

Bayside City Council



Annual Report 2022-23



Council is committed to transparent reporting and accountability to the community. This Report of Operations is a key means of informing the Bayside community about Council's operations and performance during the financial year 2022-23.



Introduction

Welcome to the report of operations 2022-23

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Acknowledgement of Traditional Owners

Bayside City Council proudly acknowledges the Bunurong People of the Kulin Nation as the Traditional Owners and Custodians of this land, and we pay our respects to their Elders, past, present and emerging.

Introduction

Snapshot of council

The area now known as Bayside was originally inhabited by the Bunurong people of the Kulin nation. The coastal land from Brighton to Mordialloc is the traditional country of the Ngaruk Willam clan of Kulin nation.

Bayside City Council is located south of Melbourne, along Port Phillip Bay, which forms the western boundary of Bayside, while the Nepean Highway and the Melbourne to Frankston railway line form most of the eastern boundary. The northern boundary, along Glen Huntley Road, is just eight kilometres from Melbourne's central business district. The city, covering an area of 37 square kilometres, comprises the former cities of Brighton and Sandringham, and parts of the former cities of Mordialloc and Moorabbin.

Renowned for its quality of life, Bayside is characterised by unique and appealing villages, sandy beaches, coastal environments, lush parklands, quality residential areas, a vibrant arts scene and a proud, colourful history which is reflected in our heritage buildings and sites.

Bayside City Council was created on 14 December 1994, and is home to more than 102,101 individuals, which after a decade of steady increase, saw a modest population reduction in the 2021-2022 years, along with much of Melbourne.

Demographic profile

- The City of Bayside is adjoined by the Cities of Port Phillip, Glen Eira and Kingston, and encompasses all or part of the suburbs of Beaumaris, Black Rock, Brighton, Brighton East, Cheltenham, Hampton, Hampton East, Highett and Sandringham.
- It has an estimated residential population of 102,101 people (as at 30 June 2022) and 27.7% are aged 60 years and over.
- Over seven out of ten (73%) of Bayside residents were born in Australia, but residents were born in more than 91 countries and speak more than 67 languages at home with the predominant languages being Mandarin, Greek, Russian and Italian.
- Just over a quarter (27.6%) of Bayside City Council's residents work within the municipality, just under a quarter (22.8%) work in the City of Melbourne and another 21% work in neighbouring municipalities of Kingston, Glen Eira and Port Phillip.
- 45% of Bayside City Council households have an income in the top 25% for Victoria.

Purpose

Bayside City Council is constituted under the *Local Government Act 2020* to provide leadership and good governance to the municipal district for the benefit and wellbeing of the local community.

Council's roles under the Act include:

- making decisions and actions in accordance with relevant laws
- promoting Bayside's economic, social and environmental sustainability, including mitigation and planning for climate change risks
- ensuring the ongoing financial viability of Bayside City Council
- ensuring transparency of Council decisions, actions and information.

Council must fulfil its obligations in the performance of its role by giving effect to the following overarching governance principles and supporting principles:

- community engagement – actively engaging with our community on key decisions and encouraging active participation in civic life
- strategic planning – providing leadership by establishing strategic objectives and monitoring achievements
- public transparency – reporting openly on activity and performance and being accountable to our community
- financial management – ensuring resources are managed in a responsible and accountable manner
- service performance – delivering service value through appropriate and well-planned services taking into account the diverse needs of our community in decision-making.
- Council Vision – To partner with our community to protect and care for the community of life in Bayside making an inclusive, active, healthy, connected and creative experience for all.



Kilometres of local roads maintained



369

New trees planted



2,300

Graffiti removal requests completed



9,860

Kilometres of stormwater pipes maintained



410

Kilometres of footpaths maintained



738

Bayside Fast facts

Written submissions



141

Planning decisions



1,110

Customer Service interactions



1,490,561

Website 1,098,806

Phone calls 333,290

Bins lifted/emptied



3,881,239

Tonnes of waste collected
(garbage, recyclables and green waste)

39,676

Volunteering
hours



21,784

Meals
delivered



33,188

Library collection
items borrowed



688, 534

Community
facility bookings



1,556

Rateable
properties



46,877

Animal
registrations



15,832

Hours of in home support provided



97,563

Groups assisted by
annual Community
Grants



114

Requests to be
heard at Council and
Committee meetings



207

Introduction

Highlights of the year

Goal 1 Our Planet

As custodians, we will lead, act and advocate on the critical issues of environmental sustainability and climate emergency, and on our shared responsibility to care for and protect Earth's vitality, diversity, beauty and the community of life.

Achievements

- Bayside City Council operations achieved Carbon Neutral Certification for the third consecutive year.
- We progressed the Urban Forest Strategy to support community adaption to climate change through increased tree canopy. This includes an increased tree planting program, review of the Tree Protection on Private Property Policy, the Urban Forest Precinct Plan Template to support the priorities for localised vegetation planting, and the realignment of the vegetation removal assessment permit approval service.
- Protection and enhancement of our local biodiversity through the Habitat Linkage Plan, a diverse tree and understory vegetation planting program on public land, ecological burns at Balcombe reserve, and interventions to protect local fauna and discourage pest species.
- Continuing the planning, design and implementation of the masterplan for Yalukit Willam Nature Reserve and wetlands which provides amenity, supports biodiversity, enhances water filtration and reduces flooding.
- Changed bin collection schedules resulting in a 12% increase in the amount of waste being diverted away from landfill, both reducing our contribution to carbon emissions and mitigating the increasing cost of landfill.
- Updated Fleet policy to encourage a greater adoption of EVs in Council fleet.
- Launched Council's Climate Emergency Community Activation Campaign – "Love Bayside, Go for Zero".
- Successful transfer of the Highett Grassy woodland to Council – formalising the return of this open space to residents and protecting an important piece of remnant habitat and local species.

Goal 2 Our People

We will plan and advocate for a Bayside where our diverse communities and people can thrive, live healthy and active lives, fostering inclusion and participation through holistic, innovative approaches to economic and social wellbeing.

Achievements

- Council's highly successful expanded Aged Care program. The Home Care Packages program operates at no cost to Council and has 253 active packages at 30 June 2023 exceeding the target. There continues to be a strong desire by the Bayside community to receive their aged care services from Council. Participants' surveys show a 97% satisfaction with the service.
- Launch of Council's Innovate Reconciliation Action Plan 2022-2024 and implementation of the first year actions.
- Successful return of a number of cultural, community and other festive events such as Christmas Carols, Autumn Fest and Opera in the gardens, the sold out Shakespeare in the pub activating the local economy, celebrating arts and culture and providing opportunities for community connection.
- Bayside's successful Chatty Cafe Governance Model was adopted and expanded to neighbouring councils including Cities of Glen Eira, Stonnington and Boroondara and other municipalities.
- Launch of Council's new volunteering hub with increase in users, connecting volunteer organisations and local volunteers.
- Strong participation in diverse youth programs including the wonderful Bayside Youth Awards recognising the contribution and achievements of local young people.
- Launch of the new Strategy for Arts, Culture and Libraries 2023-2027.
- A highly successful forum for local sport and recreation clubs to engage and support these important community groups in a range of issues to encourage access, participation and successful operation including gender equity, responsible service of alcohol, volunteering and child safety requirements.
- Advancing community resilience including establishing a Community Safety committee with other agencies, developing a Resilience Action Plan and drafting a Hoarding and Squalor Protocol.
- Successful, well attended reconciliation week events including: flag raising, Ellen Jose awards and guest speaker Josh Toscano; Library Services hosting a smoking ceremony, Djirri Djirri dancers, Mabu Mabu catering and a writing workshop with Tony Birch.

Goal 3 Our Place

Our open space and foreshore, our facilities and the built environment are highly valued, shared and enhanced to ensure their sustainability, use, liveability, character, and amenity for current and future generations.

Achievements

- The Urban Canvas festival – 30 Murals (from 30 different artists) participated across the 6 Councils. Bayside City Council successfully managed and steered the direction of this initiative and increased the participation from all Inner South Councils. This program was designed both beautify and discourage graffiti in streetscapes.
- Enhancing the liveability of our city through upgrades and asset maintenance projects valued at over \$8.76M including 1.4km of drainage, 63,000m² of road asphalt, 4.62km of kerb and channel.
- \$52.5M of capital works for 2022-23 delivering contemporary fit for purpose community infrastructure including progress on major projects such as Brighton Recreation Centre, Fern Street Childrens Centre, North Brighton Childrens Centre, Black Rock SLSC, and Tulip Street basketball centre as well as many other projects such as a new foreshore staircase at Gordon Crescent.
- Delivering Bayside Integrated Transport Strategy including continued Bay Trail separation, and work to introduce electric vehicle charging stations in selected activity centres.
- Adoption of the Parking Strategy to ensure Council maximises the utilisation of existing parking resources to ensure sufficient parking opportunities are available for those who need it, whilst also promoting sustainable transport modes that are inclusive for all within the Bayside community.

Goal 4 Our Promise

We will engage with and represent for all in our community, and provide ethical, open and accountable stewardship of the Bayside municipality and deliver sustainable services that meet the vision and needs of the current and future generations of Bayside.

Achievements

- Successful advocacy program resulting \$11M (\$5M received) in federal and state grants to the Yalukit Willam Nature Reserve, and the extension of the Dingley recycled water pipe.
- High levels of community engagement across 28 projects open for feedback totalling nearly 50,000 interactions (45,783 visitors to Have Your Say; 2,415 online contributions, 1,480 face to face conversations).
- Successful implementation of elements of our customer experience program with the Voice of Customer surveys (targeted follow up and feedback) and launch of the live chat on Council website (rapid uptake with 95% satisfaction).
- Yalukit Willam Nature Reserve Committee of Management and Billilla Advisory Committee, and the Reconciliation Advisory Committee were established with Terms of Reference adopted by Council.
- Council's Enterprise Agreement was endorsed providing a contemporary basis for employee relations designed to attract and retain competent and engaged staff in a competitive labour market.
- Successful transition to a new recruitment and onboarding system supported by Recruitment training to provide an inclusive, seamless and engaging experience to attract and secure employees.
- We achieved strong results in the annual Employee Engagement survey and our Community Satisfaction survey. Both results demonstrate the impact of a positive work culture committed to providing services to meet our customers' and ratepayers needs.

Introduction

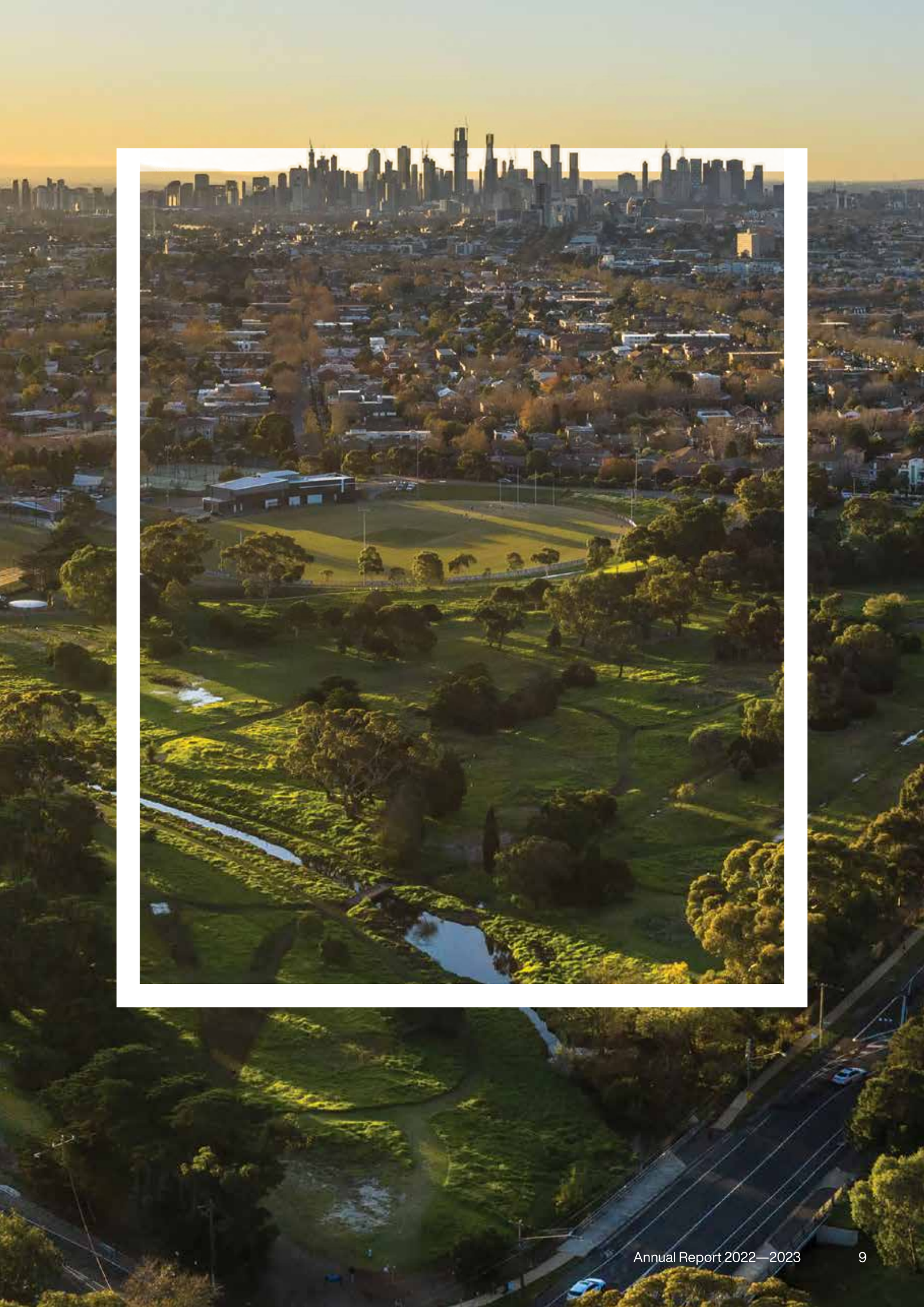
Challenges and future outlook

Challenges

- Continuing to encourage reductions in carbon emissions and other impacts of climate changes in our community to achieve 75% reduction by 2030 and net zero emissions by 2035.
- Protecting biodiversity and vegetation loss especially on private land, coastal erosion and other impacts to flora and fauna despite protective controls and Council's planting program.
- Ensuring care and support for vulnerable members of the community experiencing disadvantage, family violence and physical and mental challenges affecting people of all ages.
- Planning for an aging population and the future threats to vulnerable people (particularly older and young) from increased heat waves and other public health threats.
- Delivering the Capital Works program challenged by rising costs, labour shortages and contractor liquidation.
- Meeting the demand for aged care with staffing resource challenges while ensuring high standards of quality care are maintained.
- Delivering fair and workable planning controls including Heritage and ESD protections and neighbourhood character in the context of state planning requirements.
- Aligning state government and local expectations while planning for population growth to ensure quality and density of development is managed within those expectations.
- Council's financial sustainability in a rate-capped environment needed to be preserved, primarily through a greater emphasis on advocating for state and federal government funding.
- Maintaining a robust cyber security posture in face of increasing cyber security threats.
- An increasingly difficult insurance market with pressures on premiums, despite strong performance by Bayside.

The future

- Explore neighbourhood battery locations, and trial pole mounted EV chargers
- Review the Open Space Strategy, Biodiversity Action Plan and develop an Ornamental Lake Management Plan
- Implement Municipal Health and Wellbeing Plan and other strategic plans and programs to drive access, inclusion, health and wellbeing of all community members.
- Expand the Footpaths renewal program by adding an additional \$1 million worth of works.
- Undertake flood mapping for the municipality.
- Continue to drive our Urban Forest Strategy to improve amenity and climate resilience for our community.
- Progress or complete some key community projects commenced in 2022- 23 including Beaumaris Arts Studio, Dendy Street Beach SLSC, Gateway building and Wetlands at Yalukit Willam Nature Reserve , Wangara Road Masterplan, and Highett Grassy Woodland Masterplan.
- Commence the design of the warm water pool.
- Implement Playground Improvement Plan.
- Finalise and commence the Economic Development, Tourism and Placemaking Strategy.



The year in review

Mayor's message

It has been an honour to serve as Mayor of Bayside City Council in this year of consolidation when we have focused on delivering services and community infrastructure in a challenging environment.

A top priority has been maintaining a strong foundation of infrastructure to ensure that Bayside remains a liveable community. This includes prioritising upgrades to roads, footpaths and drains, as well as managing waste, street cleaning and graffiti removal to improve the overall cleanliness of our city.

Our efforts are paying off, with great results reported in the annual Community Satisfaction Survey. Overall satisfaction with our performance rose to 7.1 out of 10, with 88.5% of respondents reported as satisfied. This places Bayside as one of Victoria's top-performing councils, as rated by their local community.

I am incredibly proud of our expansion of aged care services this year. The growth in our team and service offering means more Bayside residents can receive support from our wonderful care workers and age independently and safely at home. This is particularly important for our ageing community, with more residents aged 85+ years than the Melbourne average.

In recent times, the significance of having access to natural open spaces has become even more apparent. I am especially pleased with our progress in expanding open spaces. Notable achievements include planning for pocket parks in Brighton, continued development of Yalukit Willam Nature Reserve, improved landscape works at Elsternwick Park south, installation of seniors' exercise equipment at Wilson Reserve and the successful transfer of Highett Grassy Woodland to the community and Council after years of dedicated advocacy.

Our investment in contemporary, fit-for-purpose community infrastructure has continued this year, despite challenges in the construction industry. With many legacy projects underway, this year's \$52.5 million investment in capital works sets the scene for delivering facilities our community will use and enjoy for years to come. These include the construction of the North Brighton and Fern Street Children's Centres, Brighton Recreational Centre, progressing the design of the new Warm Water Pool, and restoration and activation of Billilla Mansion.

The challenges in the building industry have impacted on the construction of the Dendy Beach Pavilion incorporating the Brighton Life Saving Club. This has been frustrating for Council and Brighton Life Saving Club; however, I'm pleased to say that construction has begun once again, and we look forward to the completion of the pavilion in a timely manner.

As a local business owner and Councillor, I am passionate about maintaining a thriving local economy and vibrant retail precincts. I am pleased to see a range of initiatives to achieve this, including increased street cleaning, murals to deter graffiti, new street furniture, and collaboration with our arts and culture team to activate our retail centres and iconic facilities.

Another wonderful aspect of being Mayor is the honour of welcoming over 690 new Australian citizens to the Bayside community through 9 citizenship ceremonies held throughout the year. They are wonderful happy events to officiate.

As Mayor, I feel very privileged to be able meet with many committed local volunteer groups and community groups who give their time so freely. This includes the army of volunteers that ensure our community centres are busy and thriving, sporting clubs are active and provide much need to support to our vulnerable community members.

I thank my fellow councillors, local businesses, community groups, and council officers for their contributions to improving the liveability and amenity of our municipality. Bayside is an extraordinary place to live, work and play and I commend this report on our progress over the past year to maintain, protect and foster our city by the bay.


Thank you



Cr Hanna El Mouallem
Mayor



As a local business owner and Councillor, I am passionate about maintaining a thriving local economy and vibrant retail precincts.

A man with grey hair, smiling, wearing a dark blue suit, white shirt, and a patterned tie. He is standing outdoors with a blurred background of green trees and foliage. The image is framed by a white border.

Ongoing efforts to improve our customers' experience led to more ways to engage with us in the way that best suits you.

CEO's message

On behalf of Bayside City Council, I am pleased to present the Annual Report for 2022-23.

This year Council has delivered some excellent outcomes for our community, most notably 85% of commitments in the third year of the Council Plan. We're looking forward to delivering our remaining commitments delayed by resourcing supply and weather during the first quarter of 2023-24.

The goal Our Planet is a strong driver for this Council, with responding to the climate emergency and Council's target to reach net zero community emissions by 2035 our two key deliverables. Our Love Bayside community activation campaign and change in waste collection schedules, leading to diversion rates of 71% of waste to landfill, are just two long-term programs that will help Council and the community work towards a carbon-neutral future.

The implementation of our Urban Forest Strategy is another significant Council Plan commitment. Our goal to plant more than 3,000 trees each year to cool and green our land and streetscapes was evident across Bayside. It is very pleasing to see this new urban forest bud into life.

We made strong progress towards delivering some fantastic assets for all in our community through an ambitious \$52.5 million capital program. Despite the challenging environment, we're closer to completing significant capital works, including Dendy Beach Pavilion, Brighton Recreational Centre, Tulip Street Basketball Stadium extension, Black Rock Life Saving Club – to name a few.

Ongoing efforts to improve our customers' experience led to more ways to engage with us in the way that best suits you. We developed innovative approaches to serving our community – our reimagined library services embody this approach with our extended hours Branch Out library at Hampton and 24-hour library lockers at Hurlingham Park, as well as adding live chat to our website.

A strong focus on bringing our community together was reflected in the success of Chatty Café, the triumphant return of Christmas Carols in the Park after a two-year hiatus, events in our open spaces, the relaunch of the Bayside Business Network and volunteering initiatives. Helping our community thrive means creating such opportunities for celebration and connection.

Expanding our aged care services has been an ongoing achievement this year, delivering peace of mind and increased quality of life to some of our most vulnerable residents and their families. With a 97% client satisfaction rate, Bayside Care and Support demonstrates Council's commitment to our valued older residents.

Strong and improving results across our annual Community Satisfaction Survey show that in terms of delivering what our residents expect of us, we are at the leading edge of the Victorian local government sector. These results are mirrored in our employee engagement survey, showing that we are an employer of choice within our sector and beyond. Our innovative Enterprise Bargaining Agreement with a commitment to flexible, hybrid and balanced employment conditions means that we can attract top talent to deliver on our community's changing needs.

Council's financial position also remains strong with more than \$3.8 billion of community assets under our stewardship. Operating expenditure was tightly controlled, and we are in the relatively unique position of being debt free and unaffected by rising interest rates. This is the result of prudent financial management over a number of years that places us in a robust position to fund the refurbishment and replacement of community assets.

I would like to take the opportunity to acknowledge Council, our staff and many partners who have contributed to delivering for our community this year.



Mick Cummins
Chief Executive Officer

The year in review

Financial summary

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

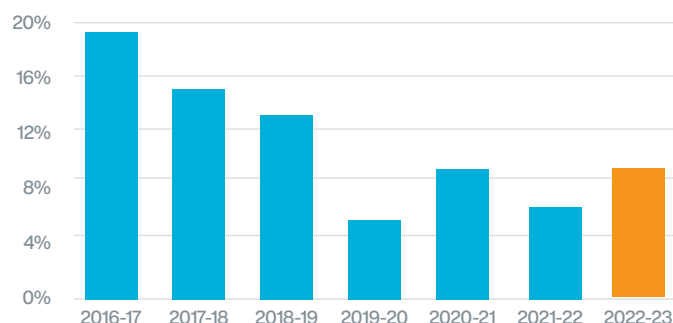
The Financial Statements are a general-purpose financial report compliant with Australian Accounting Standards, the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2014. Consistent with the regulations, these statements are prepared in accordance with the Local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

Operating position

Council achieved a surplus of \$34.6 million which was \$15.2 million favourable to budget due to a number of one off items and timing issues including non-monetary contributions of \$9 million which reflects the value of land transferred from the developer of the old CSIRO site in Highett as part of their purchase contract with the Commonwealth, Commonwealth Grants \$0.9 million paid in advance, and drainage and open space development contributions paid by developers which are placed in restricted reserves for future open space and drainage improvement projects. Council also benefited from the Reserve Bank's aggressive increase in interest rates which resulted in interest income from investments being \$3.6 million favourable to budget. This additional interest income was used to fund increases in materials, services and construction costs driven by inflationary pressures as well as increased investment in bread-and-butter services including footpath maintenance and pressure washing, building maintenance and street sweeping costs.

The adjusted underlying surplus after removing non-recurrent capital grants and capital contributions is a surplus of \$14 million or 9% when compared with adjusted underlying revenue. Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to maintain and renew the \$3.8 billion of community assets under Council's control.

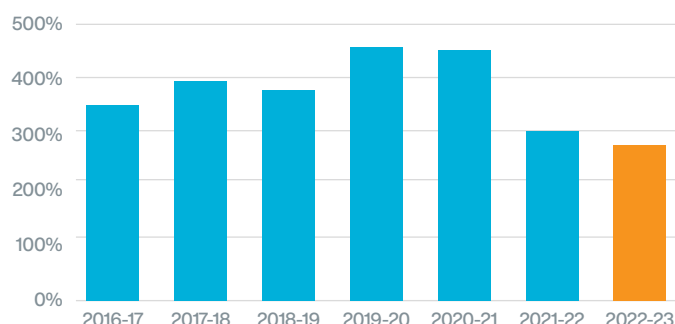
Adjusted underlying result ratio %



Liquidity

The working capital ratio which assesses Council's ability to meet current commitments is calculated by measuring Council's current assets as a percentage of current liabilities. The result of 283.9% is an indicator of a strong financial position. The decline in recent years reflects Council strategy to draw down on its cash reserves to fund its ambitious asset replacement program.

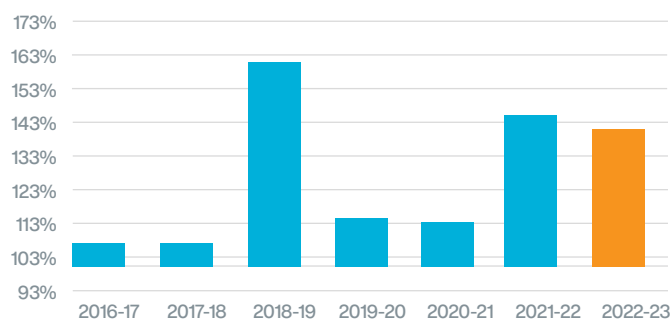
Working capital ratio %



Obligations

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels required to deliver the services needed by the community. Council invested \$52.5 million in capital works during the 2022-23 year, continuing Council's delivery on its accelerated capital program funded from a combination of Council rates, external funding, and reserve allocations. Council remains debt free, and this is reflected in the nil debt ratio measured by comparing interest-bearing loans and borrowings to rate revenue. Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 141.4% and reflects Council's accelerated capital works program.

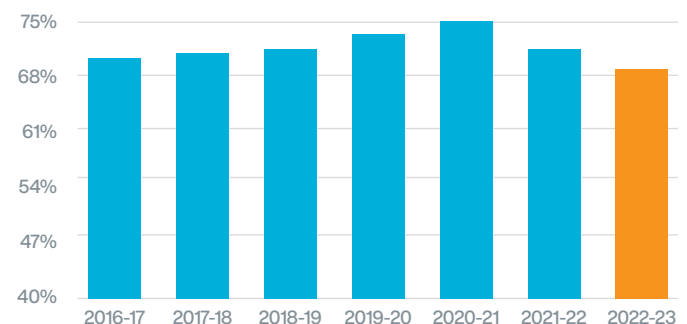
Asset renewal ratio %



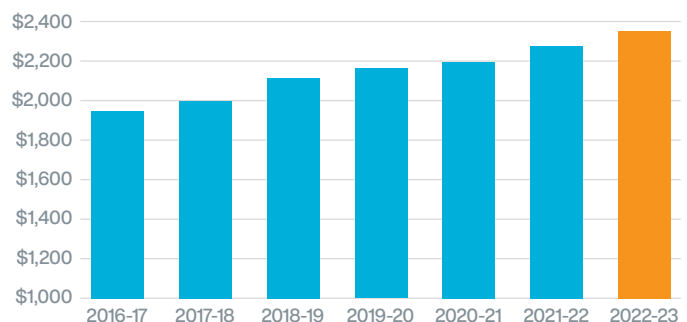
Stability and efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Despite this, Council's rates concentration which compares rate revenue to adjusted underlying revenue, was 69.3% for the 2022-23 year which is slightly less than prior years. The decrease is due to an increase in Council's other revenue including fees and charges, fines revenue, interest income and commercial rentals reflecting the easing of restrictions associated with COVID-19. The average residential rate per residential assessment is \$2,338 which compares equally to similar councils in the inner metropolitan area.

Rates concentration ratio %



Rates level ratio

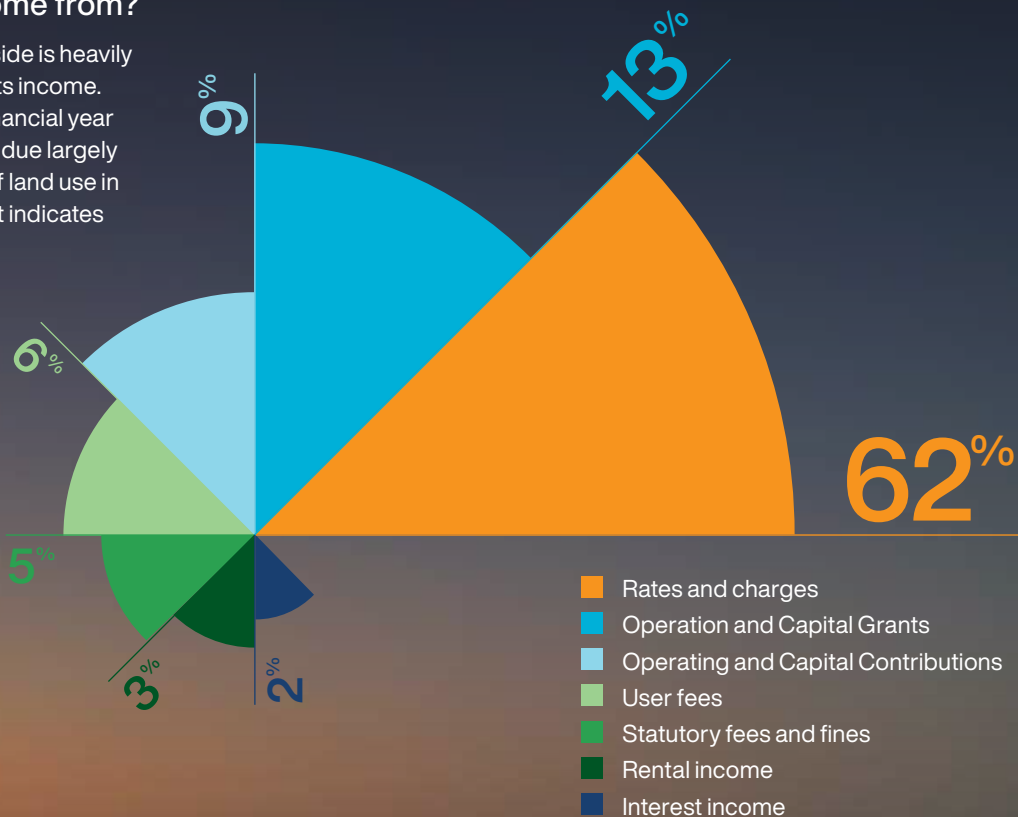


Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels required to deliver the services needed by the community.

The year in review

Where does the money come from?

Compared with most councils, Bayside is heavily dependent upon rate revenues for its income. Rate revenue during the 2022-23 financial year made up 67% of total income and is due largely to the residential suburban nature of land use in our municipality. The following chart indicates Council's revenue streams.



Where does the money go?

Rates and charges collected by Council help fund more than 100 community services and programs and Council's capital program.

For every \$100 of expenditure,

Council delivers the following services:

Capital Works

\$31.70



Parks & Leisure

\$10.30



Aged Services

\$8.30



Planning & Amenity

\$9.30



Environment & Waste

\$10.60



Libraries, Arts & Culture

\$3.30



Roads & Drainage

\$13.40



Properties & Facilities

\$10.80



Family Services

\$2.30



Cost Shifting from state and federal governments

What is cost shifting?

Cost shifting from state and federal governments continues to be a major problem for local government in Victoria. Cost shifting occurs when other levels of government:

- fail to increase the recurrent grants to local government to match the increasing cost of providing services, eroding the grants real value
- introduce new taxes, levies or charges on services councils provide
- shift responsibility for services to local government without providing the funding needed to discharge that responsibility
- introduce new laws or regulations that require councils to spend money on compliance
- restrict the increase in fees and charges for various services provided by councils to a level less than the increase in the cost of providing those services.

The major cost shifts in 2022-23 were as follows:

Type 1: Cost shifting for specific services

Library Services – the impact on Council for 2011-12 to 2022-23 was \$26 thousand.

Type 2: Loss of funding

A freeze on indexation of the federal financial assistance grants. The Commonwealth paused indexation of the total national pool of financial assistance grants to local government for three years (2014-15, 2015-16, 2016-17). The cumulative impact on Council for 2022-23 was \$1.1 million.

Type 3: Statutory fee that prohibits full cost recovery.

The historical freeze on indexation of planning fees has resulted in revenue foregone for 2022-23 of \$1.18 million. Indexation was re-introduced from 2016.

Type 4: Levies

State Government landfill levy has increased from \$9 per tonne in 2008-09 to \$125.90 per tonne in 2022-23 with a 190% increase just in the last 3 years. The levy paid by Council in 2022-23 was \$1.7 million.

Animal registration levy was \$72 thousand in 2022-23.

Rates and charges collected by Council help fund more than 100 community services and programs and Council's capital program.

The year in review

Description of operations

Bayside City Council is responsible for more than 100 services. This broad range of community services and infrastructure supports the wellbeing and prosperity of our community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan and the associated Budget 2022-23 and reported upon in this document.

The delivery of services, facilities, support and advocacy to achieve our strategic goals and objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under the Victorian and Australian legislations.

Refer to the section on Our Performance for more information about council services.

List of services

City Planning and Amenity Division

Amenity Protection

- Local Laws and Parking (includes Animal Management and School Crossings)
- Planning Investigations
- Infringement Review, Service and Efficiency
- Environmental Health & Food Safety

Development Services

- Asset Protection
- Development Services Administration
- Municipal Building Services
- Statutory Planning

Urban Strategy

- Economic Development
- Strategic Planning

Community and Customer Experience

Community Care

- Aged and Disability Services
- Community Services Planning & Development
- Home Care Packages
- Sector Development

Communications, Engagement and Customer Experience

- Community Engagement
- Communications
- Customer Experience

Family, Youth and Wellbeing Services

- Children and Youth
- Community Wellbeing
- Family Services
- Policy and Development

Libraries, Cultural and Customer Services

- Arts and Culture
- Customer Services
- Library Services

Corporate Services

Commercial Services

- Workplace Health, Safety and Wellbeing
- Procurement
- Property and Lease Management
- Risk

Enterprise Project Management Office

- Enterprise Project Management Office

Finance

- Accounting Services
- Fleet Management
- Rates & Revenue

Governance

- Governance Administration
- Corporate Planning & Reporting

Information Technology

- Corporate Records
- IT Projects, Data & Applications
- GIS
- Infrastructure and Support

Environment Recreation and Infrastructure

Climate, Waste and Integrated Transport

- Climate and Environmental Sustainability
- Traffic Management
- Transport Planning
- Recycling and Waste Management

City Assets and Presentation

- Assets and Investigations
- Facilities
- Infrastructure
- Projects
- Emergency Management

Open Space and Recreation

- Open Space
- Recreation and Events

Project Services

- Capital Projects
- Capital Developments

People and Strategy

People and Strategy

- HR, Talent and Business Partnering
- Payroll
- Strategy Learning and Culture

Major organisation changes

In 2022-23 Council committed to expand its provision of aged care in delivering home care packages. This has required and increased staffing and quality assurance as well as robust business modelling and reporting. To support this decision the department responsible has been renamed Community Care and some services were transferred into a new department Family, Youth and Community Wellbeing.

The new department now consolidates the responsibility for community connection, development and wellbeing into one department, combining Family, Children and Youth services from the former Community Services and the Community Wellbeing service from the Open Space and Recreation department.



