



# Minutes

## Council Meeting

6.34pm, Tuesday 9 July 2024

Richmond Town Hall

## 1. Statement of recognition of Wurundjeri Woi-wurrung Land

*“Yarra City Council acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners and true sovereigns of the land now known as Yarra.*

*We acknowledge their creator spirit Bunjil, their ancestors and their Elders.*

*We acknowledge the strength and resilience of the Wurundjeri Woi Wurrung, who have never ceded sovereignty and retain their strong connections to family, clan and country despite the impacts of European invasion.*

*We also acknowledge the significant contributions made by other Aboriginal and Torres Strait Islander people to life in Yarra.*

*We pay our respects to Elders from all nations here today—and to their Elders past, present and future.”*

## 2. Attendance, apologies and requests for leave of absence

### Attendance

#### Councillors

- Cr Edward Crossland Mayor
- Cr Anab Mohamud Deputy Mayor
- Cr Michael Glynatsis Councillor
- Cr Stephen Jolly Councillor
- Cr Herschel Landes Councillor
- Cr Claudia Nguyen Councillor
- Cr Bridgid O’Brien Councillor
- Cr Amanda Stone Councillor
- Cr Sophie Wade Councillor

#### Council staff

##### *Chief Executive Officer*

- Sue Wilkinson Chief Executive Officer

##### *General Managers*

- Rose Barletta Governance, Communications and Customer Experience (Acting)
- Sam Hewett Infrastructure and Environment
- Malcolm McCall Community Strengthening (Acting)
- Mary Osman City Sustainability and Strategy
- Sandra Sanderson Corporate Services and Transformation (Acting)

##### *Governance*

- Phil De Losa Manager Governance and Integrity
- Patrick O’Gorman Senior Governance Coordinator
- Mel Nikou Governance Officer

## 3. Announcements

No announcements were made.

#### 4. Declarations of conflict of interest (Councillors and staff)

Cr Crossland, Cr Glynatsis, Cr Jolly, Cr Landes, Cr Mohamud, Cr O'Brien, Cr Stone and Cr Wade declared that they had familiarised themselves with the matters being presented to this meeting and that they do not have a conflict of interest.

Councillor Nguyen declared a general conflict of interest on items 7.4 and 8.2 due to her workplace responsibilities,

#### 5. Confirmation of minutes

##### COUNCIL RESOLUTION

**Moved:** Councillor Mohamud

**Seconded:** Councillor Glynatsis

That the minutes of the Council Meeting held on Tuesday 18 June 2024 be confirmed.

##### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

#### 6. Question time

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**12. General business**

Nil

**13. Urgent business**

Nil

**14. Confidential business reports**

Nil

## 6. Question time

This record is provided from members of the public upon registration and also asked during Question Time and the responses provided is not a transcript of proceedings. A recording of the Council Meeting is available on Council's website for twelve months following the meeting.

The following questions were asked:

**1. Hyndeckie Iyob:**

I want to ask about the multiple deck parking that is being built at 218-220 Victoria St. Richmond.

*The General Manager City Sustainability and Strategy provided the following response:*

The site historically was granted a permit for a carpark, this has subsequently expired. There is no active permit for this site. The site is up for sale.

**2. Christine Maynard:**

Could waste management please provide the details of the cost of for each of the following separately: general waste, recycling, glass and FOGO collections and are the charges charged at a per hour or by volume (or how are these charges charged). Do companies charge extra for public holidays and Sundays as I've seen trucks at the cardboard collection facility in Burnley on top of the usual collection

*The General Manager Infrastructure and Environment provided the following response:*

Thanks for your questions Christine.

Some of the detail about the cost of Council's waste services can be found in the publicly accessible reports (all on Council's website) of March 2023 and December 2023 (when FOGO was introduced) and in Council's 24/25 budget papers of June 2024. It totals over \$21m.

Some waste collection services are priced per bin lift and some are priced for the service (regardless of lifts) and the processing services are calculated by weight. The landfill levy imposed by the State Government is also charged per weight. Weekend services are priced as part of the overall service to Yarra.

**3. Nancy Molloy:**

When is Council going to acknowledge that staff cuts are adversely affecting the Empower Programs, and address the issues raised in my correspondence sent to Councillor Glynatsis in December of last year in his role on the Disability Advisory Committee and copied to Councillor Mohamud and officers of City of Yarra.

*The General Manager Infrastructure and Environment provided the following response:*

Thanks for your question Nancy.

There have been no cuts to staff hours for the Empower Program and programs still have capacity for additional participants.

We continually invest in staff and programs that build capacity and provide an even better service than we do currently.

As we discussed when we met and in my correspondence to you earlier this year, our ongoing adjustments and staff training initiatives reflect our commitment to meeting demand and improving the service quality of our important community programs such as the Empower program.

**4. Sascha Jesaulenko-Ash:**

Why is this council opposed to implementing CCTV in high-crime areas? Especially in heritage-protected areas where a permit is required to implement CCTV on personal property. And areas that have basically no street lights such as the bike path along the entire Park Street.

*The General Manager City Sustainability and Strategy provided the following response:*

Thank you Sascha for your question.

Council does not operate CCTV in public areas. We consider the evidence on the effectiveness of CCTV for crime prevention, is inconclusive. The responsibility for the installation and management of CCTV falls under the purview of the Victorian Government. For more detailed information, please refer to the [Yarra City Council CCTV Policy](#) which is available on Council's website.

More specifically and relevant to private property, a planning permit is required to install security systems and cameras in some instances. Specifically, a planning permit is required if the property is in a Heritage Overlay and the security system and/ or cameras would be visible from the street (other than a lane) or public park.

**5. Kenneth Gomez:**

*Yarra's 2025 Budget appears to allocate \$6.5M to hire External Consultants to deploy the Technology One ERP software and currently has a tender in market to choose these consultants.*

*Using this software can bring large benefits to Council but is also a risky project because it touches so many existing work practices and existing systems.*

*Brisbane City Council, Wellington City Council and Cairns Regional Council have reported multi-million dollar cost over-runs when they ran into problems deploying the same Technology One ERP software.*

*How does Council intend to avoid these risks?*

*The Acting General Manager Corporate Services provided the following response:*

Thank you for your question, Kenneth. City of Yarra is indeed investing in upgrading the systems that allow us to support our Council.

We'll manage these risks by maintaining tight control of the project scope and avoiding complexities of design and minimising if not avoiding customisations. Our biggest challenge is to improve and streamline our business processes, technology after all is an enabler and not the end goal in itself.

Managing projects of this size is indeed challenging, however we have been preparing for this for over 12 months by running detailed workshops and by understanding our business requirements and keeping the scope tightly controlled.

We have also certainly learned from others' experience, City of Brisbane for example in retrospect has identified that they had processes poorly defined and their service catalogue was deficient. In our case, we have been updating our processes and have recently completed a review of our Service Catalogue as part of our service planning process.

We have also established a number of Project Control Groups from project level groups to governance steering committees. In addition, we have engaged an external probity advisor across the entire lifecycle of the project. And we also report regularly into the Audit and Risk Committee.

We have also established an IT Architecture Review Board. An IT Architecture Review Board (ARB) plays a critical role in governing the architecture and design of our IT systems. The ARB ensures that IT projects align with the enterprise's architectural standards and strategic goals, fostering consistency, interoperability, and compliance across the technology landscape. It reviews project designs, assesses technical risks, and provides guidance on architectural best practices, thereby helping to optimise our solutions.

**6. Dr Sharon Harrison:**

Can Officers advise how much funding Council has allowed in the 2024/2025 budget for assessing its stormwater drainage infrastructure and undertaking renewal works? *The General Manager Infrastructure and Environment provided the following response: Council has made and continues to make significant investments into management of its stormwater assets including (for 24/25):*

- (a) \$4m for drainage renewal and upgrades;
- (b) \$6m in other civil capital projects which includes stormwater asset renewal and upgrades;
- (c) Developer upgrades to Council's assets of \$millions annually;
- (d) \$800k in laneway upgrades and renewal (which includes stormwater management), and
- (e) \$4m in operating expenses that includes drain and pit cleaning, inspections, audits, planning, supervision and kerb and channel sweeping.

**7. Michael Spencer:**

My question relates to the 2024/25 Budget and I would like to know when the Mayor and other councillors were advised of the revised financial position, why it was recommended \$5 million be transferred to reserves instead of the full \$7.2 million as per paragraph 24, whether the change of financial position was advised as part of the consultation process, how many submissions were received relating to the additional funding provided for the Vietnam celebration and whether council undertook any evaluation of the proposed \$400,000 to be spent on that celebration.

*The Chief Executive Officer provided the following response: The draft budget was prepared over many months in consultation with Councillors including around 10 workshops and finalised in February.*

*The April Forecast is an estimate and subject to potential future events that could impact the final position for the financial year The forecast position based on accrual accounting and not all of the forecast surplus will be allocated as cash. The final position will not be known until the EOFY reconciliation process has been completed however Officers were confident that a \$5 million transfer to reserves was reasonable. The revised financial position (referred to in the Council report as 'The April Forecast') was discussed in detail with Councillors during May and June.*

*In relation to the celebration of the Vietnamese community, in October 2023 Council unanimously resolved a general business motion to acknowledge the significant contribution of the Vietnamese and broader Asian community, recognising that 2025 will be the 50 year anniversary of the Vietnamese people arriving in Australia. Council also requested officers provide a report on opportunities to commemorate these cultural anniversaries and practical support for their implementation.*



*Following detailed discussions with representatives of the Victoria Street Business Association, Councillors received a detailed briefing in April 2024 outlining various options to commemorate the 10 Year anniversary of the Victoria Street Gateway in 2024 & the 50 year anniversary Vietnamese people arriving in Australia in 2025.*

*Three people made submissions in relation to this item.*

*The budget allocation resolved by Council will be used to develop a permanent reflective/commemorative installation in the Victoria Street precinct to recognize the anniversary of the arrival of Vietnamese migrants in Australia in 2025. Detailed project scoping will occur in consultation with the Victoria Street community. The commemorative marker's design, fabrication and installation is based on similar public realm commissions, including the proposed Uncle Archie and Aunty Ruby commemorative statue that is soon to be installed in Fitzroy.*

**8. Victoria Chipperfield:**

When is Council going to clean Bridge Road footpaths?

*The General Manager Infrastructure and Environment provided the following response:*

*The Bridge Rd footpaths are swept early each morning 7 days per week. If there's a particularly messy area we will send our in-house crew to spot pressure wash it.*

**9. Paul Jackson:**

When will Yarra be releasing the KPMG report into the Burnley Golf Course, the terms of reference for this report and will Yarra be releasing the Audit and Risk response to the KPMG report to the public ?

*The Chief Executive Officer provided the following response:*

*The KPMG report will be provided to Council in August for noting.*

**10. Peter Razos:**

\$350k has been allocated to the, in my opinion, very worthy Vietnamese Community's 50<sup>th</sup> year commemoration.

That amount just can't have been plucked out of thin air.

To use Sandra Sanderson's from General Manager Corporate Services, her response on July 4 email to me, re Capital Works – Precisely what asset (or assets) are the Vietnamese and wider Yarra communities getting for our \$350k?

*The Chief Executive Officer provided the following response:*

*As advised earlier tonight, Council requested officers provide a report on opportunities to commemorate these cultural anniversaries and practical support for their implementation.*

*The budget allocation resolved by Council will be used to develop a permanent reflective/commemorative installation in the Victoria Street precinct to recognise the anniversary of the arrival of Vietnamese migrants in Australia in 2025. Detailed project scoping will occur in consultation with the Victoria Street community. The commemorative marker's design, fabrication and installation is based on similar public realm commissions.*

**11. Anne Jenkins:**

What privacy training for Councillors and staff is being undertaken and when?

*The Acting General Manager Governance, Communications and Customer Experience provided the following response:*

*In relation to Council staff, privacy training is mandatory upon commencement of employment, and is required to be completed every 2 years. Additional targeted training is also conducted with business areas that handle sensitive information.*

*Privacy training also forms part of the induction program for Councillors. Further to this, Council is organising a separate session for Councillors and senior management in relation to their privacy obligations under the Privacy and Data Protection Act.*

**12. Marion Attwater:**

Why hasn't the Public Transparency Policy been reviewed and updated this year? One year ago, at the 18 April 2023 council meeting, there was a response to a question about publishing the records of councillor briefings, where the Mayor mentioned that the review of the Public Transparency Policy was slated for early 2024. Since that time there have been a number of new policies and practices adopted, none of which are reflected in the Public Transparency Policy - meaning that the policy has not been MAINTAINED as per section 57(1) of the Local Govt Act.

*The Acting General Manager Governance, Communications and Customer Experience provided the following response:*

*The Public Transparency Policy is currently under review.*

*The work being undertaken in the review includes a broad benchmarking exercise of other Council's policies. The revised policy will be developed and presented to the new Council as an education component to their induction training to be delivered in November 2024, and the adoption of the revised policy early in the next Council term.*

**13. Anne Jenkins on behalf of Maylynn Tsoi:**

Re: Discontinuance of Charlotte Street. Can the Council comment on the apparent failure to take into proper consideration the principles set out in Austroads Guide to Traffic Management 8: Local Street Management 2020 (p 21–22) which appear to be in tension with the conclusions in the Traffix report regarding the increase in Elm Grove? And further why the strong opposition to the Charlotte Street closure by the immediately impacted residents is being overlooked? (i.e. I noted that the Council is still pushing an 88% support rate for the Charlotte Street park even though this figure is from 2023, before the pop-up).

*The General Manager Infrastructure and Environment provided the following response:*

*The closure of Charlotte St for a potential park included traffic studies and we carefully considered the associated local traffic impacts. The Traffix report considered that the increase of traffic in Elm Grove and Charles Street were within acceptable levels.*

*Council is now seeking community feedback on the possible road discontinuance and we'd encourage you to have your say.*

**14. Maria Dekleris:**

Re: Charlotte street closure. What more needs to be said and done to ensure Charlotte street is not permanently closed/discontinued?

The local residents and businesses are not in favour of this proposal. Did the temporary closure earlier this year not highlight the obvious problems?

*The General Manager Infrastructure and Environment provided the following response:*

*Council resolved in June 2024 to begin a road discontinuance statutory process for this street via community consultation. You can have your say now on the proposal to close the street and those wishing to be heard in support of their submissions can attend an Extraordinary Council meeting on 6 August 2024. Council will then be asked to make a decision on 13 August 2024.*

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## 7.1 Climate Emergency Plan 2024-2030

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<b>Reference</b>	D24/236472
<b>Author</b>	Samantha Green - Climate Emergency Coordinator
<b>Authoriser</b>	General Manager City Sustainability and Strategy
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 7.35pm

1. That Council:
  - (a) adopts the Climate Emergency Plan 2024-2030;
  - (b) adopts the Climate Emergency Action Plan 2024-2027; and
  - (c) thanks the community for their involvement in the consultation process.

### Public Submissions

*The following people addressed Council on the matter:*

*Meredith Kefford, YCAN;*

*Don Vogt, Australian Conservation Foundation Inner Melbourne Community Group; and*

*Tony Milne, Carlton Neighbourhood Learning Centre (written submission provided).*

### COUNCIL RESOLUTION

**Moved:** Councillor Stone

**Seconded:** Councillor Wade

1. That Council:
  - (a) adopts the Climate Emergency Plan 2024-2030;
  - (b) adopts the Climate Emergency Action Plan 2024-2027; and
  - (c) thanks the community for their involvement in the consultation process.

### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

## 7.2 Keeping Yarra Flood Resilient

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<b>Reference</b>	D24/245084
<b>Author</b>	Kathryn Pound - Manager Statutory Planning
<b>Authoriser</b>	General Manager City Sustainability and Strategy
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 7.53pm

1. That Council:
  - (a) Notes this report; and
  - (b) Adopts the following recommendations:
    - (i) as soon as practicable after the Council meeting, Council through the MBS to designate flood areas under regulations 148 and 149 of the Building Regulations, publishes the maps and FAQs online, notifies all affected property owners and occupiers and commences using the updated flood mapping in planning and building matters; and
    - (ii) the Strategic Planning Unit to commence the preparation of a Planning Scheme Amendment to introduce a local SBO schedule, for consideration at a future Council meeting; and
  - (c) Writes to participants of the Stage 1 Engagement, thanking them for their participation and informing them of the outcomes of this meeting and undertakes other communication and engagement activities set out in this report.

### Public Submissions

*The following people addressed Council on the matter:*

*Dr. Sharon Harrison;*

*Kenneth Gomez;*

*Anne Coveny;*

*Paul Jackson;*

*Evangeline Aston;*

*Victoria Chipperfield;*

*Michael Spencer;*

*Victoria Chipperfield on behalf of Lyndy U'Ren; and*

*David Young.*

## COUNCIL RESOLUTION

**Moved:** Councillor Landes

**Seconded:** Councillor Glynatsis

1. That consideration of the item 'Keeping Yarra Flood Resilient', be deferred until the February 2025 Ordinary Council meeting and include information regarding the capacity of our existing stormwater assets.
2. That Council:
  - (a) publishes high resolution mapping so that property owners and occupiers can access it to view the proposed flood modelling and provides an avenue for affected owners and occupiers to provide feedback;
  - (b) include information in Yarra News, Yarra Life and Council's website about the flood modelling;
  - (c) organise a minimum of two on line and two in person information sessions with the subject matter experts;
  - (d) include detailed FAQ's and clarifying information regarding the process, and how it may impact property owners on our website;
  - (e) notes Council's \$4m investment in its drainage renewal and upgrade program in 24-25 budget (along with a further \$10m in other operating and capital investment to help improve Council's stormwater network) and seeks further information from officers about recommended investment levels to further improve stormwater network capacity when Council plans for future budgets;
  - (f) officers investigate options to help ensure Yarra's public realm, streetscapes and buildings (including universal access) are designed to reduce the impacts of change in flood levels. The investigation could include:
    - (i) reviewing the Fishermans Bend, Arden and Macaulay Flood Design Guidelines produced by City of Melbourne, City of Port Phillip and Melbourne Water, determine their applicability to the City of Yarra and whether Yarra could adopt the document or a version thereof; and
    - (ii) advocating to the State Government to develop a good design guide for buildings and public realm in Flood Affected Areas in metropolitan Melbourne;
  - (g) officers include the need for better design guidance for potential flooding in Council's submission to the Plan for Victoria; and
  - (h) writes to participants of the Stage 1 Engagement, thanking them for their participation and informing them of the outcomes of this meeting.

## CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

*The Mayor adjourned the meeting at 9.15pm.*

*The meeting resumed at 9.25pm.*

## 7.3 Play Space Strategy

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<b>Reference</b>	D24/228311
<b>Author</b>	Aimee Pilven - Senior Landscape Architect and Open Space Planner
<b>Authoriser</b>	General Manager City Sustainability and Strategy
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 9.25pm

1. That Council:
  - (a) approves the Draft Play Space Strategy and associated Draft Play Space Strategy Snapshot to commence public exhibition and community and stakeholder consultation;
  - (b) notes that following public exhibition and consultation the final Play Space Strategy will be presented to Council for endorsement; and
  - (c) thanks the community for their involvement in the Stage 1 engagement process.

### COUNCIL RESOLUTION

**Moved:** Councillor Stone

**Seconded:** Councillor Mohamud

1. That Council:
  - (a) approves the Draft Play Space Strategy and associated Draft Play Space Strategy Snapshot to commence public exhibition and community and stakeholder consultation;
  - (b) notes that following public exhibition and consultation the final Play Space Strategy will be presented to Council for endorsement; and
  - (c) thanks the community for their involvement in the Stage 1 engagement process.

### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

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## 7.4 Responses to the Victoria Government Housing Statement

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<b>Reference</b>	D24/245116
<b>Author</b>	Melanie O'Neil - Policy Advisor Social Strategy and Community Development
<b>Authoriser</b>	General Manager Community Strengthening
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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*Councillor Nguyen left the meeting due to a conflict of interest at 9.31pm.*

**RECOMMENDATION** Start time: 9.31pm

1. That Council:

- (a) strongly opposes the Victorian Government's plans to demolish 44 public housing towers across the state, including 12 towers in the City of Yarra, in Fitzroy, Collingwood, and Richmond;
- (b) notes that the Victorian Government has published information concerning the feasibility of the Carlton estate, covering building compliance, structural integrity and other matters relating to its redevelopment;
- (c) asks the Victorian Government to consider alternatives to demolition:
  - (i) noting that without adequate consideration of the conditions of each public housing tower, the potential for redevelopment, refurbishment, and renovation has not been fully explored; and
  - (ii) urging the State Government of Victoria to carefully consider the options of renovating, retrofitting and/or refurbishing the existing high-rise public housing in Yarra and beyond on a case-by-case basis, instead of proceeding with wholesale replacement;
- (d) restates its commitment to the model of Public Housing, and:
  - (i) calls on the Victorian Government to maintain existing public housing unless building or engineering advice states otherwise; and,
  - (ii) advocates for a substantial increase in the number of public housing dwellings to address the housing affordability crisis;
- (e) seeks further information from the Victorian Government about the potential for the significant expansion of non-residential land uses within the public housing estate envelopes, noting that:
  - (i) while there are already health and recreational facilities and some commercial uses such as small-form supermarkets, these have an evidential nexus with the needs of tenants; and
  - (ii) Council is strongly opposed to large-scale broader commercialisation for any use that does not have relevance to tenant need;
- (f) advocates for the following considerations concerning any large-scale relocation of public housing residents, including from potential redevelopment of public housing estates or other groupings of public housing initiated by the Victorian Government:
  - (i) public tenants must be kept fully informed about all processes and potential outcomes associated with public housing redevelopments;



- (ii) localised options for tenants to relocate within or near their existing neighbourhood to avoid displacement from access to jobs, services, and social networks;
  - (iii) no net loss in the number and size (including number of bedrooms) of public housing dwellings within redevelopment sites;
  - (iv) delivery of quality open space within a site and/or the surrounding neighbourhood to offset the loss of any open space resulting from the redevelopment and densification of public housing estates;
  - (v) community services and infrastructure are equitably distributed across Yarra's public housing estates, tailored to the needs of the diverse tenant population;
  - (vi) redevelopments should offer a variety of housing options suitable for singles, couples, and families, ensuring that people at different life stages can reside within the same neighbourhood. This approach fosters social diversity, enhances community stability, and supports aging in place;
  - (vii) in cases where public housing redevelopment includes mixed tenure, it should be impossible to distinguish public and community housing dwellings from affordable and private housing stock;
  - (viii) all new dwellings resulting from public housing redevelopments should meet a minimum silver rating as outlined in the Liveable Design Guidelines, ensuring ease of accessibility upgrades for lifelong tenure. These new dwellings should also comply with a seven-star rating as defined under the National Construction Code 2022;
- (g) seeks a substantial increase in public and social housing in Yarra and continues to call on the Victorian Government to leverage various state-owned sites in the municipality for this purpose, including the former sites of Fitzroy Gasworks in North Fitzroy, the Provan's warehouse in Clifton Hill, and the police warehouse in Collingwood;
  - (h) requests officers to make a submission to the Legislative Council Legal and Social Issues Committee's Inquiry into the redevelopment of Melbourne's public housing towers in accordance with the advocacy positions of this resolution;
  - (i) notes that a motion opposing the Demolition of Public Housing Towers has been lodged with the MAV for consideration at the State Council meeting on Friday, 23 August 2024; and
  - (j) notes the establishment of The Homes Victoria and M9 Reference Group (HVM9). This quarterly forum will enable information exchange between Homes Victoria, council CEOs, and senior executives concerning the redevelopment of 44 public housing estates.

## COUNCIL RESOLUTION

**Moved:** Councillor Wade

**Seconded:** Councillor Mohamud

1. That Council:

- (a) strongly opposes the Victorian Government's plans to demolish 44 public housing towers across the state, including 12 towers in the City of Yarra, in Fitzroy, Collingwood, and Richmond;
- (b) notes that the Victorian Government has published information concerning the feasibility of the Carlton estate, covering building compliance, structural integrity and other matters relating to its redevelopment;
- (c) asks the Victorian Government to consider alternatives to demolition:
  - (i) noting that without adequate consideration of the conditions of each public housing tower, the potential for redevelopment, refurbishment, and renovation has not been fully explored; and
  - (ii) urging the State Government of Victoria to carefully consider the options of renovating, retrofitting and/or refurbishing the existing high-rise public housing in Yarra and beyond on a case-by-case basis, instead of proceeding with wholesale replacement;
- (d) restates its commitment to the model of Public Housing, and:
  - (i) calls on the Victorian Government to maintain existing public housing unless building or engineering advice states otherwise; and,
  - (ii) advocates for a substantial increase in the number of public housing dwellings to address the housing affordability crisis;
- (e) seeks further information from the Victorian Government about the potential for the significant expansion of non-residential land uses within the public housing estate envelopes, noting that:
  - (i) while there are already health and recreational facilities and some commercial uses such as small-form supermarkets, these have an evidential nexus with the needs of tenants; and
  - (ii) Council is strongly opposed to large-scale broader commercialisation for any use that does not have relevance to tenant need;
- (f) advocates for the following considerations concerning any large-scale relocation of public housing residents, including from potential redevelopment of public housing estates or other groupings of public housing initiated by the Victorian Government:
  - (i) public tenants must be kept fully informed about all processes and potential outcomes associated with public housing redevelopments;
  - (ii) localised options for tenants to relocate within or near their existing neighbourhood to avoid displacement from access to jobs, services, and social networks;
  - (iii) no net loss in the number and size (including number of bedrooms) of public housing dwellings within redevelopment sites;
  - (iv) delivery of quality open space within a site and/or the surrounding neighbourhood to offset the loss of any open space resulting from the redevelopment and densification of public housing estates;
  - (v) community services and infrastructure are equitably distributed across Yarra's public housing estates, tailored to the needs of the diverse tenant population;

- (vi) redevelopments should offer a variety of housing options suitable for singles, couples, and families, ensuring that people at different life stages can reside within the same neighbourhood. This approach fosters social diversity, enhances community stability, and supports aging in place;
- (vii) in cases where public housing redevelopment includes mixed tenure, it should be impossible to distinguish public and community housing dwellings from affordable and private housing stock;
- (viii) all new dwellings resulting from public housing redevelopments should meet a minimum silver rating as outlined in the Liveable Design Guidelines, ensuring ease of accessibility upgrades for lifelong tenure. These new dwellings should also comply with a seven-star rating as defined under the National Construction Code 2022;
- (g) seeks a substantial increase in public and social housing in Yarra and continues to call on the Victorian Government to leverage various state-owned sites in the municipality for this purpose, including the former sites of Fitzroy Gasworks in North Fitzroy, the Provan's warehouse in Clifton Hill, and the police warehouse in Collingwood;
- (h) requests officers to make a submission to the Legislative Council Legal and Social Issues Committee's Inquiry into the redevelopment of Melbourne's public housing towers in accordance with the advocacy positions of this resolution;
- (i) notes that a motion opposing the Demolition of Public Housing Towers has been lodged with the MAV for consideration at the State Council meeting on Friday, 23 August 2024;
- (j) notes the establishment of The Homes Victoria and M9 Reference Group (HVM9). This quarterly forum will enable information exchange between Homes Victoria, council CEOs, and senior executives concerning the redevelopment of 44 public housing estates; and
- (k) with respect to short stay accommodation:
  - (i) expresses concern about the efficacy of the state's proposed action on short-stay accommodation, and notes the significant time that has elapsed since the proposal's announcement without a bill;
  - (ii) notes the number of properties that are listed on Airbnb as whole properties (for any period of time) amounts to 3% of all dwellings in the City of Yarra (and those available for 6+ months amount to 1.2% of all dwellings);
  - (iii) notes the argument put forward by Rod Duncan in Planning News (Volume 49 No.7 August 2023) that short stays may not be permitted under the Victorian Planning Scheme for properties zoned Residential (General Residential, Neighbourhood Residential, Residential Growth and Mixed Use) unless the host is present (as specified in the definition of 'bed and breakfast' under clause 73.03);
  - (iv) notes the success other jurisdictions have had in shifting properties back to long-term housing by installing caps on the number of days they can be available for short stay;
  - (v) continue investigating measures the City of Yarra can take to reduce the percentage of housing stock listed on short stay websites under the law as it currently stands, including:
    - a. confirming whether short stay use is a permitted use pursuant to the Yarra Planning Scheme (per (iii) above) and, based on this advice, explore regulatory options including as part of the local law review and the practical considerations of any future planning enforcement; and

- b. confirming whether the City can impose an annual cap on the number of days a property can be listed as a short stay, as the law currently stands;
- (vi) join the City of Melbourne in requesting that the state government share details of short stays to local government, to allow any future enforcement action to take place efficiently; and
- (vii) that officers provide a report to the first council meeting of 2025 with the findings of the above.

**CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Mohamud, O'Brien, Stone and Wade

**Against:** Councillor Landes

**CARRIED**

*Councillor Nguyen returned to the meeting at 9.45pm.*

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## 7.5 Animal Pound Services - Extension of Contract C1498

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<b>Reference</b>	D24/233447
<b>Author</b>	Aoife Mulligan - Manager Parking and Compliance
<b>Authoriser</b>	General Manager City Sustainability and Strategy
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 9.45pm

1. That Council:
  - (a) notes the additional information provided in response to the Council resolution of 18 June 2024; and
  - (b) endorses the option to extend Contract C1498 for pound services for a further three years.

### COUNCIL RESOLUTION

**Moved:** Councillor O'Brien

**Seconded:** Councillor Nguyen

1. That Council:
  - (a) notes the additional information provided in response to the Council resolution of 18 June 2024;
  - (b) endorses the option to extend Contract C1498 for pound services for a further three years; and
  - (c) publish the shelter and pound data interpretation guidance pdf, the full shelter and pound data set spreadsheet, and the lost dogs home specific pdf in the minutes of the meeting.

### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

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## 7.6 Gertrude and Brunswick Street Public Space Project

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<b>Reference</b>	D24/229406
<b>Author</b>	Aimee Pilven - Senior Landscape Architect and Open Space Planner
<b>Authoriser</b>	Senior Coordinator Design and Place Making
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 9.55pm

1. That Council:
  - (a) endorses the Final Concept Design for the Gertrude Brunswick Public Space Project;
  - (b) submits the endorsed Final Concept Design for the Gertrude Brunswick Public Space Project to the Minister for Housing and Multicultural Affairs and seeks approval for the use of a portion of the Department of Families, Fairness and Housing (DFFH) land;
  - (c) notes that construction of the public space is provided for in the 2024/25 budget and is planned to take place in second quarter 2025 (subject to approvals); and
  - (d) thanks the community for their involvement in the engagement process.

### COUNCIL RESOLUTION

**Moved:** Councillor Stone

**Seconded:** Councillor Mohamud

1. That Council:
  - (a) endorses the Final Concept Design for the Gertrude Brunswick Public Space Project;
  - (b) submits the endorsed Final Concept Design for the Gertrude Brunswick Public Space Project to the Minister for Housing and Multicultural Affairs and seeks approval for the use of a portion of the Department of Families, Fairness and Housing (DFFH) land;
  - (c) notes that construction of the public space is provided for in the 2024/25 budget and is planned to take place in second quarter 2025 (subject to approvals); and
  - (d) thanks the community for their involvement in the engagement process.

### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

## 7.7 Mechanisms to Increase the Urban Forest on Private Land

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<b>Reference</b>	D24/192343
<b>Author</b>	Joerg Langeloh - Project and Policy Coordinator
<b>Authoriser</b>	General Manager City Sustainability and Strategy
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 9.59pm

1. That Council:
  - (a) continues to support programs which increase the canopy tree cover targeting Council controlled land;
  - (b) advocates to State Government to finalise and release its work on developing a whole-of-government approach to cooling and greening (Action 91 of Plan Melbourne), aimed at increasing sustainability and resilience through green infrastructure and supporting councils with their urban forest strategies;
  - (c) continues to advocate for canopy tree retention and increase for government-owned sites and consider opportunities for planting when planning for precincts that historically lack canopy cover;
  - (d) continues to pursue educational pathways, including the preparation of planting guidelines, raising awareness and understanding among landowners about the importance of protecting the urban forest and their role in its preservation on private land and continuing to promote the Green Factor Tool;
  - (e) investigates potential adjustments to relevant internal landscape plan requirements and referral processes to understand implications more accurately; and
  - (f) notes that the Municipal Association of Victoria is advocating for the amendment to the electrical line clearance under state regulations clearance and the Electricity Safety (Electric Line Clearance) Regulations 2020 as part of the 2025 review in order to retain trees and tree canopy in metropolitan municipalities such as the City of Yarra.

## **COUNCIL RESOLUTION**

**Moved:** Councillor Stone

**Seconded:** Councillor Mohamud

1. That Council:

- (a) continues to support programs which increase the canopy tree cover targeting Council controlled land;
- (b) advocates to State Government to finalise and release its work on developing a whole-of-government approach to cooling and greening (Action 91 of Plan Melbourne), aimed at increasing sustainability and resilience through green infrastructure and supporting councils with their urban forest strategies;
- (c) continues to advocate for canopy tree retention and increase for government-owned sites and consider opportunities for planting when planning for precincts that historically lack canopy cover;
- (d) continues to pursue educational pathways, including the preparation of planting guidelines, raising awareness and understanding among landowners about the importance of protecting the urban forest and their role in its preservation on private land and continuing to promote the Green Factor Tool;
- (e) investigates potential adjustments to relevant internal landscape plan requirements and referral processes to understand implications more accurately; and
- (f) notes that the Municipal Association of Victoria is advocating for the amendment to the electrical line clearance under state regulations clearance and the Electricity Safety (Electric Line Clearance) Regulations 2020 as part of the 2025 review in order to retain trees and tree canopy in metropolitan municipalities such as the City of Yarra.

## **CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**



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## 7.8 Governance Report - July 2024

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<b>Reference</b>	D24/147689
<b>Author</b>	Patrick O’Gorman - Senior Governance Coordinator
<b>Authoriser</b>	General Manager Governance, Communications and Customer Experience
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 10.08pm

1. That Council:
  - (a) notes that the Local Government Amendment (Governance and Integrity) Bill was given Royal Assent on 25 June 2024;
  - (b) notes the consultation to provide feedback on the development of the regulations for the Model Councillor Code of Conduct and for Mayoral and Councillor training by 15 July 2024; and
  - (c) endorses the proposal to establish a Families and Childrens Advisory Committee as per the draft Terms of Reference in Attachment 2.

### COUNCIL RESOLUTION

**Moved:** Councillor Wade

**Seconded:** Councillor Nguyen

1. That Council:
  - (a) notes that the Local Government Amendment (Governance and Integrity) Bill was given Royal Assent on 25 June 2024;
  - (b) notes the consultation to provide feedback on the development of the regulations for the Model Councillor Code of Conduct and for Mayoral and Councillor training by 15 July 2024; and
  - (c) endorses the proposal to establish a Families and Childrens Advisory Committee as per the draft Terms of Reference in Attachment 2.

### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O’Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

## 8. Notices of motion

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### 8.1 Notice of Motion No.12 of 2024 - Swimmable Cities Charter

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<b>Reference</b>	D24/242940
<b>Author</b>	Sophie Wade – Councillor
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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#### RECOMMENDATION

Start time: 10.09pm

1. That Council notes the Swimmable Cities Charter.
2. That Council notes the aspiration of the Charter and its alignment with the Climate Emergency Plan 2024 -2030 and Climate Emergency Action Plan 2024-2027 (presented earlier in the agenda), most particularly action 5.2.2 in the plan - 'A healthy, swimmable Birrarung for all and recognition of the river as a living and integrated natural entity'. This action reflects Council's commitment to increased waterway health, increased habitat restoration, support our community's connection to nature, and provide opportunities for our community to cool down in extreme heat. Importantly, this action also reflects Council's commitment to working with the Wurundjeri Woi Wurrung community to bring the Birrarung back to environmental health.
3. That Council notes the aspiration of the Charter and its alignment with the United Nations decade on ecosystem restoration, and commitment to preventing, halting and reversing loss of nature.
4. That the Mayor on behalf of Council, signs the Swimmable Cities Charter in support of the Climate Emergency Plan and Council's commitment to addressing both the climate and biodiversity crises.
5. That Council note that the Swimmable Cities Charter is embargoed by the Swimmable Cities Steering Group until 14 July 2024 and determine in accordance with Section 125(2) of the Local Government Act 2020 to make the Charter provided in Confidential Attachment 1 available on the Yarra website on 14 July 2024 to coincide with the Charter being released internationally.

#### Public Submission

*Matt Sykes, Regeneration Projects & Swimmable Cities, addressed Council on the matter.*

## **COUNCIL RESOLUTION**

**Moved:** Councillor Wade

**Seconded:** Councillor Crossland

1. That Council notes the Swimmable Cities Charter.
2. That Council notes the aspiration of the Charter and its alignment with the Climate Emergency Plan 2024 -2030 and Climate Emergency Action Plan 2024-2027 (presented earlier in the agenda), most particularly action 5.2.2 in the plan - A healthy, swimmable Birrarung for all and recognition of the river as a living and integrated natural entity'. This action reflects Council's commitment to increased waterway health, increased habitat restoration, support our community's connection to nature, and provide opportunities for our community to cool down in extreme heat. Importantly, this action also reflects Council's commitment to working with the Wurundjeri Woi Wurrung community to bring the Birrarung back to environmental health.
3. That Council notes the aspiration of the Charter and its alignment with the United Nations decade on ecosystem restoration, and commitment to preventing, halting and reversing loss of nature.
4. That the Mayor on behalf of Council, signs the Swimmable Cities Charter in support of the Climate Emergency Plan and Council's commitment to addressing both the climate and biodiversity crises.
5. That Council note that the Swimmable Cities Charter is embargoed by the Swimmable Cities Steering Group until 14 July 2024 and determine in accordance with Section 125(2) of the Local Government Act 2020 to make the Charter provided in Confidential Attachment 1 available on the Yarra website on 14 July 2024 to coincide with the Charter being released internationally.

## **CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

## 8.2 Notice of Motion No.13 of 2024 - Housing Targets

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<b>Reference</b>	D24/242955
<b>Author</b>	Herschel Landes – Councillor
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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*Councillor Nguyen left the meeting due to a conflict of interest at 10.15pm*

**RECOMMENDATION** Start time: 10.15pm

1. That Council:
  - (a) requests officers prepare a submission for Council’s consideration at the August Council meeting in response to the Plan for Victoria engagement, including the Draft Housing Targets released on 16 June 2024;
  - (b) requests officers seek further detail from the Department of Transport and Planning on the basis, assumptions, methodology and analysis underpinning the draft housing targets, including a breakdown of City of Yarra projections and the role of housing targets in the planning system; and
  - (c) notes the housing targets are silent on dwelling size, mix and affordable housing requirements and do not consider related planning considerations, including the location of jobs, integrated transport infrastructure, public open space provision, and the climate emergency.

Public Submission

*Aidan Barac-Dunn addressed Council on the matter.*

**MOTION**

**Moved:** Councillor Landes                      **Seconded:** Councillor Glynatsis

1. That Council:
  - (a) requests officers prepare a submission for Council’s consideration at the August Council meeting in response to the Plan for Victoria engagement, including the Draft Housing Targets released on 16 June 2024;
  - (b) requests officers seek further detail from the Department of Transport and Planning on the basis, assumptions, methodology and analysis underpinning the draft housing targets, including a breakdown of City of Yarra projections and the role of housing targets in the planning system; and
  - (c) notes the housing targets are silent on dwelling size, mix and affordable housing requirements and do not consider related planning considerations, including the location of jobs, integrated transport infrastructure, public open space provision, and the climate emergency.

**AMENDMENT**

**Moved:** Councillor O'Brien

**Seconded:** Councillor Jolly

notes the housing targets are silent on dwelling size, mix and affordable housing requirements, heritage and do not consider related planning considerations, including the location of jobs, integrated transport infrastructure, public open space provision, and the climate emergency.

**CALL FOR A DIVISION**

**For:** Councillors Glynatsis, Jolly, Mohamud, O'Brien, Stone and Wade

**Against:** Councillors Crossland and Landes

**CARRIED**

**COUNCIL RESOLUTION**

**Moved:** Councillor Landes

**Seconded:** Councillor Glynatsis

1. That Council:

- (a) requests officers prepare a submission for Council's consideration at the August Council meeting in response to the Plan for Victoria engagement, including the Draft Housing Targets released on 16 June 2024;
- (b) requests officers seek further detail from the Department of Transport and Planning on the basis, assumptions, methodology and analysis underpinning the draft housing targets, including a breakdown of City of Yarra projections and the role of housing targets in the planning system; and
- (c) notes the housing targets are silent on dwelling size, mix and affordable housing requirements, heritage and do not consider related planning considerations, including the location of jobs, integrated transport infrastructure, public open space provision, and the climate emergency.

**CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, O'Brien, Stone and Wade

**Against:** Councillor Mohamud

**CARRIED**

*Councillor Nguyen returned to the meeting at 10.30pm.*

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## 8.3 Notice of Motion No.14 of 2024 - Supporting Local Businesses

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<b>Reference</b>	D24/242923
<b>Author</b>	Edward Crossland – Councillor
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 10.30pm

1. That Council:

- (a) notes the value of small business to our shopping strips and neighbourhoods, and the diversity and vibrancy that they bring to life in Yarra, including fostering social connection and nurturing Melbourne’s arts scene;
- (b) notes the work underway in the City of Port Phillip to introduce a Live Music Precinct;
- (c) note that government processes (both local and state) can be complicated, expensive, time consuming and uncertain, particularly for smaller enterprise;
- (d) notes Yarra will be drafting a new economic development strategy in 2025, for adoption in 2026;
- (e) requests a report to a Council Meeting in the next six months that explores opportunities and advocacy avenues to streamline and simplify processes for local business, and support and promote local businesses and live music. Areas for investigation could include:
  - (i) potential updates to the planning scheme (including advocacy around State provisions);
  - (ii) potential updates to Local Laws;
  - (iii) progressing the introduction of Live Music Precincts in Yarra;
  - (iv) Identifying opportunities to participate in trials;
  - (v) enhancing tourism and further promoting local businesses and events, including with the Victorian Tourism Industry Council;
  - (vi) continuing engagement with State government on liquor licensing and live music reforms;
  - (vii) updating the Council’s website to make Council’s information and support for business related matters easier to find and engage with; and
  - (viii) engaging in joint advocacy with stakeholders, including trader groups; and
- (f) requests officer engagement with the Business Advisory Group and trader groups in preparing the above report.

