

CITY OF MELBOURNE

ANNUAL REPORT 2009–10

TABLE OF CONTENTS

Purpose of this annual report	3
Measuring performance.....	3
City of Melbourne Vision, Mission and Values	5
Vision.....	5
Mission	5
Values.....	5
Realising our vision	6
Message from the Lord Mayor	7
Message from the Chief Executive Officer.....	8
Spotlight on Lean Thinking and community engagement.....	9
Lean Thinking	9
Community engagement	9
Some highlights for the year	11
PART ONE – AN OVERVIEW OF THE CITY OF MELBOURNE	15
Melbourne, Australia.....	16
Melbourne, the place.....	16
Melbourne, the people	17
Melbourne facts and figures	17
Melbourne stakeholders	17
Melbourne City Council	18
The council's role.....	18
Councillors' profiles.....	19
The council's decisions.....	22
Corporate governance	24
City of Melbourne, the organisation	32
Organisational profile	35
Awards	40
Events.....	41
PART TWO – OUR PERFORMANCE	43
City of Melbourne performance	44
Goal one – A city for people.....	45
Goal two – A creative city.....	51
Goal three – Economic prosperity.....	54
Goal four – A knowledge city	57
Goal five – An eco-city.....	59
Goal six – A connected city.....	66
Goal seven – Lead by example	68
Goal eight – Manage our resources well.....	70
City of Melbourne 2009–10 Performance Statement.....	73
Performance against Key Strategic Activities (KSAs).....	73
Best value	99
Victorian Local Government Indicators	102
About the Global Reporting Initiative	103
GRI content table.....	104
PART THREE – FINANCIAL STATEMENTS.....	106

PURPOSE OF THIS ANNUAL REPORT

This annual report documents the City of Melbourne's performance over the 2009–10 financial year against the eight goals of *Council Plan 2009–13* and the *2009–10 Annual Plan and Budget*. It includes issues that impact on the sustainability of our municipality and our organisation and outlines our sustainability performance.

The report comprises three main parts. The first part provides an overview of the City of Melbourne and the communities we serve (see page 15). The second part includes highlights of our performance against the *Council Plan 2009–13* goals and details of our performance against the key strategic activities of the *2009–10 Annual Plan and Budget* (see page 43). It also outlines our performance against strategic and global reporting indicators. The third part includes our financial statements (see page 107).

As part of our commitment to environmental sustainability, the City of Melbourne has printed a summary-only version of the annual report. The full annual report is available online at www.melbourne.vic.gov.au or by contacting 03 9658 9658.

The annual report meets our obligations under Section 131 of the *Local Government Act 1989* (Vic) and the requirements of the Global Reporting Initiative (GRI) framework for sustainability reporting.

Measuring performance

Success is measured by our performance against the goals of our *Council Plan 2009–13* which align directly with the goals of the *Future Melbourne Community Plan*. Future Melbourne's ambitious goals inspire us to improve the liveability and sustainability of our municipality. The *Annual Plan and Budget 2009–10* set the actions and results for the financial year.

Strategic indicators have been set to monitor progress against our *Council Plan 2009–13* and performance against these indicators is outlined within the second part of this report.

The United Nations Global Compact

The City of Melbourne was the first local government in the world to align with the United Nations Global Compact's 10 guiding operational principles covering human and labour rights and environmental protection. The City of Melbourne takes a collaborative approach to addressing the social, environmental and economic challenges facing our municipality and continues to support the development of the United Nations Global Compact Cities Program.

Sustainability reporting

Melbourne is a recognised leader in the field of environmental sustainability. We aim to improve the sustainability of the municipality's building stock, reduce carbon emissions, develop ways to capture, store and deliver potable water, better manage and improve the disposal of waste, and respond to the potential effects of climate change.

We follow the Global Reporting Initiative's sustainability reporting guidelines, which provide a framework to measure, track, report on and compare economic, environmental and social performance. The Global Reporting Initiative (GRI) is an independent program that provides one of the world's most widely used standards for sustainability reporting.

The GRI index (see page 105) shows where we have reported against the GRI's sustainability guidelines in this document.

We want your feedback

Residents, ratepayers, businesses, visitors, staff, partners and collaborators, sister cities, government departments and community agencies are all affected by the City of Melbourne's decisions. To improve our reporting on our performance, we are keen to hear your thoughts on this annual report. For more information and to provide feedback, please visit www.melbourne.vic.gov.au or phone us on 03 9658 9658.

CITY OF MELBOURNE VISION, MISSION AND VALUES

Vision

The City of Melbourne will strive to achieve the community's vision of a bold, inspirational and sustainable city.

Mission

The City of Melbourne will strive to achieve the community's vision of Melbourne as a bold and inspirational and sustainable city by:

- Making Melbourne great for **people** to live in and visit
- Achieving the **creative** potential of the city
- Protecting and strengthening the city's **economic prosperity**
- Making Melbourne a recognised **knowledge city** that supports innovation and technology
- Demonstrating leadership in ecological **sustainability**
- Working vigorously for a **connected** city which is safe and supports the efficient movement of people and freight
- **Leading by example** and **managing resources well**.

Values

For City of Melbourne employees and councillors to be the best at what they do and achieve the corporate vision and mission, their actions and decisions are guided by a set of five fundamental and unifying values; integrity, courage, accountability, respect and excellence.

Integrity: We take responsibility for our actions in an honest and transparent way

Courage: We dare to create new and better ways of doing business

Accountability: We take responsibility for decisions and actions to achieve agreed outcomes

Respect: We consider and understand the perspective and contribution of others

Excellence: We continuously improve our performance to achieve outstanding outcomes for Melbourne.

Realising our vision

Our *Council Plan 2009–13* identifies eight goals that will guide us towards our vision.

Our aspirations for the city are reflected in the first six goals. Our municipality will become:

1. a city for people
2. a creative city
3. economically prosperous
4. a knowledge city
5. an eco-city
6. a connected city.

A further two goals relate to our internal performance and give direction for the good governance and management of our organisation. The City of Melbourne will:

7. lead by example
8. manage our resources well.

MESSAGE FROM THE LORD MAYOR OF MELBOURNE

The past 12 months have been an exceptional time for Melbourne.

Prudent financial management means the council is on track to deliver \$1.3 billion in programs and services and around \$250 million in capital expenditure during our term.

Our annual report highlights the council's priorities and key strategies.

We are delivering.

We are redeveloping Swanston Street to become a world class promenade; working with a range of parties and agencies to improve city safety; supporting vulnerable members of our community; and creating opportunities for Melbourne in retail, hospitality, tourism and events.

We are working to protect and enhance our city for our 93,000 residents as well as the nearly 800,000 people who come into the city each day and the more than 300,000 people who visit our city each night.

Melbourne is an international player in sustainability. Our landmark 1200 Buildings program launched earlier this year will generate around \$2 billion in private sector investment and create around 8000 jobs over the life of the program.

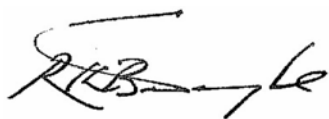
We are planning now for the development of our city through to 2050. Specifically, we have started a series of community consultations for Docklands Second Decade, the *Municipal Strategic Statement* and the *Southbank Structure Plan*.

Melbourne people will see more of this comprehensive style of consultation as we increasingly invite the community to be more actively involved in shaping the future of our city.

The Victorian Government has recognised our success and introduced new shared planning arrangements for buildings over 25,000 square meters. Also, the City of Melbourne is now the responsible authority for the developed areas of Docklands.

This year marks the 175th anniversary of our great city. Today Melbourne has a global reputation as a city of arts and culture, education, knowledge, dining, shopping and of course great sports events.

We are proud and excited to be shaping the future of our great city with all those who feel passionate about our city as I do.



Robert Doyle

Lord Mayor

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

The 2009–10 financial year has been a busy and exciting period for the City of Melbourne. The council has played a major role in shaping the city environmentally, socially and economically at a critical time for Melbourne. Our events, arts, design, sustainability, planning and organisational management activities have been recognised on national and international stages.

We delivered over 85 per cent of the 109 activities and initiatives contained in the council's *Annual Plan 2009–10* to 80 per cent or more complete. We also completed 100 per cent or close to it on almost all of the 11 key strategic areas identified by the council as high priorities, while still delivering an underlying surplus of \$15 million. The highlights of these achievements are contained in the pages of this report.

The City of Melbourne's key focus – driving organisational efficiencies – has reaped great results this year too. The implementation of a Lean Thinking program has successfully delivered productivity gains, customer satisfaction, savings and more than \$1 million additional revenue for the financial year. We are expanding the program to improve more streams of work into the next financial year.

In 2009–10 we delivered a new *Community Engagement* framework to guide and strengthen our consultation with communities and developed a *Customer Focus Strategy*, a three year plan to improve our service systems, processes and delivery. Furthermore our staff are trained and equipped with the skills required to deliver it.

I am pleased to report that our customers are telling us that we're doing a good job. The government's annual survey of residents' perception of our services shows us that our overall performance is higher than other Victorian councils. We also set the benchmark in local roads and footpaths, recreational facilities and economic development and support. It also shows that our efforts in community engagement are paying off as our scores in this area have improved since last year. We will use the survey results to monitor our improvement efforts in those areas where the scores were not as good.

Our internal *Culture Survey* once again demonstrated that we have a motivated workforce committed to the success of the City of Melbourne and who are prepared to go above and beyond to achieve our community's goals and objectives. The survey results have improved each year for the three years of the survey and the response rate from staff continues to increase. Furthermore, the City of Melbourne was once again recognised as a model best practice employer by winning the Victorian Government Fair and Flexible Employer Recognition Award 2010. We will continue our efforts in ensuring that the City of Melbourne can attract and retain the best people.

The partnership between the council and the staff is the key to our success. I would like to take this opportunity to personally thank the council for its guidance in setting a strong and inspirational plan for the City and City of Melbourne staff for their commitment to that plan and to Melbourne.



Dr Kathy Alexander

Chief Executive Officer

SPOTLIGHT ON LEAN THINKING AND COMMUNITY ENGAGEMENT

Lean Thinking

Lean Thinking is an improvement system which focuses on improving the quality, timeliness and cost of services we deliver from the perspective of the customer. The system provides a structure, techniques and tools for carrying out improvements. Its ultimate goal is to deliver increased satisfaction for our customers and staff. The City of Melbourne has been a pioneer in local government in Australia, fully embracing Lean Thinking as the continuous improvement model.

Lean Thinking within the City of Melbourne began in 2009, focussing on 10 organisational processes, incorporating many areas of the business including parking meters, child care, council reports and the recruitment process. One example of these improvements was the processing of construction zone permit applications. Prior to the application of Lean Thinking principles, the City of Melbourne took months to go through all the processes necessary to issue these permits. After applying Lean Thinking, the time has been reduced to around a fortnight. This is not only a major improvement for customers applying for permits, but also for drivers needing parking spaces, as the spaces are reinstated much earlier. In our childcare centres, the Lean Thinking project identified 60 per cent of payments were overdue at any one time. A more customer friendly online process has increased timely payments and freed staff from administration work to focus on more time on the children.

In 2009–10, the City of Melbourne Lean Thinking program has been coordinated by a dedicated team who provide guidance and support to managers. Our aim is to increase customer and staff satisfaction with improved services and processes, increase first time quality and timeliness, reduce costs and reduce the environmental impact. All process improvements must be measured against these outcomes.

In 2010–11, the City of Melbourne will continue to apply Lean Thinking across the organisation. Our aim is to transform our organisational culture such that Lean Thinking is the way things are done every day. Lean Thinking will be prevalent across the organisation, evidenced by supportive leaders who work with their teams to solve problems through the application of lean techniques. Because Lean Thinking focuses on processes from beginning to end we are also working with our external partners to ensure seamless service delivery for the benefit of our customers.

Community engagement

A better engaged community will result in improved policies and services that reflects the community's needs and aspirations. The City of Melbourne is committed to improving the way our community is informed and involved in the decision making process. This year we developed a community engagement framework to guide our activities.

The organisation has a dedicated community engagement team who ensures that community engagement activities are aligned to the framework.

Within the past year, nearly 200 City of Melbourne staff participated in community engagement training. A further 20 staff members participated in advanced training with the International Association for Public Participation (IAP2). The City of Melbourne uses the association's tools and resources to support its work and is guided by the association's core values for public participation. For further information about the IAP2 core values, visit www.iap2.org

Our efforts to improve the way we engage our community are reflected in our Community Satisfaction survey results this year. They indicate an improvement in the community's perceptions about how we engage them.

SOME HIGHLIGHTS FOR THE YEAR

This section provides a summary of our achievements. Additional detail on each of these achievements and other highlights are provided in section two of this report.

Our Goals	Highlights from 2009–10	Looking Ahead to 2010–11
<p>City for people</p>	<p>City safety</p> <p>To improve late night safety for city patrons, this year council installed two enhanced safe city taxi ranks at Queen Street and Flinders Street Station, St Kilda Road. Safer ranks mean that passengers can now wait for a taxi in a well-lit, secure area of the city. For further information about our city safety initiatives, see page 47.</p> <p>Caring for our Children and Youth</p> <p>This year, two plans were developed to cater for the present and future needs of our children and youth. Designed to complement one another, the <i>Children’s Plan 2010–13</i> caters for children up to the age of 12, and a <i>Young People’s Policy</i> is a plan for young people aged 12 to 25 years. Further information about these plans can be found on page 46.</p>	<p>Guided by the City of Melbourne’s <i>Community Infrastructure Implementation Framework</i>, a number of community infrastructure works will begin in 2010–11. Projects include design of the new Docklands library and upgrade works at Kensington Town Hall. Further information about community infrastructure works can be found on page 49.</p>
<p>A creative city</p>	<p>Signal arts facility</p> <p>The Signal youth arts studio, an older sibling to Art Play, was launched in February 2010. Purpose built for people aged 13 to 20, the studio provides opportunities for Melbourne’s youth to work with professional artists across all art forms and is a place for making, showing, inspiring and developing our city’s new creative talents. Further information about the Signal arts studio can be found on page 51.</p> <p>Arts House</p> <p>Partnership funding awarded to the City of Melbourne for Arts House Special Projects such as the Black Arm Band has increased by 98 per cent for 2009–10. A total of \$1.9 million in external funding was secured, primarily due to partnerships</p>	<p>Creative Spaces</p> <p>Creative Spaces is a City of Melbourne program established to assist artists and arts organisations to move to or stay within the municipality. Further information about Creative Spaces initiatives can be found on page 53.</p>

	<p>with the Fred Hollows Foundation, Playing Australia, Major Festivals Initiative, Melbourne International Arts Festival, Vic Health, British Council, Arts Victoria and the Australia Council for the Arts. Further information about Arts House can be found on page 52.</p>	
<p>Economic prosperity</p>	<p>Enterprise Melbourne</p> <p>A new economic development program was launched in September 2009. The new Enterprise Melbourne program not only promotes and facilitates economic development, it also provides a single point of entry for information relating to business and economic activity. Further information about Enterprise Melbourne can be found on page 54.</p> <p>Events in the city</p> <p>City of Melbourne events are a key way to engage the city in support of city businesses and contribute to our reputation as the events capital of Australia. In addition to our regular events calendar, the council has allocated additional funding to events such as Moomba, New Years Eve in the city and Melbourne Spring Fashion Week. Further information about events in our city can be found on page 56.</p>	<p>Projects to support economic prosperity</p> <p>The City of Melbourne will continue to strengthen our local economy through a number of new initiatives including the implementation of a <i>Music Support Strategy</i> and the <i>International Engagement Framework</i>. Further information on these strategies can be found on page 56.</p>
<p>A knowledge city</p>	<p>International student program</p> <p>The City of Melbourne hosted a number of events this year aimed at enhancing the health, wellbeing and safety of international students who live in, work in, study in or visit our city. Programs included the International Student Tourism Volunteer Program and the Melbourne Student Welcome event. Further information on these programs can be found on page 57.</p>	<p>The third World Knowledge Cities Summit</p> <p>The third World Knowledge Cities Summit will be held in Melbourne from 16–19 November 2010. This summit will enhance Melbourne’s reputation and showcase how Melbourne has progressed as a successful Knowledge City. Further information about the third World Knowledge Cities Summit can be found on page 57.</p>

<p>An eco-city</p>	<p>1200 Buildings Program</p> <p>The commercial building sector accounts for 48 per cent of all greenhouse gas emitted across the City of Melbourne. As one of the primary sources, the City of Melbourne has launched the 1200 Buildings Program. The program aims to improve the environmental performance of 1200 buildings by an estimated 38 per cent, thereby reducing greenhouse gas emissions by a potential 383,000 tonnes per year. Further information about the 1200 Buildings Program can be found on page 59.</p> <p>Drought-proofing Melbourne’s parks and gardens</p> <p>Drought has continued to affect many of Melbourne’s parks and gardens. This year the City of Melbourne has implemented drought-proofing initiatives in six of our major parks and gardens. To learn more about these initiatives see page 59.</p>	<p>New tree plantings</p> <p>Drought proofing work will continue in 2010–11 as part of the City of Melbourne’s climate change adaptation program. Under this program, \$5.7 million has been allocated to commence further stormwater harvesting works in the Fitzroy Gardens, enhancing the protection of Melbourne’s drought ravaged trees and to develop new landscapes and streetscapes that are more suited to future climate conditions.</p>
<p>A connected city</p>	<p>Revitalising Swanston Street</p> <p>Swanston Street is one of the city’s busiest streets running through the central city. The City of Melbourne has sought feedback from key stakeholders on how we could revitalise Swanston Street into a more attractive and accessible street. Delivered in a staged approach, the City of Melbourne will begin stage 1 in 2010–11.</p> <p>New bike pod facility</p> <p>Melbourne’s first bike pod, providing public shower and change facilities for cyclists who ride into the city each day, was launched this year. The bike pod, located at the City Square car park, will overcome the shortfall of change and storage facilities for cyclists in the city. Further information about the new bike pod can be found on page 66.</p>	<p>Review of the Melbourne Transport Strategy</p> <p>In 2006 the municipal transport strategy, <i>Moving People & Freight</i>, was developed to guide the council’s decision making regarding improved mobility and access to and around the City of Melbourne. The City of Melbourne will review this strategy in 2010–11 to ensure Melbourne is well placed to deal with some of the big challenges facing the City over the next 20 years.</p>

<p>Lead by example</p>	<p>Recognising our achievements</p> <p>The City of Melbourne received numerous acknowledgments and awards for excellence and innovation this year. In particular, we were awarded the 2009 Victorian Government Fair and Flexible Employer Award and the 2009 International Education Association of Australia Award for the 2009 Welcome to International Students. A list of all our acknowledgments and awards from 2009–10 can be found on page 40.</p> <p>Transforming Australian cities study</p> <p>Delivered in partnership with the Victorian Department of Transport, a long term strategic population study and report was completed this year. The <i>Transforming Australian Cities</i> report outlines options to transform metropolitan Melbourne to accommodate the projected population of five million by 2029. Further information about Transforming Australian Cities can be found on page 68.</p>	<p>City of Melbourne, a centre for learning excellence</p> <p>In order to expand our current service provision, the City of Melbourne will develop a feasibility study to investigate the opportunity to create a centre for learning excellence as a Registered Training Organisation. Further information about this initiative can be found on page 69.</p>
<p>Manage our resources well</p>	<p>Customer focus strategy</p> <p>This year the City of Melbourne introduced a new <i>Customer Focus Strategy</i>, outlining our commitment to being a leading customer-focused organisation. By engaging with the community, delivering simplified processes and exceeding expectations, we are committed to high quality customer service guided by our corporate values, and our customers’ needs and preferences. Further information about our Customer Focus Strategy can be found on page 70.</p> <p>Zero based budgeting</p> <p>In 2009–10, the City of Melbourne introduced a new zero based approach to budgeting. As an introductory year, it was prudent to limit the scope to four branches. The positive results that came from zero based budgeting included enhanced transparency of the council’s expenditure, detailed justifications for budget allocations and an increased level of savings. Given the positive outcomes, the council is looking to continue with zero based budgeting next year. This approach to budgeting is another way that council works to ensure a financially well managed organisation.</p>	<p>Lean Thinking program for 2010–11</p> <p>In 2010–11 the Lean Thinking program will focus on organisational wide culture change. We will focus on improving processes involving contractors and our own staff to ensure seamless services to our customers.</p>

PART ONE

An overview of the City of Melbourne

MELBOURNE, AUSTRALIA

Melbourne, the place

Melbourne is the capital of Victoria and Australia’s second largest city. It sits on the south-east edge of our continent on the shores of one of the world’s largest bays, Port Phillip Bay.

The municipality of Melbourne has a residential population of about 93,000 and covers 37.6 km². It is the anchor of the much larger Melbourne metropolitan region which has a population of four million people and spreads more than 40 km to the south, 30 km to the east and 20 km to the north.

City workers and visitors swell the municipality’s population to around 770,000 during week days and on weekend evenings more than 300,000 people visit the city.

Melbourne is the gateway to Victoria, the seat of the Victorian Government and a major city in the global economy. It has a strong export focus and is a leader in education, retail and major events.

The municipality has changed dramatically over the last decade with over 100 new commercial and residential buildings added, including extensive development at its waterfront suburbs, Docklands and Southbank.

