



FRANKSTON CITY COUNCIL

COUNCIL MEETING SUPPORTING INFORMATION

**2024/CM14
30 SEPTEMBER 2024**

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Consideration of Reports of Officers

FRANKSTON CITY COUNCIL ANNUAL REPORT 2023-2024

Frankton City Council Annual Report 2023-2024

Meeting Date: 30 September 2024

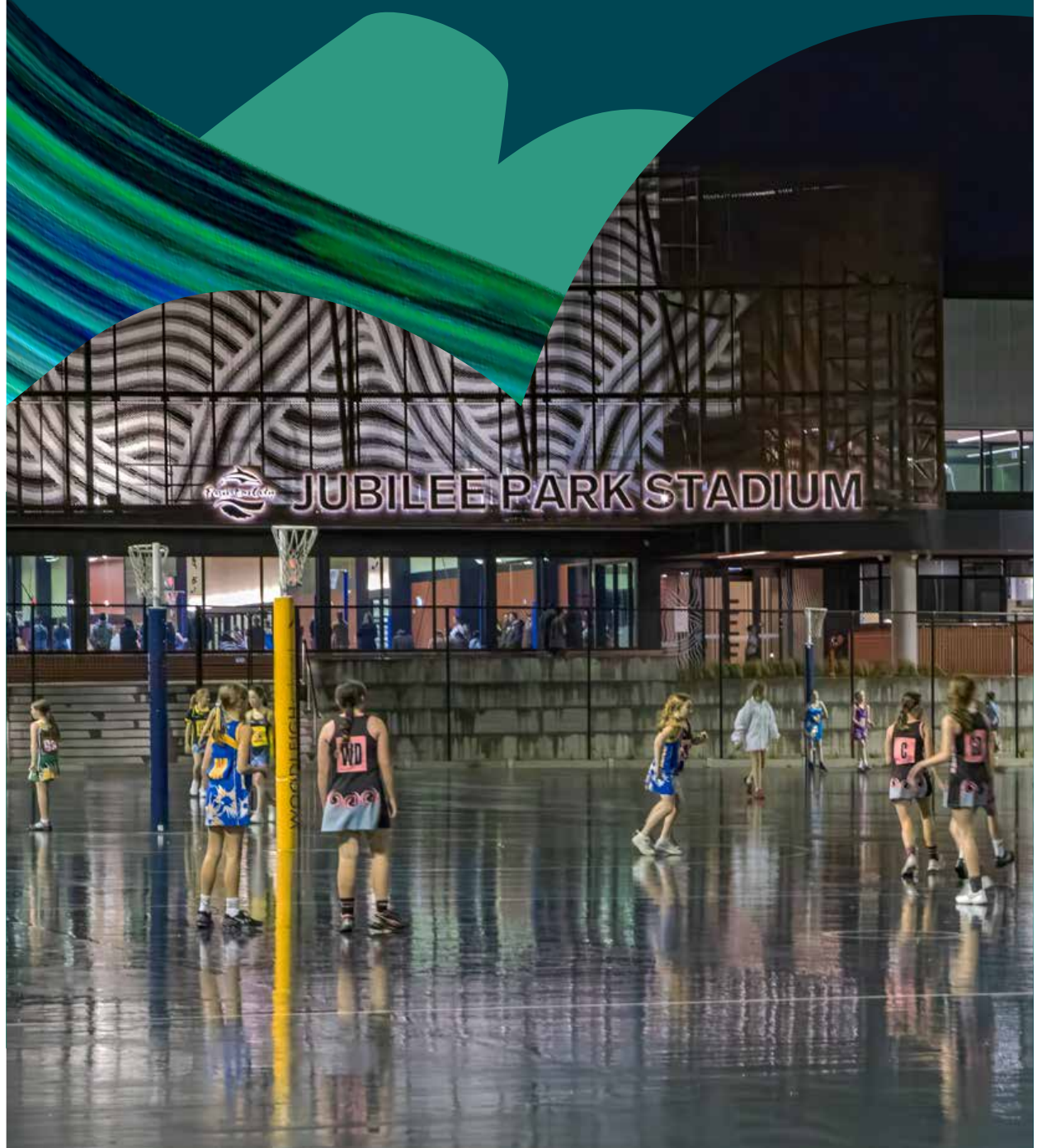
Attachment: A

Frankston City



Annual Report

2023-2024





Wominjeka

Welcome to Frankston City

Acknowledgement

Frankston City Council acknowledges the Bunurong people of the Kulin Nation as the Traditional Custodians of the lands and waters in and around Frankston City, and value and recognise local Aboriginal and Torres Strait Islander cultures, heritage and connection to land as a proud part of a shared identity for Frankston City.

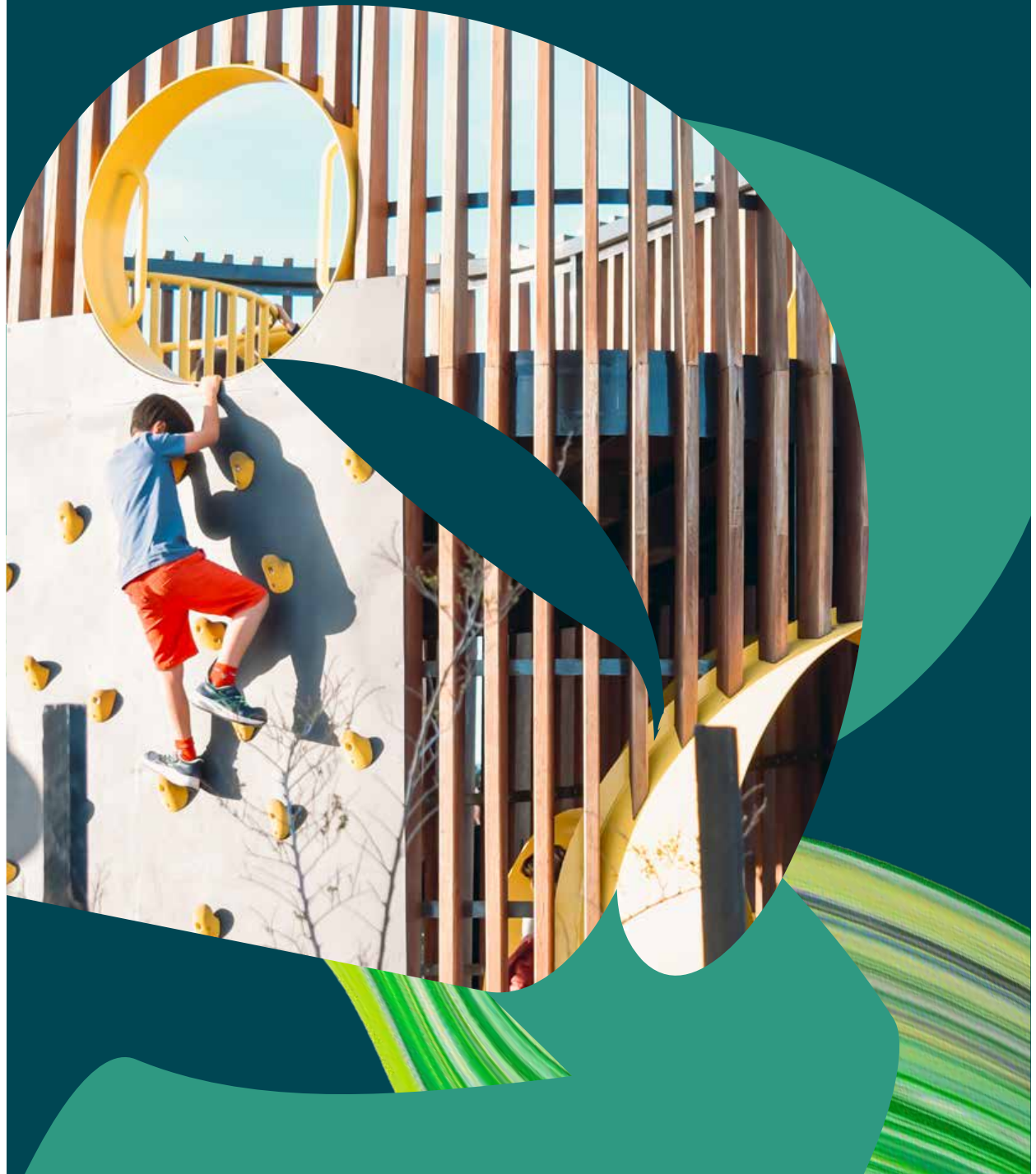
Council pays respect to Elders past and present and recognises their importance in maintaining knowledge, traditions and culture in our community.

Council also respectfully acknowledges the Bunurong Land Council as the Registered Aboriginal Party responsible for managing the Aboriginal cultural heritage of the land and waters where Frankston City Council is situated.

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Introduction



Welcome to the report of operations 2023-2024

Frankston City Council is committed to transparent reporting and accountability to the community. The Report of Operations 2023-2024 is the primary means of advising the Frankston City community about Council's operations, achievements, challenges, strategic direction and performance during the financial year.

Community vision

'Frankston City 2040 is the place on the bay to learn, live, work and play in a vibrant, safe and culturally inclusive community. Our City is clean, green and environmentally sustainable.'

Our engagement promise

Frankston City Council is committed to engaging and collaborating with our diverse local community, to understand and include people's different views, experiences and expertise.

Council is committed to genuinely listening and learning from the local community to ensure community feedback influences Council's decisions and project outcomes.

Values



Kinder: we listen and show understanding, treating each other with respect and empathy.



Smarter: we focus on efficiency and innovation, working together and sharing ideas.



Fairer: we treat everyone equitably with consistency, transparency and consideration.

Fast facts

Arts and Culture

893

people attended our Street Art Walking Tours

168,211

tickets sold at Frankston Arts Centre

181

Theatre Performances at Frankston Arts Centre

2,710

people attended our Senior's Festival

13

major events, festivals and markets attended by 112,529 people

Infrastructure and Operations

12,000+

trees planted

723.2km

local roads maintained

1,902m²

of asphalt patching completed as a result of proactive road patrols

2,445m²

of footpath repaired and replaced

11

sport and recreation facilities upgraded

4,363,595m²

of grass mowed

\$2.2M

heavy plant, equipment and fleet replacement

974km

of maintained storm water drains

40,000m²

of graffiti cleaned

7

new play spaces constructed



Family Health Support Services

54,322

hours of in-home care provided

1,616

Home visits to new parents

13,008

Appointments at Maternal and Child Health Centres

4,938

Bus Outing and Community Transport trips

954

attendees to Council-run playgroup sessions

1,850

Kindergarten registrations

46,625

funded meals prepared and delivered by Meals on Wheels

1,862

hours of home maintenance/repair assistance

925

hours of home modification services delivered

6,240

Children 0-6yrs seen by Maternal and Child Health Service

Sports and recreation

43,251

attended Pines Forest Aquatic Centre

Number of children enrolled in swimming lessons peaked at

2,548
(summer)

51,775

total rounds played at Centenary Park Golf Course

Number of visits to PARC

1,001,995

finished the year

2,253





Engagement

30

community engagement projects

4,031

Engage Frankston members

659

Mini Frankston City members

90,931

views on our online engagement platform

Community Strengthening

9,803

support sessions provided for young people

658

programs and events delivered for young people

\$790,812

in Community Grants

Libraries

1M

items borrowed from our libraries

45,438

people attended events at our libraries

Waste

70,000

tonnes of landfill waste and recycling

Councillors office

674

new Australian citizens

Highlights of the Year

A year of huge festivals

Approximately 113,000 visitors were welcomed to our major events, including Frankston's Christmas Festival of Lights (33,000), the Waterfront Festival (30,000), Big Picture Fest (2,000), Mayor's Party in the Park (3,500) and South Side Festival (33,000).

The Frankston Seniors Festival featured 112 events, including 62 events held by community groups, clubs and organisations and 50 events held by Council (Positive Ageing Team 10, Frankston Library 22, Street Art Walking Tours 8, Frankston South Community and Recreation Centre 6, Meals on Wheels 1, L2P and Impact Volunteering 1, Karingal PLACE Neighbourhood Centre 1 and Cube 37 1).

Jubilee Park upgrades

The opening of the \$36.6 million Jubilee Park Stadium in October 2023 highlighted how all levels of government and the sporting community can come together to achieve something truly amazing.

Together we have created a hub for sports in the southeast that's already reaping benefits for players, the community, and our local economy by attracting more people and large-scale sporting events to Frankston City.

While the stadium is certainly the jewel in the crown in the park, it is one of several projects on the site that have contributed to its success. Others include: landscaping and revegetation, redevelopment of Kevin Collopy pavilion (underway), realigning the Hill Street access road with car parking, upgrading Trotting Track oval, new sports lighting, resurfacing the outdoor courts and more.

Meals on Wheels

The Meals on Wheels program in Frankston City has achieved another remarkable year, delivering over 45,000 funded meals to those in need. This year, the late Peter Ward – who was with Frankston City Council as Head Chef for an astounding 26 years – received the prestigious 'Outstanding Contribution Award' from Meals on Wheels Australia.

This national recognition is awarded to individuals at the grassroots level of Meals on Wheels services showcasing exceptional leadership and commitment. The program is run with the assistance of 110 volunteers who annually donate over 17,000 hours of their time.

Destination Events Attraction Program

Council's Destination Events Strategy 2023-2028 continues to support the attraction of events to enliven the community, drive visitation and result in positive creative economic and social outcomes.

The program supports events across three tiers with a total funding pool of up to \$250,000 available for significant events. These events are in addition to the extensive festivals already on offer across Frankston City, such as the Waterfront Festival and Pets Day Out.

Overport Bike Park

Council remains committed to enhancing sport and recreation facilities and several projects did just that this year. Bike riders, skaters and scooting enthusiasts of all ages have been enjoying the new facilities at Overport Park Bike Park.

During the initial round of consultation undertaken in 2023, a large number of children and young people indicated that this was their favourite area in the park and many of them enjoyed the sense of freedom that it provides. To deliver jump sections and a pump track that allow them this freedom to stay active and develop their skills is proving to be a worthwhile return on investment.

Overport Bike Park was recognised by the Architecture and Design Community's International Architecture and Design Awards 2024. The park took out gold in the Sport, Recreation and Wellness Facilities Category and a platinum award in the Parks Gardens & Landscape Design Category.

Frankston Sharks BMX Club upgrade

In Seaford, Frankston Sharks BMX Club riders are also benefiting from the upgraded track, fencing, public toilets and LED track lighting to support this community-minded club and its members. The \$766,000 upgrade, which was also supported by the Club and the Victorian Government, means the Sharks are now well placed to host larger events and showcase what Frankston City has to offer as a great place to live, work and of course play.

A fresh Frankston Library

Frankston Library underwent a transformation at the end of 2023, with a new service desk and the addition of a glass enclosure for an innovative book sorter. This second phase builds upon the successful improvements in 2022-2023, which delivered new carpeting, enhanced shelving for the cherished library collection, and a refreshed layout. Frankston Library visitors have been enjoying the inviting and modern space for all their library needs.

Our public arts strategy

The Public Arts Strategy ensures our City's public art reflects the story of people, place and the environment in Frankston City.

Council's commitment is reflected by its investment in an eclectic sculpture and street art program, in addition to developing further public art experiences along the upcoming Frankston Regional Arts Trail.

Residents and visitors can expect an evolving and thoughtful program of public art that continues to improve our public spaces, highlighting the First Nations people's connection to Country and nurturing our vibrant and creative community. Frankston City has now also entered the Hall of Fame for Best National Street Art tours after winning consecutive GOLD three years running.



Pavilions a plenty!

Opportunities to participate in team sports, enhance community connection, and healthy and active living are at the heart of our sporting facility upgrades each year. In 2023-2024 we proudly completed three significant pavilion upgrades.

In Frankston North, the \$8.82 million Eric Bell pavilion provides a new home for the Pines Football Netball Club and the Pines Cricket Club and the \$5.33 million Kevin Collopy Pavilion at Jubilee Park for the YCW Football and Frankston Peninsula Cricket Club in Jubilee Park in Frankston.

The upgraded facilities and welcoming environment allow for greater participation opportunities for woman and girls as well as the broader Frankston City community.

Boasting sweeping views of the main oval and across to other ovals, the new Lloyd Park Pavilion at Langwarrin features upgrades across two levels and replaces the almost 50-year-old building. This \$8.6 million transformation means the Langwarrin Football and Netball Club, Langwarrin Junior Football Club and Langwarrin Cricket Club can continue to grow.

Delivering on the Play Strategy

Our program of reserve and play space upgrades as part of the Play Strategy 2021 continued at full steam again this year.

With more young families choosing to stay and move into Frankston City, it's critical that we provide safe, accessible, fun and diverse play experiences across the city that cater for all age groups.

Play space and reserve upgrades were completed at the following reserves in 2023-2024: Yarralumla (Langwarrin), Kareela (Frankston), Austin (Seaford), Ballam Park stage 2 (Frankston), Whistlestop (Frankston), Willow (Frankston) and Rosemary (Frankston North). We also provided new and upgraded multi-sports court for basketball, netball and handball at Pratt Reserve (Frankston) and Lavender Hills Reserve (Carrum Downs). At Witternberg Reserve (Frankston), new BBQ and shelter facilities were developed to complement the new play space.



Supporting women and girls in sport

Frankston's Fair Access Policy and Action Plan was adopted in June 2024 to support and guide both Council and local sporting clubs to improve opportunities for women and girls.

Council's recreation team have pioneered the Gender Inclusive Sporting Club Toolkit, helping clubs to undertake a self-assessment using a range of measures to understand how gender inclusive they are.

Frankston City also continues to host Australian Football League Women's (AFLW) competition games at Kinetic Stadium (Frankston). This season, Council hosted the AFLW Celebrating Change event: The Rise of Women in Sport. This was a pre-game function hosted before an AFLW game with guest speakers and over 100 attendees. This year, Council also hosted a confident communicators masterclass for local female sporting leaders with Carol Fox – former President of Women Sport Australia – with follow up coaching session to build upon the learnings.

Investing in early years education

In early 2024, the Building Blocks Partnership between Council and the Victorian Government was announced, seeing the design and build of multiple kindergarten and Maternal Child Health Services across the municipality.

In total, the partnership is projected to offer up to 246 new funded kindergarten places by 2026, ensuring all children in Frankston City have access to two years of funded kindergarten education.

This initiative marks a significant step forward in our commitment to early childhood development. Council also consulted with the community on their values and concerns for the future of kindergarten facilities in Frankston City, as part of the development of a new Kindergarten Strategy. This strategy will guide the next 10 years of kindergarten services in Frankston City and will be released next financial year following considerable and robust community engagement.

Supporting and attracting local small business

Frankston City businesses continues to thrive, with Council supporting and attracting local businesses through various initiatives like Think Local Month, Business and Façade Improvement Grants, free business training and business support services.

As part of Think Local Month, Council hosted over 20 free workshops for businesses, which were delivered by local experts, on a range of relevant topics. The month encouraged residents and businesses to support local business by promoting the variety of industries that call Frankston City home. Think Local Month included competitions, street performances, activations, and provided over \$100,000 in local business grants. This year, Frankston City has welcomed new businesses like Red Gum BBQ at Home, Hard Livin' HQ, Mr Pappardelle, TJM 4x4 Equipped, UNIQLO, Yo My Goodness and San Churro.

Frankston City is home to 15,000 GST registered businesses generating an annual economic output of \$16.62 billion and sees around 800,000 visitors per year as a thriving hospitality, arts and culture scene.