### Public Submissions

*The following people addressed Council on the matter:*

*Jeremy Hope, Bridge Road Main Street Inc.; and*

*Nelly Dix on behalf of Paul Winters, Bridge Road Main Street Inc.*

## **COUNCIL RESOLUTION**

**Moved:** Councillor Crossland

**Seconded:** Councillor Nguyen

1. That Council:

- (a) notes the value of small business to our shopping strips and neighbourhoods, and the diversity and vibrancy that they bring to life in Yarra, including fostering social connection and nurturing Melbourne's arts scene;
- (b) notes the work underway in the City of Port Phillip to introduce a Live Music Precinct;
- (c) note that government processes (both local and state) can be complicated, expensive, time consuming and uncertain, particularly for smaller enterprise;
- (d) notes Yarra will be drafting a new economic development strategy in 2025, for adoption in 2026;
- (e) requests a report to a Council Meeting in the next six months that explores opportunities and advocacy avenues to streamline and simplify processes for local business, and support and promote local businesses and live music. Areas for investigation could include:
  - (i) potential updates to the planning scheme (including advocacy around State provisions);
  - (ii) potential updates to Local Laws;
  - (iii) progressing the introduction of Live Music Precincts in Yarra;
  - (iv) Identifying opportunities to participate in trials;
  - (v) enhancing tourism and further promoting local businesses and events, including with the Victorian Tourism Industry Council;
  - (vi) continuing engagement with State government on liquor licensing and live music reforms;
  - (vii) updating the Council's website to make Council's information and support for business related matters easier to find and engage with; and
  - (viii) engaging in joint advocacy with stakeholders, including trader groups; and
- (f) requests officer engagement with the Business Advisory Group and trader groups in preparing the above report.

## **CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

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## 8.4 Notice of Motion No.15 of 2024 - Release of Council Documents

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<b>Reference</b>	D24/242962
<b>Author</b>	Stephen Jolly – Councillor
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 10.45pm

That Council determine in accordance with Section 125(2) of the Local Government Act 2020 to make publicly available the Atticusnow “Building Financial Sustainability & Capacity Final Report” subject to redaction of any confidential personal information and/or confidential business information.

### Public Submissions

*The following people addressed Council on the matter:*

*Kenneth Gomez; and*

*Paul Jackson.*

### COUNCIL RESOLUTION

**Moved:** Councillor Jolly

**Seconded:** Councillor Wade

That Council determine in accordance with Section 125(2) of the Local Government Act 2020 to make publicly available the Atticusnow “Building Financial Sustainability & Capacity Final Report” subject to redaction of any confidential personal information and/or confidential business information.

### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

### COUNCIL RESOLUTION (PROCEDURAL)

**Moved:** Councillor Wade

**Seconded:** Councillor Mohamud

That the meeting be extended for a further 30 minutes.

### CALL FOR A DIVISION

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**



## 8.5 Notice of Motion No.16 of 2024 - Local Liveable Street Evaluation

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<b>Reference</b>	D24/245059
<b>Author</b>	Amanda Stone – Councillor
<b>Disclosure</b>	The authoriser, having made enquiries with members of staff involved in the preparation of this report, asserts that they are not aware of any general or material conflicts of interest in relation to the matters presented.

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### RECOMMENDATION

Start time: 11.00pm

1. That Council note:
  - (a) the Local Liveable Streets Program was initiated by Councillors, designed by officers and adopted by Council in March 2022, following the cessation of the Local Area Traffic and Placemaking Program in 2021, the adoption of the Yarra Placemaking Framework which focuses on activity centres and precincts and the resulting lack of a mechanism for residents to propose initiatives which contribute to placemaking in local streets;
  - (b) the allocation of \$265k in the 2023-2024 Yarra Budget to fund some initial projects through the Local Liveable Streets Program;
  - (c) Local Liveable Streets provides a mechanism for residents to apply through a formal process to propose capital works improvements to the place where they live;
  - (d) Council's other programs for enhancing our streetscapes such as street garden guidelines, urban agriculture, planting laneways and urban forest strategy; and
  - (e) the increasing importance of local streets as public places for socialising, recreation, transport, nature, and amenity in a rapidly growing and dense city.
2. That Council receive a report at the September meeting of Council which:
  - (a) provides an assessment of the 23/24 program relating to process, timing and the assessment of submissions;
  - (b) provides recommendations for enhancement and improvement of the 23/24 program;
  - (c) outlines a process for communicating the program and its benefits more widely; and
  - (d) provides a timeline for the rollout of the program over 3 years followed by an evaluation.

## **COUNCIL RESOLUTION**

**Moved:** Councillor Stone

**Seconded:** Councillor O'Brien

1. That Council note:
  - (a) the Local Liveable Streets Program was initiated by Councillors, designed by officers and adopted by Council in March 2022, following the cessation of the Local Area Traffic and Placemaking Program in 2021, the adoption of the Yarra Placemaking Framework which focuses on activity centres and precincts and the resulting lack of a mechanism for residents to propose initiatives which contribute to placemaking in local streets;
  - (b) the allocation of \$265k in the 2023-2024 Yarra Budget to fund some initial projects through the Local Liveable Streets Program;
  - (c) Local Liveable Streets provides a mechanism for residents to apply through a formal process to propose capital works improvements to the place where they live;
  - (d) Council's other programs for enhancing our streetscapes such as street garden guidelines, urban agriculture, planting laneways and urban forest strategy; and
  - (e) the increasing importance of local streets as public places for socialising, recreation, transport, nature, and amenity in a rapidly growing and dense city.
2. That Council receive a report at the September meeting of Council which:
  - (a) provides an assessment of the 23/24 program relating to process, timing and the assessment of submissions;
  - (b) provides recommendations for enhancement and improvement of the 23/24 program;
  - (c) outlines a process for communicating the program and its benefits more widely; and
  - (d) provides a timeline for the rollout of the program over 3 years followed by an evaluation.

## **CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

## 9. Petitions and joint letters

### 9.1 Petition - Replacement seat on Brunswick Street, Fitzroy at Tram Stop No.17

Reference: D24/241651

A petition containing 36 signatures from residents are requesting that Council consider replacing the seat at the No.17 Tram Stop on Brunswick Street, Fitzroy.

#### **COUNCIL RESOLUTION**

**Moved:** Councillor Stone

**Seconded:** Councillor Wade

That the petition be accepted, noted and referred to the Chief Executive Officer for consideration and response.

#### **CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

### 9.2 Petition - Safety concerns due to Tree Planting on cnr Cameron and Thomas Streets, Richmond

Reference: D24/242768

A petition containing 12 signatures from residents are requesting that Council reconsider the tree's placement and locate it somewhere safer away from the intersection of Cameron and Thomas Street, Richmond.

#### **COUNCIL RESOLUTION**

**Moved:** Councillor Nguyen

**Seconded:** Councillor Landes

That the petition be accepted, noted and referred to the Chief Executive Officer for consideration and response.

#### **CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Jolly, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

## 10. Questions without notice

### 10.1 Councillor Jolly - Graffiti Policy

Question:

The permission form that was introduced in 2022, which has made it harder for renters and concerned citizens to access Council services to remove graffiti, as they don't often have access to property ownership information. Why was this form introduced and is there a possibility to review it?

The previous graffiti strategy was for the removal of graffiti from 3 meters from the ground to now 2 meters from the ground, as proposed in the new strategy. Can you explain the reasoning for this change?

The quick removal of graffiti for priority 2 and 3 has also changed from 5 to 10 days. What is the thinking behind that?

*The General Manager Infrastructure and Environment provided the following response:*

*The form was introduced in 2022 to manage risk. The good thing about the revised framework that was released for consultation. The form will remain but it will turn into an opt out service rather than an opt in service. For example, Council will remove graffiti from your front fence, unless you tell us no. That's what the acts says and that's what we are intended to do. We think this is a good thing as it shifts the ownness and it is available to renters and owner occupiers. In relation to the 3 meters and 2 meters, there was a suggested change cleaning up to 2 meters off the ground as you have mentioned and that was from feedback from Councils contractor, but only for high pressure water cleaning graffiti. We will still paint over graffiti to the 3 meters. We will make that distinction to any new draft you see in the next couple of months and in relation to the 5 to 10 days for priority 2 and 3, that has always been the service level agreement in the contract, it just wasn't in the previous strategy and we have now been transparent about it. I would also say that I do not recall the last time someone reported graffiti to us that we took that long, we are generally there that day.*

*Councillor Jolly left the meeting at 11.12pm, not returning.*

### 10.2 Councillor O'Brien - Collingwood Swimming Pool Heating

Question:

Some residents have advised me that the heating at the Collingwood swimming pool is apparently 2 degrees colder and that they have received confusing messages as to why the water is cooler. Can you advise what is going on and when it might go back to normal?

*The General Manager Infrastructure and Environment provided the following response:*

*There was a technical fault in our building management system at Collingwood and the consequence for that was the increased temperature in the lap pool water by a few degrees and stayed there for a few weeks. When we became aware of it, we fixed the fault, it brought the temperature back down to the normal range and so yes it is true that the water got cooler but back to where it was normally. In conjunction with that was a mechanical fault that brought the air temperature down a little as well. The good news is that it has been repaired and our contractors are monitoring the performance of the pool water and the air system each day.*

10.3 Councillor O'Brien - Petitions

Question:

In relation to petitions and signatories being made available to Councillors, what steps we are thinking in terms of privacy.

*The Manager Governance and Integrity provided the following response:*

*We only provide the subject of the petition, a brief description and number of signatures and only provide the petition to Councillors to read out on the night. There are also petitions that are provided from residents directly to Councillors outside the governance team, so we ask that petitions be provided to us so we can store them in our document management system and respond to them. We are also considering making some changes to the governance rules and a wider review being planned for the new council and that will look at the best practices as to how we handle petitions. We commenced privacy training, as we said earlier in the night it is mandatory for privacy training when staff commence at Council but we will also do some more targeted sessions.*

10.4 Councillor Crossland - Update on Planning Scheme Amendments

Question:

Can you please provide an update on the planning scheme amendments that have been with the Minister for Planning?

*The General Manager City Sustainability and Strategy provided the following response:*

*Officers advised of some good news. Late last week, three of Council's amendments that have been sitting with the minister for planning for some time progressed. The CEO and I met with the chief of staff of the planning minister and were advised that Amendment C293 for Collingwood South Mixed-Use precinct was approved, Amendment C271 Fitzroy/Collingwood (built form controls) was granted consent to go on exhibit and Amendment C273 Heidelberg Road permanent controls has been referred to a standing advisory committee. The conversation was a good one where we raised concern with the time amendments are taking and we will continue to follow-up with the department as we go through the year.*

## 11.Delegates' reports

### 11.1 Councillor Stone - ICLEI World Congress, Sao Paolo

Start time: 11.19pm

<b>Committee</b>	ICLEI World Congress, Sao Paolo
<b>Appointed Councillors</b>	Cr Amanda Stone
<b>Date of Council Meeting</b>	9 July 2024
<b>Date of Report</b>	3 July 2024
<b>Report Author</b>	Cr Amanda Stone

#### **ICLEI WORLD CONGRESS Sao Paolo, Brazil June 2024**

[ICLEI - Local Governments for Sustainability](#) is a network of more than 2,500 local and regional governments across 125+ countries, supported by a team of global environmental experts, driving sustainable urban development and climate action worldwide.

ICLEI is founded on the notion that local governments are at the centre of furthering a just and sustainable world.

Yarra has been a member of ICLEI for more than 2 decades and participates in its cornerstone programs Global [Covenant of Mayors](#) (emissions reduction) and [Cities with Nature](#) (biodiversity and nature). I attended the World Congress both representing Yarra Council as a member, but also in my role as Chair of ICLEI Oceania Regional Executive and outgoing Global Executive member.

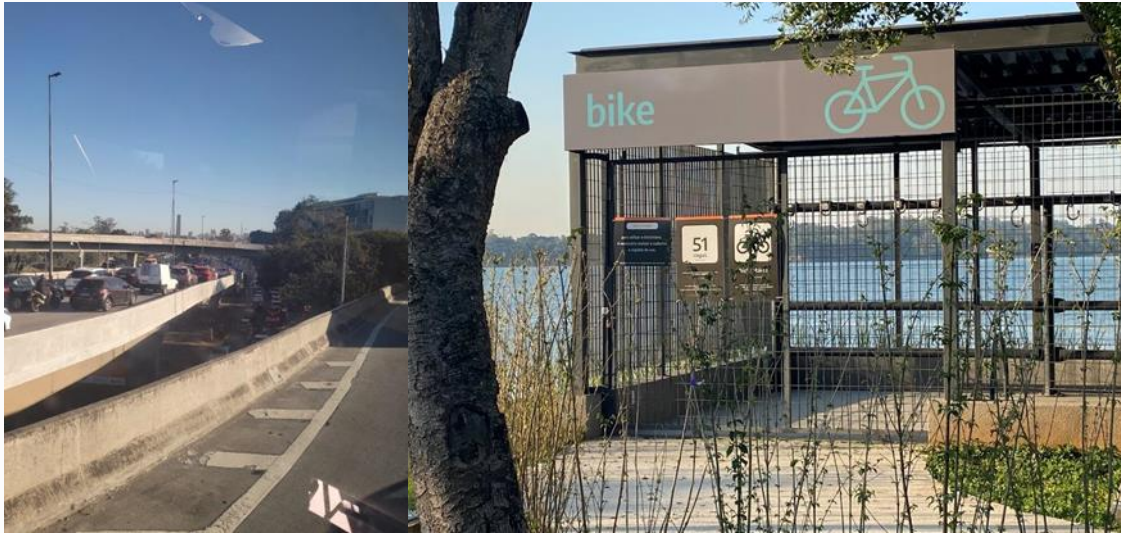
The ICLEI World Congress 2024 brought together over 1,500 global urban leaders from over 95 countries - and 100 mayors - to address critical issues in local climate and resilience action, multilevel governance, and the unique role of the Amazon region in global sustainability. The event marked significant strides in sustainable urban development and set the stage for COP30 in Belém, Brazil.



The host nation, Brazil, is one of the most biodiverse regions in the world. Yet it faces huge challenges with the rise of megacities, mass deforestation and loss of biodiversity and

increasing wealth disparity. The work underway to combat these challenges provided much to learn from nations facing similar challenges including our own.

Sao Paulo itself is a megacity with sprawling car dependent suburbs, a network of multilevel roadways and an electric bus system trapped in traffic for much of the time. A site visit to an outer suburban area highlighted how an electric ferry service reduced travel time to work for low-income earners from 4 hours daily to less than an hour. However, a police escort was needed to clear the traffic to ensure we could reach the site in less than 2 hours ourselves. Sao Paulo is electrifying its transit system, however the challenges created by car-based development will take much longer to address.



Melbourne will soon reach megacity status and our transport and planning challenges are not unlike those of Sao Paulo. Yarra's Transport Action Plan is best practice in supporting alternatives to car travel and helping ensure our city remains liveable and not stuck in traffic gridlock like so many other megacities.

Sao Paulo is also endeavouring to improve amenity by creating a city within nature, massively increasing its urban canopy and green spaces.

The World Congress Program itself featured numerous council representatives speaking on the themes of low emissions development, circular economy, biodiversity and nature, resilience building and people-centred development.

Highlights included hearing from:

- local governments in the Amazon Basin, and how they are responding to rapid deforestation in recent years, the impact on livelihoods for their citizens and on quality of life.
- How megacities in Asia and South America are grappling with challenges of affordable housing transport and circular economy.
- Councils which have joined the [Coalition of Local and Subnational Governments to End Plastic Pollution](#) and the impact that has had.
- The city of Cali, Colombia, host of the next Biodiversity COP 16 on how the city has the expectation of having a transformative dialogue in making peace with nature and people, while also making the argument for investing in nature.
- Global South countries who are balancing human rights, biodiversity loss and resilience within the context of increasing extreme weather events, rapid urbanization, migration, and conflicts.



I presented on two panels on Multi-Level Climate Action, and the [Coalition for High-Ambition Multi-level partnerships for Climate Action \(CHAMP\)](#) which Australia signed at Last year's Climate COP in Dubai. Many nations who signed this declaration are grappling with how it will be operationalised, and local governments will have to take initiative. However, the existing examples in Yarra of multi-level action with the Community Battery Program run by Yarra Energy Foundation and Yarra Council, provided a good case study in how it may be actioned.

Local governments everywhere are facing similar challenges in different contexts and will not solve them alone. Organisations like ICLEI bring local leaders together to share these solutions and develops programs and provides funding to support them. But it is the exchange that occurs that is so powerful given the universality of our experience.

The Oceania Delegation to this World Congress included Nadi Town Council chair of administrators Saliceni Raiwalui and Cr Teva Bernadino form Municipal Council of Punaauia, Tahiti who provided me with this plaque for our council. French Polynesia faces sea level rise like so many in the Pacific. Relocating citizens ahead of time is a massive challenge not to mention drinking water shortages and difficulty growing crops.



Ct Alida McKern also presented on the approach of Banyule City Council to urban food systems and shoring up food security through partnerships, generating a lot of interest.

The World Congress concluded with the release of the ICLEI São Paulo Strategic Vision 2024 – 2030. [The Power of Our Network in a Changing World](#) outlines a path towards truly sustainable urban development and calls on local governments everywhere to demonstrate visionary leadership, led by example, share our knowledge actively and openly and speak with a united voice.

Detailed information on the outcomes of the ICLEI World Congress along with presentations can be found [here](#).



My participation was entirely self-funded.

**COUNCIL RESOLUTION**

**Moved:** Councillor Stone

**Seconded:** Councillor Wade

1. That Council:
  - (a) note this Delegate’s Report.

**CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

11.2 Councillor Stone - ALGA National General Assembly

Start time: 11.21pm

<b>Committee</b>	ALGA National General Assembly
<b>Appointed Councillors</b>	Crs Amanda Stone, Edward Crossland, Anab Mohamud
<b>Date of Council Meeting</b>	Tuesday 9 July 2024
<b>Date of Report</b>	Monday 8 July 2024
<b>Report Author</b>	Cr Amanda Stone

**Australian Local Government Association  
National General Assembly  
Canberra, June 2024**

The [Australian Local Government Association](#) (ALGA) is the national voice of local government, representing 537 councils across the country. In structure, it is a federation of state and territory local government associations. Victoria is represented through the Municipal Association of Victoria (MAV).

Last week I attended the ALGA National General Assembly (NGA) in Canberra. The NGA is an opportunity for the Assembly to debate motions submitted by councils around the nation, to hear from speakers on issues and opportunities for local government, to hear from our national politicians on how they work with local governments and to network with councillors to share successes, challenges and solutions.

This year we heard from demographer [Simon Kuestenmacher](#) on the workforce and population trends affecting local governments now and into the future.



Local councils nationally are already facing shortages of town planners, aged and disability care workers, handypersons and drivers. These skills shortages are set to increase and he advised local governments to promote the benefits of employment more strongly, especially work-life balance, and flexibility. Affordable housing close to employments remains a key challenge.

The rapid growth of Melbourne’s suburbs is leading to unwanted impacts including loneliness and transport poverty. Planning for walkable and inclusive neighbourhoods is critical. His key message to local governments was to increase walkability as an antidote to poor mental health and isolation.

The **Department of Climate Change, Energy, the Environment and Water**, hosted a breakfast to provide an update on The [Australian Government Net Zero](#) Plan to move towards a net zero economy. The Net Zero Plan is based on targets of achieving net zero emissions by 2050 and reducing emissions by 43% from 2005 levels by 2030.

We heard from :

- The **Net Zero Taskforce**, leading this plan's development and organising sector-specific decarbonisation strategies in electricity, resources, industry, transport, buildings, agriculture, and land management. (Details about the Net Zero Plan and sector-specific strategies [here](#).)
- The **Climate Change Authority**, an independent expert body that advises the government on climate change matters and will provide advice on technological pathways for reducing emissions in the above sectors. The Climate Change Authority’s issues paper on targets and pathways is available for consultation [here](#).

I hosted a well-attended side event with [ICLEI](#) and [Global Covenant of Mayors](#) (Yarra is a member of both) on forming a **Coalition for Multilevel Climate Action** and a few hours later, Yarra Council’s motion on multilevel climate action was passed without debate. A total of 160 motions were debated over 2 days.



Events like this National General Assembly remind us that while our own local municipality is the focus of our attention most of the time, we are part of a much wider network of local government from our region and globally. We share similar challenges and have much to learn from each other. We also have great power when we work together.

The list of motions adopted and the advocacy that will be undertaken on our behalf by ALGA will be published shortly and it will make for impressive reading.

Attached is the Communique issued following the National General Assembly.

## Communique

### NATIONAL GENERAL ASSEMBLY 2024

More than 1,200 local government leaders from across Australia gathered in Canberra from 2-4 July for the 30th National General Assembly of Local Government (NGA).

We were welcomed to country by Ngunnawal, Kambri and Ngambri custodian Paul Girrawah House. The Assembly recognised the Ngunnawal and Ngambri peoples as traditional custodians of the ACT and recognised any other people or families with connection to the lands of the ACT and region. The Assembly paid its respects to their elders past, present and emerging, and acknowledged the vital and ongoing contributions First Nations peoples continue to make to our nation.

Opening the NGA, and speaking in her first major public address, Her Excellency the Honourable Ms Sam Mostyn AC, Governor General of the Commonwealth of Australia, spoke about increasing civic engagement with our future leaders and the importance of kindness and care in our leadership.

We welcomed and thanked the many federal members of parliament who attended and spoke at the NGA or associated events, including the Hon Catherine King, the Hon Kristy McBain, Senator the Hon Bridget McKenzie, the Hon Darren Chester, and Luke Gosling OAM MP.

Delegates received a presentation on new local government financial sustainability research, which highlighted that sustainable federal funding to councils would deliver a \$7 billion increase to Australia's GDP. The 2024 National State of the Assets report was also launched, outlining the condition of one third of Australia's public infrastructure, which is part of the \$643 billion worth of assets councils manage. This new research reinforces the urgent need for federal Financial Assistance Grants to local government to be restored to at least one percent of Commonwealth taxation revenue.

Across two days, numerous presenters spoke on the theme of building community trust, and how local government is integral to holding and building this trust.

This year's NGA included new listening sessions on housing and community infrastructure, emergency management, roads and transport and energy transition, that provided a free-flowing exchange of ideas between councils, the federal public service, and other stakeholders.

This year's Assembly program included consideration of 160 motions submitted by councils, outlining opportunities for the Federal Government to better support councils and Australian communities.

These motions included solutions to address the financial sustainability of councils, support councils to deliver cost of living relief, facilitate more affordable housing, maintain safe and productive local roads, cycleways and footpaths, better prepare for and recover from natural disasters, and Close the Gap between Indigenous and non-Indigenous Australians.

In the lead up to the next federal election, ALGA will work with our state and territory member associations, and Australia's 537 local governments, to advocate for critical Financial Assistance Grants to be restored to at least one percent of Commonwealth taxation revenue, and for local government to be restored as a full voting member of National Cabinet.

These are critical to ensuring that local government continues to play a role in the ongoing sustainability and liveability of every community.

#### **COUNCIL RESOLUTION**

**Moved:** Councillor Stone

**Seconded:** Councillor Crossland

1. That Council:
  - (a) note this Delegate's Report.

#### **CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Landes, Mohamud, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

11.3 Councillor O'Brien - Heritage Advisory Committee

<b>Committee</b>	Heritage Advisory Committee
<b>Appointed Councillors</b>	Bridgid O'Brien, Michael Glynatsis and Edward Crossland
<b>Date of Council Meeting</b>	Tuesday 9 July 2024
<b>Date of Report</b>	24 June 2024
<b>Report Author</b>	Bridgid O'Brien

The Committee met on 24 June, Cr O'Brien was in attendance and provides this report to Council.

Agenda items for this meeting included:

**1. Aqua-Profonda Sign**

The Project Manager Building Projects provided an update on the restoration project for the Aqua Profonda sign at the Fitzroy swimming pool. She spoke about the social and historical significance of the sign.

She outlined the current state of the sign, methodology and process proposed to be undertaken to restore it.

Including:

- (a) Its location at the deep end of the main swimming pool, on the brick wall which runs along Young Street, are the words "DANGER DEEP WATER" and directly underneath is 'AQUA PROFONDA' painted in black;
- (b) The brickwork wall dates from the opening of the Fitzroy Swimming Pool 1908. The AQUA PROFONDA sign is understood to have been painted in red, c. 1953 – 1954;
- (c) The black AQUA PROFONDA sign has been present since before the 1994 - 1995 *Save the Pool campaign*. There is evidence that the sign was repainted as part of the 10-year anniversary of the successful *Save the Pool campaign*;
- (d) The structural integrity of the wall on which the AQUA PROFONDA sign is located is sound. However, high moisture levels have adversely affected the painted finish and the legibility of the AQUA PROFONDA sign;
- (e) A Heritage Infrastructure Management Plan HIMP (2021) has been prepared by Conservation Studio. Grimwade Conservation Services undertook a visual assessment of paint samples;
- (f) The sign is listed under the Victorian Heritage Register - H1687 (i.e. Heritage Victoria's advice is sought on heritage aspects; and
- (g) Heritage Victoria has recommended community engagement to determine community preference to retain the c1953 red lettering on blue-black background or retain the c1994-1995 *Save our Pool* black lettering on blue background.

A consultation programme is under preparation and officers will notify HAC when finalised. The HAC appreciated the analysis and the work so far. HAC also desired that officers send the consultation program when ready.

**2. Reinstatement of Heritage Lamp Post at the corner of Nicholson and Scotchmer Streets**

It was discussed that a heritage lamp post base was removed from its location at the corner of Nicholson and Pigdon streets in 2019, as a part of the Accessible Tram Stop works. It was an initiative of HAC to have it reinstated. There were many factors such as underground services, safe clearances from the existing services and traffic considerations that have guided its new location.

The reinstatement of this lamp post base has been a coordinated effort of the strategic transport, heritage, open space, and infrastructure teams over the years. The project timing was impacted due to Covid 19. It has finally been installed at the corner of Nicholson and Scotchmer streets, close to its original location.

It was suggested that since a few of these old gas lamp posts exist around the area and are not understood by the community, it would be good for the Council to install some signage.

HAC was appreciative of the outcome and recommended that:

- (a) Council installs a signage explaining the history of the lamp posts and a map locating the other such remaining lamp posts at the corner Nicholson and Scotchmer streets or another suitable site where a heritage lamp post/base exists; and
- (b) That HAC's appreciation be conveyed to the relevant departments whose efforts have resulted in this positive outcome.

**3. LGBTIQA+ Heritage Study**

A project update and key findings of the LGBTIQA+ Heritage Study was provided.

The LGBTIQA+ Heritage Study has been carried out in two parts:

- Part 1: Initial investigation and recommendations
- Part 2: Detailed review and assessment of places recommended for detailed assessment in Part 1 Study and preparation of heritage citations and Statements of Significance (SoS).

The study methodology included undertaking a preliminary and detailed research, site visits, targeted consultations, review of existing documentation and assessment against State nominated criteria for listing of heritage places as per the Planning Practice Note 1 (PPN1) and as per the criteria for Victorian Heritage Register's (VHR) listing.

Part 1 Study has resulted in:

- (a) A comprehensive list of places important to the LGBTIQA+ community;
- (b) Recommendations on mechanisms for their retention, planning protection, promotion, celebration and acknowledgment (through statutory or non-statutory mechanisms);
- (c) Preparation of succinct place histories for 30 places;
- (d) Recommendations for text additions that can be integrated into the existing Yarra Thematic Environmental History (1998) when it is reviewed and updated in the future; and
- (e) Identification of 13 individual places and five precincts for a detailed analysis and assessment of their associated LGBTIQA+ heritage values and their suitability for planning protection.

Part 2 Study has analysed following precincts, identified associated LGBTIQ+ values, documented those values in the new format of Statement of Significance (based on the PPN1):

- (a) HO334 South Fitzroy Precinct;
- (b) HO333 Smith Street Precinct, Fitzroy/Collingwood;
- (c) HO311 Brunswick Street Precinct;
- (d) HO318 Collingwood Slope Precinct; and
- (e) HO361 World Heritage Environs Area Precinct.

Thirteen individual places were analysed. Out of these:

- (a) Three places have the potential to be included as individual heritage overlay places in the Yarra Planning Scheme. Statements of Significance (SoS) have been prepared and a number of recommendations are made to include these places in the Yarra Planning Scheme;
- (b) Three existing individual heritage overlay places were reassessed. Recommendations are made to include revised SoS in the Yarra Planning Scheme and a number of other recommendations are also made to implement the findings;
- (c) Three places are recommended to be retained in the existing heritage overlay precincts. Two of these places were found to be of historical and/or social significance to the LGBTIQ+ community in Yarra. One place did not meet the thresholds for local heritage significance when compared to other similar places; and
- (d) Four places included in the VHR were assessed to determine if their potential historical or social significance associated with the LGBTIQ+ community (identified in Part 1) would satisfy the threshold for state-level significance. These places were found not to satisfy the threshold for state-level significance. It is recommended that the place histories of these places prepared as part of this study are provided to Heritage Victoria so that updates to the VHR place histories can be considered (non-statutory process).

HAC indicated their support for the Study.

**4. Other matters discussed by HAC:**

- (a) Property Strategy: Concern were raised that:
  - (i) the proposed Property Strategy in its current form would have a massive impact on heritage assets. There is no reference to the Framework for Managing Council's heritage assets. The strategy should include the preparation of CMPs for all significant heritage assets as a key recommendation;
  - (ii) The \$10 M delegation as suggested is not appropriate considering that these are public buildings;
  - (iii) Some of the properties of heritage significance are civic buildings, selling them could result in these buildings losing their civic function which is a key historical aspect of these buildings;
- (b) Tall precast concrete walls adjoining a heritage property:  
There were concerns raised about tall (five storeys) precast concrete and blank walls next to heritage buildings and it was agreed that these should not be approved next to a heritage building. Specific design guidelines need to be included in the Planning Scheme to avoid such an interface;

- (c) Housing Statement's target and its impact on heritage in Yarra:  
HAC was concerned that the proposed housing targets may have an impact on the heritage character of Yarra's significant buildings, precincts and the municipality in general. Their view was that council should provide resources to prepare proper heritage documentation of heritage buildings as is recommended in the Heritage Strategy. The precinct development controls should be based on sound heritage information; and
- (d) YIMBY's opposition to heritage protections/management:  
Members were concerned that YIMBY's are raging against HO's. In the last decade or so there is a constant push back to heritage sensitive approach for new developments.

**5. Other matters**

Updates were provided on the following:

- (a) Community Awards: that awards for heritage will now come under the Arts and Culture category; and
- (b) Public Housing Estates: A community group in Yarra is working to save the Housing Commission towers at South Fitzroy and are also working towards its potential nomination for State listing. The group would appreciate any research information or advice on this matter.

HAC agreed to provide advice and also suggested that Peter Mills' research may be a good resource.

*Councillor Mohamud left the meeting at 11.28pm, not returning.*

**COUNCIL RESOLUTION**

**Moved:** Councillor O'Brien

**Seconded:** Councillor Wade

1. That Council:

- (a) note this Delegate's Report; and
- (b) thanks the Committee for their time, expertise and advice.

**CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Landes, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**

**COUNCIL RESOLUTION (PROCEDURAL)**

**Moved:** Councillor Wade

**Seconded:** Councillor O'Brien

That the meeting be extended for a further 30 minutes.

**CALL FOR A DIVISION**

**For:** Councillors Crossland, Glynatsis, Landes, Nguyen, O'Brien, Stone and Wade

**Against:** Nil

**CARRIED UNANIMOUSLY**



## **12. General Business**

Nil

## **13. Urgent business**

Nil

## **14. Confidential business reports**

Nil

**Conclusion**

The meeting concluded at 11.32pm.

Confirmed Tuesday 13 August 2024

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Mayor

In response to the resolution in the minutes, the following three attachments are included:

- Animal Welfare Victoria 2023 Shelter and Pound Data Interpretation Guide
- Animal Welfare Victoria Shelter and Pound Dataset Spreadsheet
- Lost Dogs Home Annual Report 2022-23



# Shelter and Pound data reporting

A guide for data interpretation



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## 1. About this guide

In June 2022, the Victorian Government updated the [Code of Practice for the Management of Dogs and Cats in Shelters and Pounds](#) (the Code) to make data reporting about animal welfare outcomes mandatory for all shelters and pounds.

For each reporting period, shelters and pounds must provide data on the number of dogs and cats:

- in care at the facility, or in foster care, at the start of the reporting period
- physically presented to the facility but not admitted, and why
- accepted for admission
- admitted into foster care
- that waited more than 14 days to be placed in foster care
- permanently transferred to other facilities or groups for rehoming
- reclaimed by their owner
- rehomed
- rehomed but returned, and why
- euthanased, and why
- that died, in the facility or while in foster care but were not euthanased.

This guide is intended to help you view and understand shelter and pound data. It provides:

- a summary of the legislative framework that requires data reporting
- the purpose of data reporting
- descriptions of each data category, as well as definitions for each explanatory (reason) code.

## 2. Legislative framework

The Code is made under section 59 of the *Domestic Animals Act 1994* (the DA Act). It sets the minimum standards for how registered shelters and pounds should take care of dogs and cats and specifies the records that they must keep.

In June 2022, the Code was updated to introduce additional record keeping and reporting requirements. These changes will allow the Victorian Government to collect and publish data about animal care and management across the state.

## 3. Purpose of shelter and pound reporting

Regular publication of data reported by shelters and pounds will help us to better understand how dogs and cats are managed and cared for in these facilities.

To date, a complete, state-wide set of data has not been available to provide information about how many animals are cared for by shelters and pounds, the operational experiences of these facilities, and the range of outcomes they achieve for animal welfare.

The goal of publishing this data is to fill this gap and provide a consistent and reliable source of information on the outcomes experienced by animals in shelters and pounds across Victoria.

## 4. Reporting timelines

In 2023, Animal Welfare Victoria (AWV) is piloting the reporting process to test and refine reporting activities. For the pilot, shelters and pounds will be required to report their data for the periods:

- 1 January – 30 June 2023 by 31 August 2023 (for publication in late 2023), and
- 1 July – 31 December by 28 February 2024 (for publication in early 2024).

From 2024, shelters and pounds will report yearly based on the previous calendar year. All data must be reported to AWV by 28 February.

## 5. Animal care and management data

This section provides a brief overview of the different types of data that are collected and reported by shelters and pounds. To understand the data better, it is helpful to view the diagram in section 5.1 below and read the descriptions of each data category, as set out in section 5.4.

While the data is collected and reported by individual shelters and pounds, it is important to note that:

- Some councils do not operate their own pounds, instead contracting pound services to other facilities.
- A contracted facility may not be in the same municipality as the council they are servicing and may hold contracts with multiple councils.
- Some facilities may report higher numbers of animals across the data categories, because they admit and care for animals from many areas (e.g. The Lost Dogs' Home partners with 16 councils).

Data sorted by municipality or council grouping includes all data reported by facilities registered within that municipality or council grouping. Therefore, the data viewed by municipality or council grouping may include animals that came from outside the council area.

### 5.1 Animal Fate Data Pathways

The following flowchart shows how the various categories of data reported together reflect the different pathways and outcomes that may be experienced by animals that enter a shelter or pound. When viewing the diagram, it is important to keep in mind that, as explained in section 5.4 below, an animal:

- may go into foster care more than once before they exit the facility
- may be returned to the shelter or pound, after being adopted by a new owner, and need be re-admitted to the facility.

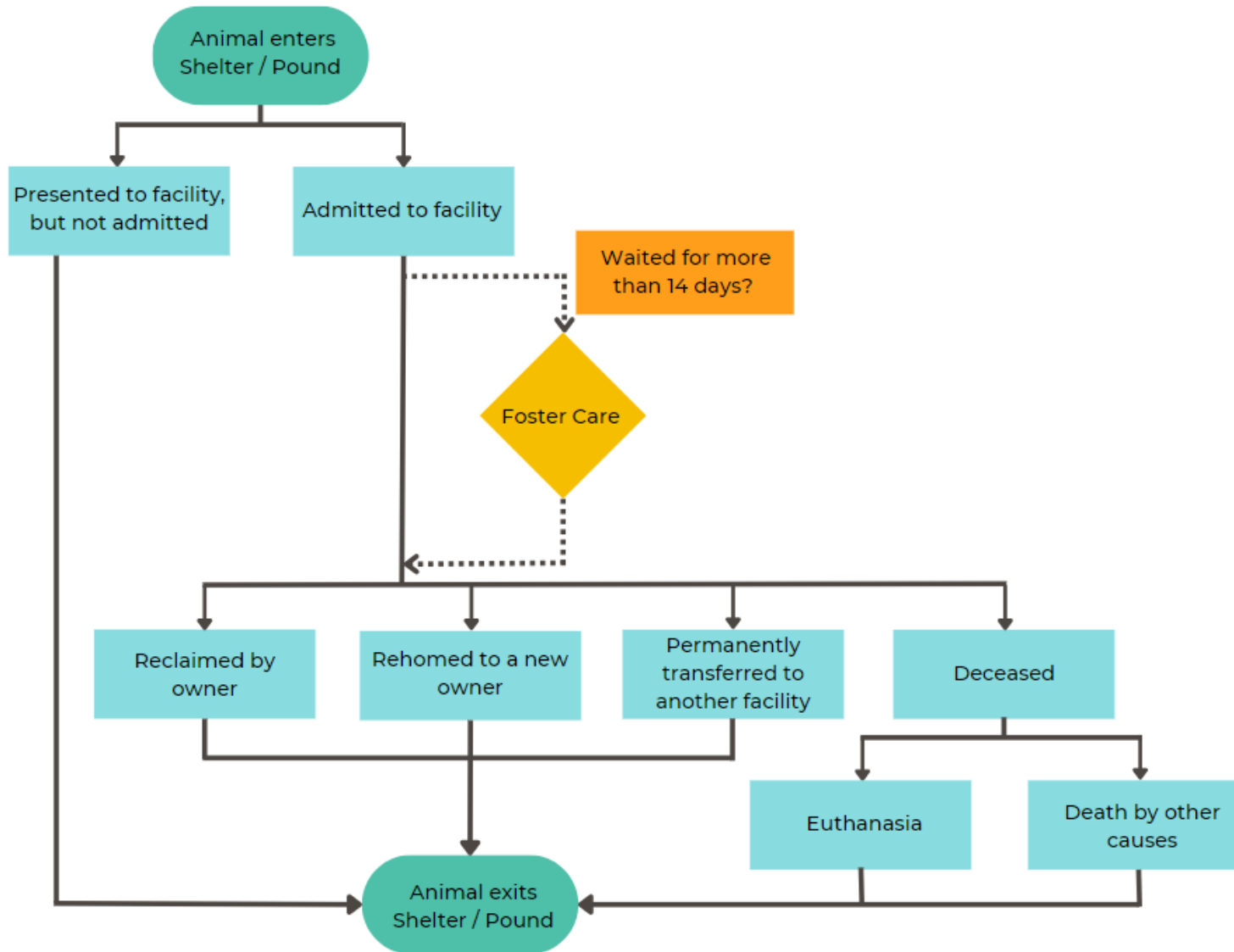


Figure 1 - Flowchart of the various pathways an animal may follow through a shelter or pound



## 5.2 Reason codes

Three of the data categories will have data reported against reason codes. These are:

1. animals physically presented but not admitted
2. animals rehomed but returned to the establishment
3. euthanasia.

The reason codes help you to understand the data and provide information about why certain animal management decisions may have been made. Animals only have one reason code recorded for each data category, e.g. if an animal has been euthanased for both behaviour and disease, only the main reason will be recorded. A definition for each reason code is provided, where relevant, in the table at section 5.4 below.

## 5.3 Explanatory comments

Shelters and pounds can provide contextual, or explanatory, comments to accompany their data, for each of the four broad data themes:

- Intake and population
- Foster care
- Reclaimed and rehomed
- Death.

Comments can be no longer than **100** words. This encourages shelters and pounds to clearly and concisely note any important details or issues that data viewers and users should be aware of, to help them understand the data.

Shelters and pounds may choose to provide comments on some, all or for none of the themes. If no comments are provided for a data theme, the comments box will show 'Establishment did not provide contextual comments'.

## 5.4 Data categories

The table below defines each of the Code's data categories and provides guidance on what the data captures, to aid interpretation. It also notes where data categories count animals versus occurrences for a particular activity or outcome.

