mayor is not entitled to receive the Councillor allowance in addition to the Mayoral allowance. The Mayor and Councillors also receive an amount equivalent to the Superannuation Guarantee levy. Allowances are paid monthly, and a pro-rata adjustment made with the change of Mayor and with the change of Councillors following the General Election.

The following table contains a summary of the allowances paid to Councillors during 2021–22.

Councillor	Allowance	Superannuation guarantee levy equivalent
N Batagol	\$32,120.27	\$3,212.04
M Griffin	\$32,120.27	\$3,212.04
K Hely (Mayor from 23 November 2020-23 November 2021)	\$59,332.96	\$5,933.33
J Klisaris (Mayor from 23 November 2021-Present)	\$77,541.25	\$7,754.12
M Koce	\$32,120.27	\$3,212.04
A Lew	\$32,120.27	\$3,212.04
P Morgan	\$32,120.27	\$3,212.04
M Scott	\$32,120.27	\$3,212.04
M Sehr (Deputy Mayor from 23 November 2020-Present)	\$43,697.03	\$4,369.67



## Governance Cont...

The details of the expenses including reimbursement of expenses for each Councillor and member of a Council committee paid by Council for the 2021–22 year are set out in the following table.

Councillor	Expense type (\$)							Total (\$)
	Travel (interstate)	Travel (local)	Car mileage	Childcare	Information & communication expenses	Conferences and training expenses	Other expenses	
N Batagol	2,063.55	-	-	-	1,993.84	1,987.28	611.67	6,656.34
M Griffin	1,863.29	206.83	-	-	1,189.54	100	700.81	4,060.47
K Hely (Mayor from 23 November 2020-23 November 2021)	854.07	-	-	-	750.96	5,636.36	-	7,241.39
J Klisaris (Mayor from 23 November 2021-Present)	-	-	-	-	1,064.18	-	297.13	1,361.31
M Koce	-	47.82	-	-	1,678.24	100	550	2,376.06
A Lew	3,111.26	475.25	-	6,057.50	1,810.02	2,148.18	1,982.62	15,584.83
P Morgan	-	-	-	-	697.31	350	123.32	1,170.63
M Scott	2,063.55	-	-	-	750.95	1,967.28	-	4,781.78
M Sehr (Deputy Mayor from 23 November 2020-Present)	506.25	163.64	-	-	1,934.28	1,058.18	611.67	4,274.02

# Management

Council has implemented a range of processes to strengthen its management and governance framework. Having strong governance and management frameworks leads to better decision-making by Council. The *Local Government Act 2020* requires Council to undertake an assessment against the prescribed Governance and Management Checklist and include this in its report of operations. The following items have been highlighted as important components of the management framework.

## Audit and Risk Committee

The Audit and Risk Committee Charter was approved by the Council on 1 June 2020 in order to comply with the *Local Government Act 2020* to approve the first Charter and establish the first Audit and Risk Committee on or before 1 September 2020.

Specifically, the Committee is charged with:

- » Reviewing and giving independent advice and assurance to the Council on the appropriateness of the Council's risk management framework and associated processes.
- » Maintaining open lines of communication among the Councillors, internal auditors, external auditors and Council Officers to enable an exchange of views and information.
- » Determining through regular review of audit activity, the adequacy and effectiveness of the administrative operating and accounting controls.
- » Assisting in establishing and maintaining appropriate corporate conduct and good governance.
- » Overseeing and appraising the quality of the audits conducted by the Council's Internal and External Auditors.
- » Reviewing the annual financial and performance statements of the Council.
- » Providing advice in determining the Council's risk control audit programs and risk minimisation measures.

### Committee Membership

The Committee comprises four independent members and three Council representatives as follows:

Independent	Beverley Excell (Chair from 17 May 2021 to present)
Independent	David Ashmore (Deputy Chair from 17 May 2021 to present)

Independent	Pallavi Khanna (Member from 17 May 2021 to present)
Independent	Jenny Johanson (Member from 4 October 2021 to present)
Councillor	Marcia Griffin appointed from 23 November 2020 to 22 November 2021
Councillor	Kate Hely appointed from 23 November 2020 to 22 November 2021
Councillor	Jami Klisaris appointed from 23 November 2021 to present
Councillor	Melina Sehr appointed from 23 November 2021 to present
Councillor	Nicki Batagol appointed from 23 November 2021 to present

### Internal Audit Plan

The Audit and Risk Committee on 18 November 2021 approved the following Internal Audit Plan to be conducted by Internal Auditor HLB Mann Judd.

- » FY21/22 -01 Review of Risk Management Framework
- » FY21/22-02 Review of Occupational Health and Safety
- » FY21/22-03 Review of Financial Controls
- » FY21/22-04 Review of Councillor Expenses
- » FY21/22-05 Review of Procurement (minor and major)
- » FY21/22-06 Review of Developer and Open Space Contributions
- » FY21/22-07 Review of Asset Management
- » FY21/22 -08 Review of IT Strategy & Governance
- » FY21/22-09 Follow Up Review

### External Audit

On 10 March 2022 the Victorian Auditor General's Office advised that Mr Phil Delahunty of RSD Audit had been appointed External Auditor to assist in the annual audit of the Council's Financial and Standard Statements and Performance Statement.

## Management Cont...

### Occupational Health and Safety

Council is committed to providing and maintaining a healthy and safe work environment for its employees, contractors and community.

During 2021–22, all safety incidents that met the WorkSafe Victoria criteria for notifiable incidents were reported.

Council has seen a 22 per cent reduction in incidents between 2017–18 and 2021–22, and a reduction of 11 per cent year on year. These results are showing that the implementation of the Safety Transformation Project speaks to Council staff becoming more aware of their surroundings and the processes that they are required to follow.

Safety improvements have been observed through:

- » Safety reporting quality
- » Lost Time Injuries and Council's Lost Time Injury Frequency Rate
- » COVID-19 Safe practices across all Council services, and
- » Workers Compensation Claims management

Year-on-year Council has seen some mixed results in the key measurable safety data with the data showing there are some areas for improvement, however, overall Council's results are positive.

### Project Governance

The Manager, City Projects oversees the delivery of the majority of capital works and ensures projects are delivered in accordance with Council's Project Management framework. There are three levels of projects identified in the Project Management Framework and each have their own governance structures. Progress against major projects is reported in the Council Plan, with major capital works also reported against as part of the monthly finance update to Council's Capital Planning and Works Committee.

### Risk Management

Improvements have been noted across Council's risk management processes. Council has seen an uplift in informed decision making, achieving objectives and the identification of opportunities for continuous improvement across the Divisions. Our Risk Management process consists of performing risk analyses, conducting risk assessments, documenting policies and procedures and building and maintaining an internal audit program.

Council maintains risk registers identifying Corporate and Operational risks with controls to minimise risk exposure. The review of the Corporate and Operational Risk Registers is ongoing to ensure that Council is best positioned to minimise any risks that may impact our community, staff or services.

Council's Enterprise Risk Management Framework has expanded with the development of Council's Strategic Risks.

Appropriate insurance cover for Council's operations and buildings is maintained annually.

### Emergency Management

During 2021–22, Council:

- » Provided response for increasing severe weather and natural events, including localised earthquake event in Chapel Street.
- » Provided ongoing support and partnership with Star Health and allied support organisations in the provision of emergency food relief for at risk community members isolating with COVID-19.
- » Undertook internal emergency management capacity and capability review and implemented recommendations, mitigating risk and ensuring effective support for the community.
- » Developed emergency management framework within Council to ensure best outcomes during emergency events.
- » Undertook strategic forward planning in line with legislation and Council strategies including staff training and exercises to build capacity and capability response and recovery.

## Information Privacy

The City of Stonnington is committed to full compliance with its obligations to protect information privacy under the *Privacy and Data Protection Act 2014*, *Health Records Act 2001* and *Charter of Human Rights and Responsibilities Act 2006*. Council believes that the responsible handling of personal information is a key aspect of democratic governance and is strongly committed to protecting an individual's right to privacy.

For more information about the way Council responsibly handles personal information and health information, please see our Privacy Policy and Health Records Policy (available online).

Summary of information privacy complaints received

	2018–19	2019–20	2020–21	2021–22
Internal reviews	3	5	5	0
Review by Privacy Commissioner	-	-	-	-

## Charter of Human Rights and Responsibilities Act 2006

The *Charter of Human Rights and Responsibilities Act 2006* sets out 20 rights that reflect four basic principles: freedom, respect, equality and dignity.

The Charter requires Council, as a public authority, to take human rights into account when making decisions, providing advice and delivering services. Section 38(1) of the Charter states that: 'it is unlawful for a public authority to act in a way that is incompatible with a human right or, in making a decision, to fail to give proper consideration to a relevant human right.'

Council staff undergo Human Rights training on a biannual basis.

## Victorian Ombudsman

The Victorian Ombudsman is a constitutional independent officer of the Victorian Parliament established under the *Ombudsman Act 1973*.

The Ombudsman's office also checks compliance by state entities with certain specified Victorian legislation such as the *Protected Disclosure Act 2012* and the *Charter of Human Rights and Responsibilities Act*.

	2018–19	2019–20	2020–21	2021–22
Complaints referred to Council by the Ombudsman for investigation	12	9	9	11

*Note that multiple referrals regarding the same matter are counted as a single referral within this table*



# Governance and management checklist

No.	Item	Assessment
<b>1</b>	<b>Community Engagement Policy</b> <i>Policy outlining Council's commitment to engaging with the community on matters of public interest</i>	<b>Adopted in accordance with s 55 of the Act</b> Titled 'Engagement Policy'. First adopted by Council 3 May 2021. Last updated December 2021
<b>2</b>	<b>Community Engagement Guidelines</b> <i>Guidelines to assist staff to determine when and how to engage with the community</i>	<b>Current guidelines in operation</b> Guidelines to assist staff to determine when and how to engage with the community is included in the Engagement Policy document (see Item 1 above)
<b>3</b>	<b>Financial Plan</b> <i>Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years</i>	<b>Adopted in accordance with s 91 of the Act</b> Adopted by Council: 18 October 2021
<b>4</b>	<b>Asset Plan</b> <i>Plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years</i>	<b>Adopted in accordance with s 92 of the Act</b> Adopted by Council: 30 May 2022
<b>5</b>	<b>Revenue and Rating Plan</b> <i>Plan setting out the rating structure of Council to levy rates and charges</i>	<b>Adopted in accordance with s 93 of the Act</b> Adopted: 28 June 2021
<b>6</b>	<b>Annual Budget</b> <i>Plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required</i>	<b>Budget adopted in accordance with s 94 of the Act</b> Adopted by Council: 14 June 2022
<b>7</b>	<b>Risk Policy</b> <i>Policy outlining Council's commitment and approach to minimising the risks to Council's operations</i>	<b>Current policy in operation</b> Commitment and approach contained in 'Risk Management Policy' Last updated: July 2021
<b>8</b>	<b>Fraud Policy</b> <i>Policy outlining Council's commitment and approach to minimising the risk of fraud</i>	<b>Current policy in operation</b> Titled 'Fraud and Corruption Control Policy and Procedure' Adopted 18 March 2013, last updated August 2019
<b>9</b>	<b>Municipal Emergency Management Plan</b> <i>Plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery</i>	<b>Prepared and maintained in accordance with s 20 of the Emergency Management Act 1986</b> Adopted: 21 September 2020
<b>10</b>	<b>Procurement Policy</b> <i>Policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council</i>	<b>Adopted in accordance with s 108 of the Act</b> Adopted: 13 December 2021
<b>11</b>	<b>Business Continuity Plan</b> <i>Plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster</i>	<b>Current plan in operation</b> Adopted: October 2021
<b>12</b>	<b>Disaster Recovery Plan</b> <i>Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster</i>	<b>Current plan in operation</b> Updated: 30 July 2020
<b>13</b>	<b>Risk Management Framework</b> <i>Framework outlining Council's approach to managing risks to the Council's operations</i>	<b>Current framework in operation</b> Titled 'Enterprise Risk & Opportunity Management Framework' Adopted: 30 March 2021
<b>14</b>	<b>Audit and Risk Committee</b> <i>Advisory committee of Council under section 53 and 54 of the Act</i>	<b>Established in accordance with s 53 of the Act</b> Established: 1 June 2020

No.	Item	Assessment
	<b>Internal Audit</b>	<b>Internal auditor engaged</b>
15	<i>Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls</i>	Three-year period from 1 July 2019 Option to extend 2 x 1-year terms
	<b>Performance Reporting Framework</b>	<b>Current framework in operation</b>
16	<i>A set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act</i>	Endorsed by ET: 21 June 2022
	<b>Council Plan Report</b>	<b>Current report</b>
17	<i>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</i>	Presented within CEO Quarterly Update to Council. Q2: 7 March 2022 Q3: 30 May 2022
	<b>Quarterly Budget Reports</b>	<b>Quarterly reports presented to Council in accordance with s 97(1) of the Act</b>
18	<i>Quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations</i>	Presented within Council Financial Report to Council. Q1: 13 December 2021 Q2: 7 March 2022 Q3: 30 May 2022
	<b>Risk Reporting</b>	<b>Risk report prepared</b>
19	<i>Six-monthly reports of strategic risks to Council's operations, their likelihood, and consequences of occurring and risk minimisation strategies</i>	Presented to Audit and Risk Committee: 17 March 2022
	<b>Performance Reporting</b>	<b>Performance report prepared</b>
20	<i>Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act</i>	Presented to Audit and Risk Committee: 17 March 2022
	<b>Annual Report</b>	<b>Annual report presented at a meeting of Council in accordance with s 100 of the Act</b>
21	<i>Annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements</i>	Adopted by Council: 15 November 2021
	<b>Councillor Code of Conduct</b>	<b>Code of conduct reviewed and adopted in accordance with s 139 of the Act</b>
22	<i>Code setting out the standards of conduct to be followed by Councillors and other matters</i>	Adopted: 15 February 2021
	<b>Delegations</b>	<b>Delegations reviewed in accordance with s 11(7) of the Act and a register kept in accordance with ss 11(8) and 47(7) of the Act</b>
23	<i>Documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff</i>	S5 Instrument of Delegation – Council to CEO Updated: 6 September 2021
	<b>Meeting Procedures</b>	<b>Governance Rules adopted in accordance with s 60 of the Act</b>
24	<i>Governance Rules governing the conduct of meetings of Council and delegated committees</i>	Adopted: 31 August 2020

## Statutory Information

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

### Contracts

In 2021–22 Council maintained its existing programs to ensure compliance with sections 186 and 186A of the *Local Government Act 1989* and sections 108 and 109 of the *Local Government Act 2020*. Council continued its membership of the Municipal Association of Victoria's LEAP Program, which analyses expenditure by category and by supplier. The information gained enables Council to strategically plan future procurements for achieving greater cost savings.

Council's new Procurement Policy, written in collaboration with the South Eastern Regional Procurement Excellence Network, was adopted by Council on 13 December 2021.

Council did not enter into any contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works (LGA 1989), or \$300,000 (LGA 2020) without engaging in a competitive process.

### Documents available for public inspection

Council documents and registers are available for public viewing in accordance with the *Local Government Act 1989*, the *Local Government Act 2020* and Council's Public Transparency Policy. The community can also arrange to view these documents and registers at the Council Offices. Documents available for inspection include:

- » Meeting Agendas, Minutes and recordings
- » Audit and Risk Committee Charter
- » Delegations for Delegated Committees of the Council
- » Gift Registers for Councillors and Council Staff
- » Travel Registers for Councillors and Council Staff
- » Registers of Conflicts of Interest disclosed by Councillors and Council Staff
- » Registers of Leases entered into by the Council
- » Register of Delegations
- » Register of Authorised Officers
- » Public Notices
- » Policies, plans and strategies
- » Council Budget
- » Annual Report

- » Proposed and made Local Laws and any matter incorporated in a Local Law (sections 73,74, 75 & 76 of the *Local Government Act 2020*)
- » Election Campaign Returns (section 307 of the *Local Government Act 2020*)
- » Register of Election Campaign Donations (section 308 of the *Local Government Act 2020*)
- » Summary of Personal Interests (section 135 of the *Local Government Act 2020* and regulation 10 of the *Local Government (Governance and Integrity Regulations 2020)*)
- » Information about differential rates (section 161 of the *Local Government Act 1989*)

### Inclusion Plan

In accordance with section 38 of the *Disability Act 2006*, Council has prepared a Disability Action Plan (known as the Inclusion Plan 2019–22). The Inclusion Plan is being progressively implemented by Council. Achievements this financial year include:

- » Inaugural Stonnington Disability Forum held in July 2021. The forum featured a film screening of True Vision and panel involving members of Stonnington Disability and Access Committee to raise awareness of issues facing people with lived experience of disability.
- » Online Carers Forum held in October 2021 for family and friends caring for an older person, person with a disability or someone with a cognitive or mental health condition. This also included presentations by Little Dreamers and Carers Victoria.
- » Women and Disability staff awareness training delivered as part of Council's 16 Days of Activism against Gender Based Violence and to coincide with International Day of People with Disability.
- » Active Communities partnered with Sport4All program, delivered 25 events running over 8 days celebrating International Day of People with Disability. Come and Try activities were highlights of the weeklong program immersing sporting clubs and their members in various inclusive sporting opportunities.
- » Bi-monthly editions of Access News produced.
- » Universal design incorporated in the 'fit for purpose' audit of Council-owned buildings and DDA compliance.

- » Expansion of Council's online Disability Directory to include place-finding and mapping technology.
- » Partnered with the Brotherhood of St Laurence to deliver education sessions for Stonnington based childcare educators to build confidence and support parents and caregivers of children with a disability to navigate the National Disability Insurance Scheme (NDIS).
- » Six Stonnington Disability and Access Committee meetings conducted.
- » Online resource developed to support Council staff to deliver best practice accessible and inclusive online forums.
- » Deaf awareness training delivered by Expression Australia to increase staff awareness of Deaf culture, language, communication strategies and working with interpreters.
- » Live captioning and accompanying materials provided to attendees of Council events delivered online due to COVID-19 restrictions including the Literary Festival, International Day of Persons with a Disability, Carers Forum and Sustainability events. Post-production recording provided, where possible.
- » Auto-generated captioning available for live-streamed Council meetings.

## Domestic Animal Management Plan

In accordance with the *Domestic Animals Act 1994* s 68(A)3(c), Council is required to provide an update on implementation of our Domestic Animal Management Plan in our Annual Report.

Since the completion and implementation of the Domestic Animal Management Plan 2022–25, the Animal Management Team has:

- » Implemented a bi-monthly newsletter titled Paws and Claws which is issued to all pet owners within the City of Stonnington. The purpose of this newsletter is to communicate with, and target priority matters within the community relating to pet ownership.
- » Conducted a clean-up of outstanding pet registrations within Council's database and updated information accordingly.
- » Prepared detailed signage information for the dedicated off-leash dog park at Thomas Oval, South Yarra.