Carla Gottgens, *Half time*, 2022, Peterson Reserve, Highett

The year in review

Awards and recognition

Bayside Australia Day Awards

The Bayside Australia Day Awards for 2023 were held in the evening of Australia Day at the Sandringham Yacht Club and was attended by 190 members of the community. The Australia Day Awardees for 2023 were:

Ada Djajamihardja	Citizen of the Year
Felicia Andronicou	Young Citizen of the Year
John Douglas OAM	Senior Citizen of the Year
Hampton Community Centre – Nourish Program	Community Event of the Year
Susanne Motherwell	Environment Award for an Individual
Royal Melbourne Golf Club	Environment Award for an Organisation / Community Group

Bayside Acquisitive Art Prize

The Bayside Acquisitive Art Prize is one of Australia's most significant annual prizes for painting. It was established in 2015 and each year adds an exceptional contemporary painting to the Bayside Art and Heritage Collection. The prize aims to promote art and artists as a valuable part of the Bayside community. In 2023 the Award winner was Louise Tate for her work 'Self-portrait with strawflower'. The Bayside Local Prize was won by Lorna Quinn, with 'Like an oyster' and 370 people voted for the people's choice Award which was won by Ches Mills with 'Altered state'.



Public exhibitions at Bayside Gallery

Exhibitions

2022

2 July – 28 August	Ellen José Art Award
3 September – 23 October	Eyes that see Collection of Norman Rosenblatt Past lives: Bayside Stories
29 October – 18 December	Somewhere to someone Mark Forbes & Rowena Meadows Threshold Dirk de Bruyn, Guy Grabowsky, Mat Hughes

2023

28 Jan – 5 March	Upstanders Bayside Local
11 March – 7 May	Hierarchy of needs Tai Snaith Capturing details usually screened Jonathan Walker
12 May – 2 July	Bayside Acquisitive Art Prize 2023

The *Ellen José Art Award* for young women was held for the first time in 2022. The \$15,000 non-acquisitive prize has been designed to support young female artists in the early stages of their career.

The award is a partnership between The Ellen José Memorial Foundation and Bayside City Council, held in honour of Ellen José (1951–2017), a pioneering indigenous artist, radical activist and social justice campaigner who lived in the Bayside suburb of Black Rock for over 25 years.

Moorina Bonini and Elham Eshraghian-Haakansson were the joint winners of the Award, which was judged by Max Delany, Artistic Director & CEO, Australian Centre for Contemporary Art (ACCA) and Professor Marcia Langton AM, Associate Provost at the University of Melbourne.

Emma Singer, one of the finalists, standing in front of her painting *Ngayuku Ngura (My Country)* with Councillors (L to R: Cr Laurence Evans, Cr Sonia Castelli, Emma Singer (artist), Cr Alex del Porto).

National Volunteers Week

Volunteering is an essential and highly valued part of the Bayside community. Across the municipality, Bayside supports a range of clubs, community groups and organisations that rely on the knowledge and expertise of volunteers. Council hosts over 35 volunteer programs ranging from environmental conservation, library services, gallery, youth services, sustainability, social connection, and community resilience.

Bayside recognised the extraordinary impact our volunteers have on the community throughout National Volunteers Week with custom cookies and morning teas across all volunteer programs. Bayside continued to strengthen the connection between Council and local volunteer-involving organisations with a Volunteer Information Session and mini expo at Bayside's Corporate Centre. The mini expo allowed local organisations to showcase their volunteering roles and provide a forum for prospective volunteers to speak with Bayside's Volunteer Coordinators and program managers.

Flag-raising ceremony

In May 2023 Council conducted its annual National Reconciliation Flag Raising Ceremony at the Corporate Centre, Sandringham. The event was attended by more than 300 people, and Bunurong Elder Josh West provided a welcome to country and a traditional smoking ceremony. Was undertaken by Danny West. The Flag Raising ceremony also included the announcement of the Ellen Jose Art Awards for primary and secondary schools.

Built Environment Awards

Each year, Council presents the Built Environment Awards to showcase the expertise of building designers, encourage high standards of excellence within the municipality, and raise community awareness of design, landscape and heritage matters. These highly successful awards have recommenced with a record level of entries of high-quality nominations. Judging will commence in late July with the winners announced at an award ceremony in October.

Civic events

Citizenship

Australian citizenship enables people to participate fully in our inclusive society, realise aspirations and achieve their full potential regardless of race, background, gender, religion, language or place of birth.

During 2022–23, Bayside City Council conducted the following citizenship ceremonies:

2022	Number of candidates
29 June	100
28 July	100
21 September	100
23 October	2 ceremonies – 70 per ceremony
5 December	2 ceremonies – 80 per ceremony
2023	
26 January	63
1 March	90
5 April	90
17 May	90

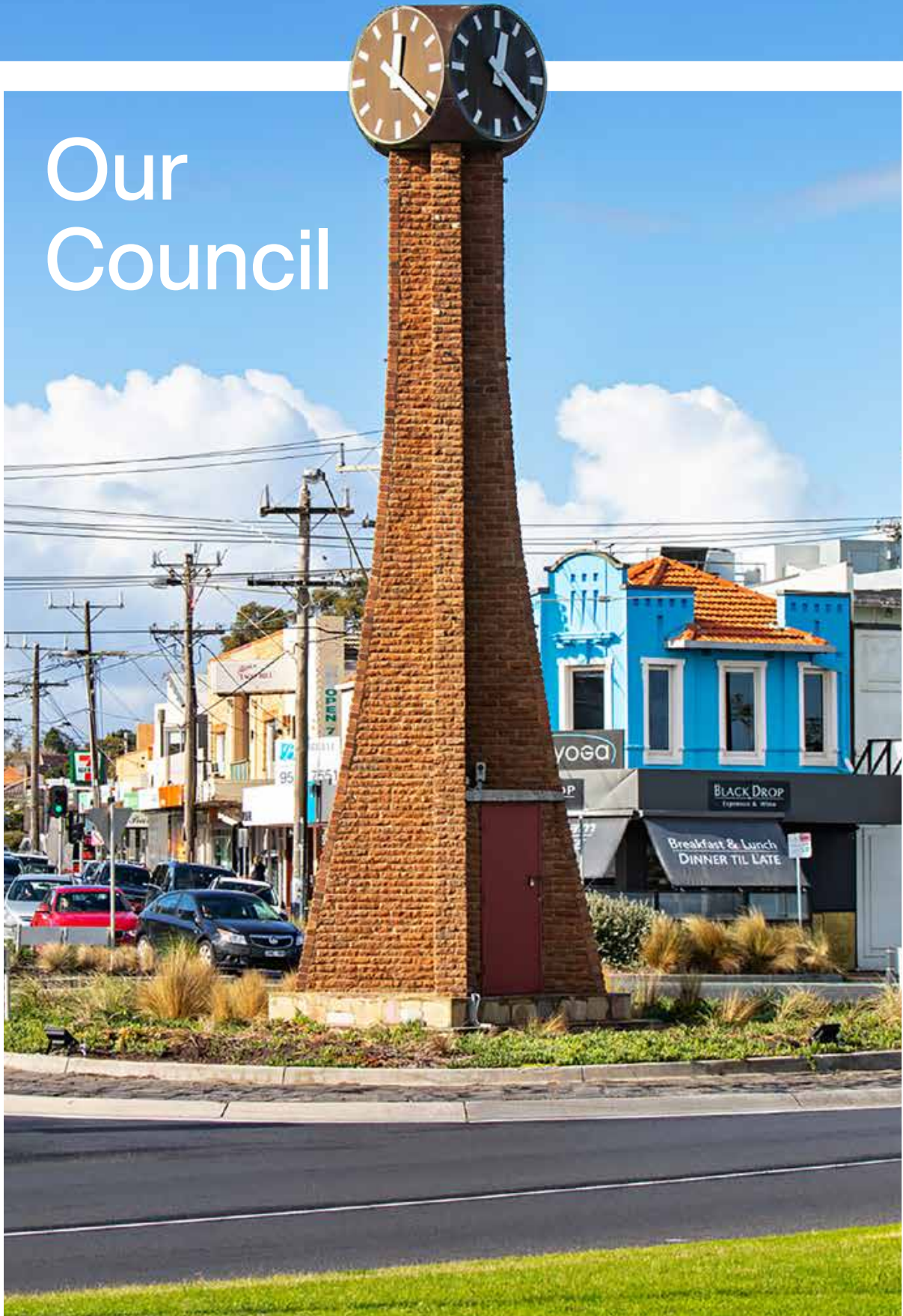
All ceremonies during the reporting year were conducted in person.

Letters under seal

Letters under seal are formal letters of Council. During 2022–23 Council resolved to place the Council seal on the following letter(s):

9 November 2022 – Letter under Seal to Cr Alex del Porto in appreciation and recognition of mayoral term for the 2021–22 Council year.

Our Council



Our council

Our community, our city

The area now known as Bayside was originally inhabited by the Bunurong people of the Kulin nation. The coastal land from Brighton to Mordialloc is the traditional country of the Ngaruk Willam clan of the Kulin nation.

Bayside City Council is located south of Melbourne, along Port Phillip Bay, which forms the western boundary of Bayside, while the Nepean Highway and the Melbourne to Frankston railway line form most of the eastern boundary. The northern boundary, along Glen Huntley Road, is just eight kilometres from Melbourne's central business district. The city, covering an area of 37 square kilometres, comprises the former cities of Brighton and Sandringham, and parts of the former cities of Mordialloc and Moorabbin. Bayside City Council was created on 14 December 1994, and is home to more than 102,101 individuals.

The City of Bayside is adjoined by the Cities of Port Phillip, Glen Eira and Kingston, and encompasses all or part of the suburbs of Beaumaris, Black Rock, Brighton, Brighton East, Cheltenham, Hampton, Hampton East, Highett and Sandringham.

Renowned for its quality of life, Bayside is characterised by unique and appealing villages, sandy beaches, coastal environments, lush parklands, quality residential areas, a vibrant arts scene and a proud, colourful history which is reflected in our heritage buildings and sites.



Natural Assets

Bayside City Council is diverse and very significant in terms of its historical and natural environment, and displays a number of characteristics, which make this city a place where the community wishes to live, work and play. From the 17-kilometre stretch of sparkling coastline to the urban forest of our streets and iconic parks and reserves such as Yalukit Willam Nature Reserve, these are important and valued assets. Preservation and enhancement works are completed each year to help maintain our natural environment and protect it from the impact of development, increased use and climate change.

Urban Amenity

Bayside is well known for its tree-lined streets, significant parks and open spaces, and its indigenous flora and fauna area. Bayside also is home to the iconic Brighton bathing boxes which attract a large number of visitors to the area every day.

Sport and recreation facilities

Bayside's parks and bike paths encourage many local residents and visitors to enjoy the outdoors, whether through walking, cycling or pursuing other passive and active recreational activities. The municipality is home to four major yacht clubs and four first-class sand belt golf courses. Council provides a wide range of facilities to cater for the large number of sportspeople in the community. These include 139 parks, 61 playgrounds, 46 sports grounds and 17 kilometres of shared bike paths.

Population

The City of Bayside Estimated Resident Population for 2022 is 102,101 with a population density of 2,745 people per square km. Since the previous year, the population has declined by 0.23%. Population growth in Greater Melbourne was 1.11% (following on from an earlier decline -2.43% in Bayside and -1.56% in Greater Melbourne in 2021). The reduction appears to be related to an ongoing impact of the COVID-19 pandemic including reduced immigration as well as both intrastate migration (to regions) as well as to other states, with Victoria experiencing a net loss in population.

Our council

Births

Over the past decade, fertility rates and number of births have been steadily decreasing. In 2022–23 there were 729 birth notifications in Bayside, which indicates a drop from the previous year (802).

Bayside's dominant household type is still family households – couples with children 35.2% (31.5% in Greater Melbourne) – but this is a shrinking proportion of the population, with increases in older couples without children at home, and lone person households. In addition, 8.8% of households were one-parent families, compared 10.2% of households in Greater Melbourne.

The high cost of housing in Bayside makes it unaffordable for many young adults and families when they are first establishing themselves, but it is a highly desirable place to live for established families, and for people to remain as they age.

Ageing population

The population in Bayside continues to age overall. Bayside had similar proportion of children (under 18) and a higher proportion of people aged 60 or older than Greater Melbourne including almost double the proportion of 'frail elderly people' (those 85 years and over), although the number of people over 85 reduced overall in Bayside.

Cultural diversity

Bayside residents are predominantly (69.7%) born in Australia. Of those born overseas, 14% arrived in the last five years since 2016. The main overseas countries of birth are the United Kingdom, China, New Zealand and South Africa, with 8 out of 10 Bayside residents speaking only English at home. The main non-English languages spoken at home are Mandarin, Greek and Russian, with the main change an increase in Mandarin ahead of Greek.

Housing

The number of homes in Bayside is increasing. There are 43,055 (2021 data) dwellings representing an additional 2,032 from 2016, with a further 1375 approvals since 2021. The number of one-person and two-person households increased proportionately more than any other household type which is forecast to continue over the next decade, along with a smaller increase in family households.

The proportion of separate houses and median density housing have reduced marginally while high density dwellings have slightly increased from 7.6% to 9.3% with the growth of flats, units or apartments and townhouses.

Residential property prices have increased significantly over the past decade. The median house price increased from \$1,050,000 in 2008 to \$2,150,000 in 2022. The median unit price increased from \$510,000 in 2008 to \$935,000 in 2022. The median prices have dropped slightly since 2021.

Education and occupation

People in Bayside are generally well-educated. The proportion of residents (72.7%) who have completed Year 12 schooling (or equivalent) is higher compared to Greater Melbourne (64.3%).

In 2021, 44% of Bayside residents held a bachelor's degree or higher qualification, compared to the Greater Melbourne average of 32.8%.*

More than half of the Bayside's employed residents are professionals (33.6%) or managers (24%). This is a much higher proportion than across Greater Melbourne. These occupations, as well as community and personal service workers and labourers, are the fastest-growing occupations in Bayside.*

Source: Australian Bureau of Statistics, Census of Population and Housing; PropTrack (REA group housing listings, updated twice annually). Calculated and presented by .id (informed decisions).

Council offices

Bayside Corporate Centre

76 Royal Avenue, Sandringham, 3191

Bayside Council Chambers

15 Boxshall Street, Brighton VIC 3186

A full list of libraries, Maternal & Child Health centres are available on our website.

Website: www.bayside.vic.gov.au

Postal address: PO Box 27, Sandringham VIC 3191

17

kilometre stretch of
sparkling coastline



The median house price in 2022



\$2,150,000

The median house price in 2008

\$1,050,000

Estimated Resident Population



102,101

Population density of

2,745

people per square km.

The median unit price in 2022

\$935,000

The median unit price in 2008

\$510,000

139

Parks



In 2021,



44%

of Bayside residents held a bachelor's
degree or higher qualification

46

Sports grounds

61

Playgrounds

72.7% have completed Year 12 schooling

Our council

Councillors

The Council was elected to provide leadership for the good governance of the municipal district and the local community. In 2020 the Bayside community elected this council for a four year term. The municipality is divided into 7 wards, represented by one councillor in each ward. The 7 councillors are the elected representatives of all residents and ratepayers across Bayside. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation. The councillors are listed below.



Dendy Ward

Councillor Hanna El Mouallem (Mayor)
0437 859 978
helmouallem@bayside.vic.gov.au



Bleazby Ward

Councillor Alex del Porto
0417 390 641
adelporto@bayside.vic.gov.au



Castlefield Ward

Councillor Jo Samuel-King
0419772 291
jsamuelking@bayside.vic.gov.au



Ivison Ward

Councillor Sonia Castelli
0466 356 794
scastelli@bayside.vic.gov.au



Boyd Ward

Councillor Fiona Stitfold
0409 608 419
fstitfold@bayside.vic.gov.au



Ebden Ward

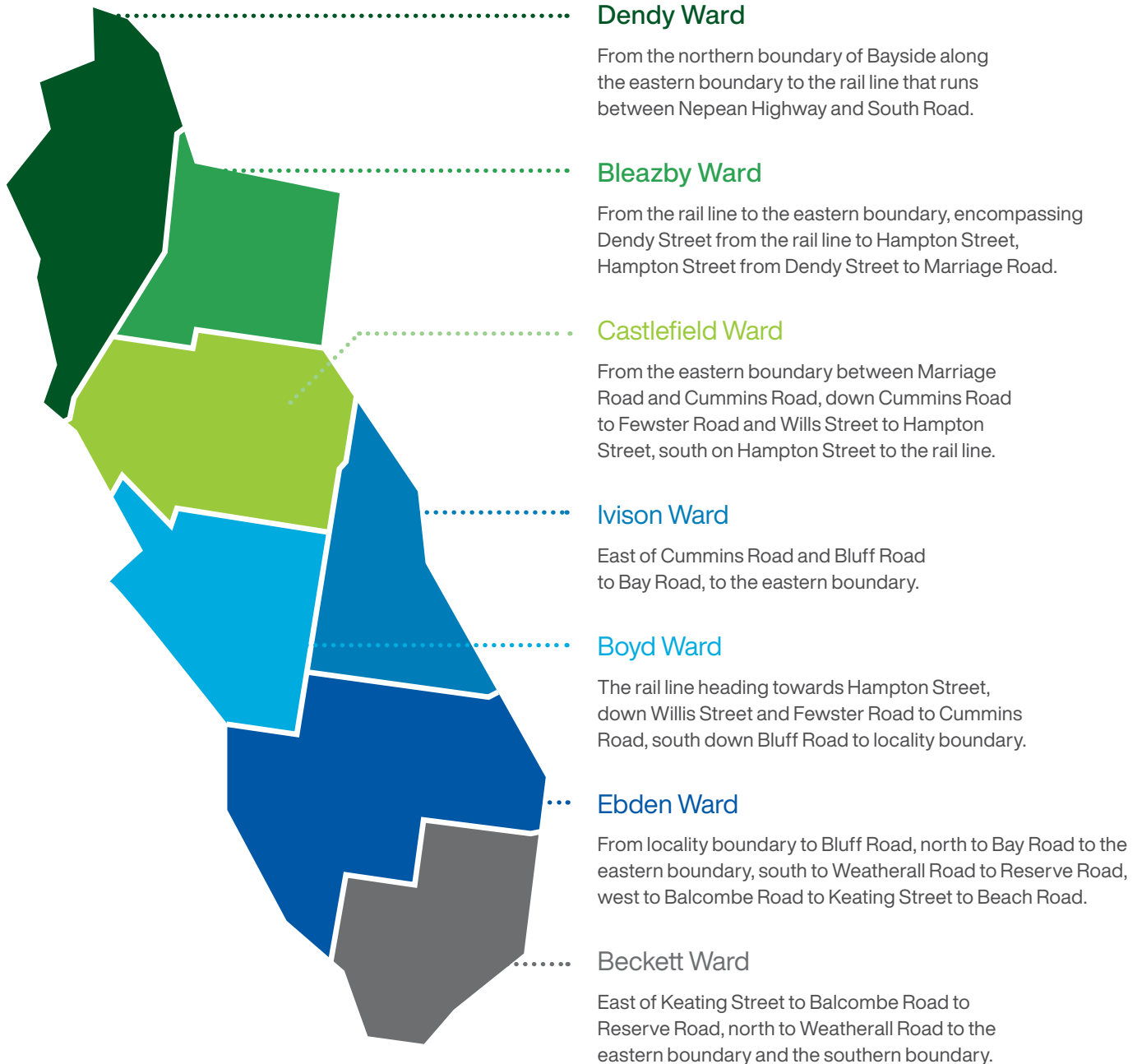
Councillor Laurie Evans OAM
0407 735 993
levans@bayside.vic.gov.au



Beckett Ward

Councillor Clarke Martin
0466 356 805
cmartin@bayside.vic.gov.au

Boundary descriptions



Our people

Organisational structure

Council is the governing body that appoints a Chief Executive Officer (CEO), who has responsibility for the day-to-day leadership of the organisation. The CEO, four directors and one Executive Manager form an Executive Leadership Team to lead the organisation.

The Executive Team Purpose is to lead an organisational culture with a focus on

- Cross organisational **collaboration** and a One Bayside approach
- A **great place to work** where everyone can be their best
- A **culture** where high quality community outcomes are delivered now and into the future.



Mick Cummins
Chief Executive Officer

Mick was appointed as Chief Executive Officer in July 2018, having held the position of Director Corporate Services since commencing at Bayside City Council in June 2012. Prior to this, he was General Manager Corporate Services at Frankston City Council. Mick has extensive experience across all facets of local government and, in particular, in the areas of finance, governance, organisational development, customer service and community services.



Rachael Bragg
Executive Manager
People and Strategy

- People and Capability
- Learning and Growth
- Payroll
- Continuous Improvement and Change Management
- Service Planning
- Organisational Strategy
- Policy and Strategy development

Graduate Diploma in Management
Master of Leadership and Management (Organisational Dynamics) Completing Masters program, Australian Institute of Company Directors (AICD) Graduate.

Rachael joined Bayside as the Executive Manager People and Strategy in January 2022 with 10 years' experience in Local Government. Prior to joining Bayside Rachael, was the Director Organisational Development and Learning at WorkSafe. Rachael has extensive experience across the areas of people and culture, diversity, equity and inclusion, whole of organisational strategy and change.



Kathryn Tozer
Director Corporate Services

- Commercial Services
- Financial Services
- Governance and Reporting
- Information Technology
- Internal/External Auditing
- Project Management

Kathryn Tozer is passionate about Local Government and the critical role it plays in connecting customers and community. Kathryn joined Bayside City Council in 2012, with qualifications in Human Resources, Business and Management. Kathryn has worked in a variety of leadership roles throughout her career, including Information Technology, Finance, Human Resources and Customer Service. Kathryn has a proven track record as a goal driven, change agent, leading high performance and staff engagement to ensure organisations deliver the best possible outcomes to the community.



Tilla Buden
Director Community
and Customer Experience

- Libraries, Arts and Culture
- Customer Service
- Community Care
- Family Youth and Wellbeing
- Communications, Engagement and Customer Experience

Master of Business (Arts & Cultural Management), Graduate Certificate Arts & Cultural Strategy Bachelor of Arts (Community Development)

Tilla was appointed Director Community & Customer Experience in August 2022. Prior to this she was leading a similar portfolio with the City of Greater Dandenong, where she had also held the position of Manager Community Arts, Culture & Library Services. Tilla has over 10 years' experience as a senior leader in local government, entering the sector via a background in community development, customer service, and the arts.



Jill Colson
Director Environment,
Recreation & Infrastructure

- Environmental sustainability strategy and programs
- Recycling and waste services
- Traffic and Transport planning
- Recreation & Events
- Open space and foreshore management and maintenance
- Infrastructure management and maintenance
- Capital project management and delivery

Bachelor of Arts (Hons), Graduate Diploma Human Resources and Industrial Relations, Master of Training and Development.

Jill was recently seconded to the Director of Environment, Recreation and Infrastructure role, from her substantive position as Director Corporate Services. Jill has worked in both the public and private sectors and has over 20 years' experience in local government in numerous portfolio areas. She is passionate about building a positive and responsive organisational culture to deliver great community outcomes.



Matthew Cripps
Director City Planning
and Amenity

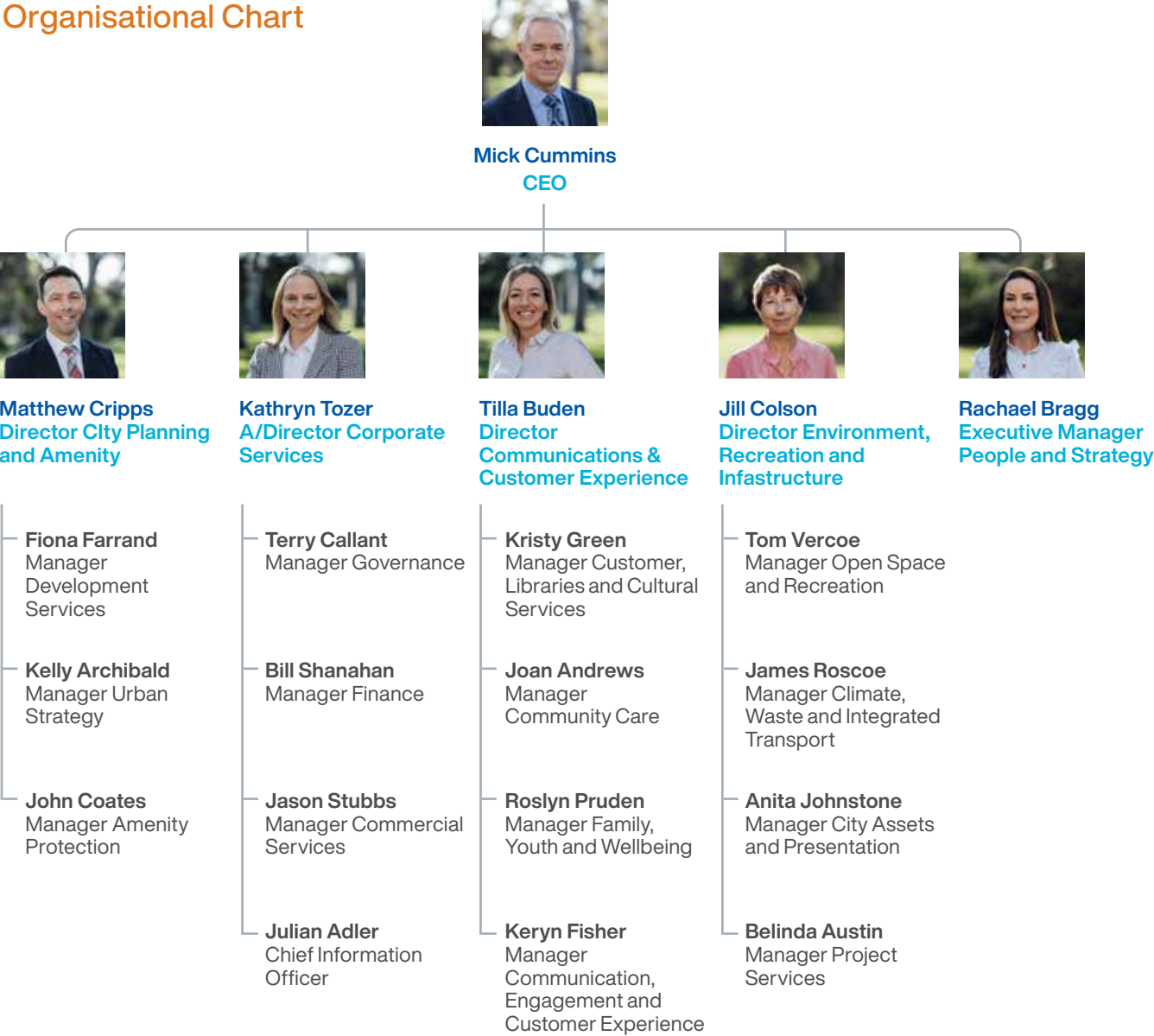
- Strategic land use planning
- Economic development
- Statutory planning
- Building services
- Local laws
- Environmental health
- Parking enforcement

Graduate Certificate Business Administration; Master of Social Science (Environment & Planning); Bachelor of Arts (Urban Studies); Registered Planner

Matthew was appointed Director City Planning and Amenity in August 2021, having held the position of Manager Development Services since commencing at Bayside City Council in 2018. Prior to this, he was the Director Planning & Economic Development at Baw Baw Shire Council. Matthew has 25 years' experience in local government in the areas of land use and development, sustainability and environment, economic development, business and change management.

Our people

Organisational Chart



Our Workforce

A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender are set out below.

Workforce by organisational structure, employment type and gender 2022-2023

*Permanent includes fixed term positions

2022-23	Corporate Services		Community & Customer Experience		Environment, Recreation & Infrastructure		City Planning & Amenity		CEO/People & Strategy		Total	
	Count	E.F.T	Count	E.F.T	Count	E.F.T	Count	E.F.T	Count	E.F.T	Count	E.F.T
Casual Female	2		57		1		15		2		77	0
Permanent* Part-time Female	13	8.22	174	110.42	14	9.61	25	8.94	6	4.68	232	141.87
Permanent* Full-time Female	35	35	76	76	23	23	43	43	11	11	188	188
Casual Male	1		10		1		20				32	0
Permanent* Part-time Male	3	2.19	25	15.28	2	1.2	22	4.99	1	.9	53	24.56
Permanent* Full-time Male	25	25	14	14	36	36	54	54	2	2	131	131
Casual Self described											0	0
Permanent* Part-time Self described											0	0
Permanent* Full-time Self described					1	1					1	1
Total	79	70.4	356	215.7	78	70.8	179	110.9	22	18.6	714	486.4

Our people

Workforce by Age, Gender and Contract 2022–23

*Permanent includes fixed term positions

Age	Permanent* Full-time			Permanent* Part-time			Casual			Total
	Female	Male	Self-described	Female	Male	Self-described	Female	Male	Self-described	
< 30	26	14		9	1		17	5		72
30-50	95	77	1	98	14		18	5		308
> 50	68	40		125	38		41	22		334
Total	189	131	1	232	53		76	32		714

Our classification breakdown across the business is as follows:

Band Level	Female	Male	Self-described	Total
Band 1	66	49	0	115
Band 2	54	13	0	67
Band 3	30	12	0	42
Band 4	77	22	1	100
Band 5	79	21	0	100
Band 6	85	40	0	125
Band 7	37	28	0	65
Band 8	22	20	0	42
Nurse	32	0	0	32
Senior Officer Contract	15	11	0	26
Junior	0	0	0	0
Total 2022-23	497	216	1	714

Overall, 70% of employees at Bayside are female, with 57% of Senior Officers being female and 53% male.

Our values and behaviours give clarity to our culture and support the achievement of Council's goals.

Our culture

Bayside's culture is underpinned by four organisational values and associated behaviours.

Our values and behaviours give clarity to our culture and support the achievement of Council's goals. They have continued to be central to Performance and Development conversations as they set the expectations for how we work together and how we each take up our roles.

Our values and behaviours are:

Respect each other



- I value others and their contribution
- I ask and listen to understand
- I treat others with fairness, dignity and care

Own it



- I take responsibility for my actions
- I see it through
- I make it happen

Work together



- We collaborate within and across teams
- We set each other up for success
- We share information generously
- We care about the flow on impact of our work

Find better ways



- We are curious about our community's changing needs
- We encourage break-through ideas and new approaches
- We make courageous decisions
- We are open to learning

Our people

Other staff matters

Enterprise bargaining agreement

In 2022, an Enterprise Bargaining Committee comprising management representatives, staff representatives, workplace delegates and union industrial officers successfully negotiated a new Enterprise Agreement which was approved by Fair Work Australia, with an operative date of 22 August 2022 for a period until 31 December 2025. The agreement included some new provisions, designed to enhance employee engagement, retention and productivity with a focus on flexible conditions, diversity, equity and inclusion, and employee health and wellbeing.

Professional and Leadership Development

Council is committed to developing and empowering our employees, ensuring they have the competencies and skills to effectively take up their roles to enable achievement of Council's goals. Council takes a 70/20/10 approach to learning, acknowledging that most learning and development happens on the job through feedback and opportunities to try new things.

During the past year, Bayside City Council offered a wide range of professional development opportunities from general specialist training to executive-level coaching. This included inductions, foundation-level courses, individual contributor and team leader training.

Leadership remained a key focus for development with all senior leaders participating in a 360 Degree Feedback process. Council also put forward two teams to participate in the Australasian Local Government Management Challenge. As well as being a valuable interactive development activity for new and emerging leaders, pleasingly one of our Bayside teams placed first in Victoria and proceeded to the national challenge.

10 employees were also provided with study assistance, which was directly related to formal qualifications associated with their role at Council, and contributed to increased knowledge, capabilities and service delivery for our community.

Diversity Equity and Inclusion

Diversity Equity and Inclusion (DEI) was one of Council's three strategic priorities from our One Bayside Organisational Strategy. Over the past year we have:

- built awareness about what the terms Diversity, Equity and Inclusion mean as separate but interrelated concepts through training, events, communications activities and leadership engagement
- created understanding of the ways in which gender inequality is present and taken action to address this through our Gender Equality Action Plan 2021-2025, with a particular focus around preventing and addressing sexual harassment as a priority
- created greater depth of understanding about what belonging looks like for our LGBTIQIA+ colleagues through training, communications and events including participating for the second time in the Midsumma Pride March with over 40 participants
- increased our cultural competence through delivery of our Reconciliation Action Plan across several areas of Council
- celebrated cultural diversity on Harmony Day
- increased our understanding of neurodiversity and disability through our Disability Action Plan across several areas of Council.

As a result of these initiatives, we have seen that:

- 83% of staff believe that Senior Leaders actively support diversity and inclusion in the workplace (a 5% increase since April 2022)
- 83% of staff feel that our organisation values diversity (e.g., age, gender, ethnicity, language, education qualifications, ideas, and perspectives)
- 83% of staff feel that they are treated fairly at work
- 77% of staff feel like a valued member of Bayside City Council
- 79% of staff feel that Council takes steps to eliminate bullying, harassment and discrimination (an increase of 6% since April 2022)
- 70% of staff feel safe to challenge inappropriate behaviour at work (an increase of 5% since April 2022) and
- 70% of staff indicated that at work, their opinions and ideas seem to count (an increase of 3% since April 2022).

Creating the conditions for all voices to be shared and heard is central to our DEI aspiration and to our path to being a sector leading organisation, and the DEI priority will remain a focus for a further 12-months.

Employee Health safety and wellbeing

Employee Assistance Program

Council recognises the important role that proactive and timely professional assistance has in helping Council staff support their own mental and physical wellbeing. Through Acacia EAP, Council provides all employees and their immediate family members with access to three general counselling appointments with experienced and professional clinicians. The Program also includes access to free holistic wellbeing sessions provided by industry professionals across financial counselling, dietician/nutrition, and legal matters.

Safety and Wellbeing

Bayside City Council is committed to providing physically and psychologically safe and healthy working environments for staff, contractors, visitors and members of the public who use our services and facilities.

Council applies a continuous improvement approach to all parts of our safety and wellbeing management system as we strive to meet both compliance requirements and best practice across health, safety and wellbeing. The focus of Council for the next two years will be on simplifying, integrating and embedding the safety management system into our existing systems, processes and practices, because we recognise that the physical and psychological safety and wellbeing of our people is connected to all elements of how we operate our organisation.

With the WorkSafe Victoria Psychological Health Regulations to be released in 2023, this strategy will be revisited to ensure Council's approach to Psychological Health and Safety is systematic, risk based, and specific to Council's wide range of operational environments.

Council has now entered its third year of insurance under the WorkSafe scheme. The 2023-2024 Premium decreased by \$122,427 because of our employer performance rating improvements from being the same as the industry (2022-2023) to be 12.4950% better than the industry (2023-2024). Despite this reduction, Council's premiums are continuing to rise year on year as a result of the scheme's financial failings and the recent decision by the Victorian Government to increase the average premium rate from 1.272% (2022-2023) to 1.8% (2023-2024). The average industry premium rate has also increased from 1.3611% (2022-23) to 1.3990% (2023-24).

Council's wellbeing program provided a wide variety of wellbeing activities and resources in person and online throughout this year to help support staff mental and physical wellbeing. This included activities to support the Hybrid Working Model and employees returning to Council managed workplaces following the peak Covid-19 periods throughout 2022.

The Wellbeing Program 2022-23 included initiatives that were accessible by more people more of the time to cater for the wide variety of ways in which our people engage with wellbeing. Providing a diverse, inclusive and integrated Wellbeing Program remains the focus for 2023-2024, as evidenced by the recent launch of "My Wellbeing" as a category in the GreenMoney app. This platform allows all employees to access a wide range of challenges to completed across the 7 Dimesons of Wellbeing, allowing for choice and designed to empower employees to own their own unique wellbeing journey in ways and at times that suit their life. Council's partnership with Fitness Passport is proving to be popular with employees and their families, with 107 members in total joining since the partnership was launched in 2022.

Council applies a continuous improvement approach to all parts of our safety and wellbeing management system...