Data category	What shelters and pounds are required to report	Relevant definitions	Reason Codes	What you should know about this data category
<b>Shelter or pound population on 1 January, at start of reporting period</b>	<p>A head count of all animals physically held by the establishment, including those in foster care arranged by the establishment, on the first day of the reporting period.</p> <p>If no animals were physically held in the establishment or in foster care on the first day of the reporting period, shelters and pounds will indicate this by reporting '0'.</p>	Nil.	Nil.	<p>This is a total count of individual animals.</p> <p>Most shelters or pounds will already have some animals in its care when a new reporting period begins. It's important to count how many animals are there at the start of each period. This way, we can make sure the data collected for the other categories is accurate and consistent.</p>
<b>Admitted</b>	Number of times that animals were admitted to care, or born while in care, at the establishment during the reporting period.	<b>Admitted:</b> An animal is physically admitted to the establishment or is admitted to the care of the establishment, including a staff member of the establishment, for any period of time. Subsequently, the animal was held in the custody of the establishment, or staff member of the establishment, or euthanased in accordance with the DA Act.	Nil.	<p>This is a total count of occurrences or instances.</p> <p>This data category will help you understand the total volume of activity in Victoria's shelter and pound system.</p> <p>This includes animals that were under the establishment's care, even if not physically admitted to the establishment. For instance, feral cats euthanased in accordance with the DA Act are recorded as admitted to the facility, though they often do not physically enter it due to the risk they pose to staff and other animals.</p> <p>Note that for facilities providing pound services, or servicing multiple council areas, numbers reported in this category may be higher.</p>
<b>Animals physically presented but not admitted</b>	<p>The number of times animals presented at the establishment for admission were not admitted during the reporting period, according to each of the following reason codes:</p> <ol style="list-style-type: none"> <li>1. No capacity</li> <li>2. Significant or unmanageable health concerns</li> <li>3. Significant or unmanageable behaviour concerns</li> <li>4. Animal from another jurisdiction</li> <li>5. Other.</li> </ol> <p>If all animals presented to the establishment during the reporting period were admitted, shelters and pounds will indicate this by reporting '0' against all reason codes.</p>	<b>Not admitted:</b> The animal was determined to be unsuitable for admission to the establishment (i.e. the person who presented the animal was to find an alternative establishment or means for managing the animal).	<p><b>No capacity:</b> The shelter or pound establishment would normally accept an animal but did not have physical capacity to house it.</p> <p><b>Significant or unmanageable health concerns:</b> The shelter or pound establishment did not have the staffing capacity or expertise to meet the animal's health needs, or an alternative service provider was more suitable (e.g. a vet or other establishment).</p> <p><b>Significant or unmanageable behaviour concerns:</b> The shelter or pound establishment did not have the staffing capacity or expertise to manage the animal's behaviour and ensure the safety of staff and other animals, or an alternative service provider was more suitable (e.g. a vet or other establishment).</p> <p><b>Animal from another jurisdiction:</b> Pound service provider unable to accept the animal as it was seized from a jurisdiction other than the municipality serviced by the establishment (as per section 84D of the DA Act).</p>	<p>This is a total count of occurrences or instances.</p> <p>Victorian shelters and pounds have different rules and procedures for admitting animals. Additionally, the DA Act has a range of requirements for admitting animals that some shelters and pounds are required to follow, while others have more flexibility. For example, under section 33A of the DA Act, council shelters and pounds must accept any animal that is surrendered to them, unless the animal comes from another council area.</p> <p>By gathering this data, we can develop an understanding of the pressures that shelters and pounds may or may not face. Sometimes, a shelter or pound may not have the capacity, staff, or resources to meet an animal's needs. In these situations, it may be appropriate to refer the animal elsewhere instead of admitting it to the shelter or pound. Alternatively, they may be able to help the owner keep the animal and avoid surrendering it.</p>

Data category	What shelters and pounds are required to report	Relevant definitions	Reason Codes	What you should know about this data category		
<b>Placed in foster care</b>	<p>The total number of times that animals were placed in foster care during the reporting period. If an animal has been placed in foster care multiple times during the reporting period, each stay is counted and reported.</p> <p>If the establishment has not engaged in any form of foster care during the reporting period, shelters and pounds will indicate this by reporting '0'.</p>	<p><b>Foster care:</b> Described in the Code as either behavioural foster care, juvenile foster care, short-term relief foster care or veterinary rehabilitation foster care.</p>	<p><b>Other:</b> Any other situation where an animal was physically presented for admission but was not admitted to the establishment.</p> <p>Nil.</p>	<p>This is a total count of occurrences or instances.</p> <p>This data reflects the use of, and access to foster care, arranged by the shelter or pound.</p> <p>Shelters and pounds need to count each time an animal goes into foster care, and this may happen multiple times for one animal. For example, an animal may be placed in foster care, then go back to a shelter for adoption, but if the adoption is not carried out, it may go back into foster care. This will then be counted as two foster care placements.</p> <p>Capturing data about multiple stays will help the government to understand the pressures and challenges that the foster care sector faces and the kind of support it needs.</p> <p>There is no minimum length of stay in foster care. An animal may be in foster care for a few hours, or for a longer period of weeks or months.</p>		
<b>Wait to access foster care</b>	<p>The number of times that animals assessed as requiring and/or suitable for foster care, and for which foster care was requested, waited more than 14 days to access foster care for any reason.</p> <p>To calculate whether an animal has waited longer than 14 days for foster care, shelters and pounds deduct the date that foster care was requested for an animal from the date the animal was taken into foster care. For example:</p> <p><b>17 March 2023 – 1 March 2023 = 16 day wait</b></p> <table border="0" data-bbox="489 1465 845 1522"> <tr> <td style="text-align: center;"><i>Date placed in foster care</i></td> <td style="text-align: center;"><i>Date foster care requested</i></td> </tr> </table> <p>Shelters and pounds report all times that an animal waited longer than 14 days to be placed in foster care during the reporting period. This applies even if the date an animal was assessed as requiring and/or suitable for foster care was in the previous reporting period.</p> <p>The foster care waiting period includes all or part of the eight-day quarantine period if the animal was assessed as requiring and/or suitable for foster care while in quarantine,</p>	<i>Date placed in foster care</i>	<i>Date foster care requested</i>	<p><b>Assessed for foster care:</b> The Code requires the proprietor's health management plan to include assessment programs for fostering animals. That is, an animal must be assessed as requiring and/or suitable for foster care, prior to a request being made to place that animal in foster care.</p> <p><b>14 days:</b> 14 consecutive calendar days (not business days).</p>	<p>Nil.</p>	<p>This is a total count of occurrences or instances.</p> <p>This data provides information about access to, or demand for, foster care.</p> <p>Data about foster care services captures multiple stays for the same animal, to reflect reliance on and use of these services by shelters and pounds. This data will help the government understand the demand for foster care services, and the support these service providers may need.</p> <p>Foster care may improve welfare outcomes for animals, as longer-term stays in shelters and pounds can have negative effects.</p> <p>Not all animals need or are fit for foster care, and not all shelters and pounds use foster care programs. Dogs that are declared dangerous or menacing, or are of a restricted breed, are not suitable for foster care because they pose a higher risk to community safety.</p>
<i>Date placed in foster care</i>	<i>Date foster care requested</i>					

Data category	What shelters and pounds are required to report	Relevant definitions	Reason Codes	What you should know about this data category
	<p>and a request for foster care was made before the end of the quarantine period.</p> <p>If the establishment has either not used foster care services, or no animals waited for more than 14 days for foster care during the reporting period, shelters and pounds will indicate this by reporting '0'.</p>			
<b>Reclaimed by owner</b>	<p>The number of times that animals were reclaimed by their owners during the reporting period.</p> <p>If no animals were reclaimed from the establishment during the reporting period, shelters and pounds will indicate this by reporting '0'.</p>	<b>Reclaimed:</b> Animal is retrieved or recovered from the establishment by their owner, or the animal is returned to or reunited with its owner by the establishment.	Nil.	<p>This is a total count of occurrences or instances.</p> <p>Lost pets are more likely to be reunited with their owner if they are registered and/or microchipped with up-to-date owner contact information.</p> <p>Shelters and pounds care for many animals that are not registered and/or microchipped, which makes it harder to find their owners, and return them safely home.</p> <p>Even where an owner can be identified, reuniting them with their pet is not always possible for various reasons. For instance, the owner may no longer be able to care for their pet.</p>
<b>Rehomed</b>	<p>The number of times that animals were rehomed by the establishment during the reporting period.</p> <p>If the establishment did not rehome any animals, shelters and pounds will indicate this by reporting '0'.</p>	<b>Rehomed:</b> Animal is permanently adopted by a new owner. Does not include animals in temporary foster care, or animals permanently transferred to another establishment or organisation for rehoming.	Nil.	<p>This is a total count of occurrences or instances.</p> <p>Preparing an animal for rehoming requires significant planning and preparation, as it is important to make sure the animal is going to a home that meets its needs.</p> <p>Some shelters and pounds rehome animals themselves, while others work other organisations that can rehome animals for them. These relationships can help to minimise how long an animal stays at a shelter or pound and improves its chances finding a good home faster.</p>
<b>Permanently transferred to other establishments or groups for rehoming</b>	<p>The number of times that animals were permanently transferred to other shelters or pounds, or to community foster care networks, individual foster carers or rescue groups for rehoming, during the reporting period.</p> <p>If the establishment did not transfer any animals to another organisation for rehoming during the reporting period, shelters and pounds will indicate this by reporting '0'.</p>	<b>Permanently transferred:</b> Custody/ownership of the animal is permanently transferred to another organisation or individual. The animal does not return to the shelter or pound establishment for rehoming.	Nil.	<p>This is a total count of occurrences or instances.</p> <p>This data shows how many of animals were transferred to different organisations to help them find new homes.</p> <p>Transfers could be to another shelter or pound, or to a rescue group or foster carer. Organisations and individuals that are not regulated by the Code can have agreements with councils that allow them to rehome animals. Information about council agreements for rehoming is available on the <a href="#">Pet Rehoming</a> page of the AWW website.</p>

Data category	What shelters and pounds are required to report	Relevant definitions	Reason Codes	What you should know about this data category
<b>Rehomed but returned to the establishment</b>	<p>Number of times that animals rehomed by the shelter or pound were surrendered back to the establishment, within six months immediately following their adoption date, in the reporting period. Data will be reported according to each of the following reason codes:</p> <ol style="list-style-type: none"> <li>1. Change of mind</li> <li>2. Owner circumstances changed</li> <li>3. Post-adoption health or behavioural issues</li> <li>4. Other.</li> </ol> <p>If no animals were returned following rehoming by the establishment during the reporting period, shelters and pounds will indicate this by reporting '0'.</p>	<p><b>Returned:</b> Animal is returned to the establishment within 6 months of its adoption date. This applies only to animals that were permanently adopted by a new owner.</p>	<p><b>Change of mind:</b> Owner chooses to no longer provide care for animal post-adoption.  <b>Owner circumstances changed:</b> Owner unable to care for animal due to a change in their living, financial or social circumstances.  <b>Post-adoption health or behavioural issues:</b> Owner unable to provide care to animal due to health issues or behavioural incompatibility, which were not apparent prior to adoption.  <b>Other:</b> Animal is surrendered following rehoming during the reporting period for any other reason.</p>	<p>This is a total count of occurrences or instances.</p> <p>Rehoming animals is an important job that most shelters and pounds do. Rehoming animals involves a focus on keeping communities safe, promoting good animal welfare, and encouraging responsible pet purchasing and ownership.</p> <p>Sometimes, an adopted animal is not suited to its new home and may be returned to a shelter or pound. This can happen for many different reasons and may be in the best interests of both the animal and its owner if they find a new match.</p> <p>Screening potential adopters, teaching people to be responsible pet owners, and providing post-adoption support can help keep animals out of shelters.</p> <p>The re-admission of a rehomed animal shows that the shelter or pound is committed to providing post-adoption support and ensuring good welfare outcomes for the animal. It shows that the organisation is willing to work with the adopter to find a solution that works for both the animal and the adopter.</p>
<b>Euthanased</b>	<p>Number of animals that were euthanased during the reporting period, according to each of the following reason codes:</p> <ol style="list-style-type: none"> <li>1. Disease</li> <li>2. Injury</li> <li>3. Behaviour</li> <li>4. Age</li> <li>5. Unsuitability for sale</li> <li>6. Unweaned and orphaned animal</li> <li>7. Unidentified <b>cat</b> that is wild, uncontrollable or diseased.</li> </ol> <p>If no animals were euthanased during the reporting period, shelters and pounds will indicate this by reporting '0'.</p>	Nil.	<p><b>Disease:</b> illness; sickness; ailment of the body or of some organ or part, from which the animal cannot be suitably rehabilitated, as determined or directed by a veterinary practitioner.  <b>Injury:</b> an injury from which the animal will not recover as determined or directed by a veterinary practitioner.  <b>Behaviour:</b> the animal has behavioural trait(s) that pose a risk to the community, or significantly impact the animal's quality of life, which cannot be rectified.  <b>Age:</b> the animal's health or welfare is irredeemably compromised due to their age, as determined by a veterinary practitioner.  <b>Unsuitability for sale:</b> the animal is a declared dangerous or menacing dog, or is a restricted breed dog (e.g. this may include animal destructions under Divisions 6 and 7 of the DA Act).  <b>Unweaned and orphaned animal:</b> Puppy or kitten under 8 weeks old, without access to its mother or appropriate foster care, as determined or directed by a veterinary practitioner.  <b>Unidentified cat that is wild, uncontrollable, diseased:</b> In accordance with section 84O of the DA Act.</p>	<p>This is a total count of individual animals.</p> <p>Shelters and pounds will admit different types of animals. This is because pounds (including contracted facilities) support Councils in their animal management responsibilities under the DA Act and <i>Prevention of Cruelty to Animals Act 1986</i> (POCTA Act). As such, the data may show different reasons and rates for euthanasia between these types of facilities. For example, council-run or contracted pounds may be involved in cat management programs, manage a large number of seized animals, or keep custody of dangerous dogs. Such facilities may have higher rates of euthanasia due to the requirements of the DA Act.</p> <p>Note that for facilities providing pound services, or servicing multiple council areas, numbers reported in this category may be higher.</p> <p>Feral cats are a serious threat to Victoria's wildlife and biodiversity. Feral cats can also spread diseases to livestock and humans, with impacts for Victoria's economy. As such, feral cats are a declared established pest species on certain Crown land under the <i>Catchment and Land Protection Act 1994</i>, which means that, public land managers</p>

Data category	What shelters and pounds are required to report	Relevant definitions	Reason Codes	What you should know about this data category
				<p>(including councils) must take action to control their populations. Cats euthanased under council cat management programs and reported under the 'Unidentified cat that is wild, uncontrollable, diseased' reason code are typically feral cats.</p> <p>Shelters and pounds must care for animals in line with veterinary advice, and any euthanasia must be humane. Veterinary professionals must practice according to the <a href="#">guidelines on end-of-life care issued by the Veterinary Practitioners Registration Board of Victoria</a> and <a href="#">Section 9 of the POCTA Act</a>.</p>
<b>Died, but was not euthanased</b>	<p>Number of animals that died during the reporting period but were not euthanased.</p> <p>If no animals died for reasons other than euthanasia during the reporting period, shelters and pounds will indicate this by reporting '0'.</p>	Nil.	Nil.	<p>This is a total count of individual animals.</p> <p>This data includes animal deaths that happen in the establishment, in foster care arranged by the establishment, or during transportation. These deaths may be caused by old age, or pre-existing conditions (including a pre-existing injury from a road accident, or another pre-existing illness).</p>

Council Grouping	Local Government Municipality	Trading name	Number of unique animals held in the establishment or in foster care on 1 January of the reporting period Dogs (Item #17)	Number of unique animals held in the establishment or in foster care on 1 January of the reporting period Cats (Item #17)	Number of instances in which animals were admitted to the establishment in the reporting period Dogs (Item #17)	Number of instances in which animals were admitted to the establishment in the reporting period Cats (Item #17)	the establishment having no capacity Dogs (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	the establishment having no capacity Cats (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	the animal having significant or unmanageable health concerns Dogs (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	the animal having significant or unmanageable health concerns Cats (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	the animal having significant or unmanageable behaviour concerns Dogs (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	the animal having significant or unmanageable behaviour concerns Cats (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	the animal being from outside your jurisdiction Dogs (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)
Metropolitan	Bayside City	Bayside City Council	0	0	14	3	0	0	0	0	0	0	0
Large Shire	Bass Coast Shire	Bass Coast Shire Council Pound	0	0	78	60	0	0	0	0	0	0	0
Large Shire	Corangamite Shire	Corangamite Shire Council	0	0	36	82	0	0	0	0	0	0	0
Large Shire	Mitchell Shire	Ingrid's Haven	0	168	0	246	0	0	0	0	0	0	0
Large Shire	Macedon Ranges Shire	Macedon Ranges Shire Council	0	0	136	185	0	0	0	0	0	0	0
Interface	Whittlesea City	wat djerring Animal Facility	56	346	671	1095	53	105	0	0	0	0	5
Large Shire	Moira Shire	Moira Shire	9	34	107	188	0	0	0	0	0	0	1
Small Shire	Gannawarra Shire	Gannawarra Shire Council	0	0	65	213	0	0	0	0	0	0	0
Regional City	Greater Bendigo City	Bendigo Animal Relief Centre	23	82	564	983	0	0	0	0	0	0	1
Regional City	Greater Geelong City	Geelong Animal Welfare Society	63	397	608	1207	0	0	0	0	0	0	0
Interface	Melton City	Melton Pound	24	27	434	550	0	0	0	0	0	0	0
Small Shire	Murrindindi Shire	Murrindindi Shire Council	0	0	8	7	0	0	0	0	0	0	0
Regional City	Greater Bendigo City	Bendigo Animal Welfare & Community	3	17	2	1	0	0	0	0	0	0	0
Large Shire	Mitchell Shire	Mitchell Shire Council	5	26	367	478	0	0	0	0	0	0	0
Metropolitan	Stonnington City	Save-A-Dog Scheme Inc	110	74	141	59	0	0	0	0	2	0	0
Regional City	Greater Shepparton	Shepparton Animal Shelter	34	86	367	781	0	0	0	0	0	0	0
Regional City	Ballarat City	City of Ballarat Animal Shelter	51	193	653	760	0	0	0	0	0	0	4
Large Shire	Swan Hill Rural City	Swan Hill Animal Pound	0	0	76	129	0	0	0	0	0	0	0
Metropolitan	Manningham City	Blue Cross Animals Society of Victoria	14	45	26	76	0	0	0	0	0	0	0
Metropolitan	Banyule City	Cat Protection Society of Victoria	0	213	0	764	0	0	0	0	0	0	0
Small Shire	Hindmarsh Shire	Hindmarsh Shire Council	2	0	11	103	0	0	0	0	0	0	0
Small Shire	Northern Grampians	Northern Grampians Shire Pound	37	135	33	111	0	0	0	0	0	0	0
Metropolitan	Greater Dandenong	Australian Animal Protection Society	47	116	153	275	1	6	0	0	0	0	0
Large Shire	Campaspe Shire	Campaspe Animal Shelter	14	76	209	304	0	0	0	0	0	0	0
Regional City	Horsham Rural City	Horsham Rural City Council	1	0	136	107	0	0	0	0	0	0	0
Small Shire	Yarriambiack Shire	Yarriambiack Shire Council	0	0	34	24	0	0	0	0	0	0	0
Interface	Hume City	Second Chance Animal Rescue	19	76	101	219	1	0	0	2	0	0	0
Large Shire	Mitchell Shire	Greyhound Adoption Program (GAP) Victoria	225	0	671	0	0	0	0	0	0	0	0
Large Shire	Surf Coast Shire	Surf Coast Shire	2	0	62	29	0	0	0	0	0	0	0
Small Shire	West Wimmera Shire	West Wimmera Shire Council	1	0	10	71	0	0	0	0	0	0	0
Large Shire	Glennelg Shire	Glennelg Shire Animal Welfare Centre	2	5	177	225	0	0	0	0	0	0	0
Small Shire	Buloke Shire	Buloke Shire Council	0	0	4	4	0	0	0	0	0	0	0
Interface	Hume City	Lort Smith	12	103	76	307	0	0	0	0	5	0	0
Large Shire	Colac Otway Shire	Colac Otway Shire Pound	1	0	120	167	0	0	0	0	0	0	0
Regional City	Mildura Rural City	Mildura Rural City Council Animal Pound	12	10	320	619	0	0	0	0	0	0	0
Interface	Mornington Peninsula	Mornington Peninsula Shire Community	11	32	228	210	0	0	0	0	0	0	0
Interface	Nillumbik Shire	Nillumbik Shire Council Regional Pound	2	0	119	0	0	0	0	0	0	0	0
Large Shire	Baw Baw Shire	Baw Baw Shire Municipal Animal Pound	21	23	191	159	0	0	0	0	0	0	0
Small Shire	Loddon Shire	Loddon Shire Council	0	0	7	50	0	0	0	0	0	0	2
Regional City	Latrobe City	Latrobe City Council	20	13	346	446	0	0	0	0	0	0	0
Large Shire	Wellington Shire	Animal Clinic Maffra	0	0	0	22	0	0	0	0	0	0	0
Interface	Casey City	The Lost Dogs' Home (Casey)	90	185	1227	2201	0	0	0	0	0	0	0
Metropolitan	Melbourne City	The Lost Dogs' Home (Melbourne)	218	649	1718	4123	0	0	0	0	0	0	0
Small Shire	Alpine Shire	Alpine Shire Council	0	0	29	20	0	0	0	0	0	0	0
Metropolitan	Manningham City	Manningham City Council	0	0	57	70	0	0	0	0	0	0	0
Interface	Yarra Ranges Shire	Victorian Animal Aid Trust (Coldstream)	83	267	562	943	0	0	0	0	0	0	0
Interface	Casey City	RSPCA Victoria (Peninsula)	30	271	160	874	0	0	0	0	0	0	0
Metropolitan	Whitehorse City	RSPCA Victoria (Burwood)	181	329	724	1226	0	0	0	0	0	0	0
Regional City	Warrnambool City	RSPCA Victoria (Warrnambool)	23	119	223	478	0	0	0	0	0	0	0
Regional City	Wangaratta Rural City	RSPCA Victoria (Wangaratta)	18	74	187	453	0	0	0	0	0	0	0
Large Shire	East Gippsland Shire	Victorian Animal Aid Trust (East Gippsland)	12	62	134	236	0	0	0	0	0	0	0
Large Shire	Wellington Shire	Victorian Animal Aid Trust (Gippsland-Sale)	23	100	187	248	0	0	0	0	0	0	0
Small Shire	Ararat Rural City	Ararat Rural City Council	41	126	38	120	0	0	0	0	0	0	0
Large Shire	Mount Alexander Shire	Mt Alexander Animal Welfare Inc	6	17	99	153	0	0	0	0	0	0	5
Interface	Wyndham City	Wyndham City Council Pound	0	0	403	1078	0	0	0	0	0	0	2
Small Shire	Central Goldfields	Central Goldfields Shire Council	0	22	99	200	0	0	0	0	0	0	0
Large Shire	Macedon Ranges Shire	Pets Haven	6	4	144	152	0	0	0	0	0	0	0
Small Shire	Mansfield Shire	Mansfield Shire Council	0	0	44	16	0	0	0	0	0	0	0
Metropolitan	Hobsons Bay City	Hobsons Bay City Council	0	8	89	186	0	0	0	0	0	0	0
Metropolitan	Brimbank City	Brimbank City Council	0	0	305	1072	0	0	0	0	0	0	0
Large Shire	South Gippsland Shire	South Gippsland Animal Shelter	0	17	57	104	0	0	0	0	0	0	0
Large Shire	Southern Grampians	Southern Grampians Shire Council	1	2	136	122	0	0	0	0	0	0	0
Large Shire	Moorabool Shire	Moorabool Shire Council	3	18	120	259	0	0	0	0	0	0	0
Interface	Yarra Ranges Shire	Forever Friends Animal Rescue	72	271	75	260	0	0	0	0	0	0	0

the animal being from outside your jurisdiction Cats (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	other reasons Dogs (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	other reasons Cats (Number of instances in which animals were physically presented but not admitted to the establishment in the reporting period due to:)	Contextual comments on intake data (optional)	Number of instances in which animals were placed in foster care in the reporting period Dogs (Item #24)	Number of instances in which animals were placed in foster care in the reporting period Cats (Item #24)	Number of instances in which animals for which foster care was requested waited more than 14 full days to access this care* Dogs (Item #24)	Number of instances in which animals for which foster care was requested waited more than 14 full days to access this care* Cats (Item #24)	Contextual comments on establishment foster care data (optional)	Number of instances in which animals were reclaimed by their owner in the reporting period Dogs (Item #21)	Number of instances in which animals were reclaimed by their owner in the reporting period Cats (Item #21)	Number of instances in which animals were rehomed by the establishment in the reporting period Dogs (Item #21)	Number of instances in which animals were rehomed by the establishment in the reporting period Cats (Item #21)	Number of instances in which animals were permanently transferred to another facility or organisation for rehoming in the reporting period Dogs (Item #21)
0	0	0	Bayside City Council: No	0	0	0	0	Bayside City Council: No	14	3	0	0	0
0	0	0	Bass Coast Shire Council	1	0	0	0	Bass Coast Shire Council	50	10	0	0	13
0	0	0	Corangamite Shire	0	0	0	0	Corangamite Shire	16	6	0	0	16
0	0	0	Ingrid's Haven: No	0	0	0	0	Ingrid's Haven: No	0	0	0	279	0
0	0	0	Macedon Ranges Shire	0	0	0	0	Macedon Ranges Shire	87	10	0	0	46
12	0	0	wat djerring Animal	2	40	0	0	wat djerring Animal	436	68	57	304	89
0	0	0	Moira Shire: Council is	0	3	0	0	Moira Shire: No dogs	51	9	2	8	23
0	0	0	Gannawarra Shire	0	0	0	0	Gannawarra Shire	0	0	0	0	16
0	0	0	Bendigo Animal Relief	14	127	0	0		327	94	125	412	54
0	0	0	Geelong Animal Welfare	119	1075	0	48		312	98	197	835	18
0	0	0	Melton Pound: No	0	0	0	0	Melton Pound: No	232	37	11	50	111
0	0	0	Murrindindi Shire	0	0	0	0	Murrindindi Shire	8	1	0	0	0
0	0	0	Bendigo Animal Welfare	0	0	0	0	Bendigo Animal Welfare	0	0	2	3	0
0	0	0	Mitchell Shire Council:	17	11	0	0		263	32	22	7	42
0	0	0	Save-A-Dog Scheme: No	15	28	0	0		1	0	119	51	0
0	0	0	Shepparton Animal	7	9	0	0	Shepparton Animal	191	34	63	378	11
2	0	0		11	138	0	0	City of Ballarat Animal	361	92	159	399	100
0	0	0	Swan Hill Animal Pound:	0	0	0	0	Swan Hill Animal Pound:	36	11	2	1	32
0	0	0	Blue Cross Animals	0	0	0	0	Blue Cross Animals	0	1	22	83	2
0	0	1	Cat Protection Society of	0	223	0	12	Cat Protection Society of	0	49	0	528	0
0	0	0	Hindmarsh Shire	0	4	0	0	Hindmarsh Shire	11	0	0	4	0
0	0	0	Northern Grampians	0	12	0	0	Northern Grampians	24	4	1	9	11
0	0	0		51	125	0	0		10	6	137	325	14
0	0	0	Campaspe Animal	0	37	0	0	Campaspe Animal	91	19	61	182	0
0	0	0	Horsham Rural City	19	41	10	2	Horsham Rural City	105	20	19	41	0
0	0	0	Yarriambiack Shire	0	0	0	0	Yarriambiack Shire	24	2	8	15	0
0	0	0	Second Chance Animal	82	212	0	0		2	0	53	202	1
0	82	0	Greyhound Adoption	186	0	186	0	Greyhound Adoption	1	0	631	0	3
0	0	0	Surf Coast Shire: No	0	0	0	0	Surf Coast Shire: No	59	3	0	0	3
0	0	0	West Wimmera Shire	0	0	0	0	West Wimmera Shire	0	0	4	9	1
0	0	0	Glenelg Shire Animal	0	0	0	0	Glenelg Shire Animal	111	27	0	0	61
0	0	0	Buloke Shire Council: No	0	0	0	0	Buloke Shire Council: No	2	0	0	0	2
0	0	0	Lort Smith: No cats were	40	375	16	6		8	11	52	244	0
0	0	0	Colac Otway Shire	0	0	0	0	Colac Otway Shire	82	16	21	27	0
0	0	0	Mildura Rural City	0	0	0	0	Mildura Rural City	176	27	27	20	49
0	0	0	Mornington Peninsula	0	0	0	0	Mornington Peninsula	161	32	30	74	6
0	0	0	Nillumbik Shire Council	0	0	0	0	Nillumbik Shire Council	101	0	0	0	11
0	0	0	Baw Baw Shire	0	0	0	0	Baw Baw Shire	145	36	19	44	10
0	0	0	Loddon Shire Council: 2	0	0	0	0	Loddon Shire Council:	2	2	0	0	3
0	0	0	Latrobe City Council: No	0	0	0	0	Latrobe City Council: No	197	43	67	161	0
0	0	0	Animal Clinic Maffra: No	0	22	0	0	Animal Clinic Maffra: No	0	0	0	22	0
0	0	0	Lost Dogs' Home	43	1002	1	0		781	160	325	1119	12
0	0	0	Lost Dogs' Home	140	2943	4	3		935	266	551	2859	32
0	0	0	Alpine Shire Council: 2	0	0	0	0	Alpine Shire Council: No	10	2	2	4	8
0	0	0	Manningham City	0	0	0	0	Manningham City	44	14	0	0	12
0	0	0	Victorian Animal Aid	72	585	0	0	Victorian Animal Aid	499	143	85	700	13
0	0	0	RSPCA Victoria	44	298	0	7		20	18	89	552	16
0	0	0	RSPCA Victoria	219	516	43	50	RSPCA Victoria	309	88	241	803	90
0	0	0	RSPCA Victoria	14	151	1	4		67	5	80	173	58
0	0	0	RSPCA Victoria	37	187	0	0		67	37	68	178	46
0	0	0	Victorian Animal Aid	4	138	0	0	Victorian Animal Aid	59	18	56	175	3
0	0	0	Victorian Animal Aid	3	35	0	0	Victorian Animal Aid	128	35	28	126	11
0	0	0	Ararat Rural City Council:	0	0	0	0	Ararat Rural City Council:	28	6	8	5	0
15	1	4	Mt Alexander Animal	3	31	0	5		48	14	24	65	0
0	0	0	Wydhm City Council	0	99	0	5	Wydhm City Council	179	42	0	0	219
0	0	0	Central Goldfields Shire	1	18	0	0		76	12	7	61	11
0	0	0	Pets Haven: No animals	32	27	0	0	Pets Haven: We only	0	0	142	149	1
0	0	0	Mansfield Shire Council:	0	0	0	0	Mansfield Shire Council:	40	2	2	3	1
0	0	0	Hobsons Bay City	0	16	0	0	Hobsons Bay City	40	17	0	20	0
0	0	0	Brimbank City Council:	0	0	0	0	Brimbank City Council:	66	16	0	0	239
0	0	0	South Gippsland Animal	0	0	0	0	South Gippsland Animal	41	15	8	76	1
0	0	0	Southern Grampians	0	0	0	0	Southern Grampians	84	10	17	7	24
0	0	0	Moorabool Shire	1	22	0	0		69	6	18	83	15
0	0	0	Forever Friends Animal	45	208	0	0		0	0	78	283	0



Number of instances in which animals were permanently transferred to another facility or organisation for rehoming in the reporting period Cats (Item #21)	new owner change of mind Dogs (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	new owner change of mind Cats (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	new owner change in circumstances Dogs (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	new owner change in circumstances Cats (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	post-adoption health or behavioural issues Dogs (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	post-adoption health or behavioural issues Cats (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	other reasons Dogs (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	other reasons Cats (Number of instances in which animals were rehomed but surrendered back to the establishment within 6-months due to:)	Contextual comments on establishment reclaim or rehomed data (optional)	disease Dogs (Number of unique animals that were euthanased in the reporting period due to:)	disease Cats (Number of unique animals that were euthanased in the reporting period due to:)	injury Dogs (Number of unique animals that were euthanased in the reporting period due to:)	injury Cats (Number of unique animals that were euthanased in the reporting period due to:)
0	0	0	0	0	0	0	0	0	Bayside City Council:	0	0	0	0
37	0	0	0	0	0	0	0	0	Bass Coast Shire Council	0	0	0	0
49	0	0	0	0	0	0	0	0		0	1	0	0
0	0	8	0	0	0	0	0	0	Ingrid's Haven: Ingrid's	0	7	0	0
155	0	0	0	0	0	0	0	0	Macedon Ranges Shire	0	0	0	0
372	1	2	0	0	7	3	2	2		11	142	4	11
46	0	0	0	0	0	0	0	0	Moira Shire: Council has	1	27	1	0
76	0	0	0	0	0	0	0	0		0	0	0	0
115	4	2	2	1	10	12	1	4		4	49	0	4
22	1	2	3	4	5	7	0	3		2	73	1	11
281	0	0	0	0	1	2	0	0		1	102	0	3
0	0	0	0	0	0	0	0	0	Murrindindi Shire	0	0	0	0
0	0	0	0	0	0	0	0	0		0	0	0	0
257	1	0	0	0	0	0	0	0		0	14	0	6
0	0	0	0	0	2	0	1	1	Save-A-Dog Scheme: The	3	1	0	0
15	1	1	0	1	1	2	0	0		13	63	4	40
81	0	0	3	0	2	1	6	4		4	26	0	0
54	0	0	0	0	0	0	0	0		1	0	0	0
0	2	1	0	0	0	1	0	1		0	1	0	0
0	0	6	0	3	0	3	0	9	Cat Protection Society of	0	16	0	2
0	0	0	0	0	0	0	0	0		0	0	0	0
79	0	0	0	0	0	0	0	0		0	0	0	0
2	13	16	10	12	2	4	1	0		5	5	0	0
0	0	2	0	0	2	0	1	5	Campaspe Animal	5	17	0	0
0	0	0	0	0	0	0	0	0		0	2	0	0
0	0	0	0	0	0	0	0	0		0	0	1	0
1	2	4	1	0	0	6	3	0	Second Chance Animal	0	1	0	1
0	45	0	44	0	20	0	0	0	Greyhound Adoption	4	0	0	0
21	0	0	0	0	0	0	0	0		0	0	0	0
10	0	0	1	0	0	0	0	0		0	0	0	0
179	0	0	0	0	0	0	0	0	Glenelg Shire Animal	0	0	0	0
0	0	0	0	0	0	0	0	0	Buloke Shire Council: No	0	0	0	0
0	0	0	0	4	2	1	0	0		0	4	0	4
0	0	0	0	0	1	0	0	0		1	15	0	3
181	1	0	0	0	0	0	0	0	Mildura Rural City	0	13	1	2
63	2	3	0	2	1	1	0	0		0	6	0	2
0	0	0	0	0	0	0	0	0	Nillumbik Shire Council	0	0	0	0
49	0	0	0	0	0	0	0	0		1	4	0	1
48	0	0	0	0	0	0	0	0		0	0	0	0
0	0	0	0	0	1	2	0	0		0	13	5	3
0	0	0	0	0	0	0	0	0	Animal Clinic Maffra: No	0	0	0	0
184	3	0	2	13	29	25	22	10	Lost Dogs' Home	9	62	5	19
181	1	2	6	44	43	24	20	37	Lost Dogs' Home	19	47	51	170
11	0	1	0	0	0	0	0	0		0	0	0	0
39	0	0	0	0	0	0	0	0		0	0	0	2
21	1	11	1	4	1	3	0	6		14	64	0	4
274	0	0	3	10	4	21	1	3		6	42	0	1
47	0	0	6	27	16	11	2	15		32	97	2	8
342	0	0	5	1	5	2	0	1		0	20	0	1
114	0	0	0	5	8	3	1	1		3	15	0	1
0	3	0	0	0	0	0	2	1		0	22	0	0
50	0	1	0	2	1	2	1	2		4	7	0	0
5	0	0	0	0	0	0	0	0		0	11	0	0
0	0	0	0	1	2	0	2	1		1	7	1	0
619	0	0	0	0	0	0	0	0	Wydhams City Council	0	7	0	6
94	0	0	0	1	0	0	0	0		2	8	0	6
0	29	7	0	0	1	0	0	0	Pets Haven: One dog	0	0	0	0
6	0	0	0	0	0	0	0	0		0	0	0	0
6	0	0	0	0	0	0	0	0		0	0	0	1
1045	0	0	0	0	0	0	0	0	Brimbank City Council:	0	0	0	0
0	0	0	0	0	0	0	0	0		0	7	0	1
21	0	0	0	0	1	0	0	0		1	3	0	0
53	0	0	0	0	0	0	0	0		0	0	2	0
0	3	0	1	0	3	1	2	3		0	1	0	0

OFFICIAL

behaviour Dogs (Number of unique animals that were euthanased in the reporting period due to:)	behaviour Cats (Number of unique animals that were euthanased in the reporting period due to:)	age Dogs (Number of unique animals that were euthanased in the reporting period due to:)	age Cats (Number of unique animals that were euthanased in the reporting period due to:)	unsuitability for sale Dogs (Number of unique animals that were euthanased in the reporting period due to:)	unsuitability for sale Cats (Number of unique animals that were euthanased in the reporting period due to:)	being unweaned and orphaned Dogs (Number of unique animals that were euthanased in the reporting period due to:)	being unweaned and orphaned Cats (Number of unique animals that were euthanased in the reporting period due to:)	Number of unique cats that were euthanased due to being unidentified and wild, uncontrollable, diseased Cats (Item #51)	Number of unique animals that died in the reporting period, but were not euthanased, in the establishment or while in foster care)	Number of unique animals that died in the reporting period, but were not euthanased, in the establishment or while in foster care)	Contextual comments on establishment death data (optional)
0	0	0	0	0	0	0	0	0	0	0	Bayside City Council: No
5	0	0	0	0	0	0	0	12	0	0	
4	0	0	0	0	0	0	0	26	0	0	Corangamite Shire
0	0	0	0	0	0	0	0	0	0	3	Ingrid's Haven: Ingrid's
0	5	0	0	0	1	0	2	12	0	0	Macedon Ranges Shire
40	0	0	0	16	19	0	0	143	4	23	
2	0	0	0	22	36	0	16	42	0	5	Moira Shire: Council
2	0	0	0	0	0	0	0	65	0	0	
45	67	0	0	1	0	0	29	229	0	8	Bendigo Animal Relief
23	25	0	0	15	0	0	10	26	0	44	
46	26	0	1	14	2	0	0	16	4	16	Melton Pound: In
0	3	0	0	0	0	0	0	3	0	0	Murrindindi Shire
0	0	0	0	0	0	0	0	0	0	1	Bendigo Animal Welfare
34	5	1	7	0	6	0	9	123	0	1	
1	1	0	2	0	0	0	0	0	1	1	Save-A-Dog Scheme: In
41	25	0	0	12	0	0	8	209	1	21	Shepparton Animal
22	3	0	0	0	0	0	3	0	0	9	City of Ballarat Animal
5	0	0	0	0	0	0	0	57	0	0	
0	0	0	0	0	0	0	0	2	0	1	Blue Cross Animals
0	0	0	0	0	0	0	13	12	0	5	Cat Protection Society of
0	0	0	0	0	0	0	0	98	0	1	Hindmarsh Shire
1	42	0	0	0	0	0	0	42	0	0	
0	1	0	0	0	0	0	2	0	0	6	
38	1	0	0	0	1	0	10	77	0	5	Campaspe Animal
3	1	0	0	8	7	0	0	34	0	0	
1	3	0	1	0	0	0	0	3	0	0	Yarriambiack Shire
0	0	0	0	0	0	0	0	0	1	4	Second Chance Animal
11	0	0	0	0	0	0	0	0	0	0	Greyhound Adoption
0	0	0	0	0	0	0	0	4	0	1	Surf Coast Shire: No
0	0	6	0	0	0	0	0	52	0	0	
5	0	0	0	0	0	0	0	19	0	0	
0	0	0	0	0	0	0	0	4	0	0	Buloke Shire Council: No
2	0	0	0	0	0	0	6	0	0	2	
9	11	1	1	0	7	0	7	69	0	0	Colac Otway Shire
46	61	2	0	5	0	0	53	244	0	0	
2	10	0	0	2	0	0	0	20	0	2	
5	0	2	0	0	0	0	0	0	0	0	Nillumbik Shire Council
5	0	0	0	3	0	0	0	22	0	0	
2	0	0	0	0	0	0	0	72	0	0	Loddon Shire Council:
0	0	0	0	53	82	0	0	83	0	1	
0	0	0	0	0	0	0	0	0	0	0	Animal Clinic Maffra: No
67	277	0	2	10	0	0	30	262	0	33	Lost Dogs' Home
121	303	0	1	22	0	0	19	617	3	53	Lost Dogs' Home
1	1	0	0	0	0	0	0	1	0	0	
0	0	0	0	1	0	0	0	18	0	0	
24	22	3	8	7	2	0	2	103	0	10	
15	20	0	0	0	0	0	4	2	1	4	
39	35	0	0	0	0	0	32	13	6	13	
14	22	0	0	5	0	0	4	6	0	6	
11	18	0	0	3	0	0	0	112	0	3	
5	5	1	0	8	0	0	0	24	0	17	
7	4	1	2	3	0	0	5	13	1	4	
1	0	1	0	1	7	0	0	99	0	0	
2	17	0	0	2	11	0	0	36	0	1	Mt Alexander Animal
5	4	0	0	0	0	0	34	267	0	0	Wydham City Council
3	0	0	0	0	0	0	0	20	0	5	
2	0	0	0	0	0	0	0	0	0	3	Pets Haven: No cats
1	0	0	0	0	0	0	0	5	0	0	Mansfield Shire Council:
0	0	0	0	0	0	0	0	5	0	1	Hobsons Bay City
0	0	0	0	0	0	0	0	11	0	0	Brimbank City Council:
7	11	0	0	0	1	0	8	26	0	2	South Gippsland Animal
3	21	0	0	7	26	0	0	34	0	0	
1	0	0	2	0	0	0	0	115	0	0	Moorabool Shire
1	0	0	0	0	0	0	0	0	1	8	



THE  
LOST DOGS  
HOME.

annual report

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'22

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'23

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# What we stand for

## Our Vision

Giving animals the best chance of a happy and healthy life.


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## Our Purpose

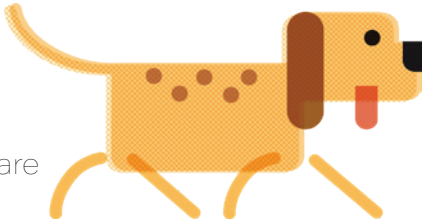
We care for lost dogs, cats and other companion animals. We reunite lost pets with their families, find new homes for others, and always seek the best possible outcomes for all animals that come into our care.

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## Our Strategic Pillars



1


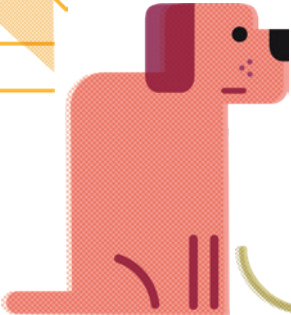




2



Compassionate care for our animals.

A modern and sustainable charity.



4

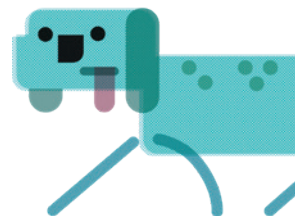
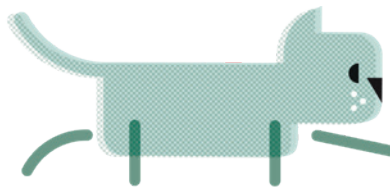
An employer of choice.

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REUNIONS - Shirley and Manaia	9
VETS - Trevor's story	10
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A fierce advocate for animal welfare.





## Joint Chairman & CEO Report

**This year was business as usual for our shelter operations, which meant numbers of animals needing our care increased significantly yet again. We received an additional 1,683 lost, abandoned or surrendered animals into the Home, compared to last year.**

Our greatest operational challenge continues to be the overwhelming numbers of cats and kittens needing our help as kitten season steadily increases year on year. However, we also find ourselves with other emerging challenges.

As owners return to the workplace and pets are left at home, increasing numbers of dogs are being surrendered with behaviour problems due to lack of socialisation during and post COVID as well as 'back to work' anxiety issues.

The cost of living is also undoubtedly having an impact, forcing people to surrender their beloved pets when the expense of care takes them beyond their budget. As a result, we also received many more animals requiring surgical and more complex veterinary care requirements.

In response, our adoptions and reunion rates increased yet again. The numbers of animals being placed into foster homes also increased by an extraordinary 46%.

This is thanks to our dedicated staff across the whole of organisation going the extra mile to make sure we continue to deliver the very best animal welfare care possible, and our amazing and loyal supporters who continue to contribute and support the important work of the Home, despite these financially challenging times.

Our focus in the coming year will be on growing our capacity for in-shelter behaviour treatments, post adoption support, and making sure we have the funds available for increased veterinary care.