Melbourne offers the best of many worlds with magnificent tree-lined boulevards, a mix of classic and modern architecture and a unique blend of Asian and European style. Melbourne is consistently ranked as one of the world's most liveable cities by the Economic Intelligence Unit.



Melbourne, the people

The municipality of Melbourne has approximately 93,000 people and is culturally, very diverse. Just under half the residents were born overseas or have at least one parent born overseas. A third speak a language other than English at home with Mandarin the most common language spoken.

The city also has the youngest population of the wider Melbourne metropolitan area, with a median age of 28 years. Almost 30 per cent of residents are aged between 25 and 34 years. More than 18,000 of our residents are international students.

Melbourne facts and figures

- Median house price: \$790,500 (March 2009)
- 145,000 café and restaurant seats for diners
- More than one million international visitors per year
- 568 hectares of parkland
- 16,800 businesses located in the city
- Key industry sectors: advanced manufacturing, biotechnology, finance and business services, environment services, creative industries, higher education, information and communication technology, hospitality and retail.

The City of Melbourne's extensive research program has a large collection of statistics, maps, area profiles and other information about Melbourne. Visit www.melbourne.vic.gov.au for more details.

Melbourne stakeholders

Our stakeholders include anyone with an interest in what we do and the services and programs we provide. They are:

- our local community, including residents, ratepayers, businesses, workers, students, visitors, unions, the media, community groups and associations, the education sector and other local government authorities
- our working partners, including other government bodies and agencies, our suppliers and consultants, neighbouring communities, the business community and others
- our global partners, including our city partners, investors, event organisers and others.

We work with stakeholders in many ways. Our community engagement framework guides the way we communicate with our stakeholders, from how we conduct formal consultations on significant policies (see page 69), programs and services, to specific issue advisory groups and our daily interactions with those who use our services and facilities. These interactions provide an important insight into how we can continue to improve the quality of our services.

MELBOURNE CITY COUNCIL

Melbourne City Council is the local government body responsible for the municipality of Melbourne. The council consists of a Lord Mayor and Deputy Lord Mayor (the leadership team) and seven councillors.

Under the provision of the *City of Melbourne Act 2001* (Vic):

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

The current council was elected for a four year term in November 2008. The next council election is scheduled for November 2012. Further information about local government elections is available from the Victorian Electoral Commission at www.vec.vic.gov.au

The council's role

The *Local Government Act 1989* (Vic) sets out the primary purposes and objectives of Melbourne City Council and defines its functions and powers. The council is a public statutory body incorporated under the Act. Its role is to govern the municipality of Melbourne in service of the community.

The council:

- acts as a representative government and considers community needs when making decisions
- establishes strategic objectives for municipal services and monitors their achievement
- ensures the responsible and accountable management of the City of Melbourne's resources
- advocates local community interests to other communities and governments
- is a responsible partner in government, taking the needs of other communities into account
- fosters community cohesion and encourages participation in civic life.

Councillors' profiles

Lord Mayor Robert Doyle

First elected in 2008.

The Lord Mayor is Chair of meetings of the Melbourne City Council and represents the City of Melbourne on the following advisory committees and external organisations:

- Council of Capital City Lord Mayors
- Shrine of Remembrance
- Australian Council of Local Government Steering Committee
- Lord Mayor's Charitable Foundation
- Enterprise Melbourne Advisory Board
- 1200 Buildings: Melbourne's Building Retrofit Project Steering Committee
- Audit Committee
- Business Partner City Network
- C40 Cities Climate Leadership Group
- Cancer Council of Victoria
- International Council for Local Environmental Initiatives (ICLEI) Australasian Mayors Council for Climate Protection Co-ordination Committee (Councillor Oke represents the Lord Mayor as proxy)
- Melbourne Arts Trust.

Deputy Lord Mayor Susan Riley

Served as Deputy Lord Mayor, 2001–04. Re-elected in 2008.

The Deputy Lord Mayor is Deputy Chair of the Future Melbourne Committee and represents the City of Melbourne on the following advisory committees and external organisations:

- Audit Committee
- Inner South Metropolitan Mayors' Forum
- Major Projects Advisory Committee
- Melbourne Awards Advisory Board
- Melbourne Arts Trust
- Melbourne Retail Advisory Board 2009–12 (Deputy Chair)
- Melbourne Spring Fashion Week Advisory Board (Deputy Chair)
- Moomba Advisory Board
- Police Community Consultative Committee – Central Activities District
- Procurement Australia
- Shine of Remembrance – Remembrance Day Dinner Committee
- Lady Mayoress' Committee (Acting Chair)
- Enterprise Melbourne Advisory Board.

Councillor Peter Clarke

First elected in 2004 and re-elected in 2008.

Cr Clarke is Chair of the Future Melbourne (Planning) Committee and is the council's representative on the Inner Melbourne Action Plan Implementation Committee. Cr Clarke represents the City of Melbourne on the following advisory committees and external organisations:

- Central City Standing Advisory Committee
- City Licensing Approvals Forum
- Hoddle Street Study Stakeholder Advisory Group
- Inner South Metropolitan Mayors' Forum
- Major Projects Advisory Committee.

Councillor Carl Jetter

First elected in 2004 and re-elected in 2008.

Cr Jetter is Chair of the Future Melbourne (Economic Development and Knowledge City) Committee and currently represents the City of Melbourne on the following advisory committees and external organisations:

- City Licensing Approvals Forum
- Melbourne Day Committee
- Melbourne Hospitality Advisory Board 2009–12
- Moomba Advisory Board
- Melbourne Awards Advisory Board
- Enterprise Melbourne Advisory Board

Councillor Jennifer Kanis

First elected in 2008.

Cr Kanis is Chair of the Future Melbourne (People and Creative City) Committee, Deputy Chair of the Future Melbourne (Planning) Committee and represents the City of Melbourne on the following advisory committees and external organisations:

- Disability Advisory Committee
- Family and Children's Advisory Committee
- Housing Choices Australia
- Indigenous Advisory Panel
- Melbourne Music Steering Committee
- Melbourne Symphony Orchestra
- Parks and Gardens Advisory Committee
- Queen Victorian Market Sub-Committee
- Central City Standing Advisory Committee (alternate).

Councillor Kevin Louey

First elected in 2008.

Cr Louey is Chair of the Future Melbourne (Connected City) Committee and Co-Chair of the Docklands Co-ordination Committee. Cr Louey also represents the City of Melbourne on the external Metropolitan Transport Forum.

Councillor Cathy Oke

First elected in 2008

Cr Oke is Chair of the Future Melbourne (Eco-City) Committee, Deputy Chair of the Future Melbourne (Connected City) Committee, Deputy Co-Chair of the Docklands Coordination Committee and represents the City of Melbourne on the following advisory committees and external organisations:

- Bicycle Reference Group
- ICLEI Australia/New Zealand Oceania Board
- ICLEI Executive Committee
- Melbourne Music Steering Committee
- Metropolitan Waste Management Group
- Moonee Ponds Creek Coordination Committee
- Parks and Gardens Advisory Committee
- Queen Victoria Market Sub-Committee
- Victorian Road Based Public Transport Advisory Council
- Water Reference Group
- Yarra Park Advisory Committee.

Councillor Ken Ong

First elected in 2008.

Cr Ong is Deputy Chair of the Future Melbourne (Economic Development and Knowledge City) Committee, Deputy Chair of the Future Melbourne (Finance and Governance) Committee and Deputy Chair of the Future Melbourne (People and Creative City) Committee. Cr Ong also represents the City of Melbourne on the following advisory committees and external organisations:

- Committee for Melbourne
- Community Infrastructure Working Group
- District Precinct Program 2007–10
- Litter Advocates Group
- Major Projects Advisory Committee
- Metropolitan Waste Management Group
- Moomba Advisory Board.

Councillor Brian Shanahan

First elected in 2004 and re-elected in 2008.

Cr Shanahan is Chair of the Future Melbourne (Finance and Governance) Committee, Deputy Chair of the Future Melbourne (Eco-City) Committee and currently represents the City of Melbourne on the following advisory committees and external organisations:

- Vice President Association of Bayside Municipalities
- Audit Committee
- Major Projects Advisory Committee
- Melbourne Arts Trust
- North Melbourne Recreation Reserve Landscape Plan Advisory Committee
- Queen Victoria Market Sub-Committee
- Victorian Local Governance Association.

The council's decisions

Councillors make decisions at council meetings and delegated committee meetings. Committee meeting decisions are subject to a 'referral notice process' meaning that where fewer than five committee members vote in favour of a motion, members have the option of referring the matter to the next council meeting for decisions.

Delegations

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

Relationship with other tiers of government

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

Subsidiaries and trusts

The City of Melbourne has three wholly owned subsidiaries:

- CityWide Service Solutions Pty Ltd, a company established to provide contract services on a competitive basis to local government and other public and private sector clients
- Queen Victoria Market Pty Ltd, a company established to manage and develop the Queen Victoria Market
- Melbourne Wholesale Fish Market Pty Ltd, a company established to manage and develop the operation of the wholesale fish market activities. The company has a landlord role at the market. The trading of fish is carried out by the tenants.

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

- the Sustainable Melbourne Fund (the City of Melbourne holds all units in this trust), a strategic trust established to support and promote sustainable development
- the Regent Management Company Limited. Shared with the State Government, the City of Melbourne has a 50 per cent interest in this company, established to manage the historic Regent Theatre in Collins Street, Melbourne
- MAPS Group Limited trading as Procurement Australia. The City of Melbourne is majority shareholder of this company.

Member, Council of Capital City Lord Mayors

The Lord Mayor of Melbourne is a member of the Council of Capital City Lord Mayors, which comprises the lord mayors of all capital cities and the ACT's Minister for Territory and Municipal Services. It coordinates and represents the special interests of Australia's state and territory capital cities and their relations with other spheres of government.

Partner, Inner Melbourne Action Plan (IMAP)

The Inner Melbourne Action Plan (IMAP) is an initiative of the local governments of Melbourne, Yarra, Port Phillip and Stonnington to make the inner Melbourne region more liveable. IMAP coordinates the implementation of 11 regional strategies, which focus on priority areas including affordable housing, environmental improvements, tourism and sustainable transport.

Participation in council

The City of Melbourne welcomes attendance and participation at council and committee meetings. Members of the public can make submissions to the council or a committee on matters listed on meeting agendas. A register of public submissions made under Section 223 of the *Local Government Act 1989* (Vic) is available for viewing at the City of Melbourne's offices.

Records of meetings, details of how to participate in a council or committee meeting and meeting dates and times are available on the City of Melbourne website www.melbourne.vic.gov.au

CORPORATE GOVERNANCE

Corporate governance encompasses the processes, protocols, conduct and relationships that guide the Melbourne City Council's actions and decision-making. Some mechanisms of governance are legislative requirements and others are the council's initiatives.

Councillor conduct

The City of Melbourne's *Councillor Code of Conduct* outlines the role of the council and provides an overview of the councillors' responsibilities in accordance with the *Local Government Act 1989* (Vic). The code includes guidelines for rules of conduct, decision-making and use of the City of Melbourne's resources. It also includes procedures for disclosure of interests and conflicts of interest that go beyond legislative requirements. There were no known breaches of the code by councillors in 2009–10.

Council meetings

The council generally meets monthly, with a schedule of meeting dates available on notice boards at the Melbourne Town Hall, North Melbourne Library, East Melbourne Library, City Library, Carlton Baths Community Centre, the Hub at Docklands and the City of Melbourne website.

All meetings of the council and its committees are conducted in accordance with the *Conduct of Meetings Local Law 2001*. While meetings are open to the public and the public is encouraged to attend, the council may close any meeting to the public to discuss any of the following:

- personnel matters
- the personal hardship of any resident or ratepayer
- industrial matters
- contractual matters
- proposed developments
- legal advice
- matters affecting the security of municipal property
- any other matter which the council or special committee considers would prejudice the council or any person
- a resolution to close the meeting to members of the public.

Council special committees

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

- Future Melbourne Committee
- Docklands Coordination Committee
- Inner Melbourne Action Plan Implementation Committee.

During 2009–10 the council established the Future Melbourne Committee and dissolved the following committees:

- Planning Committee
- Finance and Governance Committee
- Connected City Committee
- Eco-city Committee
- Economic Development and Knowledge City Committee
- People and Creative City Committee.

The Future Melbourne Committee (meets twice monthly)

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

- Planning:
- Connected City
- Eco-city
- Economic Development and Knowledge City
- People and Creative City
- Finance and Governance

All councillors participate in the Future Melbourne Committee.

Docklands Coordination Committee (meets quarterly)

This committee manages coordination between the City of Melbourne and VicUrban to ensure an open public discussion in this developing area. The committee, which includes senior representatives from both the City of Melbourne and VicUrban, meets quarterly to monitor place management services within the coordination area.

Inner Melbourne Action Plan Implementation Committee (meets quarterly)

This committee has delegated powers, duties and functions directly relating to, or ancillary to, overseeing implementation of the Inner Melbourne Action Plan in accordance with the agreed three year implementation program. The committee comprises representatives from the local governments of Melbourne, Port Phillip, Stonnington and Yarra.

Council and committee meeting attendance: 1 July 2009 to 30 June 2010

	Number of meetings	LM Robert Doyle	DLM Susan Riley	Cr Peter Clarke	Cr Carl Jetter	Cr Jennifer Kanis	Cr Kevin Louey	Cr Cathy Oke	Cr Ken Ong	Cr Brian Shanahan
Melbourne City Council meetings	13	10	13	13	11	12	12	12	12	11
Committee meetings										
Finance and Governance (dissolved February 2010)	7	5	6	5	7	6	6	6	6	7
Planning (dissolved February 2010)	6	4	5	5	5	6	6	6	6	6
People and Creative City (dissolved December 2009)	5	4	4	3	5	5	4	4	4	4
Economic Development and Knowledge City (dissolved December 2009)	3	2	3	1	3	2	3	2	3	3
Connected City (dissolved December 2009)	2	1	2	1	1	2	2	2	2	2
Eco-city (dissolved December 2009)	3	1	2	3	3	3	3	3	3	3
Future Melbourne (established December 2009)	12	11	12	12	9	12	12	12	12	11
Inner Melbourne Action Plan	4	..	..	3	..	..	..	..	..	..
Docklands Coordination	4	..	..	..	..	..	3	*	..	..

.. Not a member

* Alternate member

In many cases, absence from committee and council meetings is a result of Councillors being required to represent the city on other council business.

Councillor allowances

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

The allowances are:

- Lord Mayor: \$151,598
- Deputy Lord Mayor: \$62,013
- Councillors: \$34,440.

Expenses

Councillors incur expenses in the course of fulfilling their roles. Expenditure is regulated by the *Councillor Expenses and Resources Guidelines*, as endorsed by the Finance and Governance Committee and consistent with Section 75 of the *Local Government Act 1989 (Vic)*. Councillor expenses are reported in detail every quarter on the City of Melbourne website.

Legislative compliance

Freedom of information

The *Freedom of Information Act 1982 (Vic)* gives any individual or organisation the right to access information held by the City of Melbourne unless that information is deemed exempt under the Act.

In 2009–10 the City of Melbourne received 42 valid applications seeking documents about building and planning matters, parking infringements and the costs and activities of councillors and officers. The number of requests received was less than the previous financial year's total of 50.

There was one request for an internal review in 2009–10. The outcome of the review was that the original decision was varied. No applicant appealed to the Victorian Civil and Administrative Tribunal and no complaints were received by the Ombudsman.

The Act specifies a 45-day statutory time limit to process requests. The average processing time for requests received by the City of Melbourne in 2009–10 was 34 days.

National Competition Policy compliance

The City of Melbourne complied with the requirements of the National Competition Policy Principles in 2009–10, which covers compliance in trade practices, local laws and competitive neutrality.

Privacy Act

Standards set out by the *Information Privacy Act 2000 (Vic)* and the City of Melbourne's *Privacy Policy Statement* control how we manage personal information. Privacy compliance is included in our staff induction program. We have a dedicated privacy officer within our Governance Services Branch to assist staff and members of the public with privacy-related queries or issues.

The City of Melbourne received two privacy complaints from members of the public during 2009–10. Both complaints were resolved.

Whistleblowers Protection Act 2001 (Vic)

Complaints about the improper conduct of any City of Melbourne officer can be made confidentially, under the *Whistleblowers Protection Act 2001 (Vic)*, to the Victorian Ombudsman or to any one of the following officers appointed to receive disclosures:

- Dr Kathy Alexander, Chief Executive Officer
- Linda Weatherson, Director, Community Development
- Jane Sharwood, Manager, Business and International.

In 2009–10, there were no disclosed matters referred to the City of Melbourne by the Ombudsman, or from the City of Melbourne to the Ombudsman.

Risk management

The City of Melbourne manages its risks to maximise opportunities and minimise losses. Risk management planning is done as an organisation-wide exercise, covering the top strategic risks plus operational and project risks. It is also part of the daily business activities of individual branches and contractors.

Risk management strategy, fraud awareness and training

The activities associated with the City of Melbourne's *Risk Management Strategy 2007–2010* were completed, and a new risk management strategy for 2010–13 was adopted. In 2009–10, risk exposures were updated and revised for all of the City of Melbourne's branches and recorded in the risk module of the organisation's integrated corporate business planning software. The Chief Executive Officer and directors undertook an annual major review of the top strategic risks, and these were reported to the Audit Committee, along with the wider organisational risks.

One major risk project undertaken during the year was the development and launch of a new risk and audit module. The modules were integrated with the organisation's business planning software and were launched in December 2009, replacing two existing databases and eliminating the need for a third database for occupational health and safety matters. The modules brought together planning, risk management and audit functions in a single application. This has improved the efficiency and effectiveness of risk reviews and management reporting.

As part of their induction after joining the City of Melbourne, new staff attended sessions to increase awareness of the signs and ways to address improper conduct and fraud. A range of other courses were conducted in 2009–10, such as an introduction to risk management, event risk management and trade practices in local government.

Insurance and risk financing

One new claim for the major insurance class of property was submitted to the City of Melbourne's insurers during 2009–10 following a major storm in March.

The cost of insurances to the City of Melbourne increased only marginally within expectations during 2009–10. This, in part, reflects the organisation's proactive approach managing risks and controlling any losses that arise.

Business continuity planning, crisis management and influenza pandemic

In 2009–10 the City of Melbourne finalised the *Corporate Business Continuity Plan* and updated its business continuity recovery plan, the *Information Technology Disaster Recovery Plan*, and conducted business impact analysis for each branch. This was in preparation for a large scale exercise to test the various plans, based around a simulated H1N1 influenza (swine flu) outbreak. This incorporated training and liaison with Victorian Government authorities, and other organisations including the City of Melbourne's major contractors. A detailed plan was then established to guide

next year's test exercises. A major revision of the City of Melbourne's *Crisis Management Manual* was also begun to ensure it is consistent with other plans.

Audit committee

In line with good governance practices and in accordance with Section 139 of the *Local Government Act 1989* (Vic), the City of Melbourne has operated an Audit Committee since 1996. The committee, formally appointed by the Melbourne City Council, oversees the activities of the City of Melbourne's external and internal auditors and gives independent advice to the Future Melbourne Committee on appropriate accounting, auditing, internal control, business risk management, compliance and reporting systems, processes and practices within the organisation.

The Audit Committee met five times during 2009–10. The committee considered and made recommendations to the council and City of Melbourne management on many issues including:

- internet security
- occupational health and safety
- the City of Melbourne's business continuity planning procedures
- the City of Melbourne's risk profile and legislative compliance frameworks
- statement of annual accounts and performance report for council, and reports on its wholly owned subsidiaries
- governance responsibilities applicable to associated entities and trusts in which the City of Melbourne has either an indirect interest or stake
- legal action reports
- procurement process compliance
- planning and building legislative compliance
- City of Melbourne's assurance processes.

Audit Committee members – Independent

Richard Moore – Chair

Richard was appointed to the Audit Committee in July 2009.

Qualifications:

- partner of PriceWaterhouseCoopers for 23 years
- five years Group Manager, Audit for the ANZ Banking Group
- extensive consulting and management experience in risk management and internal control.

Theresa Glab

Theresa was appointed to the Audit Committee in September 2008.

Qualifications:

- Masters in Accountancy
- Certified Practising Accountant
- Partner at Moore Stephens, Melbourne.

John Stewart

John was appointed to the Audit Committee in May 2010.

Qualifications:

- Director of BDO Kendalls 1986–2008 (BDO Kendalls provides expertise in a broad range of services, including audit, accounting, taxation, risk management, forensic and corporate advisory services)
- Board member of the Executive of BDO Kendalls for six years
- Chairman of the Audit Committee of Harness Racing Victoria
- Chairman of the Finance and Audit/Risk Committee of Ritchies Stores Pty Ltd.

Claire Filson

Claire Filson resigned from the Audit Committee in January 2010, having been a member since 2004, and was due to complete her second three-year period that commenced in August 2007.

Qualifications:

- Bachelor of Law; Masters of Business Administration
- experienced director and company secretary of both private and public organisations
- Director of the Southern Cross Station Authority where she chairs the Audit Committee
- Director of Emergency Services and State Superannuation Board and Audit Committee member.

Internal audit

The internal audit service helps the City of Melbourne, its management, and the management of its subsidiary companies, perform their responsibilities. The internal audit service helps us maintain an organisational environment with strong, relevant and effective internal controls.