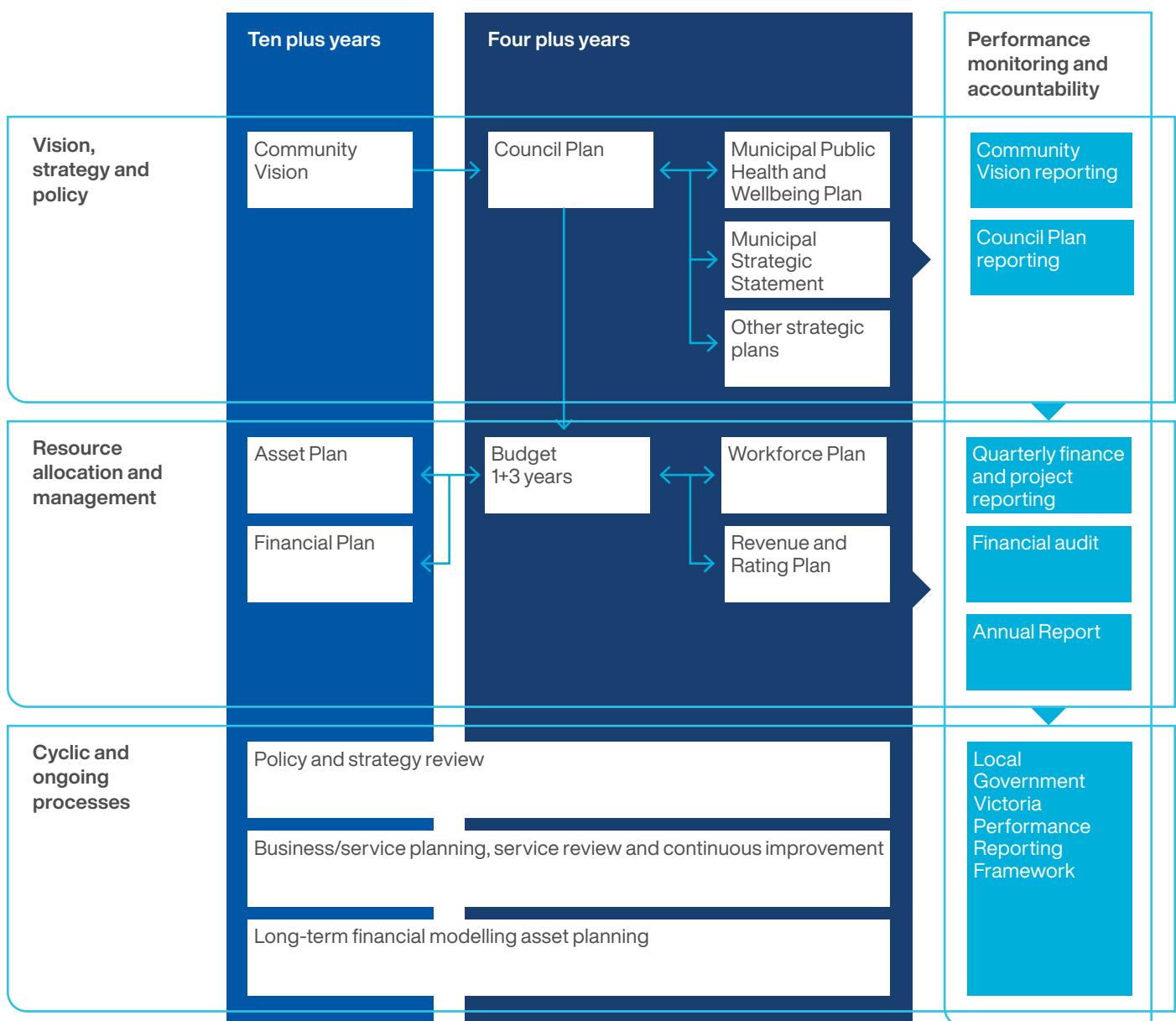
Our performance

Integrated strategic planning and reporting framework

The *Local Government Act 2020* requires councils to prepare the following:

- A Community Vision (for at least the next 10 financial years)
- A Council Plan (for at least the next 4 financial years)
- A Financial Plan (for at least the next 10 financial years)
- An Asset Plan (for at least the next 10 financial years)
- A Revenue and Rating Plan (for at least the next 4 financial years)
- An Annual Budget (for the next 4 financial years)
- A Quarterly Budget Report
- An Annual Report (for each financial year)
- Financial Policies and
- A Workforce Plan (including projected staffing requirements for at least 4 years).

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government.



Bayside integrated framework shows that there are opportunities for community engagement and stakeholder input informing the various elements of our integrated planning. The Vision and community feedback directly inform a range of Council strategies, plans and actions, delivered through the annual Action Plan, Annual Budget and via service plans.

Community Vision

Our *Bayside 2050* Community Vision was developed through extensive engagement adopted in 2020-2021. *Bayside 2050* informs the ongoing implementation and review of our Council Plan 2021-25 and the 10-year Financial Plan adopted in July 2021. The Community Vision, Council Plan and Financial Plan set the strategic direction for the organisation.

The ten themes of the Vision are referenced and progressed through the Council Plan.



Our performance

Council Plan

The Council Plan 2021-25 includes goals, strategic objectives, strategies for progressing towards the Community Vision and achieving the strategic direction for the four year period. Strategic indicators are designed to monitor achievement of the strategic objectives and the strategic resource plan.

The following are the 4 strategic goal areas of focus as detailed in the Council Plan.

Goal 1 Our Planet

As custodians, we will lead, act and advocate on the critical issues of environmental sustainability and climate emergency, and on our shared responsibility to care for and protect Earth's vitality, diversity, beauty and the community of life.

Goal 2 Our People

We will plan and advocate for a Bayside where our diverse communities and people can thrive, live healthy and active lives, fostering inclusion and participation through holistic, innovative approaches to economic and social wellbeing.

Goal 3 Our Place

Our open space and foreshore, our facilities and the built environment are highly valued, shared and enhanced to ensure their sustainability, use, liveability, character, and amenity for current and future generations.

Goal 4 Our Promise

We will engage with and represent for all in our community, and provide ethical, open and accountable stewardship of the Bayside municipality and deliver sustainable services that meet the vision and needs of the current and future generations of Bayside.

Performance

Council's performance for the 2022-23 year has been reported against each goal and the related strategic objectives to demonstrate how Council is performing in achieving the four year Council Plan. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the council plan
- Progress in relation to the major initiatives identified in the budget
- Progress in relation to the key activities in the 2022-23 action plan
- Services funded in the budget and the people or sections of the community who are provided those services
- Results against the prescribed service performance indicators and measures.

The following section reviews the performance of Council against the council plan including results achieved in relation to the strategic indicators included in the council plan.

Key – how we indicate performance

- ✓ Complete
- ✗ Incomplete
- Deferred/ongoing
- Unable to measure/not measured





Goal 1: Our Planet

Goal 1: Our Planet

As custodians, we will lead, act and advocate on the critical issues of environmental sustainability and climate emergency, and on our shared responsibility to care for and protect Earth's vitality, diversity, beauty and the community of life.

Overview

The Bayside community expects to live in a place where the air, water and land are free from contaminants and pollutants. Our 17 kilometres of beaches and foreshores are our most valued environmental asset. Its protection and maintenance are high priority for our residents. There is also a strong desire to protect the biodiversity within marine reserves, along the foreshore, and in bushland and heathland reserves. Preserving Bayside's tree canopy and vegetation is profoundly important to the community, especially for residents who live close to developing areas.

They expect us to actively lead on smart solutions to climate emergency, energy use, waste and pollution and to employ innovative and sustainable solutions to resolve issues and to advocate and partner with others on matters outside our immediate control.

This goal responds to 3 themes from our Community Vision Bayside 2050.

Theme 1 The living environment/natural environment

Bayside will mitigate coastal erosion, protect and enhance indigenous biodiversity from the effects of climate change in the natural environment. This underpins the whole fabric of our vibrant and enjoyable Bayside amenity.

Theme 2 Increase and enhance open space

Bayside will ensure open space, its protection and amenity are a priority for 2050. This provides an increased sense of community, places for our community to meet and engage; and improves mental and physical health.

Theme 6 Promoting innovation

Bayside will nurture innovation to encourage a thriving and vibrant community. We seek to encourage creativity and thinking outside the box to improve problem solving and the opportunity to have a competitive advantage.





The Bayside community expects to live in a place where the air, water and land are free from contaminants and pollutants.

Goal 1: Our Planet

Strategic Objectives










- 1.1 Lead and influence change to address the Climate Emergency and strive to reduce its impact on the health of our community, environment and the planet.
- 1.2 Protect and enhance our natural and coastal environments, biodiversity and unique ecosystems.
- 1.3 Improve environmental sustainability through a circular economy approach to waste management, recycling and energy use.

Key – how we indicate performance

-  Complete
-  Incomplete
-  Deferred/ongoing
-  Unable to measure/not measured

Strategic indicators

The following statement reviews the results achieved in the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comment
Community satisfaction that Council is meeting its environmental responsibilities Target: Maintain or improve good rating (6.5-7.25)		Retained a good rating, marginally improved at 7.1
Maintain Council's status as Certified "Carbon Neutral" Target: Maintain annual certification		Achieved carbon neutral rating for 3rd year
Reduction in total energy used for Council operations. Target: 5%		Energy use increased 11.83% from 21-22 to 22-23 primarily due to facilities reopening and operations resuming
Community satisfaction with the appearance of the beach and foreshore, including bushland Target: Maintain or improve good rating (6.5-7.25)		Satisfaction rated very good at 7.9
Number of trees planted on public land Target: 2000 trees		2,300 trees planted
Number of formal and informal partnership agreements with government agencies to protect local green spaces, foreshore and marine environments, biodiversity, and habitat health Target: 1 agreement		Council maintains partnership with SE Councils Climate Change Alliance (SECCCA) and Association of Bayside Municipalities (ABM)
Community satisfaction on the provision and maintenance of street trees Target: Maintain or improve good rating (6.5-7.25)		Retained good rating at 7.2 – consistent with long term average
Community satisfaction with waste and recycling services Target: Maintain excellent rating (7.75+)		Retained excellent rating at 8.0 – despite a drop from 8.3 due to changes to bin collection schedules during the year
Diversion of waste from landfill Target: > 60%		Target exceeded at 71% recording a 12% increase in diversion since increased recycling and green waste collections

Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2022-23 budget for the year.

Major Initiatives	Progress	
Climate Emergency Action Plan implementation \$100,000	2022-23 actions under the plan were delivered.	✓
Biodiversity Action Plan \$340,000	2022-23 actions under the plan were delivered.	✓
Greenhouse Gas Emissions Reduction target project \$416,00	Community target adopted. Work continues with community to achieve target by 2030.	>
Urban Forest Strategy implementation \$508,000	Ongoing work to achieve improved canopy and vegetation through tree planting and tree protection.	>
Park Improvement and Habitat Linkage Plan \$65,000	Ongoing work to achieve improved vegetation through increased garden beds and planting.	✓
Yalukit Willam Nature Reserve: Wetlands \$545,000	Wetlands design solution commenced. Federal joint funding agreement in place.	>

Strategy progress

The following outlines our progress on commitments made in the 2022-23 action plan for the year.

Strategy	2022-23 commitments	Result
Adopt and champion innovative ways of working and evaluate policy against its climate impact to reduce harm.	Implement Climate Emergency Action Plan (CEAP) for 2022-23, including: <ul style="list-style-type: none"> • Develop and deliver programs to support local business' climate actions through education and incentives • Develop partnership initiatives which promote climate action within Council and across the community • Develop a plan to transition Council operations to all-electric. 	✓
Lead and foster awareness to encourage Bayside residents and visitors to think and act in ways that preserve and enhance environmental sustainability and connection to place.	Implement the Climate Emergency Community Education program for 2022-23.	✓

Goal 1: Our Planet

Strategy	2022-23 commitments	Result
Protect and enhance the biodiversity and health of our natural space and foreshore	Implement the Integrated Water Management Plan including:	
	<ul style="list-style-type: none"> Harvest stormwater at approved locations in streetscapes to protect trees from the impacts of climate change 	⊗
	<ul style="list-style-type: none"> Partner with South East Water to advocate for funding to extend the water for local connections project to Bayside. 	✓
	Undertake and complete annual review of the Biodiversity Action Plan:	
	<ul style="list-style-type: none"> Ensure that indigenous trees are used as a priority in streets and parks to enhance biodiversity values and ensure the tree population is resilient to climate change 	➤
	<ul style="list-style-type: none"> Investigate alternatives to products that contain glyphosate in relation to treating weeds and invasive plant species within Bayside 	✓
	<ul style="list-style-type: none"> Advocate to the State Government to address the increasing issue of Noisy Miners and their negative impact on native birds 	➤
	<ul style="list-style-type: none"> Continue to install additional water points for wildlife and investigate opportunities to connect to future recycled water projects 	➤
	<ul style="list-style-type: none"> Undertake Stage 2 of the Ornamental Lake Management Plan as part of prioritising biodiversity focussed projects. 	⊗
	Commence implementation of the Park Improvement and Habitat Linkage Plan.	✓
	Implement the Yalukit Willam Nature Reserve (YWNR) Masterplan:	
	<ul style="list-style-type: none"> Wetlands and conservation island 	➤
	<ul style="list-style-type: none"> Trial weed and seed volunteer program. 	⊗
	Commence development of the Highett Grassy Woodland Masterplan (CSIRO site) and conservation of the existing vegetation.	75%
	<p><i>The transfer of Highett Grassy Woodland (former CSIRO site) was successfully achieved in April 2023. Extensive remediation of the woodland section was required and informs the development of the masterplan. The scope of the masterplan is drafted and will be released for tender once results of the remediation works are known.</i></p>	⊗
Enhance vegetation (including the tree canopy) through accelerated tree planting and tree protection on public and private land.	Undertake a Planning Scheme amendment to implement the Urban Forest Strategy into the Bayside Planning Scheme.	✓
	<p>Implementation of the Urban Forest Strategy included:</p> <ul style="list-style-type: none"> Continued increased vegetation and tree planting program continued with an additional 840 trees in 2023 on top of the 1500 planted annually as part of Council's Open Space Service Delivery contract The Management of Tree Protection on Private Property policy was reviewed and Council approved undertaking community consultation in July-Aug on the new approach. 	✓

Strategy	2022-23 commitments	Result
Partner with and influence government agencies and other entities about our shared responsibility to protect local green spaces, foreshore and marine environments, biodiversity and habitat health	Investigate and consider long term options to manage coastal erosion at Dendy Street beach.	✓
	Advocate to the State Government requesting greater action on erosion and strategic management of Port Phillip Bay and Westernport Bay.	✓
	Finalise Marine and Coastal Management Plan, subject to DELWP (now DEECA) input.	✓
	<i>Note: Council has completed all possible actions and advocacy towards finalising a Coastal Marine Management Plan (CMMP) and DEECA has committed to developing more suitable guidelines and publication of coastal hazard assessment mapping. Work will continue in 2023-2024 as DEECA input is finalised.</i>	
Reduce the amount of waste generated and disposed in landfill through initiatives to prevent, reduce, recycle and reuse waste.	Progress implementation subject to external funding of reef and seagrass restoration pilot project along Bayside's foreshore.	✓
	Continue to lead the community to reduce waste generation and increase waste diversion from landfill: <ul style="list-style-type: none"> • Implement findings of the single use plastics removal pilot • Implement actions to transition Council's kerbside collection schedules. 	✓
	Continue the collaborative procurement process for an advanced waste processing facility in the South East of Melbourne.	✓
	Explore innovative solutions to reduce, reuse and recycle, as part of a review of the use of Council's Transfer Station (2023).	✓



Goal 1: Our Planet

Services

The following statement provides information in relation to the services funded in the 2022-23 budget and the people or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Environmental Sustainability	Embeds environmentally sustainable practices across Council operations and empowers our community to take action to reduce its environmental impact and address the Climate Emergency through implementation of the Environmental Sustainability Framework.	\$1,074 <u>\$1,220</u> \$146
Executive Team	The Executive Team (ET) includes the Chief Executive Officer, four Directors and Executive Manager People and Strategy. Provides whole of organisation leadership to enable high performance by setting clear direction, planning for the future, developing and executing strategy, fostering a culture of collaboration and accountability, and unlocking the potential of all staff.	\$381 <u>\$348</u> (\$33)
Open Space Management	Manages and maintains parks, bushlands, sports fields and foreshore areas, as well as trees on Council land, so that Bayside residents and visitors have access to open spaces that meet their diverse needs. It also manages the Bayside Community Nursery and works with Friends of groups to conserve and enhance open spaces and biodiversity.	\$6,385 <u>\$6112</u> (\$273)
Recycling and Waste Management	Collects, recycles and disposes of general, green, food, recycling and hard waste from kerbside and street litter bins. Educates the community and partners with industry groups and government agencies to increase resource recovery and minimise waste to landfill.	\$15,729 <u>\$15,323</u> (\$407)
Total for Goal 1		\$23,570 <u>\$23,003</u> (\$567)



Service performance indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service / Indicator / measure	2019-20	2020-21	2021-22	2022-23	Comments
Waste Collection Satisfaction <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	155.17	132.39	147.25	256.57	In July 2022 Council changed bins and collection frequencies to weekly green waste and fortnightly general waste. Additionally, all general waste bins were changed to bins with red lids to conform to mandated colour standards. These changes resulted in an increase in the number of requests in the first two quarters of the reporting year, which have since returned to a more standard number of requests.
Service standard <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	5.00	3.18	4.30	11.90	In July 2022, Council changed bin collection frequencies to weekly green waste and fortnightly general waste. Changes to collection schedules resulted in some residents placing the wrong bin out on the incorrect week which increased the number of reported missed bins.
Service cost <i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$113.32	\$109.55	\$133.85	\$119.29	In July 2022, Council changed bin collection frequencies to weekly green waste and fortnightly general waste. The reduction in garbage collection service costs is due to the move to a fortnightly service, resulting in reduced collection costs and disposal to landfill costs.
Service cost <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$64.35	\$52.17	\$54.76	\$58.37	In July 2022, Council changed bin collection frequencies to weekly green waste and fortnightly general waste. With the change to bin schedules and reduction in garbage collections there has been an increase in recycling which is a desired outcome.
Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	57.94%	58.57%	59.34%	71.10%	In July 2022, Council changed bin collection frequencies to weekly green waste and fortnightly general waste. The change to bin collection schedules has successfully achieved behaviour change by encouraging people to reduce food and green waste being disposed in the general waste bin. This has resulted in an overall 12% increase in waste diverted away from landfill (a 20% improvement on 2021-22) driving environmental and financial benefits to the community.



Goal 2: Our People

Goal 2: Our People

We will plan and advocate for a Bayside where our diverse communities and people can thrive, live healthy and active lives, fostering inclusion and participation through holistic, innovative approaches to economic and social wellbeing.

Overview

Bayside has a highly engaged community, with more families with school age and young adults, retirees and ageing residents than young families. While Bayside rates high on social-economic indicators, there are pockets of disadvantage, issues of social isolation, mental and physical health issues, and a higher proportion of people over 80 seeking to live well and age in place.

The community recognises that inclusive and accessible services, opportunities to play sport, walk and cycle freely around the municipality, volunteer, participate in community and cultural activities and enjoy an enriching social life are key to their health. Our arts and cultural events programs are highly anticipated and well regarded.

Our community also wants a local economy that is entrepreneurial, with local retail and commercial businesses that contribute to a vibrant and sustainable sense of place participation and connection.

This goal responds to 4 themes from our Community Vision Bayside 2050

Theme 4 Community feel and direction

Bayside will be a city that is greener and has more open space, and creates a community that is inclusive, respectful and accessible. Bayside wants to encourage all residents to participate and feel part of the local community. This leads to social cohesion and hence less crime, cost savings, increased standard of living and achieving community goals.

Theme 5 Nurturing creativity

Bayside will nurture creativity. We celebrate Bayside's leadership in creativity in the arts.

Theme 8 Access and inclusion

Bayside will be inclusive and accessible for all. Bayside values all individuals. Bayside wishes to demonstrate that they value the lived experiences of all cultures and that they want to be inclusive of people of all abilities in the community.

Theme 10 Tourism, commercial and economic opportunities

Bayside encourages a vibrant commercial sector of environmentally compatible industries including tourism, high-tech and commercial activities to underpin the economy of the city.





Bayside has a highly engaged community, with more families with school age and young adults, retirees and ageing residents than young families.

Goal 2: Our People

Strategic Objectives











- 2.1 Nurture healthy people and resilient communities ensuring services and programs are adaptable to meet diverse and changing needs.
- 2.2 Engage with our diverse communities to improve access and inclusion in Bayside.
- 2.3 Foster economic vitality, facilitating innovation and investment in our local economy.

Key – how we indicate performance

-  Complete
-  Incomplete
-  Deferred/ongoing
-  Unable to measure/not measured

Strategic indicators

The following statement reviews the results achieved in the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comment
Community satisfaction with services provided for children from birth to 5 years of age Target: Maintain excellent (7.75+)		Retained excellent rating at 8.1 – with a 1% increase from 2022
Community satisfaction with services provided for youth Target: Maintain or improve very good (7.25- 7.75)		Satisfaction rating remains stable at Maintain or improve very good at 7.6
Community satisfaction with services provided for older people Target: Maintain or improve very good (7.25- 7.75)		Satisfaction rating remains stable as Maintain or improve very good at 7.6
Community satisfaction with services provided for people with a disability Target: Maintain or improve very good (7.25- 7.75)		Satisfaction rating down 1% but remains Maintain or improve very good at 7.6
Percentage of children enrolled who participate in the maternal child health service Target: 80%		Participation exceeded target with 84.5% of enrolled families participating
Percentage % of Aboriginal children enrolled who participate in the maternal child health service Target: 80%		Participation exceeded target with 96.4% of enrolled Aboriginal children participating
Percentage of residents who volunteer 'sometimes' or 'regularly' (once/month or more) Target: 20%		13% report they regularly volunteer down from 22% 19% report they sometimes volunteer down from 23%
Number of formal and informal partnership agreements with external and/or government agencies to support resilience initiatives. Target: 2 agreements		Many informal partnerships and three where we receive government funding and have signed service agreements
Number of formal and informal partnership agreements with external and/or government agencies pertaining to sustainable and affordable housing including social housing Target: 1 formal or informal partnership agreement		4 Agreements regarding social housing (2 formal following resolutions of Council, one partnership with Kingston Council and one with DFFH)
High level of satisfaction from members and participants at BBN (Bayside Business Network) events. Target: >85%		BBN participants reported 100% event satisfaction; with 95% reporting new Business to Business connections at BBN events

Strategic Indicator/measure	Result	Comment
Community satisfaction with the availability of parking around business and shopping strips/commercial areas. Target: Solid (6.0-6.5)	✓	Satisfaction rating improved by 5% to Good at 6.6, however it remains one of the key issues to address
Number of community driven events supported by Council. Target: 5 per year	✓	8 community events supported by Council 34 grant funded community events

Major initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2022-23 budget for the year.








Major Initiatives	Status	Progress
Municipal Health and Wellbeing Plan	✓	The Health and Wellbeing Plan is a 5 year plan, with the 2022-2023 activities successfully delivered. Noting the extension of the seniors' playground equipment was formally deferred.
Innovate Reconciliation Action Plan \$0.1 million	➤	The Innovate RAP is for two years, with a number of activities commenced in 2022-23 due to be completed in the 2023-2024 year.
Affordable Housing Strategy	✓	Stage 1 was completed with the required Planning Scheme Amendment (C184) adopted by Council in November 2022, which was gazetted in June 2023, following Ministerial approval. Stage 2 of the strategy will progress in 2023-24.

Strategy progress

The following outlines our progress on commitments made in the 2022-23 action plan for the year.

Strategy	2022-23 commitments	Result
Partner with community, agencies and other levels of government to deliver fit-for purpose services and facilities so all people in Bayside can feel safe and live healthy, resilient, active lives at all ages and stages of their life.	Implement the Municipal Health and Wellbeing Plan: <ul style="list-style-type: none"> Disability Action Plan implementation Construct seniors exercise equipment Deliver a program on healthy eating initiatives across Bayside Conduct social impact assessments of planning permits with a liquor licence element Create a Child Safe organisation and embed practices in Council's activities services and programs. 	✓
	Expand Council's aged care service to include aged care packages that are sustainable and respond to the Aged Care Reform recommendations (2021-2023).	✓
Facilitate opportunities for people to participate in community life, through volunteering, civic leadership, sport, artistic, cultural and social programs, to enable inclusion, social connection, creative expression and wellbeing.	Adopt and commence implementation of the Strategic Arts, Culture and Libraries Plan (2023-2027).	✓
	Deliver six Arts and Cultural events in local areas to create social connection and access to Arts and Culture locally.	✓
	Implement key actions from the Community Resilience Plan (2021-2025) including: <ul style="list-style-type: none"> Develop and promote a clear referral pathway for people experiencing vulnerability Increase community awareness of issues impacting the Bayside community Strengthen partnerships with local agencies to improve the outcome people experiencing vulnerability receive. 	✓

Goal 2: Our People

Strategy	2022-23 commitments	Result
Respect and care for our First Nation's cultural heritage to build inclusion, celebrate diversity and enhance connection to place.	<p>Commence implementation of the Innovate Reconciliation Action Plan for Year 1:</p> <ul style="list-style-type: none"> Facilitate an external RAP Advisory Group to provide cultural advice and guidance to Council Council adoption of Memorandum of Understanding between Bunurong Land Council and Bayside City Council Formalise Welcome to Country and Acknowledgement of Country protocols. <p><i>A Memorandum of Understanding between Bunurong Land Council and Bayside City Council is yet to be finalised.</i></p>	80% 
In partnership with others, we facilitate an appropriate mix of inclusive, sustainable and affordable housing, including social housing, to meet the changing needs of people of Bayside .	<p>Implement the Affordable Housing Strategy:</p> <ul style="list-style-type: none"> Commence a planning scheme amendment to implement the relevant action into the Bayside Planning Scheme Develop and implement an affordable housing advocacy communications campaign plan as part of Council's overall strategic advocacy campaign Investigate priority sites to incorporate affordable housing at the time of redevelopment on both public and private land Develop a Bayside Housing Reference group and possible interagency alliance to discuss the ongoing implementation of the actions from this Strategy to ensure Bayside remains accountable and on track. 	
Build social policy and strategy to improve equity, inclusion and diversity in our community.	<p>Embed diversity, equity and inclusion considerations into Council strategy and service delivery including:</p> <ul style="list-style-type: none"> Gender impact assessments on new or reviewed policies and strategies Improving the accessibility and inclusiveness of Council's customer facing systems and processes – including <ul style="list-style-type: none"> training of customer facing staff to support people with diverse abilities and needs, improving the accessibility/inclusiveness of Council's website and communications. 	
Improve the amenity, accessibility and unique sense of place of local shopping strips to enhance community connection.	Implement the Graffiti initiatives identified in the joint Inner South Metropolitan Mayors Forum (ISMMF) funding grant for 2022-23.	
	<p>Develop a placemaking initiative to attract economic activity in activity centres.</p> <p><i>The placemaking initiative to attract economic was formally deferred by Council for delivery in late 2023 in conjunction with the Economic Development, Tourism & Placemaking Strategy (EDTPS).</i></p>	
	Increase the level of service for footpaths in Major Activity Centres and increase toilet cleaning along the foreshore in summer.	
Foster economic activity and local employment, within Bayside Business District (BBD) and major activity centres (MACs)	<p>Undertake the Business Monitor (evaluation program) to determine the impact of Covid 19 on the levels of vacancies and changes to the type of use in Activity centres and BBD.</p> <p><i>The Business Monitor was formally deferred by Council for delivery in late 2023 in conjunction with the Economic Development, Tourism & Placemaking Strategy (EDTPS).</i></p>	
	<p>Develop the Economic Development and Tourism Strategy.</p> <p><i>The Economic Development and Tourism Strategy was formally deferred for presentation to Council in late 2023. This will now become the Economic Development, Tourism & Placemaking Strategy (EDTPS) and incorporate the business monitor study and placemaking strategy.</i></p>	

Services

The following statement provides information in relation to the services funded in the 2022-23 budget and the people or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Aged and Disability Services	Supports older people, people of all ages with disabilities, their carers, and people experiencing vulnerability living at home. Provides information, assessment and care management together with a range of assistance such as, personal care, nursing and allied health assistance, domestic assistance, home maintenance and modifications, delivered meals, shopping assistance, social activities and community transport.	\$2,303 \$2,686 \$383
Animal Management	Supports and encourages responsible domestic animal ownership to protect the amenity, safety and wellbeing of the Bayside community.	(\$793) (\$722) \$71
Arts and Cultural Services	Provides inspiring, creative, artistic and cultural experiences as well as educating and connecting our community to each other for a lifetime of fulfilment, inspiration, and possibility.	\$914 \$1,057 \$144
Family, Youth and Wellbeing Services Management	Plans for and creates strategies and policies to ensure quality, accessible and inclusive service outcomes and delivery. Responsible for Emergency Relief Coordination. Develops reports, funding submissions and evidenced based recommendations related to current and emerging policy, trends and issues impacting Council and the community.	\$238 \$0 (\$238)
Community Wellbeing	Develops and implements strategies, partnerships and programs to improve and promote health, wellbeing, inclusion and access in the Bayside community. Promotes and supports inclusion through Disability and Reconciliation Action Plans and working groups. Provides community grants. Promotes and supports volunteering. Maintains organisational approach to Child Safe Standards.	\$1,391 \$1,422 \$31
Customer Service	Customer Service Supports the community to access Council services through in person, telephone and digital interactions, ensuring that Council is easy to deal with and customers receive a consistent, fair and transparent experience.	\$139 \$128 (\$10)
Economic Development	Encourages and facilitates Bayside's business community to work together to advance a resilient and robust local economy. Provides design advice for activity centre amenity, including street furniture and outdoor dining areas.	\$976 \$954 (\$23)
Emergency Management	Ensures Council continues to deliver critical services during emergency situations and keeps the community safe in collaboration with relevant authorities. Manages resource allocation to respond to emergencies. Works to reduce the cause and effect of emergencies.	\$42 \$47 \$5
Environmental Health and Food Safety	Registers and inspects food and other prescribed businesses and investigates complaints to protect and improve the safety, health and wellbeing of those who live, work in or visit Bayside.	\$364 \$412 \$48
Executive Team	The Executive Team (ET) includes the Chief Executive Officer, four Directors and Executive Manager People and Strategy. Provides whole of organisation leadership to enable high performance by setting clear direction, planning for the future, developing and executing strategy, fostering a culture of collaboration and accountability, and unlocking the potential of all staff.	\$490 \$539 \$49
Family Services	Supports Bayside families to optimise their health, wellbeing, safety, development and learning through maternal and child health, immunisations, playgroups, kindergarten planning, development and enrolment, and parent education sessions.	\$1,692 \$1,777 \$85

Goal 2: Our People

Service	Description	Net Cost
		Actual Budget Variance \$000
Library Services	Provides access to information, resources, programs and spaces for all ages to learn, imagine, create and connect, enriching social life, wellbeing and liveability in Bayside, contributing to a sense of belonging.	\$2,925 \$3,014 \$89
Recreation and Events	Works with sports and recreation organisations and provides spaces, sporting facilities and public halls to encourage and support active, healthy and inclusive communities. Facilitates celebrations, festivals and events that benefit the community and the local economy. Manages permits for filming, photography and personal training.	\$524 \$626 \$102
School Crossings	Protects, educates and provides safe passage to students and parents crossing roads when traveling to and from school.	\$393 \$522 \$129
Youth Services	Partner with young people to strengthen their wellbeing, resilience and connection. Provides social events and activities and education programs for all age groups. Activities include school holiday programs, youth ambassador program, schools-based and community information sessions, and cultural and recreation programs.	\$420 \$448 \$29
TOTAL Goal 2		\$12,019 \$12,912 \$893

Service performance indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service / Indicator / measure	2021	2022	2023	2024	Comments
Animal Management	2.06	1.78	1.64	1.71	Council continues focus on its responsiveness to animal management requests. This is supported by proactive animal management patrols and activities. Officers continue to respond to complaints in a timely manner, at the low end of the range (under two days) consistent with comparable metropolitan councils.
Timeliness					
<i>Time taken to action animal management requests</i> <i>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]</i>					
Service standard	82.49%	72.60%	86.82%	82.31%	The number of animals reclaimed is well above the average for metropolitan Councils due to a high proportion of animals collected being registered. Council takes a proactive approach to promoting responsible pet ownership, and a focus of reuniting pets with owners has contributed to this result.
<i>Animals reclaimed</i> <i>[Number of animals reclaimed / Number of animals collected] x 100</i>					

Service / Indicator / measure	2021	2022	2023	2024	Comments
Service standard <i>Animals rehomed</i> <i>[Number of animals rehomed /</i> <i>Number of animals collected] x 100</i>	15.21%	13.01%	12.40%	7.69%	<p>This rate of rehoming is similar to previous years, and while lower than the average for similar councils, it is partly because Bayside has a high percentage of animals reclaimed from Council by their owners, meaning that fewer animals need rehoming and demonstrating the high level of care by pet owners in Bayside including ensuring pets are registered. The number of animals requiring rehoming has increased but the demand for rescue animals has reduced, with fewer being rehomed.</p>
<i>Service cost</i> <i>Cost of animal management service</i> <i>per population</i> <i>[Direct cost of the animal</i> <i>management service / Population]</i>	\$7.75	\$6.28	\$8.43	\$8.13	<p>The cost of service is operating within budget and is in the middle of the range for metropolitan councils (\$4-\$17).</p>
Health and safety <i>Animal management prosecutions</i> <i>[Number of successful animal</i> <i>management prosecutions /</i> <i>Number of animal management</i> <i>prosecutions] x 100</i>	100.00%	100.00%	100.00%	100.00%	<p>Council conducts community education programs on responsible pet ownership to minimise breaches of the Domestic Animals Act.</p> <p>Despite the number of prosecutions doubling Council has maintained a 100% success rate on animal prosecutions through the Magistrate Court, as a result of good evidence and detailed briefs.</p>
Libraries Utilisation <i>Physical Library collection usage</i> <i>[Number of physical library</i> <i>collection item loans / Number of</i> <i>library physical collection items]</i>	3.75	2.95	4.04	5.6	<p>The library loans have continued to increase during this year and has been complemented by new library collection stock. This is also supported by continued effort to build and maintain connection with active borrowers in the municipality.</p>
Resource standard <i>Recently purchased</i> <i>library collection</i> <i>[Number of library collection items</i> <i>purchased in the last 5 years /</i> <i>Number of library collection items]</i> <i>x100</i>	64.21%	60.75%	51.83%	60.64%	<p>Following a cull of the library collection during pandemic closures, the collection has been reinvigorated with new stock. This included specific collections that were targeted for renewal over the 2022-2023 period to meet demand.</p>
Participation <i>Active library borrowers in</i> <i>municipality</i> <i>[Number of active library borrowers</i> <i>in the last three years / The sum</i> <i>of the population for the last three</i> <i>years] x100</i>	21.64%	21.51%	22.27%	23.06%	<p>Bayside continues to connect with its borrowers through many streams including home deliveries, remote pickup, and installation of book lockers. Since the pandemic libraries have extended opening hours providing more opportunities for active borrowers. A slight decrease in the municipal population also drives a percentage increase.</p>

Goal 2: Our People

Service / Indicator / measure	2021	2022	2023	2024	Comments
Service cost Cost of library service per population [Direct cost of the library service / Population]	\$36.63	\$30.04	\$37.59	\$38.88	Cost of the library service remains within the range, with a marginal increase that align with the increased participation and useage, and the return of all library branches to full operating hours.
Maternal and Child Health (MCH) Service standard Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100.85%	100.71%	100.12%	101.10%	The number of birth notifications over the last five years has been trending downward (from 855 in 2018-19 to 729 in 2022-23). The percentage of infants enrolled in the service from birth notifications received remains within the target range. Council continued to deliver a very high level service with community satisfaction with the service in the excellent range.
Service cost Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$93.86	\$94.12	\$93.84	\$104.18	The maternal and child health (MCH) service provides support and information to families with children aged from birth to school age who live within the municipality. The MCH cost has increased since last year. Reasons for the increase in cost are that with the end of pandemic declaration in October 2022 there was increased demand for staff leave, and increased casual backfill to cover planned leave to ensure continuity of service. There was also a significant increase in reactive building maintenance costs in the 2022-23 year.
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	79.78%	79.61%	76.93%	84.49%	Participation rates have increased compared to prior years. Monthly reminders for missed visits and a targeted program in conjunction with early childhood service providers helped to promote the MCH service and re-engage families with 2 and 3.5 year age visits, resulting in improved participation.
Participation Participation in the MCH service by Aboriginal children [Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	91.43%	88.37%	62.50%	96.43%	Participation levels remains high based on a small number of families residing and enrolled in Bayside. Council has a strong commitment to close the gap and improve outcomes for first nations families.
Satisfaction Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100	100.00%	221.88%	99.25%	100.00%	Council's performance is consistent with the previous year. Council's services encourage newborns whose families are offered appointments for their two week and four week Key Age and Stage visits with the initial contact from the Maternal Child Health Service.