Simon Greaves  
**Chairman**



Grant Robb  
**Chief Executive Officer**

## Year in Review

# 18,032

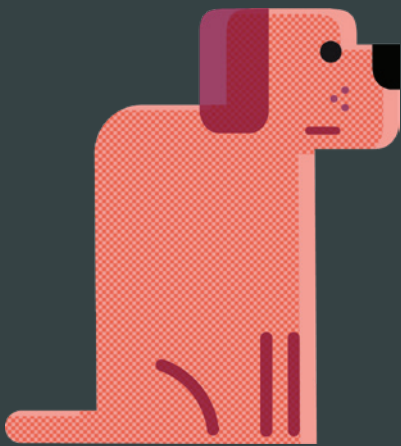
animals came into our care,  
up by almost **20%**

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## Adoptions

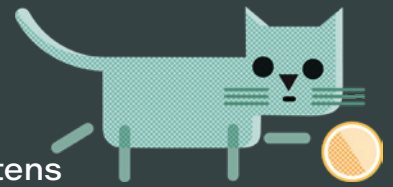
# 8,132

animals adopted, up by **22%**



# 6,441

cats/kittens



# 1,691

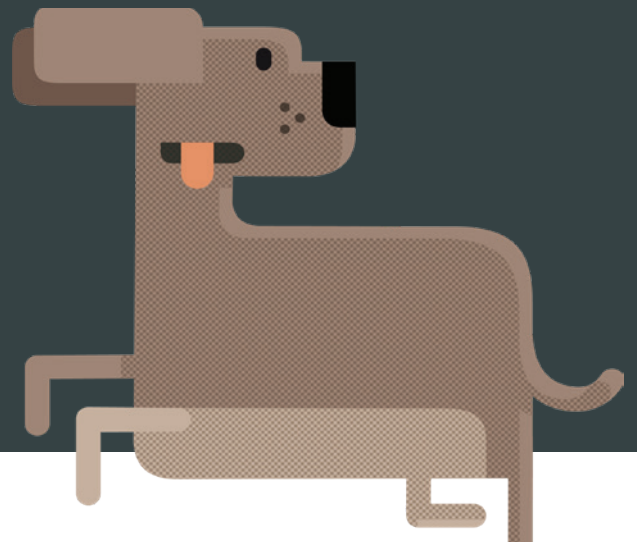
dogs/pups

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## Reunions

# 4,462

animals united  
with their families



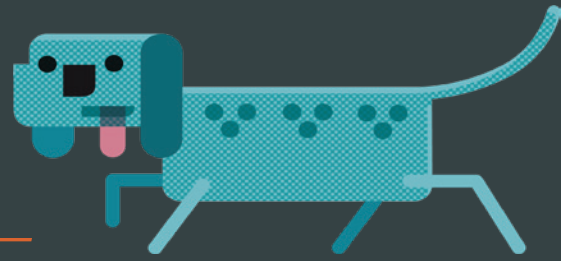


## Foster



4,365

animals in foster homes,  
up by **23%**



## Vets

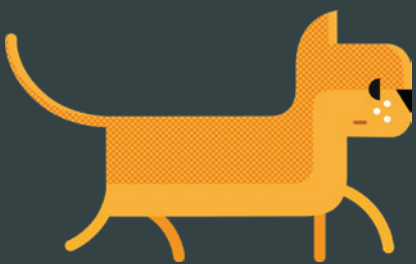
7,312

procedures and treatments carried  
out across our vet hospitals



3,378

animals seen including **759** desexing  
procedures carried out at **Frank Samways  
Veterinary Clinic**



105

volunteers, an increase of  
**61%** from last year



30%

of cats humanely euthanised,  
a **-3%** difference from last year

10%

of dogs humanely euthanised,  
a **+3%** difference from last year

## Adoptions

# Robbie the Brave!



**Weighing just two kilos, and critically under-weight, the five-month-old cavoodle arrived at The Lost Dogs' Home after being trapped without any food or water for two weeks in a warehouse.**

**He was matted, weak from hunger and thirst, he could barely stand.**

The shelter and vet teams were greeted with a very confronting scene when the pup first arrived on our doorstep at the start of the year.

It's unimaginable the hunger, confusion and pain he would have been experiencing.

He was quickly transported to our sick and injured ward where he was lovingly and gradually nursed back to health by our vet and shelter teams.

As he started to slowly gain some weight and could stand without shaking, it was time to get him into a foster home and that's where Dina and Ray came in.

The couple fell in love with the youngster as soon as they saw him and named him "Robbie the Brave!"

For the next two months Robbie spent his time building much needed muscle tone and weight.

"When we heard his story, we were utterly heartbroken and came to get him right away," said Dina. "He has been through so much, it is now time for him to heal and start a better life," she said.

In an outcome that reduced everyone at the shelter to happy tears, Dina and Ray decided to make Robbie a permanent part of their family by adopting him.

"There was no way, we were going home without him," said Ray. "We just love our brave boy so much and from now on he will have the best life that he could possibly dream of."



Picture Courtesy Wayne Taylor / Herald Sun



He has been through so much, it is now time for him to heal and start a better life





“ Get your pets microchipped and registered to just keep them in check and know where they are, you never know when they might turn up again. ”

## Reunions

# Together again: Shirley and Manaia

**"Oh my gosh I can't believe you're here I really can't believe it." That was Shirley's response when she was reunited with her beloved Manaia just recently.**

**After escaping through a fence Manaia was nowhere to be found.**

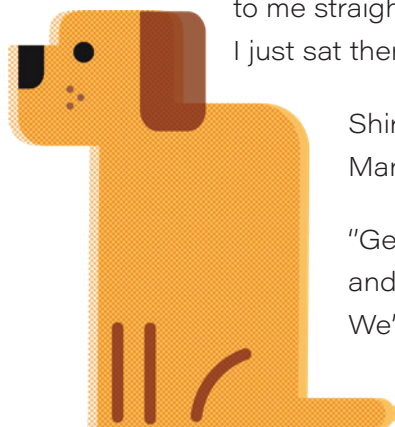
Missing for two years, Shirley then faced a double devastation, losing her husband during this time.

"It was heartbreaking. Especially when Manaia's registration renewals came. I couldn't bring myself to tell the council he was gone, it was too hard to face that," said Shirley.

But earlier this year, the miracle Shirley had prayed for was realised.

"I was at the cemetery visiting my husband the day before his birthday when I looked at the phone and then I read the email, I could not believe it, I was shocked. After two years missing, Manaia was waiting to be picked up from The Lost Dogs' Home," explained Shirley.

"I was anxious I did not know what to expect but I was so happy, and he warmed up to me straight away and even the car ride home it was like as if he was never gone. I just sat there looking at him in the mirror, and I kept thinking I cannot believe it!"



Shirley was thankful for the decision they made all those years ago to have Manaia microchipped.

"Get your pets microchipped and registered to just keep them in check and know where they are, you never know when they might turn up again. We're inseparable now, the way it should be."

## Vets

# Trevor's story

**Twelve-week-old Trevor arrived at the Home in a shocking state.**

**His little white legs were almost entirely covered in severe wounds.**

**This tiny, fragile puppy had been attacked by another dog.**

The Home's Head of Veterinary Services, Dr Jessica Wilde, said Trevor needed urgent care.

"Seeing any animal in pain is distressing, however when they are small, young, and innocent puppies, it is heartbreaking. In these situations, especially, the whole team is quick to respond to ensure that animals like Trevor know once they get to the Home, they are in safe hands," said Dr Wilde.

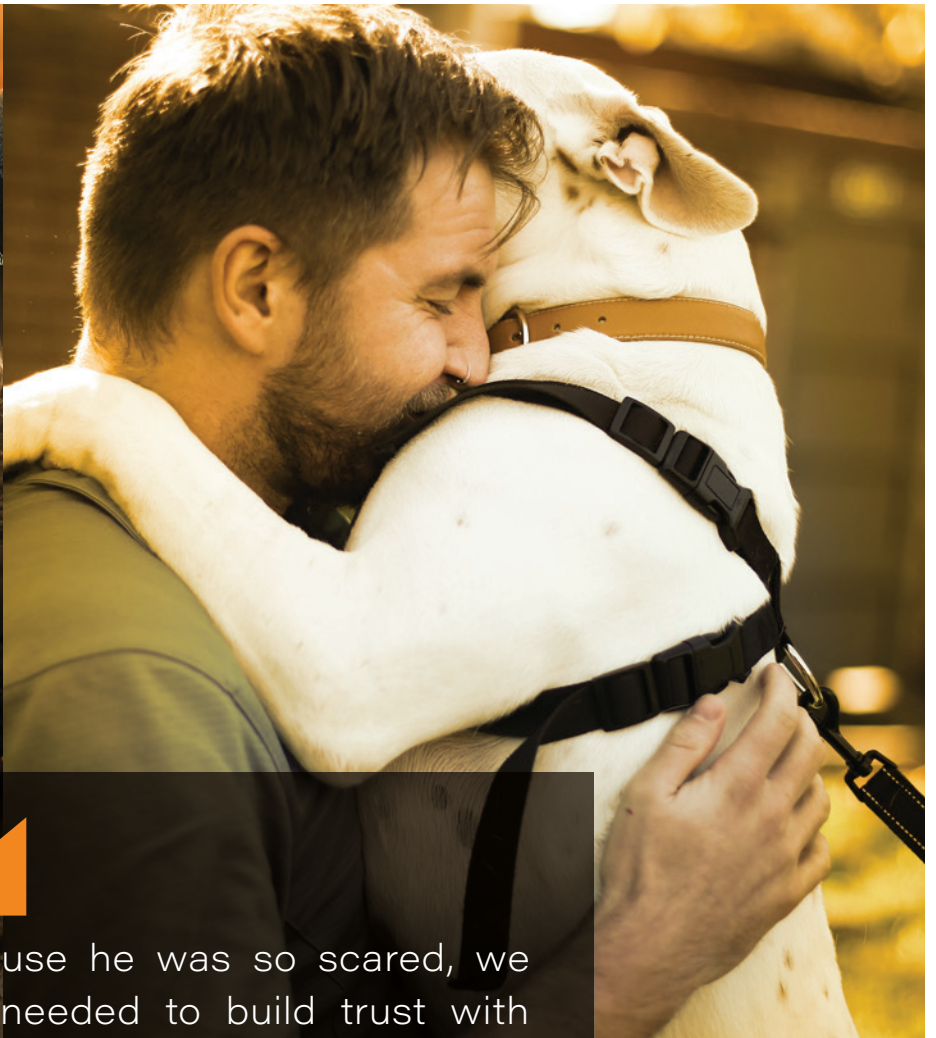
"Because he was so scared, we first needed to build trust with him by taking things slow and speaking in soft voices. Trevor's wounds were already infected, and he needed to be cleaned up right away. But he was in so much pain that even the gentlest of touches would cause him to scream and cry. Pain relief for Trevor was the number one priority."

Trevor received immediate surgery to gently cut away the infected skin, flush out his wounds, and carefully stitch up the area. Over the next few weeks he grew stronger and started accepting cuddles and was behaving like a normal puppy.

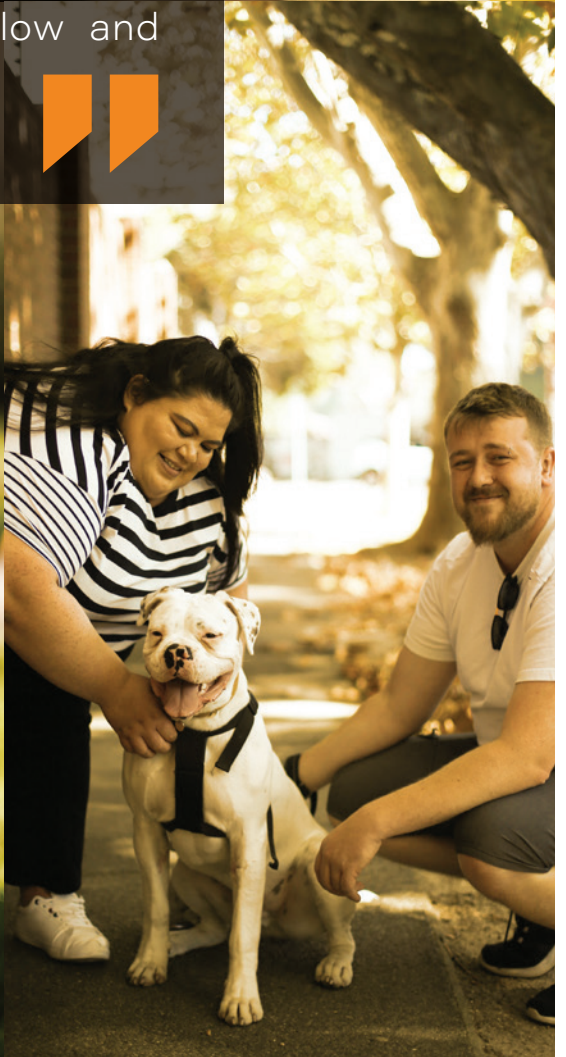
"Cases like Trevor are both difficult and rewarding for the team. As professionals who work tirelessly to ensure that every animal is treated with respect and care, these cases are often a harsh reminder that not every animal gets the loving start to life they deserve," said Dr Wilde.

"What keeps the team focused and positive is the fact that they are making a difference to animals like Trevor every day."

Trevor made a full recovery and was adopted several weeks later.



“ Because he was so scared, we first needed to build trust with him by taking things slow and speaking in soft voices. ”





We fell in love with Sheldon. It was pretty clear to us that we were meant to be his forever family.





## Behaviour

# Sheldon scores an A+ with his new home

**When Chloe and her partner Matt first met Sheldon, he was nervous, extremely worried and working with our behaviour team for his separation anxiety.**

Sheldon is deaf, so our behaviour team devised a series of hand signals that Sheldon could understand to make his learning easier while he waited for a forever home.

In order to trial Sheldon's recovery plan he needed a foster home, and that's where Chloe and Matt came in.

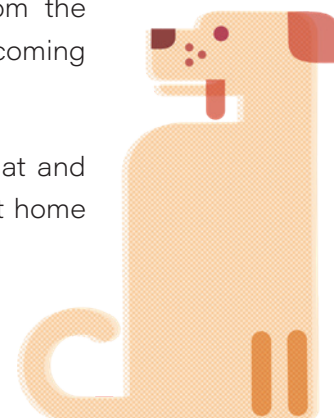
"We had been foster carers for about 12 months and Sheldon was our fourth foster dog," explained Chloe. "We fell in love with Sheldon. His cuddles on the couch, his snoring and zoomies around the house. It was pretty clear to us that we were meant to be his forever family."

"When we first started working with him he was stuck to our sides like velcro, we couldn't even leave the room without him. This was also made a little harder with him being deaf, because he couldn't hear where we were in the house."

Chloe and Matt worked with Sheldon's trainer, Olivia, from the Home's Behaviour Department and Sheldon started becoming more confident and independent.

"We started by giving him an activity like a Kong or lick mat and leaving the room. Sheldon is now feeling confident to be left home alone for short amounts of time," said Chloe.

"We spoil Sheldon, a lot! After a rough start to life, we think he deserves the world.



## Looking to the future

# Advancing Animal Care in Cranbourne

The Lost Dogs' Home Cranbourne shelter opened in 2002. Since then, the number of animals cared for by our shelter and vet teams has grown steadily year on year.

As part of our delivering on our **Strategic Pillar 1**, 'compassionate care for our animals' we will be investing into modernising our Cranbourne shelter over the coming three financial years, making it a welcoming place for families to find their new best friend and a place where animals can receive the best care possible until they are returned home, or find their new forever homes.

### Stage 1

Upgrading essential infrastructure, the essential work that will need to be carried out before renovations can begin.

### Stage II

Improving disability access for members of the community wishing to adopt or reclaim their lost animals.

### Stage III

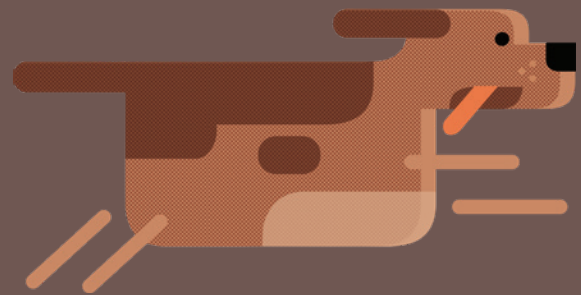
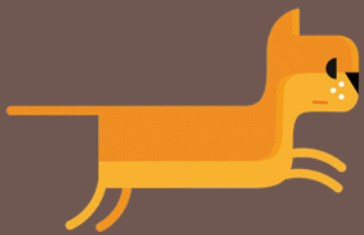
Renovation of our staff working environments and facilities, making sure our staff are properly supported in being able to provide the very best care to our animals.

FY 23/24



Vital work like this is made possible thanks to generous and forward-thinking gifts left to the Home in the Wills of animal-lovers. In 2023 we received a wonderful and very special gift from long-term supporter and animal-lover Joy Christensen.

Her thoughtful legacy has been put into action and will now make sure thousands of lost and abandoned animals receive the care they deserve.



#### **Stage IV**

Improvements to the existing kennels and catteries, making sure we stay ahead of code regulations and comfort requirements for our animals.

FY 24/25

#### **Stage V**

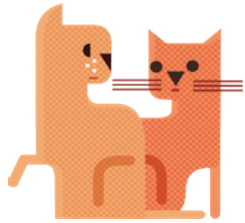
A new adoption centre! Creation of welcoming and functional indoor/outdoor adoption facilitation spaces, encouraging more members of the Cranbourne and surrounding communities to visit our beautiful animals ready for adoption.

#### **Stage VI**

New Shelter Veterinary Clinic, expansion and significant improvements to our existing facilities.

FY 25/26

Foster



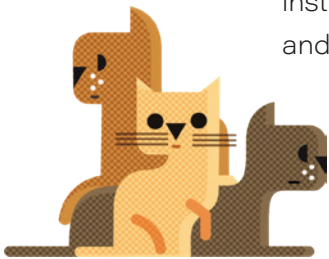
# Fifty-one kittens, five queens and one adult cat, and one puppy.

**That's how many animals have been fostered by Lee and Andrew since 2022!**



This massive effort, along with that of our hundreds of other dedicated foster carers across the state has meant 4,365 animals were placed in warm and loving homes while they waited for their forever families.

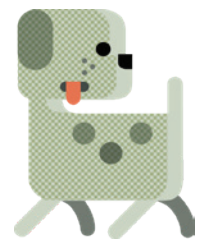
With a longer than expected kitten breeding season this year, our foster carers were instrumental in making sure our shelters could be freed up for the thousands of cats and kittens that sought refuge with us.



For Lee and Andrew, fostering is the perfect option for them. "We had wanted more pets in our life but frequently travel with work, it made it difficult to commit to a permanent pet. We've found fostering gives us the wonders of animals in our life whilst also not compromising on travel," explained Lee.

"We foster when it fits into our schedule; a few times we've actually collected more kittens on the way home from a trip! The house is so very different without them around!"

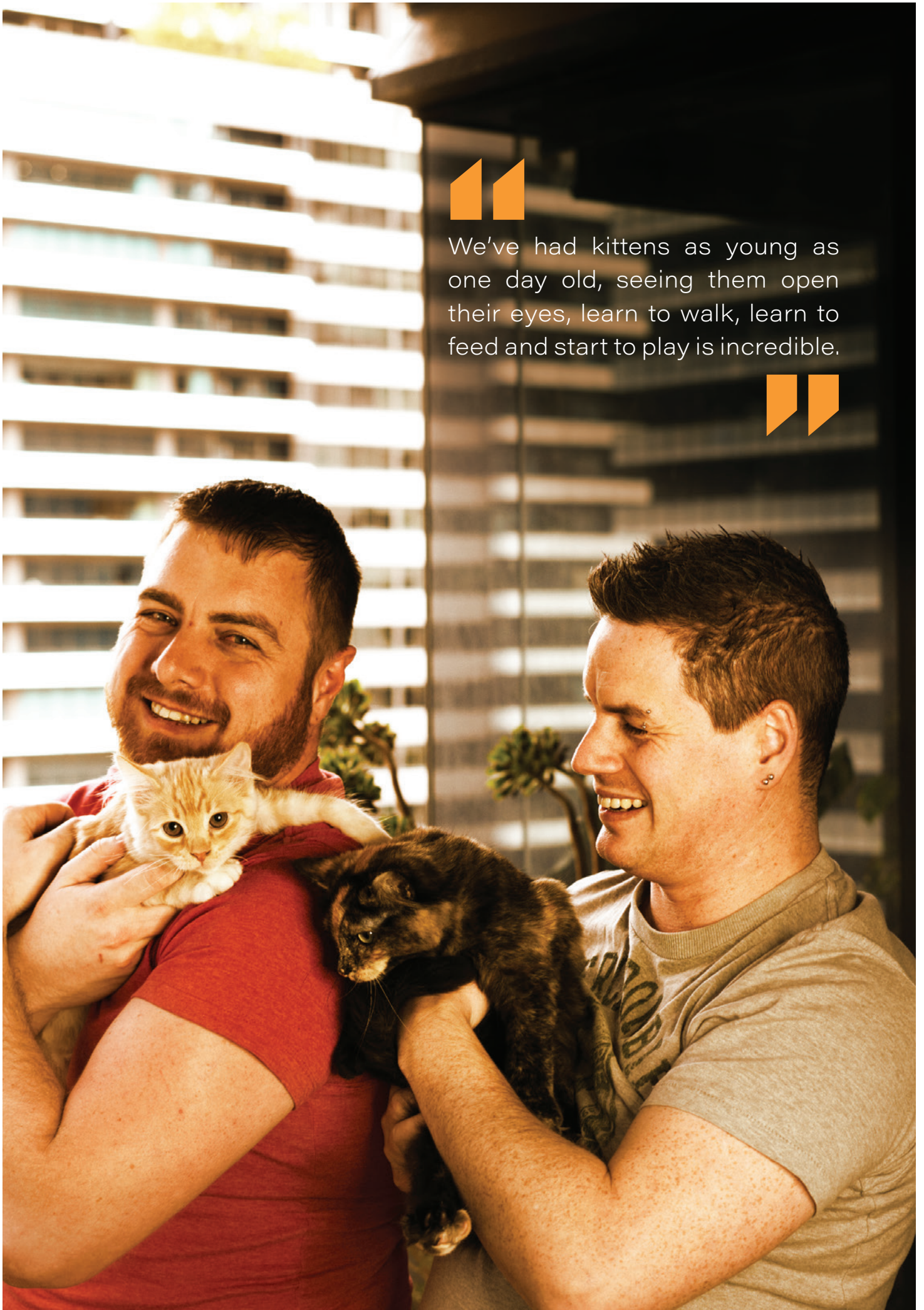
Andrew said seeing the development and change in the animals from when they first arrive to when they are ready to leave for adoption is wonderful.



"We've had kittens as young as one day old, seeing them open their eyes, learn to walk, learn to feed and start to play is incredible. Some kittens have come to us for confidence building; they're terrified of the world and need reassurance they're safe and you're there to help them," said Andrew.



"Fostering is incredibly rewarding. You are provided with everything you need to get you started – beds, blankets, carrier, bowls, food, litter, trays, toys. This is all supported via an amazing community of foster carers along with the wonderful team at the Foster Hub."



We've had kittens as young as one day old, seeing them open their eyes, learn to walk, learn to feed and start to play is incredible.



## Board of Directors

The board is responsible for the overall governance, management and strategic direction of the organisation and for delivering accountable corporate performance in accordance with the organisation's goals and objectives.



Simon Greaves  
**Chairman**



Kristine Daniels



Tanya Khan



Kim Flanagan



Craig Tucker





Sharon Rowland



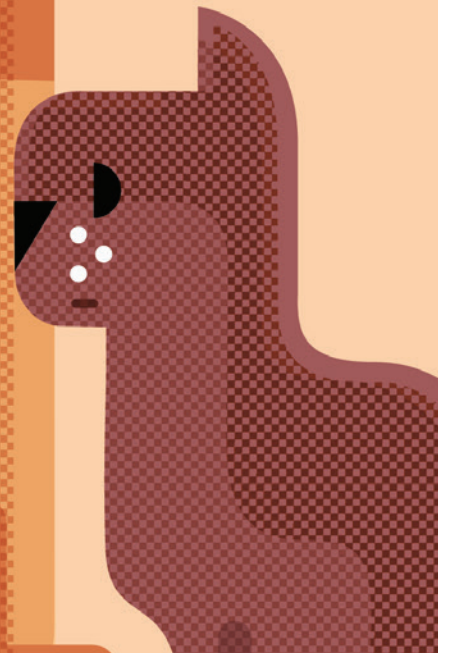
Sue Noble



Rohan Filer



Mitch Hancock



## Legacies

# Thank you!

The Lost Dogs' Home is forever grateful for the thoughtfulness of the following people whose legacies were received throughout this year:

George Lewis Aston  
Lillias Jean Beale  
Shirley Ida Beutel  
Marilyn Joy Black  
Joy Bossini  
William Francis Bouker  
Raymond Neil Boyd  
Mark Adrian Brogden  
Joyce Adeline Brooks  
Shirley Barbara Bruhn  
Marlene Isabel Bullard  
Ruth Byron  
Eveline May Campain  
Irene Elizabeth Clark  
John Maurice Court  
Anneliese De Corona  
Patricia Downes  
Hazel Ruth Duffy  
Eleanor Royce Duthie  
Kenneth Raymond Foster  
Johanna Maria Freeman  
Elizabeth Gilliland  
Yvonne Adeline Glover  
Elinor Marie Holland  
Doris Ursula Howard  
Janis Elizabeth Kellas  
Valerie Gwendolyn King  
John Henry Liddle  
Josephine Ann Lucas  
Kay Lorraine Maley  
Vivian Rose Martin  
Joan Elizabeth McNamara

Shuna Rose McOscar  
Ian William Membery  
Margaret Millane  
Edith Nagy  
Stephan Bruno Neubert  
Doris Emily Newcombe  
Barbara Jean Newman  
Patricia Gwendoline Parkinson  
Ian Cameron Parsons  
Maxine Sylvia Porter  
Esme Sylvia Reilly  
Gloria June Robertson  
Lyndel Anne Robinson  
Pamela Joan Robinson  
Lovi Devra Ross  
Raewyn Elizabeth Ross  
Irene Ogilvie Russell  
Lesley Margaret Sievers  
Peter Randall Siminton  
Sheila Janet Storrs  
Carl Laurie Sutton  
Fairlie Szacinski  
Sandra Joy Taylor  
Julien Frederick Thompson  
June Lois Thompson  
Claire Patricia Trezare  
Leonard Frederick Turpin  
Mary Katherine Walker  
Joyce Ann White  
Beatrice Olive Williams  
Ronald & Juanita Wood

## Enduring Legacies

Estate of Eleanor Margrethe Albiston  
Roy McCowan Russell & Beryl Russell & Harold Brumley Trust  
Frederick K & Margaret R Cline Bequest  
Marjorie Hayes & Olivia Cock Memorial  
Clarice Nellie Dibbin Trust  
The Drury Trust  
Shirley Margaret Duffin Memorial For Animal Welfare  
Estate of Charles Keith Edwards  
Estate of Mary Ann Edwards  
Estate of Leon Anthony Fennessy  
Patricia Mary Holmes Charitable Trust Fund  
The Joyce Hood Charitable Trust  
Dorothy Jean & Thompson Jackson Trust  
Andrew Kay Trust  
Joseph Norman Mason Trust  
Beatrice May Middlin Trust  
Thomas Rubie & Olive Esma Purcell Trust  
Harry Schofield Trust  
The Allan Shaw Charitable Trust  
William Arthur Shipperlee Trust  
Estate of Edward Nelson Stannard  
The Stombuco Family Legacy  
Estate of Elsie Ruth & Harry R Taafe  
John Taylor Trust  
Lesley Gordon Vaughan Trust  
Kathleen Ann White Charitable Trust  
Estate of Ada Withers





## Our Patron

Lady Primrose Potter AC is a renowned patron for philanthropy in Australia. She has championed and continues to champion various issues from science and medicine to the arts, and now animal welfare.

She has delivered significant support for programs that benefit the wider community. The Love of Animals Campaign aims to raise \$3million over three years for specialised Lost Dogs' Home programs and projects across vital animal welfare best practice growth areas such as Shelter Medicine and Post Adoption Behaviour training.

# Major Gifts

Constance Ackroyd Trust

Henry and Cecilia Foundation

Rita Andre

Aileen T Braybon

Krystyna Campbell-Pretty and the Campbell-Pretty Family

Petra and Hans Henkell

Clive and Helen Morris

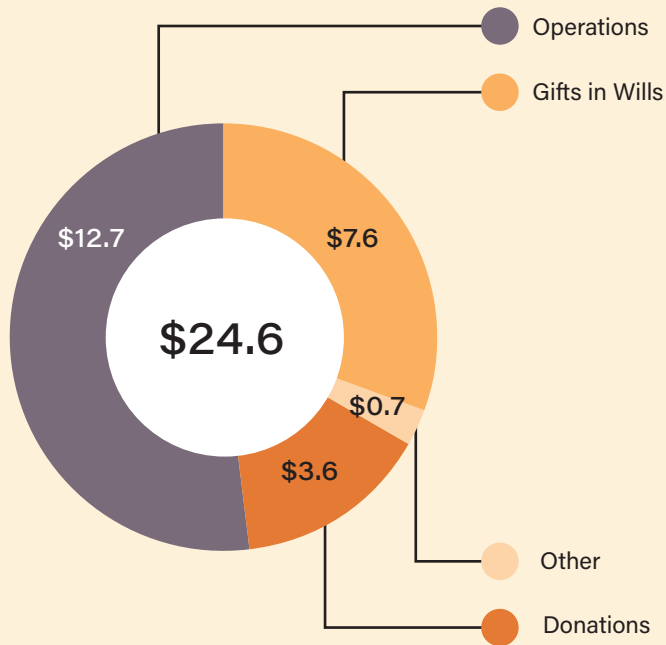
Miles Nicholls and Barbara Cargill

Lady Primrose Potter AC

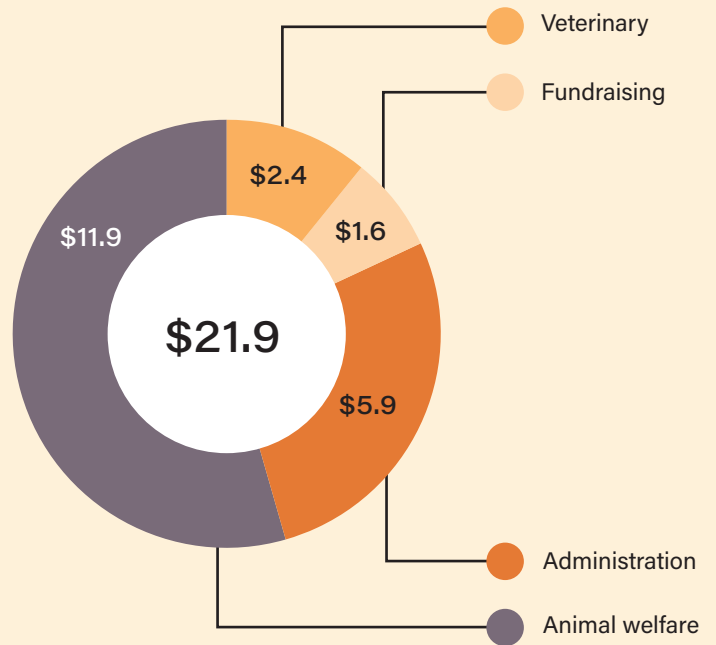
Margot Wilson

## Key Financials 2022-2023

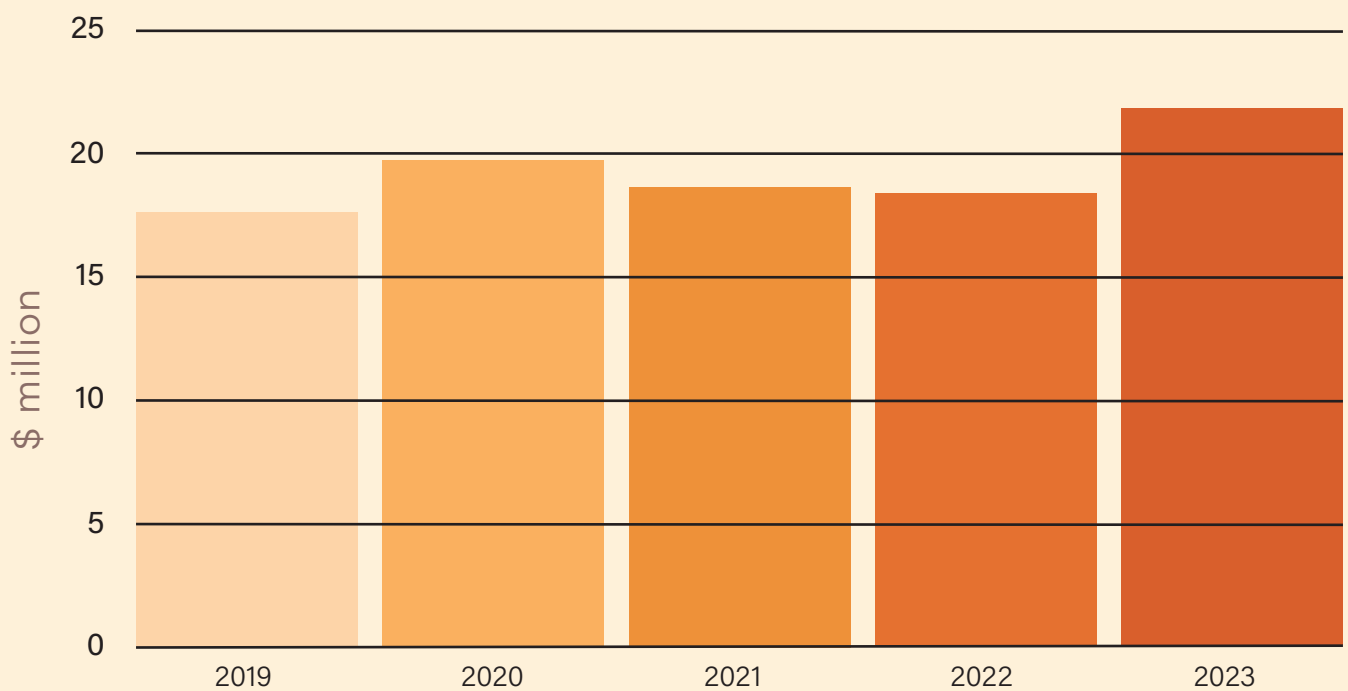
### Our income (\$ million)



### Our expenses (\$ million)



## The Lost Dogs' Home Expenditure trend



The Lost Dogs' Home full financials are available at [www.dogshome.com](http://www.dogshome.com) or in hard copy by request via email at [communications@dogshome.com](mailto:communications@dogshome.com)

## Statement of profit or loss and other comprehensive income

### For the year ended 30 June 2023

		2023 \$	2022 \$
<b>Revenue and other income</b>			
Revenue from continuing operations	3	12,654,807	9,197,113
Donations income		3,617,156	3,533,373
Gifts in will income		7,574,822	5,049,660
Government grants		66,763	141,379
Other income	4	638,317	354,222
		<b>24,551,865</b>	<b>18,275,747</b>
<b>Expenses</b>			
Animal welfare expenses		(11,907,161)	(9,858,608)
Fundraising expenses		(1,643,625)	(1,495,712)
Veterinary expenses		(2,390,933)	(1,933,847)
Administration expenses		(5,938,736)	(5,208,461)
		<b>(21,880,455)</b>	<b>(18,496,628)</b>
<b>Surplus/(Deficit) for the year attributable to the members of</b>			
The Lost Dogs' Home		<b>2,671,410</b>	<b>(220,881)</b>
<b>Other comprehensive income/(loss)</b>			
Items that will not be reclassified subsequently to profit or loss			
Change in fair value of financial assets measured at fair value through other comprehensive income		639,618	(1,170,221)
<b>Other comprehensive income/(loss) for the year</b>			
		<b>639,618</b>	<b>(1,170,221)</b>
<b>Total comprehensive income/(loss) for the year attributable to the members of The Lost Dogs' Home</b>			
		<b>3,311,028</b>	<b>(1,391,102)</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the full Financial Report.

## Statement of financial position

### As at 30 June 2023

		2023 \$	2022 \$
<b>Assets</b>			
<i>Current assets</i>			
Cash and cash equivalents	6	6,373,196	5,402,067
Trade and other receivables	7	1,348,731	824,359
Inventories	8	93,648	111,369
Other assets		488,109	294,278
<b>Total current assets</b>		<b>8,303,684</b>	<b>6,632,073</b>
<b>Non-current assets</b>			
Financial assets	9	12,537,631	10,312,901
Intangible assets	10	11,650	16,149
Property, plant and equipment	11	13,011,969	13,329,422
Right of use assets	12	57,577	20,730
<b>Total non-current assets</b>		<b>25,618,827</b>	<b>23,679,202</b>
<b>Total assets</b>		<b>33,922,511</b>	<b>30,311,275</b>
<b>Liabilities</b>			
<i>Current liabilities</i>			
Trade and other payables	13	1,364,615	1,245,863
Provisions	14	967,689	937,473
Lease liability - Right of use assets	12	20,452	9,926
<b>Total current liabilities</b>		<b>2,352,756</b>	<b>2,193,262</b>
<b>Non-current liabilities</b>			
Provisions	14	180,734	65,948
Lease liability - Right of use assets	12	36,982	11,054
<b>Total non-current liabilities</b>		<b>217,716</b>	<b>77,002</b>
<b>Total liabilities</b>		<b>2,570,472</b>	<b>2,270,264</b>
<b>Net assets</b>		<b>31,352,039</b>	<b>28,041,011</b>
<b>Equity</b>			
Reserves	15	2,774,045	2,145,096
Accumulated surplus		28,577,994	25,895,915
<b>Total equity</b>		<b>31,352,039</b>	<b>28,041,011</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the full Financial Report.

## Statement of changes in equity

### For the year ended 30 June 2023

	Reserves \$	Accumulated surplus \$	Total equity \$
<b>Balance at 1 July 2021</b>	<b>3,578,658</b>	<b>25,507,894</b>	<b>29,086,552</b>
Profit for the year	-	(220,881)	(220,881)
Other comprehensive income	(1,170,221)	-	(1,170,221)
<b>Total comprehensive income for the year</b>	<b>(1,170,221)</b>	<b>(220,881)</b>	<b>(1,391,102)</b>
Other equity movements	(263,341)	608,902	345,561
<b>Balance at 30 June 2022</b>	<b>2,145,096</b>	<b>25,895,915</b>	<b>28,041,011</b>
<b>Balance at 1 July 2022</b>	<b>2,145,096</b>	<b>25,895,915</b>	<b>28,041,011</b>
Loss for the year	-	2,671,410	2,671,410
Other comprehensive loss	639,618	-	639,618
<b>Total comprehensive loss for the year</b>	<b>639,618</b>	<b>2,671,410</b>	<b>3,311,028</b>
Other equity movements	(10,669)	10,669	-
<b>Balance at 30 June 2023</b>	<b>2,774,045</b>	<b>28,577,994</b>	<b>31,352,039</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the full Financial Report.

## Statement of cash flows

### For the year ended 30 June 2023

	2023 \$	2022 \$
<b>Cash flows from operating activities</b>		
Receipts from customers (inc GST)	13,170,288	9,294,144
Payments to employees and suppliers (inc GST)	(21,974,298)	(17,608,486)
	<b>(8,804,010)</b>	<b>(8,314,342)</b>
Donations received	3,617,156	3,533,373
Gifts in Wills received	6,235,748	3,756,070
Government grants received	10,398	141,379
Interest received	96,853	9,192
<b>Net cash from/(used in) operating activities</b>	<b>1,156,146</b>	<b>(874,328)</b>
<b>Cash flows from investing activities</b>		
Payments for investments	(2,103,065)	(8,438,047)
Payments for intangibles	-	-
Payments for property, plant and equipment	(383,646)	(343,289)
Proceeds from disposal of investments	1,902,438	8,137,727
Proceeds from disposal of property, plant and equipment	-	500
Dividends received	399,256	405,080
<b>Net cash used in investing activities</b>	<b>(185,018)</b>	<b>(238,029)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>971,128</b>	<b>(1,112,357)</b>
Cash and cash equivalents at the beginning of the financial year	5,402,067	6,514,424
<b>Cash and cash equivalents at the end of the financial year</b>	<b>6,373,196</b>	<b>5,402,067</b>

The above statement of profit or loss and other comprehensive income should be read in conjunction with the full Financial Report.



The Lost Dogs' Home Headquarters

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E [communications@dogshome.com](mailto:communications@dogshome.com)

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[www.dogshome.com](http://www.dogshome.com)

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8.4 Notice of Motion No.15 of 2024 - Release of Council Documents

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In response to the resolution in the minutes, the following attachment is included:

- Atticusnow 'Building Financial Sustainability and Capacity Final Report'.



# **BUILDING FINANCIAL SUSTAINABILITY & CAPACITY**

## FINAL REPORT

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JUNE 2022



## CONTACT

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admin@atticusnow.net  
+61 3 7021 1000

## DISCLAIMER

This report has been prepared by atticusnow at the request of the City of Yarra in our capacity as advisors and in accordance with the Terms of Reference and the Terms and Conditions contained in the Consultant Agreement between the City of Yarra and atticusnow.

This document is not intended to be utilised or relied upon by any persons other than the City of Yarra, nor to be used for any purpose other than that articulated above. Accordingly, atticusnow accepts no responsibility in any way whatsoever for the use of this report by any other persons or for any other purpose.

The information, statements, statistics and commentary (together the "Information") contained in this report have been prepared by atticusnow from publicly available material and from material provided by the City of Yarra and through the consultation process. atticusnow has relied on this Information and has not sought to confirm the reliability, accuracy or completeness of this.

atticusnow has prepared this report using assessment methods which atticusnow considers are sufficient for the City of Yarra's requirements, as set out in the Terms of Reference for this engagement. Whilst the statements made in this report are given in good faith, atticusnow accepts no responsibility for any errors in the information provided by the City of Yarra or other parties, nor the effect of any such errors on our analysis, suggestions or report.

## CITATION

A suggested citation for this publication is: atticusnow 2022, *City of Yarra: Building Financial Sustainability & Capacity Final Report*, Melbourne.



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# EXECUTIVE SUMMARY



## The challenge

Yarra City Council is emerging from a difficult two year pandemic period, and facing a number of significant financial challenges. Financial analysis of the position of the Council to 2031-32 finds the Council facing a difficult future cash position. The key drivers of this include:

**COVID19 impacts on cash reserves** – payments made to businesses coupled with reductions in revenue (parking, leisure, permits) have created a \$50m dent in the Council's cash position.

**Increasing costs of providing services** – supply side inflationary pressures have increased costs for the Council to provide services. The 2022-23 Long Term Financial Plan (LTFP) does not factor in growth in costs over the rate cap growth of 1.75 per cent. There is strong evidence that costs in particular areas may grow at a higher rate, particularly in waste services (trend growth of 11.92 per cent) and in child care and aged care with staff supply constraints. Inflationary pressure across all areas (with current CPI higher than the 1.75 per cent cost assumptions) may also increase Council costs over that assumed in the LTFP.

**Rate capping which constrains options for income growth** – the Council is not able to recover increasing service costs through higher rates above the capped increase set by the State government

**Cost shifting from State and Federal governments** – cost shifting is broadening the scope of services which Council is responsible for, as well as increasing responsibility of Council in some areas (such as libraries and potentially some building governance matters).

**High cost service delivery approach** – Yarra is unusual amongst Victorian Councils in its approach to service delivery. The scope of services it provides is broader than many other Councils (for example child care, leisure and aged care) and the methods for service delivery are typically in-house (versus engaging external providers). This approach has locked the Council in to a model which is higher cost (particularly in relation to wages) and lower flexibility in responding to cost drivers. If the Council decides to change its service offering, it incurs costs of exiting service which include redundancy and staff transition payments which are more complex than would be case if the service were provided under contract.

**Low levels of cost recovery** – across the range of services Yarra provides only parking and compliance services achieves full cost recovery. Services with a high degree of privately captured benefits do not achieve full cost recovery (due to both lower than market level fees and higher costs).

These factors have combined to create a 'perfect storm' of financial pressures on the Council - with the very real prospect that it will fully run down its cash reserves. Avoiding this worst case scenario requires significant and early action across Council operations and services.

While COVID19 impacts have worsened this situation, the underlying cause is a failure of Council to act on a range of difficult decisions over an extended period. The current Council leadership must now act.

