

Ordinary Meeting of Council Agenda

**to be held on Tuesday 1 August 2017 at 7.00pm
Richmond Town Hall**

Disability - Access and Inclusion to Committee and Council Meetings:

Facilities/services provided at the Richmond and Fitzroy Town Halls:

- Entrance ramps and lifts (off Moor Street at Fitzroy, entry foyer at Richmond)
- Hearing loop (Richmond only), the receiver accessory may be accessed by request to either the Chairperson or the Governance Officer at the commencement of the meeting, proposed resolutions are displayed on large screen and Auslan interpreting (*by arrangement, tel. 9205 5110*)
- Electronic sound system amplifies Councillors' debate
- Interpreting assistance (*by arrangement, tel. 9205 5110*)
- Disability accessible toilet facilities

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Order of business

- 1. Statement of recognition of Wurundjeri Land**
- 2. Attendance, apologies and requests for leave of absence**
- 3. Declarations of conflict of interest (Councillors and staff)**
- 4. Confidential business reports**
- 5. Confirmation of minutes**
- 6. Petitions and joint letters**
- 7. Public question time**
- 8. General business**
- 9. Delegates' reports**
- 10. Questions without notice**
- 11. Council business reports**
- 12. Notices of motion**
- 13. Urgent business**

1. Statement of Recognition of Wurundjeri Land

"Welcome to the City of Yarra."

"Yarra City Council acknowledges the Wurundjeri as the Traditional Owners of this country, pays tribute to all Aboriginal and Torres Strait Islander people in Yarra and gives respect to the Elders past and present."

2. Attendance, apologies and requests for leave of absence

Anticipated attendees:

Councillors

- Cr Amanda Stone (Mayor)
- Cr Danae Bosler
- Cr Mi-Lin Chen Yi Mei
- Cr Misha Coleman
- Cr Jackie Fristacky
- Cr Stephen Jolly
- Cr Mike McEvoy
- Cr Daniel Nguyen
- Cr James Searle

Council officers

- Vijaya Vaidyanath (Chief Executive Officer)
- Ivan Gilbert (Group Manager - CEO's Office)
- Andrew Day (Director - Corporate, Business and Finance)
- Chris Leivers (Director - Community Wellbeing)
- Joanne Murdoch (Director - Advocacy and Engagement)
- Bruce Phillips (Director - Planning and Place Making)
- Jane Waldock (Assistant Director - Planning and Place making)
- Guy Wilson-Browne (Director - City Works and Assets)
- Fred Warner (Group Manager – People, Culture and Community)
- Mel Nikou (Governance Officer)

3. Declarations of conflict of interest (Councillors and staff)

4. Confidential business reports

Item

- 4.1 Matters relating to legal advice; and matters prejudicial to Council and/or any person.

Confidential business reports

The following items were deemed by the Chief Executive Officer to be suitable for consideration in closed session in accordance with section 89 (2) of the *Local Government Act* 1989. In accordance with that Act, Council may resolve to consider these issues in open or closed session.

RECOMMENDATION

1. That the meeting be closed to members of the public, in accordance with section 89 (2) of the *Local Government Act* 1989, to allow consideration of:
 - (a) matters relating to legal advice; and
 - (b) matters prejudicial to Council and/or any person.
2. That all information contained within the Confidential Business Reports section of this agenda and reproduced as Council Minutes be treated as being and remaining strictly confidential in accordance with the provisions of sections 77 and 89 of the *Local Government Act* 1989 until Council resolves otherwise.

5. Confirmation of minutes

RECOMMENDATION

That the minutes of the Ordinary Council Meeting held on Tuesday 18 July 2017 be confirmed.

That the minutes of the Special Council Meeting held on Wednesday 19 July 2017 be confirmed.

6. Petitions and joint letters

7. Public question time

Yarra City Council welcomes questions from members of the community.

Public question time procedure

Ideally, questions should be submitted to Council in writing by midday on the day of the meeting via the form available on our website. Submitting your question in advance helps us to provide a more comprehensive answer. Questions that have been submitted in advance will be answered first.

Public question time is an opportunity to ask questions about issues for which you have not been able to gain a satisfactory response on a matter. As such, public question time is not:

- a time to make statements or engage in debate with Councillors;
- a forum to be used in relation to planning application matters which are required to be submitted and considered as part of the formal planning submission;
- a forum for initially raising operational matters, which should be directed to the administration in the first instance;

If you wish to raise matters in relation to an item on this meeting agenda, Council will consider submissions on these items in conjunction with and prior to debate on that agenda item.

When you are invited by the meeting chairperson to ask your question, please come forward and take a seat at the microphone and:

- state your name clearly for the record;
- direct your questions to the chairperson;
- ask a maximum of two questions;
- speak for a maximum of five minutes;
- refrain from repeating questions that have been asked previously by yourself or others; and
- remain silent following your question unless called upon by the chairperson to make further comment or to clarify any aspects.

8. General business

9. Delegates' reports

10. Questions without notice

11. Council business reports

Item		Page	Rec. Page	Report Presenter
11.1	Adoption of the Council Plan 2017-21 incorporating the Municipal Public Health and Wellbeing Plan	7	10	Julie Wyndham – Manager Corporate Planning and Performance
11.2	2017/18 Budget & 10 Year Long Term Financial Strategy Adoption	77	80	Ange Marshall – Chief Financial Officer

The public submission period is an opportunity to provide information to Council, not to ask questions or engage in debate.

Public submissions procedure

When you are invited by the meeting chairperson to make your submission, please come forward and take a seat at the microphone and:

- state your name clearly for the record;
- direct your submission to the chairperson;
- speak for a maximum of five minutes;
- confine your remarks to the matter under consideration;
- refrain from repeating information already provided by previous submitters; and
- remain silent following your submission unless called upon by the chairperson to make further comment.

12. Notices of motion

Nil

13. Urgent business

Nil

11.1 Adoption of the Council Plan 2017-21 incorporating the Municipal Public Health and Wellbeing Plan

Trim Record Number: D17/96232

Responsible Officer: Director Corporate, Business and Finance

Purpose

1. The purpose of this report is to seek Council approval of a revised Council Plan 2017-21 incorporating the Municipal Public Health and Wellbeing Plan (Council Plan 2017-21) following consideration of public submissions and incorporation of recommended changes arising from this process.
2. Council having considered public submissions and other information contained in this report, must resolve on whether to adopt the advertised Council Plan following public notice and inspection in accordance with the requirements of the Local Government Act 1989 (the Act) and Local Government (Planning and Reporting) Regulations 2014 (the Regulations).

Background

3. On 4 April 2017, Council resolved to adopt in principle the draft Council Plan 2017-21 for the purpose of community consultation.
4. The proposed Council Plan was available for public inspection for 35 days, from 6 April – 11 May 2017.
5. At the same meeting, Council also resolved to adopt in principle a draft 2017/18 Budget including a waste services charge. This report specifically deals with the Council Plan with a separate report covering the 2017/18 Budget adoption process.
6. On 17 May 2017, Council held a Special Council Meeting to hear verbal submissions on the advertised draft Council Plan 2017-21.
7. On 6 June 2017 the draft Council Plan 2017- 21, draft 2017/18 Budget and draft Long Term Financial Strategy were presented to Council for adoption. At this meeting Council resolved to prepare an alternate draft 2017/18 Budget excluding a waste services charge triggering an additional Section 223 public exhibition period. The draft Council Plan 2017-21 was not included as part of this process.
8. Council resolved to defer adoption of the Council Plan until the Budget was finalised.
9. For the first time, Council is incorporating the Municipal Public Health and Wellbeing Plan into the Council Plan.

Consultation

10. The draft Council Plan 2017-21 was publicised via:
 - (a) a formal notice in The Age on Thursday 6 April 2017;
 - (b) a double page advertisement in the Melbourne Weekly Times;
 - (c) a double page spread in Yarra News, delivered to some 47,000 Yarra households and commercial properties;
 - (d) extensive information (including questions and answers) on Council's website, hot topics, and Council's dedicated online engagement portal;
 - (e) a detailed letter (including an additional question and answers fact sheet) mailed to all non-resident ratepayers;
 - (f) communications via Council's social media channels (Facebook and Twitter) and Council's customer service centres and libraries;
 - (g) e-news with links to members of our 14 advisory committees and registered members of our online engagement portal;

- (h) advertisements on community radio including non-English speaking radio programs and in community non-English speaking newspapers;
- (i) the draft Council Plan 2017-21 was available for public inspection for 35 days, from 6 April – 11 May 2017;
- (j) five open community information sessions were held at the following times and locations:
 - (i) Wednesday 19 April, Edinburgh Gardens Community Centre, Fitzroy 6.00pm – 8.00pm;
 - (ii) Friday 21 April, Studio 1 GTV 9, Richmond 12.00pm - 2.00pm;
 - (iii) Thursday 27 April, Fitzroy Town Hall, 6.00pm – 8.00pm;
 - (iv) Saturday 29 April, Collingwood Senior Citizens Centre 10.00 am – 12.00pm; and
 - (v) Thursday 4 May, Richmond Town Hall 6.00pm – 8.00pm; and
- (k) full copies of submissions have been provided to Council and verbal submissions heard by Council at its special meeting on Wednesday 17 May 2017.

Financial Implications

- 11. The Council Plan process is guided by legislation and is supported by a Strategic Resource Plan to deliver on its Strategic Objectives. The Strategic Resource Plan reflects the first four years of Council's Long Term Financial Strategy.

Economic Implications

- 12. Council's economic development aspirations are reflected in the draft Council Plan 2017-21.

Sustainability Implications

- 13. The draft Council Plan 2017-21 supports Council's environmental sustainability strategies.

Social Implications

- 14. The draft Council Plan 2017-21 identifies Council's strategic objectives which include supporting the community, liveability and sustainability.

Human Rights Implications

- 15. Human Rights have been considered, and there are no human rights implications.

Communications with CALD Communities Implications

- 16. CALD groups were specifically targeted as part of the engagement plan for the draft Council Plan and were represented in a group workshop which included Council's advisory groups.
- 17. Translation service assistance is available via Council's website for members of the CALD community and this service extended to the Council Plan engagement process.

Council Plan, Strategy and Policy Implications

- 18. In accordance with Section 125 of the Act, Council has prepared a Council Plan 2017-21. The draft Budget and Strategic Resource Plan (SRP) complement the Council Plan 2017-21. In accordance with Section 125(7) of the Act, the Council Plan has been reviewed.

Legal Implications

- 19. Adoption of Council's draft Council Plan 2017-21 is as prescribed in the Act and all requirements have been addressed.

Other Issues

- 20. Council invited submission on the draft Council Plan 2017-21, draft 2017/18 Budget and draft Long Term Financial Strategy simultaneously. A number of submissions spanned all three documents.

21. Council received 1006 individual submissions identifying 1113 issues in total. Of the 1113 issues raised, 78 were deemed to relate to the Council Plan. There were no stand-out themes but rather a number of individual issues.
22. A summary of submission issues is contained in Attachment 2. Councillors have been provided with full details of all submissions and officer responses.
23. The community continued to provide submissions and general feedback to Councillors after the closing date for submissions. Full details of all late submissions have been provided to Councillors as information.

Options

24. Following a detailed review of the submissions, amendments to the draft Council Plan 2017-21 are being proposed as a result of public submissions and officer recommendations as detailed in Attachment 3.
25. Other minor administrative and grammatical changes have been made where necessary.
26. The Department of Health have proposed changes to ensure compliance with their requirements to incorporate the Health Plan in the Council Plan. These changes will be made as recommended by the Department.

Conclusion

27. Council's draft Council Plan 2017-21 process commenced in December 2016 and involved several Councillor and Officer meetings conducted over the past six months.
28. The formal public consultation phase of this process commenced in April 2017 with five community information sessions. The public submission process generated substantial interest and input from the community.
29. All submissions have been reviewed and assessed. Officers will respond to all submitters in writing.
30. Council has satisfied the legislative requirements of the process and is now in a position to adopt the advertised Council Plan 2017-21.
31. Any further changes resulting from the Council Plan deliberation and resolution will be incorporated in the final version of the document.

RECOMMENDATION

1. That Council:
 - (a) having received and considered all submissions under Section 223 of the *Local Government Act 1989* (the Act), Council resolves to adopt the Council Plan 2017-21 incorporating the Municipal Public Health and Wellbeing Plan:
 - (i) with the amendments as per Attachment 3; and
 - (ii) with amendments to the Strategic Resource Plan that reflect the 2017/18 Budget as adopted by Council on 1 August 2017; and
 - (b) make copies of the Council Plan 2017-21 available at Council offices, libraries and on the Council website;
 - (c) authorise the Chief Executive Officer to give public notice of the decision to adopt the Council Plan and submit a copy of each to the Minister for Local Government, in accordance with Section 130 (Budget) and 125 (5) (Council Plan) of the Act;
 - (d) notify in writing the persons who have made a submission regarding the Council Plan 2017-21 of Council's decision, in accordance with Section 223 of the Act, which will include a detailed response to the issues raised in the submission; and
 - (e) authorise the Chief Executive Officer to effect minor administrative changes to the Council Plan 2017-21 document, which may be required.

CONTACT OFFICER: Julie Wyndham
TITLE: Manager Corporate Performance
TEL: 9205 5090

Attachments

- 1 Council Plan 2017-2021 Proposed
- 2 Submission Summary 2017-18 Budget and Council Plan
- 3 Council Plan 2017- 21 proposed amendments

Attachment 1 - Council Plan 2017-2021 Proposed



YARRA CITY COUNCIL
DRAFT COUNCIL PLAN
2017-2021

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

Our Yarra

A vibrant, liveable and sustainable inner city that the community can be proud of

A place where

Everyone is welcome,
People inspire, create and get involved,
Council champions fairness, equity, health and wellbeing and sustainable living,
Communities are passionate about arts, culture and diversity,
Neighbourhoods value heritage, open space and natural environments,
Spaces and places encourage active, healthy and connected lifestyles,
We embrace the contribution of many voices and cultures.

Acknowledgement

Yarra City Council acknowledges the Wurundjeri as the Traditional Owners of this country, pays tribute to all Aboriginal and Torres Strait Islander people in Yarra and gives respect to Elders past and present.

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

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Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

Your Councillors

[Insert group photo of Councillors]

Councillors were elected in October 2016 for a four-year term.

Langridge Ward

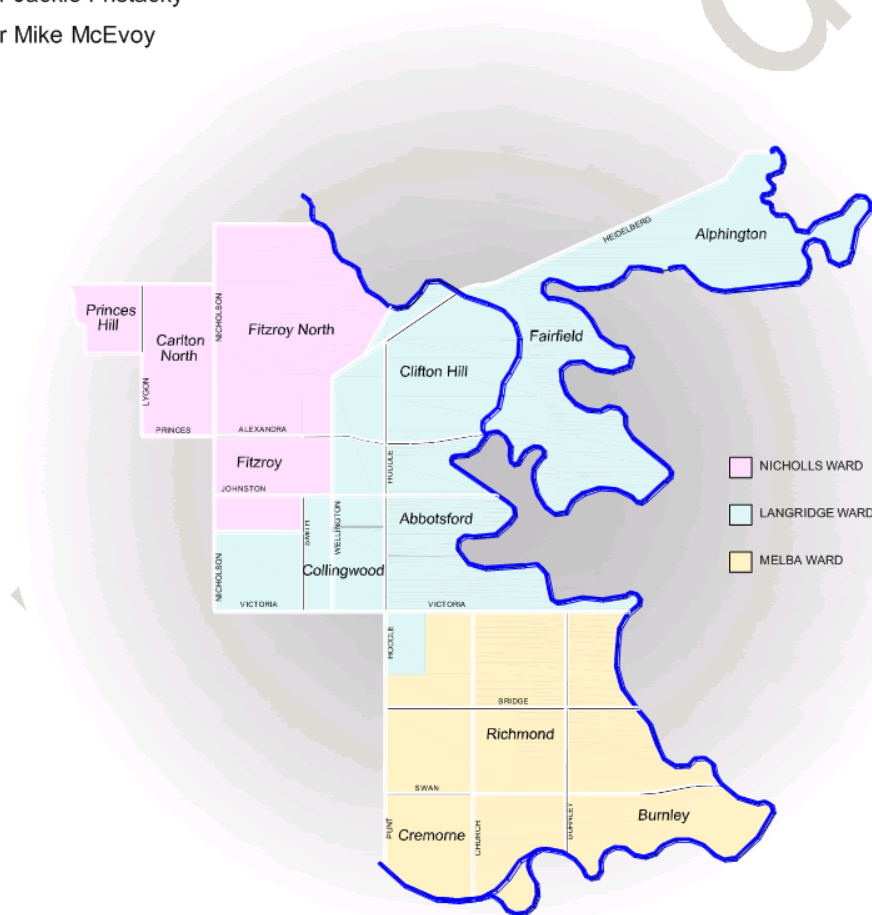
Cr Danae Bosler
Cr Stephen Jolly
Cr Amanda Stone (Mayor)

Melba Ward

Cr Mi-Lin Chen Yi Mei
Cr Daniel Nguyen
Cr James Searle

Nicholls Ward

Cr Misha Coleman
Cr Jackie Fristacky
Cr Mike McEvoy



Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

Message from Mayor

The Council Plan represents our vision for the City of Yarra. Informed by the community, it will guide some of our most important projects and programs over the next four years and help us respond to emerging opportunities and challenges. The Council Plan enables us to measure our progress and – importantly – to report back to the community in a timely and transparent fashion.

The City of Yarra is experiencing a period of considerable growth, with the population set to increase by 33% over the next two decades. The Council Plan builds on our past achievements in providing highly valued community services, leading local government in sustainability and responding to climate change, and identifying and preserving those qualities that are uniquely Yarra.

The new Plan positions us to respond to an increased demand on services and infrastructure. It will help us preserve the unique qualities of Yarra while taking advantage of the cultural and economic opportunities that come with growth. It will ensure we continue to take a leading role in responding to the challenges faced through a changing climate which will impact on our most vulnerable citizens.

The Council Plan has been informed by extensive community engagement. The issues and priorities identified were in line with those raised through our recent Liveable Yarra process. Our Liveable Yarra 'People's Panel' stated a willingness to accommodate growth and change, but wanted Council to manage this with the same focus on multiculturalism, political activism and environmental consciousness that they are very proud of.

With that in mind, our high level aspirations in this Plan are expressed through the following strategic objectives:

- Community health, safety and wellbeing are a focus in everything we do
- Inclusion, diversity and uniqueness are welcomed, respected and celebrated
- Council leads on sustainability and protects and enhances its natural environment
- Development and growth are managed to maintain and enhance the character and heritage of the city
- Local businesses prosper and creative and knowledge industries thrive
- Connectivity and travel options are environmentally sustainable, integrated and well-designed
- Transparency, performance and community participation drive the way we operate

The Council Plan is the culmination of more than six months of community consultation. We received feedback from hundreds of community members passionate about both the future of their city and the role that their local Council can play in preserving and enhancing it. It was informed by thousands of community-generated ideas and critiques.

Allow me to formally record our gratitude to everyone who participated in the consultation process. The Council Plan has benefited enormously from the local knowledge and expertise of our wonderfully engaged community, and we have an exciting four years ahead of us.

Councillor Amanda Stone
Mayor, Yarra City Council

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

Welcome to the Council Plan

Yarra City Council's Council Plan sets out our priorities and direction for the next four years. We undertook an in-depth discussion with our community to inform the development of the Plan and ensure that it reflects and responds to what's important to you.

In a first for Yarra, the Council Plan incorporates our Municipal Public Health and Wellbeing Plan. Bringing these two plans together in one document acknowledges that community health and wellbeing is a core responsibility of Council, and is part of everything we aspire to achieve.

What is a Council Plan?

A Council Plan is developed every four years after the election of a new Council.

Under the *Local Government Act 1989* the plan must include:

- The strategic objectives of the Council
- Strategies for achieving the objectives for at least the next 4 years
- Indicators for monitoring the achievement of the objectives
- A Strategic Resource Plan that outlines how the strategies will be financed.

The Council Plan 2017-21 sets out Council's vision and goals under the following headings:

- Objectives – vision statements for what Yarra will look like in the future
- Strategies – how Council will work towards achieving these visions
- Initiatives – actions Council will undertake over the next four years

How is it developed?

We invited our community to help shape the Council Plan, undertaking an extensive program of engagement and communications activities to inform and involve local residents, businesses and community groups from all backgrounds.

More than 1100 community members participated in the consultation across a number of platforms, including:

- Online – On the Your Say Yarra website
- In person – We held five listening posts across Richmond, Fitzroy, North Fitzroy and Clifton Hill
- Targeted workshops – We spoke to community groups from a diverse range of backgrounds
- Advisory Committee Workshop – Bringing together members of Council's established advisory committees
- Social media – Facebook and Twitter posts
- Written submissions - via post and email

Engagement activities, both online and in person, were predominately through an ideas generation process, seeking responses to four questions:

What do you love about Yarra?

Thinking about your current experience of living, working or enjoying Yarra, what do you love about this city?

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

What would make Yarra even better?

Thinking about Yarra in the future, what would make Yarra a better place to live in four years' time, by 2021?

What do you want your Council to do over the next 4 years?

Thinking about the many decisions the newly elected Council needs to make, what do you want them to focus on?

How can Council improve community health?

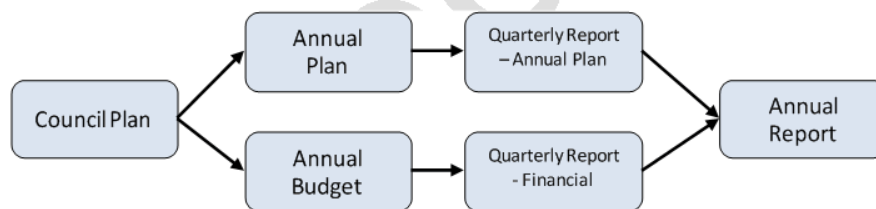
Thinking about the range of health needs in the community, what can Council do over the next four years?

Speaking with and listening to our community helped us develop a Council Plan that reflects your needs and aspirations. The ideas and feedback we collected shaped the Objectives and Strategies within the Plan, and enabled us to develop Initiatives that respond to community priorities.

How is it delivered and reported?

The Council Plan is a strategic document, reflecting medium- to long-range thinking and direction rather than detailed instructions or a map of what Council will do.

It is delivered through the Annual Plan and Annual Budget processes. Some, but not all, Initiatives from the Council Plan will feature in the Annual Plan. Progress is reported to Council and our community through quarterly reports and finally an Annual Report. This reporting ensures key actions and projects are delivered on time and within budget, with any variations clearly explained.



Why incorporate the Health and Wellbeing Plan?

Council works across a range of areas that influence community health and wellbeing, enabling us to play a key role in contributing to positive health and wellbeing outcomes for our community.

Public health is what we, as a society, do collectively to assure the conditions in which people can be healthy. Public health focuses on prevention, promotion and protection rather than on treatment, on population rather than individuals, and on the factors and behaviour that cause illness and injury¹

Social determinants of health are the economic and social conditions that influence the ability of people and communities to achieve good health, examples include, income,

¹ Victorian Health Priorities Framework 2012-2022

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

employment, access to education and access to health care. Factors influencing health and wellbeing include the conditions of birth, grow, work, life, and age, and the broader set of political, social, cultural and environmental forces and systems shaping daily life.

The development of the Council Plan (incorporating the Municipal Health and Wellbeing Plan) has had regard to the Victorian public health and wellbeing plan 2015–2019 which includes the following six priorities:

- Healthier eating and active living
- Tobacco free living
- Reducing harmful alcohol and drug use
- Improving mental health
- Preventing violence and injury
- Improving sexual and reproductive health

Over the 4 years, the priorities will be addressed by Council via existing plans and strategies as well as with new initiatives. They will also drive new partnerships and continuing to work with those already established. Council along with key stakeholders have a commitment to improving health outcomes through a variety of measures and a collaborative approach to achieving the plans vision. .

Under the *Victorian Public Health and Wellbeing Act 2008*, local government is required to develop a Municipal Public Health and Wellbeing Plan (MPHWP) every four years.

Incorporating the MPHWP into the Council Plan:

- Demonstrates Council's commitment to working in partnership with service providers and the community for optimal health and wellbeing
- Strengthens our accountability in achieving health and wellbeing objectives
- Increases effectiveness by avoiding the duplication that can occur across separate plans
- Acknowledges that community health and wellbeing is part of everything we aspire to achieve

As part of the community engagement for the Council Plan, we asked the community what Council should do over the next four years to improve community health. The feedback received has informed many of the health and wellbeing strategies and initiatives outlined in the Council Plan.

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

Role of Local Government

The primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions.

Local Government Act 1989

We strive to achieve the best outcomes for our community by providing high quality services, programs and support across the full spectrum of Council service areas.

Significant Council roles include:

- Local service delivery (e.g. maternal and child health, aged and disability, libraries, childcare, waste collection and recycling)
- Infrastructure provision, improvement and maintenance (e.g. roads, footpaths, streetscape improvements, open space, community centres, recreation facilities, public toilets)
- Strategic planning including for activity centres (e.g. land use)
- Regulation and enforcement (e.g. local laws, permits, food premises inspections),
- Facilitation (e.g. economic development, strategic planning, arts and culture events),
- Representation and advocacy (e.g. social justice issues, health outcomes, gender equity, lobbying for better public transport, working with other tiers of government and organisations)
- Community development (e.g. supporting neighbourhood houses, community grants program)
- Partnerships and funding agreements (e.g. working with service providers to assist new migrants).

Local government is required to deliver a wide range of services under Victorian legislation or funding agreements with state and federal governments. Council also needs to act consistently with state, Commonwealth and international legislation such as the *Disability Discrimination Act 1992*, the *Victorian Charter of Human Rights and Responsibilities*, and United Nations human rights conventions that Australia is party to.

For more information about local government see the Victorian Government's Guide to Local Government or visit these websites of local government peak bodies and centres:

Australian Centre for Excellence in Local Government: www.acelg.org.au

Australian Local Government Association: www.alga.asn.au

Local Government Victoria: www.dpcd.vic.gov.au/localgovernment

Municipal Association of Victoria: www.mav.asn.au

Victorian Local Governance Association: www.vlga.org.au

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

A Brief History of Yarra

The Wurundjeri people are the cultural custodians of the land now known as the City of Yarra.

They cared for the land for many thousands of years before being displaced by European settlers from the 1830s. Council acknowledges the profound impacts of these changes and today celebrates the rich and enduring culture of Yarra's Traditional Owners.

Colonial settlement intensified with the gold rush of the 1850s and Yarra soon became one of the major population centres of the Victorian era. Business and industry boomed over the next century, with Australian icons such as Heinz, Rosella and Fosters operating in the area. In the latter half of the 20th century, people from Greece, Italy and Vietnam arrived and made major contributions to Yarra's culture and economy.

The City of Yarra was established in June 1994 following the Victorian Government's restructure of Local Government. It unites the suburbs of Abbotsford, Burnley, Clifton Hill, Collingwood, Cremorne, Fitzroy, North Carlton, North Fitzroy, Princes Hill and Richmond, as well as parts of Alphington and Fairfield. Each of these neighbourhoods retains their own unique heritage and character.

Yarra Today

Yarra's natural beauty, heritage qualities, cultural attractions and community facilities have made it one of the most sought-after areas to live, work, study and visit².

An abundance of sustainable transport options (including trains, trams and shared pathways) provide easy access to Melbourne's central business district, as well as to the many parks and gardens throughout Yarra.

Residents and visitors have access to quality Council facilities, including five libraries and three leisure centres, a range of kindergartens, childcare centres, and community meeting spaces. Other attractions include Yarra's famous shopping and dining strips, and some of Victoria's most celebrated cultural festivals.

Who we are

Over the past 70 years, Yarra has welcomed large numbers of immigrants, refugees and asylum seekers from Europe, Asia and (more recently) Africa. Today about 19% of Yarra residents were born in non-English speaking countries and 23% speak a language other than English at home. Each group of new arrivals has diversified and strengthened the culture and economy of Yarra.

Overall Yarra is evolving into a more educated and affluent community, with 45% of residents holding tertiary qualifications (compared to the Greater Melbourne average of 24%) and 58% working in management or the professions (compared to the Greater Melbourne average of 37%).

The median age for Yarra residents is 33.7, with a far greater proportion of residents aged in the 25 to 34 age range than in greater Melbourne' 24.5% of the Yarra population are 50+ years of age.

² The information on these pages has been derived from statistics and projections available at profile.id.com.au/yarra and economicprofile.com.au/yarra or in Council's Economic Development Strategy 2015-20.

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

How we live

Yarra is a municipality of economic and social extremes. While a third of households earn over \$2,500 per week, and 58% of workers are in managerial and professional occupations, more than one quarter earn less than \$400 per week and many are living with economic hardship and social disadvantage.

The two largest education demographics in Yarra are those who have a Bachelor degree or higher (44.7%) and those with no qualification at all (29.1%).

There are pockets where this split is particularly evident, such as the Richmond-Burnley growth area where highly educated, high-earning young adults are moving into new developments alongside large housing estates in traditionally industrial areas of unskilled labour. In neighbourhoods such as Collingwood, the percentages of people who have a qualification versus those who do not are almost equivalent, whereas in Clifton Hill and Carlton North, there are considerably more people with a tertiary education.

Yarra's housing is denser than greater Melbourne with 37% of us living in apartments (greater Melbourne 15%) and 22% in terraces, semi-detached or town houses (greater Melbourne 53%).

Yarra residents are more likely to travel by foot or bike than other municipalities, with nearly a half of all journeys to and from work using sustainable methods. Yarra has more than double the number of carless households (20%) than greater Melbourne (9%).

A survey conducted in 2009³ indicated that 15% of Yarra's population has a disability. In the 2011 census, approximately 2,800 people in Yarra identified as having a need for assistance with core activities such as personal care, mobility, communication, with the majority of these being over the age of 50.

Place

Yarra is renowned for its dynamic mix of retail, hospitality and entertainment precincts, attracting locals, visitors and tourists alike. our 235 hectares of parkland and open space offer a welcome buffer to high density living, and our heritage buildings are central to Yarra's character. Three-quarters of Yarra's buildings are covered by a Heritage Overlay.

Yarra has an identity as a creative place, built upon the legacy of the students, artists and activists who moved to the inner suburbs in the 1970s and 80s. Yarra's cultural assets include 60 art galleries, numerous artist studios, over 50 live music venues, the Wurundjeri Tribe and Land Council and other key Aboriginal organisations, three community radio stations and a growing creative industry.

Yarra has a thriving local economy employing nearly 70,000 people. The largest employer is the health sector, which accounts for over a fifth of all jobs, closely followed by the retail food and accommodation sector. Most of Yarra's workers (86%) live outside the municipality.

³ ABS National Survey of Disability, Ageing and Carers

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

What's important to our community

Council Plan community consultation

The top issues identified by the community in the Council Plan community engagement process are:

1. Sustainable transport
2. Drugs and alcohol/community safety
3. Open space
4. Growth and change
5. Social connectedness

The consultation also identified what you love about Yarra:

1. Social connectedness
2. Open space
3. Sustainable transport
4. Recreation and leisure
5. Vibrant activity centres
6. Diverse/inclusive

These issues and priorities have been used to form the seven Objectives that define the framework for our Strategies and Initiatives.

Under the theme '*City of Yarra, a place where*' our seven objectives can be summed up as follows:

1. Community health, safety and wellbeing are a focus in everything we do
2. Inclusion, diversity and uniqueness are welcomed, respected and celebrated
3. Council leads on sustainability and protects and enhances its natural environment
4. Development and growth are managed to maintain and enhance the character and heritage of the city
5. Local businesses prosper and creative and knowledge industries thrive
6. Connectivity and travel options are environmentally sustainable, integrated and well-designed
7. Transparency, performance and community participation drive the way we operate

Liveable Yarra Project

These objectives align with those identified through the Liveable Yarra project conducted in 2015 which was an extensive consultation and engagement process that captured community values, ideas and aspirations to help inform the re-write of the Yarra Planning Scheme.

The Liveable Yarra project identified the following top six neighbourhood characteristics that are important to Yarra residents:

1. Proximity to public transport
2. Plentiful parks and open spaces
3. The variety of shops, cafes and restaurants
4. Ability to walk or cycle to meet daily needs
5. Character of the buildings
6. Access to health and social services

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The preferred improvements in the next two years identified in the Liveable Yarra community survey were:

1. Car parking
2. Bikes and walking tracks and facilities
3. Traffic management
4. Parks, gardens and open space

Annual Customer Satisfaction Survey

Council has commissioned an annual Customer Satisfaction Survey since 2009.

The latest study (conducted by Metropolis Research in September and October 2017) considers the views of more than 800 randomly selected households from 10 local neighbourhoods.

Satisfaction with Council's performance remains high in 2017 in line with the preceding years.

Average satisfaction with the 27 Council services and facilities surveyed was in the 'good' category.

Highlights include improved satisfaction with Yarra's governance and leadership, environmental responsibilities, planning and housing development.

High-scoring services included Council's weekly waste and recycling collection, pet registration services, arts and cultural activities, and operation of leisure centres in Collingwood, Fitzroy and Richmond.

Survey respondents also nominated areas for improvement, including car, traffic management and cycling/walking tracks.

The top issues (in order of priority below) identified by the community in the Annual Community Satisfaction Survey 2017:

1. Car parking
2. Building, planning, housing and development
3. Traffic management
4. Parks, gardens and open space
5. Provision and maintenance of cycling and walking tracks
6. Drugs, alcohol and cigarettes
7. Safety policy and crime

All these engagements echo common themes which have been used in framing our Strategic Objectives and the focus for our Strategies.

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Objective 1: *City of Yarra, a place where ...* Community health, safety and wellbeing are a focus in everything we do

Council plays a key role in contributing to our community's health and wellbeing. From delivering maternal and child health services to ensuring access to open space, enforcing noise regulations to supporting community and cultural initiatives, community health, safety and wellbeing is central to everything we do.

Community wellbeing is the combination of social, economic, environmental, cultural, and political conditions that enable people to flourish and fulfil their potential. Council delivers a wide range of services and programs to maintain and improve community wellbeing and provides the infrastructure and facilities required to support it, including:

- Maternal and child health, childcare, youth services, aged and disability services and partnerships, family support, libraries, and neighbourhood houses
- Recreation facilities such as leisure centres, active aging programs, parks and open space, trails, venues and meeting spaces
- Construction and maintenance of roads and footpaths, drainage, street cleaning, waste collection, public realm improvements, and building inspections
- Support of community-driven health and wellbeing initiatives through the Annual Grants Program, and other specific purpose grant programs
- Support for community groups such as neighbourhood houses, seniors groups, play groups, sporting clubs and facilities
- Sustainability projects including community gardens
- Arts and cultural initiatives, such as exhibitions, festivals and events
- Water and food sampling, immunisation, needle and syringe disposal, provision of public toilets, enforcement of noise controls, food premises inspections, and animal management

Council also:

- Provides a significant amount of funding to the community in the form of community grants, many of which are awarded for projects that aim to enhance health and wellbeing.
- Advocates on behalf of the community in a range of areas that influence health and wellbeing where it does not have primary responsibility for implementation.
- Works closely with a range of stakeholders in order to support and coordinate the delivery of community health and wellbeing initiatives across the City of Yarra.

Yarra's health and wellbeing status

Council's *Health and Wellbeing Status Report 2016* examines a range of health and wellbeing indicators in the following areas:

- Healthy eating and active living
- Alcohol, tobacco and other drugs
- Mental health
- Community safety

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- Sexual and reproductive health
- Health and wellbeing through the life stages (early childhood to later years)

The data highlights that while Yarra's health and wellbeing is generally good at the population level, there are key issues impacting on the health and wellbeing of the community. Parts of the community are vulnerable to poorer health and wellbeing outcomes, such as those experiencing socio-economic disadvantage, who suffer disproportionately from ill health and have a higher burden of disease. Maintaining open space networks that meet diverse community needs can offer the community and more vulnerable people opportunities to participate in community life and improve wellbeing outcomes.

Key issues identified include higher rates of drug and alcohol abuse, lower perceptions of safety in some parts of Yarra, homelessness, mental health issues, family violence and gambling.

Alcohol, tobacco and other drugs

Overall, Yarra compares less favourably with other Victorian rates in the vast majority of alcohol-related indicators examined including emergency department rates, hospital admissions, ambulance attendances and treatment episodes. Yarra also compares less favourably for most of the illicit drug indicators. The drug trade and associated health behaviours and outcomes affect the community from both a community safety perspective and a health and wellbeing perspective.

Homelessness and housing stress

Due to a complex set of structural, social and economic issues, Yarra has four times the state average rate of homelessness. This leads to people sleeping rough, squatting or living in rooming houses and is an increasing issue for women and families. There is a growing number of households experiencing housing stress, paying more than 30% of their income on housing.

This situation is likely to continue while there is a severe shortage of appropriate and affordable housing in Melbourne and in Yarra. Council will continue to advocate for resources and quality services to ensure affordable housing is available. We will also work to ensure that new developments are encouraged to allocate a proportion of their housing to accredited housing agencies to deliver community housing.

Mental health

The proportion of the Yarra community that have sought help for a mental health problem during 2010-11 was higher compared to the state average. While hospitals admissions rates for mental health related conditions do not exceed state rates, rates are notably higher for women in Yarra compared to men.

Family violence

Incidents of family violence have substantially increased since 2013 and while rates in Yarra are lower than that for Victoria, it is probable that such incidents are underreported, and therefore figures are likely to underestimate the full extent of this issue.

Gambling

Yarra has a lower number of gaming machines compared to other local government areas, and while the losses per adult were also lower than the Victorian average, this still averaged \$419 per Yarra adult for the 2015-2016 period and commonly affects those already experiencing socio-economic disadvantage.

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Strategies and Initiatives

Strategies	Strategic Indicators	Initiatives
1.1 Maintain and enhance Yarra's open space network to meet the diverse range of community uses.	Number of new open space projects planned or completed	<p>1.1.1 Increase the amount and quality of green open space through the strategic acquisition of land, the conversion of urban land to open space and/or the creation of pocket parks in high density areas</p> <p>1.1.2 Develop an open space strategy to ensure Yarra's public open space is managed as a functional network that encourages shared use and active living</p> <p>1.1.3 Undertake community education to promote understanding and greater acceptance of multiple use infrastructure including open space</p>
1.2 Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing.	<p>Yarra residents feel a part of their community (VicHealth Indicator Survey)</p> <p>Number of National Aged and Disability Care reforms implemented</p> <p>Community participation in Maternal and Child Health service (LGPRF Annual Report)⁴</p> <p>Victorian Health Indicators Report results</p>	<p>1.2.1 Participate in the Alliance for Gambling Reform initiative and strive to be a pokie free municipality through advocacy to state government</p> <p>1.2.2 Continue to provide a range services and work collaboratively with external groups to improve the health and wellbeing of the Yarra community.</p> <p>1.2.3 Continue to implement the National Aged and Disability Care reforms and develop new strategic directions for support of older people and people with disability</p>

⁴ Local Government Performance Reporting Framework, Know Your Council website

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Strategies	Strategic Indicators	Initiatives
1.3 Provide health promoting environments that encourage healthy eating and active living	<p>Satisfaction with Council's Leisure facilities</p> <p>Proportion of registered premises that are inspected annually in accordance with the Food Act 1984</p> <p>Number of community garden initiatives implemented</p> <p>Victorian Health Indicators Report results</p>	<p>1.3.1 Advocate to state government for an indoor sports stadium at 433 Smith Street redevelopment</p> <p>1.3.2 Investigate a Leisure Centres Master Plan</p>
1.4 Assist to reduce the harms from alcohol and drugs on individuals and the community in partnership with State Agencies and key service providers,	<p>Number of alcohol and drug harm minimisation initiatives delivered</p> <p>Victorian Health Indicators Report results</p>	<p>1.4.1 Advocate to the state government for a medically supervised injecting facility and other harm minimisation measures in the Victoria Street precinct</p> <p>1.4.2 Work with local partners and agencies to increase health and education, community partnerships and harm minimisation from the abuse of drugs and alcohol</p>
1.5 Promote environments that support safe and respectful sexual practices, reproductive choices and gender equity	<p>Number of advocacy and promotional campaigns</p> <p>Victorian Health Indicators Report results</p>	<p>1.5.1 Work with local and regional partners for greater awareness and intervention to prevent family violence and elder abuse</p> <p>1.5.2 Promote gender equity through community organisations and local groups</p>
1.6 Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing	<p>Number of requests for homelessness assistance responded to by Council</p>	<p>1.6.1 Continue to collaborate with other inner-city municipalities to find compassionate responses to people experiencing primary homelessness</p>
1.7 Provide opportunities for people to be involved in and connect with their community	<p>Number and breadth of community activities/programs supported</p>	<p>1.7.1 Continue to deliver and support a range of community activities, events and festivals</p> <p>1.7.2 Continue to support community led activities through provision of community grants and in kind support</p>

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Strategies	Strategic Indicators	Initiatives
		1.7.3 Encourage volunteering through community organisations, council's libraries and other services

Key Strategies / Plans that support this objective

- Access and Inclusion Plan
- Domestic Animal Management Plan
- Early Years Strategy
- Graffiti Management Framework
- Gender Equity Strategy 2016-2021
- Master plan for Victoria Street
- Middle Years Strategy
- Municipal Public Health and Wellbeing Plan
- Night Time Economy Strategy 2014-2018
- Partnership Strategy, to be reviewed including revision of the Neighbourhood House Memorandums Of Understanding
- Playground Strategy
- Public Toilet Strategy
- River of Life Positive Aging Strategy, to be reviewed
- Strategic Advocacy Framework
- Yarra Gambling Policy
- Yarra Libraries Strategy
- Yarra Leisure Services - Leisure Plan
- Yarra Open Space Strategy
- Youth Policy
- Yarra Safe Travel Strategy and action plan 2016-2026

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Objective 2: *City of Yarra, a place where...* Inclusion, diversity and uniqueness are welcomed, respected and celebrated

Identity was a passionate and recurring theme throughout community consultation for the Council Plan. Our community values its diversity. Creating a safe place where people of all ages, genders, sexualities, abilities, cultures and backgrounds feel welcome and connected is a priority for Council.

Council has a strong commitment to achieving social justice and will continue to work with the community and all levels of government to challenge discrimination and address disadvantage.

Council is actively working to reduce barriers so that all residents can participate in community and access services regardless of age, gender, sexuality, income, education, cultural background, language skills or disability.

The *Victorian Charter of Human Rights and Responsibilities Act 2006*, alongside other state and federal legislation such as the *Disability Discrimination Act 1992* provide clear values and processes to guide Council and the community.

Aboriginal community

Yarra is deeply proud of its connection to the Aboriginal community and acknowledges the Wurundjeri people as the true sovereigns, caretakers and custodians of the land now known as Yarra. Fitzroy and Collingwood are areas of special significance to Aboriginal people – as the cradle of Aboriginal affairs in Victoria, the birthplace of important Aboriginal organisations, the centre of political activism and as a meeting place for Aboriginal people to link-in with family, community and services.

Community activism

Yarra has a proud and long history of labour, social, environmental and political activism. Yarra's residents have always been part of shaping both Melbourne and the nation. Examples of this include the Fitzroy Legal Service, the first free community legal service in Australia, the 2002 'Let Them Stay' campaign for East Timorese asylum seekers to stay in Australia, 15 years of advocacy through the Yarra Drug and Health Forum for a harm-reduction approach to injecting drug use, and more recently, the community campaign to stop the East-West Link.

Cultural diversity

Cultural diversity has been a key feature of Yarra's evolution. Successive waves of refugees and migrants have made Yarra home, beginning in the post-war era with our Greek and Italian communities, our Vietnamese community in the 1970s, followed by Chinese and East Timorese communities and in the last 15 years, by our east-African community.

Public housing residents

Public housing residents are fundamental to Yarra's unique social fabric. Yarra is home to Victoria's largest public housing community with over 8,000 people – 11% of our population – living in public housing as well as residents living in community housing and other supported accommodation. Yarra's public housing comprises three large estates at Collingwood, Fitzroy and North Richmond, and many smaller blocks across the municipality.

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Strategies and Initiatives

Strategies	Strategic Indicators	Initiatives
2.1 Build resilience by providing opportunities and places for people to meet, be involved in and connect with their community	Adoption of the Volunteer Strategy Number and diversity of community events held	2.1.1 Support community groups and Yarra's existing advisory committees to participate in consultations, connect with each other and build community connectedness and resilience 2.1.2 Implement policies and procedures that enable community groups to conduct events and activities. 2.1.3 Develop and adopt a Volunteer Strategy
2.2 Remain a highly inclusive Municipality, proactive in advancing and advocating for the rights and interests of minority groups and community issues	Adoption of the Access and Inclusion Plan	2.2.1 Work with the community and other levels of government and advocate to challenge discrimination, and address disadvantage, whether based on income, age, gender, sexuality, cultural background, religion or abilities 2.2.2 Investigate developing a Council social justice/human rights charter to better articulate council's commitment 2.2.3 Advocate to support social justice and community issues including preventing family violence, LGBTIQ, pride and refugees

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Strategies	Strategic Indicators	Initiatives
2.3 Continue to be a local government leader and innovator in acknowledging and celebrating Aboriginal history and culture in partnership with Traditional Owners	Completion of the Stolen Generations Marker Number of Aboriginal cultural activities and events delivered	2.3.1 Complete the Stolen Generations Marker project in partnership with the local aboriginal community 2.3.2 Develop a program of activities and events in partnership with Traditional Owners
2.4 Acknowledge and celebrate our diversity and people from all cultural backgrounds	Number of cultural festivals and events delivered by Council	2.4.1 Continue to support cultural festivals and events
2.5 Support community initiatives that promote diversity and inclusion	Number of initiatives supported to promote diversity	2.5.1 Support community initiatives via grants, partnerships, in-kind support networks and advocacy

Key Strategies / Plans that support this objective

- Aboriginal Partnerships Plan
- Access and Inclusion Strategy, to be reviewed
- Multicultural Partnerships Plan

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Objective 3: *City of Yarra, a place where ...* Council leads on sustainability and protects and enhances its natural environment

As Victoria's first carbon-neutral council, we are proud of our commitment to sustainability. Protecting our natural environment and supporting our community to reduce its environmental footprint will continue to be a priority for Council.

Yarra is a compact, vibrant inner city municipality with a rich and varied history, reflected in the municipality's built form, natural environment and diverse community. It is a city where current and future populations enjoy a high quality of life.

Environment

Council has made significant inroads in reducing our environmental footprint. We need to continue this while supporting and empowering our community through education, advocacy and partnerships to increase sustainability to reduce its ecological footprint.

Yarra has a responsibility to protect its natural environmental assets from the impacts of urban densification. Urban consolidation has gained support in Melbourne as a principle for containing urban sprawl, protecting green wedges and urban agriculture, and making better use of existing services and infrastructure. It also creates significant pressures on remaining natural environments.

Minimising waste and increasing recycling and reuse are important environmental priorities for Council. In particular, Council is working to reduce the amount of food waste going to land fill.

Council continues to advocate for legislative change to influence key actions beyond its jurisdiction.

Carbon neutral

In 2012 Yarra became the first Victorian Council to be certified carbon neutral and it remains carbon neutral today. This reflects our commitment to reducing the City's environmental footprint – the resources we use to live – such as minimising the use of potable water and energy, as well as decreasing the amount of waste going to landfill.

Award-winning

In 2016 City of Yarra was recognised as the Sustainable City of the Year by Keep Victoria Beautiful. This win was based on 15 Yarra projects, all of which were described "of an excellent standard". Yarra also won three of eight category awards including the Community Action and Leadership Award for our innovative Roads to Parks program which previously won a national award.

Organised by Keep Australia Beautiful Victoria, the prestigious award recognises Yarra's role in leading the local government sector in sustainability, demonstrating our ongoing commitment to the values and aspirations of the Yarra community.

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Strategies and Initiatives

Strategies	Strategic Indicators	Initiatives
3.1 Investigate strategies and initiatives to better manage the long term effects of climate change and improve biodiversity	Adoption of the Biodiversity Strategy	3.1.1 Develop a Biodiversity Strategy 3.1.2 Utilise findings contained in the biodiversity health survey to inform future planning across the City 3.1.3 Improve integration across environmental and sustainability policies and strategies
3.2 Lead in sustainable energy policy and deliver programs to promote carbon neutral initiatives for the municipality and maintain Council as a carbon neutral organisation	Retain Council carbon neutral status for Council operations and reduce Council's carbon emissions (before offsets) Complete review of the Environment Strategy	3.2.1 Continue to invest in initiatives to reduce energy use and emissions
3.3 Reduce the amount of waste-to-landfill with a focus on improved recycling and organic waste disposal.	Increase in overall kerbside collection waste diverted from landfill and recycled (LGPRF Annual Report) ⁵	3.3.1 Investigate, implement and promote initiatives to divert organic waste from landfill
3.4 Promote responsible water usage and practices	Review the Environmental Strategy to include responsible water usage practices	3.4.1 Continue to implement and promote evidence based water conservation initiatives
3.5 Promote and facilitate urban agriculture	Number of urban agriculture community initiatives supported and promoted	3.5.1 Showcase urban agriculture and support community initiatives in sustainable practices
3.6 Reduce the urban heat island effect and promote the further greening of the city	Number of Urban Forest Strategy initiatives implemented	3.6.1 Implement recommendations contained in the Urban Forest Strategy to achieve social and environmental outcomes 3.6.1 Investigate feasibility of replacing road and paved space with permeable surfaces

⁵ Local Government Performance Reporting Framework, Know Your Council website

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Key Strategies / Plans that support this objective

- Environmental Strategy, to be reviewed
- Urban Agriculture Strategy to be reviewed
- Urban Forest Strategy
- Urban Wildlife Management Plan, to be reviewed
- Waste and Resource Recovery Strategy, to be reviewed

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Objective 4: *City of Yarra, a place where ...* Development and growth are managed to maintain and enhance the character and heritage of the city

With demand for inner city housing increasing, Council is mindful of the importance of balancing the needs of new and existing residents, and ensuring that development does not encroach on the amenity or heritage of our city

During the life of our previous Council Plan Yarra's population increased by approximately 9,000 people (approximately 10%) taking it to 92,610. It is anticipated our population will increase to 122,022 by 2031 (approximately 33%) requiring an estimated additional 13,431 dwellings, almost half again of the present number of dwellings.

The proposed development of the AMCOR site in Alphington alone will contribute an additional 2,500 homes for 5,000 new residents. Development is also occurring along major activity centres including Victoria Street, Cremorne and Collingwood.

Council needs to plan for projected population and housing growth. This includes:

- determining the appropriate mix of uses for various locations
- identifying the range of housing needs to support a diverse community
- leveraging as much community benefit as possible from new developments
- protecting Yarra's heritage and ensuring a 'human scale' to the size of development
- minimising the impact of development on neighbouring residents
- minimising the environmental impact of development
- ensuring community-wide access to open space and community activity space

In areas that are the focus for development there is a need to ensure growth contributes positively to neighbourhoods and there is appropriate access to community infrastructure and open space. The shared use of open space and flexible multipurpose community infrastructure is a means to manage community needs and future growth.

Business benefits

Growth and development contributes to local economic growth. Increasing social interaction in neighbourhoods is achieved by providing new places for people to meet and connect, more choice of cafes, bars, restaurants and services, activating place making and improving public realm. Increased development in Yarra contributes significantly to the sustainability of Melbourne through reduced fringe development and reduced travel.

Yarra Planning Scheme

One of the key activities taking place during the life of this Plan is the re-write of the Yarra Planning Scheme. Yarra's Planning Scheme sets out the objectives, policies and planning controls for the use, development and protection of land and heritage in the City of Yarra. It is the key statutory policy for regulating the use, level and types of appropriate development of land.

Heritage and history

An ongoing focus for Council is how to keep a sense of history and place, as reflected by streetscapes, shops and houses, as well as how to pay tribute to the lived history

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and heritage, connecting with the stories and experiences of those who came before us and shaped the character of Yarra.

Yarra has a high proportion of heritage-listed buildings and Council actively defends this heritage from inappropriate development. Yarra's heritage buildings are not only significant examples of changing architectural styles, but also an important record of economic and social change as later factories and warehouses replaced earlier houses. Around 28,000 of Yarra's 35,000 properties are protected by heritage overlays in the Yarra Planning Scheme. Yarra's residential areas are covered by planning controls that only enable small scale development and change and seek to protect heritage

Strategies and Initiatives

Strategies	Strategic Indicators	Initiatives
4.1 Protect Yarra's heritage and neighbourhood character	Condition of Council owned heritage assets	4.1.1 Develop improved mechanisms to protect Yarra's heritage through the planning scheme, education, and resource provision
4.2 Actively plan for Yarra's projected growth and development and advocate for an increase in social and affordable housing	<p>Completion of the Yarra Planning Scheme re-write</p> <p>Satisfaction with aspects of planning and housing development. (Yarra City Council Annual Customer Satisfaction Survey)⁶</p> <p>Adoption of the Housing Strategy</p>	<p>4.2.1 Prepare a Housing Strategy to manage residential growth</p> <p>4.2.2 Progress a Planning Scheme amendment to implement a Development Contribution Plan</p> <p>4.2.3 Seek permanent Development and Design Overlay controls for Queens Parade as part of the Planning Scheme re-write</p> <p>4.2.4 Prepare strategies for hospital and education precincts and urban renewal areas identified in Plan Melbourne 2017-2050</p> <p>4.2.5 Advocate to federal and state governments through Yarra IMAP. MAV, ISMMF, VLGA on affordable and community housing⁷</p>

⁶ Annual Customer Satisfaction Survey Yarra City Council website

⁷ Inner Melbourne Action Plan, Municipal Association of Victoria, Inner South Melbourne Mayors Forum, Victorian Local Government Association

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Strategies	Strategic Indicators	Initiatives
		4.2.6 Campaign for appropriate joint use agreements for shared use community facilities as part of the Richmond High School project
4.3 Plan, promote and provide built form and open space that is accessible to all ages and abilities	All of new open space and urban design projects provided that are accessible to all ages and abilities	4.3.1 Prepare a built form analysis in major activity centres
4.4 Protect Council assets through effective proactive construction management	Percentage of projects in adopted capital works program completed Percentage of capital works program budget expended	4.4.1 Deliver a capital works program that caters for current and future needs
4.5 Encourage and promote environmentally sustainable building, urban design, place-making and public realm outcomes	Council planning decisions upheld at VCAT (LGPRF Annual Report) ⁸	4.5.1 Implement the 2016 approved development plan for the former Alphington Paper Mill (AMCOR) site
4.6 Provide direction and improve decision making on infrastructure projects through the application of the Strategic Community Infrastructure Framework	Number of major projects that demonstrate consideration of the Infrastructure Planning Framework	4.6.1 Embed and integrate the Strategic Community Infrastructure Planning Framework in Council planning and decision making
4.7 Ensure that changes in Yarra's built form involves Encourage engagement with the community when developments are proposed	Community education initiative delivered explaining Council's role and limitations in delivering planning and development outcomes	4.7.1 Encourage pre-application engagements between developers and the community on major projects 4.7.2 Facilitate community dialogue to assist the community's understanding of Council's role and limitations in delivering planning and

⁸ Local Government Performance Reporting Framework, Know Your Council website

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Strategies	Strategic Indicators	Initiatives
		development outcomes

Key Strategies / Plans that support this objective

- Activity Centre and Streetscape Master Plans
- Environmental Strategy
- Environmentally Sustainable Building Design Policy
- Strategic Community Infrastructure Framework
- Urban Design Strategy
- Yarra Heritage Strategy
- Yarra Planning Scheme, to be reviewed

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Objective 5: *City of Yarra, a place where ...*Local businesses prosper and creative and knowledge industries thrive

Yarra is a great place to do business and to work. Supporting local businesses and creative industries not only contributes to Yarra's economy, but also increases local employment opportunities, enhances street life and fosters community connectedness

Our proximity to the Yarra River, the Central Business District as well as its accessibility by public transport makes Yarra a desirable place to live, work, study and play. From artists and craftspeople, with their studios across the municipality, to the traders on our shopping strips through to the increasing number of creative enterprises and technology businesses that call Cremorne home, our municipality has much to offer business, Yarra's 13,000 current businesses form an integral part of our community.