Service / Indicator / measure	2021	2022	2023	2024	Comments
Food safety – Timeliness <i>Time taken to action food complaints</i> <i>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</i>	1.41	1.80	1.64	1.49	Cumulative time taken to action 49 food complaints Jan-Dec 2022 (calendar year) is 73 days resulting in a reduced average to 1.49 days, which demonstrates a continued improvement as food businesses are now more accessible as trading conditions resume to pre-pandemic patterns of operation.
Service standard <i>Food safety assessments</i> <i>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</i>	104.99%	96.24%	97.48%	100.00%	All Class 1 and 2 premises that required an assessment were completed during the 2022 year.
Service cost <i>Cost of food safety service</i> <i>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</i>	\$479.23	\$481.23	\$486.53	\$458.28	Cost of the food safety service remains consistent with previous years. Salary costs are slightly reduced as the service carried a vacancy for a period of time.
Health and safety <i>Critical and major non-compliance outcome notifications</i> <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100</i>	100.00%	100.00%	100.00%	100.00%	Major and critical non compliances continue to be a high priority. Environmental Health Officers ensure that all major and critical issues identified during the assessment period are followed up as a priority within the required timeframe to mitigate the risk to the community.

Goal 3: Our Place



Goal 3: Our Place

Our open space and foreshore, our facilities and the built environment are highly valued, shared and enhanced to ensure their sustainability, use, liveability, character, and amenity for current and future generations.

Overview

The Bayside community highly values its sense of place and local liveability, which is a product of our abundant open space, 17 kilometres of foreshore, the many facilities and attractions, and the built environment.

Bayside residents have a strong desire to see their neighbourhood character preserved, with development that is sympathetic or responsive to the natural environment. These qualities vary across Bayside, with residents strongly identifying with the individual character of their local area, which includes diverse examples of heritage, post-war, modern and contemporary architecture increasingly showcasing buildings which represent the sustainability and environmental standards.

This desire extends to increasing access to a variety of transport options and the convenience that this choice provides. Walking and cycling are preferred by our residents for exercise and increasingly integrated into commuting options. Commuters value the frequent train services for work and education. Private cars are used by residents for distances more than a kilometre, for social and shopping trips, school drop-offs and pick-ups, and travel outside the municipality.

The Bayside community seeks safer and more convenient infrastructure for cyclists and pedestrians, seeks safer streets and less congestion in residential areas, and wants to encourage and improve public transport use and access. Car parking remains an issue for some Bayside residents, especially with commuters parking in residential streets, and for some multi-car families.

This goal responds to 3 themes from our Community Vision Bayside 2050

Theme 2 Increase & enhance open space

Bayside will ensure open space and its protection and amenity is a priority for 2050. Increased sense of community provides places for our community to meet and engage; Improves mental and physical health.

Theme 3 Transport walkability & rideability

Bayside will support provision of effective, sustainable and inclusive transport services and infrastructure. As population grows a good integrated transport system will reduce congestion, decrease the need for parking and be better for the environment, enabling residents and visitors to move freely within the community.

Theme 9 The built environment

The built environment includes residential and commercial properties, roads and transport infrastructure and all aspects that a Council would 'build'/'rate' as part of the overall environment across Bayside. Caters for multiple and varying views on how to best develop the built environment across the city to allow for future accommodation increases and protection of the liveability of Bayside.





Bayside residents have a strong desire to see their neighbourhood character preserved, with development that is sympathetic or responsive to the natural environment.

Goal 3: Our Place

Strategic Objectives











- 3.1 Open spaces are increased, and foreshore is cared for, to support diverse use and connect to community.
- 3.2 Infrastructure and assets are sustainable, accessible and fit for purpose now and for the future.
- 3.3 Land use will enhance Bayside's liveability for the community of life and protect the distinctive heritage and character of our various localities.
- 3.4 Transport planning and infrastructure facilitates a well-connected, accessible, safe and convenient transport system that contributes to a zero-carbon future and wellbeing.

Key – how we indicate performance

-  Complete
-  Incomplete
-  Deferred/ongoing
-  Unable to measure/not measured

Strategic indicators

The following statement reviews the results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Community satisfaction with the provision and maintenance of parks, reserves Target: Maintain or improve very good (7.25 - 7.75)		Satisfaction improved rating to the excellent category at 8.1 – with a 5 % increase from 2022
Community satisfaction score for sports grounds and ovals Target: Maintain excellent rating (7.75+)		Satisfaction retained an excellent rating at 8.2 – with a measurable 4% improvement from 2022
Maintain 100% of asset renewal as a percentage of depreciation		Asset renewal was 86.3% as a percentage of depreciation (\$22.6M/\$26.25M depreciation)
Community satisfaction with public toilets Target: Maintain or improve good rating (6.5-7.25)		Satisfaction retained a good rating at 7.2 – with a measurable 4% improvement from 2022
Community satisfaction with maintenance and repair of assets and facilities: <ul style="list-style-type: none"> • Sealed local roads • Target: Maintain or improve very good rating (7.25-7.75) 		Satisfaction declined marginally this year, down 1% to 7.2, which is a good, down from a very good level
<ul style="list-style-type: none"> • Drains • Target: Maintain or improve good rating (6.5-7.25) 		Satisfaction remained stable at 7.2, or a good level of satisfaction
<ul style="list-style-type: none"> • Footpaths • Target: Maintain or improve good rating (6.5-7.25) 		Satisfaction increased somewhat this year, up 3% to 7.0, although it remains at a good level
Increase activation of Council pavilions during non-sport allocated hours Target: 5 pavilions with community opening hours		5 pavilions operating with community opening hours
Planning Scheme Outcomes Percentage of planning application decisions subject to review by VCAT that were not set aside Target: 60%		60.47% decisions were upheld at VCAT
Community satisfaction with appearance and quality of new developments in their area Target: Improve poor rating (5.5-6.0)		Satisfaction increased measurably, up 10% to 6.5, reaching a good rating up from poor

Strategic Indicator/measure	Result	Comments
Community satisfaction with planning with population growth Target: Improve poor rating (5.5-6.0)	✓	Satisfaction over the number of new developments increased measurably, up 7% to 6.2, reaching a solid rating up from poor Data on planning for population was not collected in 2023, (noting there was a drop in Municipal population)
Planning applications decided within 60 days Target: 70%	✓	86.82% applications decided within 60 days
Average time taken to decide planning applications Target: 65 days	✓	Average time taken 61 days
Community satisfaction with protection of local heritage Target: Improve poor rating (5.5-6.0)	✓	Satisfaction increased notably, up 7% to 6.2, which is good rating, up from poor
Community satisfaction with on and off-road bike paths (including shared paths) Target: Maintain or improve very good (7.25 - 7.75)	✓	Satisfaction increased marginally by 1% to 7.5, although it remains at a very good rating
Community satisfaction on the availability of parking on residents' streets in the local area Target: Maintain or improve good rating (6.5-7.25)	✓	Satisfaction remained stable this year at good up by 1% to 6.6

Major initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2022-23 budget for the year.

Major initiatives	Status	Progress
Dendy Street Beach Pavilion construction 4.13 million	✗	Construction was delayed due to the contractor going into administration. Construction has resumed with the appointment of a New Head Contractor. Practical completion is now anticipated within the next 3-6 months.
Beaumaris Arts Studio \$1.016 million	✓	Planned detailed design completed.
Warm Water Pool design and feasibility \$140,000	➤	Phase 1 community consultation and concept designs completed.
Commence development of the Highbury Grassy Woodland Masterplan (CSIRO site) \$114,000	➤	The land transfer was completed in April 2023. A remediation assessment is underway and will inform the development of the Masterplan for the reserve. The scope of the Masterplan is drafted.
Inter War and Post War heritage study review \$100,000	➤	Council resolved to defer the commencement of this project for 2 years.
Tulip Street Basketball Courts \$6.300 million	✗	Construction was delayed due to the contractor going into administration. Construction has resumed with the appointment of a New Head Contractor. Practical completion is now anticipated within the next 3-6 months.

Goal 3: Our Place

Strategy progress

The following outlines our progress on commitments made in the 2022-23 action plan for the year.

Strategy	2022-23 Commitments	Result
Our foreshore, open space and amenities deliver enhanced functionality for a wide range of uses.	Implement the Playground Improvement Plan including activity spaces for all ages and abilities. Program for 2022-23 includes Elsternwick Park South Reserve, Northern Playground.	⏸
	<i>Due to competing pressures, the funding to implement the Playground Improvement Plan was reallocated and the action was formally deferred by Council in February 2023 to 2023-24.</i>	
	Commence design and development of Beaumaris Arts Group Studio.	✓
Focus on increasing open space within key residential growth areas in major activity centres.	Design and deliver the Wells Street pocket park.	80%
	<i>Design and delivery of the Wells Street pocket park is 80% complete. Community engagement on the draft concept design was completed with Council adopting its preferred design for the reserve. Works expected to be completed by the end of October 2023.</i>	⊗
	Consider further opportunities to provide Open Space in major activity centres (MACs).	✓
Manage our open space and public places to balance the different needs of people who visit, live or work in Bayside.	Implement the Wishart Reserve concept design including options for improving dogs off leash opportunities.	80%
	<i>Extensive community consultation resulted in a design endorsed by Council June 2023 providing both dog off leash amenity and a separate path for park visitors who do not wish to use the dog off leash space. A tender to deliver these works is underway for delivery in early 2023-24.</i>	⊗
	Develop a Masterplan for Wangara Road.	80%
	<i>Development of a Master plan has advanced as far as Council is able to progress it subject to third party input. Council has developed a Rehabilitation Plan that is currently being considered by the EPA for approval. This will inform the direction of the Masterplan and will guide what can be accommodated on the site. Once approved, Council can continue the master planning for the reserve into 2023-24.</i>	⊗
	Implement the Landscape Plan for Elsternwick Park South.	⊗

Strategy	2022-23 Commitments	Result
Plan for and implement effective stewardship of all Council assets to ensure our infrastructure is safe, activated, accessible, adaptable, cleaner, fit-for-purpose and environmentally sustainable.	Commence implementation of Council Asset Plan (2022-2032).	90%
	<i>Implementation of Council Asset Plan (2022-2032) is 90% complete. Preliminary work (year 1) is focussed on building an undated condition assessment model, and on developing criteria to better assess the non- technical "fit-for-purpose" service levels. These include a focus on contemporary expectations to optimise assets for multiple users. Policies required to support a change in diversifying use have been reviewed, with pilot assessment of selected facilities completed.</i>	⊗
	Implement the approved capital works program for 2022-2023, across diverse categories (major projects, capital projects, replacement and renewal).	76%
	<i>Council has delivered 76% of the approved capital works program. This is despite a challenging operating environment, including material and supply issues, staff shortages, cost escalation, builders going into administration and adverse weather events. All planned major works are well progressed with the majority ready for practical delivery in the next 3-6 months.</i>	⊗
	Commence a public design process and consultation for the Gateway building at Yalukit Willam Nature Reserve (YWNR).	80%
	<i>A scope for the Gateway Building was drafted in consultation with the YWNR Committee and the scope has been reviewed by a quantity surveyor to provide an estimate of the construction cost of the building.</i>	⊗
	<i>A design competition will be held in 2023-24 as well as Council making an application for funding to support delivery of the design competition and the design and construction processes.</i>	
	Implement Year 1 of the Early Years Infrastructure Plan (2022-2028) and requirements to meet new standards:	✓
	<ul style="list-style-type: none"> • Commence Fern Street Early Years Centre, 2022-2023 • Complete North Brighton Children's Centre Redevelopment – 2022-23 • Complete concept planning and propose recommendations for redevelopment of East Beaumaris Kindergarten. 	
	Utilise the adopted functional brief to commence the concept design for the Hampton Hub and Integrated Open Space.	90%
	<i>Various options were presented to Council which resolved at the June Ordinary Council meeting to undertake a feasibility analysis of further options and consider a report in December 2023 on the findings of the feasibility analysis and consider the next steps of the project.</i>	➤

Goal 3: Our Place

Strategy	2022-23 Commitments	Result
Strategic planning and controls protect and reflect the diverse environmental and heritage values of Bayside.	Commence the Planning Scheme amendment to implement the Environmentally Sustainable Development (ESD) policy. <i>Note: The Environmentally Sustainable Development (Stage 1 - Amendment C187) was unanimously adopted by Council in April 2023 and submitted to the Minister for final approval. While waiting for Ministerial approval, advocacy in support of the Amendment is ongoing.</i>	✓
	Commence the Planning Scheme amendment process to consider the introduction of the Post War Modern Heritage Residential Study. <i>Note: The Planning Scheme Amendment C192 was authorised by the Minister for Planning subject to conditions. Officers have updated the Amendment in accordance with the requirements and is unable to proceed to exhibition until these are approved by DTP.</i>	✓
	Commence the Interwar Residential Heritage Study. <i>Council resolved to defer the commencement of this project for 2 years at its 20 December 2022 Ordinary Council Meeting. The project will be presented to Council in March 2025, following the next Council election, for further consideration.</i>	➤
Encourage the planning of well-designed new development that is appropriately located and consistent with the preferred neighbourhood character and residential amenity.	Undertake Planning Scheme amendments to implement the Neighbourhood Character Review. <i>Note: An application to introduce the Neighbourhood Character Review recommendations via new Schedules to the Neighbour Residential Zone, was lodged with the Minister for Planning.</i> <i>After a prolonged period of time, Council was advised the amendment would not be Authorised.</i> <i>Further analysis will be undertaken to determine how the Neighbourhood Character review recommendations can be implemented into the Bayside Planning Scheme.</i>	✓
	Implement actions from Council's Integrated Transport Strategy: <ul style="list-style-type: none"> Undertake the design and approval process for the Bay Trail duplication project in Brighton as part of the removal of high-risk sites Adopt a Bayside Parking Strategy <i>The Bayside Parking Strategy was endorsed by Council at its June 2023 meeting.</i> <i>The Bay Trail Brighton duplication project has progressed through the planning and investigation phase, but delays to the concept design have postponed completion.</i>	90% ✗
Integrate our transport planning and traffic management, and employ smart solutions to address changing demand, transport trends and community needs	Undertake the design and minor construction works to improve bicycle connections between Cheltenham and Sandringham stations.	✓
	Identify the highest order connectivity corridors (pedestrian and cyclists) between retail strips and adjoining residential areas.	✓
	Actively participate and represent Bayside residents in the Suburban Rail Loop project to ensure quality outcomes for Bayside residents are achieved'	✓

Services

The following statements provide information in relation to the services funded in the 2022-23 budget and the people or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Asset Protection	Ensures developers respect, protect and reinstate our public assets to a high and safe standard in accordance with the Local Law when undertaking development or construction work.	(\$1,015) (\$241) \$774
Assets and Investigations	Plans and manages Council's civil and community infrastructure assets including roads, drainage and buildings, to ensure they are fit for their intended purpose and meet community needs now, and in the future.	\$1,322 \$1,404 \$82
Executive Team	The Executive Team (ET) includes the Chief Executive Officer, four Directors and Executive Manager People and Strategy. Provides whole of organisation leadership to enable high performance by setting clear direction, planning for the future, developing and executing strategy, fostering a culture of collaboration and accountability, and unlocking the potential of all staff.	\$787 \$730 \$60
Local Laws (inc. Parking and Appeals)	Protects community safety and amenity through the enforcement of relevant laws and regulations. Provides community education to encourage compliance. Provides independent reviews for appeals against infringements to ensure decisions are fair, consistent and transparent.	(\$4,492) (\$3,230) \$1,262
Open Space Management	Manages and maintains parks, bushlands, sports fields and foreshore areas, as well as trees on Council land, so that Bayside residents and visitors have access to open spaces that meet their diverse needs. It also manages the Bayside Community Nursery and works with Friends of groups to conserve and enhance open spaces and biodiversity.	\$5,788 \$5,848 \$60
Recreation and Events	Works with sports and recreation organisations and provides spaces, sporting facilities and public halls to encourage and support active, healthy and inclusive communities. Facilitates celebrations, festivals and events that benefit the community and the local economy. Manages permits for filming, photography and personal training.	\$54 \$0 \$54
Maintenance Services	Maintains and improves Council buildings, roads, footpaths and drainage network to ensure they are functional and safe. This service delivers maintenance work and improvements to Council's infrastructure and assets to meet the needs of the Bayside community.	\$12,147 \$10,493 (\$1,654)
Planning Investigations	Ensures compliance with relevant planning and tree regulations to protect Bayside's neighbourhood amenity, built and natural environment, heritage places and to ensure public safety.	\$827 \$835 \$7

Goal 3: Our Place

Service	Description	Net Cost Actual Budget Variance \$'000
Project Services	Develops, manages, and reports on Council's Prioritised Capital Works Program to deliver new assets, and to renew, upgrade and or expand existing assets in a safe, sustainable and inclusive manner to meet community needs.	\$420 \$513 \$93
Statutory Building	Registers building permits, pools and spas and determines report and consent applications. Provides property information and building regulatory advice to customers. Ensures the built environment is safe for the community through enforcement action regarding illegal or dangerous buildings.	\$556 \$555 (\$1)
Statutory Planning	Ensures proper and orderly land use, development and subdivision, to protect neighbourhood and landscape character for the future of Bayside. Determines planning permit applications through administration of relevant legislation and implementation of the Bayside Planning Scheme. Provides information and advice to residents and permit applicants.	\$1,378 \$1,339 (\$39)
Strategic Planning	Develops and implements strategies and policies to guide future developments and land use in Bayside. Administers changes to the Bayside Planning Scheme.	\$1,227 \$1,802 \$575
Traffic and Transport	Delivers and advocates for a traffic and transport system that is safe, well-connected, accessible and convenient and positively contributes to a strong economy, the health and wellbeing of the community, local amenity, and a low carbon future.	\$1,105 \$1,065 (\$41)
TOTAL for Goal 3		\$20,103 \$21,113 \$1,010



Service performance indicators

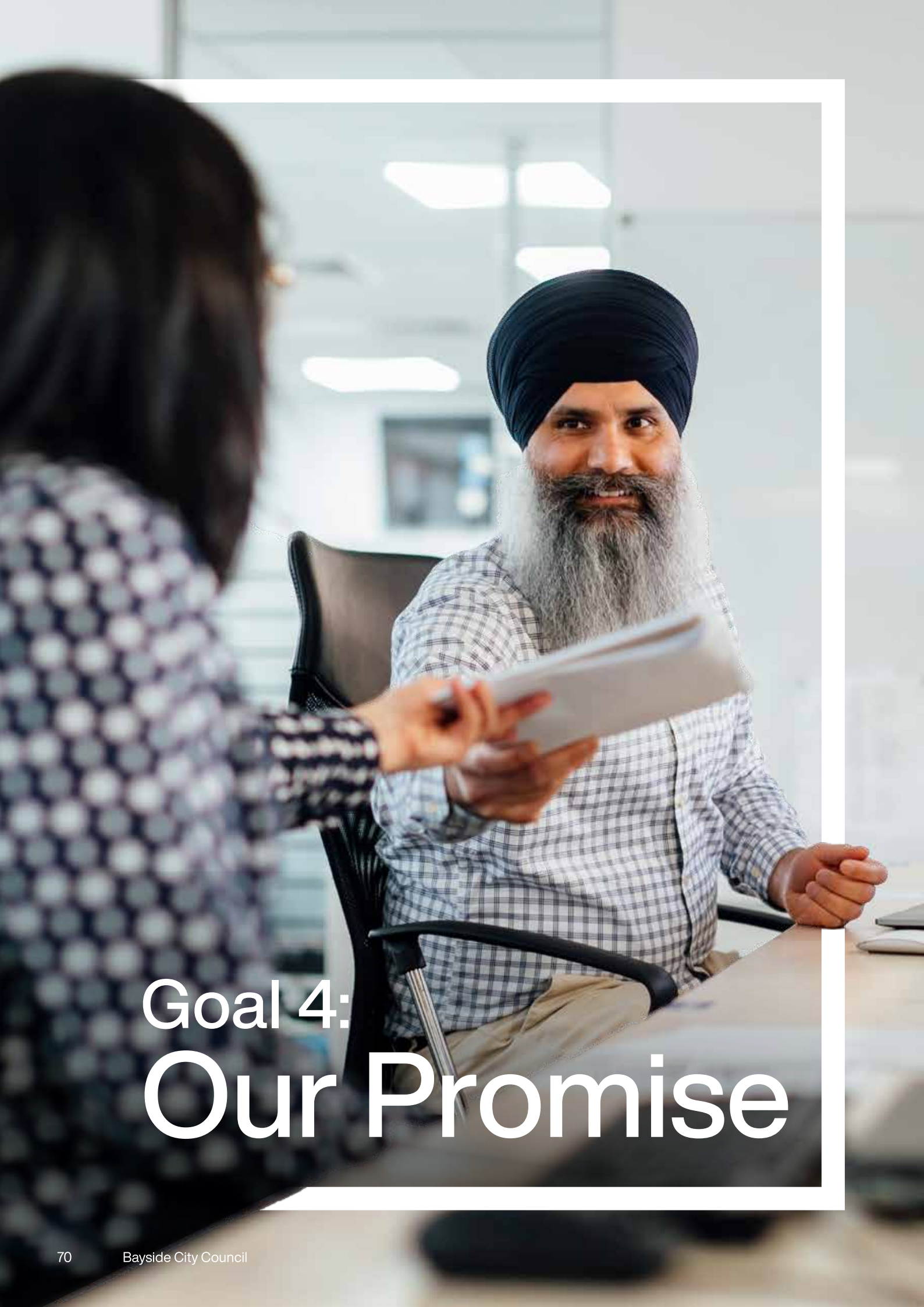
The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service / Indicator / measure	2021	2022	2023	2024	Comments
Roads	116.71	110.30	116.80	140.65	Significant rain events and flooding in late 2022 resulted in a spike in requests in that quarter, which have reduced significantly in the latter part of the year as issues have been addressed.
Satisfaction					
Sealed local road requests <i>[Number of sealed local road requests / Kilometres of sealed local roads] x100</i>					
Roads	98.38%	98.92%	97.29%	97.56%	The data is consistent with the previous year given Council's Pavement Management System and greater reliance on timely capture of actual conditions of roads.
Condition					
Sealed local roads maintained to condition standard <i>[Number of kilometres of sealed local roads below the renewal intervention level set by council / Kilometres of sealed local roads] x100</i>					
Roads	\$231.08	\$0.00	\$0.00	\$0.00	Costs expended in 2022-23 are carried forward to 2023-24 reporting year as works are commenced but not yet completed. The project has been put on hold until 2025 to ensure alignment with works by utilities.
Service cost					
Cost of sealed local road reconstruction <i>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</i>					
Roads	\$36.86	\$20.54	\$19.83	\$22.60	Cost per square metre is consistent with like councils. The slight increase is due to higher levels of treatment required on target roads. Other factors influencing cost includes fluctuating materials supply and labour.
Service cost					
Cost of sealed local road resealing <i>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</i>					
Roads	74.80	71.00	73.20	72.00	The rating is sourced from the annual Community Satisfaction Survey conducted by an independent research company. Bayside's satisfaction result remains strong but the 1% drop in satisfaction was likely affected by the impacts from the spring rain events.
Satisfaction					
Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>					

Goal 3: Our Place

Service / Indicator / measure	2021	2022	2023	2024	Comments
Statutory Planning Timeliness <i>Time taken to decide planning applications</i> <i>[The median number of days between receipt of a planning application and a decision on the application]</i>	55.75	46.00	53.00	61.00	The median processing time is based on the total calendar days taken to assess an application. This is impacted due to a number of factors, including application complexities requiring a more comprehensive assessment, delegations, and factors outside of Council control (where an application may be waiting for the provision of further information and/or public notification). Nevertheless, this is a strong result which is substantially lower than the metropolitan average (95 days), owing to a continued focus on internal processes to ensure efficient processing times.
Service standard <i>Planning applications decided within required timeframes</i> <i>[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100</i>	77.85%	85.64%	85.55%	86.82%	Bayside has sustained a high percentage of applications processed within the specified timeframes with a focus on efficient processing. This included 90.4% of Vic Smart applications processed in 10 days and 85.7% of all other application types within 60 statutory days.
Service cost <i>Cost of statutory planning service</i> <i>[Direct cost of statutory planning service / Number of planning applications received]</i>	\$3,337.91	\$2,629.81	\$2,556.22	\$2,898.35	Continued focus on efficiency of service means the cost is well within the expected range. However, a drop in applications for the year (159 or 10+% fewer) resulted in decreased income to offset the cost per application.
Decision making <i>Council planning decisions upheld at VCAT</i> <i>[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	63.64%	48.78%	50.00%	60.47%	During the reporting year 43 appeals have been determined with 26 being affirmed, resulting in an overall result of 60% of decisions being upheld. This result is a noticeable improvement from the previous year and closer to our target of 65%/year.





Goal 4: Our Promise

Goal 4: Our Promise

We will engage with and represent for all in our community, and provide ethical, open and accountable stewardship of the Bayside municipality and deliver sustainable services that meet the vision and needs of the current and future generations of Bayside.

Overview

The *Local Government Act 2020* is a principles-based Act, designed to promote improved transparency, community engagement and service value to the communities we serve. Bayside is committed to meeting our responsibilities under the Act to ensure the economic, social and environmental sustainability of the municipality, including the mitigation and planning for Climate Change risks.

The Council Plan is committed to ensuring strong and effective democratic representation from Council, and to deliver responsive and financially responsible services and facilities that meet community needs. Strategies include a strong advocacy program to leverage other sources of income for strategic priorities, a strong integrated planning and reporting framework, and robust governance through policies and audit program.

These commitments are all underpinned and driven through a lens of addressing the climate emergency, engaging with and representing our community on decisions that affect them, and improving the customer experience in all interactions with Council.

Our strong financial position ensures Council is able to provide a broad range of services at a lower cost to the community than most other councils while maintaining high levels of customer satisfaction. It has also enabled significant investment in new and existing infrastructure.

Our Financial Plan and budget are committed to maintaining this position while managing the medium term challenges derived from increased supply and CPI increases running between 6-7%. In addition, we seek to manage ongoing pressure due to the cumulative impact of the State Government rate capping policy 'Fair Go Rates', in addition to the increasing cost pressures associated with addressing the Climate Emergency.

This goal responds to two themes from our Community Vision Bayside 2050

Theme 7 Council operations and accountability

Bayside City Council serves the needs of its communities, engaging with them, reflecting their desires and aspirations in its activities, including, where appropriate, encouragement for community members to drive the vision.

Theme 6 Promoting Innovation





Bayside will nurture innovation to encourage a thriving and vibrant community. Creativity and thinking outside the box improve problem solving and the opportunity to have a competitive advantage.

Goal 4: Our Promise

Strategic Objectives








- 4.1 Identify an agreed program of advocacy to secure funding and policy reform to be a leading voice for change.
- 4.2 Ensure flexible and transparent decision making through open and accountable governance.
- 4.3 Provide customer-focussed and effective service delivery and value in all we do.

Key – how we indicate performance

-  Complete
-  Incomplete
-  Deferred/ongoing
-  Unable to measure/not measured



Strategic indicators

The following statement reviews the results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Community satisfaction with Council's reputation, lobbying and advocacy Target: good rating (6.5 - 7.25)		Satisfaction retained a good rating at 6.8 – with a 3% improvement from 2022
Community satisfaction with Council's responsiveness to community needs Target: good rating (6.5 - 7.25)		Satisfaction retained a good rating at 7.0 – with a 3% improvement from 2022
Community satisfaction with Council maintaining trust and confidence of the local community Target: good rating (6.5 - 7.25)		Satisfaction retained a good rating at 6.9 – with a 2% improvement from 2022
% Council decisions made at meetings closed to the public Target: 5% or less		1.97% (8/406) of decisions were closed to the public
Improve percentage of Council's facilities with current tenancy agreements Target: 92%		76% of Council facilities have current tenancy agreements with the remainder in overhold
Community satisfaction that Council provides important services that meet the needs of the whole community Target: Maintain or improve very good rating (7.25 - 7.75)		Satisfaction remained in the very good category, at 7.3, consistent with long-term average of 7.3
Community perception for overall customer service Target: Maintain or improve very good rating (7.25 - 7.75)		Satisfaction with overall customer service declined this year but remained very good






Major Initiatives

The following statement reviews the progress of Council in relation to major initiatives identified in the 2022-23 budget for the year.

Major initiative	Result	Comments
Develop Council's annual budget for 2023-24		Completed
Develop Council's annual budget for 2023-24		Completed

Strategy progress

The following outlines our progress on commitments made in the 2022-23 action plan for the year.

Strategy	Progress on commitments in 2022-23	Result
Identify an agreed program of advocacy, build relationships with government and partner with others to optimise our effort.	4.1.1.1. Develop and deliver the advocacy program that focuses on Council priorities aligned to our goals: <ul style="list-style-type: none"> • Our Planet • Our Promise • Our People • Our Place 	
Engage with our community, consider all views and report openly enabling people to be informed about and involved in key decisions, policies and projects that affect them.	Conduct annual Council Plan review and develop the Annual Action Plan 2022-23.	
	Develop Annual Report on delivery of major plans, strategies and performance and progress against Council Plan and Budget.	
Model ethical standards and practices and make evidence based decisions to build trust in our leadership.	Review Councillor Code of Conduct.	
	Review the Charters of Council's various Advisory Committees and groups.	
Ensure integrated planning and sound financial management while allocating resources to meet community needs.	Review and adopt the 10-Year Financial Plan and Annual Budget.	
	Implement Year 1 of the Property Strategy, in particular the Leases and Licences policy.	
Provide enhanced services to our community, placing the customer at the centre of everything we do.	Deliver a program of work aimed to understand and improve customer experience at every interaction, including: <ul style="list-style-type: none"> • New customer complaint handling procedure to ensure a fair and consistent approach to complaint handling • Introduce a continuous Customer feedback survey across Council services • Using data and insights, demonstrate the need for the introduction of a web chat and live chat solution and deliver this solution to provide customers with an additional service channel. 	
	Deliver continued improvements to on-line applications for Asset Protection.	

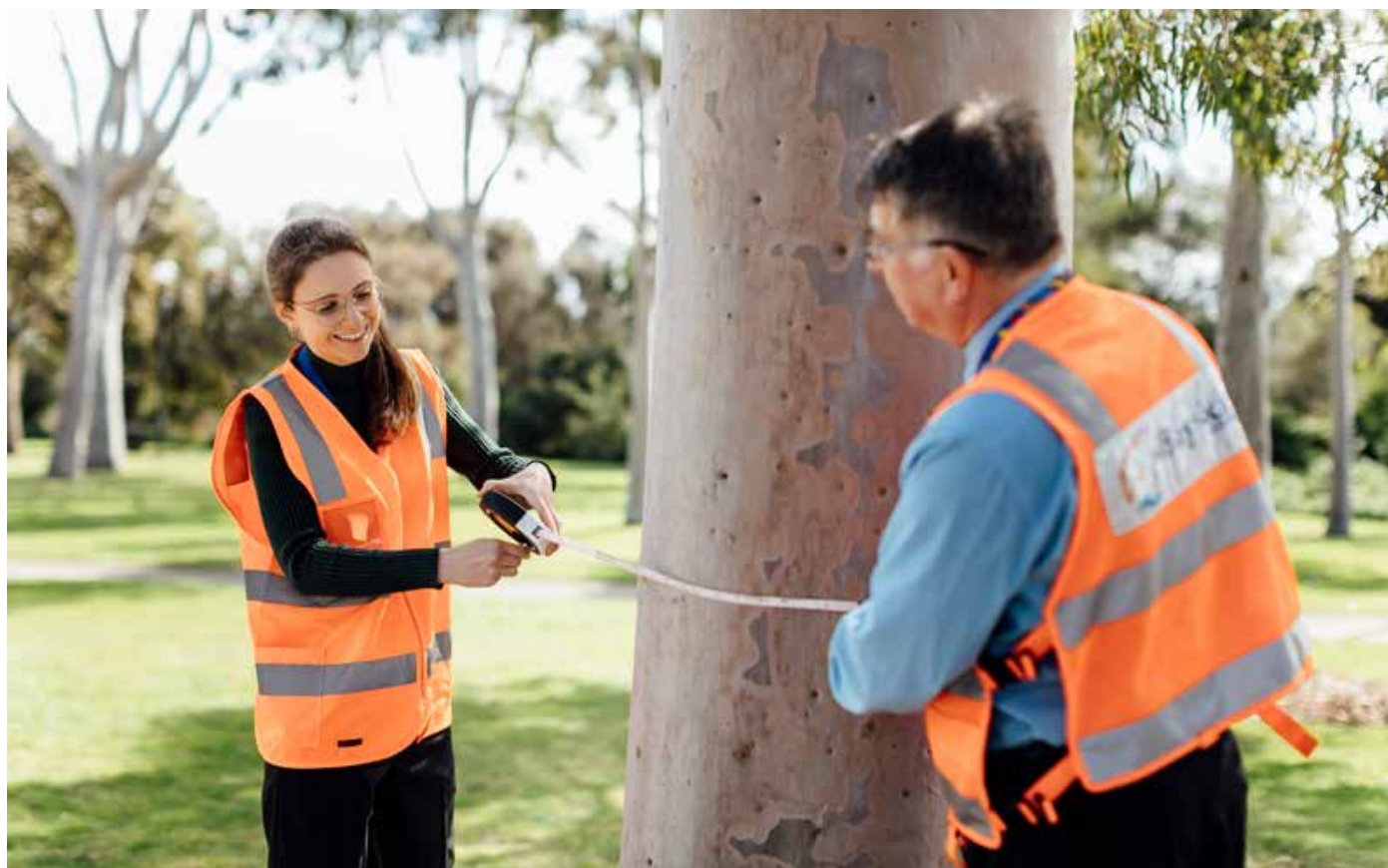
Goal 4: Our Promise

Services

The following statement provides information in relation to the services funded in the 2022-23 budget and the people or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Executive Team	The Executive Team (ET) includes the Chief Executive Officer, four Directors and Executive Manager People and Strategy. Provides whole of organisation leadership to enable high performance by setting clear direction, planning for the future, developing and executing strategy, fostering a culture of collaboration and accountability, and unlocking the potential of all staff.	\$859 \$987 \$129
Communications	Builds community awareness, understanding and trust in Council decisions, operations and policies through external communication and media campaigns. Supports the delivery of advocacy activities on behalf of Council and the community. Ensures proactive communication of information and activities and promotion of organisational priorities within the organisation. Positively contributes to organisational engagement and culture.	\$1,505 \$1,364 (\$141)
Community Engagement	Supports Council to undertake meaningful engagement with community members about matters that affect them, so its decisions align with community needs and aspirations, are transparent, understood and accepted.	\$519 \$582 \$63
Customer Experience	Supports Council to enable practices, processes and services to be focused on delivering exceptional customer experience.	\$686 \$716 \$30
Customer Service	Supports the community to access Council services through in-person, telephone and digital interactions, ensuring that Council is easy to deal with and customers receive a consistent, fair and transparent experience.	\$1,085 \$1,078 (\$6)
Enterprise Project Management Office	Facilitates project management training, project planning and reporting, to ensure the effective delivery of Council projects through an Enterprise Project Management Framework and a Project Portfolio Management system.	\$376 \$357 (\$19)
Financial Services	Manages Council's finances including preparing and managing the annual budget, internal and external financial reporting, and ensuring Council meets its statutory financial and taxation obligations. Provides financial leadership to assure the long term financial sustainability of Council. Manages the collection of revenue including rates from residents and businesses to fund Council services and Council assets and their ongoing maintenance. Ensures Council's vehicle fleet is available to meet service delivery requirements.	(\$2,830) (\$512) \$2,317
Governance	Supports the elected Council, organisation and staff to perform their functions and duties in accordance with laws, with transparency and integrity. Supports Council meetings and delivers civic and ceremonial events, such as Citizenship Ceremonies. Administers Freedom of Information requests. Supports Council to develop its 4-year Council Plan and annual action plan. Ensures transparency and accountability to the community by reporting Council's performance and delivery of the Council Plan through the Quarterly Performance Report, Annual Report and Know Your Council website.	\$1,819 \$1,833 \$14
Information Technology	Provides contemporary technology, communications and information management systems to enable secure, productive and efficient service delivery to the Bayside community.	\$6,613 \$6,251 (\$362)

Service	Description	Net Cost Actual Budget Variance \$000
People and Strategy	Provides human resource and organisational development services for the organisation. This includes employee relations, payroll, learning and development, organisational strategy, service planning and improvement services.	\$2,110 \$2,087 (\$22)
Procurement	Supports the Council to make sound procurement decisions that maximise community benefit and ensure good governance and probity outcomes.	\$614 \$610 (\$4)
Property and Lease Management	Manages Council's extensive property portfolio for maximum community benefit and so that, directly or indirectly, services are delivered to the community.	(\$1,621) (\$1,475) \$146
Risk and Claims Management	Establishes and monitors Council's strategic and operational risk to reduce exposure for Council and the community. It also coordinates business continuity planning, manages Council's insurances and oversees the claims management process.	\$243 \$266 \$23
Workplace Health and Safety	Supports the organisation with effective systems, processes and education to keep staff, volunteers and contractor safe and maintain positive health and wellbeing.	\$266 \$285 \$18
Total for Goal 4		\$12,243 \$14,429 \$2,186



Goal 4: Our Promise

Service performance indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in the comments.

