

**DRAFT**

# 2020–21 Annual Report

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**Acknowledgement of Country**

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.



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# A message from our Mayor and Chief Executive Officer

We're pleased to present our Annual Report 2020-21 and provide an overview of our operational performance, audited financial reports and key highlights, along with statements on our governance and management practices. This past Financial Year (2020-21) was the fourth and final year of the City of Stonnington Council Plan 2017-21 and this report details the progress we've made against the four pillars of that plan: community, liveability, environment and economy, whilst dealing with the seemingly never ending challenges of COVID-19 restrictions.

**Our prudent and responsive financial management has allowed Council to endure the financial impact of COVID-19. We've had to significantly refocus Council operations and to design and deliver activities to bring our community and businesses together to ensure Stonnington remains one of Australia's premier municipalities.**

On behalf of the City of Stonnington – we'd like to acknowledge our residents, businesses, community groups, visitors and Council officers for their commitment to keeping people in Stonnington safe. This has been an incredibly tough time and the community spirit we have witnessed has been inspiring. Thank you.

## Another challenging year

2020-21 was another challenging year as COVID-19 continued to impact our Stonnington community heavily, causing many of our council services to be affected. This included temporary closures of our library and aquatics facilities, impacts on our Maternal & Child Health clients and Aged Care services, and ongoing changes to our much-loved Arts & Culture program.

To meet these challenges, and best respond to the specific economic and health challenges that faced our community,

we had to think creatively and find new ways to continue to provide those services that our community told us they valued.

Online events, online Maternal and Child Health appointments and finding new ways of providing library and fitness services were all priorities for our community and we were able to respond quickly by re-assessing and prioritising our already budgeted activities.

This included the deferral of several major capital works projects (the refurbishment of Prahran Town Hall, the multi-purpose sporting facility at Percy Treyvaud Memorial Park and upgrade works at Toorak Park) in favour of diverting those funds to more immediate community requirements.

Additionally, the ongoing COVID-19 environment highlighted the importance of our local community and amenity, with our residents telling us loud and clear how valued our parks and open spaces are. We responded to increased use of these open spaces through additional waste collection services, and regular maintenance. Many parks have also been upgraded.

## Future Stonnington

As our Council Plan 2017-21 came to an end, we turned our attention to developing our plans for the longer term.

Even in a COVID-safe environment, we were pleased to be able to involve a large number of our community members to help us develop a vision and roadmap for the future. We connected with our community through an exhaustive consultation process that included community webinars, targeted online conversations with various community groups, an online ideas board, a detailed survey (both online and face-to-face) and a three-day deliberative engagement process with 32 community members.

Following this comprehensive engagement, we then worked closely with our community to develop our Community Vision 2040 and presented it to Council for adoption.

Now, we're excited to be once again working closely with community to start making our vision a reality from late 2021.



## A budget for now and the future

2020 and the early months of 2021 were a difficult time for our community and we actively redirected resources and attention to where they were needed most.

Across the 2019-20 and 2020-21 financial years we invested over \$11.0 million in supporting our community from the impacts COVID-19.

This included: waivers, grants and refunds for businesses, an innovative outdoor dining program, waiving fees in some of our car parks, mental health programs, assisting sporting clubs and local groups to adapt, helping owners corporations ensure high rise accommodation buildings were safe for residents, providing food and support packages to the most vulnerable members of our community and maintaining crucial programs like early education and maternal child health during lockdown.

Our focus for 2021-22 will be to continue to work to meet the short-term needs of our residents while planning for the future of Stonnington.

## Projects and infrastructure

Our community has told us they value Prahran Square as a place for passive recreation and as an activity hub that supports local economy and drives visitation to the precinct. This year, Stonnington's Prahran Library and the Services and Visitors Hub were launched at Prahran Square, providing a range of new activities that will attract further visitation and produce increased activity.

We supported economic recovery through outdoor dining initiatives including fast track approvals for footpath trading, roadside dining and partial street closures in Greville Street, Prahran and Beatty Avenue, Armadale over the warmer months, all of which proved popular with our community.

## Climate and sustainability

In February 2020, our community asked us to commit to work towards a sustainable future and we declared a Climate Emergency. Since then we have been working on developing an action plan to ensure we meet the ambitious goals set by our community.

This financial year, we reduced greenhouse gas emissions by 48% to achieve below 2005 levels and from 1 July 2021, 100% of Council electricity use will be from renewable energy sources.

A draft of Stonnington's first ever Climate Emergency Action Plan, outlining our pathway to a zero-carbon future, has undergone community consultation with feedback being incorporated and the plan due to be presented back to Council before the end of 2021.

## Events and economic development

While we were able to deliver a number of our flagship events over the past year, some key events had to be reimaged due to the changing nature of COVID-19 restrictions.

Pets in the Park was able to proceed with some modifications and other events found a new way of reaching our community. Our Christmas carols were presented online for the first time, meaning they could not only go ahead, but we were able to reach a new audience that we may not usually easily engage with. Webinars and online events have changed the way we interact with our community and we look forward to continuing to provide a choice for people who may not otherwise be able to take part.

We continued to work closely with our local business community through our Support Local campaign to ensure Stonnington remains what our community tells us is the number one destination for a range of shopping, dining and experiential visitations.

## Advocacy

Advocacy on behalf of our community continues to be a priority. Over the past 12 months we have continued to advocate on a range of topics building on the work previously done in areas of homelessness, waste and recycling, planning and climate change and many other issues.

We're really looking forward to the next year and our continuing work with our community as we start to re-invigorate Stonnington in a new COVID-safe environment.

To the groups, businesses and organisations we work with and our wonderful Council officers – thank you for making the above possible in such a challenging time.

To our residents and businesses, we look forward to better years ahead and what we'll be able to achieve together.



**Cr Kate Hely**

Mayor



**Jacqui Weatherill**

Chief Executive Officer







# Report of operations

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## 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 in 2020 is 118,614. It is anticipated that the municipality will experience population growth of approximately 18.61 per cent to 2036.

### Our community

Stonnington has a relatively young population, with 35 per cent of residents aged 18–34 years and a median age of 35 years.

Of the families in Stonnington, 20 per cent are couples with children, 25 per cent are couples without children and 5.5 per cent are one-parent families.

Of all households, 32 per cent are single-person households, 8.9 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. Nearly one-quarter of the community speak a language other than English at home, with the top five non-English languages being Mandarin, Greek, Cantonese, Italian and Spanish. Almost one-third of the community was born overseas, and the top five nations of origin are China, the United Kingdom, India, New Zealand and Greece. Stonnington has 3,463 residents who have a disability requiring assistance with core activities, and almost one in 10 residents act in the role of unpaid carer for a person with a disability.

Just over a quarter (25.5 per cent) of residents fully own their home, with a further 21 per cent paying off a mortgage and 44.2 per cent renting.

Stonnington is home to 18,512 businesses creating 70,456 local jobs. The retail trade (20.4 per cent) and health care and social assistance (17.0 per cent) industries are Stonnington's largest employers. This adds to our \$10.09 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 Boon Wurrung and Wurundjeri people. The Boon Wurrung and Woiewurrung, two groups of the Wurundjeri 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.



# Stonnington community profile

## Demographic profile

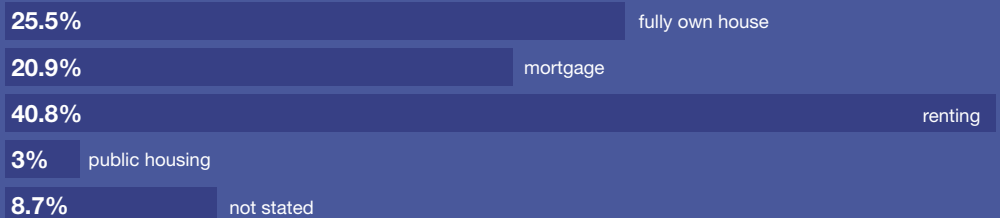
**Residents:**  
118,614

**Density:**  
46.27 persons per hectare

**Median age:** 35

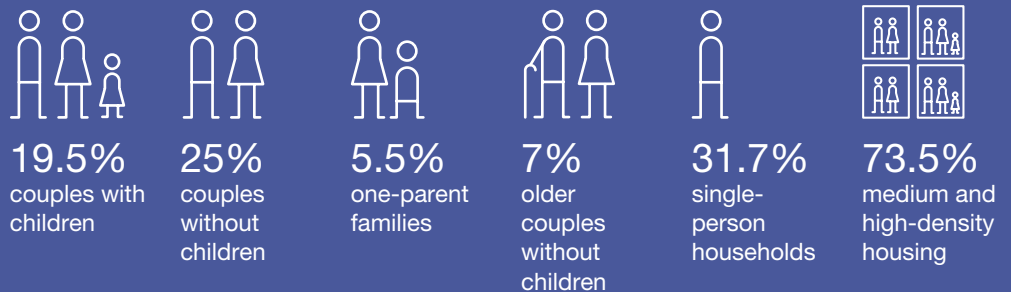
**Household income:**  
\$1,942 median per week

## Home ownership



## Households

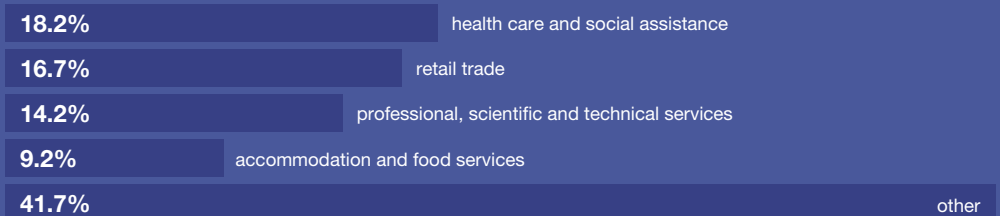
Average household size = 2.1



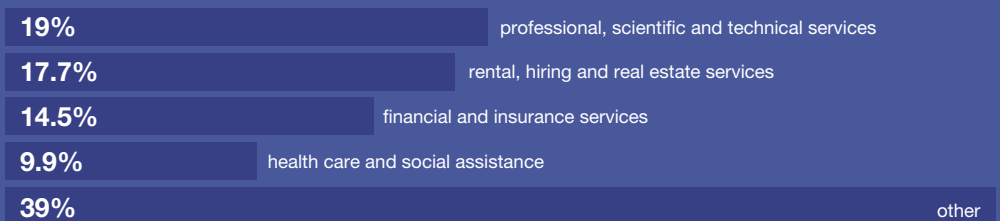
## Economy

Employed residents = 71,841

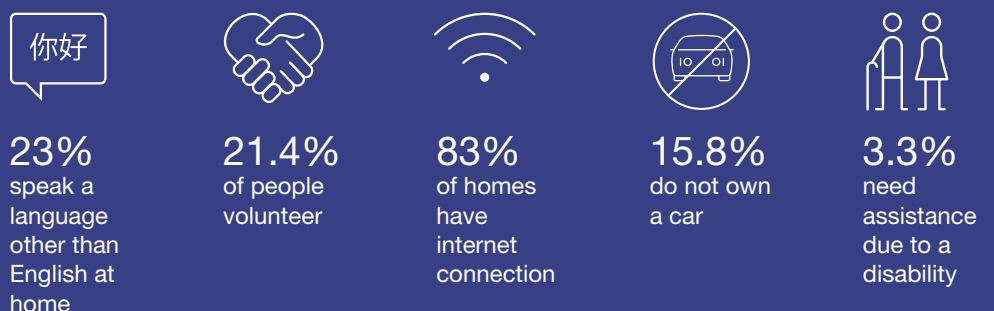
Local jobs: 68,030 / Largest employers:



Local businesses: 18,717 / Industry types:



## Fast facts



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# Your Council

## Council's commitment – our purpose

**The primary purpose of the City of Stonnington is the wellbeing of our community. We endeavour to achieve the best outcomes for our community having regard to the long-term and cumulative effects of its decisions.**

In seeking to achieve its primary purpose, Council will facilitate the following:

- » Promote the social, economic and environmental viability and sustainability of the City.
- » Ensure resources are used efficiently and effectively, and that services are provided in accordance with the best value principles to best meet the needs of the community.
- » Improve the overall quality of people's lives in the community.
- » Promote appropriate business and employment opportunities.
- » Ensure that services and facilities provided by Council are accessible and equitable.
- » Ensure the equitable imposition of rates and charges.
- » Ensure transparency and accountability in decision-making.

## Our values

The City of Stonnington has a clear strength in the bond and affinity between its Councillors, the community and staff. Our staff support the community leadership and governance role of Councillors, and work together to achieve the commitments of the Council Plan. Having all City of Stonnington staff practise the following organisational values enhances the quality of this partnership:

- » **Cooperation** – We know that working together means we get better results. We are a team and together we achieve great things for our community. Our citizens, community and service users are the focus of all our actions.
- » **Change and New ideas** – Finding better ways to do things and sometimes doing things that haven't been done before keeps us challenged, inspired and relevant.
- » **Learning** – We encourage learning and create opportunities for people to grow and succeed for the benefit of our community.

- » **Achievement** – We work hard to achieve great outcomes, strive for excellence and celebrate our successes.
- » **Communication** – We communicate in a respectful, transparent and inclusive manner. Being open and honest in our communications allows us to make better decisions.
- » **Accountability** – We do things the right way for the right reasons. We are responsible and accountable for the work we do and the way we do it.

## Future outlook

Our long-term vision for the city and the outcomes we will work towards over the next four years, are described in Future Stonnington. This plan incorporates two important documents: The Stonnington Community Vision 2040 – articulating the community's aspirations for the future, and our Council Plan 2021–25, how we will strive towards this vision during our four-year term.

The plan identifies and responds to opportunities and challenges we face including economic and wellbeing recovery following the impacts of the COVID-19 pandemic, climate change, urbanisation, rapid technology change and health and wellbeing challenges.

The plan positions Stonnington as a thriving and unique place, an inclusive and healthy community and a people centred and future ready city.

Future Stonnington is supported by our long-term Financial Plan 2021–31, developed to guide how our actions will be funded to achieve the community's vision.

More information on Future Stonnington is available at [stonnington.vic.gov.au](https://stonnington.vic.gov.au)



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# Councillors

## North Ward



**Cr Kate Hely**

First elected 2020.  
Mayor 2020–21



**Cr Matthew Koce**

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



**Cr Marcia Griffin**

First elected 2016, re-elected 2020.

## 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 2020–21.



**Cr Nicki Batagol**

First elected 2020.



**Cr Mike Scott**

First elected 2020.

## East Ward



**Cr Jami Klisaris**

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



**Cr Alexander Lew**

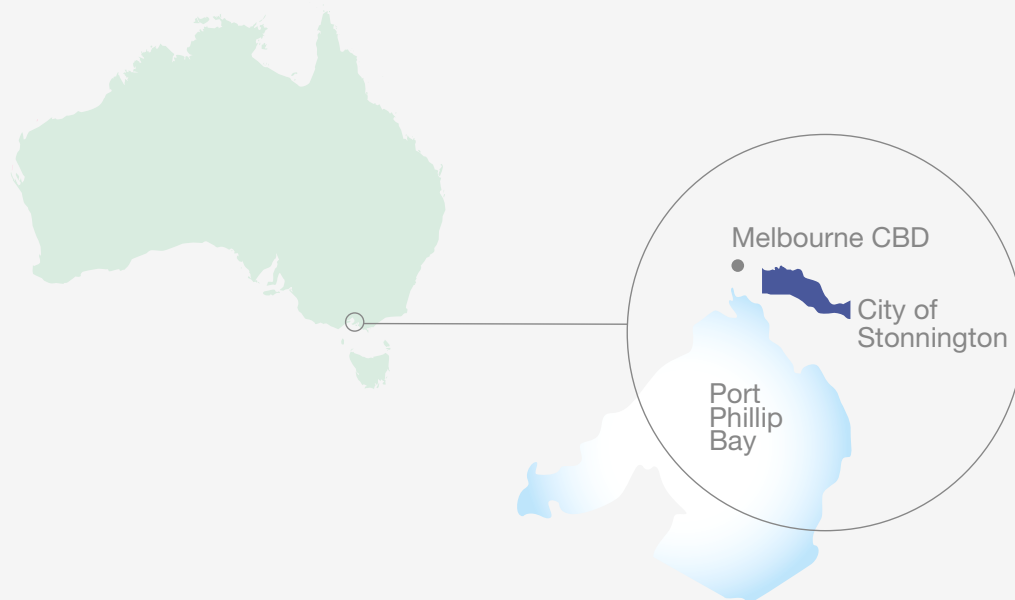
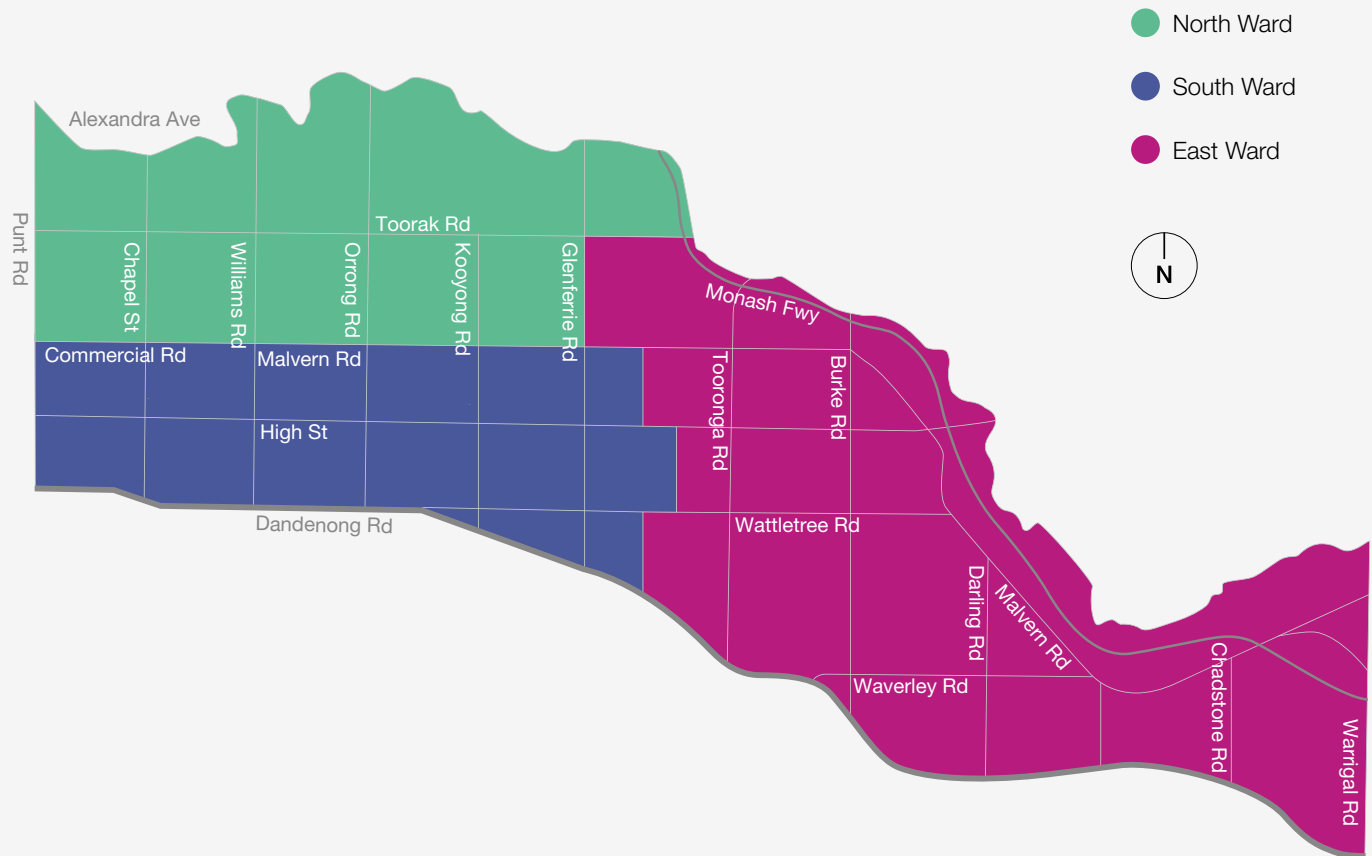
First elected 2020.



**Cr Polly Morgan**

First elected 2020.

# Stonnington ward 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](mailto:council@stonnington.vic.gov.au)

### Visit us

-  [stonnington.vic.gov.au](http://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](https://facebook.com/stonningtoncouncil)
-  [twitter.com/StonningtonNews](https://twitter.com/StonningtonNews)

### 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.

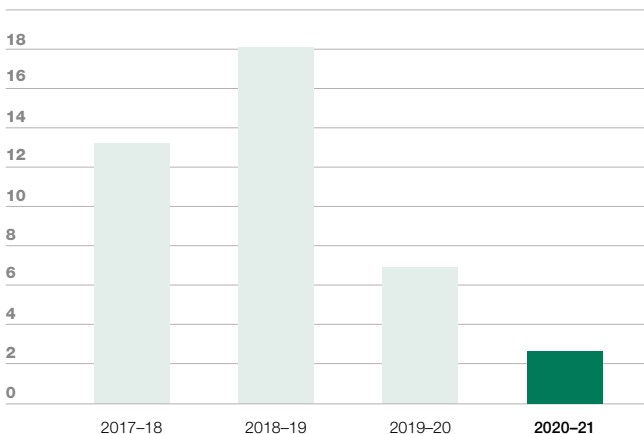
Mandarin	普通話	9280 0730
Cantonese	廣東話	9280 0731
Greek	Ελληνικά	9280 0732
Italian	Italiano	9280 0733
Polish	Polski	9280 0734
Russia	Русский	9280 0735
Indonesian	Bahasa Indonesia	9280 0737
Vietnamese	Tiếng Việt	9280 0748
All other languages		9280 0736

# Financial summary

Despite the impacts of COVID-19 on the 2020–21 financial year, 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.

ADJUSTED UNDERLYING RESULT RATIO %



## Operating Position

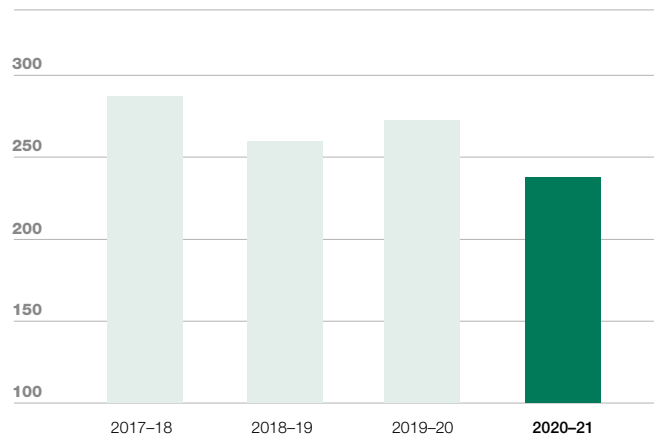
During the 2020–21 financial year, COVID-19 continued to significantly impact the delivery of all non-essential services and core services were also forced to adapt to the impact of various restrictions. Measures taken to mitigate the crisis have impacted the City of Stonnington's operations at year ended 30 June 2021.

We achieved a surplus of \$16.05 million in 2020–21. Rates and charges revenue was \$119.7 million. As determined by the Victorian Government the rate cap for 2020–21 was 2.0 per cent. In response to COVID-19, Council provided all ratepayers with a 2.0 per cent waiver/concession which effectively resulted in no rate increase in the year. There was some growth in the number of rateable properties as a result of development activity during the year. And, \$9.30 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. Other revenue sources including statutory fees and fines and user fee income achieved a significantly lower result than previous years due to COVID-19 restrictions throughout the year.

Employee costs were \$72.04 million with Council providing redeployment opportunities to those service areas impacted by COVID-19, and enabling Council to manage the COVID-19 response. Expenditure on materials and services was \$57.9 million enabling Council to deliver an array of high quality services to the community, with some impacted by timing due to restrictions.

The adjusted underlying surplus of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary contributions, is \$5.20 million or 3.06 per cent when compared to adjusted underlying revenue. This compares favourably to the Victorian Auditor General Office's low risk target of >0 per cent. Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to assist in funding renewal and maintenance of the \$3.09 billion of community assets under Council's control.

WORKING CAPITAL RATIO %



## Liquidity

Council's current assets include cash and cash equivalents, investments in term deposits (other financial assets) and other assets. Current assets were \$121.5 million in 2020–21 compared to \$120.48 million in 2019–20. 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 235.52 per cent is an indicator of an excellent financial position and exceeds the expected target band of 120 per cent to 200 per cent.

## Obligations

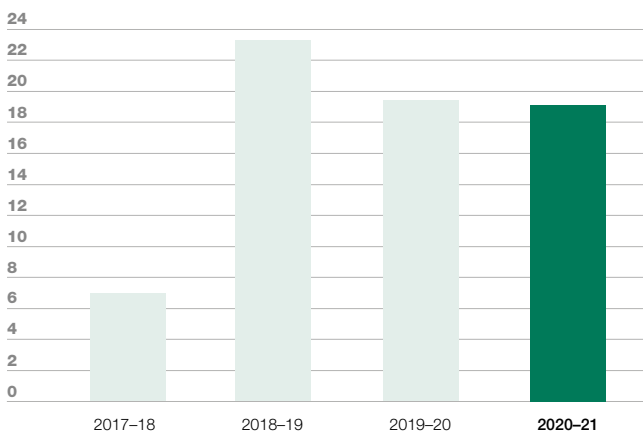
Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. Council invested \$29.4 million in renewal and upgrade works during the 2020–21 year. This was funded from cash from operations (Council's surplus). During 2020–21 Council did not take up any additional loan borrowings, nor repay any loan principal. At the end of the 2020–21 year Council's debt ratio, which is measured by comparing interest-bearing loans and borrowings to rate

revenue, was 19.10 per cent. This is within the lower range of the expected target band of 20–60 per cent. Council's asset renewal and upgrade ratio, which is measured by comparing asset renewal expenditure to depreciation, was a healthy 150.26 per cent, which was greater than the expected target band of 90–110 per cent. This illustrates Council's focus on ensuring a sustainable level of funding is provided for the renewal of community infrastructure. Significant renewal projects during 2020–21 are detailed under the Major Capital Works section within the Report of Operations.

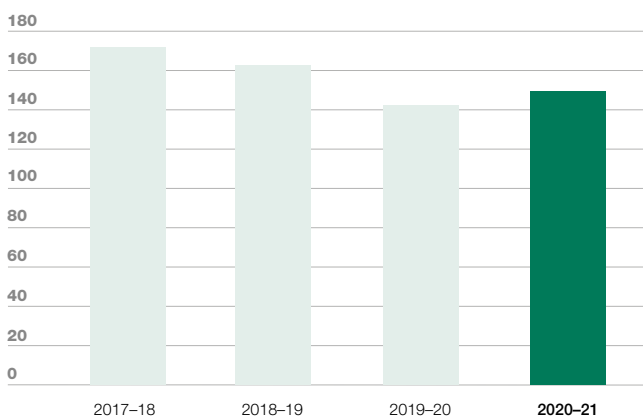
## Stability and efficiency

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 69.35 per cent for the 2020–21 year, which is within the expected target band of 50–80 per cent. Council provided 2 per cent rate waiver in 2020–21 to all ratepayers to assist with the targeted community support during the pandemic. This resulted in an average rate per assessment of \$1,426.94 for 2020–21. Council continues to have one of the lowest average rates per property value across Melbourne.

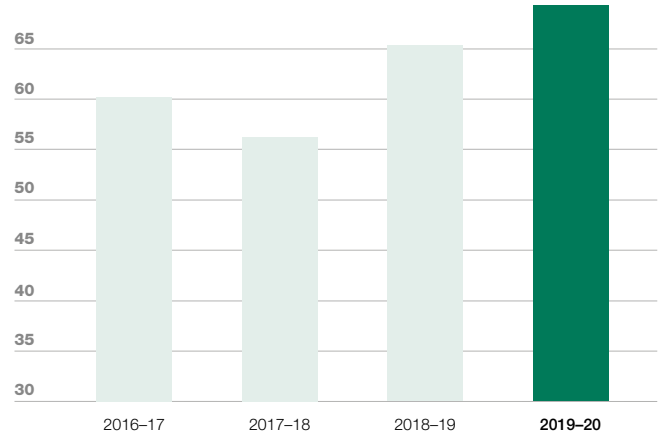
LOANS AND BORROWINGS RATIO %



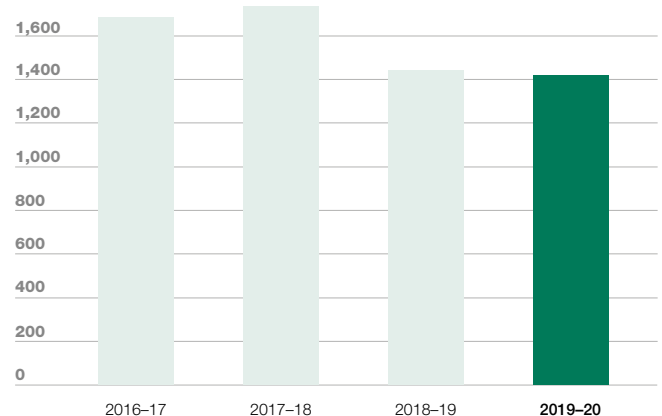
ASSET RENEWAL RATIO %



RATES CONCENTRATION RATIO %



AVERAGE RATE PER PROPERTY ASSESSMENT \$





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# Description of operations

**Council 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. Council's vision, strategic objectives and strategies to further improve services and facilities for the period of this Annual Report are further described in the Council Plan 2017–21 and the Budget 2020–2021.

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.

## Major capital works

During 2020–21, the overall expenditure on capital works was \$45.62 million and included:

- » Open space projects (\$11.17 million) – this included land acquisition for creation of three pocket parks in the future years
- » Roads and footpaths (\$9.34 million)
- » Drainage improvements (\$2.3 million) – including road drainage replacement works
- » Harold Holt Swim Centre Masterplan implementation (\$1.57 million)
- » Toorak Park Masterplan implementation (\$1.19 million)
- » Princes Gardens Masterplan implementation (\$0.979 million)
- » Malvern Town Hall Precinct Public Realm spacial improvements (\$0.849 million)
- » Prahran Market Capital improvement contribution (\$0.644 million)
- » Waterways and biodiversity projects (\$0.592 million)
- » Forest Hill Public Realm (\$0.586 million)
- » CCTV and Access Control System upgrade (\$0.518 million)
- » Library books and materials (\$0.487 million)
- » Energy Efficiency Program (\$0.459 million)
- » Playground Renewal (\$0.425 million), and
- » Mount Street Masterplan delivery (\$0.404 million).

## Major achievements

- » Activated Prahran Square
- » Repurposed Prahran Town Hall as a COVID-19 testing and vaccination hub
- » Reduced greenhouse gas emissions by 48 per cent to achieve below 2005 levels
- » Supported more than 150 businesses with outdoor dining initiatives, including pilot street closures at Greville Street, Prahran and Beatty Avenue, Armadale
- » Delivered \$52 million of capital projects
- » Resurfaced 29 roads and repaved 11 kilometres of footpath
- » Demolished three buildings to create new open space
- » Renovated Phoenix Park Library
- » Won best Urban Design Award for landscape architecture for Mount Street Area Masterplan
- » Improved community satisfaction in the independent Community Satisfaction Survey.

## Major changes

A Council election was held in October 2020, with successful candidates sworn in on 5 November 2020 and Cr Kate Hely elected as Mayor for the first 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.

## Economic factors

The COVID-19 pandemic has continued to impact our local services and economy through 2020–21, with Melbourne's lockdown periods accounting for 131 days this financial year. Measures taken to mitigate the crisis have impacted City of Stonnington's operations and financial performance.

Across the 2019–20 and 2020–21 financial years, Council invested over \$11.0 million in supporting our community from the impacts of COVID-19. This included waivers, grants and refunds for businesses, an innovative outdoor dining program, waiving fees in some of our car parks, mental health programs, assisting sporting clubs and local groups to adapt, helping owners corporations ensure high rise accommodation buildings were safe for residents, providing food and support packages to the most vulnerable members of our community and maintaining crucial programs like early education and maternal child health during lockdown.

That support and advocacy continues with a focus on ensuring the safety of our residents and visitors, with our Prahran Town Hall repurposed to support up to 1,000 COVID-19 vaccinations a day in partnership with Star Health.

The economic output delivered through our Capital Program has borne the brunt of several stages of restrictions, and Council continues to experience challenges with contractor availability, supply chain issues with materials and labour shortages which in turn resulted in a significant amount of capital expenditure deferred from 2020–21 to 2021–22.

Our local businesses and community organisations are also facing challenging times due to ongoing lockdowns and reduced foot traffic on key commercial precincts. Council is playing a vital role in supporting our community through this difficult period and gradual recovery from the pandemic impact and community activation programs.

Record low interest rates served as a double edge sword for Council operations. On one hand, it impacted the return on Council cash holdings. On the other, it also helped Council reduce borrowing cost on loans that are used to fund community infrastructure. It is expected that Council will operate under low interest rate environment in the foreseeable future.

A summary of the financial COVID-19 impacts is included in the financial report under *Note 1(b) – Impact of COVID-19*.