Economic development

Economic development is a primary focus for Council, fostering greater investment and jobs growth in the municipality. Our Economic Development Strategy is intended to provide an achievable, evidence based plan for the future while responding to the challenges and opportunities presented by the local economic context.

Yarra's economy will continue to grow, with job numbers expected to double in the next 15 years. This growth will be in health and education, advanced manufacturing, professional services and the creative industries. The medical profession is a major employer within St Vincent's and Epworth hospitals and the range of neighbouring medical and consulting services that support them.

Tourism is also a major component of Yarra's local economy with visitors attracted to its iconic precincts for their unique mix of retail strips, bustling night-life, heritage, arts and cultural activities.

Creative and knowledge industries

Yarra is host to a wide range of arts and cultural venues, including live music venues, artist studios and over 60 galleries, all of which contribute to the character and identity of our neighbourhoods. Council is committed to supporting our local arts industries and developing the potential of new artists. This helps create a thriving and creative local culture, as well as future employment opportunities for residents.

There are many small to medium businesses working in media, design, technology and education, and the many professionals and consultants based in Yarra, providing thousands of jobs for local residents and those in neighbouring municipalities.

Community space

There is a variety of community meeting places across the municipality that contribute to our creative city. We have nine neighbourhood houses, five libraries, three town halls, numerous community venues and community meeting rooms on public housing estates as well as many parks and open spaces. These support residents and visitors meeting to celebrate, enjoy cultural events or meet up with friends, neighbours and family.

Our newest meeting space is the North Fitzroy Community Hub, named Bargoonga Nganjin. This building is a state-of-the-art community facility which will incorporate a

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library, maternal and child health centre, Council customer service area, community meeting spaces and a rooftop terrace.

Social enterprises

Yarra has a number of social enterprises, social enterprises are led by economic, social, cultural or environmental missions consistent with a public or community benefit. Purchasing from a social enterprise also supports the social or environmental purpose behind the enterprise.

Strategies and Initiatives

Strategies	Strategic Indicators	Initiatives
5.1 Maintain and strengthen the vibrancy and local identity of retail and commercial precincts	Implementation of Master plans for shopping strips	<p>5.1.1 Undertake at least three streetscape Master plans for retail shopping strips based on Place Making principles</p> <p>5.1.2 Promote the benefits of doing business locally including the benefit of access by walking and cycling</p> <p>5.1.3 Engage with local traders, leasing agents and property owners to strengthen the viability of Yarra's activity centres such as Bridge Road including the activation of empty spaces</p> <p>5.1.4 Continue to develop structure plans which build on the unique character of each precinct</p>
5.2 Strengthen and monitor land use change and economic growth including new and emerging economic clusters	Complete the review of Economic Development Strategy	5.2.1 Provide strategic justification for zoning retention to changes in employment precincts to retain opportunities for business clusters

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Strategies	Strategic Indicators	Initiatives
5.3 Create local employment opportunities by providing targeted and relevant assistance to facilitate business growth, especially for small and medium size enterprises and entrepreneurs through the attraction and retention of businesses	Complete the review of Economic Development Strategy	5.3.1 Promote local employment and facilitate initiatives to assist small business to enter the local market
5.4 Develop Innovative Smart City solutions in collaboration with government, industry and community that use technology to embrace a connected, informed and sustainable future	Adoption of the Open Data Policy	5.4.1 Implement an innovation hub ⁹ to bring people together to focus on creative solutions, enabling a culture of continuous improvement, innovation and collaboration 5.4.2 Develop an Open Data Policy which provides open access for appropriate data sets to businesses and community organisations
5.5 Facilitate and promote creative endeavour and opportunities for the community to participate in a broad range of arts and cultural activities	Increased participation in arts and cultural activities in Yarra Delivery of the Arts and Culture annual grants program	5.5.1 Continue to recognise and support live music in Yarra through advocacy, grants, funding and partnerships. 5.5.2 Continue to support a broad range of community festivals and events.
5.6 Attract and retain creative and knowledge industries in Yarra	Number of grants provided by the Room to Create fund	5.6.1 Continue to promote and grow the Room to Create charitable fund 5.6.2 Implement initiatives that will protect affordable and appropriate creative infrastructure including Council owned spaces for arts purposes 5.6.3 Identify opportunities to support retain and expand the arts sector as a viable and thriving industry in Yarra

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Strategies	Strategic Indicators	Initiatives
5.7 Ensure libraries and neighbourhood houses, support lifelong learning, wellbeing and social inclusion.	Active library members (LGPRF Annual Report) ¹⁰ Standard of Library collection (LGPRF Annual Report) ¹¹	5.7.1 Run targeted events and programs promoting health, life-skills and life-issues 5.7.2 Provide spaces, expertise and practical supports to encourage creative uses in Libraries

Key Strategies / Plans that support this objective

- Arts and Culture Strategy
- Economic Development Strategy (to be reviewed)
- Inner Melbourne Action Plan
- Night Time Economy Strategy
- Spatial Economic and Employment Strategy
- Yarra Libraries Strategy

¹⁰ Local Government Performance Reporting Framework, Know Your Council website

¹¹ Local Government Performance Reporting Framework, Know Your Council website

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Objective 6: *City of Yarra, a place where ...*Connectivity and travel options are environmentally sustainable, integrated and well-designed

Council is committed to creating a city that is accessible to all irrespective of levels of personal mobility, to support a fulfilling life without the need for a car.

With our municipal population expected to grow by 33% by 2031, improving sustainable transport capacity to accommodate our growing population is a priority'

To encourage using public transport, walking or cycling as the first choice of transport for all ages for short to medium trips (less than five kilometres), Council is working to provide an effective, interconnected and well maintained pedestrian and bicycle network that both inexperienced and experienced users feel safe and comfortable using.

Sustainable transport capacity is important to growing Yarra's local economy and employment. We will work on major improvements to cycling and walking infrastructure to provide integrated and connected travel options and local area place making infrastructure works to improve traffic management.

Congestion

Approximately 1000 buses and 90,000 vehicles journey daily along the busiest part of Hoddle Street. While Council is not responsible for major arterial roads, congestion impacts on our local road network as cars seek alternative routes to avoid the heavy traffic areas.

Council will continue to advocate to state and federal governments on behalf of the community to significantly improve public transport infrastructure and capacity, and will develop local area place-making infrastructure works to improve traffic management.

Competing needs

Council manages 313 kilometres of local roads. Increasing road traffic and local parking pressures continue to be a focus in our maintenance and works program. We are planning for the future to balance the needs and limited road space for parking for residents, workers, people with disabilities and visitors to Yarra.

Strategies and Initiatives

Strategies	Strategic Indicators	Initiatives
6.1 Manage traffic movement and promote road safety within local roads	<p>Number of successful grant applications relating to road safety</p> <p>Satisfaction with sealed local roads (LGPRF Annual Report)¹²</p>	<p>6.1.1 Transition Local Area Traffic Management program to Local Area Place Making programs</p> <p>6.1.2 Monitor and manage traffic, road safety and parking and advocate to the State Government for improvement to tram stops</p>

¹² Local Government Performance Reporting Framework, Know Your Council website

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Strategies	Strategic Indicators	Initiatives
		and pedestrian safety measures around schools such as the Richmond High School development 6.1.3 Continue to provide low speed environments and community education for pedestrians, cyclists, motor-cyclists and vehicle drivers and passengers
6.2 Work in partnership with Vicroads and influence traffic management and road safety on main roads	Reduction in the number of road fatalities and serious accidents	6.2.1 Investigate and apply for appropriate funding opportunities relating to road safety, innovation and streetscape improvements
6.3 Investigate and implement effective parking management options	Endorsement of the new parking permit policy	6.3.1 Continue to utilise data, technology and community consultation to inform the management of parking
6.4 Improve accessibility to public transport for people with mobility needs and older people	Number of advocacy campaigns to state government on improving public transport	6.4.1 Advocate to the state government for improved accessibility to public transport services 6.4.2 Continue to facilitate the upgrade of local tram stops to comply with the Disability Discrimination Act to support both access and viability of activity centres
6.5 Develop and promote pedestrian and bicycle infrastructure that encourages alternate modes of transport, improves safety and connectedness	Community satisfaction ratings of levels of local road safety (Yarra City Council Annual Customer Satisfaction Survey) ¹³ Percentage of Bicycle works completed Progress of Wellington Street Bike Lane construction	6.5.1 Complete construction of the Wellington Street Bike (Copenhagen style) Lane to Johnston street 6.5.2 Improve bike parking, road signage and streetscapes to better protect cyclists and pedestrians

¹³ Yarra City Council website

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Strategies	Strategic Indicators	Initiatives
6.6 Advocate for increased performance of public transport across Melbourne	Number of advocacy campaigns to state government on improving public transport and reducing road congestion.	<p>6.6.1 Work with the Resilient Melbourne Project to improve the quality and connectedness of the metropolitan transport networks</p> <p>6.6.2 Advocate to the state government for improved public transport services to meet population growth including Chandler Highway north-south bus route, Doncaster Rail, Hoddle Street Study, Airport Rail and Alexandra Parade</p> <p>6.6.3 Develop the opportunity to trial an electric bus scheme</p>

Key Strategies / Plans that support this objective

- Bicycle Strategy
- Parking Management Strategy
- Strategic Transport Statement and Action Plan
- Yarra Safe Travel Strategy and action plan

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Objective 7: *City of Yarra, a place where... Transparency, performance and community participation drive the way we operate*

Council is committed to change through an energised, cohesive team of professionals, recognised for our leadership, innovation and service.

We are working to ensure services meet the changing needs and preferences of our community with the emphasis on efficiency and effectiveness.

A changing and divergent community requires an agile and responsive organisation. To maximise value to our community and deliver the outcomes they want, it is critical that Council continue to engage with, and build understanding of our community and ensure our services are relevant and appropriate.

Council recognises the need for responsible fiscal policy and long-term financial planning as the keys to ensuring financial sustainability with the ability to remain agile and responsive to changing needs. Our 10-year Financial Plan has been developed to ensure the continued long-term financial sustainability of Council while providing sufficient funding for future services and infrastructure for the community.

Involving our community in decision making is fundamental to the way Council functions, our approach to advocacy and engagement is based on achieving the best outcomes for our community. This is achieved through our on-going communication, consultation and partnerships with our community.

These consultations and partnerships assist Council in adopting a customer centric approach to service planning and delivery ensuring our services are of high standards and service users know what to expect and Council meets those expectations.

One of the aspirations for Council is transitioning Yarra into Victoria's leading recognised Smart City to drive our economic and social prosperity through the use of technology that will enhance the connections between our residents, business and visitors.

Strategies and Initiatives

Strategies	Strategic Indicators	Initiatives
7.1 Ensure Council's assets and financial resources are managed responsibly to deliver financial sustainability	Council remains financially sustainable and receives a 'Low Risk' rating from the VAGO assessment conducted annually	<p>7.1.1 Regularly review and update long-term financial planning to guide our budget decisions to ensure they are responsible and sustainable</p> <p>7.1.2 Review Council's asset portfolio, with a focus on buildings, to ensure that maximum community benefit is being realised</p>

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Strategies	Strategic Indicators	Initiatives
7.2 Continue to develop a culture of continuous improvement and innovation	Number of staff trained in continuous improvement methodology	7.2.1 Continue to train staff in the application of appropriate continuous improvement methodologies
7.3 Maintain a culture of transparency, governance, ethical practice and management of risks that instils a high level of community respect and confidence in Council decision-making	Satisfaction with Council decisions (Yarra City Council Annual Customer Satisfaction Survey) ¹⁴	7.3.1 Encourage community involvement in consultation engagements 7.3.2 Provide training and re-enforcement of good governance practices
7.4 Ensure Council services are efficient, well-planned, accessible and meet community needs	Overall satisfaction with Council performance (Yarra City Council Annual Customer Satisfaction Survey) ¹⁵ Adoption of the Services Policy	7.4.1 Continue to implement the service review program 7.4.2 Develop a Services Policy and establish performance standards and service levels
7.5 Ensure a safe workplace for staff, contractors and visitors.	Reduction in reportable incidents and accidents	7.5.1 Improve management of workcover
7.6 Provide the community with meaningful and genuine opportunities to contribute to and participate in Council planning and decision making processes with a focus on hard to reach communities	Community consultation and engagement indicator (Annual Community Satisfaction Survey) ¹⁶	7.6.1 Promote programs to educate and encourage young people in decision making and participation in their local community 7.6.2 Encourage implementation of Council's guidelines on how to make public meetings and events accessible to people of all abilities
7.7 Enable greater transparency and access to the conduct of Council Meetings	Implementation of Council Meeting broadcast system	7.7.1 Implement a cost effective system to broadcast Council meetings

¹⁴ Annual Customer Satisfaction Survey Yarra City Council website

¹⁵ Annual Customer Satisfaction Survey Yarra City Council website

¹⁶ Annual Customer Satisfaction Survey Yarra City Council website

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Strategies	Strategic Indicators	Initiatives
7.8 Develop Innovative Smart City solutions in collaboration with Government, Industry and Community which will use open data technology	Adoption of the Digital Direction strategy	7.8.1 Establish the digital direction for the next 10 years with actions aimed to support customer experience, economic competitiveness, accelerate innovation and deepen engagement with the community to transition Yarra into a nationally recognised digital economy.
7.9 Continue a 'customer centric' approach to all service planning and delivery	Responsiveness to community needs indicator (Annual Community Satisfaction Survey) ¹⁷	7.9.1 Develop and implement a robust Information Services Strategy to support Council's service to the community
7.10 Advocate for the best interests of our community	Satisfaction with community consultation and engagement (Yarra City Council Annual Customer Satisfaction Survey) ¹⁸	7.10.1 Continue to implement engagement capacity building programs and strategies in line with the Community Engagement Policy

Key Strategies / Plans that support this objective

- Asset Management Strategy and Plans
- Community Engagement Policy
- Long Term Financial Strategy
- Service Review Framework
- Strategic Advocacy Framework

¹⁷ Annual Customer Satisfaction Survey Yarra City Council website

¹⁸ Annual Customer Satisfaction Survey Yarra City Council website

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Strategic Resource Plan

The Local Government Act 1989 (the Act) requires council to prepare a Strategic Resource Plan. The Plan prepared in conjunction with the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources required over the next four years to achieve the strategic objectives in the Council Plan. The purpose of the Strategic Resource Plan is to express the Council Plan strategic objectives and strategies in financial terms to ensure adequate resources are available to maintain services at levels established by the Council and in order to implement the Council Plan priorities.

The Strategic Resource Plan is updated each year as part of Council's budget process. Council has a Long Term Financial Plan to guide Council's financial decisions over a 10 year period which sets targets for Council to achieve in terms of financial sustainability.

The key objectives in this Strategic Resource Plan are:

- Maintain the scope and standard of ongoing services provided to the Yarra community and being flexible to address changing community needs with innovative services and facilities.
- Focusing on managing and renewing community assets such as roads, footpaths, open space and buildings to ensure they are maintained at an appropriate standard and ensure the best outcome for current and future populations.

Financial management

Yarra City Council, through this plan, seeks to deliver on our strategies by managing our financial resources in an equitable, sustainable and responsible manner.

In order to achieve this, it is proposed to introduce a waste service charge in order to improve Council's short to medium term financial sustainability, and to enable Council to be able to respond to emerging priorities from our community in the longer term. If the waste service charge is not implemented, Council will be required to reduce services and/or service levels, or reduce the capital expenditure program in the next budget cycle.

A focus on financial sustainability will create a financial position capable of meeting long-term service and infrastructure levels and standards, acceptable to the community. This will be achieved with reasonable and targeted increases in costs and seeking out revenue opportunities such as grants and donations, whilst avoiding the need for radical cuts to services.

Council's long-term sustainability is dependent on ensuring that, on average over time, Yarra's operating expenses are less than associated revenues and support building reserves to create future opportunities.

Council has a long term financial strategy linked with Yarra's objectives, goals and desired outcomes. Our goal is to be financially sustainable at the end of each year by achieving a reasonable operating surplus, whereby operating income just exceeds operating expenditure. This will enable reinvestment over time to renew and build community infrastructure.

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Human resource management

Council's human resource programs continue to benefit the community through the achievement of value for money services, including continuous improvement, performance enhancement and ongoing commitment to staff learning and development. Council is committed to:

- Encourage a culture of innovation.
- Encourage a culture that values community engagement and value added customer service.
- Ensure that in all Council actions, human rights are protected.
- Developing and maintaining a workplace culture that attracts and retains highly skilled employees.
- Ensure policies and practices support the wellbeing and reasonable work/life balance of our employees.
- Promote a workplace of equal employment opportunity where all people are treated equally and are provided opportunities that encourage and support their professional development, growth and leadership.

Asset management

Council owns and manages \$1.97 Billion in land, property and infrastructure assets such as roads, footpaths, community halls and parks so that Council can deliver services to the community. In order to sustainably and responsibly manage these assets for present and future generations Council has developed an Asset Management Strategy.

Council will provide well-maintained community assets fit for their purpose and that provide best possible community benefit. Council's budget and long-term strategy will commit, with specific budget provision, an appropriate level of expenditure to ensure ongoing asset maintenance and renewal. Accurate asset data and condition assessments will be drawn upon to inform the annual budgeting and works programs.

The separate asset renewal component of total capital works expenditure will be based on needs identified in asset management plans that will include amounts sufficient to fund renewal of our assets to agreed standards as established in the asset management plans. Each asset renewal obligation will be determined by the asset renewal provision based on the replacement cost and remaining useful life of the asset to meet minimum community standards established through the asset management plans and asset condition audits.

Council will seek the most effective community outcome from the application of asset renewal funds. That may not necessarily result in the replication of existing facilities, but could involve the adaptive re-use of an asset or, in some cases disposal. In such circumstances, asset renewal funds will complement new and upgrade of funding as appropriate.

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Risk management

Council continues to achieve risk management audit results that are among the best in the State by ensuring that all Council departments comply with our risk management policies and processes. These policies and processes cover the maintenance of Council's infrastructure, including parks and gardens, trees, roads, footpaths, playgrounds and facilities. Our risk management policies and processes will continue to be regularly reviewed and updated with ongoing training provided to staff to ensure our community has access to excellent quality infrastructure. Occupational health and safety, the human resource strategic safety program, underpinned by Council's Occupational Health and Safety Management System, will seek to maintain annual reductions in incidents that result in staff injuries and lost work time.

Emergency management

Council's role in emergency management has been expanding markedly since the Victoria's 'Black Saturday' bushfires of 2009. Climate change, extreme weather and emergency events all impact on our community. Emergency management legislation and statutory guidelines are in a period of review; so too are the role and responsibilities of Council in this space. Council's current level of emergency preparedness and planning activities position the municipality as a leader in the practice of municipal emergency management. A key challenge will be for the organisation to effectively balance the continuity of key day-to-day services alongside immediate and increased operational activity to support emergency services and emergency-affected community members (e.g. through a storm or power outage). Council provides information on emergency management to residents and visitors through a variety of channels including local newspapers, events and workshops, emergency exercises, community meetings and via the Yarra City Council website.

Project Management

Council has a commitment to delivering well planned and effectively managed projects in order to deliver maximum value from the investment made by the Yarra Community. Council will continue to develop its Project Management processes, systems and technology throughout the life of this plan. It is recognised that key to effective project management is the training and support of staff. Therefore Council will continue to invest in training and recruiting the best possible staff to effectively manage our key projects.

Revenue

In 2015, the Victorian government established the 'Fair Go Rates System', which limits annual increase in local government rates and municipal charges. Under the Fair Go Rates System, local councils will not be able to increase average ratepayer rates and municipal charge by more than the average rate cap (unless they successfully apply to the Essential Services Commission for a higher rate cap). The Victorian government sets the average rate cap each year based on changes in the consumer price index over the financial year, plus or minus any adjustment, which may take into account factors such as wage pressures or efficiency dividends.

It is recognised that in addition to effectively managing expenditure, Council has a requirement to raise enough revenue to fund the services and infrastructure expected by the Yarra community. In consultation with the community, Council will continue to review revenue opportunities, work to seek grants and lobby other tiers of government to appropriately fund services and infrastructure.

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Comprehensive Income Statement

For the four years ending 30 June 2021

	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Income					
Rates and charges	101,989	113,658	117,711	121,852	126,083
Statutory fees and fines	27,393	28,534	28,819	29,395	29,984
User fees	26,830	27,064	27,334	27,881	28,439
Reimbursements	1,844	1,640	1,699	1,819	1,942
Grants - Operating	10,930	12,023	13,225	14,548	16,003
Grants - Capital	3,036	1,195	1,207	1,231	1,256
Contributions - monetary	4,300	4,300	4,300	4,300	4,300
Contributions - non-monetary	-	-	-	-	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	705	300	197	192	187
Fair value adjustments for investment property	-	-	-	-	-
Share of net profits/(losses) of associates and joint ventures	-	-	-	-	-
Other income	1,400	1,707	1,794	1,845	1,918
Total income	178,427	190,421	196,286	203,063	210,112
Expenses					
Employee costs	77,873	80,639	82,252	83,897	85,575
Materials and services	67,391	69,085	69,754	71,110	72,493
Bad and doubtful debts	2,040	2,010	1,980	1,950	1,920
Depreciation and amortisation	20,230	20,664	22,432	22,881	23,338
Borrowing costs	1,511	2,139	2,088	2,035	1,980
Other expenses	-	-	-	-	-
Total expenses	169,045	174,537	178,506	181,873	185,306
Surplus/(deficit) for the year	9,382	15,884	17,780	21,190	24,806
Other comprehensive income					
Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation increment /(decrement)	-	50,339	-	52,204	-
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-
Items that may be reclassified to surplus or deficit in future periods (detail as appropriate)	-	-	-	-	-
Total comprehensive result	9,382	66,223	17,780	73,394	24,806

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Balance Sheet

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Assets					
Current assets					
Cash and cash equivalents	30,877	26,747	26,124	28,081	31,293
Trade and other receivables	14,734	15,778	16,466	17,245	18,118
Other financial assets	-	-	-	-	-
Inventories	130	130	130	130	130
Non-current assets classified as held for sale	696	696	696	696	696
Other assets	-	-	-	-	-
Total current assets	46,437	43,351	43,416	46,152	50,237
Non-current assets					
Trade and other receivables	255	255	255	255	255
Investments in associates and joint ventures	-	-	-	-	-
Property, infrastructure, plant & equipment	1,686,699	1,748,914	1,758,842	1,821,330	1,833,485
Investment property	-	-	-	-	-
Intangible assets	-	-	-	-	-
Total non-current assets	1,686,954	1,749,169	1,759,097	1,821,585	1,833,740
Total assets	1,733,391	1,792,520	1,802,513	1,867,737	1,883,977
Liabilities					
Current liabilities					
Trade and other payables	17,534	17,534	17,534	17,534	17,534
Trust funds and deposits	6,195	6,195	6,195	6,195	6,195
Provisions	14,718	15,215	15,409	15,629	15,874
Interest-bearing loans and borrowings	1,091	1,142	1,195	1,250	5,713
Total current liabilities	39,538	40,086	40,333	40,608	45,316
Non-current liabilities					
Provisions	1,416	1,416	1,416	1,416	1,416
Interest-bearing loans and borrowings	44,909	37,267	29,233	20,788	7,514
Other Liabilities	585	585	585	585	585
Total non-current liabilities	46,910	39,268	31,234	22,789	9,515
Total liabilities	86,448	79,354	71,567	63,397	54,831
Net assets	1,646,943	1,713,166	1,730,946	1,804,340	1,829,146
Equity					
Accumulated surplus	591,130	607,014	624,794	645,984	670,790
Reserves	1,055,813	1,106,152	1,106,152	1,158,356	1,158,356
Total equity	1,646,943	1,713,166	1,730,946	1,804,340	1,829,146

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Statement of Changes in Equity For the four years ending 30 June 2021

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2016/2017 Forecast				
Balance at beginning of the financial year	1,637,561	581,748	1,035,634	20,179
Surplus/(deficit) for the year	9,382	9,382	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfer to other reserves	-	(4,000)	-	4,000
Transfer from other reserves	-	4,000	-	(4,000)
Balance at end of the financial year	1,646,943	591,130	1,035,634	20,179
2017/2018 Budget				
Balance at beginning of the financial year	1,646,943	591,130	1,035,634	20,179
Surplus/(deficit) for the year	15,884	15,884	-	-
Net asset revaluation increment/(decrement)	50,339	-	50,339	-
Transfer to other reserves	-	(4,000)	-	4,000
Transfer from other reserves	-	4,000	-	(4,000)
Balance at end of the financial year	1,713,166	607,014	1,085,973	20,179
2018/2019 Strategic Resource Plan				
Balance at beginning of the financial year	1,713,166	607,014	1,085,973	20,179
Surplus/(deficit) for the year	17,780	17,780	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfer to other reserves	-	(6,000)	-	6,000
Transfer from other reserves	-	6,000	-	(6,000)
Balance at end of the financial year	1,730,946	624,794	1,085,973	20,179
2019-2020 Strategic Resource Plan				
Balance at beginning of the financial year	1,730,946	624,794	1,085,973	20,179
Surplus/(deficit) for the year	21,190	21,190	-	-
Net asset revaluation increment/(decrement)	52,204	-	52,204	-
Transfer to other reserves	-	(4,300)	-	4,300
Transfer from other reserves	-	4,300	-	(4,300)
Balance at end of the financial year	1,804,340	645,984	1,138,177	20,179
2020/2021 Strategic Resource Plan				
Balance at beginning of the financial year	1,804,340	645,984	1,138,177	20,179
Surplus/(deficit) for the year	24,806	24,806	-	-
Net asset revaluation increment/(decrement)	-	-	-	-
Transfer to other reserves	-	(4,300)	-	4,300
Transfer from other reserves	-	4,300	-	(4,300)
Balance at end of the financial year	1,829,146	670,790	1,138,177	20,179

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Statement of Cash Flow - For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	101,479	112,708	117,166	121,289	125,500
Statutory fees and fines	26,023	27,107	27,378	27,926	28,484
User fees	26,159	26,387	26,651	27,184	27,728
Grants - operating	10,930	12,023	13,225	14,548	16,003
Grants - capital	3,036	1,195	1,207	1,231	1,256
Contributions - monetary	4,300	4,300	4,300	4,300	4,300
Reimbursements	1,844	1,640	1,699	1,819	1,942
Interest received	469	500	500	500	500
Dividends received	-	-	-	-	-
Trust funds and deposits taken	-	-	-	-	-
Other receipts	931	1,207	1,294	1,345	1,418
Net GST refund / payment	-	-	-	-	-
Employee costs	(75,926)	(80,142)	(82,058)	(83,677)	(85,330)
Materials and services	(67,391)	(69,085)	(69,754)	(71,110)	(72,493)
Trust funds and deposits repaid	-	-	-	-	-
Other payments	-	-	-	-	-
Net cash provided by/(used in) operating activities	31,854	37,840	41,608	45,355	49,308
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(36,715)	(33,040)	(32,858)	(33,666)	(35,992)
Proceeds from sale of property, infrastructure, plant and equipment	1,205	800	697	692	687
Payments for investments					
Proceeds from sale of investments					
Loan and advances made					
Payments of loans and advances					
Net cash provided by/ (used in) investing activities	(35,510)	(32,240)	(32,161)	(32,974)	(35,305)
Cash flows from financing activities					
Finance costs	(1,511)	(2,139)	(2,088)	(2,035)	(1,980)
Proceeds from borrowings	13,500	-	-	-	-
Repayment of borrowings	-	(7,591)	(7,982)	(8,389)	(8,811)
Net cash provided by/(used in) financing activities	11,989	(9,730)	(10,070)	(10,424)	(10,791)
Net increase/(decrease) in cash & cash equivalents	8,333	(4,130)	(623)	1,957	3,212
Cash and cash equivalents at the beginning of the financial year	22,544	30,877	26,747	26,124	28,081
Cash and cash equivalents at the end of the financial year	30,877	26,747	26,124	28,081	31,293

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Proposed Council Plan 2017-21

Budgeted Standard Capital Works Statement

For the four years ending 30 June 2021

	Forecast \$'000	Budget 2017-18 \$'000	Strategic Resource Plan Projections			
			2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	
Property						
Buildings	17,806	6,824	9,438	11,228	14,343	
Total buildings	17,806	6,824	9,438	11,228	14,343	
Total property	17,806	6,824	9,438	11,228	14,343	
Plant and equipment						
Heritage plant and equipment	-	-	-	-	-	
Plant, machinery and equipment	2,178	2,457	2,144	2,278	2,652	
Fixtures, fittings and furniture						
Computers and telecommunications	3,678	3,207	3,057	1,757	992	
Library books						
Total plant and equipment	5,856	5,664	5,201	4,035	3,644	
Infrastructure						
Roads	7,564	8,396	8,456	8,443	8,858	
Bridges	50	-	210	200	80	
Lanes	891	842	973	1,014	1,050	
Transport	2,792	872	2,129	892	1,005	
Waste management	60	60	60	75	70	
Drainage						
Recreational, leisure and community facilities						
Parks, open space and streetscapes	7,670	7,841	3,751	4,152	4,278	
Street Furniture	75	330	330	330	330	
Aerodromes						
Retail Strips	430	730	2,310	3,297	2,334	
Priority Projects	-	506				
Provisional Carry Forwards	-	975	-	-	-	
Total infrastructure	19,532	20,552	18,219	18,403	18,005	
Total capital works expenditure	43,194	33,040	32,858	33,666	35,992	
Represented by:						
New asset expenditure	15,419	6,666	820	200	1,461	
Asset renewal expenditure	25,002	25,835	25,814	25,559	23,666	
Asset expansion expenditure	-	-	-	-	-	
Asset upgrade expenditure	2,773	539	6,224	7,907	10,865	
Total capital works expenditure	43,194	33,040	32,858	33,666	35,992	

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

Statement of Human Resources

For the four years ending 30 June 2021

	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Staff expenditure					
Employee costs - operating	76,587	79,528	81,119	82,741	84,396
Employee costs - capital	1,286	1,111	1,133	1,156	1,179
Total staff expenditure	77,873	80,639	82,252	83,897	85,575
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Employees	839.0	839.0	839.0	839.0	839.0
Total staff numbers	839.0	839.0	839.0	839.0	839.0

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2017/18 \$'000	Comprises	
		Permanent Full Time \$'000	Permanent Part Time \$'000
CEO Division	8,084	6,438	1,646
Corporate, Business & Financial Services	20,006	15,355	4,651
Community Wellbeing	22,212	14,970	7,242
City Works & Assets	12,523	11,934	589
Planning & Placemaking	10,316	8,766	1,550
Total permanent staff expenditure	73,141	57,463	15,678
Casuals and other expenditure	6,387		
Capitalised labour costs	1,111		
Total expenditure	80,639		

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Comprises	
		Permanent Full Time	Permanent Part Time
CEO Division	74.0	56.0	18.0
Corporate, Business & Financial Services	214.0	142.0	72.0
Community Wellbeing	252.0	166.0	86.0
City Works & Assets	123.0	117.0	6.0
Planning & Placemaking	93.0	79.0	14.0
Total	756.0	560.0	196.0
Casuals and other	72.0		
Capitalised labour costs	11.0		
Total staff	839.0		

Attachment 1 - Council Plan 2017-2021 Proposed

Proposed Council Plan 2017-21

Yarra City Council

Customer Service Centres

Richmond Town Hall – 333 Bridge Road, Richmond
Collingwood Town Hall – 140 Hoddle Street, Abbotsford
Bargoonga Nganjin, North Fitzroy Library - 182 St Georges Road, North Fitzroy
Connie Benn Centre - 160 Brunswick Street, Fitzroy

Council's standard opening hours are 8.30am - 5pm, Monday to Friday.

Phone

Phone: 9205 5555
Fax: (03) 8417 6666
After Hours Emergency: 9205 5555

Post

P.O. Box 168 Richmond 3121

Social

Looking for the latest news, events and places to visit in Yarra? Join the conversation by accessing Council's social media pages to Like, Share, and Comment on all that is happening in Yarra.

Twitter: [@YarraCouncil](https://twitter.com/YarraCouncil)
Facebook: [www.fb.com/YarraCityCouncil](https://www.facebook.com/YarraCityCouncil)
Instagram: [@CityOfYarra](https://www.instagram.com/CityOfYarra)

Attachment 2 - Submission Summary 2017-18 Budget and Council Plan

Summary of Public Submission

Proposed 2017-18 Budget 2017 -2021 Council Plan

Section 223 Exhibition May - June 2017

July 2017

Attachment 2 - Submission Summary 2017-18 Budget and Council Plan

Count of Issue	Column Labels			
Row Labels	Budget	Council Plan	Waste Service Charge	Grand Total
Arts	6	1		7
Opposition to Arts funding	1	1		2
Request for funding to support a music research project/census	1			1
Request to continue to support artists to practise in Yarra	1			1
Request to fund acquisition of new artwork	1			1
Request to increase funding for Leaps and Bounds	1			1
Support for expanding funding for arts initiatives	1			1
Child care		2		2
Request to continue to fund childcare		2		2
Compliance issues		9		9
Comment regarding noisy plant at Fitzroy Swimming Pool		1		1
Request to increase compliance activity on a range of issues		4		4
Request to increase compliance activity on noise related issues		1		1
Request to keep trees from hanging over fences		1		1
Request to review level of footpath trading in Brunswick Street		1		1
Request to stop cars parking over driveways		1		1
Council expenditure	13			13
Comment regarding rates	1			1
Queries regarding Council expenditure	1			1
Support for Council expenditure cuts	11			11
Economic Development	1	3		4
Request for additional support for new businesses		1		1
Request to fund Bridge Road improvements	1			1
Support for promoting benefits of doing business locally but at low/no additional cost		1		1
Support to improve vibrancy of retail strips and encourage small businesses to invest		1		1
Environmental sustainability		3		3
Support for environmentally sustainable initiatives		3		3
Gambling	12			12
Request for Yarra to become a member of the Leadership Group of Councils with the Alliance for Gambling Reform	12			12
Graffiti	3			3
Request to fund graffiti removal	3			3
Health and Wellbeing	1	4		5
Opposition to a Medically Supervised Injecting Facility		1		1
Request for program funding	1			1
Request to strengthen indicators under the Health and Wellbeing objective in the Council Plan		1		1
Support for improved mental health services		1		1
Support for women's health and wellbeing		1		1
Heritage	1	6		7
Request for Council to consider maximum height limits		1		1
Request that Heritage related strategies and indicators be strengthened		2		2
Request to fund the Heritage Officer position	1			1
Support to protect heritage and local neighbourhood character		3		3

Attachment 2 - Submission Summary 2017-18 Budget and Council Plan

Count of Issue	Column Labels			
Row Labels	Budget	Council Plan	Waste Service Charge	Grand Total
Leisure Services	3	1		4
Comment regarding the quality and standard of Leisure facilities		1		1
Definition of "Family" membership	1			1
Request to fund Hydrotherapy Pool	2			2
Library Services	1	2		3
Request to continue funding free library activities and events	1			1
Request to increase the profile of libraries in the Council Plan		1		1
Support for Libraries		1		1
Neighbourhood Houses	16	1		17
Request to continue to fund Holden Street Neighbourhood House	9			9
Request to continue to fund Neighbourhood Houses	7	1		8
Open Space	10	5		15
Opposition to investigating feasibility of replacing roads and paved surfaces with permeable surfaces		1		1
Opposition to Rushall Reserve bicycle path	5			5
Opposition to the playground in Darling Gardens		1		1
Request to fund playground upgrade in Curtain Square	1			1
Request to fund works at Citizens Park	1			1
Request to fund works on Golden Bicentennial Park in Burnley	1			1
Request to increase open space with developer contributions		1		1
Support for funding new parks	1			1
Support for new Charles/Mollison Park	1			1
Support for the Atherton Gardens Estate oval		1		1
Support for Urban Wildlife Management Plan		1		1
Planning and Development	3	7		10
Comment regarding the impact of increased development		1		1
Opposition to Queens Parade development	1			1
Request for Council to consider maximum height limits		1		1
Request for Place Making initiatives		1		1
Request to fund an independent public enquiry into planning decisions	1			1
Request to improve management of growth and development	1	1		2
Request to increase streetscape master planning		1		1
Request to urgently review zoning		1		1
Support to protect heritage and local neighbourhood character		1		1
Public Housing	1	3		4
Request to fund continued support for public housing advocacy		3		3
Request to fund Peel Street Public Housing	1			1
Sporting Facilities	83			83
Request to fund redevelopment of Peterson Oval Cricket Pitches	46			46
Request to fund redevelopment of the Carlton Bocce Court as a Community Garden	33			33
Request to fund Roller Hockey facilities	1			1
Request to fund upgrade at Alphington Bowls Club	1			1
Request to fund works at Ivanhoe Northcote Canoe Club	1			1

Attachment 2 - Submission Summary 2017-18 Budget and Council Plan

Count of Issue Row Labels	Column Labels			
	Budget	Council Plan	Waste Service Charge	Grand Total
Comment supporting funding works on Jack Dyer Pavilion and facilities2	1			1
Sustainable Transport	14	4		18
Comment supporting Council's sustainable transport agenda		1		1
Request that cyclists are charged a registration fee	1			1
Request to fund improved lighting along the Capital City Trail bike path	1			1
Request to increase funding for sustainable transport alternatives	12	2		14
Support for improved public transport		1		1
Traffic Management	52	2		54
Query regarding road works in McIlwraith and Richardson Streets		1		1
Request to fund increased traffic management Johnston Street/Trenerry Crescent	1			1
Request to fund LAPMS work in Abbotsford (LAPM 13)	2			2
Request to fund LAPMS work in Abbotsford (LAPM 13) and North Fitzroy	2			2
Request to fund LAPMS work in Brunswick Street North	2			2
Request to fund LAPMS work in Clifton Hill and North Fitzroy	1			1
Request to fund LAPMS work in Cremorne	1			1
Request to fund LAPMS work in Princes Hill (LAPM 1)	19			19
Request to fund LAPMS work in Scotchmer (LAPM 3)	21			21
Request to fund LAPMS work to encourage walking and cycling	1			1
Request to fund pedestrian safety Abbotsford Primary School	1			1
Request to fund pedestrian safety at Princes Hill School	1			1
Request to improve road and transit safety around schools2		1		1
Urban Design	1	1		2
Request to fund a plaza/piazza in Clifton Hill		1		1
Request to fund additional seating in Clifton Hill	1			1
Various	6	15		21
Comment regarding Councillors	1			1
Comment regarding service models		1		1
Comment regarding street trees		2		2
Comments on Council Plan aged services		1		1
Opposition to allocating funding to broadcasting Council meetings		1		1
Opposition to implementing an Innovation Hub		1		1
Query regarding the transparency of staff bonuses	1			1
Request from Yarra Youth Advisory Committee to strengthen Youth initiatives in the Council Plan		1		1
Request to fund additional community spaces in Clifton Hill		1		1
Request to fund Road Works on Parkville Street	1			1
Request to improve liquor licencing controls		1		1
Request to improve neighbourhood safety		1		1
Request to increase support for home and garden maintenance	1			1
Request to investigate feasibility of commemorative plaques on park benches	1			1
Support for funding Cubbies	1			1
Support for joint use agreements for shared use community facilities		1		1
Support for objectives in the Council Plan		3		3

Attachment 2 - Submission Summary 2017-18 Budget and Council Plan

Count of Issue Row Labels	Column Labels			
	Budget	Council Plan	Waste Service Charge	Grand Total
Support to increase aged care groups		1		1
Waste Charge	1		798	799
No position stated			1	1
Opposition to the Waste Charge	1		383	384
Opposition to the Waste Charge and support for Council expenditure cuts/alternate revenue raising			343	343
Query regarding application of the Waste Charge			29	29
Support for the Waste Charge			42	42
Waste Services	3			3
Request to fund additional waste management and infrastructure in Alexandra Parade	1			1
Request to fund improved Green Waste services	1			1
Request to fund waste minimisation project	1			1
(blank)				
(blank)				
Consultation and Engagement	5	3		8
Comment regarding distribution of Yarra News	3			3
Comment that the online submission process should only be open to rate payers	1			1
Request for innovative engagement processes		1		1
Request for regular ward meetings		1		1
Request for student to look at Council's engagement activities	1			1
Comment regarding cultural diversity in engagement processes.		1		1
Social connectedness and inclusion	1	6		7
Opposition to developing a Council social justice/human rights charter		1		1
Opposition to developing a program of events in partnership with Traditional Owners		1		1
Opposition to expanding funding to community led activities and events		1		1
Request to increase opportunities for socially isolated groups to meet	1			1
Support for community volunteering		1		1
Support for indigenous culture, art and plants		1		1
Request to increase focus on access for all abilities		1		1
Grand Total	237	78	798	1113

Attachment 3 - Council Plan 2017- 21 proposed amendments

Attachment 3 Draft Council Plan 2017-21 amendments

Update all Strategic Objectives to include short titles as follows:

1. **A healthy Yarra:** Community health, safety and wellbeing are a focus in everything we do
2. **An inclusive Yarra:** Inclusion, diversity and uniqueness are welcomed, respected and celebrated
3. **A sustainable Yarra:** Council leads on sustainability and protects and enhances its natural environment
4. **A liveable Yarra:** Development and growth are managed to maintain and enhance the character and heritage of the city
5. **A prosperous Yarra:** Local businesses prosper and creative and knowledge industries thrive
6. **A connected Yarra:** Connectivity and travel options are environmentally sustainable, integrated and well-designed
7. **A leading Yarra:** Transparency, performance and community participation drive the way we operate

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
1.1	Maintain and enhance Yarra's open space network to meet the diverse range of community uses	Add Satisfaction with parks, gardens and open space (Annual Customer Satisfaction Survey and ParkScape Survey)		Community	
1.2	Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing	Add Percentage of adults who feel valued by society (Victorian Population Health Survey) Percentage of adults who report high or very high psychological distress (Victorian Population Health Survey) Percentage of children who are developmentally on track (Australian Early Development		Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
		Census) Perceptions of safety, day and night (Annual Customer Satisfaction Survey) Gaming machine losses per adult (Victorian Commission for Gambling and Liquor Regulation)			
1.2	Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing		Change Continue to collaborate with other inner city municipalities to find compassionate responses to people experiencing primary homelessness To Continue to deliver effective homelessness outreach in the municipality with partnering agencies	Officer	
1.3	Provide health promoting environments that encourage healthy eating and active living	Add Percentage of adults consuming recommended intake of vegetables (Victorian Population Health Survey) Percentage of adults who undertook adequate physical activity (Victorian Population		Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
		Health Survey)			
1.4	Assist to reduce the harms from alcohol and drugs on individuals and the community in partnership with State Agencies and key service providers	Add Report on alcohol and drug harm minimisation initiatives delivered Percentage of adults with increased risk of short term alcohol-related harm (Victorian Population Health Survey) Report on delivered advocacy and health and wellbeing activities and		Community	
1.5	Promote environments that support safe and respectful sexual practices and reproductive choices	Add Number of programs and initiatives focused on improving sexual and reproductive health outcomes A reduction in rates of chlamydia and teenage pregnancy	Add Develop partnerships with local and regional organisations committed to improving sexual and reproductive health outcomes	Community	
New	Add Promote a gender equitable, safe and respectful community including new Strategic Indicator	Add number of community activities and programs supported and developed	Add work with local and regional partners to lead work to advance gender equity, prevent violence against women and promote respectful relationships and continue to take a leadership role by implementing Gender Equity Strategy 2016-2021	Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
1.6	Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing	Add Deliver the Social and Affordable Housing Strategy		Community	
2.2	Remain a highly inclusive Municipality, proactive in advancing and advocating for the rights and interests of minority groups and community issues	Add Annual report on Council's performance against the Victorian Charter of Human Rights and Responsibilities		Officer	
2.3	Continue to be a local government leader and innovator in acknowledging and celebrating Aboriginal history and culture in partnership with Traditional Owners		Change Develop a program of activities and events in partnership with Traditional Owners To Implement the Aboriginal Partnerships Plan	Officer	
3.1	Change Investigate strategies and initiatives to better manage the long term effects of climate change and improve biodiversity To Investigate strategies and initiatives to better manage the long term effects of climate change	Add Increase in the number and scale of Urban Forest Strategy initiatives implemented, and Reduce the urban heat island effect by further greening of the city Remove	Change Implement recommendations contained in the Urban Forest Strategy to achieve social and environmental outcomes To Develop an Urban Forest Strategy and implement recommendations to achieve social and	Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
		Adopt a Biodiversity Strategy	<p>environmental outcomes</p> <p>Remove</p> <p>Develop a Biodiversity Strategy</p> <p>Utilise findings contained in the biodiversity health survey to inform future planning across the City</p> <p>Improve integration across environmental and sustainability policies and strategies</p>		
New	Add Support and empower a more sustainable Council and Community	Add Complete review of the Environment Strategy	Add Continue to be a leading Council and Municipality in the field of Environmental Sustainability Embed adaptation sustainability across Council decision making processes	Community	
3.2	Lead in sustainable energy policy and deliver programs to promote carbon neutral initiatives for the municipality and maintain Council as a carbon neutral organisation	<p>Change</p> <p>Retain Council carbon neutral status for Council operations and reduce Council's carbon emissions (before offsets)</p> <p>To</p> <p>Reduce Council's carbon emissions (before offsets) and retain carbon neutral status for</p>	Add Promote programs that monitor and reduce emissions across the municipality and strive to achieve carbon neutral status. Support The Yarra Energy Foundation	Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
		Council operations Move Complete review of the Environment Strategy To new strategy Support and empower a more sustainable Council and Community			
3.3	Reduce the amount of waste-to-landfill with a focus on improved recycling and organic waste disposal	Change Increase in overall kerbside collection waste diverted from landfill and recycled (LGPRF Annual Report) To Reduction in waste to landfill	Add Reduce volume of kerbside waste collection per capita by behaviour change programs and increase of recycling	Community	
3.5	Change Promote and facilitate urban agriculture To Promote and facilitate urban agriculture with a focus on increasing scale and uptake in the community	Change Number of urban agriculture community initiatives supported and promoted To Increase the number of urban agriculture community initiatives supported and promoted		Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
3.6	Move to Strategy 3.1 Reduce the urban heat island effect and promote the further greening of the city	Move to Strategy 3.1 Number of Urban Forest Strategy initiatives implemented	Move to Strategy 3.1 Implement recommendations contained in the Urban Forest Strategy to achieve social and environmental outcomes Investigate feasibility of replacing road and paved space with permeable surfaces	Community	
new	Investigate strategies and initiatives to improve biodiversity	Adopt a Biodiversity Strategy	Add Develop and adopt a Biodiversity Strategy Utilise findings contained in the biodiversity health survey to inform future planning across the City Improve integration across environmental and sustainability policies and strategies	Community	
4.1	Protect Yarra's heritage and neighbourhood character	Add Complete actions within the Heritage Strategy 2015-2018 Develop a new or continuing Heritage Strategy 2018-2021		Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
4.2	Actively plan for Yarra's projected growth and development and advocate for an increase in social and affordable housing	<p>Change</p> <p>Completion of the Yarra Planning Scheme re write</p> <p>to</p> <p>Preparation of a planning scheme amendment to introduce new Municipal Strategic Statement and local planning policies</p> <p>Add</p> <p>Deliver the Social and Affordable Housing Strategy</p>	<p>Add</p> <p>Prepare a planning scheme amendment to introduce the open space strategy in to the Yarra Planning Scheme and increase the rate of contribution towards open space provision</p> <p>Continue to develop structure plans for major activity centres which build on the unique character of each precinct</p> <p>Change</p> <p>Prepare strategies for hospital and education precincts and urban renewal areas identified in Plan Melbourne 2017-2050 Refresh</p> <p>To</p> <p>Prepare strategies for hospital and education precincts.</p>	Officer	
4.5	Encourage and promote environmentally sustainable building, urban design, place-making and public realm outcomes		<p>Add</p> <p>Advocate for stronger ESD planning requirements to be implemented via SDAPP</p>	Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
4.7	Change Ensure that changes in Yarra's built form involves engagement with the community To Encourage engagement with the community when developments are proposed			Officer	
5.1	Maintain and strengthen the vibrancy and local identity of retail and commercial precincts	Change Implement Master Plans for shopping strips To Prepare Master Plans for retail shopping strips	Move Continue to develop structure plans for major activity centres which build on the unique character of each precinct To Strategy 4.2 Actively plan for Yarra's projected growth and development and advocate for an increase in social and affordable housing.	Officer	
5.2	Strengthen and monitor land use change and economic growth including new and emerging economic clusters		Remove Provide strategic justification for zoning retention to changes in employment precincts to retain opportunities for business clusters Add	Officer	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
			Prepare the Yarra Spatial Economic and Employment Strategy to guide Yarra's long term capacity for employment and economic growth.		
6.4	Improve accessibility to public transport for people with mobility needs and older people	<p>Remove</p> <p>Number of advocacy initiatives to state government on improving public transport</p> <p>Add</p> <p>Monitor progress on improving public transport accessibility and report on any advocacy initiatives</p> <p>Satisfaction with Council's advocacy efforts (ACSS)</p>		Officer	
6.5	Develop and promote pedestrian and bicycle infrastructure that encourages alternate modes of transport, improves safety and connectedness	<p>Change</p> <p>Progress of Wellington Street Bike Lane construction</p> <p>To</p> <p>Complete Wellington Street Bike Lane construction</p>	<p>Add</p> <p>Continue to work with adjacent councils to ensure connectivity for bicycle routes (inc. via IMAP and Resilient Melbourne)</p>	Community	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
6.6	Advocate for increased performance of public transport across Melbourne		Change Develop the opportunity to trial an electric bus scheme To Advocate for the trial of an electric bus scheme	Community	
6.6	Advocate for increased performance of public transport across Melbourne	Remove Number of advocacy campaigns to state government on improving public transport and reducing road congestion. Add Report on advocacy initiatives related to unsatisfactory public transport services		Officer	
7.3	Maintain a culture of transparency, governance, ethical practice and management of risks that instils a high level of community respect and confidence in Council decision-making		Remove Encourage community involvement in consultation engagements	Officer	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
7.5	Remove Ensure a safe workplace for staff, contractors and visitors and related Indicators and Initiatives and include as a commitment under Human Resource Management in the Strategic Resource Plan			Officer	
7.6	Change Provide the community with meaningful and genuine opportunities to contribute to and participate in Council planning and decision making processes with a focus on hard to reach communities To Provide the community with meaningful and genuine opportunities to contribute to and participate in Council planning and decision making processes with a focus on traditionally underrepresented communities		Add Design and deliver planned engagement processes to encourage community involvement in Council decision making, in line with the Community Engagement Policy	Officer	

Attachment 3 - Council Plan 2017- 21 proposed amendments

Strategy	Strategy	Indicator	Initiative	Community/ Officer	Councillor response
7.9	Continue a 'customer centric' approach to all service planning and delivery		<p>Remove</p> <p>Develop and implement a robust Information Services Strategy to support Council's service to the community</p> <p>Add</p> <p>Continue to implement strategies that enhance customer and community experience with Council across services.</p>	Officer	
7.10	Advocate for the best interests of our community		<p>Change</p> <p>Continue to implement engagement capacity building programs and strategies in line with the Community Engagement Policy</p> <p>To</p> <p>Continue Council's strategic advocacy program, advocating to other levels of government and stakeholders in the best interests of the Yarra community.</p>	Officer	

11.2 2017/18 Budget & 10 Year Long Term Financial Strategy Adoption

Trim Record Number: D17/97021

Responsible Officer: Director Corporate, Business and Finance

Purpose

1. In relation to the 2017/18 Proposed Budget, Council having considered public submissions and other information contained in this report, must resolve on whether to:
 - (a) adopt the original 2017/18 Draft Budget (including the waste service charge), or adopt the alternate 2017/18 Draft Budget (excluding the waste service charge) following public notice and inspection in accordance with the requirements of the *Local Government Act 1989* (the Act) and Local Government (Planning and Reporting) Regulations 2014 (the Regulations);
 - (b) declare the amount which the Council intends to raise by General Rates and Charges; and
 - (c) adopt the 2017/18 – 2026/27 Long Term Financial Strategy (LTFS) (including or excluding the waste service charge).