Service / Indicator / measure	2019-20	2020-21	2021-22	2022-23	Comments
Governance Transparency <i>Council decisions made at meetings closed to the public</i> [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x100	3.28%	2.26%	1.23%	1.97%	The number of decisions made at meetings closed to the public continues to be very low, however an increase of four decision from the previous year has resulted in a significant increase, as a direct result of a number of contractual matters being renegotiated due to the financial climate and contractor liquidation.
Consultation and engagement <i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	73.60	62.00	66.70	70.00	The satisfaction survey undertaken in the reporting year was in person compared to the previous year which was conducted via a hybrid model (phone and in person). In person interviews may elicit a more engaged response. Furthermore, Council continues to improve and diversify its methods to engage with the community at all levels.



Service / Indicator / measure	2019-20	2020-21	2021-22	2022-23	Comments
Attendance <i>Councillor attendance at council meetings</i> [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x100	93.21%	87.26%	92.61%	91.67%	Councillor attendance at meetings during the reporting year had decreased compared to the previous year given some councillors took extended absence and were unable to be present at the meeting via electronic means.
Service cost <i>Cost of elected representation</i> [Direct cost of the governance service / Number of councillors elected at the last council general election]	\$38,137.29	\$44,110.00	\$44,373.14	\$48,724.71	The cost of elected representation has increased slightly compared to the previous year given the statutory increase in Councillor, Mayor and Deputy Mayor allowances though the increase was partly offset by a reduction in Councillor training during the reporting year.
Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	72.10	62.00	67.30	68.00	The satisfaction rating is sourced from the Annual Satisfaction Survey conducted by an independent research company. The satisfaction survey undertaken in the reporting year was undertaken in person compared to the previous year in a hybrid model, this may have resulted in a minor increase in council decision satisfaction.





Governance

Governance, management and other information

Governance

Corporate governance is about ensuring that Council operates in an open, honest, communicative and accountable manner. It is the way we consult and communicate with our community and, in turn, represent the community on important advocacy issues and provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that council and its administration meet the community's priorities. The community has many opportunities to provide input into council's decision-making processes including community consultation, public forums such as ward meetings and the ability to make submissions to Special Committees of council.

Council's formal decision-making processes are conducted through council meetings and Special Committees of Council. Council delegates the majority of its decision-making to council staff. These delegations are exercised in accordance with adopted council policies.

Meetings of Council

Council and Delegated Committee meetings are open to the public and are usually held on the second and third Tuesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to the council, make a submission or speak to an item.

For the 2022-23 year council held the following meetings:

- 11 Council Meetings
- 0 Special Council Meetings
- 12 Planning and Amenity Committee Meetings (Delegated Committee)
- 1 Special Committee Meeting for a specific purpose
- 1 Annual Meeting.

The following table provides a summary of councillor attendance at council meetings for the 2022-23 financial year.

Councillors	Annual Meeting	Council Meeting	Special Council meetings	Planning & Amenity Committee meetings	Total meetings	% of meetings attended
Total number of meetings	1	11	0	12	24	100%
Cr Hanna El Mouallem (Mayor)	1	11	0	12	24	100%
Cr Josephine Samuel-King (Deputy Mayor)	1	11	0	9	21	87.5%
Cr Sonia Castelli	1	9	0	10	20	83.3%
Cr Alex del Porto	1	9	0	10	20	83.3%
Cr Laurence Evans	1	11	0	12	24	100%
Cr Clarke Martin	1	10	0	11	22	91.6%
Cr Fiona Stitfold	1	10	0	12	23	95.8%

Governance, management and other information

Delegated committees

The Act allows councils to establish one or more delegated committees consisting of:

- Councillors
- Council staff
- Other people
- Any combination of the above.

Under section 63 of the Act, Council can create delegated committees and delegate Council powers to them.

In July 2020, Council established the Planning and Amenity Delegated Committee effective as from 1 August 2020, which has full delegated powers and functions of Council, to consider:

- all of the powers, discretions and functions conferred by or under the *Planning and Environment Act 1987*
- the power to determine upon any Tree Removal Applications
- the power to determine upon any specific local traffic and parking matters
- the power to consider all matters relating to statutory urban planning and associated matters.

The Planning and Amenity Committee is deemed a Delegated Committee of Council and accordingly met on 12 occasions throughout the year, which is summarised in the meeting attendance table above.

Assemblies of Councillors

In addition to the formal meetings of Council, Delegated Committees and the Audit and Risk Management Committee, a number of Assembly of Councillors meetings were held in 2022–23.

A number of Councillor Briefings and Strategic Issues Discussions are examples of an Assembly of Councillors. In 2022–23, 17 Assemblies of Councillors were held.

The various Councillor Briefings and Strategic Issues Discussions are held to provide advice to Councillors on items of a complex nature or of significant community impact. They allow for open discussion between the organisation and Councillors and assist both Council staff and Councillors in developing a better understanding of a particular issue.

Unlike Council and Special Committee Meetings, they are not decision-making forums and are not open to the public. The names of those Councillors in attendance, the title of the items discussed, and any conflict of interest declared by Councillors are kept on record and made available on Council's website and presented at a Council meeting.

Business of Council transacted at meetings

During 2022–23, the number of business items considered by the various Council and Committee meetings was as follows:

	2022-23	2021-22	2020-21	2019-20	2018-19
Planning and Amenity Committee	177	138	130	137	197
Council Meetings	211	242	216	241	271
Special Council Meeting	0	22	21	8	4
Special Delegated Committee Meeting	1	4	4	11	6

At times, Council is required to discuss and consider matters of a confidential nature. Section 66(2)(a) of the *Local Government Act 2020* allows Council to close meetings to the public in order to discuss sensitive issues such as staffing, industrial relations, contractual and financial matters, legal advice, proposed developments, and matters affecting the security of Council property. For a full list of the confidential categories please refer to Section 66(2)(a) of the *Local Government Act 2020*.

If confidential reports are to be discussed by Council, the public is asked to leave the meeting during these discussions. Bayside City Council seeks to limit the number of matters that are discussed in confidential sessions.

In 2022–23, 8 confidential reports were considered.

Number of confidential matters considered by Council



The following table indicates the various categories the **8** items were considered under Section 66(2)(a) and Section 3(a) of the *Local Government Act 2020*.

Section 3 (a) LGA 2020 – Category	Number of reports to Ordinary Meetings	Number of reports to Special Meetings
(a) Council business information	Nil	Nil
(b) security information	Nil	Nil
(c) land use planning information	Nil	Nil
(d) law enforcement information	Nil	Nil
(e) legal privileged information	1	Nil
(f) personal information	4	Nil
(g) private commercial information	3	Nil
(h) confidential meeting information	Nil	Nil
(i) internal arbitration information	Nil	Nil
(j) Councillor Conduct Panel confidential information	Nil	Nil
(k) information prescribed by the regulations to be confidential information	Nil	Nil
(l) information that was confidential information for the purposes of Section 66(2) (a) of the <i>Local Government Act 2020</i>	Nil	Nil

In addition to the reports specifically considered by a Delegated Committee or Council, Council also deliberated on notices of motion, petitions, public questions and general business items. Also, members of the community are able to participate at meeting through written statements and requests to be heard. The following table summarises the number of items considered for 2022–23 and a four-year trend:

	2022-23	2021-22	2020-21	2019-20	2018-19
Total number of meetings	24	29	35	38	44
Number of items considered at meetings	388	406	371	396	420
Number of items considered in confidential	8	5	9	12	10
Number of notice of motions submitted	8	9	14	16	11
Number of petitions	10	8	14	5	13
Number of public questions answered	77	123	285	116	137
Number of urgent business items	Nil	4	Nil	2	Nil
Number of Councillor reports	11	12	11	16	29
Number of requests to be heard at meetings	207	53	1564	607	551
Number of written statements presented at meeting	141	397			

Governance, management and other information

Councillor Code of conduct

The *Local Government Act 2020* requires Council to have a Code of Conduct which is designed to:

- ensure Councillors adhere to the legislative Councillors Conduct Principles
- assist Councillors to maintain the highest standards of conduct and behaviour, as well as provide a means to deal with problems they may encounter
- assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

The Code also outlines the definitions under the Act relating to misuse of position, improper direction, breach of confidentiality and conflict of interest, and also highlights the roles and responsibilities of Councillors and articulates a dispute resolution procedures.

In November 2021, Council reviewed its Code of Conduct to include reference to the recent Council adopted policy of Safeguarding children and young people policy.

Open and accountable decision making

The responsibility for making decisions rests with Councillors through a vote at formal Council meetings. In contrast, Council officers do not vote on decisions, but instead, provide independent advice to assist and inform Councillors in making their decisions and forming policy.

Conflict of interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires councillors to act in the public interest. When a council delegates its powers to a council officer or a committee, the committee or officer also needs to act in the public interest. A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it.

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and Committee meetings.

Councillors are required to disclose any general or material conflict of interest on an issue that may impact their impartiality, and to leave the meeting while that issue is being discussed. After the issue has been voted on, they must return to the meeting. A register of disclosed conflict of interests is kept, and in 2022–23, there were **27** conflicts of interest declared by Councillors. The following table shows the number of interests declared by Councillors and the type of interest.

Councillors	General Interest (Section 127) – LGA	Material Interest (Section 128 – LGA)
Cr El Mouallem	6	
Cr del Porto	1	
Cr Samuel-King	3	1
Cr Castelli	7	
Cr Stitfold	4	
Cr Evans OAM	2	
Cr Martin	3	

Councillor allowances

In accordance with Section 39 of the Act, councillors are entitled to receive an allowance while performing their duty as a councillor. The Mayor and Deputy Mayor are entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to councillors and Mayors. Councils are divided into three categories based on the income and population of each council. In this instance, Bayside City Council is recognised as a Category Two council.

The following table outlines the payment of allowance to Councillors during the reporting year:

Category	1 July 22 to 17 December 2022	18 December 22 to 30 June 2023
Mayoral allowance	\$96,470	\$99,150
Deputy Mayor allowance	\$48,235	\$49,575
Councillors allowance	\$30,024	\$30,890

The following table contains details of current allowances fixed for the mayor and councillors during the year.

Councillors	Allowance \$	Superannuation
Cr El Mouallem (Mayor)	\$82,960	\$7,841
Cr Samuel-King (Deputy Mayor)	\$40,052	\$3,782
Cr Castelli	\$30,525	\$3,271
Cr del Porto	\$47,561	\$5,513
Cr Evans OAM	\$30,525	\$3,271
Cr Martin	\$28,058	\$3,012
Cr Stitfold	\$30,525	\$3,271



Governance, management and other information

Councillor expenses

In accordance with Section 40 of the Act, Council is required to reimburse a councillor for expenses incurred whilst performing their duties as a councillor.

Council policy in relation to the reimbursement of expenses for councillors provides guidance on the payment of allowances, reimbursements of expenses, and expectations in relation to the provision of resources and facilities to the Mayor and Councillors.

The policy also requires the payment of Councillors' expenses and allowances to be published in the Annual Report and audited from time to time. A copy of the policy can be found on Council's website.

The expenses are broken down into the following specific categories:

- mobile phone
- landline/fax
- internet connection
- car mileage reimbursement
- child- care reimbursement
- out-of-pocket expenses reimbursement
- conferences
- training
- travel expenses.

During the reporting year no expenses were reimbursed to Councillors.

The details of the expenses including reimbursement of expenses for each councillor and member of a council committee paid by the council for the 2022-23 year are set out in the following table.

Councillors	Travel	Car mileage	Child care	Info & comms	Conferences and training	Total
Cr El Mouallem (Mayor)	Nil	Nil	Nil	Nil	Nil	Nil
Cr Samuel-King (Deputy Mayor)	Nil	Nil	Nil	Nil	Nil	Nil
Cr Castelli	Nil	Nil	Nil	Nil	Nil	Nil
Cr del Porto	Nil	Nil	Nil	Nil	Nil	Nil
Cr Evans OAM	Nil	Nil	Nil	Nil	Nil	Nil
Cr Martin	Nil	Nil	Nil	Nil	Nil	Nil
Cr Stitfold	Nil	Nil	Nil	Nil	Nil	Nil

Note: No expenses were paid by council including reimbursements to members of council committees during the year



Councillor representation for 2022–23

Committees	1 July 2022 to 9 November 2022	10 November 2022 to 30 June 2023
Planning and Amenity Delegated Committee	All Councillors (Chairperson – Cr El Mouallem)	All Councillors (Chairperson – Cr Samuel-King)
Audit and Risk Committee (Advisory Committee)	Cr Castelli and Cr Evans (External Chairperson – Mr Geoff Harry) Members – Mick Jaensch and Jenny Johanson	Cr Castelli and Cr Evans (External Chairperson – Mr Geoff Harry) Members – Mick Jaensch and Jenny Johanson
Chief Executive Officer's Employment Matters Committee (Advisory Committee)	Cr Castelli, Cr Martin, Cr del Porto and Cr Evans (External Chairperson – Ms Topsy Petchey)	Cr Castelli, Cr Samuel-King, Cr del Porto and The Mayor Cr El Mouallem (External Chairperson – Topsy Petchey)
Bayside Arts and Gallery Committee (Advisory Committee)	Cr Castelli Chairperson and Cr del Porto	Cr Castelli Chairperson and Cr del Porto
Disability Access and Inclusion Committee (Advisory Committee)	Cr Martin and Cr El Mouallem Chairperson: Cr Martin	Cr Martin and Cr El Mouallem Chairperson: Cr Martin
Yalukit Willam Advisory Committee	Cr El Mouallem Cr Samuel-King	Cr El Mouallem Cr Samuel -King (resigned April 2023) Cr del Porto
Reconciliation Action Plan Advisory Group		Cr Stitfold
Billilla Advisory Committee	Cr del Porto Cr El Mouallem	Cr del Porto Cr El Mouallem

Councillor representation on other committees

Councillors are usually appointed as Council representatives on a range of special interest committees and networks at the Annual Meeting of Council. The various groups generally comprise of Councillors, staff and community members who are appointed by Council throughout the year.

Networks and forums	1 July 2022 to 9 November 2022	10 November 2022 to 30 June 2023
Bayside Tourism Network	Cr El Mouallem	Cr El Mouallem
Built Environment Awards Judging Panel	Cr El Mouallem and Cr Evans	Cr El Mouallem and Cr Evans

Governance, management and other information

Appointment to external organisations

A number of external organisations invite Council to represent the Bayside community. Council appoints delegates to these organisations at the Annual Meeting of Council.

External organisations	1 July 2022 to 9 November 2022	10 November 2022 to 30 June 2023
Association of Bayside Municipalities	Cr Stitfold and Cr Martin (Joint reps)	Cr Stitfold (Rep)
	Open Space Coordinator (Substitute rep)	Open Space Coordinator (Substitute rep)
Inner South Metropolitan Mayors' Forum	The Mayor of the Day	The Mayor of the Day
Metropolitan Transport Forum	Director Environment, Recreation and Infrastructure (Rep)	Director Environment, Recreation and Infrastructure (Rep)
Metropolitan Local Government Waste Forum	Cr Martin (Rep)	Director Environment, Recreation and Infrastructure
	Director Environment, Recreation and Infrastructure (Substitute rep)	
Municipal Association of Victoria (MAV)	Cr del Porto and Cr Clarke Martin (Substitute rep)	Cr del Porto and Cr Clarke Martin (Substitute rep)
South East Councils Climate Change Alliance (SECCCA)	Cr Martin (Rep)	Cr Martin (Rep)
	Cr Stitfold (Substitute rep)	Cr Stitfold (Substitute rep)

Organisational memberships

Bayside City Council maintained membership of a number of organisations in 2022–23

Membership	Annual Fee
Australian Library and Information Association	\$1,552
Spydus Users Network	\$182
Public Libraries Victoria Network Inc	\$2,591
Children's Book Council of Australia	\$85
APRA	\$16,582
LGPro Local Government Professionals	\$4,860
South East Councils Climate Change Alliance (SECCCA)	\$42,815
Fin Pro	\$1,127
Aged and Community Care Providers Association	\$3,078
Early Learning Association Australia	\$755
Association of Bayside Municipalities (ABM)	\$10,874
Vicsport	\$420
IAP2 Membership	\$2,200
Volunteering Victoria	\$330
Youth Affairs Council of Victoria	\$230
Municipal Association of Victoria (MAV)	\$55,067
Play Australia (IPA Australia)	\$480
Council Alliance for a Sustainable Built Environment (CASBE)	\$19,800
Victorian Building Authority Registrations	\$1,857
Australian Institute of Building Surveyors (AIBS) Memberships	\$1,560
Victoria Municipal Building Surveyors (VMBSG) Memberships	\$1,470

Local laws

The following list details the local laws that were current at the end of the 2022-23 reporting year.

Local law	Subject	Date of adoption /last amendment
1	Neighbourhood Amenity Local Law 2021 The purposes of this Local Law are to: <ul style="list-style-type: none"> • protect community safety and neighbourhood amenity • protect public assets and infrastructure, and the built and natural environment • enhance the use, access and enjoyment of public places for the community's benefit • provide for the administration of Council's powers and functions • revoke Council's Neighbourhood Amenity Local Law No. 2 (as amended), made in April 2012. 	Adopted by Council on 15 June 2021 and came into effect 1 July 2021

Compliance Framework

Council has reviewed and maintains several statutory items and overarching good governance principles to strengthen its management framework. Having strong governance and management frameworks leads to better decision making by council. The Act requires Council to undertake an integrated approach to planning, monitoring and performance reporting. This includes an annual assessment against the governance and management checklist and include this in its report of operations. The items included in the checklist are key components of the management framework and of good governance. The following items have been highlighted as important components of the management framework.

Governance and management checklist

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

	Governance and Management Items	Assessment	
1	Community engagement policy (policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act Date of adoption: 21 May 2021	✓
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Adopted in accordance with section 55 of the Act Date of adoption: 16 February 2021	✓
3	Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act Annual Review adopted: 27 June 2023	✓
4	Asset Plan (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act Date of adoption: 26 April 2022	✓
5	Revenue and Rating Plan (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act Date of adoption: 29 June 2021	✓
6	Annual budget (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the Act Date of adoption: 27 June 2022	✓

Governance, management and other information

Governance and Management Items	Assessment	
7 Risk management policy (policy outlining council's commitment and approach to minimising the risks to council's operations)	Policy Date of operation of current policy: 26 April 2022	✓
8 Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 26 April 2022	✓
9 Municipal Emergency Management Plan (plan under section 60ADB of the <i>Emergency Management Act 2013</i> for emergency mitigation, response and recovery)	Prepared and maintained in accordance with section 60ADB of the <i>Emergency Management Act 2013</i> Date of authorisation and last review: November 2020	✓
10 Procurement policy (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)	Adopted in accordance with section 108 of the Act Date of adoption: 21 December 2021	✓
11 Crisis Management Plan (incorporating Business continuity plan) (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Date of operation of current plan: 21 September 2021 Sub Plans updated 26 September 2022	✓
12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Date of operation of current plan: 1 March 2022	✓
13 Risk management framework (framework outlining council's approach to managing risks to the council's operations)	Framework Date of commencement of current framework: 8 February 2021	✓
14 Audit and Risk Committee (see sections 53 and 54 of the Act)	Established in accordance with section 53 of the Act Established 28 August 2020 Reappointed annually at the Annual Meeting 10 November 2022	✓
15 Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged Date of engagement of current provider: 29 June 2022 Appointed for a three-year term with a one-year extension, contract expires 30 June 2025	✓
16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the <i>Local Government Act 2020</i>)	Framework Framework, indicators were adopted as part of the Council Plan Review and adoption of Budget: 30 June 2022	✓
17 Council Plan report (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Date of reports: <ul style="list-style-type: none">• 22 November 2022• 21 February 2023• 16 May 2023	✓

Governance and Management Items	Assessment
18 Financial reporting (quarterly statements to the Council under section 97(1) of the <i>Local Government Act 2020</i> , comparing actual and budgeted results and an explanation of any material variations)	Reports presented to the Council in accordance with section 97(1) of the <i>Local Government Act 2020</i> ✓ Date reports presented: <ul style="list-style-type: none"> • 20 September 2022 • 22 November 2022 • 21 February 2023 • 16 May 2023
19 Risk reporting (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports ✓ Date of reports: <ul style="list-style-type: none"> • 20 September 2022 • 21 March 2023
20 Performance reporting (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the <i>Local Government Act 2020</i>)	Reports ✓ Date of reports: <ul style="list-style-type: none"> • 22 November 2022 • 21 February 2023 • 16 May 2023
21 Annual report (annual report under sections 98, 99 and 100 of the <i>Local Government Act 2020</i> containing a report of operations and audited financial and performance statements)	Presented at a meeting of the Council in accordance with section 100 of the Act ✓ Date statements presented: 18 October 2022
22 Councillor Code of Conduct (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	Reviewed and adopted in accordance with section 139 of the Act ✓ Date reviewed: 23 November 2021
23 Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act ✓ Date of review: 19 October 2022
24 Meeting procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act ✓ Date Governance Rules adopted: 25/8/2020; and further reviewed on 15/6/2021

I certify that this information presents fairly the status of council's governance and management arrangements.



Mick Cummins
Chief Executive Officer

19 September 2023



Cr Hanna El Mouallem
Mayor

19 September 2023

Governance, management and other information

Audit and Risk Advisory Committee

As part of Bayside City Council's (Council) duty to fulfil its governance obligations to the community, Council has an Audit and Risk Committee (Committee) that is established as an independent Committee of Council in accordance with Section 53 of the Act. The Committee's role is set out in an Audit and Risk Committee Charter. The Charter outlines the Committee's objectives, authority, composition and tenure, responsibilities, reporting and other administrative arrangements.

Role of the Audit and Risk Committee

The Committee's role is to oversee and monitor the effectiveness of council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment.

This includes financial and performance reporting, risk management, fraud prevention systems and control, maintenance of a sound internal control environment, Council's performance with regard to compliance with its policies and legislative and regulatory requirements, and assurance activities including internal and external audit. The Committee acts in this capacity by monitoring, reviewing, endorsing and advising on the above matters as set out in the Charter.

The Committee also provides an effective means of communication between the external auditor, internal audit, management and the Council.

The Committee's independence is a fundamental component of a strong corporate governance culture. It is independent as it is not involved in any operational decisions and Committee members do not have any executive powers, management functions or delegated financial responsibilities.

Reporting Period

A detailed report on the activities of the Audit and Risk Committee is presented bi-annually to the Council to ensure oversight and greater understanding of the issues presented to the Committee, the findings and recommendations, as required by the *Local Government Act 2020*.

Committee Membership

The Committee consists of five members, three independent members and two Councillors. Councillors are appointed at the Annual Meeting of Council for a two-year period and may be appointed by Council for a further two-year term.

Independent members are appointed for a three-year term and are eligible to be reappointed after the expiry of their term for a second three-year term, unless otherwise resolved by Council. Member terms are arranged so that there is an orderly rotation of membership and avoidance of more than one member retiring at the same time. Independent members are required to have appropriate skill sets and experience as mandated in section 53 of the *Local Government Act 2020*.

The *Local Government Act 2020* also requires that there must be a majority of independent members and that an independent member must be Chair of the Committee. All members have full voting rights.

The Chair of the Committee is appointed annually by Council at its Annual Meeting of Council from the independent members, following a recommendation by the Committee.

Members and member terms during the reporting period are set out below:

Member	Role	Expiry Date of Term
Mr Geoff Harry	Independent Member (Current Chair)	30 September 2025
Ms Jenny Johanson	Independent Member	30 September 2023
Mr Mick Jaensch	Independent Member	30 September 2024
Cr Sonia Castelli	Council Member	18 November 2023
Cr Laurence Evans	Council Member	18 November 2023

External members receive a meeting fee in accordance with the *Local Government Act 2020*. The meeting fees are set annually at the Annual Meeting of Council. For the period 1 July 2022 to 18 November 2022 the meeting fees were: \$1633 for members and \$2072 for the Chairman.

For the period 19 November to 30 June 2023 the meeting fees were \$1662 for members and \$2108 for the Chairman.

The meetings fees reflect the time, commitment and responsibility involved in serving as an independent member of the Audit and Risk Committee.

Councillor appointed members do not receive remuneration for attending Audit and Risk Committee meetings.

Independent member terms have been established by Council to achieve rotation of independent members consistent with good practice.

Meeting attendance

Details of Committee meetings and attendance during the reporting period are summarised below:

Name	22 August 22	31 August 22 (a)	21 November 23	20 February 23	15 May 23
Mr Geoff Harry	⊗	⊗	⊗	⊗	⊗
Ms Jenny Johanson	⊗	⊗	⊗	⊗	⊗
Mr Mick Jaensch	⊗	⊗	⊗	⊗	⊗
Cr Sonia Castelli	⊗	⊗	⊗	⊗	⊗
Cr Laurence Evans OAM	⊗	⊗	⊗	⊗	⊗

(a) Meeting considered the financial report and performance statement for the year ended 30 June 2022.

The Committee has been strongly supported by Council's senior management team who attended all meetings during the year, but it should be noted are not members of the Committee.

The External Auditors from the Victorian Auditor General's Office (VAGO) attended Committee meetings to present the external audit strategy and the outcomes of their audits of the annual financial report and the annual performance statement.

The Internal Auditors (Pitcher Partners) attended all meetings by invitation and presented reports on the outcomes of internal audit reviews. The Internal Auditors did not, and do not typically, attend meetings focussed on review of the annual financial report and performance statement.

The Committee continues to enjoy a strong and professional working relationships with the entire support team, which is a critical element in ensuring the Committee delivers positive and insightful support and advice to Council.

	2019–20	2020–21	2021–22	2022–23
Number of matters considered by the Audit and Risk Committee	72	68	80	86

Governance, management and other information

Other Advisory Committees of Council

Bayside Arts and Gallery Advisory Committee

The Bayside Arts and Gallery Advisory Committee provides advice and supports Council in the development and presentation of an innovative and creative arts program for the City of Bayside including exhibitions and programs at the Bayside Gallery.

The Committee is made up of two Councillor representatives: Cr Castelli and Cr del Porto. Council appointed Cr Castelli as Chair of the Committee at the Annual Meeting of Council.

The Committee also has 6 appointed community members to this Advisory Committee namely: Ms Sarah Morris, Mr Arvind Vasan, Mr Brian Long, Ms Lyn Stephens, Mr Brian Hewitt and Ms Bo Rutecki, Ms Louise Doyle, and Mr Adrian Spurr.

The Committee met quarterly during 2022-23 in addition to 2 special meetings to discuss and develop a new strategic plan for Arts and Culture as the current plan ends in 2022. The Committee has been responsible for reporting on delivery of the 2018-22 Bayside Arts Strategy which has overseen the management and delivery of a multidisciplinary and diverse arts and cultural program.

A summary of the activities of each meeting is presented to Council for noting.

Chief Executive Officer's Employment Matters Committee

The Chief Executive Officer's Employment Matters Committee was established by Council as an Advisory Committee of Council.

The responsibilities of the Committee are to:

- make recommendations to Council on contractual matters relating to the Chief Executive Officer or the person appointed to act as the Chief Executive Officer including the following:
 - the appointment of the Chief Executive Officer
 - remuneration and conditions of appointment of the Chief Executive Officer
 - any extension of the appointment of the Chief Executive Officer under section 94(4) of the *Local Government Act 1989*
- conduct performance reviews of the Chief Executive Officer
- perform any other prescribed functions and responsibilities.

The membership of the Committee consists of one suitably qualified externally appointed Chairperson, Ms Topsy Petchey and four Councillors.

For the period 1 July 2022 to 18 November 2022 the Councillor appointments to the committee were: Mayor Cr del Porto and Councillors Martin, Evans and Castelli. For the period 19 November 2022 to 30 June 2023 the committee appointments were Mayor Cr El Mouallem and Councillors del Porto, Castelli and Samuel-King.



Bayside Disability Access and Inclusion Advisory Committee

The Disability Access and Inclusion Advisory Committee was established in 2020 and is constituted for the purpose of providing advice and supporting Council in the development of the Municipal Public Health and Wellbeing Plan 2021–25 (MPHWP) and to consider other strategic and infrastructure issues that may impact people with a disability.

The functions of the Committee are to provide advice and recommendations to Council on the following matters:

- considering the outcomes of the community health and wellbeing survey and other sources of community health information
- identifying issues of access to the built, social and natural environments
- identifying barriers to inclusion in community and economic life in Bayside
- discussing potential solutions (actions) to identified issues
- assisting in prioritising actions to be included in the MPHWP
- assisting in monitoring implementation.

In addition, the Disability Access and Inclusion Advisory Committee also provides specific advice from a disability perspective on nominated Council strategies, masterplans, programs and infrastructure priorities.

The Disability Access and Inclusion Advisory Committee membership comprises 2 Councillors appointed by Council: Cr El Mouallem and Cr Martin (Chair) and 10 ordinary members appointed through a public expression of interest process. The current community members consist of: Ms Fel Andronicou, Ms Emily Costello, Mr Ade Djajamihardja, Mr Mark Glascodine, Ms Jo Levett, Mr Jeff Naylor, Ms Emma Olivier, Mr Sam Seoud, Mr Andrew Turner and Ms Tara Webb.

This Committee met quarterly during the reporting year.

Billilla Advisory Committee

The Billilla Advisory Committee was established by Council in August 2022, and the objectives of the Committee are:

- To assist and advise Council on the future use of Billilla as endorsed by Council
- To ensure the intent of the Conversation Management Plan for the grounds and mansion is adhered to
- To advise Council on the priorities for development of Billilla and provide a source of review, analysis and advice on strategic planning
- To raise issues or make suggestions about the general management of Billilla
- To identify opportunities for programming at Billilla in line with Council adopted future uses
- To develop guidelines for the use of the Billilla facility and rooms. (Noting that the booking of Billilla facilities will be managed through the existing system for booking Council venues.)
- To monitor and review booking schedule to ensure equitable and frequency of use
- To promote and monitor equitable community access to Billilla
- To work with Council to promote and advance the profile of Billilla
- To encourage and promote effective communication between community groups, individuals and Council
- To make recommendations to Council on matters such as strategic policy direction and required capital works in accordance with the Conservation Management Plan for Billilla
- To encourage potential donors, philanthropic organisations and/or funding bodies to support the goals of the Committee.

The membership of the Committee consists of 2 Councillors appointed by Council, Cr del Porto and the Mayor Cr El Mouallem and 12 individuals: 2 experts: Ruth Bain and Theodora Jenkin, and 10 residents: Margot Burke, Louise Cooper-Shaw, Adam Dunning, Kate Harman, Craig Jackett, Peter Kharsas, Charles Reis, Barry Smith, Thomas Stamp, Gayle Wilson. All members were appointed through an expression of interest process and are appointed for a term of three years.

The Committee met on 23 February 2023, 30 March 2023 and 22 June 2023.

Governance, management and other information

Bayside Reconciliation Action Plan Advisory Group

The Bayside Reconciliation Action Plan Advisory Group was established by Council on 27 June 2023.

The objectives of the Advisory Group are to:

- work in collaboration with Council staff to support delivery of RAP activities
- provide advice and feedback to Council when requested by Council on related reconciliation matters
- help to plan community engagement to achieve reconciliation goals and outcomes.
- champion awareness raising activities within the Bayside community
- provide endorsement at key stages of development and implementation of the RAP.

The current membership of the Advisory Group includes:

- Traditional Owner representative(s) and/or an Aboriginal and/or Torres Strait Islander representatives that live, work, study, volunteer or have a connection with Bayside. There are no quotas for this category
- community members with a demonstrated commitment to Reconciliation and/or experience in RAP development. A maximum of four (4) representatives
- key government and non-government agency representatives. A maximum of two (2) representatives.

The current members of the Group consist of: Josh Toscano (Chair), Jeremy Abbott, Matt Perfect, Allyson Craigie-Parsons, Kayla Cartledge, Jillian West, Gulay Cevik, Melissa Bickford, Alisa Dent.

Council also appointed Cr Fiona Stitfold as Council's representative to the Advisory Group.

Other Management Matters

Risk management

Risks are everyday occurrences that have the potential to impact on Bayside City Council's ability to meet our objectives. While many risks cannot be eliminated, they can be identified, controlled and managed.

To prepare for such risks, Council has implemented a Risk Management Framework to provide policy and guidance in the management of risk across the organisation, including risk assessment criteria. Based on the ISO 31000: 2018 Risk Management Standards, the framework is supported by risk management software, policies and procedures, and is reviewed each year to ensure it is up to date.

Council is driving continuous improvement in its risk management culture by enhancing internal reporting mechanisms and integrating risk management considerations into all aspects of Council operations and decision-making processes.

A number of reviews are undertaken throughout the year to minimise risk, including:

- the Audit Committee's review of 6-monthly status reports against Council's strategic risks
- Executive Team quarterly risk meeting to review trends, achievements and areas where greater controls may be required
- an internal audit program that focuses on key operational areas to determine weaknesses or opportunities for improvement.

Municipal Emergency Management Plan

Major emergencies can lead to loss of life, destruction of property and the environment, and impact the economic and social sustainability of the community.

Bayside City Council plays a key role in ensuring the provision of safety to the community through the activation of the Municipal Emergency Management Plan (MEMP). The plan addresses the prevention of, response to, and recovery from emergencies within the municipality.