The Future of Frankston City

It has been an exceptional year of community engagement, speaking with our diverse community about their vision for Frankston City. With four strategic plans up for review – including our Community Vision 2024, Council Plan, Asset Plan and Financial Plan – Council officers spoke to residents in person and online about their aspirations for Frankston City.

We also asked our community which services are most important to them, and what they'd like to see changed in Council's service delivery. Our Community Vision 2040, created and owned by our community, is the guiding compass for all of Council's decisions.

Council heard from over 1,300 people across all suburbs, in an inclusive, diverse and representative engagement. Early results show that safety, a clean, green environment, and a healthy, inclusive community are important to our residents.

At the conclusion of community engagement, a representative panel of 40 Frankston City residents were independently selected to discuss these results in more detail. Next financial year, this group will participate in externally facilitated workshops to finalise the revised Vision, which will form part of Council's strategic planning framework.

The community panel will also provide recommendations to help develop a new four-year Council Plan and review the Financial Plan and Asset Plan. Council looks forward to delivering new key strategic documents in the new financial year.

Social Inclusion Action Group

This year, Frankston City Council established the first Social Inclusion Action Group (SIAG) as a direct recommendation from the Royal Commission into Victoria's Mental Health System. The 19 diverse members of the SIAG are dedicated to making Frankston City a welcoming community where everyone is included and valued. The group will assess community needs and gaps, developing initiatives that focus on inclusion, connection, and wellbeing. This flagship program positions Frankston as one of the first councils in Victoria to pilot such an initiative, with the community playing a key role in driving change and shaping the future.

Social Media Performance

Frankston City has made significant strides in expanding its social media presence. As of the 2023-2024 financial year, we have garnered a total of 54,000 followers across Meta platforms, Twitter, and LinkedIn. This represents a notable 13 per cent increase in our follower base over the year.

Our social media channels were highly active, with 2,270 posts generating an impressive 12.85 million impressions and 50,000 reactions.

Moreover, our average organic reach per post stands at 6,000, which is significantly above the industry benchmark of 2 per cent of followers. This performance also surpasses that of other local councils, as measured anecdotally.

The Frankston City Council social media strategy aims to serve local residents with information about council services, local events, facilities and the local environment, whilst also giving them the opportunity to have their say on all project engagements. Social media best practice is employed to make sure the information cuts through to the people who will benefit from it.

Challenges and future outlook

Rising Cost of Living and Increase in Operating Costs

The rising cost of living continues to challenge our community, with increasing interest rates and mortgage repayments putting pressure on family budgets. The costs of food, fuel and utilities have surged, further straining household finances.

Despite these pressures, we remain committed to maintaining a financially sustainable position and delivering quality services to our community. Frankston City Council's current long-term strategic plan focuses on internal efficiencies, cost and time-saving measures, while still delivering important services.

The economic pressures of rising interest rates, material costs, and utility expenses impact us all, including local government. Council will continue providing essential services despite changes in funding sources and a revenue-constrained environment. Major projects proceed despite supply chain issues and construction cost pressures with careful planning and expenditure review. Our *Fit for the Future* program continues to guide us through these challenging economic times, ensuring we adapt and thrive while meeting community needs.

Climate Change

Rising sea levels and increased storm intensity due to climate change can significantly impact coastal communities, leading to erosion, flooding, and damage to coastal infrastructure and ecosystems.

Frankston City Council has been proactively planning for these impacts, beginning with a vulnerability assessment that informed Council's Climate Change Strategy (2023-2030) and the recent development of the draft Coastal and Marine Management Plan.

Following community surveys, residents identified key action areas: increasing efficiency standards for new homes, strengthening coastal resilience, supporting renewable energy transition, reducing landfill waste, and protecting native flora and fauna.

The Climate Change Strategy 2023-2030, adopted in April 2023, outlines 57 actions over seven years to reduce greenhouse gas emissions and build resilience. Our commitments include accelerating the transition toward zero carbon operations, supporting community climate action, protecting biodiversity, and managing our environments for sustainability.

Council's action plan aims for a 42 per cent reduction in operational emissions by 2030, aligning with the Paris Agreement goals. The Frankston City Community Vision 2040 emphasises achieving carbon neutrality, enhancing climate resilience, and advancing renewable energy adoption through collaborative efforts. The Climate Change Strategy focuses on leadership, zero-emissions transport, renewable energy, protecting natural environments, community capacity building, and transitioning towards zero waste.



Population Growth and Increased Housing Pressure

Council plays a crucial role in planning for the changing needs of our current and future residents.

With a predicted increase of 20,000 people over the next 15 years, Council has begun preparing a draft Frankton City Housing Strategy to prepare for an additional 9,000 homes, following community engagement in 2023 on the Frankton City Housing Strategy Discussion Paper.

The draft Housing Strategy will focus on ensuring a mix of housing types, delivering new homes in the right locations, and supporting the affordability, sustainability, and the character of our suburbs. It will be informed by the community feedback received in 2023 and will emphasise well-designed, environmentally efficient housing that enhances the quality of life and responds to the character of our neighbourhoods.

Affordable housing and homelessness support are also integral to our approach. Initiatives like Frankton Zero aim to reduce rough sleeping by addressing the root causes of homelessness and providing long-term solutions.

Recognising the critical shortfall in social and affordable housing, the Victorian government has also set new housing guidelines to build 2 million homes by 2051, with Frankton City expected to add an additional 36,000 homes (including the 9,000 currently being planned for). These efforts are crucial in alleviating the housing crisis and supporting initiatives like Frankton Zero and Frankton Winter Shelter in their mission to end homelessness.

Sustainability and Waste Management

One of the biggest challenges Frankton City faces is the lack of space in our landfills, with our landfill at Hampton Park nearing capacity. With limited space, we must find new ways to manage our waste. To tackle this, we are focusing on sustainability and waste management by implementing innovative solutions that reduce our environmental footprint and ensure a sustainable future for our community.

The introduction of a four-stream recycling system, including the new purple bin for glass, shows our commitment to effective waste separation and recycling.

Initiatives like the Garage Sale Trail promote reuse and waste reduction, while our Waste Circularity Plan outlines a vision for a circular economy, minimising waste and maximising resource recovery. These efforts are integral to our broader sustainability strategy, ensuring a cleaner, greener future for Frankton.

Infrastructure Challenges

Over the past two financial years, Council has encountered numerous challenges, including rising commodity and fuel prices, labour and materials shortages, market uncertainty, and the impacts arising from the COVID-19 pandemic. In 2023-2024, a new set of obstacles emerged, necessitating yet another adjustment in the Council's approach to delivering the capital works program.

In the past 12 months, the greatest impact on our ability to deliver on our Long-Term Infrastructure Plan (LTIP) has come from rate capping, inflation, significantly diminished external income (including government funding), depleted reserve funding, and asset growth leading to increased lifecycle costs.

This demonstrates how our constantly changing landscape requires Council to be always monitoring, innovating, and adapting as we seek efficiencies to best meet our commitments to the community as well as our financial obligations. It's a delicate balancing act.

One of key strategies this past year has been to pivot from larger scale major projects that are also dependent on external income, towards smaller scale projects with a broader community benefit. These projects are more diversified and being delivered across Frankston City, with an emphasis on renewable projects and existing infrastructure.

The greatest example of this is the seven play space upgrades completed this year in Seaford, Frankston, Frankston North, Langwarrin and Frankston South. Additionally, two multi-court upgrades were delivered in Carrum Downs and Frankston. All facilities have been extremely well received by the community and are being enjoyed by many.

Increasing Council's loan borrowings is unsustainable in the long term and therefore not a strategy supported by Council. Instead, adjustments have been made to provide ongoing reductions to loan amounts. This will also add breathing space in future years as higher loan servicing fees kick in.

While there have been some tough decisions to defer projects for future years, these are not taken lightly, and careful planning and consideration is always the heart of what we do.

Our advocacy efforts will continue to seek State and Federal funding to support the delivery of critical infrastructure to which Council has already committed its own funding.

Inquiry into Local Government funding and services

An Upper House inquiry is examining local governments' ability to deliver essential services and the effects of financial responsibilities transferred from state and federal governments to local councils. This inquiry is also looking at the sustainability of our current revenue structures and considering alternative funding models.

As Council's responsibilities grow to include community resilience, climate change, and social cohesion, collaboration with higher levels of government becomes even more important. Adequate funding and resources are crucial for maintaining public trust and delivering high-quality services and infrastructure.

Looking ahead, Frankston City Council is committed to advocating for necessary reforms and exploring innovative solutions to ensure financial sustainability. By securing adequate funding and improving our revenue structures, we aim to continue supporting our vibrant community effectively and meeting future challenges head-on.

Year in review



Message from the Mayor and CEO



Cr Nathan Conroy
Frankston City Mayor,
2023-2024



Phil Cantillon
Chief Executive Officer,
Frankston City Council

It's with great pleasure we present our Annual Report 2023-2024, which provides an overview of our operational performance and audited performance and financial reports.

Against a continued backdrop of global economic uncertainty and local economic pressures, Council has continued to build a bright future, with a focus on delivering high quality services, projects and exceptional facilities.

The excellent results from our independently managed annual community satisfaction survey, held in June 2024, bear this out.

Satisfaction with Council's performance among residents remained at historical highs, with residents rating Council's performance over the preceding 12 months at 7.1 out of 10. This compares favourably with the average both for Councils in Melbourne's south-east (6.9 out of 10) and metropolitan Melbourne overall (7.0 out of 10).

The year saw completion of a number of major infrastructure projects including the landmark Jubilee Park Stadium. This state-of-the-art facility has become a central hub for sports in the southeast, boosting our local economy, increasing accessibility and participation in sports, and strengthening community connections.

Other significant investments in our facilities include the redeveloped Eric Bell, Kevin Collopy, and Lloyd Park pavilions, providing modern, inclusive environments for local sports clubs, the completion of a new shared user path connecting Frankston Railway station with surrounding residential areas, and major upgrades to Overport Bike Park and Frankston Sharks BMX Club.

More than a dozen playspaces and reserves were also upgraded in 2023-2024.

Community health and wellbeing received a boost when, together with St Kilda Football Club we opened the new Healthy Futures Hub, collocating 12 services providers in learning, wellbeing and physical health in Seaford.

We continued to invest in the services our community values most, with the refurbishment of Frankston Library over the summer, increased CCTV and Rapid Response patrols in our CBD, and the partnership with the Victorian Government to deliver up to 246 new kindergarten places by 2026.

We also launched our first of a kind Social Inclusion Action Group, combining 19 diverse members of our community committed to creating stronger social connections, with a particular focus on mental health and wellbeing.

Council continued to support both local business and attract investment from outside of our region. Our Think Local campaign in April encouraged businesses and residents to go local when buying, booking or using local trades, while we consolidated our visitor attraction and economic development campaigns under the single Imagine Frankston banner, celebrating Frankston City and encouraging the rest of the works to imagine living, working, visiting and investing in our unique municipality.

Imagine Frankston builds on our already vibrant events and cultural calendar. Our major events welcomed over 113,000 visitors, including highlights like the Christmas Festival of Lights and the Waterfront Festival, while the Frankston Seniors Festival hosted 112 community-driven events. Our Street Arts Tours won gold for the third year in a row in the national awards, and is attracting artists, and visitors from around the world.

Underpinning all of our achievements in 2023-2024 is our community engagement. Our robust engagement framework included more than 30 community engagement projects this year, including consultation on Community Vision 2040, in which over 1,300 residents across all suburbs participated.

We are proud of the accomplishments of the 2023-2024 year and the work our teams are doing to enable Frankston's emergence as a major business and lifestyle hub within Melbourne. As we continue this exciting transformational journey, we commend this Annual Report 2023-2024 as a record of our achievements and the positive future ahead for our city.

Cr Nathan Conroy
Frankston City Mayor, 2023-2024

Phil Cantillon
Chief Executive Officer,
Frankston City Council

Financial summary

We've outlined a summary of our performance below and detailed information is included in our Financial Statements and Performance Statement.

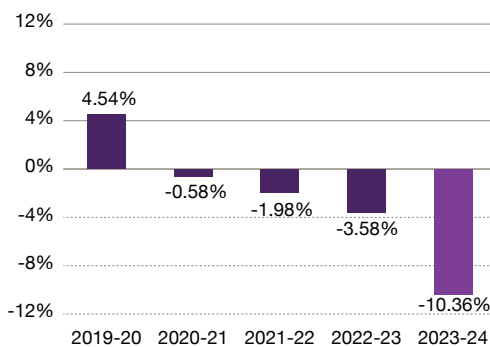
Operating position

Council has achieved a surplus of \$32.620 million in 2023-2024. This result compares favourably to the surplus of \$15.002 million in 2022-2023. This increase was driven by higher Capital grants, up by \$12.505 million mainly due to grants received for the Kananook Commuter Car Park and Non-monetary contributions, up by \$17.748 million mostly related to the Sandhurst Estate formal asset transfer.

Our adjusted underlying deficit, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a deficit of \$23.185 million or -10.36% when compared to adjusted underlying revenue.

Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$2.114 billion of community assets under our control.

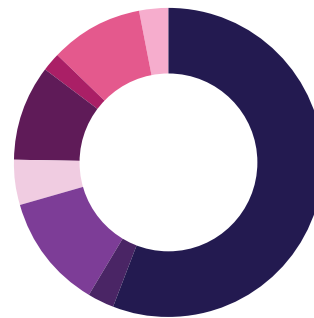
Figure 1. Adjusted underlying result ratio since 2019-2020



Operating income 2023-2024

The total operating income for the year was \$259.702 million, derived from a number of sources as shown in Figure 2.

Figure 2. Sources of operating income 2023-2024

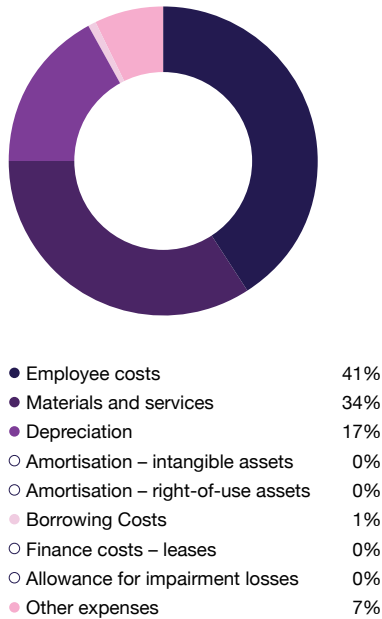


● Rates and charges	57%
● Statutory fees and fines	2%
● User fees	12%
● Grants – operating	5%
● Grants – capital	10%
● Contributions – monetary	2%
● Contributions – non-monetary	9%
○ Net gain on disposal of assets	0%
● Other income	3%

Operating expenditure 2023-2024

The total operating expenditure for the year was \$227.082 million comprised of the main categories as shown in Figure 3.

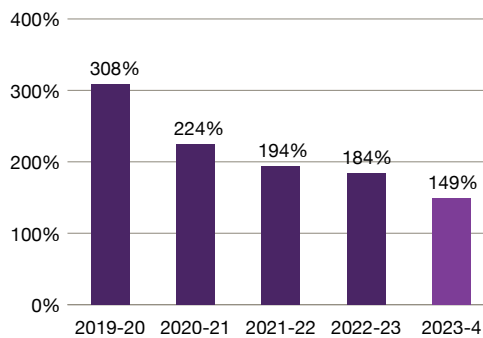
Figure 3. Categories of operating expenditure



Liquidity

Cash has increased by \$19.843 million from 2022-2023 mainly due to a higher capital grants and User fees. The working capital ratio – which assesses our ability to meet current commitments – is calculated by measuring our current assets as a percentage of current liabilities. The result of 149% is an indicator of a satisfactory financial position and within the target range of 100-200% as shown in Figure 4.

Figure 4. Working capital ratio



Obligations

We aim to maintain our infrastructure assets while also continuing to deliver services needed by the community. We invested \$28.981 million in asset renewal works during 2023-2024 funded from operational budgets.

At the end of 2023-2024 our debt ratio – which is measured by comparing interest bearing loans and borrowings to rate revenue – was 25.73%, which is within the target range of 20-60%. This is a slight increase on 2022-2023 as shown in Figure 5.

Our asset renewal and upgrade ratio – measured by comparing asset renewal and upgrade expenditure to depreciation – was 140% which sits well above of the target range of 90-110%. Please see Figure 6.

Figure 5. Debt ratio

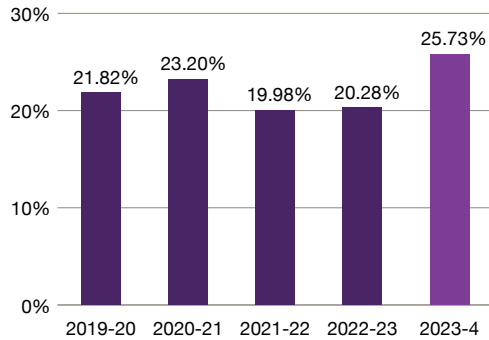
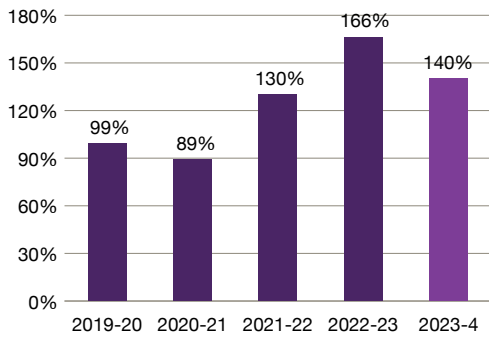


Figure 6. Asset renewal and upgrade ratio



Stability and efficiency

We receive revenue from a wide-range of sources including rates, user fees, fines, grants and contributions. Despite this, our rates concentration – which compares rate revenue to adjusted underlying revenue – was 71% for 2023-2024. This is toward the higher end of the target range of 40-80%.

The increase in the rates concentration ratio from 2022-2023 was 3% (see Figure 7). The increase is due to the drop in Operating grants as a result of the early payment of the financial assistance grants in 2022-2023.

We've continued to focus on broadening our revenue base and for 2023-2024 raised our rate revenue by the rate cap of 3.50%. This resulted in an average rate per property assessment of \$1,725 which compares favourably to similar councils in the outer metropolitan area. Figure 8 shows the average rate per assessment over the last five years.

Figure 7. Rates concentration ratio

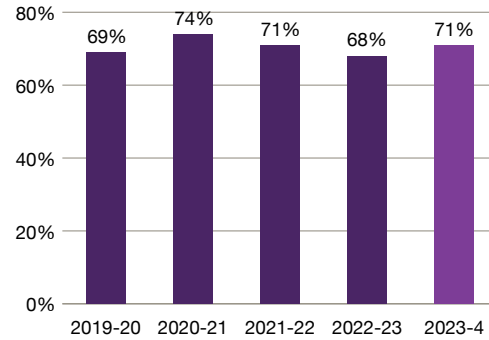
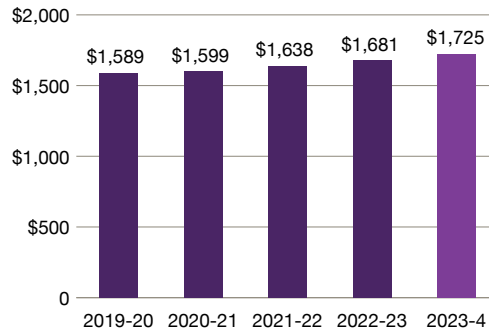


Figure 8. Average rate per assessment



Description of operations

Providing almost 100 valued services to our customers and community is core to everything we do.