Background

2. On 21 February 2017, Council resolved that the draft Budget be prepared on the basis of a separate waste and environmental service charge.
3. On 4 April 2017, Council resolved to adopt in principle the draft 2017/18 Budget and LTFS (inclusive of a waste service charge in addition to general rates) for the purpose of community consultation.
4. On 16 May 2017, Council resolved:

“That officers prepare an alternate Budget 2017-2018 and Long Term Financial Strategy that does not include a new waste service charge, to present to Council, in addition to the advertised budget, on 6 June.”
5. On 17 May 2017, Council held a Special Council Meeting to hear verbal submissions on the advertised Council Plan, Budget, and LTFS.
6. On 6 June 2017, Council resolved to adopt in principle:
 - (a) an alternate Budget with no waste service charge;
 - (b) advertise the alternate Budget for a further 28 days;
 - (c) defer the adoption of the advertised Council Plan until the adopted Budget is known; and
 - (d) to resolve on the Council Plan, Budget, & LTFS on 1 August 2017.
7. On 19 July 2017, Council held a Special Council Meeting to hear verbal submissions on the alternate Budget and LTFS.

Consultation

8. The original 2017/18 draft Budget & LTFS (including the waste service charge) were publicised via:
 - (a) a formal notice in The Age on Thursday 6 April 2017;
 - (b) a double page advertisement in the Melbourne Weekly Times;
 - (c) a double page spread in Yarra News, delivered to some 47,000 Yarra households and commercial properties;

- (d) extensive information (including questions and answers) on Council's website, hot topics, and Council's dedicated online engagement portal;
 - (e) a detailed letter (including an additional question and answers fact sheet) mailed to all non-resident ratepayers;
 - (f) communications via Council's social media channels (Facebook and Twitter) and Council's customer service centres and libraries;
 - (g) e-news with links to members of our 14 advisory committees and registered members of our online engagement portal;
 - (h) advertisements on community radio including non-English speaking radio programs and in community non-English speaking newspapers;
 - (i) the proposed Council Plan and Budget were available for public inspection for 35 days, from 6 April – 11 May 2017;
 - (j) five open community information sessions were held at the following times and locations:
 - (i) Wednesday 19 April, Edinburgh Gardens Community Centre, Fitzroy 6.00pm – 8.00pm;
 - (ii) Friday 21 April, Studio 1 GTV 9, Richmond 12.00pm - 2.00pm;
 - (iii) Thursday 27 April, Fitzroy Town Hall, 6.00pm – 8.00pm;
 - (iv) Saturday 29 April, Collingwood Senior Citizens Centre 10.00 am – 12.00pm; and
 - (v) Thursday 4 May, Richmond Town Hall 6.00pm – 8.00pm;
 - (k) full copies of submissions were provided to Council and verbal submissions heard by Council at its special meeting on Wednesday 17 May 2017.
9. The alternate 2017/18 draft Budget and LTFS (excluding the waste service charge) were publicised via:
- (a) a formal notice in The Age on Friday 9 June 2017;
 - (b) a four page spread in Yarra News, delivered to some 47,000 Yarra households and commercial properties;
 - (c) extensive information (including questions and answers) on Council's website, hot topics, and Council's dedicated online engagement portal;
 - (d) communications via Council's social media channels (Facebook and Twitter) and Council's customer service centres and libraries;
 - (e) e-news with links to members of our 14 advisory committees and registered members of our online engagement portal;
 - (f) advertisements on community radio including non-English speaking radio programs and in community non-English speaking newspapers;
 - (g) the proposed Council Plan and Budget were available for public inspection for 33 days, from 9 June – 11 July 2017;
 - (h) two open community information sessions were held at the following times and locations:
 - (i) Saturday 24 June, Bargoonga Nganjin, North Fitzroy Library 2.00pm – 3.00pm; and
 - (ii) Wednesday 5 July, Collingwood Town Hall, Collingwood 6.00pm - 7.00pm; and
 - (i) full copies of submissions were provided to Council and verbal submissions heard by Council at its special meeting on Wednesday 19 July 2017.

Financial Implications

10. The Budget process is guided by legislation and has major financial implications for Council's current and future operations and financial direction into the future.
11. The following financial implications arise depending on the Budget that is adopted:
 - (i) Original Advertised Budget – including \$8.5M waste service charge in addition to general rates:

Council will have the capability to:

 - (a) repay debt with cash
 - (b) respond to unanticipated financial pressures (e.g. defined benefit calls)
 - (c) respond to community priorities
 - (ii) Alternate Budget – No waste service charge introduced:

Council will have to:

 - (a) refinance debt commitments

Council will have limited capacity to:

 - (b) respond to unanticipated financial pressures
 - (c) respond to community priorities unless it reviews the capital works, and operating budget or alters service levels.
12. The two budgets are the essentially the same, with the key difference being the original budget generates additional revenue via a waste service charge, which would then free up rate revenue for Council to repay significant debt which is due in 4 years' time.

Economic Implications

13. The annual budget preparation and adoption process has wide-ranging economic implications for Yarra's citizens, particularly those reliant on Council infrastructure, services and funding, which in turn continue to support and contribute to economic activity in the municipality.

Environmental Sustainability Implications

14. The annual budget preparation and adoption process shows a commitment to continue funding appropriate environmental initiatives.

Social Implications

15. The social implications of the annual budget preparation and adoption process support Council's strategic objectives which include supporting the community, liveability and sustainability.

Human Rights Implications

16. Human Rights have been considered, and there are no human rights implications.

Communications with CALD Communities Implications

17. Translation service assistance is available via Council's website for members of the CALD community and this service extended to the Council Plan and Budget process.

Council Plan, Strategy and Policy Implications

18. In accordance with Section 125 of the Act, Council has also prepared a Council Plan 2017-2021. The Draft Budget and Strategic Resource Plan (SRP) complement the Council Plan 2017-2021. In accordance with Section 125(7) of the Act, the Council Plan has been reviewed.

Legal Implications

19. Adoption of Council's proposed Budget and LTFS process is as prescribed in the Act and all requirements have been addressed.

Other Issues

20. There were 1006 individual submissions raising 1113 issues regarding the original proposed budget (including the waste service charge). The 1113 issues were attributed as follows: 237 Budget, 78 Council Plan and 798 Waste Service Charge.
21. There were 88 individual submissions raising 161 issues received regarding the alternate proposed budget (excluding the waste service charge).
22. A summary of submission issues is contained in Attachment 1. Councillors have been provided with full details of all submissions and officer responses.

Options

23. Minor corrections and updates to the fees and charges schedule have also been included (Appendix A - Page 110).
24. The adopted Budget will include the final results of any supplementary valuations of properties in the municipality which will then determine the final 'rate in the \$' to be used to generate general rate income. It is not anticipated to differ materially from the adopted in principle rate.

Conclusion

25. Council's Proposed 2017/18 Proposed Budget & LTFS process commenced in December 2016 and has involved several Councillor and Officer meetings conducted over the past eight months.
26. The formal public consultation phase of this process commenced in April 2017 with seven community information sessions. The public submission process generated substantial interest and input from the community, culminating in just over 1,000 submissions on the draft documents.
27. All submissions have been reviewed and assessed (refer Attachment 1). Officers will respond to all submitters in writing.
28. Council has satisfied the legislative requirements of the process and is now in a position to adopt its 2017/18 Budget and 2017/18 – 2026/27 LTFS.
29. Any further changes resulting from Council Plan and Budget deliberation and resolution will be incorporated in the final version of the documents.
30. Council has two budget options available. The first option is to adopt the original budget inclusive of the waste service charge, as contained within Council Report reference D17/68914. The second option is to adopt the alternate budget, exclusive of the waste service charge. This report provides a recommendation related to the 2017/18 Budget without a waste service charge.

RECOMMENDATION

1. That Council:
 - (a) adopts the alternate 2017/18 Proposed Budget (excluding the waste service charge) as the Annual Budget of Council for the 2017/18 financial year;
 - (b) adopts the alternate 2017/18 – 2026/27 LTFS (excluding the waste service charge) as the Long Term Financial Strategy for 2017/18;
 - (c) makes copies of the 2017/18 Adopted Budget & LTFS available at Council offices, libraries and on Council's website;

- (d) authorises the Chief Executive Officer to give public notice of the decision to adopt the Annual Budget and submit a copy to the Minister for Local Government, in accordance with Section 130 of the Act;
- (e) notifies in writing the persons who have made a submission regarding the 2017/18 Proposed Budget and LTFS of Council's decision, in accordance with Section 223 of the Act, which will include a response to the issues raised in the submission;
- (f) declares rates and charges as per pages 57-59 of the budget document, in summary, an amount of \$ 105,398,000.00 (or such greater amount as is lawfully levied as a consequence of this resolution) as the amount which Council intends to raise by General Rates and other charges, which is calculated as follows:

General Rates	\$ 104,058,000.00
Special Rates Schemes	\$ 240,000.00
Supplementary Rates	\$1,100,000.00
Total Rates and Charges	\$ 105,398,000.00

- (g) advises in respect to General Rates:
 - (i) a general rate be declared in respect of and for the entire duration of the 2017/18 financial year;
 - (ii) it further be declared that the general rate be raised by application of a uniform rate;
 - (iii) a percentage of 0.04091118 be specified as the percentage of the uniform rate which may be alternatively expressed as \$0.04091118 cents in the NAV dollar;
 - (iv) it be confirmed that no amount is fixed as the minimum amount payable by way of a general rate in respect of each rateable property within the municipality; and
 - (v) the Council funded Pensioner Rate Rebate be declared at \$178.50 for 2017/18;
- (h) declares no Annual Service Charge in respect of the 2017/18 financial year;
- (i) declares no Municipal Charge in respect of the 2017/18 financial year; and
- (j) authorises the Chief Executive Officer to effect minor administrative and wording changes to the 2017/18 Budget & LTFS documents, which may be required.

CONTACT OFFICER: Ange Marshall
TITLE: Chief Financial Officer
TEL: 9205 5544

Attachments

- 1** Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget
- 2** Proposed 2017-18 City of Yarra Budget (with no waste service charge)
- 3** Proposed Long Term Financial Strategy 2017-18 to 2026-27 (With no waste service charge)

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

Summary of Public Submission

**Proposed 2017-18 Budget 2017 -2021 Council Plan
and
Amended 2017-18 Budget**

Section 223 Exhibition

July 2017

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

Summary of Public Submission

Proposed 2017-18 Budget 2017 -2021 Council Plan

Section 223 Exhibition

May - June 2017

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

Count of Issue	Column Labels			
Row Labels	Budget	Council Plan	Waste Service Charge	Grand Total
Arts	6	1		7
Opposition to Arts funding	1	1		2
Request for funding to support a music research project/census	1			1
Request to continue to support artists to practise in Yarra	1			1
Request to fund acquisition of new artwork	1			1
Request to increase funding for Leaps and Bounds	1			1
Support for expanding funding for arts initiatives	1			1
Child care		2		2
Request to continue to fund childcare		2		2
Compliance issues		9		9
Comment regarding noisy plant at Fitzroy Swimming Pool		1		1
Request to increase compliance activity on a range of issues		4		4
Request to increase compliance activity on noise related issues		1		1
Request to keep trees from hanging over fences		1		1
Request to review level of footpath trading in Brunswick Street		1		1
Request to stop cars parking over driveways		1		1
Council expenditure	13			13
Comment regarding rates	1			1
Queries regarding Council expenditure	1			1
Support for Council expenditure cuts	11			11
Economic Development	1	3		4
Request for additional support for new businesses		1		1
Request to fund Bridge Road improvements	1			1
Support for promoting benefits of doing business locally but at low/no additional cost		1		1
Support to improve vibrancy of retail strips and encourage small businesses to invest		1		1
Environmental sustainability		3		3
Support for environmentally sustainable initiatives		3		3
Gambling	12			12
Request for Yarra to become a member of the Leadership Group of Councils with the Alliance for Gambling Reform	12			12
Graffiti	3			3
Request to fund graffiti removal	3			3
Health and Wellbeing	1	4		5
Opposition to a Medically Supervised Injecting Facility		1		1
Request for program funding	1			1
Request to strengthen indicators under the Health and Wellbeing objective in the Council Plan		1		1
Support for improved mental health services		1		1
Support for women's health and wellbeing		1		1
Heritage	1	6		7
Request for Council to consider maximum height limits		1		1
Request that Heritage related strategies and indicators be strengthened		2		2
Request to fund the Heritage Officer position	1			1
Support to protect heritage and local neighbourhood character		3		3

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

Count of Issue Row Labels	Column Labels			
	Budget	Council Plan	Waste Service Charge	Grand Total
Leisure Services	3	1		4
Comment regarding the quality and standard of Leisure facilities		1		1
Definition of "Family" membership	1			1
Request to fund Hydrotherapy Pool	2			2
Library Services	1	2		3
Request to continue funding free library activities and events	1			1
Request to increase the profile of libraries in the Council Plan		1		1
Support for Libraries		1		1
Neighbourhood Houses	16	1		17
Request to continue to fund Holden Street Neighbourhood House	9			9
Request to continue to fund Neighbourhood Houses	7	1		8
Open Space	10	5		15
Opposition to investigating feasibility of replacing roads and paved surfaces with permeable surfaces		1		1
Opposition to Rushall Reserve bicycle path	5			5
Opposition to the playground in Darling Gardens		1		1
Request to fund playground upgrade in Curtain Square	1			1
Request to fund works at Citizens Park	1			1
Request to fund works on Golden Bicentennial Park in Burnley	1			1
Request to increase open space with developer contributions		1		1
Support for funding new parks	1			1
Support for new Charles/Mollison Park	1			1
Support for the Atherton Gardens Estate oval		1		1
Support for Urban Wildlife Management Plan		1		1
Planning and Development	3	7		10
Comment regarding the impact of increased development		1		1
Opposition to Queens Parade development	1			1
Request for Council to consider maximum height limits		1		1
Request for Place Making initiatives		1		1
Request to fund an independent public enquiry into planning decisions	1			1
Request to improve management of growth and development	1	1		2
Request to increase streetscape master planning		1		1
Request to urgently review zoning		1		1
Support to protect heritage and local neighbourhood character		1		1
Public Housing	1	3		4
Request to fund continued support for public housing advocacy		3		3
Request to fund Peel Street Public Housing	1			1
Sporting Facilities	83			83
Request to fund redevelopment of Peterson Oval Cricket Pitches	46			46
Request to fund redevelopment of the Carlton Bocce Court as a Community Garden	33			33
Request to fund Roller Hockey facilities	1			1
Request to fund upgrade at Alphington Bowls Club	1			1
Request to fund works at Ivanhoe Northcote Canoe Club	1			1

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

Count of Issue		Column Labels		
Row Labels	Budget	Council Plan	Waste Service Charge	Grand Total
Comment supporting funding works on Jack Dyer Pavilion and facilities2	1			1
Sustainable Transport	14	4		18
Comment supporting Council's sustainable transport agenda		1		1
Request that cyclists are charged a registration fee	1			1
Request to fund improved lighting along the Capital City Trail bike path	1			1
Request to increase funding for sustainable transport alternatives	12	2		14
Support for improved public transport		1		1
Traffic Management	52	2		54
Query regarding road works in McIlwraith and Richardson Streets		1		1
Request to fund increased traffic management Johnston Street/Trenerry Crescent	1			1
Request to fund LAPMS work in Abbotsford (LAPM 13)	2			2
Request to fund LAPMS work in Abbotsford (LAPM 13) and North Fitzroy	2			2
Request to fund LAPMS work in Brunswick Street North	2			2
Request to fund LAPMS work in Clifton Hill and North Fitzroy	1			1
Request to fund LAPMS work in Cremorne	1			1
Request to fund LAPMS work in Princes Hill (LAPM 1)	19			19
Request to fund LAPMS work in Scotchmer (LAPM 3)	21			21
Request to fund LAPMS work to encourage walking and cycling	1			1
Request to fund pedestrian safety Abbotsford Primary School	1			1
Request to fund pedestrian safety at Princes Hill School	1			1
Request to improve road and transit safety around schools2		1		1
Urban Design	1	1		2
Request to fund a plaza/piazza in Clifton Hill		1		1
Request to fund additional seating in Clifton Hill	1			1
Various	6	15		21
Comment regarding Councillors	1			1
Comment regarding service models		1		1
Comment regarding street trees		2		2
Comments on Council Plan aged services		1		1
Opposition to allocating funding to broadcasting Council meetings		1		1
Opposition to implementing an Innovation Hub		1		1
Query regarding the transparency of staff bonuses	1			1
Request from Yarra Youth Advisory Committee to strengthen Youth initiatives in the Council Plan		1		1
Request to fund additional community spaces in Clifton Hill		1		1
Request to fund Road Works on Parkville Street	1			1
Request to improve liquor licencing controls		1		1
Request to improve neighbourhood safety		1		1
Request to increase support for home and garden maintenance	1			1
Request to investigate feasibility of commemorative plaques on park benches	1			1
Support for funding Cubbies	1			1
Support for joint use agreements for shared use community facilities		1		1
Support for objectives in the Council Plan		3		3

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

Count of Issue Row Labels	Column Labels			
	Budget	Council Plan	Waste Service Charge	Grand Total
Support to increase aged care groups		1		1
Waste Charge	1		798	799
No position stated			1	1
Opposition to the Waste Charge	1		383	384
Opposition to the Waste Charge and support for Council expenditure cuts/alternate revenue raising			343	343
Query regarding application of the Waste Charge			29	29
Support for the Waste Charge			42	42
Waste Services	3			3
Request to fund additional waste management and infrastructure in Alexandra Parade	1			1
Request to fund improved Green Waste services	1			1
Request to fund waste minimisation project	1			1
(blank)				
(blank)				
Consultation and Engagement	5	3		8
Comment regarding distribution of Yarra News	3			3
Comment that the online submission process should only be open to rate payers	1			1
Request for innovative engagement processes		1		1
Request for regular ward meetings		1		1
Request for student to look at Council's engagement activities	1			1
Comment regarding cultural diversity in engagement processes.		1		1
Social connectedness and inclusion	1	6		7
Opposition to developing a Council social justice/human rights charter		1		1
Opposition to developing a program of events in partnership with Traditional Owners		1		1
Opposition to expanding funding to community led activities and events		1		1
Request to increase opportunities for socially isolated groups to meet	1			1
Support for community volunteering		1		1
Support for indigenous culture, art and plants		1		1
Request to increase focus on access for all abilities		1		1
Grand Total	237	78	798	1113

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

Summary of Public Submission

Amended 2017-18 Budget

Section 223 Exhibition

June - July 2017

Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

2017/18 Amended Budget Public Submissions Summary

Row Labels	Count of Issue
Advocacy	3
Reduce advocacy	2
Reduce advocacy for minority groups	1
Budget	57
Change rating system	1
Funding for public housing project	1
Opposition to previous waste charge	4
Opposition to rate increase	1
Reduce IT budget	1
Sell 345 Bridge Road	1
Support for alternate budget	6
Support for previous waste charges	5
Reduce arts budget	1
Reduce staffing costs	2
Opposition to Fairfield Park Boathouse tearoom funding	1
Support for alternate budget query Councillor expenditure	1
Reduce Council expenditure	21
Transparency of budget document	1
Increase Council efficiency savings target	1
Reallocate Rushall Reserve budget funding	1
Increase income streams	1
Improve financial management	1
Opposition to Rushall Reserve bicycle path works	6
Diversity	8
Opposition to supporting diversity	1
Support for previous Waste Charge and affordable housing	1
Support for homelessness initiatives	1
Opposition to Stolen Generations Marker	3
Opposed to continued funding of Victoria street project	1
Opposition to community flag raising	1
Environment	3
Rubbish dumping	1
Support for street tree planting	1
Support for reducing food waste	1
Infrastructure	7
Reduce Road assets budget	2
Over servicing infrastructure maintenance roads and footpaths	1
Over servicing infrastructure maintenance	1
Support to increase capital expenditure	1
Street sweeping	1
Road and footpath asset repair charges for developers	1
Planning	22
Richmond High School	1
Reduce construction enforcement budget	1
Introduce user pay services	1
Fund development of city-wide Master Plan	13
Heritage	1
Increase fees and charges	1
Compulsory Public Art funding	1
Bridge Road development	1
Open Space	1
Planning Scheme reform	1

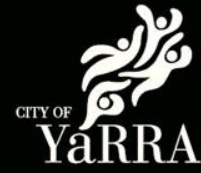
Attachment 1 - Submissions Summary 2017-18 Original Budget, Council Plan and Alternate 2017-18 Budget

2017/18 Amended Budget Public Submissions Summary

Row Labels	Count of Issue
Leisure facilities	17
Request to fund redevelopment of the Carlton Bocce Court as a Community Garden	13
Leisure centre price increases	1
Increase number of Leisure facilities	1
Funding for Citizens Park improvements	1
Improve of facilities	1
Traffic Management	2
Request to fund LAPMS work in Scotchmer (LAPM 4)	1
Support for LAPM's	1
Sustainability	24
Waste minimisation	2
Increase bicycle infrastructure	1
Environmental sustainability	17
Opposition to bicycle infrastructure expenditure	3
Sustainable transport	1
Services	16
Increase parking enforcement	1
Outsource services	3
Support for Library services	1
Support for childcare funding	1
Opposition to needle exchange	1
Outsource parking enforcement service	1
Increase graffiti removal services	1
Increase Aged services council transport	1
Additional fees for dog owners	1
Support community centres	2
Fund community services	2
Support for Community arts precincts	1
Public Housing	1
Request to fund Peel Street Public Housing	1
Increase transparency and community engagement	1
Grand Total	161

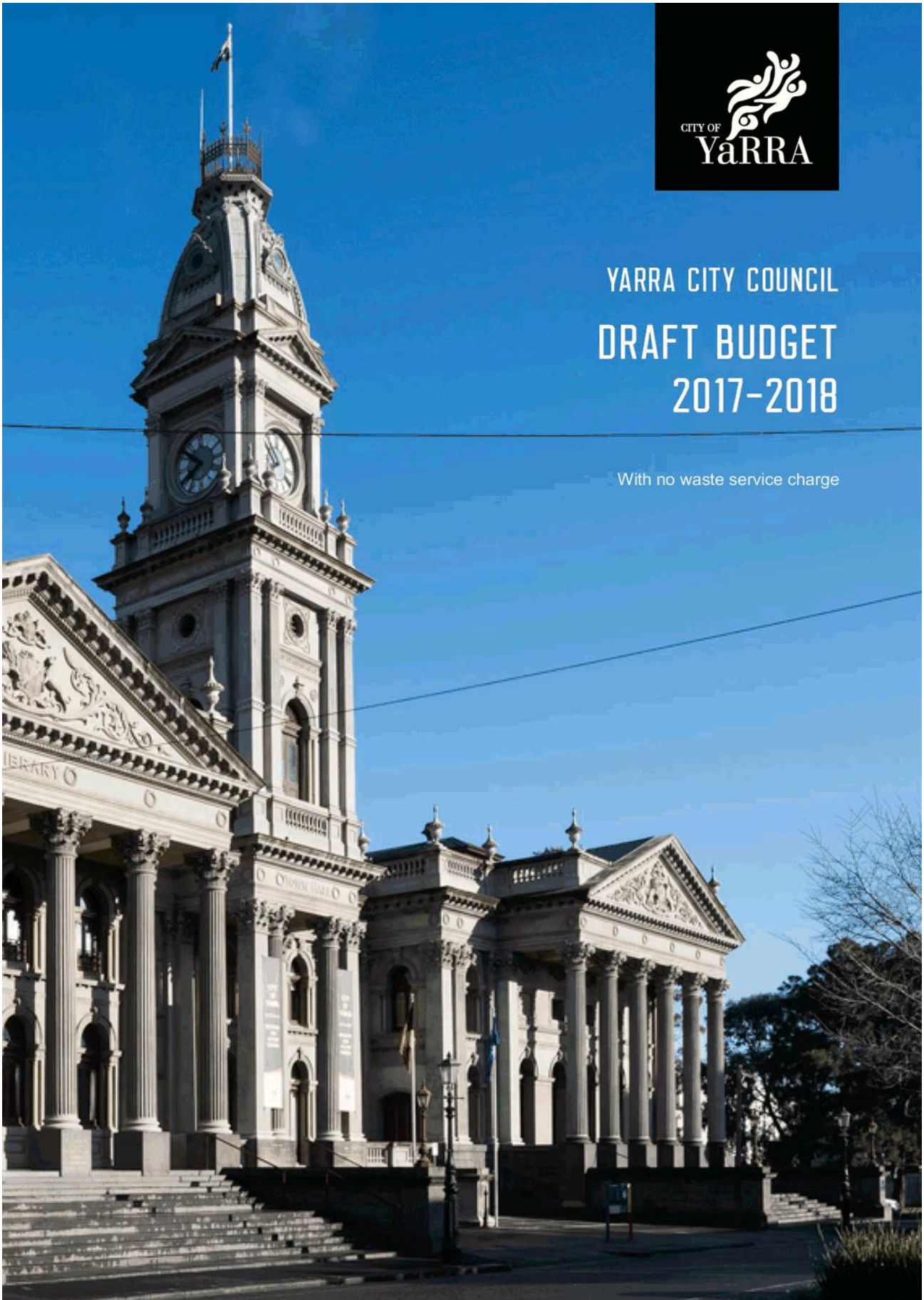
Connection with Yarra	Count
I live	67
I live, I own a business	1
I live, I work	6
I live, I work, I own a business	1
I live, Other	1
I work	1
I work, I own a business, I visit, I own a property, but live elsewhere	1
(blank)	
I work, I visit, Other	1
Grand Total	79

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)



YARRA CITY COUNCIL
**DRAFT BUDGET
2017-2018**

With no waste service charge



Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

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Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Introduction

The draft 2017-2018 Budget details the resources required over the next year to fund the large range of services Yarra Council provides to the community. It also includes details of proposed capital expenditure allocations to improve and renew the City's physical infrastructure, buildings and operational assets.

The draft Budget proposes a general rate increase of 2.0 per cent. This is in line with the Fair Go Rates System (FGRS) which has capped rate increases by Victorian Councils.

Community feedback strongly supports the maintenance of existing service levels. For these to be continue to be sustainably funded, a mix of rates revenue, and user charges is required. Council will continue to focus on the identification of sustainable cost reductions as well as other revenue opportunities. We will also explore new approaches for providing services to our community in a tighter fiscal environment and ensure that we engage with you on any planned changes.

Budget at a glance

- \$172 million total operating expenditure Budget.
- \$30 million for new capital projects and other new initiatives.
- \$2 million for community grants and contributions.
- 2.0 per cent increase in general rates, in line with the State Government's Fair Go Rates System
- 2.0 per cent increase in the City's rate rebate for pensioners (from \$175 to \$178.50 per annum).

Capital works highlights

Allocated \$30.04 million in capital works expenditure, including:

- Road renewals (\$8.4 million) – including reconstructions, roads to recovery projects, road resheeting;
- Building renewals (\$6.8 million) – including refurbishments, replacement of plant, and roof replacements;
- Laneways renewal (\$0.84 million) – including bluestone laneway reconstructions and kerb & channel improvements;
- Parks, open space and streetscapes renewals (\$3.95 million) – including playground constructions and equipment, irrigation systems, and athletics track resurfacing;
- Plant and equipment renewals (\$4.6 million) – including information technology, library materials and scheduled replacement of Council's fleet.

New and major initiatives

Allocated \$5.4 million for new and upgrade capital works, as well as new initiatives including:

- Stage 2 of Wellington St bicycle lanes \$500k;
- Food waste recycling trial \$171k; and
- A new local park in Abbotsford \$450k

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Executive Summary

Council has prepared a draft Budget for 2017-18 which is aligned to the vision in the proposed Council Plan 2017-21. It seeks to maintain services and infrastructure as well as deliver projects and services that are valued by our community, and to do this within the rate increase mandated by the State Government.

This draft Budget projects a surplus of \$8.9 million for 2017-18, however, it should be noted that the adjusted underlying result is a surplus of \$3.4 million after adjusting for capital grants and contributions (refer Sections 5 and 10.1). This is the book result. The cash flow statement reflects the budgeted cash inflows and outflows.

1. Key things we are funding

- 1) Ongoing delivery of services to the Yarra City community funded by an operating expenditure Budget of \$172.5 million. These services are summarised in Section 2.
- 2) Continued investment in Infrastructure assets (\$30.4 million) for renewal / upgrade / new works. This includes roads (\$8.4 million); buildings (\$6.8 million); parks, open space and streetscapes (\$3.95 million); laneways (\$0.84 million) and plant and equipment (\$4.6 million). The Statement of Capital Works can be found in Section 3 and further details on the capital works Budget can be found in Sections 6 and 12.

Strategic Objective 1: Community health, safety and wellbeing are a focus in everything we do

- 1) Construction of a new local park at Charles and Mollison Streets, Abbotsford;
- 2) Continued funding to the Community Grants program (\$1.9 million net cost).
- 3) The draft Budget includes ongoing funding for family, youth and children's services, recreation and open space, aged and disability services, leisure services, compliance, social policy and research.

Strategic Objective 2: Inclusion, diversity and uniqueness are welcomed, respected and celebrated

- 1) Stolen Generations Marker (\$0.1 million)
- 2) The draft budget includes ongoing funding for community partnerships, with key services across equity and diversity, Gay, Lesbian, Bisexual, Transgender, Intersex and Queer (GLBTIQ), community centres, neighbourhood houses.

Strategic Objective 3: Council leads on sustainability and protects and enhances its natural environment

- 1) Trial for an innovative solution for food waste recycling (\$0.1 million);
- 2) Planning for implementation of the Urban Forest Strategy (\$0.04 million);
- 3) Ongoing funding for sustainable services, waste and water management.

Strategic Objective 4: Development and growth are managed to maintain and enhance the character and heritage of the city

- 1) Developer Contribution Plan (DCP) introduction.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

- 2) Other services funded in this area are: Statutory Planning, City Strategy and Construction Management.

Strategic Objective 5: Local businesses prosper and creative and knowledge industries thrive

- 1) Our commitment to economic development and businesses in our city remains a focus as is supporting creative and knowledge industries in our Budget by funding library services and the arts, culture and venues service.
- 2) Urban Design - Activity Centres Design (\$0.23 million)

Strategic Objective 6: Connectivity and travel options are environmentally sustainable, integrated and well-designed

- 1) Wellington Street bicycle lane (\$0.5 million).
- 2) Spot Safety program (\$0.15 million)
- 3) Other services include Parking, Traffic and Special Projects, Strategic Transport and Road Services.

Strategic Objective 7: Transparency, performance and community participation drive the way we operate

- 1) Council operates in a highly legislative environment and performs its functions of administration in a transparent, performance driven and consultative manner. Services included here are the CEO's office, Finance, Governance, Advocacy and Engagement, Information and Communication Technologies, Innovation, People and Culture, Building Assets and Property Services, Risk Audit and Procurement, and Corporate Performance.

2. The Rate Rise

- a. The average rate will rise by 2.0% in line with the order by the Minister for Local Government on 16 December 2016 under the Fair Go Rates System.
- b. Key drivers
 - i. To fund ongoing service delivery – business as usual (balanced with greater service demands from residents)
 - ii. To fund renewal of infrastructure and community assets
 - iii. To cope with growth in the population of Yarra residents (2.2% in the last year)
 - iv. To cope with cost shifting from the State Government.
- c. This is not a revaluation year. Valuations will be as per the General Revaluation dated 1 January 2016 (as amended by supplementary valuations).
- d. Refer Section 7 for further Rates and Charges details.

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3. Key Statistics

- Total Revenue: \$181.4m (2016-17 = \$178.4m)
- Total Expenditure: \$172.5m (2016-17 = \$169.0m)
- Accounting Result: \$8.9m Surplus (2016-17 = \$9.4m Surplus)
(Refer Income Statement in Section 3)
- Underlying operating result: \$3.4m Surplus (2016-17 = \$2.0m Surplus)

(Refer Analysis of operating Budget in Section 10.1)

(Note: Underlying operating result is an important measure of financial sustainability as it excludes income which is to be used for capital)

- Cash at end of year: \$26.3m (2016-17 = \$30.9m)
(Refer Statement of Cash Flows in Section 3)
This is the cash balance after considering the funding requirements to meet loan principal repayments.
- Total Capital Works Program of \$30.04m (2016-17 = \$43.19m)
 - \$23.745m from Council operations (rates funded)
 - \$0.8m from asset sales
 - \$1.195m from external grants
 - \$4.3m from external contributions.

4. Budget Influences

External Influences

The preparation of the Budget is influenced by the following external factors:

- The Victorian State Government has introduced a cap on rate increases from 2016-17. The cap for 2017-18 has been set at 2.0% (2016-17: 2.5%).
- CPI for Victoria is forecast to be 2.0% for the 2017-18 year (Victorian Department of Treasury & Finance, 2016-17 Budget Update).
- Anticipated increases of 2.0% (or \$1.24 per tonne) in the levy payable to the State Government upon disposal of waste into landfill, resulting in additional EPA Levy costs of \$0.020 million. The levy has increased from \$9 per tonne in 2008-09 to a forecast \$63.27 per tonne in 2017-18 (703% increase in 9 years) and has added \$1.84 million to Council's costs. The levy has increased from \$9 per tonne in 2008-09 to a forecast \$63.27 per tonne in 2017-18. The increase from 2016-17 to 2017-18 is approximately 2%.
- Ongoing cost shifting. This occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. School crossing supervisors, libraries, and home and community care are an example of this.
- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition, Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

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Internal Influences

As well as external influences, there are also internal influences which are expected to have a significant impact on the preparation of the 2017-18 Budget.

- Council must renegotiate a new Collective Agreement during the 2016-17 year for commencement on 1 July 2017.

5. Cost Shifting

Cost shifting occurs when Commonwealth and State programs transfer responsibilities to local government with insufficient funding or grants which don't keep pace with delivery costs.

Type 1: Cost Shifting for Specific Services

1. Home and Community Care (HACC) - \$3.7m from 2012-13 to 2016-17.
2. Library Services - \$9.9m from 2012-13 to 2016-17.
3. School Crossing Supervision - \$0.92m from 2012-13 to 2016-17. The State Government has recently announced it will start to honour the existing agreement to pay 50% of the costs for school crossing supervision. It acknowledges that payments to Councils in the past have not covered the agreed 50% of the cost. While this announcement is welcomed the details of the level of payments in future have not yet been provided.

Type 2: Loss of funding

4. A freeze on indexation of the federal financial assistance grants. The Commonwealth announced in its 2014-15 Budget that it would pause indexation of the total national pool of financial assistance grants to local government for three years (2014-15, 2015-16, 2016-17).

Type 3: Statutory fee that prohibits full cost recovery

5. After freezing planning fees since 2009 the State Government in October 2016 increased the allowable fee that Council may charge for these services. While this belated action is welcomed the new fees still do not cover the full cost of providing the service hence rate payers still subsidise the activities of development across the city.

Type 4: Levies

6. State Government landfill levy - The levy has increased from \$9 per tonne in 2008/2009 to a forecast \$63.27 per tonne in 2017-18. The increase from 2016-17 to 2017-18 is approximately 2%. Landfill gate fees are expected to increase by 4.15% for 2017/2018.

6. Population Growth

Council's population is forecast to grow from 89,151 in 2015 to 95,911 by 2021 and to 117,036 by 2036.

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Budget Reports

The following reports include all statutory disclosures of information and are supported by the analysis contained in sections 8 to 16 of this report.

This section includes the following reports and statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

- 1 Links to Council Plan
- 2 Services and service indicators
- 3 Financial statements
- 4 Financial performance indicators
- 5 Grants and borrowings
- 6 Detailed list of capital works
- 7 Rates and charges

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

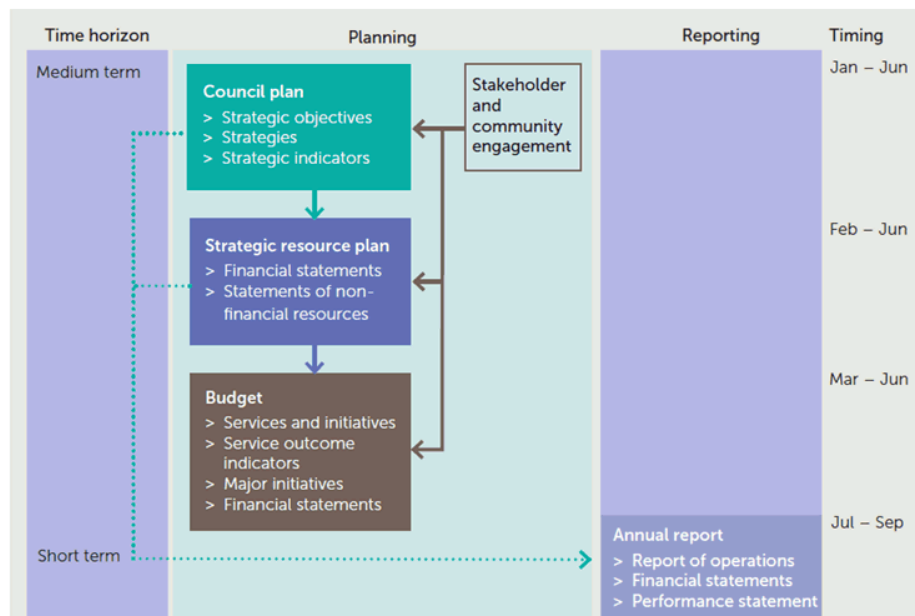
Yarra City Council – Draft Budget 2017-18

1. Link to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

Planning and accountability framework

The Strategic Resource Plan, part of and prepared in conjunction with the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is framed within the Strategic Resource Plan, taking into account the services and initiatives which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Environment, Land, Water and Planning (formerly Department of Transport, Planning and Local Infrastructure)

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

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Our Values

We aim to achieve the greatest outcomes for the community through delivering our Council Plan and working with, and for, all in Yarra. Our values guide our conduct and working relationships with colleagues and the community.

INTEGRITY

Honesty. Fairness. Transparency.

We communicate clearly and apply policies and procedures with discretion, judgement and sensitivity for equitable outcomes.

ACCOUNTABILITY

Ownership. Leadership. Initiative

We take responsibility for our actions and welcome feedback. We follow through on obligations and commitments promptly, and willingly achieve agreed goals and standards.

TEAMWORK

Support. Collaboration. Encouragement.

We acknowledge we are one organisation in which every person plays an important role. We build positive working relationships across all teams and groups and in our interactions with the wider community. We engage our colleagues, value their experiences and share our resources.

RESPECT

Understanding. Empathy. Courtesy.

We celebrate diversity and value different opinions, views and working styles. We seek to understand expectations and differing needs then respond appropriately.

INNOVATION

Lead. Learn. Improve.

We tackle challenges and try new things. We strive for a learning culture. We embrace change and are not hampered by fear. We learn from our actions and experiences. We seek and provide feedback. We further develop our knowledge and skills.

SUSTAINABILITY

Environmental. Economic. Social. Cultural.

Our long-term vision guides our investment in the future to promote the health and resilience of our organisation and our community.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Strategic objectives**

Council delivers services and initiatives across a number of Branches and Business Units. Each contributes to the achievement of one of the seven proposed Strategic Objectives as set out in the Council Plan for the years 2017-21. The following table lists the seven Strategic Objectives as described in the Council Plan.

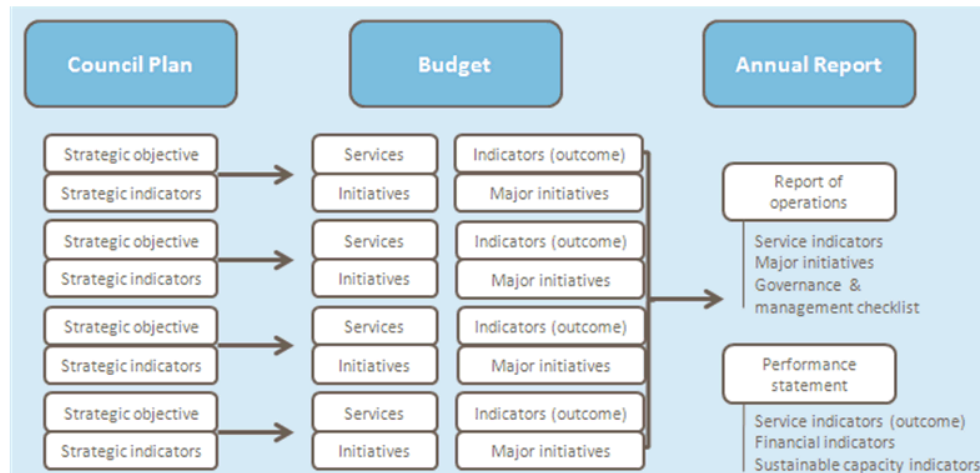
Proposed Strategic Objective	Description
Community health, safety and wellbeing are a focus in everything we do	Council plays a key role in contributing to our community's health and wellbeing. From delivering maternal and child health services to ensuring access to open space, enforcing noise regulations to supporting community and cultural initiatives, community health, safety and wellbeing is central to everything we do.
Inclusion, diversity and uniqueness are welcomed, respected and celebrated	Identity was a passionate and recurring theme throughout the community consultation for the Council Plan. Our community values its diversity. Creating a safe place where people of all ages, genders, sexualities, abilities, cultures and backgrounds feel welcome and connected is a priority for Council.
Council leads on sustainability and enhances its natural environment	As Victoria's first carbon-neutral council, we are proud of our commitment to sustainability. Protecting our natural environment and supporting our community to reduce its environmental footprint will continue to be a priority for Council.
Development and growth are managed to maintain and enhance the character and heritage of the city	With demand for inner city housing increasing, Council is mindful of the importance of balancing the needs of new and existing residents, and ensuring that development does not encroach on the amenity or heritage of our city.
Local businesses prosper and creative and knowledge industries thrive	Council is committed to creating a city that is accessible to everyone irrespective of levels of personal mobility, where a fulfilling life can be had without the need for a car.
Connectivity and travel options are environmentally sustainable, integrated and well-designed	Yarra is a great place to do business and to work. Supporting local businesses and creative industries not only contributes to Yarra's economy, but also increases local employment opportunities, enhances street life and fosters community connectedness.
Transparency, performance and community participation drive the way we operate	Council is committed to change through an energised, cohesive team of professionals, recognised for our leadership, innovation and service.

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2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2017-18 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes a number of major initiatives, initiatives and service performance outcome indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Environment, Land, Water and Planning (formerly Transport, Planning and Local Infrastructure)

Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are shown in **bold** and underlined in the following sections.

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Proposed Strategic Objective 1:**Community health, safety and wellbeing are a focus in everything we do**

Council plays a key role in contributing to our community's health and wellbeing. From delivering maternal and child health services to ensuring access to open space, enforcing noise regulations to supporting community and cultural initiatives, community health, safety and wellbeing is central to everything we do.

Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Family, Youth and Children's Services	<p>Family, Youth and Children's Services provides direct services for children, young people and their families and is also responsible for municipal wide planning for children and young people. The Branch is structured into five service units: Children's Services, Family Services, Youth and Middle Years Services, Connie Benn Centre and Service Planning and Development.</p> <p>Key services:</p> <ul style="list-style-type: none"> • Education and Care / Children's Services • Maternal & Child Health • Family Support • Youth & Middle Years 	<p>16,856</p> <p>(9,102)</p> <hr/> <p>7,754</p>
Recreation and Open Space	<p>Recreation and Open Space is responsible for maintaining the publicly owned open spaces within the City of Yarra - areas include parks and gardens. Protection and enhancement of the open space and streetscape network and management of the City's trees.</p> <p>The branch also manages and provides accessible recreation opportunities, services and facilities and open space.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Open space planning and design • Capital works planning and implementation • Maintenance of open space, streetscape and ecological restoration sites • Recreation planning, club development and sports field allocation • Capital and infill street tree planting 	<p>9,591</p> <p>(282)</p> <hr/> <p>9,309</p>
Aged and Disability Services	<p>Aged and Disability Services provides a range of services to assist older adults and people with disabilities to live independently in their homes in partnership with the State and Federal Government. The services include home care, personal care, home maintenance, meals and social support to older people, younger people with disability and their carers.</p> <p>The Branch carries out community development and strategic planning roles to support the inclusion of older adults and people with disability in community life, including resourcing Council's Disability Advisory Committee and the Active Ageing Advisory Group.</p>	<p>6,875</p> <p>(3,627)</p> <hr/> <p>3,248</p>

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Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
	Key Services: <ul style="list-style-type: none"> • Delivering community care services • Community Development • Support for Older Persons Groups • TRAAC Program • Disability, Access & Inclusion • Metro Access • Community Transport • Contract Management 	
Leisure Services	Leisure Services operates three major leisure and aquatic facilities, a public golf course and a community gymnasium and provides a range of high quality facilities and programs that encourage participation from a broad cross section of the community. Our service manages and provides diverse recreational and leisure opportunities that have a positive impact on the community's wellbeing, whilst maintaining facilities that are safe, clean and fit-for-purpose. Key Services: <ul style="list-style-type: none"> • <u>Collingwood Leisure Centre</u> • <u>Richmond Recreation Centre</u> • <u>Fitzroy Swimming Pool</u> • Burnley Golf Course 	9,791 (10,420) (629)
Compliance Services	Compliance Services is responsible for a range of statutory enforcement services to maximise the health, safety and harmony of the City. Key Services: <ul style="list-style-type: none"> • <u>Animal Management</u> • Local Laws Enforcement • School Crossing Management • Temporary Liquor Licensing referrals • Local Law permits • Litter Enforcement • Planning Enforcement • <u>Health Protection (including Food Safety and Immunisation)</u> 	6,237 (4,406) 1,831
Social Policy and Research	Social Policy and Research has responsibility for managing the organisation's response to Community Safety, Health planning including Alcohol and Other Drug Issues, policy and research and the night time economy. Key Services: <ul style="list-style-type: none"> • Undertake social research • Undertaking strategic research, plans and policies • Health Planning 	463 - 463

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Major Initiatives

1. Construction of a new local park at Charles and Mollison Streets, Abbotsford (\$0.45 million)

Council will construct a new park in Abbotsford through partial road closure at the intersection of Charles and Mollison Streets. This project supports the Yarra Open Space Strategy that identified the precinct as lacking in open space.

2. Victoria Street Masterplan – Lennox and Nicholson Street upgrade (\$0.4 million) and Shopfront Improvement Grants pilot (\$0.04 million)

Council is undertaking a project to improve the amenity, safety and public realm in Victoria Street at the intersection of Lennox and Nicholson Streets. The new spaces will provide safe, attractive, green and accessible public spaces for residents and visitors. This includes repaving of footpaths, new street crossing points, street furniture and bicycle parking, lighting, public art and street tree planting. Council has received a \$200K grant to contribute this project.

In addition, Council will run a pilot program to improve the character, amenity and safety of Victoria Street via a grant co-funding scheme to assist shop owners to remove roller shutters and refurbish shopfronts.

Initiatives

3. Update of the Yarra Open Space Strategy (\$0.06 million)

Council will commence the preparation of a new Open Space Strategy which will result in a renewed direction for the provision and enhancement of the open space in Yarra, including responding to changes and developments in community needs since the last strategy was developed.

4. Citizens Park Jack Dyer Pavilion – Design (\$0.05 million)

Design for the redevelopment of the Jack Dyer Pavilion at Citizen's Park will be undertaken this year.

The upgraded facility, when constructed, will provide for increased participation in sport by women and juniors and will also improve the accessibility and environmental performance of the facility.

5. Fitzroy Adventure Playground (Cubbies) operational support (\$0.1 million)

Council has allocated \$100K for funding support to Fitzroy Adventure Playground (Cubbies) operated by Save The Children Australia, which provides a safe place for children to play, enjoy friendships and develop.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population who receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100

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		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people who receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Maternal and Child Health	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100
		Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100
Aquatic Facilities	Utilisation	Number of visits to aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	[Number of visits to aquatic facilities / Municipal population]

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Proposed Strategic Objective 2:

Inclusion, diversity and uniqueness are welcomed, respected and celebrated

Identity was a passionate and recurring theme throughout the community consultation for the Council Plan. Our community values its diversity. Creating a safe place where people of all ages, genders, sexualities, abilities, cultures and backgrounds feel welcome and connected is a priority for Council.

Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Community Partnerships	Community Partnerships leads community development in Yarra to support Council's strategic objectives through strengthening civic participation, championing social inclusion and cohesion and supporting community groups and organisations.	3,565
	Key Services:	-
	<ul style="list-style-type: none"> • Equity and Diversity • GLBTIQ Working Group • Community Centres • Neighbourhood Houses • Manage Needle and Syringe contract • Community Grants Program • Aboriginal Partnerships Plan • Social Housing and Homelessness • Multicultural Affairs 	3,565

Major Initiatives

1. Stolen Generations Marker (\$0.1 million)

Council will work with the local Aboriginal and Torres Strait Islander communities to develop a Stolen Generations Marker as a tribute to the Stolen Generations and their families and to stand as a reminder of the ongoing impacts of past government policies on the Aboriginal community today.

Initiatives

2. Installation of civic flagpoles (\$0.02 million)

Council will install civic flagpoles in locations near to town halls, which will be used to fly community flags in acknowledgement of Yarra's rich community diversity.

3. Small Project Grants (\$0.07 million)

The Small Project Grants respond to funding requests throughout the year, providing an opportunity for new applicants to engage with Council and gain an understanding of the grants process. The grants allow not-for-profit organisations and individual artists to access small amounts of funding quickly. The purpose of these grants are to promote: social involvement; community connectedness; environmental sustainability; health; well-being; and cultural diversity.

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Proposed Strategic Objective 3:

Council leads on sustainability and enhances its natural environment

As Victoria's first carbon-neutral council, we are proud of our commitment to sustainability. Protecting our natural environment and supporting our community to reduce its environmental footprint will continue to be a priority for Council.

Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Sustainability Services	Sustainability Services focusses on the advocacy and policy areas of environment, waste minimisation and urban agriculture.	3,241
		-
		3,241
	Key Services	
	<ul style="list-style-type: none"> Reducing Yarra's greenhouse gas emissions/ energy consumption Reducing Council's waste to Landfill Increasing Urban Agriculture throughout the municipality 	
Waste Services	Waste Services oversees the delivery of all waste services and waste minimisation.	16,956
		(616)
		16,340
	Key Services:	
	<ul style="list-style-type: none"> Waste Services Waste Minimisation Street Cleaning 	
Water Management Services	Water Management plans for Council to be an active participant in whole of water cycle management and seek all available opportunities to reduce the reliance on potable water by working with water corporations to achieve cost efficient access to alternative water including, treated, and re-using stormwater, recycled water and rainwater.	49
		-
		49
	Key Services:	
	<ul style="list-style-type: none"> Water Management 	

Major Initiatives

1. Trial an innovative solution for food waste recycling in Yarra (\$0.17 million)

Council will conduct and evaluate a trial of an innovative solution for diverting food waste from landfill. This will include establishing an appropriate collection service, food waste receptacles for households, education/engagement processes and waste processing technology.

Initiatives

2. Planning for implementation of Urban Forest Strategy (\$0.04 million)

Council will undertake planning work to create localised tree planting plans consistent with the development of the Urban Forest Strategy. This will ensure street tree planting funded within the capital asset renewal program aligns with the strategy.

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Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Proposed Strategic Objective 4:****Development and growth are managed to maintain and enhance the character and heritage of the city**

With demand for inner city housing increasing, Council is mindful of the importance of balancing the needs of new and existing residents, and ensuring that development does not encroach on the amenity or heritage of our City.

Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Statutory Planning	Statutory Planning is responsible for analysing, processing and assessing planning applications to ensure that the use and development of land which gives effect to state and local planning policies, are based on clear procedures, appropriate public participation and coordination with other Branches of Council. Key Services: <ul style="list-style-type: none"> • Planning Applications • VCAT and Panel Hearings • Advice on planning and specialist heritage and environmental sustainability issues • Subdivision compliance 	4,100 (6,026) (1,926)
City Strategy	City Strategy provides strategic research, planning policy and urban design advice on sustainable land use and development in the municipality through policy development, strategic plans and the development of appropriate planning controls through the Yarra Planning Scheme. Key Services: <ul style="list-style-type: none"> • Monitoring and reviewing the Yarra Planning Scheme • Preparing and assessing Planning Scheme Amendments • Improving the public realm in activity centres and key public spaces • Preparing urban design frameworks and master plans 	2,047 - 2,047
Construction Management	Construction Management is responsible for ensuring that development/works being undertaken in the municipality meet agreed statutory and/or permit requirements and that developments have minimum impact on the amenity of residents, businesses and Council infrastructure.	5,212 (6,695) (1,483)

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Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
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Key services:

- Management of Construction Management Plans
- Issue of Building Permits
- Permits to address public safety at events
- Permits to occupy Council land
- Provide 24/7 emergency call out for building matters
- Review and respond to Essential Safety Measure matters

Initiatives**1. Developer Contribution Plan implementation and administration (\$0.08 million)**

This initiative comprises staffing and IT system changes to support the introduction of Developer Contribution Plan (DCP) to the Yarra Planning Scheme. The DCP will ensure that new residential development growth being experienced by Yarra contributes in an equitable way to provision of infrastructure and community facilities.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory Planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were upheld in favour of the Council)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100

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Proposed Strategic Objective 5:

Local businesses prosper and creative and knowledge industries thrive

Yarra is a great place to do business and to work. Supporting local businesses and creative industries not only contributes to Yarra's economy, but also increases local employment opportunities, enhances street life and fosters community connectedness.

Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Economic Development	Economic Development is responsible for developing programs to support Yarra's economy and promoting local businesses and key retail precincts. It also responsible for Urban Design providing designs for improving the quality of the public domain in Yarra's activity centres and undertaking design projects for key public spaces in the municipality. Key Services: <ul style="list-style-type: none"> • Economic Development • Providing advice, support and services to local businesses • Undertaking tourism and marketing programs 	720 (10) 710
Library Services	Yarra Libraries develops and maintains integrated, coordinated Library Services comprised of accessible and responsive practices that are connected to, and informed by our community and are delivered by professional staff working within a supportive learning culture. Key Services: <ul style="list-style-type: none"> • Five Library locations across Yarra • Free core public library services • Authoritative, accessible information services • Collections and services to support individual and collective quality of life • Development and delivery of activities and events to support reader development and social inclusion • Quality service which we develop and evaluate to pursue excellence • Places and spaces for the community to come together – both real and virtual. 	5,572 (635) 4,937
Arts, Culture and Venues	Arts, Culture and Venues comprises two business units: Arts and Cultural Services, and Venues and Events. It is responsible for producing and commissioning of works; facilitating projects between external stakeholders and advocacy and managing the use of Council's civic and community buildings, as well our parks and open spaces. Key services: <ul style="list-style-type: none"> • Venues bookings • Service delivery for the operation of three civic buildings and community spaces. 	3,409 (774) 2,635

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-
- Events permits
 - Parks and open spaces bookings
 - Arts development
 - Community arts
 - Festivals and events
 - Art and heritage collections
 - Public Art
 - Room to Create (creative spaces support) program
-

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100
Libraries	Participation	Active Library members (Percentage change of the municipal population that are Library members)	[Number of active Library members / Municipal population]

Major Initiatives**1. Urban Design – Activity Centres design (\$0.23 million)**

Council will fund urban design work with a placemaking focus in the key activity centres of Brunswick Street, Bridge Road and Victoria Street. The designs will aim to ensure accessible, safe and quality public domain and public spaces in Yarra's activity centres so that they remain attractive to the local community, visitors and tourists.