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# Calendar of events

Despite the challenges imposed during COVID-19, Council successfully delivered a broad range of community events that included performing arts, visual arts, environment, parent education, youth services, mental health and fitness activities. Highlights are summarised below.



## July 2020

### Plastic Free July



## August 2020

### Friday Funhouse every Friday

Variety show for the whole family

### Stonnington Carers Forum

An online live and interactive presentation from leading health professionals.

### Creating Resilient Families

With Clinical Psychologist, Andrew Fuller



## September 2020

### Online Sustainable Living Series

Presentation of the film 2040 with post-film Q&A with director Damon Gameau and local sustainability experts

### Lockdown drop-ins

Weekly Zoom chats for 12–25 year olds

### Sustainable Spring Series

(October – November 2020)



## October 2020

### Chapel Off Chapel presents Friday Nightcaps

### Rainbow of Hope for World Mental Health Day

Our community drew chalk rainbows on footpaths, decorated their letterboxes and created a display of hope and unity on their windows



## November 2020

### New Councillors elected and sworn in

### NAIDOC week

Events



### [untitled] literary festival 2020

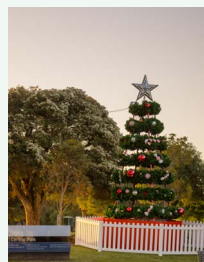
Fifteen free or low-cost (and live) talks, conversations, discussions and workshops by writers – acclaimed, popular and on the rise – explored the theme of humanity through stories of hope, love, courage, grit and redemption



## December 2020

### Unpacking the Man Box

Delivered as part of UN Women's 16 Days of Activism against Gender-Based Violence Campaign and explored the pressures on men and boys in Australia, and how we can actively promote their health and wellbeing, while learning more about respect and equality in relationships, homes and wider community.



### Stonnington Carols

Presented live on YouTube, hosted by Rhonda Burchmore, and featured Bonnie Anderson, Alinta Chidzey, Zahra Newaman and big band jazz ensemble The Jack Earle Big Band

### Light in the Dark



Melbourne faced 131 days of lockdown during the 2020-21 period and as a consequence many of our events were successfully held online.

### January 2021



**Robot SPACEland**  
Free open air exhibition in Chapel Street precinct



**Exclusively Yours at Chapel Off Chapel**

**Summer Pop-Up Outdoor Cinema series**



**Mee and UooUoo**  
Featured 11 fabulously decorated UooUoos dotted through Stonnington, as part of the Royal Children's Hospital 150th Anniversary Art Trail

### February 2021



**Active Stonnington program**

### March 2021



**Stonnington People's Panel**  
Panel members convened over Zoom for two full days in March to consider a range of Council priorities and prepare a draft 2040 Community Vision for Stonnington

**Chapel Summer Sessions**

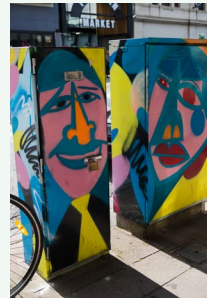


**Regenerating the Kooyongkoot**  
A community-led, Council-supported event at the Glen Iris Wetlands to celebrate the communities that care for and protect local waterways

**This Girl Can series**  
Strength classes, dance work outs and online webinars on strength and nutrition

**Pets in the Park**

### April 2021



**Traffic Signal Box (TSB) Street Art Program**  
Stonnington Youth Services engaged young people aged 12–25 to transform graffiti hotspots into street art in 2021

**City Nature Challenge**

**Glow Pop-up series**  
(8 April – 16 May)  
Over five weeks, five large-scale art installations were exhibited across multiple locations. Working with movement, sound and light, art displays were designed to bring together locals and visitors to enjoy an immersive and creative outdoor art experience



**Midsumma Festival events**

### May 2021



**Toorak Village sculpture exhibition**

**Goddesses of Jazz**

### June 2021



**Melbourne Cabaret Festival**

**Doll House: Miniature Worlds of Wonder**  
Exhibition at Como House, South Yarra featuring over 40 doll houses, many previously unseen from the 1880s to the present day



# Performance

## Strategic Planning Framework

The Planning and Accountability Framework is found in part 6 of the *Local Government Act 1989* (the Act). The Act requires councils to prepare the following planning and reporting documents.

- » a Council Plan within the six months after each general election or by 30 June, whichever is later
- » a Strategic Resource Plan for a period of at least four years that is included in the Council Plan
- » a Budget for each financial year, and
- » an Annual Report for each financial year.

The following diagram demonstrates the relationship between the key planning and reporting documents that make up the Planning and Accountability Framework for local government. It also shows the opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.

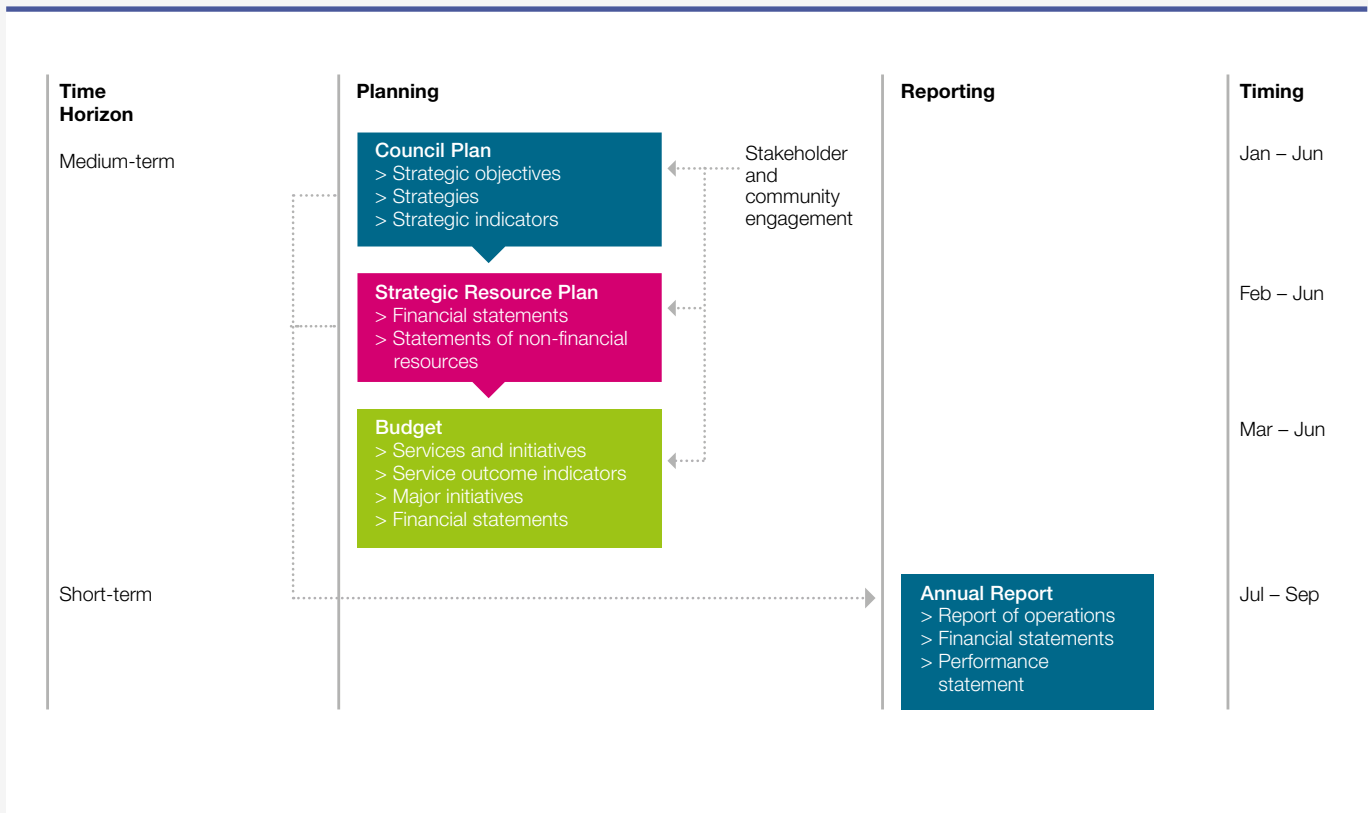
**This is the final year the *Local Government Act 1989* will apply to Stonnington's Planning and Accountability Framework. The new *Local Government Act 2020* will apply in next year's Annual Report.**

## Council Plan

The Council Plan 2017–21 includes four key strategic objectives and a strategic resource plan, methods for achieving these, and indicators for monitoring their achievement.

The key strategic objectives are:

- » **Community** – an inclusive city that enhances the health and wellbeing of all residents, where people can feel safe, socially connected and engaged
- » **Liveability** – the most desirable place to live, work and visit
- » **Environment** – a cleaner, safer and better environment for future generations to enjoy
- » **Economy** – a city that will grow its premier status as a vibrant, innovative and creative business community



## Performance

Our performance for the 2020–21 year has been reported against each key strategic objective and the strategic resource plan, and measured as follows :

- » Results achieved in relation to the **strategic indicators** in the Council Plan
- » Progress in relation to the **major initiatives** identified in the Budget
- » A **description of services** funded in the Budget and the people or sections of the community they are provided to, and
- » Results against the prescribed **service performance indicators** and measures.

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 a number of financial performance indicators and sustainable capacity indicators. This is provided in the Performance Statement section.

## Project governance for major projects

The Manager of Project Management and Delivery 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.





# Community

An inclusive city that enhances the health and wellbeing of all residents, where people can feel safe, socially connected and engaged.

## Achievements

- » Provided meaningful support and connections to our resident and business community during COVID-19 pandemic.
- » Submitted Draft Reconciliation Action Plan to Reconciliation Australia in support of Council's enhanced commitment to reconciliation.
- » Completed Harold Holt Swim Centre improvement works to improve the user experience.
- » Activated Prahran Square to capitalise on a much loved public open space.
- » Moved events and programs to online environments in response to COVID-19.
- » Created a dedicated customer service hotline during COVID-19 to support our community.
- » Increased community engagement across communication platforms.





# Strategic indicators

The following table reviews the organisational performance against the Council Plan including results achieved in relation to the strategic indicators in the Council Plan.

Strategic indicator	Result	Comment
Enhance community health and wellbeing outcomes through quality service delivery and strategic partnerships.	100%	<ul style="list-style-type: none"> <li>» Delivered 70 immunisation sessions for over 2,000 infants and children, and conducted 11 secondary school sessions immunising 1,600 Year 7 and Year 10 students.</li> <li>» Assessed early years services were recorded as 'meeting' (Hornbrook Children's Centre) or 'exceeding' (Princes Close Childcare Centre) National Quality Standards.</li> <li>» Provided domestic assistance, personal care, respite care and home maintenance for residents aged over 65 through the Commonwealth Home Support Program.</li> <li>» Implemented the Positive Ageing Plan 2018–2021 Year 3 Action Plan including online social forums and services and targeted fitness programs through Active Stonnington.</li> <li>» Progressed Council's Information and Communications Technology Strategy, laying foundations for a contemporary community customer service experience.</li> </ul>
Strengthen Council's commitment to support our diverse and inclusive communities.	100%	<ul style="list-style-type: none"> <li>» Implemented the Inclusion Plan 2019–2022 Year 2 Action Plan to increase access and participation for people living with disability, their families and carers. Highlights include the launch of The Changing Places* facility at Prahran Square, disability awareness training for council staff and update of Stonnington mobility maps.</li> <li>» Submitted Draft Reconciliation Action Plan (2021–23) to Reconciliation Australia for review.</li> <li>» Hosted NAIDOC Week events with involvement from Traditional Owners.</li> <li>» Introduced a dedicated Diversity and Inclusion officer role in May 2021.</li> </ul>

\* **Changing Places are larger than standard accessible toilets with adult-sized change tables and tracking hoists, which are located in major public spaces to meet the needs of people with high support needs. These facilities enable people living with disability, their carers, families and friends to engage in community life with dignity.**



## The Reconciliation Action Plan 2018–2020 achievements in 2020–2021 include:

- » Celebrated Reconciliation Week 2020 with a heartfelt community Acknowledgement of Country video released on Stonnington Council Facebook page receiving over 2,800 views.

- » Developed two cultural walks connecting local community to Gardiners Creek hosted by Council's Environment Department. This included education on what the area means to Traditional Owners and how people can recognise and respect the area where they live. The walks included an ecology or biodiversity focus.
- » Stonnington Libraries hosted Book Chat at HOME featuring Aboriginal and Torres Strait Islander authors.
- » Prahran Square commissioned artist Fiona Foley to create the "Murnalong" (Boon Wurrung word for Bee) sculptures.
- » Delivered Welcome to Country and Smoking Ceremony at the opening for Prahran Square by Gerhan Steel.
- » Consulted with the Traditional Owners in Stonnington regarding a new Nature Play Program and handbook publication released in July 2020 as part of the Stonnington Sustainable

Schools Program. The purpose of the program is to encourage kids to connect with nature across kindergartens in Stonnington.

- » Youth Services initiated an Aboriginal and Torres Strait Islander Artist mentoring with young people to facilitate a street art project.

Actions to be carried forward include lessons learned:

- » Enhanced our internal process to be inclusive and further strengthen our commercial relationships with and support Aboriginal and Torres Strait Islander owned businesses in Stonnington.
- » Initiated engagement with Aboriginal and Torres Strait Islander staff on employment strategies including professional development to increase workforce participation.
- » Looked for new ways to increase staff cultural competency, and promote and advocate for Aboriginal and Torres Strait Islander communities.

# Strategic indicators

Cont...

The following table reviews the organisational performance against the Council Plan including results achieved in relation to the strategic indicators in the Council Plan.

Strategic indicator	Result	Comment
Implement community safety initiatives and fair compliance processes to address community safety issues.	95%	<ul style="list-style-type: none"> <li>» Convened six community safety meetings and continued to maintain a strong partnership with Victoria Police.</li> <li>» Developed Draft Chapel Street Safety Plan.</li> <li>» Upgraded the Community Safety Camera Program wireless network and installed six new safety cameras at Prahran Square. Work is continuing to ensure our CCTV network meets compliance requirements.</li> <li>» Updated Municipal Emergency Management Plan to reflect Pandemic Plan requirements and convened as required in response to COVID-19.</li> <li>» Continued to deliver the Stonnington 'Toward Zero' 2018–2022 Road Safety Strategy.</li> <li>» Administered and enforced new regulations for swimming pools and spas and combustible cladding audits.</li> <li>» Completed all food premise inspections per regulations.</li> <li>» Completed health premise inspections for all high risk premises such as tattooist and skin penetration services. Lower risk health premises inspections are slightly behind schedule due to the large volume of businesses affected by COVID-19 closure periods.</li> <li>» Implemented the Domestic Animal Management Plan 2016–21 and commenced consultation on the new plan.</li> </ul>
Enhance community engagement to ensure Council makes long-term decisions in the best interests of the community.	100%	<ul style="list-style-type: none"> <li>» Undertook extensive community consultation in the development of Stonnington's Community Vision 2040 and Council Plan 2021–25, including two webinars, eight online targeted conversations, an online ideas board, one survey (online and face-to-face correspondents) and a three day deliberative engagement process with 32 community members.</li> <li>» Continued to engage the community with Connect Stonnington platform with more than 35,000 site visits, an increase of approximately 80 per cent on last year.</li> <li>» Increased use of web services for community waste requests, parking permit applications, rate payments and pet registrations, with around 40 per cent of customers utilising digital channels to contact us in the last 12 months.</li> <li>» Completed Phase 1 of Advocacy Strategy, including advocacy on Planning Reforms, Member of Parliament (MP) meetings, mental health advocacy, securing funding for improved bike lanes, open space funding and securing a COVID-19 testing site at Prahran Town Hall.</li> <li>» Achieved a score of 77 for community satisfaction with our customer service area (7 points above state average and a 3 point improvement on 2019–20) in the annual Community Satisfaction Survey.</li> <li>» Received 113,000 calls through our Customer Service Centre, with 96 per cent of total calls answered.</li> <li>» Opened an additional customer service centre in Prahran Square to provide further opportunity for customers to receive service and provide feedback.</li> </ul>

## Via the website there have been:



15,949  
payments  
made



10,035  
waste and  
recycling  
requests



8,287  
parking  
permits  
submitted



5,414  
rates paid



2,671  
pets  
registered

Strategic indicator	Result	Comment
Increase participation in physical activity through long-term recreation planning and service delivery.	90%	<ul style="list-style-type: none"> <li>» Harold Holt Swim Centre upgrade works have progressed to plan, with further improvements scheduled for 2020–21. As Harold Holt Swim Centre is heritage listed, all improvements must be approved by Heritage Victoria.</li> <li>» Toorak Park sport precinct cricket nets have been completed, with further works scheduled to occur over the next three years scoped and approved by Council following deprioritisation as a result of COVID-19.</li> <li>» Implemented Active Stonnington Program.</li> <li>» Prahran Aquatic Centre upgrade has been deprioritised in the Capital Works program with funding now scheduled for 2027. Work is ongoing to confirm the preferred design before design documentation can begin.</li> <li>» Framework of use for each of Council's sporting facilities is underway, but has been deprioritised due to COVID-19.</li> </ul>
Enhance modern learning environments, community hubs and libraries to support connected communities.	100%	<ul style="list-style-type: none"> <li>» Upgraded early years services facilities.</li> <li>» Completed accessibility projects as scheduled.</li> <li>» Hosted more than 300 online and in-person library events with more than 4,000 attendances.</li> <li>» Communicated Library updates and COVID-19 changes to services.</li> <li>» Facilitated library borrowing through COVID-19 restrictions via click and collect, delivery to vulnerable residents and provision of more than 185,000 digital loans.</li> </ul>
Support local community organisations with equitable access to facilities, training and resources.	100%	<ul style="list-style-type: none"> <li>» Supplied over \$680k in community grants to provide a range of programs, events and other supports including: <ul style="list-style-type: none"> <li>» practical and social supports for disadvantaged and vulnerable members of our community</li> <li>» mental health supports</li> <li>» addiction support groups</li> <li>» queer events and LGBTQIA+ community inclusivity</li> <li>» food parcels</li> <li>» parenting workshops</li> <li>» employment workshops</li> <li>» in-kind transport for seniors and vulnerable members of the community</li> <li>» provision of art, music, sports and other social clubs or events that foster social connection for diverse community groups</li> <li>» provision of a broad range of culturally specific senior social groups.</li> </ul> </li> </ul>



# Major initiatives

The following table reviews our progress in relation to major initiatives identified in the Budget 2020–21. Some of our major initiatives were deferred or reduced in scope due to reprioritisation that occurred as part of Council's COVID-19 response. This includes redevelopment of Multi-Sport and Recreation Precinct at Percy Treuvaud Memorial Park.

Major initiative	Progress
Provide a contemporary community service through the adoption of modern and future technologies. (\$5.72m)	<ul style="list-style-type: none"> <li>» Designed and developed the Digital Transformation strategy, plan and business case that will drive a modernisation of Council processes and ensure efficient use of resources. The strategy will deliver several initiatives in the next Council period that will improve operations.</li> <li>» Established a Customer Experience and Transformation team to build capability for customer service transformation.</li> <li>» Established the One Stonnington Board with members of the Executive Team to own the strategy and provide input and direction on priorities.</li> <li>» Implemented full remote working capabilities for all employees to ensure Council services are delivered during COVID-19 lockdowns and challenges.</li> <li>» Implemented new procurement and recruitment control systems to provide Council with better value purchasing and human resourcing management practices, whilst saving significant time.</li> <li>» Implemented a range of technology security and network changes to continuously improve the way we keep customer and business data protected.</li> <li>» Upgraded a suite of Stonnington customer-facing websites that resulted in increased engagement.</li> <li>» Rationalised technology contract expenditure to realise over \$300,000 of benefits for the 2021–22 Council period.</li> </ul>
Redevelop Prahran Aquatic Centre (\$0.1m)	<p>*Scope reduced for 2020–21 due to COVID-19 reprioritisation*</p> <ul style="list-style-type: none"> <li>» Redevelopment of Prahran Aquatic Centre has been significantly pushed back in the Capital Works program to 2027. As such, the revised deliverable for 2020–21 has been to seek Council endorsement of the preferred concept design ahead of budget availability.</li> <li>» Endorsement was provided by Council to seek community feedback on a preferred option in July 2020. The project team conducted community consultation targeting both existing members/users and non-users.</li> <li>» Redesign of the adjacent skate park has presented new challenges and opportunities for the preferred design that will need to be resolved in 2021–22 financial year before design documentation can begin.</li> </ul>
Redevelop Harold Holt Swim Centre outdoor areas. Delivery phased capital works improvements, including restoration and upgrade of outdoor pool plant and facilities, including tiling works to the hydrotherapy, and 50m pools. (\$2.1m)	<ul style="list-style-type: none"> <li>» Facility upgrades continue to progress at our heritage protected pool, Harold Holt.</li> <li>» Council has completed the design for outstanding works including the dive tower, dive pool, new pumps, new plant building and outdoor spa.</li> <li>» Applications have been made to Heritage Victoria for further improvement works.</li> </ul>
Redevelop Toorak Park Sport Precinct. Deliver stage one of Toorak Park Sport Precinct Masterplan. Develop a concept plan for the Charles Lux Pavilion (\$0.6m) (Reduced scope of work)	<ul style="list-style-type: none"> <li>» Cricket practice nets complete in 2020–21, with future work scoped over the next three financial years following de-prioritisation as a result of COVID-19.</li> </ul>



# Description of services

The following table provides information about the services funded in the Budget 2020–21 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)	
		Actual	Budget
		Variance	
		Favourable / (unfavourable)	
Diversity and Aged Services	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.	4,659	
		<u>4,744</u>	
			85
Events, Arts and Culture	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.	279	
		<u>451</u>	
			172
Animal Management Services	This service oversees animal registrations, animal complaints and prosecutions, pound operations and animal welfare education.	132	
		<u>-51</u>	
			(183)
Aquatic Services	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.	2,203	
		<u>2,163</u>	
			(40)
Children and Family Services	This service provides family-oriented support services including childcare, pre-schools, a toy library, maternal and child health, preschool dental, counselling and support, youth services, immunisation, family day care and holiday programs.	5,072	
		<u>3,823</u>	
			(1,249)
Chapel Off Chapel	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 for seminars, meetings and conferences.	812	
		<u>957</u>	
			145
Customer and Civic Services	This service provides a range of governance, statutory and corporate support services and acts as the main customer interface with the community. Services include coordinating Council and committee meetings, corporate planning, community engagement and support services at the Stonnington Civic Centre. The customer support service is delivered from three customer service centres.	2,161	
		<u>1,806</u>	
			(355)
Communications	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.	3,270	
		<u>3,451</u>	
			181
Environmental Health	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.	209	
		<u>603</u>	
			394
Library and Local History Services	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.	3,143	
		<u>4,528</u>	
			1,385
Malvern Valley Golf Course	This service provides public open space, significant environmental areas and an 18-hole public golf course.	-367	
		<u>-47</u>	
			320
Active Communities	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.	937	
		<u>913</u>	
			(24)



# Performance indicators

The following table represents Council's service performance against prescribed indicators as included within the Local Government Performance Reporting Framework (LGPRF).

No.	Service performance indicators	Results				Variance	Comments
		2017-18	2018-19	2019-20	2020-21		
<b>Aquatic facilities</b>							
<b>Service standard</b>							
AF2	Health inspections of aquatic facilities <i>(Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)</i>	1.00	1.00	0.33	1.00	200%	Council ensures aquatic facilities operate in accordance with the <i>Public Health and Wellbeing Act 2008</i> . All three Council aquatic facilities (Harold Holt Swim Centre, Prahran Aquatic Centre and Prahran Square water feature) have been inspected by an Authorised Officer. All three aquatic facilities were found to comply with chemical and microbial requirements at the time of their inspection.
<b>Utilisation</b>							
AF6	Utilisation of aquatic facilities <i>(Number of visits to aquatic facilities / Municipal population)</i>	5.42	5.30	4.09	2.82	-31.04%	When compared to previous years the result of 2.84 visits per head of population seems poor. This is a direct impact of COVID-19 shut downs, which have seen overall attendances drop by almost 50 per cent across the year. When the centre has been open, numbers have been strong in most areas, the exception being Health Club which is taking longer to recover.
<b>Service cost</b>							
AF4*	Cost of indoor aquatic facilities <i>(Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities)</i>	\$1.25	\$2.58	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by AF7 from 1 July 2019.
AF5*	Cost of outdoor aquatic facilities <i>(Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities)</i>	\$0.00	\$0.00	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by AF7 from 1 July 2019.
AF7	Cost of aquatic facilities <i>(Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities)</i>	New in 2020	New in 2020	\$1.76	\$1.73	-1.53%	As aquatic facilities operate at a net loss, the COVID-19 closures have meant a reduction in costs incurred, and the cost per visit has been reduced overall.



# Performance indicators

Cont...

No.	Service performance indicators	Results				Variance	Comments
		2017–18	2018–19	2019–20	2020–21		
<b>Animal management</b>							
<b>Timeliness</b>							
AM1	Time taken to action animal management requests <i>(Number of days between receipt and first response action for all animal management requests / Number of animal management requests)</i>	1.83	1.12	1.60	1.81	12.78%	There has been a slight increase in response time this financial year due to several factors: » Increased number of animal registrations in Stonnington leading to a higher volume of requests. » Continued COVID-19 workplace closures have impacted on efficiency. An overall pleasing result that is within our expected service standard.
<b>Service standard</b>							
AM2	Animals reclaimed <i>(Number of animals reclaimed / Number of animals collected) x100</i>	61.34%	50.68%	37.19%	46.23%	24.32%	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 <i>(Number of animals rehomed / Number of animals collected) x100</i>	New in 2020	New in 2020	62.81%	52.76%	-16%	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.
<b>Service cost</b>							
AM3*	Cost of animal management service <i>(Direct cost of the animal management service / Number of registered animals)</i>	\$50.59	\$79.03	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by AM6 from 1 July 2019.
AM6	Cost of animal management service per population <i>(Direct cost of the animal management service / Population)</i>	\$6.73	\$7.74	\$8.18	\$7.69	-5.98%	Costs of the animal management service have remained consistent. Animal registrations have grown by 7 per cent compared to 2019–20.
<b>Health and safety</b>							
AM4*	Animal management prosecutions <i>(Number of successful animal management prosecutions)</i>	9	5	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by AM7 from 1 July 2019.
AM7	Animal management prosecutions <i>(Number of successful animal management prosecutions / Number of animal management prosecutions) x 100</i>	New in 2020	New in 2020	0%	100%	100%	Two prosecutions heard in Q4 related to dog attacks. Both accused plead guilty resulting in a good behaviour bond being issued and costs plus victim compensation. There were no prosecutions in 2019–20.

No.	Service performance indicators	Results				Variance	Comments
		2016-17	2017-18	2018-19	2019-20		
<b>Food safety</b>							
<b>Timeliness</b>							
FS1 <sup>^</sup>	Time taken to action food complaints <i>(Number of days between receipt and first response action for all food complaints / Number of food complaints)</i>	1.00	2.88	2.94	2.82	-4.14%	Environmental Health Officers have experienced some delays in entering actual response dates into CRMS due to COVID-19 work from home orders and a lack of mobile technology. Planned technology upgrades will enable real time data entry, better reflecting the timely work and response rates of officers.
<b>Service standard</b>							
FS2 <sup>^</sup>	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</i>	97.46%	91.58%	95.39%	94.05%	-2.88%	Environmental Health Officers continued to inspect premises with the introduction of COVID-Safe time limits (<15 mins) in order to avoid being considered a 'close contact' in an enclosed premise per the DHHS definitions (March – August 2020). These shorter inspections were not recorded as Annual Assessments and instead were captured as 'COVID-19 actions'.  In order to 'catch up', an inspection blitz was implemented following the second Melbourne lockdown in 2020 and the number of food safety assessments increased significantly by the end of the calendar year.  <sup>^</sup> Food Safety measures are reported for the 2020 Calendar year in line with LGPRF guidelines.
<b>Service cost</b>							
FS3	Cost of food safety service <i>(Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984)</i>	\$695.05	\$643.29	\$680.71	\$548.26	-10.33%	Similar result to 2019-20. Costs per premise have remained consistent.
<b>Health and safety</b>							
FS4	Critical and major non-compliance outcome notifications <i>(Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises) x100</i>	87.93%	90.75%	99.50%	100%	0.51%	All inspections that resulted in major or critical non-compliance have been reinspected for compliance.

# Performance indicators

Cont...

No.	Service performance indicators	Results				Variance	Comments
		2017–18	2018–19	2019–20	2020–21		
<b>Libraries</b>							
<b>Utilisation</b>							
LB1	Physical library collection usage <i>(Number of physical library collection item loans / Number of physical library collection items)</i>	4.91	5.00	3.23	0.93	-71.23%	Volume of library loans was significantly impacted by COVID-19 mandated service closures, which affected approximately 6 months of this financial year. There was a flow on effect into the times where the library was open, there was a flow on effect into the times where the library was open with reduced attendances observed. Volume of digital loans this financial year have increased 22 per cent. The library made service changes in line with COVID-19 regulations to maximise borrowing, including Click and Collect Service when permitted. The library service also facilitated contactless deliveries to our regular Home Library Service for the elderly and frail members of the community and our newly implemented Vulnerable Communities Library Delivery Service.  Note: From 2019–20, this indicator measures the performance of physical library items as a subset of the wider library collection.
<b>Resource standard</b>							
LB2	Recently purchased library collection <i>(Number of library collection items purchased in the last 5 years / Number of library collection items) x100</i>	91.37%	99.94%	82.98%	90.96%	9.61%	We continue to maintain a high standard of collection through an ongoing targeted purchasing and retirement program.  Following the COVID-19 pandemic, funding has been more heavily directed towards digital purchases.
<b>Participation</b>							
LB4	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</i>	17.06%	15.46%	15.84%	13.32%	-15.91%	The number of active borrowers was impacted by library closures over the year due to COVID-19. This indicator includes members who borrowed physical and approved digital items per the revised definition. This indicator is calculated using a three year average of borrowers of physical and approved digital loans, which has meant that the COVID-19 impact has been somewhat smoothed.
<b>Service cost</b>							
LB3*	Cost of library service <i>(Direct cost of the library service / Number of visits)</i>	\$7.14	\$7.88	Retired in 2020	Retired in 2020	Retired in 2020	<i>This measure was replaced by LB5 from 1 July 2019.</i>
LB5	Cost of library service per population <i>(Direct cost of the library service / Population)</i>	New in 2020	New in 2020	\$48.18	\$31.14	-35.36%	The cost of the library service has decreased in 2020–21 due to decreased staffing costs associated with COVID-19 closures and staff vacancies that were not able to be filled due to recruitment freezes.



No.	Service performance indicators	Results				Variance	Comments
		2017-18	2018-19	2019-20	2020-21		
<b>Maternal and child health (MCH)</b>							
<b>Service standard</b>							
MC2	Infant enrolments in the MCH service <i>(Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received) x100</i>	100.46%	101.43%	101.13%	100.90%	-0.22%	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 the enrolment occurred early in the new reporting year; or where the birth notice was received in a different council, but the enrolment occurred within Stonnington.
<b>Service cost</b>							
MC3	Cost of the MCH service <i>(Cost of the MCH service / Hours worked by MCH nurses)</i>	\$87.70	\$97.33	\$62.39	\$74.21	18.95%	Stonnington experienced an unexpected uplift in births during Q1 which resulted in the need for casual staff to meet the needs of the community. The use of casual staff has impacted on the cost of service.
<b>Participation</b>							
MC4	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</i>	78.86%	78.84%	82.39%	80.45%	-2.35%	This is a strong participation result, especially given the disruptions presented by COVID-19 closures and is evidence of the hard work of our Maternal and Child Health nurses and the value that the community places in the service we provide.
MC5	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</i>	62.16%	73.33%	95.45%	89.47%	-6.27%	Participation by Aboriginal children fluctuates due to the small number of registered Aboriginal children in Stonnington. For this financial year there were 8.5 attendances out of a possible 9.5. The "0.5" increment occurs when a child moves in or out of the municipality part way through a year.
MC6	Participation in 4-week Key Age and Stage visit <i>(Number of 4-week key age and stage visits / Number of birth notifications received) x100</i>	New in 2020	New in 2020	96.83%	96.90%	0.08%	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.
MC1*	Participation in first MCH home visit <i>(Number of first MCH home visits / Number of birth notifications received) x100</i>	95.0%	99.7%	Retired in 2020	Retired in 2020	Retired in 2020	This measure was replaced by MC6 from 1 July 2019.

Note:

\* Denotes retired indicator not captured during current reporting period. Replacement indicators specified in Comments where appropriate.

^ Denotes indicator is reported for calendar year 2020 in line with Local Government Performance Reporting Framework methodology.



# Liveability

**Stonnington will be the most desirable place to live, work and visit.**

## Achievements

- » Received the Urban Design Award at the 2021 Victorian Landscape Architecture Awards for Mount Street Area Masterplan.
- » Completed pocket parks in Hobson Street, Malvern and Balmoral Street, South Yarra.
- » Strategic purchase of several new properties by Council to create new open space in the coming years.
- » Implemented the Heritage Strategy Action Plan – Year 2.
- » Maintained Stonnington amenity through street sweeping, graffiti removal, and scheduled road and footpath repair and renewal.