Our Service Catalogue consists of the following:

- | | |
|---|--|
|  Arts and culture |  Economic development |
|  Asset management |  Financial management |
|  Biodiversity and open space |  Governance |
|  City planning |  Integrated water |
|  Climate change action |  Parking |
|  Community development |  People, culture and workforce management |
|  Community health |  Sport and recreation |
|  Community safety |  Transport connectivity |
|  Council strategy and performance |  Technology and Information |
|  Customer service and experience |  Waste and recycling |

The Council Plan 2021-2025 and the Budget 2023-2024 further describe our vision, strategic objectives and strategies to further improve services and facilities for the period of this Annual Report.

A set of performance indicators and measures assess the delivery of services, facilities, support and advocacy to achieve six strategic objectives. We also have a wide range of reporting responsibilities under Victorian and Australian legislation.

Economic factors

Council has mostly returned to normal business and has achieved a surplus of \$32.620 million in 2023-2024. This result compares favourably to the surplus of \$15.002 million in 2022-2023.

For more information see our Financial Statements.

Major capital works

Carrum Downs Recreation Reserve car park, road safety improvements and public toilets

Description: A new 149 space car park and additional upgrades to improve traffic flow and access into and around the reserve.

- Traffic improvements include:
 - New roundabout at Herbert Road/Wedge Road intersection
 - Raised pedestrian crossings along Wedge Road to improve pedestrian safety
 - Pathway connections within the reserve
 - Car park lighting to improve safety
 - Landscaping – more than 60 trees planted on site

The project is complemented by public toilets built near the play space and fully funded by Council.

Status: Complete July

Start: November 2024

End: July 2024

Cost: Carpark and road works: Total: \$2.54 million: \$744K from the Australian Government and balance by Council. Toilets: \$690,000 funded by Council.

Ballam Park ornamental lake and bioretention system

Description: Improved storm water quality, park amenity and public safety with the construction of a rain garden, ornamental lake, landscaping, picnic shelter and public lighting. The work involved pumping water from an existing storm water pipe and running it through the rain garden and back into the storm water pipe removing all contaminants before the water is discharged into Port Phillip Bay.

Status: Under way

Start: November 2023

End: October 2024

Cost: Total: \$2.487M: \$820,000 by Council, \$1.3M from a Victorian Government loan, and \$367,500 from Melbourne Water.

Stiebel Place revitalisation

Description: The project aimed to enhance safety, amenity, and accessibility for all laneway users, including business staff and pedestrians, through the following improvements:

- Improved public street lighting, more appropriate to a lane way
- A new creative surface treatment on the road

The improvements were delivered as part of the Frankston Suburban Revitalisation Project.

Status: Complete

Start: March 2022

End: Dec 2023

Cost: Total: \$367,702: \$275,000 funded by the Victorian Government and the balance funded by Council.

Eric Bell Pavilion upgrade

Description: Construction of new two-storey pavilion, car parking and landscaping supporting football, cricket, netball and community use of the site. The scope of works included:

- Four new change rooms and supporting amenities
- Community multi-purpose room
- Meeting rooms
- Timekeeper's office
- Storage facilities
- Commercial kitchen, kiosk, and servery
- Umpires' rooms
- First aid rooms
- Attached public toilets for all park users
- External covered spectator areas and terrace
- Surrounding landscaping and car park modifications

Status: Complete

Start: November 2022

End: June 2024

Cost: Total: \$9.25M: \$8.75M funded by Council (including \$6.25M through Community Sports Infrastructure Loans Scheme) and \$500,000 funded by the Victorian Government.

Dandenong Road East shared user path (SUP)

Description: The new 615 metre path improves pedestrian and bike rider safety and enhances access to Frankston Railway Station by connecting existing paths at Cricklewood Avenue and Fletcher Road. This section of shared user path is also an important link in a much longer cycling network connecting Melbourne to the Mornington Peninsula via Frankston. The project also included landscaping, stormwater drainage and kerb and channel works.

Status: Complete

Start: October 2023

End: May/June 2024 (including planting)

Cost: Total: \$800,000 funded by the Victorian Government.

Seaford Wetlands Rejuvenation Project

Description: The project includes several components to rejuvenate the Seaford Wetlands:

- A new bridge over Kananook Creek and associated footpath work to create a full pedestrian circuit around the Seaford Wetlands.
- Habitat and ecological improvements.
- A new viewing platform and interpretive signage, and
- New wayfinding signage in the Wetlands.

Status: In Progress

Start: October 2023

End: December 2024

Cost: Total: \$4M funded by the Victorian Government.

Frankston BMX track upgrade (track, lighting, fencing and toilets)

Description: The project included the installation of a new track surface and safety fence, brand new LED sports lighting and new female friendly and accessible public toilets with change room facilities.

Status: Complete

Start: 1 July 2023

End: 24 April 2024

Cost: Total: \$766,000: \$496,000 funded by Council, \$250k funded by the Victorian Government and \$20,000 from Frankston Sharks BMX Club.

Yarralumla Reserve upgrade

The reserve was upgraded as part of Council’s Play Strategy and included new play equipment to cater for all age groups, picnic and BBQ facilities, nature play, extensive planting, accessible pathways, park fencing, multi-sport court (netball and basketball), parking bays, seating, bins and a drinking fountain. Council also upgraded the drainage using Water Sensitive Urban Design principles.

Start: March 2023

End: July 2023

Cost: Total: \$700,000 funded by Council.

Frankston Library upgrade

Description: Frankston library underwent a transformation after temporarily closing in summer 2023-2024.

The upgrade works included a new service desk, and the addition of a glass enclosure for an innovative book sorter.

This second phase builds upon the successful improvements made in 2022, which brought new carpeting, enhanced shelving for the cherished library collection, and a refreshed layout.

Status: Complete

Start: December 2023

End: January 2024

Cost: Total: \$170,000 funded by Council.

Jubilee Park Stadium

Description: Featuring six courts — including a show court with capacity to seat 1,000 people — as well cricket/multi-purpose training facilities, occasional childcare, modern cafe, event rooms and female-friendly facilities, the stadium replaces a two-court netball facility that had been well and truly outgrown.

Frankston and District Netball Association operate the stadium, providing increased and diverse participation opportunities. But it’s not just netballers who will benefit. The facility is also designed to support basketball, cricket, and volleyball.

Status: Opened October 2023

Start: November 2021

End: September 2023

Cost: Total: \$36.6M: \$21.84M funded by Council, \$10M funded by the Victorian Government, \$4.56M funded by the Australian Government, and \$200,000 funded by Cricket Victoria/Australia.

Kevin Collopy pavilion upgrade

Description: The upgrade will also significantly improve overall coaching, player and public amenities. The redevelopment includes:

- Extensive renovations and extension of the existing two-storey pavilion providing female-friendly and *Disability Discrimination Act 1992 (DDA)* complaint facilities and amenities.
- Demolition of the existing groundkeeper's building, with new facilities to be built and co-located within the pavilion footprint.
- Expanded change rooms, umpire's facilities, canteens, storage and first aid rooms on the ground floor and upgraded toilet amenities and scorer's box on the first floor.
- Following the completion of works, the upgraded Kevin Collopy Pavilion will allow the Frankston Peninsula Cricket Club and Frankston YCW Football Netball Club to better support existing and new players and strengthen female participation through additional programs and extended pathway opportunities.

Status: Complete

Start: July 2023

End: June 2024

Cost: Total: \$5.46M: Fully funded by Council, including \$3,000,000 through the Victorian Government's Community Sport Infrastructure Loans Scheme.

Riviera Kindergarten Redevelopment

Description: Works included demolition of existing building and preparing the site for a new three-room kindergarten, which arrived as individual modular units on 19 trucks.

The wonderful indoor and outdoor space has been created for the children, and enabled Community Kinder's Plus to provide more places for three and four year olds.

Status: Complete

Start: May 2023

End: October 2023

Cost: Total: \$3.6M: \$3M funded by the Victorian Government and \$600,000 funded by the Council.

Imagine Frankston

Our city is experiencing an unprecedented level of change and growth, with a new climate of development, revitalisation, commerce, events, arts and cultural activities.

More and more international, national and Victorian families, professionals, companies, retailers, entrepreneurs, organisations, developers and visitors are discovering the opportunities and imagining the possibilities.

As a result, Council has consolidated its economic development, strategic property and visitor attraction initiatives to show the world that we are open for business, under one unified brand of Imagine Frankston, which was launched in May.

Imagine Frankston shares industry and consumer insights, highlighting the business and development opportunities and helping investors, visitors, residents and entrepreneurs to imagine the possibilities in our unique blended bush-bay city.



Major achievements

Street Art Tour Hall of Fame

Frankston's famous Street Art Tours made history in 2024 by winning gold at the Australian Street Art Awards for the third successive year. This earned Frankston the honour of being inducted into the Australian Street Art Awards Hall of Fame.

Propelled by the Frankston's annual Big Picture Fest, which took home the Silver Award for Best Street Art Festival or Event at the Australian Street Art Awards, Frankston is home to more than 80 eye-catching murals by local, national and international artists.

This acknowledgement is testament to the effectiveness of Frankston City Council's groundbreaking public arts and destination events strategy. The Big Picture Fest is one of Frankston's most significant events bursting with colour, movement and music and featuring digital projections, exhibitions, miniature dioramas, and award-winning daytime and twilight tours create a truly immersive experience.

The Street Art Tours were launched by Council in 2018 to create a tangible experience around the City's street art and to encourage both residents and visitors to discover the emerging outdoor gallery.

Top Tourism Awards

Frankston City was awarded BRONZE at the 2023 TAC Victorian Top Tourism Town Awards for the second year running.

The finalists are selected by the TAC (Transport Accident Commission) with a public vote helping to determine the overall winners. Each town vying for an award entered a submission demonstrating a strong commitment to tourism, increasing visitation to the destination, collaborating with local businesses, and overall making the town the best destination it can be. A panel of expert judges then chose the top 17 destinations. It was great to see locals, businesses and visitors getting involved and voting for Frankston City.

Up against very high-profile tourist towns, (Ballarat won GOLD and Bendigo won SILVER) being awarded Bronze is an incredible achievement for our city. This is testament to the work of the Tourism team who work collaboratively across council and our community to influence and shape Frankston's future as a creative events, arts, and culture destination. Not only elevating the perception of Frankston across metro and regional audiences, but also having a positive influence across community pride.

Pines Pool Bumper Season

Pines Pool is one of the few remaining outdoor public pools in the state and is loved by the community for its accessible price point, free family activities, lap lanes and is well utilised by local schools for swimming events and carnivals.

Summer 2023-2024 saw its most successful season on record, with over 43,000 community attendances across the 5-and-a-half-month season! Pines Pool also hosted 1,734 Vic Swim attendees who learnt to swim over the summer and hosted 16 quiet hour sessions, offering the community time to enjoy the facility in a low-stimulation environment. Further enhancing the accessibility of this facility.

In January, Pines Pool was recognised by *The Age* as one of two most affordable swimming pools in the state.

The Pines Forest Aquatic Centre in Frankston North, and Olinda Community Pool in the Dandenong Ranges were identified as the cheapest council-owned facilities in the metropolitan area for a swim, in an analysis by *The Age*.

Peninsula Leisure has worked hard over the years to keep this facility well-utilised by local often lower-income families to support healthy outdoor activity and water safety skills. Their work has previously been recognised with an Aquatics and Recreation Victoria Award for Best Seasonal Outdoor Facility.

Community Impact: The growing attendance numbers year-on-year serve as a testament to the value and appreciation of Peninsula Leisure's efforts by the local community. This metric highlights the positive difference Peninsula Leisure is making in the lives of residents.

Tidy Towns and Cities Sustainability Awards FINALIST 2023

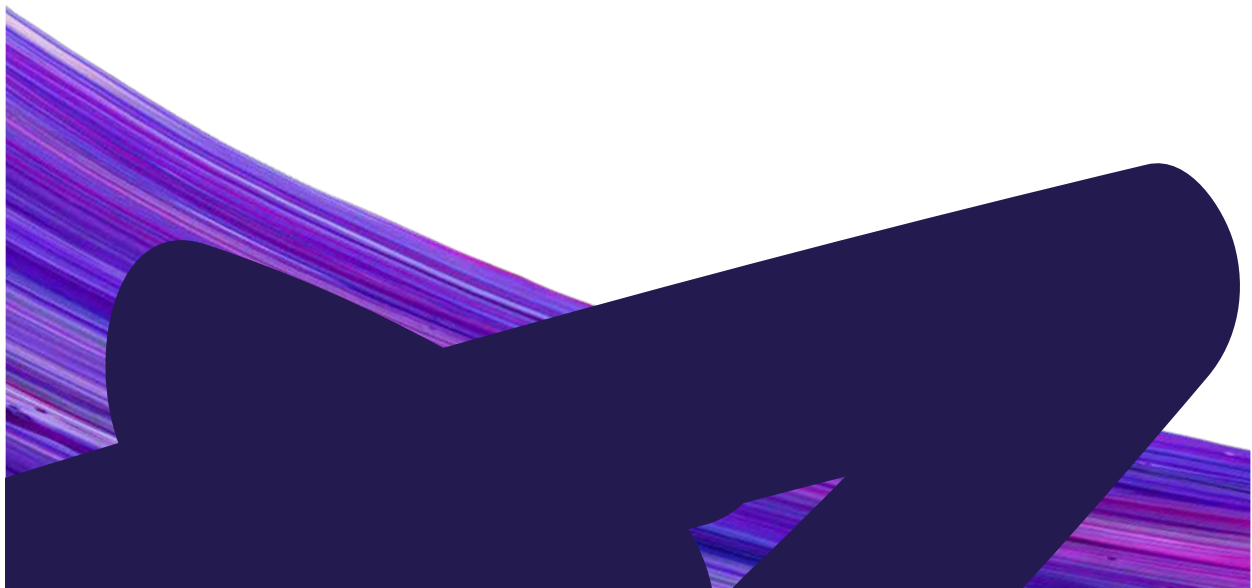
Frankston City Council has embarked on an ambitious mission to plant 20,000 trees per year over a span of four years, aligning with their Urban Forest Action Plan (2040).

This initiative showcases the council's dedication to environmental sustainability and its commitment to building a greener and more livable city. By increasing the tree canopy, the council aims to make a substantial contribution to supporting local biodiversity and fostering a healthier, more sustainable environment for the entire community.

In 2023 Frankston City Council was shortlisted as a finalist in the Tidy Towns and Cities Sustainability Awards for this initiative.



While we were unsuccessful in taking home the award, being short listed and a finalist is a huge achievement and credit to Council for the work being undertaken in environmental sustainability and our commitment in building a greener future for Frankston.



Our journey towards reconciliation

Throughout 2023-2024, we have continued to promote reconciliation within Council.

Reconciliation Action Plan

Council's Reconciliation Action Plan (RAP) is one of 14 Victorian Local Government Councils to have an Innovate RAP acknowledged on Reconciliation Australia's website, positioning Frankston City Council as a member of the RAP network. To ensure the successful implementation of the RAP, a RAP Advisory Committee, which includes Cr Baker and Cr Bolam and community representatives, was formed. This committee meets quarterly to address the relevant actions outlined in the RAP across various Council departments. Council also established a staff based Reconciliation Working Group that continues to meet to work through the actions of the plan.

Collaboration with the Bunurong Land Council

We hold quarterly meetings with delegates from Bunurong Land Council and Council staff to discuss cultural ideas, projects, events and provide feedback on Council requirements. These meetings have strengthened our relationships and facilitated collaborative activities. The meetings have also provided a greater understanding on the history of the land in Frankston and in particular conserving and enhancing heritage places of natural or cultural significance.

Cultural Awareness Training

To foster a greater understanding of our cultural identity and promote productive and responsive relationships with Aboriginal communities, we have conducted Cultural Awareness Training sessions for council staff. These sessions enable staff to gain insight into local Aboriginal issues, culture, and ways of doing business. Council have hosted 10 sessions so far, training over 200 staff across the organisation. This includes Mayor Nathan Conroy and Cr Sue Baker.

Three additional sessions are scheduled for 2024.

Feedback from staff has been very positive.

“Deeply important and informative, empowering, thought-provoking and a must for everyone who works at Council”.

NAIDOC Week

Council continues to support NAIDOC week by being a Platinum Sponsor together with sponsoring community members to attend at the Nairn Marr Djambana NAIDOC Dinner Dance Awards held on the first Saturday of the NAIDOC Week. Council youth staff actively participate in NAIDOC family day activities, conducting various activities and building relationships with young Aboriginal and Torres Strait Islander individuals.



Nairm Marr Djambana Master Plan

The Nairm Marr Djambana draft masterplan has been completed. Council have committed part funds to the construction of the new build for NMD on the condition that both the State and Federal Governments assist with the funding. Council staff, along with Nairm Marr Djambana and specialist consultants, are collaboratively developing a concept master plan for the Nairm Marr Djambana site and its surrounding area.

Incorporating Aboriginal Culture in design

Acknowledgement signs have been placed at Council Civic Centre buildings, Maternal and Child Health Buildings and other Council facilities. Council has also introduced new wayfinding signs along the Nepean Highway near Seaford, incorporating local Indigenous language and design elements to promote Frankston City's unique identity. We have sought approval for the installation of Aboriginal sculptures and recognition signs at various buildings and parks across the Frankston Local Government Area. Separately, we are planning the unveiling of a commissioned artwork at one of our Early Years locations. This artwork will serve as the foundation for future branding, including Frankston City Council Early Years staff uniforms, brochures, and other printed materials.

Art and culture

The Arts and Culture team continue to acknowledge and celebrate NAIDOC Week. Libraries staff are currently working closely with Nairm Marr Djambana in regard to an oral history project in 2025.

Reconciliation Week

Reconciliation Week in May involved an inspiring talk from Uncle Lionel Lauch, a Gunditjmara Kirrae Wurrung-Bundjalung man residing on Bunurong country on the Mornington Peninsula. Uncle Lionel shared his experience of reconciliation as one of the stolen generation, extensive knowledge of bush tucker and medicines, and how tools, equipment, and clothing were traditionally created from the land by their ancestors.

Flag-raising and Acknowledgement

To recognise and honour the traditional owners of the land, Council raises the Aboriginal and Torres Strait Islander flags outside the Frankston Civic Centre every day. Council also flew the flags half-mast in honour of elders who passed in 2023-2024. Furthermore, at our events and meetings, we continue to acknowledge the Bunurong People of the Kulin nation as the traditional owners of this land.

Engaging young people

Council Youth staff continue to support Aboriginal and Torres Strait Islander people through community activation, programs, support and connections with local services at the Baymob Health Expo, NAIDOC Week events plus bringing a young person to have their voice heard at Moorumbina Mongurnallin Youth Housing Project.

The Living Culture program was instigated to provide 20 young people with an enriching experience in First Nations culture. Activities included bushcraft, learning about traditional artefacts, and participating in traditional fire lighting and spear throwing. Youth Services staff also supported Cultural Immersion by transporting young people to Willum Warrain Aboriginal Gathering Place.

This activity led to the creation of another event for Harmony Day, focused on cultural inclusion. A city excursion was organised for young people which involved a workshop at the National Gallery of Victoria called 'First Nations Design and Culture', a guided exhibition.

Through these initiatives, Council's youth staff remain committed to fostering understanding, respect, and reconciliation within our community.