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Proposed Strategic Objective 6:

Connectivity and travel options are environmentally sustainable, integrated and well-designed

Council is committed to creating a city that is accessible to everyone irrespective of levels of personal mobility, where a fulfilling life can be had without the need for a car.

Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Parking Services	<p>Parking Services is responsible for a range of statutory enforcement services to maximise the safety, compliance and harmony of the City and for the management of limited parking resources.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Parking Enforcement Program • Processing Parking Infringements • Parking Permit Scheme • Prosecutions 	<p>8,008</p> <p>(26,856)</p> <p>(18,848)</p>
Traffic and Special Projects	<p>Traffic and Special Projects provides, maintains, improves and manages Yarra's Infrastructure with a focus on creating an efficient, effective and safe traffic environment.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Traffic Services • Local Area Traffic Management Studies (LATMS) 	<p>1,135</p> <p>-</p> <p>1,135</p>
Strategic Transport	<p>Strategic Transport focuses on advocacy and policy and delivers cycling infrastructure.</p> <p>Key Services</p> <ul style="list-style-type: none"> • Advocating for improved public transport services • Improving bicycle infrastructure • Supporting/ increasing number of cyclists • Delivering road safety projects for cyclists and pedestrians 	<p>821</p> <p>-</p> <p>821</p>
Road Services and Fleet Management	<p>Road Services and Fleet Management manages and maintains Council's road and footpath infrastructure, fleet, plant and equipment.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Graffiti Management • <u>Yarra Roads Services</u> • Fleet Management • Emergency Management 	<p>4,734</p> <p>(85)</p> <p>4,649</p>

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Engineering and Asset Management	Engineering and Asset Management provides policy, strategy, processes and procedures and systems that produce an integrated and multidisciplinary approach to asset management. Key Services: <ul style="list-style-type: none"> • Strategic Asset Management • Capital Works planning, development, monitoring and reporting • Road Infrastructure Capital Works Program • Assessment of referred development applications • Implementation of Road Management Act 	1,888 (200) 1,688

Major Initiatives**1. Wellington Street Copenhagen bicycle lane stage 2 (\$0.5 million)**

Council will commence construction of the second stage of the Wellington Street Bicycle Lane between Gipps Street and Johnston Street. This is a Copenhagen-style lane and the project aims to provide improved safety and comfort for cyclists, encourage new cyclists and calm existing traffic flows on Wellington Street.

2. Spot safety program (\$0.15 million)

Council monitors the local road network and accident records to identify locations with a significant accident frequency which may require remedial action. The Spot Safety Program improves road safety, reduces vehicle speeds and traffic volumes and improves residential amenity, walkability and cycling.

Initiatives**3. Bicycle network program and bicycle parking (\$0.09 million)**

Council will continue to develop bicycle related infrastructure as proposed in the Bicycle Strategy, including an allocation for additional bicycle parking racks and pole vaults to be installed particularly around shopping strips, activity centres and Council facilities.

4. Pedestrian program (\$0.08 million)

Council will continue to make improvements to pedestrian amenity and safety as proposed in the Encouraging and Increasing Walking Strategy.

5. 30 km/h trial Rose precinct, Fitzroy (\$0.025 million)

Council will trial a 30 km/h speed limit in the LATM 9 Rose Precinct in Fitzroy. This allocation will fund infrastructure required to undertake the trial (changes in speed limit signs and road markings) and traffic conditions monitoring during the trial.

6. Upgrade of signalised crossings to comply with Disability Discrimination Act guidelines (\$0.03 million)

Council will commence a program to improve pedestrian signals within Yarra to comply with the Disability Discrimination Act. This will include installation of Tactile Ground Surface Indicators and Variable Audio Tactile to assist with access for vision impaired pedestrians.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Service Performance Outcome Indicators**

Service	Indicator	Performance Measure	Computation
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Proposed Strategic Objective 7:**Transparency, performance and community participation drive the way we operate**

Council is committed to change through an energised, cohesive team of professionals, recognised for our leadership, innovation and service.

Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
CEO Office	<p>The CEO Office includes the Governance and Support Office, Office of Mayor and Councillors and the Property Management Unit. It is responsible for a range of professional services to internal and external clients, with an emphasis on governance related issues including compliance, regulation, transparency and probity.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Council agendas and minutes • Freedom of Information • Internal ombudsman • <u>Mayor and Councillors Office</u> • Place naming • Public Registers • Records Management • Management of Legal Services 	5,074 (1) 5,073
People and Culture	<p>People and Culture promotes accountability and enhances competency, effectiveness and wellbeing as a shared responsibility of the organisation and its people and strives to generate a positive and productive work and learning environment.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Culture change and the development of the organisation • Performance planning and assessment • Employee Relations • Workforce planning, recruitment and selection • HR administration • Occupational Health, Safety and Risk 	1,918 - 1,918
Advocacy and Engagement	<p>The Advocacy and Engagement provides Council with three customer service locations, a telephone call centre, communications, issues and media management, consultation and engagement, strategic advocacy, publications, digital communications including website and social media, and civic events.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Customer Service • Consultation and engagement • Public relations / public affairs 	4,268 - 4,268

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
	<ul style="list-style-type: none"> Media relations, monitoring and advertising Digital and social media Civic events, festival presence, speeches Major Campaigns Issues Management 	
Finance	<p>The Finance Branch delivers financial accounting, management accounting, revenue management, valuations and payroll services to the organisation. It also develops financial strategies that will ensure the City of Yarra is a viable organisation able to continue provision of quality services into the future.</p> <p>Key Services:</p> <ul style="list-style-type: none"> Management Accounting Revenue Management Valuation Services Financial Accounting Payroll 	<p>4,291</p> <p>(2,980)</p> <hr/> <p>1,311</p>
Corporate Planning and Performance	<p>The Corporate Planning and Performance Branch ensures services and projects are strategically aligned, deliver value for money and are accountable to staff, Councillors and the community.</p> <p>Key Services:</p> <ul style="list-style-type: none"> Corporate Planning and reporting Service Planning and Service Reviews Project Management Office Community Infrastructure Planning 	<p>828</p> <p>-</p> <hr/> <p>828</p>
Risk, Audit and Procurement	<p>The Risk, Audit and Procurement Unit ensures the organisation has policies and procedures in place to manage its risks and engender confidence in our corporate governance. It is responsible for oversight of the organisation's Internal Audit Program and provides the Secretariat function for Council's Audit Committee.</p> <p>The Contracts and Procurement Unit is responsible for ensuring that procurement processes are compliant with Council policies and procedures that all legislative requirements imposed on Council are met; and that probity is observed in tendering and purchasing systems.</p>	<p>2,964</p> <p>-</p> <hr/> <p>2,964</p>

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
	<p>Key Services:</p> <ul style="list-style-type: none"> • Risk Management • Business Continuity • Emergency Management • Contracts and Procurement • Audit Committee • Internal Audit program • Insurance 	
Building Assets and Property Services	<p>Building Assets manages, maintains and develops the Council's building and land assets in order to maximise their ability to support delivery of services to the community.</p> <p>Property Services is responsible for managing Council's property portfolio including leases, licences and management agreements.</p> <p>Key services</p> <ul style="list-style-type: none"> • Building Services and Facilities Maintenance • Building Projects • Property Management 	<p>6,738</p> <p>(1,502)</p> <p>5,236</p>
Information and Communication Technology	<p>Information and Communication Technology facilitates the acquisition, maintenance, retirement and usage of all information systems maintained or used by the operations and staff of the City of Yarra including fixed and mobile hardware, installed and cloud sourced software and telecommunications equipment.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Business Analysis • Support of business applications and process improvements • Administration and maintenance of the IS Infrastructure • GIS Administration 	<p>7,163</p> <p>-</p> <p>7,163</p>
Innovation	<p>The Innovation and Information Services Branch offers support to areas undertaking new innovative projects, giving advice on the appropriate tools, barriers and considerations for the situation, strengthening the business case, connecting innovators with possible sponsors, and providing links to others who may have encountered similar issues or problems in their own innovation processes.</p> <p>Key Services:</p> <ul style="list-style-type: none"> • Project Management of innovation projects • Project and Process Innovation 	<p>775</p> <p>-</p> <p>775</p>

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Initiatives****1. Resilient Melbourne (\$0.02 million)**

Council will continue to engage with peer organisations through the Resilient Melbourne forum, which seeks to develop a collaborative approach to ensure greater metropolitan Melbourne is able to cope, adapt and thrive in an environment of increasing complexity and uncertainty.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Performance Statement**

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2017-18 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in Section 8) and sustainable capacity, which are not included in this budget report. The prescribed performance indicators contained in the Performance Statement are audited each year by the Victorian Auditor-General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the Report of Operations.

Reconciliation with Budgeted Surplus/(Deficit)*

	Net Expenditure/ (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Community health, safety and wellbeing is a focus in everything we do	21,976	49,813	(27,837)
Inclusion, diversity and uniqueness are welcomed, respected and celebrated	3,565	3,565	-
Council leads on sustainability and enhances its environment	19,630	20,246	(616)
Development and growth are managed to maintain and enhance the character of the city	(1,362)	11,359	(12,721)
Connectivity and travel options are environmentally sustainable, integrated, and well-designed	(10,555)	16,586	(27,141)
Local businesses prosper and creative and knowledge industries thrive	8,282	9,701	(1,419)
Transparency, performance and community participation drive the way we operate	29,536	34,019	(4,483)
Total services and initiatives	71,072	145,289	(74,217)
Other non-attributable	26,397		
Net deficit before funding sources	97,469		
Funding sources:			
Rates & charges	105,158		
Capital grants	1,195		
Total funding sources	106,353		
Surplus for the year*	8,884		

*It is important to note this is not a cash surplus. It is the accounting result represented in accordance with Australian Accounting Standards. It includes non-cash items such as depreciation, and excludes other significant cash outflows of Council such as capital works funding and repayment of debt. Please refer to the Cash Flow Statement on page 34 for the projected cash position for 2017-18.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

3. Financial statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The Budget information for the years 2017-18 to 2020-21 has been extracted from the Strategic Resource Plan.

This section includes the following financial statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report:

- 3.1 Comprehensive Income Statement
- 3.2 Balance Sheet
- 3.3 Statement of Changes in Equity
- 3.4 Statement of Cash Flows
- 3.5 Statement of Capital Works
- 3.6 Statement of Human Resources

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Comprehensive Income Statement**

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	101,989	105,158	108,871	112,658	116,521
Statutory fees and fines	27,393	28,534	28,819	29,395	29,984
User fees	26,830	27,064	27,334	27,881	28,439
Reimbursements	1,844	1,640	1,699	1,819	1,942
Grants - Operating	10,930	12,023	13,225	14,548	16,003
Grants - Capital	3,036	1,195	1,207	1,231	1,256
Contributions - monetary	4,300	4,300	4,300	4,300	4,300
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	705	300	197	192	187
Other income	1,400	1,207	1,294	1,345	1,418
Total income	178,427	181,421	186,946	193,369	200,050
Expenses					
Employee costs	77,873	80,639	82,252	83,897	85,575
Materials and services	67,391	67,085	67,754	69,110	70,493
Bad and doubtful debts	2,040	2,010	1,980	1,950	1,920
Depreciation and amortisation	20,230	20,664	22,432	22,881	23,338
Borrowing costs	1,511	2,139	2,088	2,035	1,980
Total expenses	169,045	172,537	176,506	179,873	183,305
Surplus/(deficit) for the year	9,382	8,884	10,440	13,496	16,744
Other comprehensive income					
Items that will not be reclassified to surplus or deficit in future periods					
Net asset revaluation increment/(decrement)	-	50,339	-	52,204	-
Total comprehensive result	9,382	59,223	10,440	65,700	16,744

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Balance Sheet**

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	30,877	26,247	25,124	26,581	29,292
Trade and other receivables	14,734	15,778	16,467	17,246	18,120
Inventories	130	130	130	130	130
Non-current assets classified as held for sale	696	696	696	696	696
Total current assets	46,437	42,851	42,417	44,653	48,238
Non-current assets					
Trade and other receivables	255	255	255	255	255
Property, infrastructure, plant & equipment	1,686,699	1,748,914	1,758,841	1,821,330	1,833,484
Total non-current assets	1,686,954	1,749,169	1,759,096	1,821,585	1,833,739
Total assets	1,733,391	1,792,020	1,801,513	1,866,238	1,881,977
Liabilities					
Current liabilities					
Trade and other payables	17,534	17,534	17,534	17,534	17,534
Trust funds and deposits	6,195	6,195	6,195	6,195	6,195
Provisions	14,718	15,215	15,409	15,629	15,874
Interest-bearing loans and borrowings	1,091	1,142	1,195	1,250	1,308
Total current liabilities	39,538	40,086	40,333	40,608	40,911
Non-current liabilities					
Provisions	1,416	1,416	1,416	1,416	1,416
Interest-bearing loans and borrowings	44,909	43,767	42,573	41,323	40,015
Other Liabilities	585	585	585	585	585
Total non-current liabilities	46,910	45,768	44,574	43,324	42,016
Total liabilities	86,448	85,854	84,907	83,932	82,927
Net assets	1,646,943	1,706,166	1,716,606	1,782,306	1,799,050
Equity					
Accumulated surplus	591,130	600,014	610,454	623,950	640,694
Reserves	1,055,813	1,106,152	1,106,152	1,158,356	1,158,356
Total equity	1,646,943	1,706,166	1,716,606	1,782,306	1,799,050

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Statement of Changes in Equity**

For the four years ending 30 June 2021

	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	Reserves
		\$'000	\$'000	\$'000
2016-2017 Forecast				
Balance at beginning of the financial year	1,637,561	581,748	1,035,634	20,179
Surplus-(deficit) for the year	9,382	9,382	-	-
Net asset revaluation increment-(decrement)	-	-	-	-
Transfer to other reserves	-	(4,000)	-	4,000
Transfer from other reserves	-	4,000	-	(4,000)
Balance at end of the financial year	1,646,943	591,130	1,035,634	20,179
2017-2018 Budget				
Balance at beginning of the financial year	1,646,943	591,130	1,035,634	20,179
Surplus-(deficit) for the year	8,884	8,884	-	-
Net asset revaluation increment-(decrement)	50,339	-	50,339	-
Transfer to other reserves	-	(4,000)	-	4,000
Transfer from other reserves	-	4,000	-	(4,000)
Balance at end of the financial year	1,706,166	600,014	1,085,973	20,179
2018-2019 Strategic Resource Plan				
Balance at beginning of the financial year	1,706,166	600,014	1,085,973	20,179
Surplus-(deficit) for the year	10,440	10,440	-	-
Net asset revaluation increment-(decrement)	-	-	-	-
Transfer to other reserves	-	(4,000)	-	4,000
Transfer from other reserves	-	4,000	-	(4,000)
Balance at end of the financial year	1,716,606	610,454	1,085,973	20,179
2019-2020 Strategic Resource Plan				
Balance at beginning of the financial year	1,716,606	610,454	1,085,973	20,179
Surplus-(deficit) for the year	13,496	13,496	-	-
Net asset revaluation increment-(decrement)	52,204	-	52,204	-
Transfer to other reserves	-	(4,000)	-	4,000
Transfer from other reserves	-	4,000	-	(4,000)
Balance at end of the financial year	1,782,306	623,950	1,138,177	20,179
2020-2021 Strategic Resource Plan				
Balance at beginning of the financial year	1,782,306	623,950	1,138,177	20,179
Surplus-(deficit) for the year	16,744	16,744	-	-
Net asset revaluation increment-(decrement)	-	-	-	-
Transfer to other reserves	-	(4,000)	-	4,000
Transfer from other reserves	-	4,000	-	(4,000)
Balance at end of the financial year	1,799,050	640,694	1,138,177	20,179

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Statement of Cash Flows**

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	101,479	104,208	108,326	112,095	115,938
Statutory fees and fines	26,023	27,107	27,378	27,926	28,484
User fees	26,159	26,387	26,651	27,184	27,728
Grants - operating	10,930	12,023	13,225	14,548	16,003
Grants - capital	3,036	1,195	1,207	1,231	1,256
Contributions - monetary	4,300	4,300	4,300	4,300	4,300
Reimbursements	1,844	1,640	1,699	1,819	1,942
Interest received	469	480	-	-	-
Other receipts	931	727	1,294	1,345	1,418
Net GST refund - payment	-	-	-	-	-
Employee costs	(75,926)	(80,142)	(82,058)	(83,677)	(85,330)
Materials and services	(67,391)	(67,085)	(67,754)	(69,110)	(70,493)
Net cash provided by-(used in) operating activities	31,854	30,840	34,268	37,661	41,246
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(36,715)	(33,040)	(32,858)	(33,666)	(35,992)
Proceeds from sale of property, infrastructure, plant and equipment	1,205	800	697	692	687
Net cash provided by- (used in) investing activities	(35,510)	(32,240)	(32,161)	(32,974)	(35,305)
Cash flows from financing activities					
Finance costs	(1,511)	(2,139)	(2,088)	(2,035)	(1,980)
Proceeds from borrowings	13,500	-	-	-	-
Repayment of borrowings	-	(1,091)	(1,142)	(1,195)	(1,250)
Net cash provided by-(used in) financing activities	11,989	(3,230)	(3,230)	(3,230)	(3,230)
Net increase-(decrease) in cash & cash equivalents	8,333	(4,630)	(1,123)	1,457	2,711
Cash and cash equivalents at the beginning of the financial year	22,544	30,877	26,247	25,124	26,581
Cash and cash equivalents at the end of the financial year	30,877	26,247	25,124	26,581	29,292

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****Statement of Capital Works**

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Buildings	17,806	6,824	9,438	11,228	14,343
Total buildings	17,806	6,824	9,438	11,228	14,343
Total property	17,806	6,824	9,438	11,228	14,343
Plant and equipment					
Plant, machinery and equipment	2,178	2,457	2,144	2,278	2,652
Computers and telecommunications	3,678	3,207	3,057	1,757	992
Total plant and equipment	5,856	5,664	5,201	4,035	3,644
Infrastructure					
Roads	7,564	8,396	8,456	8,443	8,858
Bridges	50	-	210	200	80
Lanes	891	842	973	1,014	1,050
Transport	2,792	872	2,129	892	1,005
Waste management	60	60	60	75	70
Parks, open space and streetscapes	7,670	7,841	3,751	4,152	4,278
Street Furniture	75	330	330	330	330
Retail Strips	430	730	2,310	3,297	2,334
Priority Projects	-	506			
Provisional Carry Forwards	-	975	-	-	-
Total infrastructure	19,532	20,552	18,219	18,403	18,005
Total capital works expenditure	43,194	33,040	32,858	33,666	35,992
Represented by:					
New asset expenditure	15,419	6,666	820	200	1,461
Asset renewal expenditure	25,002	25,835	25,814	25,559	23,666
Asset expansion expenditure	-	-	-	-	-
Asset upgrade expenditure	2,773	539	6,224	7,907	10,865
Total capital works expenditure	43,194	33,040	32,858	33,666	35,992

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Statement of Human Resources

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	76,587	79,528	81,119	82,741	84,396
Employee costs - capital	1,286	1,111	1,133	1,156	1,179
Total staff expenditure	77,873	80,639	82,252	83,897	85,575
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Employees	839.0	839.0	839.0	839.0	839.0
Total staff numbers	839.0	839.0	839.0	839.0	839.0

A summary of human resources expenditure categorised according to the organisational structure of Council is included below. The table is reflective of Council's structure as at the third quarter of the 2016-17 financial year.

Department	Budget 2017-18 \$'000	Comprises	
		Permanent	Permanent
		Full Time	Part Time
	\$'000	\$'000	\$'000
CEO Division	8,084	6,438	1,646
Corporate, Business & Financial Services	20,006	15,355	4,651
Community Wellbeing	22,212	14,970	7,242
City Works & Assets	12,523	11,934	589
Planning & Placemaking	10,316	8,766	1,550
Total permanent staff expenditure	73,141	57,463	15,678
Casuals and other expenditure	6,387		
Capitalised labour costs	1,111		
Total expenditure	80,639		

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Comprises	
		Permanent	Permanent
		Full Time	Part Time
CEO Division	74.0	56.0	18.0
Corporate, Business & Financial Services	214.0	142.0	72.0
Community Wellbeing	252.0	166.0	86.0
City Works & Assets	123.0	117.0	6.0
Planning & Placemaking	93.0	79.0	14.0
Total	756.0	560.0	196.0
Casuals and other	72.0		
Capitalised labour costs	11.0		
Total staff	839.0		

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

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4. Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

Indicator	Measure	Notes	Forecast Actual 2016-17	Budget 2017-18	Strategic Resource Plan Projections			Trend +/-
					2018-19	2019-20	2020-21	
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	1.2%	1.9%	2.7%	4.2%	5.7%	+
Liquidity								
Working Capital	Current assets / current liabilities	2	117.4%	106.9%	105.2%	110.0%	117.9%	o
Unrestricted cash	Unrestricted cash / current liabilities		62.4%	50.0%	46.9%	50.2%	56.5%	o
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	45.1%	42.7%	40.2%	37.8%	35.5%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		1.5%	3.1%	3.0%	2.9%	2.8%	+
Indebtedness	Non-current liabilities / own source revenue		29.8%	28.3%	26.8%	25.3%	23.8%	+
Asset renewal	Asset renewal expenditure / depreciation	4	123.6%	125.0%	115.1%	111.7%	101.4%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	58.6%	59.4%	59.6%	59.6%	59.5%	-
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.2%	0.2%	0.2%	0.2%	0.2%	o
Efficiency								
Expenditure level	Total expenditure / no. of property assessments		\$3,130	\$3,166	\$3,209	\$3,241	\$3,273	+
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,571	\$1,594	\$1,616	\$1,638	\$1,659	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		15.0%	14.0%	13.0%	12.0%	11.0%	+

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to indicators

1 Adjusted underlying result – This is an indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance is expected over the period, although continued losses would mean reliance on Council's cash reserves or increased debt to maintain services.

2 Working Capital – The proportion of current liabilities represented by current assets. The trend reflects Council's low liquidity levels.

3 Debt compared to rates - Trend indicates Council's reliance on debt against its annual rate revenue.

4 Asset renewal - This percentage indicates the extent of Council's renewal of assets against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets. Council's trend is decreasing which indicates additional investment in renewal will be required at some stage.

5 Rates concentration - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will continue to be reliant on rate revenue compared to all other revenue sources.

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5. Other Budget information (required by the Regulations)

This section presents other Budget related information required by the Regulations

This section includes the following statements and reports:

- 5.1.1 Grants operating
- 5.1.2 Grants capital
- 5.1.3 Statement of borrowings

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****5.1.1 Grants - operating (\$1.09 million increase)**

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is projected to increase by 10% or \$1.09 million compared to 2016-17. A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below.

Grants - operating	Forecast Actual 2016-17 \$'000	Budget 2017-18 \$'000	Variance Inc/(Dec) \$'000
<i>Recurrent - Commonwealth Government</i>			
Victorian Grants Commission	1,795	2,189	394
Family day care	619	642	23
General home care	1,773	1,875	102
<i>Recurrent - State Government</i>			
Primary care partnerships	4,675	5,449	774
Aged care	478	448	(30)
School crossing supervisors	215	218	3
Libraries	590	576	(14)
Maternal and child health	536	536	-
Health Protection	105	90	(15)
Community safety	80	-	(80)
Total recurrent grants	10,866	12,023	1,157
<i>Non-recurrent - Commonwealth Government</i>			
Facilities	41	-	(41)
Environmental planning	23	-	(23)
Total non-recurrent grants	64	-	(64)
Total operating grants	10,930	12,023	1,093

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5.1.2 Grants - capital (\$1.84 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants will decrease by 61% or \$1.84 million compared to 2016-17 due mainly to additional roads to recovery and 'black spot' funding received in 2016-17. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2017-18 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

Grants - capital	Forecast Actual 2016-17 \$'000	Budget 2017-18 \$'000	Variance Inc/(Dec) \$'000
<i>Recurrent - Commonwealth Government</i>			
Victorian Grants Commission	400	414	14
Roads to Recovery	621	620	(1)
<i>Recurrent - State Government</i>			
Total recurrent grants	1,021	1,034	13
<i>Non-recurrent - Commonwealth Government</i>			
Roads	1,860	-	(1,860)
<i>Non-recurrent - State Government</i>			
Buildings	50	-	(50)
Community Learning and Partnerships	-	150	150
Recreation	95	-	(95)
Other	10	11	1
Total non-recurrent grants	2,015	161	(1,854)
Total capital grants	3,036	1,195	(1,841)

5.1.3 Statement of Borrowings

The table below shows information on borrowings specifically required by the Regulations.

	2016-17 \$'000	2017-18 \$'000
Total amount borrowed as at 30 June of the prior year	32,500	46,000
Total amount proposed to be borrowed	13,500	-
Total amount projected to be redeemed	-	(1,091)
Total amount of borrowings as at 30 June	46,000	44,909

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6. Detailed list of Capital Works

This section presents a listing of the capital works projects that will be undertaken for the 2017-18 year.

The capital works projects are grouped by class and include the following:

- New works for 2017-18
- Works carried forward from the 2016-17 year.

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Capital works program

For the year ending 30 June 2018

6.1 New works

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
BUILDINGS									
Abbotsford Senior Citizens/Willowview Centre	75	-	75	-	-	-	-	75	-
All buildings - General Regulation Compliance	80	-	80	-	-	-	-	80	-
Building Condition Audits	25	-	25	-	-	-	-	25	-
Burnley Golf Course Administration, Residence and Shed	11	-	11	-	-	-	-	11	-
Burnley Golf Course Equipment Shed	30	-	30	-	-	-	-	30	-
Citizens Park Public Toilet	30	-	30	-	-	-	-	30	-
Collingwood Depot Workshop / Admin	283	-	283	-	-	-	-	283	-
Collingwood Leisure Centre	230	-	230	-	-	-	-	230	-
Collingwood Town Hall & Precinct	718	-	718	-	-	-	-	718	-
Dancehouse	40	-	40	-	-	-	-	40	-
Dight Falls - Public Toilets	235	-	235	-	-	-	-	235	-
Docker Street Public Toilets	40	-	40	-	-	-	-	40	-
Fairfield Park Boathouse & Tearooms	60	-	60	-	-	-	-	60	-
Fitzroy Pool - Gym and Spa	276	-	276	-	-	-	-	276	-
Fitzroy Town Hall	2,080	-	2,080	-	-	-	-	2,080	-
Johnston Pavilion - Kevin Bartlett Reserve	20	-	20	-	-	-	-	20	-
Keele Street Child Care Centre	90	-	90	-	-	-	-	90	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Lord Street Neighbourhood House	80	-	80	-	-	-	-	80	-
Mark Street Hall (Inner Circle Linear Park)	142	-	142	-	-	-	-	142	-
Minor urgent works - Various Buildings	425	-	425	-	-	-	-	425	-
North Fitzroy MCHC - Emely Baker Infant Welfare Centre	50	-	50	-	-	-	-	50	-
North Fitzroy Neighbourhood House	25	-	25	-	-	-	-	25	-
Preliminary Building Investigations	300	-	300	-	-	-	-	300	-
Ray Coverdale Pavilion - Knott Reserve	15	-	15	-	-	-	-	15	-
Richmond Library (incl MCH, Historical Society)	150	-	150	-	-	-	-	150	-
Richmond Recreation Centre	260	-	260	-	-	-	-	260	-
Richmond Senior Citizens Centre	25	-	25	-	-	-	-	25	-
Richmond Town Hall	715	-	715	-	-	-	-	715	-
Richmond Town Hall Toilets (off ROW)	40	-	40	-	-	-	-	40	-
Signage replacement program	25	-	25	-	-	-	-	25	-
Victoria Park - Sherrin Stand	25	-	25	-	-	-	-	25	-
Yarra Community Youth Centre	54	-	54	-	-	-	-	54	-
Yarraberg Child Care Centre	120	-	120	-	-	-	-	120	-
Air Raid / Jack Dyer Pavilion - Citizens Park	50	-	-	50	-	-	-	50	-
TOTAL BUILDINGS	6,824	-	6,774	50	-	-	-	6,824	-
PLANT AND EQUIPMENT									
Buses	150	-	150	-	-	-	-	150	-
Cycles	15	-	15	-	-	-	-	15	-
Furniture	200	-	200	-	-	-	-	200	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Leisure Centre Equipment	164	-	164	-	-	-	-	164	-
Library Resources	590	-	590	-	-	161	-	429	-
Mechanical (Roads)	40	-	40	-	-	-	-	40	-
Miscellaneous	100	-	100	-	-	-	-	100	-
Passenger Cars	703	-	703	-	-	-	-	703	-
Trucks	270	-	270	-	-	-	-	270	-
Whitegoods	25	-	25	-	-	-	-	25	-
TOTAL PLANT AND EQUIPMENT	2,257	-	2,257	-	-	161	-	2,096	-
COMPUTERS AND TELECOMMUNICATIONS									
Asset Management Mobile Computing	42	-	42	-	-	-	-	42	-
Asset Management System	600	-	600	-	-	-	-	600	-
CAD software	15	-	15	-	-	-	-	15	-
Copier/printer	55	-	55	-	-	-	-	55	-
Customer Request System	275	-	275	-	-	-	-	275	-
Enterprise Record Management System	200	-	200	-	-	-	-	200	-
Laptop/tablet Replacement Program	100	-	100	-	-	-	-	100	-
Mobile Devices	100	-	100	-	-	-	-	100	-
Network Infrastructure	300	-	300	-	-	-	-	300	-
Other	50	-	50	-	-	-	-	50	-
PC Replacement Program	450	-	450	-	-	-	-	450	-
Property and Rating	200	-	200	-	-	-	-	200	-
TOTAL COMPUTERS AND TELECOMMUNICATIONS	2,387	-	2,387	-	-	-	-	2,387	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
ROAD INFRASTRUCTURE									
Abbotsford St (Nicholson St to Hunter St)	120	-	120	-	-	-	-	120	-
Abbotsford St(Paterson St to Clarke St)	60	-	60	-	-	-	-	60	-
Abbott St (Lulie St to Trenerry Cres)	230	-	230	-	-	-	-	230	-
Alfred Cr (St Georges Rd to Best St)	85	-	85	-	-	-	-	85	-
Argyle St (Fitzroy St to Brunswick St)	180	-	180	-	-	-	-	180	-
Barkly St (Dean St to Melville St)	20	-	20	-	-	-	-	20	-
Barkly St (Rae St to Dean St)	40	-	40	-	-	-	-	40	-
Bedford St (Otter St to End Of Street)	70	-	70	-	-	-	-	70	-
Bendigo St (Hotham St to Alexandra Pde)	100	-	100	-	-	-	-	100	-
Bennett St (Park St to Scotchmer St)	155	-	155	-	-	-	-	155	-
Blanche St (Hotham St to Mater St)	85	-	85	-	-	-	-	85	-
Brighton St (Barkly Ave to Albert St)	30	-	30	-	-	-	-	30	-
Campbell St (Vere St to Gipps St)	125	-	125	-	-	-	-	125	-
Carroll St (Swan St to Gipps St)	100	-	100	-	-	-	-	100	-
Cecil St (Gore St to Smith St)	20	-	20	-	-	-	-	20	-
Clifton St (Swan St to Gipps St)	100	-	100	-	-	-	-	100	-
Council St (Reeves St to Smith St)	10	-	10	-	-	-	-	10	-
Council St (Wellington St to Reeves St)	10	-	10	-	-	-	-	10	-
Drummond St (Macpherson St to Richardson St)	150	-	150	-	-	-	-	150	-
Edmund St (Little Edmund St to Walker St)	30	-	30	-	-	-	-	30	-
Fairchild St (Victoria St to Nelson St)	25	-	25	-	-	-	-	25	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Federation La (Trenerry Cres to Lulie St)	90	-	90	-	-	-	-	90	-
Fenwick St (Wright St to Spensley St)	50	-	50	-	-	-	-	50	-
Fergie St (Alfred Cr to Scotchmer St)	80	-	80	-	-	-	-	80	-
Garton St (Lang St to Gallagher Reserve)	40	-	40	-	-	-	-	40	-
Garton St (Pigdon St to Paterson St)	65	-	65	-	-	-	-	65	-
Gibdon St (Madden Gr to Twickenham Cres)	120	-	120	-	-	-	-	120	-
Gipps St (Park St to Nicholson St)	30	-	30	-	-	-	-	30	-
Glass St (Beissel St to Newry St)	80	-	80	-	-	-	-	80	-
Highett PI (Greeves St to End Of Street)	30	-	30	-	-	-	-	30	-
Hunter St (Bridge Rd to Corsair St)	130	-	130	-	-	-	-	130	-
Islington St (Hood St to Gipps St)	30	-	30	-	-	-	-	30	-
Johnston St (Gold St to Hoddle St)	40	-	40	-	-	-	-	40	-
Johnston St (Wellington St to Gold St)	40	-	40	-	-	-	-	40	-
Keele St (Budd St to Wellington St)	20	-	20	-	-	-	-	20	-
Keele St (Smith St to Budd St)	35	-	35	-	-	-	-	35	-
Kerr St (George St to Gore St)	25	-	25	-	-	-	-	25	-
Kerr St (Gore St to Smith St)	25	-	25	-	-	-	-	25	-
King William St (Fitzroy St to Brunswick St)	20	-	20	-	-	-	-	20	-
Kneen St (Falconer St to Rushall Cres)	15	-	15	-	-	-	-	15	-
Laity St (Lambert St to Church St)	20	-	20	-	-	-	-	20	-
Langridge St (Rokeby St to Rupert St)	70	-	70	-	-	-	-	70	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Langridge St (Wellington St to Rokeby St)	90	-	90	-	-	-	-	90	-
Lithgow St (Mollison St to Victoria St)	85	-	85	-	-	-	-	85	-
Little Turner St (Lulie St to Rich St)	70	-	70	-	-	-	-	70	-
Lord St (Bridge Rd to Abinger St)	20	-	20	-	-	-	-	20	-
Lulie St (Johnston St to Turner St)	230	-	230	-	-	140	-	90	-
Lygon St (Park St to Holtom St East)	45	-	45	-	-	-	-	45	-
Madden Gr (Burnley St to Stawell St)	80	-	80	-	-	-	-	80	-
Madden Gr (Stawell St to Gibdon St)	60	-	60	-	-	-	-	60	-
Mary St (Madden Gr to Barkly Ave)	50	-	50	-	-	-	-	50	-
Mary St (Swan St to Madden Gr)	15	-	15	-	-	-	-	15	-
Nicholson St (Harper St to Gipps St)	150	-	150	-	-	-	-	150	-
Noone St (Wellington St to Gold St)	100	-	100	-	-	-	-	100	-
Park St (Garton St to Lang St)	25	-	25	-	-	-	-	25	-
Park St (Station St to Nicholson St)	35	-	35	-	-	-	-	35	-
Pigdon St (Amess St to Canning St)	98	-	98	-	-	-	-	98	-
Pigdon St (Canning St to Station St)	53	-	53	-	-	-	-	53	-
Pigdon St (Drummond St to Rathdowne St)	35	-	35	-	-	-	-	35	-
Pigdon St (Lygon St to Drummond St)	35	-	35	-	-	-	-	35	-
Pilkington St (Holden St to Barkly St)	50	-	50	-	-	-	-	50	-
Rae St (Newry St to York St)	40	-	40	-	-	-	-	40	-
Rae St (York St to Alexandra Pde)	40	-	40	-	-	-	-	40	-
Rathdowne St (Mary St to Pigdon St)	100	-	100	-	-	89	-	11	-
Rathdowne St (Park St to Mary St)	100	-	100	-	-	100	-	-	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Rathdowne St (Pigdon St to Richardson St)	225	-	225	-	-	225	-	-	-
Rathdowne St (Richardson St to Macpherson St)	130	-	130	-	-	-	-	130	-
Rowena Pde (Punt Rd to Rotherwood St)	60	-	60	-	-	-	-	60	-
Rushall Cres (Falconer St to Woodside St)	95	-	95	-	-	95	-	-	-
Rushall Cres (Rowe St to Mckean St)	83	-	83	-	-	83	-	-	-
Rushall Cres (Woodside St to Rowe St)	65	-	65	-	-	12	-	53	-
Sackville St (Gold St to Hoddle St)	40	-	40	-	-	-	-	40	-
Sackville St (Wellington St to Gold St)	25	-	25	-	-	-	-	25	-
Scotchmer St (Woodhead St to Falconer St)	45	-	45	-	-	-	-	45	-
Singleton St (Wellington St to Dight St)	50	-	50	-	-	-	-	50	-
Smith St (Charles St to Webb St)	95	-	95	-	-	-	-	95	-
Smith St (Condell St to Charles St)	50	-	50	-	-	-	-	50	-
Smith St (Moor St to Condell St)	51	-	51	-	-	-	-	51	-
Smith St (Webb St to Gertrude St)	243	-	243	-	-	-	-	243	-
Somerset St (Davison St to Burnley St)	145	-	145	-	-	90	-	55	-
Spensley St (John St to Berry St)	60	-	60	-	-	-	-	60	-
Stephenson St (Balmain St to Kelso St)	40	-	40	-	-	-	-	40	-
Stephenson St (Kelso St to Dunn St)	100	-	100	-	-	-	-	100	-
Traffic Treatment Works	200	-	200	-	-	-	-	200	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Trenerry Cres (Turner St to Johnston St)	35	-	35	-	-	-	-	35	-
Turner St (Trenerry Cres to End Of Street)	30	-	30	-	-	-	-	30	-
Victoria St (Brunswick St to Young St)	70	-	70	-	-	-	-	70	-
Victoria St (Nicholson St to Fitzroy St)	40	-	40	-	-	-	-	40	-
Westgarth St (Fitzroy St to Brunswick St)	138	-	138	-	-	-	-	138	-
Westgarth St (Nicholson St to Fitzroy St)	205	-	205	-	-	-	-	205	-
William St (Victoria St to Mollison St)	80	-	80	-	-	-	-	80	-
Wright St (Fenwick St to Dwyer St)	120	-	120	-	-	-	-	120	-
Yorkshire St (Brighton St to Mary St)	140	-	140	-	-	-	-	140	-
DDA Projects	150	-	150	-	-	-	-	150	-
Designs For Future Works	180	-	180	-	-	-	-	180	-
Drainage Other Works	300	-	300	-	-	-	-	300	-
Pavement Bicycle Lanes	30	-	30	-	-	-	-	30	-
Risk Mitigation Works	370	-	370	-	-	-	-	370	-
Condition Audits	150	-	150	-	-	-	-	150	-
Miscellaneous Development Works	150	-	150	-	-	-	-	150	-
TOTAL ROAD INFRASTRUCTURE	8,396	-	8,396	-	-	834	-	7,562	-
LANES									
Right of Way - 1008	25	-	25	-	-	-	-	25	-
Right of Way - 1167	45	-	45	-	-	-	-	45	-
Right of Way - 1168	27	-	27	-	-	-	-	27	-
Right of Way - 1181	30	-	30	-	-	-	-	30	-
Right of Way - 123.1	50	-	50	-	-	-	-	50	-

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Right of Way - 123.2	80	-	80	-	-	-	-	80	-
Right of Way - 123.3	50	-	50	-	-	-	-	50	-
Right of Way - 1386	140	-	140	-	-	-	-	140	-
Right of Way - 1889	15	-	15	-	-	-	-	15	-
Right of Way - 2156	120	-	120	-	-	-	-	120	-
Right of Way - 2214	100	-	100	-	-	-	-	100	-
Right of Way - 298	25	-	25	-	-	-	-	25	-
Right of Way - 3071	25	-	25	-	-	-	-	25	-
Right of Way - 325	60	-	60	-	-	-	-	60	-
Right of Way - 77.1	50	-	50	-	-	-	-	50	-
TOTAL LANES	842	-	842	-	-	-	-	842	-
TRANSPORT									
30km/hr trial Rose Precinct Fitzroy	25	25	-	-	-	-	-	25	-
Bicycle Network	60	-	-	60	-	-	-	60	-
Pedestrian Provisions	79	-	-	79	-	-	-	79	-
Provision of Bicycle Parking within Yarra	28	28	-	-	-	-	-	28	-
Spot Safety	150	-	-	150	-	-	-	150	-
Upgrading Signalised Crossings to comply with Disability Discrimination Act Guidelines	30	30	-	-	-	-	-	30	-
Wellington Street Copenhagen Bicycle Lanes (Gipps to Johnston Street) - Stage 2	500	500	-	-	-	-	-	500	-
TOTAL TRANSPORT	872	583	-	289	-	-	-	872	-

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
WASTE MANAGEMENT									
Waste Management	60	-	60	-	-	-	-	60	-
TOTAL WASTE MANAGEMENT	60	-	60	-	-	-	-	60	-
PARKS, OPEN SPACE AND STREETSCAPES									
Alphington Park	18	-	18	-	-	-	-	18	-
Citizens Park Oval	30	-	30	-	-	-	-	30	-
Clarke Street Reserve	65	-	65	-	-	-	-	65	-
Coulson Reserve	14	-	14	-	-	-	-	14	-
Curtain Square	50	-	50	-	-	-	-	50	-
Darling Gardens	616	-	616	-	-	-	530	86	-
Edinburgh Gardens	400	-	400	-	-	-	-	400	-
George Knott Reserve	735	-	735	-	-	-	735	-	-
Merri Ck Parklands - Bundara St Reserve	266	-	266	-	-	-	-	266	-
Merri Ck Parklands - Hall Reserve	13	-	13	-	-	-	-	13	-
Minor Works Assets	203	-	203	-	-	-	-	203	-
Open Space Children Services	30	-	30	-	-	-	-	30	-
Open Spaces Condition Audits	25	-	25	-	-	-	-	25	-
Open Spaces Signage Renewal Program	65	-	65	-	-	-	-	65	-
Victoria Park And Surrounds	33	-	33	-	-	-	-	33	-
Wangaratta St / Stewart St Reserve	100	-	100	-	-	-	-	100	-
Yambla St Soccer	266	-	266	-	-	-	-	266	-
Yarra River Parklands-Flockhart Reserve	100	-	100	-	-	-	-	100	-

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Construction of new local park in Abbotsford, through partial road closure at Charles and Mollison Street	450	450	-	-	-	-	-	450	-
Installation of Civic Flagpoles	20	20	-	-	-	-	-	20	-
Stolen Generations Marker	102	102	-	-	-	-	-	102	-
Open Space Reserve	3,235	3,235	-	-	-	200	3,035	-	-
TOTAL PARKS, OPEN SPACE AND STREETSCAPES	6,836	3,807	3,029	-	-	200	4,300	2,336	-
STREET FURNITURE									
Furniture	30	-	30	-	-	-	-	30	-
Signs	25	-	25	-	-	-	-	25	-
Street Lights	25	-	25	-	-	-	-	25	-
Ticket/parking machines	250	-	250	-	-	-	-	250	-
TOTAL STREET FURNITURE	330	-	330	-	-	-	-	330	-
RETAIL STRIPS									
Smith St (Condell St to Charles St)	45	-	45	-	-	-	-	45	-
Smith St (Moor St to Condell St)	55	-	55	-	-	-	-	55	-
Activity Centres Design Program	230	-	230	-	-	-	-	230	-
Victoria St (Lennox St to Church St)	200	-	200	-	-	-	-	200	-
Victoria street Activity Centre	200	-	-	200	-	-	-	200	-
TOTAL RETAIL STRIPS	730	-	530	200	-	-	-	730	-
PRIORTIY PROJECTS									
Cubbies Operational support - Funding support	100	100	-	-	-	-	-	100	-
Developer Contribution Plan (implementation and administration)	80	80	-	-	-	-	-	80	-

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

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Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Implementation of Urban Forest strategy - Planning	40	40	-	-	-	-	-	40	-
Resilient Melbourne - funding request	15	15	-	-	-	-	-	15	-
Trial innovation solutions for food waste recycling in Yarra	171	171	-	-	-	-	-	171	-
Victoria street Masterplan - Shopfront improvement grants pilot	40	40	-	-	-	-	-	40	-
Yarra Open Space strategy	60	60	-	-	-	-	-	60	-
TOTAL PRIORITY PROJECTS	506	506	-	-	-	-	-	506	-
TOTAL NEW CAPITAL WORKS 2017-18	30,040	4,896	24,605	539	-	1,195	4,300	24,545	-

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

6.2 Works carried forward from the 2016-17 year

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PLANT & EQUIPMENT									
Ticket Machines	200	-	200	-	-	-	-	200	-
Total Plant & Equipment	200	-	200	-	-	-	-	200	-
OPEN SPACE INFRASTRUCTURE									
Rushall Reserve	545	545	-	-	-	-	-	545	-
Darling Gardens Playground	210	-	210	-	-	-	-	210	-
Merri Creek Trail -Coulson Reserve Path	250	250	-	-	-	-	-	250	-
Total Open Space Infrastructure	1,005	795	210	-	-	-	-	1,005	-
INFORMATION SYSTEMS									
Enterprise Record Management System	60	-	60	-	-	-	-	60	-
Asset Software System	220	-	220	-	-	-	-	220	-
Unified Communications	200	-	200	-	-	-	-	200	-
GIS	340	-	340	-	-	-	-	340	-
Total Information Systems	820	-	820	-	-	-	-	820	-
PROVISIONAL CARRY FORWARDS									
Provision for additional carry forward capital works	975	975	-	-	-	-	-	975	-
Total Provisional Carry Forwards	975	975	-	-	-	-	-	975	-
TOTAL CARRIED FWD WORKS 2016-17	3,000	1,770	1,230	-	-	-	-	3,000	-

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

6.3 Summary (including Carry Forward Projects)

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Buildings	6,824	-	6,774	50	-	-	-	6,824	-
Plant and Equipment	2,457	-	2,457	-	-	161	-	2,296	-
Computers and Telecommunications	3,207	-	3,207	-	-	-	-	3,207	-
Road Infrastructure	8,396	-	8,396	-	-	834	-	7,562	-
Lanes	842	-	842	-	-	-	-	842	-
Transport	872	583	-	289	-	-	-	872	-
Waste Management	60	-	60	-	-	-	-	60	-
Parks, Open Space and Streetscapes	7,841	4,602	3,239	-	-	200	4,300	3,341	-
Street Furniture	330	-	330	-	-	-	-	330	-
Retail Strips	730	-	530	200	-	-	-	730	-
Priority Projects	506	506	-	-	-	-	-	506	-
Provisional Carry Forwards	975	975	-	-	-	-	-	975	-
TOTAL CAPITAL WORKS	33,040	6,666	25,835	539	-	1,195	4,300	27,545	-

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7. Rates and charges

This section presents information about rates and charges which the Act and the Regulations require to be disclosed in the Council's annual Budget.

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7. Rates and charges

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 58% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the *Fair Go Rates System (FGRS)* which sets out the maximum amount councils may increase rates in a year. For 2017-18 the FGRS cap has been set at 2.0%. There is no indication from the State Government as to what the cap will be in future years. This makes financial planning for the medium to long term very difficult for Council. The cap applies to both general rates and municipal charges and is calculated on the basis of Council's average rates and charges. The City of Yarra does not have a municipal charge.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Yarra community.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate will increase by 2.0% in line with the rate cap. This will raise total rates and charges for 2017-18 of \$105.16 million, including \$1.1 million generated from supplementary rates.

7.1 The rate in the dollar to be levied as general rates under Section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2016-17 cents/\$CIV	2017-18 cents/\$CIV	Change
General rates	0.040109	0.040911	2.0%

7.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year (excluding the annualised supplementary rates from 2016-17)

Type or class of land	2016-17 \$'000	2017-18 \$'000	Change
Residential	72,790	75,277	3.4%
Commercial	21,473	22,206	3.4%
Industrial	6,357	6,574	3.4%
Total amount to be raised by general rates	100,620	104,057	3.4%

7.3 The estimated total amount to be raised by general rates (including annualised supplementary rates from 2016-17)

Type or class of land	2016-17 \$'000	2017-18 \$'000	Change
Residential	74,557	75,277	1.0%
Commercial	20,938	22,206	6.0%
Industrial	6,523	6,574	0.8%
Total amount to be raised by general rates	102,018	104,057	2.0%

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- 7.4 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2016-17 Number	2017-18 Number	Change
Residential	43,807	45,528	3.9%
Commercial	6,232	6,377	2.3%
Industrial	1,399	1,456	4.0%
Total number of assessments	51,438	53,361	3.7%

- 7.5 The basis of valuation to be used is the Net Annual Value (NAV)

- 7.6 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2016-17 \$'000	2017-18 \$'000	Change
Residential	1,814,810	1,858,856	2.4%
Commercial	535,359	522,007	-2.5%
Industrial	158,500	162,638	2.6%
Total value of land	2,508,669	2,543,501	1.4%

- 7.7 There will be no municipal charge in 2017-18 (2016-17 – Nil).

- 7.8 The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2016-17 \$	Per Rateable Property 2017-18 \$	Change
Non Rateable Garbage Charge	348.00	365.00	5%
Bridge Road Charge 100	132.00	137.00	4%
Bridge Road Charge 150	203.00	211.00	4%
Bridge Road Charge 200	337.00	350.00	4%

* Plus GST if applicable

- 7.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Charge	2016-17 \$	2017-18 \$	Change
Non Rateable Garbage Charge	56,724	59,495	5%
Bridge Road Charge 100	8,712	9,179	5%
Bridge Road Charge 150	11,977	12,449	4%
Bridge Road Charge 200	155,020	160,300	3%
Total	232,433	241,423	

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****7.10 The estimated total amount to be raised by all rates and charges (including annualised supplementary rates) compared with the previous financial year**

	2016-17 \$'000	2017-18 \$'000	Change
General rates	100,621	104,058	3%
Supplementary Rates	1,343	1,100	-21%
General Rates and Charges	101,964	105,158	
Bridge Road Charge 100	9	9	5%
Bridge Road Charge 150	12	12	4%
Bridge Road Charge 200	155	160	3%
Non Rateable Garbage Charge	57	59	5%
Special Rates and Charges	233	240	
Total Rates and Charges	102,197	105,398	

7.11 Council will also apply the Cultural and Recreational Lands Act 1963 in relation to the rating of certain lands used for cultural recreational sporting and similar purposes.**7.12 Any significant changes that may affect the estimated amounts to be raised by rates and charges**

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The annualisation of supplementary valuations (2017-18: estimated \$1,600,000 and 2016-17: \$1,343,000);
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa;
- Changes of use of land such that residential land becomes business land and vice versa.

7.13 Fair Go Rates System Compliance

Yarra City Council is fully compliant with the State Government's Fair Go Rates System.

Base Average Rates (2016-17)	\$ 1,911.83
Maximum Rate Increase (set by the State Government)	2.00%
Capped Average Rate (2017-18)	\$ 1,950.07
Maximum General Rates and Municipal Charges Revenue	\$ 104,058,000
Budgeted General Rates and Municipal Charges Revenue	\$ 104,058,000

7.14 Pensioner Rebates

It is proposed that Councils additional pensioner rebate be increased by 2% from \$175 to \$178.50. This is in addition to the \$273.80 (including fire services levy) provided by the Department of Health and Human Services.

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Budget Analysis

The following reports provide detailed analysis to support and explain the Budget reports in the previous section.

This section includes the following analysis and information:

- 8 Summary of financial position
- 9 Budget influences
- 10 Analysis of operating Budget
- 11 Analysis of Budgeted cash position
- 12 Analysis of capital Budget
- 13 Analysis of Budgeted financial position
- 14 Strategic resource plan
- 15 Rating strategy
- 16 Summary of other strategies

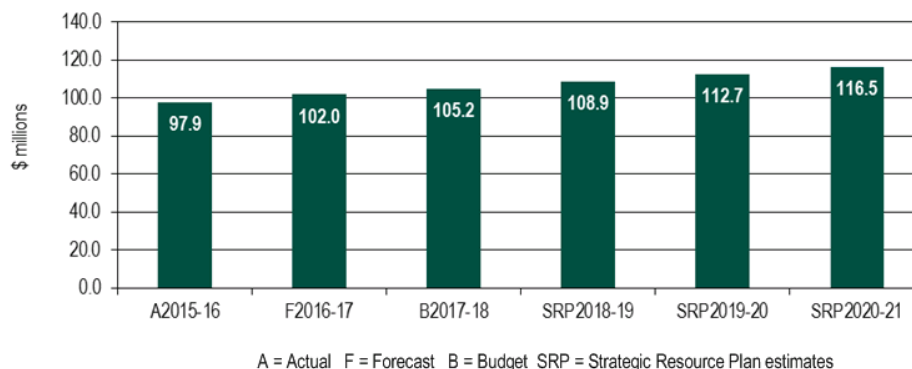
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8. Summary of financial position

Council has prepared a draft Budget for the 2017-18 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key Budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

8.1 Total rates and charges



It is proposed that the average rate increase by 2.0% for the 2017-18 year, raising total rates of \$105.16 million, including \$1.1 million generated from supplementary rates. The increase in revenue will go toward maintaining service levels, funding capital works, as well as:

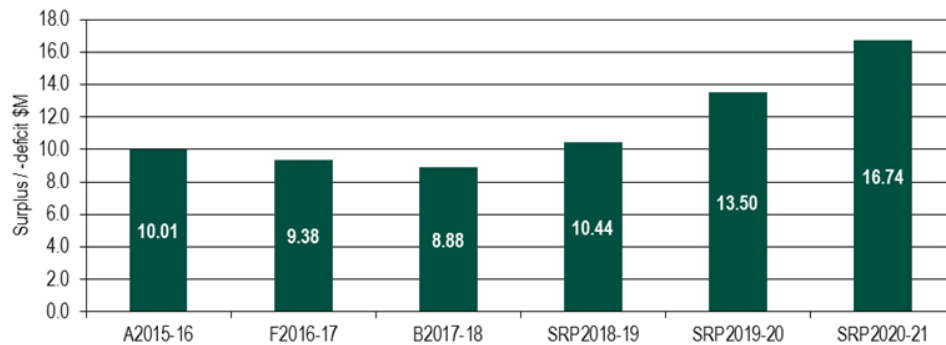
- Additional costs imposed by other layers of Government (such as Landfill Levy; Fire Services Property Administration; fees and charges for various services such as VicRoads data for parking enforcement activities);
- Higher costs of materials and services;
- Maintenance costs associated with existing Council infrastructure; and
- EBA negotiated wage increases.