# Strategic indicators

The following table reviews the organisational performance against the Council Plan including results achieved in relation to the strategic indicators in the Council Plan.

Strategic indicator	Result	Comment
Strategically invest in open spaces, sporting fields and community facilities, and optimise use according to community needs.	100%	<ul style="list-style-type: none"> <li>» Repurposed Prahran Town Hall as a COVID-19 testing and vaccination hub while redevelopment activities are on hold.</li> <li>» Progressed masterplan works to optimise public realm outcomes.</li> <li>» Completed pocket parks in Hobson Street, Malvern and Balmoral Street, South Yarra,</li> <li>» Purchased several new properties to create new open space in the coming years.</li> <li>» Completed regional accessible playgrounds at Central Park, Sir Zelman Cohen Reserve, Orrong Romanis and Phoenix Park.</li> <li>» Achieved community satisfaction with the appearance of public areas of 78 per cent.</li> </ul>
Preserve Stonnington's heritage architecture and balance its existing character with complementary and sustainable development.	100%	<ul style="list-style-type: none"> <li>» Implemented the Heritage Strategy Action Plan – Year 2.</li> <li>» Progressed street by street heritage investigations following Council's endorsement for a comprehensive approach.</li> <li>» Malvern, Toorak, Kooyong and Armadale heritage studies are all underway.</li> </ul>

## Prahran Town Hall vaccination hub

Over the past 130 years Prahran Town Hall has forged a history of being a community place and resource. It has been home to a courthouse and lockup, police station, post office and the Prahran Library. Our beautiful building was pivoting well before it was trendy.

More recently, Prahran Town Hall has been transformed into a key community hub to help Stonnington, and Melbourne, respond to and launch our recovery from COVID-19 as a testing clinic and vaccination hub in partnership with Star Health.

This takes Prahran Town Hall back to a role it performed as a vaccination hub in 1919 during the Spanish Flu pandemic. There were more than 20,000 vaccinations provided in the first half of 2021, and many more to come.

We're grateful for our frontline health workers, in particular, the team from Star Health who worked hard to deliver vaccinations and made sure people had access to vaccinations.

Getting vaccinated is the best way you can help our businesses and community to put COVID-19 behind us, learn more at [starhealth.org.au](http://starhealth.org.au)



# Strategic indicators

Cont...

Strategic indicator	Result	Comment
Balance the competing demands of maintaining residential amenity and population growth through appropriate planning.	100%	<ul style="list-style-type: none"> <li>» Developed principles and guidelines to inform the Housing Strategy and Metropolitan Strategy.</li> <li>» Completed Planning Scheme amendments in accordance with the Planning Scheme Review recommendations.</li> <li>» Progressed studies in housing, neighbourhood character, heritage and activity centre planning to support updates to the Planning Scheme.</li> <li>» Conducted inspections and complaints investigations in line with legislative requirements as outlined in the <i>Planning and Environment Act 1987</i>.</li> </ul>
Enhance the design outcomes of public spaces, places and buildings.	100%	<ul style="list-style-type: none"> <li>» Assessed planning applications against the Environmental Sustainable Design and advocated for state-wide Policy.</li> <li>» Advocated for improved community outcomes for state infrastructure projects.</li> <li>» Advocated at a regional and state level for increased supply of public, social and affordable housing to meet the needs of our community.</li> <li>» Received the Urban Design Award at the 2021 Victorian Landscape Architecture Awards for Mount Street Area Masterplan.</li> </ul>
Advocate for improved and accessible public transport to enhance liveability and economic growth.	100%	<ul style="list-style-type: none"> <li>» Achieved ongoing advocacy through meetings with Department of Transport, specialist teams (rail/tram/bus), as well as community engagement activities and collaboration with neighbouring councils.</li> </ul>
Maintain Council's infrastructure and assets essential for the sustainable operation of the City.	100%	<ul style="list-style-type: none"> <li>» Progressed Development Contributions Plan in line with current and emerging strategic priorities.</li> <li>» Delivered our annual street cleaning program, and replaced and repaired over 4,000m<sup>2</sup> of footpath. 96.77 per cent of Council's footpaths are above the required service level.</li> <li>» Actively engaged with police and community Safety Committee to assist police with CCTV footage to reduce graffiti tagging and antisocial behaviour across our activity centres.</li> <li>» Asset Management Plans have been delayed due to a staff restructure and new <i>Local Government Act 2020</i> requirements for deliberative community engagement. Appropriate staffing and timelines are now in place with delayed works due to commence in 2021–22.</li> </ul>



## Malvern Heritage Review

The completed Malvern Heritage Review builds on the City of Stonnington's program of investigating, protecting and managing places and precincts of heritage significance.

The review outlined a plan for Council to:

- » Apply a Heritage Overlay to 19 individually significant places and four heritage precincts
- » Strengthen what we know about 25 already identified significant places and three precincts.

We know our community is passionate about protecting heritage buildings and this is the first suburb completed in a

Stonnington wide suburb review. It's also the first comprehensive street-by-street assessment in the eastern half of our municipality.

This builds on the already extensive protection work undertaken to protect heritage in Stonnington, with close to one quarter of our properties under some form of heritage protection or overlay.

The next step for these Malvern properties is a planning scheme amendment to apply the recommended controls.

Visit [stonnington.vic.gov.au/heritagereview](http://stonnington.vic.gov.au/heritagereview) for more information.



# Major initiatives

Whilst no major initiatives for Liveability were identified in the Budget 2020–21, a number of capital works initiatives were progressed.

## Description of services

The following table provides information about the services funded in the Budget 2020–21 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)	
		Actual	Budget
		Variance	
		Favourable / (unfavourable)	
<b>Building Control and Amenity Services</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.	1,431	
		<u>1,974</u>	
		543	
<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.	3,033	
		<u>2,574</u>	
		(459)	
<b>Infrastructure Planning, Design and Management</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.	3,312	
		<u>1,640</u>	
		(1,672)	
<b>Major Projects and Property Improvements</b>	This service conducts planning and delivers capital works projects for Council's properties to renew and improve the condition, compliance, sustainability, performance and value of Council's existing buildings to meet service delivery needs.	567	
		<u>619</u>	
		52	
<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.	4,038	
		<u>3,975</u>	
		(63)	
<b>Urban Development</b>	This service processes all planning applications, provides advice and makes decisions about development proposals that 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 Stonnington.	-5,244	
		<u>-1,585</u>	
		3,659	
<b>Venues and Facilities</b>	This service provides venues for commercial hire and community use at the Malvern Town Hall, Functions On Chapel and Armadale Meeting Rooms. The service supports Council's civic functions and activities.	2,105	
		<u>2,386</u>	
		280	

# Performance indicators

The following table represents Council's service performance against prescribed indicators as included within the Local Government Performance Reporting Framework (LGPRF).

No.	Service performance indicators	Results				Variance	Comments
		2017-18	2018-19	2019-20	2020-21		
<b>Roads</b>							
<b>Satisfaction of use</b>							
R1	Sealed local road requests <i>(Number of sealed local road requests / Kilometres of sealed local roads) x100</i>	49.40	51.52	76.67	83.41	8.79%	The number of requests has increased slightly. This is likely due to standard variation as Council continues to maintain and renew its roads per the Road Management Plan.
<b>Condition</b>							
R2	Sealed local roads maintained to condition standards <i>(Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads) x100</i>	98.80%	98.79%	99.70%	99.77%	0.07%	Road condition has been maintained by ongoing maintenance and renewal programs.
<b>Service cost</b>							
R3	Cost of sealed local road reconstruction <i>(Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed)</i>	\$248.29	\$133.99	\$199.90	\$169.06	-15.43%	Costs are in line with current pricing and reflect the complexity of the projects completed during the year.
R4	Cost of sealed local road resealing <i>(Direct cost of sealed local road resealing / Square metres of sealed local roads resealed)</i>	\$19.68	\$21.52	\$26.13	\$25.96	-0.65%	The road resealing program has completed as scheduled for the year despite COVID-19 restrictions. 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 metre.
<b>Satisfaction</b>							
R5	Satisfaction with sealed local roads <i>(Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads)</i>	65.00	70.00	65.00	70.00	7.69%	Community satisfaction with sealed local roads was a stand out result for Stonnington comparative to other councils in the annual Customer Satisfaction Survey. The result of 70 per cent is a 5 point improvement on 2019-20 and brings Stonnington slightly above the Metro council average of 67 per cent. Council assesses road conditions annually in order to inform scheduling of road resurfacing works to maintain our high quality road infrastructure.

No.	Service performance indicators	Results				Variance	Comments
		2017–18	2018–19	2019–20	2020–21		
<b>Statutory Planning</b>							
<b>Timeliness</b>							
SP1	Time taken to decide planning applications <i>(The median number of days between receipt of a planning application and a decision on the application)</i>	96.00	86.00	70.00	67.00	-4.29%	Processing time of 67 median days is slightly less than 2019–20, which had a processing time of 70 median days. However, the percentage of applications processed within statutory time frame remains consistent with 71.33 per cent achieved this year vs 71.21 per cent last year.
<b>Service standard</b>							
SP2	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</i>	54.76%	66.00%	71.21%	71.37%	0.23%	A slight improvement in the percentage of applications decided within timeframes compared with last financial year. This could be due to decreased complexity of applications this year due to a reduction in major project submissions, but is broadly consistent performance.
<b>Service cost</b>							
SP3	Cost of statutory planning service <i>(Direct cost of the statutory planning service / Number of planning applications received)</i>	\$4,093.77	\$4,053.98	\$2,560.10	\$2,753.45	7.55%	There was an increase in planning applications, which would usually bring the cost of the service down, however some complex planning matters required legal advice, which added cost.  Long term leave requiring back fill by short term staff members also increased costs.
<b>Decision-making</b>							
SP4	Council planning decisions upheld at Victorian Civil and Administrative Tribunal (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</i>	50.75%	48.00%	52.63%	42.55%	-19.15%	This result will be variable as Council continues to make decisions in the best interest of the community. 32.9 per cent of the total decisions were settled via consent, meaning Council and the applicant were able to agree on a mediated result at VCAT. If these matters were included in the eligible decisions, it would increase the "favourable" result to 61.43 per cent. The number of matters going to VCAT increased approximately 14.5 per cent in 2020–21.

# Environment

Stonnington will have a cleaner, safer and better environment for future generations to enjoy.

## Achievements

- » Reduced greenhouse gas emissions by 48 per cent to achieve below 2005 levels as part of our commitment to climate action.
- » Developed Stonnington's Climate Emergency Action Plan, outlining our pathway to a zero carbon future.
- » Laid 4,571 tonnes of asphalt containing recycled content on 29 local roads. Over 96 per cent of the asphalt used in 2020–21 contained recycled content.
- » Expanded Council's food and green waste service to an additional 486 households.
- » Reduced Council water use by 9.5 per cent through water efficiency upgrades and rainwater tank repairs.
- » Upgraded irrigation systems at Union St Gardens, Princes Gardens, Argo Reserve, Toorak Park and Ferrie Oval to ensure best practice water efficiency and management.
- » Planted 1,384 trees and 28,239 plants in Stonnington streets, gardens, parks and reserves.
- » Adopted the Gardiners Creek (KooyongKoot) Masterplan, outlining a vision to transform the Gardiners Creek corridor.
- » Delivered our first Environmental Champions program with 25 passionate residents, building the capacity of our community to develop and deliver local environmental projects.
- » Delivered 26 environmental events to 2,317 attendees including online sustainable living sessions, a panel discussion on self-sufficiency, working bees and community consultation discussions.





# Strategic indicators

The following table reviews the organisational performance against the Council Plan including results achieved in relation to the strategic indicators in the Council Plan.

Strategic indicator	Result	Comment
Reduce energy use and associated greenhouse gas emissions.	100%	<ul style="list-style-type: none"> <li>» Reduced greenhouse gas emissions by 48 per cent to achieve below 2005 levels.</li> <li>» Began purchasing 100 per cent renewable energy for all Council electricity use from 1 July 2021 alongside 45 other Victorian councils through VECO – the Victorian Energy Collaboration.</li> <li>» Installed new solar panels at Early Years facilities Phoenix Park, Brookville Kindergarten, Armadale Early Learning Centre and Stonnington Children’s Centre.</li> <li>» Prepared a Climate Emergency Action Plan for adoption, outlining how Council, the community, schools and businesses can work together to take action.</li> </ul>
Maximise efficiency of water use and improve water quality entering waterways.	100%	<ul style="list-style-type: none"> <li>» Reduced water use by 9.5 per cent on the previous year, saving 21,485 litres of water through water efficiency upgrades and rainwater tank repairs.</li> </ul>
Enhance biodiversity values throughout Stonnington to protect and increase flora and fauna.	100%	<ul style="list-style-type: none"> <li>» Commenced implementation of the Gardiners Creek (KooyongKoot) Masterplan including upgrading the Gardiners Creek Trail between Burke Road and Great Valley Road and removal of woody weeds along Gardiners Creek to reintroduce native trees.</li> <li>» Participated in the citizen-science 2021 City Nature Challenge along with eight other Melbourne councils.</li> <li>» Installed new interpretive signage along the Yarra River to educate the community on biodiversity, climate change and Traditional Owners knowledge.</li> <li>» Supported community volunteer groups in monthly working bees at the Glen Iris Wetlands and Urban Forest to learn about and care for local biodiversity.</li> </ul>
Protect, maintain and grow Stonnington’s street tree population to enhance the character, identity and liveability of the City of Stonnington.	100%	<ul style="list-style-type: none"> <li>» Planted 1,384 trees and 28,239 plants in Stonnington streets, gardens, parks and reserves to grow and enhance the urban forest across the city. In total, we have planted 175,000 plants and trees since 2018, and well on track to meet our target of 250,000 by 2023.</li> <li>» Performed scheduled tree inspections, pruning and management; regulation of significant trees on public land.</li> <li>» Completed extensive revegetation works along creeks and waterways.</li> <li>» Convened community planting days.</li> </ul>

**In March 2020, Council expanded its opt-in garden waste service to support residents to recycle their food scraps.**



Since then, over 13,217 households are now on board and over 5,921 tonnes of food and green waste have been collected.

In just 2020-21, 506 new households signed up to the food and green waste service, avoiding 4,424 tonnes of waste going to landfill. This is

an 18.7 per cent increase in tonnes collected over the previous year.

The food and green waste collected through the service is taken to a commercial composting facility where it is processed and then used to help grow food on farms, vineyards and gardens around Victoria.

# Strategic indicators

Cont...

The following table reviews the organisational performance against the Council Plan including results achieved in relation to the strategic indicators in the Council Plan.

Strategic indicator	Result	Comment
Deliver best practice waste management services to minimise waste generation and maximise resource recovery and recycling.	93%	<ul style="list-style-type: none"> <li>» Continued rollout of kerbside food waste recycling, with work continuing to on how we can best support apartments.</li> <li>» Investigated possibility of mattress collection in conjunction with hard waste collection, but this was not found to be feasible.</li> <li>» Delay to some public bin installations due to conflicting roadside dining activities. Alternative locations have been identified to ensure the installation program is delivered at various high need open space and park locations. Due to supply issues of suitable bins the install completion has been delayed to September 2021.</li> </ul>
Enhance sustainable purchasing of goods, materials and services with reduced environmental impacts.	100%	<ul style="list-style-type: none"> <li>» Invested in a number of new fuel-efficient vehicles (waste trucks, block trucks, hook trucks and hybrid cars) including two additional fully electric vehicles in the last four months.</li> <li>» Completed roll out of new Fleet Management System to improve fuel efficiency tracking and monitoring of fleet utilisation to inform fleet right-sizing over the next 12 months.</li> <li>» Completed Glenferrie Road footpath upgrades using Polyrok, which is made from recycled soft plastics.</li> </ul>
Lead community sustainability through public programs.	100%	<ul style="list-style-type: none"> <li>» Delivered inaugural Environment Champions program with 25 community members graduating and initiating a range of local projects including Rewilding Stonnington, Yarra Working Bees, Regenerating the Kooyongkoot event, Stonnington Bicycle User Group and Stonnington Kitchen Library.</li> <li>» Launched the My Smart Garden program with 214 Stonnington households signed up.</li> <li>» Delivered community energy efficiency initiatives through partnership with the Australian Energy Foundation.</li> <li>» Delivered Sustainable Spring festival, featuring 11 online events to support our community to adopt sustainable behaviours including gardening, cycling, energy efficiency and nature connection.</li> <li>» Commenced Environmental Upgrade Finance to support local businesses make sustainable upgrades to buildings.</li> </ul>
Promote and facilitate the use of sustainable transport options across the city.	100%	<p><b>*Reduced scope of work due to COVID-19*</b></p> <ul style="list-style-type: none"> <li>» Progressed Chadstone pedestrian civil works as planned.</li> <li>» Planned upgrades to shimmy routes and other cycle paths were delivered as planned. Shimmy streets are streets that provide safe alternatives to major roads; local streets that typically run parallel with a major arterial or in between major roads that are suitable to accommodate diverted cycling trips.</li> <li>» State-funded pop up cycling routes delivery rescheduled for 2021–22.</li> </ul>

## We're taking your soft plastics and turning them into footpaths!

While we've been using soft plastics in the asphalt used in our road resurfacing program for a few years, we've now turned our attention to a concrete footpath upgrades along Glenferrie Road in Malvern.

Around 350,000 pieces of plastic collected through soft plastics recycling stations in supermarkets have been used in the concrete mixture, replacing less sustainable materials.

Polyrok, the 'green concrete' we've used, is totally encapsulated in the cement/sand in standard finished concrete, which means it is never exposed to the external environment. It's also recyclable.

Finding new life for unwanted materials is a key focus for Council and our circular economy future.

Visit [stonnington.vic.gov.au/environment](https://stonnington.vic.gov.au/environment) for more about sustainability programs.



# Major initiatives

The following table reviews our progress in relation to major initiatives identified in the Budget 2019–20.

Major initiative	Progress
<p><b>Enhance biodiversity values through implementing the Yarra River Biodiversity Project ‘Missing Links’ bridge sections and the Gardiners Creek Corridor Project (\$0.57 million net cost).</b></p>	<p>In 2020–21, the following initiatives were completed to protect and enhance biodiversity in Stonnington:</p> <ul style="list-style-type: none"> <li>» Adoption of the Gardiners Creek (Kooyongkoot) Masterplan, outlining a pathway to transform this important corridor.</li> <li>» Recruitment of a Gardiners Creek Collaboration Lead to facilitate collaboration and a shared vision for the Gardiners Creek corridor with key stakeholders.</li> <li>» Implementation of the Gardiners Creek (Kooyongkoot) Masterplan including upgrading the Gardiners Creek Trail between Burke Road and Great Valley Road and removal of woody weeds along Gardiners Creek to reintroduce native trees.</li> <li>» Participated in the citizen science 2021 City Nature Challenge along with eight other Melbourne councils (Boroondara, Greater Dandenong, Knox, Manningham, Maroondah, Monash and Whitehorse). Stonnington hosted two nature walks and together with other councils recorded close to 8,000 flora and wildlife observations across Melbourne over four days.</li> <li>» Installed new interpretive signage along the Yarra River to educate the community on biodiversity, climate change and Traditional Owner knowledge.</li> <li>» Supported community volunteer groups in monthly working bees at the Glen Iris Wetlands and Urban Forest to learn about and care for local biodiversity.</li> </ul>
<p><b>Maintain and grow Stonnington’s tree population. Implement the Urban Forest Strategy and Street Tree Policy, including expanded street and park tree planting program. Adopt and implement the Boulevard Planting Program for arterial roads (\$0.78 million net cost)</b></p>	<ul style="list-style-type: none"> <li>» Planted 1,384 trees and 28,239 plants in Stonnington streets, gardens, parks and reserves to grow and enhance the urban forest across the city. In total, we have planted 175,000 plants and trees since 2018, and well on track to meet our target of 250,000 by 2023.</li> <li>» Performed scheduled tree inspections, pruning and management; regulation of significant trees on public land.</li> <li>» Completed extensive revegetation works along creeks and waterways.</li> <li>» Convened community planting days.</li> </ul>

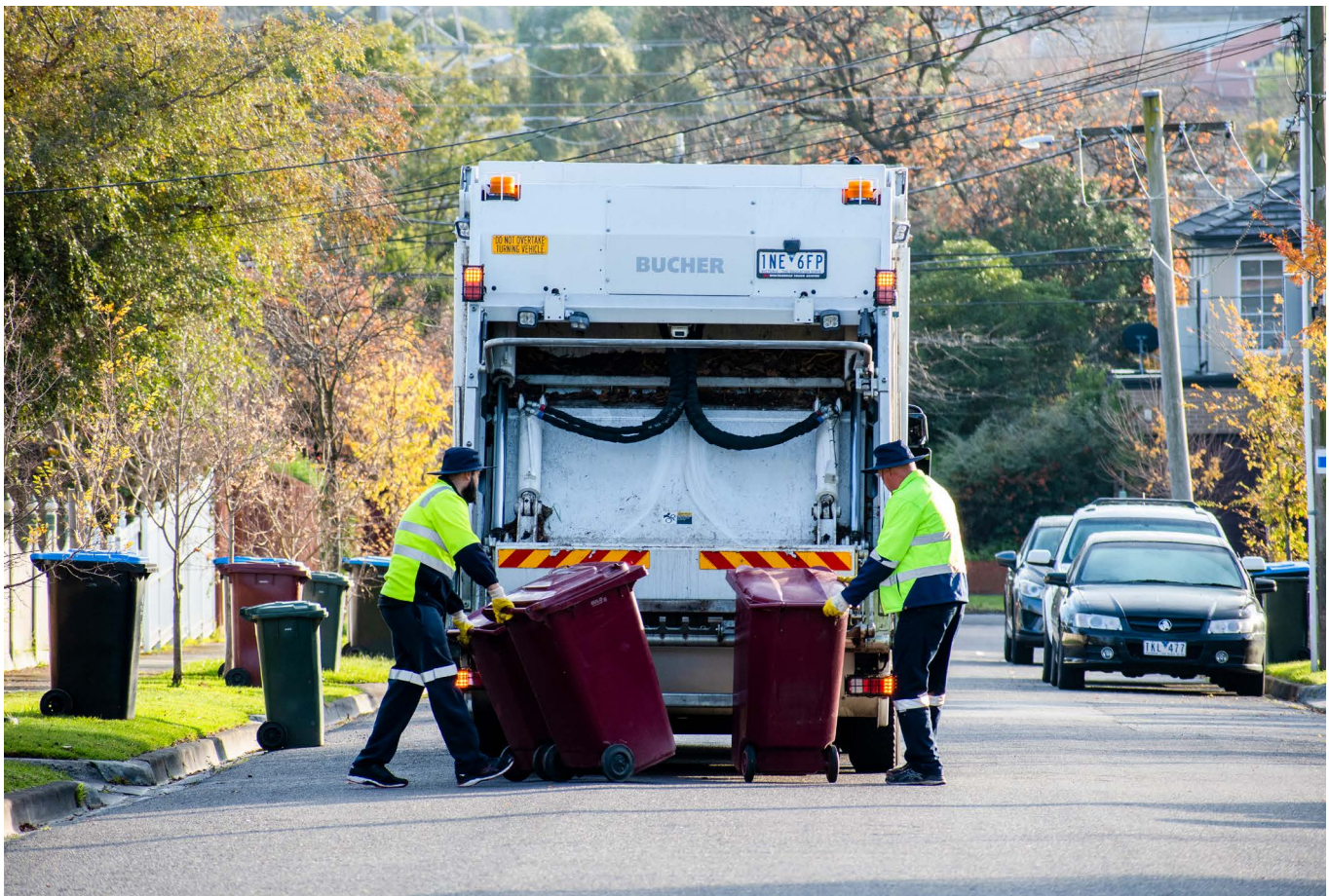




# Description of services

The following table provides information about the services funded in the Budget 2020–21 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)	
		Actual	Budget
		Variance	
		Favourable / (unfavourable)	
Environment and Sustainability	This service develops environmental policy and coordinates and implements other services to improve Council's environmental projects and works with environmental performance, including the greenhouse gas emissions reduction program.	705	
		<u>794</u>	
		89	
Public Spaces Design and Development	This service prepares policies and development strategies related to open space and urban design, including landscape and urban design advice.	-272	
		<u>-272</u>	
		0	
Parks and Environment	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.	9,100	
		<u>9,495</u>	
		395	
Waste collection and management	This service provides kerbside rubbish collections of garbage, hard waste, recycling and green waste from all households and commercial properties in Stonnington.	18,275	
		<u>17,850</u>	
		(425)	





# Performance indicators

The following table represents Council's service performance against prescribed indicators as included within the Local Government Performance Reporting Framework (LGPRF).

No.	Service performance indicators	Results				Variance	Comments
		2017-18	2018-19	2019-20	2020-21		
<b>Waste Collection</b>							
<b>Satisfaction</b>							
WC1	Kerbside bin collection requests <i>(Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x1000</i>	135.07	138.73	150.22	155.80	3.72%	Bin collection requests have increased compared with 2019-20, possibly due to increased bin refills associated with work from home arrangements.
<b>Service standard</b>							
WC2	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</i>	3.83	3.80	4.40	3.95	-10.16%	The percentage of bins missed has improved compared with 2019-20. As has been the trend, increased missed bin requests were observed during lockdowns when people were at home and more likely to notice and report a missed bin, or a bin that was not collected early in the day.
<b>Service cost</b>							
WC3	Cost of kerbside garbage bin collection service <i>(Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)</i>	\$126.33	\$119.87	\$118.68	\$127.93	7.79%	The overall cost of the garbage collection service has increased in line with CPI increases, increased cost associated with new landfill contracts and the costs associated with delivering an increasingly sophisticated waste collection service that includes Food Organics and Garden Organics (FOGO). Residential waste volume in the municipality has increased, likely due to the increasing number of residents working from home due to COVID-19 restrictions.
WC4	Cost of kerbside recyclables collection service <i>(Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)</i>	\$25.69	\$37.83	\$37.51	\$38.11	1.59%	Result consistent with current pricing and comparable with 2019-20 service cost.
<b>Waste diversion</b>							
WC5	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</i>	36.57%	34.81%	40.20%	39.89%	-0.76%	Slight decrease in overall diversion compared to 2019-20, despite the introduction of Food Organics and Garden Organics (FOGO). This result is statistically insignificant. Council continues to provide recycling programs and waste education to residents, business and visitors.

# Economy

A city that will grow its premier status as a vibrant, innovative and creative business community.

## Achievements

- » Supported more than 150 businesses through the COVID-19 restrictions to shift to outdoor dining, including pilot street closures at Greville Street, Prahran and Beatty Avenue, Armadale.
- » Provided a new free dedicated mental health support program for Stonnington business owners, managers and employees.
- » Delivered 54 COVID-19 Quick Response Business Grants totalling more than \$500,000.
- » Supported more than 1,000 businesses through Council's business concierge service.
- » Developed an Events, Arts and Culture Activation Plan to support economic and community recovery.
- » Delivered 17 marketing campaigns to help attract visitation into Stonnington and aid in economic recovery.



# Strategic indicators

The following table reviews the organisational performance against the Council Plan including results achieved in relation to the strategic indicators in the Council Plan.

Strategic indicator	Result	Comment
Develop long-term plans to ensure sustainability of Stonnington's activity centres.	100%	<ul style="list-style-type: none"> <li>» Prepared draft Neighbourhood Activity Centre Framework, with Councillor and community engagement scheduled in the second half of 2021.</li> <li>» Adopted C272 to implement planning controls for Hawksburn Village with approval by the Minister for Planning.</li> <li>» Monitored and optimised Chapel Street Planning controls with a focus on economic reactivation and public welfare.</li> <li>» Completed precinct improvement design for Malvern Valley Shopping Centre. Tender underway.</li> </ul>
Provide effective engagement and support to local business through business skills development and marketing.	100%	<ul style="list-style-type: none"> <li>» Provided a free dedicated mental health support program for Stonnington business owners, managers and employees.</li> <li>» Delivered 54 COVID-19 Quick Response Business Grants totalling more than \$500,000.</li> <li>» Supported more than 1,000 businesses through Council's business concierge service, simplifying permits and approvals processes for new business.</li> <li>» Provided business recovery mentoring and business diagnostic sessions to assist local business to re-open, reinvent and rebuild post COVID-19.</li> <li>» Facilitated outdoor dining through extended footpath trading, roadside dining using select on-street car parks and partial street closures to assist in COVID-19 economic recovery of our hospitality industry.</li> <li>» Delivered 17 marketing campaigns to support festivals, events and businesses.</li> </ul>
Leverage Stonnington's strategic location to attract new business and industry investment in key high-value industries that are matched to the strengths of Stonnington.	100%	<p>The COVID-19 pandemic and associated restricted trade or closure of retail, hospitality and other business sectors has required a reimagining on the delivery of this measure.</p> <ul style="list-style-type: none"> <li>» Implemented the Economic Recovery Committee and Monthly Business Association Presidents Breakfast meetings to provide feedback, ideas and to contribute to the further development of draft business initiatives.</li> <li>» Developed an Events, Arts and Culture Activation Plan to support economic and community recovery. The plan includes a local focus to increase visitation and trade. Collaborated on activations including:               <ul style="list-style-type: none"> <li>» Robot SPACEland</li> <li>» Me and Uoo Uoo public art trail</li> <li>» Glow Winter Arts Festival</li> <li>» Melbourne Fashion Festival</li> <li>» Light in the Dark (projection art)</li> <li>» Roving performers, and</li> <li>» Christmas Decorations program.</li> </ul> </li> </ul>

**The City of Stonnington was among the first Victorian councils to respond to allow hospitality venues to expand their outdoor trading spaces as COVID-19 restrictions were relaxed in late 2020.**

Together with local businesses, we rolled out COVID-safe outdoor dining experiences with:

- » extended footpath trading at over 100 venues

- » 50 roadside dining sites using on-street car parks
- » partially closing Greville Street, Prahran and Beatty Avenue, Armadale for the full-on street dining experience.

As Melbourne reopened following a locked down winter and early spring, it was wonderful to see the streets filled with people dining, providing a very welcome energy to our precincts.

Our evaluation program found that:

- » 92 per cent of respondents strongly support continued outdoor dining, including Council creating more outdoor dining spaces by reimagining on-street parking bays.

- » 88 per cent of respondents believing extended outdoor dining does, or may, make it more likely people will eat or drink in the area.
- » 92 per cent of businesses in the outdoor dining program felt it created a positive atmosphere, as did 75 per cent of businesses not in the program.
- » 78 per cent of businesses in the outdoor dining program stated it increased their revenue.

We're currently planning for the future of outdoor dining in Stonnington, visit [stonnington.vic.gov.au/outdoordining](http://stonnington.vic.gov.au/outdoordining) for more information.



# Strategic indicators

Cont...

Strategic indicator	Result	Comment
Promote Stonnington's premier precincts, employment clusters and cultural assets as hubs for shopping, hospitality, entertainment and culture.	100%	<ul style="list-style-type: none"> <li>» Transitioned Chapel Off Chapel to online programming.</li> <li>» Completed significant building improvement works to renew the entrance areas at Chapel Off Chapel.</li> <li>» Hosted 5,400 patrons at over 59 live shows despite the continued impacts of COVID-19 including lockdowns and capacity limits.</li> <li>» Reviewed the draft Arts and Culture Strategy in light of the challenges presented by the COVID-19 environment and commenced plans for a new draft to be prepared that better responds to this new environment.</li> <li>» Provided ongoing support, opportunities and advice to retail precinct coordinators.</li> <li>» Engaged marketing support on socials and opportunities for Business Associations to promote new business and retail events.</li> <li>» Delivered strategic partnerships with:               <ul style="list-style-type: none"> <li>» Melbourne Fashion Festival</li> <li>» Melbourne Queer Film Festival</li> <li>» Royal Children's Hospital (Me &amp; Uoo Uoo public art trail celebrating the 150th anniversary)</li> <li>» Chapel Street Precinct Association</li> <li>» Glenferrie Road Malvern Business Association</li> <li>» Toorak Village Trader Association</li> <li>» High Street Armadale Business Association</li> <li>» Toorak Road South Yarra Business Association</li> </ul> </li> <li>» Launched Support Local Guide on Council's website promoting over 240 local businesses.</li> <li>» Continued Prahran Square activation with the opening of Stonnington's Prahran Library and the Services and Visitors Hub, providing a range of activities and attracting further visitation.</li> <li>» Hosted a range of weekly activities, street performance programs, signature arts and cultural events as well as onsite games at Prahran Square.</li> <li>» Delivered Light in the Dark outdoor art projection in Prahran and supported mural projects in and around our libraries as part of our commitment to supporting visual arts in Stonnington.</li> <li>» Provided supportive digital and marketing services to our internal festivals, events and local businesses.</li> </ul>



**Prahran Square has positioned itself as Stonnington's number one place to rest and relax, meet with friends, enjoy the gardens and art work, settle into a book on the lawns or play some light-hearted games of bocce, chess or mini-golf at the pop-up park.**

The past 12-months has seen Prahran Square change and develop in response to community needs and expectations, by delivering a number of free outdoor activities across health and fitness, art and learning, as well as fun and recreation. It continues to offer the community opportunities to contribute to and participate in regular programs, initiatives and events.