Council will continue to implement the Stonnington Domestic Animal Management Plan and fulfil our commitments contained within.

## Freedom of Information

The *Freedom of Information Act 1982* establishes a legally enforceable right for the community to access information from certain records held by Council.

Council received 101 applications during the financial year and 60 of those applications were valid<sup>5</sup> and resulted in a decision being made under the FOI Act.

Summary of freedom of information applications	2018–19	2019–20	2020–21	2021–22
Valid applications received and processed	66	67	84	60
External reviews	6	-	1	5
Appeals to VCAT	5	-	-	2
Total requests received <sup>6</sup>	N/A	N/A	NA	101

## Food Act Ministerial directions

In accordance with the *Food Act* s 7E, we must publish a summary of any Ministerial direction received during the financial year in our Annual Report.

No such Ministerial directions were received by Council during 2021–22.

<sup>5</sup> A request will not be valid if it can be dealt with under Council's Part II Statement or Public Transparency Policy, if it is dealt with outside of the FOI Act, if the application fee or access charges are not paid or the applicant does not elect to proceed after lodging a request.

<sup>6</sup> Total requests received is a new inclusion for the FY22 report as it more accurately reflects the total work being conducted as part of the FOI function at Council. After the introduction of the FOI Professional Standards, FOI decision-makers are now required to consider whether any requests can be dealt with outside of the FOI Act. This inclusion has decreased the total number of valid requests but reflects that the community is now being assisted via other avenues.



## Statutory Information Cont...

### Infrastructure and development contributions

In accordance with the *Planning and Environment Act 1987* ss 46GM and 46QD, Councils that are 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.

No such contributions were collected during 2021–22.

### Public interest disclosure procedures

Council does not tolerate improper conduct by the organisation, its employees, officers, Councillors or persons who are performing a public function on behalf of the Council under contract, nor the taking of reprisals against those who come forward to disclose such conduct.

Council recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal improper conduct or the taking of detrimental action in reprisal against persons who come forward to report such improper conduct.

Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person or body who is the subject of the disclosure.

Disclosures of this kind are treated in accordance with the *Public Interest Disclosure Act 2012* and Council's Public Interest Disclosure Procedure (the Procedure), which outlines processes around making, handling and assessing disclosures. The Procedure is available on Council's website or by contacting Council's Public Interest Disclosure Officer:

Executive Manager Legal and Governance  
PO Box 58,  
Malvern Victoria 3144  
0408 566 329  
disclosure@stonnington.vic.gov.au

Summary of disclosures made	2018–19	2019–20	2020–21	2021–22
Disclosures made	1	1	1	1
Disclosures referred to IBAC	1	-	1	1
Disclosures accepted by IBAC	-	-	-	1
Disclosures declined by IBAC	1	-	1	-
Disclosures referred to the Ombudsman for determination	-	-	-	-

### Road Management Act Ministerial direction

In accordance with the *Road Management Act 2004* s 22, Council published a revised Road Management Plan in 2021–22.

No such Ministerial directions were received by Council during 2021–22.







# Retired indicators

Service / indicator / measure		Results 2019	Comments
<b>Aquatic Facilities</b>			
<b>Service cost</b>			
AF4	<i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$2.58	This measure was replaced by <i>Cost of aquatic facilities</i> for 2020
AF5	<i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$0.00	This measure was replaced by <i>Cost of aquatic facilities</i> for 2020
<b>Animal Management</b>			
<b>Service cost</b>			
AM3	<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$79.03	This measure was replaced by <i>Cost of animal management service per population</i> for 2020
<b>Health and safety</b>			
AM4	<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	5	This measure was replaced by <i>Animal management prosecutions (%)</i> for 2020
<b>Libraries</b>			
<b>Service cost</b>			
LB3	<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$7.88	This measure was replaced by <i>Cost of library service per population</i> for 2020
<b>Maternal and Child Health (MCH)</b>			
<b>Satisfaction</b>			
MC1	<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	99.7%	This measure was replaced by <i>Participation in 4-week Key Age and Stage visit</i> for 2020

# Glossary

Key term/acronym	Meaning
<b>ABS</b>	Australian Bureau of Statistics
<b>Annual Plan</b>	Complementary document describing Council's program of activities for the Financial Year
<b>Community Vision</b>	An aspirational description of what our community want for the future of our city, comprising an overarching vision statement and six supporting principles
<b>Council Plan</b>	Describes how Council will strive towards the Community Vision during it's four-year term
<b>CPI</b>	Consumer Price Index
<b>CSS</b>	The Victorian Community Satisfaction Survey. Held annually, the CSS asks the opinions of local people about the place they live, work and play. It is coordinated by the Department of Jobs, Precincts and Regions on behalf of Victorian councils
<b>Directions</b>	Council's broad aspirations in delivering the Community Vision over the 4-year period as required by s 90(2)(a) of the LGA2020
<b>ESD</b>	Environmentally Sustainable Design
<b>IDAHOBIT</b>	International Day against Homophobia, Biphobia, Intersexism and Transphobia
<b>Key actions</b>	The critical activities – strategies, initiatives, projects and services – that will deliver on Council's priorities over the 4-year period of the Council Plan. They meet the requirements of ss 90(2)(c)&(e) of the LGA2020. Further details are included in each year's Annual Plan
<b>LGA2020</b>	<i>Local Government Act 2020</i>
<b>LGPRF</b>	Local Government Performance Reporting Framework. The LGPRF is a mandatory system of performance reporting for all Victorian councils, made up of a range of measures and available publically via the Know Your Council website
<b>MCH</b>	Maternal and Child Health
<b>NAIDOC</b>	National Aborigines and Islanders Day Observance Committee
<b>Objectives</b>	The key themes which underpin Council's strategic direction as required by s 90(2)(b) of the LGA2020
<b>Priorities</b>	The outcomes Council seeks to achieve against our strategic directions and objectives. They meet the requirements for 'strategies' as required by s 90(2)(c) of the LGA2020
<b>Profile i.d.</b>	Online information tool which provides local demographic, economic, housing and population forecast data for Stonnington
<b>Strategic direction</b>	See Directions
<b>Strategic indicators</b>	Set to provide insight or monitor the achievement of our strategic objectives as required by s 90(2)(d) of the LGA2020.
<b>Strategic objective</b>	See Objectives
<b>Supporting principles</b>	The six supporting principles, included within the Community Vision, which further describe and explain the rationale behind the aspirations of the vision
<b>VCAT</b>	Victorian Civil and Administrative Tribunal
<b>VicSmart</b>	A streamlined planning permit assessment process for low impact applications
<b>Vision</b>	See Community Vision
<b>VISTA</b>	Victorian Integrated Survey of Travel & Activity
<b>VPHS</b>	Victorian Population Health Survey. The VPHS collects information at the State, regional and local government area levels about the health, lifestyle and wellbeing of adult Victorians aged 18 years and over



# Performance statement

For the year ended 30 June 2022

## Description of municipality

The City of Stonnington is located in Melbourne's inner south-eastern suburbs, a short distance from the centre of Melbourne and alongside the Yarra River.

Covering an area of 25.62 square kilometres, the City stretches from Punt Road in the west to Warrigal Road in the east and is bounded by the Yarra River/Gardiners Creek to the north and Dandenong Road to the south. The City covers the suburbs of Prahran, Windsor (part), South Yarra (part), Toorak, Armadale, Malvern, Malvern East, Kooyong and Glen Iris (part).

The City is primarily a residential area, with significant retail/commercial activity along with institutional land uses. The Chapel Street Precinct is home to a vibrant entertainment area which attracts both residents and visitors to the municipality.

The ABS estimates that the resident population of the City of Stonnington, at 30 June 2022 was 114,340. It is anticipated that the municipality will grow to 143,257 by 2036 (*.id, Population and household forecasts, 2016 to 2036*).

The COVID-19 pandemic has had many and varied impacts across the City of Stonnington, greater Melbourne and beyond. The City of Stonnington responded swiftly to this health emergency, with our first priority at all times being the safety and wellbeing of our customers, community and staff.

Council significantly adjusted its operations as a result of the pandemic, including mandating most of its workforce to work from home, from where they now continue to deliver the many essential services that keep our community and environment safe, clean and functioning.

The pandemic had ongoing impacts in 2021–22, with many businesses forced to close or reduce operations, resulting in a significant economic impact. Council responded with support packages for business, rent relief for our council owned buildings and suspension of a range of fees and charges to help business get through this tough period.

## Sustainable Capacity Indicators

For the year ended 30 June 2022

### Indicators

Indicator / measure [formula]	Results				Comment
	2019	2020	2021	2022	
<b>Population</b>					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,399.63	\$1,401.00	\$1,388.55	\$1,623.97	<p>Council continues to manage a relatively low level of expenditure per head of population. This is through the efficient and effective delivery of high-quality services to the community within a responsible budget. The increase in this indicator compared with 2020-21 was a combined result of an increase in the operating expenses resulted from the interpretation of configuration and customisation costs incurred in implementing SaaS as per a clarification to accounting standard IAS 38 Intangible Assets – Configuration or Customisation Costs in a Cloud Computing Arrangement and net loss on disposal of non-financial assets.</p> <p>Municipal population: 2019: 116,281 (2018 ERP) 2020: 117,768 (2019 ERP) 2021: 118,614 (2020 ERP) 2022: 114,340 (2021 ERP)</p> <p>Stonnington's estimated resident population decreased by 3.6% in 2021. This was driven by interstate and international emigration at the height of the COVID-19 pandemic lockdowns.</p>
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$5,631.84	\$5,946.57	\$6,011.11	\$6,990.66	The increase of infrastructure per population is due to Council continuing to invest in high quality community infrastructure through its capital works program.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	352.14	355.79	361.63	348.60	While length of local roads has remained stable, Stonnington's estimated resident population decreased by 3.6% in 2021. The drivers of this are explained above and can account for the reduction in population density per length of local road this year.
<b>Own-source revenue</b>					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,489.92	\$1,431.01	\$1,354.44	\$1,504.69	The result has increased from 2020-21 due to an increase in Council's own-source revenue from the previous two years which were significantly impacted by COVID-19. This reflects Council's ability to build back revenue from different sources to ensure ongoing financial sustainability.
<b>Recurrent grants</b>					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$77.38	\$74.70	\$69.65	\$86.42	The variance year on year predominantly relates to the nature and timing of government grant funding to Council. Contributing factor to the increase this year is mainly due to 75% of the 2022-23 Financial Assistance Grants received in 2021-22 which

Indicator / measure [formula]	Results				Comment
	2019	2020	2021	2022	
					resulted in a favourable variance compared to prior year.
<b>Disadvantage</b>					
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	10.00	10.00	10.00	10.00	Stonnington's SEIFA rating indicates a low level of disadvantage. However, there are pockets of significant disadvantage in Prahran, South Yarra and Windsor, and some localised minor disadvantage in Malvern East.
<b>Workforce turnover</b>					
<i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	14.5%	12.0%	19.3%	18.3%	Workforce turnover from resignations and terminations is broadly similar to FY21, however has shown a slight decrease. The level remains higher than pre-pandemic levels as the entire market sector is seeing employees take different development opportunities outside Local Government.



## Definitions

Term	Meaning
<i>adjusted underlying revenue</i>	total income other than: <ul style="list-style-type: none"> <li>a) non-recurrent grants used to fund capital expenditure; and</li> <li>b) non-monetary asset contributions; and</li> <li>c) contributions to fund capital expenditure from sources other than those referred to above</li> </ul>
<i>infrastructure</i>	non-current property, plant and equipment excluding land
<i>local road</i>	a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
<i>population</i>	the resident population estimated by council
<i>own-source revenue</i>	adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
<i>relative socio-economic disadvantage</i>	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
<i>SEIFA</i>	the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website
<i>unrestricted cash</i>	all cash and cash equivalents other than restricted cash

## Service Performance Indicators

For the year ended 30 June 2022

### Indicators

Service/indicator/measure	Results				Comment
	2019	2020	2021	2022	
<b>Aquatic Facilities</b>					
<b>Utilisation</b>					
Utilisation of aquatic facilities  [Number of visits to aquatic facilities / Municipal population]	5.30	4.09	2.82	3.44	Despite the first half of the year being impacted by COVID-19 closures, utilisation is starting to return to pre-COVID-19 levels. However, staff shortages are still impacting our ability to deliver our full program offering. Capital works over the last 12 months, including at Harold Holt Swim Centre, has also impacted our casual visits.
<b>Animal Management</b>					
<b>Health and safety</b>					
Animal management prosecutions  [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	0%	100%	100%	All eight animal prosecutions heard in FY22 were successful.
<b>Food Safety</b>					
<b>Health and safety</b>					
Critical and major non-compliance outcome notifications  [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	90.75%	99.50%	100.00%	100.00%	All annual inspections that resulted in major or critical non-compliance have been reinspected for compliance. This totalled 125.
<b>Governance</b>					
<b>Satisfaction</b>					
Satisfaction with council decisions  [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	58	57	61	56	After an improvement following COVID-19 lockdowns, satisfaction with Council decisions returned to similar levels to previous corresponding period – above the state-wide average, but slightly below the Metro average.
<b>Libraries</b>					
<b>Participation</b>					
Active library borrowers in municipality  [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	15.46%	15.84%	13.32%	12.22%	This indicator has continued to be impacted by COVID-19 restrictions. Unlike other LGPRF indicators, this indicator takes into account a 3 year average of active borrowers which means we are only now reflecting the full impact of COVID-19, including the 'Click and Collect' operational model which was in place until November 2021. Latest quarter (Q4) shows the number of active borrowers has increased from previous corresponding period (11,297

Service/indicator/measure	Results				Comment
	2019	2020	2021	2022	
					for Q4 FY21; 13,863 for Q4 FY22).
<b>Maternal and Child Health (MCH)</b>					
<b>Participation</b>					
<i>Participation in the MCH service</i>  [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	78.84%	82.39%	80.45%	74.78%	Participation rate continues to be impacted by COVID-19. There were 3,404.5 children enrolled in the MCH service, of which 74.78% attended at least once in the year. (Note: Any 0.5 increment of enrolment or attendance occurs when a child moves in or out of Council part way through the year).
<b>Participation</b>					
<i>Participation in the MCH service by Aboriginal children</i>  [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	73.33%	95.45%	89.47%	95.00%	Participation rate reflects high attendance by Aboriginal children. There were 10 Aboriginal children enrolled in the MCH service, of which 95.0% attended at least once in the year (Note: Any 0.5 increment of enrolment or attendance occurs when a child moves in or out of Council part way through the year).
<b>Roads</b>					
<b>Satisfaction</b>					
<i>Satisfaction with sealed local roads</i>  [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	70	65	70	67	Community satisfaction with sealed local roads (67) was reduced compared to previous corresponding period (70), however, is still above the Metro average (65). Council continues to annually assess road condition to inform scheduling of road resurfacing works to maintain our high-quality road infrastructure.
<b>Statutory Planning</b>					
<b>Decision making</b>					
<i>Council planning decisions upheld at VCAT</i>  [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	48.00%	52.63%	42.55%	45.71%	This result will be variable as Council continues to make decisions in the best interest of the community. A slightly larger percentage of Council decisions in FY22 were upheld by the Tribunal compared to FY21.
<b>Waste Collection</b>					
<b>Waste diversion</b>					
<i>Kerbside collection waste diverted from landfill</i>  [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	34.81%	40.20%	39.89%	39.52%	There was a slight decrease in diversion rate compared to FY21. This may relate to people returning to the workplace and being less conscious of waste separation at home.

## Definitions

Term	Meaning
<i>Aboriginal child</i>	a child who is an Aboriginal person
<i>Aboriginal person</i>	has the same meaning as in the <i>Aboriginal Heritage Act 2006</i>
<i>active library borrower</i>	a member of a library who has borrowed a book from the library
<i>annual report</i>	an annual report prepared by a council under section 98 of the Act
<i>class 1 food premises</i>	food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 1 food premises under section 19C of that Act
<i>class 2 food premises</i>	food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 2 food premises under section 19C of that Act
<i>critical non-compliance outcome notification</i>	a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
<i>food premises</i>	has the same meaning as in the <i>Food Act 1984</i>
<i>local road</i>	a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
<i>major non-compliance outcome notification</i>	a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , 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
<i>MCH</i>	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
<i>population</i>	the resident population estimated by council
<i>the Act</i>	the <i>Local Government Act 2020</i>



## Financial Performance Indicators

For the year ended 30 June 2022

Dimension/indicator/measure	Results				Forecast				Material Variations and Comments
	2019	2020	2021	2022	2023	2024	2025	2026	
<b>Efficiency</b>									
<b>Expenditure level</b>									
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,523.22	\$2,522.68	\$2,458.24	\$2,796.72	\$2,689.86	\$2,718.27	\$2,801.24	\$2,832.70	<p>Council is delivering quality services in accordance with its long-term plan. The increase in this indicator compared to 2020-21 is primarily driven by the application of a clarification released to accounting standard for <i>IAS 38 Intangible Assets - Configuration or Customisation costs in a Cloud Computing Arrangement</i> as well as the write-off of infrastructure assets during the year. This has resulted in an increase in annual operating expenditure from \$164.70 million in 2020-21 to \$185.69 million in 2021-22.</p> <p>The forecasted metric for 2023 and beyond, factors in inflationary impacts on employee costs (including mandated superannuation increases), materials and services, management costs of new facilities (notably Percy Treyvaud), and depreciation and amortisation costs from the future capital and Digital Transformation programs.</p>
<b>Revenue level</b>									
<i>Average rate per property assessment</i> [Total rate revenue (general rates and municipal charges) / Number of property assessments]	New in 2020	\$1,443.55	\$1,426.94	\$1,505.92	\$1,532.26	\$1,560.22	\$1,588.06	\$1,619.99	<p>Council continues to have one of the lowest average residential rates and charges across metropolitan Melbourne. Council's actual rate increase was capped at 1.5 per cent for 2021-22 together with an increased number of property assessments.</p>
<b>Liquidity</b>									
<b>Working capital</b>									
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	260.39%	272.38%	235.52%	199.74%	148.63%	109.99%	80.66%	84.63%	<p>Council can comfortably meet all short-term financial commitments and is in a sound financial position. The decrease in later years reflects increased expenditure in capital works program (using cash reserves). Council proposes to take up additional loan borrowings to support capital works programs as needed in the years ahead.</p>
<b>Unrestricted cash</b>									
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	-36.38%	-86.95%	-10.03%	-56.37%	115.42%	81.79%	53.04%	58.43%	<p>The 2021-22 actual result (and prior year results) do not include Council's significant holdings of Term Deposits with maturity over 90 days (which are classed as other Financial Assets). These</p>

Dimension/ <i>indicator/measure</i>	Results				Forecast				Material Variations and Comments
	2019	2020	2021	2022	2023	2024	2025	2026	
									Term Deposits total \$72 million in 2021-22. When included in the measure for 2021-22 the result is a very healthy 73.6 per cent (2020-21, 140.2 per cent). Also contributing to the lower result has been an increase in current liabilities for unearned income and trust funds and deposits. Forecasts for 2022-23 onwards assume that all term deposits as having original maturities of less than 90 days and are therefore included in unrestricted cash. The ratio starts to reduce as cash is utilised for significant capital works program during the years 2022-23 to 2025-26.
<b>Obligations</b>									
<b>Loans and borrowings</b>									
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	23.25%	19.42%	19.10%	17.29%	54.03%	53.61%	53.53%	50.20%	The balance of Council borrowings at the end of 2020-21 was \$21.5 million. The increase in ratio for next year reflects the additional loan borrowings required to fund the capital program over the medium-term and is consistent with Council's long term financial plan and pay-back strategy.
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	2.38%	3.35%	0.14%	0.92%	0.86%	3.25%	3.42%	5.51%	Council made loan repayment of \$1 million in 2021-22. New loans and associated repayments are forecast in the next 4 years to assist in funding major community infrastructure. This is consistent with Council's long term financial plan.
<b>Indebtedness</b>									
Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	14.99%	13.78%	17.12%	15.01%	40.85%	37.52%	36.99%	33.17%	Trend reflects Council's medium-term borrowings strategy to fund the capital works program over the next four years. Additional loan borrowings of \$50 million for 2022-23, \$6 million for 2023-24 and \$7 million for 2024-25 are forecast to assist in funding community infrastructure. Council expects to bring this indicator back under 40% within the next four years. This is consistent with Council's long term financial plan.
<b>Asset renewal and upgrade</b>									
Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	142.06%	150.26%	153.87%	280.03%	242.55%	200.15%	182.74%	Council has a robust capital program that ensures appropriate levels of renewals and upgrades are maintained. Council has allocated sufficient funding to the capital works program to meet its renewal and upgrade requirements in future years.
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
Adjusted underlying surplus (or deficit)	18.14%	6.97%	3.06%	-1.28%	6.44%	9.80%	9.67%	10.75%	The 2021-22 adjusted underlying result is lower this year mainly due to an increase in annual operating expenditure in comparison to last year.