Children Services – Maternal & Child Health

Aboriginal culture is deeply embedded in both the Maternal and Child Health and Children's Services programs, which have supported key community events such as the Aboriginal and Torres Strait Islander Bay Mob Health Expo and NAIDOC Week family day at Nairn Marr Djambana. A dedicated Aboriginal Maternal and Child Health Liaison role has been established, despite limited funding, to provide outreach services. This role supports Yarning Circles, offers maternal and child health services to families, and works closely with other Aboriginal services and stakeholders to ensure culturally informed care.

Frankston Best Start, in partnership with the Department of Education and Best Start Mornington Peninsula Shire, facilitates Yarning Circles for professionals in early years services working with Aboriginal and Torres Strait Islander families. These well-attended circles are held once a term, either in person or online. In 2023, the Frankston Mornington Peninsula Child and Family Partnership heard from First Peoples' Health and Wellbeing about services available at their Frankston clinic.

Major Council Events

The Major Events team have explored and continue to explore First Nations organisations that can be incorporated as vendors and contractors for Major Events across the season.

Aboriginal employment at Council

An Aboriginal and Torres Strait Islander traineeship is currently being developed. A recruitment review is underway as part of the Gender Equality work to apply a gender and intersectional lens to the process which will also support the work and intent of the Reconciliation Action Plan.



Our Council



Frankston City profile

Frankston City is located on the eastern shores of Port Phillip Bay, approximately 40km south of Melbourne.

Frankston City is strategically placed as the regional centre for the Mornington Peninsula and the south-east growth corridor of Melbourne. The city is recognised for its natural reserves, vibrant lifestyle, diverse community and growing business, arts, education and health sectors.

The municipality covers an area of about 131km² from the Seaford Wetlands in the north, to Frankston South in the south and the Western Port Highway in the east. The western boundary of the city is made up of 11km of pristine coastline.

The nine suburbs in Frankston City include Frankston, Frankston South, Frankston North, Seaford, Carrum Downs, Langwarrin, Langwarrin South, Sandhurst and Skye.

142,826

estimated resident population in 2023

- 51.1% females
- 48.9% males
- 161,660 forecast population 2041

21.4%

born overseas

22%

aged 0-17 years

1,803

(1.3%) Aboriginal or Torres Strait Islander population

22.6%

aged 60+ years

11.3%

speak a language other than English at home

Population density of

1,101

persons per square km

39

years median age

9,014

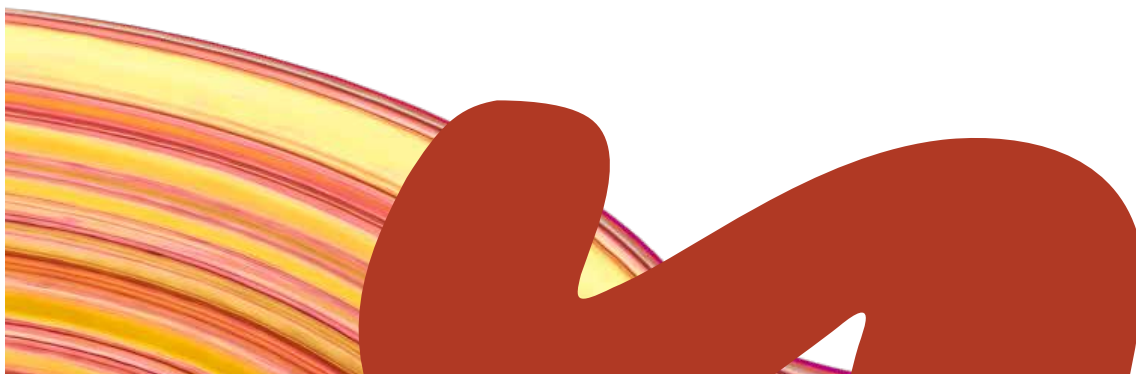
require daily assistance due to health or disability

36.2%

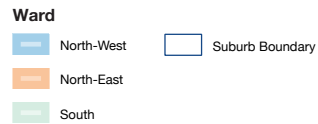
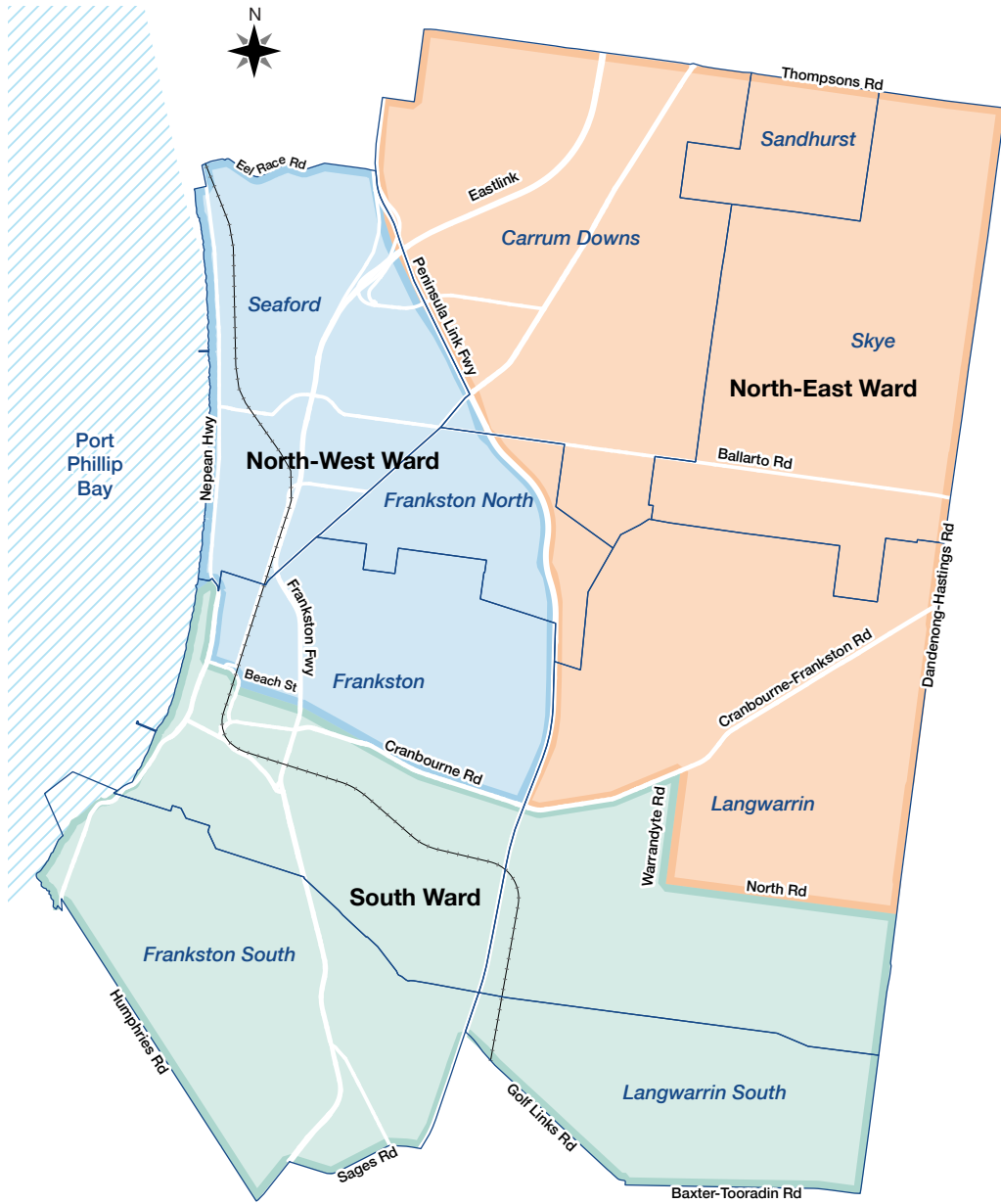
have one or more long-term health condition

Top 3 non-English languages:

1. Mandarin
2. Filipino
3. Italian



Electoral Ward Boundaries



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Councillors

In 2023-2024, Frankston City Council had three Wards with three councillors elected to represent each Ward. They were elected in November 2020 for a 4-year term.

North-East Ward



Mayor
Cr Nathan Conroy
0424 515 930
crconroy@frankston.vic.gov.au

Cr Suzette Tayler
0438 179 515
crtaylor@frankston.vic.gov.au

Cr David Asker
0438 175 560
crasker@frankston.vic.gov.au

North-West Ward

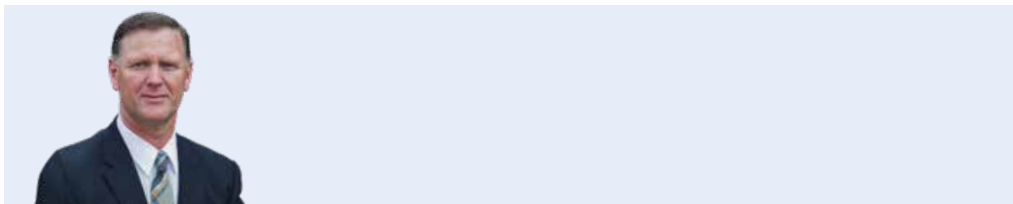


Cr Kris Bolam JP
0417 921 644
crbolam@frankston.vic.gov.au

Cr Steven Hughes
0402 729 150
crshughes@frankston.vic.gov.au
Resigned on 11 December 2023

Cr Sue Baker
0438 145 842
crbaker@frankston.vic.gov.au

North-West Ward



Cr Glenn Aitken
0417 416 372
craitken@frankston.vic.gov.au
Elected following a countback in January 2024



South Ward



Cr Brad Hill
0438 212 426
crhill@frankston.vic.gov.au

Cr Claire Harvey
0438 267 778
crharvey@frankston.vic.gov.au

Deputy Mayor
Cr Liam Hughes
0434 703 239
crlhughes@frankston.vic.gov.au

Council offices

Frankston Civic Centre

30 Davey Street, Frankston
PO Box 490, Frankston VIC 3199
Telephone: 1300 322 322
Email: info@frankston.vic.gov.au
Website: frankston.vic.gov.au

Langwarrin Customer Service Centre

Shop 6, Gateway Village Shopping Centre,
230 Frankston–Cranbourne Road,
Langwarrin

Frankston Visitor Information Centre

7N Pier Promenade, Frankston Waterfront
Telephone: 1300 322 842
Website: discoverfrankston.com

Libraries

Frankston Library

60 Playne Street, Frankston
Telephone: 03 9784 1020

Carrum Downs Library

Lyrebird Community Centre,
203 Lyrebird Drive, Carrum Downs
Telephone: 03 8773 9539

Seaford Library

Seaford Community Centre,
1/6R Broughton Street, Seaford
Telephone: 03 9784 1048

For up-to-date information,
visit frankston.vic.gov.au

Our People



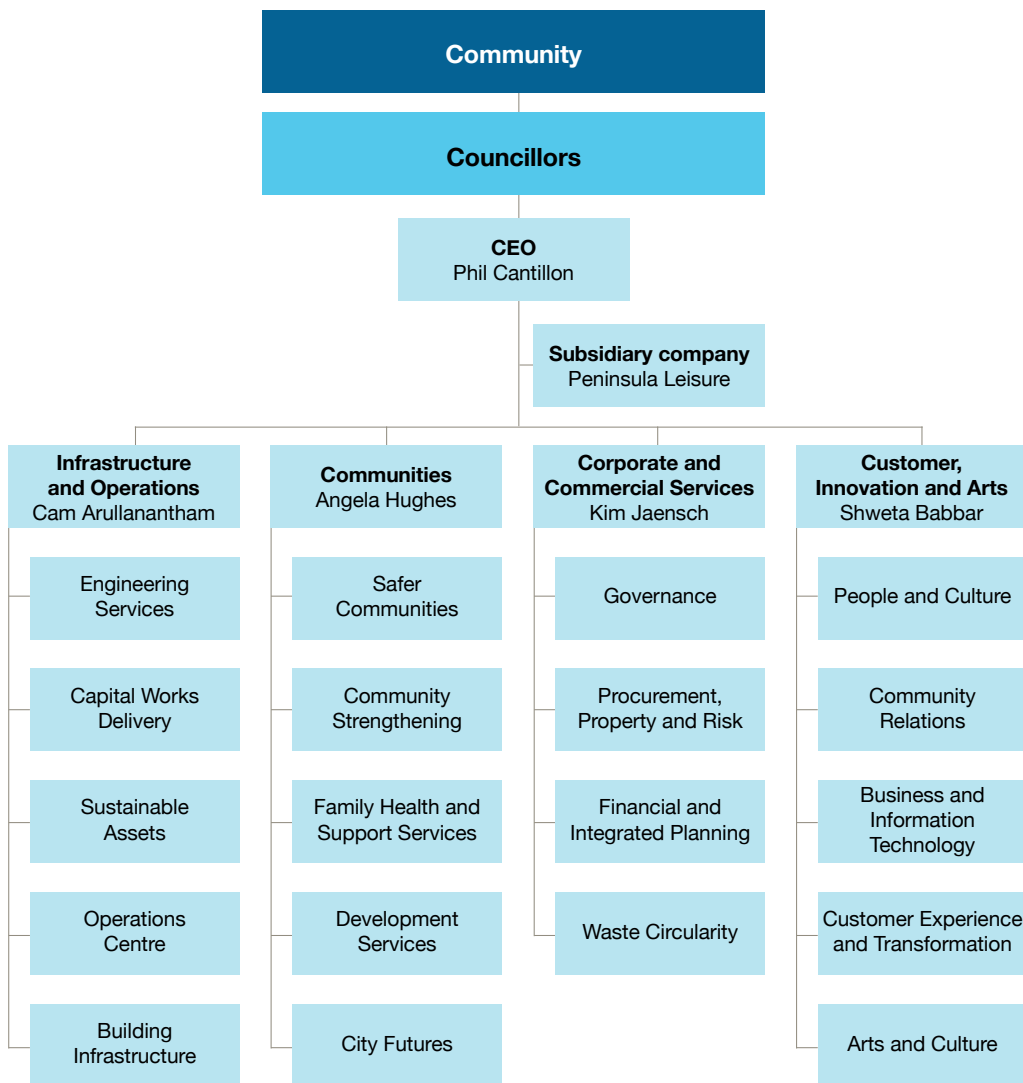
Organisational Structure

Frankston City Council is the governing body that appoints the Chief Executive Officer (CEO).

The CEO has responsibility for the day-to-day management of the organisation's operations in accordance with the strategic directions of the Council Plan. Our Executive Management Team

(EMT) consists of the CEO, Director of Infrastructure and Operations, Director Communities, Director Corporate and Commercial Services and Director Customer Innovation and Arts who lead the organisation.

Details of our organisation structure at 30 June 2024 are set out below.



Council staff

As at 30 June 2024, Frankston City Council employed 1043 employees comprising full-time, part-time, temporary and casual employees.

In 2023-2024, the turnover of permanent employees was 10.36 per cent, which is 3.94 per cent lower than the 2022-2023 figure of 14.30 per cent and 7.77 per cent lower than the 2021-2022 figure of 18.13 per cent.

A summary of the number of full-time equivalent (FTE) Council employees by organisational structure, employment type and gender is set out in Table 1. A summary of the number of FTE employees categorised by employment classification and gender is set out below in Table 2.

Table 1: Number of Council employees (FTE) by organisational structure, employment type and gender

Employee type/ gender	CEO Office	Comm- unities	Corporate & Commercial Services	Customer Innovation & Arts	Infrastructure & Operations	Peninsula Leisure	Total
Casual Female	0.00	1.50	0.03	1.97	0.00		3.50
Casual Male	0.00	1.18	0.03	1.13	0.03		2.37
Casual Self- Described Gender	0.00	0.03	0.00	0.03	0.00		0.05
Casual Prefer not to say	0.00	0.00	0.00	0.03	0.00		0.03
Permanent FT Female	1.00	92.00	39.00	73.00	34.00		239.00
Permanent FT Male	1.00	57.00	15.00	32.00	152.00		257.00
Permanent FT Self- Described Gender	0.00	0.00	0.00	0.00	0.00		0.00
Permanent PT Prefer not to say	0.00	0.00	0.00	0.00	0.00		0.00
Permanent PT Female	0.00	85.07	7.06	38.15	2.49		132.78
Permanent PT Male	0.00	9.05	1.50	4.48	1.55		16.58
Permanent PT Self- Described Gender	0.00	0.00	0.00	0.00	0.00		0.00
Permanent PT Prefer not to say	0.00	0.00	0.00	0.00	0.00		0.00
Temporary FT Female	0.00	6.00	0.00	3.00	0.00		9.00
Temporary FT Male	0.00	2.00	0.00	5.00	6.00		13.00
Temporary FT Self- Described Gender	0.00	0.00	0.00	0.00	0.00		0.00

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Employee type/ gender	CEO Office	Comm- unities	Corporate & Commercial Services	Customer Innovation & Arts	Infrastructure & Operations	Peninsula Leisure	Total
Temporary FT Prefer not to say	0.00	0.00	0.00	0.00	0.00		0.00
Temporary PT Female	0.00	7.72	0.55	7.15	2.94		18.36
Temporary PT Male	0.00	1.32	1.42	1.89	0.00		4.63
Temporary PT Self- Described Gender	0.00	0.00	0.00	0.00	0.00		0.00
Temporary PT Prefer not to say	0.00	0.00	0.00	0.34	0.00		0.34
PL Permanent	0.00					41.31	41.31
PL Casual	0.00					61.76	61.76
Total	2.00	262.87	64.58	168.17	199.01	103.07	799.70

Table 2: Number of Council employees (FTE) by employment classification and gender

Classification	Female FTE	Male FTE	Self-Described Gender FTE	Prefer not to say FTE	Total FTW
Band 1	7.73	6.32	0.00	0.00	14.05
Band 2	9.34	36.97	0.03	0.03	46.36
Band 3	25.90	47.47	0.03	0.00	73.40
Band 4	74.26	31.82	0.00	0.00	106.08
Band 5	83.42	38.61	0.00	0.34	122.37
Band 6	101.78	57.00	0.00	0.00	158.78
Band 7	39.72	40.55	0.00	0.00	80.27
Band 8	24.03	17.82	0.00	0.00	41.85
Other	36.47	17.00	0.00	0.00	53.47
PL	61.76	40.96	0.35	0.00	103.07
Total	464.41	334.53	0.40	0.37	799.70

*Other classifications – includes junior employees, trainees, apprentices, aerobics instructors, SEOs, SOs and nurses on contract.

Equal opportunity employment program

Here at Frankston we're an equal opportunity employer. We aim to provide a workplace free from discrimination, harassment, victimisation and bullying by taking a zero tolerance approach and upholding the principles of Equal Employment Opportunity (EEO) in all of our activities.