In this challenging environment, the Yarra City Council has engaged atticusnow to conduct a strategic review, focusing on identifying the key options to achieve financial sustainability in the shorter to medium term. This review report sets out the research, analysis, options assessment and recommendations to Yarra City Council.

# EXECUTIVE SUMMARY



## The financial sustainability gap

This review assessed the current financial gap facing the Council as well as future cost risks. A target of \$15m per annum of gains over next 10 years was adopted as prudent to improve financial sustainability and also to allow for future capital initiatives and possible financial risks.

## Options development

The key task of this review was to identify the most prospective set of options for the Yarra City Council to address its financial challenges. An extensive research, data analysis and benchmarking exercise was conducted, alongside council staff consultations. The initial outcomes from this research and consultation was a suite of 20 potential initiatives. These initiatives were further assessed during a process of workshops, research, and co-design. These initiatives were analysed against four criteria: Financial impact, timing, operational disruption, and community impact.

## Three categories of options

The options were grouped into three separate categories:

- **Priority options** – those initiatives that were highly prospective financially, and could be implemented with a few years without major operational disruption were prioritised as ‘priority initiatives’.
- **Systemic reform** – those options with longer implementation timelines, more complex operational challenges, and strategic interdependencies, were bundled as longer term ‘systemic reforms’. These reforms are essential to help secure the City’s position in the longer term, but are not immediately prospective for addressing the shorter term gap.
- **Smaller scale efficiencies** – those options with only moderate potential gain, but the potential to be implemented more easily or within the next 2-3 years were bundled as ‘small scale efficiencies’. These initiatives will not individually be able to secure the City’s financial position, but as a group they are potentially impactful and should be pursued.

## Priority options

Given the limited capacity of the City to implement multiple initiatives simultaneously, eight key initiatives were identified for priority implementation, along with the small scale efficiencies, systemic reforms, and basic governance and project management.

The priority major initiatives are:

- **Waste charge** – the phased introduction over a number of years of a waste charge based on cost.
- **Parking** – fee increases based on Council and market benchmarks
- **Pricing Policy** - implement the pricing policy across all fees and charges of the Council, starting with the areas which will have the largest financial impact (leisure and child care)
- **Property** – optimisation of property utilisation (with either sale or changes to leasing of properties)
- **Organisation** – a hiring freeze combined with an organisation consolidation
- **Accommodation** – a move to team activity based working
- **Leisure** – test the feasibility of outsourcing Yarra Leisure following a full pricing review
- **Aged care** – exiting from home care services due to Commonwealth government funding changes
- **Child care** – reduce the scope of services offered by exiting provision of vacation and OOSHC.

This report outlines more detail on each of these options including the rationale for prioritising them, the financial gains that could be achieved, the major risks involved and how these risks might be mitigated.

# EXECUTIVE SUMMARY



## Pathway to achieving the \$15m target

The suite of actions recommended in this review provide a number of potential approaches to achieving the \$15 million annual net savings target. Those which have been both identified and quantified (estimated, or set specific targets) are listed in the table on the next slide.

Decisions on how to best approach this target need to be taken in the context of the following factors.

- The structure of the waste charge which will provide a critical mechanism for recovering future costs in waste services, but is not a specific net revenue raising measure (unlike parking fees or other fee measures). Its value is therefore in covering a proportion of the 'risk margin' component of the \$15m target, not the underlying \$65m financial gap.
- Estimates for the potential benefits of implementing the pricing policy for leisure and child care are based on achieving direct cost recovery only and are indicative estimates based on the the 2018-19 cost recovery study. These should be considered a lower bound of the savings that can (and should) be achieved through this measure. An avoidable costs methodology is recommended for cost recovery of these services.
- Implementation costs have been included in these estimates, however there are opportunities for these costs to be absorbed within current budgets for staffing and consulting services, thereby reducing the costs of the implementation process.

- This review has sought to benchmarking both staff and overhead costs for Yarra with comparable studies (for overheads) and against other Councils. There is a need for a bottom-up overheads study to properly determine opportunities for reduced overheads fees. The review recommends that the Council seek to achieve two key benchmarks for both staff and overheads, the benefits of which (and Council accommodation) are highly correlated. Given these linkages an overall staff and overheads target has been set in the table which provides a reasonable level of achievable savings from these initiatives.

In summary the total potential of estimated revenue and efficiency measures (and quantified targets) listed exceeds the VAGO financial gap target of \$65m. Cost recovery from the waste charge removes that cost risk for the Council, with an additional \$20m in savings to cover other cost inflation which can be achieved through efficiency gains from systemic reform measures or asset sales.

### Uncosted initiatives

A number of initiatives recommended in this review are not costed in the table due to the degree of uncertainty over their potential impact or the degree to which their impact will be determined by progress on other measures (for example Council accommodation savings will depend on both property reforms and staffing changes). There are also numerous reforms which should be including within the systemic reform program which have strong potential to achieve savings.

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# POTENTIAL NET SAVINGS: MAJOR INITIATIVES



Table 3.1 Summary of options – short- to medium-term, estimated net savings 2022-23 – 2031-32

Option	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
<b>Revenue measures</b>											
Increase parking fees	–	–	–	1,885	1,918	1,952	4,071	4,142	4,214	6,594	24,776
Increased leisure fees (minimum recoverable)	–	1100	1100	1100	1100	1100	1100	1100	1100	1100	9,900
Increased child care fees (minimum recoverable)	–	900	900	900	900	900	900	900	900	900	8,100
<b>Efficiencies</b>											
Aged care – exit delivery of in-home services	–	888	889	889	889	889	889	889	889	889	8,000
Child care – transition out of delivering vacation care & OOSHC	905	919	933	947	961	975	990	1,005	1,020	1,035	9,690
Outsource management of leisure centres	–	–	612	612	612	612	612	612	612	612	4,896
Efficiency gains in areas of staff, overheads (target)	–	1,500	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	41,500
<b>Costs</b>											
Implementation costs	(204)	(313)	(320)	(226)	–	–	–	–	–	–	(1,063)
<b>Total potential net savings from options</b>	<b>701</b>	<b>4,994</b>	<b>9,566</b>	<b>11,559</b>	<b>11,832</b>	<b>11,880</b>	<b>14,104</b>	<b>14,100</b>	<b>14,187</b>	<b>16,582</b>	<b>105,799</b>
<b>Future cost recovery measures</b>											
Waste charge Based on the assumption that Yarra's waste costs will increase at 5%.	–	–	552	1,145	1,777	2,452	3,171	3,936	4,750	5,616	<b>23,398</b>

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# IMPLEMENTATION STRATEGY



## Financial sustainability project

Subject to endorsement of the project approach by Council, it is recommended that a project team be created with a specific mandate for improving financial sustainability by implementing eight specific projects over a four year timeframe. The objective of these projects would be to deliver targeted financial gains. This approach should ensure that implementation of these reforms is not delayed by day to day business and shifting priorities within the Council by assigning responsibility and accountability for the progress of the reforms. An implementation strategy is recommended as follows.

## Governance

One of the first actions is to establish an overall governance structure for the project. This would include a Steering Group of senior executives responsible for driving the project, The chair of the steering group should ideally be the CEO or Corporate Finance Director. The Steering Committee should report to the Executive Management Team and would be responsible for oversight, strategy, project management, reporting and communications. A dedicated team of 3-4 staff should be formed to service the Steering Committee. This should include a Project lead, a Communications lead, a Policy Officer and Administrative Officer.

## Streams

We recommend that implementation of the projects be managed under three separate streams, each with a leader accountable to the Steering Committee. The logic of this approach is that there are some strong synergies between a number of projects that make it an advantage for them to be closely coordinated. The three streams should be as follows:

- **Revenue** – including the waste charge, parking fees and pricing policy. These are the highest priority for financial sustainability impact, with communications being the main challenge. Can be largely implemented within existing capabilities, but may require some initial consulting support to establish.

- **Organisation and Assets** – including the property, accommodation and organisation projects. These three projects are highly interrelated and the aim would be to build a slimmed down but more agile and fit for purpose organisational structure ready to implement the longer term vision, while also providing financial sustainability gains from property sales and headcount reductions. A combination of property and accommodation capability (consultants) and internal and HR capabilities will be critical.
- **Services** – including the Leisure, Aged Care and Early Childhood projects. This gives the Council the opportunity to build an ongoing internal capability and framework for service redesign, but will require require some initial consulting support.

## Smaller scale efficiencies

There are numerous opportunities for Council to pursue small scale efficiency gains with a focus on incorporating good ideas from management and staff into the normal annual business planning and budgeting processes over the next few years.

## Systemic reforms

A new CEO has just been appointed. It is assumed in first year (2022-23) that the main focus will be on settling into the role and ensuring the successful implementation of the financial sustainability project. In the second year it is assumed that there will be a strategy review process to plan for the future evolution of Council operation, including the consideration of the proposed systemic reform for improved financial sustainability, and that this strategy would be implemented over the next five years to achieve the 10 year vision.

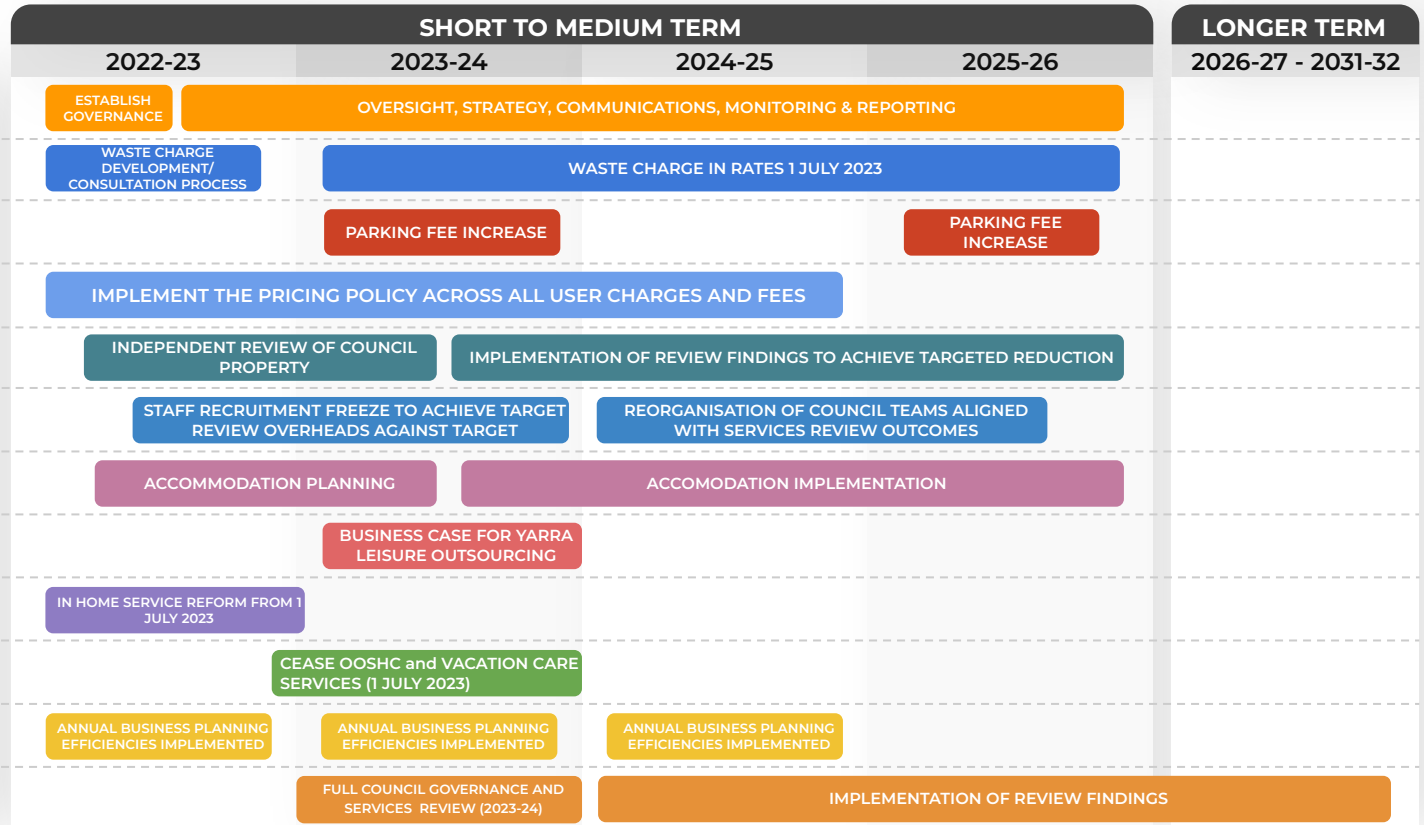
## Implementation roadmap

An implementation roadmap summarising this proposed strategy is provided on the next slide.

# IMPLEMENTATION ROADMAP



Implementation Roadmap



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**PART ONE**  
**CONTEXT FOR THIS REVIEW**

[CONFIDENTIAL]

# REVIEW APPROACH



## The brief

Yarra City Council engaged atticusnow to conduct a strategy review to build financial sustainability and capacity. The project commenced on April 4, 2022 with a final report to be presented to the Council on June 7, 2022.

The objective of this project is to provide advice to Yarra City Council regarding current and projected financial performance in the context of existing service provision that has been identified as requiring action.

The outputs from this work will assist development of a targeted strategy and approach to address the situation. Upon receiving the Final Report, Yarra will be equipped to make informed decisions about future detailed investigation of financial and operational performance of services.

## Our approach

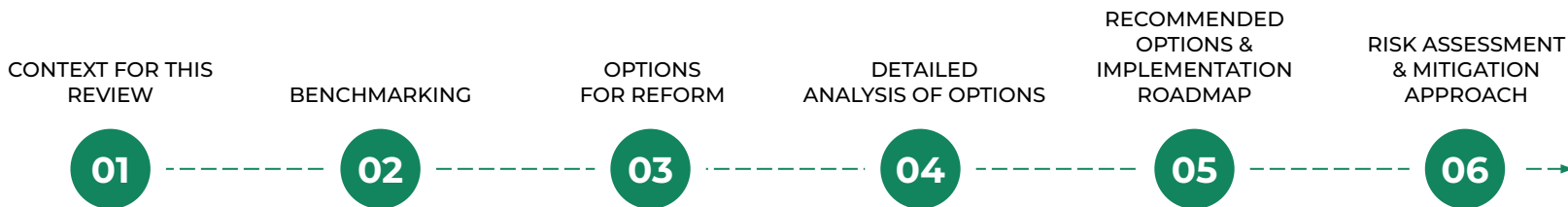
This report provides our analysis, findings and recommendations for the review conducted for the Yarra City Council. The approach taken to complete our review is set out below – which is consistent with the structure of this report.

Firstly we assess the current state of play – community characteristics, how the Council provides services to the community, the Council's financial position and future financial commitments. We go on to compare the Council to similar Melbourne councils using a benchmarking exercise.

Based on the research findings and analysis a preliminary options analysis has been conducted to provide a set of over 20 options for reform, which are assessed against key criteria.

Detailed options analysis is conducted on those options which are considered to be most prospective (provide the greatest financial benefit for the Council in a 4-5 year timeframe).

A set of recommended options and an implementation roadmap sets out our recommended approach, with an assessment of the associated risks and mitigation options.



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# THE YARRA CITY COUNCIL COMMUNITY



## The Yarra City Council community

Understanding the characteristics of the Yarra City Council (Yarra) community is essential in any assessment of Council operations and finances. The most critical characteristics to be mindful of in the context of this project are outlined below.

### Small inner city Council area with high density

Yarra is geographically the second smallest Council in Victoria, with the second highest population density.

### Small household size

Two person households are the most common household size in Yarra (39 per cent) followed up by single person households (32 per cent). Households with children (couples and single parents) comprise 21.3 per cent of households in Yarra, significantly lower than the Melbourne average of 43.5 per cent.

### Young, professional, educated population

Small household size is not driven by growth in elderly households, instead it is driven by younger people aged 25-34 who comprise 30 per cent of the Yarra population (compared with 16 per cent for Melbourne on average). The Yarra community has higher than average educational attainment, with 48 per cent holding a bachelor degree or higher qualification compared with the Melbourne average of 27 per cent.

### Diverse socio-economic population

Yarra is home to residents from across the socio-economic spectrum, with both high to very high income households and lower income households strongly represented in the community. Median household income at the last census was \$1958 per week (2016).

### Lower rates of car ownership and higher use of public transport

The location and density of the community makes public transport a more viable and practical option than in fringe metropolitan areas. In Yarra, 69.6 per cent of the households own at least one car, whilst 19.2 per cent did not. This is compared with 83.9 per cent and 8.5 per cent respectively in Greater Melbourne.

### Ageing infrastructure

Due to its location near the historic centre of Melbourne, much of Yarra's infrastructure and buildings are older than those of most other Councils in the city. Ageing infrastructure and density present a range of service delivery challenges which will be discussed in more detail in this report. Stakeholders also report a community expectation that infrastructure, such as separate bicycle lanes, be on par and integrated with the City of Melbourne's, due to proximity.

### Large renter population

Yarra's population includes a significant transient renting population, approximately 50 per cent of the overall population, with a 40 per cent turnover. Renters generally view the Council more favourably than owner-occupiers.

### Contribution of non-Yarra residents

As an inner city council, Yarra draws in workers, shoppers and business operators to the Council region each day. A proportion of the economic development in the Council is driven by non-residents, who contribute to the community economically and in a range of other ways (adding diversity, contributing to the sense of community etc).

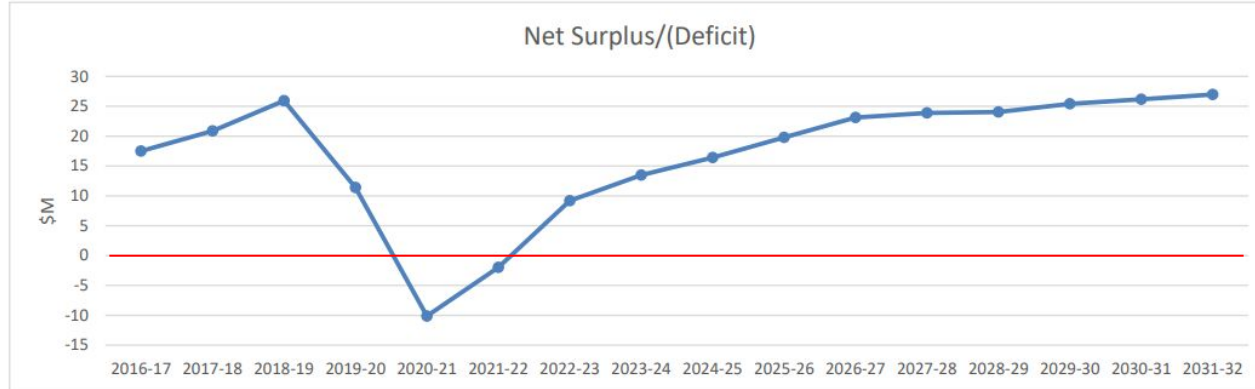
# YARRA CITY COUNCIL'S FINANCIAL POSITION



The COVID-19 pandemic impacted Yarra's financial position significantly (see Figure 1.1). As noted in the LTFP, the estimated impact of COVID on the Council finances is estimated to be approximately \$50m. This was due to the combined impacts of significantly reduced parking and leisure fees, as well as increased costs associated with grants to business. In the case of leisure and parking the Council had limited capacity to reduce costs. These unforeseen events have had a large impact on the Council's future cash position.

While the LTFP does assume that demand for services will rebound to pre-COVID levels, there is some uncertainty around these trends. The long term shifts in behaviour arising from the pandemic, including telecommuting and e-commerce uptake, may have implications for future demand of Council services, particularly parking.

**Figure 1.1 Operating net surplus/deficit<sup>1</sup>**



<sup>1</sup>excludes account debt repayment and capital expenditure.  
\*Source: City of Yarra

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# FISCAL RISKS



There are a number of factors which may increase costs to the Council over the next 10 years, which are currently not reflected in the in the Council's Long Term Financial Plan (LTFP) due to uncertainty over their potential financial impact.

- 1. Increasing costs from population growth.** While Yarra is not considered a 'growth' council, there is potential for increased population growth higher than the growth assumptions in the LTFP. Population growth can have both revenue and costs impacts on the Council. The net impact will depend on which demographics within the community grow to the greatest extent. Where there is growth in social housing (as just announced) it is expected that that there will be greater demand for services provided by Council.
- 2. Cost shifting from State and Federal governments.** Cost shifting is already occurring in many areas such as libraries, aged care and waste costs. There is further potential for cost burden for Councils in managing cladding safety issues for buildings (which Councils will have partial responsibility to provide resources for). Recent movements by the Victorian government to reduce its own costs through a transfer of responsibility for orphaned building permits to local government are potential future risk for Yarra.
- 3. Uncertain post-COVID period.** While the Council is anticipating demand for most services (and thereby revenues) will rebound in this post-COVID period, it is unclear at this stage to what extent this will occur. Changes in where and how people work could impact upon many of the Council's operations including parking revenue, provision of transport infrastructure, use of open space and the overall economic environment with the Council.
- 4. Greater capital requirements.** While there are funds allocated for capital works in the LTFP (\$441m) there is always potential for additional capital requirements to occur. These can range from adverse events requiring infrastructure remediation (such as weather events), changes to Council strategic direction, etc.
- 5. Income risks, such as uncertainty surrounding government grants.** There is an assumed availability of grants to the Council, however State and Federal governments may change their approach to providing grant funding to Councils. Where these governments themselves are grappling with budget deficits there is a risk that grant funding will reduce over the next 10 years.
- 6. Expenses increase at a higher rate than assumed in the LTFP.** Supply side inflationary pressures have increased costs for the Council to provide services. The 2022-23 Long Term Financial Plan (LTFP) does not factor in growth in costs over the rate cap growth of 1.75 per cent. There is strong evidence that costs in particular areas may grow at a higher rate, particularly in waste services (trend growth of 11.92 per cent) and in child care and aged care with staff supply constraints. Inflationary pressure across all areas (with current CPI higher than the 1.75 per cent cost assumptions) may also increase Council costs over that assumed in the LTFP.
- 7. Pressure to expand service delivery.** The current financial plan assumes current level of service scope across the community. Where there may be a need for the Council to expand a current service or provide a new service there will be a financial impact of these decisions (particularly if they are not cost recovered). Future service delivery decisions need to be made in the context of the current financial situation of the Council.

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# THE FINANCIAL SUSTAINABILITY GAP



While the Council is projected to return to operating surplus in 2022-23, there are critical future financial challenges and a threat to cash reserves, and the underlying financial position. This will have an impact on the ability of the Council to be able to fund future capital projects and respond to financial shocks.

The need to service debt over the next 10 years combined with future capital commitments (such as upgrades to IT infrastructure) will significantly impact on the cash position of the Council in the 10 years to 2031-32. There is a very real risk that the Council may run out of available cash and become insolvent without changes to its financial position in the next 2-3 years.

The financial 'gap' for Council has the following three components:

1. **Funds needed to achieve a minimum net zero cash position**  
The LTFP included a total efficiency target of \$28.1 million over 10 years which would ensure that the Council could meet its cash obligations. This is the minimum level of net savings the Council must achieve to 2031-32 to ensure it remains solvent.
2. **Funds needed to achieve the VAGO standard of 5 per cent adjusted underlying revenue ratio (surplus/revenue).**  
The VAGO target is a key indicator of financial sustainability. In order to meet the VAGO target of 5 per cent ratio of underlying revenue, the City of Yarra must find an additional \$36.8 million in net savings to 2031-32 over and above the \$28.1 million to achieve a net zero cash position. The total gap to achieve the VAGO target is \$65 million to 2031-32.

3. **Additional funds needed to cover financial risks.** The risk discussion on slide 12 highlights the numerous areas where the Council are likely to face higher costs above what is estimated in the LTFP. The assumptions in the LTFP are relatively modest in comparison to recent trends, in particular in the key cost areas of waste, aged care and child care. It is therefore essential that any review of future financial sustainability for the Council include a 'risk margin' to allow for likely future cost growth.

## What should the target be for this review?

In determining a reasonable target for Council to pursue in the short to medium term the following factors were taken into account:

1. Recent trends in expenditure in key cost areas, and how these trends compare with future assumptions in the LTFP.
2. Feedback from Council staff and executive with knowledge of the Council's financial position.
3. The extent to which a target is achievable in the timeframes (and can be achieved without significant disruption to Council operations).

In this context we consider an annual net savings target of \$15m should be set which would provide Council with protection against a degree of future risks, and is achievable with the mechanisms available to the Council to make savings or increase revenue. The components of this target are set out in Figure 1.2 on the following slide. To provide context to the size of the risk margin – at budgeted levels of expenditure in 2022-23, the risk margin of \$8.5m per year would be equivalent to an increase in materials and services expense of just under 4 per cent per year (to 2031-32). Therefore, while the quantum of the savings allocated to risks may seem large, it doesn't represent a significant growth in total expenditure in the period (i.e. the assumed risk level is not extremely high).

# THE FINANCIAL TARGET



Figure 1.2 Components of funding target (annual target \$15m)



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# FINANCIAL CONTEXT: CAPITAL EXPENDITURE



The total value of assets is calculated at \$2 billion (as at 31 March 2022) according to the fixed assets register provided by council (see Table 1.1). Roughly half of that value is from property, with a majority of the rest from buildings, transport infrastructure, and stormwater infrastructure. There are also significant art and heritage assets, and a small amount of open space furniture.

The Council currently owns and maintains three Town Halls (Collingwood, Richmond and Fitzroy). Council staff take up some space in both Collingwood and Richmond Town Hall, but not at Fitzroy. Fitzroy is partially leased and has space to hire but is currently underutilised. Town Hall space available to hire was approximately 30 per cent utilised in 2018.

Yarra manages approximately 48,000 parking spaces, which represents a major revenue source for the City. This revenue source is threatened by competing priorities (more bike lanes, open space, etc) which would reduce the total number of parking spaces, especially in retail areas for instance, which are among the most remunerative.

Yarra's fleet consists of 309 items, including 124 cars, 53 utes, 22 trucks, 9 vans, 3 buses, and various pieces of equipment. The total value is calculated at \$3.061 million depreciated from original value of \$7.8 million. Yarra is committed to replacement of the passenger vehicle fleet with electric vehicles by 2030, as part of the council's Climate Emergency Plan. Some employees have fleet vehicles as agreed components of their remuneration packages.

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**Table 1.1 Council assets summary by written down value**

Asset type	No. of units	Current asset cost (\$,000)	Current depreciation (\$,000)	Written down value (\$,000)
<b>Land</b>	127	1,015,498	–	1,015,498
<b>Transport</b>	16,617	836,612	170,206	666,406
<b>Buildings</b>	223	288,553	96,922	191,632
<b>Stormwater</b>	22,242	150,633	63,397	87,236
<b>Art &amp; Heritage</b>	947	4,943	442	4,501
<b>Fleet</b>	309	7,785	4,724	3,061
<b>Open Space Furniture &amp; Equipment</b>	47	3,403	375	3,027
<b>Plant &amp; Equipment</b>	1	172	2	170

\*Source: City of Yarra, Fixed Assets Register (as at 31 March 2022)



# FINANCIAL CONTEXT: CAPITAL EXPENDITURE



## Future commitments

Yarra has ongoing commitments of roughly \$441m of capital works projects it must honour over the next 10 years (see Figure 1.3). The 2022-2023 budget allocated \$38.9m to capital works, with the majority (\$26m) going to renewal and maintenance, and the rest split between upgrades and new assets. Yarra also has a number of major commitments regarding sustainability, such as phasing out the use of gas in Council buildings, and non-electric vehicles.

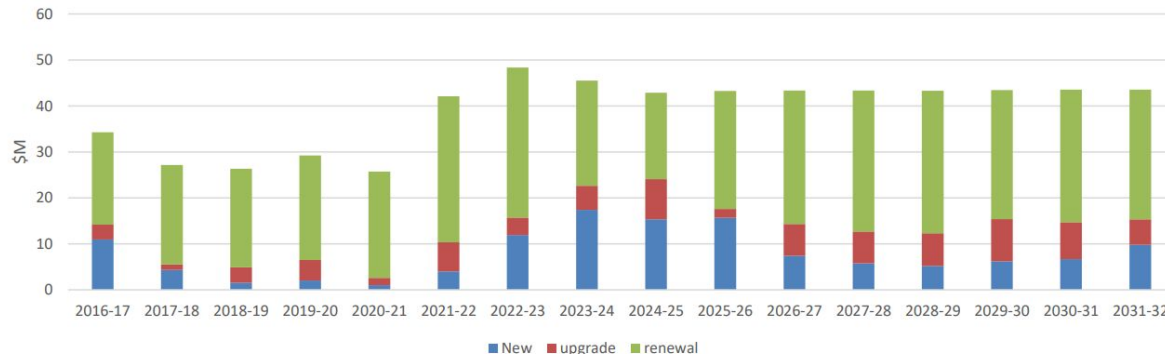
Yarra has various plans and strategy documents that have not been fully funded. For example, as part of Yarra's Climate Emergency Plan, the Council has committed to a number of initiatives aimed at reducing its carbon footprint, including phasing out the use of gas in council-owned buildings and transitioning its vehicle fleet to all electric options. Although there has been some progress, further major investments are still required and many have not been factored into budget forward estimates.

There was broad agreement amongst stakeholders on the need for investment into modernising the Council's current outdated and inefficient IT systems and infrastructure. However, in order to fully realise the gains in efficiency, corresponding investment must also be directed towards education, cultural change, and optimising business processes associated with these IT systems.

Approximately 20 of the smaller council-owned buildings have been transitioned to renewable energy sources, usually involving modest interventions such as replacing gas heaters with electric split systems or gas ovens with electric options. However, transitioning larger facilities in historic buildings from gas to renewable energy sources will present a serious engineering and financial challenge for Council. For instance the Fitzroy Swimming Pool is scheduled for a proposed \$30 million renovation, and a key part of this will be the overhaul of its ageing plant.

[CONFIDENTIAL]

**Figure 1.3 Capital works expenditure (commitments to 2031-32)**



\*Source: City of Yarra Long Term Financial Plan 2022-23

# SERVICE DELIVERY



Local governments can provide a wide range of services. The exact scope and method of service delivery differs greatly across Councils in Victoria, though there are services provided for in legislation which Councils are legally required to provide, and numerous others which are considered core to Council obligations. The Victorian Auditor-General's Office (VAGO) developed a framework for considering the range of Council services, as set out in Table 1.2 (VAGO, 2018). Across Councils there is greatest variation in service delivery within the 'community expectation' and 'Council discretion' categories.

**Table 1.2 Service categories**

Rationale for service	Explanation	Example of service
<b>Statutory obligation</b>	Council is legally required to provide the service	Rates, roads, sanitation, animal management
<b>Statutory discretion</b>	Legislation gives council the option to deliver a service, but it is not mandatory for council to do so	Household recycling collection, economic development, community grants
<b>Community expectation</b>	Due to market failure or community demand, council is expected to provide the service and it would be extremely difficult for council to exit the service	Sport and recreation services, libraries, citizenship ceremonies
<b>Council discretion</b>	Although it is not legally required to do so, council provides the service to meet an identified community need that other organisations may be able to provide	Markets and saleyards, sister-city relationships

\*Source: Victorian Auditor-General's Office 2018, *Delivering Local Government Services*

In its 2018 review of Council service delivery VAGO noted:

*Since the introduction of rate capping in 2015, it is vital that councils have robust service planning and review processes to ensure the services they provide are both cost effective and meeting community needs.*

It went on to observe that many Councils in Victoria do not have robust service review processes to identify and understand the most appropriate scope and type of services they should be delivering to the community within given financial constraints.

In consultations for this review there was strong agreement that the Yarra City Council has a distinct approach to service delivery in the community which could be broadly described as 'full service'. This approach has the following characteristics:

- Services are typically provided directly by Council staff who are employed under Council Enterprise Bargaining Agreements (which often differ to comparable industry employment standards, in some cases with higher remuneration levels).
- Council-owned assets are used to provide the services for example buildings, facilities, open space recreational areas.
- Service levels and standards are often at a higher level than is experienced in other Councils.
- Few, if any, services are provided on a full cost recovery basis (fee levels are usually below cost recovery levels).

The outcome of this approach is a level of service, and a community expectation of service, which is very high, but provided at potentially higher cost than other Councils.

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# COUNCIL OPERATIONS: SERVICE DELIVERY



Community expectations are just one of several future challenges in service delivery that Yarra must address.

## Population density

The higher than average population density in the City of Yarra can be both an advantage as well as a challenge for service delivery. For some services population density makes it difficult to achieve efficiencies. Waste collection services are a good example; narrow streets and parked cars mean some collections are still done manually which is a higher cost delivery model. Density can have positive impacts on service delivery also, with shorter distances for people to access services, as long as service offerings are structured to take advantage of these factors.

## Cost shifting

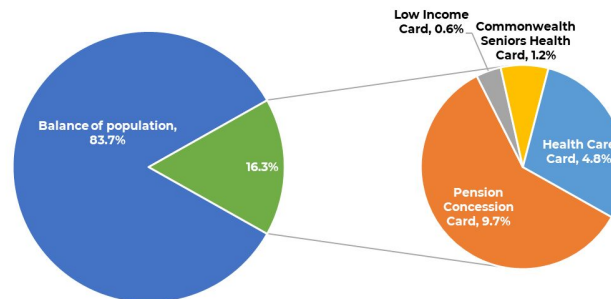
The State Government has shifted costs for a number of services in areas such as libraries, aged care and waste. There is further potential for cost shifting to Councils in managing cladding safety issues for buildings, as well continuation of trends in service such as libraries where Councils are funding a higher proportion of services. There may also be Commonwealth cost shifting.

## Diversity of socio-economic status

The mixture of very wealthy with pockets of lower income areas within the Council makes setting the level of service delivery and cost recovery somewhat more complex (but not impossible).

Around 16 per cent of the Yarra City community are at a level of socio-economic status where they require support through Commonwealth government concessions of some form (Figure 1.4). This is a smaller proportion than the M9 Council average (18.2 per cent), the Victorian average (24 per cent).

**Figure 1.4 Yarra residents entitled to Commonwealth Concession Card, 2021**



\*Source: Department of Social Services (2021). DSS Demographics December 2021. Canberra: Australian Government.

In these circumstances it is important that the Council is able to identify need versus ability to pay for a service. It is clear from the demographic data that a proportion of the community have higher ability to pay and lower need for Council financial support. Many services have high levels of private use value and many of these services may also be provided by the private sector. That said, there are groups in the community that do need additional support, therefore effective targeting of services to those in need is important to ensure that support is provided appropriately, and that Council has sufficient funds in the future to continue that support. There is a weaker rationale to provide services where privately captured benefits are subsidised by Council funding to groups which have the ability to pay.

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# COUNCIL OPERATIONS: COST RECOVERY



## Cost recovery and Pricing Policy

In 2019 an extensive analysis of cost recovery and fee setting was conducted by the Council (engaging external consultants). This analysis found that:

*The absence of a comprehensive approach in the way fees and charges are set is evident in the sheer number of fees, the varying discounts applied to concessions and absence of cost recovery objectives in consideration of private and public value. The benefit accruing to the customer or client, and who that may be, must be weighed against any benefits generated to the broader community.*

*More needs to be done to better understand and attribute full costs to community-facing services – in particular the indirect costs (corporate overheads) incurred in supporting service delivery – so as to allow Council to set fees and charges in a way that ensures Council is subsidising the members of the community that need it most.*

Current rates of cost recovery by service areas are provided in the following slide (Figure 1.5). There is significant variation in cost recovery rates across service areas, noting that some areas have more scope to recover costs from fees and that other services (such as aged care) rely on block funding rather than user charges. It is notable that full cost recovery has not been achieved for many services where there is a high degree of privately captured benefits (leisure and child care in particular). In these cases the Council is providing a subsidy for these services for all users.

The approach to fee setting is critical for cost recovery, however the degree to which full cost recovery can be achieved is also heavily influenced by:

- The level of direct costs of delivering the service – especially where these costs are higher than those of private providers of the same services. For example, where the Council is paying wages at higher rates than those in the market achieving full cost recovery can be difficult.
- The level of overheads which are attributable to the service within a cost recovery model (higher overheads means more costs to recover through service fees).

There needs to be improvements at both the revenue and costs ends of the spectrum to improve overall cost recovery levels.

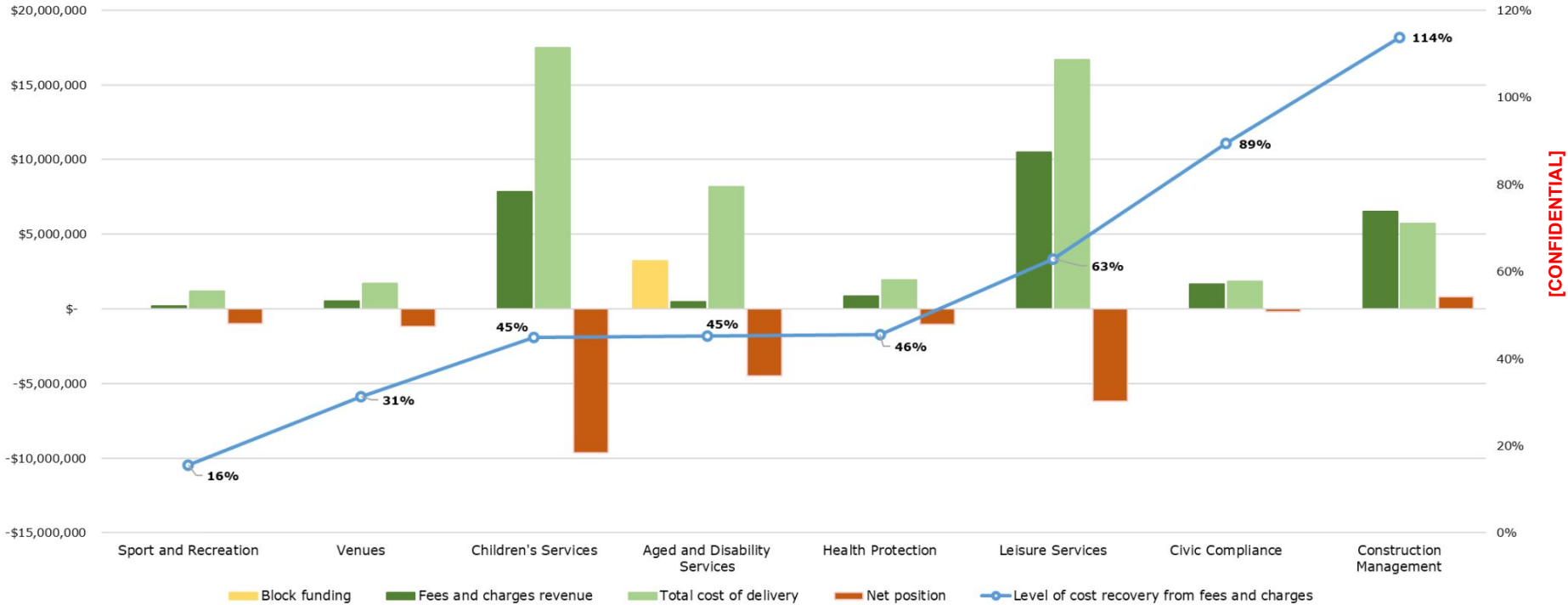
A Pricing Policy setting out the approach to fee setting was agreed by the previous Council. In some areas there have been some efforts to apply it to fee setting, however it has not been universally applied. In interviews for this review there was strong support for application of the policy as a tool to assist Council in addressing fee setting, where the response in the community may be hostile.

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# COUNCIL OPERATIONS: COST RECOVERY



Figure 1.5 Costs, revenue and level of cost recovery by service area (\$m), 2018-19 budget data



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\*Source: Chart provided to the review by City of Yarra Council. Data extracted from the study - City of Yarra (2019), Transactional services, customers and costs: investigating the pricing setting environment of Council

# COUNCIL OPERATIONS: STAFF



## Current FTE profile

As of 21 April 2022, the City employed 1471 people (933 FTE), working in seven divisions under the CEO:

- Planning & Placemaking
- City Works & Assets
- Community Wellbeing
- Corporate, Business & Finance
- People & Culture
- CEO's Office
- Advocacy & Engagement

Yarra staff estimate that there are currently 55 vacancies within the Council, with a proportion of these filled by temporary or agency staff.

Figure 1.6 on the following slide provides a breakdown of Yarra's FTE by division (as at 21 April 2022). Approximately 34 per cent of staff are employed in the Community Wellbeing division, 28 per cent are employed in City Works and Assets, and 19 per cent are employed under the Corporate, Business and Finance division.

As at 30 June 2021, Yarra has the second highest number of FTE staff of the nine M9 councils (876.05), with approximately 95 FTE more than the M9 average of 783.21. We note that As of 21 April 2022, the City employed 1471 people (933.43 FTE), however for comparison purposes we have used the number of staff taken from each M9 council's annual report.

As shown in Table 1.3, Yarra has a highest number of FTE staff per 10,000 residents of any M9 Council. This result reflects the large number of in house services that Yarra provides which are delivered directly by Yarra staff.