This general rate increase is in line with rate cap set by the Minister for Local Government. (The rate increase for the 2016-17 year was 2.5% - also in line with the rate cap for that year). Refer also Sections 7 and 15 for more information.

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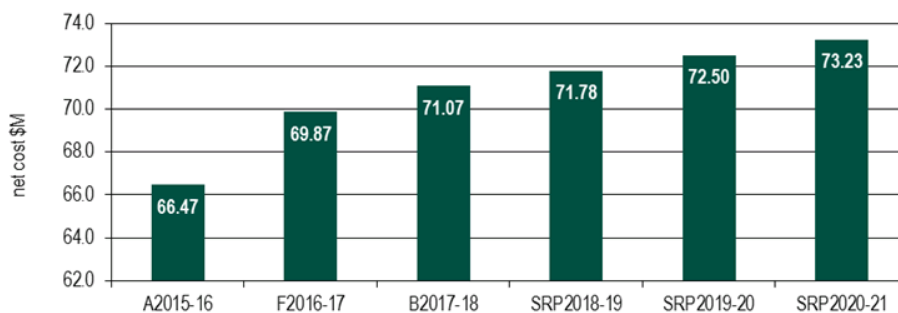
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8.2 Operating result



The expected operating result for the 2017-18 year is a surplus of \$8.88 million (excluding the net asset revaluation increment), which is a decrease of \$0.5 million from 2016-17. The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a surplus of \$3.4 million, which is an increase of \$1.34 million from 2016-17. (The forecast operating result for the 2016-17 year is a surplus of \$9.38 million).

8.3 Services



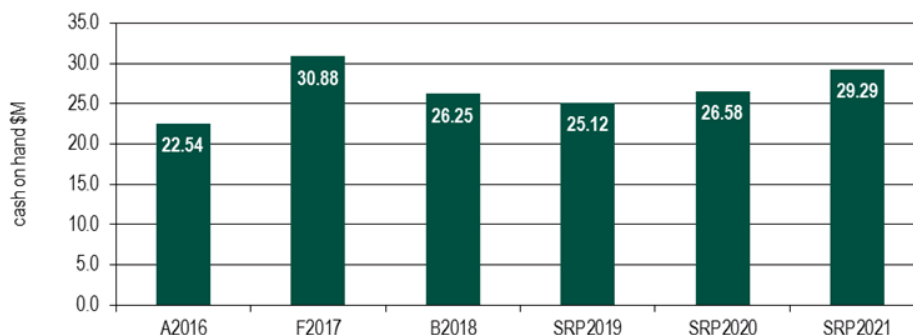
The net cost of services delivered to the community for the 2017-18 year is expected to be \$71.07 million which is an increase of \$1.2 million from 2016-17. For the 2017-18 year, service levels have been maintained and a number of new initiatives proposed. (The forecast net cost for the 2016-17 year is \$69.87 million).

Refer Section 2 for a list of services.

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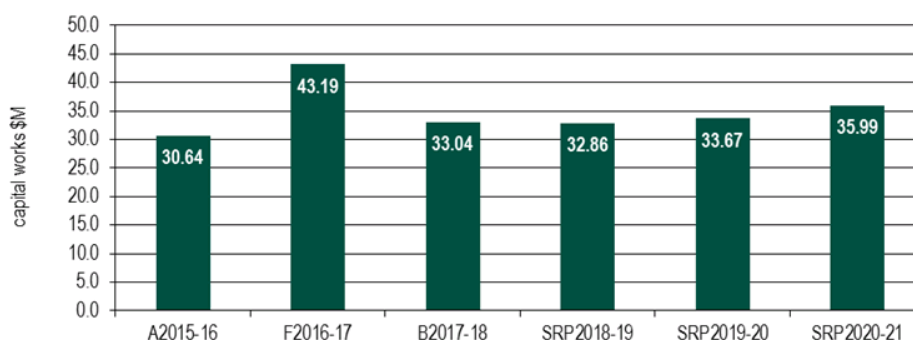
8.4 Cash and investments



Cash and investments are expected to decrease by \$4.6 million during the year to \$26.25 million as at 30 June 2018. This is mainly due to a reduction in the rate cap, maintaining service levels, and an increase in borrowing costs. (Cash and investments are forecast to be \$30.88 million as at 30 June 2017).

Refer also Section 3 for the Statement of Cash Flows and Section 11 for an analysis of the cash position.

8.5 Capital works



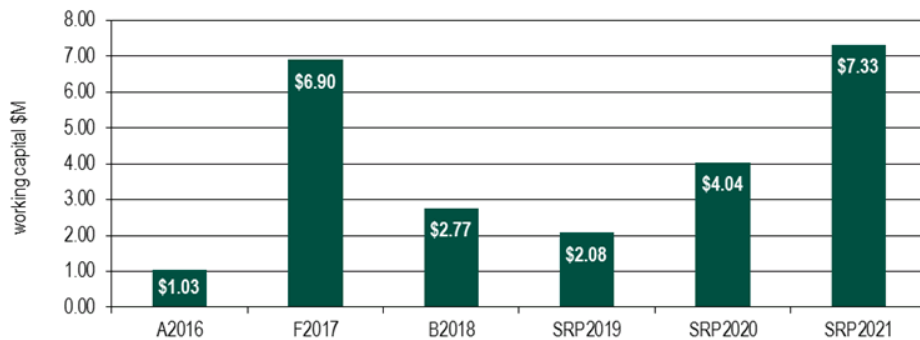
The capital works program for the 2017-18 year is expected to be \$33.04 million of which \$3 million relates to projects which will be carried forward from the 2016-17 year. Of the \$30.04 million of capital funding required, \$1.2 million will come from external grants, and \$4.3 million from monetary contributions, with the balance of \$27.55 million from Council cash. (Capital works is forecast to be \$43.19 million for the 2016-17 year).

Refer also Section 3 for the Statement of Capital Works and Section 12 for an analysis of the capital Budget.

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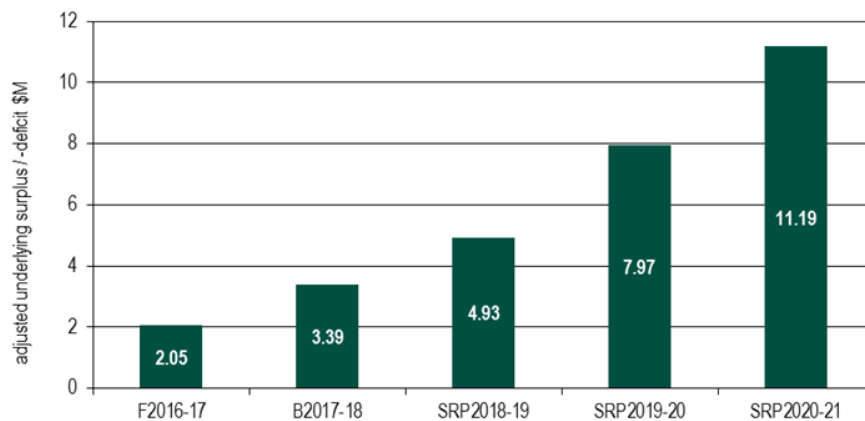
8.6 Liquidity



Council's cash position remains tight. The high forecast position is due to loan funds of \$13.5 million being borrowed late in the financial year.

Refer also Section 3 for the Balance Sheet and Section 13 for an analysis of the Budgeted financial position.

8.7 Adjusted Underlying Result



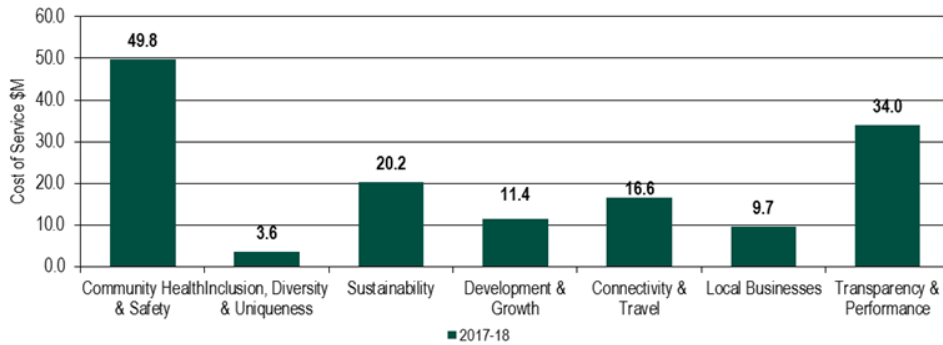
A high level Strategic Resource Plan for the years 2017-18 to 2020-21 has been developed to assist Council in adopting a draft Budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan.

Refer Section 14 for more information on the Strategic Resource Plan.

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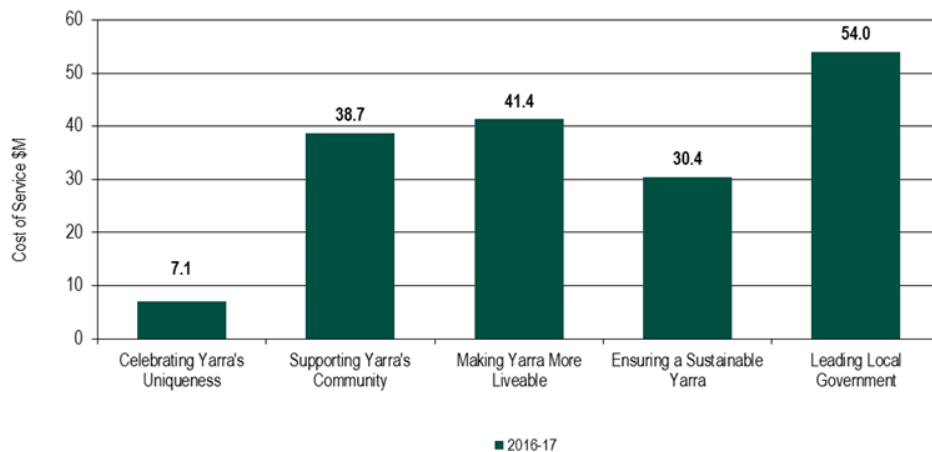
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8.8 Strategic objectives



The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the Budget to achieve the strategic objectives as set out in the Council Plan for the 2017-18 year.

The level of funding allocated to the 2016-17 services is shown below.

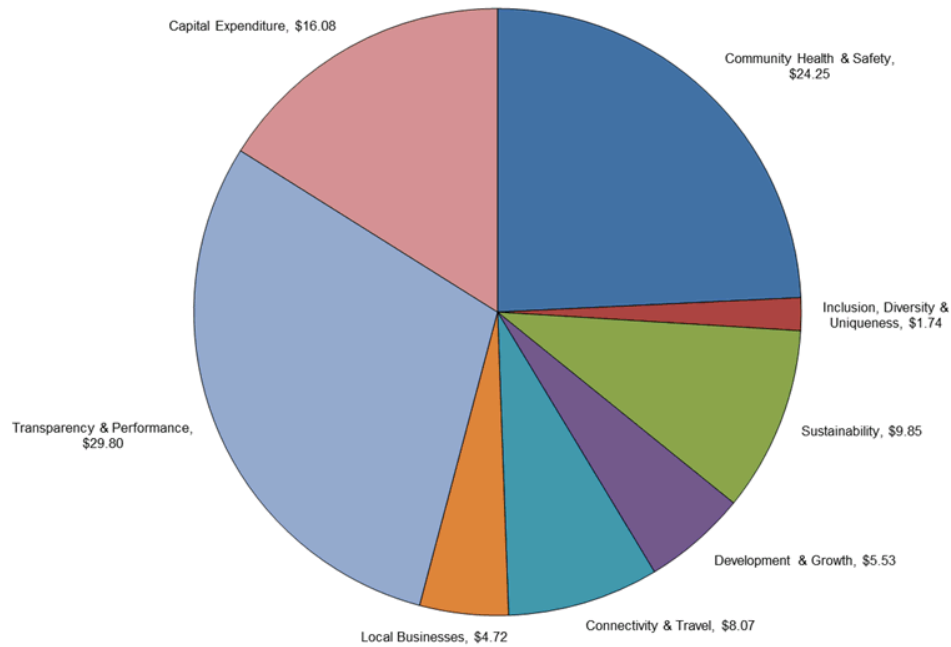


The services that contribute to these objectives are set out in Section 2.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

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8.9 Council expenditure allocations



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is budgeted to each service area for every \$100 that Council spends for 2017-18.

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9. Budget influences

This section sets out the key Budget influences arising from the internal and external environment within which Council operates.

Snapshot of Yarra

The City of Yarra is an inner metropolitan municipality which is home to a diverse community of people. Yarra is one of Australia's smallest inner city municipalities at 19.5 square kilometres, and features lively arts and entertainment precincts, vibrant shopping and café strips, and numerous sports and recreational facilities.

The City of Yarra was created in June 1994. The new municipality merged the former municipalities of: Collingwood; Richmond; Fitzroy; (including the annexed part of Carlton North); Northcote (Alphington & Fairfield: South of Heidelberg Road only).

Yarra is made up of three wards - Langridge Ward, Melba Ward and Nicholls Ward. Each ward has three Councillors who are democratically elected for a four-year term. Council is responsible for maintaining essential community infrastructure and delivers a wide range of services, including street cleaning, maintenance of parks and gardens, and home and community care to a diverse and eclectic community.

Population

Yarra has a population of 88,120 (as at 2016) and a diverse community profile. Over the previous decade, the City's population had been growing at an average rate of 2.2%. Yarra's forecast population growth is about 1.58% each year over the next 18 years, predicted to reach an estimated population of 117,036 by 2036.

Cultural diversity

Yarra is a culturally and linguistically diverse municipality. Many different cultural groups live in Yarra and many different languages are spoken at home by residents.

Housing

Most Yarra residents (52%) live in medium density housing, while 26% occupy high density dwellings and 21% live in detached houses. House prices in Yarra have risen dramatically in recent years.

Yarra also has a significant amount of public housing, with 33% of Victoria's high-rise public housing located in Yarra in 2011. There are just under 5,000 public housing dwellings in the city and these make up 11% of Yarra's households, and 6% of all of Victoria's public housing.

Education and occupation

Overall, Yarra has a well-educated population. More Yarra residents hold a degree or higher qualification (45% of those 15 years or older) than the Greater Melbourne average (24%).

Employment rates among Yarra residents are relatively high, with at least 69% of residents aged 15 years and over (45,198 people) in the labour force. The main employment groups are professionals (43%), managers (15%) and clerical and administrative roles (12%).

Council Assets

Council manages approximately \$1,687 million worth of assets. Road and infrastructure includes 260 kilometres of road pavement, 491 kilometres of footpaths, 491 kilometres of kerb and channel, 170 kilometres of storm water pipes and 85 kilometres of laneways.

Council's community and recreation services requires the management and upkeep of 161 buildings and structures. There are 3 Town Halls, 5 Libraries, 3 Swimming Pools & Recreation Centres, 3 neighbourhood houses, 10 childcare centres, 230 hectares of open space, 35 playgrounds and 15 sporting fields maintained annually.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Budget implications

As a result of Yarra's demographic profile there a number of Budget implications in the short and long term:

- Over time, the changing demographics of Yarra will continue to result in demand for different services and service levels. The long term budgetary planning process needs to factor in these changes, particularly when considering capital infrastructure (like, for example: North Fitzroy Community Hub, GTV 9 community centre, new parks and open space, etc.) to support service delivery;
- The constant stream of higher density development in Yarra results in the need to replace infrastructure such as drains, pathways and other community facilities to cater for the higher density. These costs are generally funded from rates, while some are borne by developers. However, the income received from new dwellings does not fully offset the significant net infrastructure costs into the future; and
- More than 6% of ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community. Council has hardship provisions in place but these can impact on cash balances when large volumes of ratepayers are involved. In addition, Council provides services to older people such as 'Home Help' and 'Delivered Meals' which are subsidised.

External influences

In preparing the 2017-18 Budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the Budget period. These include:

- Consumer Price Index (CPI) increases on goods and services of 2% per annum;
- Administration of the Fire Services Property Levy which will continue to be collected by Council on behalf of the State Government;
- Cost Shifting occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. Examples of services that are subject to Cost Shifting include School Crossing Supervision, Library services and Home and Community Care for aged residents. In all these services the level of payment received by Council from the State Government does not reflect the real cost of providing the service to the community;
- Introduction of the *Fair Go Rates* system which caps rate increases at 2% for 2017-18.
- Other state government imposed levies, including the Landfill Levy, which impost on Council.

Internal influences

As well as external influences, there are also a number of internal influences that are expected to have a significant impact on the preparation of the 2017-18 Budget. These matters are set out below:

- Council must renegotiate a new Enterprise Bargaining Agreement during 2016-17 which is due for commencement on 1 July 2017;
- Council's obligations in regard to servicing debt funding under the current arrangement (Local Government Funding Vehicle) and modelling repayment levels over a longer term to support cash flow requirements in earlier years ensuring appropriate liquidity levels,
- Maintaining and improving existing services to meet competing demands;
- Appropriate staffing levels to support services;
- Above CPI increases in the cost of raw materials and some contract expenditures; and
- The costs of upgrading and maintaining Council infrastructure to meet community expectations.

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Yarra City Council – Draft Budget 2017-18

Budget principles

In response to the external and internal influences, guidelines were prepared and distributed to all Council officers with Budget responsibilities. The guidelines set out the key Budget principles upon which the officers were to prepare their Budgets. The principles included:

- Existing fees and charges to be increased in line with CPI, market level or service cost increases, concession fees to be maintained;
- Capital grants to be based on confirmed funding levels;
- New revenue sources to be identified where possible;
- Service levels to be maintained at 2016-17 levels with an emphasis on innovation, efficiency and continuous improvement;
- Salaries and wages to be increased in line with the wage cost index;
- Construction and material costs to increase in line with, or in some instances higher than, CPI;
- New initiatives or new employee proposals which are not cost neutral to be justified through a business case;
- Life-cycle costs arising from completed 2016-17 capital projects to be included.

Long term strategies

The Budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include:

- A Strategic Resource Plan for 2017-18 to 2020-21 (section 14);
- Rating Information (section 15); and

Other Strategies (section 16) including borrowings and asset management.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

10. Analysis of operating Budget

This section analyses the operating Budget including expected income and expenses of the Council for the 2017-18 year.

10.1 Budgeted income statement

			Forecast		
			Actual	Budget	Variance
	Ref	2016-17	2017-18		
		\$'000	\$'000		\$'000
Total income	10.2	178,427	181,421		2,994
Total expenses	10.3	(169,045)	(172,537)		(3,492)
Surplus (deficit) for the year		9,382	8,884		(498)
Grants – capital non-recurrent	10.2.6	(3,036)	(1,195)		1,841
Capital contributions - other sources	10.2.4	(4,300)	(4,300)		0
Adjusted underlying surplus (deficit)	10.1.1	2,046	3,389		1,343

10.1.1 Adjusted underlying surplus (\$1.34 million increase)

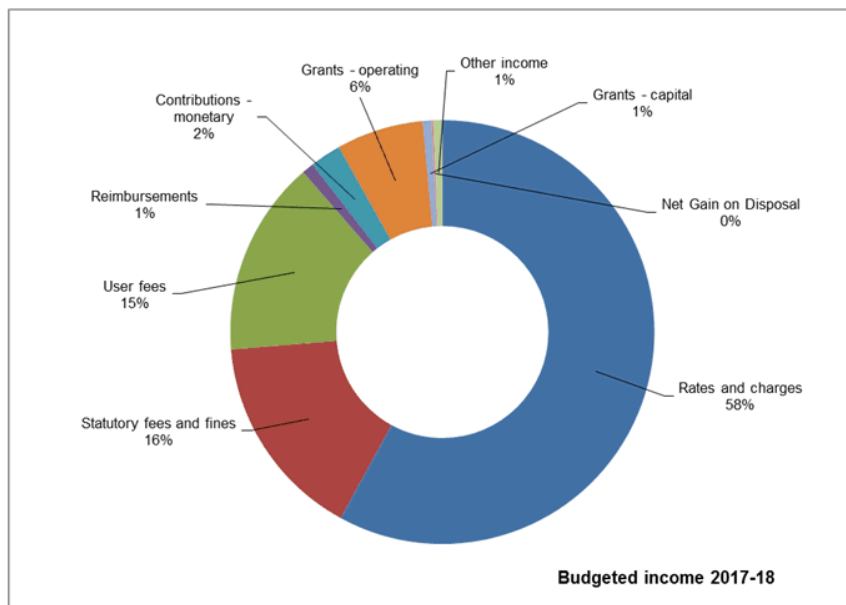
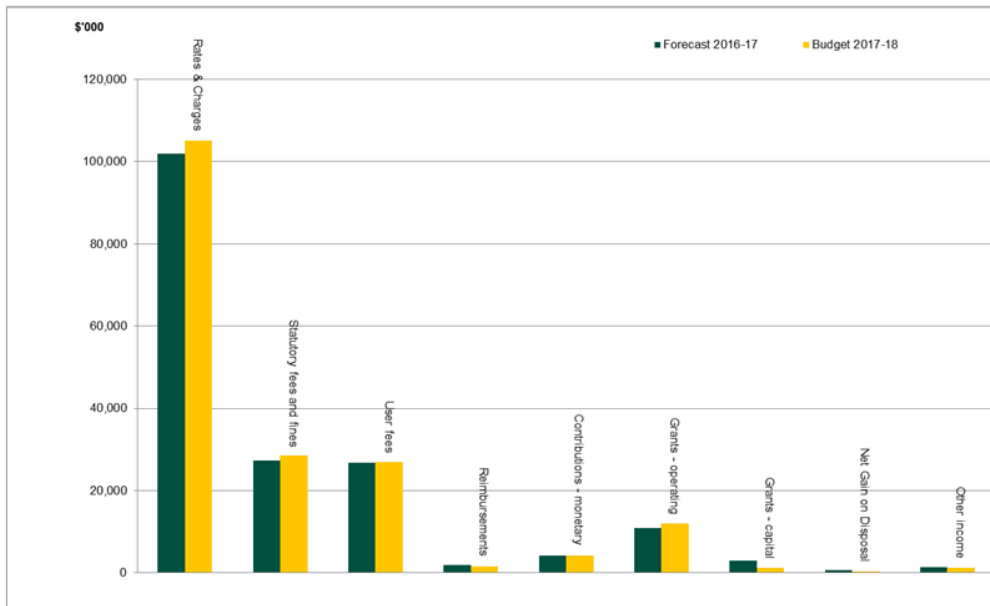
The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2017-18 year is a surplus of \$3.4 million which is an increase of \$1.34 million from the 2016-17 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

10.2 Income

		Forecast		
		Actual	Budget	Variance
Income Types	Ref	2016-17	2017-18	
		\$'000	\$'000	\$'000
Rates and charges	10.2.1	101,989	105,158	3,169
Statutory fees and fines	10.2.2	27,393	28,534	1,141
User fees	10.2.3	26,830	27,064	234
Reimbursements	10.2.4	1,844	1,640	(204)
Contributions - monetary	10.2.5	4,300	4,300	0
Grants - operating	5.1.1	10,930	12,023	1,093
Grants - capital	5.1.2	3,036	1,195	(1,841)
Net gain on disposal of property, infrastructure, plant & equipment	10.2.6	705	300	(405)
Other income	10.2.7	1,400	1,207	(193)
Total income		178,427	181,421	2,994

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18



10.2.1 Rates and charges (\$3.17 million increase)

It is proposed that income raised by all rates and charges be increased by \$3.17 million to \$105.16 million. This includes an increase in general rates of 2.0% and forecast supplementary rates of \$1.1 million.

Section 7 – Rates and Charges - includes a more detailed analysis of the rates and charges to be levied for 2017-18 and the rates and charges information specifically required by the Regulations.

10.2.2 Statutory fees and fines (\$1.14 million increase)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, *Public Health and Wellbeing Act 2008* registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

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Statutory fees are forecast to increase by \$1.14 million compared with 2016-17.

A detailed listing of statutory fees is included in Appendix B.

10.2.3 User fees (\$0.23 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include separate rating schemes, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home help services. In setting the Budget, the key principle of determining the level of user charges has been to ensure that increases are reflective of the increase in service costs.

User charges are projected to increase by \$0.23 million over 2016-17. The main area contributing to the increase is leisure services (\$0.25 million) due to expected increased patronage of Council facilities. In addition, Council plans to ensure that user charges for all areas are in line with expected inflationary trends over the Budget period to maintain parity between user charges and the costs of service delivery.

A detailed listing of fees and charges is included in Appendix B.

10.2.4 Reimbursements (\$0.20 million decrease)

Reimbursements relate to payments made to Council for items such as reinstatement works, cleaning, legal costs and other items and is forecast to be \$1.64 million for 2017-18. This is a decrease of \$0.20 million compared with 2016-17.

10.2.5 Contributions - monetary (no change)

Contributions relate to monies paid by developers in regard to public resort and recreation, drainage and car parking in accordance with planning permits issued for property development.

Contributions are projected to remain the same as the 2016-17 financial year.

10.2.6 Net gain on disposal of property, infrastructure, plant and equipment (\$0.41 million decrease)

The net gain from the disposal of Council assets is forecast to be \$0.30 million for 2017-18 and relate mainly to the planned cyclical replacement of part of the plant and vehicle fleet

10.2.7 Other income (\$0.19 million increase)

Other income relates to a range of items such as private works, cost recoups and other miscellaneous income items. It also includes interest revenue on investments and rate arrears.

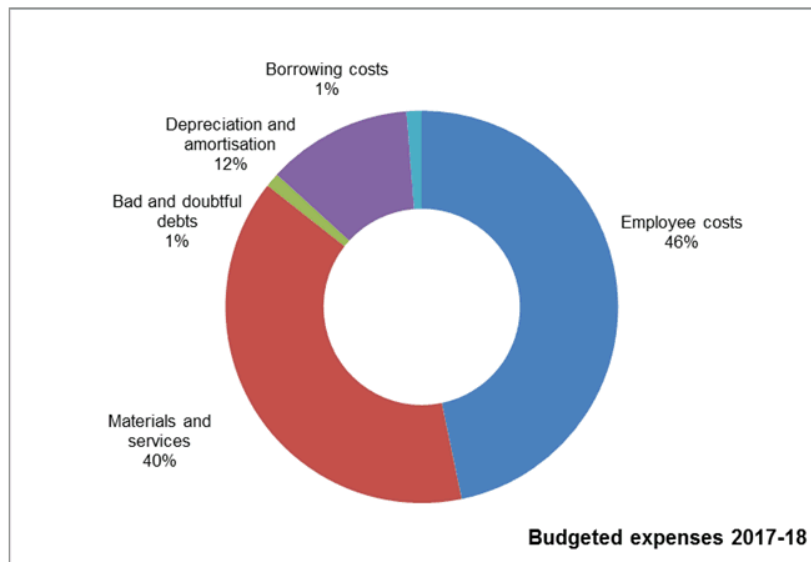
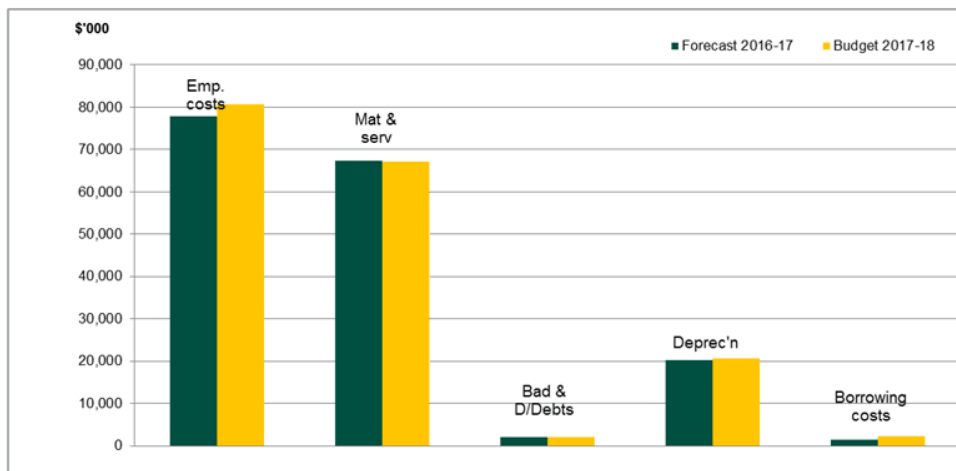
Other income is forecast to increase by \$0.19 million compared with 2016-17. This is mainly due to additional interest that is expected on investments.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

10.3 Expenses

Expense Types	Ref	Forecast Actual 2016-17 \$'000	Budget 2017-18 \$'000	Variance Fav/(Unfav) \$'000
Employee costs	10.3.1	77,873	80,639	(2,766)
Materials and services	10.3.2	67,391	67,085	306
Bad and doubtful debts	10.3.3	2,040	2,010	30
Depreciation and amortisation	10.3.4	20,230	20,664	(434)
Borrowing costs	10.3.5	1,511	2,139	(628)
Total expenses		169,045	172,537	(3,492)



Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

10.3.1 Employee costs (\$2.77 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

Employee costs are forecast to increase by 3.6% or \$2.77 million compared with 2016-17. This increase relates to three key factors:

- Renegotiation of Council's Enterprise Bargaining Agreement (EBA);
- Anticipated non EBA wages growth due mainly to small increases in staff in response to increased community demand for Council services from 2016-17 to 2017-18.

A summary of human resource expenditure categorised according to the organisational structure of Council is outlined in the Statement of Human Resources in Section 3.

10.3.2 Materials and services (\$0.31 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to decrease by \$0.31 million compared with 2016-17.

A new initiative for Council will be the electronic transmission of Council meetings commencing during 2017-18.

10.3.3 Bad and doubtful debts (\$0.03 million decrease)

Bad and doubtful debts is projected decrease slightly by \$0.03 million compared with 2016-17. This is due to increased debt recovery within Council.

10.3.4 Depreciation and amortisation (\$0.43 million increase)

Depreciation is an accounting measure which attempts to allocate the consumption of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of \$0.43 million for 2017-18 is due mainly to the completion of the 2016-17 capital works program and the full year effect of depreciation on the 2016-17 capital works program. Refer to Section 12. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2017-18 year.

10.3.5 Borrowing costs (\$0.63 million increase)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The increase in borrowing costs results from the existing borrowings of \$46 million, which includes new borrowings of \$13.5 million taken up in 2016-17.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****11. Analysis of Budgeted cash position**

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017-18 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment.
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****11.1 Budgeted cash flow statement**

		Forecast		
	Ref	Actual 2016/2017 \$'000	Budget 2017/2018 \$'000	Variance \$'000
Cash flows from operating activities	11.1.1			
<i>Receipts</i>				
Rates and charges		101,479	104,208	2,729
User fees and fines		52,182	53,494	1,312
Grants - operating		10,930	12,023	1,093
Grants - capital		3,036	1,195	(1,841)
Interest		469	480	11
Other receipts		7,075	6,667	(408)
		175,171	178,067	2,896
<i>Payments</i>				
Employee costs		(75,926)	(80,142)	(4,216)
Other payments		(67,391)	(67,085)	306
		(143,317)	(147,227)	(3,910)
Net cash provided by operating activities		31,854	30,840	(1,014)
Cash flows from investing activities	11.1.2			
Payments for property, infrastructure, plant & equip.		(36,715)	(33,040)	3,675
Proceeds from sale of property, infrastructure, plant & equipment		1,205	800	(405)
Net cash used in investing activities		(35,510)	(32,240)	3,270
Cash flows from financing activities	11.1.3			
Finance costs		(1,511)	(2,139)	(628)
Proceeds from borrowings		13,500	-	(13,500)
Repayment of borrowings		-	(1,091)	(1,091)
Net cash used in financing activities		11,989	(3,230)	(15,219)
Net decrease in cash and cash equivalents		8,333	(4,630)	(12,963)
Cash and cash equivalents at the beginning of the year		22,544	30,877	8,333
Cash and cash equivalents at end of the year	11.1.4	30,877	26,247	(4,630)

11.1.1 Operating activities (\$1.01 million decrease)

The decrease in cash inflows from operating activities is due mainly to increases in rates and charges, user fees and operating grants, offset by a decrease in capital grants and increases in employee expenses.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

The Budgeted operating result is reconciled to Budgeted cash flows available from operating activities as set out in the following table.

		Forecast		
		Actual	Budget	Variance
		2016-2017	2017-2018	
		\$'000	\$'000	\$'000
Surplus (deficit) for the year		9,382	8,884	(498)
Depreciation		20,230	20,664	434
Loss (gain) on disposal of property, infrastructure, plant & equipment		(705)	(300)	405
Finance costs		1,511	2,139	628
Net movement in current assets and liabilities		1,436	(547)	(1,983)
Cash flows available from operating activities		31,854	30,840	(1,014)

11.1.2 Investing activities (\$3.27 million decrease)

The decrease in payments for investing activities represents the planned decrease in capital works expenditure disclosed in Section 10 of this Budget report. Proceeds from sale of assets are also forecast to decrease by \$0.41 million for reduced sale of vehicles throughout 2017-18 from 2016-17.

11.1.3 Financing activities (\$15.22 million decrease)

The large decrease is due to the receipt of loan funds in 2016-17 and no additional loan funds budgeted in 2017-18, as well as the repayment of borrowings in 2017-18.

11.1.4 Cash and cash equivalents at end of the year (\$4.63 million decrease)

Overall, total cash and investments is forecast to decrease by \$4.63 million to \$26.25 million as at 30 June 2018.

11.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The Budgeted cash flow statement above indicates that Council is estimating at 30 June 2018 it will have cash and investments of \$26.75 million, which has been restricted as shown in the following table.

	Ref	Forecast		
		Actual	Budget	Variance
		2016-17	2017-18	
		\$'000	\$'000	\$'000
Total cash and investments		30,877	26,247	(4,630)
Restricted cash and investments				
- Cash held to fund carry forward capital works	11.2.1	(6,325)	(3,000)	3,325
- Trust funds and deposits		(6,195)	(6,195)	-
Unrestricted cash and investments	11.2.2	18,357	17,052	(1,305)
- Discretionary reserves	11.2.3	(20,179)	(20,179)	-
Unrestricted cash adjusted for discretionary reserves	11.2.4	(1,822)	(3,127)	(1,305)

11.2.1 Cash held to fund carry forward capital works (\$3 million)

There is \$3 million cash held to fund carry forward works at 30 June 2016, as the 2017-18 capital works Budget includes \$3 million for carry-forward capital works projects. Section 6.2 contains further details on capital works funding.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

11.2.2 Unrestricted cash and investments (\$17.05 million)

The amount shown is in accordance with the definition of unrestricted cash included in the Regulations. These funds are free of statutory reserve funds and cash to be used to fund capital works expenditure from the previous financial year.

11.2.3 Discretionary reserves (\$20.18 million)

These funds are shown as discretionary reserves as, although not restricted by a statutory purpose, has a requirement to fund projects from these reserves. At the present time, these reserves are not cash backed.

11.2.4 Unrestricted cash adjusted for discretionary reserves (-\$3.13 million)

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any Budget commitments which will be expended in the following year such as grants and contributions. Council is projecting to be in a negative unrestricted cash position at the end of 2017-18.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****12. Analysis of Capital Budget**

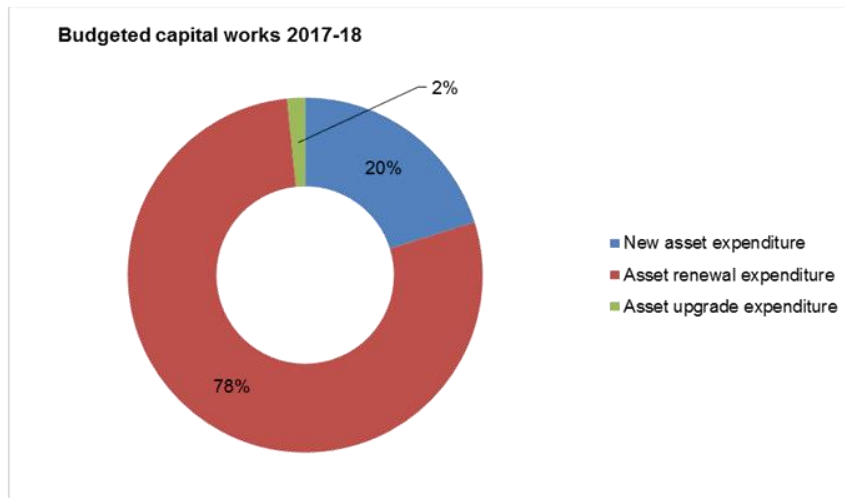
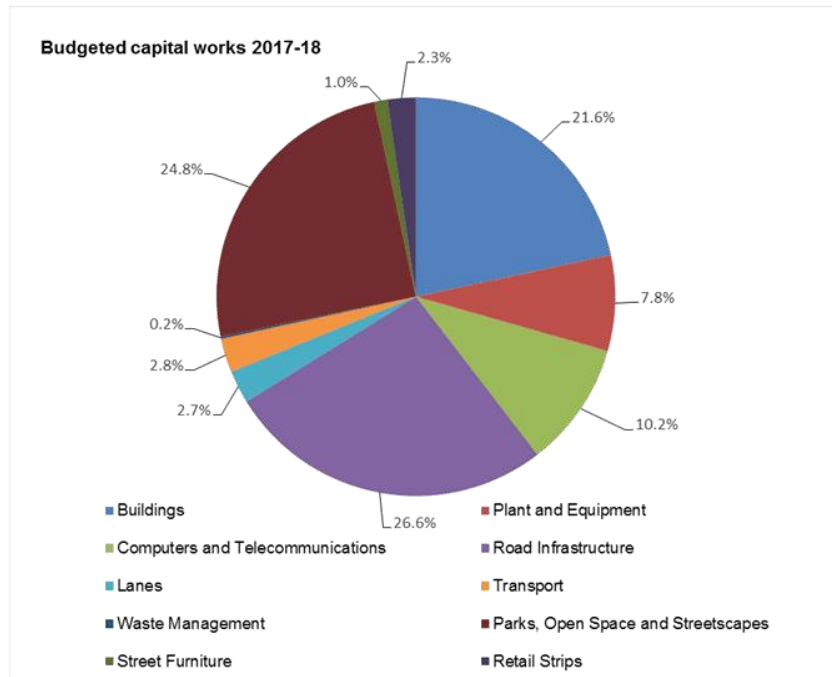
This section analyses the proposed capital works expenditure Budget for the 2017-18 year and the sources of funding for the capital Budget. Further detail on the capital works program can be found in Section 6.

12.1 Capital works expenditure

Capital Works Areas	Ref	Forecast	Budget 2017-18 \$'000	Variance \$'000
		Actual 2016-17 \$'000		
Works carried forward	12.1.1			
Property				
Buildings		4,780	-	(4,780)
Total buildings		4,780	-	(4,780)
Total property		4,780	-	(4,780)
Plant and equipment				
Plant, machinery and equipment		-	200	200
Computers and telecommunications		290	820	530
Total plant and equipment		290	1,020	730
Infrastructure				
Parks, open space and streetscapes		1,255	1,005	(250)
Total infrastructure		1,255	1,005	(250)
Provisional Carry Forwards				
Provisional Carry Forwards		-	975	975
Total provisional carry forwards		-	975	975
Total works carried forward		6,325	3,000	(3,325)
2017-18 Program				
Property	12.1.2			
Buildings		13,026	6,824	(6,202)
Total buildings		13,026	6,824	(6,202)
Total property		13,026	6,824	(6,202)
Plant and equipment	12.1.3			
Plant, machinery and equipment		2,178	2,257	79
Computers and telecommunications		3,388	2,387	(1,001)
Total plant and equipment		5,566	4,644	(922)
Infrastructure	12.1.4			
Roads		7,564	8,396	832
Bridges		50	-	(50)
Lanes		891	842	(49)
Transport		2,792	872	(1,920)
Waste management		60	60	-
Parks, open space and streetscapes		6,415	6,836	421
Street Furniture		75	330	255
Retail Strips		430	730	300
Priority Projects		-	506	506
Total infrastructure		18,277	18,572	295
Total 2017-18 Program		36,869	30,040	(6,829)
Total capital works expenditure		43,194	33,040	(10,154)
Represented by:				
New asset expenditure	12.1.5	15,419	6,666	(8,753)
Asset renewal expenditure	12.1.5	25,002	25,835	833
Asset upgrade expenditure	12.1.5	2,773	539	(2,234)
Total capital works expenditure		43,194	33,040	(10,154)

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

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Source: Section 3. A more detailed listing of the capital works program is included in Section 6.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

12.1.1 Carried forward works (\$3 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2016-17 year it is forecast that \$3 million of capital works will be incomplete and be carried forward into the 2017-18 year. The more significant projects include Rushall Reserve, the Merri Creek Trail – Coulson Reserve Park and the Asset Software System.

12.1.2 Property (\$6.82 million)

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2017-18 year, \$6.82 million will be expended on building and building improvement projects. The more significant projects include roof replacement and other works at the Fitzroy Town Hall (\$2.08 million), roof works at the Collingwood Town Hall (\$0.72 million) and compliance works for disability access and other works at the Richmond Town Hall (\$0.72 million).

12.1.3 Plant and equipment (\$4.64 million)

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, and library books.

For the 2017-18 year, \$4.64 million will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$1.14 million), upgrade and replacement of information technology (\$2.39 million) and library material purchases (\$0.59 million).

12.1.4 Infrastructure (\$18.57 million)

Infrastructure includes roads, bridges, lanes, transport, recreation, leisure and community facilities, parks, open space and streetscapes, and other structures.

For the 2017-18 year, \$8.4 million will be expended on road projects. The more significant projects include road resheeting works (\$4.23 million), footpath works (\$1.38 million), kerb and channel works (\$1.37 million), and drainage (\$0.86 million).

\$0.84 million will be expended on lanes. This involves renewal works on a number of right of ways within the City.

\$0.87 million will be expended on transport. The more significant of these include spot safety works (\$0.15 million) and the installation of Copenhagen bicycle lanes in Wellington Street (\$0.5 million).

\$6.84 million will be expended on parks, open space and streetscapes, including \$3.24 million for the open space reserve, \$0.74 million for the renewal of the athletics track at the George Knott Reserve, \$0.62 million for irrigation works at Darling Gardens, \$0.45 million for construction of a new local park in Abbotsford, and \$0.4 million for a playground at Edinburgh Gardens.

Other infrastructure expenditure includes \$0.6 million on waste management and \$0.33 million on street furniture, and \$0.73 million retail strips (including Activity Centres Design program and the Victoria Street Activity Centre), and \$0.5 million of priority projects.

12.1.5 Asset renewal (\$25.83 million), new assets (\$6.67 million), and upgrade (\$0.539 million)

A distinction is made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18****12.2 Funding sources**

Sources of funding	Ref	Forecast Actual 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
Works carried forward				
Current year funding				
Council cash		6,325	3,000	(3,325)
Total works carried forward	12.2.1	6,325	3,000	(3,325)
New works				
Current year funding				
Grants	12.2.2	3,036	1,195	(1,841)
Contributions		4,300	4,300	-
Borrowings		13,500	-	(13,500)
Council cash	12.2.3	16,033	24,545	8,512
Total new works		36,869	30,040	(6,829)
Total funding sources		43,194	33,040	(10,154)

Source: Section 6

12.2.1 Carried forward works (\$3 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2016-17 year it is forecast that \$3 million of capital works will be incomplete and be carried forward into the 2017-18 year. The more significant projects include Rushall Reserve, the Merri Creek Trail – Coulson Reserve Park and the Asset Software System.

12.2.2 Grants - capital (\$1.2 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants and contributions are budgeted to be received for the Roads to Recovery projects (\$0.62 million), and for local roads (\$0.41 million).

12.2.3 Council cash - operations (\$24.55 million)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$24.55 million will be generated from operations to fund the 2017-18 capital works program.

12.2.4 Council cash - proceeds from sale of assets (\$0.80 million)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$0.80 million.

12.2.5 Council cash - reserve cash and investments (\$4.3 million)

Council is budgeting to receive \$4.3 million in open space contributions during 2017-18. These will be used to fund \$4.3 million of open space projects during the year.

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13. Analysis of Budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2016-17 and 2017-18. It also considers a number of key financial performance indicators.

13.1 Budgeted balance sheet

		Forecast		
	Ref	Actual	Budget	Variance
		2017	2018	
		\$'000	\$'000	\$'000
Current assets	13.1.1			
Cash and cash equivalents		30,877	26,247	(4,630)
Trade and other receivables		14,734	15,778	1,044
Other assets		826	826	-
Total current assets		46,437	42,851	(3,586)
Non-current assets	13.1.1			
Trade and other receivables		255	255	-
Property, infrastructure, plant and equipment		1,686,699	1,748,914	62,215
Total non-current assets		1,686,954	1,749,169	62,215
Total assets		1,733,391	1,792,020	58,629
Current liabilities	13.1.2			
Trade and other payables		17,534	17,534	-
Trust funds and deposits		6,195	6,195	-
Provisions		14,718	15,215	(497)
Interest-bearing loans and borrowings		1,091	1,142	(51)
Total current liabilities		39,538	40,086	(548)
Non-current liabilities	13.1.2			
Provisions		1,416	1,416	-
Interest-bearing loans and borrowings		44,909	43,767	1,142
Other Liabilities		585	585	-
Total non-current liabilities		46,910	45,768	1,142
Total liabilities		86,448	85,854	594
Net assets		1,646,943	1,706,166	59,223
Equity	13.1.4			
Accumulated surplus		591,130	600,014	8,884
Reserves		1,055,813	1,106,152	50,339
Total equity		1,646,943	1,706,166	59,223

13.1.1 Current Assets (\$3.59 million decrease) and Non-Current Assets (\$62.2 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease by \$4.6 million during the year mainly to fund the capital works program during the year and to repay debt.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are expected to increase based on assumptions used to predict debtor balances by the end of year.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over

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many years. The \$62.2 million increase in this balance is attributable to the net result of the capital works program (\$33.04 million of new assets), less depreciation of assets (\$21 million) and plus the revaluation of Council assets which occurs by the end of the financial year (\$50.339 million).

13.1.2 Current Liabilities (\$0.5 million increase) and Non-Current Liabilities (\$1.1 million decrease)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain at 2016-17 levels.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are expected to remain at 2016-17 levels due to more active management of entitlements despite factoring in an increase for Collective Agreement outcomes.

Interest-bearing loans and borrowings are borrowings of Council. Council is budgeting to repay loan principal of \$1.1 million over the year.

13.1.3 Working Capital (\$6.43 million decrease)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carry forward capital works from the previous financial year.

	Forecast		
	Actual	Budget	Variance
	2017	2018	
	\$'000	\$'000	\$'000
Current assets	46,437	42,851	(3,586)
Current liabilities	39,538	40,086	548
Working capital	6,899	2,765	(4,134)
Restricted cash and investment current assets			
- Statutory reserves	-	-	-
- Cash used to fund carry forward capital works	(6,325)	(3,000)	3,325
- Trust funds and deposits	(6,195)	(6,195)	-
Unrestricted working capital	(5,621)	(6,430)	(809)

In addition to the restricted cash shown above, Council is also projecting to hold \$20.2 million in discretionary reserves at 30 June 2018. Although not restricted by a statutory purpose, Council has not yet made decisions regarding the future use of these funds as they are not currently cash backed.

13.1.4 Equity (\$59.2 million increase)

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time.

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13.2 Key assumptions

In preparing the Balance Sheet for the year ending 30 June 2018 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 99.5% of total rates and charges raised will be collected in the 2017-18 year (2016-17: 99% forecast actual)
- Debtors and creditors to remain consistent with 2016-17 levels
- Employee entitlements to be increased by the anticipated Collective Agreement outcome offset by the impact of more active management of leave entitlements of staff
- Repayment of loan principal to be \$1.1 million
- Total capital expenditure to be \$33 million

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Long Term Strategies

This section includes the following analysis and information

- 14 Strategic resource plan
- 15 Rating information
- 16 Other long term strategies

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14. Strategic resource plan

This section includes an extract of the adopted Strategic Resource Plan (SRP) to provide information on the long term financial projections of Council.

14.1 Plan development

The Act requires a SRP to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared a SRP for the four years 2017-18 to 2020-21 as part of its ongoing financial planning to assist in adopting a Budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlines the development of the SRP, is financial sustainability in the long term, while still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the SRP, are:

- Maintain existing service levels.
- Achieve consistent operating surpluses over the next 4 years.
- Achieve a balanced budget on a cash basis.
- Reduce debt through re-financing the interest only loan.
- Meet renewal needs.

In preparing the SRP, Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

The SRP is updated annually through a rigorous process of consultation with Councillors and officers followed by a detailed sensitivity analysis to achieve the key financial objectives.

14.2 Financial resources

The following table summarises the key financial results for the next four years as set out in the SRP for years 2017-18 to 2020-21. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2016/17	2017/18	2018/19	2019/20	2020/21	+/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Accounting Surplus/(deficit) for the year	9,382	8,884	10,440	13,496	16,744	+
Adjusted underlying result	2,046	3,389	4,933	7,965	11,188	+
Cash and investments balance	30,877	26,247	25,124	26,581	29,292	-
Cash flows from operations	31,854	30,840	34,268	37,661	41,246	+
Capital works expenditure	43,194	33,040	32,858	33,666	35,992	+

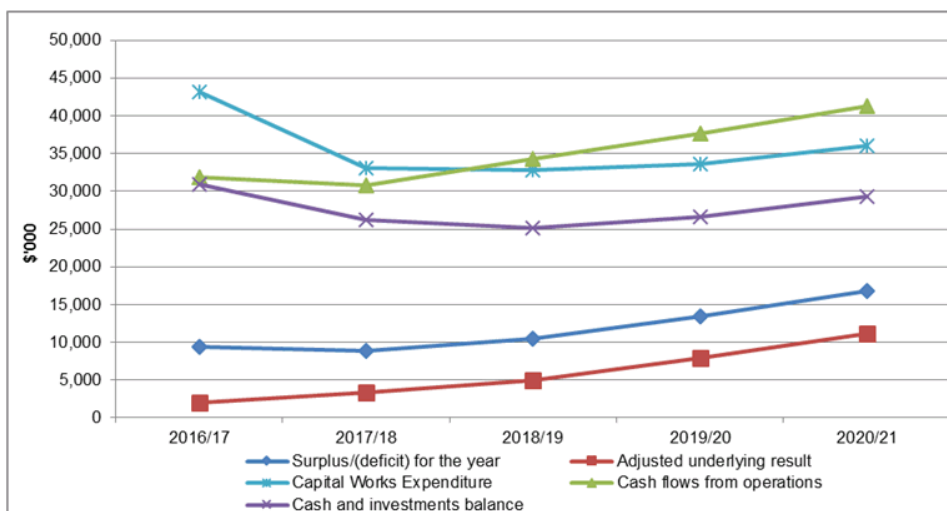
Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

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The following graph shows the general financial indicators over the four year period.



The key outcomes of the SRP are as follows:

- **Financial sustainability (Section 11)** - Cash and investments is forecast to increase over the four year period from \$26.2 million to \$29.3 million, which indicates a relatively balanced budget on a cash basis in each year.
- **Rating levels (Section 15)** – Modest rate increases are forecast over the four years at an average of 2.0%.
- **Service delivery strategy (Section 16)** – Service levels have been maintained throughout the four year period. Operating surpluses are forecast in each of the 4 years of the SRP and, excluding the effects of capital items such as capital grants and contributions, the adjusted underlying result is also a modestly increasing surplus over the four year period.
- **Borrowing strategy (Section 16)** – Borrowings are forecast to reduce from \$46.0 million to \$42.6 million over the four year period. No additional borrowings are planned over the 4 years. Council has a \$32.5 million interest only loan due to be repaid in 2020-21. This loan will need to be refinanced as Council does not have cash reserves to repay the loan when it is due.
- **Infrastructure strategy (Section 16)** - Capital expenditure over the four year period will total \$135.56 million at an average of \$33.89 million per year.

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This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuations. This section should be read in conjunction with Council's Rating Strategy.

Rating context

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 59.7% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Yarra community. The Minister for Local Government capped rates for the sector from 2016-17 onwards. Yarra has budgeted to meet the cap.

Future Rates and Charges

The following table sets out future proposed increases in revenue from rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2017, and the forecast rate increase used for financial planning purposes

Year	General Rate Increase %	Total Rates and Charges Raised \$'000
2016-17	2.50	101,989
2017-18	2.00	105,158
2018-19	2.00	108,871
2019-20	2.00	112,658
2020-21	2.00	116,521

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Council has established a rating structure which is comprised of two key elements. These are:

- Property values, which form the central basis of rating under the Local Government Act 1989;
- A 'user pays' component to reflect usage of certain services provided by Council, such as parking, family and children's services, and planning fees.

Council applies the Net Annual Value (NAV) basis for rating which provides an equitable distribution of the rate burden for an inner-urban municipality such as Yarra, which has a high incidence of rental property.

Adoption of an alternative valuation/rating basis would require major re-education and potentially result in a significant redistribution of the rate burden, and undesirable implications for the community.

The rating strategy is premised on the utilisation of social equity mechanisms such as rebates and concessions as the most appropriate method of addressing the income-based issues of individual ratepayers.

The following table summarises the rates to be determined for the 2017-18 year. A more detailed analysis of the rates to be raised is contained in Section 7 'Statutory Disclosures'.