Dimension/ <i>indicator/measure</i>	Results				Forecast				Material Variations and Comments
	2019	2020	2021	2022	2023	2024	2025	2026	
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100									As at 30 June 2022 there has been a clarification released for the application of <i>IAS 38 Intangible Assets – Configuration or Customisation Costs in a Cloud Computing Arrangement</i> which has impacted Council's result. The clarification reflected arrangements in respect of a specific part of cloud technology, Software-as-a-Service (SaaS), and how they should be accounted for and deals with specific circumstances in relation to configuration and customisation costs incurred in implementing SaaS. This has resulted in \$4.96 million of Digital Transformation costs expensed and a net loss of \$2.86 million in impairing the WIP balance of the Digital Transformation Program for future expected expenses. Results have also been impacted by a shortfall in other revenue sources experienced in the first half of the financial year as a result of COVID-19 restrictions as well as the write-off of infrastructure assets during the year of \$4.20 million.
<b>Stability</b>									
<b>Rates concentration</b>									
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	56.27%	65.32%	69.35%	67.81%	67.71%	66.01%	65.52%	65.51%	The 2021-22 result is due to other revenue sources increasing at a slightly higher rate than rate revenue which is capped. However rate revenue will continue to be a key source of funding for the delivery of high quality services and infrastructure to the community.
<b>Rates effort</b>									
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.12%	0.12%	0.12%	0.13%	0.14%	0.14%	0.15%	0.15%	This result illustrates the relatively low rating burden for the Stonnington community, and Council continues to have one of the lowest average residential rates and charges across metropolitan Melbourne.

## Definitions

Term	Meaning
<b>adjusted underlying revenue</b>	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
<b>adjusted underlying surplus (or deficit)</b>	adjusted underlying revenue less total expenditure
<b>asset renewal expenditure</b>	expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
<b>current assets</b>	has the same meaning as in the AAS
<b>current liabilities</b>	has the same meaning as in the AAS
<b>non-current assets</b>	all assets other than current assets
<b>non-current liabilities</b>	all liabilities other than current liabilities
<b>non-recurrent grant</b>	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
<b>own-source revenue</b>	adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
<b>population</b>	the resident population estimated by council
<b>rate revenue</b>	revenue from general rates, municipal charges, service rates and service charges
<b>recurrent grant</b>	a grant other than a non-recurrent grant
<b>residential rates</b>	revenue from general rates, municipal charges, service rates and service charges levied on residential properties
<b>restricted cash</b>	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
<b>unrestricted cash</b>	all cash and cash equivalents other than restricted cash



## Retired indicators

Service / indicator / measure	Results	Comment
	2019	
<b>Animal Management</b>		
<b>Health and safety</b>		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	5	This measure was replaced by <i>Animal management prosecutions (%)</i> for 2020.
<b>Efficiency</b>		
<b>Revenue level</b>		
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,667.69	This measure was replaced by <i>Average rate per property assessment</i> for 2020.
<b>Obligations</b>		
<b>Asset renewal</b>		
<i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	139.50%	This measure was replaced by <i>Asset renewal and upgrade compared to depreciation</i> for 2020.

## Other information

For the year ended 30 June 2022

### 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 14 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*.



---

**Julia Gallace, B.Acy, CA**

Principal Accounting Officer

Dated: 24 October 2022

In our opinion, the accompanying performance statement of the City of Stonnington 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.




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**Cr Jami Klisaris**

Mayor

Dated: 24 October 2022




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**Cr Melina Sehr**

Deputy Mayor

Dated: 24 October 2022



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**Jacqui Weatherill**

Chief Executive Officer

Dated: 24 October 2022

# Independent Auditor's Report

## To the Councillors of Stonnington City Council

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Stonnington City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2022</li> <li>• sustainable capacity indicators for the year ended 30 June 2022</li> <li>• service performance indicators for the year ended 30 June 2022</li> <li>• financial performance indicators for the year ended 30 June 2022</li> <li>• other information and</li> <li>• certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Stonnington 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>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the performance statement</b>	<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>



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**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.

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MELBOURNE  
31 October 2022

  
Travis Derricott  
*as delegate for the Auditor-General of Victoria*

# Annual Financial Report

For the year ended 30 June 2022

# Stonnington City Council

## Financial Report

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## Certification of the Consolidated 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*, the Australian Accounting Standards and other mandatory professional reporting requirements.



.....  
**Julia Gallace, B.Acy, CA**  
Principal Accounting Officer  
Date : 24 October 2022  
Malvern

In our opinion the accompanying consolidated financial statements present fairly the financial transactions of Stonnington City Council and its subsidiary for the year ended 30 June 2022 and the financial position of Stonnington City Council and its subsidiary as at that date.

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

We have been authorised by Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the consolidated financial statements in their final form.



.....  
**Cr Jami Klisaris**  
Mayor  
Date : 24 October 2022  
Malvern



.....  
**Cr Melina Sehr**  
Deputy Mayor  
Date : 24 October 2022  
Malvern



.....  
**Jacqui Weatherill**  
Chief Executive Officer  
Date : 24 October 2022  
Malvern



# Independent Auditor's Report

## To the Councillors of Stonnington City Council

<b>Opinion</b>	<p>I have audited the consolidated financial report of Stonnington City Council (the council) and its controlled entity (together the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"> <li>consolidated entity and council balance sheet as at 30 June 2022</li> <li>consolidated entity and council comprehensive income statement for the year then ended</li> <li>consolidated entity and council statement of changes in equity for the year then ended</li> <li>consolidated entity and council statement of cash flows for the year then ended</li> <li>council statement of capital works for the year then ended</li> <li>notes to the financial statements, including significant accounting policies</li> <li>certification of the consolidated financial statements.</li> </ul> <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>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<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>

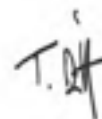
<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report 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.</p> <p>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:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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</li> <li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors</li> <li>• 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.</li> <li>• 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</li> <li>• 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.</li> </ul>
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<b>Auditor's responsibilities for the audit of the financial report</b>	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.
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MELBOURNE  
31 October 2022



Travis Derricott  
*as delegate for the Auditor-General of Victoria*

## Consolidated Comprehensive Income Statement For the Year Ended 30 June 2022

		Council		Consolidated	
	Note	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Income</b>					
Rates and charges	3.1	126,234	119,705	126,234	119,705
Statutory fees and fines	3.2	20,247	19,039	20,247	19,039
User fees	3.3	17,993	15,382	17,993	15,382
Grants - operating	3.4 (a)	11,004	8,809	11,004	8,809
Grants - capital	3.4 (b)	4,203	1,991	4,203	1,991
Contributions - monetary	3.5	9,368	9,297	9,368	9,297
Share of net gain of joint operation accounted for by the equity method	6.2	249	-	249	-
Fair value adjustments for investment property	6.3	815	-	815	-
Other income	3.6	6,508	6,531	10,124	10,120
<b>Total income</b>		<b>196,621</b>	<b>180,754</b>	<b>200,236</b>	<b>184,344</b>
<b>Expenses</b>					
Employee costs	4.1	77,986	72,040	78,958	73,024
Materials and services	4.2	69,888	57,923	72,206	60,246
Depreciation	4.3	20,998	19,575	21,292	19,862
Amortisation - intangible assets	4.4	481	555	481	555
Amortisation - right of use assets	4.5	643	661	643	661
Bad and doubtful debts	4.6	3,351	3,404	3,447	3,416
Borrowing costs	4.7	174	166	174	166
Share of net loss of joint operation accounted for by the equity method	6.2	-	1,360	-	1,360
Net loss on disposal of non-financial assets	4.8	6,701	1,851	6,699	1,851
Fair value adjustments for investment property	6.3	-	1,035	-	1,035
Finance costs - leases	4.9	160	487	160	487
Other expenses	4.10	5,303	5,644	5,321	5,659
<b>Total expenses</b>		<b>185,685</b>	<b>164,700</b>	<b>189,381</b>	<b>168,322</b>
<b>Surplus for the year</b>		<b>10,936</b>	<b>16,054</b>	<b>10,855</b>	<b>16,022</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus in future periods</b>					
Net asset revaluation increment	9.1	215,606	140,006	215,606	140,006
		<b>215,606</b>	<b>140,006</b>	<b>215,606</b>	<b>140,006</b>
<b>Total comprehensive result</b>		<b>226,542</b>	<b>156,061</b>	<b>226,461</b>	<b>156,028</b>

The above consolidated comprehensive income statement should be read in conjunction with the accompanying notes.

## Consolidated Balance Sheet As at 30 June 2022

		Council		Consolidated	
	Note	2022	2021	2022	2021
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5.1 (a)	18,643	27,105	20,336	28,358
Trade and other receivables	5.1 (c)	18,035	15,551	18,062	16,197
Other financial assets	5.1 (b)	72,000	77,500	72,000	77,500
Other assets	5.2 (a)	1,972	1,351	2,296	1,783
<b>Total current assets</b>		<b>110,650</b>	<b>121,507</b>	<b>112,694</b>	<b>123,838</b>
<b>Non-current assets</b>					
Other financial assets	5.1 (b)	15	15	15	15
Investments in joint operation and subsidiary	6.2	2,083	2,088	83	88
Property, infrastructure, plant and equipment	6.1	3,325,662	3,092,026	3,331,083	3,097,615
Right-of-use assets	5.8	1,314	1,625	1,314	1,625
Investment property	6.3	7,265	6,450	7,265	6,450
Intangible assets	5.2 (b)	12,291	6,904	12,291	6,904
<b>Total non-current assets</b>		<b>3,348,630</b>	<b>3,109,108</b>	<b>3,352,051</b>	<b>3,112,697</b>
<b>Total assets</b>		<b>3,459,280</b>	<b>3,230,615</b>	<b>3,464,745</b>	<b>3,236,535</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	5.3 (a)	20,865	19,135	21,069	19,647
Trust funds and deposits	5.3 (b)	8,393	8,294	8,432	8,347
Unearned income/revenue	5.3 (c)	7,840	6,618	7,840	6,618
Provisions	5.5	16,790	16,072	16,953	16,279
Interest-bearing liabilities	5.4	1,000	1,000	1,000	1,000
Lease Liabilities	5.8	509	473	509	473
<b>Total current liabilities</b>		<b>55,397</b>	<b>51,591</b>	<b>55,803</b>	<b>52,364</b>
<b>Non-current liabilities</b>					
Provisions	5.5 (a)	2,016	2,158	2,019	2,167
Interest-bearing liabilities	5.4	20,500	21,500	20,500	21,500
Lease Liabilities	5.8	1,029	1,316	1,029	1,316
Other liabilities	6.2	2,271	2,526	2,271	2,526
<b>Total non-current liabilities</b>		<b>25,816</b>	<b>27,499</b>	<b>25,819</b>	<b>27,509</b>
<b>Total liabilities</b>		<b>81,213</b>	<b>79,090</b>	<b>81,622</b>	<b>79,873</b>
<b>Net assets</b>		<b>3,378,067</b>	<b>3,151,525</b>	<b>3,383,123</b>	<b>3,156,662</b>
<b>Equity</b>					
Accumulated surplus		1,151,281	1,135,422	1,156,337	1,140,559
Reserves	9.1	2,226,786	2,016,103	2,226,786	2,016,103
<b>Total Equity</b>		<b>3,378,067</b>	<b>3,151,525</b>	<b>3,383,123</b>	<b>3,156,662</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.



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

Council	Note	Total	Accumulated	Asset Revaluation	Other
		\$'000	Surplus	Reserve	Reserves
2022		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		3,151,525	1,135,422	1,949,659	66,444
Surplus for the year		10,936	10,936	-	-
Net asset revaluation increment	9.1 (a)	215,606	-	215,606	-
Transfers to other reserves	9.1 (b)	-	(8,806)	-	8,806
Transfers from other reserves	9.1 (b)	-	13,729	-	(13,729)
<b>Balance at end of the financial year</b>		<b>3,378,067</b>	<b>1,151,281</b>	<b>2,165,265</b>	<b>61,521</b>

		Total	Accumulated	Asset Revaluation	Other
		\$'000	Surplus	Reserve	Reserves
2021		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		2,994,199	1,109,343	1,809,653	75,202
Surplus for the year		16,054	16,054	-	-
Net asset revaluation increment	9.1 (a)	141,271	1,265 *	140,006	-
Transfers to other reserves	9.1 (b)	-	(11,556)	-	11,556
Transfers from other reserves	9.1 (b)	-	20,315	-	(20,315)
<b>Balance at end of the financial year</b>		<b>3,151,525</b>	<b>1,135,422</b>	<b>1,949,659</b>	<b>66,444</b>

Consolidated		Total	Accumulated	Asset Revaluation	Other
		\$'000	Surplus	Reserve	Reserves
2022		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		3,156,662	1,140,559	1,949,659	66,444
Surplus for the year		10,855	10,855	-	-
Net asset revaluation increment	9.1 (a)	215,606	-	215,606	-
Transfers to other reserves	9.1 (b)	-	(8,806)	-	8,806
Transfers from other reserves	9.1 (b)	-	13,729	-	(13,729)
<b>Balance at end of the financial year</b>		<b>3,383,123</b>	<b>1,156,337</b>	<b>2,165,265</b>	<b>61,521</b>

		Total	Accumulated	Asset Revaluation	Other
		\$'000	Surplus	Reserve	Reserves
2021		\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year		2,999,369	1,114,515	1,809,653	75,202
Surplus for the year		16,022	16,022	-	-
Net asset revaluation increment	9.1 (a)	141,271	1,265 *	140,006	-
Transfers to other reserves	9.1 (b)	-	(11,556)	-	11,556
Transfers from other reserves	9.1 (b)	-	20,315	-	(20,315)
<b>Balance at end of the financial year</b>		<b>3,156,662</b>	<b>1,140,559</b>	<b>1,949,659</b>	<b>66,444</b>

\* Due to demolition of three Council buildings in 2020/21. These assets carried \$1.27 million of a historical revaluation reserve balance and the decommission has led to a reduction of the revaluation reserve by \$1.27 million, independent from current year asset revaluation cycle increment of \$141.27 million. This led to a net revaluation reserve movement of \$140.01 million.

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

### Consolidated Statement of Cash Flows For the Year Ended 30 June 2022

		Council		Consolidated	
		2022	2021	2022	2021
		Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
Note		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>					
		125,719	118,349	125,719	118,349
		16,127	15,814	16,127	15,814
		18,425	16,460	18,425	16,460
		11,604	9,773	11,604	9,773
		4,228	5,359	4,228	5,359
		9,277	9,427	9,277	9,427
		383	743	383	744
		6,504	5,901	11,575	10,727
		9,544	9,595	9,400	9,448
		24,814	23,192	24,814	23,192
		(76,086)	(70,935)	(77,303)	(71,848)
		(81,455)	(63,836)	(81,455)	(63,836)
		(59)	(1,346)	(59)	(1,346)
		(24,715)	(23,332)	(24,730)	(23,332)
		(5,091)	(4,224)	(8,232)	(7,903)
	9.2	<b>39,220</b>	<b>50,939</b>	<b>39,775</b>	<b>51,027</b>
<b>Cash flows from investing activities</b>					
		(52,773)	(52,712)	(52,899)	(52,720)
		1,080	917	1,082	917
		(37,000)	(67,000)	(37,000)	(67,000)
		42,500	52,500	42,500	52,500
		<b>(46,193)</b>	<b>(66,295)</b>	<b>(46,317)</b>	<b>(66,303)</b>
<b>Cash flows from financing activities</b>					
		(147)	(167)	(147)	(167)
		-	-	10	10
		(1,000)	-	(1,000)	-
		(160)	(487)	(160)	(487)
		(183)	(595)	(183)	(595)
		<b>(1,490)</b>	<b>(1,249)</b>	<b>(1,480)</b>	<b>(1,239)</b>
		(8,462)	(16,606)	(8,022)	(16,516)
		27,105	43,711	28,358	44,874
	5.1 (a)	<b>18,643</b>	<b>27,105</b>	<b>20,336</b>	<b>28,358</b>
Financing arrangements	5.6				
Restrictions on cash assets	5.1 (b)				

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

## Statement of Capital Works For the Year Ended 30 June 2022

	Council	
	2022	2021
	\$'000	\$'000
<b>Property</b>		
Land	-	11,529
<b>Total land</b>	-	11,529
Buildings	9,636	4,921
Heritage buildings	3,192	2,269
<b>Total buildings</b>	12,828	7,190
<b>Total property</b>	12,828	18,718
<b>Plant and equipment</b>		
Heritage plant and equipment	286	46
Plant, machinery and equipment	2,891	1,627
Fixtures, fittings and furniture	1,444	362
Computers and telecommunications	1,939	1,339
Library books	929	908
<b>Total plant and equipment</b>	7,490	4,281
<b>Infrastructure</b>		
Roads	7,519	6,840
Bridges	65	70
Footpaths and cycleways	2,433	2,505
Drainage	3,746	2,312
Recreational, leisure and community facilities	2,901	2,108
Parks, open space and streetscapes	9,056	6,921
Other infrastructure	1,350	1,865
<b>Total infrastructure</b>	27,070	22,620
<b>Total capital works expenditure</b>	<b>47,389</b>	<b>45,620</b>
<b>Represented by:</b>		
New asset expenditure	10,689	13,924
Asset renewal expenditure	25,798	23,675
Asset expansion expenditure	4,390	2,283
Asset upgrade expenditure	6,512	5,738
<b>Total capital works expenditure</b>	<b>47,389</b>	<b>45,620</b>

The above statement of capital works should be read in conjunction with the accompanying notes.