Despite COVID-19 restrictions, the square has remained a popular go-to destination, when other community spaces have been inaccessible, making it not only one of the most versatile and appealing places for the wider community to enjoy, and for artists and performers to exhibit and showcase their work, gaining much needed exposure and recognition.

## Major initiatives

The following table reviews our progress in relation to major initiatives identified in the Budget 2020–21.

Major initiative	Progress
<b>Adopt the Activity Centres Strategy and progress planning provisions for Hawksburn Village (\$0.10 million net cost).</b>	<ul style="list-style-type: none"> <li>» Prepared draft Neighbourhood Activity Centre Framework and submitted for peer review to ensure it meets community expectations. It is scheduled to be considered by Council later in 2021 prior to community engagement.</li> <li>» Adopted Amendment C272 to implement planning controls for Hawksburn Village. Subsequently approved by the Minister for Planning.</li> </ul>
<b>Promote Prahran Square as a visitor destination and community space. Progress and continue with activation and programming plan for Prahran Square. (\$0.18 million net cost)</b>	<ul style="list-style-type: none"> <li>» Delivered a comprehensive community and engagement activation plan for Prahran Square. The plan covers a wide range of activities to engage with the local community and encourage community members to participate in activities, visit Prahran Square and support surrounding businesses.</li> <li>» Installed temporary furniture in the Square during the warmer months, which assisted in servicing increased visitation and activity.</li> <li>» Delivered small scale pre-Christmas activities, decorations and a highlight partnership with the Melbourne Fringe to create a new dance work with approximately 400 socially distanced participants.</li> <li>» Launched Prahran Library and the Stonnington Services and Visitors Hub, providing a range of activities and attracting further visitation and activity.</li> <li>» Increased social media marketing for Prahran Square, assisting in growth of visitation and positive public sentiment.</li> <li>» Installed people counters to enable usage and growth monitoring.</li> <li>» Launched a dedicated Prahran Square website to provide the community with information on activations and events.</li> </ul>

## Description of services

The following table provides information about the services funded in the Budget 2020–21 and the people or sections of the community who receive the service.

Service area	Description	Net cost (\$'000)	
		Actual	Budget
		Variance	
		Favourable / (unfavourable)	
<b>Arts and Cultural Planning</b>	This service provides a program of arts and cultural events, activities and plans. It also develops arts and cultural facilities and infrastructure as well as policies and strategies to facilitate art practice.	2,347	
		<u>1,044</u>	(1,303)
<b>Economic Development</b>	This service provides a range of events and activities to support and develop local businesses including marketing and promotion, business support and partnerships.	2,213	
		<u>2,516</u>	303
<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.	-3,363	
		<u>-3,206</u>	157

## Performance indicators

There are currently no prescribed performance measures for Arts and Cultural Planning, Economic Development or Traffic and Parking Services in the Local Government (Planning and Reporting) Regulations.

# Strategic Resource Plan

Stonnington is committed to good governance through transparent processes, accessible services, accountability, strong leadership, effective management of resources, advocacy and responsiveness to current and future community needs.

## Achievements








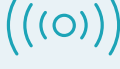







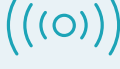







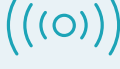
- » Established Audit and Risk Committee in accordance with the *Local Government Act 2020*.
- » Conducted deliberative community engagement through the Shaping Stonnington People's Panel to elevate our community's voice in setting Council's direction.
- » Implemented Stonnington at Home to ensure our teams can work from home during the pandemic.
- » Delivered Community Vision 2040 and progressed Council Plan 2021–25 in line with agreed timelines.
- » Reinvigorated Council's approach to safety both for staff and community members utilising council facilities.





# Strategic indicators

The following table reviews the organisational performance against the Council Plan including results achieved in relation to the strategic indicators in the Council Plan.

Strategic indicator	Result	Comment								
<b>Governance</b>	100%	<ul style="list-style-type: none"> <li>» Updated governance practices, policies and procedures in accordance with legislative requirements.</li> <li>» Delivered Community Vision 2040 and progressed Council Plan 2021–25.</li> <li>» Held Annual Citizen of the Year awards ceremony.</li> <li>» Conducted citizenship ceremonies both in person and online depending on COVID-19 requirements.</li> <li>» Delivered Councillor induction program and additional Councillor training.</li> <li>» Continued to support the Inner Melbourne Action Plan (IMAP) and transitioned to the new M9 group.</li> <li>» Provided access to Council meetings either in person or via live stream, with recordings available online.</li> </ul>								
<b>People</b>	100%	<ul style="list-style-type: none"> <li>» Continued to offer staff an award-winning wellbeing program.</li> <li>» Provided human rights legislation training throughout the year.</li> <li>» Reviewed and enhanced internal communications channels to ensure staff are well informed and connected.</li> <li>» Conducted Culture Inventory Survey.</li> <li>» Conducted Diversity Survey.</li> <li>» Reinvigorated Council's approach to safety both for staff and community members utilising council facilities. This has included more regular meetings, training and performance monitoring.</li> </ul>								
<b>Asset Management</b>	100%	<ul style="list-style-type: none"> <li>» Completed upgrade works at Malvern Town Hall, Orrong Romanis Recreation Centre, Powerhouse Rowing Club, Prahran RSL Hall, Malvern Valley Golf Course and Harold Holt Aquatic Centre.</li> <li>» Completed integration of GIS mapping to council systems, including Heritage Review, Activity Centre 3D models, Tree services for tree inspections and Open Cities website for street sweeping schedules.</li> </ul>								
<b>Business Systems and Technology</b>	100%	<ul style="list-style-type: none"> <li>» Implemented Stonnington at Home (cyber security and network improvements to ensure our teams can work from home during the pandemic).</li> <li>» Established delivery and service management capabilities for technology transformation program so that our systems run on time and are available to all staff.</li> <li>» Progressed a number of business system improvement projects to assist in service delivery across Council, including e-services.</li> </ul> <div style="background-color: #e0f2f1; padding: 10px; margin-top: 10px;"> <table style="width: 100%; text-align: center;"> <tr> <td style="width: 25%;">   <b>113,000 calls</b>                      received with 96 per cent total calls answered, only 4 per cent abandoned                 </td> <td style="width: 25%;">   <b>9,000</b>                      total visits to our service centres                 </td> <td style="width: 25%;">   <b>1,700</b>                      social media posts                 </td> <td style="width: 25%;">   <b>2,200</b>                      new social media followers                 </td> </tr> <tr> <td style="width: 25%;">   <b>1,700</b>                      Facebook likes                 </td> <td style="width: 25%;">   <b>3.7million</b>                      social media impressions (up 57 per cent annually)                 </td> <td style="width: 25%;">   <b>179,000</b>                      total social media engagements (up 96 per cent annually)                 </td> <td style="width: 25%;">   <b>215</b>                      new sensors deployed to track visitation                 </td> </tr> </table> </div>	 <b>113,000 calls</b> received with 96 per cent total calls answered, only 4 per cent abandoned	 <b>9,000</b> total visits to our service centres	 <b>1,700</b> social media posts	 <b>2,200</b> new social media followers	 <b>1,700</b> Facebook likes	 <b>3.7million</b> social media impressions (up 57 per cent annually)	 <b>179,000</b> total social media engagements (up 96 per cent annually)	 <b>215</b> new sensors deployed to track visitation
 <b>113,000 calls</b> received with 96 per cent total calls answered, only 4 per cent abandoned	 <b>9,000</b> total visits to our service centres	 <b>1,700</b> social media posts	 <b>2,200</b> new social media followers							
 <b>1,700</b> Facebook likes	 <b>3.7million</b> social media impressions (up 57 per cent annually)	 <b>179,000</b> total social media engagements (up 96 per cent annually)	 <b>215</b> new sensors deployed to track visitation							
<b>Risk</b>	100%	<ul style="list-style-type: none"> <li>» Updated Risk Policy was approved by the Executive Team in March 2021 with Council adoption pending. Continued to conduct quarterly risk reporting to the Executive Team and the Audit and Risk Committee.</li> <li>» Maintained all OHS policies, procedures and management systems to AS/NZS 4801 standard.</li> <li>» Reviewed creditor listing for 2020–21.</li> </ul>								

# Major initiatives

There were no major initiatives for the Strategic Resource Plan identified in the Budget 2020–21.



## Description of services

The following table provides information about the services funded in the Budget 2020–21 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, CEO, Executive Team and associated support, which cannot be easily attributed to the direct service provision areas.	5,221	<u>3,904</u>
			(1,317)
<b>Financial Services and strategic Council Plan</b>	This service provides strategic financial-based services to internal and external customers including managing Council's finances and payroll, raising and collecting rates and charges, and valuation of properties. Includes the development of strategic and Council Plans.	5,745	<u>2,711</u>
			(3,034)
<b>Fleet Services</b>	This service purchases and maintains Council's vehicles, plant and equipment to meet functionality and safety needs, and minimises operational cost of the fleet.	1,040	<u>724</u>
			(316)
<b>Geographical Information System</b>	To provide a Geographic Information System and associated services that support strategic and operational decision making across Council.	159	<u>361</u>
			202
<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.	4,157	<u>3,571</u>
			(586)
<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 Local Government Act 1989 and Local Government Act 2020 as applicable, and Council's Procurement Policy.	1,750	<u>1,358</u>
			(392)
<b>Organisation Development</b>	This service provides human resource, organisational development and industrial relations strategies, policies, procedures and support.	3,458	<u>2,220</u>
			(1,238)

# Performance indicators

The following table represents Council's service performance against prescribed indicators as included within the Local Government Performance Reporting Framework (LGPRF).

No.	Service performance indicators	Results				Variance	Comments
		2017-18	2018-19	2019-20	2020-21		
<b>Governance</b>							
<b>Transparency</b>							
G1	Council decisions made at meetings closed to the public <i>(Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ) x100</i>	8.00%	14.47%	10.76%	5.61%	-47.84%	Council's decisions made in open Council meetings continues to improve and is a reflection of our commitment to public transparency.
<b>Consultation and engagement</b>							
G2	Satisfaction with community consultation and engagement <i>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</i>	60.00	56.00	56.00	60.00	7.14%	Satisfaction with community consultation and engagement improved to an index score of 60, up 4 points since last year's result, and now slightly above the metro council average of 59.
<b>Attendance</b>							
G3	Councillor attendance at council meetings <i>(The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)) x100</i>	90.74%	89.37%	89.86%	95.45%	6.23%	The result reflects the commitment of our elected representatives. If we account for Cr Atwell's resignation, this figure would be an even higher 96.92 per cent
<b>Service cost</b>							
G4	Cost of elected representation <i>(Direct cost of the governance service / Number of Councillors elected at the last Council general election)</i>	\$57,650.56	\$57,214.56	\$61,032.11	\$45,229.33	-25.89%	Significant decrease on prior year costs, due to decreased travel and events as a result of COVID-19.
<b>Satisfaction</b>							
G5	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)</i>	58.00	58.00	57.00	61.00	7.02%	Satisfaction with council decisions improved by 4 points since last year (from 57 to 61 overall), and is now in line with the Metro council average.



# Our people

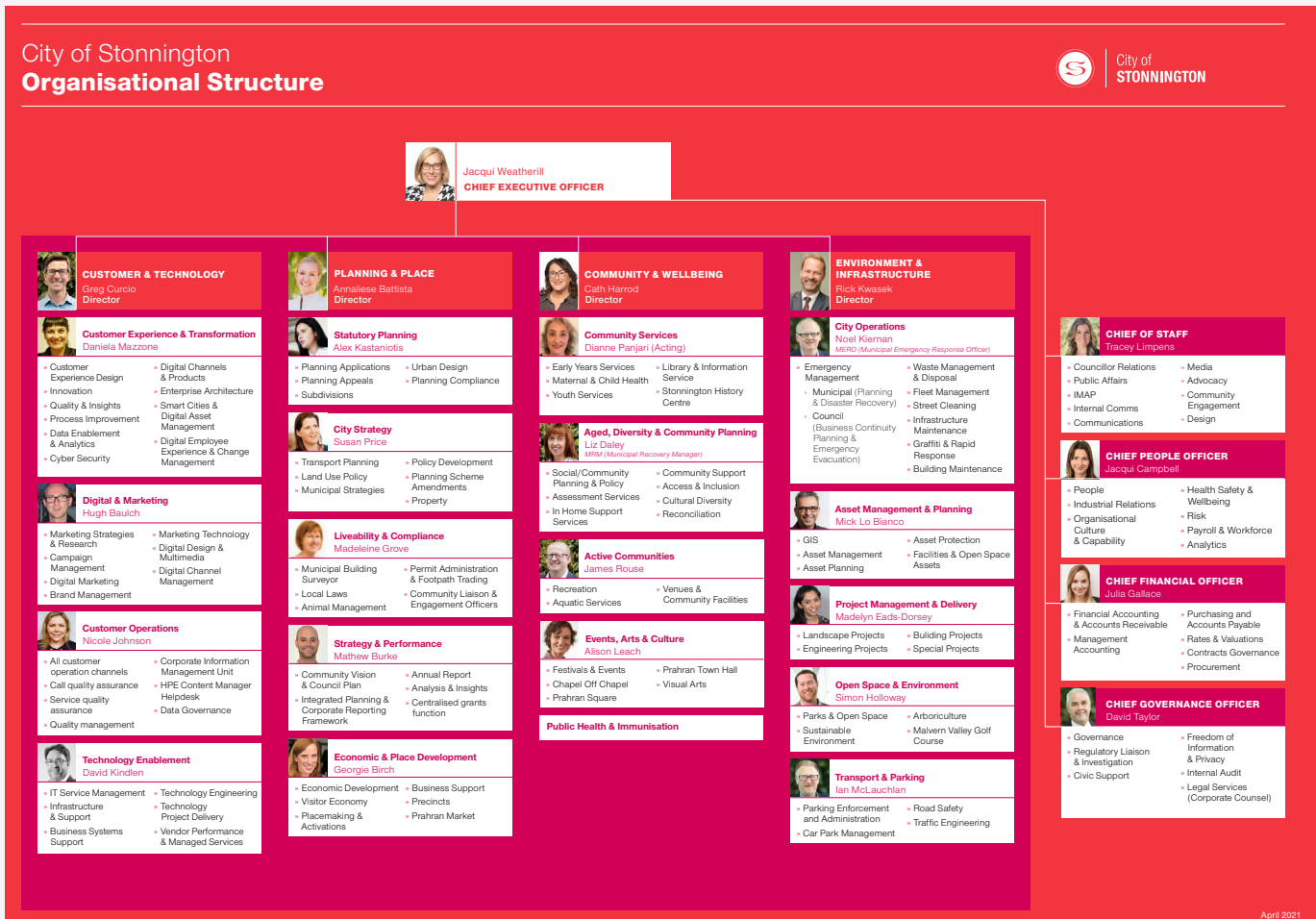
## Organisational structure

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, four Directors and four Chiefs form the Executive Team. The Executive Team manages the day-to-day operations of the municipality and leads the organisation. Its members are:

- » Chief Executive Officer, Jacqui Weatherill
- » Director Planning and Place, Annaliese Battista
- » Director Customer and Technology, Greg Curcio
- » Director Community and Wellbeing, Cath Harrod
- » Director Environment and Infrastructure, Rick Kwasek
- » Chief of Staff, Tracey Limpens
- » Chief People Officer, Jacqui Campbell
- » Chief Financial Officer, Julia Gallace
- » Chief Governance Officer, David Taylor

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



## Council staff

A summary of the number of our full time equivalent (FTE) staff across a range of aspects as at 30 June 2021 is set out below.

Employment type – gender	CEO	Chief of Staff	Chief Financial Officer	Chief People Officer	Planning & Place	Customer & Technology	Community & Wellbeing	Environment & Infrastructure	Total FTE
Permanent full time – F	3.00	9.00	13.50	10.00	45.08	16.44	76.50	34.00	<b>207.52</b>
Permanent part time – F	0.00	1.00	1.79	2.53	10.39	4.10	75.62	1.45	<b>96.88</b>
Temporary full time – F	1.00	0.00	0.00	2.00	2.00	12.10	15.02	4.00	<b>36.12</b>
Temporary part time – F	0.00	1.43	0.00	1.60	1.58	1.44	13.07	1.00	<b>20.12</b>
Casual – F	0.00	0.00	0.00	0.88	1.13	3.67	22.70	0.64	<b>29.03</b>
Permanent full time – M	0.00	2.00	10.00	4.00	36.16	20.77	32.72	133.30	<b>238.95</b>
Permanent part time – M	0.00	0.00	0.00	0.00	0.00	1.86	28.33	6.11	<b>36.30</b>
Temporary full time – M	0.00	1.00	2.05	2.00	0.50	10.17	6.42	2.95	<b>25.10</b>
Temporary part time – M	0.00	1.62	0.00	0.00	0.60	1.00	2.64	0.35	<b>6.21</b>
Casual – M	0.00	0.00	0.00	0.00	1.37	2.02	9.06	6.97	<b>19.42</b>
<b>Total</b>	<b>4.00</b>	<b>16.05</b>	<b>27.34</b>	<b>23.01</b>	<b>98.81</b>	<b>73.57</b>	<b>282.09</b>	<b>190.78</b>	<b>715.66</b>

Note: that Local Government Performance Reporting Framework measures report permanent and casual employees only per the Better Practice Guide.

Employment classification	Female FTE	Male FTE	Total FTE
Band 1	0.00	0.00	<b>0.00</b>
Band 2	20.79	40.11	<b>60.90</b>
Band 3	42.86	17.35	<b>60.21</b>
Band 4	73.52	23.35	<b>96.87</b>
Band 5	75.32	42.53	<b>117.86</b>
Band 6	78.28	44.24	<b>122.52</b>
Band 7	30.24	33.09	<b>63.33</b>
Band 8	21.20	24.29	<b>45.49</b>
Other	47.46	101.01	<b>148.48</b>
<b>Total</b>	<b>389.67</b>	<b>325.99</b>	<b>715.66</b>

Note: that Local Government Performance Reporting Framework measures include permanent and casual employees per the Better Practice Guide.

## Volunteers

The City of Stonnington did not engage volunteer staff during 2020–21. Stonnington has developed Community Volunteer Awards to acknowledge community volunteers in the categories of community service, youth, community group, sport, environmental sustainability and arts and culture. These awards will be held for the first time in 2021.

## Equal employment opportunity program

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.

# Our people

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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.

- » Indicator: percentage of new employees receiving equal opportunity training within six months of commencement. Target: 100 per cent. Result: 95 per cent.
- » Indicator: percentage of existing employees receiving refresher equal opportunity training at least every two years. Target: 100 per cent. Result: 80 per cent.
- » Indicator: number of contact officers per number of Council employees. Target: 1:50. Result: 1:55.

## Workplace diversity

Gender Equality Act: *The Gender Equality Act 2020* is a result of the 2016 Royal Commission into Family Violence and requires City of Stonnington to take positive action towards achieving workplace gender equality. Our key obligations are:

- » **Conducting Gender Impact Assessments (GIA):** Policies, programs and services can impact people of different genders in different ways. GIAs help us think about how our work affects different people, and ensures that our policies, programs and services don't unintentionally reinforce inequalities.
- » **Workplace Gender Auditing:** Workplace gender audits paint a picture of the state and nature of gender equality in our workplace by bringing together a range of data. The data collected will show us where gender inequality is persisting, and help us to see what's working and what isn't. The results of our workplace gender audit will inform our Gender Equality Action Plan.
- » **Gender Equality Action Plans (GEAP):** GEAPs help us to plan, implement and measure change in our workplace. Our GEAP will include the results of our workplace gender audit, as well as strategies and measures to improve workplace gender equality based on these results.

In May 2021 Stonnington employed, for the first time, a dedicated Diversity and Inclusion Specialist. This position is responsible for leading the development of key strategies, policies and initiatives that promote diversity and inclusion across the organisation, including our Gender Equality Act obligations.

## New ways of working

Following the COVID-19 pandemic in March 2020, Stonnington radically shifted to a flexible working model with a significant portion of our workforce working from home. Since then, we have had many conversations about the future 'workplace' and flexibility and what that means for Stonnington employees.

While flexible working arrangements have first and foremost allowed Stonnington to continue to function through work from home orders and a very unpredictable environment, Stonnington has also observed a positive impact upon productivity levels. We want to ensure our 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 Stonnington can support them to work flexibility.

## 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. We adapted our corporate training program to support staff throughout the changing COVID-19 environment. This included programs on leading remote teams, building resilience, mental health first aid, mental health in teams and responding to distressed customers.

	2017-18	2018-19	2019-20	2020-21
<b>Training sessions conducted</b>	12	15	5 face to face (+ online)	Online training only due to COVID-19
<b>Employees completing training sessions</b>	195	214	167	118
<b>Number of equal opportunity reports</b>	6	4	5	2
Number of equal opportunity investigations reported to external bodies	1	2	2	0
Number of equal opportunity complaints resolved internally	5	1	3	1



## Enterprise bargaining agreement

Our Enterprise Agreement 10 covers the terms and conditions of all our employees except for the Chief Executive Officer and nominally expired on 30 June 2021. While the terms of the agreement continue, it does not allow for increases to wages after 1 July 2021.

Council has been negotiating Enterprise Agreement 11 with the five bargaining representatives (three registered unions, one unregistered union and an independent bargaining representative) since March 2021 and negotiations have significantly progressed. The significant change agenda will enable a future ready organisation via the following objectives:

- » Build better, trust-based relationships across Council's team via employee engagement, innovative workplace practices, meaningful but affordable wage increase and minimal disputes
- » Deliver value to the organisation and our community via the opportunity to reduce organisational overheads.

## Wellbeing Program

Although the 2020–21 Wellbeing Program transformed into a virtual program, participation remained high. The program continued to focus on the three key pillars – healthy mind, healthy body and healthy life. This year saw a strong focus on healthy mind for our employees. In particular, the launch of the Smiling Mind Workplace app, guided meditation sessions and resource guides to help our employees navigate the challenging 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*.

## Pulse (engagement) survey July 2020:



87%

of participants recommended Stonnington as a great place to work



90%

reported pride in working for Stonnington



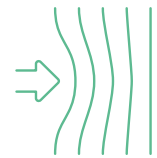
86%

of participants get personal satisfaction working for Stonnington



94%

of respondents believe the work they do makes a positive difference



91%

of participants feel they managed the challenges and pressures of COVID-19 related changes well



### Opportunities for improvement: Wellbeing and Energy

In July 2020, employees found themselves in a challenging work environment. Working under COVID-19 was resulting in employees having less energy and was having an impact on our wellbeing. In response to this employee feedback we implemented additional wellbeing initiatives into our Wellbeing Program, including the Smiling Mind Program – a mindfulness and meditation program specifically designed in dealing with the challenges of lockdown in Victoria. We also encouraged the use of our Employee Assistance Program (EAP), where employees and their immediate families can access counselling support free of charge.







# Corporate governance

**A Council consists of its Councillors who are democratically elected in accordance with the *Local Government Act 2020* (The Act). 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 and 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, and
- » the transparency of Council decisions, actions and information is to be ensured.

Our formal decision-making processes are conducted through Council meetings and special 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 for the outgoing and incoming Council are summarised below:

	2016–2020 Council term	2020–2024 Council term
<b>East Ward</b>	Cr Glen Atwell Cr Sally Davis Cr Jami Klisaris	Cr Jami Klisaris Cr Alexander Lew Cr Polly Morgan
<b>South Ward</b>	Cr Judy Hindle Cr Melina Sehr Cr Steven Stefanopoulos	Cr Nicki Batagol Cr Melina Sehr Cr Mike Scott
<b>North Ward</b>	Cr John Chandler Cr Marcia Griffin Cr Matthew Koce	Cr Marcia Griffin Cr Kate Hely Cr Matthew Koce

## Mayor

The Mayor, Cr Steven Stefanopoulos, was elected by the Councillors at a special meeting on 8 November 2019 for the remaining term of Council (to October 2020).

The Mayor, Cr Kate Hely, was elected by the Councillors at a special meeting on 23 November 2020 for the remainder of the 2020–21 reporting period. The Mayor chairs all meetings of the Council at which they are present.



# Corporate Governance

Cont...

## Meetings of Council

Ordinary meetings of Council are generally held on the first and third Mondays of the month, excluding January, but can change due to the timing of public holidays or number of weeks in a month. 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. In 2020-21, Council Meetings were conducted online to meet the directions required by COVID-19 government safety protocols.

Copies of the Council Agenda are available prior to the meeting on the website and for viewing at Council offices (COVID-19 restrictions permitting). Minutes and Agendas of past meetings are available on the website. The meeting procedure is outlined in our General Local Law 2018 (No.1)(pre-October 2020) and Governance Rules (post-November 2020).

Councillor Briefings are held on alternative Mondays. 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.

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 our consideration. Such meetings are held when there are seven or more objectors.

### Councillor meeting attendance 2020–21

Councillor	Council meetings	Council briefings	Planning consultative meetings *		
			East Ward	South Ward	North Ward
<b>1 July 2020 – 19 October 2020</b>					
<b>Total meetings held</b>	<b>9</b>	<b>7</b>	<b>3</b>	<b>2</b>	<b>8</b>
G Atwell (resigned 14 September)	6	4	3		
J Chandler	9	7			3
S Davis	9	7	3		
M Griffin	9	7			8
J Hindle	9	7		2	
J Klisaris	9	7	3		
M Koce	9	7			8
M Sehr	9	7		2	
S Stefanopoulos (Mayor from 7 November 2019)	9	7		2	
<b>9 November 2020 – 30 June 2021</b>					
<b>Total meetings held</b>	<b>13</b>	<b>13</b>	<b>5</b>	<b>7</b>	<b>15</b>
N Batagol	12	11		3	
M Griffin*	13	13			9
K Hely (Mayor from 23 November 2020)	13	13			12
J Klisaris*	12	11	3		
M Koce*	13	11			13
A Lew	12	12	5		
P Morgan	13	13	5		
M Scott	13	13		5	
M Sehr*	10	9		7	

\* re-elected for 2020–2024 term.

## Advisory committees

Council also has a number of local advisory committees that Councillors attend, however, the meetings were limited or did not occur during COVID-19 restrictions as the State of Emergency and Business Continuity Plans were enacted, with operational Council business taking priority in 2020–21:

- » Stonnington Cycling Reference Group
- » Access Stonnington Committee
- » Prahran Town Hall Redevelopment Steering Group
- » Stonnington Ethnic Services Committee
- » Stonnington History Committee
- » Prahran Square Project Steering Committee
- » Community Grants Working Group
- » Multi-purpose sports and recreation facility – Percy Treyvaud Memorial Park – Steering Group Meeting

## Special committees

The *Local Government Act 2020* allows councils to establish one or more special committees consisting of Councillors, Council staff, other persons, and any combination of these. Council has one Special Committee, the Inner Melbourne Action Plan Implementation Committee (IMAP).

IMAP is a collaborative partnership between the Cities of Stonnington, Melbourne, Port Phillip, Yarra and Maribyrnong, with these Councils working together to strengthen the liveability, attraction and prosperity of the region. This Special Committee is formed in partnership with each of these councils and has delegated authority to progress the implementation of the action plan.

On 3 May 2021, Council resolved to dissolve the Inner Melbourne Action Plan Implementation Committee as a joint committee of Council pursuant to sections 11 and 64 of the *Local Government Act 2020*.

## Citizenship

The Mayor is required by law to receive the Oaths or Affirmations of Allegiance for new Citizens. The City of Stonnington is proud to be able to conduct these citizenship ceremonies.

	2017–18	2018–19	2019–20	2020–21
Number of ceremonies	5	6	12*	<b>12*</b>
Number of people naturalised	404	553	795	<b>324</b>

\* Seven ceremonies were conducted online in 2019-20 and nine in 2020-21 due to COVID-19 restrictions.

## Code of conduct

The *Local Government Act 1989* (superseded) and the new *Local Government Act 2020* requires councils to develop and adopt a Councillor Code of Conduct for Councillors. The purpose of the Code is to specify the standards of conduct and behaviour expected from Councillors in performing their duties and functions.

The Code of Conduct was adopted on 15 February 2020 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' Council meets the requirements of the Act and publishes the summary of personal interests on the Council's Internet site 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 City of Stonnington is classified as a 'category 3' council.

Councillor Expenses Policy was approved by the Council on 17 August 2020 and replaces the previous policy adopted on 16 December 2019. This policy was effective from 2 February 2021.

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 Council.

The *Local Government Act* provides for annual adjustments for Mayoral and Councillors' 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 2020	
Mayor	Up to \$100,434.00
Councillors	\$31,444.00

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 (currently 9.5 per cent). 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.

# Corporate Governance

Cont...

The following table contains a summary of the allowances paid to Councillors during 2020–21.

Councillor	Allowance	Superannuation guarantee levy equivalent
<b>Councillors 2016–2020 term</b>		
G Atwell	\$8,607.81	\$746.79
J Chandler	\$10,736.62	\$931.48
S Davis	\$10,736.62	\$931.48
M Griffin*	\$32,896.76	\$2853.99
J Hindle	\$10,736.62	\$931.48
J Klisaris*	\$32,896.76	\$2853.99
M Koce*	\$32,896.76	\$2853.99
M Sehr*	\$32,896.76	\$2853.99
S Stefanopoulous (Mayor from 7 November 2019)	\$34,293.34	\$2975.21
<b>Councillors 2020–2024 term</b>		
N Batagol	\$22,160.14	\$1922.51
K Hely (Mayor from 23 November 2020)	\$67,883.27	\$5889.40
A Lew	\$22,160.14	\$1922.51
P Morgan	\$22,160.14	\$1922.51
M Scott	\$22,160.14	\$1922.51

\* re-elected for 2020–2024 term.



The details of the expenses including reimbursement of expenses for each Councillor and member of a Council committee paid by Council for the 2020–21 year are set out in the following table.

	TR (IS) \$	TR (LC) \$	CM \$	CC \$	IC \$	CT \$	OE \$	Total \$
<b>Councillors 2016–2020 term</b>								
G Atwell	-	-	-	-	115.46	-	-	115.46
J Chandler	-	-	-	-	690.64	-	-	690.64
S Davis	-	-	-	-	401.52	100.00	-	501.52
M Griffin*	-	-	-	-	2,153.56	-	612.98	2,766.54
J Hindle	-	-	-	-	338.78	-	-	338.78
J Klisaris*	-	-	-	-	2,652.55	-	51.18	2,703.73
M Koce*	-	-	-	-	2,551.15	-	1,155.00	3,706.15
M Sehr*	-	-	-	-	2,429.04	-	608.18	3,030.22
S Stefanopoulos (Mayor from 7 November 2019)	-	-	-	-	469.10	-	-	469.10
<b>Councillors 2020–2024 term</b>								
N Batagol	-	-	-	-	1,971.95	5,104.55	1,101.61	8,178.11
K Hely (Mayor from 23 November 2020)	**	-	-	8,272.16	1,389.11	**	51.16	9,712.43
A Lew	-	-	-	4,796.52	1,750.94	-	-	6,547.46
P Morgan	-	-	-	-	1,496.38	-	51.16	1,547.54
M Scott	-	39.90	-	-	1,442.75	2,435.00	-	3,917.65

TR (IS) = Travel interstate

TR (LC) = Travel local

CM = Car mileage

CC = Child care

IC = Information and communication expenses

CT = Conferences and training expenses

OE = Other expenses

\* re-elected for 2020–2024 term.

\*\* Mayor Kate Hely incurred \$1,973 travel interstate and \$1,199 conferences cost for attending Australian Local Government Association Conference in Canberra in June 2021. Due to the timing of reimbursement, it is not recognised until October 2021.

City of Stonnington Mayor, Cr Kate Hely, received support through professional development, coaching and training covered under a separate budget. This included media training, Mayoral induction, coaching, mentoring and sector development programs. The City of Stonnington supports our people and development opportunities are offered to all Councillors and incoming Mayors. This was particularly important for a first-term Councillor given the highly technical level of knowledge required under Victoria's local government legislation.

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# Corporate Governance

Cont...

## Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks lead 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 has been established under Section 53 of the *Local Government Act 2020* and acts in an advisory capacity to the Council not carrying any delegated authority of the Council or exercising any power of the Council.

The Committee considers matters relating to the financial, organisational risk, or operating affairs of the Council, including any relevant internal or external audit matters. In addition, the Committee examines any matters referred to it by the Council.

### Functions and Responsibilities

Section 54(2) of the *Local Government Act 2020* prescribes the duties of the Audit Committee as follows:

#### General

- » Monitor the compliance of the Council policies and procedures with the overarching governance principles set out in the *Local Government Act 2020*, the *Local Government (Governance and Integrity) Regulations 2020* and any Ministerial directions
- » Monitor Council financial and performance reporting
- » Monitor and provide advice on risk management and fraud management prevention systems and controls, and
- » Oversee internal and external audit functions.

#### External Audit

- » Oversee compliance with statutory responsibilities relating to financial disclosure
- » Liaise with the external auditors (Victorian Auditor – General’s Office) agreeing upon the timetable of the external audit
- » Consider the annual financial statements and make recommendations to the Council regarding adoption of accounts, and
- » Review and monitor implementation of external audit recommendations.