Rate type	How applied	2016-17	2017-18	Total Raised \$000	Change
General rates	Cents in \$ of NAV	0.040109	0.040911	104,058	2%
Non Rateable Garbage Charge	\$ per property	348	365	59	5%
Bridge Road Charge 100	\$ per property	132	\$137.00	9	4%
Bridge Road Charge 150	\$ per property	203	\$211.00	12	4%
Bridge Road Charge 250	\$ per property	337	\$350.00	160	4%

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This section sets out summaries of the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure and service delivery.

16.1 Borrowings

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2016-17	13,500	-	1,511	46,000
2017-18	-	1,091	2,139	44,909
2018-19	-	1,142	2,088	43,767
2019-20	-	1,195	2,035	42,572
2020-21	-	1,250	1,980	41,322

In the past, Council has borrowed to finance large infrastructure projects which include the North Fitzroy Library and Community Hub project and acquisition of 345 Bridge Road premises. The focus going forward is to look at debt reduction and no further loan borrowings are planned over the next 4 years of the SRP. Council doesn't have the capacity to respond to financial shocks however it will be required to borrow should liabilities arise.

For the 2017-18 year, Council has decided not to take out any new borrowings to fund the capital works program and therefore, after making loan repayments of \$1.1 million, will reduce its total borrowings to \$44.9 million as at 30 June 2018. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2017.

Council does not have funds available to repay the interest only \$32.5 million loan due in 2020-21 and will therefore be required to borrow to repay this loan.

The table below shows information on borrowings specifically required by the Regulations.

	2016-17 \$'000	2017-18 \$'000
Total amount borrowed as at 30 June of the prior year	32,500	46,000
Total amount proposed to be borrowed	13,500	-
Total amount projected to be redeemed	-	(1,091)
Total amount of borrowings as at 30 June	46,000	44,909

16.2 Infrastructure

Council has developed an Infrastructure Strategy based on the knowledge provided by various Asset Management Plans, which sets out the capital expenditure requirements of Council for the next 10 years by class of asset, and is a key input to the SRP. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy has been developed through a rigorous process of consultation and evaluation. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes
- Identification of capital projects through the preparation of asset management plans
- Prioritisation of capital projects within classes on the basis of evaluation criteria
- Methodology for allocating annual funding to classes of capital projects
- Business Case template for officers to document capital project submissions.

A key objective of the Infrastructure Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

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In updating the Infrastructure Strategy for the 2017-18 year, the following influences have had a significant impact:

- Reduction in the amount of cash and investment reserves to fund future capital expenditure programs
- Availability of significant State and Federal funding for upgrade of assets.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Total Capital Program \$'000	Summary of funding sources			
		Grants	Contributions	Council Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000
2016-17	43,194	3,036	4,300	22,358	13,500
2017-18	33,040	1,195	4,300	27,545	-
2018-19	32,858	1,207	4,300	27,351	-
2019-20	33,666	1,231	4,300	28,135	-
2020-21	35,992	1,256	4,300	30,436	-

16.3 Service delivery

The key objectives in Council's Strategic Resource Plan (referred to in Section 14.) which directly impact the future service delivery strategy are to maintain existing service levels and to achieve a breakeven operating result each year. The Rating Information (see Section 15.) also refers to modest rate increases into the future. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

The general influences affecting all operating revenue and expenditure include the following:

	2017-18 %	2018-19 %	2019-20 %	2020-21 %
Consumer Price Index	2.00	2.00	2.00	2.00
Rate increases	2.00	2.00	2.00	2.00
Government funding	10.00	10.00	10.00	10.00
Statutory fees	2.00	2.00	2.00	2.00
Investment return	3.00	3.00	3.00	3.00

The service delivery outcomes measured in financial terms are shown in the following table.

Year	Surplus (Deficit) for the year \$'000	Adjusted Underlying Surplus (Deficit) \$'000	Net Service (Cost) \$'000
2016-17	9,382	2,046	69,869
2017-18	8,884	3,389	71,072
2018-19	10,440	4,933	71,783
2019-20	13,496	7,965	72,501
2020-21	16,744	11,188	73,226

Service levels have been maintained throughout the four year period with operating surpluses forecast in years 2017-18 to 2020-21 and excluding the effects of items such as capital contributions, the adjusted underlying result is also a modest increasing surplus over the four year period. The net cost of the services provided to the community increases from \$71.01 million to \$73.2 million over the four year period.

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17. Budget Timelines

This section lists the Budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual Budget for each financial year. The Budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The Draft 2017-18 Budget is for the year 1 July 2017 to 30 June 2018 and is prepared in accordance with the Act and Regulations. The Budget includes financial statements being a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ending 30 June 2018 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards and the Local Government Model Accounts. The Budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the Budget.

A draft Budget is prepared in accordance with the Act and submitted to Council for approval in principle. Council is then required to give public notice that it intends to adopt the Budget. It must give 28 days notice of its intention to adopt the draft Budget and make the Budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the Budget and any submission must be considered before adoption of the Budget by Council.

The final step is for Council to adopt the Budget after receiving and considering any submissions from interested parties. The Budget is required to be adopted by 31 August 2017 and a copy submitted to the Minister within 28 days after adoption. The key dates for the Budget process are summarised below:

Budget process	Timing
1. Minister of Local Government announces maximum rate increase	Dec
2. Officers update Council's long term financial projections	
3. Officers engage with Councillors on Council Plan and key Budget principles	Dec-Mar
4. Draft Budget(s) submitted to Council for approval to advertise	Apr
5. Public notice advising draft Budget prepared	Apr
6. Budget available for public inspection and comment	Apr
7. Public submission process undertaken	May
8. Submissions period closes (28 days)	May
9. Submissions considered by Council/Committee	May
10. Budget and submissions presented to Council for adoption	Jun
11. Copy of adopted Budget submitted to the Minister	Jul

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If an alternative budget is adopted in principle in June, the following timelines will apply:

Budget process	Timing
1. Draft Budget submitted to Council for approval to advertise	Jun
2. Public notice advising draft Budget prepared	Jun
3. Budget available for public inspection and submissions	Jun - Jul
4. Submissions period closes	Jul
5. Submissions considered by Council/Committee	Jul
6. Budget and submissions presented to Council for adoption	Aug
7. Copy of adopted Budget submitted to the Minister	Aug

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Appendix A – Draft Rating Strategy

This appendix contains the Draft Rating Strategy for the City of Yarra for 2017-18.

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Draft Rating Strategy

1. INTRODUCTION

1.1. Purpose

Rates are an integral part of Council's available revenue streams. The rating strategy determines the most appropriate, affordable rating strategy which, in conjunction with other income sources, will adequately finance the objectives in the Council Plan. The additional purpose of this strategy is to make transparent to the community the principles by which rates are set.

A limited range of choices exist for how rates revenue is raised by Councils. The Rating Strategy outlines the principles which guide the City of Yarra to levy rates revenue, in particular how to distribute the rates burden on the community fairly.

In publishing the Rating Strategy, the City of Yarra has the following aims:

- improving community understanding of our rating system
- articulating the City of Yarra's strategy for distributing the rates burden on the community fairly.

The Rating Strategy is reviewed every two years and the principles in the Rating Strategy are also outlined annually during the City of Yarra's planning and budgeting cycle. This provides the community an opportunity to improve its understanding of rating in local government and provide input to the rate setting process.

1.2. Strategic links

Council's Rating Strategy enables Council to deliver on its Council Plan, and forms a key part of the Annual Budget, the four year Strategic Resource Plan (SRP – which is essentially Council's four year Budget), and Council's Long Term Financial Strategy (Council's 10 year Budget).

1.3. What are rates and who pays them?

Council rates are the contribution that ratepayers make towards the community services and community infrastructure that Councils deliver. Rates are a form of property tax, with each ratepayer contributing based on the value of the property they own. This principle is based on the legislative requirements within the Local Government Act.

There is no connection between the amount of rates paid by a property and the level of council services received.

It is intended by the legislation that the rates contribution made by each ratepayer reflects the capacity of the property owner to pay for a share of Council's costs. Using property values as a basis for calculating Council rates supports the following outcomes:

- ratepayers with similar property values are treated similarly
- ratepayers with higher value property pay relatively more rates.

It is acknowledged that the raising of rates based on the value of property is imperfect. The major limitation of property value based rates is that ownership of property does not necessarily equate to capacity to pay. However, it is considered to be the fairest way to fund community services for public benefit within the legislative framework that Councils operate.

The limited options available to Councils to raise rates revenue are explored in this Rating Strategy. The method for collecting rates impacts the share of total rates revenue contributions received from each ratepayer. This is distinct from the total rates revenue collected by Council, which is set by Council's annual budget.

The City of Yarra's obligation is to ensure a fair (or 'equitable') distribution of the rates burden it imposes on the community. The Rating Strategy, together with other Council policy initiatives, must consider the possibility that rates may become unaffordable for particular groups in the community.

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Rebates and other measures are provided for those sectors of the community that have limited capacity to pay rates. There are also some property owners that are exempted from rates, such as schools, charitable organisations, religious organisations, mining & forestry organisations, and properties owned by public bodies (Crown land).

The City of Yarra uses special rates to fund initiatives that benefit specific sections of the community. These special rates are developed in direct consultation with affected parties. An example of special rates schemes used at the City of Yarra are to fund promotion activities for trader groups.

1.4. Calculation of rates

Rates are calculated using the total value of property in the municipality (based on a General Valuation every two years) and the City of Yarra's annual budget requirements. General rates are increased in line with the rate cap, which is set by the Minister for Local Government each year.

Council determines how much revenue it needs to deliver its community services through its annual budget process. It then divides the total revenue by the municipality's aggregate Net Annual Value (NAV) (for residential properties, this is 5% of the total value of capital improved property). This calculates a 'rate in the dollar' which is then applied to each individual property's NAV.

For example, if a Council requires \$100 million in rates revenue and the total NAV of capital improved property in the municipality is \$2,000 million, then residential properties would pay 5.0 cents for every dollar of the property's NAV (across the municipality, this is 5.0 cents multiplied by \$2,000 million, which equals the \$100 million).

It is important to note that Councils do not receive a windfall gain when property values increase after undertaking a General Valuation. Revaluations in property result in a *redistribution* of the rate burden across all properties in the municipality. Any increase to total valuations of the municipality is offset by a reduction to the rate in dollar used to calculate the rate for each property. Total income is fixed each year as part of the Council budget process, and by meeting the rate cap.

1.5. Government and legislative context

Section 3C of the *Local Government Act 1989* (LGA) outlines that the primary objective of Councils is to endeavour to achieve the best outcomes for the local community. In seeking to do this, Council must 'ensure the equitable imposition of rates and charges'.

The legislative framework for the setting of rates and other charges is provided within the LGA. This includes the setting of:

- general rates as discussed above
- differential rates which are rates that are set at different levels for different classes of ratepayers (for example ratepayers who own residential, commercial, industrial, cultural and recreational land)
- special rates that are used for funding initiatives that benefit specific sections of the community
- service charges that are used to fund the collection and disposal of refuse and any other prescribed service; and
- municipal charges which are effectively a fixed charge for each property to cover Council administrative costs.

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The Rating Strategy will canvass the limited range of rating options available to Council under the LGA, including, but not limited to, the:

- choice of which property valuation base should be utilised
- consideration of uniform rating versus the application of differential rates (where possible)
- consideration of fixed service charges for the areas of waste collection and municipal administration
- hardship being taken into consideration through rebates, deferments or waivers.

These are examined in more detail in this document.

2. RATING EQUITY, EFFICIENCY AND SIMPLICITY

2.1. How should rates be set?

To deliver a fair outcome to its community and meet its legislative obligations, the City of Yarra must 'ensure the equitable imposition of rates and charges'. Councils must ensure, to the extent possible, that the distribution of the rates burden on the community is equitable, efficient and simple to understand.

The rating system is one of the most sensitive issues on which Council makes decisions. In getting to this point it is important to have an understanding of the following key principles involved, which are outlined below.

2.2. Equitable rating outcomes

Equity is a subjective concept that is difficult to define. What is considered fair for one person may be considered unfair for another. There are two main equity concepts used to guide the development of rating strategies (and taxation more generally):

horizontal equity – ratepayers in similar situations should pay similar amounts (ensured mainly by accurate property valuations undertaken in a consistent manner, their classification into homogenous property classes and the right of appeal against valuation)

vertical equity – those who are better off should pay more than those worse off (the rationale applies for the use of progressive and proportional income taxation. It implies a "relativity" dimension to the fairness of the tax burden).

Rates are essentially a "wealth tax", determined on the value of property. A pure "wealth tax" approach implies that the rates paid relate directly to the value of a ratepayer's real property. The tests of horizontal and vertical equity are solely based on a property's value. There is frequent debate surrounding the characteristics of property owners that may impinge on the application of an equity principle. The three main ways in which positions can vary are:

- the benefit or user pays principle – some ratepayers have more access to, make more use of, and benefit more from the council services paid for by rates
- the capacity to pay principle – some ratepayers have more ability to pay rates than do others with similarly valued properties
- the incentive or encouragement principle – some ratepayers may be doing more towards achieving council goals than others in areas such as environmental or heritage protection.

Concepts such as "user pays" and "capacity to pay" often conflict. Depending on your viewpoint the equitable outcome may be the one where individuals pay more, or less, or exactly in proportion to, their level of consumption of services.

A difficulty arises where services are fully or partially public goods and it is either difficult or impossible to quantify use or access. For practical reasons equity considerations become focused on how the costs of some universally available basket of services should be shared between ratepayers.

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In summary, equity is the concept of fairness in the amount that each ratepayer contributes to the total rates burden of the community, in return for the benefit that Councils provide. There are a number of different aspects to rating equity, including the following considerations:

- where appropriate, rates burdens should reflect the benefits ratepayers receive
- ratepayers with similar property values should be treated similarly
- ratepayers with a higher 'ability to pay' (based on property values) should contribute relatively more rates.
- ratepayers who are financially disadvantaged should be supported.

2.3. Efficient rating outcomes

Economic efficiency is measured by the extent to which production and consumption decisions by people are affected by a tax. Setting aside taxes explicitly intended to change behaviour (such as high taxes on cigarettes), a perfectly efficient tax would be one, which did not distort behaviour.

Of course, there is no such tax – all taxes affect behaviour to some extent. However, economic efficiency in revenue collection is maximised when the degree of this distortion is minimised.

Price is the major mechanism through which taxation efficiency may be achieved and for services where users are price sensitive, direct charging can influence demand and thus lead to greater efficiency. Conversely, the funding of services through rates (or via subsidies from other services) may result in an inflated demand for services and additional costs for councils to meet this demand. As a result, a mix of user charges and rates revenue funds a variety of council services.

The efficiency of a tax is also related to the cost of administration. Administration costs include the issuing of assessments, collection of rates (including maintaining and improving collection systems), monitoring outcomes, educating and informing ratepayers, and enforcement and debt recovery.

In summary, the distribution of Council rates is economically efficient if it minimises its impact on decisions made within the economy. That is to say, ratepayer's decisions (for example, whether to sub-divide a property) within the City of Yarra should not be unduly impacted on based on the *distribution* of rates.

2.4. Simplicity

Wherever possible, the rating practices implemented by Councils should be coherent and easily understood by ratepayers and the community. This can often be difficult given the legislative framework Councils work within.

The taxation principle of simplicity revolves around how easily a system can be understood by the public, namely ratepayers. This can conflict with the principles of equity and efficiency.

A simple rating scheme would have a limited number of rating classifications, even using a uniform rate. Other features of a simple rating scheme may be practicality and ease of administration. Rates in general are quite simple to administer in that they rely on a clear information source (property values) and they place a levy on something that is impossible to conceal (land).

Public understanding is another consideration for a council in striving for simplicity. A simple system should be easier for the public to understand as should the explanation of it by a council.

The efficacy of using rates to provide incentive or encouragement for ratepayers to act in a certain way to achieve corporate goals (e.g. environmental) should be evaluated critically against other approaches in terms of likely effectiveness.

2.5. Benefit principle

A popular complaint levelled at councils is that "the rates I pay have no correlation with the services I consume or the benefits I receive". This argument is based on the benefit principle (the opposite of the "wealth tax" principle) that argues there should be a clear nexus between consumption/benefit and the rate burden. A user pays system is closely reflective of the benefit principle.

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Application of the benefit principle to rates is difficult in practice because of the impossibility of measuring the relative levels of access and consumption across the full range of council services. While it might be quite obvious that certain geographic areas may not get access to specific services, it is the level of benefit across the full range of rates-funded services that is important in determining the amount of rates that should be paid. Clearly, the exercise is not clear cut.

The analysis of benefit is often reduced to arguments of what services are consumed by town v. country, businesses v. residences and between different towns and suburbs. Such a simplistic determination of rates based on where services are located ignores the facts that:

- many services are not location specific
- access is not synonymous with consumption
- residents can travel or use technology to access some services
- (perhaps more significantly for many councils) services provided in different locations within a municipality have different costs.

In some ways the arguing of the benefit principle with respect to council rates is like trying to do the same for Commonwealth income tax that is used to fund a wide range of universally accessed services. It is likely to be quite costly to regularly undertake in-depth analyses on service access, consumption patterns and costs in order to attempt to review the level of benefit. In any event many subjective assumptions will have to be introduced that is unlikely to produce a fair result.

Other pricing instruments such as user charges, special rates and charges, and service rates and charges better lend themselves to dealing with the issue of benefit.

2.6. Capacity to pay

Councils may decide that capacity to pay is fundamentally reflected by property value or that the application of the “wealth tax” and benefit principles should be moderated for groups of ratepayers because of capacity to pay considerations.

As rates are levied on unrealised wealth in the form of property, their nexus with ratepayers’ capacity to pay may be tenuous – ratepayers may be asset rich but cash poor or vice versa.

Councils have been provided with a number of rating instruments that allow them to address the capacity to pay issue to varying degrees, including differential rates, waivers and deferrals.

One of the major issues councils face in assessing “capacity to pay” relates to the landlord-tenant relationship and the fundamental distinction between who is legally liable to pay rates and the economic incidence of rates. The economic incidence of rates reflects who ultimately bears the cost of rates through higher prices, lower wages or lower returns on assets. Liability for rates typically rests with property owners. Hence a council is required to assess fundamentally the capacity to pay of the property owner and not the tenant, although council may legitimately have concerns for the latter. Property owners are not just individuals but individual investors represented by firms, superannuation funds, insurance companies, property trusts and banks.

Two issues are pertinent here. First, changes to property taxes have marginal effects on the rents (return) that properties can earn because rent is determined by the demand of actual and potential users against a fixed land supply. The theory goes that even if taxes are passed on to the renters the increase in rents will cause rents to fall as demand for rental premises declines. In response to this it could be argued that there are a number of reasons to think that rate rises may be passed onto tenants. For example rental markets may be tight or slow to adjust and there are often logistic and other factors why businesses are committed to particular premises. In some commercial arrangements, a tenant can be liable for the rates as a result of a contractual agreement.

Councils therefore need to determine whether they should have regard to, and how best to address, the issue of the economic incidence of rates. Given the assumption that landlords will generally (but not always) have a greater capacity to pay rates than tenants, councils may wish to consider whether they can discriminate between properties on this basis. In practice, there is no simple means of

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identifying the properties that are rentals and therefore additional council resources would be required to do this.

Historically, councils have used the capacity to pay principle as a primary argument in the setting of differential rates. There has, however, been a lack of transparency concerning the basis for the views held about capacity to pay and their translation into a hierarchy of rates. More often than not substantive and evidence-based reasons are not provided why the rate in the dollar on one type of property is higher/lower than another (or for that matter why a uniform rate system exists) or to explain the basis for the difference.

On equity and good public policy grounds, it is appropriate that the meaning and assessment of capacity to pay is agreed, at least from a practical point of view, and that decisions are influenced by a strong understanding of the factors relevant to particular property classes in order to make informed, albeit, generalised observations about their capacity to pay rates.

3. RATING PRINCIPLES

With consideration to all of the principles outlined in Section 2 above, the various elements of the City of Yarra's Rating Strategy can be summarised as:

3.1. General Rating Objective

The City of Yarra will ensure the responsible collection of rate revenue as a means of paying for the provision of valued community services, and renewal of Council's infrastructure. In doing so, it will seek to ensure the equitable distribution of the rate burden. Rates will be applied in a way that seeks to maintain the diversity within the municipality, not displacing those of a lower socio-economic status, the aged, or those who are not property owners.

3.2. Rating Principles

1. The City of Yarra will levy rates as measured by the Net Annual Value of property owned within the municipality.
2. The City of Yarra will not implement a municipal charge, as such a charge increases the rates burden on ratepayers who have a lower ability to pay.
3. The City of Yarra will use service charges where private benefit exists for specific services and where this is consistent with its broader funding principles. Service charges may also be used as a means of influencing community behaviour and ensuring equitable outcomes in the community.

Special rates and charges will be used where a specific benefit or service can be identified for ratepayers and only following consultation with the affected ratepayers.

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4. The City of Yarra is committed to providing targeted support for the financially disadvantaged in the community through:
 - Deferred payments (otherwise referred to as 'hardship provisions')
 - Pensioner rebates (including a supplementary City of Yarra sponsored rate rebate)
 - A compassionate approach to debt management.
5. Non-rateable properties will be required to contribute to services provided by the City of Yarra through the payment of service charges.
6. Properties provided for under the *Cultural and Recreational Lands Act 1963* will be required to pay a different level of rates. Discounts will be structured to provide greatest support to those organisations that do not rely on liquor sales or gaming revenue.
7. The City of Yarra Rating Strategy will be reviewed at least every two years.

4. RATES BASED ON PROPERTY VALUATION

4.1. Property valuation methods

There are three valuation methods available for Councils to value properties for the purposes of raising rates. These are site value (SV), net annual value (NAV) or capital improved value (CIV).

Yarra uses the NAV method for rating purposes.

The valuation base used for rating purposes does not affect the total level of revenue the Council raises through rates. The total level of rate revenue to be raised by the Council is determined as part of the Council's annual budget setting exercise and the rate cap.

The CIV method refers to the total market value of the land plus the improved value of the property including the house, other buildings and landscaping.

Under the CIV method, Councils can set differential rates for residential, commercial and industrial ratepayers. CIV is the most commonly used rating method in Victoria.

The SV method values only the unimproved market value of the land. It is not used by any Victorian Councils.

The NAV Method is calculated two ways: It is either 5% of the CIV for residential properties or the EAV for non-residential properties. EAV means the rent at which the land might be expected to be let from year to year free of all usual tenant's rates and taxes less the cost of landlord expenses such as insurance, maintenance and land tax or 5% of the CIV (whichever is the greater). The EAV (NAV) for industrial properties typically equates to between 5% and 7% of CIV. Rents for commercial and retail properties have crept below 5% as interest rates remain at their current low levels. Properties with rents below 5% have their NAV pegged at 5%. The NAV method is commonly used by Melbourne Metropolitan Councils.

4.2. Advantages and disadvantages of valuation methods

No property valuation methodology raises more rates than the others. The choice of valuation method relates to the equity (or distribution) of the rates burden impact on the community.

The NAV method uses the value of a property's market rent (for non-residential properties) to determine the share of rates. The minimum the NAV can be for any property is 5% of its CIV. Given that market rent for non-residential properties is pegged at 5% or can be higher than 5%, the NAV

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method results in a higher relative percentage of the rates burden being met by commercial and industrial properties, based on information from the rental market.

The advantage of the NAV method is that it recognises the end use of properties and the share of the rates burden is set by transparently based market rentals (for which there are many transactions). The higher market rentals and the 5% pegging for non-residential properties create an 'in-built' differential for these types of ratepayers.

The CIV method uses the value of recent market sales to determine the value of the share of rates contribution. This includes consideration of the value of land, buildings and landscaping. The CIV method also allows for the use of differential rates, where rates can be set differently for different classes of ratepayers.

The key advantage of the CIV method is that the consideration of capital improvements is a better reflection of ratepayer's investment, therefore *may* be a better reflection of ratepayer's ability to pay rates.

The disadvantage of the CIV method is that it requires more frequent data maintenance with respect to keeping track of property improvements. In addition, a move away from the NAV method to CIV may result in a significant increase in the proportion of total rates paid by residential ratepayers, with a corresponding reduction in the proportion paid by commercial and industrial ratepayers, if there was no differential rate applied.

While offering Councils flexibility in rate setting, differential rates need to be appropriately justified. There are Ministerial Guidelines for Differential Rating which Councils need to comply with if differential rates are used.

The SV method is based on the value of the land portion of any property and is therefore influenced by location, view and aspect. The method is a relatively poor reflection of a ratepayer's ability to pay rates, compared to NAV and CIV.

4.3. Property valuation method adopted

Based on the relative merits of the respective valuation methods, the City of Yarra deems that the NAV is the most appropriate valuation method to use as a basis for the distribution of rates in the municipality.

Rating Principle 1

The City of Yarra will levy rates as measured by the Net Annual Value of property owned within the municipality.

4.4. Valuation and supplementary valuation process

Councils undertake independent valuations according to the provisions of the *Valuation of Land Act 1960* and administered in accordance with Land Victoria's best practice guidelines. Properties are valued as part of a General Valuation every two years. Ratepayers have rights under the *Valuation of Land Act 1960* to object to the valuation of their property, however must do so within two months after the notice of valuation is given.

Valuations are also important because other rating authorities, such as the State Revenue Office (land tax) and water authorities (water and sewage charges), use municipal property valuations for the purpose of levying State rates or taxes.

In addition to the General Valuation, all properties that undergo improvement or change are subject to a Supplementary Valuation. Supplementary Valuations are applied to properties between the biennial

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General Valuations if they have changed markedly in value as a result of physical changes such as subdivision, building improvements and additions. The circumstances where a Supplementary Valuation may occur are outlined in the *Valuation of Land Act 1960*.

The City of Yarra undertakes its Supplementary Valuations through its contract Valuer on a monthly basis.

5. OTHER RATES AND CHARGES

5.1. Municipal charge

Councils may elect to recover the costs of providing municipal services through a fixed charge, also referred to as a 'municipal charge'. This charge is intended to cover fixed administrative and governance costs such as the cost of valuations and administration of the rate system. This charge recovers a portion of the Council rates requirement (which replaces general rates revenue and does not add to it). The City of Yarra has no municipal charge.

The income from the municipal charge may not exceed 20% of the combined income from the municipal charge and from general rates. Municipal charges are levied as a flat or uniform sum per service or property.

The advantage of a municipal charge is that it reflects the fixed costs of Councils. The disadvantage is that it has a greater impact on ratepayers that have a lower capacity to pay.

Rating Principle 2

The City of Yarra will not implement a municipal charge.

5.2. Service charges

Councils may elect to recover a service charge to fund the collection and disposal of refuse and any other prescribed service. The service rate or service charge may be declared on the basis of any criteria specified by Councils in developing the rate or charge.

Rating Principle 3

The City of Yarra will use service charges where private benefit exists for specific services and where this is consistent with its broader funding principles. Service charges will also be used as a means of influencing community behaviour and ensuring equitable outcomes in the community.

5.3. Special rates and charges

Councils can declare a special rate or a special charge for the 'performance of a function or the exercise of a power'. As such, the special rate or charge can be used to fund the cost of providing services 'of special benefit' to the people paying the special rate or charge. Special rates and charges can be used to fund the sealing of a previously unsealed road, providing drainage where drainage was not

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previously provided, building car parks in shopping centres, promotional or security services for strip shopping centres.

The City of Yarra consults with the affected segment of the community before instituting special rates and charges. Councils have the power to set the criteria and duration of any special rates or charges (for example, area or properties affected, mode of calculation). Where non-rateable properties lie within the special charge area and they will benefit from the works subject to the special charge, they also contribute to the special charge.

Rating Principle 4

Special rates and charges will be used where a specific benefit or service can be identified for ratepayers and only following consultation with the affected ratepayers.

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6. TARGETED SUPPORT FOR THE FINANCIALLY DISADVANTAGED

6.1. Rates charged to the property

Provision exists for the rates to be made 'a charge on the property' and remain so until the property is sold. Councils have generally used this power to apply compassionate considerations for elderly people, especially those who might be characterised as 'asset rich but income poor'. For example, a person may have acquired a house during their working life but may have insufficient income for their retirement. Instead of pursuing legal action to recover the unpaid rates, the rates (plus a prescribed rate of interest) can be recouped when the property is sold.

6.2. Deferred payment

Frequently referred to as 'hardship provisions', a Council can defer the payment of rates should a ratepayer apply and meet the relevant conditions. This has generally been applied in circumstances of financial hardship and arrangements have been made by the individual ratepayer for the payment of rates over a period of time. The result of the Council allowing a deferral is generally an 'arrangement to pay', that is, an agreed timeframe or schedule for rate payments.

A Council can change the arrangement if the ratepayer's circumstances change or if the relevant property is sold.

6.3. Waivers

Councils can waive rates and charges or interest where a person suffers financial hardship. The City of Yarra waives no rates except as a procedural tool for enabling pensioner rebates.

6.4. Pensioner rebates

Pensioner rebates are a waiver of the whole or part of any rates, charges or interest obligation for eligible recipients under the *State Concessions Act 2004* (which include pensioners and residents of retirement villages). In a process administered by the State Government, a concession on municipal rates is available to assist eligible low income ratepayers afford rates on their place of residence. Where only part of a property is being used as a place of residence, each part of the property is to be rated separately.

In order to support its policy objectives, the City of Yarra also provides a supplementary rebate to eligible pensioners in addition to the State Government rebate.

To be eligible for the municipal rate concession, the ratepayer must be the holder of an eligible:

- Pensioner Concession Card issued by Centrelink or Department of Veterans Affairs (DVA), or
- DVA Gold Card - Totally and Permanently Incapacitated
- DVA Gold Card - War Widow.

Applications for municipal rates concessions are made directly to the City of Yarra. Where a rate rebate was recognised the previous year and where the ratepayer remains eligible, no further application is required.

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6.5. A compassionate approach to debt management

The City of Yarra applies a compassionate approach to those ratepayers who cannot readily meet their rates debt. All options available within this rating strategy are proactively explored with ratepayers before debt collection measures are escalated.

Rating Principle 5

The City of Yarra is committed to providing targeted support for the financially disadvantaged in the community through:

- Deferred payments (otherwise referred to as 'hardship provisions')
- Pensioner rebates (including a supplementary City of Yarra sponsored rate rebate)
- A compassionate approach to debt management.

7. NON-RATEABLE PROPERTIES AND OTHER RATE REDUCTIONS

7.1. Non-Rateable Properties

The LGA requires Council to grant a rate exemption to those properties that meet the rate exemption requirements. Basically there are four main rate exempt groups:

- Public Purpose (Government, Municipal and Crown Land)
- Charitable Land
- Religious Land
- Service Clubs

The test of rateability is the use of the land. For a property to be rate exempt it must "be used exclusively" for the exempt purpose, therefore the test is use, not ownership. Exemptions are not granted unless the use has the appropriate planning approval.

The LGA has specific provisions regarding charging exempt properties services charges including; waste collection, street construction and special rates and charges.

Yarra has approximately 300 rate exempt properties within the Municipality. A number of major properties are rate exempt, including St Vincent's Hospital, Australian Catholic University and Epworth Hospital.

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Rating Principle 6

Non-rateable properties will be required to contribute to services provided by the City of Yarra through the payment of service charges.

7.2. Cultural and Recreational Properties

The provisions of the *Cultural and Recreational Lands Act 1963* modify the way in which the users of 'recreational lands' are rated. The *Cultural and Recreational Lands Act 1963* has two principal criteria:

- the land must be owned by the body providing the service or must be on land rented from the Government or Council (that is, it does not apply to land rented from private landowners)
- it must be for an outdoor recreational or cultural activity.

The *Cultural and Recreational Land Act 1963* enables Councils to levy as rates on recreational lands an amount that it thinks reasonable taking into account the services provided on land and the benefits the community derives from it.

Facilities where profits are paid as a dividend to members are specifically excluded from any discount.

The City of Yarra applies a percentage discount from the general rate to reflect the community benefit the land creates. This is consistent with the practice across the Victorian local government sector. This is reviewed by the City of Yarra on a regular basis with suitable supporting data provided by benefiting organisations.

The discounts are calculated with a preference for organisations without a liquor or gaming licence.

Rating Principle 7

Properties provided for under the *Cultural and Recreational Lands Act 1963* will be required to pay different levels of rates. Discounts will be structured to provide greatest support to those organisations that do not rely on liquor sales or gaming revenue.

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8. THE IMPACT OF THIS RATING STRATEGY

8.1. Rates supporting Council policy

The City of Yarra actively seeks to retain and enhance the diversity within the municipality. This diversity encompasses socio-economic advantage as well as other characteristic such as home ownership, ethnicity, age and family status (among others).

The Rating Strategy has been developed to support the conditions that allow our communities to experience and enjoy diversity of values, beliefs and aspirations and which provide the financial basis that our residents have access to effective and appropriate services and resources.

A major priority of the City of Yarra is to support those members of the community that are financially disadvantaged or vulnerable.

8.2. The impact of rating principles

Rates are a form of property tax based on the valuation of each property. It is intended that the rates levied represent a fair measure of the benefit of the services to each property and reflect the capacity of the property owner to meet a share of the overall community costs.

Rates should be set so that the distribution of the rates burden on the community is equitable, efficient and simple to understand. These goals can come into conflict and there is no 'one size fits all' approach.

Importantly, the LGA provides a limited range of options for Councils to develop rating systems, which are outlined in this strategy.

Within the legislative framework the City of Yarra operates, the Rating Strategy best supports the following outcomes:

- **Equitable:** The distribution of rates based on the NAV property valuation method, with targeted support for the financially disadvantaged, achieves outcomes that are fair and equitable. Rating on the basis of the NAV method provides for an 'in-built' differential which determines the share of rates borne by different segments of ratepayers based on market information.
- **Efficient:** The Rating Strategy aims to use the market (as represented in the Net Annual Value method) to distribute rates in the municipality. This will limit any unintended consequences of rates within the economy. An exception is where rates are set in such a way to deliberately influence community behaviour, for example the rates funding of waste collection costs, which ensures both desirable community behaviour with regards to waste and equitable funding of this service.
- **Simple to understand:** The development of this Rating Strategy aims to make transparent the key principles on which the City of Yarra bases its Rating Strategy and the legislative framework it operates within. While some of the rating concepts used by Councils are inherently complicated, the City of Yarra is committed to making available to the public the basis on which rating decisions are made.

8.3. Review of Rating Strategy

The City of Yarra is committed to communicating to ratepayers the way in which rates are set and implemented, to reviewing the Rating Strategy periodically and to publish and inform the community of its decisions in respect to the Rating Strategy.

Rating Principle 8

The City of Yarra Rating Strategy will be reviewed at least every two years.

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Appendix B - Fees and Charges Schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2017-18 year.

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* Indicates a Statutory Fee and is not set by Council

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
A credit card surcharge fee of 0.5% will apply to payments made via VISA or MasterCard.			
PROPERTY & RATING FEES			
Land information certificates*	GST Free	\$24.80	\$25.90
Land information certificates - 24 hour turnaround (online application only)	GST Free	\$64.80	\$67.00
Garbage Charge - Properties exempt from Rates	GST Free	\$359.00	\$365.00
Valuation Certificate	Taxable	\$20.00	\$20.50
Retrospective Valuation Certificate	Taxable	\$91.50	\$94.00
Payment Arrangement fee (Rates – Referred for Legal Action)	Taxable	\$5.50 per month	\$5.60 per month
GOVERNANCE SUPPORT			
Freedom of information requests*	GST Free	\$27.90	Adopt Statutory Fee
LIBRARIES			
Overdue Items	GST Free	\$0.20 per day	\$0.20 per day
Damaged Books	Taxable	Cost + \$11.50	Cost + \$11.50
Damaged Magazines	Taxable	Cost + \$3.50	Cost + \$3.50
Lost Item	Taxable	Cost + \$11.50	Cost + \$11.50
Lost Card	Taxable	\$3.70	\$3.80
Inter Library Loans	Taxable	\$17.20	\$17.70
Reservations	GST Free	No Charge	No Charge
Word Processing	Taxable	No Charge	No Charge
Internet Access	Taxable	No Charge	No Charge
Printing from Computers	Taxable	\$0.20 per page	\$0.20 per page
Library Bags	Taxable	\$2.60	\$2.70
Photocopies			
Photocopies A4	Taxable	\$0.20	\$0.20
Photocopies A3	Taxable	\$0.40	\$0.40
Photocopies A4 (colour)	Taxable	\$1.00	\$1.00
Photocopies A3 (colour)	Taxable	\$2.00	\$2.00
Book Sales			
Hardbacks	Taxable	\$2.50	\$2.50
Paperbacks	Taxable	\$1.50	\$1.50

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Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Magazines	Taxable	\$0.50	\$0.50
Finance			
Dishonoured Cheque Administration Fee	Taxable	\$33.30	\$34.10
Dishonoured Direct Debt Administration Fee	Taxable	\$33.30	\$34.10
AGED & DISABILITY SERVICES			
Home Care, Personal Care and Respite Care			
Home Care General Low Fee Range			
Home Care General Low fee range - Single Up to \$26,933	GST Free	\$3.85	\$3.95
Home Care General Low fee range - Single \$26,933 to \$36,972	GST Free	\$5.95	\$6.10
Home Care General Low fee range - Couple Up to \$56,589	GST Free	\$6.00	\$6.15
Home Care General Low fee range - Family Up to \$62,693	GST Free	\$6.00	\$6.15
Home Care General Medium Fee Range			
Home Care General Medium fee range - Single \$36,972 to \$51,712	GST Free	\$8.55	\$8.75
Home Care General Medium fee range - Single \$51,712 to \$66,452	GST Free	\$11.00	\$11.30
Home Care General Medium fee range - Single \$66,452 to \$81,192	GST Free	\$13.50	\$13.85
Home Care General Medium fee range - Couple \$56,589 to \$73,907	GST Free	\$10.00	\$10.25
Home Care General Medium fee range - Couple \$73,907 to \$91,225	GST Free	\$12.70	\$13.00
Home Care General Medium fee range - Couple \$91,225 to \$108,543	GST Free	\$15.00	\$15.40
Home Care General Medium fee range - Family \$62,693 to \$79,109	GST Free	\$10.00	\$10.25
Home Care General Medium fee range - Family \$79,109 to \$95,525	GST Free	\$12.70	\$13.00
Home Care General Medium fee range - Family \$95,525 to \$111,941	GST Free	\$15.00	\$15.40
Home Care General High Fee Range			
Home Care General High Range - Single Above \$81,194	GST Free	\$32.80	\$33.60
Home Care General High Range - Couple Above \$108,543	GST Free	\$32.80	\$33.60
Home Care General High Range - Family Above \$111,941	GST Free	\$32.80	\$33.60
Personal Care			
Personal Care Low Fee Range			
Personal Care Low fee range - Single Up to \$26,933	GST Free	\$3.75	\$3.85
Personal Care Low fee range - Single \$26,933 to \$36,972	GST Free	\$4.50	\$4.60
Personal Care Low fee range - Couple Up to \$41,730	GST Free	\$3.75	\$3.85
Personal Care Low fee range - Couple \$41,730 to \$56,589	GST Free	\$4.50	\$4.60
Personal Care Low fee range - Family Up to \$47,844	GST Free	\$3.75	\$3.85
Personal Care Low fee range - Family \$47,844 to \$62,693	GST Free	\$4.50	\$4.60
Personal Care Medium Fee Range			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Personal Care General Medium fee range - Single \$36,972 to \$51,712	GST Free	\$7.00	\$7.20
Personal Care General Medium fee range - Single \$51,712 to \$66,452	GST Free	\$7.40	\$7.60
Personal Care General Medium fee range - Single \$66,452 to \$81,192	GST Free	\$8.10	\$8.30
Personal Care General Medium fee range - Couple \$56,589 to \$73,907	GST Free	\$7.00	\$7.20
Personal Care General Medium fee range - Couple \$73,907 to \$91,225	GST Free	\$7.40	\$7.60
Personal Care General Medium fee range - Couple \$91,225 to \$108,543	GST Free	\$8.10	\$8.30
Personal Care General Medium fee range - Family \$62,693 to \$79,109	GST Free	\$7.00	\$7.20
Personal Care General Medium fee range - Family \$79,109 to \$95,525	GST Free	\$7.40	\$7.60
Personal Care General Medium fee range - Family \$95,525 to \$111,941	GST Free	\$8.10	\$8.30
Personal Care High Fee Range			
Personal Care General High Range - Single Above \$81,194	GST Free	\$36.70	\$37.60
Personal Care General High Range - Couple Above \$108,543	GST Free	\$36.70	\$37.60
Personal Care General High Range - Family Above \$111,941	GST Free	\$36.70	\$37.60
Respite Care			
Respite Care Low Fee Range			
Respite Care Low fee range - Single Up to \$26,933	GST Free	\$2.60	\$2.65
Respite Care Low fee range - Single \$26,933 to \$36,972	GST Free	\$3.00	\$3.10
Respite Care Low fee range - Couple Up to \$41,740	GST Free	\$2.60	\$2.65
Respite Care Low fee range - Couple \$41,740 to \$56,589	GST Free	\$3.00	\$3.10
Respite Care Low fee range - Family Up to \$47,844	GST Free	\$2.60	\$2.65
Respite Care Low fee range - Family \$47,844 to \$62,693	GST Free	\$3.00	\$3.10
Respite Care Medium Fee Range			
Respite Care General Medium fee range - Single \$36,972 to \$51,712	GST Free	\$3.45	\$3.55
Respite Care General Medium fee range - Single \$51,712 to \$66,452	GST Free	\$4.30	\$4.40
Respite Care General Medium fee range - Single \$66,452 to \$81,192	GST Free	\$4.40	\$4.50
Respite Care General Medium fee range - Couple \$56,589 to \$73,907	GST Free	\$3.45	\$3.55
Respite Care General Medium fee range - Couple \$73,907 to \$91,225	GST Free	\$4.30	\$4.40
Respite Care General Medium fee range - Couple \$91,225 to \$108,543	GST Free	\$4.40	\$4.50
Respite Care General Medium fee range - Family \$62,693 to \$79,109	GST Free	\$3.45	\$3.55
Respite Care General Medium fee range - Family \$79,109 to \$95,525	GST Free	\$4.30	\$4.40

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Respite Care General Medium fee range - Family \$95,525 to \$111,941	GST Free	\$4.40	\$4.50
Respite Care High Fee Range			
Respite Care General High Range - Single Above \$81,192	GST Free	\$33.80	\$34.65
Respite Care General High Range - Couple Above \$108,543	GST Free	\$33.80	\$34.65
Respite Care General High Range - Family Above \$111,941	GST Free	\$33.80	\$34.65
Home Maintenance			
Home Maintenance Low Fee Range			
Home Maintenance Low fee range - Single Up to \$26,933	GST Free	\$4.25	\$4.35
Home Maintenance Low fee range - Single \$26,933 to \$36,972	GST Free	\$6.65	\$6.80
Home Maintenance Low fee range - Couple Up to \$41,740	GST Free	\$4.25	\$4.35
Home Maintenance Low fee range - Couple \$41,740 to \$56,589	GST Free	\$7.80	\$8.00
Home Maintenance Low fee range - Family Up to \$47,844	GST Free	\$4.25	\$4.35
Home Maintenance Low fee range - Family \$47,844 to \$62,693	GST Free	\$7.80	\$8.00
Home Maintenance - Medium Fee Range			
Home Maintenance Medium Fee Range Single - \$36,972 to \$81,194	GST Free	\$16.40	\$16.80
Home Maintenance Medium Fee Range Couple - \$56,589 to \$108,543	GST Free	\$16.40	\$16.80
Home Maintenance Medium Fee Range Family - \$62,693 to \$111,941	GST Free	\$16.40	\$16.80
Home Maintenance - High Fee Range			
Home Maintenance High Range - Single Above \$81,192	GST Free	\$47.30	\$48.50
Home Maintenance High Range - Couple Above \$108,543	GST Free	\$47.30	\$48.50
Home Maintenance - Family Above \$111,941	GST Free	\$47.30	\$48.50
Delivered / Centre Meals			
Delivered / Centre Meals -Low Fee Range			
Delivered / Centre Meals Single up to \$36,972	GST Free	\$6.20	\$6.35
Delivered / Centre Meals Couple Up to \$56,589	GST Free	\$6.20	\$6.35
Delivered / Centre Meals Family Up to \$62,693	GST Free	\$6.20	\$6.35
Delivered / Centre Meals - Medium Fee Range			
Delivered / Centre Meals Single - \$36,438 to \$81,192	GST Free	\$8.00	\$8.20
Delivered / Centre Meals Couple - \$56,589 to \$108,543	GST Free	\$8.00	\$8.20
Delivered / Centre Meals Family - \$62,693 to \$111,941	GST Free	\$8.00	\$8.20
Delivered / Centre Meals - High Fee Range			
Delivered / Centre Meals- Single Above \$81,192	GST Free	\$20.90	\$21.40
Delivered / Centre Meals - Couple Above \$108,543	GST Free	\$20.90	\$21.40
Delivered / Centre Meals - Family Above \$111,941	GST Free	\$20.90	\$21.40
Willowview			
Willowview - High Care			
Willowview - Outing Group			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Willowview - Low Fee Range Single up to \$36,972	GST Free	\$7.70	\$7.90
Willowview - Low Fee Range Couple Up to \$56,589	GST Free	\$7.70	\$7.90
Willowview - Low Fee Range Family Up to \$62,693	GST Free	\$7.70	\$7.90
Willowview - Medium Fee Range Single - \$36,972 to \$81,194	GST Free	\$7.70	\$7.90
Willowview - Medium Fee Range Couple - \$56,589 to \$105,543	GST Free	\$7.70	\$7.90
Willowview - Medium Fee Range Family - \$62,693 to \$111,941	GST Free	\$7.70	\$7.90
Willowview - High Fee Range - Single Above \$81,192	GST Free	\$19.45	\$19.95
Willowview - High Fee Range - Couple Above \$108,543	GST Free	\$19.45	\$19.95
Willowview - High Fee Range - Family Above \$111,941	GST Free	\$19.45	\$19.95
Additional charge applies to Willowview Outing Group only if meal provided by the service	GST Free	\$4.80	\$4.90
Home Care Packages (HCP)			
<i>Rates negotiable in special circumstances. Refer Aged & Disability Services - Home Care Packages Policy</i>			
Linkage Program- Monthly Case Management Fee	Taxable	0-\$258 per month	TBA
<i>Based upon HACC services used and other services as negotiated</i>			
All Meals	Taxable	\$19.35	\$19.85
Home/Personal/Respite Care (8.00am to 6.00pm Monday to Friday)	Taxable	\$45.00	\$46.15
Home/Personal/Respite Care (6.00pm to 8.00am Monday to Friday)	Taxable	\$95.60	\$98.00
Home/Personal/Respite Care (6.00pm Friday to 8.00am Monday)	Taxable	\$95.60	\$98.00
Adult Day Care	Taxable	\$33.20	\$34.05
PARKING SERVICES			
Parking Fees - meters/ticket machines (per hour)	Taxable	\$4.00	\$4.00
All Day Parking (various locations)	Taxable	\$11.00 per day	\$12.00
Night parking rate	Taxable	New Fee	\$12.00
Occupation of parking bays - parking meter/first day- Non Commercial Street	Taxable	\$55.00	\$60.00
Occupation of parking bays - parking meter/subsequent day- Non Commercial Street	Taxable	\$27.00	\$30.00
Occupation of parking bays - parking meter/first day- Commercial Street	Taxable	New Fee	\$100.00
Occupation of parking bays - parking meter/subsequent day- Commercial street	Taxable	New Fee	\$50.00
Parking Permits - 1st Resident permit	GST Free	\$36.00	\$37.00
Parking Permits - 2nd Resident permits	GST Free	\$91.00	\$93.00
Parking Permits - 3rd Resident permits	GST Free	\$171.00	\$175.00
Parking Permits - Business - 1st permit	Taxable	\$124.00	\$127.00
Parking Permits - Business - 2nd and subsequent permits	Taxable	\$230.00	\$236.00
Parking Permits - Disabled	GST Free	No Charge	No charge

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Parking Permits - 1st Visitor permit	GST Free	\$36.00	\$37.00
Parking Permits - 2nd Visitor permits	GST Free	\$91.00	\$93.00
Parking Permits - 3rd Visitor permits	GST Free	\$171.00	\$175.00
Vehicle tow-away - impounding fee	Taxable	\$403.00	\$415.00
Derelict vehicles/pound fee - abandoned/unregistered vehicle	Taxable	\$403.00	\$415.00
Installation of Loading Zone	Taxable	New Fee	\$200.00
LOCAL LAWS/LEGISLATIVE SERVICES			
Footpath Trading -Application/ Inspection fee (Non-refundable)	GST free	\$50.00	\$52.00
Footpath heaters	GST free	\$100.00	\$103.00
Footpath awning fee	GST free	\$200.00	\$205.00
Local laws Permit refund fee	GST free	\$100.00	\$103.00
Planter Box/Tubs (Excludes Tables & Chairs) Footpath trading only	GST free	\$50.00	\$52.00
Footpath/nature strip garden permit fee	GST free	New Fee	\$20.00
Footpath/nature strip planter box yearly rental fee	GST free	New Fee	\$55.00
Additional miscellaneous item Footpath trading	GST free	\$50.00	\$52.00
Mobile Food Vans - Normal Rate	GST free	\$2,400.00	\$2,460.00
Mobile Food Vans - Concession Rate (Yarra Resident Only)	GST free	\$1,700.00	\$1,745.00
Mobile food van - small private events permit 1 day or less	GST Free	New fee	\$100.00
Mobile food van- Charity or Non for profit event.	GST Free	New Fee	\$0.00
Significant tree Application fee(Non-refundable)	GST free	\$130.00	\$140.00
Significant Tree Permit- Removal	GST free	\$200.00	\$205.00
Significant Tree Permit- Pruning only	GST free	\$100.00	\$103.00
Excess Animal Permit- Application Fee (Non Refundable)	GST free	\$50.00	\$52.00
Cat trap- rental per week	GST free	\$20.00	\$21.00
Commercial dog walking permit (annual permit)	GST free	\$100.00	\$103.00
Excess Animal Permit-Fee	GST free	\$50.00	\$52.00
Temporary Public Space Licences up to 7 days	GST free	\$62.00	\$64.00
Local law permit application fee(As required)	GST free	\$50.00	\$52.00
Busking Permit (Monthly charge)	GST free	\$13.00	\$13.50
Planter box/tubs- Laneway garden permit fee	GST free	\$50.00	\$52.00
General Local Law Permit	GST free	\$314.00	\$322.00
Temporary Public space permit- Promotional Short Term (1) 0- 3 days	GST free	\$100.00	\$103.00
Temporary Public space permit- Promotional Short Term (2) 3- 7 days where admin/detailed review required	GST free	\$160.50	\$165.00
Local Laws permit Inspection fee- After hours	GST free	\$100.00	\$150.00
Miscellaneous / Impound release Fee	GST free	\$102.00	\$105.00
Shopping Trolley Release fees	GST free	\$60.00	\$62.00
Public Space Licences			
Items on Footpath:			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Advertising Sign - per sign (licensed)	GST Free	\$165.00	\$170.00
Advertising Sign - per sign (unlicensed)	GST Free	\$112.00	\$115.00
Goods Display	GST Free	\$382.00	\$395.00
Tables & Chairs:			
Licensed premises - per table over 800mm(Including benches)	GST free	\$85.00	\$87.00
Licensed Premises - per table up to 800mm	GST Free	\$74.00	\$76.00
Licensed Premises - per chair (600mm =1 Chair)	GST Free	\$68.00	\$70.00
Unlicensed Premises - per table over 800mm (including benches)	GST Free	\$85.00	\$87.00
Unlicensed Premises - per table up to 800mm	GST Free	\$74.00	\$76.00
Unlicensed Premises - per chair (600mm = 1 Chair)	GST Free	\$20.00	\$21.00
Real Estate Sign License	GST Free	\$740.00	\$760.00
Mobile Food Van public land (Once off day rate)	GST Free	\$314.00	\$320.00
Local Laws application and permit fee- Political parties (Election caretaker periods only)		\$0.00	\$0.00
Local Law application and permit fee- charity/non for profit		\$0.00	\$0.00
Kerb Market			
Gleadell Street Market (per stall)	Taxable	\$82.00	\$84.00
Other			
Miscellaneous / Impound Fee	Taxable	\$102.00	\$105.00
Planning Enforcement			
Liquor Licensing Advice Requests	Taxable	\$150.00	\$155.00
ANIMAL CONTROL			
COMMUNITY AMENITY - (Local Laws and Animal Control)			
Dog Registration			
Standard Maximum Fee	GST Free	\$188.00	\$194.00
Standard Reduced Fee	GST Free	\$60.00	\$62.00
Concessional Maximum Fee	GST Free	\$94.00	\$97.00
Concessional Reduced Fee	GST Free	\$17.00	\$18.00
Registration – Declared menacing, dangerous & restricted breed dogs	GST Free	\$320.00	\$330.00
Cat Registration			
Standard Maximum Fee	GST Free	\$105.00	\$108.00
Standard Reduced Fee	GST Free	\$35.00	\$36.00
Concessional Maximum Fee	GST Free	\$52.00	\$54.00
Concessional Reduced Fee	GST Free	\$12.50	\$13.00
Animal Registration refund	GST Free	New Fee	50% refund until 1 Oct. After that date no refunds
Replacement Animal Registration tag	Taxable	\$5.00	\$5.00