Other staff matters

Health, Safety and Wellbeing

This year we continued to strengthen our controls and interventions around the psychosocial risks and hazards within the workplace. This has involved an extended partnership with Converge, our employee assistance provider, to ensure our support services extend out beyond traditional counselling services and empower and educate our people. These provisions along with reducing the physical risks have resulted in the following key initiatives being delivered:

- Organisation wide celebration and commitment to RU OK? Day raising awareness to check in with those around you
- Partnership with Victorian Chambers of Commerce and Industry to implement our Mental Health Comply Program. This involved management undergoing training in psychosocial risks and management in the workplace, a gap analysis and staff feedback on current practices. The recommendations of this will be implemented in 2024-2025
- Chemwatch, a chemical management software, was implemented to ensure safe storage and use of chemicals across council's services
- Enhancement of emergency management processes was conducted across multiple sites and will continue throughout 2024-2025
- Occupational Violence working group was commenced in order to develop a strategy to address increasing rates of occupational violence experienced by staff
- Continued consultation within the workplace with all health and safety representative vacancies being filled
- Ongoing provision of Staff flu vaccination program

Child Safe Organisation

Council is commitment to child safety and continues to strengthen its approach to child safety, working towards building a culture where children's safety and wellbeing is at its centre. Council has continued to implement and embed the child safe standards throughout our workforce with key initiatives being:

- Ensuring compliance with working with children and police checks for Council staff and volunteers
- Child Safety Risk assessments being completed for key child-related services and will continue in 2024-2025
- Online and face to face mandatory training modules
- Creating processes to effectively manage any reportable conduct reports which may be received
- Establishment of the Child Safety Committee to oversee the implementation of our child safe action plan
- Compliance audit to ensure we are meeting our obligations in this area with all recommendations having been implemented on time

Work Ready Program

Council continued to fund the Work Ready Program in 2023-2024. The program focuses on providing short-term work placements for people in the municipality. This includes work experience opportunities, traineeships, apprenticeships, school-based apprenticeships, structured work placements, and practical placements.

The Work Ready Traineeship program is specifically aimed at recruiting young people within the municipality which may be living with a disability, are experiencing long term unemployment, and/or identify as Aboriginal or Torres Strait Islander.

In 2023-2024, the Work Ready Program supported three traineeships and one apprenticeship and two school-based apprenticeships across several areas of Council.

Reward & Recognition

We continue to celebrate and recognise the valuable contributions of our staff through our quarterly Future Ready Frankston Excellence Awards.

In 2023-2024, we celebrated and recognised staff across all four directorates that demonstrated:

- outstanding customer service, contributed to improving organisational culture,
- developed and implemented an innovative project or initiative,
- demonstrated outstanding leadership,
- outstanding collaboration and team work, and
- outstanding perseverance and persistence to achieve a great customer outcome.

The directorate award winners now have an opportunity to be recognised and celebrated in the Annual Future Ready Frankston Corporate Excellence Awards to be held later in the year.

Employee Engagement

In 2024, Council launched their fifth "Your Voice, Your Workplace" all-staff Engagement Survey. The survey reflected the feedback of 709 staff, with a response rate of 76%.

Of these staff, 72% recognise that Frankston City Council is a 'Truly Great Place to Work', seeing us shift from 81% in 2023. We did also see a decrease in our overall staff engagement score from 61% (Culture of Success) to 50% (Culture of Surging). While this change is not what we were hoping to see, it does provide us an important opportunity to listen, learn and take action.

Further to this, new initiatives that have been implemented organisationally in response to staff survey results include:

- Greater opportunities for staff to build trust and connection with EMT and Senior Leadership,
- Supporting leaders within the organisation to lead with our values of Kinder, Smarter and Fairer,
- Better prioritisation of competing work requirements to ensure we focus on what matters,
- Fostering connection and collaboration between directorates, departments and teams,
- Celebration and acknowledgement of staff,
- Modernisation of IT and collaboration spaces,
- System upgrades, and
- Improvements and efficiencies made to our on-boarding and induction practices for new starters.

Learning & Development

We continue to offer a wide-range of contemporary learning and development opportunities for all employees throughout 2023-2024.

A comprehensive corporate training program offered staff both online and face-to-face learning opportunities which included:

- Future Ready Leaders Kickstart Program, that focuses on developing the leadership skills and council knowledge of Council's emerging leaders;
- Leading Performance Program, a program delivered to people leaders responsible for conducting performance conversations with direct reports,
- A range of LGPro leadership and coaching programs;
- Conflict Training for Operations & field-based staff;
- Courageous Conversations for Leaders;
- Excel Skills for Intermediate Users;
- Core Financial Skills for Non-Finance Employees

A total of 965 staff participated in training in 2023-2024 covering compliance, career development, leadership and equity & inclusion, totalling over 2800 hours of learning and development.

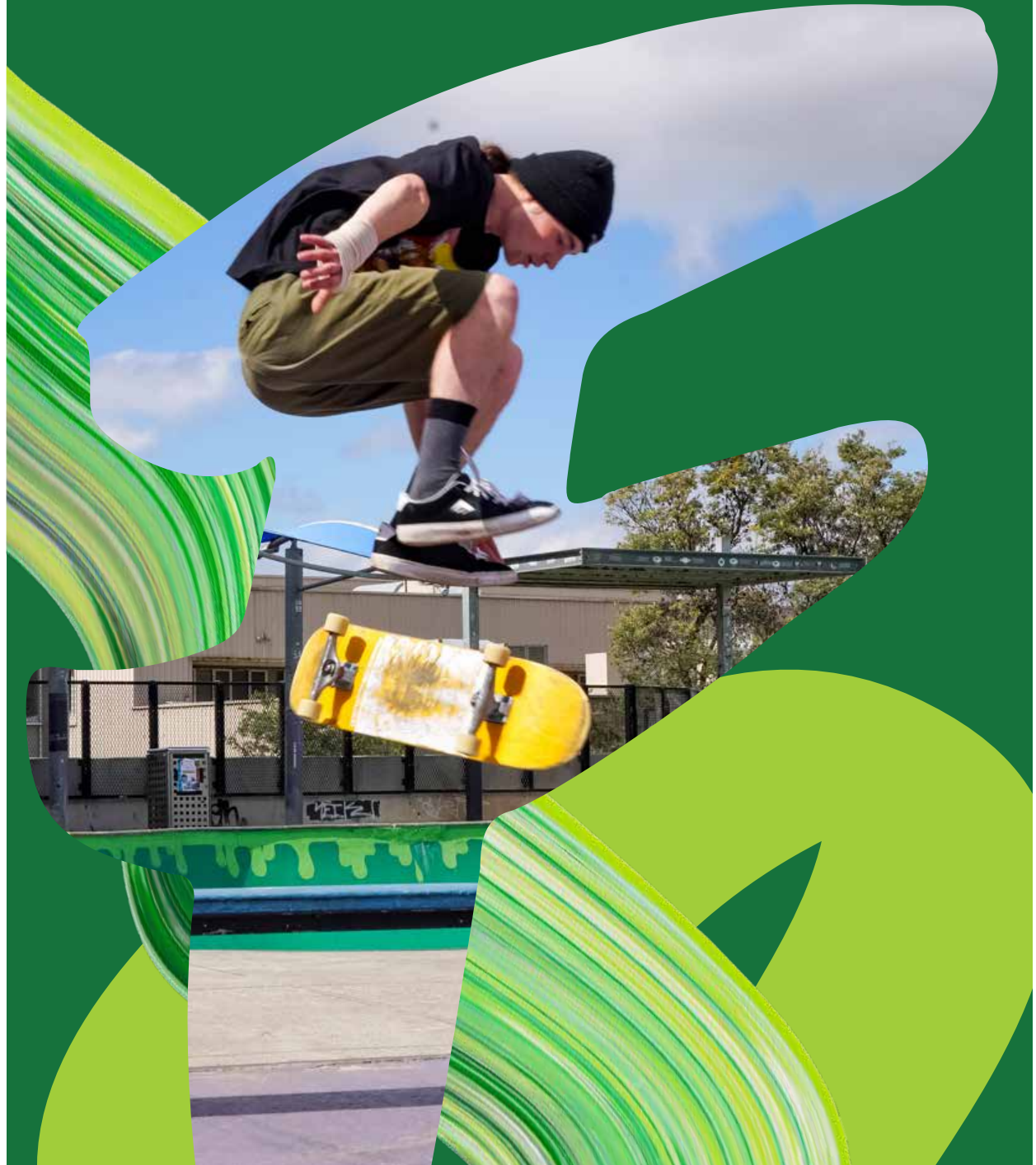
Employee diversity and inclusion

Council, a values-driven organisation, is committed to enhancing our workplace systems and environment to deliver a workplace experience that is fairer and more inclusive. We aspire to be a workplace where people feel welcome to join and stay because they feel they belong, a workplace where staff feel valued and respected, and a workplace where staff have opportunities and resources to thrive and perform. This year, Council have enacted and resourced actions that enhance inclusive practices, and progress equity and gender equality.

- Under the *Victorian Gender Equality Act 2020*, Council conducted its second gender equality audit producing comparative analysis and a progress report demonstrating its advancement against each of the 7 workplace gender equality indicators
- Council developed a Fair Access to Sport Policy, it will be implemented in 2024-2025
- To enhance safety and the workplace experience for people who are gender and/or sexually diverse, Council developed and implemented guidelines and systems to improve inclusive practices in the workplace. The change was celebrated and promoted as part of International Pronouns Day

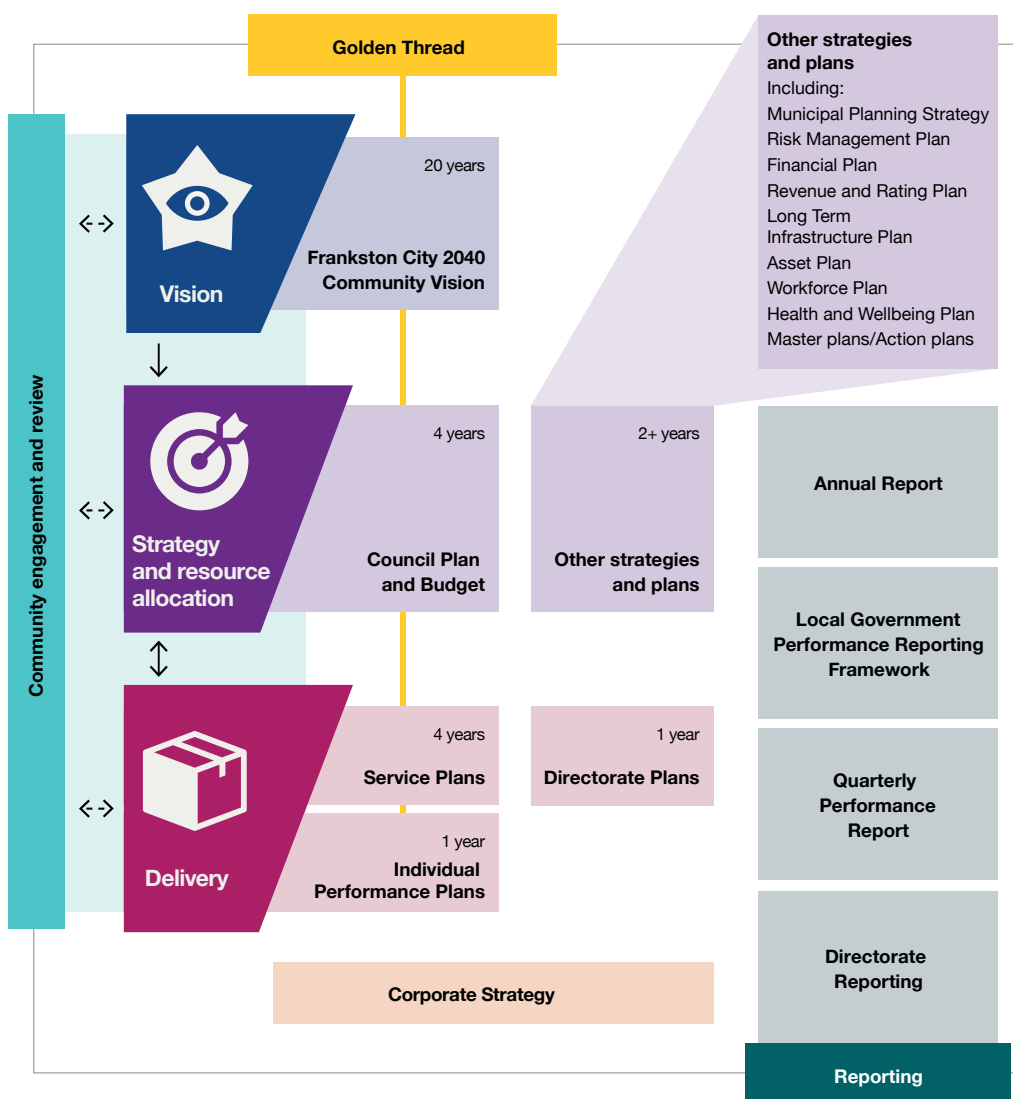
- Council's Diversity and Inclusion Group (DIG) commenced work to standardise the collection of intersectional identity data across Council and develop an inclusive language and image guide, and started identifying areas for action that could improve cultural safety for staff
- Council in partnership with Women's Health in the South East (WHISE) extended its Gender Equality Leadership training program to include training in managing backlash and resistance, responding to disclosures of family violence and sexual harassment, and challenging unconscious bias
- Under the *Victorian Gender Equality Act 2020*, Council implemented Gender Impact Assessments (GIAs) across Council. To build organisational capability to conduct GIAs on Council policies, programs and services, Council developed an online GIA training module for staff and recruited 20 Gender Impact Assessment (GIA) Champions across Council. In partnership with GenderWorks GIA training was delivered to these Champions, who are now delivering GIA training within their teams
- To enhance the Gender Impact Assessment (GIA) process, Council developed a new digital GIA Tool
- Council delivered ten Cultural Insights Training sessions, involving over 200 staff members from multiple Council departments, including the Council Executive team, Mayor Nathan Conroy and Cr Sue Baker, building a more knowledgeable workforce who can respectfully engage with Aboriginal and Torres Strait Islander people.
- On May 17, Council held its annual Rainbow Flag Raising ceremony and afternoon tea, bringing together staff and community to show support and raise awareness for International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT). IDAHOBIT celebrated its 20th Anniversary in 2024.
- Council delivered Active Bystander and Family Violence training to staff as part of 16 Days of Activism against Gender-based Violence
- In line with the Respect@Work recommendations, Council reviewed its sexual harassment in the workplace policy and staff training module
- Council applied a gender lens to its Employee Bargaining Agreement, improving employment supports for workers of all genders
- Council celebrated International Women's Day delivering a Masterclass to Overcome Imposter Syndrome and Stop Self-Sabotage, with a follow up webinar to encourage staff to implement identified actions
- Reviewed the Family Violence leave policy and developed a Responding to Family Violence Tool Kit for people leaders

Our performance



Integrated strategic planning and reporting framework

To address the Governance principles in the *Local Government Act 2020*, Frankton developed an Integrated Planning and Reporting Framework. The green boxes identify the reporting structure. Progress and results are reported back to the community through the Quarterly Performance Report, Local Government Performance Reporting Framework (LGPRF) and the Annual Report.



Council Plan





The 2021-2025 Council Plan sets out Council’s four year vision for the city and the outcomes Council wants to achieve over that period. These outcomes align with the six themes identified in the Frankston City Community Vision 2040.

Our Council Plan identifies key priorities and initiatives aimed at working towards the six future outcomes that will set the strategic direction of Frankston City.

- 1. Healthy and safe communities
- 2. Community Strength
- 3. Sustainable environment
- 4. Well planned and liveable city
- 5. Thriving economy
- 6. Progressive and engaged city

Annual Council Plan initiatives are adopted each year in conjunction with the adoption of the Budget.





Reporting across the four years of the 2021-2025 Council Plan and Budget is summarised below and includes 2023-2024 results showing 97% of planned actions were on track or completed by June 30.

	2021-2022	2022-2023	2023-2024	2024-2025
 On track	-	-	10	-
 Initiatives completed	123	115	110	-
 Completion deferred to 2024-2025	11	6	4	-
 Initiative will not be completed	1	0	0	-

How to read this section

Performance results that follow are broken up into each of the six Council Plan Outcomes. The initiatives have been assessed and given a status and comment update.

Status key:

-  On track
-  Initiative completed
-  Initiative completion has been deferred to 2024-2025
-  Initiative will not be completed

Council Plan Strategic Indicator results, Local Governance Performance Reporting Framework (LGPRF) results and related service information has also been included.

1. Healthy and safe communities

Health, safety and wellbeing of the community is improved through the reduction of harms and opportunities for individuals and families to adopt healthy lifestyles.

Priorities

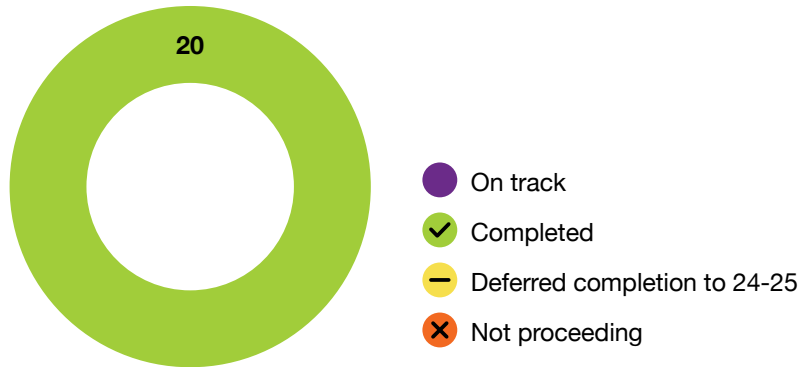
- Active and healthy lifestyles that support residents living independently longer
- Long-term health and learning outcomes established in early childhood
- Reduction of harms from family violence, gambling, alcohol and other drugs
- Value and support young people

The following provides information about the service funding in 2023-2024.

Community health	Enhancing the health of families and the community by supporting them to develop and thrive, through enabling independent living.	Net cost	\$'000
		Budget	3,707
		Actual	3,515
		Variance	192
Sport and recreation	Encouraging people to be active by supporting access to a diverse range of sport and leisure activities.	Net cost	\$'000
		Budget	1,881
		Actual	1,557
		Variance	324
		PARC Net cost	\$'000
		Budget	753
		Actual	(675)
Variance	1,428		
Community safety	Supporting people to feel protected and safe in the community regarding animal management, building services, environmental and public health, city safety and the enforcement of local laws.	Net cost	\$'000
		Budget	5,374
		Actual	4,880
		Variance	494
Community development	Delivering inclusive and accessible support, programs and community spaces to build resilience and community strength in the community.	Net cost	\$'000
		Budget	337
		Actual	1,338
		Variance	(1,001)

How we performed

100% of Council Plan initiatives completed or on track (20/20)



Highlights

Council implemented power charge points for mobility scooters as part of the Disability Action Plan.

The Winter Shelter initiative received additional funds to assist participating churches to support the needs of those who are experiencing homelessness in the Frankston area.

The draft Kindergarten Partnership Strategy 2024-2034 was completed and endorsed by Council at the 24 June Council meeting.

Partnership initiative for a gender equality and family violence prevention program.

In collaboration with Casey and Dandenong Council, healthAbility (BM3 developers), Nairm Marr Djambana, Aunty Deb Mellett and Elder, Uncle Shane Charles, Frankston City Council's Maternal and Child Health team won the 2024 LGPro Excellence award for First Nations Community.