## Notes to the Financial Report For the Year Ended 30 June 2022

### Note 1 OVERVIEW

#### Introduction

Stonnington City Council was established by an Order of the Governor in Council on 22 June 1994 and is a body corporate. Council's main office is located at 311 Glenferrie Road, Malvern, Victoria.

#### Statement of compliance

These consolidated financial statements are a general purpose financial report that consists of a Consolidated Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these consolidated financial statements. The general purpose financial report complies with Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, 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 applicable to a not-for-profit entity under the Australian Accounting Standards.

#### Significant accounting policies

##### (a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, 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.

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 are recognised in the period in which the estimate is 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 value of land, buildings, infrastructure, plant and equipment (refer to note 6.1)
- 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 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)
- 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)
- other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

## Notes to the Financial Report For the Year Ended 30 June 2022

### Note 1 OVERVIEW

#### Significant accounting policies (cont'd)

##### (b) Impact of Covid-19

During 2021-22 the COVID-19 pandemic continued to impact on Council's operations. Council has noted the following significant impacts on its financial operations:

- Additional revenue – Council recognised Immediate Outdoor Activation COVIDSafe (Part A) \$0.70 million (operating grant), Semi Perm/Perm Outdoor Precinct Establishment (Part B) \$0.41 million, Working For Victoria initiatives \$0.12 million and other minor COVID-19 grants \$0.17 million.
- Revenue reductions – In response to Government restrictions and lockdown periods during the first half of the financial year, aquatic centre facilities, libraries, community centres, venues and community events closed. These closures by Council resulted in a reduction in user fee revenue by \$3.83 million compared with budget assumptions for 2021/22 as well as associated cost reductions.
- Revenue foregone – Council significantly reduced parking enforcement across the municipality resulting in a decrease in statutory fees and fines by \$2.40 million offset by direct contract costs for parking enforcement. In addition, Council waived some property rental costs during the lockdowns as a property hardship relief measure.
- Additional costs – Council established a COVID-19 response and recovery reserve of \$1.89 million during the budget process for 2021/22, the draw-down of this fund included waiving Footpath trading permits from September to December 2021, Health Registration waiver, Prahran Market rental relief and other community related initiatives through-out the year. This reserve was drawn-down in full.
- Project delivery delays: Due to lingering impacts of COVID-19 this has significantly impacted the delivery of the capital program. This is due to supply chain issues with materials, labour shortages and contractor availability, and has resulted in a number of projects not complete deferred into 2022/23. This has impacted Council's ability to recognise various capital grants associated with these projects and therefore resulted in a \$8.37 million revenue variance compared to Budget.



## Note 2.1 Performance against budget

### 2.1.1 Income and expenditure

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 at least \$1,000,000 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*.

	Budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000	Variance %	Ref
<b>Income</b>					
Rates and charges	126,687	126,234	(453)	(0.36%)	
Statutory fees and fines	20,840	20,247	(593)	(2.85%)	
User fees	21,825	17,993	(3,832)	(17.56%)	1
Grants - operating	8,487	11,004	2,517	29.65%	2
Grants - capital	12,580	4,203	(8,377)	(66.59%)	3
Contributions - monetary	10,000	9,368	(632)	(6.32%)	
Share of net profit of joint operation accounted for by using the equity method	-	249	249	100.00%	
Fair value adjustments for investment property	-	815	815	100.00%	
Other income	6,589	6,508	(81)	(1.22%)	
<b>Total income</b>	<b>207,008</b>	<b>196,621</b>	<b>(10,387)</b>	<b>(5.02%)</b>	
<b>Expenses</b>					
Employee costs	75,848	77,986	(2,138)	(2.82%)	4
Materials and services	63,856	69,888	(6,032)	(9.45%)	5
Bad and doubtful debts	20	3,351	(3,331)	(100.00%)	6
Depreciation	20,632	20,998	(366)	(1.77%)	
Amortisation - Intangible assets	1,270	481	789	62.16%	
Amortisation - Right of use assets	620	643	(24)	(3.80%)	
Borrowing costs	189	174	15	7.69%	
Net loss on disposal of non-financial assets	84	6,701	(6,617)	(100.00%)	7
Finance costs - Leases	376	160	216	57.45%	
Other expenses	10,510	5,303	5,207	49.54%	8
<b>Total expenses</b>	<b>173,403</b>	<b>185,685</b>	<b>(12,281)</b>	<b>(7.08%)</b>	
<b>Surplus for the year</b>	<b>33,605</b>	<b>10,936</b>	<b>(22,669)</b>	<b>(67.46%)</b>	

Note 2.1 Performance against budget (cont.)

2.1.1 Income and expenditure (cont.)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	User fees	User fees were \$3.83 million below budget driven by the COVID-19 lockdowns from July to October 2021, with the closure of non-essential services such as libraries and aquatics. The lockdowns also impacted carpark operator income.
2	Grants - operating	Operating Grants were \$2.52 million above budget, driven by unbudgeted grants received for Immediate Outdoor Activation COVIDSafe (Part A); VGC Grant (due to 75% of the grants received in advance), and other minor operating grants.
3	Grants - capital	Capital Grants were \$8.38 million below budget, driven by delays to deliver the capital program during the current economic environment, hence grants deferred into the next financial year.
4	Employee costs	Unfavourable employee cost is predominately driven by lower than anticipated annual leave taken during the financial year of \$1.73 million, as a result of COVID-19 restrictions imposed and travel ban periods during the first half of the financial year. Contractor costs exceeded budget by \$0.7 million to support the remediation involved to rectify the cyber incident that occurred in August 2021.
5	Materials and services	Materials and services cost were unfavourable to budget predominately due to \$4.96 million of Digital Transformation costs budgeted under capital but expensed due to an update to the interpretation of the treatment of Software As A Service (SAAS) costs as per IAS38 - <i>Configuration or Customisation in a Cloud Computing Arrangement</i> . Actual Operating Initiatives of \$3.19 million that were budgeted under 'other expenditure' were allocated to material and services resulting in an unfavourable variance. This was partially offset by \$2.5 million savings derived from the parking control contract as a direct result of less parking enforcement activity, driven by the COVID-19 restrictions in the first half of the year.
6	Bad and doubtful debts	Council does not budget for the provision for doubtful debts on infringement court income. At year-end, Council recognised an increase of \$3.4 million in infringement court income. Bad and doubtful debts were \$3.31 million greater than budget as a result of an increment in the provision for doubtful debts for infringement court income owing to Council deemed uncollectible. The collection of infringement court income is managed by Fines Victoria.
7	Net loss on disposal of non-financial assets	Includes \$2.86 million Impairment of Intangible Assets (not budgeted). This is a result of impairing the WIP balance of the Digital Transformation Program for future expected expenses as per an update to the interpretation of the treatment of SAAS costs.
8	Other expenses	New Operating Initiatives of \$5.68 million that were budgeted under 'other expenditure' were allocated to materials and services resulting in a favourable variance.

Note 2.1 Performance against budget (cont.)

2.1.2 Capital works

	Budget 2022 \$'000	Actual 2022 \$'000	Variance \$'000	Variance %	Ref
<b>Property</b>					
Land	10,000	-	10,000	100.00%	1
<b>Total land</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>	<b>100.00%</b>	
Buildings	8,083	9,636	(1,553)	(19.21%)	2
Heritage buildings	1,351	3,192	(1,841)	(100.00%)	3
<b>Total buildings</b>	<b>9,434</b>	<b>12,828</b>	<b>(3,394)</b>	<b>(35.98%)</b>	
<b>Total property</b>	<b>19,434</b>	<b>12,828</b>	<b>6,606</b>	<b>33.99%</b>	
<b>Plant and equipment</b>					
Heritage plant and equipment	40	286	(246)	(100.00%)	
Plant, machinery and equipment	13,425	2,891	10,534	78.46%	4
Fixtures, fittings and furniture	407	1,444	(1,037)	(100.00%)	5
Computers and telecommunications	2,309	1,939	370	16.02%	
Library books	980	929	51	5.17%	
<b>Total plant and equipment</b>	<b>17,161</b>	<b>7,490</b>	<b>9,671</b>	<b>56.35%</b>	
<b>Infrastructure</b>					
Roads	7,605	7,519	86	1.13%	
Bridges	89	65	24	26.97%	
Footpaths and cycleways	5,187	2,433	2,754	53.09%	6
Drainage	4,600	3,746	854	18.57%	
Recreational, leisure and community facilities	12,063	2,901	9,162	75.95%	7
Parks, open space and streetscapes	12,114	9,056	3,058	25.24%	8
Other infrastructure	6,395	1,350	5,045	78.89%	9
<b>Total infrastructure</b>	<b>48,053</b>	<b>27,070</b>	<b>20,983</b>	<b>43.67%</b>	
<b>Total capital works expenditure</b>	<b>84,648</b>	<b>47,389</b>	<b>37,259</b>	<b>44.02%</b>	
<b>Represented by:</b>					
New asset expenditure	20,256	10,689	9,567	47.23%	1
Asset renewal expenditure	44,202	25,798	18,404	41.64%	10
Asset expansion expenditure	50	4,390	(4,340)	(100.00%)	10
Asset upgrade expenditure	20,140	6,512	13,628	67.67%	10
<b>Total capital works expenditure</b>	<b>84,648</b>	<b>47,389</b>	<b>37,259</b>	<b>44.02%</b>	

Note 2.1 Performance against budget (cont.)

2.1.2 Capital works (cont.)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	No land acquisition in 2021/22 and funding is returned to Open Space reserve.
2	Buildings	Building actual spend was higher than budget due to additional uncompleted works carried over from 2020/21 and some unplanned works. Percy Treyvaud Masterplan Implementation actual cost of \$6.5 million was reclassified from a Recreation project to a Building project after Asset Management team end of year review process, and around similar amount offset this due to projects carried forward from 2021/22 to 2022/23.
3	Heritage buildings	\$3.06 million Harold Holt Master Plan Stage 1 was completed from carried over funding together with 2021/22 budget of \$1.35 million
4	Plant, machinery and equipment	Due to a supply chain disruption from the COVID impact on project delivery, there are a number of 2021/22 projects deferred into 2022/23, including Specialised Vehicles replacement \$2.1 million, Pay systems upgrade \$1.2 million, Waste Bin lid changeover \$0.5 million, Light Fleet Vehicle replacement \$0.62 million, Community Buses Replacement program \$0.3 million, CCTV Monitor upgrade \$0.2 million. There was also \$2.1 million Technology Enablement Program reclassified as intangible asset.
5	Fixtures, fittings and furniture	There were a number of projects of that delivered furniture and fixtures subcomponent not budgeted under this asset category, which includes \$0.16 million from Placemaking, \$0.08 million from Prahran market, \$0.05 million from Street Talk Parklet, \$0.1 million from Internal building modification works, \$0.07 million from furniture purchases, \$0.12 million from Prahran Square Outdoor furniture and \$0.3 million from CCTV and Access Control System Upgrade
6	Footpaths and cycleways	During budget phase, there was an estimated \$2 million footpath component coming from Roads projects and the actual Roads projects didn't contribute to footpath construction. Therefore, the footpath program actual was short from 2021/22 budget.
7	Recreational, leisure and community facilities	\$6.5 million Percy Treyvaud Masterplan Implementation actual cost has been reclassified from a Recreation project to a Building project after Asset Management team end of year review process and \$1.17 million Princess Gardens Master Plan actual cost has been reclassified from a Recreation project to a Building project at the same time
8	Parks, open space and streetscapes	Due to timing of project delivery, a number of incomplete projects have been carried over into 2022/23, including \$0.8 million Chapel Street Precinct Masterplan, \$0.69 million Minor Shopping Centre Precinct Upgrade, \$0.61 million Windsor Siding Masterplan delivery, \$0.51 million Sportsgrounds renewal program and \$0.275 million Forest Hill Public Realm project.
9	Other infrastructure	Due to timing of project delivery, a number of incomplete projects have been carried over into 2022/23, including \$2.45 million Chapel Street Transformation. There were a couple of projects that have been reclassified during end of year capitalisation process from Other infrastructure to other asset categories including \$0.55 million Sporting Facilities Floodlighting Upgrade Program to Recreation project and \$0.5 million Bin lid replacement to Plant and Equipment category.
10	Asset renewal, expansion and upgrade	Due to supply chain disruption from the COVID impact on project delivery, a number of incomplete projects, totaling \$33.68 million, have been carried over into 2022/23, which resulted actual less than budget. As part of end of year process, asset management team reviewed and updated expense categories including reclassified some project from upgrade to expansion, e.g. Princess Gardens Master Plan \$1.2 million, Chapel off Chapel Forecourt \$0.64 million, Multi-use courts \$0.5 million and Floodlighting Development Program \$0.36 million.

## **Note 2.2 Analysis of Council results by division**

Council delivers its functions and activities through the following divisions.

### **2.2.1 Chief Executive Office**

The CEO office includes the governance and integrity functions, Mayor and Councillor liaison, including general counsel and safety & risk.

#### **Community and Wellbeing**

Community and Wellbeing provides high quality programs, services and events to the community. Community and Wellbeing comprises of community services, active communities, aged, diversity & community planning, events, arts & culture, and public health services and immunisation. The division also plays a key role in COVID-19 response and community recovery.

#### **Chief Customer and Transformation Office**

The Transformation Office comprises of customer operations, technology enablement and Digital Transformation. Our Customer Service team are the front facing support of Stonnington that provide assistance to the community on a daily basis. The communications team provides important and efficient engagement communication to our staff and the Stonnington Community. The technology enablement team manage the information technology systems and support to underpin Council's service delivery, whilst Customer Experience designs the future processes and innovations for our community and organisation.

#### **Environment and Infrastructure**

Environment and Infrastructure is responsible for constructing new infrastructure and maintaining existing infrastructure across a very diverse range of assets that underpin the wellbeing of the community. These assets include asset management and planning, city operations, open space and environment, project management and delivery, transport and parking, emergency management and municipal resources.

#### **Organisation Capability**

Organisation Capability comprises of finance, procurement, people & culture, communications & engagement (previously known as digital and marketing), and corporate strategy and performance. This directorate provides a range of specialised expertise and support services across Council to provide maximum value to our community and stakeholders.

#### **Planning and Place**

Planning and Place is responsible for balancing the competing demands of maintaining residential amenity and character of the area in a context of population growth through appropriate policy development, planning and local laws. In addition, Planning and Place aims to facilitate economic growth to increase the vitality and productivity of the local economy, and to maintain and grow the status of Stonnington as a premier inner-city location to live, work, and visit.

Planning and Place includes Statutory Planning, City Futures, Economic and Place Development and Liveability and Compliance.



Note 2.2 Analysis of Council results by division (cont.)

2.2.2 Summary of income, expenses, assets and capital expenses by division

	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2022</b>					
Chief Executive Office <sup>1</sup>	205	7,929	(7,724)	-	-
Community and Wellbeing Chief Customer and Transformation Office <sup>2</sup>	16,846	44,357	(27,511)	5,607	2,695
Environment and Infrastructure	265	16,756	(16,491)	164	15,544
Organisation and Capability <sup>3</sup>	28,139	78,629	(50,490)	4,556	522,798
Planning and Place	131,745	20,590	111,155	3,560	2,918,243
	19,421	17,424	1,997	1,320	-
	196,621	185,685	10,936	15,207	3,459,280
<b>2021</b>					
Chief Executive Office <sup>1</sup>	123,482	24,496	98,986	2,434	2,510,709
Community and Wellbeing Customer and Technology <sup>2</sup>	16,334	44,057	(27,723)	5,551	2,799
Environment and Infrastructure	1	7,831	(7,829)	-	9,021
Planning and Place	22,791	72,033	(49,242)	1,985	708,086
	18,146	16,283	1,863	830	-
	180,754	164,700	16,054	10,801	3,230,615

<sup>1</sup> Restatement of income, expenses, grants and total assets based on the current Corporate structure.

<sup>2</sup> Customer and Technology is now restructured and retitled to Chief Customer and Transformation Office comprises of digital transformation, customer operations and technology enablement (previously known as Business Systems and Technology).

<sup>3</sup> Organisation and Capability is a newly created directorate includes finance, people and culture, communications, marketing and engagement and Corporate strategy and performance.

Council		Consolidated	
2022	2021	2022	2021
\$'000	\$'000	\$'000	\$'000

### Note 3 Funding for the delivery of our services

#### 3.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land plus buildings and other improvements.

The Capital Improved Value (CIV) used to calculate general rates for 2021/2022 was \$99.304 billion (2020/2021, \$95.813 billion). The 2021/2022 rate in the CIV dollar was 0.0010153 (2020/2021, 0.0010177).

General rates	99,313	94,611	99,313	94,611
Service rates and charges	23,918	22,102	23,918	22,102
Special rates and charges	1,905	1,883	1,905	1,883
Supplementary rate and rate adjustments	788	1,108	788	1,108
Interest on rates and charges	309	-	309	-
<b>Total rates and charges</b>	<b>126,234</b>	<b>119,705</b>	<b>126,234</b>	<b>119,705</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2021, and the valuation was first applied in the rating year commencing 1 July 2021.

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

City of Stonnington provided a rebate on its rates in addition to the Municipal Concession as financial hardship and community support in the 2021/22 Financial Year. The maximum rebate is up to the value of \$50 to each eligible property owner. This has resulted in an increase in Council's other expense of \$0.14 million.