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Animal Pound Release fees			
Release fee - Dog	Taxable	\$90.00	\$95.00
Release fee - Cat	Taxable	\$35.00	\$36.00
Livestock (small)	Taxable	\$55.00	\$57.00
Livestock (large)	Taxable	\$200.00	\$205.00
Registration of Domestic Animal Business			
Annual Registration Fee	Taxable	\$380.00	\$390.00
Domestic Animal Business registration refund	GST Free	New Fee	50% refund until 1 Oct. After that date no refunds
Transfer Fee	Taxable	\$27.00	\$28.00
Request for copy of dog/cat registration certificate (per entry)	Taxable	\$98.00	\$100.00
Service Requests - Animal Control	Taxable	\$72.00	\$74.00
Inspection of Dog/Cat register (per entry)	GST Free	\$20.00	\$21.00
Deposit Cat trap(Refundable)	GST Free	\$100.00	\$103.00
FOOD PREMISES			
Class 1 or Class 2 Premises			
Renewals	GST Free	\$540.00	\$560.00
Additional fee for each employee over 10.	GST Free	\$27.00	\$28.00
New Registrations			
Application fee	GST Free	\$270.00	\$280.00
Registration fee	GST Free	Pro-rata of renewal fee	Pro-rata of renewal fee
Transfer Fee	GST Free	\$270.00	\$280.00
Re-inspection Fee	GST Free	\$135.00	\$140.00
Additional Assessment Fee (Section 19H)	GST Free	\$270.00	\$280.00
Class 3 and Not for Profit Class 1 and 2 Food Premises			
Renewals	GST Free	\$270.00	\$280.00
Additional fee for each employee over 10.	GST Free	\$13.50	\$14.00
New Registrations	GST Free		
Application fee	GST Free	\$135.00	\$140.00
Registration fee	GST Free	Pro-rata of renewal fee	Pro-rata of renewal fee
Transfer Fee	GST Free	\$135.00	\$140.00
Re-inspection Fee	GST Free	\$67.50	\$70.00
Additional Inspection Fee Under 19(H)	GST Free	\$135.00	\$140.00
Not for Profit Class 3 Food Premises			
Renewals	GST Free	\$135.00	\$140.00
Additional fee for each employee over 10.	GST Free	\$6.75	\$7.00
New Registrations			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Application fee	GST Free	\$67.50	\$70.00
Registration fee	GST Free	Pro-rata of renewal fee	Pro-rata of renewal fee
Transfer Fee	GST Free	\$67.50	\$70.00
Re-inspection Fee	GST Free	\$67.50	\$70.00
Additional Inspection Fee Under 19(H)	GST Free	\$135.00	\$140.00
TEMPORARY AND MOBILE FOOD PREMISES (registered via "Stretrader") and SHORT TERM REGISTRATIONS OF FOOD PREMISES (on request of proprietor).			
Once-off events (no more than two consecutive days operation) and component/s (per component) attached to a fixed registered (not Class 4) premises.			
Class 1 and 2.	GST Free	\$67.50	\$70.00
Class 3.	GST Free	\$33.75	\$35.00
Not for profit organisations - all classes.		No Charge	No charge
Short term registrations (less than 12 months - Note new approval fee does not apply), temporary and mobile food premises that are not "once off" events or components of a fixed registered premises, components of notified (Class 4) premises.			
Registrations for a period of up to 3 months.	GST Free	1/4 annual renewal fee	1/4 annual renewal fee
Registrations for a period of 3 to 6 months.	GST Free	1/2 annual renewal fee	1/2 annual renewal fee
Registrations for a period of more than 6 months will be treated as a 12 month registration.	GST Free	Full annual renewal fee	Full annual renewal fee
Re-inspection Fee (temp and mobile food premises).	GST Free	\$67.50	\$70.00
PRESCRIBED ACCOMMODATION PREMISES			
Commercial			
Renewals			
Premises accommodating not more than 5 persons	GST Free	\$250.00	\$260.00
Additional fee for each additional person than can be accommodated in excess of 5	GST Free	\$12.50	\$13.00
New Registrations			
Application fee	GST Free	\$125.00	\$130.00
Registration fee	GST Free	Pro-rata of renewal fee	Pro-rata of renewal fee
Transfers	GST Free	\$125.00	\$130.00
Not For Profit			
Renewals			
Premises accommodating not more than 5 persons	GST Free	\$125.00	\$130.00
Additional fee for each additional person than can be accommodated in excess of 5	GST Free	\$6.25	\$6.50

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
New Registrations			
Application fee	GST Free	\$62.50	\$65.00
Registration fee	GST Free	Pro-rata of renewal fee	Pro-rata of renewal fee
Transfers	GST Free	\$62.50	\$65.00
PREMISES PROVIDING PERSONAL SERVICES (Hairdressers, Beauty Salons, Ear Piercing, Tattooing, Skin Penetration)			
Renewals	GST Free	\$172.00	\$178.00
New Registrations			
Application fee	GST Free	\$86.00	\$89.00
Registration fee	GST Free	Pro-rata of renewal fee excluding low risk premises where the full renewal fee applies as registration is not subject to renewal.	Pro-rata of renewal fee excluding low risk premises where the full renewal fee applies as registration is not subject to renewal.
Transfer Fee	GST Free	\$86.00	\$89.00
If proprietor is a not for profit/charitable organisations above will be discounted by 50%. No current applicant are NFP			
OTHER FEES			
Overdue Registration Renewal Fee	GST Free	\$135.00	\$140.00
Waste Water System Approval	GST Free	\$258.00	\$265.00
Refund of annual renewal of registration fee for registered premises that closes before expiry date		Business closes: in first quarter of annual period – refund half of renewal fee,	Business closes: in first quarter of annual period – refund half of renewal fee,
		in second quarter of year – refund one quarter of renewal fee, in second half of year – no refund.	in second quarter of year – refund one quarter of renewal fee, in second half of year – no refund.
Information/Service Fees			
Copy of Certificate of Analysis for person from whom sample obtained	Taxable	No Charge	No charge

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Copy of Registration Certificate - Only available to current proprietor	Taxable	\$48.00	\$50.00
Extract of premises register	GST Free	No Charge	No Charge
Professional services (EHO) as requested			
Rate per hour	Taxable	\$136.00	\$140.00
RECREATION			
Multi-purpose Sporting Facilities - Casual Fees			
Victoria Park			
Commercial per hour	Taxable	\$260.00	\$270.00
Concession 1 per hour	Taxable	\$78.00	\$80.00
Concession 2 per hour	Taxable	\$36.00	\$37.00
Concession 3 per hour	Taxable	No Charge	No charge
Victoria Park Sherrin Stand Change Rooms (per session 3 hr maximum)			
Commercial	Taxable	\$260.00	\$268.00
Concession 1	Taxable	\$82.00	\$84.00
Concession 2	Taxable	\$36.00	\$37.00
Concession 3	Taxable	No Charge	No charge
Casual Sports Ground Hire - Bastow Reserve No1, Fletcher Reserve 1, Yambla Reserve, Ramsden Street Reserve, Fairfield Park Reserve, Burnley Oval, W.T. Peterson, Loughnan Oval, Citizens Oval, Alphington Park Oval - per session, maximum of 3 hours			
Commercial	Taxable	\$315.00	\$325.00
Concession 1	Taxable	\$78.00	\$80.00
Concession 2	Taxable	\$28.00	\$29.00
Concession 3	Taxable	No Charge	No charge
Casual Sports Ground Hire - Bastow Reserve No 2, Fletcher Reserve 2, Coulson Reserve, Alfred Crescent Oval, Walker Street, Alain Bain Reserve - per session, minimum 3 hours			
Commercial	Taxable	\$160.00	\$165.00
Concession 1	Taxable	\$45.00	\$46.00
Concession 2	Taxable	\$15.00	\$15.50
Concession 3	Taxable	No Charge	No charge
Casual Pavilion Hire - Alfred Crescent, Alphington, Burnley, Coulson, Fairfield, Gillon, Graham, Johnson, Ramsden - New Fee			
Commercial fee - per hour	Taxable	\$105.00	\$108.00
Concession 2 - per hour	Taxable	\$18.00	\$18.50
Casual Hire - Stanton Street Hall (Table Tennis) - New Fee			
Commercial fee - per hour	Taxable	\$105.00	\$108.00
Concession 1 - per hour	Taxable	\$31.00	\$32.00
Concession 2 - per hour	Taxable	\$25.00	\$25.60
Concession 3 - per hour	Taxable	\$19.00	\$19.50

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Key Bond for all sporting facilities - Casual	GST Free	\$95.00	\$100.00
Key Bond for all sporting facilities - Seasonal	GST Free	\$426.00	\$436.00
Note: Concession 1 = Non Yarra Based -Not For Profit Community Organisations & Yarra Based Private Schools			
Concession 2 = Registered Not for profit Yarra Community Groups and sporting clubs			
Concession 3 = Yarra based State and Catholic primary schools			
Pavilions - Seasonal Fee Per Team			
Category A: Graham, Johnson, Coulson, Ramsden, Fairfield, Burnley, Alfred Cres, Fitzroy Grandstand, and Gillon			
Senior Team	Taxable	\$416.00	\$426.00
Junior Team	Taxable	\$308.00	\$315.00
Category B: Yambla, Citizens, Bain and Alphington, George Knott			
Senior Team	Taxable	\$208.00	\$214.00
Junior Team	Taxable	\$154.00	\$158.00
Sportsgrounds - Seasonal Fee Per Team			
Turf Cricket: Loughnan, Citizens (Summer Turf Wicket)			
Senior Team	Taxable	\$3,156.00	\$3,240.00
Cricket Synthetic			
Senior Team	Taxable	\$1,274.00	\$1,300.00
Junior Team	Taxable	\$338.00	\$346.00
Football			
Senior Team	Taxable	\$1,070.00	\$1,096.00
Junior Team	Taxable	\$582.00	\$596.00
Soccer			
Senior Professional Team	Taxable	\$4,180.00	\$4,290.00
Senior Team	Taxable	\$748.00	\$766.00
Junior Team	Taxable	\$291.00	\$298.00
Permit to hire Park for Commercial Fitness Trainers			
Annual Licence Fee	GST Free	\$289.00	\$296.00
CONSTRUCTION MANAGEMENT SUPPORT UNIT			
Counter Fast Track Assessment Fee	GST Free	\$50.00	\$70.00
Out of Hours Permit	GST Free	\$166.90	\$171.90
Out of Hours Inspection - minimum fee	Taxable	\$426.40	\$439.20
Asset Protection Permit			
Works up to \$10k			no fee
Works between \$10,001 and \$500K Application Fee	Taxable	\$228.80	\$235.70
Works more than \$501K Application Fee	Taxable	\$688.50	\$709.20
Local Law Vehicle Crossing Permit			
Private Single Dwelling Vehicle Crossing	GST Free	\$426.40	\$439.20
Commercial/Industrial Vehicle Crossing	GST Free	\$630.00	\$648.90

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Profile Design Service	Taxable	\$244.40	\$344.00
Local Law Road Occupation Permit			
Permit	GST Free	\$77.00	\$79.30
Inspection (Mon - Fri)	Taxable	\$140.40	\$144.60
Inspection (Weekends) - Minimum	Taxable	\$426.40	\$439.20
Private Single Dwelling and local shop trader Occupancy per sq. metre per week	Taxable	\$4.68	\$4.80
Commercial License/Occupancy per sq. metre per week	Taxable	\$8.50	\$8.75
Plant and Equipment - Permits – Private single dwelling and local shop traders.	GST Free	\$147.70	\$152.10
Plant and Equipment Permit -Commercial – Local road Lane closure, footpath occupation, laneway closure	Taxable	\$250.00	\$257.50
Plant and Equipment Permit - Commercial – Local road Full road closure	Taxable	\$350.00	\$360.50
Plant & Equipment Permits – Commercial Collector Road or Arterial Road Lane closure, footpath occupation	Taxable	\$350.00	\$360.50
Plant & Equipment Permit – Commercial Collector road Full road closure	Taxable	\$500.00	\$515.00
Plant & Equipment Permit - House Module	Taxable	\$500.00	\$515.00
Plant & Equipment - Inspections (Mon to Fri) Private single dwelling and local shop traders.	Taxable	\$140.40	\$144.60
Plant & Equipment - Inspections (Mon to Fri) Commercial – includes house modules.	Taxable	\$250.00	\$257.50
Plant & Equipment – Inspections (all out of hours)- Minimum	Taxable	\$426.40	\$439.20
Skip placement - per day unmetered	GST Free	\$21.80	\$22.50
Skip placement - per day metered	GST Free	\$59.30	\$61.00
Container Permit - (20') per day	GST Free	\$126.90	\$130.70
Container Permit - (40') per day	GST Free	\$252.70	\$260.30
Filming in municipality/commercial still photography (per film):			
Commercial Profit Making-Film/Ad Producers-Major impact: Permit	Taxable	\$1,158.60	\$1,193.40
Filming (incl ads/still photography) inspection (Mon to Fri)	Taxable	\$140.40	\$144.60
Filming (incl ads/still photography) inspection (Weekends)	Taxable	\$426.40	\$439.20
Small Budget productions (incl films & ads)- Minor impact: Permit	Taxable	\$387.90	\$399.50
Student Filming (including still photography)	GST Free	No Charge	No Charge
Non Profit Making Filming (including still photography)	GST Free	No Charge	No Charge
Road / Footpath Openings			
Consent (RMA 2004)			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Permit – minimum*	GST Free	\$77.00	Adopt Statutory fee
Inspection (Mon - Fri)	Taxable	\$140.40	\$144.60
Inspection (Weekends) – Minimum	Taxable	\$426.40	\$439.20
Road reinstatement (See notes)			
Road - deep lift asphalt/concrete/bluestone (per square metre) (minimum charge \$800)	GST Free	\$286.00	\$300.00
Road - asphalt/concrete <100mm (per square metre) (minimum charge \$500)	GST Free	\$179.90	\$200.00
Footpath - residential - asphalt (as per YSD33 RAF) less than 60mm (per square metre) (minimum charge \$500)	GST Free	\$142.50	\$180.00
Footpath - industrial - asphalt / concrete (as per YSD33 IAF & CF) greater than 60mm & less than equal to 100mm (per square metre) (minimum charge \$800)	GST Free	\$208.00	\$250.00
Footpath - industrial - concrete with asphalt surface (as per YSD33 ICAF) <=170mm (per square metre) (minimum charge \$800)	GST Free	\$254.80	\$280.00
Traffic Management	GST Free	New Fee	\$500.00
Parking sensor removal/reinstatement (up to 10)	Taxable	New Fee	\$1,000.00
Additional sensors greater than 10	Taxable	New Fee	\$100 per sensor
50% surcharge applies for a 48 hour response time			
Replacement of Damaged Sensor Unit	GST Free	New Fee	\$900.00
Notes:			
<i>^ Areas greater than 40m² or greater than 30 lineal metres Council may consider a reduced charge</i>			
<i>* In accordance with the Road Management Act 2004</i>			
CHILD CARE			
Late Fee- Children's Services			
Late Fee for Vac Care, ASC, LDC, Kinder.	GST Free	New Fee	\$25.00
		New Fee	1.30 per minute
Outside School Hours Care			
After School Care Fee - Regular	GST Free	\$16.00 Jul-Dec 2016	\$17.00 Jul - Dec 2017
After School Care Fee - Regular	GST Free	\$17.00 Jan - June 2017	\$18.00 Jan - Jun 2018
After School Care Fee - Casual	GST Free	\$19.00 Jul-Dec 2016	\$20.00 Jul - Dec 2017
After School Care Fee - Casual	GST Free	\$20.00 Jan - June 2017	\$20.50 Jan - Jun 2018
After School Care Fee - Curriculum Day	GST Free	\$45.00 Jul-Dec 2016	\$47.00 Jul - Dec 2017

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
After School Care Fee - Curriculum Day	GST Free	\$47.00 Jan - June 2017	\$48.20 Jan - Jun 2018
After School Care Fee - Curriculum Half Day	GST Free	\$26.00 Jul-Dec 2016	\$27.00 Jul - Dec 2017
After School Care Fee - Curriculum Half Day	GST Free	\$27.00 Jan - June 2017	\$27.70 Jan - Jun 2018
After School Care Fee - End of Term	GST Free	\$22.00 Jul-Dec 2016	\$23.00 Jul - Dec 2018 2017
After School Care Fee - End of Term	GST Free	\$23.00 Jan - June 2017	\$23.60 Jan - Jun 2018
After School Care Fee - End of Year	GST Free	\$25.00 Jul-Dec 2016	\$26.00 Jul - Dec 2017
After School Care Fee - End of Year	GST Free	\$26.00 Jan-Jun 2017	\$26.70 Jan - Jun 2018
Vacation Care Fee - All Day	GST Free	\$50.00 Jul-Dec 2016	\$52.00 Jul - Dec 2017
Vacation Care Fee - All Day	GST Free	\$52.00 Jan-Jun 2017	\$53.50 Jan-Jun 2018
Vacation Care Excursion Fee - All Day	GST Free	\$60.00 Jul-Dec 2016	\$62.50 Jul - Dec 2017
Vacation Care Excursion Fee - All Day	GST Free	\$62.50 Jan - Jun 2017	\$66.00 Jan - Jun 2018
Long Day Care			
One to Four Days (per Day)	GST Free	\$109.00 Jul-Dec 2016	\$113.50 Jul - Dec 2017
One to Four Days (per Day)	GST Free	\$113.50 Jan - Jun 2017	\$116.5 Jan - Jun 2018
Pre School 3 Year Olds			
1 Session per Term	GST Free	\$240.00 Jul – Dec 2016	\$249.50 Jul - Dec 2017
1 Session per Term	GST Free	\$249.50 Jan - Jun 2017	\$394.50 Jan - Jun 2018
Health Care Card Holders			
Health Care 1 session per term	GST Free	\$122.00	\$125.10
Pre School 4 Year Olds			
July to December	GST Free	\$357.80	
January to June 2017	GST Free	\$372.00	\$381.50
Occasional child care			
OCC Casual	GST Free	\$10.00	\$11.00
OCC Member	GST Free	\$6.50	\$7.00
Concession	GST Free	\$3.20	\$4.20
10 OCC sessions	GST Free	\$74.00	\$76.00

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Occasional Care Connie Benn	GST Free	\$18.00	\$28.00
Occasional Care Connie Benn Concession	GST Free	\$9.00	\$10.00
Youth Services			
Teenage Holiday Programs	Taxable	\$19.00	\$19.50
Teenage Holiday Programs - Concession	Taxable	\$3.20	\$3.50
Hire of Meeting Rooms - Connie Benn Centre			
Concessional Rate Half Day	Taxable	\$30.00	\$30.75
Concessional Rate Full Day	Taxable	\$50.00	\$51.25
Commercial Rate Half Day	Taxable	\$100.00	\$102.50
Commercial Rate Full Day	Taxable	\$180.00	\$184.50
Community Kitchen			
Concessional Rate Half Day	Taxable	\$40.00	\$41.00
Concessional Rate Full Day	Taxable	\$70.00	\$71.75
Commercial Rate Half Day	Taxable	\$100.00	\$102.50
Commercial Rate Full Day	Taxable	\$180.00	\$184.50
Training Room			
Concessional Rate Half Day	Taxable	\$50.00	\$51.25
Concessional Rate Full Day	Taxable	\$100.00	\$102.50
Commercial Rate Half Day	Taxable	\$100.00	\$102.50
Commercial Rate Full Day	Taxable	\$180.00	\$184.50
Consultation Room			
Concessional Rate per hour	Taxable	\$30.00	\$30.75
Concessional Rate Full Day	Taxable	\$80.00	\$82.00
Commercial Rate per hour	Taxable	\$40.00	\$41.00
Commercial Rate Full Day	Taxable	\$150.00	\$153.75
Playgroup Room 2			
Concessional Rate per 2 hour session	Taxable	\$40.00	\$41.00
Commercial Rate per hour	Taxable	\$30.00	\$30.75
Commercial Rate Full Day	Taxable	\$150.00	\$153.75
Front Room			
Concessional Rate Half Day	Taxable	\$20.00	\$20.50
Concessional Rate Full Day	Taxable	\$50.00	\$51.25
Commercial Rate Half Day	Taxable	\$30.00	\$30.75
Commercial Rate Full Day	Taxable	\$100.00	\$102.50
Foyer Room (evening and weekend hire only)			
Concessional Rate Half Day	Taxable	\$60.00	\$61.50
Concessional Rate Full Day	Taxable	\$100.00	\$102.50
Commercial Rate Half Day	Taxable	\$80.00	\$82.00
Commercial Rate Full Day	Taxable	\$150.00	\$153.75
Groups auspiced by Council business units	GST Free	No Charge	No charge
MATERNAL & CHILD HEALTH			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Vaccine			
Immunisation - vaccinations	GST Free	Fee varies with Vaccine	Fee varies with Vaccine
Vaccine			
Immunisation - alternative vaccinations	GST Free	Fee varies with Vaccine	Fee varies with Vaccine
Vaccine			
Infant screening program 0 to 4 years	GST Free	No Charge	No Charge
New/Existing Mothers Screening program (Infants 0 to 4 years)	GST Free	No Charge	No Charge
General parenting advice & support	GST Free	No Charge	No Charge
Assessment & referral service	GST Free	No Charge	No Charge
Outreach for geographically isolated young mothers	GST Free	No Charge	No Charge
Outreach for young mothers of Koori/different ethnic backgrounds	GST Free	No Charge	No Charge
PLANNING/SUBDIVISION			
Amendments to Planning Scheme*			
Request to amend planning scheme - a) considering a request to amend a planning scheme; and b) taking action required by Division 1 of Part 3 of the Act; and c) considering any submissions which do not seek a change to the amendment; and d) if applicable, abandoning the amendment	GST Free	\$798.00	\$2,871.60
Consideration of submissions to Amendment and reference to panel*:	GST Free	\$798.00	refer below
a) up to and including 10 submissions which seek a change to an amendment and where necessary referring the submissions to a panel;	GST Free	N/A	\$14,232.70
b) 11 to (and including) 20 submissions which seek a change to an amendment and where necessary referring the submissions to a panel	GST Free	N/A	\$28,437.60
c) Submissions that exceed 20 submissions which seek a change to an amendment, and where necessary referring the submissions to a panel	GST Free	N/A	\$38,014.40
Adoption of an Amendment	GST Free	\$524.00	\$453.10
Approval of an Amendment	GST Free	\$798.00	\$453.10
Amendments under 20A	GST Free	\$798.00	\$906.10
Amendments under 20(4)	GST Free		\$3,763.80
Under section 96A(4)(a) of the Act: The sum of the highest of the fees which would have applied if separate applications were made and 50% of each of the other fees which would have applied if separate applications			variable
For an agreement to a proposal to amend or end an agreement under section 173 of the Act			\$620.30

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
For the first 12 months from commencement of the regulations (13 October 2016), the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations			
Applications for permits under s.47 of the Act*			
Class 1 Application for use only and Car Parking	GST Free	\$502.00	\$1,240.70
Residential & 1 Dwelling on a lot*			
Class 2 ≤ \$10,000	GST Free	\$239.00	\$188.20
Class 3 > \$10,001 - \$100,000	GST Free	New Fee	\$592.50
Class 4 > \$100,001 - \$500,00	GST Free	New Fee	\$1,212.80
Class 5 > \$500,001 - \$1,000,000	GST Free	New Fee	\$1,310.40
Class 6 > \$1,000,001 - \$2,000,000	GST Free	New Fee	\$1,407.90
VICSMART Applications*			
Class 7 ≤ \$10,000	GST Free	New Fee	\$188.20
Class 8 > \$10,000	GST Free	New Fee	\$404.30
Class 9 VICSMART application to subdivide or consolidate land	GST Free	New Fee	\$188.20
Multi Development & Commercial Use*			
Class 10 ≤ \$100,000	GST Free	102 (category range change)	\$1,080.40
Class 11 > \$100,001 - \$1,000,000	GST Free	815 (category range change)	\$1,456.70
Class 12 > \$1,000,001 - \$5,000,000	GST Free	1153 (category range change)	\$3,213.20
Class 13 > \$5,000,001 - \$15,000,000	GST Free	4837 (category range change)	\$8,189.80
Class 14 > \$15,000,001 - \$50,000,000	GST Free	8064 (Category range change)	\$24,151.10
Class 15 > \$50,000,001 - up until 12 October 2017	GST Free		\$27,141.20
Class 15 > \$50,000,001 - from 13 October 2017	GST Free	\$16,130.00	\$54,282.40
Subdivision*			
Class 16 Subdivide an existing building	GST Free	\$386.00	\$1,240.70
Class 18 Subdivide land into 2 lots	GST Free	\$386.00	\$1,240.70
Class 18 To effect a realignment of a common boundary between lots or to consolidate two or more lots	GST Free	\$386.00	\$1,240.70
Class 19 Subdivide land (per 100 lots created)	GST Free	\$781.00	\$1,240.70

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Class 20 To: a) create, vary a restriction within the meaning or the Subdivision Act 1988, or b) Create or remove a right of way; or c) Create, vary or remove an easement other than a right of way; or d) Vary or remove a condition in the nature of an easement (other than right of way) in a Crown grant	GST Free	\$249.00	\$1,240.70
Class 21 A permit not otherwise provided for in the regulation	GST Free	New Fee	\$1,240.70
Fees to amend applications*			
Request to amend an application for permit	GST Free	\$102.00	40% of new applicable fee
Applications for amendments to permit under s.72 of the Act*			
Class 1. To change permitted use	GST Free	\$502.00	\$1,240.70
Class 2. To change what the permit allows, change conditions, etc.	GST Free	\$502.00	\$1,240.70
Single Dwelling amendment (Class 2 - 6)*			
Class 3 - Class 2 Permit	GST Free	\$239.00	\$188.20
Class 4 - Class 3 Permit	GST Free	New Fee	\$592.50
Class 5 - Class 4 Permit	GST Free	New Fee	\$1,212.80
Class 6 - Class 5 or 6 Permit	GST Free	New Fee	\$1,310.40
VICSMART Amendment (Class 7 - 9)*			
Class 7 - Class7 Permit	GST Free	New Fee	\$188.20
Class 8 - Class 8 Permit	GST Free	New Fee	\$404.30
Class 9 - To subdivide or consolidate land	GST Free	New Fee	\$188.20
Commercial and Multi development (Class 10-15)*			
Class 10 - Class 10 Permit	GST Free	Category range change	\$1,080.20
Class 11 - Class 11 Permit	GST Free	Category range change	\$1,456.70
Class 12 - Class 12, 13, 14, 15 Permit	GST Free	Category range change	\$3,213.20
Subdivision (Class 16 - 20) *			
Class 13. To subdivide an existing building (other than a class 9 permit)	GST Free	New Fee	\$1,240.70
Class 14. To subdivide land into 2 lots (other than a class 9 or class 16 permit)	GST Free	New Fee	\$1,240.70
Class 15. To effect a realignment of a common boundary between lots or consolidate 2 or more lots (other than a class 9 permit)	GST Free	New Fee	\$1,240.70
Class 16. Subdivide land (other than a class 9, class 16, class17 or class 18 permit)	GST Free	New Fee	\$1240.70 per 100 lots created

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)

Yarra City Council – Draft Budget 2017-18

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Class 17 To: a) create, vary a restriction within the meaning or the Subdivision Act 1988, or b) Create or remove a right of way; or c) Create, vary or remove an easement other than a right of way; or d) Vary or remove a condition in the nature of an easement (other than right of way) in a Crown grant	GST Free	New Fee	\$1,240.70
Class 18. A permit not otherwise provided for in the regulation.	GST Free	New Fee	\$1,240.70
Other Fees			
Application for Certificate of Compliance*	GST Free	\$147.00	\$306.70
Application for planning certificate*	GST Free	\$18.20	\$20.90 (hard copy) or \$7.00 (Electronic).
Determination whether anything is to Council's satisfaction*	GST Free	\$102.00	\$306.70
Request to extend expiry date of a permit	Taxable	\$400.00	\$420.00
Request to amend a permit / plans (other than under s.72)	Taxable	\$475.00	\$500.00
Property enquiry	Taxable	\$230.00	\$250.00
Advertising Letters and Notices (5 or more notices)	Taxable	\$5.50 per notice	\$5.60
On site notices	Taxable	\$55.00	\$60.00
Notice in a Newspaper	Taxable	\$1,161.60	\$1,161.60
Plans to comply with Condition 1 of the permit. Second and subsequent assessments.	Taxable	\$150.00	\$175.00
Public Photocopier (per copy)	GST Free	\$0.50	Standard Fee
Plan photocopying (larger than A3)	taxable	\$16.00	Standard Fee
<i>*Denotes Statutory Charges regulated by State Government and cannot be increased</i>			
BUILDING CONTROL/REGULATION			
Lodgement Fees (building work permit)			
Value \$5,000 and greater*	GST Free	Adopt Statutory fee	Adopt Statutory fee
Building permit levy for a Building greater than \$10,000 (statutory fee) - Residential Only*	GST Free	cost x 0.00128	cost x 0.00128
Certificate S327 (incl. Flood Certificate)*	GST Free	Adopt Statutory fee	Adopt Statutory fee
Property information request (incl Solicitor 's request fee) (statutory fee) (incl inspections owner/builder projects)*	GST Free	Adopt Statutory fee	Adopt Statutory fee
BUILDING PERMIT FEES			
Class 1 & 10			
Demolish - detached dwelling	Taxable	\$1,120.10	\$1,153.70
Demolish - attached dwelling	Taxable	\$1,460.20	\$1,504.00
Demolish - commercial building	Taxable	\$1195.00 min \$748/floor	\$1230.90 min \$770/floor

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Swimming Pools	Taxable	\$1,033.80	\$1,064.80
Fences (Class 10 Structure)	Taxable	\$811.20	\$835.50
Carports, Garages, Shed etc. (Class 10 Structure)	Taxable	\$1,048.30	\$1,079.70
Alterations & Additions - Up to \$10,000	Taxable	\$1,102.40	\$1,135.50
Alterations & Additions - \$10,001 - \$20,000	Taxable	\$1,378.00	\$1,419.30
Alterations & Additions - \$20,001 - \$50,000	Taxable	\$1,892.80	\$1,949.60
Alterations & Additions - \$50,001- \$150,000	Taxable	\$2,480.40	\$2,554.80
Alterations & Additions - \$150,001- \$230,000	Taxable	\$2,755.00	\$2,837.70
Alterations & Additions - \$230,001- \$300,000	Taxable	\$3,168.90	\$3,264.00
Alterations & Additions - \$300,001-\$400,000	Taxable	\$3,250.00	\$3,347.50
New dwellings : single	Taxable	\$2,851.70	\$2,937.30
New dwellings : 2 attached	Taxable	\$4,393.00	\$4,524.80
New Multiple Class 1 developments (Quotation)	Taxable	\$1,940/unit	\$1998.20/unit
Class 2, 3, 4, 5, 6, 7, 8 and 9			
Miscellaneous commercial work e.g. remove hydrant hose	Taxable	\$915.20	\$942.70
Up to \$30,000	Taxable	\$1,267.80	\$1,305.80
\$30,001 - \$50,000	Taxable	\$1,625.50	\$1,674.30
\$50,001 - \$100,000	Taxable	\$2,425.30	\$2,498.00
\$100,001 - \$300,000	Taxable	\$3,292.60	\$3,391.40
\$300,001 - \$500,000	Taxable	\$4,160.00	\$4,284.80
Class 2 (Residential fit outs)	Taxable	\$1,422.70	\$1,465.40
Over \$500,000 (quotation based on consulting building surveyors schedule)	Taxable	Quotation + 10%	Quotation + 10%
Extension of permit/application 3 /6/ 12 months	Taxable	\$550/\$650/\$790	\$566/\$670/\$814
Miscellaneous			
Building Record search Class 1 & 10	GST Free	\$92.60	\$95.40
Building Record search Class 2 - 9	GST Free	\$156.00	\$160.70
Consent & Report applications (other than demolition)*	GST Free	Adopt Statutory fee	Adopt Statutory fee
Consent and Report applications (demolition)*	GST Free	Adopt Statutory fee	Adopt Statutory fee
Consent and Report for Legal Point of Discharge*	GST Free	Adopt Statutory fee	Adopt Statutory fee
Report and consent advertising*	Taxable	\$93.80	\$96.60
Consulting charge out rate p/hr i.e. dilapidation surveys	Taxable	\$193.40	\$199.20
Inspection within City of Yarra	Taxable	\$193.40	\$199.20
Inspection outside City of Yarra	Taxable	Quotation + 10%	Quotation + 10%
Variation to Building Permit (change of details)	Taxable	\$456.60	\$470.30

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Variation to Building Permit (amended documentation)	Taxable	\$660.00 (minimum)	\$679.80 min
Additional Occupancy Permits	Taxable	\$133.10	\$137.10
Siting Approval Public Entertainment – 1 Structure	Taxable	\$405.60	\$417.80
Siting Approval Public Entertainment – 1 Structure <10 business days prior	Taxable	New Fee	\$690.00
Siting Approval Public Entertainment – 2-5 Structures	Taxable	\$598.00	\$616.00
Siting Approval Public Entertainment – 2-5 Structures <10 business days prior	Taxable	New Fee	\$1,016.00
Siting Approval Public Entertainment – 6-9 Structures	Taxable	\$811.20	\$835.50
Siting Approval Public Entertainment – 6-9 Structures <10 business days prior	Taxable	New Fee	\$1,378.00
Siting Approval Public Entertainment – 10+ Structures	Taxable	\$1,092.00	\$1,124.80
Siting Approval Public Entertainment – 10+ Structures Late fee <10 business days prior	Taxable	New Fee	\$1,856.00
Public Entertainment Permits (temporary) Site up to 1,000m ² (Max. 5 structures 200 sq.m ea.)	Taxable	\$1,407.10	\$1,449.30
Public Entertainment Permits (temp) Site up to 1,000m ² (Max. 5 structures 200m ² ea.) <10 bus days prior	Taxable	New Fee	\$2,390.00
Public Entertainment Permits (temporary) Site 1,001 m ² to 5,000m ² (Max. 5 structures 200 sq.m ea.)	Taxable	\$1,549.60	\$1,596.00
Public Entertainment Permits (temp) Site 1,001 m ² to 5,000m ² (Max. 5 structures 200m ² ea.) <10 bus days prior	Taxable		\$2,632.00
Public Entertainment Permits (temporary) Site 5,001 m ² to 10,000m ² (Max. 5 structures 200 sq.m ea.)	Taxable	\$2,340.00	\$2,457.20
Public Entertainment Permits (temp) Site 5,001 m ² to 10,000m ² (Max. 5 structures 200m ² ea.) <10 bus days prior	Taxable		\$3,977.00
Public Entertainment Permits (temporary) Site 10,001m ² (Max. 10 structures 200 sq.m ea.)	Taxable	\$3,380.00	\$4,500.00
Public Entertainment Permits (temp) Site 10,001m ² (Max. 10 structures 200m ² ea.) <10 bus days prior	Taxable		\$6,750.00
Public Entertainment Permits (temporary) additional structures over limit (per additional structure)	Taxable	\$114.40	\$117.80
Liquor Licence Reports (desktop check from scale drawings supplied by applicant - up to 500m ² of building)	Taxable	\$800.80	\$824.80
Liquor Licence Reports (site check and measure up to 500m ² of building)	Taxable	\$1,144.00	\$1,178.30
Change of Use/Combined Allotment Statements	Taxable	\$717.60	\$739.10
A1 Copies - per copy	Taxable	\$15.60	\$16.00
A3 Copies - per copy	Taxable	\$1.80	\$1.85
A4 Copies - per copy	Taxable	\$0.80	\$0.82
Emergency work/cost recovery	Taxable	Cost + 20%	Cost + 20%
Additional Consulting Services re Building Permits	Taxable	Quotation + 10%	Quotation + 10%
Final Inspection - (Class 1 & 10) Lapsed Building Permit - No Works	Taxable	\$370.20	\$381.30
Final Inspection - (Class 2 - 9) Lapsed Building Permit - No Works	Taxable	\$511.70	\$527.00

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Additional Mandatory Inspections (weekdays)	Taxable	\$186.50	\$192.10
Mandatory inspections (weekend)	Taxable	\$385.00	\$396.60
Computation checking	Taxable	Quotation + 10%	Quotation + 10%
Certification fee	Taxable	Building Permit fee x 350% with a minimum fee of \$3,700.00 - Refer C.O.W	Building Permit fee x 350% with a minimum fee of \$3,811.00 - Refer C.O.W
Adjoining Property Owners Details (3 or more/search)	Taxable	\$50.00	\$51.50
Alternative Solution/ Dispensation/ Change of Use determination	Taxable	\$660.00 for first determination + \$66.00 per additional item	\$679.00 for first determination + \$68.00 per additional item
HIRE OF TOWN HALLS			
4 HOUR TOWN HALL BOOKINGS (Mon to Thurs) - FULL	Taxable	\$665.00	\$875.00
4 HOUR TOWN HALL BOOKINGS (Mon to Thurs) - CONCESSION	Taxable	\$532.00	\$545.00
Additional hourly commercial hire (Mon to Thurs) - FULL	Taxable	\$180.00	\$220.00
Additional hourly concession hire (Mon to Thurs) - CONCESSION	Taxable	\$108.00	\$110.00
8 HOUR TOWN HALL BOOKINGS (Fri to Sun & Public Holidays) - FULL	Taxable	\$2,200.00	\$2,260.00
8 HOUR TOWN HALL BOOKINGS (Fri to Sun & Public Holidays) - CONCESSION	Taxable	\$1,320.00	\$1,350.00
Additional hourly hire (Fri to Sun & Public Holidays) - FULL	Taxable	\$180.00	\$220.00
Additional hourly hire (Fri to Sun & Public Holidays) - CONCESSION	Taxable	\$108.00	\$110.00
Kitchen Use Only - per hour	Taxable	\$150 for 4 hours	N/A
Kitchen Use Only - per day	Taxable	\$250.00	\$260.00
Balcony	Taxable	\$400.00	\$415.00
Security Deposit	GST Free	minimum of \$1000	minimum of \$1000
Town Hall PLI Insurance Community	Taxable	\$79.00	\$80.00
Late Booking Fee	Taxable	\$45.00	\$45.00
Late Booking Change Administration Fee	Taxable	N/A	\$20.00
Sound Technician (per hour)	Taxable	N/A	\$45.00
Hire of Sound System * requires sound technician	Taxable	\$200.00	\$200.00
Hire of Inbuilt Projector	Taxable	\$150.00	\$150.00
Hire of Portable Projector	Taxable	\$50.00	\$50.00
Hire of Piano	Taxable	N/A	\$150.00

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
COMMUNITY HALLS			
Small Community Spaces (library meeting rooms, Williams Reserve Community Room, Hugo Wertheim Room, Radio Room)			
First 3 hours - FULL	Taxable	\$90.00	\$92.00
Additional hours (per hour) - FULL	Taxable	\$30.00	\$30.00
First 3 hours - CONCESSION	Taxable	\$15.00	\$16.00
Additional hours (per hour) - CONCESSION	Taxable	\$5.00	\$5.00
Groups auspiced by Council business units	Taxable	NO CHARGE	NO CHARGE
Security Deposit	Taxable	minimum of \$100	minimum of \$100
Community Hall PLI Insurance	Taxable	\$27.00	\$30.00
Medium Sized Community Spaces (Loughnan Hall, Mark Street Hall, Richmond Senior Citizens Centre, The Stables, Richmond Family Centre)			
First 3 hours - FULL	Taxable	\$165.00	\$169.00
Additional hours (per hour) - FULL	Taxable	\$55.00	\$56.00
First 3 hours - CONCESSION	Taxable	\$54.00	\$55.00
Additional hours (per hour) - CONCESSION	Taxable	\$18.00	\$18.00
Groups auspiced by Council business units	GST Free	NO CHARGE	NO CHARGE
Security Deposit	GST Free	minimum of \$100	minimum of \$100
Community Hall PLI Insurance Community	Taxable	\$27.00	\$30.00
Large Community Spaces (Collingwood Senior Citizens Centre, Edinburgh Gardens Community Room, Studio 1, Community Space at Bargoonga Nganjini)			
First 3 hours - FULL	Taxable	\$187.50	\$193.00
Additional hours (per hour) - FULL	Taxable	\$62.50	\$64.00
First 3 hours - CONCESSION	Taxable	\$66.00	\$67.00
Additional hours (per hour) - CONCESSION	Taxable	\$22.00	\$22.00
Groups auspiced by Council business units	Taxable	NO CHARGE	NO CHARGE
Security Deposit	GST Free	minimum of \$100	minimum of \$100
Community Hall PLI Insurance Community	Taxable	\$27.00	\$30.00
Performance Spaces (Richmond Theatre)			
Day Rate- FULL	Taxable	N/A	\$1,000.00
Day Rate - CONCESSION	Taxable	N/A	\$550.00
7 Day Rate- FULL	Taxable	N/A	\$5,000.00
7 Day Rate - CONCESSION	Taxable	N/A	\$2,500.00
Security Deposit	GST Free	\$200.00	minimum of \$200
Community Hall PLI Insurance	Taxable	\$27.00	\$30.00
PARKS AND OPEN SPACE			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
SITE FEES, OCCUPATION CHARGES & OTHER USAGE CHARGES			
Site fee for use of Parks, Reserve or Rotunda - Full	Taxable	\$150.00	\$155.00
Site fee for use of Parks, Reserve or Rotunda - Concession	N/A	NO CHARGE	NO CHARGE
Occupation of public land (roads, footpaths etc) for events - Full	Taxable	\$2 for every 5m2	\$3.50 for every 5m2
Occupation of public land (roads, footpaths etc) for events - Concession	Taxable	\$0.8 for every 5m2	\$0.9 for every 5m2
Power (per day)	Taxable	\$90.00	\$100.00
Open Space PLI Insurance Community	Taxable	\$29.00	\$30.00
Fairfield Amphitheatre			
Day Rate - Full	Taxable	\$300.00	\$350.00
Day Rate - Concession	Taxable	\$100.00	\$110.00
Power	Taxable	\$90.00	\$100.00
Kiosk	Taxable	\$90.00	\$90.00
Change Rooms	Taxable	\$90.00	\$90.00
Bond	GST Free	From \$100	From \$100
Burnley Circus Site			
Day Rate - Full (performance/event day)	Taxable	\$900.00	\$950.00
Day Rate - Full (non-performance/event day)	Taxable	\$150.00	\$150.00
Day Rate - Concession	Taxable	NO CHARGE	NO CHARGE
Power (per day)	Taxable	N/A	\$100.00
Bond	GST Free	UP TO \$4,000	UP TO \$4,000
PERMITS			
Event Application Fee	Taxable	\$50.00	\$60.00
Market Permit (One Off fee) - Full	Taxable	\$350.00	\$400.00
Market Permit (One Off fee) - CONCESSION	Taxable	\$140.00	\$160.00
Minor Sound Permit	Taxable	N/A	\$50.00
Event Permit - Up to 100 persons with no structures and minimum risks			
Small Event Permit (per event day) - FULL	Taxable	\$100.00	\$105.00
Small Event Permit (per event day) - CONCESSION	GST Free	NO CHARGE	NO CHARGE
Event Permit - 100 persons 500 or with minimal structures and risks			
Medium Event Permit (per event day) - FULL	Taxable	\$250.00	\$260.00
Medium Event Permit (per event day) - CONCESSION	Taxable	\$100.00	\$105.00
Event Permit - 500 or more persons or with significant structures or risks, as assessed by council officer			
Major Event Permit (per event day) - FULL	Taxable	\$350.00	\$450.00
Major Event Permit (per event day) - CONCESSION	Taxable	\$100.00	\$110.00
YARRA LEISURE CENTRES			
Casual Entry			

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Adult Swim	Taxable	\$6.50	\$6.70
Concession Swim	Taxable	\$3.30	\$3.70
Child Swim	Taxable	\$3.30	\$3.40
Family Swim	Taxable	\$15.00	\$15.40
Adult Swim, Spa & Sauna	Taxable	\$12.50	\$12.80
Swim Upgrade to S/S/S	Taxable	\$6.00	\$6.20
Swim Upgrade to S/S/S Concession	Taxable	\$3.00	\$3.40
Swim, Spa & Sauna (concession)	Taxable	\$6.30	\$7.00
Locker	Taxable	\$2.00	\$3.00
10 x Locker	Taxable	New Fee	\$27.00
City of Yarra Pensioner Swim	GST Free	No Charge	No Charge
Spectator	GST Free	\$2.00	\$2.00
Bulk Tickets			
10 Adult Swims	Taxable	\$58.50	\$60.00
10 Concession Swim	Taxable	\$29.30	\$33.00
25 Adult Swims	Taxable	\$130.00	\$133.30
25 Adult Swims Concession	Taxable	\$65.00	\$73.30
10 Child Swims	Taxable	\$29.30	\$30.40
25 Child Swims	Taxable	\$65.00	\$67.70
10 Swim, Spa, Sauna & Steam Concession	Taxable	\$56.30	\$62.60
25 Swim, Spa, Sauna & Steam Concession	Taxable	\$125.00	\$139.00
10 Group Fitness	Taxable	\$144.00	\$147.60
10 Group Fitness Concession	Taxable	\$72.00	\$81.20
25 Group Fitness	Taxable	\$320.00	\$328.00
25 Group Fitness Concession	Taxable	\$160.00	\$180.40
Lane Hire			
Commercial Lane Hire 25 metres	Taxable	\$46.00	\$47.00
Community Groups 25 Metres	Taxable	\$36.00	\$37.00
Commercial Lane Hire 50 metres	Taxable	\$60.00	\$62.00
Community Healthy Programs (Yarra Residents)	Taxable	No Charge	No Charge
Monthly Debit Fees			
Joining Fee	Taxable	\$99.00	\$99.00
Full (fortnightly)	Taxable	\$44.95	\$46.00
Full Concession (fortnightly)	Taxable	\$22.50	\$25.30
Full Student (fortnightly)	Taxable	\$41.80	\$42.80
Off Peak (fortnightly)	Taxable	\$40.40	\$41.40
Off Peak Concession (fortnightly)	Taxable	\$20.20	\$22.80
Off Peak Student (fortnightly)	Taxable	\$36.40	\$37.30
Aquatic (fortnightly)	Taxable	\$30.20	\$31.00
Aquatic Concession (fortnightly)	Taxable	\$15.10	\$17.00
Aquatic Student (fortnightly)	Taxable	\$24.90	\$25.50

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Family 2 people (fortnightly)	Taxable	\$81.60	\$83.60
Family 3 people (fortnightly)	Taxable	\$92.60	\$94.90
Family 4 people (fortnightly)	Taxable	\$103.00	\$105.60
Family 2 people Concession (fortnightly)	Taxable	\$40.80	\$46.00
Family 3 people Concession (fortnightly)	Taxable	\$46.30	\$52.20
Family 4 people Concession (fortnightly)	Taxable	\$51.50	\$58.10
Full 50 plus (fortnightly)	Taxable	\$40.50	\$41.50
Multi-Sport (fortnightly)	Taxable	\$54.00	\$55.00
Multi-Sport Concession (fortnightly)	Taxable	\$27.00	\$30.30
Multi-Sport Student (fortnightly)	Taxable	\$47.10	\$48.00
Corporate (fortnightly)	Taxable	\$40.50	\$41.50
Junior Gym (fortnightly)	Taxable	\$21.70	\$22.20
Two Week Trial	Taxable	\$64.50	\$66.10
Program Classes			
Group Fitness	Taxable	\$16.00	\$16.40
Group Fitness (Concession)	Taxable	\$8.00	\$9.00
Gym			
Gym, Swim, Spa, Sauna & Steam	Taxable	\$24.40	\$25.00
Gym Concession	Taxable	\$12.20	\$13.80
LLLS Casual Fee	Taxable	\$7.50	\$8.00
10 x LLLS Casual Fee Concession	Taxable	\$37.50	\$44.00
25 x LLLS Casual	Taxable	\$187.50	\$192.20
LLLS Joining Fee	Taxable	\$43.00	\$44.10
Gym over 60's	Taxable	\$5.20	\$5.30
Personal Training			
½ hr (Casual)	Taxable	\$56.20	\$57.60
1 hr (Member)	Taxable	\$72.80	\$74.60
10 Visit Pass Member – ½ Hr	Taxable	\$442.10	\$453.20
10 Visit Pass Member – 1 Hr	Taxable	\$655.20	\$671.60
Tennis Courts (Per Hour)			
Peak	Taxable	\$27.90	\$28.60
Off Peak	Taxable	\$23.40	\$24.00
Peak Concession	Taxable	\$13.95	\$15.70
Off Peak Concession	Taxable	\$11.70	\$13.20
Member Peak (Member)	Taxable	\$21.30	\$21.80
Member Off Peak (Member)	Taxable	\$15.90	\$16.30
Swim Lessons			
NEW: Start Up Fee (All Aquatic Programs)	Taxable	\$30.00	\$30.00
Swim Lessons Child - per lesson	GST Free	\$15.50	\$17.00
Child - Concession per lesson	GST Free	\$7.80	\$9.40
One on One Lessons	Taxable	\$50.00	\$50.00

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
NEW: Two on One Lessons	Taxable	\$90.00	\$90.00
Swim Lesson Child Fortnightly Debit	GST Free	\$24.50	\$26.80
Swim Lesson Child - Concession Fortnightly Debit	GST Free	\$12.30	\$14.70
School Lessons	GST Free	\$8.00	\$8.20
School Lessons Concession	GST Free	\$4.00	\$4.50
School Lane Hire	Taxable	\$49.00	\$50.00
District Squad (fortnightly)	GST Free	\$26.20	\$28.50
Pre-State Squad (fortnightly)	GST Free	\$38.20	\$41.60
State Squad (fortnightly)	GST Free	\$49.10	\$53.50
National Squad (fortnightly)	GST Free	\$56.70	\$64.00
District Squad Concession (fortnightly)	GST Free	\$13.10	\$15.70
Pre-State Squad Concession (fortnightly)	GST Free	\$19.10	\$22.90
State Squad Concession (fortnightly)	GST Free	\$24.60	\$29.40
Programs - Myotherapy			
½ hr (Member)	Taxable	\$47.80	\$49.00
½ hr (Casual)	Taxable	\$57.20	\$58.60
1 hr (Member)	Taxable	\$86.30	\$88.50
1 hr (Casual)	Taxable	\$98.80	\$101.30
Multi-Sport Programs			
Squads	Taxable	\$16.00	\$17.00
Squads - Concession	Taxable	\$8.00	\$9.40
10 x Squads	Taxable	\$144.00	\$153.00
10 x Squads – Concession	Taxable	\$72.00	\$84.20
Two Week Trial	Taxable	\$77.10	\$79.00
Two Week Trial HD Concession	Taxable	\$38.60	\$43.50
Miscellaneous			
Replacement Card	Taxable	No Charge	No Charge
Lost Locker Key	Taxable	\$10.00	\$10.30
Shower	Taxable	\$3.50	\$3.60
BURNLEY GOLF COURSE			
9 Holes - Adult	Taxable	\$19.20	\$20.00
9 Holes - Concession/Junior	Taxable	\$14.10	\$15.00
18 Holes - Adult	Taxable	\$24.90	\$25.50
18 Holes - Concession/Junior	Taxable	\$18.90	\$19.50
9 Holes - Weekend	Taxable		\$21.00
18 Holes Weekend	Taxable		\$27.00
1 Hour Lesson	Taxable	\$113.00	\$115.80
1/2 Hour Lesson	Taxable	\$55.80	\$57.20
6 Lesson Voucher	Taxable	\$278.50	\$285.50
Clinic	Taxable	\$113.00	\$115.80
Mini Clinic	Taxable	\$20.00	\$20.50

Attachment 2 - Proposed 2017-18 City of Yarra Budget (with no waste service charge)**Yarra City Council – Draft Budget 2017-18**

Fees and Charges Description	GST Status	2016-17 Adopted Fee	2017-18 Proposed Fee
Twilight	Taxable	\$0.00	\$0.00
Buggy Hire	Taxable	\$5.00	\$5.10
9 Hole Cart Hire	Taxable	\$25.90	\$26.50
9 Hole Single Cart Hire	Taxable	\$17.70	\$18.10
18 Hole Cart Hire	Taxable	\$43.00	\$44.10
18 Hole Single Cart Hire	Taxable	\$29.10	\$29.80
Practice Fees	Taxable	\$3.60	\$3.70
Competition Fees	Taxable	\$4.00	\$4.10
Hire Set	Taxable	\$14.20	\$14.60
ENGINEERING PLANNING			
Traffic Surveys (counts) - classified counts	GST Free	\$105.00	\$250.00
Parking signs - sign changes	Taxable	\$185.00	\$185.00
Drainage Fees (Levy)			
Area of Development:			
0 - 400m ²	GST Free	\$11.50	\$11.80
401 - 500m ²	GST Free	\$15.00	\$15.40
501 - 600m ²	GST Free	\$19.00	\$19.50
601 - 700m ²	GST Free	\$20.50	\$21.00
701 - 800m ²	GST Free	\$22.50	\$23.10
801 - 900m ²	GST Free	\$24.00	\$24.60
901 - 1000m ²	GST Free	\$25.00	\$25.60
1001m ² + (negotiable fee)	GST Free	\$25.00	\$25.60
WASTE MANAGEMENT			
Compost Bins 220lt BMW	Taxable	\$31.00	\$35.00
Hungry Bin	Taxable	\$270.00	\$280.00
Worm Farms RELN	Taxable	\$79.00	\$85.00
Worm Farms BMW	Taxable	\$48.00	\$50.00
Garbage 80lt MGB	GST Free	\$105.00	\$110.00
Garbage 120lt MGB	GST Free	\$140.00	\$145.00
Garbage 240lt MGB	GST Free	\$255.00	\$260.00a
Residential (and Multi-Unit Developments per unit/apartment) MRB 120lt plus 80lt MGB	GST Free	\$175.00	\$180.00
Commercial Mobile Recycling Bin 120lt	GST Free	\$105.00	\$110.00
Commercial Mobile Recycling Bin 240lt	GST Free	\$105.00	\$110.00
Relocation of Street Litter Bins	Taxable	\$450.00	\$465.00
Commercial Mobile Recycling Bin 240lt plus 240lt Waste Bin	GST Free	\$255.00	\$265.00
Green Mobile Garbage Bin (GMGB)	GST Free	\$104.00	\$110.00

* Indicates a Statutory Fee and is not set by Council

CITY OF YARRA

DRAFT

LONG TERM FINANCIAL
STRATEGY

(WITH NO WASTE SERVICE CHARGE)

2017-18 to 2026-27

June 2017

Attachment 3 - Proposed Long Term Financial Strategy 2017-18 to 2026-27 (With no waste service charge)

City of Yarra - Draft Long Term Financial Strategy 2017-18 to 2026-27

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Attachment 3 - Proposed Long Term Financial Strategy 2017-18 to 2026-27 (With no waste service charge)

City of Yarra - Draft Long Term Financial Strategy 2017-18 to 2026-27

1. INTRODUCTION

This Long Term Financial Strategy (LTFS) has been developed and updates the strategy adopted by Council in 2016-17.

The main scenario parameters are detailed below:

- Rate increase at the ESC rate cap level (2%) for the life of the LTFS;
- Efficiency target of \$500k recurrent expenditure savings built into each year

The LTFS is a living document subject to ongoing review.