The City of Melbourne's internal auditor reports to the Audit Committee. The service is contracted to Deloitte Touche Tohmatsu, which started its first three-year term in July 2009.

A strong internal control environment ensures our systems contribute effectively to management of operations. Services provided by the internal audit service include:

- risk assessment
- development and management of an audit program
- conducting audits and reviews
- reporting audit opinions, findings and recommendations
- presenting, discussing and providing advice on key issues.

External audit

The Victorian Auditor-General is responsible for the external audit of the City of Melbourne and its subsidiary companies. Our external audit focuses on three key areas:

- strategic planning
- detailed audit system testing
- review of financial statements.

Documents available for inspection

The *Local Government Act 1989* (Vic) requires the City of Melbourne to keep certain statutory registers and documents, which can be viewed on request, or in certain cases, on application. Available documents include:

- Council and committee meeting agendas and minutes
- list of special committees established or abolished
- agreements to establish regional libraries
- list of contracts valued at \$150,000 or more which the council entered into outside the competitive process, except Section 186(5) contracts
- names of councillors and City of Melbourne officers required to submit a return of interest and the date returns were submitted
- details of interstate and overseas travel by councillors and City of Melbourne officers
- details of senior officers' total salary packages
- details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the City of Melbourne (as lessor or lessee)
- list of donations and grants made by the City of Melbourne
- list of organisations of which the City of Melbourne is a member, and details of membership fees
- mayoral and councillor allowances
- register of authorised officers
- register of delegations
- *Whistleblowers Protection Act 2001* (Vic) procedures
- submissions received under Section 223 of the *Local Government Act 1989* (Vic)
- election campaign donation returns
- records of assemblies of councillors.

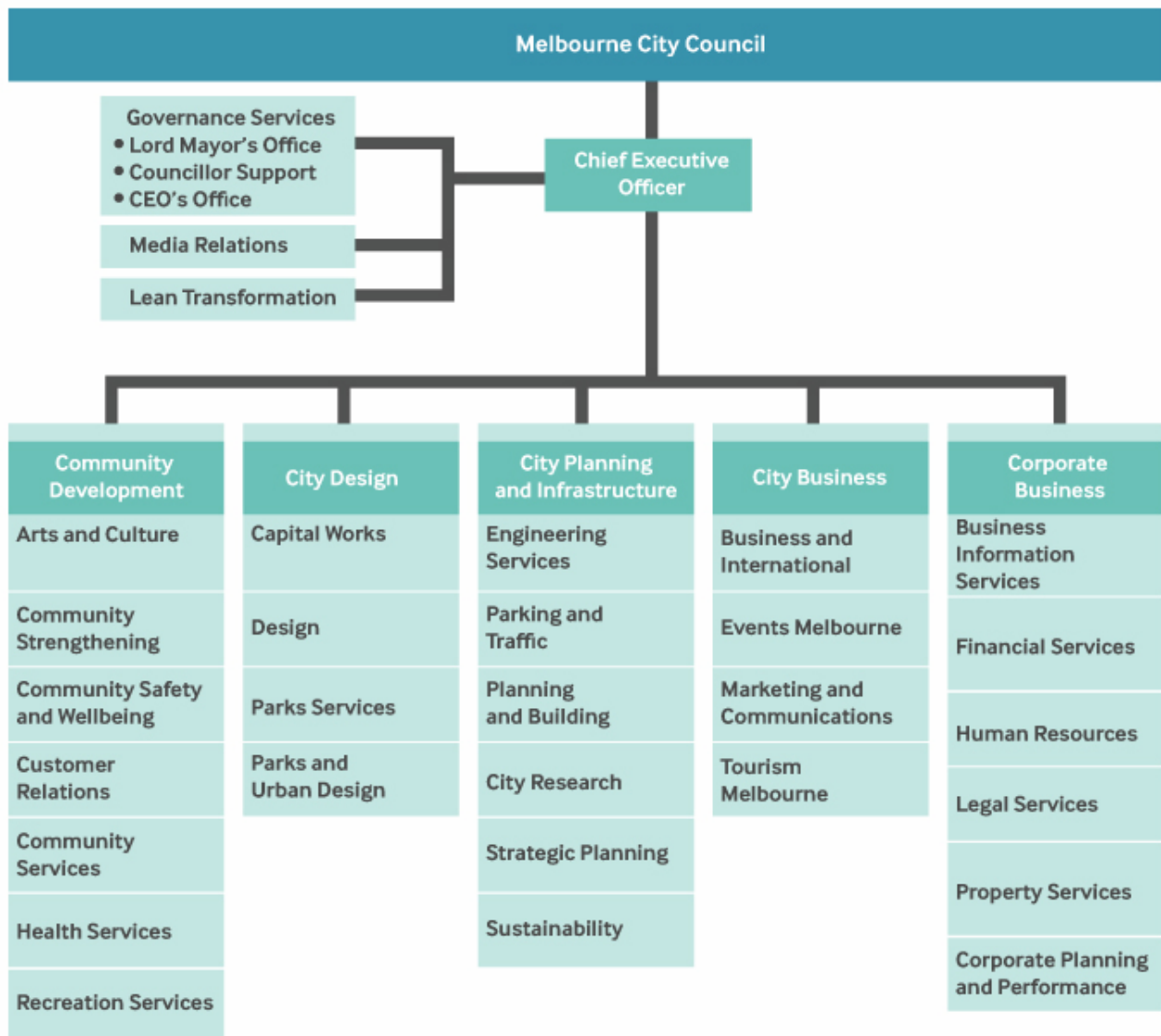
CITY OF MELBOURNE, THE ORGANISATION

Melbourne City Council (commonly known as the City of Melbourne) is a public statutory body corporate under the *Local Government Act 1989* (Vic). The Act sets out the primary purposes and objectives of the council, and defines its functions and powers.

The City of Melbourne’s headquarters is the Melbourne Town Hall in Swanston Street. The organisation also operates facilities, services and administration functions from more than 30 other locations including childcare centres, parks and gardens and swimming pools.

The City of Melbourne’s organisational structure consists of five divisions and 27 branches.

Organisation structure



Chief Executive Officer

Dr Kathy Alexander is the City of Melbourne's Chief Executive Officer (CEO). Her functions and powers are principally determined by the *Local Government Act 1989* (Vic) and include:

- establishing and maintaining organisational structures to implement the Melbourne City Council's decisions
- ensuring the council's decisions are implemented
- managing the organisation's day-to-day operations
- providing advice to the council
- appointing, directing and terminating staff, and managing all other issues that relate to staff.

The office of the CEO liaises with the offices of the Lord Mayor, Deputy Lord Mayor and councillors, the Australian and Victorian governments and other major community and corporate stakeholders. The CEO also attends council meetings.

Directors

The City of Melbourne has five divisions, each led by a director. The CEO and directors manage the City of Melbourne's operations and ensure the council receives the strategic information and advice it needs to plan for the municipality and make decisions. The divisions and their directors are:

City Design, Rob Adams AM

The City Design Division is responsible for developing strategic plans and urban design policy as well as delivering best practice in design, project management and parks services. This division delivers a range of projects and services for residents, workers and visitors to the municipality. The division has primary responsibility for Docklands and the coordination and delivery of major projects and the capital works program. It also ensures the City of Melbourne maintains its reputation as a leader in the sustainable design and management of public spaces.

City Business, Martin Cutter

The City Business Division focuses on supporting existing business and business development in Melbourne. The division contributes to positioning Melbourne as a world-class city in local, national and international markets through managing events, tourism services, international business relationships and marketing programs. The division works with a wide range of stakeholders including ratepayers, businesses, retailers, city visitors, tourists, sister cities, major sporting bodies and government departments.

City Planning and Infrastructure, Geoff Lawler

The City Planning and Infrastructure Division advises the council on research, city planning and the future sustainable development of Melbourne. It manages the City of Melbourne's built and constructed assets such as roads infrastructure and public buildings as well as municipal services such as parking and traffic management, and residential waste and street cleaning. This division also maintains municipal property information and administers local laws and regulations to develop, improve and protect the general amenity of the municipality. The director is responsible for the City of Melbourne's interests in the Sustainable Melbourne Fund and the Office of Knowledge Capital and is a member of the Inner Melbourne Action Plan Implementation Committee.

Community Development, Linda Weatherson

The Community Development Division plans and provides high quality, cost-effective and customer-focused human services to the community. The division assists the organisation with community engagement and provides the community with recreation services, health services, family and childrens services, aged care services, the library service and the customer relations service. This, coupled with the delivery of cultural programs, management of the municipality's cultural infrastructure and implementation of Melbourne's policy for the 24 city, enhances the City of Melbourne's reputation as a safe, attractive, liveable and accessible city.

Corporate Business, Mark Stoermer

The Corporate Business Division is primarily responsible for providing support services to the organisation. These services include legal advice, human resource management, information technology systems, corporate planning, financial reporting, property services and management of the municipality's financial assets. The division also plays a role in liaising with our wholly-owned subsidiaries which contribute more than four per cent of the City of Melbourne's revenue.

Organisational profile

Employment profile

Employment figures in this annual report are for City of Melbourne employees only and do not include employees of our subsidiary companies.

Staff profile

The majority of staff work in the central city, however some staff members are located at other sites across the municipality. As at 30 June 2010, the City of Melbourne employed 1253 people. We have:

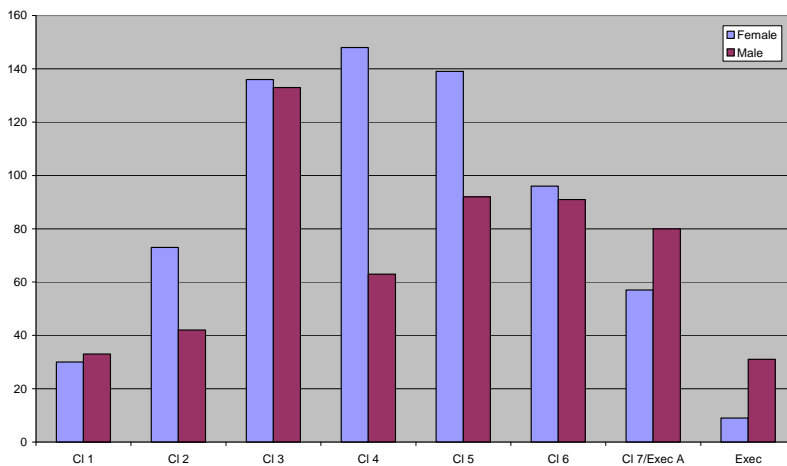
- 955 full-time staff
- 298 part-time staff

Of these, 149 are non-permanent staff, including:

- 107 maximum-term temporary
- 42 casual

The gender balance of staff at the City of Melbourne is split approximately 55 per cent female and 45 per cent male. Women hold 22 per cent of executive positions. Seventy five per cent of female staff and 67 per cent of male staff are employed in medium-paying positions ranging from classifications 3 to 6.

Figure 1. Employee classification by gender



Staff classifications

Class 1 and 2: child care workers, school crossing supervisors, fitness instructors, information officers

Class 3: child care workers, parking and traffic, office administrative support

Class 4: administrative support, immunisation nurses, environmental health, project officers

Class 5 and 6: professionals, analysts, programmers, technical staff, maternal and child health nurses, event managers

Class 7: team leaders and professionals

Executive: managers, directors and CEO.

Figure 2. Number of staff by age group

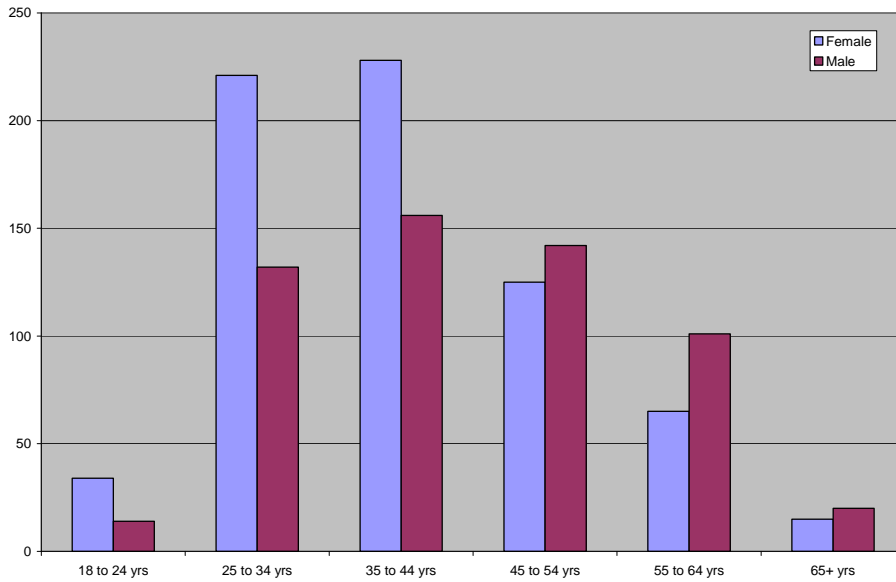
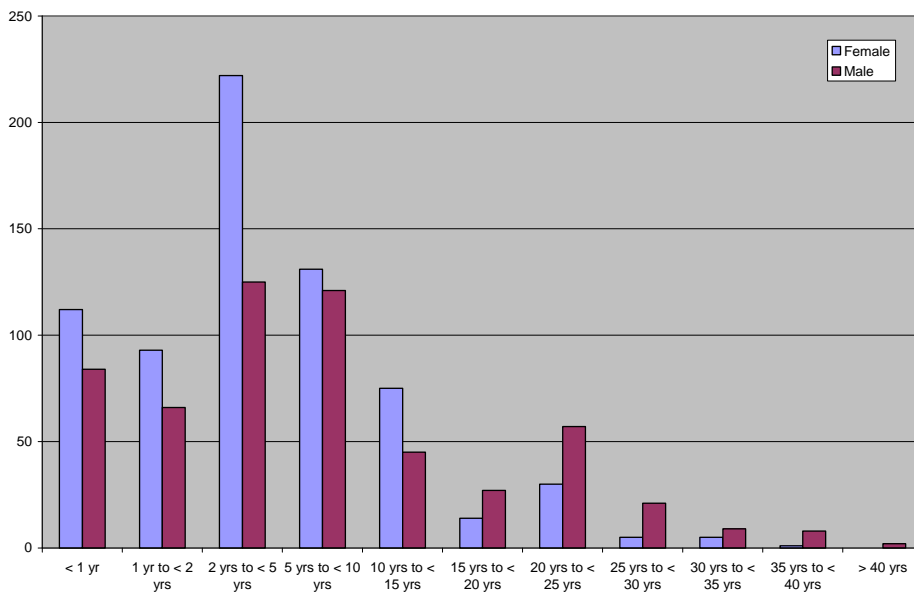


Figure 3. Number of staff by years of service



Work-life balance programs

At City of Melbourne we recognise that work is just one part of our employees' lives. The City of Melbourne has a number of support mechanisms to help staff manage a work-life balance. These programs include the Leap into Life program and an Executive Health program, through which we provide staff with information via educational sessions and online interactive tools.

Our employee recreation association, CoMLife, provides a range of health and wellbeing programs and social opportunities for staff. Membership of CoMLife has continued to grow in 2009–10. During the year the association provided discounted wellbeing classes, supported corporate sports teams, encouraged participation in charity events such as Movember and Cancer Council fundraising, and sourced discounts for staff on gym memberships, massages, sportswear and other health products. The CoMLife program also offers subsidised Melbourne social events, sporting events and entertainment tickets.

Staff retention

Improving staff retention rates is of high priority to the City of Melbourne. Although voluntary staff turnover has increased slightly this year, the increase is on par with industry trends following the global financial crisis of 2009. The staff turnover rate is still lower than it was between 2006–08 when it reached 12.7 per cent.

Figure 3. Staff turnover

	Positions advertised	Average applicants per position	Staff turnover (see note 1)	Absenteeism (see note 2)
2009–10	232	26	9.6%	2.8%
2008–09	222	28	7.9%	2.7%
2007–08	381	23	12.7%	3%
2006–07	164	34	12.7%	3.1%
2005–06	223	37	15%	3%

Note 1: Voluntary (resignations) turnover only

Note 2: Total sick leave absences as a percentage of ordinary time available

Occupational health, safety and wellbeing

The City of Melbourne manages risk and occupational hazards by continuously improving its work environment and occupational health and safety management system. Accreditation against SafetyMAP Fourth Edition – Advanced Level and Australian Standard AS/NZS 4801:2001 OHS Management Systems criteria has been maintained. The continuous improvement of our safety systems and processes across the organisation ensures our people are safe at work and also that safety is embedded in our workplace culture.

Staff development and support services

At the City of Melbourne, our staff are our most important asset and in addition to providing services to our community, the wellbeing of our staff is our highest priority. We are committed to developing our people through a range of leadership development programs, study assistance and corporate learning programs. In 2010, we had two teams represent the organisation in the Local Government

Managers Australia Challenge, an internationally acclaimed professional/team development program which aims to build future leaders within local government. One of our teams finished in first place, going on to represent Victoria in the Australasian finals.

A range of support services from career counselling to rehabilitation services are available for all staff. In 2009–10 the City of Melbourne supported staff to return to work following personal or work related illness or injury by providing:

- in-house allied health professional services
- access to specialists in occupational and environmental medicine
- early intervention strategies such as ergonomic reviews
- the development of return-to-work plans.

WorkCover claims

The City of Melbourne received 20 WorkCover claims in 2009–10. Our WorkCover premium continues to fall and is now at 0.64 per cent. This is significantly lower than the local government sector rate of 1.48 per cent.

The City of Melbourne has a proactive injury prevention strategy and adopts an early intervention approach to all work related injuries and illnesses by focussing on sustainable return-to-work programs.

Figure 4. WorkCover claims

Year	Standard claims	Minor claims	Premium inc. GST (\$)	Premium as % of remuneration
2009–10	16	4	599,653	0.64%
2008–09	3	5	754,000	0.65%
2007–08	8	17	767,000	0.88%
2006–07	7	19	940,000	1.15%
2005–06	12	13	1,141,000	1.51%

Source: Victorian WorkCover Authority

Equal Employment Opportunity Policy

The purpose of our *Equal Employment Opportunity Policy* is to prevent discrimination and harassment in the workplace. The City of Melbourne is an equal opportunity employer and is committed to the provision of a work environment that is safe and supportive, where individuals treat each other with respect. Our network of equal employment opportunity contact officers are trained to assist employees to identify options and resources to deal with workplace issues.

In 2008 we introduced an Indigenous traineeship program. Since its inception, six trainees have participated, with three trainees continuing during 2009–10. In addition, an integral part of the induction process for all new employees is a walk highlighting Melbourne's Indigenous heritage.

Our equal employment opportunity commitment sits within our *Workplace Diversity Framework* and addresses requirements under Schedule 6 of the *Local Government Act*.

Workplace diversity

Workplace diversity involves recognising the value of individual differences. Our *Workplace Diversity Framework* includes principles, objectives and strategies to increase the diversity of City of Melbourne staff. The framework builds on our existing values: integrity, courage, accountability, respect and excellence.

In April 2010 we undertook our first diversity census, inviting participation from all staff across the organisation. Our organisational strengths were that staff felt welcome and respected at work, and felt they were treated fairly. Staff also felt they had access to professional development and training opportunities, and felt safe from bullying and harassment.

This year, 2010, is the Year of Women in Local Government. The need to recognise, value and promote women in senior management and leadership roles within local government is as great as ever. As such, the City of Melbourne is initiating *My Mentor*, a women's development program.

In 2010 we won our second Fair and Flexible Employer Award from the Victorian Government, for developing innovative programs and practices to improve the work and family balance of our employees.

Enterprise bargaining agreement

The City of Melbourne has a collective bargaining agreement that covers approximately 90 per cent of employees. This bargaining agreement includes sustainability targets, work conditions and employee benefits. To maintain its position as a fair and flexible employer, the City of Melbourne monitors the operation and application of the agreement through a joint staff consultative committee that meets on a quarterly basis.

Awards

Victorian Branch of Environmental Health Australia award for Excellence in the category of Leadership and Strategic Planning. Awarded for the integration of the Municipal Health Plan with *Council Plan*

2009 Human Resources Leadership Award. Highly commended in the category of Best Health and Wellbeing Strategy

Winner of the 2010 Victorian Government Fair and Flexible Employer Award

Winner of the 2009 Victorian Red Cross 'Club Red' blood donation corporate challenge

Strategic Purchasing Award. Winner in the category of Collaboration for the *E-tendering and Information Hub* project

Australian Award for Urban Design for the *Transforming Australian Cities Study*

2009 Local Government Excellence in ICT Award. Outstanding achievement in managing IT disaster recovery

Victorian Stormwater Industry Association Award. Merit for Regional Action in Water Sensitive Urban Design

2009 Heart Foundation Local Government Award. Victorian winner and highly commended nationally in the category of Employee Health and Wellbeing

2009 Planning Institute of Australia Award. President's Award for the *Residential Intensification in Tramway Corridors* project

Australian National Parking Steering Group 2009 Local Government Award for Excellence in Customer Service

Australian Safer Communities Award. High commendation for the *CBD Safety Plan*

2009 International Education Association of Australia Award. Winner in the category of Best Practice/Innovation in International Education for the 2009 Welcome to International Students

Green Building Council of Australia Award. 6 Green Star rating for the City of Melbourne Council House 2 building

Events

The City of Melbourne presents and supports a range of events which contribute to the vitality of the city and to Melbourne's reputation as a world-class destination. Arts and culture, sports and family entertainment feature in this busy calendar.