**Table 1.3 M9 councils number of FTE staff (2020-21)**

Council	Number of FTE staff	2021 Estimated Residential Population	FTE staff per 10,000 residents
Melbourne	1404.42	169,860	82.68
<b>Yarra</b>	<b>876.05</b>	<b>99,622</b>	<b>87.94</b>
Moreland	845.70	184,707	45.79
Darebin	815.49	162,501	50.18
Moonee Valley	791.73	129,379	61.19
Stonnington	715.66	114,340	62.59
Port Phillip	695.82	112,092	62.08
Maribyrnong	464.05	93,467	49.65
Hobsons Bay	440.00	96,317	45.68
<i>M9 Average</i>	<i>783.21</i>	<i>129,143</i>	<i>60.65</i>

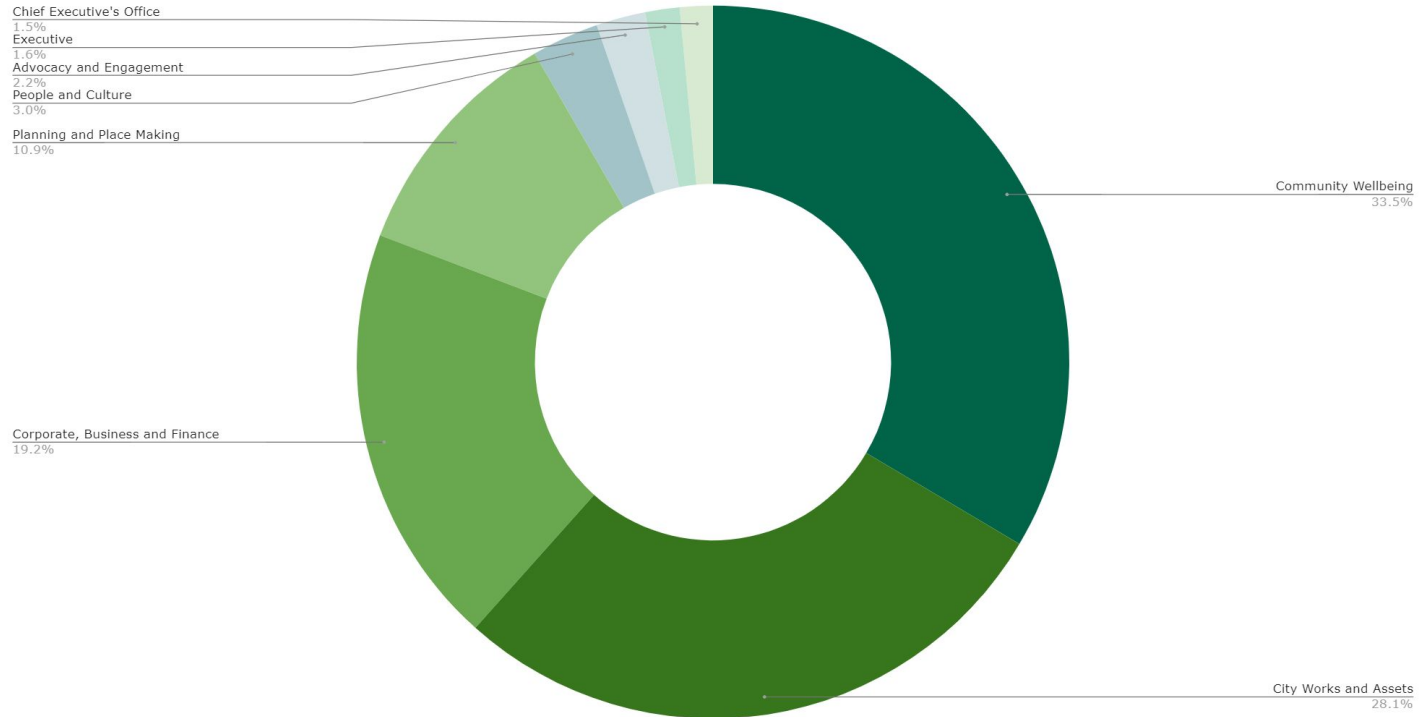
\*Source: Council Annual Reports. ERP numbers from home.id.com.au

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# COUNCIL OPERATIONS: STAFF



Figure 1.6 Breakdown of Yarra council FTE by division



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\*Source: Yarra City Council

# COUNCIL OPERATIONS: STAFF



Table 1.4 provides a summary of the change in FTE at Yarra from 2018-19 to 2021-22. Over this period, total Yarra staff have grown by 21 per cent (on an FTE basis). The total FTE in Planning and Place Making increased by the greatest amount (38 per cent) (excluding Advocacy and Engagement – FTE totals for this division were only introduced in 2020-21 suggesting a restructuring of divisions within Yarra). On an absolute FTE basis, City Works and Assets increased by the largest number of FTE over the four-year period (50.61 FTE).

**Table 1.4 City of Yarra FTE by division (2018-19 to 2021-22)**

Division	18-19 FTE	19-20 FTE	20-21 FTE	21-22 FTE	# 4-year change	% 4-year change
Advocacy and Engagement	0	0	16.29	20.79	20.79	∞
Chief Executive's Office	22.06	20.53	10.89	13.92	-8.14	-36.90%
City Works and Assets	211.07	224.14	243.98	261.68	50.61	23.98%
Community Wellbeing	266.47	273.02	301.39	311.94	45.47	17.06%
Corporate, Business and Finance	152.63	163.61	167.59	178.41	25.78	16.89%
Executive	13	13.6	14.6	14.6	1.6	12.31%
People and Culture	28.37	20.52	28.12	28.32	-0.05	-0.18%
Planning and Place Making	72.99	82.59	93.19	101.19	28.2	38.64%
<b>Total</b>	<b>766.59</b>	<b>798.01</b>	<b>876.05</b>	<b>930.85</b>	<b>164.26</b>	<b>21.43%</b>

\*Source: Yarra City Council

The growth in Council staff appears to be driven by a range of factors rather than a specific trend within one area of Council operations or a key change in scope of service delivery. In consultations for this review we sought the views of Council staff, given their experience working in the organisation, on what they believed the key drivers were for the growth in staff within the Council. While these are individual observations, there were some distinct common themes from these discussions which provide some interesting insights, namely:

- The growth in strategies and action plans developed and implemented by the Council each of which require additional FTE. We heard that the breadth of policy and program areas that the Council was getting involved with has widened (often reflecting Councillor and/or community interests).
- Additional work pressures created by State government initiatives (often again in the strategic space) which the Council are required to implement.
- An overall lack of prioritisation or 'zero sum' thinking when considering where to apply Council resources – a tendency to seek additional resources when a new initiative is proposed rather than reducing in other areas.

It was further noted that the lack of allocating of resources against either a 'services map' (i.e. a plan of services the Council provides and to what level) or the Council Plan priorities, makes it more difficult to determine what the actual level of staff should be for the Council to meet its responsibilities and its strategic objectives.

In the following slides these factors are further considered in benchmarking of key indicators, including staffing and overheads, to other M9 Councils.

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# HOW YARRA COMPARES: BENCHMARKING TO M9 COUNCILS



## M9 councils

The City of Yarra is a member of the M9, an alliance of the nine inner Melbourne councils that work cooperatively and collectively advocate for issues and projects of mutual interest (M9, 2022). As part of the project brief, Yarra has requested that this review incorporate 'benchmarking with other M9 councils (eight similar Inner Metropolitan councils) (giving regard to differences in accountability and function, geographical size and population) to compare performance and identify areas of improvement'.

In order to conduct a comparison of key performance metrics in relation to council finances and staffing levels, all measures are benchmarked against the other eight M9 councils. These councils have been selected due to their proximity and similarity to Yarra, and should serve as the most appropriate benchmark for Yarra to understand which areas of council should be improved upon. Table 1.5 lists the nine M9 councils which have been used for the following benchmarking analysis.

**Table 1.5 M9 councils used for comparison**

M9 council
Darebin
Hobsons Bay
Maribyrnong
Melbourne
Moonee Valley
Moreland
Port Phillip
Stonnington
<b>Yarra</b>

\*Source: M9.org.au

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# HOW YARRA COMPARES: BENCHMARKING TO M9 COUNCILS



## Services delivered by Councils

Table 1.6 below provides a comparison of services delivered in the key areas of child care, leisure and aged care for M9 councils. These service areas were selected for comparison because they represent the areas where there is the greatest difference in approach across councils (many other services such as statutory or core services are typically provided by all Councils and therefore are less valuable for a comparative analysis).

The table demonstrates both the significant differences in service provision across the M9 group, as well as the position of Yarra as being at the higher end of the 'spectrum' for in house service delivery. Of the nine service areas considered, Yarra is the only council that provides all of the services, and is also the only council that does not outsource any of the services (noting that some services are delivered in partnership with external providers so are partially contracted). This is a high cost policy position in terms of the scope and delivery of services.

**Table 1.6 M9 councils benchmarking of service delivery**

	Service								
	Childcare				Leisure services		Aged care		
	Long day care	Vacation care	After School Care	Kindergarten	Leisure centres	Golf course	Home care	Transport	Home maintenance
City of Melbourne	🟡	🟡	🟢	🟡	🟡	🔴	🟢	🟢	🔴
City of Stonnington	🟢	🟢	🟢	🟢	🟢	🟡	🟢	🟢	🔴
City of Port Phillip	🟡	🔴	🔴	🟡	🔴	🔴	🟢	🟢	🟢
City of Moonee Valley	🟢	🟡	🔴	🟢	🟢	🟢	🟢	🟢	🔴
City of Maribyrnong	🟡	🔴	🔴	🟡	🟢	🔴	🟡	🟡	🟢
City of Moreland	🟢	🟢	🟢	🟡	🟡	🔴	🔴	🟢	🟢
City of Hobsons Bay	🟡	🟡	🟡	🟡	🟡	🟡	🔴	🟢	🟢
City of Darebin	🟡	🔴	🟡	🟡	🟡	🟡	🔴	🟢	🟢
<b>City of Yarra</b>	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢	🟢

**Legend**

- 🟢 Council provided
- 🟡 Outsourced with Council assets
- 🟠 Mixed outsourced & directly provided
- 🔴 No Council service provision

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\*table based on information publicly available on Council websites

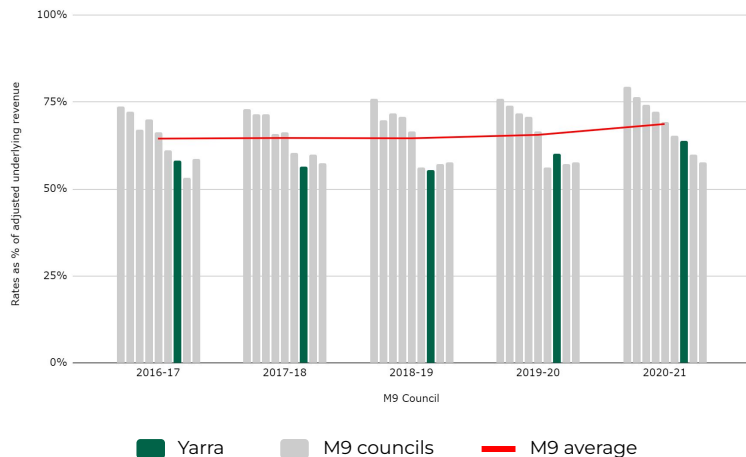
# HOW YARRA COMPARES: BENCHMARKING TO M9 COUNCILS



## Revenue – higher reliance on user fees and charges than other M9 Councils

Yarra City Council's primary source of revenue is rates, which make up 64 per cent of adjusted underlying revenue in 2020-21 (revenue excluding non-recurrent government grants received for capital purposes, contributions for capital works and the value of assets received from developers). Compared with the M9 council average (Figure 1.7), Yarra has a lower reliance on revenues from rates and a comparatively higher reliance on revenue from user fees and charges (M9 average is 69 per cent).

**Figure 1.7 M9 councils rates as a percentage of adjusted underlying revenue (2016-17 to 2020-21)**

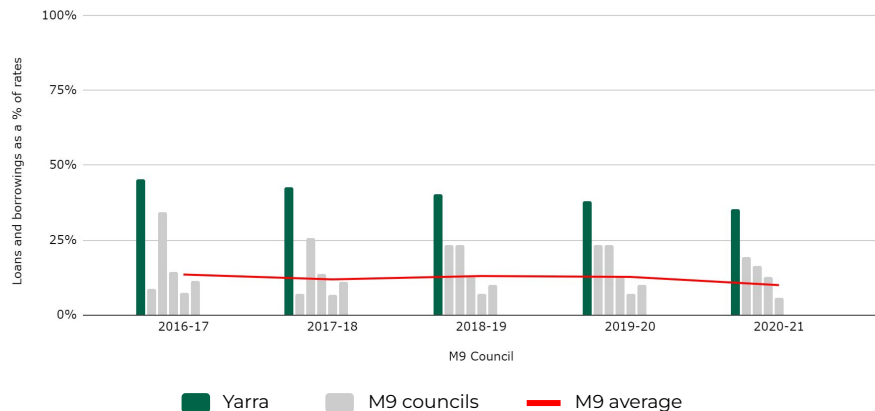


\*Source: Know Your Council

## Loans – highest debt in M9

Of the M9 councils, Yarra has the highest proportion of the value of loans and borrowings as a percentage of council rates (35 per cent). This is significantly higher than the M9 average of 10 per cent (see Figure 1.8).

**Figure 1.8 M9 councils value of loans and borrowings as a percentage of rates (2016-17 to 2020-21)**



\*Source: Know Your Council

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# HOW YARRA COMPARES: BENCHMARKING TO M9 COUNCILS



## Expenses – higher than other Council, reflecting services scope and delivery

Yarra has the third-highest value of council expenses per capita in the municipality (\$1,927.03 in 2020-21), behind Melbourne (\$2,702.94) and Port Phillip (\$1,989.31) (see Table 1.7). Whilst the council expenses per capita in Yarra is not significantly higher than the M9 average (\$1,572.13 in 2020-21), it should be noted that Yarra's five year percentage change in expenses per capita (7.8 per cent) is higher in the M9 average of 3.2 per cent.

This figure may be a result of Yarra's provision of services (see slide 26, Table 1.5), but it is unclear as other councils with higher expenses per population do not provide the full scope of services that Yarra provides. Of the councils that have five or more services that are directly provided (Stonnington, Moonee Valley, Moreland and Yarra), Yarra's expenses per population are the highest.

**Table 1.7 M9 councils expenses divided by population of municipality**

Council	2016-17	2017-18	2018-19	2019-20	2020-21	5 year % change
Melbourne	\$3,037.39	\$2,727.75	\$2,705.51	\$2,705.51	\$2,702.94	-11.0%
Port Phillip	\$1,818.52	\$1,960.69	\$1,977.99	\$1,977.99	\$1,989.31	9.4%
<b>Yarra</b>	<b>\$1,787.22</b>	<b>\$1,770.11</b>	<b>\$1,953.17</b>	<b>\$1,857.25</b>	<b>\$1,927.03</b>	<b>7.8%</b>
Maribyrnong	\$1,478.01	\$1,393.90	\$1,505.87	\$1,505.87	\$1,495.79	1.2%
Stonnington	\$1,287.44	\$1,352.22	\$1,399.63	\$1,399.63	\$1,401.00	8.8%
Hobsons Bay	\$1,209.64	\$1,300.43	\$1,240.29	\$1,240.29	\$1,275.25	5.4%
Moonee Valley	\$1,173.63	\$1,214.38	\$1,315.56	\$1,315.56	\$1,273.74	8.5%
Darebin	\$967.39	\$1,013.46	\$1,035.49	\$1,066.16	\$1,060.47	9.6%
Moreland	\$946.90	\$1,000.12	\$1,065.22	\$1,065.22	\$1,023.60	8.1%
<i>M9 Average</i>	<i>\$1,522.90</i>	<i>\$1,525.89</i>	<i>\$1,577.64</i>	<i>\$1,570.39</i>	<i>\$1,572.13</i>	<i>3.2%</i>

\*Source: Know Your Council

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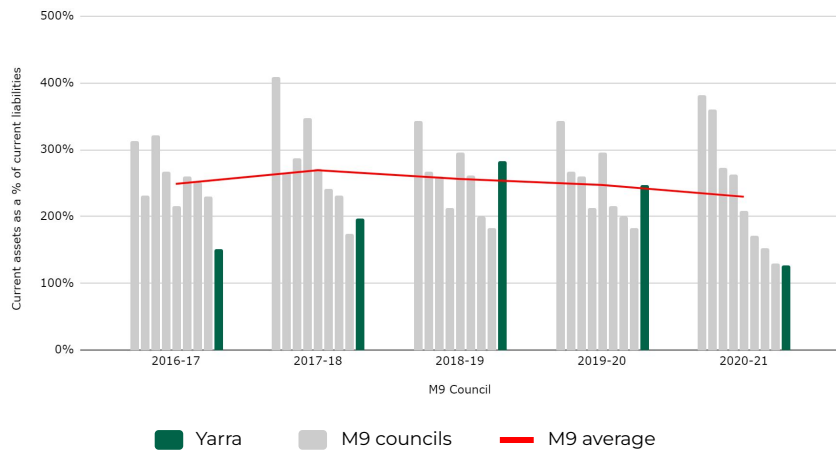
# HOW YARRA COMPARES: BENCHMARKING TO M9 COUNCILS



## Current assets and liabilities – worst short term liquidity in M9

Yarra has the lowest ratio of current assets to current liabilities of all nine of the M9 councils (see Figure 1.9). Yarra's percentage of current assets to current liabilities is 127 per cent, which is almost half of the M9 average of 230 per cent. This is measure of the liquidity or ability to pay off the short-term debts of a Council.

**Figure 1.9 M9 councils current assets as a percentage of current liabilities (2016-17 to 2020-21)**

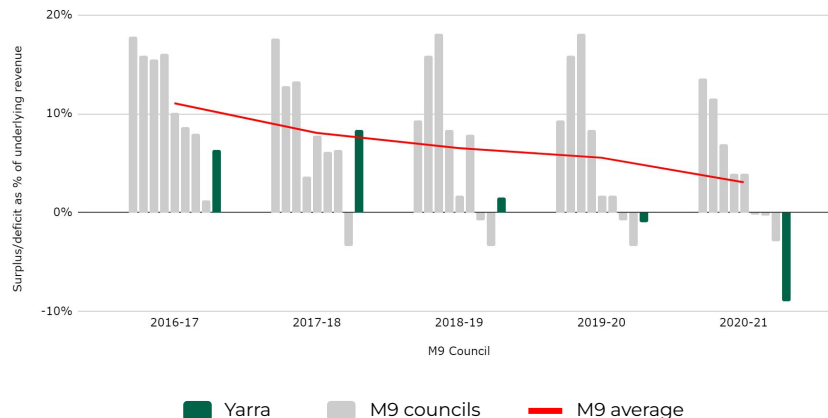


\*Source: Know Your Council

## Net operating position – worst deficit in M9

As a percentage of council underlying revenue, Yarra also has the lowest adjusted surplus (or deficit) of all M9 councils (-9 per cent compared to the M9 average of 3 per cent). This particular metric measures the council's surplus or deficit for the year excluding non-recurrent government grants received for capital purposes, contributions for capital works and the value of assets received from developers, divided by the council's total revenue excluding these factors (outlined in Figure 1.10).

**Figure 1.10 M9 councils adjusted underlying surplus/deficit as a percentage of underlying revenue (2016-17 to 2020-21)**



\*Source: Know Your Council

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# HOW YARRA COMPARES: BENCHMARKING TO M9 COUNCILS



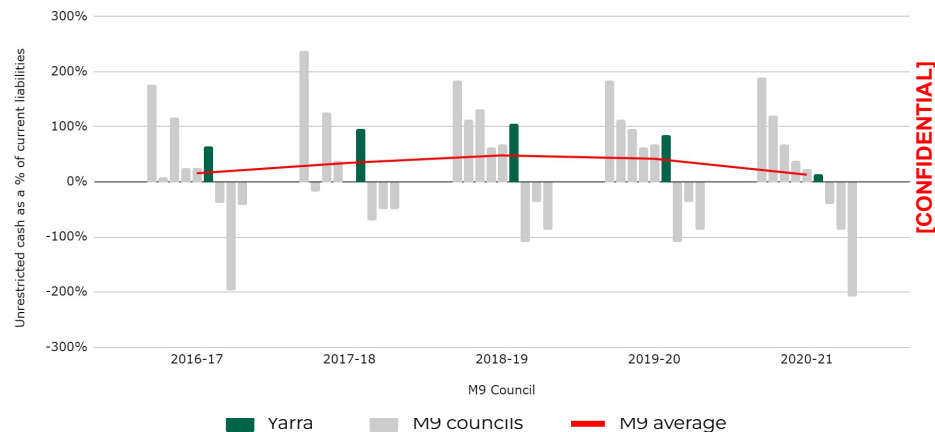
## Unrestricted cash – weakening

Unrestricted cash as a percentage of current liabilities is a measure of the amount of cash at the end of the year which is free of restrictions divided by the value of current liabilities at the end of the year (i.e. obligations due or payable by cash within the next 12 months).

Yarra's unrestricted cash as a percentage of current liabilities is 13 per cent, in line with the M9 average. In the period since the start of the pandemic many councils have seen this indicator fall significantly as they have both used cash reserves to support businesses and have experienced reduced revenue (such as from parking fees). See Figure 1.11 for a summary of M9 councils' unrestricted cash as a percentage of current liabilities.

In cases when this indicator is close to zero or negative, Councils are at risk of not being able to fulfill their future financial obligations (this risk is discussed in more detail on page 15 this this report).

**Figure 1.11 M9 councils unrestricted cash as a percentage of current liabilities (2016-17 to 2020-21)**



\*Source: Know Your Council

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# HOW YARRA COMPARES: BENCHMARKING TO M9 COUNCILS



## Overheads

Overheads are those costs incurred by a Council (or any government agency) which not directly relate to service delivery - examples of overheads include human resources, finance, IT, governance and strategy, facilities management and communications. These services are necessary to keep an organisation functioning, however can be difficult to measure from a performance or efficiency perspective as their direct outputs and outcomes are not always observable.

Overheads are a critical component of the overall expenditure of an organisation. In any review of future financial sustainability (and assessment of opportunities for savings) expenditure on overheads need to be considered amongst options for savings.

Unfortunately benchmarking of overheads is not included in the indicators on the Victorian government Know your Council tool. There are however a number of other studies which can be used to determine a level of overheads against which Yarra could be benchmarked.

### VAGO corporate services study (2018)

This study collected data (through a survey) on the expenditure by Victorian Councils on corporate services activities (the full list of services included in the survey can be found in Appendix A).

The VAGO survey results estimate that Councils spend an average of 15 per cent of their total operating expenditure on corporate services, The average of the 6 M9 Councils who completed the survey was 14.2 per cent (this did not include Yarra).

### PwC Corporate Services study (2015)

PwC has conducted two major studies on corporate overheads in government agencies, the first in 2013 which focused on Commonwealth agencies and the second which also included State government agencies. This analysis sought information from government agencies on their expenditure on corporate services. The agencies sampled included small, medium and large agencies (based on level of operating expenses).

In the 2015 study it was estimated that medium sized agencies (those with operating expenses of between \$100m and \$500m) spent on average 14 per cent of total operating expenditure on their corporate services. There was no difference in the level of expenditure for smaller agencies (less than \$100m operating expenses) however large organisations (over \$500m operating expenses) did report achieving some economies of scale with their expenditure on corporate services an average of 7 per cent.

### How does Yarra compare?

While there are good benchmarks available on corporate overheads, current expenditure by Yarra in this area has not been estimated in any recent studies. This review did conduct an analysis of the corporate overheads estimates in the 2019 cost recovery study. Mapping that data against the same categories that are in the VAGO report against 2018-19 Budget data and expenditure, our analysis found corporate overheads for Yarra were approximately 16.5 per cent of total expenditure in that year. Feedback from the Yarra finance team on estimating overheads was that a full 'bottom up' analysis of overheads needs to be conducted before they would be comfortable with any comparison of Yarra overhead costs to benchmarks.

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**PART TWO**  
**OPTIONS FOR ACTION:**  
**PRELIMINARY ASSESSMENT**



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# HIGH LEVEL OPTIONS: OPTIONS CATEGORIES



Part One of this review provided a detailed analysis of the challenges facing Yarra City Council, with a focus on the future risks to cash flow for the Council and the range of potential financial risks which have not been factored into the Long Term Financial Plan of the Council.

The analysis also highlighted the current approach to service delivery in the Council, the level of cost recovery, and how Yarra compares with other Councils on some key financial and operational benchmarks.

The urgent need to address the immediate financial shortfall is the primary finding from this analysis. It is also clear that the longer term financial sustainability of the Council relies on substantial changes to how the Council operates as an organisation, the scope and methods of delivering services and how it recovers costs of services from the community (both Yarra and non-Yarra residents who consume services). Further, there is an identified need to improve management of the Council's assets.

In this context, this review conducted a high level scoping of options for action which have the potential to address the problems currently faced by Yarra City Council.

In the first stage of the analysis all prospective options were considered, which may represent actions across a range of services and operations, may provide small or large potential financial benefit, and may have long or short term implementation phases.

In total 20 high level options for further consideration were identified in this process and presented to Council management in our Discovery workshop on April 21st 2022. These options are described in the following five slides of this report. These options were generated under four broad categories, as set out below.



**1. ASSETS** – Options to generate income through sale of underperforming or surplus assets. A potential financial gain both through asset sale and reduction in future operating costs



**3. SERVICE AND OPERATIONAL EFFICIENCY** – Options to reduce costs through greater efficiency in service delivery, and in operational areas which are not directly service related (overhead areas such as finance, human resources, IT support etc).

**2. REVENUE RAISING (FEES, CHARGES, RATES)** – Options to raise revenue through the introduction of new charges, or adjustments to existing fees and charges structures.



**4. SERVICE SCOPE** – Options to reduce costs by the scope of services provided directly by the Council, reduce services and/or reduce service levels.



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# HIGH LEVEL OPTIONS: ASSETS



## 1.1 Fleet

### *Reduce fleet size and costs.*

The current fleet of 309 vehicles, including 114 passenger vehicles is much larger than necessary; particularly given the size of the council, its excellent public transport infrastructure, and the shift towards remote working which will require less face to face meetings. We recommend the council update legacy commuter and management agreements in order to free up more vehicles for use by the general staffing group. Depending on use type, council should also consider leasing, rideshare or alternative transport options such as electric scooters to reduce the costs of servicing the fleet.

## 1.2 Underutilised Property

### *Appoint property advisers to run a process for reviewing and making recommendations on surplus and underutilised properties and to help fast track their sale.*

While there are examples of unused and underutilised council-owned properties, there is a lack of solid information on the potential financial gains (noting that the net financial gain will be determined by factors such as land ownership, current condition of a property and heritage considerations). Decisions on the disposal of surplus or underutilised property have typically been stalled by the inability of Council to make decisions in the context of competing community views. We would recommend an independent review of all Council properties with a target with expert support to rapidly divest of surplus or underutilised properties.

## 1.3 Council accommodation review

### *Consolidate Council operations (post COVID), adopting a team activity based approach to the workplace to reduce Council office footprint.*

Council staff use of accommodation fell significantly during COVID-19, and staff continue to work remotely for a proportion of their working week. There is now an opportunity adopt a team activity based approach to workplace planning which will reduce the total office space requirements, which will enhance productivity as well as free up further surplus properties to divest.

## 1.4 Lease and venue hire terms

### *Review lease terms for council properties across all service areas to ensure market rents are being applied for commercial operators.*

Council leases a number of properties to commercial operators, both for short term and long term uses. These lease terms need to be reviewed to ensure that commercial rates are being charged to private tenants. Further, the rate of concession need to be consistent across lease and hire arrangements with the rationale and process for determining concessions reviewed.

## 1.5 Improved efficiency on major project management

### *Move to best practice in project management*

Yarra budgeted \$38.9m to deliver major capital projects in the 2022-23 draft budget. Yarra is clearly not operating at best practice and there are significant opportunities for improvement in management of major capital projects, which could reduce project timelines, expenses and staffing costs. This is ongoing core council business and needs to be addressed, however it will take some time to implement systemic changes.

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# HIGH LEVEL OPTIONS: REVENUE



## 2.1 Waste charge

*Introduce a new waste charge separate to rates, set at zero net cost in Year 1 but rising over a number of years to full cost recovery.*

Yarra is one of only 9 Councils in Victoria that does not have a separate waste charge. Waste management costs have increased almost 100 per cent in the last 5-6 years. In 2017 the Council estimated it could raise approximately \$8.5m per year. The recommended approach would be a phased introduction which includes the fee in rates in year 1 at zero net increase and then to transition to full cost recovery over several years.

## 2.2 Increase parking fees

*Increase parking fees over the next 2-3 years to bring fees in line with those in comparable metropolitan areas*

Yarra City Council collects parking fees in a variety of ways, including meter parking, long stay parking and residential parking permits. Current (2021-22) fee levels are lower than neighbouring councils and the decision has already been made to increase fees in the 2022-23 budget. Even taking this increase into account, there is scope for further increase over the coming 5 year period, however it's important that these increases are applied strategically to ensure they do not negatively impact on businesses (particularly those who are seeking to recover after COVID).

## 2.3 Pricing policy

*Implement the Pricing Policy adopted in 2019, identifying priority areas for action with the greatest potential for financial impact but ultimately covering the pricing of all services.*

The 2019 Pricing Policy provides a good framework that Council should follow in reviewing fees and charges, and should be implemented with initial focus on those fees likely to contribute the most to financial sustainability. As the first step, the current Council should endorse the Pricing Policy and direct Council staff to commence applying it to a range of fee areas.

## 2.4 Leisure fees

*Transition leisure fees to market price levels over 1-2 years*

Benchmark Yarra Leisure fees and membership structures to simplify fee structure and reduce complexity of the concession arrangements. Fees for leisure activities should be set at market levels.

## 2.5 Child care fees

*Transition long day care fees to market price levels over 1-2 years*

The five long day care centres operated by the Council currently charge a daily rate (\$126) approximately \$20 below comparable centres in the Council area (and the Melbourne average). There is a risk that the Council may be subject to a Competitive Neutrality complaint when it is operating below cost and subsidising the service with Council funds. Long day care fees could be transitioned to market levels over say a two year period.

# HIGH LEVEL OPTIONS: SERVICE AND OPERATIONAL EFFICIENCY



## 3.1 Hard waste

*Improve service efficiency of hard waste services.*

Current hard waste services can be provided at a lower cost through modifications to service standards and operations. Improvements should include better management of collection days (not operating on public holidays or Sundays), better planning of collection location and stricter application of current guidelines around collections by household (currently limited but not enforced).

## 3.2 Yarra Leisure structure

*Establish Yarra Leisure as an ring-fenced business within Council with management at arms length from the Council and with responsibility for determining service offerings, budget and performance measures.*

Under this model there should be a documented Community Service Obligation which sets parameters around access to facilities by use type, thereby avoiding ad hoc management of facility access which can be influenced by a small number of user groups or individuals. This model would allow Yarra Leisure to increase more profitable use of facilities such as Learn to Swim and School programs. Consolidating the three major leisure centres under one management structure and operated as a single enterprise would lead to increases in efficiency through economies of scale and reduction of duplication.

If this change does not result in improved financial sustainability, then the Council should consider outsourcing the service to an external NFP contractor, but may retain ownership of the assets.

## 3.3 Review, map and redesign Council services

*Appoint advisers to conduct a process to systematically review and redesign Council services.*

A number of opportunities for service redesign have been separately identified amongst the options, however, there are many more services provided by the council that warrant review over time. An initial review would include a forensic analysis of service delivery to staff allocation, identifying areas of duplication and overlap, and identifying services that could be consolidated or discontinued, and recommending bundles of services that could match the new fewer, larger, more flexible teams. Implementation and change management support would be provided for approved changes. This would be done in phases over 2-3 years starting with the areas that are most prospective for gains to financial sustainability.

## 3.4 Council Staff consolidation

*Restructure the organisation into fewer larger and more flexible teams and at the same time reduce overall staff numbers by 5 to 10 per cent through a hiring freeze.*

Staffing costs are the Council's single largest cost item. Based on consultations and benchmarking assessment there appears to be scope for the Council staff to be reduced. This process could be facilitated by a restructure to create fewer, larger more flexible teams that are aligned with key service and operational bundles. Headcount reduction could be also be achieved through a hiring freeze.

# HIGH LEVEL OPTIONS: SERVICE AND OPERATIONAL EFFICIENCY



## 3.5 Consultation efficiency

*Improve the efficiency of consultation processes undertaken by the Council*

An issue raised by a number of staff during consultations was that the Council's current approach to stakeholder consultation is to consult extensively with stakeholders on almost all policy decisions. Most notably the number of iterations of consultations offered to the community was observed to be more numerous than other Councils (and often have low levels of community participation). Consultation is very time intensive and this approach consumes a large amount of staff time and delays the policy development process. Over consultation may also disadvantage time-poor stakeholders who may prefer to be consulted less often but more substantially.

While there is currently no specific benchmark measuring consultation efficiency, there may be scope to improve efficiency by applying a consistent framework to consultations which has a designated number of public rounds of consultation. This approach would provide transparency to the community of when and how they will be consulted, and remove the risk that for some processes a small number of stakeholders may be afforded additional input where the value added of that process reaches diminishing returns (ie the same information being presented at multiple stages). It's important to note that the suggestion is not to remove consultation in Council decision making, but to review and improve how it is conducted to lower the costs to Council.

## 3.6 IT system efficiency gains

*Identify efficiency gains as a result of improved IT systems.*

The current program for redesigning and consolidating Council IT systems should provide a range of efficiency gains to the Council, particularly in relation to staffing costs from more efficient operations. The project team should be tasked with identifying a range of efficiency savings that can be achieved through this project in the timeframe, with targets and tracking. The cost savings from these initiatives are probably more longer term.

## 3.7 In person service centres

*Consolidate in person service centres.*

Greater provision of information and processes (such as applications) online mean that there is an opportunity for the Council to consolidate its in-person services centres from 4 to 2 or potentially 1 in the longer term.

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# HIGH LEVEL OPTIONS: SERVICE SCOPE



## 4.1 Aged care

*Transition out of the delivery of in home aged care services for which the Commonwealth will no longer provide block funding.*

Changes to the Commonwealth service and funding model for aged care will have a significant impact on the viability of councils to continue to provide all or part of the current services. The changes will see service agreements (agreed targets and funding) replaced by an open competitive market approach and an individualised approach to funding services.

Many Victorian councils have already signaled their intent to no longer operate all or part of the services under this new model, with the expectation that an effective and quality market of private and community providers will be in place.

Exiting all or part of these services will not only save Yarra funds but it will avoid the potential for higher costs of service provision under the new model.

## 4.2 Redesign service standards

*Review service standards, including benchmarking with comparable councils to identify overservicing.*

This process should identify areas where the community would likely be able to adapt to a reduced service scope (such a recreation and open space management) that is in line with practice at comparable councils.

## 4.3 Child care

*Transition out of the delivery of vacation care and OOSHC services.*

Along with long day care (which is highly utilised) the Council also run vacation care and OOSHC services. These services have lower utilisation and lower cost recovery than long day care. There are existing providers in this space and Council could exit this service area without a concern that families would have no alternative care options. Just factoring direct costs and income (not overheads) the potential saving from this measure is estimated to be around \$900,000 annually.

# HIGH LEVEL OPTIONS: ASSESSMENT



## Criteria for assessment

A set of four criteria were developed to help assess and screen the potential options for action. The basis for these criteria is outlined below including a description of how the criteria were applied. The criteria were weighted equally in making an overall analysis.

Table 2.1 Criteria for assessment

Criteria	Description	Why is this important?	Ranking approach	Weighting
<b>1. Financial</b>	Likely scale of the net financial contribution of the option	The brief is to find around 5-6 options that collectively can address a financial gap estimated at \$10-15m pa	<ul style="list-style-type: none"> <li><span style="color: red;">●</span> &lt;\$1m pa impact</li> <li><span style="color: yellow;">●</span> 1-4m pa impact</li> <li><span style="color: green;">●</span> \$5m+ impact</li> </ul>	25%
<b>2. Timing</b>	Ability to deliver the option within 3-5 years	The brief is that it is likely that the financial gap needs to be addressed with 3-5 years	<ul style="list-style-type: none"> <li><span style="color: red;">●</span> 5+ years</li> <li><span style="color: yellow;">●</span> 3-4 years</li> <li><span style="color: green;">●</span> 1-2 years</li> </ul>	25%
<b>3. Operating</b>	The operating barriers, enablers, capabilities & workforce issues and how these risks could be managed or mitigated	Best to prioritise options that face the least or most manageable issues or barriers to implement	<ul style="list-style-type: none"> <li><span style="color: red;">●</span> Major operating challenges</li> <li><span style="color: yellow;">●</span> Moderate operating challenges</li> <li><span style="color: green;">●</span> Smaller operating challenges</li> </ul>	25%
<b>4. Community</b>	The scale of the impact on residents & ratepayers including how this risk could be managed and mitigated	Best to prioritise options that are likely to have the least or most manageable impact on the fewest resident or ratepayers	<ul style="list-style-type: none"> <li><span style="color: red;">●</span> Large impact / many affected</li> <li><span style="color: yellow;">●</span> Moderate impact / some affected</li> <li><span style="color: green;">●</span> Small impact / few affected</li> </ul>	25%

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# HIGH LEVEL OPTIONS: SUMMARY OF ASSESSMENT



Table 2.2 Preliminary assessment of high level options including legend

CRITERIA	1. Financial	2. Timing	3. Operational	4. Community
<b>1. Financial</b>				
<b>1. Assets</b>				
1.1 Fleet	Red	Green	Yellow	Green
1.2 Underutilised Property	Green	Yellow	Yellow	Yellow
1.3 Council accommodation review	Yellow	Yellow	Red	Green
1.4 Lease and venue hire terms	Red	Green	Yellow	Green
1.5 Improved efficiency on major project management	Red	Yellow	Yellow	Green
<b>2. Revenue raising</b>				
2.1 Waste charge	Green	Green	Yellow	Red
2.2 Increase parking fees	Yellow	Green	Green	Red
2.3 Pricing policy	Red	Yellow	Green	Yellow
2.4 Leisure fees	Yellow	Green	Yellow	Yellow
2.5 Child care fees	Yellow	Green	Green	Yellow
<b>3. Operational</b>				
<b>4. Community</b>				

- Red: <\$1m pa impact
- Yellow: 1-4m pa impact
- Green: \$5m+ impact

- Red: 5+ years
- Yellow: 3-4 years
- Green: 1-2 years

- Red: Major operating challenges
- Yellow: Moderate operating challenges
- Green: Smaller operating challenges

- Red: Large impact / many affected
- Yellow: Moderate impact / some affected
- Green: Small impact / few affected

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# HIGH LEVEL OPTIONS: SUMMARY OF ASSESSMENT



Table 2.3 Preliminary assessment of high level options including legend

CRITERIA	1. Financial	2. Timing	3. Operational	4. Community
<b>1. Financial</b>				
<ul style="list-style-type: none"> <li><span style="color: red;">●</span> &lt;\$1m pa impact</li> <li><span style="color: orange;">●</span> 1-4m pa impact</li> <li><span style="color: green;">●</span> \$5m+ impact</li> </ul>				
<b>2. Timing</b>				
<ul style="list-style-type: none"> <li><span style="color: red;">●</span> 5+ years</li> <li><span style="color: orange;">●</span> 3-4 years</li> <li><span style="color: green;">●</span> 1-2 years</li> </ul>				
<b>3. Operational</b>				
<ul style="list-style-type: none"> <li><span style="color: red;">●</span> Major operational changes</li> <li><span style="color: orange;">●</span> Moderate operating changes</li> <li><span style="color: green;">●</span> Smaller operating changes</li> </ul>				
<b>4. Community</b>				
<ul style="list-style-type: none"> <li><span style="color: red;">●</span> Large impact / many affected</li> <li><span style="color: orange;">●</span> Moderate impact / some affected</li> <li><span style="color: green;">●</span> Small impact / few affected</li> </ul>				
<b>3. Service and operational efficiency</b>				
3.1 Hard waste	<span style="color: red;">●</span>	<span style="color: green;">●</span>	<span style="color: orange;">●</span>	<span style="color: orange;">●</span>
3.2 Yarra Leisure	<span style="color: green;">●</span>	<span style="color: orange;">●</span>	<span style="color: red;">●</span>	<span style="color: orange;">●</span>
3.3 Redesign Services	<span style="color: green;">●</span>	<span style="color: red;">●</span>	<span style="color: red;">●</span>	<span style="color: orange;">●</span>
3.4 Consolidate In person service centres	<span style="color: red;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>	<span style="color: green;">●</span>
3.5 Restructure Staff	<span style="color: green;">●</span>	<span style="color: orange;">●</span>	<span style="color: red;">●</span>	<span style="color: green;">●</span>
3.6 Improve consultation efficiency	<span style="color: red;">●</span>	<span style="color: orange;">●</span>	<span style="color: green;">●</span>	<span style="color: orange;">●</span>
3.7 IT systems efficiency gains	<span style="color: green;">●</span>	<span style="color: red;">●</span>	<span style="color: red;">●</span>	<span style="color: green;">●</span>
<b>4. Service scope</b>				
4.1 Aged care	<span style="color: orange;">●</span>	<span style="color: green;">●</span>	<span style="color: red;">●</span>	<span style="color: orange;">●</span>
4.2 Child care	<span style="color: orange;">●</span>	<span style="color: green;">●</span>	<span style="color: orange;">●</span>	<span style="color: orange;">●</span>
4.3 Redesign service standards	<span style="color: red;">●</span>	<span style="color: orange;">●</span>	<span style="color: orange;">●</span>	<span style="color: orange;">●</span>

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**PART THREE**  
**DETAILED ANALYSIS OF**  
**PRIORITY OPTIONS**

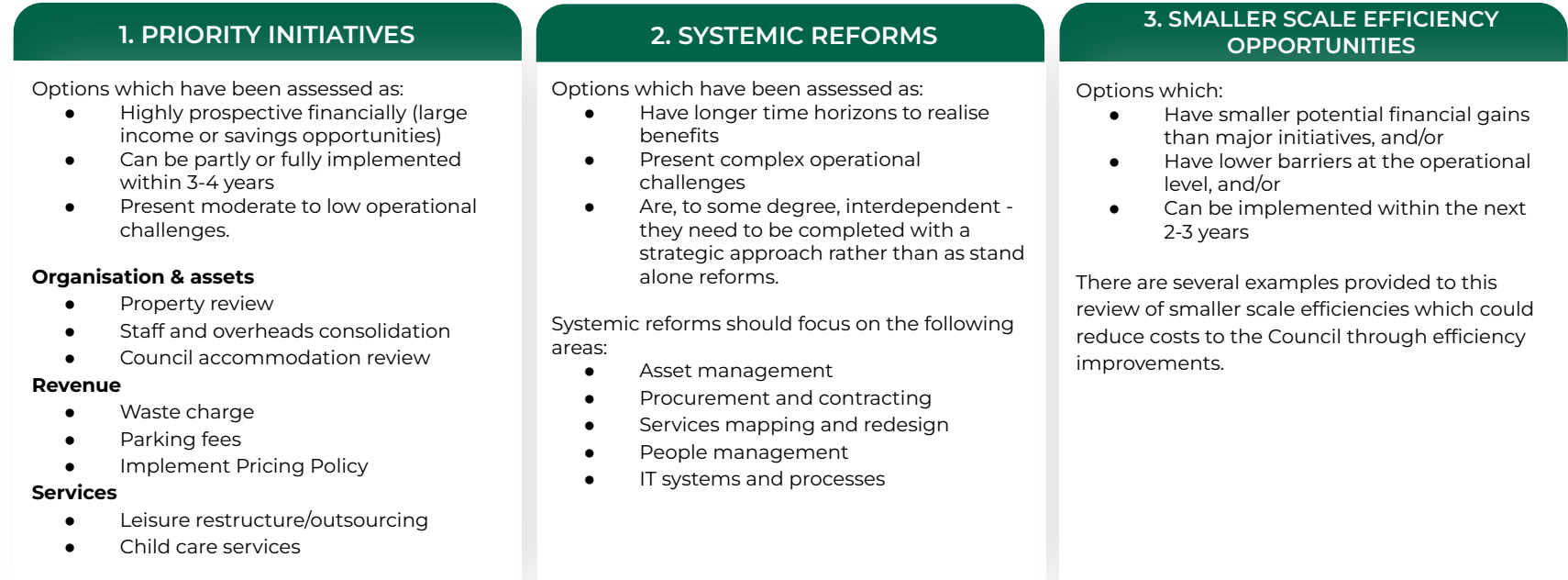
# PRIORITISING OPTIONS FOR FURTHER ANALYSIS



The purpose of this review is to recommend a set of initiatives which the Council could immediately pursue to address the forecast cash shortfall in the period to 2031-32. The high level assessment of options in Part Two of this report, informed by discussions with Council management in the discovery workshop, provides a basis for a more focussed assessment of the most prospective options, these are identified below under 'priority initiatives'.