2. OBJECTIVE

Council prepares a Long Term Financial Strategy (LTFS) over a 10 year period to provide financial management and guidance to support service delivery and the capital works program. This document outlines the key assumptions and provides an overview of each key element of the LTFS.

Strong financial management will be evidenced by Council fully renewing its assets as required and generating cash liquidity to meet operational requirements and to reduce debt. The operating budget will also deliver sufficient cash surplus to enable timely asset renewal and a reasonable level of funding to be available for new/ upgrade capital works and new initiatives in operations.

3. MANAGEMENT OF THE LTFS

The LTFS is managed within a framework of key financial indicators together with profiled cash management. These items are drawn together to provide a strategy for the long term sustainability and solvency of Council's operation.

The key lead indicators are:

- Liquidity
- Unrestricted Cash
- Net Result
- Indebtedness

Other indicators are:

- Debt Commitment
- Self-Financing
- Renewal Gap
- Capital Replacement

Descriptions of each of these indicators together with the target range sought is provided in Appendix 1 – Key Financial Indicators Described (Page 17).

The framework also includes key assumptions that underpin the financial analysis. The assumptions are outlined in Appendix 2 – Cashflow Parameter Assumptions (Page 19).

Historical assumptions have been reviewed and a number of amendments have been required particularly in the management of liquidity. The changes made reflect the changing operating environment at Yarra for example rate capping has significantly reduced Council's revenue over the life of the LTFS and Council has less control via rates to respond to financial shocks. Council also has a \$32.5m loan due to be repaid in 2020-21.

Attachment 3 - Proposed Long Term Financial Strategy 2017-18 to 2026-27 (With no waste service charge)

City of Yarra - Draft Long Term Financial Strategy 2017-18 to 2026-27

A critical element of the assumptions is the allocated expenditure to the Capital Works Program. This assumes 100% of the capital program will be delivered in cash terms over the long term.

This LTFS also proposes to establish a set of financial principles that provide advice on Council's financial strategy. These are detailed in Appendix 3.

4. FINANCIAL POSITION BACKGROUND

Council's current financial position (predicted 30 June 2017) is constrained and cash is very tight. In general, Council is performing satisfactorily against benchmark ratio levels established by the Auditor General with the exception of cash related ratios.

Council is faced with a myriad of requests from the community and it has very limited capacity in discretionary funds to respond to these needs.

Council borrowed funds in November 2014 via the MAV Local Government Funding Vehicle Bond sponsored by the MAV. This seven year loan of \$32.5 million provided funding for a call on of the Defined Benefit Superannuation debt, purchase of 345 Bridge Rd, purchase of the Connie Benn Centre and an energy performance contract. This loan is an interest only fixed term loan. An additional loan of \$13.5 million is due to be drawn down in 2016-17. This loan is funded on a principal and interest basis and will be repaid by the end of the LTFS.

5. 2017-18 BUDGET POSITION

The 2017-18 Operating Budget provides for a cash surplus that is used to fund Council's Capital Works Program. The Operating Budget supports more than 100 services to the community and the Capital Works Program is critical to Council's ability to maintain, enhance and build assets to also service community need.

Despite a deliberate plan to grow overall cash holdings in recent years, Council had insufficient cash to balance the budget due to a range of external factors. The end of year cash position at 30 June 2018 is expected to be \$26.25 million (assuming 100% of the capital budget is spent).

The Open Space Reserve has been fully acquitted during 2015-16 with funds being applied to a general reserve, however these are not fully cash backed.

5.1 CASH HOLDINGS

Council's total cash holding at 30 June 2016 was \$22.5 million with \$20.18 million applicable for general reserve obligations.

5.1.1 WORKING CAPITAL

Without a waste service charge, Council's working capital is low. Council will be unable to respond to financial shocks or pressures.

5.1.2 OPEN SPACE RESERVE

The Open Space Reserve was fully acquitted as at 2015-16 (as reflected in the 2015-16 Annual Report). The change to policy has resulted in the Open Space Reserve being fully acquitted and any remaining funds were transferred to a general reserve, however this is not fully cash backed. The balance of the General Reserve is \$20 million.

6. STRATEGIC ACTIONS

Attachment 3 - Proposed Long Term Financial Strategy 2017-18 to 2026-27 (With no waste service charge)

City of Yarra - Draft Long Term Financial Strategy 2017-18 to 2026-27

In drafting this LTFS a number of strategies have been implemented to seek to build a more complete picture of Council's financial position and to provide better alignment with Council's goals.

6.1 IMPROVING COUNCIL'S WORKING CAPITAL

With the proposed introduction of the waste service charge, Council will redress the shortfall in the cash balance to ensure minimum operating cash is available.

6.2 RELEASE OF GENERAL RESERVE FUNDS

Council has a stated goal of seeking to acquire open space and the 2016-17 LTFS aligned the acquisition of strategic open space assets with rationalisation of existing Council assets and asset sales income. This is still a goal in the medium to long term.

A further update to the Open Space Policy will provide Council with an effective funding source for development of its existing open space. It is anticipated that this expenditure will be equal to the income raised. There will be no increase in the obligation and therefore the financial obligation to the Reserve will not grow. However, this also means the capacity to purchase open space is limited to the income stream.

6.3 RATE CAPPING

In 2016-17 rate capping was introduced with details of the scheme provided by the Essential Services Commission. An allowance has been made for rate increases as foreshadowed by the ESC together with an allowance for low growth via Supplementary Rates.

The Minister for Local Government announced the rate capping level for 2017-18 on 16 December 2016 at 2%.

Predicted future rate increases are outlined below.

Table 1 PREDICTED ESC RATE INCREASES

LTFS	Year 1 2017-18	Year 2 2018-19	Year 3 2019-20	Year 4 2020-21	Year 5 2021-22	Year 6 2022-23	Year 7 2023-24	Year 8 2024-25	Year 9 2025-26	Year 10 2026-27
Predicted Rate Cap	2%	2%	2%	2%	2%	2%	2%	2%	2%	2%

If the rate cap increases are less than predicted, Council will be required to reduce services and/or service levels and/or reduce the capital works program, if additional revenue sources are not available.

6.4 LOAN BORROWINGS

The introduction of rate capping and debt requiring to be repaid in the short term has had a significant impact on the LTFS and greatly exacerbated Council's already tight financial position. Existing debt is serviced by a \$32.5 million interest only loan, due to be repaid in 2020-21 and a \$13.5 million principal and interest loan due to be repaid by the end of this 10 year LTFS.

The Victorian Auditor-General has indicated through its recommendation on financial ratios that Indebtedness (Non-current liabilities/Own sourced revenue) above 40% places Council in the medium risk category and 60% in the high risk category.

The LTFS includes refinancing of the interest only loan when it becomes due in 2020-21 on a principal and interest basis. Council will essentially be repaying debt with debt. The \$13.5 million loan is to be repaid on a principal and interest term and will be fully redeemed by the end of the LTFS.

The indebtedness ratio is 28.6% at 30 June 2018.

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Further borrowing may need to occur to provide Council with a capacity to access contingency funds should the need arise e.g. a further call on the Defined Benefit Superannuation obligation.

6.5 LEASING AND RATIONALISATION OF MOTOR VEHICLE AND UTILITY FLEET

Council's motor vehicle and utility fleet is currently partially purchased and managed directly by Council, and partially leased. As a result an annual capital allocation is required to pay for the changeover cost of some of these vehicles. In the 2016-17 Budget the net capital allocation was \$0.5 million.

Additional leasing will be further considered during 2017-18 as a possible cost reduction model.

6.6 DISPOSAL OF SURPLUS ASSETS AND ENHANCING RETURNS

A more pro-active and entrepreneurial approach to disposal of redundant laneways, investigation of increasing returns and potential for disposal of some assets needs to be pursued. Disposal of some assets to fund new requirements is considered appropriate and the most effective use of community resources. In addition to the receipt of a cash injection from the sale a saving is also made on maintenance and asset renewal costs.

It is also recommended that assets surplus to requirements be carefully considered as opportunities for open space creation where relevant, or disposal to fund the purchase of other assets.

Opportunities to seek improved returns from building assets that are not fully applied for community use are currently being investigated. It is anticipated that improved financial returns can be achieved from a number of buildings by being more entrepreneurial in property management and improve the use of assets. This will assist Council's overall financial position.

A further separate report on the Property Strategy will be presented to Council in 2017-18.

6.7 FEES AND CHARGES POLICY

It is proposed that Council adopt a strong fees and charges policy that provides a variety of categories of fees and charges from full costing to part subsidy/investment in services. The calculation of fees would mirror the cost of service provision and only where appropriate and in compliance with competitive neutrality the fee would be subsidised.

In general, fees should follow the trend in labour costs so that the ratio of subsidy from rates is maintained. There will be circumstances where movement of fees above or below the trend figure is justified. Individual fees should consider cost recovery, competition and ability to generate return on investment. The fees and charges policy would guide the preparation of the Schedule of Fees and Charges.

6.8 NEW SERVICES

Council is committed to the introduction of the following new service:

- *North Fitzroy Hub* will operate from partway through 2016-17 and with a full year operation from 2017-18. It is anticipated that an additional \$800K for a full year operation will be required and this has been allowed for in the LTFS.

6.9 NEW POPULATION AND DEVELOPMENT

Yarra is experiencing minor increases in new property and population.

Residential dwelling growth is expected to be around 2% pa from 2016 through to 2021 and then decline slightly with growth increasing by about 1.6%.

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Table 2 Forecast population, households and dwellings

City of Yarra Summary	Forecast year				
	2016	2021	2026	2031	2036
Population	88,120	95,911	103,191	110,512	117,036
Change in population (5yrs)	9,107	7,790	7,280	7,321	6,524
Average annual change	2.21	1.71	1.47	1.38	1.15
Households	39,431	43,178	46,741	50,267	53,452
Average household size	2.19	2.18	2.17	2.17	2.16
Population in non-private dwellings	1,604	1,604	1,604	1,604	1,604
Dwellings	41,921	46,103	49,981	53,757	57,166
Dwelling occupancy rate	94.06	93.66	93.52	93.51	93.50

Population and household forecasts, 2011 to 2036, prepared by .id the population experts, August 2013.
<http://www.id.com.au>

The LTFS provides for no net growth in labour costs to accommodate the increased population and dwellings being serviced. Requirements to fulfil statutory obligations or increased customer demand must be sourced from within the existing workforce allocation.

6.10 ENHANCED DEBT MANAGEMENT

A significant task to improve debt management is being driven by the organisation. This involves the review of historical debt across all aspects of Council's operations.

Further key initiatives are the establishment of four instalment rate payments (removing the annual payment option) as the minimum standard of payment and the introduction of a credit card surcharge fee.

These two debt management initiatives have been incorporated into this LTFS.

6.11 LEGAL CASES

An allocation has been made within the LTFS to accommodate estimated legal fees (at the same funding level as 2016-17), however no allocation has been made for potential settlement costs.

6.12 INTRODUCTION OF ENHANCED PARKING ENFORCEMENT

Two key recommendations from the Parking Service Review were for Council to consider the introduction of enhanced enforcement on Sundays for key locations across the City and to introduce consistent signage given that some activity centres have inconsistent signage deriving from pre-amalgamation. Parking is at a premium in the City and both these measures will assist with parking management. Parking revenue continues to be an important source of income for Council.

6.13 LEISURE CENTRES IMPROVED RETURNS

An extensive Service Review has been undertaken into the operation of Council's Leisure Centres. A number of strategic opportunities exist to improve Council's overall financial return from these operations while also enhancing services to the community. However some of these initiatives will require capital funding to achieve improved returns.

6.14 ASSET RENEWAL AND NEW AND UPGRADE EXPENDITURE

Information from the Asset Management Plans inform Council's capital expenditure priorities.

As part of the preparation of this LTFS the cost of renewal works has been indexed to reflect the future cost of works in years 2-10 of the LTFS.

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New assets are being driven by a number of regular programs derived from Strategies and Plans. These include water sensitive urban design, reduction in potable water e.g. Edinburgh Gardens, Activity Centre enhancements generating new road works, public toilets and LATMs. These types of assets also create an additional maintenance requirement of approximately 1% per annum going forward.

This LTFS indicates that funds available for New and Upgrade Capital Expenditure and New Initiatives in Operations will be very low (\$5.44 million) in 2017-18 and remain relatively low in the short to medium term of this LTFS. Renewal of assets is prioritised to enhance financial sustainability.

Estimated Capital Expenditure as outlined in Table 3

Capital Cashflow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Renewal	24,605	25,814	25,559	23,666	25,177	26,832	27,508	29,675	30,003	30,619
Upgrade	539	6,224	7,907	10,865	4,795	3,428	1,990	2,120	2,820	1,825
New	4,896	820	200	1,461	4,028	4,420	5,876	4,286	3,980	5,095
Carry-forwards	3,000	-	-	-	-	-	-	-	-	-
Total	33,040	32,858	33,666	35,992	34,000	34,680	35,374	36,081	36,803	37,539

7. KNOWN MATTERS TO BE QUANTIFIED

Council has a number of initiatives underway to gather efficiencies and improve its financial position including Service Reviews, Revenue Strategies and reviews of Strategies and Plans. Generally, it is too early in the development of these initiatives to incorporate these outcomes.

7.1 FUTURE INITIATIVES

A number of other key issues have also been identified as being likely to have a significant impact on the LTFS but are unquantified at this time. These include:

Fitzroy Town Hall – future use

Gasworks site including Indoor Sports Stadium and Depot relocation (no allowance in LTFS)

Richmond Secondary College impact

Amcor Community Facilities - Modelling is being undertaken of the likely impact of the Amcor development on Council's financial position and initial estimates are a cost neutral position. Given the uncertainty of the assumptions at this time no amendment to the LTFS has been made.

7.2 CONTINGENT LIABILITIES

A number of issues have been identified that have the potential to result in a financial impact on Council. As these issues are uncertain no specific allowance within the LTFS has been made. These matters include:

- Future calls from the Local Government Defined Benefits Scheme.
- Legal costs.
- Council has received a \$500K grant for the Lourdes development which will be required to be repaid if this development does not proceed or the grant reallocated.
- Costs associated with changes arising from the reform of the HACC service and NDIS.

The LTFS will be regularly updated to incorporate these matters when information allows.

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City of Yarra - Draft Long Term Financial Strategy 2017-18 to 2026-27

8 FINANCIAL SCENARIOS AND OUTCOMES

8.1 KEY OUTCOMES

Key outcomes are outlined below:

Table 4 Summary of LTFS (Cash Flows)

Cashflow Statement	Year 1 2017-18 \$'000	Year 2 2018-19 \$'000	Year 3 2019-20 \$'000	Year 4 2020-21 \$'000	Year 5 2021-22 \$'000	Year 6 2022-23 \$'000	Year 7 2023-24 \$'000	Year 8 2024-25 \$'000	Year 9 2025-26 \$'000	Year 10 2026-27 \$'000
Cash Flows from Operating Activities										
Receipts										
Rates	104,208	108,326	112,095	115,938	119,859	123,859	127,938	132,098	136,342	140,671
Statutory Fees & Fines	27,107	27,378	27,926	28,484	28,960	29,435	29,910	30,385	30,860	31,335
User Fees and other Fines	26,387	26,651	27,184	27,728	28,216	28,703	29,191	29,678	30,166	30,653
Grants Capital	1,195	1,207	1,231	1,256	1,269	1,281	1,294	1,307	1,320	1,333
Grants Operating	12,023	13,225	14,548	16,003	16,163	16,324	16,488	16,652	16,819	16,987
Contributions	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300	4,300
Reimbursements	1,640	1,699	1,819	1,942	2,004	2,024	2,045	2,065	2,086	2,107
Interest	480	-	-	-	-	-	-	-	-	-
Other Receipts	727	1,294	1,345	1,418	1,432	1,447	1,461	1,476	1,490	1,505
Total Receipts	178,067	184,080	190,448	197,069	202,203	207,373	212,625	217,961	223,383	228,891
Payments										
Payments to suppliers	(67,085)	(67,754)	(69,110)	(70,493)	(71,198)	(71,910)	(72,629)	(73,355)	(74,089)	(74,830)
Payments to employees (including redundancies)	(80,142)	(82,058)	(83,677)	(85,330)	(87,030)	(88,730)	(90,430)	(92,130)	(93,830)	(95,530)
Total Payments	(147,227)	(149,812)	(152,787)	(155,823)	(158,228)	(160,640)	(163,059)	(165,485)	(167,919)	(170,360)
Net cash provided by (used in) operating activities	30,840	34,268	37,661	41,246	43,975	46,733	49,566	52,476	55,464	58,531
Cash Flows from Investing Activities										
Payments for property, plant and equipment, infrastructure	(33,040)	(32,858)	(33,666)	(35,992)	(34,000)	(34,680)	(35,374)	(36,081)	(36,803)	(37,539)
Proceeds from sale of property, plant and equipment, infrastructure	800	697	692	687	682	675	670	665	660	655
Net cash provided by (used in) investing activities	(32,240)	(32,161)	(32,974)	(35,305)	(33,318)	(34,005)	(34,704)	(35,416)	(36,143)	(36,884)
Cash Flows from financing activities										
Finance Costs	(2,139)	(2,088)	(2,035)	(1,980)	(1,876)	(1,692)	(1,498)	(1,296)	(1,084)	(862)
Repayment of interest bearing loans and borrowings	(1,091)	(1,142)	(1,195)	(1,250)	(3,925)	(4,110)	(4,303)	(4,505)	(4,717)	(4,939)
Net cash provided by (used in) financing activities	(3,230)	(3,230)	(3,230)	(3,230)	(5,801)	(5,801)	(5,801)	(5,801)	(5,801)	(5,801)
Net increase (decrease) in cash and cash equivalents	(4,630)	(1,123)	1,457	2,711	4,855	6,927	9,061	11,259	13,520	15,847
Cash and cash equivalents at the beginning of financial year	30,877	26,247	25,124	26,581	29,292	34,147	41,074	50,136	61,394	74,914
Cash and cash equivalents at end of financial year	26,247	25,124	26,581	29,292	34,147	41,074	50,136	61,394	74,914	90,761

Debt levels are relatively high as a percentage of general rates. This LTFS provides Council with the capacity to fund its day to day operations.

The following table outlines key financial indicators, suggested long term target ratios for Yarra and performance as outlined in the LTFS. Graphical representations of these indicators are shown below the following table. The target range for the indicators have been developed considering the Victorian Auditor General's financial sustainability indicators (subject to change)

Further improvement to the City's financial position is required to attain the long term targets for financial sustainability.

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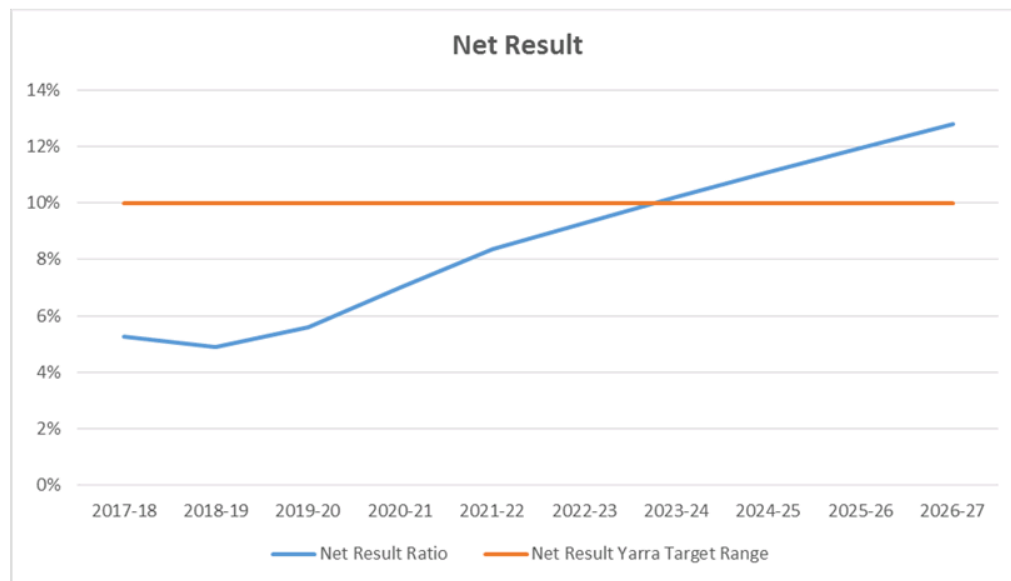
City of Yarra - Draft Long Term Financial Strategy 2017-18 to 2026-27

Table 5 Estimated Key Financial Indicators

LTF5	Yarra Target	Year 1 2017-18	Year 2 2018-19	Year 3 2019-20	Year 4 2020-21	Year 5 2021-22	Year 6 2022-23	Year 7 2023-24	Year 8 2024-25	Year 9 2025-26	Year 10 2026-27
Net Result	>10%	5%	5%	6%	7%	8%	9%	10%	11%	12%	13%
Liquidity	>1.5	1.17	1.07	1.05	1.10	1.18	1.18	1.35	1.55	1.79	2.07
Unrestricted Cash	>75%	3%	12%	16%	22%	32%	47%	66%	90%	117%	153%
Debt Commitment	<5%	2%	2%	2%	2%	2%	1%	1%	1%	0%	1%
Indebtedness	<30%	29%	27%	26%	24%	23%	19%	16%	13%	11%	8%
Self Financing	>25%	90%	96%	107%	114%	117%	132%	137%	143%	148%	153%
Renewal Gap	>1.1	1.8	1.4	1.5	1.4	1.3	1.8	1.8	1.8	1.6	1.6
Capital Replacement	>1.5	1.8	1.6	1.5	1.5	1.5	1.4	1.4	1.4	1.4	1.4

GRAPHS:

Graph 1 – Net Result

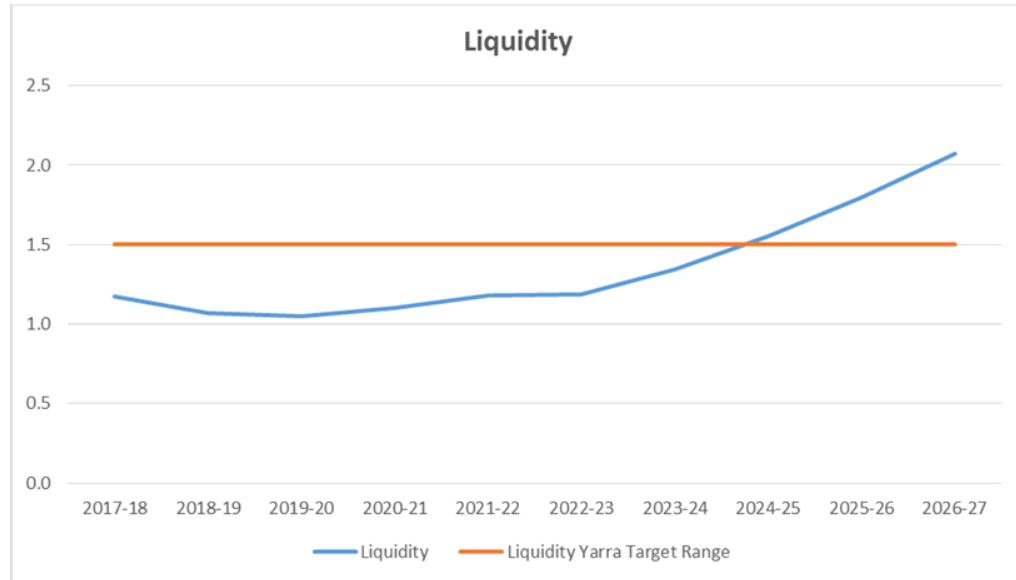


An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Ideally the blue line should exceed the target orange line.

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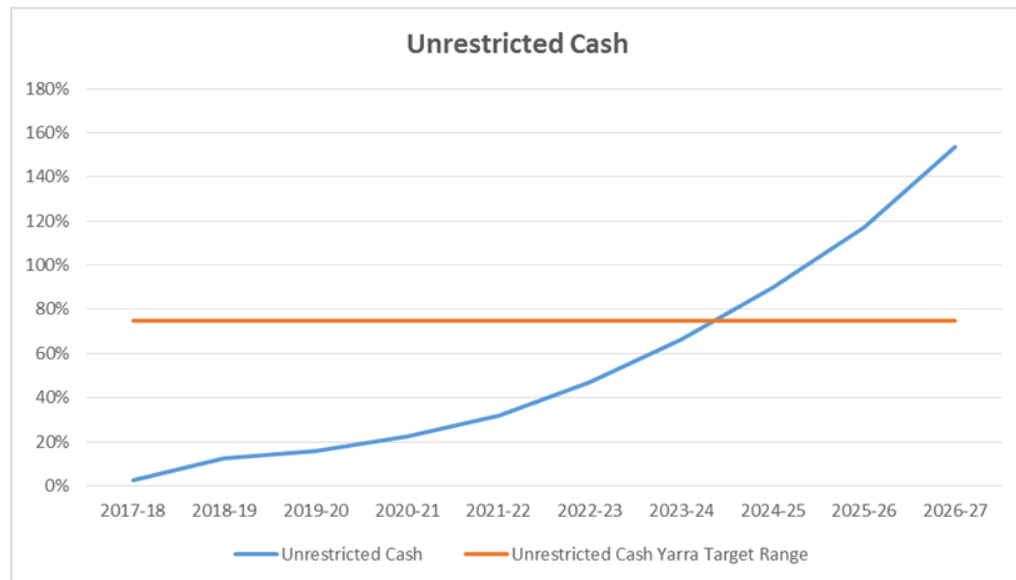
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Graph 2 – Liquidity



To assess Council's ability to meet current commitments. Ideally the blue line should exceed the target orange line.

Graph 3 – Unrestricted Cash



To assess Council's freely available cash level. Ideally the blue line should exceed the orange line.

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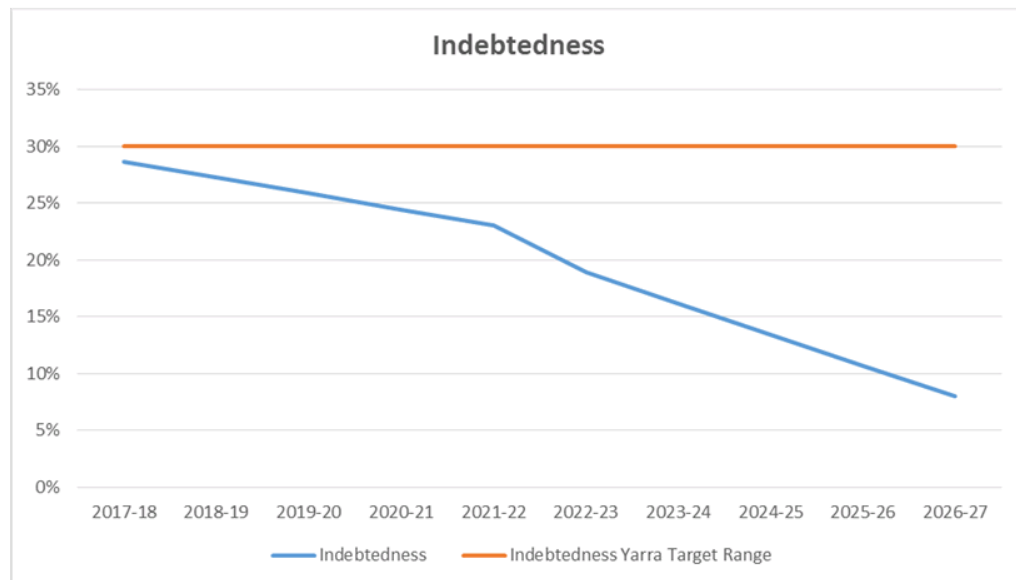
Graph 4 – Debt Commitment



To identify Council's debt redemption strategy. Ideally the blue line should **not** exceed the target orange line.

The reason for the decrease in Debt Commitment in Year 6 is due to an additional principal repayment

Graph 5 – Indebtedness

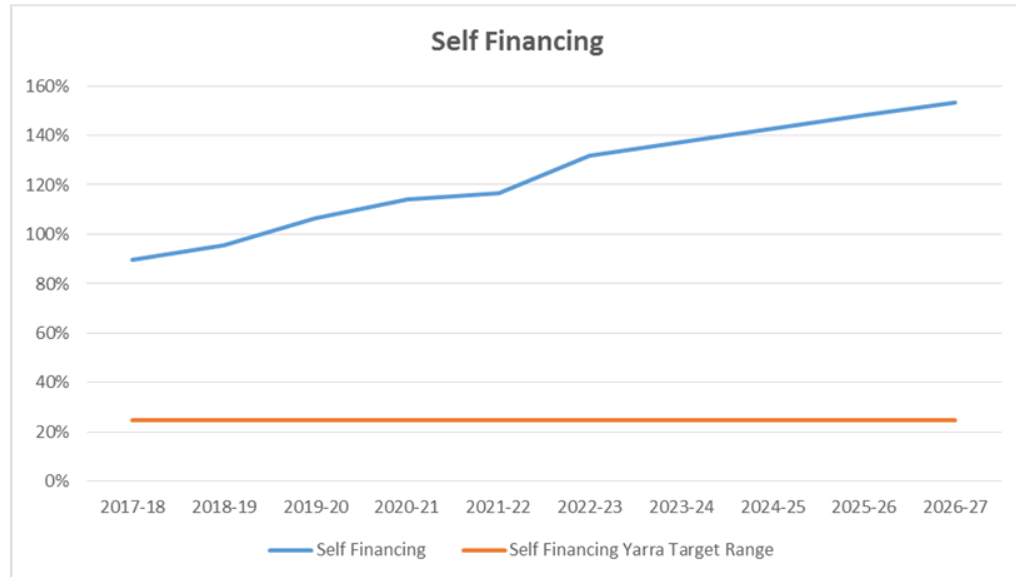


To identify reliance on debt to fund capital programs. Ideally the blue line should **not** exceed the target orange line.

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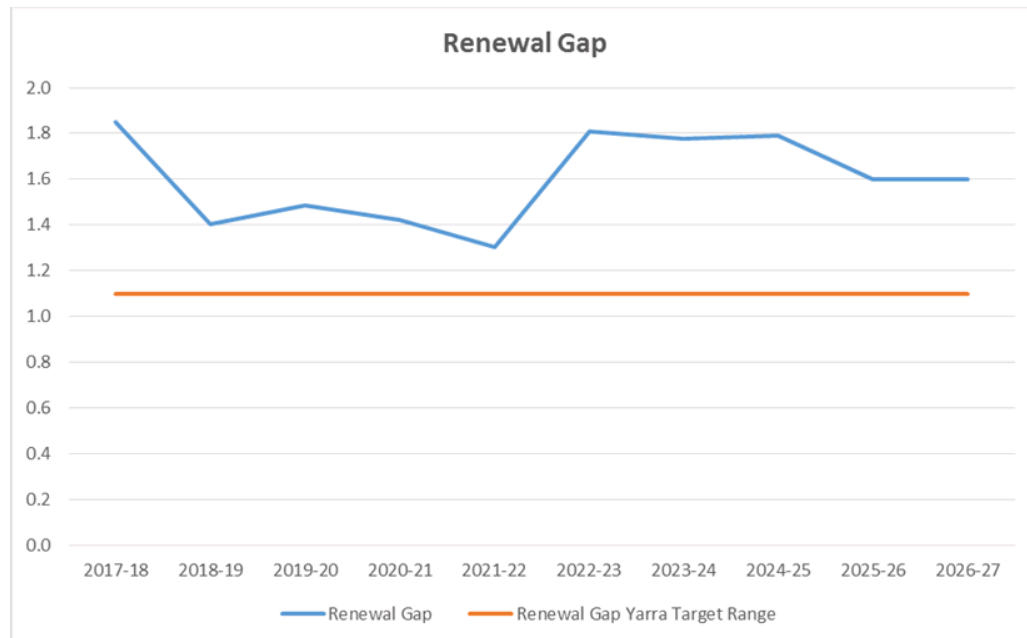
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Graph 6 – Self Financing



To identify reliance on debt to fund capital programs. Ideally the blue line should exceed the target orange line.

Graph 7 – Renewal Gap



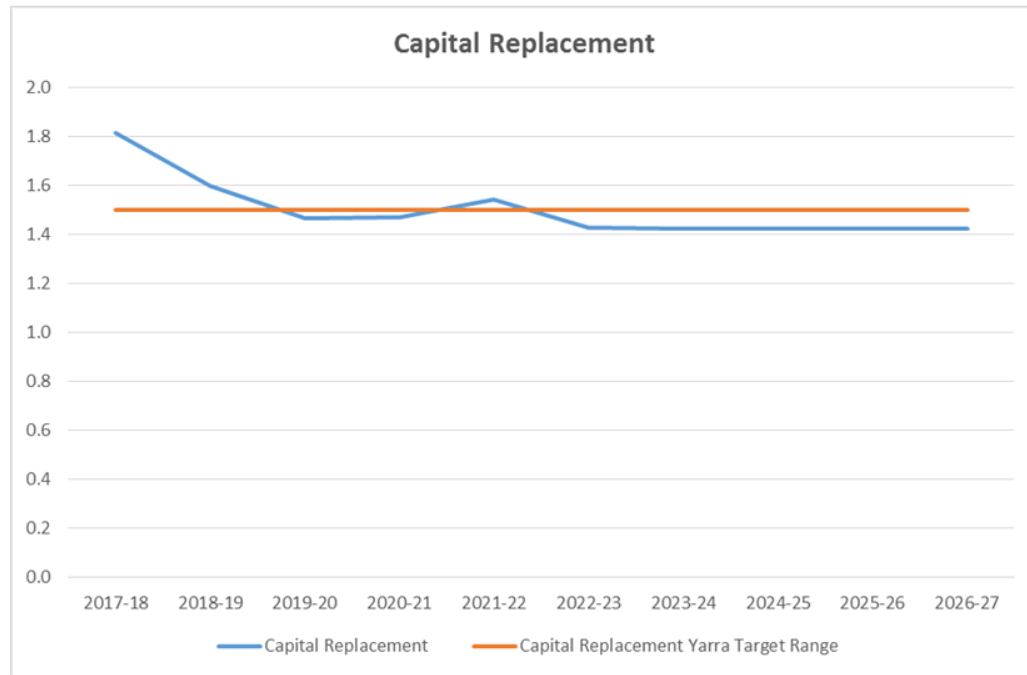
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To assess Council's ability to renew assets as required. Ideally the blue line should exceed the target orange line.

The renewal gap appears to be trending positively however anecdotal evidence suggests that asset renewal is not meeting community expectations in all circumstances e.g. leisure centre infrastructure.

Graph 8 – Capital Replacement



Measures the replacement of assets is consistent with their consumption. Ideally the blue line should exceed the target orange line.

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The challenge for Council will be to improve its overall financial sustainability by improving the performance of the key financial indicators.

APPENDIX 1 KEY FINANCIAL INDICATORS DESCRIBED		
Indicator	Description	Long Term Target Range for Yarra
Adjusted Underlying Result	<p>An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives.</p> <p><u>Adjusted underlying surplus</u> Adjusted underlying revenue</p> <p>A positive result indicates a surplus. VAGO High Risk = less than negative 10% Medium Risk = Negative 10% to zero Low Risk = Greater than 10%</p>	More than 10%
Liquidity	<p>To assess Council's ability to meet current commitments.</p> <p><u>Current assets</u> Current liabilities</p> <p>A percentage higher than 100% means that there is more cash and liquid assets than short term liabilities VAGO High Risk = less than 75% Medium Risk = 75% to less than 100% Low Risk = greater than 100%</p>	Greater than 150%
Unrestricted Cash	<p>To assess Council's freely available cash level.</p> <p><u>Unrestricted cash</u> Current liabilities</p> <p>VAGO High Risk = less than 10% Low Risk more than 10% Target based on Local Government Performance and Reporting Indicators</p>	Greater than 75%
Debt Commitment	<p>To identify Council's debt redemption strategy.</p> <p><u>Debt servicing and redemption costs</u> Rate Revenue</p> <p>Debt redemption includes loan and finance lease principal and interest as a percentage of rate revenue</p> <p>Local Government Performance and Reporting Indicators</p>	Less than 5%
Indebtedness	<p>Indicates reliance on debt to fund capital programs.</p> <p><u>Non-current liabilities</u> Own sourced revenue</p> <p>The higher the percentage the less able to cover non-current liabilities from revenue generated by Council</p>	Less than 30%

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Indicator	Description	Long Term Target Range for Yarra
	VAGO High Risk = more than 60% Medium Risk = 40% - 60% Low Risk = less than 40%	
Self-Financing	Indicates reliance on debt to fund capital programs. <u>Net operating cash flows</u> Underlying revenue VAGO High Risk Less than 10% Medium Risk 10% - 20% Low Risk = Greater than 20%	Greater than 25%
Investment Renewal Gap	To assess Council's ability to renew assets as required. <u>Asset renewal expenditure</u> Depreciation A percentage greater than 100 indicates that Council is maintaining its existing assets. If there has been a past gap in renewal a percentage of greater than 100 is desirable. VAGO High Risk = less than 50% Medium Risk = 50% - 100% Low Risk = greater than 100%	Greater than 110%
Capital Replacement	Measures the replacement of assets is consistent with their consumption. <u>Capital expenditure</u> Depreciation VAGO High Risk Less than 100% Medium Risk 100% - 150% Low Risk Greater than 150%	Greater than 150%

Target ranges have been assessed with reference to the VAGO and Local Government Performance and Reporting Indicators.

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APPENDIX 2 CASHFLOW PARAMETER ASSUMPTIONS

CATEGORY	2017 LTFS	2018 LTFS	YR 3 -10 LTFS	REASON
Rate Revenue	99.5% plus prev year opening debtor balance	99.5% plus prev year opening debtor balance	99.5% plus prev year opening debtor balance	Current collection rate. Opening debt stable or improving.
Parking Enforcement	90% Plus 10% parking debt	90% Plus 10% parking debt	90% Plus 10% parking debt	Current trend based on collection for infringements. Other income from meters and permits is cash.
Other charges fees & fines (debtors)	97.5% Plus 10% opening debt	97.5% Plus 10 % opening debt	97.5% Plus 10 % opening debt	Opening debt relatively stable number.
Employee Costs	97.5%	97.5%	97.5%	Current staffing trend at near full employment.
Government Grants	100%	100%	100%	Collection history.
Capital Program Works	100% including carry forward	100% including carry forward	100% including carry forward	Historical trend.
Payments to Suppliers	100%	100%	100%	Variation in Balance Sheet holdings of payables and accruals.

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APPENDIX 3 FINANCIAL STRATEGY PRINCIPLES

The Financial Strategy Principles provide the framework for the development of Council's Long Term Financial Strategy, and annual Budget development. The principles enable consistent and informed decision-making by the Council.

The Financial Strategy Principles are outlined below:

Balanced and Sustainable Budget

Council will:

- Implement a sustainable budget and conservative financial strategy that caters for short and long-term requirements.
- Achieve a Liquidity Ratio of +150% to ensure the maintenance of the required level of cash to meet operational requirements and strengthen this position over the years of the LTFS. (aspirational target).
- Maximise the level of grants and subsidies received from Victorian and Commonwealth governments to achieve a better share of government taxes for the community.
- Debt servicing and debt redemption will be maintained within the financial capacity of Council reflected in a cap on indebtedness (P&I) of less than 40%.
- Direct funds from asset sales to the purchase of new, upgrade assets or re-establishment of working capital.
- Trust Funds and Statutory Reserves will be fully cash backed at 30 June each year (aspirational target).

Asset management

Council will (when funding is available):

- Provide well-maintained community assets that are fit for their purpose and provide best possible community benefit. Council will commit an appropriate level of expenditure on asset renewal and give priority to asset renewal over new assets.
- Ensure that the community has access to required community infrastructure, located to meet community needs within a framework of city wide priorities and designed with regard to current and future needs.
- Fund capital expenditure in a prudent, ethical and responsible manner. Council will seek and accept external funding contributions to a project where the acceptance of the funding will not compromise Council's principles or objectives.
- Manage, acquire and dispose of property in the best interest of the community. Council recognises the importance of efficient use of property holdings over the long term to support community wellbeing.

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City of Yarra - Draft Long Term Financial Strategy 2017-18 to 2026-27

APPENDIX 4 OPERATING AND CAPITAL ACTIVITIES

Income Statement	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue										
Rates - general	(105,158)	(108,871)	(112,658)	(116,521)	(120,462)	(124,481)	(128,581)	(132,762)	(137,027)	(141,378)
Grants-Capital	(1,195)	(1,207)	(1,231)	(1,256)	(1,269)	(1,281)	(1,294)	(1,307)	(1,320)	(1,333)
Grants-Operating	(12,023)	(13,225)	(14,548)	(16,003)	(16,163)	(16,324)	(16,488)	(16,652)	(16,819)	(16,987)
Contributions - cash	(4,300)	(4,300)	(4,300)	(4,300)	(4,300)	(4,300)	(4,300)	(4,300)	(4,300)	(4,300)
Statutory fees and fines	(28,534)	(28,819)	(29,395)	(29,984)	(30,484)	(30,984)	(31,484)	(31,984)	(32,484)	(32,984)
User fees	(27,064)	(27,334)	(27,881)	(28,439)	(28,939)	(29,439)	(29,939)	(30,439)	(30,939)	(31,439)
Reimbursements	(1,640)	(1,699)	(1,819)	(1,942)	(2,004)	(2,024)	(2,045)	(2,065)	(2,086)	(2,107)
Interest	-	-	-	-	-	-	-	-	-	-
Other revenue	(1,207)	(1,294)	(1,345)	(1,418)	(1,432)	(1,447)	(1,461)	(1,476)	(1,490)	(1,505)
Total Revenue	(181,121)	(186,749)	(193,177)	(199,863)	(205,053)	(210,280)	(215,591)	(220,985)	(226,466)	(232,033)
Expenses										
Employee Costs	80,639	82,252	83,897	85,575	87,286	89,032	90,813	92,629	94,481	96,371
Materials & services	67,085	67,754	69,110	70,493	71,198	71,910	72,629	73,355	74,089	74,830
Bad and doubtful debts	2,010	1,980	1,950	1,920	1,980	2,040	2,100	2,160	2,220	2,280
Depreciation & amortisation	20,664	22,432	22,881	23,338	23,838	24,338	24,838	25,338	25,838	26,338
Finance costs	2,139	2,088	2,035	1,980	1,876	1,692	1,498	1,296	1,084	862
Total Expenses	172,537	176,506	179,873	183,305	186,178	189,012	191,878	194,778	197,712	200,681
Adjustments										
WDV of assets sold	500	500	500	500	500	500	500	500	500	500
Proceeds from sales	(800)	(697)	(692)	(687)	(682)	(675)	(670)	(667)	(660)	(655)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(300)	(197)	(192)	(187)	(182)	(175)	(170)	(167)	(160)	(155)
Net (Surplus)/Deficit	(8,884)	(10,440)	(13,496)	(16,744)	(19,056)	(21,444)	(23,883)	(26,374)	(28,913)	(31,507)
Net Asset Revaluation Increment	(50,339)	-	(52,204)	-	(52,726)	-	(53,253)	-	(53,786)	-
Comprehensive Result	(59,223)	(10,440)	(65,700)	(16,744)	(71,782)	(21,444)	(77,136)	(26,374)	(82,699)	(31,507)

OPERATING ACTIVITIES REVENUE

RATE REVENUE

Council no longer has control over its rate revenue as it is limited in future years by the direction imposed by the Minister for Local Government under rate capping. Current estimates are outlined below:

Table 6 Rates & Charges Estimates

LTFS	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Rate Revenue	104,058	107,771	111,558	115,421	119,362	123,381	127,481	131,662	135,927	140,278
Supplementary Rates	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Total Rates & Charges	105,158	108,871	112,658	116,521	120,462	124,481	128,581	132,762	137,027	141,378

Supplementary Rates are additional rate income raised as a result of growth in new or extended properties or by change of land use under the planning scheme.

FEES AND CHARGES

Fees and Charges assist Council to offset the cost of some service delivery directly with the user rather than funding through rate income. If fees and charges income reflects the movement in Council costs and particularly wages costs this will generally mean that the user will continue to contribute the same proportion of the costs.

Statutory Charges are not within Council's control and these generally do not reflect movements in staff costs but at CPI. Some statutory charges are also not indexed e.g. statutory planning and as result ad hoc adjustments to fees occur.

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PARKING REVENUE

Parking revenue is a reflection of the statutory charges established by the State Government and also reflects the growing pressure on parking space within the City. Parking revenue can be influenced by many external factors such as economic conditions, clearway policy and fuel prices. A conservative approach to growth in this revenue source has been applied, recognising that it will continue to grow.

Table 7 Predicted trend in parking revenue

LTFS	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parking Revenue	28,534	28,819	29,395	29,984	30,484	30,984	31,484	31,984	32,484	32,984

Note these amounts include the introduction of sensor technology in Year 1 and 2.

Council's income from parking enforcement, permits and parking meter income is significant at \$28.6 million of total income or 16% of total revenue. Parking Revenue should improve following the implementation of the New Parking Technology during 2017-18 & 2018-19. An assumption on the increase in revenue has been built into year 1.

GOVERNMENT GRANTS - OPERATING

These grants are received from Commonwealth and State Governments in support of programs. The largest grant is the Victorian Grants Commission allocation of Commonwealth money. Council's entitlement to the Victorian Grants Commission is an "as of right" entitlement and no significant shift in allocation is expected. This grant has been frozen by the Commonwealth Government in previous years and has not been subject to CPI adjustment. This changes from 2017-18. Any increase will relate to changes in Yarra's population.

INTEREST INCOME

Interest income is based on predicted cash flow, cash balances and CPI.

OPERATING ACTIVITIES EXPENSES

EMPLOYEE COSTS

Employee benefits include all labour related expenditure including agency staff. Costs here are governed by Council's Enterprise Bargaining Agreement that is due for negotiation now and will influence the 2017-18 financial year (Year 1 of the LTFS). From years 2-10 an estimate has been provided that is based on predicted average weekly earnings increases. Any restructuring of the workforce will need to be managed within the existing labour allocations with restructuring costs to be absorbed plus an allowance is also made for movement in banding entitlements.

No allowance has been made for the impact of expected population and dwelling growth on the labour budget.

No allowance has been made for further contributions to the Local Government Defined Benefits Scheme (Vision Super).

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CONTRACTS

Contract costs generally increase in excess of CPI inflation reflecting the growth in average weekly wages and material costs.

MATERIALS AND SERVICES

These relate to a range of goods and services including utilities, insurance, consultants, legal fees, telecommunications and maintenance.

A reduction of \$500,000 in materials and services as an efficiency dividend is included in 2017-18 and extended through years 2-10.

Legal fees are a significant component of Material and Services and these costs are often outside Council's control. Increased development pressure is also generating increases in legal costs associated with VCAT appeals.

Council's contribution to community through its annual and service grants is a large proportion of this cost (Total community grants budget in 2017-18 is \$1.9 million plus other contributions of \$1.46 million).

The State Government also imposes a Waste Levy on Council to encourage enhanced environmental practice across the State and historically has been increasing at around 10% per annum.

DEPRECIATION

Depreciation is forecast to increase by 2% per annum from year 2.

DOUBTFUL DEBTS

Doubtful debts are forecast to increase across the LTFS.

GAIN/LOSS ON SALE OF ASSETS

An amount of \$0.3 million has been allowed for loss on sale of assets in 2017-18, reducing to \$0.2 million in 2018-19. This remains stable for the remainder of the LTFS.

CAPITAL WORKS PROGRAM

Table 8 Capital Works Program

Capital Cashflow	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Renewal	24,605	25,814	25,559	23,666	25,177	26,832	27,508	29,675	30,003	30,619
Upgrade	539	6,224	7,907	10,865	4,795	3,428	1,990	2,120	2,820	1,825
New	4,896	820	200	1,461	4,028	4,420	5,876	4,286	3,980	5,095
Carry-forwards	3,000	-	-	-	-	-	-	-	-	-
Total	33,040	32,858	33,666	35,992	34,000	34,680	35,374	36,081	36,803	37,539

These numbers also incorporate an update to the definition used for upgrade. Renewal of assets now includes improvements that bring existing assets to today's equivalent capacity or performance capability. For example replacement of a kitchen to today's standard. Upgrade of an asset is restricted to an increase in asset capacity.

A review of classification of expenditure between Operating and Capital is also proposed. Currently a large transfer from Capital to Operating occurs as part of the end of year accounting adjustment and review of budget definitions will reduce this variance and better reflect the division of expenditure.

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ASSET RENEWAL CAPITAL WORKS

Asset renewal has been incorporated within the LTFS in accordance with the adopted asset management plans. These include:

- Roads (including drainage)
- Buildings
- Open Space 2008 and under review
- Drainage to be separated and under review

Asset renewal expenditure has been indexed for CPI.

Information Technology requirements are based on the Information Systems Strategy. This Strategy is due for renewal in 2017.

Renewal expenditure has been reduced to reflect the move to leasing of motor vehicles.

In general Council's asset renewal requirements are being met however a renewal gap remains.

NEW AND UPGRADE CAPITAL WORKS

The New and Upgrade Capital Works program has been based on assessments undertaken for the 2017-18 Budget preparation.

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APPENDIX 5 BALANCE SHEET ACTIVITIES

Balance Sheet	Year 1 2017-18 \$'000	Year 2 2018-19 \$'000	Year 3 2019-20 \$'000	Year 4 2020-21 \$'000	Year 5 2021-22 \$'000	Year 6 2022-23 \$'000	Year 7 2023-24 \$'000	Year 8 2024-25 \$'000	Year 9 2025-26 \$'000	Year 10 2026-27 \$'000
Current Assets										
Cash and cash equivalents	26,247	25,124	26,581	29,292	34,147	41,074	50,136	61,394	74,914	90,761
Trade and other receivables	14,335	15,024	15,803	16,677	17,547	18,415	19,281	20,145	21,008	21,870
Accrued Income	280	280	280	280	280	280	280	280	280	280
Prepayments	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163
Inventories	130	130	130	130	130	130	130	130	130	130
Non Current assets classified as held for sale	696	696	696	696	696	696	696	696	696	696
Total Current Assets	42,851	42,417	44,653	48,238	53,963	61,758	71,686	83,808	98,191	114,900
Non-Current Assets										
Trade and other receivables	255	255	255	255	255	255	255	255	255	255
Property, plant and equipment, infrastructure	1,748,914	1,758,841	1,821,330	1,833,484	1,895,873	1,905,715	1,969,003	1,979,249	2,043,498	2,054,199
Total Non-Current Assets	1,749,169	1,759,096	1,821,585	1,833,739	1,896,128	1,905,970	1,969,258	1,979,504	2,043,753	2,054,454
Total Assets	1,792,020	1,801,513	1,866,238	1,881,977	1,950,091	1,967,728	2,040,944	2,063,312	2,141,944	2,169,354
Current Liabilities										
Trade and other payables	17,311	17,311	17,311	17,311	17,311	17,311	17,311	17,311	17,311	17,311
Trust funds and deposits	6,195	6,195	6,195	6,195	6,195	6,195	6,195	6,195	6,195	6,195
Income in advance	223	223	223	223	223	223	223	223	223	223
Provisions	15,215	15,409	15,629	15,874	16,130	16,432	16,815	17,314	17,965	18,806
Interest bearing loans and borrowings	1,142	1,195	1,250	1,308	4,110	4,303	4,505	4,717	4,939	3,453
Total Current Liabilities	40,086	40,333	40,608	40,911	43,969	44,464	45,049	45,760	46,633	45,988
Non-Current Liabilities										
Provisions	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416	1,416
Other Liab	585	585	585	585	585	585	585	585	585	585
Interest bearing loans and borrowings	43,767	42,573	41,323	40,015	33,289	28,987	24,482	19,765	14,826	11,373
Total Non-Current Liabilities	45,768	44,574	43,324	42,016	35,290	30,988	26,483	21,766	16,827	13,374
Total Liabilities	85,854	84,907	83,932	82,927	79,259	75,452	71,532	67,526	63,460	59,362
Net Assets	1,706,166	1,716,606	1,782,306	1,799,050	1,870,832	1,892,276	1,969,412	1,995,786	2,078,485	2,109,992
Equity										
Accumulated surplus	600,014	610,454	623,950	640,694	659,750	681,194	705,077	731,451	760,364	791,871
Reserves	1,106,152	1,106,152	1,158,356	1,158,356	1,211,082	1,211,082	1,264,335	1,264,335	1,318,121	1,318,121
Total Equity	1,706,166	1,716,606	1,782,306	1,799,050	1,870,832	1,892,276	1,969,412	1,995,786	2,078,485	2,109,992

BALANCE SHEET ASSETS

RECEIVABLES

Receivables (net) are forecast to be \$14.3 million in 2017-18. This is anticipated to increase by 5% on average each year across the LTFS.

INVENTORY, ACCRUED INCOME, REPAYMENTS AND ASSETS HELD FOR SALE

The remaining current asset items have been left at forecast 2016-17 levels.

PROPERTY, INFRASTRUCTURE AND PLANT AND EQUIPMENT

Property, infrastructure and plant and equipment is based on forecasts for additions and disposals net of depreciation. An escalation factor of 5.0% has been allowed every two years from 2017-18 for the asset revaluation increment.

INVESTMENTS IN ASSOCIATES, OTHER RECEIVABLES AND FINANCIAL ASSETS

The remaining non-current asset items have been left at forecast 2016-17 levels.

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BALANCE SHEET LIABILITIES

PAYABLES

Payables are forecast to be \$17.3 million in 2017-18 and remaining stable across the LTFS.

TRUST FUNDS

Trust funds are forecast to be \$6.2 million in 2017-18 and remaining stable across the LTFS.

EMPLOYEE PROVISIONS (CURRENT AND NON-CURRENT)

Employee provisions are forecast to be \$16.6 million in 2017-18 increasing to \$17.2 million over the 10 year period.

INTEREST BEARING LOANS AND BORROWINGS

Loans are based on repayment schedules for two loans of \$32.5 million and \$13.5 million. The \$32.5 million loan will be refinanced in 2020-21 on a principal and interest basis, and the \$13.5 million loan will be fully redeemed by the end of the LTFS.

OPEN SPACE RESERVE

The open space reserve is forecast to be fully acquitted during the 2017-18 financial year. This will continue through the 10 year period.