In 2022-23 Council activated the MEMP on a number of occasions, when staff responded to a number of minor emergencies including storm damage to assets, fire damage to buildings, flooding damage to roads, and provided additional assistance to emergency services where requested.

Council has reviewed and updated the MEMP for endorsement by the MEMP Committee. In 2021, Council endorsed the MEMP Committee reform process to re-establish a new MEMP Committee in accordance with the provisions of the *Emergency Management Legislation Amendment Act 2018* which came into effect from December 2020. Under the Act this Committee exists separately to Council and is not a committee of Council.

Crisis Management Plan

The Crisis Management Plan (CMP) incorporates the former business continuity planning as well as Council's ongoing pandemic response and a scalable crisis framework based on the nature of the crisis. This best practice and contemporary standard will ensure continuity of critical services in the event of a major interruption. The CMP undergoes regular testing to ensure it is fit for purpose and effective along with training of new members.

The plan outlines an overarching management framework for responding to interruption events and fulfils a number of functions including:

- enabling re-establishment and continuity of critical services during any major disruption
- minimising adverse impacts on stakeholders, Council and staff
- minimising disruption to key Council assets, operations and services
- maintaining critical channels of communication
- outlining the roles and responsibilities of key stakeholders.

Council's additional plans and manuals that address emergency and/or disaster management and recovery include:

- IT Disaster Recovery Plan, which details recovery strategies for information technology (IT)
- Emergency Procedures Manual for the Corporate Centre, which includes a number of procedures to be followed in the event of an emergency occurring at the Corporate Centre
- Municipal Emergency Management Plan (MEMP)
- Municipal Emergency Recovery Plan (MERP)
- Crisis Communication Plan.

Environmental Sustainability Framework and Climate Emergency Action Plan

Council's Environmental Sustainability Framework (ESF) aims to set a consistent direction and provide guidance for environmental planning and decision-making within Bayside City Council. The framework outlines Council's commitment to work in partnership with the community, government agencies, local organisations and businesses, to minimise Council's own ecological footprint and to advocate for outcomes that deliver high environmental standards and protection. Importantly, Council is committed to deliver actions that encourage and support the Bayside community to care for the environment and minimise the community's own ecological footprint.

Council declared a climate emergency in 2019, and unanimously adopted its Climate Emergency Action Plan in 2020, which drives a number of key climate change mitigation and adaptation actions each year.

Key achievements and highlights in Year 3 in 2022–23 included:

- Launched the "Love Bayside, Go for Zero" Climate Emergency Community Activation Campaign, as part of the highly successful Home Energy Efficiency Expo
- Launched the Bayside Solar Savers Program
- Supported community groups as part of the Climate Emergency Grants program
- Continued delivery of the *GreenMoney* program
- The residential Waste Diversion Rate exceeded 70%.

Community grants

In 2022–23, Bayside City Council provided \$566,110 in community grants to fund various initiatives.

Grants program	No. of successful grants 2022–23	Grant funding provided
Annual Community Grants Program	36	\$214,030
New program or community initiative	3	\$15,000
Events and festivals	34	\$32,961
Donations to fundraising appeals	2	\$2,700
Individuals and families in financial hardship	22	\$12,673
Inclusive Bayside Partnership Program	9	\$37,057
Climate Emergency	2	\$10,807
Major Grants Program	6	\$454,912
TOTAL	114	\$566,110

Governance, management and other information

Statutory information

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

Documents available for public inspection

The following documents are available for inspection as required by the *Local Government Act 2020* and Council's Public Transparency Policy:

Documents such as:

- Plans and Reports adopted by Council
- Council Policies
- Project and Service Plans
- Service Agreements, Contracts, Leases and Licences
- Relevant technical reports and/or research that inform Council's decision making.

Process information such as:

- Application processes for approvals, permits, grants, and access to Council services
- Decision-making processes
- Guidelines and manuals
- Community Engagement Processes and
- Complaints Handling Processes.

The following information will be available at Council offices or on Council's website:

- Governance Rules (including election period policy)
- Meeting Agenda
- Minutes of Meetings
- Audit and Risk Committee Charter
- Terms of Reference for Delegated Committees and Advisory Committees
- Gift Register for Councillors and Council staff
- Travel Register for Councillors and Council staff
- Registers of Conflicts of Interest disclosed by Council and Council staff
- Registers of Leases entered into by Council
- Register of Delegations under section 11(8) and 47(7)
- Register of Authorised Officers
- Register of Election Campaign Donations as per Section 307(2)
- Summary of Personal Interests
- Information about any proposed special rate, special charge or combination of both under section 163 of the Act
- Councillor and member of a delegated committee Expenses Policy
- Copies of Bayside Local Laws under section 75
- Information about any declared differential rates section 161, and
- Any other Registers or Records required by the Act or any other Act.

Gender Equality Act

The *Gender Equality Act* came into effect on 31 March 2021 and requires defined entities to:

- develop and implement a Gender Equality Action Plan, which includes:
 - results of a workplace gender audit
 - strategies for achieving workplace gender equality
- publicly report on their progress in relation to workplace gender equality
- promote gender equality in policies, programs and services that impact the public
- complete gender impact assessments.

Following the Commission's endorsement of Council's first Workplace Gender Audit in December 2021 and Gender Equality Action Plan in March 2022, Council has commenced implementation and is in the process of preparing for Progress Reporting, due 20 February 2024.

Council has also undertaken a pilot approach to implementing gender impact assessments, which resulted in further adaptations, amendments and consultation which ultimately led to Council adopting an Equity Impact Assessment approach which is now being embedded across the organisation.

Report against the Carers Recognition Act 2012

In accordance with section 11 of the *Carers Recognition Act 2012*, Council is required to report annually on its care measurement obligations. Council has taken all practicable measures to comply with our responsibilities outlined in the Act.

Council has promoted the principles of the Act to people in care relationships who receive Council services, as well as to people in care relationships more broadly, and to the wider community by:

- distributing printed material through relevant Council services
- providing information to organisations represented in Council and/or community networks
- facilitating and/or participating in carer support network meetings
- delivering respite and other practical assistance to the carers of people of all ages
- delivering initiatives to support the wellbeing of carers whilst recognising the role of unpaid carers through acknowledgment of their contribution in caring for others
- having representation of carers on Council's Disability Access and Inclusion Advisory Committee
- having representation of carers on the Bayside Healthy Ageing Reference Group
- supporting access to the National Disability Insurance Scheme through information and practical assistance for carers and referrals to specialist agencies as required
- promoting services through Council publications and social media.

Council has taken all practicable measures to ensure staff, Council agents and volunteers are informed about the principles and obligations of the *Carers Recognition Act* by including information on the care relationship in Council induction and training programs across Community Care Services.

Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer's relationship and has provided the following additional activities and resources:

- recognising carers during National Carers Week in October 2022 through the delivery of wellbeing packs and movie tickets
- recognising the role of carers with a letter acknowledging their role
- advocating for the needs of carers through participation on a range of local, regional and state-wide networks.

Contracts

During the 2021–22 year, Council did not enter into any contracts valued at \$300,000 or more as specified in Council's Procurement policy 2021–25 without engaging in a competitive process or undertaking a market scan.

Municipal Health and Wellbeing Plan 2021–25

Bayside's Municipal Public Health and Wellbeing Plan 2021–25 outlines the health and wellbeing priorities for Bayside City Council over the four years. The Plan is an evidence-based, strategic document to guide Council's planning, policy, and strategic direction in response to improving public health and wellbeing at a local community level. The Health and Wellbeing Plan meets the requirements of the *Public Health and Wellbeing Act 2008* whilst streamlining and integrating Council's planning across services.

Highlights of the actions implemented under the Health and Wellbeing Plan Action Plan in 2023–23 include:

- The launch of Bayside's Innovate Reconciliation Action Plan during NAIDOC week in July 2022
- Delivery of the Positive Ageing Digital Storytelling Intergenerational Project (PADSIP) in partnership with Sandringham Secondary College and Swinburne University
- Endorsement of the Volunteer Retention and Recognition Plan and progress made against all 13 initiatives.

Disability Action Plan

In accordance with section 38 of the *Disability Act 2006*, as council has prepared a Disability Action Plan which is incorporated and reported under the Municipal Health and Wellbeing Plan 2021–25.

Highlights of the actions implemented under the Disability Action Plan in 2023–23 include:

- The launch of the Hidden Disability Sunflower Program across council and promotion to local community centres and organisations
- The development of an accessible event guide to ensure council-led community events are more inclusive and accessible for all
- Celebrated events such as International Day of People with a Disability.

Governance, management and other information

Public housing

Council has led the Bayside Community Development Steering Committee to deliver advocacy initiatives, as well as co-facilitated community engagement programs for residents living in social housing in Bayside. Through active participation in the Bayside Engagement group, Council has partnered with a number of service organisations over the last 12 months to ensure all residents living in social housing in Bayside have access to affordable and appropriate services. A key achievement of the last 12 months was the successful State Government funding submission and subsequent delivery of Food Relief Markets to 420 residents in partnership with Castlefield Community Centre, Better Health Network and Fruition Projects and supported by a range of local service providers.

Domestic Animal Management Plan

The *Domestic Animals Act 1994* requires all Victorian councils to have a four-year plan in place for the management of dogs and cats within their municipality. From September 2021 to May 2022 Council developed a new 4-year Domestic Animal Management Plan (DAMP). The DAMP was adopted by Council in May 2022.

The DAMP sets out a broad range of activities, programs, and initiatives to support responsible dog and cat ownership, ensure the safety of the community and pets, protection of the environment including fauna, and manage the range of issues that can occur as pets and the community interact.

Key achievements in 2022-23 include:

- outdoor lighting trial in 2022 and 2023 at 3 sports grounds over winter to expand access to open space for dog off-leash purposes
- dedicated DAMP webpage created with key activities and 'what's on' updates for residents
- Increased community communications for animal management and welfare matters via 8 Paws and Chat community engagement sessions, SMS, Social Media posts, Let's Talk Bayside, and newsletter to registered pet owners as part of annual registration renewals
- In March we hosted a 'Pets Day Out' – over 200 people and pets attended with activities, pet parade, food stalls, music and annual pet registration for 22 pets
- A new education video and signage at sports grounds increased messaging on pet etiquette in open space and sports grounds
- two additional Local Law Officer's employed over summer to increase patrols of open space with a focus on the foreshore to educate dog owners on regulations

- The desexing rebate program was reviewed to help increase early puppy and kitten registration with a new program for new puppies under 8 months of age coming into effect on 1 July 2023
- 12,477 dogs registered as of 30 June 2023 (1.8% reduction from 2022) and
- 3,355 cats registered as of 30 June 2023 (3.8% reduction from 2022)
- Rates of reclaimed animals continues to be high and well above the average for metropolitan Melbourne reflecting the communities care for their pets and Council's strong focus of reuniting pets with owners and education on responsible pet ownership and registration
- Council continues to provide a high level of responsiveness with an average of 1.71 days response time for community requests
- Community satisfaction with the service increased in 2022-23 by a statistically significant 4% and rated as 'very good', with 63% of respondents 'very satisfied' (up from 56% last year).

Food Act Ministerial directions

In accordance with section 7E of the *Food Act 1984*, council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. No such Ministerial Directions were received by council during the financial year 2022-2023.

Freedom of information

The *Freedom of Information Amendment Act 1982* provides the opportunity for the public to access Council documents.

Access to documents may be obtained through a written request to the Freedom of Information Officer, as detailed in section 17 of the Act, and in summary as follows:

- it shall be writing
- it shall identify, as clearly as possible, which document is being requested
- it must be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

The application form can be found at www.bayside.vic.gov.au/freedom-of-information.

The Act allows the Public Access Deputy Commissioner to review a decision made by Council in relation to access of information. The Commissioner can deal with complaints regarding the performance of the agency's functions and obligations under the Act. Further details regarding Freedom of Information, can be found on Council's website.

In 2022–23, Council processed 36 Freedom of Information applications.

Protected disclosure procedures

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are available on Council's website.

During the 2022–23 reporting year, there were no disclosures under section 13 notified by Council to the Independent Broad-based Anti-Corruption Commission (IBAC).

Charter of Human Rights

The Victorian Charter of *Human Rights and Responsibilities Act 2006* (the Charter) came into force in 2008 and protects the fundamental human rights of all people in Victoria. The Charter required all public authorities and their employees to act compatibly with human rights in the delivery of services and when making decisions.

Bayside City Council recognises and respects that everyone has the same human rights entitlements allowing them to participate in and contribute to society and our community.

We recognise that all persons have equal rights in the provision of, and access to Council services and facilities. We also recognise that, at times, such rights may be limited, insofar as to strike a balance between individual rights and the protection of public interest.

The Charter contains 20 rights that reflect the four basic principles of freedom, respect, equality and dignity. It requires all public authorities and their employees to act compatibly with human rights in the delivery of services and when making decisions.

The Charter also complements other laws such as equal opportunity legislation and protects basic rights such as freedom of speech, freedom from forced work and freedom from cruel, inhuman or degrading treatment, which previously had no legal protection.

During the 2022–23 reporting year, there were no formal complaints made to the Human Rights Commissioner.

Bayside City Council recognises and respects that everyone has the same human rights entitlements allowing them to participate in and contribute to society and our community.

Governance, management and other information

Information on Privacy commitment and complaints received

Council is committed to protecting the personal privacy of residents and ratepayers. Council will only collect, use or disclose personal information where it is necessary to perform Council functions or where authorised or required by law. Council has an Information Privacy Policy that is available on Council's website.

During the 2022–23 reporting year, there were no complaints made to the Office of the Victorian Information Commissioner (OVIC).

Road Management Act Ministerial direction

The Bayside Road Management Plan sets out Council's methodology for inspection, maintenance and repair of our roads and road-related assets. It also forms the basis of Council's policy position regarding our road and road-related assets in accordance with the *Road Management Act 2004*.

The Bayside Road Management Plan was reviewed and adopted by Council in June 2021 in accordance with the requirements of section 54 (5) of the *Road Management Act*.

Section 22 of the *Road Management Act* requires Council to publish a summary of any Ministerial Directions received within the respective financial year. During the 2022–23 reporting year, Council received no Ministerial Directions associated with the Act.



Infrastructure and development contributions

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's annual report.

For the 2022-23 year the following information about infrastructure and development contributions is disclosed.

Table 1 – Total DCP levies received in 2022-23

DCP name	Year approved	Levies received in 2022-23 financial year (\$)
Bayside Drainage Development Contributions Plan (DCP) 2017	Aug-17	1,152,376.00

Table 2 – DCP land, works, services or facilities accepted as works-in-kind in 2022-23

DCP name	Year approved	Project ID	Project description	Item purpose	Project value (\$)
Bayside Drainage Development Contributions Plan	Aug-17	Nil	Nil	Nil	Nil

Table 3 – Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)

DCP name	Year approved	Total levies received (\$)	Total levies expended (\$)	Total works-in-kind accepted (\$)	Total DCP contributions received (levies and works-in-kind) (\$)
Bayside Drainage Development Contributions Plan	Aug-17	5,329,973.00	3,737,598.00	\$0.00	5,329,973.00

Table 4 – Land, works, services or facilities delivered in 2022-23 from DCP levies collected (Bayside City Council)

Bayside Drainage Development Contributions Plan approved August 2017

Project description	Project ID	DCP fund expended (\$)	Works-in-kind accepted (\$)	Council's contribution (\$)	Other contributions (\$)	Total project expenditure (\$)	Percentage of item delivered %
Drain Hawthorn Road (Nepean Highway End) Brighton East	DCL 4B	\$781,856.89	\$0.00	\$813,769.42	\$0.00	\$1,595,626.31	205%
New Drainage Construct Hornby Street Brighton East	DCL 4B	\$182,054.39	\$0.00	\$189,485.19	\$0.00	\$371,539.58	48%
Unscheduled Drainage Capital Works 21/22 - Glyndon	DCL 8A	\$116,433.78	\$0.00	\$121,186.18	\$0.00	\$237,619.58	14%
Unscheduled Drainage Capital Works 22/23 - Beach Rd easement	DCL 20	\$97,519.27	\$0.00	\$101,499.65	\$0.00	\$199,018.92	75%
Unscheduled Drainage Capital Works 21/22 - Reserve	DCL 4A	\$44,399.94	\$0.00	\$46,212.18	\$0.00	\$90,612.13	24%
		\$1,222,264.28		\$1,272,152.62		\$2,494,416.90	

Where more than 100% of a DCP item has been delivered Council has spent more than the total DCP Project \$ Expenditure (plus indexation) as set out on pages 18 and 19 of the Bayside Drainage DCP document. <https://www.bayside.vic.gov.au/drainage-development-contributions-plan> Therefore that DCP Reserve Account is in Debt. DCP Reserve Accounts in Debit to date include DCL's 4a, 4b, 20, and 22.

A photograph of a wooden staircase with metal railings leading down to a sandy beach and the ocean. The sky is blue with some clouds. The text "Performance Statement" is overlaid in white at the bottom left.

Performance Statement

Performance Statement

Description of municipality

Bayside City Council (the Council) is situated on the coastline of Port Phillip Bay and has an estimated residential population of 102,101 which after steadily increasing in the past decade, has seen a population reduction from the previously estimated 105,880 during the 2020–22 period of the pandemic.

The City of Bayside covers an area of 37 square kilometres, with its northern boundary eight kilometres from Melbourne's central business district. The coastline of Port Phillip forms the western boundary of Bayside, while the Nepean Highway and the Melbourne to Frankston railway line form most of the eastern boundary.

The City of Bayside is adjoined by the Cities of Port Phillip, Glen Eira and Kingston. Bayside encompasses all or part of the Suburbs of Beaumaris, Black Rock, Brighton, Brighton East, Cheltenham, Hampton, Hampton East, Highett and Sandringham.

Bayside is characterised by quality residential areas and is also home to a variety of businesses. Residents and visitors alike enjoy Bayside's numerous parks, reserves, foreshore, local retail centres, excellent sporting and recreational grounds and buildings, heritage buildings and sites, art galleries and festivals.

Bayside's coastline stretches for 17 kilometres from Head Street, Brighton, in the north to Charman Road, Beaumaris, in the south. It features many attractions such as Ricketts Point Marine Sanctuary, the Artists' Walking Trail, Red Bluff Cliffs, the bathing boxes at Dendy Street beach and Middle Brighton Sea Baths

Demographic profile:

- The City of Bayside is adjoined by the Cities of Port Phillip, Glen Eira and Kingston, and encompasses all or part of the suburbs of Beaumaris, Black Rock, Brighton, Brighton East, Cheltenham, Hampton, Hampton East, Highett and Sandringham.
- It has an estimated residential population of 102,101 people and 27.7% are aged 60 years and over.
- Fertility rates and number of births have been steadily decreasing. In 2022–23 there were 729 birth notifications in Bayside, which indicates a drop from the previous year (802).
- Over seven out of ten (73%) of Bayside residents were born in Australia, but residents were born in more than 91 countries and speak more than 67 languages at home with the predominant languages being Mandarin, Greek, Russian and Italian.
- Just over a quarter (27.6%) of Bayside City Council's residents work within the municipality, just under a quarter (22.8%) work in the City of Melbourne and another 21% work in neighbouring municipalities of Kingston, Glen Eira and Port Phillip.
- 45% of Bayside City Council households have an income in the top 25% for Victoria.

Performance Statement

Sustainable Capacity Indicators

For the year ended 30 June 2023

Indicator/measure	2020	2021	Results		Material variations
			2022	2023	
Population <i>Expenses per head of population</i> [Total expenses / Municipal population]	\$1,177.90	1,133.04	\$1,289.01	\$1,395.91	Council is committed to providing high quality services to the Bayside community in the most efficient way possible. Ongoing savings have been found in past years to contain expenditure per head of municipality. The increase in expenses per head in 2022-23 is driven by a number of factors including a reduction in the population estimate, the expansion of Council's fully funded Home Care Package Aged Care service, an increase in recurrent service costs funded from additional revenue, and increased depreciation due to Council's aggressive capital replacement program.
<i>Infrastructure per head of population</i> [Value of infrastructure / Municipal population]	\$5,613.17	\$5,723.81	\$5,841.43	\$6,424.26	Bayside has outsourced all of its maintenance works and therefore holds very low levels of plant and equipment. The value of Council's building assets is relatively low given it is old and in need of an upgrade. Council has doubled the level of capital spend over the last five years to address this issue. This is reflected in the gradual increase in the ratio over time.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	288.04	286.01	286.12	271.55	The population density of Bayside is comparable to other metropolitan councils and reflects the relatively low density nature of bayside suburbs.
Own-source revenue <i>Own-source revenue per head of population</i> [Own-source revenue / Municipal population]	\$1,142.94	\$1,136.78	\$1,214.91	\$1,356.60	Own-source revenue has increased in 22/23 particularly for user fees which have rebounded post COVID-19 and interest income from investments which has increased in line with the Reserve Bank's tightening of monetary policy.
Recurrent grants <i>Recurrent grants per head of population</i> [Recurrent grants / Municipal population]	\$97.60	\$95.06	\$123.21	\$174.02	Recurrent grants have increased significantly in 22/23 predominately due to the growth in Council's Home Care Packages Aged Care service, resulting in an extra \$4.0M in recurrent grants from the federal government.

Indicator/measure	Results				Material variations
	2020	2021	2022	2023	
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	10	10	10	10.00	The rating indicates that, overall Bayside has a lower level of disadvantage when compared to most other local government areas in Victoria, and to metropolitan Melbourne. However, it is important to acknowledge that Bayside does have scattered pockets of neighbourhoods experiencing significant hardship and disadvantage, which is masked by the affluence across the municipality in general.
Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	8.8%	13.41%	12.1%	15.0%	The staff turnover rate has increased to 15% for the year. This is consistent with current labour market and low unemployment driving conditions favourable to employees seeking to change employment. Concerted efforts to retain staff and attract new staff have kept the turnover rate lower than the metropolitan average for local government.

Definitions

“adjusted underlying revenue” means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

“infrastructure” means non-current property, plant and equipment excluding land

“local road” means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

“population” means the resident population estimated by council

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

“relative socio-economic disadvantage”, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

“SEIFA” means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

Performance Statement

Service Performance Indicators

For the year ended 30 June 2023

Service/indicator/measure	Results				Material Variation
	2020	2021	2022	2023	
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	0	0	0	0	Council owns two aquatic facilities within the Bayside area: Sandringham Family Leisure Aquatic Centre and Middle Brighton Sea Baths. Both these facilities are operated and managed under private commercial lease agreements. Council is not responsible for the operation or management of the Sandringham Aquatic Centre and the Middle Brighton Sea Bath is not technically defined as an aquatic facility.
Animal Management Health and safety <i>Animal management prosecutions</i> [Percentage of successful animal management prosecutions]	100.00%	100.00%	100.00%	100.00%	Despite number of prosecutions doubling Council has maintained a 100% success rate on animal prosecutions through the Magistrate Court, as a result of good evidence and detailed briefs.
Food Safety Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	100.00%	100.00%	100.00%	100.00%	Major and critical non compliances continue to be a high priority. Environmental Health Officers ensure that all major and critical issues identified during the assessment period are followed up as a priority within the required timeframe to mitigate the risk to the community.
Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	72.10	62.0	67.30	68.00%	The satisfaction rating is sourced from the Annual Satisfaction Survey conducted by an independent research company. The satisfaction survey undertaken in the reporting year was undertaken in person compared to the previous year in a hybrid model, this may have resulted in a minor increase in council decision satisfaction.
Libraries Participation <i>Active library borrowers in the municipality</i> [The sum of the number of active library borrowers in the last 3 financial years / Municipal population] x100	21.64%	21.51%	22.27%	23.08%	Bayside continues to connect with its borrowers through many streams including home deliveries, remote pickup, and installation of book lockers. Since the pandemic libraries have extended opening hours providing more opportunities for active borrowers. A slight decrease in the municipal population also drives a percentage increase.

Service/indicator/measure	Results				Material Variation
	2020	2021	2022	2023	
Maternal and Child Health Service (MCH) Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	79.78%	79.61%	76.93%	84.49%	Participation rates have increased compared to prior years. Monthly reminders for missed visits and a targeted program in conjunction with early childhood service providers helped to promote the MCH service and re-engage families with 2 and 3.5 year age visits, resulting in improved participation.
Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	91.43%	88.37%	62.50%	96.43%	Participation levels remains high based on a small number of families residing and enrolled in Bayside. Council has a strong commitment to close the gap and improve outcomes for first nations families.
Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	74.8	71.00	73.20	72.00%	The rating is sourced from the annual Community Satisfaction Survey conducted by an independent research company. Bayside's satisfaction result remains strong but the 1% in satisfaction was likely affected by the impacts from the spring rain events.
Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	63.64%	48.78%	50.00%	61.90%	During the reporting year 42 appeals have been determined with 26 being affirmed, resulting in an overall result of 62% of decisions being upheld. This result is a noticeable improvement from the previous year and closer to our target of 65%/year.
Waste collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	57.94%	58.57%	59.34%	71.10%	In July 2022 council changed collection frequencies to weekly green waste and fortnightly general waste. The change to bin collection schedules has successfully achieved behaviour change by encouraging people to reduce food and green waste being disposed into the general waste bin. This has resulted in a 12% increase in waste diverted from landfill (a 20% improvement on 2021-22), driving environmental and financial benefits to the community.

Performance Statement

Definitions

- “Aboriginal child” means a child who is an Aboriginal person
- “Aboriginal person” has the same meaning as in the *Aboriginal Heritage Act 2006*
- “active library borrower” means a member of a library who has borrowed a book from the library
- “annual report” means an annual report prepared by a council under section 98 of the Act
- “class 1 food premises” means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act
- “class 2 food premises” means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act
- “critical non-compliance outcome notification” means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
- “food premises” has the same meaning as in the *Food Act 1984*
- “local road” means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*
- “major non-compliance outcome notification” means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
- “MCH” means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
- “population” means the resident population estimated by council

Financial Performance Indicators

For the year ended 30 June 2023

Dimension, indicator & measure

Efficiency

Expenditure level

Expenses per property assessment

[Total expenses / Number of property assessments]

Results

2020	2021	2022	2023
\$2,681.46	\$2,592.51	\$2,895.62	\$3,032.43

Forecast

2024	2025	2026	2027
\$3,128.17	\$3,218.65	\$3,295.63	\$3,417.22

Material Variation

Council is committed to providing high quality services to the Bayside community in the most efficient way possible. Ongoing savings have continued to be found to keep expenses per head of municipal population low and measure is within the expected range. The increase in expenses per head in 2022-23 is driven by a number of factors including the expansion of Council’s fully funded Home Care Package Aged Care service, an increase in recurrent service costs funded from additional revenue, and increased depreciation due to Council’s aggressive capital replacement program.

Dimension, indicator & measure**Revenue level****Average rate per property assessment**

Average rate revenue per property assessment

[General rates and Municipal charges/ number of property assessments]

Results

2020	2021	2022	2023
\$1,796.28	\$1,858.45	\$1,903.34	\$1,950.94

Forecast

2024	2025	2026	2027
\$2,033.60	\$2,049.00	\$2,076.78	\$2,148.88

Material Variation

The general rates and the municipal charge for 2022-23 increased by 1.75%, in accordance with the Fair Go Rates System. The waste charge increased 12% due to the increase in the State Government Landfill Levy.

Dimension, indicator & measure**Liquidity****Working capital**

Current assets compared to current liabilities

[Current assets / Current liabilities] x100

Results

2020	2021	2022	2023
458.48%	452.20%	307.20%	366.66%

Forecast

2024	2025	2026	2027
244.44%	213.68%	179.02%	192.49%

Material Variation

Council's result is an indicator of a strong financial position. The increase this year is due to an increase in current assets, predominately cash investments, combined with a reduction in current liabilities predominately due to lower trade and other payables in 2023. Council will continue to utilise its cash reserves as part of its funding strategy to support its aggressive capital program. Liquidity levels will be maintained at sustainable levels into the future.

Dimension, indicator & measure**Unrestricted cash**

Unrestricted cash compared to current liabilities

[Unrestricted cash / Current liabilities] x100

Results

2020	2021	2022	2023
213.04%	222.78%	40.45%	117.11%

Forecast

2024	2025	2026	2027
115.01%	101.86%	89.59%	97.22%

Material Variation

The result in the previous year is reflective of lower unrestricted cash due to more non-current investments. Unrestricted cash is expected to decrease slowly over future years as Council funds its aggressive capital program.

Dimension, indicator & measure**Obligations****Loans and borrowings**

Loans and borrowings compared to rates

[Interest bearing loans and borrowings / Rate revenue] x100

Results

2020	2021	2022	2023
0.00%	0.00%	0.00%	0.00%

Forecast

2024	2025	2026	2027
0.00%	0.00%	0.00%	0.00%

Material Variation

Council continues to have no requirement for borrowing at this time.

Performance Statement

Dimension, indicator & measure

Loans and borrowings

Loans and borrowings repayments compared to rates

[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100

Results

2020	2021	2022	2023
0.00%	0.00%	0.00%	0.00%

Forecast

2024	2025	2026	2027
0.00%	0.00%	0.00%	0.00%

Material Variation

Council continues to have no requirement for borrowing at this time.

Dimension, indicator & measure

Obligations

Indebtedness

Non-current liabilities compared to own source revenue

[Non-current liabilities / Own source revenue] x100

Results

2020	2021	2022	2023
1.64%	1.29%	1.15%	1.33%

Forecast

2024	2025	2026	2027
1.67%	1.79%	2.12%	4.64%

Material Variation

Own source revenue has continued to increase in 22-23 but the result has been influenced by an increase in non-current liabilities (employee provisions).

Dimension, indicator & measure

Asset renewal and upgrade

Asset renewal and upgrade compared to depreciation.

[Asset renewal and asset upgrade expenses / Asset depreciation] x100

Results

2020	2021	2022	2023
114.32%	112.50%	143.35%	141.36%

Forecast

2024	2025	2026	2027
208.14%	163.18%	139.49%	106.50%

Material Variation

Council maintains a level of renewal and upgrade expenditure which is sufficient to ensure that its assets are renewed in accordance with condition assessment and service needs. The results have remained constant in 22/23.

Dimension, indicator & measure

Operating position

Adjusted underlying result

Adjusted underlying surplus (or deficit)

[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100

Results

2020	2021	2022	2023
5.47%	9.13%	6.16%	8.83%

Forecast

2024	2025	2026	2027
8.97%	6.92%	5.53%	4.87%

Material Variation

Council achieved a higher underlying result during 2022-23 predominately due to increases in other revenue sources, such as aged care grant income, user fees and interest income. The underlying result will decrease slightly in future years as Bayside delivers an ambitious capital program funded from cash reserves, coupled with an increase in depreciation.

Dimension, indicator & measure

Stability

Rates concentration

Rates compared to adjusted underlying revenue

[Rate revenue / Adjusted underlying revenue] x100

Results

2020	2021	2022	2023
73.89%	75.90%	72.37%	69.99%

Forecast

2024	2025	2026	2027
70.27%	70.45%	70.77%	71.11%

Material Variation

There has been an increase in other sources of revenue, particularly user fees and interest income, and thus Council was slightly less reliant on rate revenue.

Dimension, indicator & measure

Rates effort

Rates compared to property values

[Rate revenue / Capital improved value of rateable properties in the municipality] x100

Results

2020	2021	2022	2023
0.14%	0.15%	0.14%	0.13%

Forecast

2024	2025	2026	2027
0.13%	0.13%	0.13%	0.13%

Material Variation

The rate increase is in accordance with the rate capping framework. The slight drop of by 0.01% is attributable to a slight decline in property values for the 12 months.

Definitions

“adjusted underlying revenue” means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

“adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure

“asset renewal expenditure” means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

“current assets” has the same meaning as in the AAS

“current liabilities” has the same meaning as in the AAS

“non-current assets” means all assets other than current assets

“non-current liabilities” means all liabilities other than current liabilities

“non-recurrent grant” means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council’s Strategic Resource Plan

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

“population” means the resident population estimated by council

“rate revenue” means revenue from general rates, municipal charges, service rates and service charges

“recurrent grant” means a grant other than a non-recurrent grant

“residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

“restricted cash” means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

Performance Statement

Other Information

For the year ended 30 June 2023

Basis of preparation

Council is required to prepare and include a performance statement within its Annual Report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g., Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's Financial Plan. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement.

Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by Council in its Financial Plan on 30 June 2022 and which forms part of the Council Plan. The Financial Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General-Purpose Financial Statements. The Financial Plan can be obtained by contacting Bayside City council on 9599-4444 or can be viewed on Council's website www.bayside.vic.gov.au

Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations*.



Bill Shanahan CPA
Principal Accounting Officer

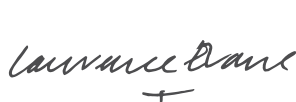
Date: 19 September 2023
Sandringham

In our opinion, the accompanying performance statement of Bayside City Council for the year ended 30 June 2023 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



Councillor Laurence Evans OAM
Audit and Risk Committee Member

Date: 19 September 2023
Sandringham



Councillor Sonia Castelli
Audit and Risk Committee Member

Date: 19 September 2023
Sandringham



Mick Cummins
Chief Executive Officer

Date: 19 September 2023
Sandringham

Victorian Auditor General's Report

To the Councillors of Bayside City Council

Opinion

I have audited the accompanying performance statement of Bayside City Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2023
- sustainable capacity indicators for the year ended 30 June 2023
- service performance indicators for the year ended 30 June 2023
- financial performance indicators for the year ended 30 June 2023
- other information and
- certification of the performance statement.

In my opinion, the performance statement of Bayside City Council in respect of the year ended 30 June 2023 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the *Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020*.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Councillors' responsibilities for the performance statement

The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020* and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

Victorian Auditor General's Report

Auditor's responsibilities for the audit of the performance statement

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
25 September 2023



Travis Derricott
as delegate for the Auditor-General of Victoria

Financial Report

For the Year Ended 30 June 2023



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Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.



Bill Shanahan CPA
Principal Accounting Officer

Date: 19 September 2023
Sandringham

In our opinion the accompanying financial statements present fairly the financial transactions of Bayside City Council for the year ended 30 June 2023 and the financial position of the Council as at that date.

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

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



Councillor Laurence Evans OAM
Audit and Risk Committee Member

Date: 19 September 2023
Sandringham



Councillor Sonia Castelli
Audit and Risk Committee Member

Date: 19 September 2023
Sandringham



Mick Cummins
Chief Executive Officer

Date: 19 September 2023
Sandringham

Victorian Auditor General's Report

To the Councillors of Bayside City Council

Opinion	<p>I have audited the financial report of Bayside City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2023 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2023 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

**Auditor's
responsibilities
for the audit of
the financial
report**

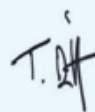
As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
25 September 2023


Travis Derricott
as delegate for the Auditor-General of Victoria

An aerial photograph of a coastal town. In the top left, there's a blue body of water with many people swimming and sunbathing on a sandy beach. A road curves along the coastline, separating the beach from a residential area. The houses are mostly single-story with various roof colors. There are green trees and bushes throughout the landscape. A parking lot with several cars is visible near the beach.