There is, however, a clear need to invest in longer term reform to improve the Council's future financial stability. As set out below, the review team has also identified a set of longer term systemic actions and, finally, suggests that the Council pursue smaller scale efficiency opportunities within team to achieve additional savings.

Figure 3.1 Options bundling



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# MAJOR INITIATIVES: ORGANISATION & ASSETS



## Property review

*Appoint a property adviser to review and make recommendations on surplus and underutilised properties.*

### Overview

The Council currently owns and maintains an extensive property portfolio including three Town Halls and a range of commercial sites, reaching a written down valuation of just under \$200m.

A proportion of these properties are either underutilised or unused, however the exact extent of underutilisation of the properties is difficult to ascertain from available information within the timing of this review (it is not currently documented by Council, though a property review is currently underway).

Yarra also leases some space at non-commercial rates to community organisations. While this may add value for the community, the portfolio of buildings isn't leveraged very well to raise funds or reduce costs.

The costs to owning and maintaining these properties are increasing, particularly as a result of Yarra's major commitments regarding sustainability (with commitments to upgrade buildings to new heating and cooling systems which are not gas systems).

## Property sale or leasing options

There is a potential significant financial benefit to be gained through the sale of some properties or the refurbishment and leasing of properties to improve the Council's financial position. Over the period to 2031-32. The actual net financial gain will vary by property, determined by factors such as:

- land ownership (ie crown land or private holding),
- the current condition of a property; and
- heritage value and community expectations of the use of the property.

The decision on whether an asset is surplus or underutilised should be made with some view of likely future use in line with Council plans and strategies. There is no point selling an asset only to have to buy another similar asset back at a later stage.

Decisions on the disposal or repurposing of surplus or underutilised property have typically been stalled by the inability of Council to make decisions in the context of competing community views. For this reason, we would recommend an independent review of all Council properties by an expert adviser and to rapidly divest of surplus or underutilised properties to reach a sales target.

### Target

We estimate that Yarra could reduce its overall approximately 15% of its current property portfolio by the financial year 2025-26 through targeted sales of its least used assets. This equates to a sales target of around \$30m.

# MAJOR INITIATIVES: ORGANISATION & ASSETS



## Reduction in overall staff and overheads costs

*Reduce staff levels by 10 per cent and achieve the corporate overhead benchmark of 14 per cent of total expenditure through consolidation and efficiency measures*

Staff and overheads costs are the Council's largest expenditure items, therefore it is difficult for the Council to achieve the net savings it needs without some reduction in costs in these areas. The LTFP, on which the financial gap analysis is based, does not factor in any growth in staff above 906 FTE (which is lower than current staffing levels). It is therefore, essential that measures are put in place to abate the recent high growth in staff numbers within the Council (over 20 per cent in the last 4 years).

Yarra's staff levels are higher than the M9 average both in metrics of staff by expenditure and population. While metrics around overheads remain uncertain, there is potential for reduction in overhead costs following a full analysis of Yarra's current overhead expenditure. We recommend that Yarra seek to meet the following targets:

- Reduction in total staffing levels to the M9 average (approximately 10 per cent reduction).
- Achieving corporate overhead costs at the benchmark level to 14 per cent of operating expenditure (following a bottom-up estimation of overheads).

In discussions with Council Staff for this review, concerns were raised about the potential reduction in staff without a proportionate reduction in service provision, or recognition of some of the key drivers of staff workload (such as growth in the breadth of strategy development work).

The potential for net savings from changes in service provision, staffing changes and reductions in overheads (including accommodation) are interrelated. Its important to note that some staff consolidation will occur as a result of other major initiatives proposed, such as:

- **Aged care reforms** – reduction in staff managing home care programs which will cease
- **Child care reforms** – reduction in staff managing vacation care and OOSHC services
- **Venue and property management** – if properties are sold or if management of properties is reduced through different leasing arrangements.

Expenditure on corporate overheads is highly correlated with the number of staff employed by the Council, as the more staff that are employed the more expenditure there will be on overhead costs to accommodate the staff (plus on costs). These cost are, ultimately related the scope of services and activities that the Council funds. It is therefore important that any efforts to reducing costs in these areas are linked to measures which will review and potentially reduce the scope of Council activities.

# MAJOR INITIATIVES: ORGANISATION & ASSETS



## Reduction in overall staff and overheads costs

*Reduce staff levels by 10 per cent and achieve the corporate overhead benchmark of 14 per cent of total expenditure through consolidation and efficiency measures*

We would recommend the following approach in the first 24 months following commencement of implementation.

1. Implement a hiring freeze at current levels while an assessment of services and resourcing requirements is conducted (to determine where staff resources are needed and where consolidation can occur). This assessment should include areas where other service changes are occurring (such as in aged care and child care).
2. During this transition period implement a moratorium on unbudgeted initiatives which would ordinarily require additional staff resources (new strategies, broadening scope of policy and program initiatives etc).
3. Review current vacant positions and remove positions which have been vacant for more than 6 months, to remove the costs of these positions in future budgets.
4. Conduct a review of corporate overheads and benchmark these against VAGO and PwC study levels. Following this review establish key areas where net savings can be achieved.

A restructure of the organisation into fewer larger teams based around logical service bundles would provide a framework to reduce staff numbers while maintaining service focus. This would reduce the number of divisions from 7 to say 5, with larger teams within each division based on logical service clusters. This would be considered in parallel with the planning for the accommodation review.

While a hiring freeze is a fairly blunt process, it may be preferable as a means to more quickly and easily achieving a financial outcome than using targeted or voluntary redundancies. However, care would need to be taken to ensure that minimum skills are maintained in critical areas, for example such as statutory responsibilities and revenue raising. This could be done through a limited exceptions process. There would also need to be a process for the readjustment of work priorities and resourcing between teams that would go hand in hand with the organisational consolidation process.

### Target

Setting a dollar figure target for savings in staff and overheads is complicated by the fact that savings from other initiatives will include staffing cost savings, and some overhead costs are direct staffing costs also (therefore the risks of double counting are high). That said, for the purposes of this review, putting in context the potential savings from these initiatives against alternatives, a conservative estimate of \$5.1m saving from 2024-25 is reasonable (reflecting 5 per cent of total staff costs). It is likely that if the Council reach both the staff and overheads benchmarks the savings achieved will be higher.

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# MAJOR INITIATIVES: ORGANISATION & ASSETS



## Council accommodation review

*Consolidate Council operations (post COVID), adopting a team activity based approach to the workplace to reduce Council office footprint.*

### Overview

Council staff use of accommodation fell significantly during COVID-19, and staff continue to work remotely for a proportion of their working week. Recent surveys indicate that 50-60% of the workforce will be in the office at any one point in time, and one stakeholder commented that "it's clearly a waste for us to have that much office space with the flexible working arrangement". This pattern of work seems likely to be sustained for the foreseeable future.

There is now an opportunity to adopt a team activity based approach to workplace planning which will reduce the total office space requirements as well as free up further properties to divest.

This could also present an opportunity to break down silos, promote greater cross-collaboration across the organisation, and develop a better understanding of more effective service clusters.

### Potential gains

We don't have any definitive numbers on staff accommodation (staff per metre squared) at Yarra from which to deduce a potential reduction target, however research suggests that introducing flexible working arrangements and consolidating office space can increase productivity, collaboration and employee satisfaction, and reduce overheads.

For example, BP reported these benefits after consolidating their property portfolio from 12 to 5 locations, with desk space ranging from a 1:1 desk-to-staff ratio for administrative staff, to 1:1.5 ratio in other areas. BP ultimately reported savings in property operating costs of £23 million per annum (a 35% reduction), savings in occupancy costs of up to £15k per person per year, and a halving in the average cost per workstation.

The British Ministry of Justice similarly consolidated its London property portfolio from 18 buildings to ultimately just one headquarters building, saving the department £30m per annum. A number of additional measures, including paper usage reductions and an informal meeting spaces, also achieved a 1.1:2 desk-to-staff ratio.

Additionally, Ernst & Young, HSBC, PwC, and many other firms, organisations, and government departments report similar savings and productivity benefits from introducing flexible working and consolidating staff accommodation space.

All of these organisations differ in scale and mission to Yarra, and cannot be wholly relied upon to predict outcomes for Yarra. However, the evidence remains compelling.

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# MAJOR INITIATIVES: REVENUE



## Waste charge

Introduce a waste charge to fully recover the future growth in costs of waste services

### Overview

Yarra is one of only seven councils in Victoria that does not have a separate waste charge (see Table 3.3 for a list of councils who do not currently have a separate waste charge). Of these seven councils, five councils are proposing to introduce a waste charge from 2022-23 (with Whitehorse currently conducting community consultation for a waste charge to be introduced in the near future).

A waste charge provides a mechanism for councils to recover future costs of waste services outside of the rate cap. Given recent waste costs have been rising at rates substantially higher than the 1.75% rate cap, moving to a separate waste charge in rates is now critical for the Council to protect its future financial sustainability.

The decision by Yarra City Council in 2017 to not introduce a waste charge (when it was last proposed) has left the Council vulnerable to inflationary pressures in the waste management industry, as noted in the Council's 2022-23 Draft Budget:

*The Environment Protection Agency (EPA) regulation has a sustained impact on Council with regards to compliance with existing and past landfills sites. Waste disposal costs are also impacted by industry changes such as increasing EPA landfill levies and negotiation of contracts e.g. recycling sorting and acceptance.*

The EPA waste levy (formerly the landfill levy) has increased from \$65.90 in 2019-20 to \$125.90 from 1 July 2022. Without a separate waste levy (and with rate capping in place) Yarra has no direct mechanism to recover these higher service costs.

**Table 3.3 Councils who do not currently implement a waste charge**

Council	Current status of waste charge	Timeline
Banyule	Introduction of Waste Charge proposed in Draft Budget 2022-23	2022-23
Darebin	Introduction of Waste Charge proposed in Proposed Budget 2022-26	2022-23
Hume	Considering introducing Waste Charge (unclear if for 2022-23 or beyond)	2022 onwards
Melbourne	Introduction of Waste Charge proposed in Draft Budget 2022-23	2022-23
Port Phillip	Introduction of Waste Charge proposed in Draft Budget 2022-23	2022-23
Whitehorse	Proposing to introduce Waste Charge (currently conducting community engagement)	2022 onwards
<b>Yarra</b>	<b>No plans for waste charge</b>	<b>-</b>

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Councils highlight that introducing a waste charge:

- Is in line with the existing practice of many other Victorian councils
- Is a more transparent way of showing residents how much they are paying for their waste services
- Enables greater flexibility for council to ensure that any waste cost increases (above the rates cap) are covered for core services, in addition to funding any new waste services that need to be introduced
- Would save councils from unwanted cuts to essential community services or infrastructure.<sup>1</sup>

<sup>1</sup> Taken from council Draft Budget documents – see Bibliography for a complete list of references.



# MAJOR INITIATIVES: REVENUE



## Waste charge

*Introduce a waste charge to fully recover the future growth in costs of waste services*

The decision not to introduce a waste charge in 2017 has meant that Yarra has been unable to recover approximately \$23.3m in waste costs in the period 2017-18 to 2022-23. See Table 3.4 for a summary of the estimated revenue forgone as a result of not having introduced a waste charge in 2017.

**Table 3.4 Revenue forgone from not introducing a waste charge in 2017-18 (\$000s)**

Item	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Total
<b>Year on year cost increase</b>								
Increase in waste costs <sup>1</sup>	–	1,283	1,283	1,283	1,283	1,283	1,283	7,698
Increase in waste costs able to be recovered under rate cap	–	160	184	209	171	131	155	1,010
<b>Cumulative cost increase</b>								
Estimated waste costs <sup>1</sup>	7,997	9,280	10,563	11,846	13,129	14,412	15,695	82,921
Waste costs able to be recovered under rate cap	7,997	8,157	8,340	8,549	8,720	8,850	9,005	59,617
<b>Revenue forgone as a result of rate cap</b>	<b>–</b>	<b>1,123</b>	<b>2,223</b>	<b>3,297</b>	<b>4,409</b>	<b>5,562</b>	<b>6,690</b>	<b>23,303</b>

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<sup>1</sup>Annual waste cost data has been estimated using a straight line approach, using cost data provided by Yarra for 2017-18 (actual) and 2023-24 (estimated) waste costs.

# MAJOR INITIATIVES: REVENUE



## Waste charge

*Introduce a waste charge to fully recover the future growth in costs of waste services*

Yarra should introduce a waste charge from 2023-24. This charge would form part of a household's rates statement, separating rates from the waste charge. In the first year of the charge the amount would be set as to not increase the overall rates level above what would have been charged under the rate cap. From 2024-25 the charge should recover the increased cost of waste services. Each year Council should increase the charge in line with costs to ensure that all waste service costs are recovered. While future waste costs trends remain uncertain, we note that actual waste costs have increased by 11.92 per cent per year since 2017.

**Table 3.5 Additional revenue from introducing a waste charge in 2023-24 (\$000s)<sup>1</sup> – scenario analysis**

Item	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
<b>Year on year cost recovery scenario analysis</b>										
Base case – amount recoverable (no waste charge)	–	297	302	308	313	318	324	330	335	–
Scenario 1 – additional amount recoverable with waste charge (5% cost increase)	–	552	593	633	675	719	765	814	866	
Scenario 2 – additional amount recoverable waste charge (10% cost increase)	–	1,401	1,569	1,752	1,953	2,174	2,419	2,688	2,985	
Scenario 3 – additional amount recoverable waste charge (11.92% cost increase)	–	1,727	1,967	2,233	2,531	2,865	3,240	3,660	4,130	
<b>Cumulative cost recovery scenario analysis</b>										
Base case – costs recovered (no waste charge)	16,978	17,275	17,577	17,885	18,198	18,516	18,841	19,170	19,506	–
Scenario 1 – additional amount cost recovered with waste charge (5% cost increase)	–	552	1,145	1,777	2,452	3,171	3,936	4,750	5,616	<b>23,398</b>
Scenario 2 – additional amount cost recovered with waste charge (10% cost increase)	–	1,401	2,970	4,722	6,675	8,849	11,268	13,955	16,940	<b>66,779</b>
Scenario 3 – additional amount cost recovered with waste charge (11.92% cost increase)	–	1,727	3,694	5,927	8,458	11,323	14,652	18,222	22,353	<b>86,264</b>

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<sup>1</sup>A total waste cost estimate of \$17.0m in 2023-24 has been provided by the City of Yarra. See Appendices for a full summary of the estimated costs for each scenario outlined in Table 3.5

# MAJOR INITIATIVES: REVENUE



## Parking fees

*Increase parking fees in order to grow total revenue from parking*

### Overview

Yarra City Council collects parking fees in a variety of ways, including meter parking, long stay parking and residential parking permits. Current (2021-22) fee levels are lower than neighbouring councils and the decision has already been made to increase fees in the 2022-23 budget. Even taking this increase into account, there is scope for further increase over the coming 10 year period.

It is recommended that parking revenue is increased by 5 per cent of the estimated parking revenue every three years up to 2031-32 (see Table 3.6). The method for achieving this target may be through a mixture of introducing parking fees where there are currently zero costs, higher permit fees and/or higher metered charges. The exact approach should be developed by Council, taking into account the potential impact on business (for example through metering parking) and the potential future land use pressures on current parking spaces (i.e. where parking space may be transitioned to other uses or to open space regeneration). Council should consider that the 5 per cent total revenue growth target will also need to reflect any potential reductions in number of parking bays, so some fee categories may need to be increased further to reach the 5 per cent target.

Advantages of this approach include the measure draws in revenue from non-residents, and that it is potentially aligned with sustainability goals about encouraging public transport and active transport.

**Table 3.6 Revenue gains from increase in parking fee revenue (\$'000s)**

Item	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Base case – current revenue estimate <sup>1</sup>	35,788	36,414	37,052	37,700	38,360	39,031	39,714	40,409	41,116	41,836	387,419
Scenario 1 – increase parking revenue by 5% every 3 years	35,788	36,414	37,052	39,585	40,278	40,983	43,785	44,551	45,331	48,430	412,195
<b>Additional parking revenue</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,885</b>	<b>1,918</b>	<b>1,952</b>	<b>4,071</b>	<b>4,142</b>	<b>4,214</b>	<b>6,594</b>	<b>24,776</b>

<sup>1</sup>Yarra's Long Term Financial Plan assumes a constant growth rate of 1.75% for Statutory fees, fines and User Fees. As such, we have based the estimated revenue gains on the same growth rate.

# MAJOR INITIATIVES: REVENUE



## Pricing Policy

Implement the Pricing Policy across all fees and charges of the Council, starting with the areas which will have the largest financial impact (leisure and child care)

## Overview

The Pricing Policy should be implemented across all fees and charges areas of the Council. This process would involve an assessment for each services where fees apply which would following the process set out in the policy.

1. Determine the category value to the community of the service, along the spectrum of Public value, mixed value and private value (determined by how the benefits of the service are realised)
2. Identify if statutory or non-statutory pricing applies to the service (see Table 3.7)
3. Where non-statutory pricing applies, identify the most appropriate form of pricing method, based on the degree of private or public value, competitive neutrality requirements, market prices (benchmarking), service delivery objectives.

It is important to note that applying the pricing policy does not necessarily mean that all fees and charges of service will increase, or that new fees will be applied. The process should be a transparent method of determining the appropriate level of fees. The outcomes of this process may lead to service fees maintained at current levels (or set at zero), fees increasing to achieve higher cost recovery, marginal changes in fees to achieve partial cost recovery, or services delivery methods changing where the process finds Council delivery of a services is not longer appropriate.

We recommend that this process be applied to all service areas where fees may be charged, but with a priority on leisure and child care fees, which are discussed in more depth in the following slides.

Table 3.7 VAGO pricing methods

PRICING METHODS	DESCRIPTIONS
Statutory pricing	The prices for some services are set or controlled under statute or funding agreement. This means that Council's role is to administer or deliver the service and apply the fees that are prescribed by state or federal government. These prices are set by legislation and may be below the full cost to deliver the service (i.e. the fee may only provide partial cost recovery). Council sets the maximum available.
Non statutory pricing	The prices for some services are not regulated by statute. For services that are subject to non-statutory pricing, there are a range of considerations that Council will take into account to determine the appropriate pricing method. These include: <ul style="list-style-type: none"> <li>• The degree of private or public value of the service (see Section 8)</li> <li>• Competitive Neutrality requirements (see Section 10)</li> <li>• Benchmarking with other providers</li> <li>• Service delivery objectives</li> <li>• Financial implications</li> </ul>
Non-statutory pricing methods	<p><b>Full Council Subsidy</b> – A full Council subsidy occurs when all costs (direct and indirect) are funded entirely from the rate base and there is zero cost to the customer. <i>Application: where no charge to a customer will deliver community benefit and/or makes a service accessible to low income or disadvantages users (public value).</i></p> <p><b>Partial Council Subsidy</b> – A partial Council subsidy occurs when some costs are recovered. A portion of the cost is funded from the rate base or other revenue sources and a portion of the cost is funded by the customer. <i>Application: where Council recognises community benefit as well as individual benefit (i.e. there is shared benefit).</i></p> <p><b>Full Cost Recovery</b> – Full cost recovery occurs when all costs (direct and indirect) are intended to be recovered from the customer. There is no intent to subsidise the service. <i>Application: the service primarily benefits the individual user rather than the community as a whole.</i></p> <p><b>Market Pricing</b> – Market price occurs when the service competes with others and there is pressure to set a price that will attract adequate usage of the service. Competitive Neutrality applies and the price must be consistent with the Competitive Neutrality Policy guidelines. <i>Application: the service primarily benefits the individual user, competes in a competitive market environment and the price must create a level playing field.</i></p> <p><b>Incentive Pricing</b> – Incentive pricing occurs when full cost is recovered and in some cases the fee can generate a surplus (profit). <i>Application: The fee is issued to encourage compliant behaviour for the greater good and can act as a penalty for breaking rules and local laws. Council performs the role to regulate and restrict certain behaviour/activities</i></p>

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# MAJOR INITIATIVES: REVENUE



## Pricing Policy

*Implement the pricing policy across all fees and charges of the Council, starting with the areas which will have the largest financial impact (leisure and child care)*

### Applying the Pricing Policy to leisure fees

A revised fee structure for Yarra Leisure has been proposed in the 2022-23 budget. Discussions on these proposed changes have run concurrently with this review (with the Council presented with the revised structure on May 17th after the Co-design workshop for this review).

The fees proposal does including some elements of the pricing policy (it provides some unit cost estimates for core service provision and presents benchmarking data), however there are a number of aspects where further alignment with the pricing policy can, and should, be pursued.

- The analysis identifies leisure as a non-statutory service but does not specify the degree of cost recovery which should apply to leisure fees (linked to degree of public, mixed or private value).
- While benchmarking was conducted, the proposed fees are set below median market rates in most fee categories.
- There are no estimates of the net financial impact of the changes, including the extent to which they would achieve full or partial cost recovery.
- Only direct service costs are included in the cost estimates, and these are not linked back to the proposed fees (only benchmarking was conducted).

There is a need for a more comprehensive review to be conducted which:

1. Identifies the appropriate cost recovery methodology for leisure services
2. Fully estimates appropriate costs aligned to this method; and
3. Determines fee levels to achieve the appropriate cost recovery objective, also reflecting market pricing.

Given the mix of services provided in leisure, it may be the case the some services within the overall model fall within different cost recovery categories. In that case, fees may be set using different methodologies (for example where there is a recognised community benefit of service).

The most recent cost recovery assessment of services provided in the Council, conducted using 2018-19 data, estimated:

- Using a full cost recovery method the Council subsidy for leisure services was \$4.1 million per year.
- On a direct cost only basis the Council subsidy was \$1.1 million per year.

Based on these estimates there is, at a minimum, the potential for an additional \$1.1 million of costs to be recovered through leisure fees, which would support the Council's future financial sustainability. We would recommend that at least a partial cost recovery of greater than direct costs be pursued (following full analysis of costs), which would recover an amount higher than this minimum level.

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# MAJOR INITIATIVES: REVENUE



## Pricing Policy

*Implement the pricing policy across all fees and charges of the Council, starting with the areas which will have the largest financial impact (leisure and child care)*

### Applying the Pricing Policy to child care fees

The five long day care centres operated by the Council currently charge a daily rate (\$126) approximately \$20 below comparable centres in the Council area (and the Melbourne average).

On a cost recovery basis the service does not fully recover costs – its fees are below the level which would recover direct costs, and when taking into account overheads the cost recovery rate for long day care is around 60 per cent. There is a clear risk that the Council may be subject to a Competitive Neutrality complaint when it is operating below cost and subsidising the service with Council funds.

Given the recommendation in this review that the Council not continue to provide vacation and OOSHCS, the focus of the pricing policy review should be on long day care services and kindergarten.

In applying the pricing policy consideration should be given to how the Council run facilities can operate within the market, noting:

- Analysis conducted on long day care fees for this review found that if fees were set to achieve market prices from 2023-24, the Council would raise an additional \$600,000 annually in revenue for the service in the period 2023-24 to 2031-32.

- If long day care services were to recovered up to direct service costs, the estimated gap (based on 2018-19 figures) is approximately \$900,000 annually.
- At full cost recovery, the service would need to recover an additional \$4m which would likely mean services could not meet market prices.

### Market pricing vs cost recovery

In the instance where services are provided in the market (such as leisure and child care), there is the potential for the appropriate method of cost recovery to not align with market price (ie costs recovery will set fees higher than market levels). In these instances consideration should be given to the Council moving out of provision of the service (on the basis that it's delivery model is not financially sustainable).

### Avoidable cost methodology

One method which should be considered for both leisure and child care in this assessment is avoidable costs methodology. This method includes with the cost recovery calculations only those costs, including overheads, which Council *would not incur* if the service were to not be provided. These costs specifically are included in cost recovery estimates, but not broader overheads associated with non-related Council functions (the rationale being that these are costs not incurred by private providers in the market). For example for leisure, overheads within the Council related to the management of leisure services (such as management costs, financial services, facilities management, payroll etc) would be included in cost methodology but not other overheads which are specific to Council governance (for example) which would incurred even if the Council did not fun leisure activities in-house.

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# MAJOR INITIATIVES: REVENUE



## Pricing Policy

*Implement the pricing policy across all fees and charges of the Council, starting with the areas which will have the largest financial impact (leisure and child care)*

### Applying the Pricing Policy to other service areas

In the 2019 review of cost recovery in Council services, in scope services included the following areas (in additional to leisure and child care):

- Sports and Recreation (sports grounds etc)
- Aged and disability services
- Civic compliance (local laws, planning, animal control)
- Venues for hire
- Construction management (building services, construction management)
- Health protection (food safety and health regulation and inspection)

We recommend that work be conducted to update the cost recovery analysis for these service areas and identify appropriate fee setting methods. In some cases statutory pricing will apply. The value of this process is that it applies a consistent framework across all fee setting areas.

# MAJOR INITIATIVES: SERVICES



## Leisure reforms

*Develop a business case for outsourcing of Yarra leisure facilities to an external management provider, following the outcomes of the pricing policy review for leisure*

### Overview

Implementation of the pricing policy for Yarra Leisure will, when done correctly, provide transparency around current levels of costs, fee levels necessary to achieve cost recovery (full or partial) and how these fee levels compare with market benchmarks.

This process should, therefore provide a clearer picture for Council on the sustainability of the current model in the medium term. At this stage we would recommend that the Council explore the option of outsourcing leisure services to an external management provider (such as the YMCA). The feasibility of this is option should be explored, noting that this can be done with the Council maintaining ownership of leisure facilities, and putting in place with the provider a community service agreement on facilities access and fees (ie setting fee caps for particular services and access to facilities).

In conducting this analysis consideration should be given to the potential net operating position for the Council in the model, as well as future capital needs for facilities. There are a range of factors which will determine whether this model is preferable to the current approach, however it is worth noting that many other Council have already adopted this approach (presumably decisions based on the overall financial sustainability of the service).

### Leisure outsourcing Case study – Moreland City Council

Active Moreland runs six aquatic and leisure facilities located within Moreland City Council which are managed by YMCA Victoria:

- Brunswick Baths
- Coburg Leisure Centre
- Coburg Olympic Swimming Pool
- Fawkner Leisure Centre
- Oak Park Sports and Aquatic Centre
- Pascoe Vale Outdoor Pool

The recreation centres within Moreland fit a similar profile to Yarra's, with a mix of recently redeveloped leisure facilities as well as aged assets (such as outdoor pool facilities). YMCA Victoria has managed these facilities for a number of years, with the most recent contract being extended to 30 June 2022.

The total cost to Moreland for the YMCA to manage the council's aquatic and leisure centres for the 12-month extension period (2021-22) was estimated at \$1.93 million, which includes \$11.89 million of income and \$13.68 million in expenses.<sup>1</sup>

Further analysis of Moreland's approach to outsourcing management and operations of leisure facilities to YMCA may assist in forming the business case of outsourcing Yarra leisure facilities to an external management provider.

<sup>1</sup> Moreland City Council 2021, *Council Agenda – Wednesday 10 November 2021*



# MAJOR INITIATIVES: SERVICES



## Leisure reforms

*Develop a business case for outsourcing of Yarra leisure facilities to an external management provider, following the outcomes of the pricing policy review for leisure*

### Estimating the potential gains from outsourcing leisure services

Many councils outsource the operation of the leisure centres to the YMCA or other providers. There are, however, various differences in the centres themselves and the fees that are charged which – combined with very limited public information about the costs charged by outsourced providers – make it difficult to robustly estimate the potential gains from Yarra similarly outsourcing (without conducting a full business case and tendering process).

Preliminary research conducted for this did find a few sources which provide indicative estimates on potential gains. One report from Knox undertook a benchmarking exercise of labour costs associated with running leisure centres, and compared the average to the proportion achieved by the YMCA in managing a centre in Knox.

In the absence of more comprehensive information, and to provide an initial ‘order of magnitude’ estimate of the potential savings that *could* accrue from achieving a similar result, we have taken the result achieved by the YMCA and applied it to the current costs incurred by Yarra relative to income received:

- In order to estimate the potential savings that could be achieved from outsourcing the management Yarra leisure facilities, a target of 45 per cent has been used in line with the percentage achieved by Knox.
- Labour cost data and leisure program income has been taken from the Yarra City Council overhead allocation model, which indicates that Yarra’s labour costs as a percentage of income is approximately 51 per cent. If Yarra were to reduce labour costs (through outsourcing to an external provider such as YMCA) to meet the 45 per cent target, this would result in an estimated saving of \$612k per year.
- It is assumed that these savings would be phased in over the next two years, taking into consideration that there would be a planning and decision-making process wherein savings would not be realised and grandfathering of entitlements.

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# MAJOR INITIATIVES: SERVICES



## Aged care reform

*Given re-design of the service system by the Commonwealth Government Council should exit the delivery of in-home care and home maintenance services from 1 July 2023*

Changes to the Commonwealth service and funding model for aged care will have a significant impact on the viability of councils to continue to provide all or part of the current services. The changes will see service agreements (agreed targets and funding) replaced by an open competitive market approach and an individualised approach to funding services.

Many Victorian councils have already signaled their intent to no longer operate all or part of the services under this new model, with the expectation that an effective and quality market of private and community providers will be in place.

We understand that Yarra City Council is already reviewing how it would operate current services under this new funding model, and service specific recommendations will be presented to Council. This will include recommendations on services Council may exit, may continue or re-invest in to best support the community. It is clear that exiting all or part of these services will not only save Yarra funds but it will avoid the potential for higher costs of service provision under the new model.

Exiting in-home care and home maintenance services could save Council approximately \$8m in direct costs of service delivery in the period to 2021-32. This would also avoid the risk of operating in the new funding model where supply and demand will be uncertain. While the exact quantum of avoided costs is uncertain, even a conservative 10% increase in costs associated with the service would be in the range of \$0.5m per annum, with uncertainty around how much of that additional cost would be covered by Commonwealth funding (given the new funding arrangements).

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# MAJOR INITIATIVES: SERVICES



## Child care

*Transition out of the delivery of vacation care and OOSHC services*

Along with long day care (which is highly utilised) the Council also run vacation care and OOSHC services. These services have lower utilisation and lower cost recovery than long day care.

There are also existing providers in this space and Council could exit this service area without a concern that families would have no alternative care options.

Estimates for removal of vacation care and OOSHC just include direct costs and income estimates for the services are set out in the table below (these do not include overheads which are an additional potential saving). In the period to 2031-32 the potential saving of these options would be approximately \$9.7m.

**Table 3.9 Revenue gains from introduction of child care initiatives (\$000s)**

	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	Total
Removal of vacation care and OOSHC	905	919	933	947	961	975	990	1,005	1,020	1,035	<b>9,690</b>

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Systemic reforms are those which have been assessed as:

- Having longer time horizons to realise benefits
- Presenting complex operational challenges
- Being to some degree interdependent – they need to be completed with an integrated strategic approach rather than as stand alone reforms.

These reforms will not impact on the short term effort to address the Council's financial gap, however they represent significant potential savings and are essential for the health of the organisation in the longer term.

On the next slide five areas of systemic reform have been identified that Yarra should consider for longer term financial sustainability, but that would also provide broader benefits:

- Asset management
- Procurement and contract management
- Services redesign
- People management
- IT systems and processes

While these systemic changes are outside of the principal focus of this review, we would recommend that Council undertake a major strategic planning process in 2023-24 to design a longer term pathway towards best practice for improved community outcomes and financial sustainability, which would be implemented in stages over the following years.



## **Asset management**

Aside from major initiatives such as an underutilised property review, there are a variety of systemic issues with asset management at Yarra that should be addressed in the longer term. Underlying these issues is a need for a best practice framework for asset management across the organisation.

Management of assets is a major and ongoing activity for the Council and best practice approaches would enhance long term financial sustainability as well as provide other benefits

The City should conduct more in-depth planning for major assets and capital projects at the outset, including early stakeholder engagement, detailed business cases, and whole-of-life cost analyses. One stakeholder suggested a review of the levels of service in asset lifecycle activities, with an eye towards reductions and cost-savings. Additionally, Yarra should consider reviewing its asset renewal regime, and the potential of changing the finance policy to allow for maintenance capitalisation.



## **Procurement and contract management**

Stakeholders have raised the need for improvement for overall contract management, for both construction contracts and service contracts. A significant part of the Council resources are contracted and there is scope for ongoing improvement. The aim should be the development and implementation of best practice frameworks.



## **Services redesign**

A major initiative will be a broad review and of the nearly 100 services offered by the Council. Complementing that review should be a more molecular investigation of any potential efficiencies at the level of actual service delivery, hand in hand with the IT systems review recommended below.



## **People management**

While there are detailed processes in place for people management for Council Staff, this review heard that they are not sufficiently effective in managing performance and especially underperforming staff within the Council.



## **IT systems and processes**

Underlying all potential systemic reforms is the urgent need for Yarra to upgrade and consolidate its IT systems and processes to be up-to-date with modern best practice, and aligned with other Councils and adjacent organisations.

Yarra currently operates over 100 different IT systems with limited interoperability. Many simple processes are performed manually, at significant cost to the City. While this problem does not offer many opportunities for immediate savings, it is essential for the long-term sustainability of the City that major systemic changes are affected in this area.

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**PART FOUR  
IMPLEMENTATION  
ROADMAP**



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# IMPLEMENTATION CHALLENGES



The analysis of major initiatives set out in Part Three of this report was presented to Council Staff in a co-design workshop on May 3, 2022. The purpose of the workshop session was to:

- seek views on the scope of the initiatives, and test whether there were any gaps in the areas selected
- test the analysis, including assumptions in quantitative assessments; and
- identify potential implementation risks associated with the major initiatives being considered.

In workshop discussions there was broad support for the initiatives proposed, with some important considerations raised to be factored in to the implementation plan.

- The need to reflect the progress of reform development already in train, primarily in relation to aged care and leisure fees. The analysis in this report reflect this progress, noting that in both cases further progress (and agreement from Council) is needed to achieve the potential financial outcomes
- The interrelationship of initiatives, particularly in organisation and assets category where there is an overlap in the property review and Council accommodation review initiatives. Many of the properties under consideration are also Council staff accommodation, therefore decisions on property will be influenced by decisions on Council's own need for office accommodation.

- The proposed initiatives will require Council staff resources to implement. In the workshop Council staff noted that the implementation plan needs to be structured in a way which sets realistic expectations around the capacity of staff to drive multiple reform projects concurrently. Prioritising the most prospective and time critical initiatives is important. There is a risk that if resources are spread thinly across too many initiatives at once there will be a lower likelihood of success overall.
- The implementation plan needs to include consideration of how best to communicate reforms to the community and to the workforce, and how to plan the implementation of reforms to achieve the greatest degree of 'buy-in' from the range of stakeholders potentially affected.





The following sections set out our understanding of the key implementation risks associated with these initiatives and an implementation roadmap which set out the recommended timing of reforms.

# IMPLEMENTATION RISKS



For each of the Options considered in this review there are a number of factors which may be barriers to successful implementation. The table below sets out the most critical risk factors for each of the eight initiatives, along with our recommended mitigation strategies.

**Table 4.1 Risks and mitigation strategies**

OPTIONS	KEY RISKS	RECOMMENDED MITIGATION APPROACH
<b>OVERARCHING</b> 	Lack of authority, coordination and resources to ensure the effective implementation of the project in the timeframe	Strategic communications and consultations with the community on the need for change, the logic of a waste charge, phased nature, alignment with sustainability goals and that most councils already have one
<b>PROPERTY</b> 	Timing – sales take longer than expected to be completed (delaying financial benefits)  Future needs – risk that property will be sold that is currently surplus but that may be needed for the future  Complexities – in property valuation, ownership, planning and consultation may reduce value and/or dealy sale processes	Engage specialist property consultants to drive an independent assessment and sale process  Process to include an assessment of future need to minimise this risk  Focus will be only on the subset of properties that can potentially be sold within the timeframe
<b>ORGANISATION</b> 	Capacity – reduction in staff may impact on capability and capacity in areas where Council has critical responsibilities  Effectiveness – staff hiring freeze is not sufficient to reduce staff in the short term to achieve savings  Staff – major staff concerns are raised	A limited exceptions process for the hiring freeze. Move staff resources to areas of need.  Extend hiring freeze or move to voluntary or targeted redundancies  Early communication and consultation
<b>ACCOMMO- DATION</b> 	Coordination risks – accommodation decision may not be consistent with changes in staffing structures or reduction in staff numbers	Project plan to place organisation, accommodation and property projects under a single lead to ensure decision making is coordinated and properly ordered







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# IMPLEMENTATION RISKS



Table 4.1 Risks and mitigation strategies (Continued)

OPTIONS	KEY RISKS	RECOMMENDED MITIGATION APPROACH
<b>WASTE CHARGE</b> 	Communications – how the charge is communicated to the community may undermine its implementation (for example the transition of the fees within rates)	Establish a project governance structure to oversight strategy, project management, communications, monitoring and reporting
<b>PARKING</b> 	Financial – external demand factors which may reduce parking revenues  Capacity – pressure on land use which may reduce overall parking revenues even with higher fees	Parking fees increases be implemented through a parking strategy, with financial modelling potential future trends in demand and land use to ensure that external revenue impacts are minimised.
<b>PRICING POLICY</b> 	Capacity - there is a risk that implementation of the pricing policy is not conducted in a way which meets principles of cost recovery  Community - the community may perceive the process as a way to reduce services or justify fee increases which are not in line with costs or community values.	Council should seek advice from key government agencies in application of cost recovery approaches (for example Better Regulation Victoria)  Communications on the process should communicate the objectives of the process and the focus on cost recovery rather than revenue generation
<b>LEISURE</b> 	Community – concerns on leisure services availability and fees	Draw on recent experience of other Council who have implemented similar structures. Seek independent advice on implementation.  Strategic communications and consultations with the community on the need for and benefits of change.
<b>AGED CARE</b> 	Communications – how the changes made to service delivery are communicated to the aged care community may undermine its implementation (for example the risk of community members not being aware of alternative service providers)	Strategic communications and consultations with the community on the need for and benefits of change. Working with not for profit aged care providers to ensure that clients understand their service options.
<b>CHILD CARE</b> 	Community – concerns on the longer term future of Council Child Care more broadly	Strategic communications and consultations with the community on the need for and benefits of change. Work with existing providers to ensure accessibility of services is maintained and communicated.

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# IMPLEMENTATION STRATEGY



## Financial sustainability project

Subject to endorsement of the project approach by Council, it is recommended that a project team be created with a specific mandate for improving financial sustainability by implementing eight specific projects over a four year timeframe. The objective of these projects would be to deliver targeted financial gains. This approach should ensure that implementation of these reforms is not delayed by day to day business and shifting priorities within the Council by assigning responsibility and accountability for the progress of the reforms. An implementation strategy is recommended as follows.

## Governance

One of the first actions is to establish an overall governance structure for the project. This would include a Steering Group of senior executives responsible for driving the project, The chair of the steering group should ideally be the CEO or Corporate Finance Director. The Steering Committee should report to the Executive Management Team and would be responsible for oversight, strategy, project management, reporting and communications. A dedicated team of 2 FTE staff should be formed to service the Steering Committee. This should include a Project lead, a Communications lead, a Policy Officer and Administrative Officer.

## Streams

We recommend that implementation of the projects be managed under three separate streams, each with a leader accountable to the Steering Committee. The logic of this approach is that there are some strong synergies between a number of projects that make it an advantage for them to be closely coordinated. The three streams should be as follows:

- **Revenue** – including the waste charge, parking fees and pricing policy. These are the highest priority for financial sustainability impact, with communications being the main challenge. Can be largely implemented within existing capabilities, but may require some initial consulting support to establish.

- **Organisation and Assets** – including the property, accommodation and organisation projects. These three projects are highly interrelated and the aim would be to build a slimmed down but more agile and fit for purpose organisational structure ready to implement the longer term vision, while also providing financial sustainability gains from property sales and headcount reductions. A combination of property and accommodation capability (consultants) and internal and HR capabilities will be critical.
- **Services** – including the Leisure, Aged Care and Early Childhood projects. This gives the Council the opportunity to build an ongoing internal capability and framework for service redesign, but will require require some initial consulting support.

## Smaller scale efficiencies

There are numerous opportunities for Council to pursue small scale efficiency gains with a focus on incorporating good ideas from management and staff into the normal annual business planning and budgeting processes over the next few years.

## Systemic reforms

A new CEO has just been appointed. It is assumed in first year (2022-23) that the main focus will be on settling into the role and ensuring the successful implementation of the financial sustainability project. In the second year it is assumed that there will be a strategy review process to plan for the future evolution of Council operation, including the consideration of the proposed systemic reform for improved financial sustainability, and that this strategy would be implemented over the next five years to achieve the 10 year vision.

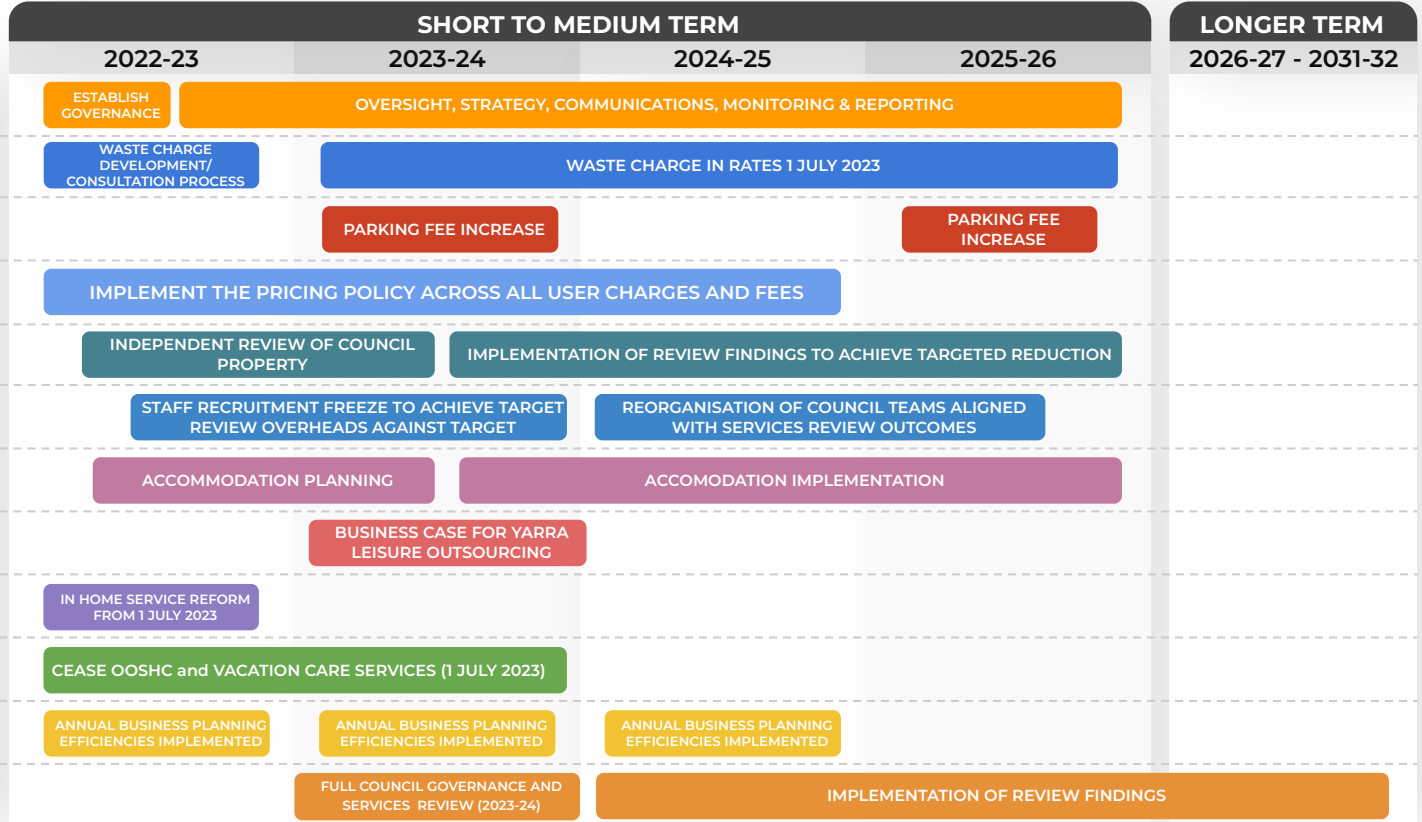
## Implementation roadmap

An implementation roadmap summarising this proposed strategy is provided on the next slide.