(O) = City of Melbourne owned

(SFS) = City of Melbourne sponsored, funded or otherwise supported

July 2009

Circus Oz at Birrarung Marr (SFS)
Melbourne International Design Festival / State of Design Festival (SFS)
Melbourne Open House (SFS)
Welcome to International Students (O)
Melbourne International Film Festival (SFS)

August 2009

National Science Week at Queen Victorian Market (SFS)
Burke and Wills Expedition 150th Anniversary Commemorations (SFS)
Melbourne Awards 2009 (O)
Melbourne Day 2009 (O)
Melbourne Spring Fashion Week (O)

September 2009

Toyota AFL Finals Series (SFS)
International Public Works Conference (SFS)
Spring Into Shape (SFS)
Royal Melbourne Show (SFS)
Cubamemucho – International Cuban Dance Express (SFS)
The Age Melbourne Fringe Festival (SFS)
Toyota AFL Grand Final Parade (SFS)
Toyota AFL Grand Final Week and live site (SFS)
Toyota AFL Grand Final 2009 (SFS)
Earthdance Melbourne 2009 (SFS)
The Magic of Dance (part of Seniors Week) (SFS)
Victoria Dragon Boat – Corporate Team (SFS)

October 2009

Refugee Camp In Your City (SFS)
Spring Open Day 2009 (SFS)
Social Enterprise World Forum (SFS)
Melbourne International Arts Festival (SFS)
Diwali Festival 2009 (SFS)
St George Melbourne Marathon 2009 (SFS)
Jayco Herald Sun Tour (SFS)
National Ride to Work Day (SFS)

The 2009 City of Melbourne Women In Business Lunch (SFS)
Melbourne Cycling Festival (SFS)
Leonardo Da Vinci 'Anatomy To Robots' (SFS)
Around The Bay In A Day (SFS)
Festival Indonesia 2009 (SFS)
Community Safety Day (SFS)
Pink Breakfast (SFS)
Give It A Go (SFS)
Megaramp Throw Down Tour (SFS)

November 2009

Emirates Melbourne Cup Parade (SFS)
Melbourne Cup Carnival live sites and activities (SFS)
Emirates Melbourne Cup Day 2009 (SFS)
Crown Oaks Day (SFS)
Christmas – Santa's Grand Arrival (O)
Emirates Stakes Day (SFS)
Christmas – Tree Lighting Spectacular (O)
Myer Store Windows Launch (SFS)
Polish Festival (SFS)
Australasian World Music Expo (SFS)
Thessaloniki Festival (SFS)
Eureka Tower Charity Stair Climb (SFS)
The Olympic Dream (SFS)
Super Human: Revolution of the Species Symposium (SFS)
Rat Race Melbourne (SFS)
Women's Circus (SFS)
Victoria Dragon Boat – Corporate Team (SFS)
The Melbourne Movember Gala Parte (SFS)
ABN Amro Hockey Championships Trophy – Men Melbourne 2009 (SFS)

December 2009

Christmas – Advent Calendar (SFS)
LIME Connection III Conference (SFS)
Relay for Life (SFS)
125th Anniversary Christmas Extravaganza (SFS)
Victoria Dragon Boat – Docklands Cup (SFS)
Australian DanceSport Championships (SFS)

Australia Post Opera In The Bowl (SFS)
 50th Annual L'Oréal Paris AFI Awards (SFS)
 Fair@Square Fair Trade and Ethical Festival
 2009 (SFS)
 Chanukah in the City 2009 (SFS)
 Carols by Candlelight – live site (SFS)
 3 mobile Boxing Day Test Match (SFS)
 Melbourne Boxing Day Test – live site (SFS)
 Boxing Day Music Festival (SFS)
 New Year's Eve in the City (O)

January 2010

Summer Fun in the City (SFS)
 Australian Open (SFS)
 Audi Victoria Docklands Week (SFS)
 Australia Day (SFS)

February 2010

Melbourne International Boat and Lifestyle
 Festival (SFS)
 Chinese New Year Regatta – Yarra (SFS)
 Go The Tan (SFS)
 Russian Community Festival – Pancake Day
 2010 (SFS)
 Chinese New Year (SFS)
 Melbourne Wooden Boat Festival (SFS)
 Sustainable Living Festival 2010 (SFS)
 Australian Henley Regatta (SFS)
 Melbourne Summer Cycle 2010 (SFS)
 Movie Extra Tropfest (SFS)
 The Great Australian Sunny Sizzle (SFS)
 We Can Walk It Out (SFS)
 HYP Festival (SFS)

March 2010

Melbourne Storm Family Day, clinic and
 community services provisions for the 2010
 season (SFS)
 Moomba Festival (O)
 The Push/City of Melbourne Laneway Show
 (SFS)
 Welcome to International Students (O)
 Moomba Parade (O)
 Melbourne Food and Wine Festival 2010 (SFS)
 Herald Sun/Citylink Run For The Kids (SFS)
 L'Oréal Melbourne Fashion Festival 2010
 (SFS)
 Victoria Harbour School Sailing Series (SFS)
 Melbourne International Dragon Boat Festival
 (SFS)
 Melbourne City Romp (SFS)
 Thai Culture and Food Festival (SFS)

Melbourne International Flower and Garden
 Show (SFS)
 Alfa Romeo 100th Anniversary Celebration
 (SFS)
 Formula 1 Australian Grand Prix 2010 (SFS)
 Antipodes Festival (SFS)
 La Faya Festival 2010 (SFS)
 Melbourne International Comedy Festival 2010
 (SFS)
 The Carlton Outback Kids Project 2010 (SFS)

April 2010

Melbourne Vixens – Championship Season
 2010 (SFS)
 The Melbourne Latin Festival (SFS)
 Australian Men's and Mixed Netball
 Championships (SFS)
 Live Earth Run For Water (SFS)
 Anzac Day (O)
 Human Rights Arts and Film Festival (SFS)

May 2010

Melbourne International Jazz Festival (SFS)
 Dutch Orange Day (SFS)
 Mothers Day Classic (SFS)
 Law Week, Legal Laneway Breakfast (SFS)
 Buddha's Day and Multicultural Festival (SFS)
 Melbourne Italian Festival (SFS)

June 2010

Circus Oz at Birrarung Marr (SFS)
 The Light in Winter (SFS)
 Seasonal Stars (SFS)
 Melbourne Winter Masterpieces – European
 Masters: Stadel Museum (SFS)
 Sunday Markets Entertainment (O)

PART TWO – Our Performance

CITY OF MELBOURNE PERFORMANCE

Details of our performance in 2009–10 against *Council Plan 2009–2013* are outlined in this section. Our performance is reported against eight goals and includes our annual achievements, measures and future plans. We have also highlighted a community engagement activity related to each of the eight goals.

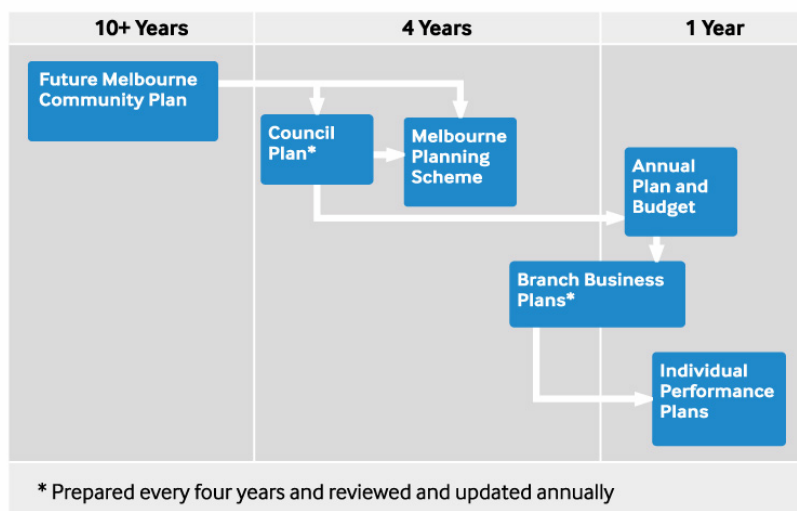
We aspire to be:

1. a city for people
2. a creative city
3. economic prosperity
4. a knowledge city
5. an eco-city
6. a connected city
7. an organisation that leads by example
8. an organisation that manages our resources well.

Percentage of Annual Plan and Budget 2009–10 activities and initiatives achieved

The City of Melbourne *Annual Plan and Budget 2009–10* set out an ambitious program of 109 activities and initiatives and 11 key strategic activities to be completed during the 2009–10 financial year over and above standard service delivery to the community. Eighty five per cent of these actions were either complete or more than 80 per cent complete as at 30 June 2010. The *Annual Plan and Budget 2009–10* is part of our integrated planning framework.

Integrated planning framework



Our achievements against the *Annual Plan and Budget 2009–10* can be found on the following pages.

GOAL ONE – A CITY FOR PEOPLE

The City of Melbourne has an important role in making the municipality great for people to live in and visit.

We recognise that we must address the needs of a growing population. We want people to experience our city's array of activities and to meet, play and relax in streets and public spaces that are safe, clean, inviting and alive.

To this end our strategies include providing relevant and affordable services, advocacy and community infrastructure. We promote and encourage healthy people and communities and want to ensure that our community cultures are celebrated, embraced and connected to the broader community.

HIGHLIGHTS

Melbourne Planning Scheme review

The City of Melbourne is required to review the Melbourne Planning Scheme every four years. This year a number of studies and reviews were completed, which have informed the review of the Melbourne Planning Scheme Municipal Strategic Statement. Projects completed this year include the draft *Student Housing Policy*, the *Industrial Land Supply Study*, a review of the draft *Urban Design Strategy* and a review of the *Central City Built Form Provisions*.

A vibrant, clean city

Following consultation with business and waste companies, the City of Melbourne adopted new commercial waste standards in December 2009. These new laws will ensure a more clean and welcoming city. All waste companies have now met their legal requirement to obtain a permit to collect waste and central city businesses are working to clean up their bins. Enforcement of the revised waste law began on 1 July 2010.

International Day of Persons with Disabilities

The International Day of Persons with Disabilities is held on 3 December each year. This year over 350 community members participated in a number of events across the municipality. Events included a live broadcast on disability issues at 3CR radio station, a dance event for deaf children, an inclusive theatre performance created by Carlton Neighbourhood Learning Centre and a youth live access event by Youth Disability Advocacy Services.

Our City - Disability Action Plan 2010–13

This year Council developed the Disability Action Plan 2010–2013. The plan sets out specific outcomes for places, people and partnerships within the City of Melbourne that will:

- Reduce and eliminate barriers in our facilities, programs, services and information mediums
- Lead the nation in provision of best practice in our universal access planning and service provision
- Strengthen advocacy and partnerships with other tiers of government, government departments and community stakeholders to address and eliminate barriers in our country

- Reinforce a culture that celebrates the diversity of all people who live, work, study or visit our city.

'Doin it again 4 Rec 2010' music event

Aimed at promoting Indigenous culture and reconciliation, a free music event was held at the Melbourne Town Hall in May 2010. Attended by more than 250 people and involving acts such as Indigenous hip hop artists and a cross-culture youth band, the event acknowledged the important role young people have in our community as future leaders and promoted the experiences of Aboriginal and Torres Strait Islander people.

Caring for our children and youth

This year, two plans were developed to cater for the present and future needs of our children and youth. Designed to complement one another, the *Children's Plan 2010–13* caters for children up to the age of 12, and a *Young People's Policy* is a plan for young people aged 12 to 25 years.

Both plans were developed through consultation with parents, children, young people, community organisations and service providers. Children talked about their ideas, and illustrated their comments regarding what they liked and disliked about living in the municipality of Melbourne with photographs and drawings. Proposed activities within the plans include new projects for youth street teams and a new Young Emerging Leaders Award Program.

The quality of the City of Melbourne's family and children's services was endorsed this year with our five child care centres maintaining accreditation and our family support and counselling service achieving high standards in the quality assurance review conducted in February 2010.

This year the City of Melbourne launched the *Your City Your Space* online forum, designed by and for young people. This forum ran for six weeks and had over 2400 unique visits. Five priority issues and solutions were identified by young people and will be delivered by the City of Melbourne from 2010 to 2012.

Aged care services

During 2009–10, the City of Melbourne prepared the 2010–13 action plan for the *Lifelong Melbourne* strategy for positive ageing. The plan was developed in consultation with almost 40 older residents who participated in a seniors forum held in March 2010 to discuss the goals of *Lifelong Melbourne* and to plan for improved services over the next three years.

In July 2009, the City of Melbourne assumed direct responsibility for the financial and operational management of the Carlton Senior Citizens' Centre. This has shifted responsibility from committee members who are now able to attend the centre to enjoy activities and friendship rather than spend time on ongoing administrative activities.

Renovation works took place at the Kensington Neighbourhood Centre to upgrade kitchen facilities to accommodate both the home delivered meals service as well as seniors groups' community lunches. New raised garden beds were also installed at this centre to transform unused outdoor space into a useable space for seniors.

New city planning advisory committee

In May 2010, the City of Melbourne formed a partnership with the Victorian Government to jointly assess town planning applications larger than 25,000 m².

Prior to this agreement, the Victorian Government was responsible for all major planning decisions in Melbourne. As an equal partner within the new city planning advisory

committee, the City of Melbourne now has a much greater say on development proposals within the heart of the city.

Responsible pet ownership

As required under the *Domestic Animals Act 1994*, the *2008–11 Domestic Animal Management Plan* was reviewed in November 2009. This review identified that no amendments to the plan were necessary. Animal management initiatives undertaken in 2009–10 included the implementation of a staff training program, a door knock program to encourage registrations, the purchase of dog bark count collars to assist with complaints and an increase in after-hours patrols of City of Melbourne parks and gardens.

Homelessness street count 2010

In the early hours of the morning on one day in June 2010, the City of Melbourne conducted the third annual street count, to gather information on the number of people sleeping rough on the streets. To conduct the count, teams of volunteers visited parks and streets in the central city, North Melbourne and West Melbourne, as well as Flagstaff and Fitzroy Gardens to count the number of homeless people sleeping in public spaces and survey them where possible. This year, 101 people were counted and 55 people surveyed. It is important that we build up data on how many people sleep outdoors and where they are sleeping, so we can continue to help them through projects and services.

The City of Melbourne provides funding for organisations that support people experiencing homelessness for example Dousta Galla community health service to provide meals and Front Yard youth services that provide a centralised service support for young people.

This year the City of Melbourne facilitated a homelessness summit and a round table discussion with key service provider agencies to discuss issues and key service gaps. The outcomes of the forum will inform the development of the new City of Melbourne homelessness strategy.

City safety

Aimed at strengthening city safety, two security vehicles fitted with 360 degree CCTV surveillance cameras were deployed to patrol Melbourne streets during January and February 2010. The mobile security vehicles have been a welcome addition to the City of Melbourne's 54 safe city cameras, with more than 1000 on-the-spot arrests being made in the last two years as a result of footage captured and provided to police. All recorded vision is strictly managed in accordance with council's current safe city camera usage protocols, to ensure compliance with privacy provisions. To improve late night safety for city patrons, this year council installed two enhanced safe city taxi ranks at Queen Street and Flinders Street Station, St Kilda Road. Safer ranks mean that passengers can now wait for a taxi in a well-lit, secure area of the city.

Grants and sponsorship program

The City of Melbourne Grants and Sponsorship Program puts power back into the hands of the community to enliven the municipality with diverse arts and cultural activities. It encourages physical activity and improved life for our community.

In 2009–10, 27 people participated in our new community grant training program. Subjects offered included training in how to write grant applications, Certificate IV in Governance and a specialist monitoring and evaluation module. This new training program is an example of the innovative ways in which we provide continuing support to our Active Melbourne, community services and arts grant recipients.

Green Light Eat Right program

Green Light Eat Right is a City of Melbourne program to help food outlets improve the nutritional value of their menus and enable consumers to make better food choices. The program was fully piloted this year at the Queen Victoria centre, located at the corner of Lonsdale Street and Swanston Street in Melbourne. Following the success of the pilot, the program has been adapted and applied at the North Melbourne pool, Carlton Baths and the Kensington Community Recreation Centre. The latest component of the program is the introduction of *Green Light, Eat Right* vending machines at Melbourne City Baths and the North Melbourne recreation centre.

Active Melbourne

The Active Melbourne program encourages all residents, city workers and visitors to be active regardless of age, gender, culture or ability. The municipality is home to a number of Victoria's major sporting and recreation centres including the MCG, the Melbourne Tennis Centre and Flemington Racecourse. Managed by the City of Melbourne, the North Melbourne Recreation Centre and Melbourne City Baths were this year accredited as two of the 10 Lifesaving Victoria platinum pools. The municipality is also rich with local community facilities including the North Melbourne Community Centre, the Kensington Community Recreation Centre and the Carlton Senior Citizens. These centres are home to community activities such as soccer, community groups and children's activities.

LOOKING AHEAD

Melbourne Planning Scheme review

The Melbourne Planning Scheme review began in 2009–10 and included the completion of the draft *Municipal Strategic Statement*. Projects planned for 2010–11 include the development of planning scheme amendments related to urban density along transport corridors, central built form, the structure of Southbank, industrial land supply, heritage and climate change adaptation.

City safety and security

This year two additional enhanced safe city taxi ranks will be introduced within the central city and we will begin a late night waste collection service. There will be security surveillance in central city hotspots and more diverse late night activation will be developed.

New framework to prioritise streetscape renewals

A streetscape evaluation framework will be developed in 2010–11. This evaluation framework will be used to prioritise streetscape renewal projects across the municipality. All street assets will be considered, including footpaths, road surfaces, lighting, line-marking, landscaping and street furniture, as well as urban design, heritage and disability access requirements. Streets will be assessed to ensure they balance the needs of private vehicles, public transport, bicycles, motorbikes and pedestrians now and into the future. To support the new framework, a revised *Asset Management Policy* and *Asset Management Strategy* will also be finalised in 2010–11.

Complete the Docklands Second Decade Plan

In partnership with VicUrban, the City of Melbourne will develop a plan for the second decade of Docklands, by June 2011. The plan will guide development at Docklands over the next 10 years, incorporating a shared vision, activities and development initiatives.

Research to combat noise pollution

In partnership with the University of Melbourne, the City of Melbourne will research innovative ways to combat noise pollution. We will explore the potential to develop a noise map of the city and the feasibility of a distributed wireless sensor network to manage noise pollution.

New community infrastructure

Child and maternal health centres, sports pavilions, town halls and libraries – they are all valuable community facilities that are available to everyone across the municipality. Guided by the City of Melbourne’s *Community Infrastructure Implementation Framework*, a number of community infrastructure works will begin in 2010–11. Projects include design of the new Docklands library and community centre, the design and start of construction on the new Boyd School community centre and library, an extension of the Falkner park child care centre as well as upgrade works at Kensington Town Hall. We will also begin design and documentation work to revitalise the Carlton Baths Community Centre and Carlton Family Resource Centre.

STRATEGIC INDICATORS TABLE

Strategic Indicators		Result	Comments
Community satisfaction rating for City of Melbourne-owned recreational facilities	%	78	The City of Melbourne rates the highest performing council within the Inner Melbourne Metropolitan Council group. This result is also higher than all other Victorian Councils.
Community satisfaction rating for health and human services	%	68	Council will continue to focus on this area in 2010–11 as the result continues to be lower than the Inner Melbourne Metropolitan Council group.
Community satisfaction rating with the overall performance of enforcement of bylaws	%	63	Performance remained unchanged from 2008–09 and the result is similar to the Inner Melbourne Metropolitan Council group and all councils.
Community satisfaction for the City of Melbourne on leading debate and taking action on crime and violence and antisocial behaviour in the municipality	%	54	This result has improved from 2008–09 figures.
Community satisfaction rating for overall performance of waste management	%	70	Performance remained unchanged from 2008–09, although this score was lower than the Inner Melbourne Metropolitan Council group, but similar to all councils.

Community satisfaction rating for overall performance of appearance of public areas	%	70	Performance has rebounded from declining performance seen in 2008–09, to be similar to the Inner Melbourne Metropolitan Council group but higher than the score for all councils.
Participation rates at key events, festivals and programs conducted by the City of Melbourne	#	670,000	Participation rates have continued to increase as the city population and visitor numbers increase
Number of sporting groups using City of Melbourne parks	#	80	Result is a combination of the winter and summer season statistics
Percentage of visitors who feel safe in the central city	%	N/A	Perceptions of safety research undertaken every three years. The last survey was undertaken in 2008–09.
Overall satisfaction rating of visitors to the City of Melbourne Parks	%	N/A	This survey is conducted biannually
Percentage of the community who believe it's a good thing for society to be made up of people from different cultures	%	N/A	This survey is conducted biannually
Number of people experiencing chronic homelessness as measured by street count results	#	101	This year the Salvation Army partnered with the project to access squats and tent cities for the annual Street Count.

GOAL TWO – A CREATIVE CITY

The *Future Melbourne Community Plan* identified creativity as one of our city's major strengths. To advance this reputation, we continue to support and promote a diverse range of artists and take art into the public realm so that everyone can participate. We also want to achieve growth in creative enterprises. Creativity is more than art and our aim is to get creative thinkers involved in decision making.