## Internal Audit and Internal Control

- » Make recommendations to the Council as to the appointment of an internal auditor (currently HLB Mann Judd) and the associated remuneration
- » Oversee compliance with statutory responsibilities
- » Monitor corporate risk assessment and institute internal controls
- » Review of the internal audit function and its activities
- » Liaise with the internal auditors
- » Review of the annual audit plan with the auditors
- » Review of information derived from the audit
- » Supervision of special investigations, and
- » Review and monitor implementation of internal audit recommendations.

During 2020–21 the following Internal Audits were undertaken:

- » Governance of COVID-19 Support Package
- » Compliance with key legislative requirements
- » Review of Councillor expenses
- » Payroll
- » Management of rates revenue
- » Project management
- » IT security, and
- » Follow up review

## Committee Membership

The Committee comprises three independent members and two Council representatives.

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<b>Chair</b>	Bruce Potgieter (to 30 April 2021)
<b>Deputy</b>	David Ashmore
<b>Members</b>	Beverly Excell (Chair from 17 May 2021) Pallavi Khanna (Member from 17 May 2021) Cr Kate Hely Cr Marcia Griffin

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## Safety

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

During 2020–21, all safety incidents that met the WorkSafe Victoria criteria for notifiable incidents were reported.

This year, Council commenced a Safety Transformation Project which aimed to ensure safety practices and processes are undertaken to a high standard by everyone, every day. Safety improvements have been observed through:

- » Improved compliance and ownership of safety processes
- » Increased quality of safety reports
- » Updated safety standards across all Council locations, and
- » Monthly safety initiatives aimed at improving staff knowledge, education and training.

In 2020–21, safety incidents reduced, while hazards identified and inspections completed increased.

### CARE

#### INCIDENTS

Incident	100
Near Miss	31
Lost Time Incident	14
Non Work Related	4

### SHARE

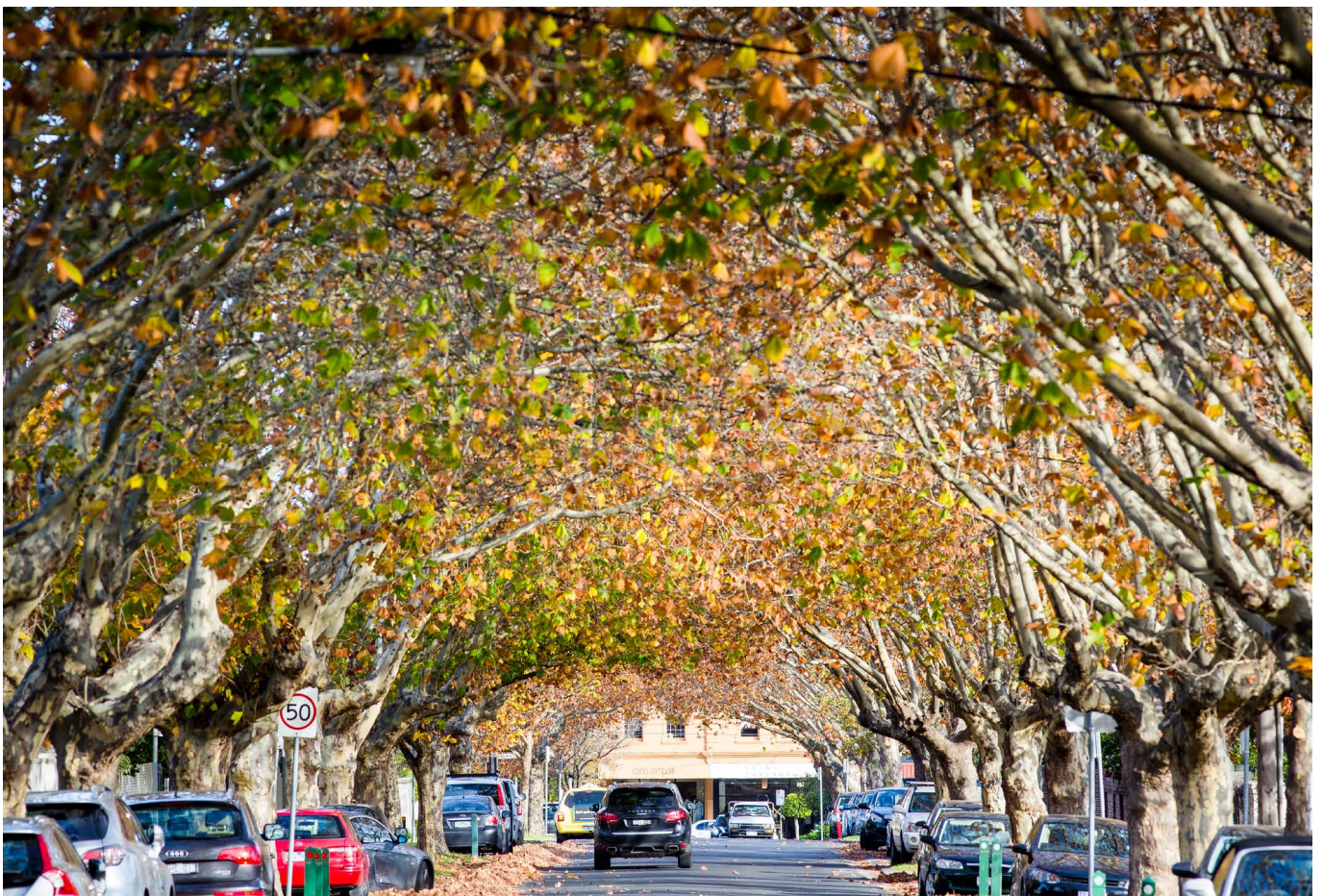
#### HAZARD REPORTS

Hazards Identified	73
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### WALK

#### WORKPLACE INSPECTIONS

Inspections Completed	481
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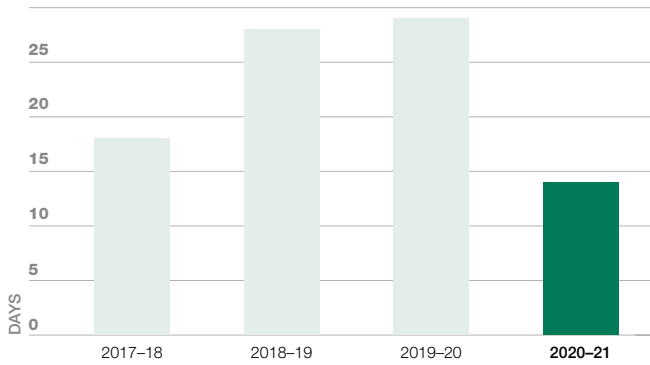


# Corporate Governance

Cont...

## Safety Cont...

LOST TIME INJURY YEAR ON YEAR COMPARISON

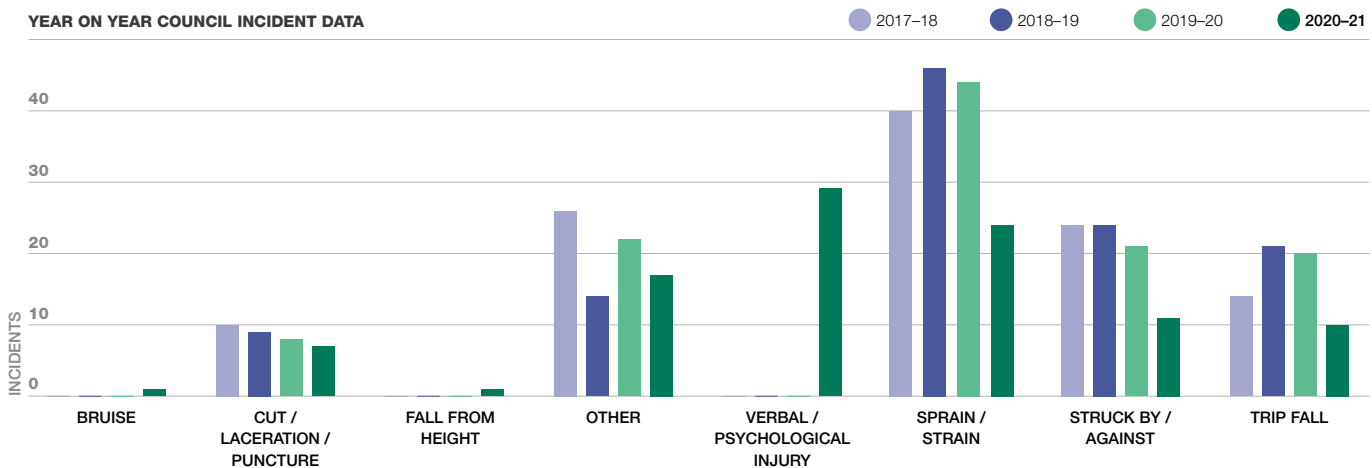


WorkCover claims lodged and closed

	2017-18	2018-19	2019-20	2020-21
Total claims lodged	27*	34	25	18
Total claims closed	25*	74	38	19

\* As part of a retrospective adjustment in July 2019, claims lodged changed from 18 to 27 and claims closed changed from 18 to 25. The 2018-19 claims closed are higher due to Council switching to the Municipal Association of Victoria's self-insurance scheme. This caused all non-active claims to be reclassified as open.

YEAR ON YEAR COUNCIL INCIDENT DATA



Verbal/psychological injury data has been captured as a separate category for the first time in 2020-21 after a sharp increase in these types of injuries was observed. These are verbal/psychological injuries inflicted on Council staff and contractors by members of the public predominantly in customer service, local law compliance and parking settings.

Council has created the Mutual Respect Charter in response to this trend. In addition, community facing staff receive annual customer service and complaint training.

## Risk management

Council's Enterprise Risk and Opportunity Management Framework was endorsed by the Executive Team in March 2021. The Framework sets out Council's approach to managing risk in accordance with *ISO 31000:2018 Risk Management – Guidelines*. The framework includes clarity on the roles and responsibilities of all stakeholders in managing risks. The risk management process supports informed decision making, achieving objectives and encourages the identification of opportunities for continuous improvement within Council.

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 a risk register identifying Strategic, Corporate and Operational risks with controls to minimise risk exposure. The register is maintained by the risk team and a reporting schedule to the Executive Team and the Audit and Risk Committee is set out in the framework.

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

## Emergency management

During 2020–21, we:

- » Assisted with response, recovery and business continuity initiatives across various organisational teams in response to COVID-19
- » Updated the Municipal Emergency Management Plan (MEMP) and sub plans to reflect changes to legislation and amendments and Pandemic Plan requirements in readiness for audit in November
- » Partnered with Star Health as lead community agency in accommodating the various vaccination requests across Council buildings including Prahran Town Hall and Malvern Town Hall during this pandemic – the partnership has been invaluable
- » Completed SES audit, various initiatives completed in liaison with key response and recovery agencies in line with audit requirements, and
- » Convened Municipal Emergency Management Plan Committee as required in response to COVID-19.

## Information privacy

The City of Stonnington 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. Council is committed to full compliance with its obligations under the *Privacy and Data Protection Act 2014* and *Health Records Act 2001*.

### Summary of information privacy complaints received

	2017–18	2018–19	2019–20	2020–21
Internal reviews	1	3	5	5
Review by Privacy Commissioner	-	-	-	-

## Charter of Human Rights and Responsibilities Act

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.'

The Charter page of our intranet provides a checklist to enable staff to assess the impact of Council report recommendations on human rights.

Human rights training was conducted during this financial year for employees.

## 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*.

	2017–18	2018–19	2019–20	2020–21
Complaints referred to Council by the Ombudsman for investigation	12	12	9	9

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

# Governance and management checklist

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

No.	Governance and management item	Assessment
1	<b>Community Engagement Policy</b> Policy outlining council's commitment to engaging with the community on matters of public interest	<b>Policy in operation</b> Adopted: 3 May 2021
2	<b>Community Engagement Guidelines</b> Guidelines to assist staff to determine when and how to engage with the community	<b>Guidelines in operation</b> Updated: 3 May 2021
3	<b>Financial Plan</b> Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years.	The 10-year Financial Plan has been prepared for adoption in October 2021
4	<b>Asset Plan</b> Plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years	<b>Plan in operation</b> Adopted: 7 August 2017  <i>Currently under review with new plan expected June 2022</i>
5	<b>Revenue and Rating Plan</b> Plan setting out the rating structure of Council to levy rates and charges	<b>Plan in operation</b> Adopted: 28 June 2021
6	<b>Annual Budget</b> 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 per section 94 of the Act.	<b>Adopted in accordance with section 94 of the Act</b> Adopted: 31 August 2020
7	<b>Risk Policy</b> Policy outlining council's commitment and approach to minimising the risks to council's operations	<b>Policy in operation</b> Approved by Executive: March 2021 Awaiting adoption by Council
8	<b>Fraud Policy</b> Policy outlining council's commitment and approach to minimising the risk of fraud	<b>Policy and procedure in operation</b> Adopted: 18 March 2013  <i>Currently under review</i>
9	<b>Municipal Emergency Management Plan</b> Plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery	<b>Prepared and maintained in accordance with Section 20 of the Emergency Management Act 1986</b> Adopted: 21 September 2020
10	<b>Procurement Policy</b> Policy under section 108 of <i>The Act</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works	<b>Policy in operation</b> Adopted: 9 November 2009 Updated: 20 October 2020
11	<b>Business Continuity Plan</b> Plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster	<b>Plan in operation</b> Updated: 30 July 2020
12	<b>Disaster Recovery Plan</b> Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster	<b>Plan in operation</b> Updated: 30 July 2020
13	<b>Risk Management Framework</b> Framework outlining council's approach to managing risks to the council's operations	<b>Framework in operation</b> Adopted: 18 March 2013 Reviewed: 30 March 2021
14	<b>Audit and Risk Committee</b> Advisory committee of council under section 53 and 54 of the Act	<b>Committee established in accordance with section 139 of the Act</b> Established: 30 January 1995  Charter of Audit and Risk Committee last approved by Council: 1 June 2020



No. Governance and management item	Assessment
<b>15 Internal Audit</b> Independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls	<b>Internal audit provider engaged</b> Three year period from 1 July 2019. Option to extend 2 x 1-year terms
<b>16 Performance Reporting Framework</b> A set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act	<b>Framework in operation:</b> Effective: 1 July 2014 <i>Currently under review</i>
<b>17 Council Plan Reporting</b> 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	<b>Reports presented</b> Presented: 21 January 2021
<b>18 Financial Reporting</b> Quarterly statements to council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure	<b>Statements presented to Council in accordance with section 138(1) of the Act</b> Presented: (Q1) 7 December 2020, (Q2) 15 February 2021, (Q3) 17 May 2021
<b>19 Risk Reporting</b> Six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies	<b>Strategic risks included in quarterly risk reporting to Executive Team and Audit &amp; Risk Committee (ARC)</b> Presented to ARC: 19 May 2021 <i>Strategic risks will be reported through Council Plan 2021–25 after adoption.</i>
<b>20 Performance Reporting</b> Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act	<b>Reports presented</b> Presented: 4 February 2021
<b>21 Annual Report</b> Annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements	<b>Report considered by Council in accordance with section 134 of the Act</b> Considered: 19 October 2020
<b>22 Councillor Code of Conduct</b> Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by councillors	<b>Code reviewed in accordance with section 76C of the Act</b> Reviewed: 16 February 2021
<b>23 Delegations</b> A document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff	<b>Delegations in operation</b> Updated: 7 August 2020
<b>24 Meeting procedures</b> A local law governing the conduct of meetings of council and special committees	<b>Procedures in operation</b> <b>Replaced by Governance Rules prescribed under Local Government Act 2020.</b> Adopted: 31 August 2020

We certify that the information in this checklist presents fairly the status of the Council's governance and management arrangements.



Jacqui Weatherill  
 Chief Executive Officer  
 [Date]



Cr Kate Hely  
 Mayor  
 [Date]

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# Statutory information

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

## Best value

Compliance with the *Local Government Act 1989* requires Council to report to the community on its achievements in relation to the Best Value Principles at least once a year. Council's Best Value Principles demonstrate commitment to continuous improvement and the pursuit of service excellence. Council incorporates Best Value Principles through regular business planning and performance monitoring processes.

## Carers recognition

The *Carers Recognition Act 2012* requires us to report on our recognition and support of carers.

We provided a range of services and activities, including access to respite care and social support programs that carers could attend with those they care for, in a supported environment as well as hosting a free carers forum for carers to get expert advice and support.

## Contracts

In 2020–21 Council maintained its existing programs to ensure compliance with sections 186 and 186A of the *Local Government Act 1989*. 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 did not enter into any contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.

## Documents available for public inspection

During the year 2020–21, in accordance with regulation 12 of the *Local Government (General) Regulations 2015* the prescribed documents were available for public inspection or copies of the documents could be made in accordance with the *Local Government Act 1989* (LGA 1989) at Stonnington City Centre, 311 Glenferrie Road Malvern

- » A document containing details of overseas or interstate travel (with exceptions) undertaken in an official capacity by any Councillor or any member of Council staff in the previous 12 months, including the names of the Councillors, or member of Council staff and the dates on which the travel began and ended, destination, purpose and total cost of the overseas or interstate travel, including accommodation costs
- » Agendas for, and minutes (kept under section 93 of the LGA 1989) of ordinary and special meetings held in the previous 12 months held pursuant to the LGA 1989 and the *Local Government Act 2020* (LGA 2020) other than those agendas and minutes relating to parts of meetings closed to members of the public under section 89 of the LGA 1989 or section 66 of the LGA 2020 relating to confidential information within the meaning of section 77(2) of the LGA 1989 and section 3 of the LGA 2020 (note: minutes and agendas are on Council's website)
- » Minutes of meetings of the Inner Melbourne Action Plan special committee established under section 86 of the LGA 1989 and held in the previous 12 months, other than those minutes relating to parts of meetings closed to members of the public under section 89 of the LGA 1989 which was confidential information within the meaning of section 77(2) of the LGA 1989 (note: minutes and agendas for the Inner Melbourne Action Plan Committee are on the Council website)
- » A register of delegations kept under sections 87(1), and 98(4) of the LGA 1989 and sections 11 and 47 of the LGA 2020, including the dates on which the last review under sections 86(6) and 98(6) of the LGA 1989 took place
- » A document containing details of all leases involving land that were entered into by Council as lessor, including the lessee and the terms and the value of the lease;
- » A register maintained under section 224(1A) of the LGA 1989 of authorised officers appointed under section 224 of the LGA 1989, and
- » A list of donations and grants made by Council during the previous 12 months, including the names of people who, or bodies that, have received a donation or grant and the amount of each donation or grant.

## Inclusion Plan

The Inclusion Plan 2019–2022 is being progressively implemented. Achievements include:

- » Partnered with Get Skilled Access and delivered an online event for International Day of People with Disability
- » Contributed to the consultation paper for the State Disability Plan (2021–2024). The submission will inform the development of the next state disability plan
- » Recruited four new members to the Stonnington Disability and Access Committee
- » Commenced development of the statement of commitment to universal design
- » Progressed update of Stonnington mobility maps to create contemporary journey mapping
- » Launched the Changing Places facility located at Prahran Square (refer p21)
- » Delivered disability awareness training (for Council staff) through a partnership with Job Access.

## Domestic Animal Management plan

Under 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.

We continued to implement the Stonnington Domestic Animal Management Plan 2016–21 and fulfil our commitments contained within. Key actions for 2016–21 are being finalised as we prepare for a renewed Domestic Animal Management Plan scheduled to commence December 2021.

During 2020–21, the Animal Management Team has:

- » provided ongoing training to new staff and refresher training as required
- » implemented permanent signage at Victoria Gardens as part of a continued pilot project assessing the effectiveness of alternative signage, and
- » reviewed the communications plan for Animal Management, resulting in a more targeted approach using social media.

## 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 processed 84 valid applications during the financial year. A request will not be valid if it seeks answers to a broad range of queries or if the application fee is not paid.

### Summary of freedom of information

Applications	2017–18	2018–19	2019–20	2020–21
Valid applications received and processed	49	66	67	84
External reviews	3	6	0	1
Appeals to VCAT	1	5	0	0

## 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 2020–21.

## 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 2020–21.



# Statutory information

Cont...

## 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:

Chief of Governance  
PO Box 58, Malvern Victoria 3144  
0408 566 329

[disclosure@stonnington.vic.gov.au](mailto:disclosure@stonnington.vic.gov.au)

Summary of disclosures made	2017–18	2018–19	2019–20	2020–21
Disclosures made	1	1	1	1
Disclosures referred to IBAC	1	1	-	1
Disclosures accepted by IBAC	-	-	-	-
Disclosures declined by IBAC	1	1	-	1
Disclosures referred to the Ombudsman for determination	-	-	-	-

## Road Management Act Ministerial direction

In accordance with the *Road Management Act 2004* s 22, councils must publish a copy or summary of any Ministerial Direction in their annual report.

No such Ministerial Directions were received by Council during 2020–21.

# Performance statement

For the year ended 30 June 2021









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## 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 2021 was 118,614. 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.

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**The pandemic had ongoing impacts in 2020–21, 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 2021

Indicator/measure	Results				Comments
	2018	2019	2020	2021	
<b>Population</b>					
Expenses per head of municipal population <i>(Total expenses / Municipal population)</i>	\$1,352.22	\$1,399.62	\$1,401.00	<b>\$1,388.55</b>	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 slight decrease in this indicator compared with 2019–20 was a combined result of an increase in the municipal population and reduction of expenditure for service delivery due to COVID-19 lockdown restriction in 2020–21.  Municipal population: 2018: 113,772 (2017 ERP) 2019: 116,281 (2018 ERP) 2020: 117,768 (2019 ERP) 2021: 118,614 (2020 ERP)
Infrastructure per head of municipal population <i>(Value of infrastructure / Municipal population)</i>	\$5,334.83	\$5,631.84	\$5,946.57	<b>\$6,011.11</b>	The increase of infrastructure per population is due to Council continuing to invest in high quality community infrastructure through its Capital Works program and revaluation of drainage assets in 2020–21.
Population density per length of road <i>(Municipal population / Kilometres of local roads)</i>	343.79	352.14	355.79	<b>361.63</b>	As an inner urban municipality, Stonnington's population continues to grow significantly while the length of the local roads remains relatively unchanged.
<b>Own-source revenue</b>					
Own-source revenue per head of municipal population <i>(Own-source revenue / Municipal population)</i>	\$1,476.19	\$1,489.91	\$1,431.01	<b>\$1,354.44</b>	The result has decreased from 2019–20 due to the loss of income from the closure of non-essential services as a result of the COVID-19 pandemic and 2 per cent rates waiver Council provided to all ratespayers to support community recovery. However, Council is able to receive revenue from alternative sources to ensure ongoing financial sustainability.
<b>Recurrent grants</b>					
Recurrent grants per head of municipal population <i>(Recurrent grants / Municipal population)</i>	\$80.08	\$77.38	\$74.70	<b>\$69.65</b>	The variance year on year predominantly relates to the nature and timing of government grant funding to Council. COVID-19 lockdown and restrictions also impacted the delivery of certain grant funded services, leading to a reduction of income recognised.
<b>Disadvantage</b>					
Relative socio-economic disadvantage <i>(Index of Relative socio-economic disadvantage by decile)</i>	10	10	10	<b>10</b>	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.

Indicator/measure	Results				Comments
	2018	2019	2020	2021	
<b>Workforce turnover</b> Resignations and terminations compared to average staff <i>(Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year) x100</i>	14.3%	14.5%	19.3%	<b>12.0%</b>	Workforce turnover from resignations and terminations has increased over the last year due to a number of restructures during the year to enable a more effective workforce and resulting in some terminations during the year. Post COVID-19 restrictions in 2020–21, the market sector saw an increase in job opportunities created and a number of Stonnington employees leave for career development opportunities.

## Definitions

- » “adjusted underlying revenue” means total income other than:
  - (a) non-recurrent grants used to fund capital expenditure; and
  - (b) non-monetary asset contributions; and
  - (c) contributions to fund capital expenditure from sources other than those referred to above
- » “infrastructure” means non-current property, plant and equipment excluding land
- » “local road” means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*
- » “population” means the resident population estimated by council
- » “own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
- » “relative socio-economic disadvantage”, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA
- » “SEIFA” means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its internet website
- » “unrestricted cash” means all cash and cash equivalents other than restricted cash.





# Service performance indicators

For the year ended 30 June 2021

Service/indicator/measure	Results				Comments
	2018	2019	2020	2021	
<b>Aquatic facilities</b>					
<b>Utilisation</b>					
Utilisation of aquatic facilities <i>(Number of visits to aquatic facilities / municipal population)</i>	5.42	5.30	4.09	<b>2.82</b>	When compared to previous years the result of 2.82 visits per head of population seems poor. This is a direct impact of COVID-19 shut downs, which have seen overall attendances drop by almost 50 per cent across the year. When the centres have been open, numbers have been strong in most areas, the exception being Health Club which is taking longer to recover.
<b>Animal management</b>					
<b>Health and safety</b>					
Animal management prosecutions <i>(Percentage of successful animal management prosecutions)</i>	New in 2020	New in 2020	0%	<b>100%</b>	Two prosecutions heard in Q4 related to dog attacks. Both accused plead guilty resulting in a good behaviour bond being issued and costs plus victim compensation.  There were no prosecutions in 2019–20.
<b>Food safety</b>					
<b>Health and safety</b>					
Critical and major non-compliance outcome notifications <i>(Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises) x100</i>	87.93%	90.75%	99.50%	<b>100.00%</b>	All annual inspections that resulted in critical or major non-compliance have been re-inspected for compliance.
<b>Governance</b>					
<b>Satisfaction</b>					
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)</i>	58	58	57	<b>61</b>	Satisfaction with Council decisions improved by 4 points since last year (from 57 to 61 overall), and is now in line with the Metro council average. Stonnington's increased community engagement opportunities in 2020–21 (referenced in G2 - Satisfaction with community consultation and engagement (pg 51)), has driven greater community awareness and alignment in council decision making.
<b>Libraries</b>					
<b>Participation</b>					
Active library borrowers in the municipality <i>(Sum of the number of active library borrowers over the past 3 years / Sum of the municipal population for past 3 years) x100</i>	17.06%	15.46%	15.84%	<b>13.32%</b>	The number of active borrowers was impacted by library closures over the year due to COVID-19. This indicator includes members who borrowed physical and approved digital items per the revised definition. This indicator is calculated using a three year average of borrowers of physical and approved digital loans, which has meant that the COVID-19 impact has been somewhat smoothed.

Service/indicator/measure	Results				Comments
	2018	2019	2020	2021	
<b>Maternal and child health (MCH)</b>					
<b>Participation</b>					
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</i>	78.86%	78.84%	82.39%	<b>80.45%</b>	This is a strong participation result, especially given the disruptions presented by COVID-19 closures and is evidence of the hard work of our Maternal Child Health nurses and the value that the community places in the service we provide.
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</i>	62.16%	73.33%	95.45%	<b>89.47%</b>	Participation by Aboriginal children fluctuates due to the small number of registered Aboriginal children. For this financial year there were 8.5 attendances out of a possible 9.5. The "0.5" increment on attendance occurs when a child moves in or out of Council part way through a year.
<b>Roads</b>					
<b>Satisfaction</b>					
Satisfaction with sealed local roads <i>(Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads)</i>	65.00	70.00	65.00	<b>70.00</b>	Community satisfaction with sealed local roads was a stand out result for Stonnington comparative to other councils in the annual Customer Satisfaction Survey. The result of 70 per cent is a 5 point improvement on 2019–20 and brings Stonnington slightly above the Metro council average of 67 per cent. Council assesses road conditions annually in order to inform scheduling of road resurfacing works to maintain our high quality road infrastructure.
<b>Statutory planning</b>					
<b>Decision-making</b>					
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</i>	50.75%	48.00%	52.63%	<b>42.55%</b>	This result will be variable as Council continues to make decisions in the best interest of the community. 32.9 per cent of the total decisions were settled via consent, meaning council and the applicant were able to agree on a mediated result at VCAT. The number of matters going to VCAT increased approximately 14.5 per cent in 2020–21.
<b>Waste collection</b>					
<b>Waste diversion</b>					
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</i>	36.57%	34.81%	40.20%	<b>39.89%</b>	Slight decrease in overall diversion compared to 2019–20, despite the introduction of food organics and garden organics. This result is statistically insignificant. Council continues to provide recycling programs and waste education to residents, business and visitors.

## Definitions

- » “Aboriginal child” means a child who is an Aboriginal person
- » “Aboriginal person” has the same meaning as in the *Aboriginal Heritage Act 2006*
- » “active library member” means a member of a library who has borrowed a book from the library
- » “annual report” means an annual report prepared by a council under sections 131, 132 and 133 of the Act
- » “class 1 food premises” means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act
- » “class 2 food premises” means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act
- » “critical non-compliance outcome notification” means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
- » “food premises” has the same meaning as in the *Food Act 1984*
- » “local road” means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*
- » “major non-compliance outcome notification” means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
- » “MCH” means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
- » “population” means the resident population estimated by council









# Financial performance indicators

For the year ended 30 June 2021

Dimension/indicator/measure	Results			
	2018	2019	2020	2021
<b>Expenditure level</b>				
Expenses per property assessment <i>(Total expenses / Number of property assessments)</i>	\$2,475.41	\$2,523.22	\$2,522.68	<b>\$2,458.22</b>
<b>Efficiency</b>				
<b>Revenue level</b>				
Average rate per property assessment <i>(Total rate revenue / Number of property assessments)</i>	New in 2020	New in 2020	\$1,443.55	<b>\$1,426.94</b>
<b>Liquidity</b>				
<b>Working capital</b>				
Current assets compared to current liabilities <i>(Current assets / Current liabilities) x100</i>	286.98%	260.39%	272.38%	<b>235.52%</b>
<b>Unrestricted cash</b>				
Unrestricted cash compared to current liabilities <i>(Unrestricted cash / Current liabilities) x100</i>	-49.61%	-36.38%	-86.95%	<b>-10.03%</b>
<b>Obligations</b>				
<b>Loans and borrowings</b>				
Loans and borrowings compared to rates <i>(Interest bearing loans and borrowings / Rate revenue) x100</i>	6.99%	23.25%	19.42%	<b>19.10%</b>
<b>Loans and borrowings</b>				
Loans and borrowings repayments compared to rates <i>(Interest and principal repayments on interest bearing loans and borrowings / Rate revenue) x100</i>	2.35%	2.38%	3.35%	<b>0.14%</b>
<b>Indebtedness</b>				
Non-current liabilities compared to own source revenue <i>[Non-current liabilities / Own source revenue] x100</i>	5.58%	14.99%	13.78%	<b>17.12%</b>
<b>Asset renewal</b>				
Asset renewal and upgrade compared to depreciation <i>(Asset renewal and asset upgrade expense / Asset depreciation) x100</i>	New in 2020	New in 2020	142.06%	<b>150.26%</b>

	Forecasts				Material Variations
	2022	2023	2024	2025	
	\$2,588.13	\$2,584.10	\$2,615.39	\$2,669.45	Council is delivering quality services in accordance with its long term plan. The slight decrease in this indicator compared with 2019–20 was a combined result of an increase in the number of assessments and reduction of expenditure for service delivery due to COVID-19 lockdown restriction in 2020–21. It is expected the service delivery will gradually return to normal in the coming years.
	\$1,497.07	\$1,516.25	\$1,539.36	\$1,566.79	Council continues to have one of the lowest average residential rates and charges across metropolitan Melbourne. Council provided 2 per cent rates waiver to all ratepayers in 2020–21 in response to community recovery from COVID-19 pandemic. The reduction of this indicator compared to 2019–20, is due to this reason together with increased number of property assessments.
	147.43%	111.47%	78.92%	47.38%	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 the Capital Works program (using cash reserves). Council has significant unused borrowing capacity that can be utilised to support capital works programs as needed in the years ahead.
	111.78%	84.15%	52.52%	22.63%	The 2020–21 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 Term Deposits total \$77.5 million in 2020–21.  When included in the measure for 2020–21 the result is a very healthy 140.2 per cent. Forecasts for 2021–22 onwards assume that all term deposits as having original maturities of less than 90 days and are therefore included in unrestricted cash. Due to the large capital works programs planned to be funded by Council cash in the next a few years, this indicator will gradually decline in the short term and recover in the medium to long term based on long term finance plan.
	0.95%	1.84%	2.51%	2.81%	The balance of Council borrowings at the end of 2020–21 was \$22.5 million, the same as at the end of 2019–20. Additional loan borrowings are forecasted at \$15 million for 2021–22, \$13 million for 2022–23 and \$6 million for 2023–24 to assist in funding the development of major community infrastructure. This is consistent with Council's long term financial plan.
	\$1,539.36	3.48%	4.81%	6.32%	No loan borrowings were repaid in 2020–21. 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.
	21.75%	26.19%	26.52%	25.52%	Council indebtedness indicator is consistently within low risk range of below 40 per cent. Loan borrowings of \$15 million for 2021–22, \$13 million for 2022–23 and \$6 million for 2023–24 are forecast to assist in funding major community infrastructure. This is consistent with Council's long term financial plan.
	214.49%	148.69%	164.36%	176.07%	Council has a robust capital program that ensures appropriate levels of renewals and upgrades are maintained.



# Financial performance indicators

For the year ended 30 June 2020

Cont...