Financial Statements

2022-23

Comprehensive Income Statement

For the Year Ended 30 June 2023

Income / Revenue	Note	2023 \$'000	2022 \$'000
Rates and charges	3.1	108,663	104,390
Statutory fees and fines	3.2	8,737	8,218
User fees	3.3	10,335	8,997
Grants - operating	3.4(a)	17,768	16,349
Grants - capital	3.4(b)	4,551	3,817
Contributions - monetary	3.5	7,196	6,893
Contributions - non monetary	3.5	9,252	233
Rental Income	3.7	4,478	3,798
Interest Income	3.8	4,573	1,361
Other income	3.9	1,724	1,506
Total income / revenue		177,277	155,562
Expenses			
Employee costs	4.1	52,539	47,727
Materials and services	4.2	59,772	57,977
Depreciation	4.3	26,249	21,767
Amortisation - intangible assets	4.4	676	882
Amortisation - right of use assets	4.5	754	930
Bad and doubtful debts	4.6	596	1,041
Net loss on disposal of property, infrastructure, plant and equipment	3.6	1,381	5,270
Fair value adjustments for financial assets		-	15
Finance Costs - leases		42	45
Other expenses	4.7	515	440
Total expenses		142,524	136,094
Surplus for the year		34,753	19,468
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment / (decrement)	9.1(a)	(115,287)	218,439
Total comprehensive result		(80,534)	237,907

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

Balance Sheet

As at 30 June 2023

Assets	Note	2023 \$'000	2022 \$'000
Current assets			
Cash and cash equivalents	5.1(a)	7,736	7,589
Other financial assets	5.1(b)	73,000	67,000
Trade and other receivables	5.1(c)	16,169	13,759
Inventories		144	121
Prepayments	5.2(a)	20,224	20,189
Other assets	5.2(b)	3,811	2,322
Total current assets		121,084	110,980
Non-current assets			
Other financial assets	5.1(b)	39,000	49,000
Trade and other receivables	5.1(c)	116	94
Other assets	5.2(b)	95	75
Intangible assets	5.2(c)	1,959	2,363
Right-of-use assets	5.7	969	831
Property, infrastructure, plant and equipment	6.1	3,827,659	3,910,809
Total non-current assets		3,869,798	3,963,172
Total assets		3,990,882	4,074,152
Liabilities			
Current liabilities			
Trade and other payables	5.3(a)	9,258	13,245
Trust funds and deposits	5.3(b)	8,303	7,422
Unearned Income/revenue	5.3(c)	3,560	3,866
Provisions	5.4	11,355	11,082
Lease liabilities	5.7	547	511
Total current liabilities		33,023	36,126
Non-current liabilities			
Provisions	5.4	1,416	1,141
Lease liabilities	5.7	426	335
Total non-current liabilities		1,842	1,476
Total liabilities		34,865	37,602
Net assets		3,956,017	4,036,550
Equity			
Accumulated surplus		972,310	935,632
Reserves	9.1(b)	2,983,707	3,100,918
Total Equity		3,956,017	4,036,550

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

Statement of Changes in Equity

For the Year Ended 30 June 2023

		Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
2023	Note				
Balance at beginning of the financial year		4,036,550	935,632	3,023,110	77,809
Surplus for the year		34,753	34,753	-	-
Net asset revaluation decrement	9.1(a)	(115,287)	-	(115,287)	-
Transfers to other reserves	9.1(b)	-	(32,283)	-	32,283
Transfers from other reserves	9.1(b)	-	34,208	-	(34,208)
Balance at end of the financial year		3,956,017	972,310	2,907,823	75,884
2022					
Balance at beginning of the financial year		3,798,643	911,630	2,804,671	82,343
Surplus for the year		19,468	19,468	-	-
Net asset revaluation increment	9.1(a)	218,439	-	218,439	-
Transfers to other reserves	9.1(b)	-	(16,368)	-	16,368
Transfers from other reserves	9.1(b)	-	20,902	-	(20,902)
Balance at end of the financial year		4,036,550	935,632	3,023,110	77,809

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

Statement of Cash Flows

For the Year Ended 30 June 2023

	Note	2023 Inflows/ (Outflows) \$'000	2022 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		106,744	103,655
Statutory fees and fines		8,390	5,569
User fees		10,373	7,756
Rental income		4,115	3,879
Grants - operating		17,811	17,115
Grants - capital		4,610	3,078
Contributions - monetary		7,196	6,893
Interest received		2,714	1,254
Trust funds and deposits taken		2,614	3,525
Other receipts		1,724	1,506
Net GST refund/(payment)		10,227	7,192
Employee costs		(51,618)	(47,263)
Materials and services		(74,575)	(60,427)
Short-term, low value and variable lease payments		(476)	(476)
Trust funds and deposits repaid		(1,733)	(1,727)
Other payments		(515)	(440)
Net cash provided by operating activities	9.2	47,602	51,089
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(50,648)	(53,801)
Payments for investments		-	(930)
Proceeds from sale of investments		4,001	-
Net cash used in investing activities		(46,647)	(54,731)
Cash flows from financing activities			
Interest paid - lease liability		(42)	(45)
Repayment of lease liabilities		(765)	(942)
Net cash used in financing activities		(807)	(987)
Net increase / (decrease) in cash and cash equivalents		147	(4,629)
Cash and cash equivalents at the beginning of the financial year		7,589	12,218
Cash and cash equivalents at the end of the financial year	5.1(a)	7,736	7,589
Financing arrangements	5.5		

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

Statement of Capital Works

For the Year Ended 30 June 2023

	2023 \$'000	2022 \$'000
Property		
Buildings	30,973	31,913
Building improvements	2,778	3,656
Total property	33,750	35,569
Plant and equipment		
Arts and culture	217	129
Fixtures, fittings and furniture	158	563
Computers and telecommunications	586	715
Library books	578	535
Total plant and equipment	1,539	1,943
Infrastructure		
Roads	2,162	2,268
Bridges	-	59
Footpaths and cycleways	3,379	4,668
Drainage	3,374	1,799
Parks, open space and streetscapes	2,993	5,168
Foreshore and conservation	2,246	1,386
Off street car parks	48	442
Road management, traffic signals and street furniture	3,065	730
Laneways	-	186
Total infrastructure	17,267	16,707
Total capital works expenditure	52,557	54,219
Represented by:		
New asset expenditure	6,217	12,053
Asset renewal expenditure	22,604	21,524
Asset expansion expenditure	9,233	10,963
Asset upgrade expenditure	14,502	9,679
Total capital works expenditure	52,557	54,219

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

Notes to the Financial Report

For the Year Ended 30 June 2023



Note 1 Overview

Introduction

Bayside City Council was established by an Order of the Governor in Council on 15 December 1994 and is a body corporate. The Council's main office is located at 76 Royal Avenue Sandringham 3191.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Significant accounting policies

(a) Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

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

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

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

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.4)
- the determination of landfill provisions (refer to Note 5.4)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.7)
- other areas requiring judgements

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

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Note 2 Analysis of our results

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$1M where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 28 June 2022. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

2.1.1 Income/Revenue and expenditure

	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
Income Revenue					
Rates and charges	108,401	108,663	262	0%	
Statutory fees and fines	8,663	8,737	74	1%	
User fees	8,933	10,335	1,402	16%	1
Grants – operating	15,046	17,768	2,722	18%	2
Grants – capital	4,350	4,551	201	5%	
Contributions – monetary	3,752	7,196	3,444	92%	3
Contributions – non-monetary	-	9,252	9,252	100%	4
Rental	3,966	4,478	512	13%	5
Interest	955	4,573	3,618	379%	6
Other income	1,487	1,724	237	16%	
Total income / revenue	155,553	177,277	21,724	14%	
Expenses					
Employee costs	53,081	52,539	542	1%	
Materials and services	56,123	59,772	(3,649)	(7%)	
Depreciation	23,295	26,249	(2,954)	(13%)	7
Amortisation – Intangible assets	534	676	(142)	(27%)	8
Amortisation – Right of use assets	1,721	754	967	56%	9
Bad and doubtful debts	839	596	243	29%	10
Net loss on disposal of property, infrastructure, plant and equipment	-	1,381	(1,381)	100%	11
Finance costs – Leases	61	42	19	31%	9
Impairment assets	-	-	-	100%	
Other expenses	506	515	(9)	(2%)	
Total expenses	136,160	142,524	(6,364)	(5%)	
Surplus/(deficit) for the year	19,393	34,753	15,360	79%	

Explanation of material variations

Variance Ref	Item	Explanation
1	User fees	User fees are favourable to budget by \$1.4M due to an \$0.76M increase in asset protection user fees (predominately occupancy permits) from increased development activity and enforcement, \$0.25M increase in open space tree removal fees and \$0.3M increase in Home Care Packages income tested fee. This is offset by a \$0.17M reduction in green waste income due to lower than expected subscribers to the food and green waste service.
2	Grants – operating	Operating grants are favourable by \$2.7M to budget. \$1.2M of grant funding was received above what was budgeted during the year for the following programs: Tree planting and establishment \$0.24M, COVID safe outdoor activation fund Part B \$0.11M, Aged and disability services \$0.35M, Collaborative graffiti program \$0.28M and Home Care Packages \$0.20M. Council also received an additional \$0.9M in funding from the Victorian Grants Commission.
3	Contributions – monetary	Monetary contributions are favourable by \$3.4M predominately due to open space contributions which were \$3.4M favourable to budget. These funds are held in reserves for future open space works.
4	Contributions – non-monetary	Non monetary contributions includes \$9.0M of land transferred from the developer of the CSIRO site in Highett as part of their purchase contract with the Commonwealth Government. This contribution was budgeted in 21/22.
5	Rental income	Rental income is \$0.5M favourable to budget, particularly due to higher than budgeted golf course lease income (\$0.2M) and sporting rentals (\$0.1M) from a higher than expected number of bookings and a return to standard fees with no COVID discounts.
6	Interest income	Interest income is favourable to the budget by \$3.6M due to the aggressive interest rate increases by the RBA and higher cash levels than budgeted due to the carry forward of \$27.8M of capital works to 2023-24.
7	Depreciation	Depreciation is \$2.95M unfavourable to budget due to a change to the useful lives of buildings during last year's full valuation. Useful lives of buildings have been reduced as per valuer's advice to more accurately reflect the functional and physical life of the asset. This results in spreading the initial capital cost over a more reasonable time period. This, combined with increased building values and refurbishment costs results in a higher depreciation cost each year.
8	Amortisation – Intangible assets	The increase in amortisation expense for Intangibles reflects increased costs of software expenditure and its implementation and the relative short-life of intangible assets.
9	Amortisation – Right of use assets	Amortisation for right of use assets is \$0.97M less than budgeted and finance costs for leases are \$19k less than budgeted. During 2022-23, there were a number of early terminations for some fleet vehicle leases and a renegotiated 12 month extension at a reduced 50% rate for the most substantial IT server asset.
10	Bad and doubtful debts	Bad and doubtful debts were less than budgeted by \$243k. The provision for parking infringements has increased by \$0.375 million reflecting the increase in parking revenue. Collection rates remain constant at 71%. The sundry debtors provision for doubtful debts reduced by \$0.131M. The budget allows for an increase in both parking and sundry debtors each year.
11	Net loss on disposal of property, infrastructure, plant and equipment	Loss on disposal of property, infrastructure, plant and equipment of \$1.4M includes \$0.2M for the Black Rock Life Saving Club demolition and \$1.1M in written down value of infrastructure assets replaced as part of the annual infrastructure renewal program.

Note 2 Analysis of our results continued

2.1.2 Capital works

Property	Budget 2023 \$'000	Actual 2023 \$'000	Variance \$'000	Variance %	Ref
Buildings	40,341	30,973	(9,368)	(23%)	1
Building improvements	3,407	2,778	(629)	(18%)	2
Total Buildings	43,748	33,750	(9,998)	(23%)	
Total Property	43,748	33,750	(9,998)	(23%)	
Plant and Equipment					
Arts and culture collection	130	217	87	67%	3
Fixtures, fittings and furniture	151	158	7	5%	
Computers and telecommunications	791	586	(205)	(26%)	4
Library books	550	578	27	5%	
Total Plant and Equipment	1,622	1,539	(83)	(5%)	
Infrastructure					
Roads	4,431	2,162	(2,269)	(51%)	5
Kerb and Channel	1,041	1,059	18	2%	
Footpaths and cycleways	2,765	2,320	(445)	(16%)	6
Drainage	4,764	3,374	(1,390)	(29%)	7
Parks, open space and streetscapes	4,625	2,993	(1,632)	(35%)	8
Foreshore and conservation	2,733	2,246	(487)	(18%)	9
Off street car parks	747	48	(699)	(94%)	10
Other infrastructure	3,062	3,065	2	0%	
Total Infrastructure	24,168	17,267	(6,902)	(29%)	
Total Capital Works Expenditure	69,538	52,557	(16,983)	(24%)	
Represented by:					
New asset expenditure	10,187	6,217	(3,970)	(39%)	
Asset renewal expenditure	28,436	22,604	(5,832)	(21%)	
Asset expansion expenditure	22,114	9,233	(12,881)	(58%)	
Asset upgrade expenditure	8,801	14,502	5,701	65%	
Total Capital Works Expenditure	69,538	52,557	(16,981)	(24%)	

Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	Buildings are \$9.4M underspent compared to budget due to delays for Brighton Recreation Centre mainly due to the supply of construction materials (\$5.0M), Boss James Reserve Pavilion due to resourcing constraints (\$2.4M), Black Rock Life Saving Club due to approvals (\$1.1M), and Beaumaris Arts Group due to resourcing constraints and removal of the outdoor unit prior to tendering (\$973K).
2	Building improvements	Expenditure on building improvements is \$0.6M less than budgeted due to delays for Brighton Town Hall air system installation due to requirement to update CAD drawings prior to commencing design (\$440K), Brighton Town Hall Clocktower renewal to align with air system installation to minimise operational impacts (\$126K), and priority pavilion refurbishments due to resourcing constraints (\$130K).
3	Arts and culture collection	Capital expenditure on arts and culture is \$87k over spent due to the public art installation at Peterson Reserve delayed into 2022-23 due to material supply issues (\$97K).
4	Computers and telecommunications	Computers and telecommunications expenditure was under spent by \$205k due to the Enterprise Integration Platform project being on hold awaiting finalisation of Enterprise Architecture Initiatives Road Map informing the scope (\$179K) and delay of New User Interface Implementation for Clarity PPM due to change in resourcing (\$71K).
5	Roads	Capital expenditure on roads was \$2.3M under budget due to the Thomas Street road reconstruction in Hampton put on hold until the completion of gas mains upgrade by Multinet in 2024 (\$2.13M).
6	Footpaths and cycleways	Expenditure on footpaths and cycleways is under budget by \$0.4M predominately due to the construction of Brighton Bay Trail upgrade being rescheduled to after the completion of Brighton Life Saving Club which has been delayed. Further investigation and feasibility works were also required (\$488K).
7	Drainage	Expenditure on drainage is \$1.4M under budget predominately due to the delay of Head Street Brighton drain because we are awaiting the design criteria from Melbourne Water. Collaboration with Melbourne Water during the construction phase can now only occur in 2023-24 (\$2M).
8	Parks, open space and streetscapes	Expenditure on parks, open space and streetscapes is \$1.6M under budgeted due to the following delays: Landcox Park lighting upgrade delayed due to lead times on delivery of light poles (\$448K), Yalukit Willam Nature Reserve Wetlands design commenced but is ongoing due to discussions with Melbourne Water and investigation of site conditions (\$333K), Bay Road and Bluff Road Activity Centre project was cancelled with the streetscape footpath and kerb and channel renewals to be carried out under the relevant maintenance programs (\$258K), LED sportsground lighting update at Boss James Reserve delayed to align with the Boss James Reserve Pavilion works scheduled in 2023-24 (\$189K), Elsternwick Park South Landscape Plan Implementation delayed due to resourcing constraints to carry out infrastructure components of this project (\$171K), Highett Grassy Woodland Masterplan and Site Establishment delayed due to awaiting hand over of land (\$214K).
9	Foreshore and conservation	Foreshore and conservation expenditure is \$0.5M underspent due to the delay of the Park Street ramp upgrade to align with Brighton Life Saving Club construction. This project has also been affected by resourcing constraints (\$454K).
10	Off street car parks	Car park expenditure is \$0.7M under budget due the cancellation of the Hampton commuter car park project from the removal of Federal funding (\$523K) and the construction of the Beaumaris Concourse Car park completed with savings (\$99K).

Note 2 Analysis of our results continued

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1

CEO Division

The CEO Division provides oversight of the organisations and each of its Directorates with immediate direct support to Council in the areas of strategic planning, business improvements, service planning and human resources management for the organisation.

Corporate Services

Corporate Services provides support to Council in the areas of budgeting, governance, property and procurement, information technology to include IT support and digital transformation, occupational health, safety and welfare and delivery of the Enterprise Project Management Program for the community.

Environment, Recreation and Infrastructure

Environment, Recreation and Infrastructure provides high quality community focused programs, service delivery and is responsible for constructing new infrastructure and maintaining existing infrastructure across a diverse range of assets that underpin the wellbeing of the community. These assets include capital works engineering services, environment and waste, city works, parks and gardens, sustainability and transport.

City Planning and Amenity

City Planning and Amenity include the assessment of city development, health and local laws, planning strategy and urban growth of the community.

Community and Customer Experience

Community and Customer Experience provides high quality community focused programs, service delivery and communication to residents. Community and Customer Experience is comprised of community services, aged and disability services, family, youth and wellbeing services, communications and engagement and customer and cultural services including libraries and arts and culture.

2.2.2 Summary of Income / revenue, expenses, assets and capital expenses by program

	Income/Revenue \$'000	Expenses \$'000	Surplus/ (Deficit) \$'000	Grants included in income/revenue \$'000	Total assets \$'000
2023					
CEO Division	3,023	3,023	-	-	-
Corporate Services	20,748	20,748	-	3,953	13,009
Environment, Recreation and Infrastructure	108,669	73,916	34,753	5,317	3,965,705
City Planning and Amenity	16,130	16,130	-	576	2,008
Community and Customer Experience	28,707	28,707	-	12,473	10,160
	177,277	142,524	34,753	22,319	3,990,882
2022					
CEO Division	2,882	2,882	-	-	-
Corporate Services	26,682	26,682	-	3,920	11,063
Environment, Recreation and Infrastructure	86,758	67,290	19,468	6,099	4,051,549
City Planning and Amenity	16,452	16,452	-	1,283	1,896
Community and Customer Experience	22,788	22,788	-	8,864	9,644
	155,562	136,094	19,468	20,166	4,074,152

Note 3 Funding for the delivery of our services

3.1 Rates and charges

Council uses Capital Improved Value (C.I.V.) as the basis of valuation of all properties within the municipal district.

The C.I.V. of a property is the market value of land and improvements.

The valuation base used to calculate general rates for 2022-23 was \$87,096 million (2021/22 \$72,872 million).

	2023 \$'000	2022 \$'000
General rates	83,412	81,381
Municipal charge	7,646	7,488
Waste management charge	16,652	14,611
Supplementary rates and rate adjustments	636	588
Cultural and recreational	317	322
Total rates and charges	108,663	104,390

The date of the latest general revaluation of land for rating purposes within the municipal district was 01/01/2022, and the valuation was first applied in the rating year commencing 01/07/2022. Council's rate revenue increase complied with the Victorian Government rate cap of 1.75% set for 2022-23.

Annual rates and charges are recognised on a straight-line basis over the rating period for which the Rates and Charges are raised.

Supplementary rates are recognised when a valuation and re-assessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

	2023 \$'000	2022 \$'000
Infringements and costs		
– Parking	4,824	4,258
– Animal management	137	68
– Compulsory voting enforcement	6	62
– Other	146	64
Court recoveries	1,351	1,082
Town planning fees	1,291	1,536
Land information certificates	122	151
Building permits	764	869
Other	96	128
Total statutory fees and fines	8,737	8,218

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

Note 3 Funding for the delivery of our services

continued

3.3 User fees

	2023 \$'000	2022 \$'000
Aged and health services	1,453	1,183
Open space and recreation	819	909
Planning and infrastructure	2,263	1,757
Parking	2,003	2,080
Animal registration permits	1,348	1,392
Amenity protection (i)	1,493	822
Waste management services	133	125
Other fees and charges	823	729
Total user fees	10,335	8,997
User fees by timing of revenue recognition		
User fees recognised at a point in time	10,335	8,997
Total user fees	10,335	8,997

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

(i) The increase in amenity protection user fees is predominately due to increased asset protection permits (occupancy permits) in 2023 from increased development activity and enforcement.

3.4 Funding from other levels of government

Grants were received in respect of the following:

	2023 \$'000	2022 \$'000
Summary of grants		
Commonwealth funded grants	16,975	11,877
State funded grants	5,345	8,289
Total grants received	22,319	20,166

(a) Operating grants

	2023 \$'000	2022 \$'000
Recurrent – Commonwealth Government		
Financial assistance grants (i)	3,840	3,900
General home care	3,752	3,549
Aged care (ii)	5,116	1,877
Assessment and Review	821	704
Other	30	40
Recurrent – State Government		
Aged care	14	12
General home care	392	357
School crossing supervisors	443	370
Youth services	43	29
Libraries	715	705
Maternal and child health	799	898
Community safety and wellbeing	181	196
Total recurrent operating grants	16,146	12,637
Non-recurrent – Commonwealth Government		
Regional projects	433	454
Tree Management	244	291
Street Lighting Upgrade	(12)	690
Aged and disability services	29	-
Non-recurrent – State Government		
Aged and disability services	211	67
Environmental	27	183
Library	16	16
Youth services	18	80
Working for Victoria	113	630
Economic Development	110	743
Waste	24	149
Maintenance Services	281	123
Health	108	108
Other	20	177
Total non-recurrent operating grants	1,623	3,712
Total operating grants	17,768	16,349

(i) 100% of the 23/24 allocation was received in advance from the Victorian Grants Commission in June 2023 (75% in 2022).

(ii) Council has experienced significant growth in the Home Care Package service during 2023 receiving \$4.0M in grant income from the Commonwealth Government (2022: \$0.7M).

Note 3 Funding for the delivery of our services

continued

(b) Capital Grants

	2023 \$'000	2022 \$'000
Recurrent – Commonwealth Government		
Roads to recovery	371	371
Total recurrent capital grants	371	371
Non-recurrent – Commonwealth Government		
Recreation	2,350	-
Non-recurrent – State Government		
Buildings	1,689	2,229
Open Space	9	1,000
Non-recurrent – Other		
Open Space	132	217
Total non-recurrent capital grants	4,180	3,446
Total capital grants	4,551	3,817

(c) Recognition of grant income

Before recognising funding from government grants as revenue Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 *Revenue from Contracts with Customers*. When both these conditions are satisfied, Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, Council applies AASB 1058 *Income for Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

	2023 \$'000	2022 \$'000
Income recognised under AASB 1058 Income of Not-for-Profit Entities		
General purpose	3,840	3,900
Specific purpose grants to acquire non-financial assets	4,551	3,817
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	13,928	12,449
	22,319	20,166

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

		2023 \$'000	2022 \$'000
Operating	Note		
Balance at start of year		1,873	1,107
Received during the financial year and remained unspent at balance date		1,215	1,733
Received in prior years and spent during financial year		(1,172)	(967)
Balance at year end		1,916	1,873
Capital			
Balance at start of year		884	1,623
Received during the financial year and remained unspent at balance date		898	884
Received in prior years and spent during financial year		(884)	(1,623)
Balance at year end		898	884
Total Unspent grants 9.1(b)	9.1(b)	2,814	2,757

Unspent grants are determined and disclosed on a cash basis.

Note 3 Funding for the delivery of our services

continued

3.5 Contributions

	2023 \$'000	2022 \$'000
Monetary - Operating		
VicRoads road maintenance	29	30
Other	15	-
	44	30
Monetary - Capital		
Open space contributions	5,399	5,446
Drainage	1,153	814
Buildings	250	603
Parks	350	-
	7,152	6,863
Total monetary contributions	7,196	6,893
Non-monetary	9,252	233
Total contributions	16,448	7,126
<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
Land (i)	9,000	-
Footpaths	-	6
Laneways	-	34
Drainage	252	193
Total non-monetary contributions	9,252	233

(i) Non monetary contributions of land includes \$9.0M of land transferred from the developer of the CSIRO site in Highett as part of their purchase contract with the Commonwealth Government.

Monetary and non-monetary contributions are recognised as revenue at fair value when Council obtains control over the contributed asset.

3.6 Net loss on disposal of property, infrastructure, plant and equipment

	2023 \$'000	2022 \$'000
Footpaths and cycleways	(404)	(618)
Roads	(661)	(649)
Drains	(75)	(31)
Equipment	(56)	-
Buildings	(185)	(3,894)
Parks & Open Space	-	(7)
Laneways	-	(66)
Road Management	-	(5)
Total net loss on disposal of property, infrastructure, plant and equipment	(1,381)	(5,270)

Council has assessed its rental leases to be operating leases; lease payments received are recognised on a straight-line basis over the lease term.

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer or when Council disposes of the asset or part of, as part of its capital works renewal program.

3.7 Rental income

	2023 \$'000	2022 \$'000
Golf Courses	963	853
Other recreation facilities	1,653	1,349
Mobile phone facilities	894	884
Food premises	681	516
Other rentals	287	196
Total rental income	4,478	3,798

Council has assessed its rental leases to be operating leases; lease payments received are recognised on a straight-line basis over the lease term.

3.8 Interest income

	2023 \$'000	2022 \$'000
Interest – Cash and cash equivalents (i)	3,827	804
Interest – Rates late payment	746	557
Total Interest Income	4,573	1,361

Interest is recognised as it is earned.

(i) Interest income is significantly higher in 2023 due to the aggressive interest rate increases by the RBA and higher cash levels.

Note 3 Funding for the delivery of our services

continued

3.9 Other income

	2023 \$'000	2022 \$'000
Cost recovery	1,459	814
Sale of roads and laneways	31	446
Employee contributions	200	203
Other	34	43
Total other income	1,724	1,506

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

Note 4 The cost of delivering services

4.1 Employee costs

	2023 \$'000	2022 \$'000
Wages and salaries	43,698	40,538
WorkCover	702	565
Casual staff	1,595	1,094
Superannuation	4,756	4,127
Fringe benefits tax	304	301
Agency Staff	1,484	1,102
Total employee costs	52,539	47,727

Superannuation

Council made contributions to the following funds:

Scheme	Type of scheme	2023 \$'000	2022 \$'000
Vision Super	Defined Benefits	137	126
Vision Super	Accumulation	2,048	1,883
Australian Super	Accumulation	560	393
HESTA Super	Accumulation	268	174
Hostplus Super	Accumulation	278	211
REST Super	Accumulation	161	151
Vic Super	Accumulation	127	136
Other	Accumulation	1,150	1,032

\$0 employer contributions payable at reporting date (2022: \$0)

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

Superannuation rate – 2023: 10.5%, 2022: 10%

Note 4 The cost of delivering services continued

4.2 Materials and services

	2023 \$'000	2022 \$'000
Contracts		
– Environmental sustainability and open space services	25,734	23,551
– City works services	3,799	3,511
– Other services	1,787	2,272
– General maintenance	4,435	3,401
– Building maintenance	2,822	2,264
Services and purchases	11,414	12,293
Motor vehicle costs	235	215
Short term and low value leases	822	860
Office administration	971	764
Insurance	1,255	1,173
Community grants and sponsorship	1,168	1,331
Utilities and taxes	2,570	2,412
Other materials and services	2,760	3,930
Total materials and services	59,772	57,977

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

4.3 Depreciation

	Note	2023 \$'000	2022 \$'000
Buildings (i)		9,255	5,096
Plant and equipment		1,004	943
Infrastructure		15,990	15,728
Total depreciation	6.1	26,249	21,767

(i) Depreciation on buildings has increased in 2023 predominately due to a change in the useful lives adopted during the 2022 valuation. The useful lives of buildings and their components has reduced to more realistically match the structure's physical and functional life.

Refer to note 5.2(c), 5.7 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation – Intangible assets

	Note	2023 \$'000	2022 \$'000
Software		676	882
Total Amortisation - Intangible assets	5.2(c)	676	882

4.5 Amortisation – Right of use assets

	Note	2023 \$'000	2022 \$'000
Plant and equipment		164	252
Vehicles		590	578
Other		-	100
Total Amortisation – Right of use assets	5.7	754	930

4.6 Bad and doubtful debts – allowance for impairment losses

	2023 \$'000	2022 \$'000
Parking fine debtors	726	812
Other debtors	(130)	229
Total bad and doubtful debts – allowance for impairment losses	596	1,041

	2023 \$'000	2022 \$'000
Movement in allowance for impairment losses in respect of debtors		
Balance at the beginning of the year	5,624	4,793
New provisions recognised during the year	596	1,041
Amounts already provided for and written off as uncollectible	(365)	(210)
Balance at end of year	5,855	5,624

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.7 Other expenses

	2023 \$'000	2022 \$'000
Auditors' remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals	66	64
Auditors' remuneration – Internal Audit	131	94
Councillors' allowances	318	255
Council Election Costs	-	27
Total other expenses	515	440

Note 5 Our financial position

5.1 Financial assets

(a) Cash and cash equivalents

	2023 \$'000	2022 \$'000
Cash at bank and on hand	7,736	7,589
Total cash and cash equivalents	7,736	7,589

(b) Other financial assets

	2023 \$'000	2022 \$'000
Current		
Term deposits	73,000	67,000
Total current other financial assets	73,000	67,000
Non-current		
Term Deposits	39,000	49,000
Total non-current other financial assets	39,000	49,000
Total other financial assets	112,000	116,000
Total financial assets	119,736	123,589

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

Other financial assets are classified as current and non current valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

(c) Trade and other receivables

	2023 \$'000	2022 \$'000
Current		
<i>Statutory receivables</i>		
Rates debtors	7,865	5,970
Parking infringement debtors	6,357	5,891
Provision for doubtful debts - parking infringements	(4,516)	(4,109)
Other infringement debtors	260	238
Provision for doubtful debts - other infringements	(92)	(124)
Net GST receivables	1,397	2,113
<i>Non statutory receivables</i>		
Aged and disability	99	105
Rental debtors	2,787	3,167
Other debtors	3,259	1,899
Provision for doubtful debts - other debtors	(1,247)	(1,391)
Total current trade and other receivables	16,169	13,759
Non-current		
<i>Statutory receivables</i>		
Rates debtors	116	94
Total non-current trade and other receivables	116	94
Total trade and other receivables	16,285	13,853

Short-term (current) receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long-term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of receivables

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

	2023 \$'000	2022 \$'000
Current (not yet due)	1,030	3,327
Past due by up to 30 days	570	449
Past due between 31 and 60 days	527	166
Past due by more than 60 days	4,018	1,229
Total trade and other receivables	6,145	5,171

Note 5 Our financial position continued

5.2 Non-financial assets

(a) Prepayments

	2023 \$'000	2022 \$'000
	20,224	20,189
	20,224	20,189

Prepayments of \$20.2 million includes \$18.05 million as part of Council's contribution to the Netball facilities at Sandringham College which are still under construction. Once the facility is commissioned and ready for use, the prepayment will be transferred to Right of Use Assets and its value amortised over the life of the Right of Use agreement.

(b) Other assets

	2023 \$'000	2022 \$'000
Current		
Accrued income	3,811	2,322
	3,811	2,322
Non-current		
Deposits held by suppliers – refundable	95	75
Total other assets	3,906	2,397

(c) Intangible assets

	2023 \$'000	2022 \$'000
Software	1,959	2,363
Total intangible assets	1,959	2,363
Gross carrying amount		Software \$'000
Balance at 1 July 2022		9,332
Additions		35
Disposals		(64)
Transfers		(250)
Work in progress		551
Balance at 30 June 2023		9,604
Accumulated amortisation and impairment		
Balance at 1 July 2022		(6,969)
Amortisation expense		(676)
Balance at 30 June 2023		(7,645)
Net book value at 30 June 2022		2,363
Net book value at 30 June 2023		1,959

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

5.3 Payables, trust funds and Deposits and Unearned income/revenue

(a) Trade and other payables

Current	2023 \$'000	2022 \$'000
<i>Non-statutory payables</i>		
Trade payables	1,618	8,248
Accrued expenses		
– Capital	3,967	1,866
– Materials and service	2,691	2,401
– Employee costs	982	730
Total current trade and other payables	9,258	13,245

(b) Trust funds and deposits

Current	2023 \$'000	2022 \$'000
Building and Infrastructure refundable deposits	5,670	4,879
Fire services levy	688	734
Retention amounts	197	172
Other refundable deposits	1,748	1,637
Total current trust funds and deposits	8,303	7,422

Note 5 Our financial position continued

(c) Unearned income/revenue

Current	2023 \$'000	2022 \$'000
Grants received in advance - operating	1,916	1,873
Grants received in advance - capital	898	884
Rental In advance	300	470
Rental Deferred	446	639
Total current unearned income/revenue	3,560	3,866

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

Unearned income/revenue represents contract liabilities and reflect consideration received in advance from customers in respect of grants received in advance and rental income received in advance and deferred. Unearned income/revenue are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.4 (c).

Purpose and nature of items

Building and Infrastructure refundable deposits - Deposits are taken by Council as a form of surety in relation to building and infrastructure works. Amounts will be refunded if Council's assets are maintained in their original condition.

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

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

Other refundable deposits - Deposits are taken by Council as a form of surety in relation to leasing or hiring transactions for Council assets. Amount will be refunded if Council's assets are maintained in their original condition.

5.4 Provisions

	Annual leave \$'000	Long service leave \$'000	Staff gratuity scheme \$'000	Landfill remediation \$'000	Total \$'000
2023					
Balance at beginning of the financial year	4,296	7,334	11	583	12,224
Additional provisions	3,974	1,511	-	-	5,485
Amounts used	(3,892)	(822)	-	(122)	(4,836)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	(101)	-	-	(101)
Balance at the end of the financial year	4,378	7,922	11	461	12,772
<i>Provisions – current</i>	4,378	6,505	11	461	11,355
<i>Provisions – non-current</i>	-	1,416	-	-	1,416
2022					
Balance at beginning of the financial year	4,263	7,106	10	72	11,451
Additional provisions	3,832	1,294	1	583	5,710
Amounts used	(3,799)	(494)	-	(72)	(4,365)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	(572)	-	-	(572)
Balance at the end of the financial year	4,296	7,334	11	583	12,224
<i>Provisions – current</i>	4,296	6,192	11	583	11,082
<i>Provisions – non-current</i>	-	1,141	-	-	1,141

Note 5 Our financial position continued

(a) Employee provisions

	2023 \$'000	2022 \$'000
Current provisions expected to be wholly settled within 12 months		
Annual leave	2,741	2,563
Long service leave	815	863
Staff gratuity scheme	11	11
	3,567	3,437
Current provisions expected to be wholly settled after 12 months		
Annual leave	1,637	1,733
Long service leave	5,690	5,329
	7,327	7,062
Total current employee provisions	10,894	10,499
Non-current provisions		
Long service leave	1,416	1,141
Total non-current employee provisions	1,416	1,141
Aggregate carrying amount of employee provisions:		
Current	10,894	10,499
Non-current	1,416	1,141
Total aggregate carrying amount of employee provisions	12,310	11,640

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

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if Council expects to wholly settle the liability within 12 months
- present value if Council does not expect to wholly settle within 12 months.

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Key assumptions:	2023	2022
– discount rate	4.06%	3.69%
– inflation rate	4.35%	3.85%

Staff Gratuity Scheme

The staff gratuity scheme entitlement of \$11,404 (2022: \$10,658) is recognised at 31 January 1996 values (frozen in accordance with the Bayside Enterprise Bargaining Agreement) and is adjusted by Consumer Price index less any leave taken.

(b) Landfill restoration

	2023 \$'000	2022 \$'000
Current	461	483
	461	483

Council is obligated to restore landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council reviews the landfill restoration provision on an annual basis.