HIGHLIGHTS

Melbourne Conversations

Consistent with the City of Melbourne's objective of creating an inclusive environment that encourages participation, the Melbourne Conversations series has once again increased in popularity this year. Staged at the BMW Edge theatre at Federation Square, the Melbourne Conversations series informs, engages and entertains audiences through discussion around popular themes relevant to Melbourne and the city community.

Since its inception in 2001, Nobel Laureates, major literary and arts figures and famous figureheads such as the 45th Vice President of the United States, Al Gore have taken part in Melbourne Conversations. In 2009–10, 19 Melbourne Conversations events were held, attracting an audience of over 9000. Themes this year included future visions for the city, sustainable living, ageing and social inclusion.

City of Melbourne Arts Strategy revised

The draft *City of Melbourne Arts Strategy* was finalised this year for community comment. The revised arts strategy aims to encourage a vibrant, creative community and sets out a vision for nurturing and enhancing Melbourne's arts community. A comprehensive community consultation is occurring in line with the City of Melbourne's new community engagement framework. Engagement methods include staff and community workshops, outreach workshops with young people and children and an extensive online feedback process. The final strategy will be considered by councillors in August 2010.

Launch of the new Signal arts facility

Launched in February 2010, Signal is Melbourne's first arts studio dedicated to people aged 13 to 20. Signal provides opportunities for Melbourne's youth to work with professional artists across all art forms and is a place for making, showing, inspiring and developing our city's new creative talents – in every medium. The new Signal facility houses a workshop space, a multi-purpose space, a computer and multimedia hub, a plaza for live events and an 18-speaker sound wall for sound-based artworks. Over 5000 young people have engaged in the Signal program in its first six months working with a wide range of artists and community and arts organisations.

Supporting emerging artists through the Young Artists Grant Program

Council continued to invest in the future of our emerging younger artists through the provision of seeding grants of up to \$5,000 to assist in the creation of work and to activate the city. City of Melbourne is the only local government authority in Australia to provide a dedicated funding program to young artists. This program supports emerging artists up to 26 years age who have not previously received arts funding. In 2009–2010, Council received 13 applications resulting in 48 young artists being supported for the first time. Many of these projects and artists participated in major festivals including Next Wave, Fringe and Comedy. All art forms were supported and the projects reflected strong and confident ideas.

Artists activated innovative venues to present their work including the City Baths, City Library, a Youth Mental Health Centre along with major city galleries and performance spaces.

ArtPlay

ArtPlay further developed its highly popular annual program to enable a wide demographic of children and families to participate in high quality activities. Over 30,000 adults and children attended ArtPlay's 336 workshops and performances and 78 days of free exhibitions and schools workshops.

Arts House

In 2009 Arts House introduced Green Tix for Nix, a program that enabled audiences to gain free entry to performances if they travelled to Arts House by using a planet friendly mode of transport. 1245 patrons participated in this initiative, travelling a total of 17,019 kilometres either on foot, on bike or on public transport and they saved a total of 3.83 tonnes in greenhouse gas emissions. Audiences at Arts House also increased. The number of attendances at Arts House North Melbourne Town Hall and Arts House Meat Market increased by 39 per cent from last year to 218,626 in 2009–10.

Partnership funding awarded to the City of Melbourne for Arts House Special Projects such as the Black Arm Band has increased by 98 per cent for 2009–10. A total of \$1.9 million in external funding was secured, primarily due to partnerships with the Fred Hollows Foundation, Playing Australia, Major Festivals Initiative, Melbourne International Arts Festival, Vic Health, British Council, Arts Victoria and the Australia Council for the Arts.

Art and heritage collection maintenance

The City of Melbourne manages an arts and heritage collection comprising 7000 objects and artworks. The outdoor element of the collection includes 150 sculptures, memorials, monuments, fountains and drinking fountains located in Melbourne's public realm. Each year, conservation work is undertaken on many of our outdoor sculptures. Conservation work this year was undertaken on the South African war memorial at Kings Domain, the Sir William John Clarke statue in Treasury Gardens, the River God fountain in the Fitzroy Gardens, Coles fountain at Parliament Reserve and the Fairies Tree in the Fitzroy Gardens. Additionally, the Art and Heritage Collection's City Gallery at Melbourne Town Hall produced four exhibitions in 2009–10 attended by over 20,000 people.

Indigenous arts

The Indigenous Arts Program continued to deliver a program encouraging Indigenous participation and contribution to the cultural diversity of Melbourne. In 2009–10 Indigenous choreographer, Jacob Boehme, was awarded the annual Indigenous Arts Mentorship and is currently being mentored by Melbourne's leading contemporary dance company Chunky Move under the guidance of Artistic Director Gideon Obarzanek. The Blak Nite Cinema, an Indigenous film event held over two nights in the Treasury Gardens, also continues to develop a wide audience, attracting over 4000 people.

Late night activation

In 2009–10, Council initiated a ground breaking pilot program aimed at influencing late night culture in Melbourne's CBD by broadening the city's artistic offerings. Late night programming was designed to support the activation of the Melbourne CBD late at night and to add vibrancy and entertainment that was alternate to events in the CBD primarily centred on drinking. This pilot provided safe, diverse and vibrant cultural programs that were attractive to visitors and residents. The City of Melbourne committed over \$100,000 to five of Melbourne's key festivals to support this initiative. These included the Melbourne International Comedy Festival who produced the *Headliners* and a *Silent Disco*; the

Melbourne International Jazz Festival who produced *The Cave*; the Next Wave Festival who produced *The Ultimate Time Lapse Megamix*; and the Melbourne International Film Festival and Melbourne Fringe who will be producing a program in late 2010. To date, the late night programming has produced 231 events/performances that have run from 11.00pm through to 8.00am. 9,656 people have attended late night events and 176 artists have been engaged in the programming.

LOOKING AHEAD

New creative hub in West Melbourne

Creative Spaces is a City of Melbourne program established to assist artists and arts organisations to move to, or stay within the municipality. The Creative Spaces program manages 25 studios at Boyd School, providing advice to artists, arts organisations and building owners and manages the state wide Creative Spaces website. A three level warehouse on the City of Melbourne’s municipal boundary with the City of Maribyrnong has been identified as an additional affordable creative facility for our municipality. The warehouse, located at building 3, 41–59 Sims Street West Melbourne, is approximately 3000 m² and will provide work space for up to 75 artists, including those artists traditionally difficult to accommodate, such as sculptors and musicians.

Strategic indicators		Actual	Comments
The number of new artist/arts organisations located within the municipality linked to City of Melbourne’s <i>Housing of the Arts Strategy</i>	#	78	2009–10 is a baseline year for this indicator
The number of national and international arts and cultural outcomes linked to the City of Melbourne programs and partnerships	#	65	2009–10 is a baseline year for this indicator
The total number of cultural events held in the City of Melbourne	#	25	Out of 185 events for this financial year 25 are cultural events.

GOAL THREE – ECONOMIC PROSPERITY

The sustainability and resilience of our municipality's economy is critical.

The City of Melbourne will work locally, nationally and globally to continue to strengthen the local economy to ensure that we will be prepared and well positioned to meet the challenges of the global economy. We will pay particular focus on small and medium businesses, draw on the diversity of our local economy and educated workforce, and assist Melburnians to achieve prosperity through social enterprise.

HIGHLIGHTS

Enterprise Melbourne

Launched in 2009–10, Enterprise Melbourne aims to promote and facilitate economic development for Melbourne. It also provides a single point of entry for information relating to business and economic activity in Melbourne. The program is supported by a high-level advisory board chaired by the Lord Mayor and includes an Enterprise Melbourne web portal, an alignment of activities already provided by City of Melbourne branches and a coalition between all levels of government and member-based organisations to provide a program of assistance to the Melbourne business community. The Enterprise Melbourne Board considered the outcomes of the *Access Economics Financial Services Cluster Study* in May. The study indicated that Melbourne has a vibrant financial services cluster grounded in two areas of competitive advantage, the superannuation sector and banking. The funds management sector is also identified as a key strength.

Industrial land supply study

Significant change will occur in both the nature and location of industrial areas over the next two decades as the City grows and as several major urban redevelopment projects come on line. An industrial land supply study was prepared in November 2009 to review existing studies, strategies and current trends. An industrial land supply committee was formed to review the recommendations from the study regarding the future use and zoning of land. Findings from the committee will inform the ongoing review of the Melbourne Planning Scheme.

Social enterprise strategy

This year the City of Melbourne developed a social enterprise strategy to build the capacity of partner organisations to contribute to social enterprise in the city. Enhanced social enterprise will assist people to move from dependence and welfare to independence and enterprise. Social enterprises can potentially provide a range of social and cultural benefits in addition to their contribution to economic prosperity. Implementation of the strategy will begin in 2010–11.

Small business grants program

In the past 13 years, the City of Melbourne small business grants program has made 253 grants, totalling over \$5.4 million in investment to innovative small businesses operating in Melbourne. This year accounting firm KPMG completed a review of the program to ensure it aligns with the objectives of the council plan. The review found that the program does align to our economic development objectives, providing niche support to small business not provided by other levels of government. In 2009–10 13 grants, totalling \$251,258 were approved by council.

The grants were:

- start up 4
- business expansion 5
- export entry 2
- business support 2

District Precinct Program

The diversity and quirkiness of the many different retail precincts throughout the city make Melbourne an engaging city for residents, workers and visitors. The District Precinct Program supports the work of local business associations to market their special part of Melbourne. Through partnership with the Victorian Government, the District Precinct Program has resulted in investment in new infrastructure to celebrate Melbourne's Chinatown, Greek precinct in Lonsdale Street and Italian influences in Lygon Street.

Melbourne Retail Strategy 2006–2012

The Melbourne Retail Strategy 2006–2012 is a partnership between the Victorian Government and council. In 2009, The Future Laboratory (from London) were commissioned to undertake a mid term review of the strategy to identify key international trends that Melbourne needs to be aware of, to maintain its position as Australia's leading retail destination. The outcomes of the review will influence future projects overseen by the Melbourne Retail Advisory Board.

Sister city program

The City of Melbourne is proud to celebrate over 30 years of international alliances through our sister city program. Over three decades ago, Melbourne with the Japanese city of Osaka, established our first sister city partnership. The program has flourished into an international network spanning the globe. Sister cities now include:

- Osaka, Japan (1978)
- Tianjin, China (1980)
- Thessaloniki, Greece (1984)
- Boston, United States (1985)
- St Petersburg, Russia (1989)
- Milan, Italy (2004)

Melbourne's relationship with its six siblings continues to blossom. Our multicultural communities and the city as a whole have been nourished by their influence, which extends from educational, cultural and sporting exchanges to unparalleled business networking opportunities. Activities this year have included the Thessaloniki Sister City Community Festival and a visit to Melbourne by the Mayor of Tianjin and his delegation of over 120 people to mark the 30th anniversary of our sister city relationship. In addition, a business development opportunity centred on the Salone de Mobile, Milan held in April 2010. A collective of export ready designers, alumni from RMIT, Monash and Swinburne universities, exhibited their design products.

Events in the city

The City of Melbourne aims to position Melbourne, nationally and globally, as the events and lifestyle capital of Australia, by staging and supporting a diverse range of quality events, all year round. The variety of events and festivals encourage city visitors, while also celebrating the community's diversity and talents and increasing cultural understanding and awareness. More than 135 events were hosted by the City of Melbourne in 2009–10. Major events this year have included the 50th anniversary of Moomba, New Years Eve in the city which included a family event in Yarra Park and Melbourne Spring Fashion week. This year has been a very successful year for events with record attendances and significant media coverage that served to enhance the City of Melbourne's reputation for its premier events.

LOOKING AHEAD

Supporting our economy

The City of Melbourne plays an important role in shaping our vibrant local economy. Initiatives planned for the 2010–11 year include implementation of the *Music Support Strategy*, a CEO business consultation program, the development and implementation of a new model of the District Precinct program and the implementation of an international engagement framework.

Strategic Indicators

Strategic Indicators		Actual	Comments
Community satisfaction rating for overall performance of economic development	%	68	The City of Melbourne rates the highest performing council within the Inner Melbourne Metropolitan Council group. This result is also higher than all other Victorian Councils.
Average number of daily visitors to Melbourne municipality on a typical weekday	#	771,000	2008 data source
Number of customer contacts at the Melbourne Visitors Centre	#	782,812	The Melbourne Visitors Centre is Melbourne's one-stop shop for all visitor and tourist information needs
Number of businesses located in the Melbourne municipality	#	16,800	This result is an increase. In 2008–09 it was 16,460
Level of investment by recipients of small business grants	\$	845,690	13 small business grants awarded in 2009–10

GOAL FOUR – A KNOWLEDGE CITY

Melbourne's appeal to the international education market and our world class research facilities are a sound basis for growing our potential and reputation as a knowledge city.

Enhancing our education, research and development, industry innovation, business and access to the world through information technology will ensure we remain at least a step ahead as a world-renowned knowledge city.

HIGHLIGHTS

International student program

The City of Melbourne hosted a number of events this year aimed at enhancing the health, wellbeing and safety of international students who live, work or study in the city or just visit. Successful programs this year included the International Student Tourism Volunteer Program, Discover Melbourne, Project ARIES and the Women's Health Connect Project.

In partnership with RMIT University, in May 2010 the City of Melbourne launched the GLoBALL international students program. Coordinated by the Essendon Football Club and Cricket Victoria, GLoBALL enables international students and new migrants to interact with the broader Victorian community through Australian Rules Football and cricket related activities throughout the year. There are now more than 1000 international students signed up to this program.

Two Lord Mayor Student Welcome events were held in July and March to officially welcome new students to Melbourne and promote Australia's culture, cultural diversity and inclusiveness. Hosted by the Lord Mayor, these events also gave various emergency and support network organisations an opportunity to promote their services to students.

Activities at The Couch – International Student Centre

In partnership with the Salvation Army and the Australian Federation of International Students, The Couch – International Student Centre has been operating this year. Under the supervision of a coordinator and 10 volunteers around 20 to 25 students attend the centre per night. A number of stakeholders have run workshops and forums at The Couch, including the Melbourne Fire Brigade, the Victorian Police, International Student Legal Advice Clinic, Multicultural Centre for Women's Health, the Victorian Immigrants and Refugee Women's Coalition, Australian Taxation Office and the Department of Immigration and Citizenship.

LOOKING AHEAD

The third World Knowledge Cities Summit

The Office of Knowledge Capital has been successful in attracting the third World Knowledge Cities Summit (KCWS), which will be held from 16–19 November 2010 at the Melbourne Convention and Exhibition Centre. KCWS is a three day conference that will see leading academics and professionals from Melbourne, across Australia, and from other countries around the world, come together in the one place to explore new ideas about creating knowledge cities. The conference will showcase how Melbourne has progressed as a successful knowledge city, and enhance Melbourne's reputation as a leading international

knowledge city with world-class learning and research facilities and strong economic and cultural foundations.

STRATEGIC INDICATORS

Strategic indicators		Actual	Comments
International students studying in the city as a proportion of total tertiary students	%	12.30	The City of Melbourne has continued to promote Melbourne as a knowledge city through International student programs
Local students studying in the city as a proportion of total tertiary students	%	87.7	This figure decreased from 88.2 per cent in 2006 despite an increase in the number of domestic students enrolled in the city. This is due to the number of international student enrolments increasing at a faster rate
Number of primary, secondary and tertiary educational facilities in the city	#	152	2008 data source
Ranking in the 2 Think Now Innovative Cities Index	#	19	This is an improvement from the 2008–09 ranking of 25
Ranking in the Global University City Top 20 World University Cities Index	#	N/A	External data source no longer available. New strategic indicator to be developed in 2010–11

GOAL FIVE – AN ECO-CITY

Melbourne is a recognised leader in the field of sustainability.

Future Melbourne's ambitious goals inspire us to improve the sustainability of the city's building stock, reduce carbon emissions in all areas of city life and develop ways to capture, store and deliver potable water within the municipality and protect our world renowned parks and gardens.

Managing and improving the reduction and disposal of waste and promoting recycling and re-use is an increasingly important part of reducing our ecological footprint.

We have an important role to play in educating the people of our municipality and continuing to plan for and respond to climate change. We will work to ensure Melbourne is internationally recognised for our sustainability initiatives and as a leader in sustainable design.

HIGHLIGHTS

1200 Buildings Program

The aim of the 1200 Buildings Program is to improve the environmental performance of commercial buildings, thereby reducing greenhouse gas emissions in the municipality. The program – a first of its kind in Australia – will create 8000 new green jobs and generate \$2 billion in economic activity. This year, in the program's first year, 37 buildings made a commitment to improve their environmental performance and signed up to the program. Also, a strategic partnership has been developed between the City of Melbourne and the Victorian Government to support the future of the program and a partnership has also been developed with the Industry Capability Network to deliver a register of consultants and suppliers with capabilities to support building owners achieve the goals of the program.

Drought proofing Melbourne's parks and gardens

Victoria's drought has continued to negatively impact Melbourne's parks and gardens. This year the City of Melbourne has implemented drought proofing initiatives in six of our major parks and gardens. Projects completed this year include the commencement of the installation of Australia's first Australian Football League/Cricket Australia-standard synthetic sports surface at J.J. Holland Park; the expansion of a water harvesting project to bring reclaimed water to the Royal Park eastern sports grounds and Royal Parade trees and to develop rainwater harvesting solutions for Fitzroy Gardens, Birrarung Marr and Alexandra Gardens. We have also delivered projects in partnership with others, including the installation of a stormwater harvesting scheme at the Shrine of Remembrance. Drought proofing work will continue in 2010–11 as part of the City of Melbourne's climate change adaptation program. Under this program, \$5.7 million has been allocated to commence further stormwater harvesting works in Fitzroy Gardens, enhance the protection of Melbourne's drought ravaged trees and to develop new landscapes and streetscapes that are more suited to the future climate change conditions.

Tree planting to protect historic reserve

Many of Melbourne's grand boulevard trees and park trees at the Shrine of Remembrance reserve were planted more than 80–100 years ago, when the city's climate was cooler and wetter. Some of these trees have struggled to survive in today's drought conditions resulting in the removal of 106 dead or dying trees. As part of a five year landscape improvement plan for the area, 375 drought-tolerant trees will be planted to replace the lost trees. These

new hardy species will prosper in our reserve and ensure a healthier, more sustainable tree population for the long term. In addition to our focus on this reserve, over 3400 trees were planted across the municipality. 1500 of these trees were replacements for drought affected trees and 1900 were additional trees for the municipality.

Establishment of parks and gardens advisory committee

Technical experts from Parks Victoria, parks management and the Royal Botanical Gardens together with five strategic thinking community members this year joined to form a new City of Melbourne Parks and Gardens committee. This committee provides guidance in the on-going future and development of the city's parklands. Open spaces in the City of Melbourne are fundamental to the city's liveability and play an important role in the heritage value, ecology and health and wellbeing of the city and its people. The advisory committee will play a significant role in providing feedback on plans and initiatives for our parks and provide advice on community engagement processes and programs.

Tourism Melbourne green globe silver accreditation

Tourism Melbourne is aiming to achieve Green Globe silver accreditation for its green building initiatives. All capital works contractors for the visitor services network are now requested to demonstrate sustainable and efficient work practices. Sustainable building initiatives have resulted in cost savings and fuel efficiencies for the centres. Green building practices include the use of recycled building materials, the use of acrylic paints, the installation of energy saving light bulbs and the use of non-toxic glues on external wrap decals.

New eco-city forums

Our new City of Melbourne eco-city forums provide the community with an opportunity to learn about the City of Melbourne's sustainability programs and how individuals can contribute to achieving a sustainable city. Discussions this year have included our climate change adaptation strategy, green apartment living and the impact of climate change on our parks and gardens. Attracting over 250 participants, the forums have been delivered online via Twitter and held at a central location within the city.

Zero Net Emissions by 2020 Strategy

The *Zero Net Emissions by 2020* strategy sets the City of Melbourne the target of achieving carbon neutrality by 2020 and identifies areas for improved efficiency and reduced energy consumption. Initiatives this year included:

- the Energy Savers – *It All Starts at Home* program, resulting in savings of just under 600 tonnes of greenhouse gas emissions per year
- the CitySwitch energy program, which now has 58 signatories resulting in savings of 700 tonnes of greenhouse gas emissions per year for the first six signatories
- the formal launch of the 1200 Buildings Program with 37 buildings signing up to the program.

New image gateway system for photocopiers

In order to reduce paper wastage and improve energy performance, we have established a number of key objectives with our printing and copying supplier. New image gateway systems have been installed on all printers, requiring employees to manually swipe their identity cards to release and print jobs. Printing jobs not released within 24 hours are automatically deleted, resulting in fewer prints. Since the new devices were installed in late 2009, over 80,000 impressions have been deleted. All printing devices are 100 per cent compliant in terms of low environmental impact paper, software based tools to help reduce environmental impact and the use of plant-based inks.

Reducing our ecological footprint

The graph below shows the City of Melbourne’s total energy and renewable energy use. The City of Melbourne increased its renewable energy consumption this year by 17,275 gigajoules due to restructuring its energy contracts to increase green power purchases. A new energy performance contract will see 12 City of Melbourne buildings retrofitted with energy and efficiency devices in 2010–11.

The City of Melbourne consumes energy in the daily operation of its administration and buildings, community buildings such as child care centres, public lighting and its corporate fleet. We monitor the consumption of three major energy types – electricity, natural gas and automotive fuel.