# IMPLEMENTATION ROADMAP



Implementation Roadmap



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# TRANSITION SERVICES COSTING



## Transition & Implementation

In order to ensure effective implementation of reforms we have recommended that a governance structure be put in place within the Council with responsibility for implementation. We have provided an estimated cost of this transition process (including external costs), as set out below. Given the objective of this process is to improve the financial position of the Council we are recommending a relatively lean approach to resourcing in this instance, if possible drawing on existing resources and consulting budgets to keep costs to a minimum.

We estimate that two FTE will be required who are responsible for implementing the key initiatives, including consultation across Yarra, project management, policy development, and reporting:

- Transition Unit Manager, salary band 8D (\$126,617.84 p/a)
- Transition Unit Associate, salary band 5C (\$79,577.84 p/a)

Ideally these FTEs would be redeployed from within the Council up to 2024-2025.

Additionally, a number of external reviews such as the recommended property review will also require resourcing.

**Figure 4.2 Transition Unit costing**

	H2 2022	2023	2024	2025	Total
<b>Additional Costs ('000s) <sup>1,2</sup></b>					
Transition Unit Manager (1 FTE)	64	131	135	139	469
Transition Unit Associate (1 FTE)	40	82	85	87	294
External reviews/advice budget	100	100	100	-	300
<b>Total</b>	<b>204</b>	<b>313</b>	<b>320</b>	<b>226</b>	<b>1063</b>

<sup>1</sup> Dollar figures have been rounded up to the nearest '000

<sup>2</sup> Inflation rate of 3%



# APPENDICES



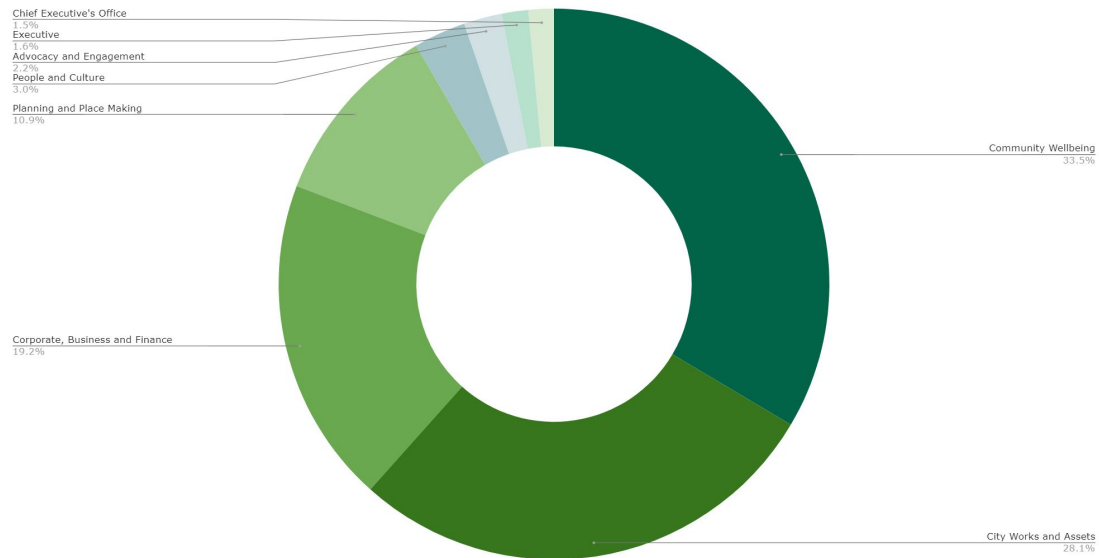
# APPENDIX A BENCHMARKING DATA & ESTIMATES

# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



Figure A.1.1 Number of FTE staff, Estimated Residential Population & breakdown of Yarra's 2021-22 FTE by division

Council	Number of FTE staff	2021 Estimated Residential Population	FTE staff per 10,000 residents
Melbourne	1404.42	169,860	82.68
<b>Yarra</b>	<b>876.05</b>	<b>99,622</b>	<b>87.94</b>
Moreland	845.70	184,707	45.79
Darebin	815.49	162,501	50.18
Moonee Valley	791.73	129,379	61.19
Stonnington	715.66	114,340	62.59
Port Phillip	695.82	112,092	62.08
Maribyrnong	464.05	93,467	49.65
Hobsons Bay	440.00	96,317	45.68
<i>M9 Average</i>	<i>783.21</i>	<i>129,143</i>	<i>60.65</i>

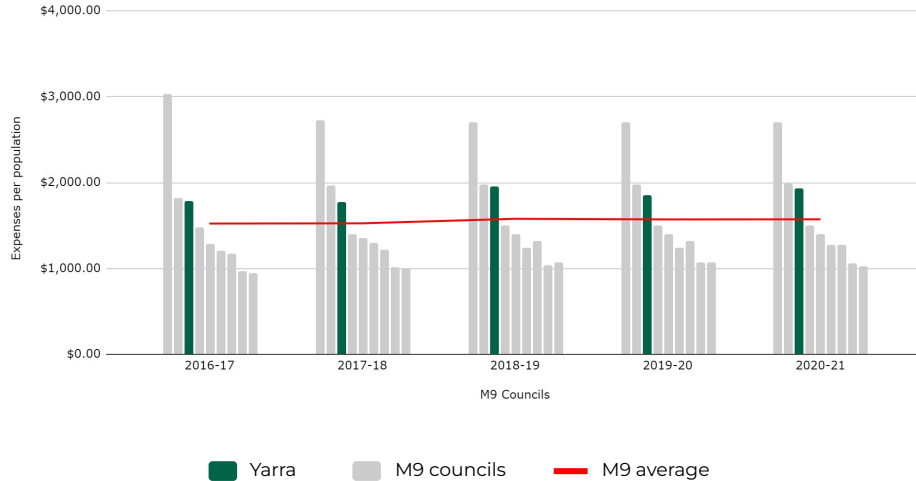


[CONFIDENTIAL]

# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



**Figure A.1.3 M9 councils expenses divided by population of municipality (2016-17 to 2020-21)**



Council	2016-17	2017-18	2018-19	2019-20	2020-21	5 year % change
Melbourne	\$3,037.39	\$2,727.75	\$2,705.51	\$2,705.51	\$2,702.94	-11.0%
Port Phillip	\$1,818.52	\$1,960.69	\$1,977.99	\$1,977.99	\$1,989.31	9.4%
<b>Yarra</b>	<b>\$1,787.22</b>	<b>\$1,770.11</b>	<b>\$1,953.17</b>	<b>\$1,857.25</b>	<b>\$1,927.03</b>	<b>7.8%</b>
Maribyrnong	\$1,478.01	\$1,393.90	\$1,505.87	\$1,505.87	\$1,495.79	1.2%
Stonnington	\$1,287.44	\$1,352.22	\$1,399.63	\$1,399.63	\$1,401.00	8.8%
Hobsons Bay	\$1,209.64	\$1,300.43	\$1,240.29	\$1,240.29	\$1,275.25	5.4%
Moonee Valley	\$1,173.63	\$1,214.38	\$1,315.56	\$1,315.56	\$1,273.74	8.5%
Darebin	\$967.39	\$1,013.46	\$1,035.49	\$1,066.16	\$1,060.47	9.6%
Moreland	\$946.90	\$1,000.12	\$1,065.22	\$1,065.22	\$1,023.60	8.1%
<b>M9 Average</b>	<b>\$1,522.90</b>	<b>\$1,525.89</b>	<b>\$1,577.64</b>	<b>\$1,570.39</b>	<b>\$1,572.13</b>	<b>3.2%</b>

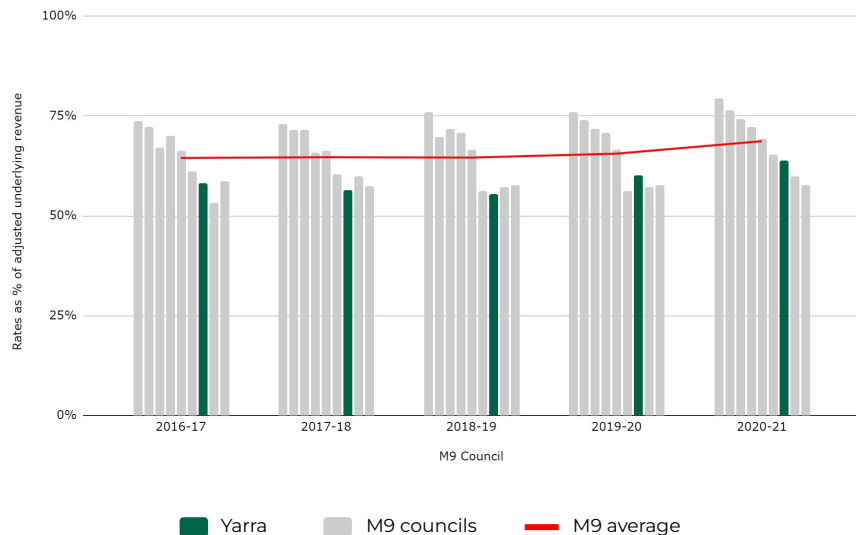
[CONFIDENTIAL]



# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



Figure A.1.4 M9 councils rates as a percentage of adjusted underlying revenue (2016-17 to 2020-21)



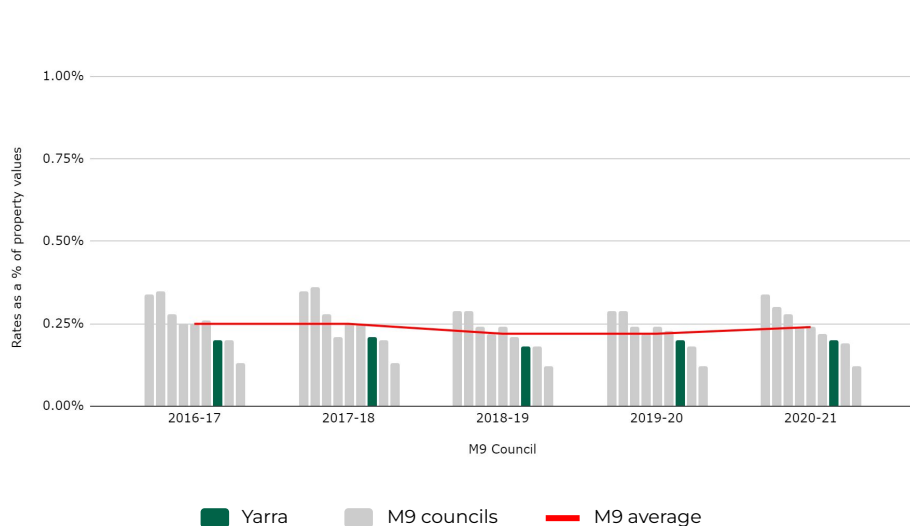
Council	2016-17	2017-18	2018-19	2019-20	2020-21
Hobsons Bay	74%	73%	76%	76%	79%
Darebin	72%	72%	70%	74%	76%
Maribyrnong	67%	71%	72%	72%	74%
Moreland	70%	66%	71%	71%	72%
Moonee Valley	66%	66%	67%	67%	69%
Stonnington	61%	60%	56%	56%	65%
<b>Yarra</b>	<b>58%</b>	<b>56%</b>	<b>56%</b>	<b>60%</b>	<b>64%</b>
Melbourne	53%	60%	57%	57%	60%
Port Phillip	59%	58%	58%	58%	58%
<b>M9 Average</b>	<b>64%</b>	<b>65%</b>	<b>65%</b>	<b>66%</b>	<b>69%</b>

[CONFIDENTIAL]

# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



Figure A.1.5 M9 councils rates as a percentage of property values in municipality (2016-17 to 2020-21)



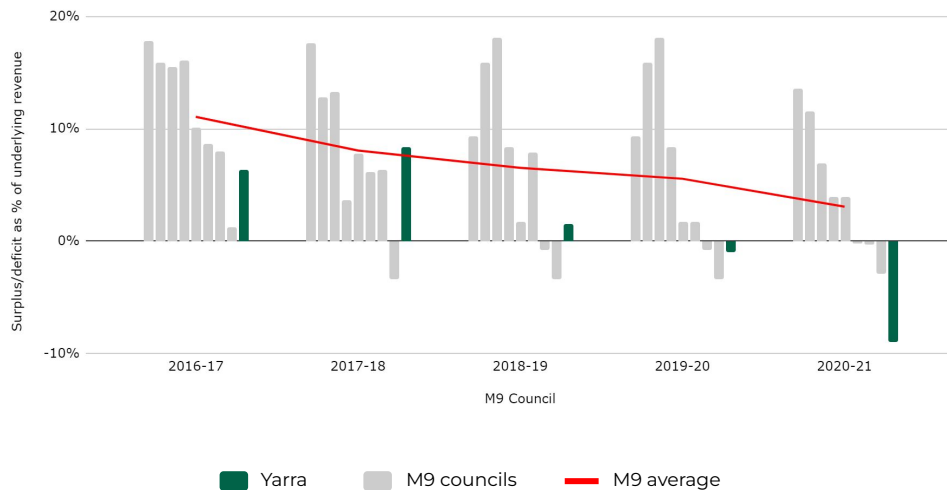
Council	2016-17	2017-18	2018-19	2019-20	2020-21
Maribyrnong	0.34%	0.35%	0.29%	0.29%	0.34%
Hobsons Bay	0.35%	0.36%	0.29%	0.29%	0.30%
Moreland	0.28%	0.28%	0.24%	0.24%	0.28%
Moonee Valley	0.25%	0.21%	0.22%	0.22%	0.24%
Melbourne	0.25%	0.25%	0.24%	0.24%	0.24%
Darebin	0.26%	0.25%	0.21%	0.23%	0.22%
<b>Yarra</b>	<b>0.20%</b>	<b>0.21%</b>	<b>0.18%</b>	<b>0.20%</b>	<b>0.20%</b>
Port Phillip	0.20%	0.20%	0.18%	0.18%	0.19%
Stonnington	0.13%	0.13%	0.12%	0.12%	0.12%
<b>M9 Average</b>	<b>0.25%</b>	<b>0.25%</b>	<b>0.22%</b>	<b>0.22%</b>	<b>0.24%</b>

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# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



**Figure A.1.6 M9 councils adjusted underlying surplus/deficit as a percentage of underlying revenue (2016-17 to 2020-21)**



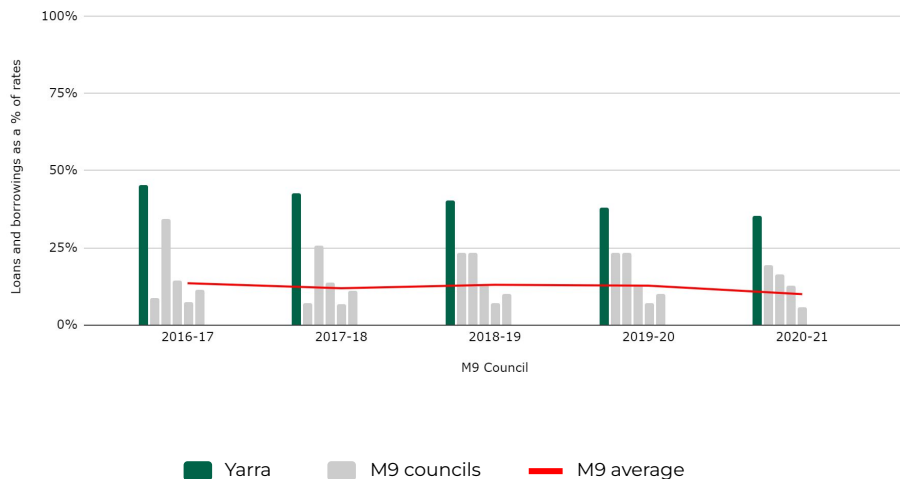
Council	2016-17	2017-18	2018-19	2019-20	2020-21
Moreland	18%	18%	9%	9%	14%
Hobsons Bay	16%	13%	16%	16%	12%
Stonnington	15%	13%	18%	18%	7%
Melbourne	16%	4%	8%	8%	4%
Moonee Valley	10%	8%	2%	2%	4%
Darebin	9%	6%	8%	2%	0%
Maribyrnong	8%	6%	-1%	-1%	0%
Port Phillip	1%	-3%	-3%	-3%	-3%
<b>Yarra</b>	<b>6%</b>	<b>8%</b>	<b>2%</b>	<b>-1%</b>	<b>-9%</b>
M9 Average	11%	8%	7%	6%	3%

[CONFIDENTIAL]

# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



**Figure A.1.7 M9 councils value of loans and borrowings as a percentage of rates (2016-17 to 2020-21)**



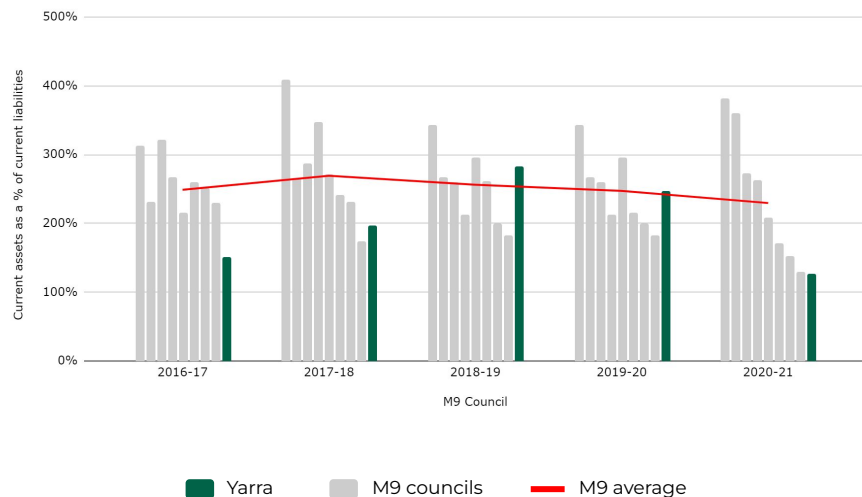
Council	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Yarra</b>	<b>45%</b>	<b>43%</b>	<b>40%</b>	<b>38%</b>	<b>35%</b>
Stonnington	9%	7%	23%	23%	19%
Moreland	34%	26%	23%	23%	17%
Hobsons Bay	14%	14%	13%	13%	13%
Port Phillip	7%	7%	7%	7%	6%
Melbourne	11%	11%	10%	10%	0%
Moonee Valley	0%	0%	0%	0%	0%
Darebin	0%	0%	0%	0%	0%
Maribyrnong	0%	0%	0%	0%	0%
<b>M9 Average</b>	<b>14%</b>	<b>12%</b>	<b>13%</b>	<b>13%</b>	<b>10%</b>

[CONFIDENTIAL]

# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



**Figure A.1.8 M9 councils current assets as a percentage of current liabilities (2016-17 to 2020-21)**



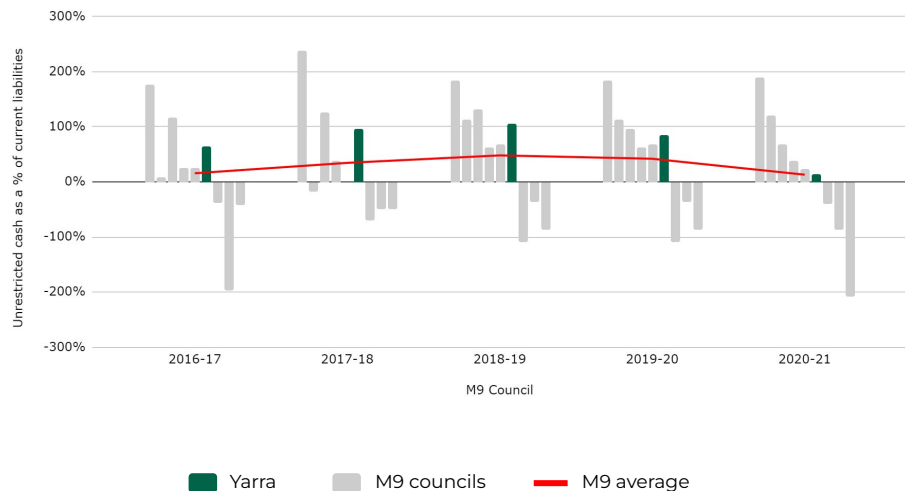
Council	2016-17	2017-18	2018-19	2019-20	2020-21
Maribyrnong	314%	408%	343%	343%	382%
Port Phillip	232%	265%	268%	268%	360%
Stonnington	321%	287%	260%	260%	272%
Moreland	267%	348%	213%	213%	263%
Hobsons Bay	216%	272%	296%	296%	209%
Darebin	260%	242%	262%	216%	172%
Moonee Valley	251%	231%	200%	200%	153%
Melbourne	230%	174%	183%	183%	130%
<b>Yarra</b>	<b>151%</b>	<b>197%</b>	<b>282%</b>	<b>247%</b>	<b>127%</b>
<b>M9 Average</b>	<b>249%</b>	<b>269%</b>	<b>256%</b>	<b>247%</b>	<b>230%</b>

[CONFIDENTIAL]

# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



**Figure A.1.9 M9 councils unrestricted cash as a percentage of current liabilities (2016-17 to 2020-21)**

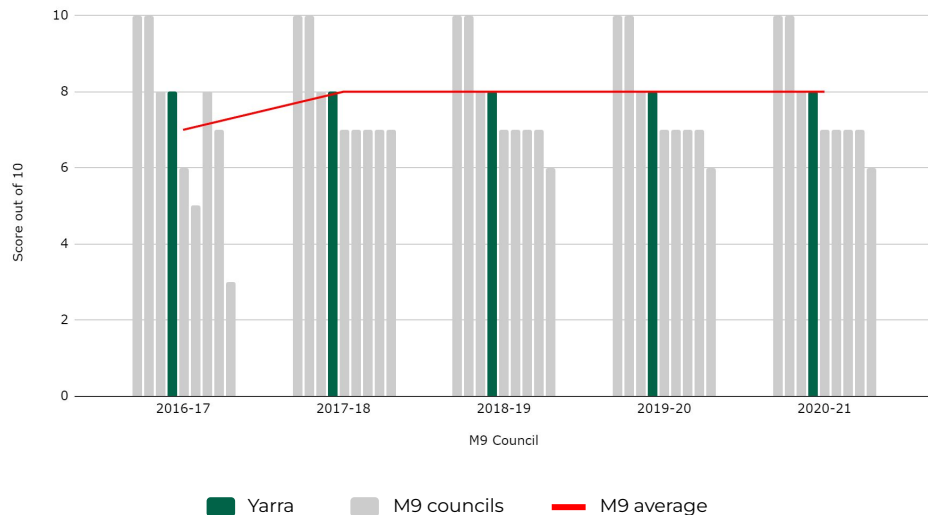


Council	2016-17	2017-18	2018-19	2019-20	2020-21
Maribyrnong	176%	238%	184%	184%	190%
Moreland	9%	-17%	112%	112%	120%
Darebin	117%	126%	131%	97%	69%
Moonee Valley	26%	38%	63%	63%	38%
Melbourne	25%	-1%	68%	68%	23%
<b>Yarra</b>	<b>64%</b>	<b>97%</b>	<b>106%</b>	<b>84%</b>	<b>13%</b>
Hobsons Bay	-38%	-70%	-109%	-109%	-40%
Stonnington	-197%	-50%	-36%	-36%	-87%
Port Phillip	-41%	-50%	-86%	-86%	-208%
<b>M9 Average</b>	<b>16%</b>	<b>35%</b>	<b>48%</b>	<b>42%</b>	<b>13%</b>

# APPENDIX A.1: BENCHMARKING TO M9 COUNCILS



Figure A.1.10 M9 councils score out of 10 measuring relative socioeconomic disadvantage of the area, with 1 being high socioeconomic disadvantage and 10 being low socioeconomic disadvantage (2016-17 to 2020-21)



Council	2016-17	2017-18	2018-19	2019-20	2020-21
Stonnington	10	10	10	10	10
Port Phillip	10	10	10	10	10
Moonee Valley	8	8	8	8	8
<b>Yarra</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>
Moreland	6	7	7	7	7
Darebin	5	7	7	7	7
Melbourne	8	7	7	7	7
Hobsons Bay	7	7	7	7	7
Maribyrnong	3	7	6	6	6
<b>M9 Average</b>	<b>7</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>

[CONFIDENTIAL]

# APPENDIX A.2: WASTE CHARGE CALCULATIONS



## Base case

Estimated costs and amount recoverable year on year with no waste charge (1.75% increase in line with rate cap<sup>1</sup>) (all figures in dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Item	2023-24 <sup>2</sup>	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Kerbside garbage collection	2,800,000	2,849,000	2,898,858	2,949,588	3,001,205	3,053,726	3,107,167	3,161,542	3,216,869
Landfill fees	2,665,000	2,711,638	2,759,091	2,807,375	2,856,504	2,906,493	2,957,357	3,009,111	3,061,770
Kerbside recycling collection	2,410,000	2,452,175	2,495,088	2,538,752	2,583,180	2,628,386	2,674,383	2,721,184	2,768,805
Recycling processing fees	927,000	943,223	959,729	976,524	993,613	1,011,002	1,028,694	1,046,696	1,065,013
Booked green waste	556,000	565,730	575,630	585,704	595,954	606,383	616,995	627,792	638,778
Booked hard waste (0.5% growth rate increase in Year 3) <sup>3</sup>	750,000	763,125	776,480	790,068	803,894	817,962	832,277	846,842	861,661
High rise (DHS) chute collections	446,000	453,805	461,747	469,827	478,049	486,415	494,927	503,588	512,401
Street litter bins	783,000	796,703	810,645	824,831	839,266	853,953	868,897	884,103	899,574
Community engagement	300,000	305,250	310,592	316,027	321,558	327,185	332,911	338,737	344,665
Street cleaning contract	3,241,000	3,297,718	3,355,428	3,414,148	3,473,895	3,534,688	3,596,545	3,659,485	3,723,526
Street cleaning in-house	800,000	814,000	828,245	842,739	857,487	872,493	887,762	903,298	919,105
Waste management administration (waste & street cleaning)	1,300,000	1,322,750	1,345,898	1,369,451	1,393,417	1,417,802	1,442,613	1,467,859	1,493,546
<b>Total waste costs</b>	<b>16,978,000</b>	<b>17,275,115</b>	<b>17,577,430</b>	<b>17,885,035</b>	<b>18,198,023</b>	<b>18,516,488</b>	<b>18,840,527</b>	<b>19,170,236</b>	<b>19,505,715</b>
<b>Year on year increase in costs</b>	<b>-</b>	<b>297,115</b>	<b>302,315</b>	<b>307,605</b>	<b>312,988</b>	<b>318,465</b>	<b>324,039</b>	<b>329,709</b>	<b>335,479</b>

[CONFIDENTIAL]

<sup>1</sup> Base case estimates are based on the assumption that the rate cap will remain constant at 1.75%; however in reality the rate cap is subject to change year on year.

<sup>2</sup> Waste cost estimates for Year 1 provided by City of Yarra.

<sup>3</sup> Estimates provided by City of Yarra included a 0.5% growth rate increase in Year 3 for 'Booked hard waste' – for consistency, we have included this assumption in our estimates.



# APPENDIX A.2: WASTE CHARGE CALCULATIONS



## Scenario 1

Estimated costs and amount recoverable year on year with waste charge and 5% waste cost increase (all figures in dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Item	2023-24 <sup>1</sup>	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Kerbside garbage collection	2,800,000	2,940,000	3,087,000	3,241,350	3,403,418	3,573,588	3,752,268	3,939,881	4,136,875
Landfill fees	2,665,000	2,798,250	2,938,163	3,085,071	3,239,324	3,401,290	3,571,355	3,749,923	3,937,419
Kerbside recycling collection	2,410,000	2,530,500	2,657,025	2,789,876	2,929,370	3,075,839	3,229,630	3,391,112	3,560,668
Recycling processing fees	927,000	973,350	1,022,018	1,073,118	1,126,774	1,183,113	1,242,269	1,304,382	1,369,601
Booked green waste	556,000	583,800	612,990	643,640	675,821	709,613	745,093	782,348	821,465
Booked hard waste (0.5% growth rate increase in Year 3) <sup>2</sup>	750,000	787,500	830,813	876,507	924,715	975,574	1,029,231	1,085,839	1,145,560
High rise (DHS) chute collections	446,000	468,300	491,715	516,301	542,116	569,222	597,683	627,567	658,945
Street litter bins	783,000	822,150	863,258	906,420	951,741	999,328	1,049,295	1,101,760	1,156,848
Community engagement	300,000	315,000	330,750	347,288	364,652	382,884	402,029	422,130	443,237
Street cleaning contract	3,241,000	3,403,050	3,573,203	3,751,863	3,939,456	4,136,429	4,343,250	4,560,412	4,788,433
Street cleaning in-house	800,000	840,000	882,000	926,100	972,405	1,021,025	1,072,077	1,125,680	1,181,964
Waste management administration (waste & street cleaning)	1,300,000	1,365,000	1,433,250	1,504,913	1,580,158	1,659,166	1,742,124	1,829,231	1,920,692
<b>Total waste costs</b>	<b>16,978,000</b>	<b>17,826,900</b>	<b>18,722,183</b>	<b>19,662,446</b>	<b>20,649,951</b>	<b>21,687,072</b>	<b>22,776,303</b>	<b>23,920,264</b>	<b>25,121,707</b>
<b>Year on year increase in costs</b>	<b>-</b>	<b>848,900</b>	<b>895,283</b>	<b>940,263</b>	<b>987,505</b>	<b>1,037,121</b>	<b>1,089,231</b>	<b>1,143,961</b>	<b>1,201,442</b>

[CONFIDENTIAL]

<sup>1</sup>Waste cost estimates for Year 1 provided by City of Yarra.

<sup>2</sup>Estimates provided by City of Yarra included a 0.5% growth rate increase in Year 3 for 'Booked hard waste' – for consistency, we have included this assumption in our estimates.

# APPENDIX A.2: WASTE CHARGE CALCULATIONS



## Scenario 2

Estimated costs and amount recoverable year on year with waste charge and 10% waste cost increase (all figures in dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Item	2023-24 <sup>1</sup>	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Kerbside garbage collection	2,800,000	3,080,000	3,388,000	3,726,800	4,099,480	4,509,428	4,960,371	5,456,408	6,002,049
Landfill fees	2,665,000	2,931,500	3,224,650	3,547,115	3,901,827	4,292,009	4,721,210	5,193,331	5,712,664
Kerbside recycling collection	2,410,000	2,651,000	2,916,100	3,207,710	3,528,481	3,881,329	4,269,462	4,696,408	5,166,049
Recycling processing fees	927,000	1,019,700	1,121,670	1,233,837	1,357,221	1,492,943	1,642,237	1,806,461	1,987,107
Booked green waste	556,000	611,600	672,760	740,036	814,040	895,444	984,988	1,083,487	1,191,835
Booked hard waste (0.5% growth rate increase in Year 3) <sup>2</sup>	750,000	825,000	911,625	1,007,346	1,113,117	1,229,994	1,359,144	1,501,854	1,659,548
High rise (DHS) chute collections	446,000	490,600	539,660	593,626	652,989	718,287	790,116	869,128	956,041
Street litter bins	783,000	861,300	947,430	1,042,173	1,146,390	1,261,029	1,387,132	1,525,845	1,678,430
Community engagement	300,000	330,000	363,000	399,300	439,230	483,153	531,468	584,615	643,077
Street cleaning contract	3,241,000	3,565,100	3,921,610	4,313,771	4,745,148	5,219,663	5,741,629	6,315,792	6,947,371
Street cleaning in-house	800,000	880,000	968,000	1,064,800	1,171,280	1,288,408	1,417,249	1,558,974	1,714,871
Waste management administration (waste & street cleaning)	1,300,000	1,430,000	1,573,000	1,730,300	1,903,330	2,093,663	2,303,029	2,533,332	2,786,665
<b>Total waste costs</b>	<b>16,978,000</b>	<b>18,675,800</b>	<b>20,547,505</b>	<b>22,606,814</b>	<b>24,872,532</b>	<b>27,365,350</b>	<b>30,108,035</b>	<b>33,125,635</b>	<b>36,445,708</b>
<b>Year on year increase in costs</b>	<b>-</b>	<b>1,697,800</b>	<b>1,871,705</b>	<b>2,059,309</b>	<b>2,265,718</b>	<b>2,492,819</b>	<b>2,742,685</b>	<b>3,017,599</b>	<b>3,320,073</b>

[CONFIDENTIAL]

<sup>1</sup>Waste cost estimates for Year 1 provided by City of Yarra.

<sup>2</sup>Estimates provided by City of Yarra included a 0.5% growth rate increase in Year 3 for 'Booked hard waste' – for consistency, we have included this assumption in our estimates.

# APPENDIX A.2: WASTE CHARGE CALCULATIONS



## Scenario 3

Estimated costs and amount recoverable year on year with waste charge and 11.92% waste cost increase (all figures in dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Item	2023-24 <sup>1</sup>	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32
Kerbside garbage collection	2,800,000	3,133,783	3,507,355	3,925,460	4,393,406	4,917,135	5,503,297	6,159,335	6,893,577
Landfill fees	2,665,000	2,982,689	3,338,250	3,736,196	4,181,581	4,680,059	5,237,960	5,862,367	6,561,208
Kerbside recycling collection	2,410,000	2,697,291	3,018,830	3,378,699	3,781,467	4,232,249	4,736,767	5,301,427	5,933,400
Recycling processing fees	927,000	1,037,506	1,161,185	1,299,608	1,454,531	1,627,923	1,821,985	2,039,180	2,282,266
Booked green waste	556,000	622,280	696,460	779,484	872,405	976,403	1,092,798	1,223,068	1,368,867
Booked hard waste (0.5% growth rate increase in Year 3) <sup>2</sup>	750,000	839,406	943,667	1,060,878	1,192,648	1,340,784	1,507,320	1,694,542	1,905,017
High rise (DHS) chute collections	446,000	499,167	558,671	625,270	699,807	783,229	876,597	981,094	1,098,048
Street litter bins	783,000	876,340	980,807	1,097,727	1,228,585	1,375,042	1,538,958	1,722,414	1,927,740
Community engagement	300,000	335,762	375,788	420,585	470,722	526,836	589,639	659,929	738,598
Street cleaning contract	3,241,000	3,627,353	4,059,763	4,543,719	5,085,367	5,691,584	6,370,067	7,129,430	7,979,315
Street cleaning in-house	800,000	895,366	1,002,101	1,121,560	1,255,259	1,404,896	1,572,371	1,759,810	1,969,593
Waste management administration (waste & street cleaning)	1,300,000	1,454,970	1,628,415	1,822,535	2,039,796	2,282,956	2,555,102	2,859,691	3,200,589
<b>Total waste costs</b>	<b>16,978,000</b>	<b>19,001,914</b>	<b>21,271,292</b>	<b>23,811,720</b>	<b>26,655,573</b>	<b>29,839,095</b>	<b>33,402,860</b>	<b>37,392,286</b>	<b>41,858,220</b>
<b>Year on year increase in costs</b>	<b>-</b>	<b>2,023,914</b>	<b>2,269,378</b>	<b>2,540,428</b>	<b>2,843,853</b>	<b>3,183,522</b>	<b>3,563,764</b>	<b>3,989,426</b>	<b>4,465,934</b>

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<sup>1</sup>Waste cost estimates for Year 1 provided by City of Yarra.

<sup>2</sup>Estimates provided by City of Yarra included a 0.5% growth rate increase in Year 3 for 'Booked hard waste' – for consistency, we have included this assumption in our estimates.

# VAGO CORPORATE SERVICES CATEGORIES



CORPORATE SERVICES FUNCTION	DESCRIPTION
<b>Executive</b>	Directors, general managers and/or executive managers with oversight of corporate services
<b>Managers &amp; coordinators</b>	Managers, coordinators and/or team leaders with oversight of corporate services
<b>Finance &amp; rates</b>	Rates, insurance, audit management, audit committee management, time sheet processing, payroll processing, valuation services, rates notice printing, accounts payable and receivable, bank reconciliation, general and project accounting, asset accounting, budget management, financial controls, external and internal reporting, finance projects, case management, bank fees—excludes borrowing cost
<b>Human resources</b>	Recruiting, onboarding, learning and development, performance, position management, succession planning, workforce and resource planning, industrial relations, employee relations, rewards and recognition, consultation committee engagements, human resources projects
<b>IT</b>	Business systems, hardware, multifunction devices/photocopiers, IT equipment, telecommunications, data security, disaster recovery, geographical information services, other IT projects
<b>Records management</b>	Records management and mail management
<b>Communications</b>	Advertising community engagement support, digital media management, internal communications, media relations
<b>Customer service, councillor support &amp; executive support</b>	Inbound communication management including call centres, cashier services, stationary management, VicRoads and other agency services, executive support, councillor support and administration
<b>Governance, strategy &amp; risk</b>	Council plan and strategic resource plan management, annual report development, LGPRF reporting, business intelligence, workplace health and safety, risk management, claims management, insurance management, business continuity management
<b>Corporate facilities</b>	Maintenance of furniture and equipment, cleaning, rent, lighting and heating in council chambers, reception areas, council headquarters/office buildings, dedicated service centres
<b>Corporate membership, permits &amp; license</b>	Membership fees—for example, MAV, LGPro, FinPro
<b>Other non-corporate/ governance functions</b>	Corporate or governance employees who cannot fit into the above categories—for example, costs associated with redundancies or elections

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# APPENDIX B REVIEW CONSULTATIONS

# APPENDIX B.1: CONSULTATIONS

## LIST OF CONSULTATIONS

NAME	POSITION	DATE
[REDACTED]	Director Corporate, Business and Finance	08/04/2022
[REDACTED]	Mgr. Social Strategy & Community Development	08/04/2022
[REDACTED]	Coordinator Business Planning and performance	11/04/2022
[REDACTED]	Acting Director City Works and Assets	11/04/2022
[REDACTED]	Manager infrastructure, Traffic & Civil Engineering	11/04/2022
[REDACTED]	Mgr. Corporate Planning and Performance	11/04/2022
[REDACTED]	Municipal Monitor	11/04/2022
[REDACTED]	Manager City Works	12/04/2022
[REDACTED]	Manager Buildings and Asset	12/04/2022
[REDACTED]	CFO (Finance, Rates, Procurement)	12/04/2022
[REDACTED]	Manager Financial services	12/04/2022
[REDACTED]	Acting Director Community Wellbeing	12/04/2022
[REDACTED]	Group Manager CEO Office	12/04/2022
[REDACTED]	Senior Coordinator Property services	12/04/2022
[REDACTED]	Manager Recreation and Leisure services	13/04/2022
[REDACTED]	Group Manager People and Culture	13/04/2022
[REDACTED]	Director Planning and Place Making	14/04/2022
[REDACTED]	Interim CEO, Substantive role Director City Works and Assets	14/04/2022
[REDACTED]	Manager City Strategy	14/04/2022
[REDACTED]		14/04/2022

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# APPENDIX B.1: CONSULTATIONS

## LIST OF YARRA DISCOVERY WORKSHOP ATTENDEES

NAME	POSITION
[REDACTED]	Manager Aged and Disability Services
[REDACTED]	Manager City Strategy
[REDACTED]	Manager Organisational Culture, Capability & Diversity
[REDACTED]	Unit Manager Strategic Communications and Engagement
[REDACTED]	Group Manager, Advocacy, Engagement and Communications
[REDACTED]	Acting Chief Executive Officer
[REDACTED]	Manager Financial Services
[REDACTED]	Director Corporate, Business and Finance
[REDACTED]	Manager Library Services
[REDACTED]	Acting Director City Works and Assets
[REDACTED]	Group Manager People and Culture
[REDACTED]	Unit Manager, Digital Communications and Marketing
[REDACTED]	Manager Corporate Planning and Performance
[REDACTED]	Manager Human Resources Services
[REDACTED]	Acting Manager Family Youth and Children's Services

NAME	POSITION
[REDACTED]	Acting Director Community Wellbeing
[REDACTED]	Manager Social Strategy & Community Development
[REDACTED]	Manager Statutory Planning
[REDACTED]	Strategy and Transformation Lead - Yarra CityLab
[REDACTED]	Manager City Works
[REDACTED]	Senior Coordinator Asset Management & Capital Works
[REDACTED]	Manager Infrastructure Traffic Construction & Engineering
[REDACTED]	Municipal Building Surveyor
[REDACTED]	Manager Customer Service
[REDACTED]	Manager Recreation and Leisure Services
[REDACTED]	Unit Manager Strategic Transport
[REDACTED]	Unit Manager Arts, Culture and Venues
[REDACTED]	Manager Compliance and Parking
[REDACTED]	Chief Financial Officer

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# APPENDIX B.1: CONSULTATIONS

## LIST OF YARRA CO-DESIGN WORKSHOP ATTENDEES

NAME	POSITION
[REDACTED]	Manager City Strategy
[REDACTED]	Group Manager, Advocacy, Engagement and Communications
[REDACTED]	Director City Development
[REDACTED]	Acting Chief Executive Officer
[REDACTED]	Manager Financial Services
[REDACTED]	Acting Director City Works and Assets
[REDACTED]	Group Manager People and Culture
[REDACTED]	Manager Building and Asset Management
[REDACTED]	Unit Manager, Digital Communications and Marketing
[REDACTED]	Manager Corporate Planning and Performance
[REDACTED]	Acting Manager Family Youth and Children's Services
[REDACTED]	Acting Director Community Wellbeing
[REDACTED]	Manager Information Services
[REDACTED]	Strategy and Transformation Lead - Yarra CityLab

NAME	POSITION
[REDACTED]	Senior Coordinator Asset Management & Capital Works
[REDACTED]	Manager Infrastructure Traffic Construction & Engineering
[REDACTED]	Manager Customer Service
[REDACTED]	Manager Recreation and Leisure Services
[REDACTED]	Unit Manager Strategic Transport
[REDACTED]	Unit Manager Arts, Culture and Venues
[REDACTED]	Manager Compliance and Parking
[REDACTED]	Chief Financial Officer

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# APPENDIX C REFERENCES

## REFERENCES

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