#### 3.2 Statutory fees and fines

Infringements and costs	10,369	9,200	10,369	9,200
Court recoveries	5,371	5,298	5,371	5,298
Town planning fees	1,883	1,841	1,883	1,841
Land information certificates	211	182	211	182
Permits	2,412	2,519	2,412	2,519
<b>Total statutory fees and fines</b>	<b>20,247</b>	<b>19,039</b>	<b>20,247</b>	<b>19,039</b>

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

Aged and health services	422	430	422	430
Leisure centre and recreation	4,096	2,902	4,096	2,902
Child care/ children's programs	2,627	3,507	2,627	3,507
Parking	3,930	3,006	3,930	3,006
Registration and other permits	749	665	749	665
Building services	2,629	1,946	2,629	1,946
Green fees	1,272	1,133	1,272	1,133
Waste management services	1,289	1,006	1,289	1,006
Other fees and charges	981	787	981	787
<b>Total user fees</b>	<b>17,993</b>	<b>15,382</b>	<b>17,993</b>	<b>15,382</b>

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Note 3 Funding for the delivery of our services (cont.)</b>				
<b>3.3 User fees (cont.)</b>				
<b>User fees by timing of revenue recognition</b>				
User fees recognised over time	7,144	6,838	7,144	6,838
User fees recognised at a point in time	10,849	8,543	10,849	8,543
<b>Total user fees</b>	<b>17,993</b>	<b>15,382</b>	<b>17,993</b>	<b>15,382</b>
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.				
<b>3.4 Funding from other levels of government</b>				
Grants were received in respect of the following:				
<b>Summary of grants</b>				
Commonwealth funded grants	6,825	5,703	6,825	5,703
State funded grants	8,382	5,098	8,382	5,098
<b>Total grants received</b>	<b>15,207</b>	<b>10,801</b>	<b>15,207</b>	<b>10,801</b>
<b>(a) Operating grants</b>				
<b>Recurrent - Commonwealth Government</b>				
Financial Assistance Grants	3,969	2,905	3,969	2,905
Aged care	2,558	2,381	2,558	2,381
<b>Recurrent - State Government</b>				
Veteran affairs - Home care	-	3	-	3
Aged care	516	384	516	384
School crossing supervisors	315	308	315	308
Libraries	767	741	767	741
Maternal and child health	805	682	805	682
Community partnership & youth programs	456	136	456	136
Child care & immunisation	186	292	186	292
Premier's reading challenge	12	12	12	12
<b>Total recurrent operating grants</b>	<b>9,583</b>	<b>7,845</b>	<b>9,583</b>	<b>7,845</b>
<b>Non-recurrent - State Government</b>				
Community safety	57	36	57	36
COVID grants	991	908	991	908
Other minor grants	373	21	373	21
<b>Total non-recurrent operating grants</b>	<b>1,420</b>	<b>965</b>	<b>1,420</b>	<b>965</b>
<b>Total operating grants</b>	<b>11,004</b>	<b>8,809</b>	<b>11,004</b>	<b>8,809</b>
<b>(b) Capital grants</b>				
<b>Recurrent - Commonwealth Government</b>				
Roads to recovery	298	417	298	417
<b>Total recurrent capital grants</b>	<b>298</b>	<b>417</b>	<b>298</b>	<b>417</b>
<b>Non - recurrent - State Government</b>				
Building	444	-	444	-
Furniture and Equipment	412	-	412	-
Land	-	750	-	750
Land improvements	225	-	225	-
Intangibles	164	-	164	-
Parks, open space and streetscapes	972	529	972	529
Recreational, leisure and community facilities	-	110	-	110
Road and street	1,687	185	1,687	185
<b>Total non-recurrent capital grants</b>	<b>3,905</b>	<b>1,575</b>	<b>3,905</b>	<b>1,575</b>
<b>Total capital grants</b>	<b>4,203</b>	<b>1,991</b>	<b>4,203</b>	<b>1,991</b>

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000

**Note 3 Funding for the delivery of our services (cont.)**

**3.4 Funding from other levels of government (cont.)**

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

**Operating**

Balance at start of year	2,047	1,032	2,047	1,032
Received during the financial year and remained unspent at balance date	1,321	1,444	1,321	1,444
Received in prior years and spent during the financial year	(596)	(429)	(596)	(429)
Balance at year end	<u>2,773</u>	<u>2,047</u>	<u>2,773</u>	<u>2,047</u>

**Capital**

Balance at start of year	4,538	1,135	4,538	1,135
Received during the financial year and remained unspent at balance date	3,063	4,481	3,063	4,481
Received in prior years and spent during the financial year	(2,574)	(1,078)	(2,574)	(1,078)
Balance at year end	<u>5,026</u>	<u>4,538</u>	<u>5,026</u>	<u>4,538</u>

**(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.

**Income recognised under AASB 1058 *Income of Not-for-Profit Entities***

General purpose	3,969	3,646	3,969	3,646
Other specific purpose grants	7,849	1,126	7,849	1,126

**Revenue recognised under AASB 15 *Revenue from Contracts with Customers***

Specific purpose grants	3,389	6,029	3,389	6,029
	<u>15,207</u>	<u>10,801</u>	<u>15,207</u>	<u>10,801</u>

**3.5 Contributions**

Monetary	9,368	9,297	9,368	9,297
<b>Total contributions</b>	<u>9,368</u>	<u>9,297</u>	<u>9,368</u>	<u>9,297</u>
Open space	6,714	9,280	6,714	9,280
Development contributions	2,556	-	2,556	-
Capital works contributions	99	3	99	3
Operating contributions	-	14	-	14
<b>Total monetary contributions</b>	<u>9,368</u>	<u>9,297</u>	<u>9,368</u>	<u>9,297</u>

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

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000

**Note 3 Funding for the delivery of our services (cont.)**

**3.6 Other income**

Interest	403	627	403	628
Investment property rental	367	346	367	346
Council works cost recovery	848	855	848	855
Fire services property levy administration	88	86	88	86
State Revenue Office - valuation cost recovery	97	118	97	118
Transport towing	88	81	88	81
Other rent	4,166	4,109	8,057	7,540
Other	451	309	176	466
<b>Total other income</b>	<b>6,508</b>	<b>6,531</b>	<b>10,124</b>	<b>10,120</b>

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

**Note 4 The cost of delivering services**

**4.1 (a) Employee costs**

Wages and salaries	56,121	51,858	56,976	52,712
WorkCover	1,472	2,149	1,477	2,154
Casual staff	3,641	2,863	3,641	2,863
Annual leave and long service leave	8,935	8,153	8,972	8,212
Superannuation	6,604	5,694	6,678	5,760
Fringe benefits tax	451	535	451	535
Other	763	787	763	787
<b>Total employee costs</b>	<b>77,986</b>	<b>72,040</b>	<b>78,958</b>	<b>73,024</b>

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)

309	451	309	451
<b>309</b>	<b>451</b>	<b>309</b>	<b>451</b>

**Accumulation funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)

Employer contributions - other funds

3,361	3,254	3,436	3,320
2,646	1,759	2,646	1,759
<b>6,008</b>	<b>5,013</b>	<b>6,082</b>	<b>5,080</b>

Employer contributions payable at reporting date

Total superannuation

287	230	287	230
<b>6,604</b>	<b>5,694</b>	<b>6,678</b>	<b>5,760</b>

Refer to note 9.3 for further information relating to Council's superannuation obligations.



	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000

**Note 4 The cost of delivering services (cont.)**

**4.2 Materials and services**

Transport and parking	8,432	7,232	8,432	7,232
Environment and infrastructure	14,467	12,958	14,467	12,958
Community support and care services	490	574	490	574
Rates and valuations	2,051	2,093	2,051	2,093
Waste management services	6,480	6,035	6,480	6,035
Building Maintenance	2,448	2,452	2,448	2,452
General Maintenance	924	945	924	945
Utilities	2,135	2,033	2,135	2,033
Office Administration	2,506	3,023	2,506	3,023
Information Technology	5,361	3,216	5,361	3,216
Digital Transformation *	4,958	-	4,958	-
Consulting	2,452	2,126	2,452	2,126
Legal fees	1,105	1,056	1,105	1,056
Insurance	1,896	1,442	1,896	1,442
Stamp duty, lodgement fees and registrations	2,111	1,994	2,111	1,994
Fleet Management	1,354	1,507	1,354	1,507
Events and programs	3,878	3,193	3,878	3,193
Planning amendment fees	345	124	345	124
Others	6,496	5,921	8,814	8,243
<b>Total materials and services</b>	<b>69,888</b>	<b>57,923</b>	<b>72,206</b>	<b>60,246</b>

\* Digital Transformation costs budgeted under capital but expensed due to an update in the interpretation of the treatment of Software As A Service (SAAS) as per IAS38 - Configuration or Customisation Costs in Cloud Computing Arrangement.

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

**4.3 Depreciation**

Property	6,001	5,921	6,221	6,140
Plant and equipment	4,180	3,799	4,255	3,868
Infrastructure	10,816	9,855	10,816	9,855
<b>Total depreciation</b>	<b>20,998</b>	<b>19,575</b>	<b>21,292</b>	<b>19,862</b>

Refer to note 6.1 for a more detailed breakdown of depreciation charges and accounting policy.

**4.4 Amortisation - Intangible assets**

Intangible assets	481	555	481	555
<b>Total amortisation - intangible assets</b>	<b>481</b>	<b>555</b>	<b>481</b>	<b>555</b>

Refer to note 5.2(b) for a more detailed breakdown of amortisation charges and accounting policy.

**4.5 Amortisation - Right of use assets**

Vehicles and Equipment	643	661	643	661
<b>Total amortisation - right of use assets</b>	<b>643</b>	<b>661</b>	<b>643</b>	<b>661</b>

Refer to note 5.8 for a more detailed breakdown of amortisation charges and accounting policy.

**4.6 Bad and doubtful debts**

Parking fine debtors	3,257	3,360	3,257	3,360
Other debtors	93	44	190	56
<b>Total bad and doubtful debts</b>	<b>3,351</b>	<b>3,404</b>	<b>3,447</b>	<b>3,416</b>

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000

#### Note 4 The cost of delivering services (cont.)

##### 4.6 Bad and doubtful debts (cont.)

###### Movement in provisions for doubtful debts

Balance at the beginning of the year	30,807	27,409	30,854	27,409
New provisions recognised during the year	3,351	3,404	3,447	3,416
Amounts already provided for and written off as uncollectible	(38)	(6)	(47)	(6)
Amounts provided for but recovered during the year	-	-	-	34
Balance at end of year	34,120	30,807	34,253	30,854

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

Interest - borrowings	174	166	174	166
<b>Total borrowing costs</b>	<b>174</b>	<b>166</b>	<b>174</b>	<b>166</b>

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 Net (gain) / loss on disposal of non-financial assets

###### Net (gain) / loss on sale of non-financial assets

Proceeds from sales	(649)	(1,403)	(651)	(1,403)
Written down value of assets disposed	301	2,141	301	2,141
	(348)	739	(350)	739

###### Net loss on non-financial assets \*

Write-off of Property	908	-	908	-
Write-off of Infrastructure	3,284	1,112	3,284	1,112
Impairment of Intangible assets	2,856	-	2,856	-
	7,049	1,112	7,049	1,112

###### Total net (gain) / loss on non-financial assets

	6,701	1,851	6,699	1,851
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\* Net loss on the write-off of infrastructure predominantly relates to the capitalisation of new road renewal and the write-off of replaced road assets.

The profit or loss of an asset is determined when control of the asset has passed to the buyer.

##### 4.9 Finance Costs - Leases

Interest - Lease Liabilities	160	487	160	487
<b>Total finance costs</b>	<b>160</b>	<b>487</b>	<b>160</b>	<b>487</b>

##### 4.10 Other expenses

Auditors' remuneration - VAGO - audit of the financial statement, performance statement and grant acquittals	61	82	79	97
Auditors' remuneration - Internal Audit	337	108	337	108
Councillors' allowances	411	363	411	363
Operating lease rentals	183	595	183	595
Community grants	3,166	3,654	3,166	3,654
Others	1,145	842	1,145	842
<b>Total other expenses</b>	<b>5,303</b>	<b>5,644</b>	<b>5,321</b>	<b>5,659</b>

	Council		Consolidated	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Note 5 Our financial position</b>				
<b>5.1 Financial assets</b>				
<b>(a) Cash and cash equivalents</b>				
Cash on hand	3	3	3	3
Cash at bank	8,640	9,103	10,333	10,355
Term deposits	10,000	18,000	10,000	18,000
<b>Total cash and cash equivalents</b>	<b>18,643</b>	<b>27,105</b>	<b>20,336</b>	<b>28,358</b>
<b>(b) Other financial assets</b>				
<b>Current</b>				
Term deposits	72,000	77,500	72,000	77,500
<b>Total cash, cash equivalents and term deposits</b>	<b>90,643</b>	<b>104,605</b>	<b>92,336</b>	<b>105,858</b>
<b>Non-current</b>				
MAPS shareholding - At cost	15	15	15	15
<b>Total non-current other financial assets</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Total other financial assets</b>	<b>72,015</b>	<b>77,515</b>	<b>72,015</b>	<b>77,515</b>
<b>Total financial assets</b>	<b>90,658</b>	<b>104,620</b>	<b>92,351</b>	<b>105,873</b>
Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:				
- Trust funds and deposits (note 5.3)	8,393	8,294	8,432	8,347
Total restricted funds	8,393	8,294	8,432	8,347
<b>Total unrestricted cash, cash equivalents and term deposits</b>	<b>82,250</b>	<b>96,311</b>	<b>83,905</b>	<b>97,511</b>
<b>Intended allocations</b>				
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:				
- Cash held to fund carried forward capital works	33,680	17,400	33,680	17,400
- Employee leave entitlement provisions (note 5.5) *	10,870	10,565	10,906	10,669
- Future Fund held for future strategic property purchase (note 9.1 (b))	5,000	16,752	5,000	16,752
- Public open space, developer contributions and off-street parking reserves (note 9.1 (b))	56,270	49,441	56,270	49,441
- Infrastructure reserve fund held for future road damage reinstatement (note 9.1 (b))	250	250	250	250
- Conditional grants unspent (note 3.4 (c))	7,799	6,585	7,799	6,585
- M9 contribution monies held under payables	40	-	40	-
- IMAP monies held under payables	245	245	245	245
<b>Total funds subject to intended allocations</b>	<b>114,154</b>	<b>101,237</b>	<b>114,191</b>	<b>101,342</b>
Total unrestricted cash, cash equivalents and term deposits adjusted for intended allocations **	(31,905)	(4,927)	(30,286)	(3,831)

\* Includes long service leave and retirement gratuity provisions only.

\*\* It is highly unlikely that settlement of all restricted funds and intended allocations will be required within the next twelve months.

Council has approved financing arrangements in the form of borrowings to meet short term funding requirements as per the approved budget for year 2022/23.

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.

Other financial assets are valued at fair value, 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 three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Note 5 Our financial position (cont.)</b>				
<b>5.1 Financial assets (cont.)</b>				
<b>(c) Trade and other receivables</b>				
<b>Current</b>				
<i>Statutory receivables</i>				
Rates debtors	8,778	7,909	8,778	7,909
Special rate assessment	159	216	159	216
Parking infringement debtors - Council *	3,442	2,855	3,442	2,855
Parking infringement debtors - Fines Victoria *	34,597	31,162	34,597	31,162
Provision for doubtful debts - parking infringements	(33,926)	(30,669)	(33,926)	(30,669)
Net GST receivable	2,687	2,104	2,687	2,104
<i>Non statutory receivables</i>				
Other debtors	2,492	2,112	2,653	2,804
Provision for doubtful debts - other debtors	(193)	(138)	(327)	(185)
<b>Total trade and other receivables</b>	<b>18,035</b>	<b>15,551</b>	<b>18,062</b>	<b>16,197</b>

\* Parking infringement debtors have been classified as Council or Fines Victoria depending on which organisation has responsibility for the fines collections.

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

**(i) Ageing of parking infringement debtors - Council and Fines Victoria**

The ageing of Council's parking infringement debtors was:

Current (not yet due)	3,442	2,855	3,442	2,855
Past due by up to 30 days	671	641	671	641
Past due between 31 and 180 days	2,046	2,244	2,046	2,244
Past due between 181 and 365 days	2,992	2,482	2,992	2,482
Past due by more than 1 year	28,888	25,795	28,888	25,795
<b>Total parking infringement debtors</b>	<b>38,039</b>	<b>34,017</b>	<b>38,039</b>	<b>34,017</b>

**(ii) Ageing of impaired receivables - parking infringement debtors Fines Victoria**

At balance date, parking infringement debtors with nominal value \$34.60 million (2021: \$31.16 million) were impaired. The amount of provision raised against these debtors was \$33.93 million (2021: \$30.67 million). The provision for doubtful debts has been recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment. The collection of impaired parking infringement debtors is managed by Fines Victoria.

The ageing of receivables that have been determined as impaired at reporting date was:

Current (not yet due)	-	-	-	-
Past due by up to 30 days	617	449	617	449
Past due between 31 and 180 days	1,852	1,943	1,852	1,943
Past due between 181 and 365 days	2,569	2,482	2,569	2,482
Past due by more than 1 year	28,888	25,795	28,888	25,795
<b>Total impaired parking infringement debtors</b>	<b>33,926</b>	<b>30,669</b>	<b>33,926</b>	<b>30,669</b>

**(iii) Ageing of other debtors**

The ageing of Council's other debtors (excluding statutory receivables) that are not impaired was:

Current (not yet due)	712	837	649	1,119
Past due by up to 30 days	423	199	428	218
Past due between 31 and 180 days	1,033	847	1,101	861
Past due between 181 and 365 days	68	72	154	300
Past due by more than 1 year	256	156	321	306
<b>Total other receivables</b>	<b>2,492</b>	<b>2,112</b>	<b>2,653</b>	<b>2,804</b>

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000

**Note 5 Our financial position (cont.)**

**5.1 Financial assets (cont.)**

**(c) Trade and other receivables (cont.)**

**(iv) Ageing of individually impaired receivables - other debtors**

At balance date, consolidated receivables with nominal value \$0.19 million (2021; \$0.14 million) were impaired. The amount of provision raised against these debtors was \$0.19 million (2021; \$0.14 million). They have been individually impaired as a result of their doubtful collection.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	-	-	-
Past due by up to 30 days	-	-	-	-
Past due between 31 and 180 days	-	-	14	-
Past due between 181 and 365 days	-	64	55	64
Past due by more than 1 year	193	75	258	121
Total other receivables	193	138	327	185

**5.2 Non-financial assets**

**(a) Other assets - current**

Prepayments	647	455	693	537
Accrued income	957	713	1,300	1,154
Other	367	183	303	92
<b>Total other assets</b>	<b>1,972</b>	<b>1,351</b>	<b>2,296</b>	<b>1,783</b>

**(b) Intangible assets**

	Council \$'000	Consolidated \$'000
<b>Gross Carrying Amount</b>		
Balance at 1 July 2021	19,019	19,019
Work in progress - Other	2,686	2,686
Work in progress - SaaS *	5,647	5,647
Impairment - SaaS (including project management costs) *	(2,856)	(2,856)
Other addition	390	390
Disposal	(11,393)	(11,393)
Balance at 30 June 2022	13,493	13,493
<b>Accumulated amortisation and impairment</b>		
Balance at 1 July 2021	(12,115)	(12,115)
Amortisation expense	(481)	(481)
Disposal	11,393	11,393
Balance at 30 June 2022	(1,202)	(1,202)
Net book value at 30 June 2021	6,904	6,904
Net book value at 30 June 2022	12,291	12,291

Intangible assets relate to software. Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

Refer to note 6.1 for asset recognition thresholds and depreciation period.