City of Melbourne energy use by source

Energy use by source	Base year ¹ (96–97)	05–06	06–07	07–08	08–09 ²	09–10 ³
Electricity (Victorian grid)	76,070	56,295	52,689	56,532	70,375	56,031
Electricity (Renewable GreenPower)	0	22,296	33,496	34,660	24,243	41,518
Natural gas	14,626	14,171	14,172	18,157	19,276	20,871
LPG fuel	13,700	9,109	8,509	6,714	5,787	4,896
Unleaded petrol	0	199	193	431	477	495
Diesel	0	0	0	118	431	741
Total energy use (GJ)	104,396	102,070	109,029	116,612	120,589	124,552
Percentage renewable	0%	20%	30.7%	29.7%	20.1%	33.3%

Source: Billing data including the corporate database ‘Stark Essentials’

¹ In 1996–97 a baseline was established which became our ‘base year’. An investigation of our historical records has resulted in changes to these figures from previously reported results

² Figures previously published for this year were estimates and adjustments have been made to reflect actual results available at the time of printing

³ Due to billing cycles this figures includes estimated calculations based on current and seasonal trends

City of Melbourne energy use by activity

Energy use by activity	Base year ¹ (96–97)	05–06	06–07	07–08	08–09 ²	09–10 ³
Administration – buildings	18,632	20,202	19,388	22,356	21,967	20,476
Administration – fleet	13,700	9,308	8,702	7,264	6,695	6,132
Commercial – buildings	2754	3,156	2,988	3,434	3,094	4,610
Community use – buildings	21,668	18,747	22,407	23,977	26,016	28,668
Community use – public lighting	46,412	50,406	51,574	55,549	57,933	57,917
Community use – miscellaneous	1230	251	3,970	4,033	4,884	6,749
Total energy (GJ)	104,396	102,070	109,029	116,612	120,589	124,552

Source: Billing data including the corporate database 'Stark Essentials'

¹ In 1996–97 a baseline was established which became our 'base year'. An investigation of our historical records has resulted in changes to these figures from previously reported results

² Figures previously published for this year were estimates and adjustments have been made to reflect actual results available at the time of printing

³ Due to billing cycles this figures includes estimated calculations based on current and seasonal trends

Total direct and indirect greenhouse gas emissions

Total emissions	Base year ¹ (96–97)	05–06	06–07	07–08	08–09 ²	09–10 ³
Emissions (t CO ₂ -e)	31,165	23,563	19,506	20,638	25,339	20,520
Percentage from base year		-24.4%	-37.4%	-33.8%	-18.7%	-34.2%
Percentage from previous year		2.8%	-17.2%	5.8%	22.8%	-19%

Source: Billing data including the corporate database 'Stark Essentials' (To reflect voluntary purchases of greenpower the calculations exclude greenpower purchased from the Victorian electricity grid)

¹ In 1996–97 a baseline was established which became our 'base year'. An investigation of our historical records has resulted in changes to these figures from previously reported results

² Figures previously published for this year were estimates and adjustments have been made to reflect actual results available at the time of printing

³ Due to billing cycles this figures includes estimated calculations based on current and seasonal trends

The City of Melbourne’s total greenhouse gas emissions are down by 19 per cent or 4819 tonnes on last year’s readjusted result and a 34.2 per cent or 10,645 reduction from the base year. This reduction is largely due to an overall increase in the purchase of greenpower.

Reducing water use

Water is a precious resource. Its supply is under pressure from drought in the short-term and increasing population in the long term. The City of Melbourne has delivered a number of initiatives aimed at reducing our water use including the use of reclaimed stormwater from Royal Park’s Trin Warren Tam-boore wetlands, re-planting lawns and sports fields with warm season grasses, and installing more efficient subsurface irrigation systems. The City of Melbourne uses approximately six per cent of the municipality’s total water consumption. The majority of this water is used to irrigate parks and green open spaces.

City of Melbourne total water use

Total water use for City of Melbourne operations	Base year ¹ (99–00)	05–06	06–07	07–08	08–09 ²	09–10 ³
Potable (ML)	1,544	1,247	721	520	607	623
Reclaimed (ML)	0	0	30	87	73	90
Total water	1,544	1,247	751	607	680	713
Percentage from base year		-19.2%	-51.4%	-60.7%	-51.2%	-53.8%
Percentage from previous year		2.3%	-39.8%	-19.2%	12%	-4.9%
Percentage reclaimed		0.0%	4.0%	14.3%	10.7%	12.6%

Source: Billing data including the corporate database ‘Stark Essentials’

¹In 1999–2000 a baseline was established which became our ‘base year’

²Figures previously published for this year were estimates and adjustments have been made to reflect actual results available at the time of printing

³Due to billing cycles this figures includes estimated calculations based on current and seasonal trends

Total water usage increased over the last financial year due to the ongoing drought, which required additional water to prevent long-term damage to our trees.

Water use by activity

Water use by activity	Base year ¹ (99–00)	05–06	06–07	07–08	08–09 ²	09–10 ³
Administration – buildings	11	8	7	4	4	9
Commercial – buildings	1	2	1	2	6	2
Community use – buildings	70	58	50	45	41	46
Community use – open space	1462	1179	693	557	629	656
Total water (ML)	1,544	1,247	751	607	680	713

Source: Billing data including the corporate database 'Stark Essentials'

¹In 1999–2000 a baseline was established which became our 'base year'

²Figures previously published for this year were estimates and adjustments have been made to reflect actual results available at the time of printing

³Due to billing cycles this figures includes estimated calculations based on current and seasonal trends

LOOKING AHEAD*Drought proofing our parks and gardens*

Drought proofing work will continue in 2010–11 as part of the City of Melbourne's climate change adaptation program. Under this program, \$5.7 million has been allocated to commence further stormwater harvesting works in the Fitzroy Gardens, enhance the protection of Melbourne's drought ravaged trees and to develop new landscapes and streetscapes that are more suited to the future climate change conditions.

1200 Buildings – accelerating the program

The 1200 Buildings program is expected to create over 8000 new jobs and generate more than \$1.3 billion in economic activity, over the life of the program. In 2010–11 the program aims to increase the number of signatories by a minimum of 50, which will provide Melbourne the opportunity to solidify its environmental leadership in Australia.

Community – delivering eco-city forums

In 2010–11 we will build on the success of the eco-city forums, which were launched last year. Four forums are scheduled including a young people and sustainability forum and a forum on the council's own environmental performance.

Adapting Melbourne to climate change – continuing the ground breaking work

The City of Melbourne will continue our work to ensure the municipality adapts to the impacts of climate changes. In 2010–11 we will:

- develop a strategy to maintain our urban forests
- have a number of white roofs in progress
- embed climate change adaptation into our organisation planning
- continue to engage with city businesses and residents about the impacts of climate change and appropriate adaptation responses.

Residential buildings – making it easy for multi-story buildings to undertake environmental retrofits

In 2010–11 the City of Melbourne will commence a residential energy efficiency program aimed at higher density dwellings. This program will identify solutions to institutional barriers in order to achieve energy efficiency retrofits in higher density residential buildings. These include ownership and governance structures, split incentives between owners and tenants and access to finance and funding.

STRATEGIC INDICATORS

Strategic indicators		Actual	Notes
City of Melbourne performance on refuse recycling initiatives and effective and efficient water usage	%	67	Indexed mean score
CO ² emissions per resident per year	Tonnes	7.8	Data modelled in 2008 using 2006 national and state based data
CO ² emissions per worker per year (across the municipality)	Tonnes	9.9	Data modelled in 2008 using 2006 national and state based data
Tonnes of greenhouse gas emissions for the municipality per year	Tonnes	5.97 million	Data modelled in 2008 using 2006 national and state based data
Percentage of municipal waste diverted for recycling	%	25	This is an improvement from 2008–09 figure of 22%
Reduction of residential waste to landfill per household	%	5	Amount of waste to landfill per household per year has reduced from 460kg in 2008–09 to 440kg in 2009–10
Reduction of greenhouse gas emissions from City of Melbourne operations	%	34.20	Percentage reduction from base year (31,165)
Reduction of waste to landfill from City of Melbourne facilities (offices)	%	29	Survey conducted every three years. 2009 data reported
Number of commercial buildings retrofitted under the 1200 Buildings Program	#	37	Below target of 50 for 2009–10
Reduction of drinking quality water consumed for City of Melbourne buildings and gardens	%	59.70	Percentage reduction from base year (99–00)

GOAL SIX – A CONNECTED CITY

The City of Melbourne will focus on advocating for safe, efficient and sustainable movement throughout the city and make sure Melbourne is accessible in the broader regional and global context.

HIGHLIGHTS

Car sharing

This year the City of Melbourne initiated a research project to identify the benefits and potential of car sharing in Melbourne. Car sharing is a unique transport option, enabling residents and businesses to reduce their use and dependency on private cars and facilitating their transition to public transport, cycling and walking. The outcomes of this research will form the basis of a new policy for council.

Melbourne bike share program

Delivered by the RACV on behalf of the State Government, the City of Melbourne joined forces to launch the Melbourne Bike Share program in May 2010. Ten bike docking stations have been opened around the central city, providing Melbournians with a public bike system as an alternative means of transport around the city. The City of Melbourne has supported the project by providing space for the bikes and docking stations on the street.

Bike and pedestrian path on the new Manningham Street Bridge in Parkville

This year the City of Melbourne launched a new cycling and pedestrian path on the new Manningham Street Bridge in Parkville. The new bridge enables efficient and safe crossing for cyclists and pedestrians over Manningham Street and provides a vital link between the east and west side of the Capital City Trail.

New bike pod facility

Melbourne's first bike pod, providing public shower and change facilities for cyclists who ride into the city each day, was launched this year. The aim of the bike pod, located at the City Square car park, is to overcome the shortfall of change and storage facilities for cyclists in the city. In addition to the new showering and change facilities, the council is providing 32 off-street bike parking spaces within the car park. The pilot project, jointly funded by the City of Melbourne and the Department of Transport will also see a second pod installed at the RMIT car park in Cardigan Street next year.

Hybrid and electric car fleet

The hybrid Toyota Camry became available on the Australian market in March 2010 and the City of Melbourne purchased 10 vehicles to replace petrol vehicles within our fleet. These hybrid vehicles work by offering better fuel economy and lower carbon emissions.

Two of our electric motor vehicles and the electric bicycle fleet have been nominated to participate in the five year electric vehicle trial program that will be conducted by the Department of Transport in late 2010.

LOOKING AHEAD

127th IATA Schedules Conference in November 2010

Melbourne Airport is Australia's largest 24 hour curfew-free airport and is located just 22 km from the central city. In an important step to address the lack of international air services flying into Melbourne, the City of Melbourne is sponsoring the 127th International Air Transport Association (IATA) Schedules Conference. It is to be held in Melbourne in November 2010. This conference will provide a forum for the allocation of slots at fully coordinated airports and will showcase our city to major airlines and international airport delegates.

Transport strategy

In 2006 the municipal transport strategy, *Moving People & Freight*, was developed to guide council decision making regarding improved mobility and access to and around the City of Melbourne. Since then, many of the initiatives and aspirations of *Moving People and Freight* have been achieved. There has also been a general change in transport patterns and behaviour in Melbourne. For these reasons, the City of Melbourne will be reviewing *Moving People and Freight* in 2010–11. The new transport strategy will ensure Melbourne is well placed to deal with some of the big challenges facing the city in the next 20 years.

Strategic indicators

Strategic indicators		Actual	Notes
City of Melbourne performance promoting the use of public transport	%	73	Indexed mean score (as perceived by residents)
City of Melbourne performance on the quality and coverage of bike paths and footpaths and convenience of walking around the central city	%	69	Indexed mean score (as perceived by residents)
Community satisfaction rating for overall performance on local roads and footpaths	%	68	The City of Melbourne rates the highest performing council within the Inner Melbourne Metropolitan Council group. This result is also higher than all other Victorian Councils.
Community satisfaction rating for overall performance of traffic management and parking facilities	%	55	Performance remained unchanged from 2008–09, but continues to be lower than the Inner Melbourne Metropolitan Council group and all councils.
Mode share for public transport, motor bikes, walking and cycling of Victorian city users	%	48	Biennial survey last conducted in 2008

GOAL SEVEN – LEAD BY EXAMPLE

The City of Melbourne is committed to ensuring we continue to be highly regarded for leadership and our ability to achieve the best outcomes for the community. This includes excellence in governance and organisational practices.

HIGHLIGHTS

Corporate PR strategy

Drawn from the four year council plan goals and focusing particularly on yearly key strategic activities, the corporate PR strategy identified a combination of proactive media and marketing and communications activities to highlight the leadership that council brings to the City of Melbourne and ensures the work and achievements of council are known and understood by multiple stakeholder groups.

2010 Year of women in local government

This year is the year of women in local government. The primary focus for the year is to raise awareness of the opportunities for, benefits of, and the need to increase the participation of women in leadership and management roles within local government, inclusive of both elected representatives and paid personnel. To support the year of women in local government, in March 2010 the City of Melbourne hosted the Australian Local Government's Women's Association Victoria conference.

Management challenge

In March 2010, 12 City of Melbourne future leaders participated in the Local Government Managers Australia (LGMA) management challenge, a leadership development program for local councils across Australia and New Zealand. One of the City of Melbourne's teams won first place in the Victorian competition, going on to successfully compete in the Australasian finals.

New corporate brand for the City of Melbourne

In late July 2009, the City of Melbourne launched a new corporate brand. The new 'M' logo reflects a city that is recognised internationally for its diversity, innovation, sustainability and liveability. The new brand has progressively been adapted to the organisation's communications material to consolidate awareness of the services we provide. The City of Melbourne corporate website also underwent a major redesign this year to improve navigation and usability.

Corporate reporting framework

In a first for Australian capital cities, this year the City of Melbourne developed a corporate planning and reporting framework. This framework includes a policy, business rules and handbooks to assist staff with corporate reporting requirements. The new framework has elevated the quality and standard of City of Melbourne reports on corporate performance.

Transforming Australian Cities

The *Transforming Australian Cities* report is a study into how Melbourne might accommodate major population increases sustainably by 2030. It was jointly commissioned by the City of Melbourne and the Victorian Department of Transport. The research includes Melbourne case studies and presents a well-researched argument for strategic residential and employment intensification along public transport corridors. The study was one of two

recipients of this year’s prestigious urban design award, the Australia Award for Urban Design.

Engaging our community

Developed this year, the City of Melbourne’s community engagement framework provides policy and operational guidance for all parts of the organisation in planning and implementing community engagement activities. The framework aims to support a consistent and high quality approach to engagement with our community and assists management understand community needs so as to better inform council decision making. Community engagement opportunities have included the councillor community forum held in August 2009, extensive community engagement for the Swanston Street redevelopment and the Chinatown precinct lighting project.

LOOKING AHEAD

City of Melbourne as a centre for learning and excellence

Parking & Traffic is a recognised leader in the training of authorised officers within the parking industry. In order to expand our current service provision, Parking & Traffic will work to develop a feasibility study to investigate the opportunity to create a centre for learning excellence as a Registered Training Organisation. This feasibility study will research the current professional development opportunities offered by other providers, and ascertain if the City of Melbourne is best placed to provide such learning in the coming years.

STRATEGIC INDICATORS

Strategic indicators		Actual	Notes
City of Melbourne participation at the Council of Capital City Lord Mayors (2), Inner Melbourne Action Plan (4) and Melbourne Metropolitan Mayors Forum (2)	#	10	Attendance at all 10 meetings in 2009–10
Community satisfaction rating for council’s advocacy and community representation on key local issues	%	64	Performance improved from 2008–09 to be similar to the Inner Melbourne Metropolitan Council group and is now on par with all councils
Community satisfaction rating for council’s interaction and responsiveness in dealing with the public	%	73	Performance remained unchanged from 2008–09, however is similar to the Inner Melbourne Metropolitan Council group and all councils.
Community satisfaction rating for overall performance generally of the council	%	68	Performance remained unchanged in 2009–10, a similar score to the Inner Melbourne Metropolitan Councils group.

GOAL EIGHT – MANAGE OUR RESOURCES WELL

Our programs and training will focus on attracting and retaining a highly skilled workforce and all commitments that we make will be supported from a diverse revenue base.

We recognise that revenue will be impacted by global finances and we will continue to monitor our corporate performance and strive to achieve efficiencies while maintaining high standards of service.

HIGHLIGHTS

City of Melbourne maintains AAA credit rating

The City of Melbourne's financial outlook is 'strong and stable' according to Standard and Poor's who this year affirmed the City of Melbourne's longstanding AAA credit rating. Melbourne is the only local government in Australia that is AAA-rated. Our prudent financial management gives the City of Melbourne the capacity to invest in infrastructure and keep rate rises at a minimum while maintaining the flexibility to meet any unexpected challenges.

Lean Thinking

Lean Thinking is a way of improving value for customers by improving efficiency through problem solving and continuous improvement. This year the organisation completed 10 Lean Thinking programs. Improvements include increased revenue through more effective parking meter maintenance, a reduction in the number of days to issue construction zone permits, improved services in the child care centres, a reduced advertising spend in recruitment, and an improved and standardised issues management system.

Customer Focus Strategy

This year the City of Melbourne introduced a new Customer Focus Strategy, outlining our commitment to being a leading customer focused organisation. We aim to exceed expectations by engaging with the community, delivering simplified processes and improving our response time on customer service requests. The Complaints Resolution Process was launched during Focus on Customer Week in March 2009. Recent research has shown that *how* an organisation responds to a complaint is critical to a positive resolution and the overall customer experience. We recognise that when a complaint is received, it is important to take action to address the underlying cause. Over the last year there have been many instances where lessons learned from a complaint have led to a service improvement. To cite one notable example, feedback from customers led to a Lean Thinking review of faulty parking meters which reduced customer reports of faulty meters by 36 per cent. Meter related customer contacts are now at their lowest level in five years.

Integrated survey strategy

This year the human resources team developed an integrated survey strategy utilising the organisation's Intranet. The objective of the strategy was to streamline the communications of three annual surveys (culture, diversity and internal service provider surveys). This new direction resulted in stronger participation in all three surveys.

Diversity framework

In April 2010 we undertook our first diversity census, inviting participation from all staff across the organisation. Our organisational strengths were that staff felt welcome and respected at work, and felt they were treated fairly. Staff also felt they had access to professional development and training opportunities, and felt safe from bullying and harassment.

Zero based budgeting

In 2009–10, the City of Melbourne introduced a new zero based approach to budgeting. As an introductory year, it was prudent to limit the scope to four branches. The positive results that came from zero based budgeting included enhanced transparency of council’s expenditure, detailed justifications for budget allocations and an increased level of savings. Given the positive outcomes, the council is looking to continue with zero based budgeting next year. This approach to budgeting is another way that council works to ensure a financially well managed organisation.

LOOKING AHEAD

Lean Thinking program for 2010–11

In 2010–11, CoMLean will be focusing on organisation-wide culture change, starting at the top by working with directors and managers to lead improvement work with their staff, looking at high volume processes or significant problems in their area. The City of Melbourne will become a leading improvement institution, identifying waste in processes, making problems visible, and working with staff to deliver improved services to our community.

STRATEGIC INDICATORS

Strategic indicators		Actual	Notes
Percentage of planned council works programs completed	%	90.8	The value of completed works was \$72 million compared to an overall budget of \$80.7 million
Liquidity Ratio of greater than 1.5	#	3.07	This demonstrates a strong financial position for City of Melbourne and ensures we are able to meet any financial commitments as and when they arise
Maintain a positive underlying surplus	\$	15.5 million	The City of Melbourne has continued to deliver a positive underlying surplus which enables us to direct funds to important infrastructure works and continue our high level of service to the community
Percentage of our customers satisfied with the overall customer experience when contacting the City of Melbourne	%	84	2009–10 is a baseline year for this indicator

Staff retention rate	%	90.40	This has decreased from the 2008–09 retention rate of 92.1 per cent
Staff satisfaction rating (out of a possible rate of 7)	#	5.58	This is an improvement from the 2008–09 figure of 5.44
Maintain safety standard accreditation against AS/NZS:4801	%	100	Standard maintained from 2008–09

CITY OF MELBOURNE 2009–10 PERFORMANCE STATEMENT

Performance against Key Strategic Activities (KSAs)

In accordance with Section 127 of the *Local Government Act 1989* (Vic), the City of Melbourne must provide a description of Key Strategic Activities (KSAs) to be funded in the *2009–10 Annual Plan and Budget*.

Each year the City of Melbourne conducts a thorough planning process to identify the KSAs. For 2009–10, the 11 KSAs were geared toward:

1. Business development: At the time the *2009–10 Annual Plan* was established, the potential impacts of the global financial crisis were not yet known. The City of Melbourne developed KSA 5 and 6 to ensure city businesses and the city economy were well supported.
2. Urban amenity: KSAs 1, 7, 8 and 9 were developed to further strengthen Melbourne's high quality urban environment.
3. A sustainable environment: KSAs 2, 3 and 4 continue the City of Melbourne's commitment to a sustainable environment and adapting the city to climate change.
4. Effective organisation: The City of Melbourne recognised that an effective organisation makes decisions that are in touch with the needs of stakeholders and are informed by the long term financial impacts of its actions. KSAs 10 and 11 were chosen to ensure a strong focus was applied to maintaining an effective organisation.