2023-2024 Council Plan initiatives

Four-year initiatives	What we planned for 2023-2024	Comment	Status
Engage families to promote the importance of early childhood education and health	Deliver Maternal and Child Health and early childhood services and programs including immunisation and supported playgroups	Participation in key community events have supported the increased awareness and connection to Council's services. Overall engagement and participation for all early year's services have either remained consistent or increased throughout the year. Ongoing client satisfaction surveys indicate that the community are very satisfied with Council's early years services.	✓
	Coordinate central registration of enrolments for community kindergartens	<p>On time registrations closed for four-year-old kindergarten on 30 April and three-year-old will remain open until 30 August.</p> <p>As at end of June 2024, 1590 registrations were received for both three- and four-year-old kindergarten.</p> <p>Officers continue to work with kindergarten providers to keep them up to date with registrations for their kindergarten to maximise capacity and reduce waitlists where possible.</p>	✓
	Implement Council's year three initiatives for Council's Early Years Plan	This year, of the five new actions, four are in progress and one has been completed. Additionally, 22 of the 27 ongoing actions have also been completed. All completed actions have now been imbedded into everyday activities across early years services. The Municipal Early Years Plan (MEYP) continues to provide strategic direction for a whole-of-Council approach to enable stronger families and thriving children within the community.	✓
Maintain systems and capacity to manage and respond to emergency events	Monitor and mitigate key emergency risks to the community	Municipal Emergency Management Planning Committee members and other identified agency risk owners met to complete a full review of the Community Emergency Risk Assessment (CERA) for the municipality. The process is collaborative and invites valuable discussion to vote and agree on priorities. The meeting was led by VicSES and produced a list of key risks for the Committee to focus on in the planning, mitigation and consequence space.	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Maintain up-to-date emergency management plans and test them to identify and mitigate capability and capacity gaps through training and awareness</p>	<p>Emergency relief centre operational documents have been reviewed and refreshed to form a suite of resources available should they be required. The Emergency Animal Complementary plan (to the Municipal Emergency Management Plan) has been reviewed for sector compatibility to ensure Emergency Relief Centers are safe for all attending residents including those with companion animals.</p>	<p>✓</p>
	<p>Leverage partnerships with key agencies and community groups to improve planning for response to and recovery from emergency events. This will include the development and implementation of an annual training program</p>	<p>A campaign to recruit new members of the internal 'Emergency Support Team' has progressed with 10 new Council staff members agreeing to support the community should they be impacted by a significant emergency. The new suite of six training e-modules has been forwarded to both new and existing support team members to familiarise them with key themes across the emergency management space such as 'Emergency Relief Centres', 'Municipal Emergency Coordination Centres', 'Priority populations – those most at risk' and the legislative emergency management roles in Council. Further training has been identified and will be rolled out over the next financial year.</p>	<p>✓</p>
	<p>Deliver Emergency Management training and exercise</p>	<p>Planning for an operational Emergency Relief Centre set up exercise is in the final stages in collaboration with an external consultant. The exercise, to be held at Jubilee Park Stadium, will familiarise participants with the new range of resources, the new location, setting up using the emergency management trailer and will focus on the response to our most at risk residents should they present at an emergency relief centre.</p>	<p>✓</p>
	<p>Review the Domestic Animal Management Plan (DAMP)</p>	<p>The Domestic Animal Management Plan is scheduled for review in 2025, and current initiatives are nearing completion.</p>	<p>✓</p>

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
<p>Encourage active and healthy lifestyles for people of all ages and abilities</p>	<p>Improve the amenity and perceptions of safety across the municipality</p>	<p>Another successful year with Beach Patrol, VicPol, and Rapid Response uniting to ensure beach safety throughout the summer. This season, variable message signs were introduced to remind beachgoers that alcohol consumption on the foreshore is prohibited.</p>	<p>✓</p>
	<p>Promote and deliver more diverse play and leisure opportunities for residents of all ages to encourage active lifestyles</p>	<p>Through Frankston’s extensive network of volunteer sports clubs and facilities, over 30,000 participated in organised sport. Council continues to deliver upgraded fit for purpose sports facilities and are ensuring these upgrades are female friendly and have access for people of all abilities. There are also many varied opportunities for people to be active in Frankston from walking along our wonderful beaches, swimming at the Peninsula Aquatic Recreation Centre, skating at Frankston Skate Park or playing golf at Centenary Park Golf Course. Frankston offers wonderful opportunities to remain active at all ages.</p>	<p>✓</p>
	<p>Work in partnership with health, education and community organisations including sporting clubs and community gardens to enhance opportunities for improved primary health and participation in passive and active recreation</p>	<p>Council continued its Collective Impact work with Peninsula Health’s Health Promotion team through ‘The Community Plate’ which enhanced local food systems. Council facilitated the ‘Grow Some Food’ workshops which encouraged healthy eating outcomes and participation in passive recreation through gardening.</p> <p>Council continued to build on the existing relationships with the Community Garden Network by holding bi-monthly meetings and workshop opportunities. Council facilitated garden connections with other community groups that provide food relief, so that they can work together to help support people in the community.</p> <p>Council also assisted gardens, community groups – including the Ambassador in Frankston and Project Fresh Start – with their needs to support community.</p>	<p>✓</p>

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Implement year three actions for Council’s Health and Wellbeing Plan</p>	<p>The year three Action Plan has been implemented throughout the year. Highlights included Council partnering to deliver a series of events for Men’s Health Week 2024 including a free film screening of Happy Sad Man, Frankston Libraries celebrated Reconciliation Week with a free talk from a local Elder, IDAHOBIT Day was celebrated with an annual flag raising ceremony and afternoon tea, Frankston City Libraries held the Human Library to share stories and personal experiences to inspire others to make positive changes, the new Seaford Wetlands bridge opened to encourage active travel and passive recreation, the Mayor and CEO met with the Hon. Bill Shorten MP to advocate for regulatory reforms to provide better safeguards for NDIS clients being accommodated in Supported Independent Living and a new Gender Impact Assessment tool was launched.</p>	<p>✓</p>
	<p>Develop the ‘Can Swim’ program of initiatives for the children of Frankston City</p>	<p>The Can Swim Program is continuing to make a difference in the Frankston community to positively impact the lives of some of the most vulnerable members.</p> <p>Can Swim pilot programs during 2023-2024 investigated and provided non-traditional, swimming and water safety teaching methods to at-risk community populations within the Frankston City.</p> <p>The program achieved groundbreaking results which have the ability to improve the quality of life and save lives for those in our community. The goals achieved this year included development and delivery of three trials of different pilot programs/ teaching models, water directory researched and developed for future satellite programming and 18 employee qualifications achieved with a focus on teaching at-risk cohorts (Adults, Access and Inclusion).</p>	<p>✓</p>
<p>Advocate for programs and support to reduce harms from family violence, gambling, alcohol and other drugs</p>	<p>Develop the Family Violence Action Plan and implement year one actions</p>	<p>On 13 May 2024 Council unanimously supported the 2024-2028 Family Violence Prevention Action Plan with the year one actions commencing in July 2024.</p>	<p>✓</p>

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Four-year initiatives	What we planned for 2023-2024	Comment	Status
Engage young people to support their educational outcomes	Partner with the Department of Education and Training on Frankston North Strategic Education Plan	Council officers have partnered with all members of the Frankston North Sponsors Network Group to implement and support initiatives of the Frankston North Strategic Education Plan. This year there has been a focus on strengthening connections across service providers and the shared understanding of the role that each service has in the learning continuum.	✓
	Deliver Youth Services outreach, in-reach and engagement programs	Frankston Youth Services have continued to deliver a broad range of youth programs to support the needs of local young people. Council delivered programs within our Central Youth Hub to a number of different student groups from local alternative schools. This allows students to become aware of what we offer and engage with our service for their support needs.	✓
	Enable young people to have a voice through Youth Council and youth events	Frankston Youth Services regularly delivers programs which enable young people to have their voices heard and acknowledged. Youth Council, NexGen Advisory, and Fresh Entertainment are just three of the numerous programs that have received young people's views and ideas.	✓
	Deliver the Work Ready Program providing work experience, traineeships and student placement opportunities	The Work Ready Program has seen fantastic growth this financial year with three trainees and an apprentice. Work experience and placements have increased substantially following the implementation of an online application and expression of interest form. The focus will continue in the new financial year with greater focus on celebrating and communicating the program.	✓
	Provide grants to support students in participating in formal education and recreational programs	Community Grants Child and Youth Inclusion Grant has concluded its 8th round, with \$39,624 (year to date) having been distributed to 94 recipients to support their inclusion in educational and recreational pursuits.	✓
	Implement year two actions for Council's Youth Action Plan	Year two actions for the Youth Action Plan are on track. Youth Services have continued to facilitate the delivery of free training to support young people's education and employability. Youth Services continue to participate in the delivery of the Child Youth and Inclusion Grants to young people.	✓

Strategic indicators

Strategic indicators provide Council with measures to monitor how we are progressing towards our outcome. Council's level of influence over the result of each measure is shown, as often Council does not control the results, but seeks to influence with advocacy, partnerships and the community.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Increased active and healthy lifestyles that support residents living independently for longer	Proportion of adults who are sufficiently physically active compared to the Victorian state benchmark (Victorian Population Health Survey)	M	51.80%	This data is from the 2017 Victorian Population Health Survey. The Victorian Government has not released any data since the 2017 survey.
	Chronic disease levels compared to the Victorian state benchmark (Victorian Population Health Survey)		28.10%	This data is for the population who reported having two or more chronic diseases. This data is from the 2017 Victorian Population Health Survey. The Victorian Government hasn't released any data since the 2017 survey.
	Proportion of residents satisfied with sport and recreation facilities (Community Satisfaction Survey)		84.00%	A great response from the community.
Improved long-term health and learning outcomes established in early childhood	Proportion of year three, five, seven and nine students achieving literacy benchmarks (Victorian Child and Adolescent Monitoring System)	M	94.50%	This data is for 2019. The Victorian Government hasn't released any further data since then.
	Proportion of children fully immunised by school age compared to the Victorian state benchmark (LGPRF) (Local Government Performance Reporting Framework)		95.05%	Data is collected quarterly, with quarter four not available to date. This year actual is reporting on quarter three which at the Victorian state benchmark of 95.0%.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Reduction of harms from family violence, gambling, alcohol and other drugs	Proportion of residents who feel safe in public areas in Frankston City (Community Satisfaction Survey)	M	76.00%	Overall, the findings from the Community Satisfaction Survey clearly indicate a generally strong and consistent perception of safety in public areas throughout Frankston City during the daytime and in most locations. However, there is a moderate level of safety perceived during nighttime. It's worth noting that the perception of safety in these public areas was lower than the metropolitan Melbourne average. Moving forward, Council remains committed to reviewing and implementing strategies outlined in the Community Safety Strategy to enhance perceptions of safety in Frankston.
	Rate of hospital admissions due to alcohol and other drugs (Turning Point)		1,551.80	This data is a rate per 100,000 people of the total population, and not a percentage (1551.8). This data is for the 2021-2022 financial year, which is the latest data available.
	Rate of reported family violence incidents (Crimes Statistics Agency)		2,085.60	This data is a rate per 100,000 people of the total population, and not a percentage (2085.6). This data is for 2023-2024.
Improved education outcomes through better engagement of young people	Proportion of people attending TAFE or University (Australian Bureau Statistics)	M	5.80%	This data is from the ABS 2021 Census.

Level of influence over the result

- H High:** Council can directly influence this result.
- M Medium:** Council can influence this result however external factors outside of Council's control may also influence the result.
- L Low:** Councils level of influence on this result is limited however monitoring this indicator assists Council in planning and guiding priorities.

Performance indicators (LGPRF)

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

No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Animal Management							
Timeliness							
AM1	Time taken to action animal requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	4.65 days	3.82 days	3.54 days	5.35 days	51.32%	Council Officers work with the community to provide a high level of customer service. Council continues to prioritise higher risk requests such as dog attacks and dogs wandering at large.
Service Standard							
AM2	Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	54.35%	63.77%	51.57%	45.73%	-11.31%	Council continues to prioritise reuniting animals with their owners in the first instance via animal registration and microchip details.
AM5	Animals rehomed [Number of unclaimed collected animals rehomed/ Number of unclaimed collected animals] x100	13.41%	16.80%	18.20%	51.70%	184.10%	Council has several initiatives to promote pet adoption, including discounts for adopted animals and reduced registration.
AM6	Cost of animal management service per population [Direct cost of the animal management service / Population]	\$8.25	\$12.47	\$15.66	\$15.41	-1.64%	Council has invested in additional programs and resources to improve animal management services.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Health and safety							
AM7	Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100%	100.00%	100.00%	100.00%	0.00%	100% (175 in total) of Animal Management prosecutions were successful.
Aquatic Facilities							
Service Standard							
AF2	Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1.00	1.00	1.00	1.00	0.00%	All Council operated aquatic facilities were inspected during the 2023-2024 period.
Utilisation							
AF6	Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	3.29	4.59	7.26	7.32	0.74%	There has been strong customer and member engagement with the facilities, with attendance continuing to grow from previous years.
Service Cost							
AF7	Cost of aquatic facilities [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	\$0.88	\$1.19	-\$0.35	-\$0.64	85.63%	The strong result with gross income growth from better than expected membership numbers and continued tight cost control has achieved an overall positive result.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Food Safety							
Timeliness							
FS1	Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.51	1.31	1.78	2.01	12.59%	To ensure food safety risks are effectively managed, Environmental Health Officers prioritise all food safety complaints. There has been a minor increase in timeframe due to resourcing challenges however this is still well within expectations and demonstrates Frankston City Council's ongoing commitment to food safety.
Service standard							
FS2	Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	72.69%	104.33%	105.27%	100.00%	-5.01%	Environmental Health ensured all Class 1 and Class 2 food premises received their annual food safety assessment, reinforcing Frankston City Council's commitments to prioritising food safety.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Service cost							
FS3	Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$637.52	\$489.68	\$540.27	\$525.43	-2.75%	Cost of food service delivery has seen a reduction from the previous year. This is due to service delivery efficiencies, a vacant position within the Environmental Health team, and an increased number of food businesses operating within the Municipality.
Health and safety							
FS4	Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	95.51%	97.09%	100%	2.99%	Major and Critical non-compliances are a high priority. Environmental Health Officers ensured all major and critical issues raised at food premises are followed up as a priority within the required timeframes to mitigate the risk to the community. The total number of critical and major non-compliance follow ups completed for the period was 155.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
FS5	Food safety samples [Number of food samples obtained/ Required number of food samples] X100	-	-	-	108.59%	N/A	Required total samples for 2023 as per http://www.gazette.vic.gov.au/gazette/Gazettes2022/GG2022S629.pdf TOTAL required: 163 / Collected: 177 Class 1 samples required: 54 / Collected: 68 Class 2-3 samples required: 109 / Collected 109
Maternal and Child Health							
Service standard							
MC2	Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100.88%	101.17%	100.75%	101.07%	0.32%	Frankston City Council MCH Service has continued to achieve more than 100% infant enrollments. This highlights highly effective engagement of families into the MCH Service.
Service cost							
MC3	Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$67.95	\$65.25	\$87.79	\$87.57	-0.25%	Frankston City Council is committed in delivering a high quality, cost-efficient MCH Service. This result remains consistent with last financial year and remains within the target range set by Council.

No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Participation							
MC4	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	64.75%	67.94%	74.01%	77.38%	4.55%	Frankston City Council MCH Service has continued to have an increase in participation in the MCH Service. This result can be attributed to a high quality, flexible and responsive service delivery model.



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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
MC5	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	64.85%	63.71%	70.86%	85.27%	20.34%	Additional time-limited funding for 2023-2024 has enabled an Aboriginal MCH Liaison Nurse to attend local yarning groups and Aboriginal Community Controlled Health Organisations (ACCHO) to engage with Aboriginal and Torres Strait Islander families who have previously been disengaged from the MCH Service. The Frankston MCH team have also been working closely with First People's Health and Wellbeing (Frankston), delivering Key Ages and Stages (KAS) visits onsite for Aboriginal and Torres Strait Islander families that access their services. The Frankston MCH Service has also undertaken MCH Centre audits, with actions resulting in enhanced cultural safety of our centres.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Satisfaction							
MC6	Participation in four-week Key Ages and Stages visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100	96.00%	96.96%	95.04%	97.62%	2.72%	Frankston City Council MCH Service has had an increase in the percentage of infants enrolled in the MCH service who participated in 4-week Key Ages and Stages (KAS) visits. This result demonstrates active engagement of families who are enrolled in the service.

2. Community strength

Strengthening community through resilience, inclusiveness and the enrichment of arts, culture and diversity.

Priorities

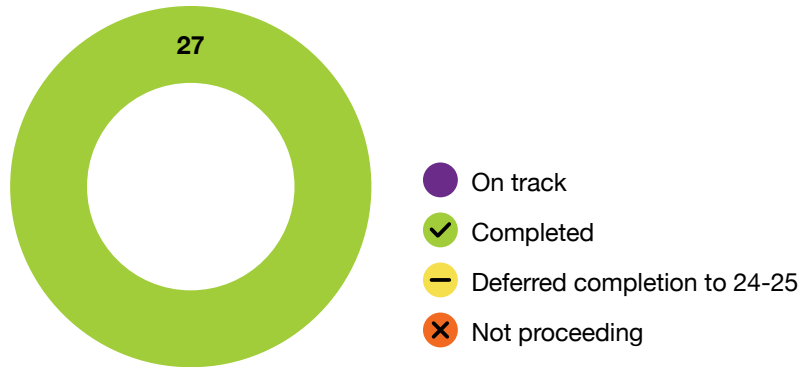
- Accessibility of services to enhance social inclusion and mental wellbeing
- Volunteering to build connections and resilience within the community
- Frankston City's arts and cultural identity

The following provides information about the service funding in 2023-2024.

Community health	Enhancing the health of families and the community by supporting them to develop and thrive, through enabling independent living.	Net cost	\$'000
		Budget	3,001
		Actual	3,463
		Variance	(462)
Community development	Delivering inclusive and accessible support, programs, and community spaces to build resilience and community strength in the community.	Net cost	\$'000
		Budget	5,376
		Actual	4,372
		Variance	1,004
Arts and culture	Building Frankston's cultural landscape by supporting the production and delivery of arts programs, events and library facilities providing opportunities to create, learn and connect.	Net cost	\$'000
		Budget	4,554
		Actual	4,755
		Variance	(201)

How we performed

100% of Council Plan initiatives completed or on track (27/27)



Highlights

Two successful major events delivered, including Mayors Party in the Park, and Southside Festival. A highlight was 'Neon Fields' at Beauty Park.

The Big Picture Fest. was once again delivered in the city in March, with murals painted across a number of walls in the city.

The Libraries team continued to see high levels of loans from the valued library collection.

Council adopted the Frankston Family Violence Prevention Action Plan.

Youth Services delivered a street art project with disengaged young people.

Client satisfaction surveys continue to indicate that community are very satisfied with Council's Community Care services.

Community Grants program and Frankston Charitable Trust continued to allocate needed funds to various organisations working to strengthen the Frankston community.

Council has commenced strategic planning and activities for the upcoming Aged Care Reform.

New policy documents drafted include the Debt Management Policy and Clinical Governance Framework.