Dimension/indicator/measure	Results			
	2018	2019	2020	2021
<b>Operating position</b>				
<b>Adjusted underlying result</b>				
Adjusted underlying surplus (or deficit) <i>(Adjusted underlying surplus (deficit) / Adjusted underlying revenue) x100</i>	13.26%	18.14%	6.97%	<b>3.06%</b>
<b>Stability</b>				
<b>Rates concentration</b>				
Rates compared to adjusted underlying revenue <i>(Rate revenue / Adjusted underlying revenue) x100</i>	60.26%	56.27%	65.32%	<b>69.35%</b>
<b>Rates effort</b>				
Rates compared to property values <i>(Rate revenue / Capital improved value of rateable properties in the municipality) x100</i>	0.13%	0.12%	0.12%	<b>0.12%</b>

	Forecasts				
	2022	2023	2024	2025	Material Variations
	6.13%	9.36%	10.79%	12.03%	<p>The 2020–21 result is significantly impacted by the lockdown restrictions in place as a result of COVID-19 throughout the year.</p> <p>In response to Government restrictions and lockdown periods during the year, aquatic centre facilities, libraries, community centres, venues and community events closed. These activities undertaken by Council resulted in a reduction in user fee revenue by \$2.72 million from prior year.</p> <p>Council significantly reduced parking enforcement across the municipality resulting in a decrease in statutory fees and fines by \$1.70 million. Council waived footpath trading permits up to 30 June 2021 at a cost of \$0.72 million and health registrations up to 31 December 2020 at a cost of \$0.08 million. Council also provided all ratepayers with a 2.0 percent waiver/concession against the 2020–21 rates increase to provide targeted community support which decreased rates revenue by \$1.89 million.</p> <p>Council paused or significantly reduced commercial rent agreements for tenants of Council owned properties during the year which resulted in rent relief of \$1.02 million. Council also provided \$0.27 million in a targeted Business Recovery Grant Program.</p>
	67.53%	66.39%	65.76%	64.86%	<p>The increase percentage of 2020–21 result is due to a reduction of Council adjusted underlying revenue compared to 2019–20 (the denominator of the indicator calculation). This reduction was mainly from decreased user fees and charges and statutory fees and charges as a result of COVID-19 restriction. Rate revenue will continue to be a key source of funding for the delivery of high quality services and infrastructure to the community.</p>
	0.13%	0.13%	0.13%	0.14%	<p>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.</p>

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# Financial performance indicators

For the year ended 30 June 2020

Cont...

## Definitions

- » “adjusted underlying revenue” means total income other than:
  - (a) non-recurrent grants used to fund capital expenditure; and
  - (b) non-monetary asset contributions; and
  - (c) contributions to fund capital expenditure from sources other than those referred to above
- » “adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure
- » “current assets” has the same meaning as in the AAS
- » “current liabilities” has the same meaning as in the AAS “non-current assets” means all assets other than current assets
- » “non-current liabilities” means all liabilities other than current liabilities
- » “non-recurrent grant” means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council’s Strategic Resource Plan
- » “own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants “population “means the resident population estimated by council
- » “rate revenue” means revenue from general rates, municipal charges, service rates and service charges
- » “recurrent grant “means a grant other than a non-recurrent grant
- » “residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties
- » “restricted cash” means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
- » “unrestricted cash” means all cash and cash equivalents other than restricted cash.



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# Other information

For the year ended 30 June 2021

## Basis of Preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 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 council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* require 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 Strategic Resource Plan on 28 June 2021 and which forms part of the Council Plan. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Strategic Resource Plan can be obtained by contacting Council.

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# Certification of the performance statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).



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**Julia Gallace, B.Acy, CA**  
Principal Accounting Officer

Dated:

In our opinion, the accompanying performance statement of the City of Stonnington for the year ended 30 June 2021 presents fairly the results of Council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 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 2014* to certify this performance statement in its final form.



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**Kate Hely**  
Mayor

Dated:



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**Melina Sehr**  
Deputy Mayor

Dated:



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**Jacqui Weatherill**  
Chief Executive Officer

Dated:

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# Independent Auditor's Report





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# Independent Auditor's Report

Cont...





The cover features a photograph of a park during autumn. In the foreground, a large, thick tree trunk with peeling bark curves across the frame. The leaves are in various stages of turning, from green to yellow and orange. In the background, a grassy area is visible with several people sitting on the grass, a dog, and more trees with autumn foliage. The sky is blue with some light clouds. The image is overlaid with a large green triangle on the right side and a blue triangle on the top left.

# Annual Financial Report

For the year ended 30 June 2021



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# Certification of the Consolidated Financial Statements

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



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**Julia Gallace, B.Acy, CA**  
Principal Accounting Officer

Date: 20 September 2021  
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 2021 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 2014* to certify the consolidated financial statements in their final form.



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**Kate Hely**  
Mayor

Date: 20 September 2021  
Malvern



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**Melina Sehr**  
Deputy Mayor

Date: 20 September 2021  
Malvern



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**Jacqui Weatherill**  
Chief Executive Officer

Date: 20 September 2021  
Malvern



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## Independent Auditor's Report



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# Independent Auditor's Report

Cont...



# Consolidated Comprehensive Income Statement

For the Year Ended 30 June 2021

	Note	Council		Consolidated	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	3.1	119,705	117,736	119,705	117,736
Statutory fees and fines	3.2	19,039	23,880	19,039	23,880
User fees	3.3	15,382	18,105	15,382	18,105
Grants – operating	3.4 (a)	8,809	8,533	8,809	8,533
Grants – capital	3.4 (b)	1,991	766	1,991	766
Contributions – monetary	3.5	9,297	13,144	9,297	13,144
Other income	3.6	6,531	8,806	10,120	12,531
<b>Total income</b>		<b>180,754</b>	<b>190,971</b>	<b>184,344</b>	<b>194,696</b>
<b>Expenses</b>					
Employee costs	4.1	72,040	68,812	73,024	69,745
Materials and services	4.2	57,923	60,547	60,246	62,824
Depreciation	4.3	19,575	19,332	19,862	19,621
Amortisation – intangible assets	4.4	555	817	555	817
Amortisation – right of use assets	4.5	661	641	661	641
Bad and doubtful debts	4.6	3,404	4,785	3,416	4,867
Borrowing costs	4.7	166	361	166	361
Share of net loss of joint operation accounted for by the equity method	6.2	1,360	143	1,360	118
Net (gain) / loss on disposal of property, infrastructure, plant and equipment	4.8	1,851	2,117	1,851	2,125
Fair value adjustments for investment property	6.3	1,035	1,615	1,035	1,615
Finance costs – leases	4.9	487	776	487	776
Other expenses	4.10	5,644	5,048	5,659	5,064
<b>Total expenses</b>		<b>164,700</b>	<b>164,994</b>	<b>168,322</b>	<b>168,599</b>
<b>Surplus for the year</b>		<b>16,054</b>	<b>25,977</b>	<b>16,022</b>	<b>26,097</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus in future periods</b>					
Net asset revaluation increment / (decrement)	9.1	140,006	36,989	140,006	36,989
<b>Total comprehensive result</b>		<b>156,061</b>	<b>62,966</b>	<b>156,028</b>	<b>63,086</b>

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



# Consolidated Balance Sheet

As at 30 June 2021

	Note	Council		Consolidated	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5.1 (a)	27,105	43,711	28,358	44,874
Trade and other receivables	5.1 (c)	15,551	12,865	16,197	13,289
Other financial assets	5.1 (b)	77,500	63,000	77,500	63,000
Other assets	5.2 (a)	1,351	901	1,783	1,171
<b>Total current assets</b>		<b>121,507</b>	<b>120,477</b>	<b>123,838</b>	<b>122,334</b>
<b>Non-current assets</b>					
Other financial assets	5.1 (b)	15	15	15	15
Investments in joint operation and subsidiary	6.2	2,088	2,363	88	363
Property, infrastructure, plant and equipment	6.1	3,092,026	2,928,051	3,097,615	2,933,921
Right-of-use assets	5.8	1,625	1,971	1,625	1,971
Investment property	6.3	6,450	7,485	6,450	7,485
Intangible assets	5.2 (b)	6,904	1,286	6,904	1,286
<b>Total non-current assets</b>		<b>3,109,108</b>	<b>2,941,171</b>	<b>3,112,697</b>	<b>2,945,041</b>
<b>Total assets</b>		<b>3,230,615</b>	<b>3,061,648</b>	<b>3,236,535</b>	<b>3,067,375</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	5.3 (a)	19,134	13,981	19,647	14,317
Trust funds and deposits	5.3 (b)	8,294	8,434	8,347	8,487
Unearned income	5.3 (c)	6,618	1,952	6,618	1,952
Provisions	5.5 (a) & (b)	16,072	15,223	16,279	15,384
Interest-bearing liabilities	5.4	1,000	3,500	1,000	3,500
Lease liabilities	5.8	473	1,143	473	1,143
<b>Total current liabilities</b>		<b>51,591</b>	<b>44,233</b>	<b>52,364</b>	<b>44,783</b>
<b>Non-current liabilities</b>					
Provisions	5.5 (a)	2,158	2,061	2,167	2,064
Interest-bearing liabilities	5.4	21,500	19,000	21,500	19,000
Lease liabilities	5.8	1,316	717	1,316	717
Other liabilities	6.2	2,525	1,441	2,526	1,441
<b>Total non-current liabilities</b>		<b>27,499</b>	<b>23,219</b>	<b>27,509</b>	<b>23,222</b>
<b>Total liabilities</b>		<b>79,090</b>	<b>67,450</b>	<b>79,873</b>	<b>68,005</b>
<b>Net assets</b>		<b>3,151,525</b>	<b>2,994,198</b>	<b>3,156,662</b>	<b>2,999,370</b>
<b>Equity</b>					
Accumulated surplus		1,135,422	1,109,343	1,140,559	1,114,515
Reserves	9.1	2,016,103	1,884,855	2,016,103	1,884,855
<b>Total equity</b>		<b>3,151,525</b>	<b>2,994,198</b>	<b>3,156,662</b>	<b>2,999,370</b>

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

# Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2021

	Note	Total	Accumulated Surplus	Asset Revaluation Reserve	Other Reserves
		\$'000	\$'000	\$'000	\$'000
<b>Council</b>					
<b>2021</b>					
Balance at beginning of the financial year		2,994,198	1,109,343	1,809,653	75,202
Surplus for the year		16,055	16,055	-	-
Net asset revaluation increment / (decrement)	9.1 (a)	141,272	1,266*	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>
<b>2020</b>					
Balance at beginning of the financial year		2,931,232	1,095,388	1,772,664	63,181
Surplus for the year		25,977	25,977	-	-
Net asset revaluation increment / (decrement)	9.1 (a)	36,989	-	36,989	-
Transfers to other reserves	9.1 (b)	-	(16,257)	-	16,257
Transfers from other reserves	9.1 (b)	-	4,235	-	(4,235)
<b>Balance at end of the financial year</b>		<b>2,994,198</b>	<b>1,109,343</b>	<b>1,809,653</b>	<b>75,202</b>
<b>Consolidated</b>					
<b>2021</b>					
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 / (decrement)	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>3,156,663</b>	<b>1,140,559</b>	<b>1,949,659</b>	<b>66,444</b>
<b>2020</b>					
Balance at beginning of the financial year		2,936,284	1,100,439	1,772,664	63,181
Surplus for the year		26,097	26,097	-	-
Net asset revaluation increment / (decrement)	9.1 (a)	36,989	-	36,989	-
Transfers to other reserves	9.1 (b)	-	(16,257)	-	16,257
Transfers from other reserves	9.1 (b)	-	4,235	-	(4,235)
<b>Balance at end of the financial year</b>		<b>2,999,369</b>	<b>1,114,515</b>	<b>1,809,653</b>	<b>75,202</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 statement of changes in equity should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

As at 30 June 2021

	Note	Council		Consolidated	
		2021	2020	2021	2020
		Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
		\$'000	\$'000	\$'000	\$'000
<b>Cash flows from operating activities</b>					
Rates and charges		118,349	113,832	118,349	113,832
Statutory fees and fines		15,814	24,211	15,814	24,211
User fees		16,460	18,918	16,460	18,918
Grants – operating		9,773	9,070	9,773	9,070
Grants – capital		5,359	1,566	5,359	1,566
Contributions – monetary		9,427	13,043	9,427	13,043
Interest received		743	2,240	744	2,246
Other receipts		5,901	7,100	10,727	11,390
Net GST refund		9,595	10,175	9,448	10,006
Trust funds and deposits taken		23,192	22,613	23,192	22,613
Employee costs		(70,935)	(68,033)	(71,848)	(68,928)
Materials and services		(63,836)	(74,729)	(63,836)	(74,729)
Short-term, low value and variable lease payments		(1,346)	(337)	(1,346)	(337)
Trust funds and deposits repaid		(23,332)	(21,481)	(23,332)	(21,481)
Other payments		(4,224)	(4,676)	(7,903)	(7,688)
<b>Net cash provided by operating activities</b>	9.2	<b>50,939</b>	<b>53,513</b>	<b>51,027</b>	<b>53,730</b>
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment		(52,712)	(53,332)	(52,720)	(53,387)
Proceeds from sale of property, infrastructure, plant and equipment		917	393	917	393
Payments for investments		(67,000)	(72,500)	(67,000)	(72,500)
Receipts from investments		52,500	108,500	52,500	108,500
<b>Net cash used in investing activities</b>		<b>(66,295)</b>	<b>(16,939)</b>	<b>(66,303)</b>	<b>(16,994)</b>
<b>Cash flows from financing activities</b>					
Borrowing costs		(167)	(376)	(167)	(376)
Proceeds from borrowings		-	-	10	-
Repayment of borrowings		-	(3,500)	-	(3,490)
Interest paid – lease liability		(487)	(776)	(487)	(776)
Repayment of lease liabilities		(595)	(337)	(595)	(337)
<b>Net cash provided by/(used in) financing activities</b>		<b>(1,249)</b>	<b>(4,988)</b>	<b>(1,239)</b>	<b>(4,978)</b>
Net (decrease)/increase in cash and cash equivalents		(16,606)	31,585	(16,516)	31,758
Cash and cash equivalents at the beginning of the financial year		43,711	12,125	44,874	13,116
<b>Cash and cash equivalents at the end of the financial year</b>	5.1 (a)	<b>27,105</b>	<b>43,711</b>	<b>28,358</b>	<b>44,874</b>
Financing arrangements	5.6				
Restrictions on cash assets	5.1 (b)				

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



# Statement of Capital Works

As at 30 June 2021

	Council	
	2021	2020
	\$'000	\$'000
<b>Property</b>		
Land	11,529	1,030
<b>Total land</b>	<b>11,529</b>	<b>1,030</b>
Buildings	4,921	6,334
Heritage buildings	2,269	812
<b>Total buildings</b>	<b>7,190</b>	<b>7,146</b>
<b>Total property</b>	<b>18,718</b>	<b>8,176</b>
<b>Plant and equipment</b>		
Heritage plant and equipment	46	1,587
Plant, machinery and equipment	1,627	2,489
Fixtures, fittings and furniture	362	605
Computers and telecommunications	1,339	382
Library books	908	843
<b>Total plant and equipment</b>	<b>4,281</b>	<b>5,906</b>
<b>Infrastructure</b>		
Roads	6,840	7,845
Bridges	70	-
Footpaths and cycleways	2,505	594
Drainage	2,312	3,546
Recreational, leisure and community facilities	2,108	1,528
Parks, open space and streetscapes	6,921	16,668
Other infrastructure	1,865	2,290
<b>Total infrastructure</b>	<b>22,620</b>	<b>32,471</b>
<b>Total capital works expenditure</b>	<b>45,620</b>	<b>46,553</b>
<b>Represented by:</b>		
New asset expenditure	13,924	18,595
Asset renewal expenditure	23,675	19,502
Asset expansion expenditure	2,283	494
Asset upgrade expenditure	5,738	7,962
<b>Total capital works expenditure</b>	<b>45,620</b>	<b>46,553</b>

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

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# Notes to the Financial Report

For the Year Ended 30 June 2021

## 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 1989, and the *Local Government (Planning and Reporting) Regulations 2014*.

## Significant accounting policies

### Basis of accounting

The accrual basis of accounting has been used in the preparation of these consolidated financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates 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 AASs that have significant effects on the consolidated 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.

## Impact of COVID-19

On 16 March 2020 a State of Emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A State of Disaster was subsequently declared on 2 August 2020. COVID-19 significantly impacted the delivery of all non-essential services and core services were forced to adapt to the impact of social restrictions. While the impacts of the pandemic have abated somewhat through the 2020–21 year, Council has noted the following significant impacts on its financial operations:

- » **Additional revenue** – Council received \$0.28 million in community support grants and outdoor dining grant from State Government \$0.70 million.
- » **Revenue reductions** – In response to Government restrictions and lockdown periods during the year, aquatic centre facilities, libraries, community centres, venues and community events closed. These activities undertaken by Council resulted in an additional reduction in user fee revenue by \$1.98 million than factored within budget assumptions for 2020–21 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 \$1.70 million and direct contract costs for parking enforcement. Council waived footpath trading permits up to 30 June 2021 at a cost of \$0.72 million and health registrations up to 31 December 2020 at a cost of \$0.08 million. Council also provided all ratepayers with a 2.0 percent waiver/concession against the 2020-21 rates increase to provide targeted community support which decreased rates revenue by \$1.89 million.
- » **Revenue support** – A number of businesses, not-for-profit organisations and other organisations that lease Council property were impacted by the social restrictions imposed by COVID-19. Council paused or significantly reduced commercial rent agreements for tenants of Council owned properties during the year which resulted in rent relief of \$1.02 million. Council also provided \$0.27 million in a targeted Business Recovery Grant Program.
- » **Additional costs** – Council redeployed a number of staff to support COVID-19 related activities including emergency management, COVID-19 response, financial hardship, community grants, business concierge, outdoor dining program, and customer service at a cost of \$1.50 million. Council also uplifted cleaning, security and PPE requirements to keep staff and our community safe at cost of \$0.49 million.

## Rounding

Unless otherwise stated, amounts in the consolidated financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.



## Note 1 – Performance against budget

### 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 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 per cent or \$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.

The budget figures detailed below are those adopted by Council on 31 August 2020. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

	Budget 2021	Actual 2021	Variance 2021	Variance 2021	Ref
	\$'000	\$'000	\$'000	%	
<b>Income</b>					
Rates and charges	119,575	119,705	130	0.11%	
Statutory fees and fines	15,144	19,039	3,895	25.72%	1
User fees	15,700	15,382	(318)	(2.03%)	
Grants – operating	8,385	8,809	424	5.06%	
Grants – capital	1,429	1,991	562	39.34%	2
Contributions – monetary	8,000	9,297	1,297	16.21%	3
Other income	7,732	6,531	(1,201)	(15.53%)	4
<b>Total income</b>	<b>175,965</b>	<b>180,754</b>	<b>4,789</b>	<b>2.72%</b>	
<b>Expenses</b>					
Employee costs	69,557	72,040	(2,483)	(3.57%)	5
Materials and services	55,060	57,923	(2,863)	(5.20%)	6
Bad and doubtful debts	20	3,404	(3,384)	(16921.15%)	7
Depreciation	19,733	19,575	158	0.80%	
Amortisation – Intangible assets	540	555	(15)	(2.78%)	
Amortisation – Right of use assets	779	661	118	15.12%	
Borrowing costs	341	166	175	51.40%	8
Share of net loss of joint operation accounted for by using the equity method	-	1,360	(1,360)	0.00%	9
Fair value adjustments for investment property	-	1,035	(1,035)	0.00%	10
Net loss /(gain) on disposal of property, infrastructure, plant and equipment	295	1,851	(1,556)	(527.37%)	11
Finance costs – Leases	232	487	(255)	(109.71%)	12
Other expenses	9,453	5,644	3,809	40.30%	13
<b>Total expenses</b>	<b>156,010</b>	<b>164,700</b>	<b>(8,690)</b>	<b>(5.57%)</b>	
<b>Surplus for the year</b>	<b>19,955</b>	<b>16,054</b>	<b>(3,901)</b>	<b>(19.55%)</b>	

## (i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Statutory fees and fines income is \$3.89 million greater than budget. This is primarily due to the recognition of infringement court income owing to Council of \$3.44 million. The collection of infringement court income is managed by Fines Victoria.
2	Grants - capital	Unbudgeted recognition (timing) of capital grant during the year for Mount St Prahran for \$0.59 million.
3	Contributions - monetary	Open space contributions higher than budget by \$1.30 million due to higher than expected levels of development.
4	Other income	Other income lower than budget predominately due to unfavourable interest income \$0.15 million impacted by the decreasing interest rate environment, and rental relief provided to Council owned properties during COVID-19 restrictions in accordance with our Financial Hardship Policy of \$1.02 million.
5	Employee costs	Unfavourable employee cost is predominately driven by lower than anticipated annual leave taken during the financial year of \$1.90 million, as a result of COVID-19 restrictions imposed and travel ban periods. During the year Council exited out of the MAV Workcover Scheme at a cost to Council of \$0.83 million with expected benefits over the long-term, and contractor costs exceeded budget by \$1.05 million due to the reliance on contractors to meet COVID-19 response requirements. This variance has been partially offset by salary capitisations during the period for project management.
6	Materials and services	Materials and services cost exceeded budget predominately due to an increase in telecommunication costs and support to accommodate the new working from home environment \$0.47 million, increase in security costs for site patrols of Council owned properties during COVID-19 restriction periods \$0.60 million, insurance premiums increased during the year by \$0.27 million and lodgement fees with fines Victoria increased above budget expectations by \$0.56 million. Actual operating Initiatives of \$2.40 million that were budgeted under 'other expenditure' were allocated to material and services resulting in an unfavourable variance. This has been partially offset by \$1.12 million savings derived from the parking control contract as a direct result of less parking enforcement activity during the year.
7	Bad and doubtful debts	Bad and doubtful debts were \$3.38 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.
8	Borrowing costs	Budgeted loan borrowings for the Prahran Town Hall redevelopment project were not required to be drawn during the year due to the project commencement moved to a future period.
9	Share of net loss of joint operation accounted for by using the equity method	Unfavorable variance as a result of Council's share of the Regional Landfill Clayton South and an increase in the aftercare provision (please refer to note 6.2 for further details).
10	Fair value adjustments for investment property	This adjustment is unbudgeted and reflects the reduction in the assessed value of Council's investment properties over the last 12 months (please refer to note 6.3 for further details)
11	Net loss /(gain) on disposal of property, infrastructure, plant and equipment	Council had an overall net loss on disposal/writeoff of assets (proceeds less the net asset value) which represents the following transactions: <ul style="list-style-type: none"> <li>» Net gain on sale for right of ways \$1.40 million at Trafalgar Street, Avoca Street, Argyle place and Drow Station Place.</li> <li>» Net loss on sale of property, infrastructure, plant and equipment \$2.14 million.</li> <li>» Net loss on write-off of property, infrastructure, plant and equipment \$1.11 million. (please refer to note 4.8 for further details).</li> </ul>
12	Finance costs - Leases	Increase in finance lease cost for interest expense is driven by an additional three new side loading garbage compactors recognised in Aug 20. (Refer to note 5.8 for further details)
13	Other Expenditure	New Operating Initiatives of \$2.40 million that were budgeted under 'other expenditure' were allocated to material and services resulting in a favourable variance. A further savings was attributable to community cash grants and community grants in kind due to the COVID-19 restrictions.

## Note 1 – Performance against budget

Cont...

### 1.2 Capital works

	Budget 2021	Actual 2021	Variance 2021	Variance 2021	Ref
	\$'000	\$'000	\$'000	%	
<b>Property</b>					
Land	10,000	11,529	(1,529)	(15.29%)	1
<b>Total land</b>	<b>10,000</b>	<b>11,529</b>	<b>(1,529)</b>	<b>(15.29%)</b>	
Buildings	6,708	4,921	1,787	26.64%	2
Heritage buildings	8,664	2,269	6,395	73.82%	3
<b>Total buildings</b>	<b>15,372</b>	<b>7,190</b>	<b>8,182</b>	<b>53.23%</b>	
<b>Total property</b>	<b>25,372</b>	<b>18,718</b>	<b>6,654</b>	<b>26.22%</b>	
<b>Plant and equipment</b>					
Heritage plant and equipment	424	46	378	89.18%	4
Plant, machinery and equipment	3,086	1,627	1,459	47.28%	5
Fixtures, fittings and furniture	737	362	375	50.87%	6
Computers and telecommunications	689	1,339	(650)	(94.32%)	7
Library books	1,027	908	119	11.63%	
<b>Total plant and equipment</b>	<b>5,963</b>	<b>4,281</b>	<b>1,682</b>	<b>28.20%</b>	
<b>Infrastructure</b>					
Roads	10,061	6,840	3,221	32.02%	8
Bridges	86	70	16	18.49%	8
Footpaths and cycleways	4,203	2,505	1,698	40.41%	8
Drainage	1,335	2,312	(977)	(73.19%)	9
Recreational, leisure and community facilities	3,239	2,108	1,131	34.90%	10
Parks, open space and streetscapes	13,068	6,921	6,147	47.04%	11
Other infrastructure	2,680	1,865	815	30.42%	12
<b>Total infrastructure</b>	<b>34,672</b>	<b>22,620</b>	<b>12,052</b>	<b>34.76%</b>	
<b>Total capital works expenditure</b>	<b>66,007</b>	<b>45,620</b>	<b>20,387</b>	<b>30.89%</b>	
<b>Represented by:</b>					
New asset expenditure	14,828	13,924	904	6.10%	1, 2
Asset renewal expenditure	40,637	23,675	16,962	41.74%	2, 12
Asset expansion expenditure	1,881	2,283	(402)	(21.37%)	3
Asset upgrade expenditure	8,661	5,738	2,923	33.74%	3
<b>Total capital works expenditure</b>	<b>66,007</b>	<b>45,620</b>	<b>20,387</b>	<b>30.89%</b>	



**(i) Explanation of material variations**

<b>Variance Ref</b>	<b>Item</b>	<b>Explanation</b>
1	Land	The opportunity to purchase properties to enhance public realm is dependent on market availability. Council purchased property during the year at Mount Street Prahran and two properties in William Street South Yarra, as part of the Open Space Strategy which was funded from the Open Space Reserve.
3	Buildings	Council has borne the brunt of several stages of restrictions over the financial year which has resulted in a number of unspent projects deferred into future periods. Major building projects driving a budget variance are Prahran Market sub-station \$0.70 million, Prahran Market distribution boards upgrades \$0.63 million, Percy Treyvaud masterplan \$0.36 million, Air conditioning plant replacement \$0.35 million, and Malvern Valley Golf Club roof replacement \$0.29 million.
3	Heritage buildings	Council has borne the brunt of several stages of restrictions over the financial year to which has resulted in a number of unspent projects deferred into future periods. Heritage buildings driving a budget variance is Harold Holt Swim Center Masterplan \$2.80 million and the aquatic pool's tiling works \$1.40 million.
4	Heritage plant and equipment	Arts and antiques program has been delayed as a result of restrictions, including the Public Open Space Art Program \$0.11 million and the restoration of Bruce Armstrong and Guy Boyd sculpture \$0.13 million.
5	Plant, machinery and equipment	Timing of the annual specialised vehicle replacement program resulting in a variance of \$0.71 million and deferred into next period. The HHMCS mechanical plant and equipment replacement resulted in a \$0.18 million savings due to low usage of the facility as well as savings in CCTV Installation and upgrades to various council facilities with all required works completed under budget \$0.13 million.
6	Fixtures, fittings and furniture	Budget variance driven from Harold Holt Dry Program Rejuvenation project of \$0.19 million, Chapel Off Chapel functional upgrades of \$0.031 million and Stonnington History Centre project deferred to future periods.
7	Computers and telecommunications	Increase in capital spend predominately driven by the laptop rollout across Council \$1.0 million to support Council's flexible working strategy and enablement of the workforce to work effectively from home throughout the year. This has been partially offset by an underspend in a number of smaller projects including network infrastructure development \$0.06 million, Library IT replacement \$0.07 million, Aquatic IT upgrades \$0.07 million and IT security initiatives \$0.07 million.
8	Roads, Bridges, Footpath and Cycleways	Council has borne the brunt of several stages of restrictions over the financial year which has resulted in some unspent roads and footpath programs of work deferred into future periods. Some project actuals have also been reclassified to Drainage that were originally budgeted under the Roads category. Variance to budget is predominantly driven by footpath risk management works \$0.16 million, local roads asphalt resurfacing program \$0.14 million, road and footpath defect inspection program \$0.15 million, Orrong Road Toorak \$1.12 million, Claremont and Hunter Street \$0.32 million, road safety works construction \$0.21 million and carpark facility rehabilitation \$0.25 million.
9	Drainage	Some project actuals have been reclassified to Drainage that were originally budgeted under the Roads category, these include Orrong Road Toorak \$0.79 million, Lorne Road refurbishment and Joy Street refurbishment \$0.10 million.
10	Recreational, leisure and community facilities	Council has borne the brunt of several stages of restrictions over the financial year to which has resulted in some unspent works on recreational facilities deferred into future periods. These includes the tennis facility review and redevelopment strategy implementation \$1.05 million, floodlighting development program \$0.29 million, sportsground facility upgrades \$0.38 million.
11	Parks, open space and streetscapes	Council has borne the brunt of several stages of restrictions over the financial year to which has resulted in some unspent works on recreational facilities deferred into future periods. This is driven by Chapel Street Precinct Masterplan \$1.4 million, Forest Hill Public Realm \$0.71 million, Prahran Square development \$0.99 million, Sir Robert Menzies Reserve \$0.87 million and Mount Street Masterplan \$0.82 million.
12	Other infrastructure	Council has borne the brunt of several stages of restrictions over the financial year to which has resulted in some unspent works on recreational facilities deferred into future periods. Projects with significant budget variances include public place recycling \$0.08 million, road safety minor works implementation \$0.18 million, minor shopping center upgrades \$0.31 million and cycling strategy \$0.11 million.

## Note 2 – Analysis of Council results by division

Council delivers its functions and activities through the following divisions.

### 2.1 (a) Chief Executive Office

The CEO office includes the governance and integrity functions, Mayor and Councillor liaison, including city administration and advocacy. This division also supports organisational performance and development including finance and procurement and people management (previously Corporate Services division).

#### Community and Wellbeing

Community and Wellbeing provides high quality community focused programs, service delivery and communication to residents. Community and Wellbeing is comprised of community care, connected communities, family and childrens services, public health services and immunisation, leisure and recreational services. The division also supports arts, local festivals and events and advocates on behalf of the community for major events and COVID-19 response.

#### Customer and Technology

Customer and Technology comprises of customer experience and strategy, digital and marketing, customer operations, technology enablement (previously known as Business Systems and Technology) 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 Business Systems and Technology team manages

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.

#### 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, Liveability and Compliance, City Strategy and Performance, Economic and Place Development and Property coordination.

### 2.1 (b) Summary of revenues, expenses and assets by division

	Income	Expenses	Surplus / (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2021</b>					
Chief Executive Office	123,482	24,496	98,986	2,434	2,510,709
Community and Wellbeing	16,334	44,057	(27,723)	5,551	2,799
Customer and Technology	1	7,831	(7,829)	-	9,021
Environment and Infrastructure	22,791	72,033	(49,242)	1,985	708,086
Planning and Place	18,146	16,283	1,863	830	-
	<b>180,754</b>	<b>164,700</b>	<b>16,054</b>	<b>10,801</b>	<b>3,230,615</b>
<b>2020</b>					
Chief Executive Office *	123,560	22,188	101,371	2,499	833,783
Community and Wellbeing	17,265	42,596	(25,331)	5,285	134,716
Customer and Technology	1	8,693	(8,693)	-	1,924
Environment and Infrastructure	27,926	75,789	(47,863)	1,490	2,089,715
Planning and Place	22,219	15,728	6,492	25	1,510
	<b>190,971</b>	<b>164,994</b>	<b>25,977</b>	<b>9,299</b>	<b>3,061,649</b>

\* Restatement of income, expenses, grants and total assets based on the current Corporate structure (Corporate Services incorporated into the Chief Executive Office division)

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

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

### 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 2021-21 was \$95.813 billion (2019-20, \$94.878 billion). The 2020-21 rate in the CIV dollar was 0.0010177 (2019-20, 0.0010177).

General rates	94,611	93,183	94,611	93,183
Service rates and charges	22,102	21,194	22,102	21,194
Special rates and charges	1,883	1,884	1,883	1,884
Supplementary rate and rate adjustments	1,108	1,339	1,108	1,339
Interest on rates and charges	-	137	-	137
<b>Total rates and charges</b>	<b>119,705</b>	<b>117,736</b>	<b>119,705</b>	<b>117,736</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation will be first applied in the rating year commencing 1 July 2020. The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2019, and the valuation was applied in the rating year commencing 1 July 2019.

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.

In response to the COVID-19 impact, City of Stonnington provided all ratepayers with a 2.0 percent waiver / concession in the 2020/21 financial year which effectively resulted in no rate increase in the year. This decision reflected the efficient and effective allocation of resources and Councils acknowledgement of financial hardship across the community and resulted in a reduction in general rates income of \$1.89 million.