For the first time, the City of Melbourne adopted the framework from the Victorian Auditor General's Office *Better Practice Guide* to prepare the KSAs. In doing so, we developed cost, time, quality and quantity measures and targets for the KSAs. Depending on the nature of the KSA some of these elements were found to be more relevant and material than others, therefore not all KSAs have measures and targets for all four elements.

Where the council is reliant upon a third party to complete a KSA target, only the performance of the council has been considered when making an assessment of achievement. The following Performance Statement outlines the City of Melbourne's achievement against the 11 KSAs for 2009–10.

KSA 1 – Progressively implement changes to the Melbourne Planning Scheme based on the 2008–2009 audit, for approval by the Minister for Planning

The City of Melbourne is required to review the Melbourne Planning Scheme every four years. The City of Melbourne has completed an audit of the scheme and is working on projects aimed at the ongoing revision and improvement of our planning provisions. Over the next four years there are approximately 15 projects that the City of Melbourne will be leading which will inform changes to the planning scheme. In 2009–10 a number of studies and reviews will be completed, which will inform the review of the Melbourne Planning Scheme via the Municipal Strategic Statement (MSS) in 2010–11. Projects to be completed this year include the draft *Student Housing* policy, the *Industrial Land Supply Study*, a review of the draft *Urban Design Strategy* and a review of the *Central City Built Form* provisions.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Materials and services costs	Cost	\$295,315	\$335,968 The costs for this project were not separated therefore the two cost measures target totalled \$695,315 and the total spend was \$505,615. The project was under budget as not all staff costs were required.
Staff (existing) costs	Cost	\$400,000	\$169,647 Please refer to the above comments.
Adopt and implement <i>Industrial Land Supply Study</i>	Time	Oct 2009	100% The Industrial Land Supply Study was developed and endorsed by the Future Melbourne Committee in June 2010 who resolved to incorporate its high level findings (urban renewal areas) into the new MSS.
Review and revise the MSS	Time	Dec 2009	100% A revised draft of the MSS was endorsed for exhibition by the Future Melbourne Committee in April 2010. The Minister approved the exhibition in June 2010. The exhibition concludes in September 2010 with an expected completion date of mid 2011. The City of Melbourne has completed the portion of the project activities due this financial year. On the whole, the planning scheme amendments take over 18 months to reach completion. They are therefore difficult to conclude within any given financial year. The planning scheme amendment process involves council

			endorsement, minister approval, an independent panel hearing, a panel report to council and then council reporting back to the minister.
Southbank structure plan stage 2	Time	Mar 2010	100% The council's strategic plans for Southbank have been reviewed and used to inform the new Draft Southbank Structure Plan which was endorsed for exhibition by the Future Melbourne Committee in May 2010.
Council to consider <i>Heritage Gaps</i> study and policy for the Capital City Zone	Time	June 2010	45% The <i>Heritage Gaps</i> study and revised heritage policy for a Capital City Zone project, in consultation with key stakeholders, was re-scoped to include the development of a Heritage Strategy that will address the study gaps and policy elements. A consultant was appointed in late June 2010 and the first inception meeting held in July 2010. The Heritage Strategy will now be completed as part of the Melbourne Planning Scheme KSA in 2010–11. We have indicated a 45 per cent completion due to the re-scoping of the strategy, which in turn delays the <i>Heritage Gaps</i> study.
Commence an Urban Densification Strategy for transport corridors in the City of Melbourne	Time	June 2010	100% The council's Urban Densification Strategy, which focuses on the proposed Melbourne Metro One rail corridor, was developed in close collaboration with the Department of Transport (DoT) in April 2010 and subsequently incorporated into council's new MSS.
Develop and implement <i>Student Housing Policy</i> in the MPS	Time	June 2010	100% A draft <i>Student Housing Policy</i> was prepared for the Future Melbourne Committee in February 2010 however the Committee deferred consideration until April. At the April committee meeting the policy was endorsed for exhibition as an amendment to the MPS. The <i>Student Housing Policy</i> is currently out for exhibition until the end of August 2010. The City of Melbourne has completed the portion of the project activities for which we were directly responsible. Some delays were experienced in obtaining minister approval to exhibit.

Review the <i>Central City Built Form</i> provisions and begin introducing council's Urban Design Strategy into MPS	Time	June 2010	100% The <i>Central City Built Form</i> provisions refer to the Hoddle Grid, Southbank and Docklands and have been addressed in the development of both the <i>Urban Design Strategy</i> and <i>Southbank Structure Plan</i> . Both have been included into the Melbourne Planning Scheme by inclusion in the MSS.
Develop planning mechanism to increase the provision of affordable housing options with Inner Melbourne Action Plan (IMAP) and Inner Regional Housing Working Group (IRHWG)	Time	June 2010	70% The provisions for affordable housing options, developed in partnership with IMAP councils, has received conditional support from the Minister for Planning, advising that further engagement with development industry peak bodies is required. These provisions will now be progressed in 2010–11.
Percentage of components delivered as planned	Quantity	100%	82% Three of the eight components have not been fully completed in 2009–10. On the whole, planning scheme amendments take over 18 months to reach completion therefore are difficult to conclude within any given financial year.
Council approval of planned components	Quality	3 by June 2010	4 by June 2010.

KSA 2 – Establish and start implementing new commercial waste collection standards

Following consultation with business and waste companies, new commercial waste standards were adopted by council on 15 December 2009. These new standards will ensure a more clean and welcoming city and encourage city businesses and waste collectors to take more responsibility for laneway cleanliness and presentation. Enforcement of the revised 'Activities Local Law' will begin on 1 July 2010.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Materials and contractors	Cost	\$76,500	\$77,566 Project was managed to budget. Minor variance.
Commercial waste standards developed and adopted by council	Time	June 2010	100% Standards adopted by council on 15 December 2009 with the enforcement of local law amendment commencing on 1 July 2010.
Registration requirements for waste companies are fully documented and explained to waste companies	Quantity	100%	100% Letter to waste companies including the permits to collect waste were prepared and sent in February 2010. The permits are available online. The hotspot areas where waste companies cannot collect waste between 11pm and 6am have been identified in conjunction with the Victorian Waste Management Association. There has been additional communication with businesses through precinct meetings and press articles. Two new staff positions to implement the waste standards have been funded in the 2010–11 Annual Plan and Budget and will be advertised in the first week of July 2010.
Reduction in the number of noise complaints related to commercial waste management in the CBD over a 12 month period	Quality	10%	N/A This quality measures cannot be reported this financial year due to the enforcement of the Local Law amendment commencing from July 2010.

KSA 3 – Facilitate the energy and water retrofit of commercial buildings in the municipality through the 1200 Buildings campaign, in partnership with other organisations

The aim of the 1200 Buildings Program is to improve the environmental performance of commercial buildings, thereby creating economic uplift in the form of spending on goods and services and reducing greenhouse gas emissions in the municipality. The program, a first of its kind in Australia, will create 8000 new green jobs and generate an estimated \$1.3 billion in economic activity. This year a strategic partnership has been developed between the City of Melbourne and the State Government to support the future of the program. In addition, a partnership has been developed with the Industry Capability Network to deliver a register of consultants and suppliers who can provide services to 1200 Building signatories.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Consultants	Cost	\$100,000	\$181,348 The costs for this project were not separated therefore the two cost measures target totals \$320,000 and the total spend was \$327,819. The project was managed to budget. Minor variance.
Staff (existing)	Cost	\$220,000	\$146,471 Please refer to the above comments.
Sustainable Melbourne Fund (SMF) partner contributions	Cost	To be determined	N/A SMF not yet formally involved.
Governance arrangements	Time	March 2010	100% City of Melbourne approved the SMF Charter and a Memorandum of Understanding to define the SMF's and City of Melbourne's role in delivery of the 1200 Buildings program. It is expected that the charter amendments will be in place by late 2010, this sits with the minister for approval.

Identify sources of finance	Time	March 2010	<p>100%</p> <p>Two sources of funding have been identified, one with confirmed funding and the other awaiting confirmation. The City of Melbourne developed a strategic partnership with the State Government which includes \$500,000 grant to support the program. The funding will also be used to undertake the necessary legislative changes to enable an innovative financial mechanism, which will be delivered by the Sustainable Melbourne Fund.</p> <p>The Australian Carbon Trust has indicated that it is interested in partnering with the 1200 Building Program but an outcome will not be known until September 2010.</p>
Electricity grid policy	Time	March 2010	<p>N/A</p> <p>Not progressed – this project was discontinued in January 2010 following a lack of participation from the distribution network business.</p>
Identify industry capability	Time	March 2010	<p>100%</p> <p>Established a partnership with the Industry Capability Network (ICN) to deliver a register of consultants and suppliers who can provide services to 1200 Buildings signatories. The ICN will start delivering this register in the 2010–11 financial year.</p>
Support package and business case for owners and align regulatory incentives	Time	March 2010	<p>100%</p> <p>Owner segmentation – council has engaged in extensive consultations with State Government (Department of Planning and Community Development, Department of Sustainability and Environment, Department of Treasury and Finance and Department of Premier and Cabinet) to seek funding for the program and to seek legislative amendment to the <i>City of Melbourne Act</i> to enable council to establish a financial mechanism that would assist building owners to access low cost financing. Building owner and segmentation report provided by Arup.</p> <p>Economic uplift report by Deloitte and market analysis report by TKP.</p> <p>In April 2010 the Premier announced support of the proposed legislation in Victoria's <i>Action Plan for Green Jobs</i>. This is expected to be introduced at the end of July 2010.</p>

Marketing and communications including website in place	Time	June 2010	<p>100%</p> <p>Website went live in November 2009. In March 2010 the web design project documentation was finalised, providing the business case and next steps required to develop the website to meet the needs of the target audience (building owners and facility managers). This documentation will guide the ongoing development and delivery of the 1200 Buildings website.</p> <p>On 31 March 2010 the first 30 buildings into the program were welcomed with a gala lunch launch hosted by the Lord Mayor.</p>
Retrofits underway	Quantity	50	<p>36</p> <p>This measure is calculated by the number of buildings that joined the 1200 Buildings program in the 2009–10 financial year. The Lord Mayor welcomed the first 30 buildings to the program on 31 March 2010. An additional six buildings joined the program between 1 April and 30 June 2010, bringing the total to 36 buildings or 72 per cent of the target. An additional 20 buildings are close to signing up.</p> <p>This target was not met as the City of Melbourne was focused on responding to State Government needs to progress legislation through parliament. Additionally, the City of Melbourne was unable to complete the development of the marketing strategy to support this activity within the required timeframe.</p>
Stakeholders registered on 1200 buildings website.	Quality	1000	<p>95</p> <p>This measure is calculated by the number of stakeholders who registered on the 1200 Buildings' website. In the 2009–10 financial year 95 people registered on the website or 9.5 per cent of the target.</p> <p>The market research conducted as part of the development of the 1200 Buildings program established that a building owners and facility managers were unlikely to see benefit from registering on the website at the early stages of the program before the program offerings were clear. Due to this finding the City of Melbourne did not focus on encouraging stakeholders to register on the website.</p>

KSA 4 – Continue to implement drought proofing to ensure water security for Melbourne’s parks and gardens

Strategic planning for the effective drought proofing of the city’s major parks is continuing due to the severe drought across the state which has resulted in Stage 3 water restrictions being imposed by statutory water authorities. Drought proofing and stormwater harvesting projects have been identified in Holland Park, Royal Park, Carlton Gardens, Fitzroy Gardens, Birrarung Marr and the Alexandra Gardens.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Stormwater harvesting and drought proofing projects in Royal Park, Birrarung Marr, Fitzroy Gardens, Carlton Gardens and the Alexandra Gardens	Cost	\$2 million	\$1,300,000 The installation of the synthetic surface at JJ Holland Park was reliant upon a Funding Grant from the State Government. The timing of the notification from the State Government of the successful application for funding resulted in delays in the commencement of the project. The remaining \$700,000 in unspent funds has been carried forward into 2010–11 to complete the installation of the synthetic sports field at JJ Holland Park which is due for completion by the end of September 2010.
Implementation timeframe	Time	June 2010	Three of the four sub-projects have been completed. The Holland Park synthetic sports field is currently in progress and will be completed in September 2010, hence the 95 per cent completion rating.
Number of drought proofing projects completed as planned	Quantity	<ul style="list-style-type: none"> • Installation of one synthetic sports field • Completion of Royal Park sporting fields and Royal Parade irrigation 	<p>Construction was delayed on the installation of one synthetic sports field for Holland Park as a result of funding requirements which were secured in February 2010. Contract works commenced in June 2010 and the field is expected to be completed and ready for use in September 2010.</p> <p>The contract for the Royal Park Wetlands Extension to provide reclaimed water to the Eastern sports grounds and Royal Parade trees has been completed.</p>

		<ul style="list-style-type: none"> • Installation of rainwater harvesting in Carlton Gardens 	The Museum has awarded the contract for rainwater harvesting infrastructure in the Western Forecourt project. A portion of the water from the total project (27 per cent or approximately 450,000 litres storage capacity) will be provided to Carlton Gardens South in return for a council grant of \$300,000. Payment to the Museum was in June 2010.
Seek federal and state grants to support funding for drought proofing and stormwater harvesting	Quantity	Commence documentation of drought proofing / stormwater harvesting initiatives for Fitzroy Gardens, Alexandra Gardens and Birrarung Marr	The application to the National Urban Water and Desalination Program for the stormwater proposals' has been lodged seeking up to \$4.88 million which equates to 50 per cent of the Fitzroy Gardens, Birrarung Marr and Alexandra Gardens proposals. The result is now expected in July (not May, as previously reported). Further design work is being carried out.
Mega-litres of additional reclaimed water used for watering Royal Park sports fields and Royal Parade trees	Quality	40 mega-litres	Ecological engineering report showing an additional 40 mega-litres of harvested stormwater going to eastern sports field and Royal Park streetscape.

KSA 5 – Establish a ‘one-stop shop’ economic development model for Melbourne

A ‘One Stop Shop’ economic development model was recognised as a key priority of the City of Melbourne’s *Council Plan 2009–13*. A new approach to economic development for Melbourne was endorsed with a recommendation to establish a high level advisory board of Melbourne business community members to drive economic development priorities and strategies for Melbourne. The new advisory board will be known as Enterprise Melbourne. Other activities in 2009–10 will include the implementation of an online business portal and a three to five year economic development strategy for Melbourne.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Establish ‘Enterprise Melbourne’ board, web portal and business program	Cost	\$350,000	\$204,067 \$350,000 was allocated by the City of Melbourne primarily to implement the Enterprise Melbourne web portal. The development of phase one of the web portal was essentially completed in-house using existing and contracted labour. The level of expenditure required was less than anticipated.
Establishment of advisory board, completion of web portal, program of business activity	Time	Dec 2009	100% In August 2009, council approved the terms of reference and scope of board membership. The first meeting of the board was held on 5 October 2009, with subsequent meetings held on 17 February 2010 and 19 May 2010. A draft economic development framework, which maps Melbourne's key industry sectors and the current scope of council activities to support these sectors was prepared for the May board meeting. Due to time constraints, consideration of this matter was deferred to the August Enterprise Melbourne board meeting. Each Enterprise Melbourne board meeting during 2009–10 has focused on a specific issue that impacts the Melbourne business community and opportunities for economic development. The advice generated from these board meetings has helped form the basis of the International Engagement Framework adopted by the City of Melbourne in April 2010.

			<p>The four elements of the framework are:</p> <ul style="list-style-type: none"> • Business prosperity – increasing exports and inwards investment in Melbourne's key industry sectors • facilitating learning – increasing exchanges in areas of city management excellence • supporting community, cultural and civic links • participating in international governance issues – advocacy and representation of Melbourne's interests in international forums. <p>The Enterprise Melbourne portal (phase one) was rolled out 30 November 2009. Development continues for phase two of the website in conjunction with the delivery of the corporate website, and this will include online transactional capability.</p>
Level of awareness and participation	Quality	Baseline year	<p>The Enterprise Melbourne eNewsletter commenced in February with further editions in April and June. eNewsletter subscriber numbers have grown from 171 in February to 450 in June. Ongoing promotion of the website continues to drive business events listings with 76 events listed from January to June. Usage statistics regarding the Enterprise Melbourne website tell us that there have been 208,227 page views from November 2009 to June 2010.</p>

KSA 6 – Determine and agree upon a long term strategy for the Queen Victoria Market site

The Queen Victoria Market (QVM) is the last remaining 19th century market operating in central Melbourne. It is one of Melbourne's most visited tourist attractions and one of Melbournian's most loved local icons. To ensure the QVM's future as the focal point of a growing, vibrant city neighbourhood, the City of Melbourne will work with key stakeholders to develop a shared vision for the site.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Consultants to work with City of Melbourne and QVM board to develop options	Cost	\$100,000 (council contribution = \$50,000 plus matching funds from the QVM)	\$135,886 The approved budget of \$100,000 was based on an estimation of staff time required to deliver the project and the necessary design consultants to initiate discussions for future progression of the project. The final cost of \$135,886 was significantly higher than budget due to the requirement to workshop the options for the project, engaging time-lapse photography around QVM and other consultants that were not planned at the time that the budget was approved. Overspend of the original budget was offset by surplus funds from the City Design operating budget.
Options presented to council	Time	June 2010	80% The process to determine and agree on a long term strategy for the QVM site has progressed substantially however it is not yet finalised. A series of workshops with the City of Melbourne and QVM board have resulted in a number of options for a long term strategy for the QVM. Throughout the year, several research works were completed. They will inform the development of the long term strategy. These included an impact assessment of the relocation of the wholesale market from Footscray to Epping, a preliminary development assessment of the carpark site, a market research brief, streetscape analysis and a heritage assessment. As a result of the complex scope of this project, a decision on the long term strategy of the QVM site will continue throughout 2010–11. A QVM sub-committee was appointed in July 2010 to guide the future direction of the project with presentation of a final report to council in June 2011. Once a preferred option is agreed, the council will undergo a community engagement process. Agreeing on the preferred option for the QVM site is a key strategic action for 2010–11.

KSA 7 – Commence implementation of the approved strategy for Swanston Street through documentation and schematic design

Swanston Street is one of the city's busiest streets. In 2008–09 the City of Melbourne sought feedback from key stakeholders and the community on how we could revitalise Swanston Street into a more attractive and accessible street. With a reduction in motor vehicle access being the preferred option, the City of Melbourne has developed a detailed project plan to manage the revitalisation project. Delivered through a staged approach, this year we will commence implementation of stage one.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Cost of design and documentation including tender documents	Cost	\$500,000	\$499,870 Project was managed to budget. Minor variance.
Ready to commence construction in 2010–11	Time	June 2010	95% Commencing work on the Swanston Street redevelopment was defined as stage one. That included design, design development and conducting the road closure process. Design development is now well advanced and was approved by the project control group and interagency steering committee during May. It now requires council endorsement to proceed to the tendering phase. The road closure process commenced in April and submissions have now closed. Submissions were considered during June and will be referred to council in July for a decision. Councillors have been briefed of a revised construction timetable commencing on site in January 2011 to avoid the city's Christmas shopping peak and to work in with Yarra Trams and Melbourne Central construction plans.

KSA 8 – Establish a partnership with the State Government to implement enhanced late night taxi ranks

The City of Melbourne aims to establish two enhanced taxi ranks per year for the next four years. These taxi ranks will operate within the hours of 11pm and 5am on Friday and Saturday nights. Enhanced taxi ranks will improve the reliability and frequency of taxi services and provide a comfortable and secure environment for both patrons and drivers at the selected sites. This project will be delivered in partnership with the State Government and other key stakeholders.

ANNUAL MEASURE	TYPE	TARGET	COMMENTS
Develop concept plan and seek external funding for community village	Cost	\$100,000	\$72,237 The issue required consultation with external stakeholders as well as development of a concept plan. The consultations took longer than expected delaying the ability to implement some strategies within the timeframe. This resulted in the under spend on the 2009–10 budget. These issues are expected to be addressed in KSA 2 for 2010–11.
Plan and install two new enhanced city taxi ranks	Cost	\$250,000 (External funding)	\$13,640 (2009–10 capital expenditure) \$50,000 grant (\$15,000 in 2009–10 and \$35,000 in 2010–11) The City of Melbourne was successful in receiving \$50,000 from the Victorian Taxi Directorate, which has been allocated to improve the infrastructure at the Queen Street rank. The original plan was to install two new enhanced ranks that provided taxi totem signs which would allow a customer to activate a security camera that monitors activity at the particular rank, and the installation of one new on-street toilet in the vicinity of the new rank. When this application received an allocation of \$50,000 the scope of the project was modified to extend the length of an existing enhanced rank in Swanston Street adjacent to the Flinders Street Station at a cost of approximately \$6000. It also included installation of a night time enhanced rank on the west side of Queen Street between Bourke Street and Little Collins Street. This rank did not include the installation of a taxi totem sign but involved the installation of overhead security cameras that could look at activity at the rank but was not activated by the rank's infrastructure. The new rank involved new signage at a cost of \$1000. Upgrading the street light cost \$35,000 and the installation of removable queue control barriers cost approximately \$14,000. Security staff were also deployed on Friday and Saturday evenings at an estimated cost of \$70,000 per annum from the operating budget.