**Note 5 Our financial position (cont.)**

**5.2 Non-financial assets**

**(b) Intangible assets**

\* Council has reflected a change in accounting policy in respect of *IAS 38 – Configuration or Customisation Costs in a Cloud Computing Arrangement* and in applying this accounting policy, Council has made the following key judgements that may have a significant effect on the amounts recognised within the financial statements:

**Capitalisation of configuration and customisation costs in SaaS arrangements**

Part of the customisation and configuration activities undertaken in implementing SaaS arrangements may entail the development of software code that enhances or modifies, or creates additional capability to the existing on-premise software to enable it to connect with the cloud-based software applications (referred to as bridging modules or APIs). Judgement was applied in determining whether the cost meets the definition of and recognition criteria for an intangible asset in AASB 138 Intangible Assets. During the year, Council recognised \$1.43m (2021: \$0) as intangible assets in respect of customisation and configuration costs incurred in implementing SaaS arrangements.

**Determination whether configuration and customisation services are distinct from the SaaS access**

Costs incurred to configure or customise the cloud provider's application software are recognised as operating expenses when the services are received. In a contract where the cloud provider provides both the SaaS configuration and customisation, and the SaaS access over the contract term, Council has applied judgement to determine whether these services are distinct from each other or not, and therefore, whether the configuration and customisation costs incurred are distinct and to be expensed as the software is configured or customised (i.e. upfront), or over the SaaS contract term if the services are not distinct. During the year, the Council did not recognise any prepayments in respect of customisation and configuration activities undertaken in implementing SaaS arrangements.

**Impairment to Work in progress (WIP) SaaS arrangements**

Council recognises and budgets all Digital Transformation project (including potential SaaS implementations) expenditure as capital (WIP) until the project has reached a stage where the decision is possible for determining the amount to be capitalised as meeting the definition of an asset under *IAS 38 Intangible Assets - Configuration or Customisation Costs in a Cloud Computing Arrangement*, with the remaining value to be expensed or potentially identified as a prepayment in that financial year. At balance date an assessment is made to determine the amount of impairment of WIP which reflects project costs that potentially will not meet the criteria for capitalisation upon analysis when the project is completed.

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000

**Note 5 Our financial position (cont.)**

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

**(a) Trade and other payables**

*Non-statutory payables*

Trade payables	12,388	11,232	12,798	11,664
Accrued expenses	7,206	6,715	6,924	6,603
Other	1,271	1,188	1,347	1,380
<b>Total trade and other payables</b>	<b>20,865</b>	<b>19,135</b>	<b>21,069</b>	<b>19,647</b>

**(b) Trust funds and deposits**

Refundable deposits	6,227	5,626	6,265	5,679
Refundable contract deposits	719	737	719	737
Fire Service Property Levy	681	896	681	896
Retention amounts	766	1,036	766	1,036
<b>Total trust funds and deposits</b>	<b>8,393</b>	<b>8,294</b>	<b>8,432</b>	<b>8,347</b>

**(c) Unearned income**

Grants received in advance - operating	2,773	2,047	2,773	2,047
Grants received in advance - capital	5,026	4,538	5,026	4,538
Other	41	33	41	33
<b>Total unearned income</b>	<b>7,840</b>	<b>6,618</b>	<b>7,840</b>	<b>6,618</b>

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customer in respect of service/usage fees and funding. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

**Purpose and nature of items**

Refundable deposits - Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire Services Property Levy - Council is the collection agent for fire services property levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

**5.4 Interest-bearing liabilities**

**Current**

Borrowings - secured	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

**Non-current**

Borrowings - secured	20,500	21,500	20,500	21,500
	<u>20,500</u>	<u>21,500</u>	<u>20,500</u>	<u>21,500</u>
<b>Total</b>	<b>21,500</b>	<b>22,500</b>	<b>21,500</b>	<b>22,500</b>

Borrowings are secured by rates income of Council.

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000

**Note 5 Our financial position (cont.)**

**5.4 Interest-bearing liabilities (cont.)**

a) The maturity profile for Council's borrowings is:

Not later than one year	1,000	1,000	1,000	1,000
Later than one year and not later than five years	11,500	10,000	11,500	10,000
Later than five years	9,000	11,500	9,000	11,500
	<u>21,500</u>	<u>22,500</u>	<u>21,500</u>	<u>22,500</u>

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition. At present, all Council's borrowings are classified at amortised cost.

	Employee Provisions	Total
	\$'000	\$'000
<b>5.5 Provisions</b>		
<b>2022 Council</b>		
Balance at beginning of the financial year	18,230	18,230
Additional provisions	6,054	6,054
Amounts used	(5,773)	(5,773)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	295	295
<b>Balance at the end of the financial year</b>	<b><u>18,806</u></b>	<b><u>18,806</u></b>
<b>2022 Consolidated</b>		
Balance at beginning of the financial year	18,446	18,446
Additional provisions	6,110	6,110
Amounts used	(5,880)	(5,880)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	295	295
<b>Balance at the end of the financial year</b>	<b><u>18,972</u></b>	<b><u>18,972</u></b>
<b>2021 Council</b>		
Balance at beginning of the financial year	17,284	17,284
Additional provisions	6,089	6,089
Amounts used	(5,137)	(5,137)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(5)	(5)
<b>Balance at the end of the financial year</b>	<b><u>18,230</u></b>	<b><u>18,230</u></b>
<b>2021 Consolidated</b>		
Balance at beginning of the financial year	17,448	17,448
Additional provisions	6,119	6,119
Amounts used	(5,115)	(5,115)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(5)	(5)
<b>Balance at the end of the financial year</b>	<b><u>18,446</u></b>	<b><u>18,446</u></b>

	Council		Consolidated	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
<b>Note 5 Our financial position (cont.)</b>				
<b>5.5 Provisions (cont.)</b>				
<b>Employee provisions</b>				
<b>Current provisions expected to be wholly settled within 12 months</b>				
Annual leave	3,224	3,119	3,261	3,184
Long service leave	705	673	743	673
Retirement gratuity	43	121	43	121
Time in lieu	135	83	135	83
Accrued day off	815	707	815	707
	<u>4,923</u>	<u>4,703</u>	<u>4,998</u>	<u>4,768</u>
<b>Current provisions expected to be wholly settled after 12 months</b>				
Annual leave	3,761	3,634	3,811	3,682
Long service leave	8,106	7,734	8,143	7,830
	<u>11,867</u>	<u>11,369</u>	<u>11,954</u>	<u>11,512</u>
<b>Total current employee provisions</b>	<u><b>16,790</b></u>	<u><b>16,072</b></u>	<u><b>16,953</b></u>	<u><b>16,279</b></u>
<b>Non-current</b>				
Long service leave	2,016	2,136	2,019	2,145
Retirement gratuity	-	22	-	22
<b>Total non-current employee provisions</b>	<u><b>2,016</b></u>	<u><b>2,158</b></u>	<u><b>2,019</b></u>	<u><b>2,167</b></u>
Aggregate carrying amount of employee provisions:				
Current	16,790	16,072	16,953	16,279
Non-current	2,016	2,158	2,019	2,167
<b>Total aggregate carrying amount of employee provisions</b>	<u><b>18,806</b></u>	<u><b>18,230</b></u>	<u><b>18,972</b></u>	<u><b>18,446</b></u>

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.

*Retirement Gratuity*

Liability for retirement gratuity is recognised in the provision for employee benefits and accounts as post - employment benefits. Retirement gratuity is measured at present value and disclosed as a non - current liability.

	Council		Consolidated	
	2022	2021	2022	2021

## Note 5 Our financial position (cont.)

### 5.5 Provisions (cont.)

#### Employee provisions (cont.)

The following assumptions were adopted in measuring the present value of long service leave and retirement gratuity:

Weighted average increase in employee costs	2.17%	1.79%	2.17%	1.79%
Weighted average discount rates	2.52%	1.49%	2.52%	1.49%
Weighted average settlement period	7 years	7 years	7 years	7 years

### 5.6 Financing arrangements

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

Bank overdraft	250	250	250	250
Credit card facilities	100	65	100	65
Finance lease	2,463	2,286	2,463	2,286
Borrowings *	21,500	22,500	21,500	22,500
Total facilities	<u>24,313</u>	<u>25,101</u>	<u>24,313</u>	<u>25,101</u>
Used facilities	<u>(23,227)</u>	<u>(24,281)</u>	<u>(23,227)</u>	<u>(24,281)</u>
Unused facilities	<u>1,085</u>	<u>820</u>	<u>1,085</u>	<u>820</u>

\* Council's borrowings are secured against future rates income.



**Note 5 Our financial position (cont.)**

**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.

Prahran Market Pty Ltd has no material commitments.

**(a) Commitments for expenditure**

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2022</b>					
<b>Operating</b>					
Building maintenance services	414	411	1,169	-	1,994
Data, Information Technology & central records	2,533	2,165	3,641	-	8,339
Cleaning of municipal buildings & aquatics centres	1,212	1,242	-	-	2,454
Consultancies	642	317	444	-	1,402
Management of Parking enforcement and car parks	6,486	5,326	442	-	12,254
Municipal turf maintenance and mowing services	4,067	2,195	-	-	6,263
Playground landscape, recreational and sports facilities upgrade	88	-	-	-	88
Tipping waste management	7,487	7,533	7,766	-	22,785
Other contractual obligations	699	461	564	-	1,723
<b>Total</b>	<b>23,627</b>	<b>19,650</b>	<b>14,025</b>	<b>-</b>	<b>57,302</b>
<b>Capital</b>					
Buildings	1,869	61	122	-	2,053
Roads	239	-	-	-	239
Percy Treyvaud facility redevelopment	18,905	18,866	-	-	37,771
Other capital works	2,380	954	699	-	4,033
<b>Total</b>	<b>23,393</b>	<b>19,881</b>	<b>822</b>	<b>-</b>	<b>44,095</b>
<b>2021</b>					
<b>Operating</b>					
Municipal turf maintenance and mowing services	3,888	3,457	1,811	-	9,156
Playground landscape, recreational and sports facilities upgrade	260	-	-	-	260
Management of car parks	1,910	-	-	-	1,910
Consultancies	432	255	560	-	1,247
Cleaning of municipal buildings & aquatics centres	917	-	-	-	917
Recycling collections	3,209	-	-	-	3,209
Tipping waste management	7,247	7,357	15,052	-	29,656
Provision of insurance broking & premium services	39	-	-	-	39
Central record services *	1,272	149	199	-	1,620
Other contractual obligations	1,959	626	1,528	159	4,273
<b>Total</b>	<b>21,133</b>	<b>11,844</b>	<b>19,150</b>	<b>159</b>	<b>52,287</b>
<b>Capital</b>					
Buildings	721	61	184	-	966
Roads	41	-	-	-	41
Other capital works	1,346	575	1,151	-	3,073
<b>Total</b>	<b>2,108</b>	<b>637</b>	<b>1,334</b>	<b>-</b>	<b>4,079</b>

\* Operating commitment for Central record services has been renamed to Data, Information Technology & central records.

**Note 5 Our financial position (cont.)**

**5.7 Commitments**

**(b) Operating lease receivables**

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	<b>Council</b>		<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Not later than one year	274	263	274	263
Later than one year and not later than five years	1,209	1,084	1,209	1,084
Later than five years	1,039	800	1,039	800
	<u>2,521</u>	<u>2,147</u>	<u>2,521</u>	<u>2,147</u>

**5.8 Leases**

At inception of a contract, all entities would assess 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 a lessee, Council 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, Council uses an appropriate incremental borrowing rate as the discount rate.

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 Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council 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.

**Note 5 Our financial position (cont.)**

**5.8 Leases (cont.)**

**2022 Council**

**Right-of-Use Assets**

	Equipment and Vehicles \$'000	Total \$'000
Balance at 1 July 2021	1,625	1,625
Additions	332	332
Amortisation charge	(643)	(643)
Balance at 30 June 2022	1,314	1,314

**Lease Liabilities**

	2022 \$'000	2021 \$'000
Maturity analysis - contractual undiscounted cash flows		
Less than one year	638	625
One to five years	1,112	1,527
Total undiscounted lease liabilities as at 30 June:	1,750	2,153

	2022 \$'000	2021 \$'000
Lease liabilities included in the Balance Sheet at 30 June:		
Current	509	473
Non-current	1,029	1,316
Total lease liabilities	1,538	1,789

There are no Right-of-Use Assets and Lease Liabilities in Prahran Market's Annual Accounts, thus no consolidation required.

**Short-term and low value leases**

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of plant and equipment 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. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	Council		Consolidated	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Expenses relating to:</b>				
Short-term leases	-	1,224	-	1,224
Leases of low value assets	54	-	54	-
<b>Total</b>	54	1,224	54	1,224
Variable lease payments (not included in measurement of lease liabilities)	-	-	-	-

**Non-cancellable lease commitments - Short-term and low-value leases**

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

Payable:

Within one year	-	1,224	-	1,224
Later than one year but not later than five years	-	-	-	-
Total lease commitments	-	1,224	-	1,224

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment

Council

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2021 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	Carrying amount 30 June 2022 \$'000
Property	2,631,743	-	-	155,575	(6,001)	-	(908)	9,038	2,789,447
Plant and equipment	27,145	-	-	-	(4,181)	(235)	-	7,055	29,784
Infrastructure	404,529	-	-	60,031	(10,816)	(66)	(3,284)	30,913	481,307
Work in progress	28,608	47,389	-	-	-	-	(3,850)	(47,022)	25,124
	3,092,026	47,389	-	215,606	(20,998)	(301)	(8,043)	(16)	3,325,662

Summary of work in progress (WIP)

	Opening WIP \$'000	Additions \$'000	Class Transfers \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	11,508	12,828	(546)	(1,335)	(9,038)	13,417
Plant and equipment	105	7,490	590	(806)	(7,055)	324
Infrastructure	16,995	27,070	(60)	(1,709)	(30,913)	11,383
Total	28,608	47,389	(16)	(3,850)	(47,006)	25,124

Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

Consolidated

Summary of property, infrastructure, plant and equipment

	Carrying amount 30 June 2021 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	Carrying amount 30 June 2022 \$'000
Property	2,636,921	-	-	155,575	(6,221)	-	(908)	9,042	2,794,409
Plant and equipment	27,394	-	-	-	(4,255)	(235)	-	7,177	30,081
Infrastructure	404,529	-	-	60,031	(10,816)	(66)	(3,284)	30,913	481,307
Work in progress	28,770	47,514	-	-	-	-	(3,850)	(47,148)	25,286
	3,097,615	47,514	-	215,606	(21,292)	(301)	(8,043)	(16)	3,331,083

Summary of work in progress (WIP)

	Opening WIP \$'000	Additions \$'000	Class Transfers \$'000	Write Offs \$'000	Transfers \$'000	Closing WIP \$'000
Property	11,670	12,832	(546)	(1,335)	(9,042)	13,579
Plant and equipment	105	7,612	590	(806)	(7,177)	324
Infrastructure	16,995	27,070	(60)	(1,709)	(30,913)	11,383
Total	28,770	47,514	(16)	(3,850)	(47,132)	25,286



Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

Council

(a) Property

	Land - specialised \$'000	Land - non specialised \$'000	Total land \$'000	Heritage buildings \$'000	Buildings - specialised \$'000	Buildings - non specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
At fair value 1 July 2021	2,207,870	171,153	2,379,023	69,783	171,838	16,886	258,507	11,508	2,649,039
Accumulated depreciation at 1 July 2021	-	-	-	(1,022)	(4,316)	(449)	(5,787)	-	(5,787)
	2,207,870	171,153	2,379,023	68,761	167,522	16,436	252,720	11,508	2,643,252
<b>Movements in fair value</b>									
Additions	-	-	-	-	-	-	-	12,828	12,828
Revaluation	142,630	4,697	147,327	562	(1,260)	(1,251)	(1,949)	-	145,378
Disposal	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	(918)	-	(918)	(1,335)	(2,254)
Transfers	-	-	-	6,248	1,721	1,069	9,038	(9,038)	-
Transfer between asset class	(3,005)	3,005	-	-	-	-	-	(546)	(546)
	139,625	7,702	147,327	6,810	(457)	(182)	6,171	1,908	155,407
<b>Movements in accumulated depreciation</b>									
Depreciation	-	-	-	(869)	(4,411)	(721)	(6,001)	-	(6,001)
Accumulated depreciation of write-offs	-	-	-	-	10	-	10	-	10
Revaluation	-	-	-	1,802	7,181	1,214	10,197	-	10,197
	-	-	-	933	2,779	494	4,206	-	4,206
At fair value 30 June 2022	2,347,495	178,855	2,526,350	76,594	171,381	16,704	264,678	13,417	2,804,445
Accumulated depreciation at 30 June 2022	-	-	-	(89)	(1,537)	44	(1,581)	-	(1,581)
Carrying amount	2,347,495	178,855	2,526,350	76,505	169,844	16,748	263,097	13,417	2,802,864

Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

Council

	Heritage plant and equipment \$'000	Plant machinery, motor vehicles and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecomms \$'000	Library books \$'000	Work In progress \$'000	Total plant and equipment \$'000
<b>(b) Plant and Equipment</b>							
At fair value 1 July 2021	7,503	-	-	-	-	-	7,503
At cost 1 July 2021	63	26,883	10,457	8,081	23,093	105	68,682
Accumulated depreciation at 1 July 2021	(169)	(14,831)	(7,677)	(5,964)	(20,295)	-	(48,935)
	7,397	12,052	2,780	2,117	2,799	105	27,250
<b>Movements</b>							
Additions	-	-	-	-	-	7,490	7,490
Disposal	-	(988)	-	(393)	-	-	(1,381)
Write-off	-	-	-	-	-	(806)	(806)
Transfers between asset class	-	-	-	-	-	590	590
Transfers	130	3,017	1,241	1,914	753	(7,055)	-
	130	2,029	1,241	1,520	753	219	5,893
<b>Movements in accumulated depreciation</b>							
Depreciation	(96)	(1,925)	(572)	(730)	(857)	-	(4,181)
Accumulated depreciation of disposals	-	801	-	345	-	-	1,146
	(96)	(1,124)	(572)	(385)	(857)	-	(3,035)
At fair value 30 June 2022	7,566	-	-	-	-	-	7,566
At cost 30 June 2022	130	28,912	11,698	9,601	23,846	324	74,512
Accumulated depreciation at 30 June 2022	(265)	(15,955)	(8,249)	(6,349)	(21,151)	-	(51,970)
Carrying amount	7,431	12,957	3,449	3,253	2,695	324	30,108

Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

Council

(c) Infrastructure

	Roads \$'000	Bridges \$'000	Drainage \$'000	Recreational, leisure and community \$'000	Parks, open space and streetscapes \$'000	Other infrastructure \$'000	Work in progress \$'000	Total infrastructure \$'000
At fair value 1 July 2021	393,170	6,729	87,992	25,652	80,160	34,880	16,995	645,578
Accumulated depreciation at 1 July 2021	(192,378)	(1,838)	(974)	(7,472)	(10,673)	(10,718)	-	(224,053)
	200,791	4,891	87,019	18,179	69,487	24,162	16,995	421,525
<b>Movements in fair value</b>								
Additions	-	-	-	-	-	-	27,070	27,070
Revaluation	74,121	1,854	-	4,392	23,232	-	-	103,599
Disposal	(131)	-	-	-	-	-	-	(131)
Write-off	(5,508)	-	-	(876)	(367)	-	(1,709)	(8,461)
Transfers	11,797	-	3,658	3,184	10,042	2,232	(30,913)	-
Transfer between asset class	-	-	-	-	3,865	(3,865)	(60)	(60)
	80,279	1,854	3,658	6,700	36,773	(1,634)	(5,612)	122,017
<b>Movements in accumulated depreciation</b>								
Depreciation	(4,943)	(96)	(1,005)	(1,029)	(2,746)	(998)	-	(10,816)
Accumulated depreciation of disposals	65	-	-	-	-	-	-	65
Accumulated depreciation of write-offs	3,021	-	-	254	192	-	-	3,467
Revaluation	(36,385)	(532)	-	(851)	(5,799)	-	-	(43,567)
Transfer between asset class	-	-	-	-	(2,195)	2,195	-	-
	(38,241)	(628)	(1,005)	(1,626)	(10,547)	1,196	-	(50,851)
At fair value 30 June 2022	473,449	8,583	91,650	32,351	116,932	33,247	11,383	767,595
Accumulated depreciation at 30 June 2022	(230,619)	(2,466)	(1,979)	(9,099)	(21,220)	(9,522)	-	(274,905)
Carrying amount	242,830	6,117	89,671	23,253	95,712	23,725	11,383	492,690

Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

Consolidated

(a) Property	Land - specialised \$'000	Land - non specialised \$'000	Total land \$'000	Heritage buildings \$'000	Buildings - specialised \$'000	Buildings - non specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
At fair value 1 July 2021	2,207,870	171,155	2,379,025	77,538	171,838	16,886	266,262	11,670	2,656,957
Accumulated depreciation at 1 July 2021	-	-	-	(3,600)	(4,316)	(449)	(8,365)	-	(8,365)
	2,207,870	171,155	2,379,025	73,938	167,522	16,436	257,897	11,670	2,648,591
<b>Movements in fair value</b>									
Additions	-	-	-	-	-	-	-	12,832	12,832
Revaluation	142,630	4,697	147,327	562	(1,260)	(1,251)	(1,949)	-	145,378
Disposal	-	-	-	-	-	-	-	-	-
Write-off	-	(1)	(1)	-	(918)	-	(918)	(1,335)	(2,254)
Transfers	-	-	-	6,252	1,721	1,069	9,042	(9,042)	-
Transfer between asset class	(3,005)	3,005	-	-	-	-	-	(546)	(546)
	139,625	7,701	147,326	6,814	(457)	(182)	6,175	1,908	155,410
<b>Movements in accumulated depreciation</b>									
Depreciation	-	-	-	(1,089)	(4,411)	(721)	(6,221)	-	(6,221)
Accumulated depreciation of disposals	-	-	-	-	10	-	10	-	10
Revaluation	-	-	-	1,802	7,181	1,214	10,197	-	10,197
	-	-	-	713	2,779	494	3,986	-	3,986
At fair value 30 June 2022	2,347,494	178,856	2,526,350	84,353	171,381	16,704	272,437	13,578	2,812,366
Accumulated depreciation at 30 June 2022	-	-	-	(2,887)	(1,537)	-	(4,379)	-	(4,379)
Carrying amount	2,347,494	178,856	2,526,350	81,466	169,844	16,704	268,059	13,578	2,807,987

Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

Consolidated

	Heritage plant and equipment \$'000	Plant machinery, motor vehicles and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecomms \$'000	Library books \$'000	Work In progress \$'000	Total plant and equipment \$'000
<b>(b) Plant and equipment</b>							
At fair value 1 July 2021	7,503	-	-	-	-	-	7,503
At cost 1 July 2021	63	28,056	10,508	8,232	23,093	105	70,058
Accumulated depreciation at 1 July 2021	(169)	(15,782)	(7,698)	(6,118)	(20,295)	-	(50,062)
	7,397	12,274	2,810	2,114	2,799	105	27,499
<b>Movements in fair value</b>							
Additions	-	-	-	-	-	7,612	7,612
Disposal	-	(1,019)	-	(393)	-	-	(1,412)
Write-off	-	-	-	-	-	(806)	(806)
Transfers between asset class	-	-	-	-	-	590	590
Transfers	130	3,094	1,279	1,921	753	(7,177)	-
	130	2,075	1,279	1,528	753	219	5,984
<b>Movements in accumulated depreciation</b>							
Depreciation	(96)	(1,990)	(578)	(734)	(857)	-	(4,255)
Accumulated depreciation of disposals	-	833	3	341	-	-	1,178
	(96)	(1,157)	(575)	(392)	(857)	-	(3,077)
At fair value 30 June 2022	7,566	-	-	-	-	-	7,566
At cost 30 June 2022	130	30,131	11,788	9,760	23,846	324	75,979
Accumulated depreciation at 30 June 2022	(265)	(16,938)	(8,273)	(6,510)	(21,151)	-	(53,139)
Carrying amount	7,431	13,193	3,515	3,249	2,694	324	30,406

Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

Consolidated

(c) Infrastructure	Roads \$'000	Bridges \$'000	Drainage \$'000	Recreational, leisure and community \$'000	Parks, open space and streetscapes \$'000	Other infrastructure \$'000	Work in progress \$'000	Total infrastructure \$'000
At fair value 1 July 2021	393,170	6,729	87,992	25,652	80,160	34,881	16,995	645,578
Accumulated depreciation at 1 July 2021	(192,378)	(1,838)	(974)	(7,472)	(10,673)	(10,718)	-	(224,053)
	200,791	4,891	87,019	18,179	69,487	24,162	16,995	421,525
<b>Movements in fair value</b>								
Additions	-	-	-	-	-	-	27,070	27,070
Revaluation	74,121	1,854	-	4,392	23,232	-	-	103,599
Disposal	(131)	-	-	-	-	-	-	(131)
Write-off	(5,508)	-	-	(876)	(367)	-	(1,709)	(8,461)
Transfers	11,797	-	3,658	3,184	10,042	2,232	(30,913)	-
Transfer between asset class	-	-	-	-	3,865	(3,865)	(60)	(60)
	80,279	1,854	3,658	6,700	36,773	(1,634)	(5,612)	122,017
<b>Movements in accumulated depreciation</b>								
Depreciation	(4,943)	(96)	(1,005)	(1,029)	(2,746)	(998)	-	(10,816)
Accumulated depreciation of disposals	65	-	-	-	-	-	-	65
Accumulated depreciation of write-offs	3,021	-	-	254	192	-	-	3,467
Revaluation	(36,385)	(532)	-	(851)	(5,799)	-	-	(43,567)
Transfer between asset class	-	-	-	-	(2,195)	2,195	-	-
	(38,241)	(628)	(1,005)	(1,626)	(10,547)	1,196	-	(50,851)
At fair value 30 June 2022	473,449	8,583	91,650	32,351	116,932	33,247	11,383	767,595
Accumulated depreciation at 30 June 2022	(230,619)	(2,466)	(1,979)	(9,098)	(21,220)	(9,522)	-	(274,904)
Carrying amount	242,830	6,117	89,671	23,253	95,712	23,725	11,383	492,691



## Note 6 Assets we manage (cont.)

### 6.1 Property, infrastructure, plant and equipment (cont.)

#### 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 is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction and direct labour.

In accordance with Council's policy, the threshold limits applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

#### Asset recognition thresholds and depreciation periods

	Depreciation Period	Threshold Limit \$'000
Property		
land	Not depreciable	all land
Buildings		
buildings	50 years	5
heritage buildings	100 years	5
Plant and Equipment		
plant, machinery and equipment	3-10 years	1
fixtures, fittings and furniture	5-10 years	1
computers and telecommunications	4-10 years	1
heritage plant and equipment	100 years	1
library stocks		all holdings with life exceeding one year
	3-8 years	
Infrastructure		
road pavements and seals	30-60 years	10
road substructure	200 years	10
road kerb, channel and minor culverts	60-80 years	10
bridges	80 years	10
footpaths and cycleways	30-60 years	10
drains	100 years	10
drainage pits	50 years	10
rights of way	15-200 years	10
recreational, leisure and community facilities	10-50 years	5
park, open space and streetscapes	10-100 years	5
off street car parks	25-50 years	10
other infrastructure	10-25 years	10
Intangible assets		
software	4 years	1
right of use assets	Remaining contract period	

#### Land under roads

Council recognises land under roads it controls at fair value.

#### Depreciation and amortisation

Buildings, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

## Note 6 Assets we manage (cont.)

### 6.1 Property, infrastructure, plant and equipment (cont.)

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

#### *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.

#### **Valuation of land and buildings**

A valuation of land was undertaken in 2021/22 and building in 2021/22 by Mr D.Thai, AAPI CPV (Australian Property Institute Member no. 3029). The valuation of land and buildings is at fair value, being 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.

The market is being impacted by the uncertainty caused by the COVID-19 pandemic. As at the date of valuation the valuers consider that there is market uncertainty resulting in significant valuation uncertainty. This valuation is therefore reported on the basis of 'significant valuation uncertainty'. As a result, less certainty exists than normal and a higher degree of caution should be attached to the valuation given the environment and future impact that COVID-19 might have on markets.

The valuation is current at the date of valuation only. The value assessed herein may change significantly and unexpectedly over a relatively short period of time as a result of factors that the Valuer could not reasonably have been aware of as at the date of valuation.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market based direct comparison approach.

Specialised land or land under roads 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.

The date of the current valuation is detailed in the following table.

Details of Council's land and buildings and information about the fair value hierarchy as at 30 June 2022 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Land - non specialised	-	178,855	-	Jun-22
Land - specialised	-	-	1,578,045	Jun-22
Land under roads	-	-	769,450	Jun-22
Buildings - non specialised	-	16,748	-	Jun-22
Buildings - specialised	-	-	246,349	Jun-22
<b>Total</b>	-	195,603	2,593,844	

Definitions of the fair value hierarchy outlined in Note 8.4.

## Note 6 Assets we manage (cont.)

### 6.1 Property, infrastructure, plant and equipment (cont.)

#### Valuation of infrastructure

Infrastructure is valued at fair value based on replacement cost less accumulated depreciation method. This cost represents the replacement cost of the component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the asset to an "as new" standard. Economic obsolescence has also been factored into the depreciated replacement cost calculation.

In 2022 the council has applied indexation to the carrying values of Roads and Bridges. Indexation movement assessment was calculated using Australian Bureau of Statistics (ABS) data as at 30 June 2022. The index calculation was verified by Mr. Rick Kwasek, D.Eng. (Municipal), MPM (Master of Project Management), MAIPM. Council's road and bridges assets have had the inflationary impact of construction cost change reflected in the replacement cost. A full revaluation assessment of these assets was conducted in June 2019.

A valuation of Council's infrastructure assets; Parks, open space and streetscapes and Recreational, leisure and community facilities has been updated in line with fair values confirmed by independent valuer (Amar Singh, ISO55001 CAMA BE(Hons) CPEng IntPE). The valuation included conditional assessment and audit of open space data. The effective date of the valuation is 1 July 2021.

The valuation is at fair value based on 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:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Roads	-	-	242,830	Jun-19
Bridges	-	-	6,117	Jun-19
Drainage	-	-	89,671	Jun-21
Other infrastructure	-	-	23,725	Jun-20
Recreational, leisure and community facilities	-	-	23,253	Jul-21
Parks, open space and streetscapes	-	-	95,712	Jul-21
<b>Total</b>	-	-	481,307	

No transfers between levels occurred during the year.

Definitions of the fair value hierarchy outlined in Note 8.4.

#### Valuation of heritage assets - arts and antiques

Council underwent a valuation of artworks, antiques and public artworks in accordance with AASB 13 - *Fair value measurement* in 2019. The value of these assets are determined in accordance with an independent valuation undertaken by McWilliam Associates, Colin Mc William (Registered Valuer No: 384) on council's fine arts, public sculptures and other artworks and by Peter Tinslay (Registered Valuer No: 613) on council's historical assets. Input data for the valuation was derived from values of like or similar material found by research of records of Australian and international sales, purchases and other forms of acquisition, knowledge of prices paid by other institutions and valuation experience of other Council's Collections. Heritage assets acquired since 1 July 2019 have been recognised at cost. Council's Fine Art (comprising furniture, decorative arts and archives) and New Art Asset Collections have been determined by the valuer as requiring level 3 (unobservable) inputs to determine their valuation. The specific nature of these collections are that there are fewer observable sales of like or similar items for these assets.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Heritage, plant and equipment	-	3,346	4,085	Jun-19
<b>Total</b>	-	3,346	4,085	

Note 6 Assets we manage (cont.)

6.1 Property, infrastructure, plant and equipment (cont.)

*Description of significant unobservable inputs into level 3 valuations*

**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 land values that are between **5% and 60%** of the surrounding land values. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between **\$229 and \$4,625** per square metre.

**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 **\$1000 to \$8,750** per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 50 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. Current replacement costs is calculated on a cost per unit per linear metre basis and ranges from **\$18 to \$500** per linear metre for various assets type like roads, bridges, drains, footpath and cycleways. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years to 200 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.

	2022 \$'000	2021 \$'000
<b>Reconciliation of specialised land</b>		
Land under roads	769,450	732,450
Land	1,578,045	1,475,420
<b>Total specialised land</b>	<u>2,347,495</u>	<u>2,207,870</u>

**Note 6 Assets we manage (cont.)**

**6.2 Investments in joint operation and subsidiary**

**(a) Investment in joint operation**

**Regional Landfill Clayton South**

*Background*

The Regional Landfill Clayton South Investment is a joint council initiative comprising the municipalities of Stonnington, Glen Eira, Monash, Boroondara and Whitehorse for the sole purpose of owning and operating a putrescible landfill (rubbish tip) to the benefit of the owner Councils. The City of Stonnington has a 12.76% interest in the assets, liabilities, and operating result of this Investment. Council's share of the financial result in the Investment is brought to account using the equity accounting method as an investment in joint operation based on 2022 unaudited accounts (2021 unaudited accounts).

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Fair value of Council's investment in Regional Landfill Clayton South</b>	<u>83</u>	<u>88</u>
<b>Council's share of accumulated deficit</b>		
Council's share of accumulated deficit at start of year	(2,648)	(1,288)
Reported surplus / (deficit) for year	249	(1,360)
Council's share of accumulated deficit at end of year	<u>(2,399)</u>	<u>(2,648)</u>
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	212	212
Council's share of reserves at end of year	<u>212</u>	<u>212</u>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	88	363
Share of deficit for the year excluding revaluation of provision for environmental rehabilitation	(6)	(275)
Carrying value of investment at end of year	<u>83</u>	<u>88</u>
<b>Council's share of expenditure commitments</b>		
Operating commitments	-	-
Council's share of expenditure commitments	<u>-</u>	<u>-</u>
<b>Council's share of environmental rehabilitation provision</b>		
Carrying value of environment rehabilitation provision at start of year	2,526	1,441
Share of revaluation of provision	(82)	1,258
Share of provision used	(173)	(173)
Carrying value of environment rehabilitation provision at end of year	<u>2,271</u>	<u>2,526</u>

**Significant restrictions**

Since Council holds less than 20% equity, it does not have significant influence over the operations of the joint operation.

The landfill has reached capacity and ceased operations at the end of January 2016 and restoration work has commenced. At the reporting date the Joint Venture recognised a provision for rehabilitation works which is measured at the present value of the Joint Venturers' best estimate of the costs associated with remediation of the site. Remediation is expected to be completed by 2050.

The calculation of the provision is based on a review of the Annual and planned equipment replacement aftercare costs of the site. These costs have been inflated at 2 per cent per year. The present value calculation uses the Milliman Group of 100 discount rate forecasts for 30 years. The provision also takes into account a forecast \$1.996 million of capping and gas infrastructure works that are required to be completed in order to decommission the land fill.

The provision is assessed at the end of each reporting period in order to ensure it accurately reflects the cost of closing and restoring the site.

**Note 6 Assets we manage (cont.)**

**6.2 Investments in joint operation and subsidiary (cont.)**

**(a) Investment in joint operation (cont.)**

The provision was initially based on an external assessment performed in 2015. The landfill in its current state, is not yet "settled". A review has been undertaken during the 2020-21 financial year by Mackenzie Environmental Pty Ltd on estimates of future costs to operate the closed landfill site in accordance with the *Environment Protection Act 2017*. The increase in provision recognised in 2020-21 related to the expected post closure maintenance period costs after capping works are completed. The provision is based on the best information available to management at year-end. This indicated aftercare costs of approximately \$1.034 million annually. It is management's intention to obtain a formal assessment when capping works are expected to be completed.

The resultant provision for rehabilitation within the Regional Landfill Clayton 2022 unaudited accounts of \$17.79 million (\$19.79 million, 2021) reflects the estimated costs for capping of the landfill cells and installation of additional gas extraction infrastructure over the next year, and then 'aftercare' costs (active monitoring and site management) for a 26 year period. The Landfill joint operation will, in the future, be dependent on the participating councils for funding contributions to meet its rehabilitation obligations. As such, Council's share of the joint operation's provision is recorded in the Balance Sheet as a Non-current liability – Other liabilities \$2.27 million (2021, \$2.53 million reduction to Investment in joint operation) and an expense, Share of net profit or loss of joint operation accounted for by the equity method, in the Comprehensive Income Statement.

Council recognises its direct right to, and its share of, the jointly held assets, liabilities, revenues and expenses of Clayton South Regional Landfill. These have been incorporated in the financial statements under the appropriate headings. Council interest in joint operations are accounted for using the equity method. Under this method, the interest is initially recognised in the Balance Sheet at cost and adjusted thereafter to recognise Council's share of the net assets of the entities. The Council's share of the financial result of the entities is recognised in the Comprehensive Income Statement.