### 3.2 Statutory fees and fines

Infringements and costs	9,200	12,960	9,200	12,960
Court recoveries	5,298	6,251	5,298	6,251
Town planning fees	1,841	2,195	1,841	2,195
Land information certificates	182	164	182	164
Permits	2,519	2,310	2,519	2,310
<b>Total statutory fees and fines</b>	<b>19,039</b>	<b>23,880</b>	<b>19,039</b>	<b>23,880</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	430	519	430	519
Leisure centre and recreation	2,902	3,962	2,902	3,962
Child care / children's programs	3,507	3,375	3,507	3,375
Parking	3,006	3,574	3,006	3,574
Registration and other permits	665	590	665	590
Building services	1,946	2,646	1,946	2,646
Green fees	1,133	1,095	1,133	1,095
Waste management services	1,006	1,236	1,006	1,236
Other fees and charges	787	1,109	787	1,109
<b>Total user fees</b>	<b>15,382</b>	<b>18,105</b>	<b>15,382</b>	<b>18,105</b>
<b>User fees by timing of revenue recognition</b>				
User fees recognised over time	6,838	7,855	6,838	7,855
User fees recognised at a point in time	8,543	10,249	8,543	10,249
<b>Total user fees</b>	<b>15,382</b>	<b>18,105</b>	<b>15,382</b>	<b>18,105</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.



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

Cont...

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<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	5,703	5,816	5,703	5,816
State funded grants	5,098	3,483	5,098	3,483
<b>Total grants received</b>	<b>10,801</b>	<b>9,299</b>	<b>10,801</b>	<b>9,299</b>
<b>(a) Operating grants</b>				
<b>Recurrent – Commonwealth Government</b>				
Financial Assistance Grants	2,905	2,966	2,905	2,966
Aged care	2,381	2,553	2,381	2,553
<b>Recurrent – State Government</b>				
Veteran affairs – Home care	3	1	3	1
Aged care	384	640	384	640
School crossing supervisors	308	309	308	309
Libraries	741	723	741	723
Maternal and child health	682	722	682	722
Community partnership and youth programs	136	349	136	349
Child care and immunisation	292	226	292	226
Premier's reading challenge	12	12	12	12
Total recurrent operating grants	7,845	8,500	7,845	8,500
<b>Non-recurrent – State Government</b>				
Community safety	36	7	36	7
COVID grants	908	-	908	-
Other minor grants	21	27	21	27
Total non-recurrent operating grants	965	33	965	33
<b>Total operating grants</b>	<b>8,809</b>	<b>8,533</b>	<b>8,809</b>	<b>8,533</b>
<b>(b) Capital grants</b>				
<b>Recurrent – Commonwealth Government</b>				
Roads to recovery	417	298	417	298
Total recurrent capital grants	417	298	417	298
<b>Non-recurrent – State Government</b>				
Parks, open space and streetscapes	529	295	529	295
Recreational, leisure and community facilities	110	80	110	80
Road and street	185	-	185	-
Land	750	-	750	-
Land improvements	-	94	-	94
Total non-recurrent capital grants	1,575	468	1,575	468
<b>Total capital grants</b>	<b>1,991</b>	<b>766</b>	<b>1,991</b>	<b>766</b>

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>				
<b>Operating</b>				
Balance at start of year	1,032	1,415	1,032	1,415
Received during the financial year and remained unspent at balance date	1,444	787	1,444	787
Received in prior years and spent during the financial year	(429)	(1,170)	(429)	(1,170)
<b>Balance at year end</b>	<b>2,047</b>	<b>1,032</b>	<b>2,047</b>	<b>1,032</b>
<b>Capital</b>				
Balance at start of year	1,135	378	1,135	378
Received during the financial year and remained unspent at balance date	4,481	757	4,481	757
Received in prior years and spent during the financial year	(1,078)	-	(1,078)	-
<b>Balance at year end</b>	<b>4,538</b>	<b>1,135</b>	<b>4,538</b>	<b>1,135</b>
Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.				

### 3.5 Contributions

Monetary	9,297	13,144	9,297	13,144
<b>Total contributions</b>	<b>9,297</b>	<b>13,144</b>	<b>9,297</b>	<b>13,144</b>
Open space	9,280	12,747	9,280	12,747
Development contributions	-	74	-	74
Capital works contributions	3	275	3	275
Operating contributions	14	47	14	47
<b>Total monetary contributions</b>	<b>9,297</b>	<b>13,144</b>	<b>9,297</b>	<b>13,144</b>
Monetary contributions are recognised as revenue when Council obtains control over the contributed asset.				

### 3.6 Other income

Interest	627	1,641	628	1,647
Investment property rental	346	486	346	486
Council works cost recovery	855	981	855	980
Fire services property levy administration	86	84	86	84
State Revenue Office – valuation cost recovery	118	347	118	347
Transport towing	81	74	81	74
Other rent	4,109	4,855	7,540	8,519
Other	309	338	466	394
<b>Total other income</b>	<b>6,531</b>	<b>8,806</b>	<b>10,120</b>	<b>12,531</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

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>4.1 (a) Employee costs</b>				
Wages and salaries	51,858	50,644	52,712	51,463
WorkCover	2,149	1,347	2,154	1,353
Casual staff	2,863	2,722	2,863	2,722
Annual leave and long service leave	8,153	7,398	8,212	7,443
Superannuation	5,694	5,325	5,760	5,388
Fringe benefits tax	535	492	535	492
Other	787	884	787	884
<b>Total employee costs</b>	<b>72,040</b>	<b>68,812</b>	<b>73,024</b>	<b>69,745</b>

### (b) Superannuation

Council made contributions to the following funds:

#### Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)

	451	559	451	559
	<b>451</b>	<b>559</b>	<b>451</b>	<b>559</b>

#### Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)

Employer contributions – other funds

	3,254	3,535	3,320	3,599
	1,759	1,168	1,759	1,168
	<b>5,013</b>	<b>4,703</b>	<b>5,080</b>	<b>4,766</b>

Employer contributions payable at reporting date

	230	63	230	63
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#### Total superannuation

	<b>5,694</b>	<b>5,325</b>	<b>5,760</b>	<b>5,388</b>
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Refer to note 9.3 for further information relating to Council's superannuation obligations.

### 4.2 Materials and services

Transport and parking	7,232	8,379	7,232	8,379
Environment and infrastructure	12,958	13,731	12,958	13,731
Community support and care services	574	696	574	696
Rates and valuations	2,093	2,458	2,093	2,458
Waste management services	6,035	5,524	6,035	5,524
Building Maintenance	2,452	2,323	2,452	2,323
General Maintenance	945	1,108	945	1,108
Utilities	2,033	2,528	2,033	2,528
Office Administration	3,023	3,030	3,023	3,030
Information Technology	3,216	2,908	3,216	2,908
Consulting	2,126	2,313	2,126	2,313
Legal fees	1,056	1,276	1,056	1,276
Insurance	1,442	1,218	1,442	1,218
Stamp duty, lodgement fees and registrations	1,994	2,450	1,994	2,450
Fleet Management	1,507	1,819	1,507	1,819
Events and programs	3,193	3,708	3,193	3,708
Planning amendment fees	124	326	124	326
Others	5,921	4,754	8,243	7,032
<b>Total materials and services*</b>	<b>57,923</b>	<b>60,547</b>	<b>60,246</b>	<b>62,824</b>

\* Materials and Services have been reclassified based on the revised of organisational structures.



	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

### 4.3 Depreciation

Property	5,921	5,640	6,140	5,856
Plant and equipment	3,799	3,832	3,868	3,904
Infrastructure	9,855	9,860	9,855	9,860
<b>Total depreciation</b>	<b>19,575</b>	<b>19,332</b>	<b>19,862</b>	<b>19,621</b>

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

### 4.4 Amortisation – intangible assets

Intangible assets	555	817	555	817
<b>Total amortisation – intangible assets</b>	<b>555</b>	<b>817</b>	<b>555</b>	<b>817</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	661	641	661	641
<b>Total amortisation – right of use assets</b>	<b>661</b>	<b>641</b>	<b>661</b>	<b>641</b>

Refer to note 5.8 for a more detailed breakdown of application of new accounting standard for AASB 16 Leases and changes to amortisation charges.

### 4.6 Bad and doubtful debts

Parking fine debtors	3,360	4,739	3,360	4,739
Other debtors	44	46	56	129
<b>Total bad and doubtful debts</b>	<b>3,404</b>	<b>4,785</b>	<b>3,416</b>	<b>4,867</b>

#### Movement in provisions for doubtful debts

Balance at the beginning of the year	27,409	22,670	27,491	22,670
New provisions recognised during the year	3,405	4,817	3,451	4,899
Amounts already provided for and written off as uncollectible	(6)	(78)	(6)	(78)
<b>Balance at end of year</b>	<b>30,807</b>	<b>27,409</b>	<b>30,854</b>	<b>27,491</b>

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	166	361	166	361
<b>Total borrowing costs</b>	<b>166</b>	<b>361</b>	<b>166</b>	<b>361</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.

## Note 4 – The cost of delivering services

Cont...

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>4.8 Net (gain) / loss on disposal of property, infrastructure, plant and equipment</b>				
<b>Net (gain) / loss on sale of property, infrastructure, plant and equipment</b>				
Proceeds from sales	(1,403)	(393)	(1,403)	(393)
Written down value of assets disposed	2,141	259	2,141	267
	<b>739</b>	<b>(133)</b>	<b>739</b>	<b>(125)</b>
<b>Net loss on write off property, infrastructure, plant and equipment</b>				
Infrastructure	1,112	2,250	1,112	2,250
	<b>1,112</b>	<b>2,250</b>	<b>1,112</b>	<b>2,250</b>
<b>Total net loss on disposal of property, infrastructure, plant and equipment</b>				
	<b>1,851</b>	<b>2,117</b>	<b>1,851</b>	<b>2,125</b>
<b>4.9 Finance costs – leases</b>				
Interest – Lease liabilities	487	776	487	776
<b>Total finance costs</b>	<b>487</b>	<b>776</b>	<b>487</b>	<b>776</b>
<b>4.10 Other expenses</b>				
Auditors' remuneration – VAGO – audit of the financial statement, performance statement and grant acquittals	82	73	97	89
Auditors' remuneration – Internal	108	200	108	200
Councillors' allowances	363	382	363	382
Operating lease rentals	595	337	595	337
Community grants	3,654	3,192	3,654	3,192
Others	842	865	842	865
<b>Total other expenses</b>	<b>5,644</b>	<b>5,048</b>	<b>5,659</b>	<b>5,064</b>

## Note 5 – Our financial position

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>5.1 Financial assets</b>				
<b>(a) Cash and cash equivalents</b>				
Cash on hand	3	4	3	4
Cash at bank	9,103	15,707	10,355	16,870
Term deposits	18,000	28,000	18,000	28,000
<b>Total cash and cash equivalents</b>	<b>27,105</b>	<b>43,711</b>	<b>28,358</b>	<b>44,874</b>
<b>(b) Other financial assets</b>				
<b>Current</b>				
Term deposits	77,500	63,000	77,500	63,000
<b>Total cash, cash equivalents and term deposits</b>	<b>104,605</b>	<b>106,711</b>	<b>105,858</b>	<b>107,874</b>
<b>Non-current</b>				
MAPS shareholding – At cost	15	15	15	15
Total non-current other financial assets	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
<b>Total other financial assets</b>	<b>77,515</b>	<b>63,015</b>	<b>77,515</b>	<b>63,015</b>
<b>Total financial assets</b>	<b>104,620</b>	<b>106,726</b>	<b>105,873</b>	<b>107,889</b>
Councils 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)	8,294	8,434	8,347	8,487
<b>Total restricted funds</b>	<b>8,294</b>	<b>8,434</b>	<b>8,347</b>	<b>8,487</b>
<b>Total unrestricted cash, cash equivalents and term deposits</b>	<b>96,312</b>	<b>98,277</b>	<b>97,511</b>	<b>99,386</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	17,400	18,820	17,400	18,820
» Employee leave entitlement provisions (note 5.5)*	10,565	10,659	10,670	10,749
» Future Fund held for future strategic property purchase (note 9.1 (b))	16,752	22,278	16,752	22,278
» Public open space, developer contributions and off-street parking reserves (note 9.1 (b))	49,441	52,674	49,441	52,674
» Infrastructure reserve fund held for future road damage reinstatement (note 9.1 (b))	250	250	250	250
» Conditional grants unspent (note 3.4 (c))	6,585	2,168	6,585	2,168
» IMAP monies held under payables	245	425	245	425
<b>Total funds subject to intended allocations</b>	<b>101,237</b>	<b>107,273</b>	<b>101,342</b>	<b>107,364</b>
<b>Total unrestricted cash, cash equivalents and term deposits adjusted for intended allocations **</b>	<b>(4,926)</b>	<b>(8,996)</b>	<b>(3,831)</b>	<b>(7,978)</b>

\* 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.

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

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.

## Note 5 – Our financial position

Cont...

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

### 5.1 Financial assets

Cont...

#### (c) Trade and other receivables

##### Current

##### Statutory receivables

Rates debtors (refer note 1.1(a))	7,909	6,704	7,909	6,704
Special rate assessment	216	172	216	172
Parking infringement debtors	34,017	30,836	34,017	30,836
Provision for doubtful debts – parking infringements	(30,669)	(27,309)	(30,669)	(27,309)
Net GST receivable	2,104	1,382	2,104	1,382

##### Non statutory receivables

Other debtors	2,112	1,181	2,804	1,687
Provision for doubtful debts – other debtors	(138)	(100)	(185)	(182)

<b>Total trade and other receivables</b>	<b>15,551</b>	<b>12,865</b>	<b>16,197</b>	<b>13,289</b>
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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. Long term receivables are carried at amortised cost using the effective interest rate method.

#### (i) Ageing of parking infringement debtors

The ageing of Council's parking infringement debtors that are impaired per (ii):

Current (not yet due)	2,855	3,114	2,855	3,114
Past due by up to 30 days	641	550	641	550
Past due between 31 and 180 days	2,244	2,991	2,244	2,991
Past due between 181 and 365 days	2,482	2,962	2,482	2,962
Past due by more than 1 year	25,795	21,220	25,795	21,220

<b>Total other receivables</b>	<b>34,017</b>	<b>30,836</b>	<b>34,017</b>	<b>30,836</b>
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#### (ii) Ageing of impaired receivables - parking infringement debtors

At balance date, parking infringement debtors with nominal value \$31.16 million (2020: \$27.72 million) were impaired. The amount of provision raised against these debtors was \$30.67 million (2020: \$27.31 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 individually determined as impaired at reporting date was:

Current (not yet due)	-	-	-	-
Past due by up to 30 days	449	385	449	385
Past due between 31 and 180 days	1,943	2,742	1,943	2,742
Past due between 181 and 365 days	2,482	2,962	2,482	2,962
Past due by more than 1 year	25,795	21,220	25,795	21,220

<b>Total other receivables</b>	<b>30,669</b>	<b>27,309</b>	<b>30,669</b>	<b>27,309</b>
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#### (iii) Ageing of other debtors

The ageing of Council's other receivables (excluding statutory receivables) that are impaired per (iv):

Current (not yet due)	837	646	1,119	890
Past due by up to 30 days	199	65	218	85
Past due between 31 and 180 days	847	346	861	511
Past due between 181 and 365 days	72	72	300	145
Past due by more than 1 year	156	52	306	56

<b>Total other receivables</b>	<b>2,112</b>	<b>1,181</b>	<b>2,804</b>	<b>1,687</b>
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	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

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

At balance date, consolidated receivables with nominal value \$0.14 million (2020; \$0.18 million) were impaired. The amount of provision raised against these debtors was \$0.14 million (2020; \$0.18 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)	-	-	-	11
Past due by up to 30 days	-	-	-	-
Past due between 31 and 180 days	-	87	-	91
Past due between 181 and 365 days	64	13	64	75
Past due by more than 1 year	75	-	121	4
<b>Total other receivables</b>	<b>138</b>	<b>100</b>	<b>185</b>	<b>182</b>

## 5.2 Non-financial assets

**(a) Other assets – current**

Prepayments	455	270	537	344
Accrued income	713	398	1,154	735
Other	183	233	92	92
<b>Total other assets</b>	<b>1,351</b>	<b>901</b>	<b>1,783</b>	<b>1,171</b>

**(b) Intangible assets**

**Gross Carrying Amount**

Balance at 1 July 2020			12,845	12,845
Work in progress			5,877	5,877
Other additions			296	296
<b>Balance at 30 June 2021</b>			<b>19,019</b>	<b>19,019</b>

**Accumulated amortisation and impairment**

Balance at 1 July 2020			(11,559)	(11,559)
Amortisation expense			(555)	(555)
<b>Balance at 30 June 2021</b>			<b>(12,115)</b>	<b>(12,115)</b>

Net book value at 30 June 2020			1,286	1,286
<b>Net book value at 30 June 2021</b>			<b>6,904</b>	<b>6,904</b>

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.

## Note 5 – Our financial position

Cont...

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

### 5.3 Payables

#### (a) Trade and other payables

Trade payables	11,232	7,580	11,664	7,878
Accrued expenses	6,715	5,310	6,603	5,310
Other	1,188	1,091	1,380	1,130
<b>Total trade and other payables</b>	<b>19,135</b>	<b>13,981</b>	<b>19,647</b>	<b>14,317</b>

#### (b) Trust funds and deposits

Refundable deposits	5,625	5,511	5,679	5,564
Refundable contract deposits	737	846	737	846
Fire Service Property Levy	896	1,200	896	1,200
Retention amounts	1,036	877	1,036	877
<b>Total trust funds and deposits</b>	<b>8,294</b>	<b>8,434</b>	<b>8,347</b>	<b>8,487</b>

#### (c) Unearned income

Grants received in advance – operating	2,047	1,135	2,047	1,135
Grants received in advance – capital	4,538	788	4,538	788
Other	33	29	33	29
<b>Total unearned income</b>	<b>6,618</b>	<b>1,952</b>	<b>6,618</b>	<b>1,952</b>

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.

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

### 5.4 Interest-bearing liabilities

#### Current

Borrowings – secured	1,000	3,500	1,000	3,500
	<b>1,000</b>	<b>3,500</b>	<b>1,000</b>	<b>3,500</b>

#### Non-current

Borrowings – secured	21,500	19,000	21,500	19,000
	<b>21,500</b>	<b>19,000</b>	<b>21,500</b>	<b>19,000</b>

<b>Total</b>	<b>22,500</b>	<b>22,500</b>	<b>22,500</b>	<b>22,500</b>
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	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Borrowings are secured by rates income of Council.</b>				
<b>a) The maturity profile for Council's borrowings is:</b>				
Not later than one year	1,000	3,500	1,000	3,500
Later than one year and not later than five years	10,000	12,500	10,000	12,500
Later than five years	11,500	6,500	11,500	6,500
	<b>22,500</b>	<b>22,500</b>	<b>22,500</b>	<b>22,500</b>

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.

	Employee Provisions	Total
	\$'000	\$'000

## 5.5 Provisions

### 2021 Council

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)

**Balance at the end of the financial year** **18,230** **18,230**

### 2021 Consolidated

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)

**Balance at the end of the financial year** **18,446** **18,446**

### 2020 Council

Balance at beginning of the financial year	16,740	16,740
Additional provisions	5,967	5,967
Amounts used	(5,360)	(5,360)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(64)	(64)

**Balance at the end of the financial year** **17,284** **17,284**

### 2020 Consolidated

Balance at beginning of the financial year	16,860	16,860
Additional provisions	6,037	6,037
Amounts used	(5,386)	(5,386)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(64)	(64)

**Balance at the end of the financial year** **17,448** **17,448**

## Note 5 – Our financial position

Cont...

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>5.5 Provisions</b>				
<b>Cont...</b>				
<b>(a) Employee provisions</b>				
<b>Current provisions expected to be wholly settled within 12 months</b>				
Annual leave	3,119	2,859	3,184	2,912
Long service leave	673	516	673	516
Retirement gratuity	121	99	121	99
Time in lieu	83	118	83	118
Accrued day off	707	598	707	598
	<b>4,703</b>	<b>4,189</b>	<b>4,768</b>	<b>4,242</b>
<b>Current provisions expected to be wholly settled after 12 months</b>				
Annual leave	3,634	2,952	3,682	2,973
Long service leave	7,734	8,082	7,830	8,169
	<b>11,369</b>	<b>11,034</b>	<b>11,512</b>	<b>11,142</b>
<b>Total current employee provisions</b>	<b>16,072</b>	<b>15,223</b>	<b>16,279</b>	<b>15,384</b>
<b>Non-current</b>				
Long service leave	2,136	2,016	2,145	2,019
Retirement gratuity	22	45	22	45
<b>Total non-current employee provisions</b>	<b>2,158</b>	<b>2,061</b>	<b>2,167</b>	<b>2,064</b>
<b>Aggregate carrying amount of employee provisions:</b>				
Current	16,072	15,223	16,279	15,384
Non-current	2,158	2,061	2,167	2,064
<b>Total aggregate carrying amount of employee provisions</b>	<b>18,230</b>	<b>17,284</b>	<b>18,446</b>	<b>17,448</b>

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

### Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

### Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

### 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.

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

Weighted average increase in employee costs	1.79%	2.25%	1.79%	2.25%
Weighted average discount rates	1.49%	0.87%	1.49%	0.87%
Weighted average settlement period	7 years	7 years	7 years	7 years
Weighted average index rate	0.50%	1.34%	0.50%	1.34%



	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000

## 5.6 Financing arrangements

Council has the following funding arrangements in place as at 30 June 2021.

Bank overdraft	250	250	250	250
Credit card facilities	65	65	65	65
Finance lease	2,286	4,617	2,286	4,617
Borrowings*	22,500	22,500	22,500	22,500
<b>Total facilities</b>	<b>25,101</b>	<b>27,432</b>	<b>25,101</b>	<b>27,432</b>
Used facilities	(24,281)	(26,102)	(24,281)	(26,102)
<b>Unused facilities</b>	<b>820</b>	<b>1,329</b>	<b>820</b>	<b>1,329</b>

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

## Note 5 – Our financial position

Cont...

### 5.7 Commitments

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.

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<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 Parking enforcement and car parks	1,910	-	-	-	1,910
Consultancies	432	255	560	-	1,247
Cleaning of municipal buildings and aquatics centre	917	-	-	-	917
Recycling collections	3,209	-	-	-	3,209
Hard and green waste collection and disposal management	7,247	7,357	15,052	-	29,656
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
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>
<b>2020</b>					
<b>Operating</b>					
Municipal turf maintenance and mowing services	1,847	316	-	-	2,163
Playground landscape, recreational and sports facilities upgrade	507	211	-	-	718
Management of car parks	1,118	172	-	-	1,290
Hard and green waste collection	796	-	-	-	796
Cleaning of municipal buildings and aquatics centres	1,290	838	-	-	2,129
Recycling collections	2,179	-	-	-	2,179
Building maintenance services	1,809	27	27	54	1,917
Tipping waste management	4,803	5,710	235	485	11,233
Central record services	71	-	-	-	71
Other contractual obligations	2,996	1,450	950	1,514	6,910
<b>Total</b>	<b>17,417</b>	<b>8,723</b>	<b>1,212</b>	<b>2,053</b>	<b>29,406</b>
<b>Capital</b>					
Buildings	347	149	59	-	555
Other capital works	1,563	12	12	25	1,613
<b>Total</b>	<b>1,910</b>	<b>161</b>	<b>71</b>	<b>25</b>	<b>2,161</b>

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## 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.

Council has elected to apply the temporary option available under *AASB 16 Leases* which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

## Note 5 – Our financial position

Cont...

### 5.8 Leases

Cont...

	Equipment and Vehicles	Total
	\$'000	\$'000
<b>2021 Council</b>		
<b>Right-of-use assets</b>		
Balance at 1 July 2020	1,971	1,971
Additions	315	315
Amortisation charge	(661)	(661)
<b>Balance at 30 June 2021</b>	<b>1,625</b>	<b>1,625</b>
	<b>2021</b>	<b>2020</b>
	\$'000	\$'000
<b>Lease Liabilities</b>		
Maturity analysis – contractual undiscounted cash flows		
Less than one year	473	1,143
One to five years	1,316	717
<b>Total undiscounted lease liabilities as at 30 June:</b>	<b>1,789</b>	<b>1,860</b>
Lease liabilities included in the Balance Sheet at 30 June:		
Current	473	1,143
Non-current	1,316	717
<b>Total lease liabilities</b>	<b>1,789</b>	<b>1,860</b>

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



## 5.8 Leases

Cont...

### Short-term and low value leases

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

	<b>Council</b>		<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	\$'000	\$'000	\$'000	\$'000
<b>Expenses relating to:</b>				
Short-term leases	1,224	185	1,224	185
Leases of low value assets	-	152	-	152
<b>Total</b>	<b>1,224</b>	<b>337</b>	<b>1,224</b>	<b>337</b>
Variable lease payments (not included in measurement of lease liabilities)	-	-	-	-
<b>Non-cancellable lease commitments – Short-term and low-value leases</b>				
Commitments for minimum lease payments for short-term and low-value leases are payable as follows:				
<b>Payable:</b>				
Within one year	1,224	185	1,224	185
Later than one year but not later than five years	-	152	-	152
<b>Total lease commitments</b>	<b>1,224</b>	<b>337</b>	<b>1,224</b>	<b>337</b>

## Note 6 – Assets we manage

### 6.1 Property, infrastructure, plant and equipment

Council					
Summary of property, infrastructure, plant and equipment					
	At fair value 30 June 2020	At cost 30 June 2020	Acquisitions	Contributions	Revaluation*
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	2,484,524	-	-	-	140,453
Plant and equipment	5,676	21,337	-	-	-
Infrastructure	400,718	-	-	-	819
Work in progress	15,796	-	45,620	-	-
<b>Total</b>	<b>2,906,714</b>	<b>21,337</b>	<b>45,620</b>	<b>-</b>	<b>141,272</b>
Summary of work in progress (WIP)					
	Opening WIP	Additions	Class Transfers	Write-off	Transfers
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	7,285	18,652	10	-	(14,438)
Plant and equipment	141	4,375	-	(90)	(4,321)
Infrastructure	8,371	22,593	(10)	-	(13,959)
<b>Total</b>	<b>15,796</b>	<b>45,620</b>	<b>-</b>	<b>(90)</b>	<b>(32,718)</b>
Consolidated					
Summary of property, infrastructure, plant and equipment					
	At fair value 30 June 2020	At cost 30 June 2020	Acquisitions	Contributions	Revaluation*
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	2,489,857	-	-	-	140,453
Plant and equipment	5,676	21,657	-	-	-
Infrastructure	400,719	-	-	-	819
Work in progress	16,012	-	45,628	-	-
<b>Total</b>	<b>2,912,264</b>	<b>21,657</b>	<b>45,628</b>	<b>-</b>	<b>141,272</b>
Summary of work in progress (WIP)					
	Opening WIP	Additions	Class Transfers	Write-offs	Transfers
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	7,501	18,660	10	-	(14,501)
Plant and equipment	141	4,375	-	(90)	(4,321)
Infrastructure	8,371	22,593	(10)	-	(13,959)
<b>Total</b>	<b>16,012</b>	<b>45,628</b>	<b>-</b>	<b>(90)</b>	<b>(32,781)</b>

\* Due to demolition of three Council buildings in 2021-21. 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.

Depreciation	Disposal	Write-off	Transfers	At fair value 30 June 2021	At cost 30 June 2021	Written down value 30 June 2021
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(5,921)	(1,751)	-	14,438	2,631,743	-	2,631,743
(3,799)	(391)	-	4,321	5,676	21,470	27,145
(9,855)	-	(1,112)	13,959	404,530	-	404,530
-	-	(90)	(32,718)	28,607	-	28,607
<b>(19,575)</b>	<b>(2,142)</b>	<b>(1,202)</b>	<b>-</b>	<b>3,070,556</b>	<b>21,470</b>	<b>3,092,025</b>

**Closing  
WIP**

\$'000

11,508

105

16,994

**28,608**

Depreciation	Disposal	Write-off	Transfers	At fair value 30 June 2021	At cost 30 June 2021	Written down value 30 June 2021
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(6,140)	(1,751)	-	14,501	2,636,920	-	2,636,920
(3,868)	(391)	-	4,321	5,676	21,718	27,394
(9,855)	-	(1,112)	13,959	404,531	-	404,531
-	-	(90)	(32,781)	28,769	-	28,769
<b>(19,863)</b>	<b>(2,142)</b>	<b>(1,202)</b>	<b>-</b>	<b>3,075,896</b>	<b>21,718</b>	<b>3,097,614</b>

**Closing  
WIP**

\$'000

11,670

105

16,993

**28,769**

## Note 6 – Assets we manage

Cont...

### 6.1 Property, infrastructure, plant and equipment

Cont...

Council				
(a) Property	Land – specialised	Land – non specialised	Total land	Heritage buildings
	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	2,063,830	163,905	2,227,735	68,783
Accumulated depreciation at 1 July 2020	-	-	-	-
	<b>2,063,830</b>	<b>163,905</b>	<b>2,227,735</b>	<b>68,783</b>
<b>Movements in fair value</b>				
Additions	-	-	-	-
Revaluation	132,035	8,418	140,453	-
Disposal	-	-	-	-
Write-off	-	-	-	-
Transfers	12,005	(1,170)	10,835	1,000
Transfer between asset class	-	-	-	-
	<b>144,040</b>	<b>7,248</b>	<b>151,288</b>	<b>1,000</b>
<b>Movements in accumulated depreciation</b>				
Depreciation	-	-	-	(1,022)
Accumulated depreciation of disposals	-	-	-	-
Revaluation	-	-	-	-
	-	-	-	<b>(1,022)</b>
At fair value 30 June 2021	2,207,870	171,153	2,379,023	69,783
Accumulated depreciation at 30 June 2021	-	-	-	(1,022)
	<b>2,207,870</b>	<b>171,153</b>	<b>2,379,023</b>	<b>68,761</b>



<b>Buildings – specialised</b>	<b>Buildings – non specialised</b>	<b>Total buildings</b>	<b>Work in progress</b>	<b>Total property</b>
\$'000	\$'000	\$'000	\$'000	\$'000
170,435	17,571	256,789	7,285	2,491,809
-	-	-	-	-
<b>170,435</b>	<b>17,571</b>	<b>256,789</b>	<b>7,285</b>	<b>2,491,809</b>
-	-	-	18,652	18,652
-	-	-	-	140,453
-	-	-	-	-
(860)	(1,025)	(1,885)	-	(1,885)
2,263	340	3,603	(14,438)	-
-	-	-	10	10
<b>1,403</b>	<b>(685)</b>	<b>1,718</b>	<b>4,224</b>	<b>157,230</b>
(4,349)	(550)	(5,921)	-	(5,921)
33	101	134	-	134
-	-	-	-	-
<b>(4,316)</b>	<b>(449)</b>	<b>(5,787)</b>	<b>-</b>	<b>(5,787)</b>
171,838	16,886	258,507	11,508	2,649,039
(4,316)	(449)	(5,787)	-	(5,787)
<b>167,522</b>	<b>16,436</b>	<b>252,720</b>	<b>11,508</b>	<b>2,643,252</b>

## Note 6 – Assets we manage

Cont...

### 6.1 Property, infrastructure, plant and equipment

Cont...

Council				
(b) Plant and Equipment	Heritage plant and equipment	Plant machinery, motor vehicles and equipment	Fixtures fittings and furniture	Computers and telecomms
	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	5,676	-	-	-
At cost 1 July 2020	1,827	26,782	10,275	6,682
Accumulated depreciation at 1 July 2020	(75)	(14,094)	(7,126)	(5,683)
	<b>7,428</b>	<b>12,688</b>	<b>3,149</b>	<b>999</b>
<b>Movements</b>				
Additions	-	-	-	-
Contributions	-	-	-	-
Revaluation	-	-	-	-
Disposal	-	(1,528)	-	(140)
Write-off	-	-	-	-
Transfers between asset class	-	-	-	-
Transfers	63	1,629	182	1,539
	<b>63</b>	<b>102</b>	<b>182</b>	<b>1,399</b>
<b>Movements in accumulated depreciation</b>				
Depreciation	(94)	(1,876)	(551)	(419)
Accumulated depreciation of disposals	-	1,139	-	138
Revaluation	-	-	-	-
	<b>(94)</b>	<b>(737)</b>	<b>(551)</b>	<b>(281)</b>
At fair value 30 June 2021	7,503	-	-	-
At cost 30 June 2021	63	26,883	10,457	8,081
Accumulated depreciation at 30 June 2021	(169)	(14,831)	(7,677)	(5,964)
	<b>7,397</b>	<b>12,052</b>	<b>2,780</b>	<b>2,117</b>

	Library books	Work In progress	Total plant and equipment
	\$'000	\$'000	\$'000
	-	-	5,676
	22,186	141	67,892
	(19,436)	-	(46,414)
	<b>2,750</b>	<b>141</b>	<b>27,154</b>
	-	4,375	4,375
	-	-	-
	-	-	-
	-	-	(1,668)
	-	(90)	(90)
	-	-	-
	908	(4,321)	-
	<b>908</b>	<b>(36)</b>	<b>2,618</b>
	(859)	-	(3,799)
	-	-	1,277
	-	-	-
	<b>(859)</b>	<b>-</b>	<b>(2,522)</b>
	-	-	7,503
	8,081	105	68,682
	(5,964)	-	(48,935)
	<b>2,117</b>	<b>105</b>	<b>27,250</b>

## Note 6 – Assets we manage

Cont...