Enhanced taxi ranks installed and operational	Time	June 2010	<p>100%</p> <p>Communication plan prepared to guide promotion of the new enhanced taxi ranks. Promotional activities in 2009–10 included:</p> <ul style="list-style-type: none"> • Updates on the That's Melbourne website • Updates on the City of Melbourne website • Joint media opportunity with Department of Transport. <p>Future communication activities include corporate advertisements, <i>Melbourne News</i> articles and promotion via the regular Lord Mayor segment on 3AW.</p> <p>A project control group met throughout the year to monitor activity levels, discuss security related issues, assess the functionality of the current locations and to plan future projects.</p>
Number of enhanced late night taxi ranks	Quantity	2	<p>2</p> <p>Enhanced ranks in Queen Street and Swanston Street completed. Both these ranks are now being heavily used by taxis and passengers and their success has been endorsed by the Victorian Taxi Association.</p>
Positive feedback from Victorian Taxi Association, Victorian Taxi Directorate and Victorian Taxi Drivers Association	Quality	Positive feedback received indicating reduction in anti-social incidents.	<p>Village Well, a consultant, was engaged to undertake an initial survey of late night taxi patrons in August 2009. The report <i>Enhanced Taxi Ranks Activation Plan</i> identified issues that need to be considered when considering the location and the amenity requirements for any taxi rank in the CBD.</p> <p>In April 2010, Village Well was commissioned to undertake a second survey to identify any changes in the attitude of patrons using the new enhanced taxi ranks. The survey was based on the same criterion used in the August survey. It was conducted between 10.00pm to 2.00am and there were 109 documented responses.</p> <p>The consultant's report concluded:</p> <ul style="list-style-type: none"> • taxi patrons will default to hailing a taxi if there is no obvious rank nearby • patrons are unlikely to walk long distances to find a taxi • Flinders Street Station and Crown Casino are the most well known taxi rank locations • the highest percentage of patrons leave the city between midnight and 3am • patrons are more likely to use a taxi rank if it is enhanced with information, security or a taxi marshal.

			<p>The stakeholder reference group included Victoria Police, the Salvation Army and Rotary. The Salvation Army has been identified as the key external partner.</p>
--	--	--	---

KSA 9 – Commence rejuvenation of the Kensington Town Hall and establish a framework for the rollout of community centres across the municipality including in Carlton, Southbank and Docklands

The City of Melbourne has a diverse range of community infrastructure, much of which was developed historically and in an unplanned manner. This has led to facilities that are uneven in coverage and capacity across different neighbourhoods, and infrastructure that is not 'fit-for-purpose' for current requirements. Provision of appropriate community infrastructure is a pressing issue for the City of Melbourne, both in areas with new residential communities (such as Southbank and Docklands) and established neighbourhoods where there are gaps or ageing infrastructure (such as Carlton or Kensington).

To provide a structured approach to addressing these issues, this project involves a review of the City of Melbourne *Community Infrastructure Plan*, and the establishment of a framework for the rollout of community facilities throughout the municipality. This includes planning for community infrastructure projects, specifically the rejuvenation of the Kensington Town Hall, and community centres in Carlton, Southbank and Docklands. Planning and development of other community infrastructure identified in the revised plan will also be included in this project plan.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Review the <i>Community Infrastructure Plan</i>	Cost	\$50,000	\$30,340 The expenditure included assessment of community infrastructure and planning needs undertaken by consultants (cost: \$23,920). Preparation of a community infrastructure framework by consultants (cost: \$1,920), and development of concept and design art work for final plan by consultants (cost: \$4,500). The level of expenditure required was less than anticipated.
Document plans for Kensington Town Hall	Cost	\$300,000	\$133,543 The budgeted cost of \$300,000 was based on an estimation of the costs to deliver the design and documentation for the upgrade of the Kensington Town Hall. The costs incurred to 30 June 2010 were \$133,543 and considerably lower than budget due to only the design being completed this financial year. The balance of the project budget has been carried forward into 2010–11 to complete the project as this is a multi-year project.
Seek external funding to rejuvenate Kensington Town Hall	Cost	Up to \$2M	\$0 Applied for external funding but was unsuccessful.

Concept and feasibility for the redevelopment of the former Boyd High School site	Cost	\$100,000	<p>\$389,307</p> <p>The budgeted cost of \$100,000 was based on an estimation of the costs to commence the design and documentation for the redevelopment of the Boyd High School site. During the course of 2009–10 the City of Melbourne approved this project to proceed which necessitated additional work for the project to get off the ground and to commence works in 2010–11. The costs incurred to 30 June 2010 were \$389,307 and considerably higher than budget. The over spend in 2009–10 will be offset in future budget allocations to this multi-year project in 2011–12.</p>
Determine the partnership arrangements for funding of library and community hub in Docklands and commence documentation	Time	June 2010	<p>100%</p> <p>In 2009–10 there has been significant progress made developing and delivering the community infrastructure framework. All specific project milestones have been met or exceeded. The outcome has been:</p> <ul style="list-style-type: none"> • the community infrastructure implementation framework has been completed and endorsed by council • tenders for structural works (primarily underpinning) on the Kensington Town Hall were advertised and closed. Tenders having been awarded and site works expected to begin mid July 2010 • the Drill Hall site construction works have begun for the provision of affordable accommodation and ancillary community office space and facilities • the Boyd School plans have been drafted to include a full neighbourhood library, family and children's services, artist studio spaces and a multi-purpose community space • the Multicultural Hub refurbishment has been completed with a return to full use and occupation anticipated by July 2010 • a working group has progressed the proposal by the Office of Housing for the development of a Health and Aged Services Hub at the base of 480 Lygon Street. <p>Discussions regarding other community infrastructure opportunities (on sites surrounding the Carlton Housing redevelopment) are being considered. They include redevelopment of the Carlton Primary School site and redevelopment of the Carlton Baths/Carlton Family Resource Centre to include a multi-purpose recreation and family/children's services hub.</p>

KSA 10 – Develop a 10-year financial plan

The City of Melbourne recognises that the financial planning horizon for the organisation is longer than the current four year strategic resource plan and requires the establishment of long term 10 year financial plan to guide strategic decision making.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Staffing (existing)	Cost	\$30,000	\$5,151 The budgeted cost was \$30,000 based on an estimation of direct staff time required to fulfil the project and assumed a fulltime commitment by a staff member. The final costs were \$5,151 and considerably lower than budget due to not requiring a fulltime resource on the project. The final cost was captured through the use of timesheets.
Completion date	Time	June 2010	90% After finalising the shell document and a review of other comparable organisation's 10 year financial plan the key inputs for the City of Melbourne 10 year financial plan have been confirmed. In May a draft copy of the 10 year plan was prepared however finalising the financial profile including ratios, is still subject to direction on the policy statements and rating strategies. Further information was required to explain rating strategy options. This was presented at the councillor forum on Tuesday 25 May 2010.
All aspects of council operations covered in the 10 year financial plan	Quantity	Financial plan components include the needs and priorities for infrastructure development, maintenance and service delivery	The <i>10 Year Plan</i> is now awaiting Councillor direction particularly in relation to the rating strategy before it can be finalised. All the councillor's, Lord Mayor and Deputy Lord Mayor have been interviewed regarding the financial plan components and the next steps are to consolidate results and report back to council.

	Quality	A plan that includes City of Melbourne policy directions and key financial strategies	<p>Key financial drivers have been identified and form part of the underlying financial model for the plan.</p> <p>Additional work to gather individual feedback from all councillors on the policy statements and strategies was undertaken in July 2010 in an effort to achieve a consensus and finalise the plan.</p>
--	---------	--	--

KSA11 – Develop and implement a community engagement framework and evaluation methodology

The community engagement framework will provide policy and operational guidance to the organisation in all facets of community engagement. In addition, the framework will provide practical tools, professional training and support, communication mechanisms (internal and external) and evaluation methods. The framework will build organisational capacity enabling collaboration and decision making at all levels of the organisation. It will support a consistent and high quality approach to engagement, through provision of resources, assistance and advice.

ANNUAL PLAN MEASURE	TYPE	TARGET	COMMENTS
Staffing (existing)	Cost	\$311,000	\$308,000 Project managed to budget. Minor variance.
Community engagement framework developed	Time	June 2010	100% The community engagement framework, consisting of a number of elements grouped in four categories – people, practice, policy and performance – is 100 per cent complete. The framework is intended to support sustainable decision making by councillors; staff provide well informed reports and recommendations that have been supported by a rigorous community engagement process. The framework was developed using a capacity building approach to change. This approach is inclusive by nature and models the ideology and methodology of good practice engagement. This has helped to build trust in the vision and leadership of the organisation and has encouraged staff to embrace a new culture engaging communities of interest on issues that impact on wellbeing. Over 200 members of staff have helped develop the framework providing valuable input into the guidelines, training program, policy, portal, measurement methodology, case studies and the practitioner network used. As a result of this collaboration the framework reflects the needs and aspirations of the organisation across a broad range of program and service areas. Staff have steadily acquired skills to develop and design community engagement processes. These processes seek stakeholder ideas, views and opinions on a wide range of issues and initiatives. The information obtained through this process helps to ensure the City of Melbourne delivers high quality programs and services that genuinely reflect the needs and aspirations of the community.

			The measurement methodology ensures that the framework can provide evidence of its value and success. Importantly, this also ensures that the organisation applies a rigorous process of continuous improvement so that it remains contemporary and relevant.
The community engagement framework used in up to five of the eleven 2009–10 KSAs	Quantity	Up to 5 of the 11 KSAs	Assisted four of the scheduled five KSA projects with their community engagement plans. The fifth KSA project (QVM long term strategy) has been delayed until the 2010–11 financial year.
Community satisfaction rating for council's engagement in decision making on key local issues	Quality	60%	Indexed mean score of 62% from the Department of Planning and Community Development Community Satisfaction Survey results.

MELBOURNE CITY COUNCIL

Statement by councillors, Chief Executive Officer and Principal Accounting Officer on the performance statement for the year ending 30 June 2010

In my opinion the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989*.



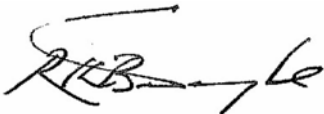
Phu Nguyen (CPA)

Principal Accounting Officer

In the council's opinion the accompanying compulsory performance statement presents fairly the performance of the Melbourne City Council for the year ending 30 June 2010.

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

We were authorised by the council on 31 August 2010 to certify the financial report in its final form.



Robert Doyle

Lord Mayor



Brian Shanahan

Councillor



Kathy Alexander

Chief Executive Officer

Melbourne

31 August 2010



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Melbourne City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2010 of Melbourne City Council which comprises the statement, the related notes and the Statement by Councillors, Chief Executive Officer and Principal Accounting Officer has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of Melbourne City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Matters Relating to the Electronic Presentation of the Audited Performance Statement

This auditor's report relates to the performance statement published in both the annual report and on the website of Melbourne City Council for the year ended 30 June 2010. The Councillors are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance statement to confirm the information included in the audited performance statement presented on Melbourne City Council website.

1

Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

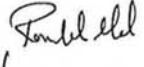
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of Melbourne City Council in respect of the 30 June 2010 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
8 September 2010


D D R Pearson
Auditor-General

Best value

The City of Melbourne is dedicated to the continuous improvement of its services and projects to ensure best value for the community. In 2000, the *Local Government Act 1989 (Vic)* was amended to incorporate six ‘best value’ principles to ensure high quality and value-for-money services that respond to the community’s needs.

The best value principles are applied by the City of Melbourne in our day-to-day assessment of services and in late 2008 we furthered our commitment to value and quality by implementing the Lean Thinking approach to service improvement.

Lean Thinking is a business methodology that aims to create value for internal and external customers by eliminating waste and duplication. In service industries, ‘lean’ means the right service, in the right place, at the right time, provided by the right person and done right the first time.

There were 10 major programs of Lean Thinking work ‘streams’ for 2009–10. Each stream applied at least one of the following five performance measures:

- quality
- cost
- timeliness
- customer or staff satisfaction
- sustainability.

The City of Melbourne has continued to apply the best value principles in assessing and improving its services in the following ways:

Best value principle	Application at City of Melbourne
Quality and cost standards	<p>This principle refers to the extent to which services are achieving or exceeding relevant key performance indicators of service quality and the service can demonstrate value for money.</p> <p>The City of Melbourne measures the standard of service through a range of quality and cost measures including industry standards, the strategic indicators of its council plan and measures for Lean Thinking streams.</p> <p>The following Lean Thinking streams have measures aligned to quality and cost:</p> <ul style="list-style-type: none"> • Parking meters – improved repair process resulted in reduced service costs to the City of Melbourne • Construction zone permits – reduced time to issue a permit • Childcare centres – improved efficiency through systematic sorting and organization on of work areas.
Responsive to community needs	<p>This principle refers to the extent to which the community feels that we not only understand what they are seeking from services offered but also the extent that the current service offerings reflect that understanding.</p>

	<p>Community needs are established through the analysis of customer requests, community feedback and survey results.</p> <p>During 2009–10, the City of Melbourne sought feedback on its performance from groups such as residents, businesses and international students. Survey results help the organisation set targets for continuous improvement in service delivery, and provide data to support best value principles in our planning, decision making and actions.</p> <p>The primary focus of Lean Thinking is to improve value from the perspective of the customer – in our case, the community – by eliminating waste in processes. Some examples include:</p> <ul style="list-style-type: none"> • Childcare centres – improved communication to parents. Responding to the needs of the customer through introduction of online payment options to improve timeliness and ease of payments • Parking meters – 70 per cent reduction in calls from customers reporting faulty meters • Executive correspondence – streamlining of processes to improve customer response time.
<p>Accessible services</p>	<p>This principle refers to the extent to which services are able to be readily accessed by those for whom the services are intended.</p> <p>Annual business plans are developed for each branch of the organisation and barriers to accessibility are addressed through these plans. In response to accessibility concerns, the City of Melbourne corporate website has undergone a major review over the past year. We have followed version 1.0 of the <i>W3C Web Content Accessibility Guidelines</i> to level AA and introduced cascading style sheets, the availability of text only version documents and larger text options for all pages.</p>
<p>Continuous improvement</p>	<p>This principle refers to the extent to which our work is continuously improved. The City of Melbourne has adopted a Lean Thinking approach as our improvement model. Some improvement outcomes for 2009–10 include:</p> <ul style="list-style-type: none"> • Executive correspondence – improved timeliness to respond to correspondence within 10 working days from 51 per cent to 94 per cent. • Construction zone permits – reducing the total length of days to install from about 200 to approximately 28. • Travel coordination – reducing the process steps by 46 per cent resulting in 69 per cent of travel episodes being completed within the target time. • Childcare centres – improved functionality of the waiting list to reduce time staff spend manually entering data by 45 per cent and updating the list by 66 per cent. Improved website and communications reducing customer enquiries by approximately 50 per cent.

	<ul style="list-style-type: none"> • Recruitment – improved IT access for new employees (12 per cent to 85 per cent) by reducing the process steps for recruitment requests.
<p>Community consultation</p>	<p>Community engagement is any process that involves the public in problem-solving or decision making and uses public input to make decisions. The City of Melbourne community engagement framework is built on the IAP2 core values and spectrum for public participation.</p> <p>This year the City of Melbourne has sought feedback on a number of projects including:</p> <ul style="list-style-type: none"> • the Swanston Street redevelopment • the Children’s Plan for Children • the Chinatown precinct lighting project.
<p>Report regularly to the community</p>	<p>The City of Melbourne reports regularly to the community through advisory reference group meetings, publications such as <i>Melbourne News</i>, our corporate website, newsletters and fact sheets and the annual report.</p>

Victorian Local Government Indicators

The Minister for Local Government, under the authority of the *Local Government Act 1989*, requires every council to present a report on the following indicators:

Indicator	2009–10	2008–09	2007–08	2006–07	2005–06
Overall performance					
Community satisfaction rating for overall performance generally of council	68	66	68	72	70
Advocacy					
Community satisfaction rating for the council's advocacy and community representation on key local issues	64	61	62	66	65
Engagement					
Community satisfaction rating for the council's engagement in decision-making on key local issues	62	59	59	61	61
All rates					
Average rates and charges per assessment (all rates)	\$2,457	\$2,318	\$2,265	\$2,255	\$2,481
Residential rates					
Average rates and charges per residential assessment	\$968	\$939	\$877	\$809	\$866
Operating costs					
Average operating expenditure per assessment	\$4,214	\$4,333	\$3,993	\$4,455	\$4,799
Capital expenditure					
Average capital expenditure per assessment	\$863	\$1,060	\$909	\$932	\$1,838
Infrastructure					
Renewal gap	76%	70%	67%	76%	173%
Renewal and maintenance gap	79%	72%	71%	80%	161%
Debts					
Average liabilities per assessment	\$817	\$989	\$1,184	\$1,331	\$1,039
Operating result					
Operating results per assessment <i>Note: This represents the operating results per assessment as per the subtotal profit/loss for the period.</i>	\$(360) ¹	\$340	\$1,357	\$2,819	\$288

¹ This result largely reflects the City of Melbourne no longer being the Committee of Management for Yarra Park

ABOUT THE GLOBAL REPORTING INITIATIVE

The Global Reporting Initiative (GRI) is the world's most widely used sustainability reporting framework. Its principles and indicators provide a mechanism for measuring and reporting economic, environmental and social performance.

The GRI's indicators promote transparency, accountability and accuracy, making it easier to compare performance in an increasingly globalised operating environment.

Currently, around four per cent of organisations globally use sustainability reporting. In Australia this figure is 35 per cent².

The Global Reporting Initiative's principles of inclusiveness, relevance, sustainability context and completeness define the content of this report. Stakeholder feedback on the *2008–09 Annual Report* has also been taken into account. A cross organisational working group was formed to develop this annual report and senior management were regularly consulted throughout the development process. Councillors will consider the City of Melbourne *Annual Report 2009–10* at the October 2010 meeting.

Reading this index

The City of Melbourne has included GRI sustainability indicators as part of its performance measures since 2004–05.

The GRI appears in this annual report as a list of indicators, each with a page reference to demonstrate compliance.

GRI application level

This report was prepared to meet the requirements of application level B under the GRI's Sustainability Reporting Guidelines, maintaining the standard of reporting and disclosure of previous years.

Rather than seek external assurance for GRI, the City of Melbourne focuses its resources on strengthening internal reporting processes and maintaining an already thorough level of auditing.

More information about the GRI is available at www.globalreporting.org

² Professor Richard Petty, President CPA Australia. Presentation to Australasian Reporting Awards seminar, Melbourne, 5 June 2009

GRI content table

GRI standard disclosure	Page	GRI indicator
Report profile – strategy and analysis		
Message from CEO and LM	Message from CEO (page 8) and Lord Mayor (page 7)	1.1
Risks and opportunities	Message from CEO (page 8) and Lord Mayor (page 7)	1.2
Support for the United Nations Global Compact	Purpose of this report (page 3)	1.3
Report profile – organisational profile		
Council profile, products and services and organisational profile	Melbourne City Council (page 18), our performance (page 43), organisational profile (page 35), about this report (page 3)	2.1 – 2.10
Report parameters		
Report profile	Purpose of this report (page 3)	3.1 – 3.5
Report scope and boundaries	Purpose of this report (page 3)	3.6 – 3.11
GRI context index	GRI content table (page 104)	3.12
Assurance	Purpose of this report (page 3)	3.13
Governance, commitment and engagement		
Governance and risk management	Purpose of this report (page 3), Melbourne City Council (page 18), our performance (page 43), organisational profile (page 35)	4.1 – 1.12
Memberships	Council profile (page 19)	4.13
Stakeholder engagement	Community engagement / Lean Thinking feature (page 9), About the GRI (page 103)	4.14 – 4.17
Public policies and implementation measures		
Sustainable development policies	Our performance (page 43)	PA2 – PA3
Goals, measures and targets	Our performance / performance measures (page 43)	PA4 – PA7
Economic indicators – performance		
Economic value generated and distributed	Our financials (page 106)	EC1
Risks and opportunities due to climate change	Our performance (page 43)	EC2
Significant financial assistance from government	Our financials (106)	EC4

Economic indicators – indirect economic impacts		
Gross expenditure by type of payment and classification	Our financials (page 106)	PA8 – PA9
Economic indicators – expenditure and procurement		
Procurement policy	Our performance – eco-city (page 59)	PA11
Economic, environmental and social criteria	Our performance – eco-city (page 59)	PA12
Procurement practice and policy priorities	Our performance – managing our resources (page 70)	PA13
Environmental indicators		
Energy consumption	Our performance (page 43)	EN3 – EN7
Water consumption	Our performance (page 43)	EN9, EN10
Biodiversity	Our performance – eco-city (page 59)	EN14
Greenhouse gas emissions	Our performance – eco-city (page 59)	EN16, EN18
Labour practices and decent work indicators		
Employment, labour/management practices	Organisational profile (page 35)	LA1, LA2, LA4
Occupational health and safety, training and education, diversity and equal opportunity	Organisational profile (page 35)	LA6 – LA14
Social performance indicators		
Community	Our performance (page 43)	SO1
Corruption	Corporate governance (page 24)	SO2 – SO4
Public policy	Melbourne City Council (page 18)	SO5
Compliance	Corporate governance (page 24)	SO8
Product responsibility indicators		
Marketing and communications	Corporate governance (page 24)	PR6 – PR8

PART THREE

Financial statements