**Note 6 Assets we manage (cont.)**

**6.2 Investment in joint operation and subsidiary (cont.)**

**(b) Subsidiary**

**Prahran Market Pty Ltd**

Prahran Market Pty Ltd is a wholly owned subsidiary, incorporated within Australia, of the City of Stonnington. Prahran Market Pty Ltd manages the retail activities of the Prahran Market for the City of Stonnington on terms set out in a management agreement between both parties dated 30 March 2008.

In response to the COVID-19 pandemic, Council provided rent abatement to Prahran Market of \$0.87 million including financial support of \$0.50 million in the year ended 30 June 2022 (2021, \$0.29 million). Council will continue to provide financial support to Prahran Market in line with Council's financial hardship policy.

The assets, liabilities, and operating result based upon 2022 unaudited financial statements (2021 unaudited financial statements) are included in Council's consolidated financial accounts, as follows:

<b>Summarised financial information</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Summarised statement of comprehensive income</b>		
Total income	4,465	4,856
Total expenses	4,547	4,889
Surplus/(deficit) for the year	(81)	(33)
<b>Total comprehensive result</b>	<b>(81)</b>	<b>(33)</b>
<b>Summarised balance sheet</b>		
Current assets	2,390	2,533
Non-current assets	5,421	5,589
Total assets	7,810	8,122
Current liabilities	713	923
Non-current liabilities	42	62
Total liabilities	755	986
<b>Net Assets</b>	<b>7,055</b>	<b>7,137</b>
<b>Equity</b>		
Accumulated funds	5,055	5,137
Issued capital	2,000	2,000
<b>Total Equity</b>	<b>7,055</b>	<b>7,137</b>
<b>Summarised statement of cash flows</b>		
Net cash provided by operating activities	554	88
Net cash used in investing activities	(124)	(8)
Net cash used in financing activities	10	10
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>440</b>	<b>90</b>

**Principles of consolidation**

The consolidated financial statements of Council incorporates all entities controlled by Council as at 30 June 2022, and their income and expenses for that part of the reporting period in which control existed. Transactions and balances within the consolidated group are eliminated.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the 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 control is transferred to Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

The Prahran Market Pty Ltd is the only subsidiary and controlled entity consolidated into Council.

**Note 6 Assets we manage (cont.)**

**6.3 Investment property**

	<b>Council</b>		<b>Consolidated</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at beginning of the financial year	6,450	7,485	6,450	7,485
Fair value adjustments	815	(1,035)	815	(1,035)
Balance at end of financial year	<u>7,265</u>	<u>6,450</u>	<u>7,265</u>	<u>6,450</u>

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 Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the Comprehensive Income Statement in the period that they arise.

***Valuation of investment property***

The valuation of investment property has been determined annually by an independent valuer, Mr P. Ryan AAPI (Australian Property Institute Member no. 101948). All tenant leases are on arm's length basis. Investment property is carried at fair value being \$7.27 million (2021, \$6.45 million), based on the current market value of the property.

## **Note 7 People and relationships**

### **7.1 Council and key management remuneration**

#### **(a) Related parties**

##### *Parent entity*

Stonnington City Council is the parent entity.

##### *Subsidiaries*

Interests in the subsidiary 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 Stonnington City Council. The Councillors, Chief Executive Officer, Directors and Chiefs are deemed KMP.

Details of KMP at any time during the year are:

<b>Councillors</b>	Councillor Jami Klisaris	(1 July 2021 - 22 November 2021, Mayor 23 November 2021 - 30 June 2022)
	Councillor Melina Sehr	(1 July 2021 - 30 June 2022)
	Councillor Alexander Lew	(1 July 2021 - 30 June 2022)
	Councillor Kate Hely	(23 November 2021 - 30 June 2022, Mayor 1 July 2021 - 22 November 2021)
	Councillor Marcia Griffin	(1 July 2021 - 30 June 2022)
	Councillor Matthew Koce	(1 July 2021 - 30 June 2022)
	Councillor Mike Scott	(1 July 2021 - 30 June 2022)
	Councillor Nicki Batagol	(1 July 2021 - 30 June 2022)
	Councillor Polly Morgan	(1 July 2021 - 30 June 2022)
<b>Chief Executive Officer</b>	Ms Jacqui Weatherill	(1 July 2021 - 30 June 2022)
<b>Director</b>	Ms Annaliese Battista	Director Planning and Place (1 July 2021 - 30 June 2022)
	Mr Rick Kwasek	Director Environment and Infrastructure (1 July 2021 - 30 June 2022)
	Ms Cath Harrod	Director Community and Wellbeing (1 July 2021 - 30 June 2022)
	Ms Tracey Limpens	Director Organisation Capability (4 April 2022 - 30 June 2022, Chief of Staff 1 July 2021 - 31 March 2022)
<b>Chief Officers</b>	Ms Julia Gallace	Chief Financial Officer (1 July 2021 - 30 June 2022)
	Mr Greg Curcio	Chief Transformation Officer (4 April 2022 - 30 June 2022, Director Engagement and Innovation 1 July 2021 - 1 April 2022)
	Ms Jacqui Campbell	Chief of People Officer (1 July 2021 - 1 December 2021)
	Mr Simon Holloway	Chief of People Officer (Interim 2 December 2021 - 30 April 2022)
<b>Executive</b>	Mr David Thompson	Executive Manager Legal and Governance (24 January 2022 - 30 June 2022)

	<b>Council</b>	
	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
<b>Total number of Councillors</b>	9	14
<b>Total of Chief Executive Officer and other key management personnel</b>	10	10
<b>Total key management personnel</b>	19	24

#### **(c) Remuneration of key management personnel**

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Total remuneration of key management personnel was as follows:		
Short-term benefits	2,492	2,470
Post-employment benefits	243	212
Other long-term benefits	88	39
Termination benefits	-	197
<b>Total remuneration</b>	<b>2,824</b>	<b>2,917</b>

Key management personnel of the subsidiary and joint venture are reported in the subsidiary financial statements.

## 7.1 Council and key management remuneration (cont.)

### (c) Remuneration of key management personnel (cont.)

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	<b>Council 2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
< \$10,000	-	1
\$10,000 - \$19,999	-	3
\$20,000 - \$29,999	-	4
\$30,000 - \$39,999	6	5
\$40,000 - \$49,999	1	-
\$60,000 - \$69,999	1	1
\$80,000 - \$89,999	2	-
\$100,000 - \$109,999	1	1
\$120,000 - \$129,999	-	3
\$130,000 - \$139,999	1	-
\$230,000 - \$239,999	1	-
\$250,000 - \$259,999	1	-
\$260,000 - \$269,999	-	1
\$280,000 - \$289,999	1	1
\$290,000 - \$299,999	2	-
\$300,000 - \$309,999	1	-
\$310,000 - \$319,999	-	1
\$340,000 - \$349,999 *	-	1
\$400,000 - \$409,999	-	1
\$420,000 - \$429,999	1	-
\$460,000 - \$469,999 *	-	1
	<b>19</b>	<b>24</b>

\* Includes termination payment

### (d) Senior officer remuneration

A Senior Officer is an officer of Council, other than Key Management Personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$151,000

The number of Senior Officers are shown below in their relevant income bands:

	<b>Council 2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Income Range:		
< \$151,000	13	27
\$151,000 - \$159,999	1	2
\$160,000 - \$169,999	6	2
\$170,000 - \$179,999	5	3
\$180,000 - \$189,999	8	1
\$190,000 - \$199,999	3	7
\$200,000 - \$210,999	5	1
\$220,000 - \$229,999	2	1
\$230,000 - \$239,999	1	-
	<b>44</b>	<b>44</b>
	<b>\$'000</b>	<b>\$'000</b>
	<b>6,775</b>	<b>5,635</b>

Total Remuneration for the reporting year for Senior Officers included above, amounted to

## 7.2 Related party disclosure

### (a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

Type of transaction	Terms	Aggregate Amount (incl GST) \$'000
Rental, garbage collection fees, electricity and other reimbursements from Prahran Market Pty Ltd	Management agreement	889
Other revenue from Prahran Market Pty Ltd	Letter of Agreement	44
Repairs, maintenance and other reimbursement paid to Prahran Market Pty Ltd	Letter of Agreement	17
Reimbursement for capital improvements undertaken at Prahran Market	Management agreement	324

### (b) Outstanding balances with related parties

The following balance is outstanding at the end of the reporting period in relation to transactions with related parties.

Type of transaction	Terms	Aggregate Amount (incl GST) \$'000
Amounts receivable from Prahran Market Pty Ltd	Memorandum of understanding	282
Capital contribution outstanding to Prahran Market Pty Ltd	Memorandum of understanding	11
Repairs, maintenance and other reimbursement outstanding to Prahran Market Pty Ltd	Memorandum of understanding	53

### (c) Loans to/from related parties

There are no outstanding loans to/from related parties.

### (d) Commitments to/from related parties

Prahran Market Pty Ltd has a Management Agreement with Stonnington City Council that is currently under review and the new Management Agreement and leasing contract will be executed in 2022/23.

## Note 8 Managing uncertainties

### 8.1 Contingent assets and contingent 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

##### Legal matters

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. The remaining matters are not yet finalised, the financial outcome of these matters cannot be reliably estimated and no allowance for these contingencies has been made in the financial report (30 June 2021, same position).

#### (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.

##### Legal matters

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report (30 June 2021, same position).

##### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 9.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

##### 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.

##### MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

### 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. Council assesses the impact of these new standards. As at 30 June 2022 there has been a clarification released for the application of *IAS 38 Intangible Assets - Configuration or Customisation Costs in a Cloud Computing Arrangement* which has impacted Council results. The clarification reflected arrangements in respect of a specific part of cloud technology, Software-as-a-Service (SaaS), and how they should be accounted for and deals with specific circumstances in relation to configuration and customisation costs incurred in implementing SaaS. Council has reflected this change in accounting policy in respect of customisation and configuration costs incurred in implementing SaaS arrangements and in applying this accounting policy, Council has made key judgements that may have a significant effect on the amounts recognised within the financial statements refer to 5.2(b).



## **Note 8 Managing uncertainties (cont.)**

### **8.3 Financial instruments**

#### **(a) Objectives and policies**

Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the Notes of the financial statements. Risk management is carried out by senior management under policies approved by Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

#### **(b) Market risk**

Market risk is the risk that the fair value or future cash flows of Council financial instruments will fluctuate because of changes in market prices. Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

##### ***Interest rate risk***

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. We manage interest rate risk by adopting an investment policy that ensures:

- diversification of investment product,
- monitoring of return on investment, and
- benchmarking of returns and comparison with budget.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

#### **(c) Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our Balance Sheet. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with Council's other financial assets is minimal. Rates debtors are secured by a charge over the rateable property. Council has assessed that 94% of parking infringement debts owing to Council are unlikely to be collected and has raised a provision for doubtful debts over those debts based on an assessment of collectability. The collection of long overdue parking infringement debts is managed by Fines Victoria.

The City of Stonnington Rates Financial Hardship Policy provides various options to assist ratepayers in financial distress, such as rate concessions, charge and interest deferral, payment options and interest waivers. The Rates Financial Hardship Policy continued to apply in response to the COVID-19 pandemic.

There are no material financial assets which are individually determined to be impaired.

We may also be subject to credit risk for transactions which are not included in the Balance Sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 8.1 (b).

## **Note 8 Managing uncertainties (cont.)**

### **8.3 Financial instruments (cont.)**

#### **(c) Credit risk (cont.)**

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 other than that related to Council rates and charges. In the event that a ratepayer fails to pay their rates and charges, Council has the power to register a charge over the rateable property. By registering the charge over the rateable property, Council has priority over any other encumbrances on the property.

#### **(d) Liquidity risk**

Liquidity risk includes the risk that, as a result of our operational liquidity requirements we will not have sufficient funds to settle a transaction when required or we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to any financial guarantees disclosed in Note 8.1(b), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

#### **(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 following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1.50% and - 0% in market interest rates (AUD) from year-end rates of 0.85%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

### **8.4 Fair value measurement**

#### *Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy. Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 *Fair value measurement*, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

## **Note 8 Managing uncertainties (cont.)**

### **8.4 Fair value measurement (cont.)**

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; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### *Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the 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. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 4 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments 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 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 are included in the asset revaluation reserve for that class of asset in which case the decrement is taken 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, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Comprehensive Income Statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

### **8.5 Events occurring after balance date**

No matters have occurred after balance date that require disclosure in the financial report.

Note 9 Other matters

9.1 Reserves

(a) Asset revaluation reserve - Council

2022

Property

Land

Land under roads

Buildings

Heritage buildings

Infrastructure

Roads, streets, rights of way and bridges

Other infrastructure

Drainage

Recreational, leisure and community

Parks, open space and streetscapes

Plant and equipment

Heritage plant and equipment

Total asset revaluation reserve

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
1,217,191	110,327	1,327,518	
356,710	37,000	393,710	
187,023	5,884	192,908	
16,922	2,364	19,286	
1,777,846	155,575	1,933,421	
112,744	39,058	151,802	
13,790	-	13,790	
36,476	-	36,476	
1,673	3,540	5,213	
5,840	17,434	23,274	
170,523	60,031	230,554	
1,290	-	1,290	
1,949,659	215,606	2,165,265	

2021

Property

Land

Land under roads

Buildings

Heritage buildings

Infrastructure

Roads, streets, rights of way and bridges

Other infrastructure

Drainage

Recreational, leisure and community

Parks, open space and streetscapes

Plant and equipment

Heritage plant and equipment

Total asset revaluation reserve

1,127,888	89,303	1,217,191	
305,560	51,150	356,710	
188,288	(1,265)	187,023	
16,922	-	16,922	
1,638,658	139,188	1,777,846	
112,744	-	112,744	
13,790	-	13,790	
35,658	818	36,476	
1,673	-	1,673	
5,840	-	5,840	
169,705	818	170,523	
1,290	-	1,290	
1,809,653	140,006	1,949,659	

The asset revaluation reserve is used to record the movement in the fair value of Council's assets over time.

Note 9 Other matters (cont.)

9.1 Reserves (cont.)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period	Consolidated balance at end of reporting period
(b) Other reserves	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2022</b>					
Open Space Reserve	49,441	7,246	(416)	56,270	56,270
Future Fund Reserve	16,752	1,561	(13,313)	5,000	5,000
Infrastructure - Roads Damaged Reserve	250	-	-	250	250
<b>Total Other reserves</b>	<b>66,444</b>	<b>8,806</b>	<b>(13,729)</b>	<b>61,521</b>	<b>61,521</b>
<b>2021</b>					
Open Space Reserve	52,674	10,056	(13,289)	49,441	49,441
Future Fund Reserve	22,278	1,500	(7,026)	16,752	16,752
Infrastructure - Roads Damaged Reserve	250	-	-	250	250
<b>Total Other reserves</b>	<b>75,202</b>	<b>11,556</b>	<b>(20,315)</b>	<b>66,444</b>	<b>66,444</b>

The Open Space Reserve is used to record developer contributions and utilisation of this reserve is to purchase, create or enhance open space assets.

The Future Fund Reserve is a reserve created to assist Council when making strategic property acquisitions, for major community infrastructure development opportunities and other specific one off purposes.

The Infrastructure - Roads Damaged Reserve is created to enable Council to utilise forfeited road asset protection and work zones maintenance bonds on road and infrastructure repair and maintenance.

	Council		Consolidated	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
<b>Note 9 Other matters (cont.)</b>				
<b>9.2 Reconciliation of cash flows from operating activities to surplus</b>				
Surplus for the year	10,936	16,054	10,855	16,022
Depreciation/amortisation	22,121	20,791	22,416	21,079
Loss/(gains) on disposal of property, infrastructure, plant and equipment	6,270	2,337	6,268	2,337
Share of net loss of joint operation accounted for by the equity method	(249)	1,360	(249)	1,360
Fair value adjustments for investment property	(815)	1,035	(815)	1,035
Rent abatement	-	38	-	38
<b>Change in assets and liabilities in relation to operating activities:</b>				
Decrease/(increase) in trade and other receivables	(1,879)	2,161	(1,435)	1,880
(Increase) in prepayments	(193)	(185)	(57)	(297)
(Increase) in accrued income	(225)	(431)	(225)	(431)
(Decrease)/increase in trade and other payables	(504)	1,743	(554)	1,767
Increase in unearned income /revenue *	1,222	4,666	1,222	4,666
Increase in other liabilities *	1,975	379	1,840	532
Increase in provisions	560	989	510	1,041
<b>Net cash provided by operating activities</b>	<b>39,220</b>	<b>50,939</b>	<b>39,775</b>	<b>51,027</b>

\* Reinstatement of other liabilities in prior year as new line item added to reconciliation of cash flow for unearned income/revenue.

### 9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (Vision Super). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

#### Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2022, this was 10.0% as required under Superannuation Guarantee (SG) legislation (2021: 9.5%)).

#### Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

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 Council 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.

#### Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2021, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 109.6%. The financial assumptions used to calculate the VBI were:

- Net investment returns 4.75% pa
- Salary information 2.5% pa
- Price inflation (CPI) 2.25% pa.



## Note 9 Other matters (cont.)

### 9.3 Superannuation (cont.)

#### *Funding arrangements (cont.)*

As at 30 June 2022, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2022.

Vision Super has advised that the estimated VBI at 30 June 2022 was 102.2%. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). The financial assumptions used to calculate this VBI were:

Net investment returns 5.5% pa  
Salary information 2.5% pa to 30 June 2023, and 3.5% pa thereafter  
Price inflation (CPI) 3.0% pa.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2021 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

#### *Employer contributions*

##### *(a) Regular contributions*

On the basis of the results of the 2020 triennial 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 10.0% of members' salaries (9.5% in 2020/2021). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

##### *(b) Funding calls*

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

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) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

#### **The 2021 interim actuarial investigation surplus amounts**

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation 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 investigations identified the following for the Defined Benefit category of which Council is a contributing employer:

	2021 (Interim) \$m	2020 (Triennial) \$m
A VBI surplus	214.7	100.0
A total service liability surplus	270.3	200.0
A discounted accrued benefits surplus	285.2	217.8

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.

## Note 9 Other matters (cont.)

### 9.3 Superannuation (cont.)

#### The 2021 interim actuarial investigation surplus amounts (cont.)

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.

Council 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. Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021).

#### Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2022 are detailed below:

Scheme	Type of Scheme	Rate	2022 \$'000	2021 \$'000
Vision super	Defined benefit	10.0% (2021: 9.5%)	309	451
Vision super	Accumulation fund	10.0% (2021: 9.5%)	3,648	3,484
Other funds	Accumulation fund	10.0% (2021: 9.5%)	2,646	1,759

There were \$0.29 million contributions outstanding as at 30 June 2022.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2023 is \$0.30 million.

## Note 10 Change in accounting policy

There have been no changes to accounting policies in the 2021-22 year.



City of  
**STONNINGTON**