5.5 Financing arrangements

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

	2023 \$'000	2022 \$'000
Credit card facilities	150	95
Total facilities	150	95
Used facilities	13	18
Unused facilities	137	77

Note 5 Our financial position continued

5.6 Commitments

Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

(a) Commitments for expenditure

2023	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Waste collection and disposal	6,127	4,045	4,045	11,541	25,758
Infrastructure and Open Space	19,097	18,872	17,873	7,150	62,992
Other	1,829	1,405	772	449	4,455
Total	27,053	24,322	22,690	19,140	93,205
Capital					
Buildings	14,081	-	-	-	14,081
Foreshore and conservation	3,586	-	-	-	3,586
Carparks	635	-	-	-	635
Parks, open space and streetscapes	688	-	-	-	688
Drainage	303	-	-	-	303
Roads	998	-	-	-	998
Total	20,291	-	-	-	20,291
2022					
Operating					
Waste collection and disposal	10,197	4,014	1,965	3,305	19,481
Infrastructure and Open Space	18,872	18,872	18,872	7,863	64,479
Other	1,820	796	434	-	3,050
Total	30,889	23,682	21,271	11,168	87,010
Capital					
Buildings	19,453	-	-	-	19,453
Foreshore and conservation	9,502	-	-	-	9,502
Carparks	969	-	-	-	969
Parks, open space and streetscapes	1,108	-	-	-	1,108
Drainage	800	-	-	-	800
Roads	1,254	-	-	-	1,254
Total	33,086	-	-	-	33,086

(b) Operating lease receivables

Council has entered into commercial property leases on its property, consisting of sporting facilities, mobile telecommunication installations, cafes, leisure centres and waste centres. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 20 years. All leases include a CPI based revision of the rental charge annually.

Future minimum rentals receivable under non-cancellable operating leases (net of GST) are as follows:

	2023 \$'000	2022 \$'000
Not later than one year	3,707	3,510
Later than one year and not later than five years	5,084	5,849
Later than five years	7,162	8,154
	15,953	17,513

5.7 Leases

At inception of a contract, Council assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

AASB 16 Leases allows an option for not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms. Council does not have any leases that are significantly below-market terms and therefore has not made an election to apply the option.

Note 5 Our financial position continued

	IT Equipment \$'000	Vehicles \$'000	Other \$'000	Total \$'000
Right-of-Use Assets				
Balance at 1 July 2022	115	716	-	831
Additions	-	610	-	610
Adjustments due to re-measurement of lease liability	125	156	-	281
Amortisation charge	(163)	(590)	-	(753)
Balance at 30 June 2023	77	892	-	969
Right-of-Use Assets				
Balance at 1 July 2021	374	785	100	1,259
Additions	-	349	-	349
Adjustments due to re-measurement of lease liability	(7)	160	-	153
Amortisation charge	(252)	(578)	(100)	(930)
Balance at 30 June 2022	115	716	-	831
Lease Liabilities				
Maturity analysis – contractual undiscounted cash flows			2023 \$'000	2022 \$'000
Less than one year			577	537
One to five years			440	347
More than five years			-	-
Total undiscounted lease liabilities as at 30 June:			1,017	884
Lease liabilities included in the Balance Sheet at 30 June:				
Current			547	511
Non-current			426	335
Total lease liabilities			973	846

Short-term and low value leases

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

Expenses relating to:	2023 \$'000	2022 \$'000
Leases of low value assets	531	476
Total	531	476

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

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

Payable:	2023 \$'000	2022 \$'000
Within one year	14	372
Later than one year but not later than five years	3	22
Total lease commitments	17	394

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount at 30 June 2022 \$'000	Additions \$'000	Contributed Assets \$'000	Revaluation \$'000	Depreciation \$'000
Land	3,294,071	-	9,000	(131,334)	-
Buildings	165,712	4,794	-	12,702	(9,255)
Plant and equipment	8,705	3,554	-	-	(1,004)
Infrastructure	413,166	9,579	252	3,765	(15,990)
Work in progress	29,155	34,290	-	-	-
	3,910,809	52,217	9,252	(114,867)	(26,249)

Summary of work in progress (WIP)	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers – Other classes \$'000	Transfers – Capitalised \$'000	Closing WIP \$'000
Buildings	17,490	28,918	(735)	391	(1,846)	44,218
Plant and equipment	240	90	(67)	23	(179)	107
Infrastructure	11,426	5,282	(949)	(366)	(8,284)	7,109
Total	29,155	34,290	(1,751)	48	(10,309)	51,434

	Disposal \$'000	Impairment \$'000	Write-off \$'000	Transfers - WIP \$'000	Transfers - Class \$'000	Carrying amount 30 June 2023 \$'000
	-	-	-	-	-	3,171,737
	(185)	(420)	-	1,846	-	175,194
	(56)	-	-	179	-	11,378
	(1,140)	-	-	8,284	-	417,917
	-	-	(1,751)	(10,309)	48	51,433
	(1,381)	(420)	(1,751)	-	48	3,827,659

Note 6 Assets we manage continued

(a) Property

	Land – specialised \$'000	Land – non specialised \$'000	Land under roads \$'000	Total land \$'000
At fair value 1 July 2022	2,259,503	370,496	664,072	3,294,071
Accumulated depreciation at 1 July 2022	-	-	-	-
	2,259,503	370,496	664,072	3,294,071
Movements in fair value				
Additions	-	-	-	-
Contributed assets	9,000	-	-	9,000
Revaluation	(90,380)	(14,820)	(26,134)	(131,334)
Disposal	-	-	-	-
Write-off	-	-	-	-
Transfers WIP - Other classes	-	-	-	-
Transfers WIP - Capitalised	-	-	-	-
	(81,380)	(14,820)	(26,134)	(122,334)
Movements in accumulated depreciation				
Depreciation and amortisation	-	-	-	-
Accumulated depreciation of disposals	-	-	-	-
Revaluation	-	-	-	-
Impairment losses recognised in Revaluation Reserves	-	-	-	-
	-	-	-	-
At fair value 30 June 2023	2,178,123	355,676	637,938	3,171,737
Accumulated depreciation at 30 June 2023	-	-	-	-
Carrying amount 30 June 2023	2,178,123	355,676	637,938	3,171,737

Heritage buildings \$'000	Buildings – specialised \$'000	Buildings – non specialised \$'000	Total buildings \$'000	Work In progress \$'000	Total property \$'000
53,574	276,291	3,504	333,369	17,490	3,644,930
(34,585)	(131,122)	(1,951)	(167,658)	-	(167,658)
18,989	145,169	1,553	165,711	17,490	3,477,272
147	4,574	73	4,794	28,918	33,712
-	-	-	-	-	9,000
4,298	22,142	286	26,726	-	(104,608)
-	(970)	-	(970)	-	(970)
-	-	-	-	(735)	(735)
-	-	-	-	391	391
-	1,846	-	1,846	(1,846)	-
4,445	27,592	359	32,396	26,728	(63,210)
(1,184)	(8,009)	(62)	(9,255)	-	(9,255)
-	785	-	785	-	785
(2,861)	(11,002)	(161)	(14,024)	-	(14,024)
-	(420)	-	(420)	-	(420)
(4,045)	(18,646)	(223)	(22,914)	-	(22,914)
58,019	303,883	3,863	365,765	44,218	3,581,720
(38,630)	(149,768)	(2,174)	(190,572)	-	(190,572)
19,389	154,115	1,689	175,194	44,218	3,391,148

Note 6 Assets we manage continued

(b) Plant and Equipment

	Plant machinery & equipment \$'000	Fixtures fittings & furniture \$'000
At fair value 1 July 2022	2,130	6,234
Accumulated depreciation at 1 July 2022	(1,995)	(4,197)
	135	2,037
Movements in fair value		
Additions	2,224	621
Disposal	(1,756)	-
Write-off	-	-
Transfers WIP - Other classes	-	-
Transfers WIP - Capitalised	-	121
	468	742
Movements in accumulated depreciation		
Depreciation and amortisation	(149)	(473)
Accumulated depreciation of disposals	1,700	-
	1,551	(473)
At fair value 30 June 2023	2,598	6,976
Accumulated depreciation at 30 June 2023	(444)	(4,670)
Carrying amount 30 June 2023	2,154	2,306

Library books \$'000	Arts & culture assets \$'000	Work in progress \$'000	Total plant & equipment \$'000
7,515	5,100	240	21,218
(6,084)	-	-	(12,275)
1,431	5,100	240	8,943
577	132	90	3,644
-	-	-	(1,756)
-	-	(67)	(67)
-	-	23	23
-	58	(179)	-
577	190	(133)	1,844
(382)	-	-	(1,004)
-	-	-	1,700
(382)	-	-	696
8,092	5,290	107	23,063
(6,466)	-	-	(11,580)
1,626	5,290	107	11,485

Note 6 Assets we manage continued

(c) Infrastructure

	Roads \$'000	Bridges \$'000	Footpaths & cycleways \$'000	Drainage \$'000	Parks open spaces & streetscapes \$'000
At fair value 1 July 2022	208,108	7,899	176,939	372,138	85,604
Accumulated depreciation at 1 July 2022	(88,921)	(2,169)	(88,739)	(258,896)	(39,934)
	119,187	5,730	88,200	113,242	45,670
Movements in fair value					
Additions	1,786	-	2,891	2,664	1,070
Contributed Assets	-	-	-	252	-
Revaluation	-	-	-	(85,685)	-
Disposal	(855)	-	(1,474)	(405)	-
Write-off	-	-	-	-	-
Transfers WIP - Other classes	-	-	-	-	-
Transfers WIP - Capitalised	-	-	401	2,006	4,425
	931	-	1,818	(81,168)	5,495
Movements in accumulated depreciation					
Depreciation and amortisation	(2,772)	(83)	(3,459)	(4,050)	(3,994)
Accumulated depreciation of disposals	339	-	941	324	-
Revaluation	-	-	-	89,450	-
	(2,433)	(83)	(2,518)	85,724	(3,994)
At fair value 30 June 2023	209,039	7,899	178,757	290,970	91,099
Accumulated depreciation at 30 June 2023	(91,354)	(2,252)	(91,257)	(173,172)	(43,928)
Carrying amount 30 June 2023	117,685	5,647	87,500	117,798	47,171

Foreshore and conservation \$'000	Off street car parks \$'000	Road mgmt, traffic signals & street furnitures \$'000	Laneways \$'000	Work In progress \$'000	Total infrastructure \$'000
14,557	16,543	16,696	11,773	11,426	921,682
(8,622)	(824)	(6,825)	(2,160)	-	(497,090)
5,935	15,719	9,871	9,613	11,426	424,592
754	-	402	12	5,282	14,861
-	-	-	-	-	252
-	-	-	-	-	(85,685)
-	-	-	(10)	-	(2,744)
-	-	-	-	(949)	(949)
-	-	-	-	(366)	(366)
760	172	520	-	(8,284)	-
1,514	172	922	2	(4,317)	(74,631)
(692)	(340)	(393)	(207)	-	(15,990)
-	-	-	-	-	1,604
-	-	-	-	-	89,450
(692)	(340)	(393)	(207)	-	75,064
16,071	16,715	17,618	11,775	7,109	847,051
(9,314)	(1,164)	(7,218)	(2,367)	-	(422,026)
6,757	15,551	10,400	9,408	7,109	425,026

Note 6 Assets we manage continued

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

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

Asset recognition thresholds and depreciation periods	Depreciation Period	Threshold Limit \$'000
Property		
land	Nil	Nil
buildings	15-75 years	10
heritage building	50-75 years	Nil
Plant and Equipment		
plant, machinery and equipment	5-10 years	2
arts and culture collection	Nil	Nil
fixtures, fittings and furniture	3-25 years	2
library books	6 years	Nil
Infrastructure		
roads		
pavement	100-200 years	25
surfacing	10-50 years	25
footpaths and cycleways	25-55 years	20
kerb & channel	55-75 years	20
laneways	25-129 years	20
drainage	75-100 years	10
parks, open space and streetscapes	9-100 years	10
Intangible assets		
intangible assets	3-5 years	5
Right-of-use-assets		
Fleet leases	3-5 years	Nil
IT Equipment	4 years	2
Other – assets embedded within service contracts	3 years	Nil

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

Land, is not depreciated on the basis that it is assessed as not having a limited useful life.

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

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

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

ValTec Property Pty Ltd Registration number 62774 conducted a market assessment of land and building values to determine if a material change to the fair value had occurred. The market assessment indicated a decrease of 4% for land and increase of 8% for buildings since the 2022 valuation. Council chose to perform an indexation-based adjustment to both land and building values in accordance with the fair value assessment as at 30 June 2023.

The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date of the current valuation is detailed in the following table, together with details of Council's land and buildings and information about the fair value hierarchy as at 30 June 2023:

	Level 1 \$'000s	Level2 \$'000s	Level 3 \$'000s	Date of Valuation	Type of Valuation
Land specialised	-	-	2,178,123	Jun-22	full
Land non specialised	-	355,676	-	Jun-22	full
Land under roads	-	-	637,938	Jan-22	full
Heritage Buildings	-	-	19,389	Jun-22	full
Buildings specialised	-	-	154,115	Jun-22	full
Buildings non specialised	-	1,689	-	Jun-22	full
Total	-	357,365	2,989,565		

Note 6 Assets we manage continued

Valuation of infrastructure

Valuation of Drainage assets has been determined in accordance with a valuation undertaken by a qualified independent valuer Odysseus-imc Pty Ltd. Valuation of remaining infrastructure assets has been determined in accordance with a valuation undertaken by Council officer Mr. B Robertson BE (Civil). MlnfrastructEng&Mgt.

The date of the current valuation is detailed in the following table. A full revaluation was performed for Drainage assets in 2022/23 following a previous indexation review conducted in 2021/22 which identified a weighted increase of 11.6% across drainage assets. An indices movement review did not identify any significant movement in the Footpaths, Roads, Bridges, Laneways, Road Management or Off-Street Car Park Classes, whilst Parks, open space and streetscapes and foreshore and conservation asset classes are carried at historical cost and have not been assessed for revaluation purposes in 2023.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation. Details of Council's infrastructure and information about the fair value hierarchy as at 30 June 2023 are as follows:

	Level 1	Level 2	Level 3	Valuation Date	Valuation Type
Roads	-	-	117,685	Mar-20	Full
Bridges	-	-	5,647	Jun-21	Full
Footpaths and cycleways	-	-	87,500	Mar-20	Full
Laneways	-	-	9,408	Jun-21	Full
Drainage	-	-	117,798	Jun-23	Full
Road mgmt, traffic signals & street furniture	-	-	10,400	Jun-21	Full
Off-Street Car Parks	-	-	15,551	Jun-21	Full
Total	-	-	363,989		

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 3% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$190 and \$7,505 per square metre. The methodology for valuing land under roads is based on Council's Municipal Site Value and was calculated at 30 June 2023. The average rate per square meter has been discounted by 95% to account for its undeveloped state, limits to rights of access and infrastructure easements which resulted in a value of \$109 per square meter.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 3 years to 60 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 years to 200 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land	2023 \$'000	2022 \$'000
Land under roads	637,938	664,072
Parks and reserves	2,178,123	2,259,503
Total specialised land	2,816,061	2,923,575

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent entity

Bayside City Council is the parent entity.

Subsidiaries and Associates

No Interests in subsidiaries or associates.

(b) Key management personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Bayside City Council. The Councillors, Chief Executive Officer, Directors and Executive Managers are deemed KMP.

Details of KMP at any time during the year are:

Councillors

Hanna El Mouallem (Mayor 10 November 2022 to 30 June 2023, Councillor from 1 July 2022)

Alex del Porto (Mayor 1 July 2022 to 9 November 2022, Councillor from 10 November 2022)

Sonia Castelli (Councillor)

Laurence Evans (Councillor)

Clarke Martin (Councillor)

Jo Samuel-King (Councillor)

Fiona Stitfold (Councillor)

Chief Executive Officer and other key management personnel

Michael Cummins – Chief Executive Officer

Jill Colson – Director Corporate Services (from 1 July 2022 to 12 July 2022 & from 3 Sept 2022 to 19 March 2023), Acting Director Environment, Recreation and Infrastructure (from 13 July 2022 to 2 September 2022 & from 20 March 2023 to 30 June 2023)

Kathryn Tozer – Acting Director Corporate Services (from 18 July 2022 to 2 September 2022, & 29 March 2023 to 30 June 2023)

Mark Varmalis – Director Environment, Recreation and Infrastructure (from 5 September 2022 to 17 March 2023)

Matthew Cripps – Director City Planning and Amenity

Tilla Buden – Director Community and Customer Experience (from 8 August 2022)

Kristy Green – Acting Director Community and Customer Experience (1 July 2022 to 5 August 2022)

Rachael Bragg – Executive Manager People and Strategy

	2022 No.	2023 No.
Total number of Councillors	7	7
Total of Chief Executive Officer and other key management personnel	8	9
Total number of key management personnel	15	16

Note 7 People and relationships continued

(c) Remuneration of key management personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages.

Total remuneration of key management personnel was as follows:

	2023 \$	2022 \$
Short-term benefits	1,732,328	1,715,877
Long-term benefits	37,629	34,146
Post-employment benefits	197,529	184,996
Termination benefits	61,086	75,297
Total	\$2,028,572	\$2,010,316

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

	2022 No.	2023 No.
\$20,000 - \$29,999	1	-
\$30,000 - \$39,999	4	5
\$40,000 - \$49,999	1	2
\$50,000 - \$59,999	1	-
\$70,000 - \$79,999	-	2
\$80,000 - \$89,999	1	-
\$90,000 - \$99,999	1	1
\$110,001 - \$119,999	-	1
\$210,001 - \$219,999	1	-
\$220,001 - \$229,999	2	-
\$260,001 - \$269,999	-	2
\$280,001 - \$289,999	2	-
\$290,001 - \$299,999	-	1
\$310,001 - \$319,999	-	1
\$360,000 - \$369,999	1	-
\$370,000 - \$379,999	-	1
	15	16

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$160,000 and who report directly to a member of the KMP. *

Total remuneration of key management personnel was as follows:

	2023 \$	2022 \$
Short-term benefits	3,133,687	3,403,673
Long-term benefits	76,278	80,276
Post-employment benefits	313,271	316,589
Termination benefits	-	116,356
Total	\$3,523,236	\$3,916,894

The number of other senior staff are shown below in their relevant income bands:

	2022 No.	2023 No.
\$160,000 - \$169,999	4	4
\$170,000 - \$179,999	2	5
\$180,000 - \$189,999	5	6
\$190,000 - \$199,999	5	1
\$200,000 - \$209,999	1	-
\$210,000 - \$219,999	2	1
\$220,000 - \$229,999	-	-
\$310,000 - \$319,999 (i)	-	1
	19	18

(i) Prior year remuneration included payment of leave provisions on the resignation of a long-serving senior officer whose remuneration would previously have been under the threshold for reporting.

* Due to a definitional change the comparative figures in this note may not align with the previous year's annual report, which included disclosure of senior officers as defined in the Local Government Act 1989.

7.2 Related party disclosure

(a) Transactions with related parties

No transactions between Council and related parties have taken place during the reporting year which require disclosure.

(b) Outstanding balances with related parties

There were no outstanding balances with related parties at the end of the reporting period which require disclosure

(c) Loans to/from related parties

No loans have been made, guaranteed or secured by Council to related parties during the reporting year.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that had been made, guaranteed or secured by Council to related parties.

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively except where indicated.

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Council.

CSIRO Land

As part of a sale agreement with the Commonwealth and the Developer of the old CSIRO site in Highett, Bayside is to receive assets as developer contributions. The S173 agreement between Bayside and the developer has been signed following endorsement of the Development Plan which imposes contractual obligations on the developer and indicates when title will be transferred. A total of \$9 million in land has been transferred and recorded in the 2022-23 financial statements. The total value of the assets yet to be transferred is estimated to be land of \$8.2 million and a \$4.0 million community facility. Whilst there is still uncertainty as to the exact handover date, the next reserve is expected to be transferred in March 2024 with the remaining assets to be transferred no later than March 2028.

Dendy Beach Pavilion Planning Objections

The construction of the Dendy Beach Pavilion is almost complete after the protracted court action taken by a small group of objectors. The legal fees incurred by Council associated with the cost of defending the Supreme Court proceeding and the Court of Appeal proceeding equated to approximately \$278,000. A costs order has been made in Council's favour against the applicant in both proceedings. Council is in the process of pursuing its costs in accordance with those costs orders. The prospect and timing of any dividend is still uncertain.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Superannuation

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

Future superannuation contributions

In addition to the disclosed contributions, Bayside City Council has not paid any unfunded liability payments to Vision Super for the 2022-23 financial year (2022: \$0). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2023.

Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

MAV Workcare

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

Wangara Road (Former Landfill Site)

The Wangara Road location is a former landfill site and investigations have identified landfill gas and groundwater leachate. Council is working with the EPA and an independent environmental consultant to respond to Environmental Action Notices (EANs), which will contribute to determining the extent of contamination and potential migration. The monitoring will inform an Interim Aftercare Management Plan which will outline the works required to ensure there is no risk to human health. The first draft of the 2022-23 Annual Compliance Report has been received and is due to be submitted to the EPA on 28th July 2023 for review and response. A Rehabilitation Plan has been completed and submitted to the EPA. It is anticipated that EAN's will be issued based on the Rehabilitation Plan, which will help to inform the cost of rehabilitation work.

Foreshore between Green Point and Brighton Yacht Club

As part of the assessment works for the Dendy St Beach Masterplan project some contamination was found outside the proposed project work zone. The EPA issued a Clean Up Notice in July 2020. Council engaged Landserv to undertake testing of soil and assist in the response to the EPA CUN. The premises was subject to multiple filling and land modification events along its length between the 1930s until the late 1970s. This filling has resulted in the contamination of soils beneath the premises, with soil sampling undertaken in 2018 and soil sampling undertaken as part of a site contamination assessment in 2022 resulting in the existing clean up notice on the site being removed and an Environmental Action Plan issued by the EPA in June 2022. In response to the Environmental action plan Council has presented an Implementation plan which has been endorsed by an EPA approved auditor. An implementation plan has been submitted to the EPA in March 2023. The remediation plan calls for ground cover to exposed soil and ongoing site induction for contractors working on site. Current conversations with the EPA indicate that remediation works are not likely to exceed \$500k, and the team anticipates this to be resolved in 23/24.

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

Entity	Bank	Guarantee (\$)	Project	Loan Balance	
				2023 (\$)	2022 (\$)
Brighton Beach Bowls Club	Bendigo Bank	\$100,000	Replacement of the surface and installation of floodlights	\$38,473	\$55,848
Cheltenham Football Club Inc.	Bendigo Bank	\$30,000	Upgrade existing sportsground lighting, electrical power supply and install an electronic scoreboard	\$12,870	\$18,743
TOTAL				\$51,343	\$74,591

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2023 reporting period. Council assesses the impact of these new standards. As at 30 June 2023 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2024 that are expected to impact Council.

Note 8 Managing uncertainties continued

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

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

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.
- There has been no significant change in Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

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

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

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

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1.00% and -1.00% in market interest rates (AUD) from year-end rates of 5.00%.

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

Note 8 Managing uncertainties continued

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced Council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

The following table sets out the frequency of revaluations by asset class:

Asset class	Revaluation frequency
Land	3-5 years
Buildings	3-5 years
Roads	3-5 years
Bridges	3-5 years
Footpaths and cycleways	3-5 years
Kerb & Channel	3-5 years
Drainage	3-5 years
Off street carparks	3-5 years
Road management	3-5 years
Laneways	3-5 years

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the Financial Report.

Note 9 Other matters

9.1 Reserves

(a) Asset revaluation reserve

2023	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Property			
Land and land improvements	2,433,295	(105,200)	2,328,095
Land under roads	224,658	(26,134)	198,524
Buildings	90,125	12,282	102,407
	2,748,078	(119,052)	2,629,026
Infrastructure			
Roads	133,818	-	133,818
Bridges	2,451	-	2,451
Footpaths & cycleways	35,266	-	35,266
Offstreet carparks	8,717	-	8,717
Laneways	4,441	-	4,441
Drainage	88,416	3,765	92,181
	273,109	3,765	276,874
Plant and equipment			
Arts and culture	1,923	-	1,923
	1,923	-	1,923
Total asset revaluation reserves	3,023,110	(115,287)	2,907,823

2022	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
Property			
Land and land improvements	2,329,040	104,255	2,433,295
Land under roads	105,643	119,015	224,658
Buildings	108,268	(18,143)	90,125
	2,542,951	205,127	2,748,078
Infrastructure			
Roads	133,818	-	133,818
Bridges	2,451	-	2,451
Footpaths and cycleways	35,266	-	35,266
Offstreet carparks	8,717	-	8,717
Laneways	4,441	-	4,441
Drainage	75,105	13,312	88,416
	259,797	13,312	273,109
Plant and equipment			
Arts and culture	1,923	-	1,923
	1,923	-	1,923
Total asset revaluation reserves	2,804,671	218,439	3,023,110

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

Note 9 Other matters continued

(b) Other reserves

2023	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
Statutory reserves				
Car parking reserve	430	14	-	444
Drainage contribution reserve	1,759	-	(166)	1,593
Recreational land reserve	24,194	6,069	(2,715)	27,548
Total statutory reserves	26,383	6,083	(2,881)	29,585
Discretionary reserves				
Infrastructure reserve	12,418	5,681	(6,351)	11,748
Community facilities enhancement reserve	2,588	81	(411)	2,258
Defined superannuation shortfall	4,500	500	-	5,000
Unspent conditional grants reserve	2,757	2,814	(2,757)	2,814
Capital works carried forward reserve	23,415	16,741	(16,930)	23,226
Early childhood facilities reserve	4,857	152	(4,878)	131
Street and park tree management reserve	891	231	-	1,122
Total discretionary reserves	51,426	26,200	(31,327)	46,299
Total other reserves	77,809	32,283	(34,208)	75,884
Total reserves	3,100,918			2,983,707
2022				
Statutory reserves				
Car parking reserve	426	4	-	430
Drainage contribution reserve	1,377	382	-	1,759
Recreational land reserve	20,804	5,653	(2,263)	24,194
Total statutory reserves	22,607	6,039	(2,263)	26,383
Discretionary reserves				
Infrastructure reserve	19,238	3,208	(10,028)	12,418
Dendy street beach improvement reserve	2,503	(2,503)	-	-
Community facilities enhancement reserve	2,716	27	(155)	2,588
Defined superannuation shortfall	4,000	500	-	4,500
Unspent conditional grants reserve	2,730	2,757	(2,730)	2,757
Capital works carried forward reserve	23,022	5,716	(5,323)	23,415
Early childhood facilities reserve	5,208	52	(403)	4,857
Street and park tree management reserve	319	572	-	891
Total discretionary reserves	59,736	10,329	(18,639)	51,426
Total other reserves	82,343	16,368	(20,902)	77,809
Total reserves	2,887,014			3,100,918

The car parking reserve is a statutory reserve designed to hold funds for allocation to car park projects works.

The drainage contribution reserve is a statutory reserve that contains contributions received from planning applicants who sought to increase the number of dwellings on a private lot or expand the area of a commercial building and is used to fund future drainage works.

As part of Bayside's Planning Scheme, open Space contributions equal to 5% of the site value for a sub-division of 3 or more lots are required to be paid to Bayside City Council. All open space contributions collected at the time of subdivision are placed in a dedicated Open Space Reserve, and may only be expended to maintain, improve or purchase open space.

The infrastructure reserve is to quarantine identified savings from the operating and capital budget to fund replacement infrastructure or held as a contingency to finance projects deemed as unavoidable or to be allocated against the repayment of borrowings.

The Dendy street beach improvement reserve receives the net proceeds from the sale of bathing boxes and is used to fund future works in the Dendy street beach precinct.

The community facilities enhancement reserve holds the proceeds from the sale of the independent living units to fund new or improvements to community facilities that provide direct benefit to the Bayside community.

The defined superannuation shortfall reserve is to quarantine \$0.5 million annually to ensure Council sets aside sufficient funds for future defined benefit superannuation shortfall calls which are one-off and material in nature.

The unspent conditional grants reserve is to quarantine grants received during the financial year which are not fully spent at 30 June 2023.

The capital works carried forward reserve is to quarantine budgeted capital projects which are in progress at 30 June 2023 but which will require funds to be carried forward in order to complete the projects.

Early Childhood Facilities Reserve holds the proceeds from the sale of former childcare centres to fund the redevelopment of early childhood facilities.

Street and park tree management reserve holds the cumulative surplus from income received from applications to remove trees less the amount spent to fund the continued re-planting of trees within the district.

Note 9 Other matters continued

9.2 Reconciliation of cash flows from operating activities to surplus

	2023 \$'000	2022 \$'000
Surplus for the year	34,753	19,468
Depreciation/amortisation	27,679	23,579
Loss on disposal of property, infrastructure, plant and equipment	1,381	5,270
Finance costs	42	45
Work in progress written-off	1,816	3,111
Contributions - Non-monetary assets	(9,252)	(233)
Fair value adjustment for financial assets	-	15
<i>Change in assets and liabilities:</i>		
(Increase) in trade and other receivables	(2,432)	(3,670)
(Increase)/decrease in prepayments	(35)	2,550
Decrease in accrued income	(1,489)	(1,913)
Increase/(decrease) in trade and other payables	(5,961)	217
Increase in income in advance	(306)	109
(Increase)/decrease in inventories	(23)	(29)
Increase/(Decrease) in provisions	548	773
Increase in trusts and deposits	881	1,798
Net cash provided by/(used in) operating activities	47,602	51,089

9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings. For the year ended 30 June 2023, this was 10.5% as required under Superannuation Guarantee (SG) legislation (10% in 2021/22).

Defined Benefit

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

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation is currently underway for the Defined Benefit category which is expected to be completed by 31 December 2023. Council was notified of the 30 June 2023 VBI during August 2023 (2022: August 2022). The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns	5.7% pa.
Salary information	3.5% pa.
Price inflation (CPI)	2.8% pa.

As at 30 June 2022, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.2%. The financial assumptions used to calculate the VBI were:

Net investment returns	5.5% pa.
Salary information	2.5% pa to 30 June 2023, and 3.5% pa thereafter
Price inflation (CPI)	3.0% pa.

Council was notified of the 30 June 2022 VBI during August 2022 (2021: August 2021). Vision Super has advised that the estimated VBI at June 2023 was 104.1%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2022 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Note 9 Other matters continued

Employer Contributions

Regular Contributions

On the basis of the results of the 2022 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2023, this rate was 10.5% of members' salaries (10.0% in 2021/22). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2022 interim valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding Calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2022 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2022 and the last full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

	2022 (Interim) \$m	2021 (Interim) \$m
– A VBI Surplus	44.6	214.7
– A total service liability surplus	105.8	270.3
– A discounted accrued benefits surplus	111.9	285.2

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2022.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2022.

The discounted accrued benefits surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2022.

The 2023 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2023. It is anticipated that this actuarial investigation will be completed by 31 December 2023. The financial assumptions for the purposes of this investigation are:

	2023 Triennial Investigation	2020 Triennial Investigation
Net investment return	5.7% p.a.	5.6% p.a.
Salary inflation	3.5% p.a.	2.5% p.a. for the first two years and 2.75% p.a. thereafter
Price inflation	2.8% p.a.	2.0% p.a.

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2023 are detailed below:

Scheme	Type of Scheme	Rate	2023 \$'000	2022 \$'000
Vision super	Defined benefits	10.5% (2022: 10%)	137	126
Vision super	Accumulation	10.5% (2022: 10%)	2,048	1,884
Other	Accumulation	10.5% (2022: 10%)	2,544	2,097

In addition to the above contributions, Council has paid unfunded liability payments to Vision Super totalling \$nil (2021/22 \$nil)

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2023.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2024 is \$120,000.

Note 10 Change in accounting policy

There have been no change to accounting policies in the 2022-23 year.

Glossary

Act	means the <i>Local Government Act 2020</i> .
Actual 2022-23	Actual performance achieved where this measure was used in the 2022-23 financial year.
Annual report	means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement.
Balance Sheet	Includes all capital building improvements to any land owned or controlled by Council.
Buildings and improvements	Includes all capital building improvements to any land owned or controlled by Council.
Cash Flow Statement	Reports all cash movements during the financial year. Cash movements consist of cash inflows (receipts/proceeds) less cash outflows (payments).
Budget	means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the Council Plan.
Council plan	means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the four year term.
Financial performance indicators	means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency.
Financial statements	means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and a statement of capital works and included in the annual report.
Financial year	means the period of 12 months ending on 30 June each year.
Full Time Equivalent (FTE)	1 FTE is equivalent to one person working 38 hours per week.
Furniture and fittings	Assets and capital acquisitions relating to computer equipment, electronic equipment, appliances, furniture, fixtures and fittings.
Governance and management checklist	means a prescribed checklist of policies, plans and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting and decision making.
Indicator	means what will be measured to assess performance.
Initiatives	means actions that are one-off in nature and/or lead to improvements in service.
Heritage assets	Includes antiques, artefacts, artworks, photographs, mayoral chains, and heritage buildings owned by Council.
Income Statement	Identifies all revenues earned and expenses incurred during the financial year.
Indicators	Indicators define what will be measured to show we are meeting our objectives.
Integrated strategic planning and reporting framework	The key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act.
Internal audit	An independent appraisal function which examines and evaluates Bayside City Council's financial, management and internal control systems.
Land	All land owned or controlled by Council.
Land improvements	Includes all capital improvements, other than buildings, to any land owned or controlled by Council.
Major initiative	means significant initiatives that will directly contribute to the achievement of the Council Plan during the current year and have a major focus in the budget.
Measure	means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator.
Minister	means the Minister for Local Government.

MPS	The Municipal Planning Strategy (MPS) is Council's long-range plan to guide the development of Bayside and its urban form. It forms part of the Bayside Planning Scheme.
Performance measures	Mechanisms such as unit costs or response times, which can be used to measure Council's performance over time.
Performance statement	means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report.
Plant and equipment	Assets owned by Council including ticket machines, garbage bins, caravans and trailers.
Regulations	means the Local Government (Planning and Reporting) Regulations 2020.
Report of operations	means a report containing a description of the operations of the council during the financial year and included in the annual report.
Roads	Includes road pavements, footpaths, kerb and channel, traffic signals and speed restriction devices.
Statement of Changes in Equity	Identifies Council's overall movement in equity consisting of the accumulated surplus, asset revaluation and statutory reserves. Equity is also represented by total assets less total liabilities
Statement of Financial Position	Reports all assets owned by Council (including amounts owed to Council) and all liabilities owed by Council.
Services	means assistance, support, advice and other actions undertaken by a council for the benefit of the local community.
Strategic objectives	outcomes council is seeking to achieve where we want to be for each of the Council Plan's goals over the four year term and included in the Council Plan.
Strategies	High level actions directed at achieving the strategic objectives in the Council Plan. Also includes other documents that outline an initiative, program or project that will contribute to achieving a longer-term goal or outcome.
Sustainable capacity indicators	means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management.
Values	Values are beliefs that underpin behaviours and processes. The values of an organisation guide its culture.
Ward	Defined electoral area to which a representative is elected as Councillor.

Abbreviations

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ALGWA	Australian Local Government Women's Association
AUD	Australian Dollars
BBN	Bayside Business Network
BPSR	Bayside Planning Scheme Review
CEO	Chief Executive Officer
CO ₂ e	Carbon Dioxide Equivalent
CPA	Certified Practising Accountants
CR	Councillor
CRMS	Customer Request Management System
DHS	Department of Human Services
FCCA	Fellow of the Society of Certified Practising Accountants
FINSIA	Financial Services Institute of Australasia
FTE	Full Time Equivalent
GIS	Geographic Information System
GJ	Gigajoule
Grad Dip	Graduate Diploma
IBAC	Independent Broad-based Anti-Corruption Commission
ICT	Information and Communication Technology
IPAA	Institute of Public Administration Australia
IT	Information Technology
kL	Kilolitre
KM	Kilometre
GRI	Global Reporting Initiative
GST	Goods and Services Tax
LGPRF	Local Government Victoria Performance Reporting Framework
LGPro	Local Government Professionals
MAICD	Member of the Australian Institute of Company Directors
MAV	Municipal Association of Victoria
MEMC	Municipal Emergency Management Committee
MESAC	Marine Education Science and Community Centre
MFB	Metropolitan Fire Brigade
MEMP	Municipal Emergency Management Plan
MERO	Municipal Emergency Resource Officer
MERP	Municipal Emergency Recovery Plan
MRM	Municipal Recovery Manager
MPS	Municipal Planning Strategy
SECCCA	South East Councils Climate Change Alliance



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