2023-2024 Council Plan initiatives

Four-year initiatives	What we planned for 2023-2024	Comment	Status
Build Frankston City's reputation as an arts, culture and tourism destination	Implement year three actions for Council's Arts and Culture Strategic Plan	Year three actions are now complete. Frankston Arts Centre continues to attract big name performers such as Jimmy Barnes, Vika and Linda Bull and the Melbourne Symphony Orchestra. Frankston Arts Centre hosted the inaugural live music event, Sound Cube at Cube 37. Funded by Creative Victoria and Music Victoria, this event showcased seven talented local music acts over two entertaining days. Additionally, our tourism sector played a pivotal role in transitioning from Discover Frankston to the new City Positioning brand, Imagine Frankston.	✓
	Build capacity and partner with creatives and the community to deliver high quality events and art experiences	The 2023-2024 financial year saw many programs delivered to capacity audiences. South Side Festival 2024 was delivered with 35,000 attendees across a range of events. Approximately 10,000 visitors attended Neon Fields at Beauty Park over the three nights. Multiple shows throughout the Frankston Arts Centre Theatre Season were at 80% audience capacity or over. A strong patronage of the Daytime Music and Theatre Program also continued as well as the Visual Arts exhibitions that saw nationally recognised artists such as Jaq Grantford and The Huxleys presented in the Arts Centre galleries.	✓
	Deliver festivals and events that build upon Frankston as an Arts and Culture destination	<p>Mayor's Party in the Park event attracted approximately 3,500 attendees in April. The Events team also supported the delivery of South Side Festival's Neon Fields event, which proved a positive collaboration across the teams.</p> <p>The Events team has also supported initial discussions in relation to the Destination Events Attraction Program (DEAP) recipients.</p> <p>A review of the broader Frankston City Council Events Season calendar is currently being undertaken to redefine key objectives, budget spend, and post event survey sentiment as we head into planning meetings for the 2024-2025 Events Season.</p> <p>A focus will be placed on securing partnerships for the upcoming events season in the coming months.</p>	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	Develop sculpture and eclectic street art culture	This year has seen the development of four new sites for iconic sculptures, Sweetwater Creek, Ballam Park, Karingal Place and Mile Bridge. Leased and permanent sculptures have also moved into new locations around the municipality bringing areas vitality and interest. The body of works for murals has expanded with 90+ around the CBD due to additional works added with The Big Picture Fest. Additionally, three murals were also delivered at Seaford Wetlands, Havana Reserve and Ballam Park.	✓
	Implement year one actions of Council's Public Art Strategy	This year, a Public Art Officer for the Frankston Arts Trail commenced their role with the organisation, initiating regular meetings of the Project Advisory Group (PAG) for the Arts Trail. Engagement with external stakeholders and partners was also undertaken to ensure clear communication and effective information dissemination throughout the year.	✓
	Implement year one actions of Council's Destination Events Strategy	The 2024-2025 Destination Event Attraction Program has attracted two major events with significant attendance and media reach projected.	✓
Enrich the lives of older residents and people with disabilities with opportunities to enable participation and independent living	Deliver Council's annual Seniors Festival, programs and activities to enhance participation and social inclusion	The Positive Ageing team have delivered a range of initiatives to support social inclusion and participation for older adults including: <ul style="list-style-type: none"> • Seniors Festival 2023 being delivered with 2,710 attendees and 115 events • Wingham Park weekly exercise classes • Karingal place walking group • Financial information session • Seniors Meet and Greet Meeting • Age Friendly Ambassadors Meeting 	✓
	Support organisations that are providing valued services to older residents	The Positive Aging team has been working with Peninsula Health and the Peninsula Ethnic Seniors Council in planning for Elder Abuse Awareness Day, Dying to Know Day and intergenerational projects to address and change negative perceptions of older people.	✓

Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Deliver year three actions Council's Disability Action Plan</p>	<p>Council has been working with community partners to develop strategies to improve accessibility of Frankston beaches.</p> <p>There are now five new recharge points for electric mobility aids that have been introduced to Council buildings serving as community activity hubs. These buildings include the Civic Centre, Frankston Arts Centre, and the libraries at Frankston, Seaford and Carrum Downs.</p>	<p>✓</p>
	<p>Facilitate improved access for people with disabilities to services and transport options</p>	<p>There are five new recharge points for electric mobility aids that have been introduced to Council buildings serving as community activity hubs at the Civic Centre, Frankston Arts Centre, and libraries in Frankston, Seaford and Carrum Downs. The Disability Access and Inclusion Committee representatives all signed up to participate in upcoming engagement with the Department of Transport to provide feedback on the needs for people with a disability.</p>	<p>✓</p>
	<p>Support and promote Culturally and Linguistically Diverse (CALD) and seniors' groups</p>	<p>An Exhibition of Cultural Costumes was held for one week during Harmony Week in March that highlighted the top ten languages outside of English spoken in Frankston City. Over 300 people attended the exhibition. The CALD network toured places of worship within Frankston City and met with their key representatives at the Greek Orthodox Church, the Langwarrin Mosque and the Wat Mornirangsi. Chinese New Year was also celebrated in the Frankston Library forecourt.</p>	<p>✓</p>

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
Targeting community needs through development programs and grants	Design Community Development programs to meet resident needs	<p>Council facilitated five conflict management workshops specifically targeted towards volunteers of relief services.</p> <p>A total of 73 volunteers attended the course from a range of local services. Council assisted the Frankston Winter Shelter program by creating connections with other community groups, introducing grants opportunities and supporting their volunteers with the training needed to participate in the shelter program. Council also created opportunity for community groups by conducting governance training.</p>	✓
	Deliver Council's grants program	The Community Grants Program has been completed for 2023-2024. The Frankston Charitable Fund applications were assessed with the award presentation taking place in May. Urgent grants were assessed monthly.	✓
	Build connections between volunteers and volunteer organisations through Impact Volunteering	Volunteering Frankston (formerly Impact Volunteering) has enhanced volunteer engagement through resource displays in the Frankston Library and creation of an online website portal listing volunteer positions, fostering connections between volunteers and organisations. The Volunteer Awards also built on this connection with volunteers and community organisations in attendance.	✓
	Deliver year three actions from Council's Library Action Plan	241,689 people visited Frankston, Carrum Downs and Seaford library this year; and 45,438 people attended an event. The libraries team continue to promote awareness of the library via a range of channels, including via social media, and the library website. The inaugural Human Library took place in May, as part of the Southside Festival, and the statewide Warm Winter Reads commenced in June, encouraging the community to read this winter.	✓
	Investigate an organisation-wide community facilities booking & matching project	The review of an organisation-wide community facilities booking and matching project has been finalised. Following the review we have made small improvements which would improve the customer experience as well as developed a roadmap of continuous improvement opportunities and next steps.	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
Work with community organisations and groups to develop our future leaders and evolve a diverse culture and gender equality	Continue to build volunteering diversity in community organisations	Volunteering Frankston (formerly Impact Volunteering) delivered an 'Introduction to Volunteering' information session to support and encourage increased volunteering in Frankston City. Volunteering Frankston also ran 'Inclusive Volunteering' Training to volunteer managers from Council and Community Organisations' to promote increased volunteering diversity within community organisations.	✓
	Expand participation in the culture change program for sporting clubs to achieve greater gender equity in participation and board membership	Council has adopted the Fair Access to Sport Policy which will assist in providing clear directions for sports clubs. The new policy will help educate and provide important resources to sports clubs in achieving greater gender equality and participation.	✓
	Work with schools and disengaged young people to build relationships awareness and enable them to choose respectful relationships	Frankston Youth Services supported schools in incorporating 'Respectful Relationships' curriculum and delivered anti-bullying programs in secondary schools, promoting positive relationships and awareness among young people.	✓
	Promote leadership and governance training opportunities for community members	Frankston Youth Services facilitates two leadership groups, Youth Council and Fresh Entertainment (FReeZA). In recent months, Council saw a total of 10 Fresh Entertainment committee meetings, with the Committee delivering seven events to 420 young community members. Youth Council commenced their term and have engaged in five meetings, as well as participating in a 'Youth X Stand for Council' forum.	✓
Deliver essential advocacy, support and referral services for residents in need	Monitor demographic data trends to inform service plans that meet the future needs of the local community	Monitoring of demographic data has been undertaken using the id. community profiles informing a number of policies, plans and Gender Impact Assessments (GIA). Highlights included analysis of people experiencing homelessness and housing stress to inform the GIA for the Affordable Housing Policy, analysis on housing affordability to inform discussions on the Affordable Housing Policy and the provision of statistics on multiculturalism for a volunteer week event.	✓

Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Provide financial support for material aid through eligible emergency relief and recovery organisations</p>	<p>Essential supports, referrals and advocacy for financially disadvantaged residents was provided by Community Support Frankston (CSF). A full financial year comparison of 2022-2023 to 2023-2024 shows a 1,935 increase in instances of support to individuals/families presenting at CSF and receiving financial/material aid support. CSF continued to work with other service providers, including those that participate in the Frankston Emergency Relief (FERP) network, with workers and services overwhelmingly feeling the pressures of increased requests from residents' assistance.</p>	<p>✓</p>
	<p>Deliver Home and Community Care (HACC) and Commonwealth Home Support Program (CHSP) in home services to older residents to enable them to live safely and independently</p>	<p>Officers have implemented strategies to overcome challenges experienced across the sector and have also commenced strategic planning and activities for the upcoming Aged Care Reform. Provision of all Community Care services continued throughout the year to enable clients to remain living independently in the community. Ongoing client satisfaction surveys indicate that community are very satisfied with Council's Community Care services.</p>	<p>✓</p>
	<p>Partner with the housing and homelessness sector to support the Frankston City Strategic Housing and Homelessness Alliance Five-Year Strategic Plan</p>	<p>The Strategic Housing and Homelessness Alliance met during the year which provided stakeholders from across the homelessness and community housing sector with a forum to discuss ideas to address local issues. The Strategic Alliance met in April and heard a presentation from the Mental Health Legal Centre on reports of the exploitation of NDIS clients in Supported Independent Living accommodation by some NDIS providers. The Rooming House Working Group, which is a sub-committee to the Strategic Alliance established this year, continued to meet to discuss important matters relating to rooming house clients.</p>	<p>✓</p>

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	Provide referral services through our Neighbourhood House programs and youth services	Frequent referrals are made to support services via these programs. In recent months over 200 formal referrals made and received through Frankston Youth Services. This figure does not include the number of young people who self-referred into the school holiday program, nor does it include the numerous informal supports received by young people in our community.	✓
Build acknowledgement and respect for Aboriginal and Torres Strait Islander cultural heritage and history	Deliver year two initiatives for Council's Reconciliation Action Plan (RAP)	Continued progress including a planned review has been made on the Reconciliation Action Plan (RAP) through meetings, cultural training and collaborations and advancing reconciliation initiatives within the Frankston community.	✓
	Project manage the masterplan development and advocacy for the redevelopment of the Nairm Marr Djambana gathering place	Officers have worked with Nairm Mar Djambona and provided in-kind Project Management to deliver a masterplan, which Nairm have endorsed. This is a multi-staged plan. In addition to Council committing funds to implement it, officers have supported Nairm to make a grant application to the State Govt.	✓

Strategic indicators

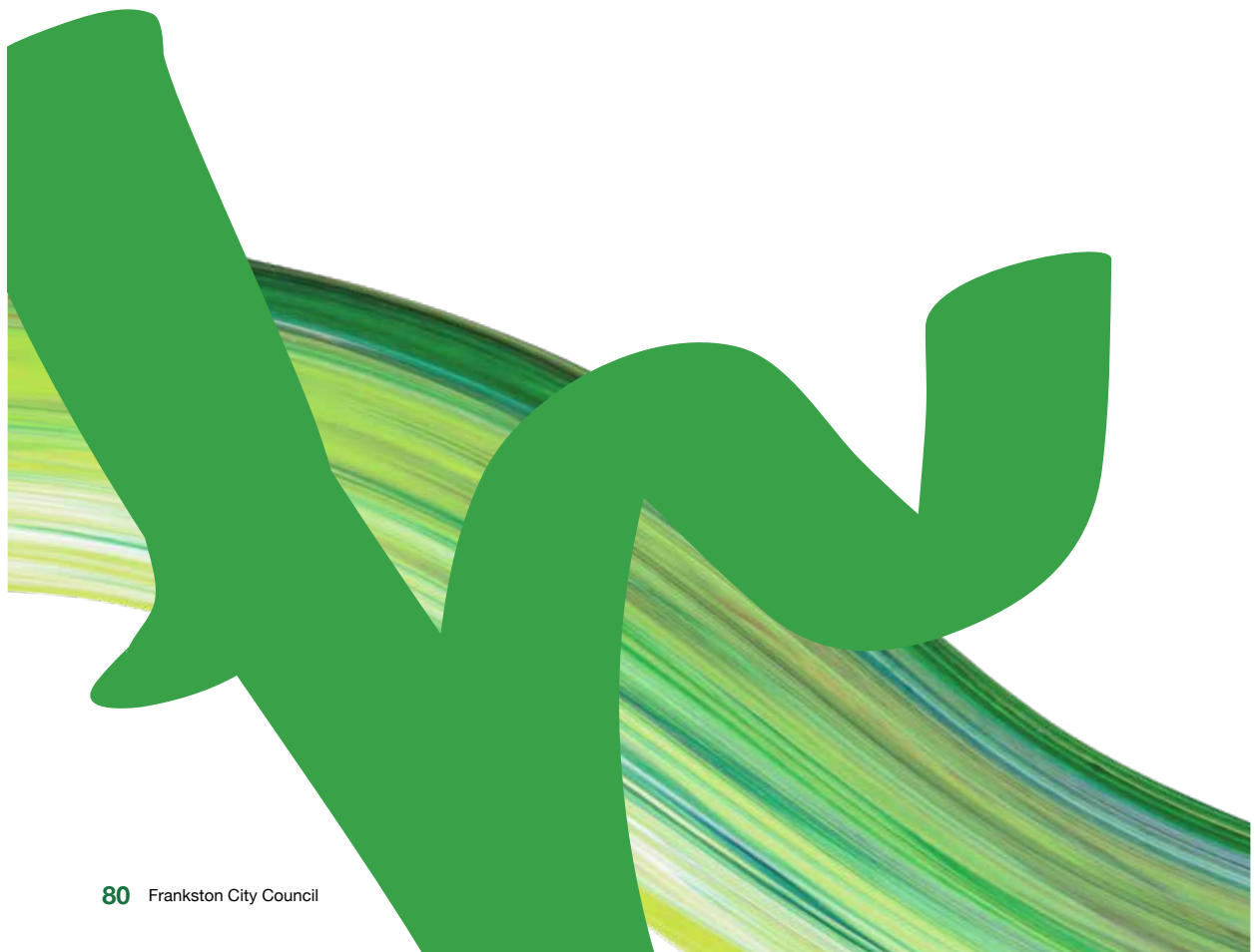
Strategic indicators provide Council with measures to monitor how we are progressing towards our outcome. Council’s level of influence over the result of each measure is shown, as often Council does not control the results, but seeks to influence with advocacy, partnerships, and the community.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Improved accessibility of services to enhance social inclusion and mental wellbeing	Percentage of participation rates of gender diversity, disability, and Aboriginal and Torres Strait Islander communities in structured sport (sporting clubs)	M	37.00%	A good first year with the Fair Access policy also strengthening future years.
	Proportion of people who have ever been diagnosed with depression or anxiety (Victorian Population Health Survey)		34.90%	This data is from the 2017 Victorian Population Health Survey. The Victorian Government has not released any further data since this survey.
	Proportion of residents who agree Frankston City is responsive to local community needs (Community Satisfaction Survey)		90.00%	Extract from community satisfaction survey “From close engagement with many Council services and initiatives, I am really impressed with the efforts that are made by FCC and officers to support community members, organisations and acknowledge group contributions. Budgetary considerations impact on what can be offered, but if strengthening community is a high priority for Council, as it really should be to underpin a healthy sustainable future, then we need to ensure sufficient funds are allocated and equally that the benefit of programs evaluated and amended to give the greatest benefit, particularly to those most needy. I also believe that the arts in all its forms contribute to community wellbeing.”
Increased volunteering to build connections and resilience within the community	Percentage of residents who volunteer ‘sometimes’ or ‘regularly’ (Victorian Population Health Survey)	L	10.50%	This data is from the ABS 2021 Census.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Increased enjoyment of Frankston City's arts and cultural experiences	Proportion of residents who are satisfied with Arts and cultural events, programs, and activities (Community Satisfaction Survey)	H	8.10%	The level of community satisfaction with Arts, Cultural events, programs, and activities continues to track well, and is higher than the metro average of 7.7.

Level of influence over the result

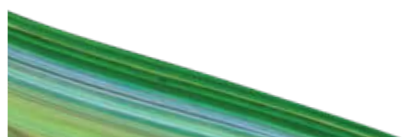
- H High:** Council can directly influence this result.
- M Medium:** Council can influence this result however external factors outside of Council's control may also influence the result.
- L Low:** Councils level of influence on this result is limited however monitoring this indicator assists Council in planning and guiding priorities.



Performance indicators (LGPRF)

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

No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Libraries							
Resource standard							
LB2	Recently purchased library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	67.47%	73.74%	67.24%	53.19%	-20.89%	Work has continued all year to purchase new items to refresh the library collection. The age of the collection has reduced due to a number of items aging, and a focus on digital in the last year. The Capital Works budget continuation is crucial to renew the library collection, for the whole community to entertainment, knowledge and education, and cultural enrichment.
Service cost							
LB5	Cost of library service per population [Direct cost of the library service / Population]	\$27.36	\$30.41	\$32.06	\$30.79	-3.95%	The direct cost of the library service was \$30.79, which is \$1.27 less per population than last year, and demonstrates the effort that the team have put into the financial management of the library service for the community.



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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Utilisation							
LB6	Library loans per population [Number of collection item loans/Population]	-	-	-	5.94	N/A	The number of collection loans excludes the community usage of databases via the library website. The library collection encompasses a wide range of genres, topics and perspectives, enriching cultural understanding and promoting diversity. The community continue to engage with the collection through the various locations within the city, and via the library website and apps.
Participation							
LB7	Library membership [The number of registered library members/Population] X100	-	-	-	33.31%	N/A	The library can be a hub for the whole community to engage, connect, access the internet, attend an event, or borrow from the library collection. 33% of the community have made use of their library card in the last year, however there are a wide range of other opportunities for the community to engage with the library, which are not reflected in this result.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
LB8	Library visits per population Number of library visits/Population]	-	-	-	1.69	N/A	Library visits to Frankston, Carrum Downs and Seaford libraries reached over 240,000 this year. The community can also access the valued library collection via contact points across the city, which are not included in these figures. Frankston City Libraries also saw 194,870 visits to the library website.

3. Sustainable environment

Enhanced sustainability through bold action and leadership on climate change and the protection and enhancement of Frankston City's natural and built environments.

Priorities

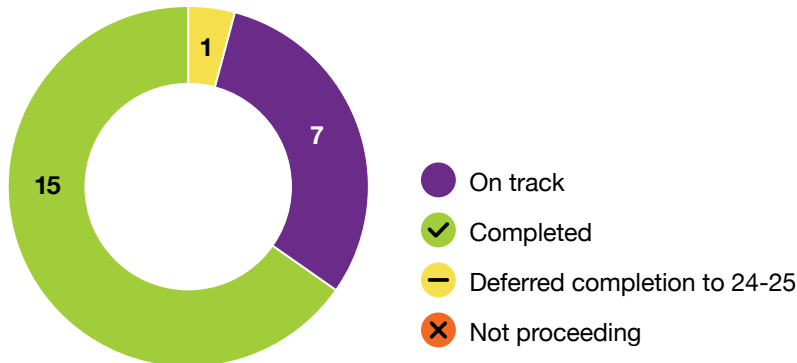
- Climate emergency response and leadership
- Green canopy cover to reduce urban heat
- Diversion of waste from landfill
- Protection, access and connection to the natural environment

The following provides information about the service funding in 2023-2024.