### 6.1 Property, infrastructure, plant and equipment

Cont...

Council				
(c) Infrastructure	Roads	Bridges	Drainage	Recreational, leisure and community
	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	388,793	6,683	84,213	24,792
Accumulated depreciation at 1 July 2020	(188,904)	(1,712)	-	(6,394)
	<b>199,889</b>	<b>4,971</b>	<b>84,213</b>	<b>18,397</b>
<b>Movements in fair value</b>				
Additions	-	-	-	-
Revaluation	-	-	827	-
Write-off	(2,433)	-	-	-
Transfers	6,809	46	2,953	860
Transfer between asset class	-	-	-	-
	<b>4,376</b>	<b>46</b>	<b>3,780</b>	<b>860</b>
<b>Movements in accumulated depreciation</b>				
Depreciation	(4,795)	(126)	(966)	(1,078)
Accumulated depreciation of disposals/write offs	1,321	-	-	-
Revaluation	-	-	(8)	-
	<b>(3,474)</b>	<b>(126)</b>	<b>(974)</b>	<b>(1,078)</b>
At fair value 30 June 2021	393,170	6,729	87,992	25,652
Accumulated depreciation at 30 June 2021	(192,378)	(1,838)	(974)	(7,472)
	<b>200,791</b>	<b>4,891</b>	<b>87,019</b>	<b>18,179</b>



	<b>Parks, open space and streetscapes</b>	<b>Other infrastructure</b>	<b>Work in progress</b>	<b>Total infrastructure</b>
	\$'000	\$'000	\$'000	\$'000
	77,472 (9,134)	34,277 (9,367)	8,371 -	624,600 (215,511)
	<b>68,338</b>	<b>24,910</b>	<b>8,371</b>	<b>409,089</b>
	-	-	22,593	22,593
	-	-	-	827
	-	-	-	(2,433)
	2,688	604	(13,959)	-
	-	-	(10)	(10)
	<b>2,688</b>	<b>604</b>	<b>8,624</b>	<b>20,977</b>
	(1,539)	(1,351)	-	(9,855)
	-	-	-	1,321
	-	-	-	(8)
	<b>(1,539)</b>	<b>(1,351)</b>	<b>-</b>	<b>(8,542)</b>
	80,160 (10,673)	34,880 (10,718)	16,995 -	645,578 (224,053)
	<b>69,487</b>	<b>24,162</b>	<b>16,995</b>	<b>421,525</b>

## Note 6 – Assets we manage

Cont...

### 6.1 Property, infrastructure, plant and equipment

Cont...

Consolidated				
(a) Property	Land – specialised	Land – non specialised	Total land	Heritage buildings
	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	2,063,830	163,906	2,227,736	76,475
Accumulated depreciation at 1 July 2020	-	-	-	(2,359)
	<b>2,063,830</b>	<b>163,906</b>	<b>2,227,736</b>	<b>74,116</b>
<b>Movements in fair value</b>				
Additions	-	-	-	-
Contributed asset	-	-	-	-
Revaluation	132,035	8,418	140,453	-
Disposal	-	-	-	-
Write-off	-	-	-	-
Transfers	12,005	(1,170)	10,835	1,063
Transfer between asset class	-	-	-	-
	<b>144,041</b>	<b>7,249</b>	<b>151,289</b>	<b>1,063</b>
Depreciation	-	-	-	(1,241)
Accumulated depreciation of disposals	-	-	-	-
Revaluation	-	-	-	-
	-	-	-	<b>(1,241)</b>
At fair value 30 June 2021	2,207,870	171,155	2,379,025	77,538
Accumulated depreciation at 30 June 2021	-	-	-	(3,600)
	<b>2,207,870</b>	<b>171,155</b>	<b>2,379,025</b>	<b>73,938</b>

<b>Buildings – specialised</b>	<b>Buildings – non specialised</b>	<b>Total buildings</b>	<b>Work in progress</b>	<b>Total property</b>
\$'000	\$'000	\$'000	\$'000	\$'000
170,435	17,571	264,481	7,501	2,499,718
-	-	(2,359)	-	(2,359)
<b>170,435</b>	<b>17,571</b>	<b>262,122</b>	<b>7,501</b>	<b>2,497,358</b>
-	-	-	18,660	18,660
-	-	-	-	-
-	-	-	-	140,453
-	-	-	-	-
(860)	(1,025)	(1,885)	-	(1,885)
2,263	340	3,666	(14,501)	-
-	-	-	10	10
<b>1,403</b>	<b>(685)</b>	<b>1,781</b>	<b>4,169</b>	<b>157,239</b>
(4,349)	(550)	(6,140)	-	(6,140)
33	101	134	-	134
-	-	-	-	-
<b>(4,316)</b>	<b>(449)</b>	<b>(6,006)</b>	<b>-</b>	<b>(6,006)</b>
171,838	16,886	266,262	11,670	2,656,957
(4,316)	-	(8,365)	-	(8,365)
<b>167,522</b>	<b>16,886</b>	<b>257,897</b>	<b>11,670</b>	<b>2,648,591</b>

## Note 6 – Assets we manage

Cont...

### 6.1 Property, infrastructure, plant and equipment

Cont...

Consolidated				
(b) Plant and Equipment	Heritage plant and equipment	Plant machinery, motor vehicles and equipment	Fixtures fittings and furniture	Computers and telecomms
	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	5,676	-	-	-
At cost 1 July 2020	1,827	27,970	10,326	6,838
Accumulated depreciation at 1 July 2020	(75)	(14,995)	(7,147)	(5,838)
	<b>7,428</b>	<b>12,975</b>	<b>3,180</b>	<b>1,000</b>
<b>Movements</b>				
Additions	-	-	-	-
Contributions	-	-	-	-
Revaluation	-	-	-	-
Disposal	-	(1,543)	-	(145)
Write-off	-	-	-	-
Transfers between asset class	-	-	-	-
Transfers	63	1,629	182	1,539
	<b>63</b>	<b>86</b>	<b>182</b>	<b>1,394</b>
<b>Movements in accumulated depreciation</b>				
Depreciation	(94)	(1,946)	(551)	(419)
Accumulated depreciation of disposals	-	1,159	-	138
Transfer	-	-	-	-
Revaluation	-	-	-	-
	<b>(94)</b>	<b>(787)</b>	<b>(551)</b>	<b>(281)</b>
At fair value 30 June 2021	7,503	-	-	-
At cost 30 June 2021	63	28,056	10,508	8,232
Accumulated depreciation at 30 June 2021	(169)	(15,782)	(7,698)	(6,118)
	<b>7,397</b>	<b>12,274</b>	<b>2,810</b>	<b>2,114</b>



	Library books	Work In progress	Total plant and equipment
	\$'000	\$'000	\$'000
	-	-	5,676
	22,186	141	69,289
	(19,436)	-	(47,491)
	<b>2,750</b>	<b>141</b>	<b>27,474</b>
	-	4,375	4,375
	-	-	-
	-	-	-
	-	-	(1,668)
	-	(90)	(90)
	-	-	-
	908	(4,321)	-
	<b>908</b>	<b>(36)</b>	<b>2,598</b>
	(859)	-	(3,868)
	-	-	1,297
	-	-	-
	-	-	-
	<b>(859)</b>	<b>-</b>	<b>(2,571)</b>
	-	-	7,503
	23,093	105	70,058
	(20,295)	-	(50,062)
	<b>2,799</b>	<b>105</b>	<b>27,499</b>

## Note 6 – Assets we manage

Cont...

### 6.1 Property, infrastructure, plant and equipment

Cont...

Consolidated				
(c) Infrastructure	Roads	Bridges	Drainage	Recreational, leisure and community
	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	388,793	6,683	84,214	24,792
At cost 1 July 2020	-	-	-	-
Accumulated depreciation at 1 July 2020	(188,904)	(1,712)	-	(6,394)
	<b>199,889</b>	<b>4,971</b>	<b>84,214</b>	<b>18,398</b>
<b>Movements in fair value</b>				
Additions	-	-	-	-
Revaluation	-	-	827	-
Write-off	(2,433)	-	-	-
Transfers	6,809	46	2,953	860
Transfer between asset class	-	-	-	-
	<b>4,376</b>	<b>46</b>	<b>3,780</b>	<b>860</b>
<b>Movements in accumulated depreciation</b>				
Depreciation	(4,795)	(126)	(966)	(1,078)
Accumulated depreciation of disposals/write offs	1,321	-	-	-
Revaluation	-	-	(8)	-
	<b>(3,474)</b>	<b>(126)</b>	<b>(974)</b>	<b>(1,078)</b>
At fair value 30 June 2021	393,170	6,729	87,993	25,652
Accumulated depreciation at 30 June 2021	(192,378)	(1,838)	(974)	(7,472)
	<b>200,791</b>	<b>4,891</b>	<b>87,020</b>	<b>18,180</b>

	<b>Parks, open space and streetscapes</b>	<b>Other infrastructure</b>	<b>Work in progress</b>	<b>Total infrastructure</b>
	\$'000	\$'000	\$'000	\$'000
	77,471	34,277	8,371	624,601
	-	-	-	-
	(9,134)	(9,367)	-	(215,513)
	<b>68,337</b>	<b>24,910</b>	<b>8,371</b>	<b>409,089</b>
	-	-	22,593	22,593
	-	-	-	827
	-	-	-	(2,433)
	2,688	604	(13,959)	-
	-	-	(10)	(10)
	<b>2,688</b>	<b>604</b>	<b>8,624</b>	<b>20,977</b>
	(1,539)	(1,351)	-	(9,855)
	-	-	-	1,321
	-	-	-	(8)
	<b>(1,539)</b>	<b>(1,351)</b>	<b>-</b>	<b>(8,542)</b>
	80,159	34,881	16,994	645,578
	(10,673)	(10,718)	-	(224,053)
	<b>69,486</b>	<b>24,162</b>	<b>16,994</b>	<b>421,525</b>

## 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 have 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
<b>Property</b>		
Land	Not depreciable	all land
<b>Buildings</b>		
Buildings	50 years	5
Heritage buildings	100 years	5
<b>Plant and Equipment</b>		
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	3-8 years	all holdings with life exceeding one year
<b>Infrastructure</b>		
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	20 years	5
Park, open space and streetscapes	20 years	5
Off street car parks	25-50 years	10
Other infrastructure	10-25 years	10
<b>Intangible assets</b>		
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.

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

The market is being impacted by the uncertainty caused by the COVID-19 pandemic. As at the date of valuation we 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.

This 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.

Full valuation of land was undertaken in 2020–21 and building in 2019–20 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.

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 2021 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Land – non specialised	-	171,153	-	06/21
Land – specialised	-	-	1,475,420	06/21
Land under roads	-	-	732,450	06/21
Buildings – non specialised	-	16,436	-	06/20
Buildings – specialised	-	-	236,284	06/20
<b>Total</b>	<b>-</b>	<b>187,589</b>	<b>2,444,153</b>	

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.

A valuation of Council’s road assets was conducted based on conditional assessment and stocktake performed by independent valuer, which has been verified by Mr. Rick Kwasek, D.Eng. (Municipal), MPM (Master of Project Management), MAIPM. The valuation was performed based on current condition and replacement cost. The effective date of the valuation is 30 June 2019.

A valuation of Council’s infrastructure assets; open space parks and reserves was updated in line with new unit rates as confirmed by independent valuer (Ross McPherson). The valuation was performed as a desk-top exercise applying the updated unit rates to determine the total replacement cost of the asset. The effective date of the valuation is 30 June 2019.

Council’s drainage assets have had the inflationary impact of construction cost change reflected in the replacement cost of these assets using ABS data as at 30 June 2021.

A valuation of Council’s other infrastructure assets has been updated in line with new unit rates as confirmed by independent valuers (Infrastructure Management Group Pty Ltd), which has been verified by Council Engineer and Asset Co-ordinator Tze Sian Hor B.Civil Eng, B.Com. The valuation was performed as a desk-top exercise applying the updated unit rates to determine the total replacement cost of the asset. The effective date of the valuation is 30 June 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 2021 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Roads	-	-	200,791	06/19
Bridges	-	-	4,891	06/19
Drainage	-	-	87,019	06/21
Other infrastructure	-	-	24,162	06/20
Recreational, leisure and community facilities	-	-	18,180	06/19
Parks, open space and streetscapes	-	-	69,486	06/19
<b>Total</b>	<b>-</b>	<b>-</b>	<b>404,530</b>	

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 Tinsley (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 over the 2019-20 financial year 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	Level 2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Heritage, plant and equipment	-	3,346	4,051	06/19
<b>Total</b>	<b>-</b>	<b>3,346</b>	<b>4,051</b>	

### 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 a reduction to surrounding land values between **5 per cent and 95 per cent**. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between **\$185 and \$5,450** 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 **\$975 to \$8,650** 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. 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.

	2021	2020
	\$'000	\$'000
<b>Reconciliation of specialised land</b>		
Land under roads	732,450	681,300
Land	1,475,420	1,382,530
<b>Total specialised land</b>	<b>2,207,870</b>	<b>2,063,830</b>

## Note 6 – Assets we manage

Cont...

	Council	
	2021	2020
	\$'000	\$'000

### 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 per cent 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 2021 unaudited accounts (2020 audited accounts).

<b>Fair value of Council's investment in Regional Landfill Clayton South</b>	<b>88</b>	<b>363</b>
<b>Council's share of accumulated deficit</b>		
Council's share of accumulated deficit at start of year	(1,288)	(1,145)
Reported deficit for year	(1,360)	(143)
<b>Council's share of accumulated deficit at end of year</b>	<b>(2,648)</b>	<b>(1,288)</b>
<b>Council's share of reserves</b>		
Council's share of reserves at start of year	212	212
<b>Council's share of reserves at end of year</b>	<b>212</b>	<b>212</b>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	363	632
Share of surplus deficit for the year excluding revaluation of provision for environmental rehabilitation	(275)	(269)
<b>Carrying value of investment at end of year</b>	<b>88</b>	<b>363</b>
<b>Council's share of expenditure commitments</b>		
Operating commitments	-	-
<b>Council's share of expenditure commitments</b>	<b>-</b>	<b>-</b>
<b>Council's share of environmental rehabilitation provision</b>		
Carrying value of environment rehabilitation provision at start of year	1,441	1,566
Share of revaluation of provision	1,258	(48)
Share of provision used	(173)	(78)
<b>Carrying value of environment rehabilitation provision at end of year</b>	<b>2,526</b>	<b>1,441</b>



The landfill has reached capacity and ceased operations at the end of January 2016, with rehabilitation now in progress in accordance with EPA requirements. An assessment of the post closure aftercare management costs for the landfill undertaken by Golder Associates Pty Ltd civil/geotechnical and environmental consultants in June 2015 was reviewed in June 2017 for the purposes of updating the Clayton Landfill rehabilitation provision.

The resultant provision for rehabilitation within the Regional Landfill Clayton 2021 unaudited accounts of \$19.8 million (\$11.3 million, 2020) now reflects the latest present value of 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 \$2.5 million (2020, \$1.4 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.

### **Significant restrictions**

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

A fair value assessment on the Clayton Tip facility was conducted by C.J. Ham & Murray Pty Ltd (Ham & Murray) at 30 June 2016 after the site ceased operation.

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 Act) and have been used in the calculations. The increase in provision relates to the expected post closure maintenance period costs after capping works are completed (December 2021) and include updated estimates of leachate costs, landfill gas management and electricity costs. The provision is based on the best information available to management at year end and indicated aftercare costs of approximately \$1.034 million annually. It is management's intention to obtain a formal assessment in early 2022 when capping works are expected to be completed.

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 Investments 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 \$0.29 million as at 30 June 2021 (2020, \$0.29 million). Council will continue to provide financial support to Prahran Market in line with Council's financial hardship policy and the requirements of Commercial Tenancies Relief Scheme.

The assets, liabilities, and operating result based upon 2021 unaudited financial statements (2020 audited financial statements) are included in Council's consolidated financial accounts, as follows:

Summarised financial information	2021	2020
	\$'000	\$'000
<strong>Summarised statement of comprehensive income</strong>		
Total income	4,856	4,991
Total expenses	4,889	4,871
Surplus/(deficit) for the year	(33)	120
<strong>Total comprehensive result</strong>	<strong>(33)</strong>	<strong>120</strong>
<strong>Summarised balance sheet</strong>		
Current assets	2,533	2,059
Non-current assets	5,589	5,869
<strong>Total assets</strong>	<strong>8,122</strong>	<strong>7,928</strong>
Current liabilities	923	701
Non-current liabilities	62	57
Total liabilities	986	758
<strong>Net Assets</strong>	<strong>7,137</strong>	<strong>7,170</strong>
<strong>Equity</strong>		
Accumulated funds	5,137	5,170
Issued capital	2,000	2,000
<strong>Total Equity</strong>	<strong>7,137</strong>	<strong>7,170</strong>
<strong>Summarised statement of cash flows</strong>		
Net cash provided by operating activities	88	216
Net cash used in investing activities	(8)	(55)
Net cash used in financing activities	10	10
<strong>Net increase/(decrease) in cash and cash equivalents</strong>	<strong>90</strong>	<strong>172</strong>

#### Principles of consolidation

The consolidated financial statements of Council incorporates all entities controlled by Council as at 30 June 2021, 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.

### 6.3 Investment property

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Balance at beginning of the financial year	7,485	9,100	7,485	9,100
Fair value adjustments	(1,035)	(1,615)	(1,035)	(1,615)
<b>Balance at end of financial year</b>	<b>6,450</b>	<b>7,485</b>	<b>6,450</b>	<b>7,485</b>

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 D. Thai AAPI CPV (Australian Property Institute Member no. 3029). All tenant leases are on arm's length basis. Investment property is carried at fair value being \$6.45 million (2020, \$7.5 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 subsidiary are detailed in note 6.2.

#### (b) Key management personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

<b>Councillors</b>	Councillor Kate Hely	(9 – 22 November 2020, Mayor 23 November 2020 – 30 June 2021)
	Councillor Melina Sehr	(1 July 2020 – 30 June 2021)
	Councillor Matthew Koce	(1 July 2020 – 30 June 2021)
	Councillor Marcia Griffin	(1 July 2020 – 30 June 2021)
	Councillor Jami Klisaris	(1 July 2020 – 30 June 2021)
	Councillor Alexander Lew	(9 November 2020 – 30 June 2021)
	Councillor Polly Morgan	(9 November 2020 – 30 June 2021)
	Councillor Mike Scott	(9 November 2020 – 30 June 2021)
	Councillor Nicki Batagol	(9 November 2020 – 30 June 2021)
	Councillor Steve Stefanopoulos	(Mayor 1 July 2020 – 8 November 2020)
	Councillor John Chandler	(1 July 2020 – 8 November 2020)
	Councillor Glen Atwell	(1 July 2020 – 8 November 2020)
	Councillor Judy Hindle	(1 July 2020 – 8 November 2020)
	Councillor Sally Davis	(1 July 2020 – 8 November 2020)
<b>Chief Executive Officer</b>	Ms Jacqui Weatherill	(1 July 2020 – 30 June 2021)
<b>Director</b>	Ms Annaliese Battista	Director Planning and Place (27 January 2021 – 30 June 2021)
	Mr Rick Kwasek	Director Environment and Infrastructure (1 July 2020 – 30 June 2021)
	Ms Cath Harrod	Director Community and Wellbeing (1 July 2020 – 30 June 2021)
	Mr Greg Curcio	Director Engagement and Innovation (1 July 2020 – 30 June 2021)
	Mr Stuart Draffin	Director Planning and Place (1 July 2020 – 6 November 2020)
	Mr Christopher Balfour	Director Corporate Services (1 July 2020 – 12 February 2021)
<b>Chief Officers</b>	Ms Tracey Limpens	Chief of Staff (23 November 2020 – 30 June 2021)
	Ms Jacqui Campbell	Chief People Officer (23 November 2020 – 30 June 2021)
	Ms Julia Gallace	Chief Financial Officer (23 November 2020 – 30 June 2021)

Council	2021	2020
	No.	No.
Total number of Councillors	14	9
Total of Chief Executive Officer and other key management personnel	10	8
<b>Total key management personnel</b>	<b>24</b>	<b>17</b>



### (c) Remuneration of key management personnel

Total remuneration of key management personnel was as follows:

	2021	2020
	\$'000	\$'000
Short-term benefits	2,470	2,006
Post-employment benefits	212	190
Other long-term benefits	39	49
Termination benefits	197	-
<b>Total remuneration</b>	<b>2,917</b>	<b>2,246</b>

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

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

Council	2020	2019
	No.	No.
< \$10,000	1	-
\$10,000 – \$19,999	3	-
\$20,000 – \$29,999	4	-
\$30,000 – \$39,999	5	8
\$60,000 – \$69,999	1	1
\$70,000 – \$79,999	-	1
\$100,000 – \$109,999	1	1
\$120,000 – \$129,999	3	-
\$250,000 – \$259,999	-	1
\$260,000 – \$269,999	1	1
\$270,000 – \$279,999	-	2
\$280,000 – \$289,999	1	1
\$310,000 – \$319,999	1	-
\$340,000 – \$349,999*	1	-
\$370,000 – \$379,999	-	1
\$400,000 – \$409,999	1	-
\$460,000 – \$469,999*	1	-
	<b>24</b>	<b>17</b>

\*Includes termination payment

## Note 7 – People and relationships

Cont...

### (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:

Income Range:	Council		Consolidated	
	2021	2020	2021	2020
	No.	No.	No.	No.
< \$151,000 <sup>1,2</sup>	27	4	27	4
\$151,000 – \$159,999	2	1	2	1
\$160,000 – \$169,999	2	2	2	2
\$170,000 – \$179,999 <sup>1</sup>	3	3	3	3
\$180,000 – \$189,999	1	5	1	5
\$190,000 – \$199,999 <sup>1</sup>	7	5	7	5
\$200,000 – \$210,999	1	1	1	1
\$220,000 – \$229,999	1	-	1	-
	<b>44</b>	<b>21</b>	<b>44</b>	<b>21</b>
	\$'000	\$'000	\$'000	\$'000
<b>Total remuneration for the reporting year for Senior Officers included above, amounted to:</b>	<b>5,635</b>	<b>3,381</b>	<b>5,635</b>	<b>3,381</b>

1 Included five departed Senior Officers in these income ranges.

2 Included three Senior positions (Chief Financial Officer, Chief of People and Chief of Staff) who were not officially part of Executive Team until 23 November 2020.

## 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, Council rates, garbage collection fees and reimbursements from Prahran Market Pty Ltd	Management agreement	1,377
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	44
Reimbursement for capital improvements undertaken at Prahran Market	Management agreement	697

### (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	92
Capital contribution outstanding to Prahran Market Pty Ltd	Memorandum of understanding	101
Repairs, maintenance and other reimbursement outstanding to Prahran Market Pty Ltd	Memorandum of understanding	11

### (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 which is in overholding.

Prahran Market Pty Ltd had a variation of Lease Agreement with Stonnington City Council until 30 June 2019.

This is in overholding from 1 July 2019.

## 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 2020, same position).

##### Operating lease receivables

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 one and 10 years. All leases include a CPI based revision of the rental charge annually.

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

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Not later than one year	263	395	253	253
Later than one year and not later than five years	1,084	-	-	-
Later than five years	800	-	800	-
	<b>2,147</b>	<b>395</b>	<b>1,053</b>	<b>253</b>

#### (b) Contingent liabilities

##### 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 2020, 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. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

##### 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

In November 2017, the Victorian WorkCover Authority (the Authority) granted the Municipal Association of Victoria (MAV) a three-year self-insurance licence allowing it to provide workers' compensation insurance to Victorian councils. When the MAV WorkCare Scheme commenced, there were 31 inaugural members, including the MAV.

In accordance with the Authority's decision not to renew the MAV's self-insurance licence, the MAV WorkCare Scheme ceased operation on 30 June 2021. The MAV is continuing to support the orderly transition of claims management responsibilities to the Authority.

Council formally exited the MAV WorkCover scheme on 1 November 2020 after giving one year's notice on 30 October 2019. Following the decision by Council to withdraw from the MAV WorkCare Scheme, Council was obligated under the participation agreement to pay any required capital recovery payment relating to historical claims liabilities of the Scheme which was calculated at \$0.83 million. At the time of City of Stonnington's exit, the Scheme was in an inadequate funding position due largely to investment losses occurring in 2019-20 as a result of the COVID-19 pandemic.

City of Stonnington is now deemed to be a 'Former Participant' of the Scheme, on the understanding all WorkCover claims (tail claims) lodged prior to 31 October 2020 will remain under the management of the MAV workcover Scheme.

The MAV WorkCare Scheme participation agreement stated that each participant would 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 would continue whether or not the participant remained a participant in future insurance years.

The net financial impact on Council as a result of the cessation of the MAV WorkCare Scheme for the 2020-21 financial year is yet to be determined. Any obligation is dependent upon the Authority's initial actuarial assessment of the tail claims liabilities of the MAV WorkCare Scheme.

In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six-year liability period following the cessation of the MAV WorkCare Scheme. During the liability period, adjustment payments may be required (or received) by Council. The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by the Authority.



## 8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

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## 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 1989*. 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 per cent 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).

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.

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## Note 8 – Managing uncertainties

Cont...

### (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 + 0.25 per cent and - 0.25 per cent in market interest rates (AUD) from year-end rates of 0.50 per cent.

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

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## 8.4 Fair value measurement

### Fair value hierarchy

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

**Level 2** — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; 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 one to four 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.

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## 8.5 Events occurring after balance date

### COVID-19 Pandemic

The spread of COVID-19 has continued to severely impact Victoria's economy after balance date, with many businesses being forced to cease or limit operations for long or indefinite periods of time. On 14 July 2021 (lockdown 5.0) and 6 August 2021 (lockdown 6.0), if you live in Melbourne, Stage 4 restrictions were applied via extended snap lockdown periods.

The government has responded with monetary and fiscal interventions to stabilise economic conditions, however Council does not meet the criteria to access current government funding.

Council has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 30 June 2021 have been adjusted to reflect their impact.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses and vaccination program, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Council for future periods.

### Cyber Incident

City of Stonnington experienced an IT incident on 27 August 2021. Some systems have been disabled while the issue is being investigated and resolved. Essential services delivered by council remain operational.

Council is working with the appropriate State Government Agencies and our Cyber Insurance partner to investigate the incident, to ensure all Council data is secure.

Council has determined that this is a non-adjusting subsequent event. It is not possible to reliably estimate the impact at this stage.

## Note 9 – Other matters

### 9.1 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
<b>(a) Asset revaluation reserve</b>			
<b>2021</b>			
<b>Property</b>			
Land	1,127,888	89,303	1,217,191
Land under roads	305,560	51,150	356,710
Buildings*	188,288	(1,265)	187,023
Heritage buildings	16,922	-	16,922
	<b>1,638,658</b>	<b>139,188</b>	<b>1,777,846</b>
<b>Infrastructure</b>			
Roads, streets, rights of way and bridges	112,744	-	112,744
Other infrastructure	13,790	-	13,790
Drainage	35,658	818	36,476
Recreational, leisure and community	1,673	-	1,673
Parks, open space and streetscapes	5,840	-	5,840
	<b>169,705</b>	<b>818</b>	<b>170,523</b>
<b>Plant and equipment</b>			
Heritage plant and equipment	1,290	-	1,290
<b>Total asset revaluation reserve</b>	<b>1,809,653</b>	<b>140,006</b>	<b>1,949,660</b>
<b>2020</b>			
<b>Property</b>			
Land	1,113,311	14,577	1,127,889
Land under roads	305,560	-	305,560
Buildings	174,022	14,266	188,288
Heritage buildings	16,922	-	16,922
	<b>1,609,815</b>	<b>28,843</b>	<b>1,638,659</b>
<b>Infrastructure</b>			
Roads, streets, rights of way and bridges	112,744	-	112,744
Other infrastructure	12,182	1,608	13,790
Drainage	29,120	6,538	35,658
Recreational, leisure and community	1,673	-	1,673
Parks, open space and streetscapes	5,840	-	5,840
	<b>161,559</b>	<b>8,146</b>	<b>169,705</b>
<b>Plant and equipment</b>			
Heritage plant and equipment	1,290	-	1,290
<b>Total asset revaluation reserve</b>	<b>1,772,664</b>	<b>36,989</b>	<b>1,809,653</b>

\* Due to demolition of three Council buildings in 2020–21. These assets carried \$1.27 million of historical revaluation reserve balance. The decommission has led to a reduction of 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 million.

The asset revaluation reserve is used to record the movement in the fair value of Council's assets over time.



## 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
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>(b) Other reserves</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>
<b>2020</b>					
Open Space Reserve	43,352	13,257	(3,935)	52,674	52,674
Future Fund Reserve	19,578	3,000	(300)	22,278	22,278
Infrastructure - Roads Damaged Reserve	250	-	-	250	250
<b>Total other reserves</b>	<b>63,180</b>	<b>16,257</b>	<b>(4,235)</b>	<b>75,202</b>	<b>75,202</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.

## Note 9 – Other matters

Cont...

### 9.2 Reconciliation of cash flows from operating activities to surplus

	Council		Consolidated	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Surplus for the year	16,054	25,977	16,022	26,097
Depreciation/amortisation	20,791	20,790	21,079	21,079
Loss on disposal of property, infrastructure, plant and equipment	2,337	2,117	2,337	2,125
Share of net loss of joint operation accounted for by the equity method	1,360	143	1,360	143
Loss of sale in investment equity	-	230	-	230
Fair value adjustments for investment property	1,035	1,615	1,035	1,615
Rent abatement	38	361	38	361
<b>Change in assets and liabilities in relation to operating activities:</b>				
Decrease/(increase) in trade and other receivables	2,161	(2,467)	1,880	(2,702)
(Increase)/decrease in prepayments	(185)	1,916	(297)	1,746
(Increase)/decrease in accrued income	(431)	167	(431)	167
(Decrease)/increase in trade and other payables	1,743	(1,856)	1,767	(1,673)
(Decrease)/increase in other liabilities	5,045	4,160	5,198	4,139
Increase/(decrease) in provisions	989	360	1,041	405
<b>Net cash provided by operating activities</b>	<b>50,939</b>	<b>53,513</b>	<b>51,027</b>	<b>53,730</b>

### 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.

#### Accumulation

The Fund's accumulation categories receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2021, this was 9.5 per cent as required under Superannuation Guarantee (SG) legislation).

#### Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

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.

A triennial actuarial review for the Defined Benefit category as at 31 December 2020 was conducted and completed by the due date of 31 March 2021. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 109.6 per cent. The financial assumptions used to calculate the VBI were:

- » Net investment returns 6.5 per cent pa
- » Salary information 2.5 per cent pa for two years and 2.75 per cent pa thereafter
- » Price inflation (CPI) 2.0 per cent pa.

As at 30 June 2021, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. Vision Super has advised that the estimated VBI at 30 June 2021 was 109.7 per cent.

The VBI is used as the primary funding indicator. Because the VBI was above 100 per cent, 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

### 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 2021, this rate was 9.5 per cent of members' salaries (9.5 per cent in 2019-20). 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.

### 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 per cent.

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 2020 triennial 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. A 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:

	2020	2019
	\$m	\$m
A VBI surplus	100.0	151.3
A total service liability surplus	200.0	233.4
A discounted accrued benefits surplus	217.8	256.7

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 2020.

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 2020.

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 2020.

Council was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

### The 2021 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021.

### Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2020 are detailed below:

Scheme	Type of Scheme	Rate	2021 \$'000	2020 \$'000
Vision super	Defined benefit	9.50 per cent	451	559
Vision super	Accumulation fund	9.50 per cent	5,013	4,703

There were \$0.23 million contributions outstanding as at 30 June 2021.

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## Note 10 – Change in accounting policy

### **AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)**

Council has adopted AASB 1059 Service Concession Arrangements: Grantors, from 1 July 2020 and identified that there is no material impact on the transactions and balances recognised in the financial statements as the Council is not a grantor in a service concession arrangement.

### **AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material (applies 2020/21 for LG Sector)**

Council has adopted AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material, from 1 July 2020 and identified that there is no impact on the transactions and balances in the financial statements.

### **AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework (applies 2020/21 for LG Sector)**

Council has adopted AASB 2019-1 Amendments to Australian Accounting Standards – References to the Conceptual Framework from 1 July 2020 and identified that there is no impact on the transactions and balances in the financial statements.

**It is not expected that these standards will have any significant impact on Council.**

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### Visit us





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Prahran

Stonnington Depot  
(Administration Building)  
293 Tooronga Road, Malvern

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### Community Languages

Call the Stonnington Community Link,  
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Mandarin	普通話	9280 0730
Cantonese	廣東話	9280 0731
Greek	Ελληνικά	9280 0732
Italian	Italiano	9280 0733
Polish	Polski	9280 0734
Russian	Русский	9280 0735
Indonesian	Bahasa Indonesia	9280 0737
All other languages		9280 0736

### We are national relay service friendly

If you are deaf, or have a hearing impairment  
or speech impairment, contact us through  
the National Relay Service:

- » TTY user phone 133 677 then ask for  
8290 1333
- » Speak and Listen users phone  
1300 555 727 then ask for 8290 1333
- » Internet relay users connect to the NRS  
then ask for 8290 1333





City of  
**STONNINGTON**