Biodiversity and open space	Ensuring the natural environment is protected and enhanced to provide safe, diverse and engaging open space for the community.	Net cost	\$'000
		Budget	15,724
		Actual	16,065
		Variance	(341)
Climate change action	Managing climate change response and supporting the community to mitigate impacts and manage vulnerabilities.	Net cost	\$'000
		Budget	1,722
		Actual	1,425
		Variance	297
Integrated water	Providing storm water protection for properties and ensuring healthy waterways for the community.	Net cost	\$'000
		Budget	3,212
		Actual	2,275
		Variance	937
Waste and recycling	Facilitating the collection of waste, recovery of resources and delivery of waste reduction and diversion programs.	Net cost	\$'000
		Budget	22,688
		Actual	21,766
		Variance	922

How we performed

100% of Council Plan initiatives completed or on track (27/27)



Highlights

The tree planting program for year three commenced, with 65% of the planting completed this year. This will continue to September 2024, where 20,000 trees will be planted throughout the municipality for the third year in a row.

Sandfield Reserve Youth space was completed and opened to the public.

Passive open space upgrades completed at Whitewood and Nodding Reserves in Frankston North and Carrum Bella and Regency Reserves in Carrum Downs.

Progressed the collaborative procurement for an advanced waste processing solution for household rubbish.




Delivered a standardised four-bin kerbside collection service to all households.

Increased uptake of the kerbside food waste collection service in single-unit developments and expanding the service to multi-unit developments.




2023-2024 Council Plan initiatives

Four-year initiatives	What we planned for 2023-2024	Comment	Status
Increase urban forest and canopy coverage to create a greener and cooler city	Implement year four actions for Council's Urban Forest Action Plan	Tree planting target of 20,000 per annum was completion for the 2023 planting season and as of Quarter four, 65% of the current year's planting trees had been achieved. An update on the Urban Forest Action Plan was presented at the November 2023 Council meeting, highlighting Frankston's tree planting initiative, which became a finalist for the Keep Australia Beautiful Victoria's Tidy Towns and Cities – Sustainability Award. Precinct plans were completed for Frankston, Karingal, Frankston North, and Frankston Heights. A presentation on Banksia planting opportunities was provided at the March Councillor briefing. The canopy mapping project was completed in quarter four. At the Council Meeting on June 24th, it was decided to transition in 2025 to focus on replacing damaged trees due to reduced planting locations on Council land and increased tree vandalism and maintenance costs. Community engagement and incentives for private landowners will be essential to sustaining canopy growth.	✓
	Planting 20,000 additional trees as part of the annual municipal wide planning program	Tree Maintenance and Open Space teams have commenced planting in agreed locations around the municipality contributing to Council's Urban Forest Strategy, creating aesthetically pleasing streetscapes, and increasing FCC's tree canopy. Planting will continue until the end of the 2024 planting season in August. All new requests remain 'deferred' to the 2025 planting program to ensure correct species are selected for each location.	●
	Ensure operational resources align with growth in urban forest to address risk compliance and conduct an independent service review to ensure best practice levels of service are provided benchmarking against other Councils	The trees service review has been completed with recommendations. Some of the recommendations will be implemented with a view to improving service delivery.	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
Protect and enhance the natural and coastal environments	Develop the Coastal and Marine Management Plan and Implement year one actions	A draft of the Coastal and Marine Management plan (CMMP) was prepared and submitted to the Department of Energy, Environment, and Climate Action (DEECA) for review. The Bunurong Land Council Aboriginal Corporation prepared a Cultural Values Report which was incorporated into the Plan. Internal stakeholders were consulted on the actions of the Plan. The Foreshore Advisory Committee continued to be engaged in the review of the draft CMMP. The draft plan was presented at the December Council meeting for approval to proceed to community consultation. Community consultation was later undertaken. Community and agency stakeholder feedback was incorporated into the final draft of the Coastal Marine and Management Plan.	
	Implement year three actions for Council's Biodiversity Action Plan	Virtual fencing surrounding Langwarrin Flora and Fauna reserve has been installed with monitoring of the pilot program. Consultants have been engaged for a review and update the Fauna Structure Crossings Report (2012). The Environment Significance Overlay (ESO) Mapping report for the Planning scheme amendment progressed and will continue into next year. Seasonal koala crossing signs were installed across Frankston in collaboration with Mornington Peninsula Shire Council and the Mornington Peninsula Koala Conservation group. Planning Scheme Amendment C156fran was lodged for authorisation and reviewed by the Department of Transport and Planning (DTP) (Biodiversity Action Plan Action S18).	
	Deliver the Native Vegetation Offset Program	Council resolved at its public meeting on 11 September 2023 to not proceed with the Wittenberg Reserve Native Vegetation Offset Project. Officers continued to investigate opportunities within the municipality, with neighbouring Councils and agencies and on private property. Officers have engaged consultants to provide a due diligence report on Downs Estate as a potential site and are preparing a report back to Council in quarter one 2024.	





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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Maintain natural and coastal reserves</p>	<p>2023-2024 conservation maintenance programs continue to contribute to continual improvement across all high-quality conservation reserves and rehabilitation sites being managed.</p> <p>Intense post fire weed control has commenced at the recommended site burnt for ecological improvement. Works programs for 2024-2025 maintenance programs have been finalised and will commence July 1st, 2024.</p>	
	<p>Review and update priority master plans for Open Space</p>	<p>Planning for Open Space improvements was a high priority this year. Scoping was completed for district level play space upgrades in Langwarrin which identified Pindara Reserve as the preferred location. Due diligence activities and a design brief were also completed for Pindara Reserve. Due diligence activities for Lisa Beth Mews and 250 Wedge Road are largely complete with review of submissions to undertake a Cultural Heritage Management Plan study underway. Due diligence and a design brief commenced for Banyan Reserve play space upgrade to secure \$1.5 million in pledged State funding.</p> <p>Sandfield Reserve Master Plan Implementation progressed with the Youth Space Multi-Purpose Court and Skate Park now complete and open to the public. Plans for the Play Space and Stage 3 (open space) upgrades are currently out to tender.</p> <p>The Frankston Equestrian Master Plan, Baxter Park Open Space Master Plan and Public Toilet Action Plan were endorsed in quarter two.</p>	
	<p>Develop and implement formalised monitoring process for park tree maintenance</p>	<p>Parks tree monitoring program continues to remain on track. Volume of hazards identified have decreased from 2022-2023 due to proactive maintenance programs allowing for proactive works to address lower priority issues in 2024.</p>	

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
Lessen the severity of climate change through action that enable Council and the community to reduce greenhouse gas emissions	Implement year one actions for Council's Climate Change Strategy and Action Plan including the delivery of the Regional Electric Vehicle (EV) Charging Roadmap	Year one actions for Council's Climate Change Strategy 2023-2030 have been undertaken, including assessment on the electrification of Council facilities, continued progress with the conversion of streetlights to LED technology and an investigation into the transition of Council's fleet to electric vehicles (EVs).	✓
	Ensure Environmentally Sustainable Design (ESD) principles are achieved for new developments, buildings, public realm and places	All new developments requiring a planning permit are assessed to make sure their proposal has considered ESD requirements including water, energy, IEQ, waste, urban ecology, stormwater, transport, and management. Council is a member of the Council Alliance for a Sustainable Built Environment (CASBE) committed to positive change to Victoria's built environment through collaborative and local government led action. CASBE is working towards Elevating ESD Targets Project Stage 2 in the pursuit of zero-carbon buildings and urban places. Officers attended various CASBE network meetings to ensure Council is up to date with the most current ESD knowledge and aligned with other Victorian Councils. CASBE commenced a modelling research project regarding Daylight levels in Victorian buildings Stage 2 to further enable the development of revised effective daylight requirements for planning applicants. Council is receiving an increase in applications to assess compared to previous years.	✓
	Implement energy efficient upgrades to Council assets	Energy efficiency upgrades planned for Council facilities in 2023-2024 have been undertaken, including LED lighting upgrades at the Peninsula Aquatics & Recreation Centre (PARC), completion of the solar and electrification feasibility study on key Council sites and installation of a number of rooftop solar systems.	✓
Improve the quality of recycling, minimise the generation of waste and establish alternatives to landfill disposal	Progress collaborative procurement for an advanced waste processing solution for household rubbish for the South East Melbourne region to deliver a vital alternative to landfill	Collaborative procurement process progressing as planned.	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Deliver a standardised four-bin kerbside collection service to all households with a consistent understanding of acceptable materials for each stream</p>	<p>A full four bin system has been delivered to all residential properties as at the end of March 2024. Service Standards clarifying material content and delivery dates for all Councils to deliver a new four bin system to their community is yet to be released by Recycling Victoria.</p>	
	<p>Implement year one actions for Council's Waste Circularity Plan</p>	<p>A range of year one actions completed in line with planned timelines including:</p> <ul style="list-style-type: none"> • Home Compost and Worm Farming equipment rebate program set up. • Four new community recycling hubs set up. • New kerbside glass service rolled out. • 'Library of things' operating. • Polystyrene recycling service at FRRRC. • Delivery of a range of food waste, reuse and repair workshops. • Trim Your Bin commercial waste program. • Continuing to progress advanced waste technology opportunities as a landfill alternative. 	
	<p>Increase uptake of the kerbside food waste collection service in single-unit developments and implement the plan to extend this service to multi-unit developments</p>	<p>Households that have requested Food Organics Garden Organics (FOGO) starter kits has increased to 32% of the community due to municipal wide education and events held throughout the year. Council recently engaged a new Community Education Officer – Kerbside Reform to reach out to multi-unit developments and provide education on the new four bin system and increase the uptake of the FOGO service in this area.</p>	
	<p>Progress the implementation plan for the kerbside separate glass collection service</p>	<p>Separate kerbside glass collection service has been delivered to all residential properties throughout the Municipality.</p>	

Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Progress the implementation of food waste minimisation initiatives</p>	<p>A range of community education workshops have been conducted. Preparation of a home composting and worm farm product rebate program has been completed to be officially launched in 2024-2025. Residents can now also access a range of food waste and other waste minimisation and circularity tools from the newly established 'Library of Things' at Frankston Library.</p>	
<p>Increase opportunities to experience native flora and fauna</p>	<p>Support Frankston Environmental Friends Network</p>	<p>Council Officers continued to support the Frankston Environmental Friends Network (FEFN) throughout the year, organising monthly meetings and assisting with the implementation of updated requirements for environmental groups. Two new Volunteer Friends Groups were on-boarded. The Environmental Friends Network Volunteer Manual was developed, with the final draft reviewed by internal Council stakeholders and the FEFN steering committee. In addition, a workshop on the citizen science app iNaturalist was held on September 10th. A celebration, recognising the significant contributions and achievements of the FEFN volunteers was held on World Environment Day.</p>	

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Deliver annual environmental programs, such as National Community and School's Tree Day and Gardens for Wildlife, to promote behavioral change and positive environmental outcomes</p>	<p>Environmental education programs were delivered throughout the year. In quarter one, National Tree Day at North Reserve involved 238 people planting 2,000 plants, and School's Tree Day saw 34 schools receive 1,555 indigenous plants. Biodiversity Blitz 2023, in collaboration with neighboring councils, attracted 128 participants who identified 1,222 species and included a Coastal and Gardens for Wildlife Walk. A Seaford Wetlands Walk celebrated the Aussie Backyard Bird Count, and Luis Mata held a backyard pollinators workshop in quarter two. The Environmental Sustainability Grant awarded \$8,000 to four applicants. The Environmental Education program saw significant participation, with different themes each school holiday. In quarter three, the Frankston Indigenous Nursery open day further engaged the community with activities like plant giveaways and presentations on local wildlife and conservation techniques. The Gardens for Wildlife program was active, with volunteers completing 76 garden visits and installing habitat boxes.</p>	
	<p>Ensure reserves are accessible while still protected</p>	<p>All reserves and tracks are accessible and maintained to standards suitable for public access at this time. Opening hours at Elizabeth Murdoch Arboretum have been expanded, Keast park fencing has been completed, Seaford North/South foreshore track pruning works have been completed, track maintenance works are ongoing to respond to storm/erosion events.</p>	
<p>Improve the management of water including flooding risk, water quality of creeks and waterways and the efficient use of water</p>	<p>Progress Monterey Recycled Water project through design, and commence construction in partnership with key stakeholders</p>	<p>South East Water is currently finalising the documentation for Design and Construction tender of the works with expected date for tender award in September 2024. Works Program details for construction will be understood once the tender is awarded.</p>	
	<p>Develop a Frankston Flood and Stormwater Management Framework, and commence implementation of key actions</p>	<p>A draft framework has been developed and is currently being reviewed to reach a final draft stage, this project has experienced some delays however it is expected to be completed by the second quarter of 2024-2025.</p>	

Strategic indicators

Strategic indicators provide Council with measures to monitor how we are progressing towards our outcome. Council’s level of influence over the result of each measure is shown, as often Council does not control the results, but seeks to influence with advocacy, partnerships, and the community.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Increased climate emergency response and leadership	Council greenhouse gas emissions (Emissions register)	M	9,747 Tonnes	<p>An increase from previous years is due to additional emissions included within the calculations to meet the science-based target reporting methodology (up from 8,363 in 2022/23).</p> <p>Council adopted a Science Based Target with the <i>Climate Change Strategy 2023-2030</i> in April 2023. Committing to reducing Council's operational emissions by 42% by 2030 from the 2020/21 baseline year.</p> <p>This year shows a 27.43% decrease or 3,683 tonnes less when compared to the 2020/21 baseline year.</p>
	Community greenhouse gas emissions per capita (Emissions register)		10.30	<p>Community emissions for the Frankston municipality were 10.30 tonnes per capita. The majority of emissions (56%) were from electricity use. The 1% increase in emissions compared to the previous years is due to increased gas use in our industrial manufacturing area and increased automobile fuel use. ('Snapshot Climate – Australian Emissions Profiles' developed by Beyond Zero Emissions and Ironbark Sustainability).</p>
	Community satisfaction with Council meeting its responsibilities towards the environment (Community Satisfaction Survey)		74.00%	<p>Annual Community Survey 2023 data 7.4.</p>

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If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Increased tree canopy cover and reduced urban heat	Percentage of tree canopy cover – Department of Environment, Land, Water and Planning (DELWP)	M	N/A	Department of Energy, Environment and Climate Action (DEECA) Cooling and Greening Mapping has not been updated.
	Urban temperature – Department of Environment, Land, Water and Planning (DELWP)		N/A	Department of Energy, Environment and Climate Action (DEECA) Cooling and Greening Mapping has not been updated.
Increased diversion of waste from landfill	Proportion of collection waste diverted from landfill (LGPRF)	M	52.26%	Councils landfill diversion rate has increased due to a reduction in waste tonnes, an increase in Food Organics / Garden Organics (FOGO) tonnes and a decrease in recycling tonnes due to the introduction of the Container Deposit Scheme (CDS) in November 2023.
Increased protection, access and connection to the natural environment	Proportion of beach water quality samples at acceptable Environmental Protection Authority levels (EPA)	M	80.00%	The Report Card for Port Phillip Bay and catchment is calculated using data from Melbourne Water and EPA. The 2021-2022 report card details that water quality in Port Phillip Bay and its catchment varied from Very Good in areas of the bay and upper reaches of the catchment, to Very Poor in highly urbanised waterways. There is no more recent data.
	Proportion of community satisfied with Open space, natural reserves and foreshore (Community Satisfaction Survey)		78.00%	Satisfaction with Council's performance with the provision and maintenance of our open spaces, natural reserves and foreshore increased by 1% to an 'excellent' level of satisfaction in 2024.

Level of influence over the result

- H High:** Council can directly influence this result.
- M Medium:** Council can influence this result however external factors outside of Council's control may also influence the result.
- L Low:** Councils level of influence on this result is limited however monitoring this indicator assists Council in planning and guiding priorities.

Performance indicators (LGPRF)

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

No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Waste Management							
Service standard							
WC2	Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	1.87	1.94	1.23	2.30	87.46%	Continued high level of service provision throughout the Municipality with the new in-vehicle technology providing improved accuracy and efficiency. Improved on-line accessibility for residents to report missed services showing an increase in this area compared to 2022-2023.
Service cost							
WC3	Cost of kerbside garbage collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$98.36	\$119.64	\$130.16	\$136.16	4.61%	The cost of the garbage bin collection service has increased due to the increased landfill levy charges.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
WC4	Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$65.58	\$66.77	\$56.39	\$31.71	-43.77%	The processing costs for co-mingle has increased by 25%, due to the higher costs for processing a lower tonnage of recyclables with glass removed. Collection costs have increased with the introduction of the separate glass bin collection service, however, revenue generated from the Container Deposit Scheme introduced in November 2023 has offset a significant portion of this additional cost. Overall, the cost per bin has reduced due to the significant increase in number of kerbside recyclables collection bins with the introduction of the separate glass bin.
Waste diversion							
WC5	Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	55.71%	51.64%	51.88%	52.26%	0.73%	Councils landfill diversion rate has increased due to a reduction in waste tonnes, an increase in Food Organics / Garden Organics (FOGO) tonnes and a decrease in recycling tonnes due to the introduction of the Container Deposit Scheme (CDS) in November 2023.

4. Well planned and liveable city

Enhanced liveability through access to, and revitalisation of, Frankston City's places and spaces.

Priorities

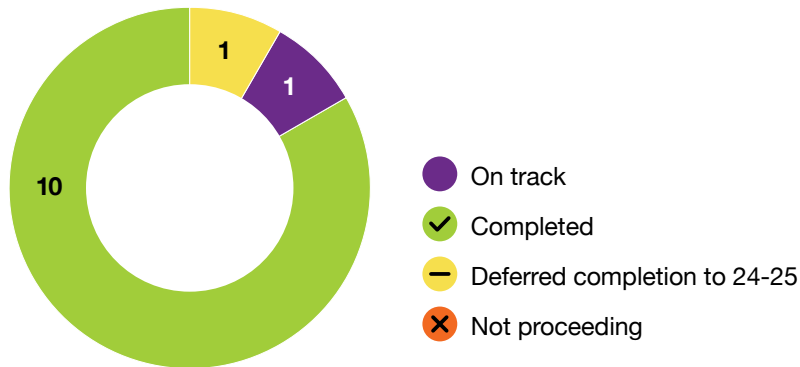
- Urban design renewal of public places and spaces
- Connected, accessible, smart and safe travel options
- Frankston City's identity as a liveable city

The following provides information about the service funding in 2023-2024.

Transport connectivity	Facilitating safe movement into, around and out of Frankston City.	Net cost	\$'000
		Budget	10,650
		Actual	9,101
		Variance	1,549
Parking	Providing on and off street parking to manage the road environment and ensure appropriate car parking options are available for the community.	Net cost	\$'000
		Budget	(1,759)
		Actual	(2,314)
		Variance	555
City planning	Building, maintaining and improving a liveable city in line with the Frankston City Planning Scheme.	Net cost	\$'000
		Budget	3,385
		Actual	3,524
		Variance	(139)

How we performed

92% of Council Plan initiatives completed or on track (11/12)



Highlights



Planning Scheme Amendment C160fran (FMAC) received authorisation from the Minister for Planning, was placed on exhibition and following this, appointed an independent planning panel to hear the submission.



Sandfield Reserve Master Plan Implementation progressed with the Youth Space Multi-Purpose Court and Skate Park now complete and open to the public.

2023-2024 Council Plan initiatives





Four-year initiatives	What we planned for 2023-2024	Comment	Status
Integrate land use planning and revitalise and protect the identity and character of the City	Deliver revitalisation activities in the Frankston City Centre	A major revitalisation project for this year is the Nepean Boulevard imaging, which will commence with early works (planting) along the central median strip of Nepean Highway. A funding agreement variation was sought for the Nepean Highway central median revitalisation project to enable works to be delivered by June 2025 as part of the Nepean Boulevard Early Works program. External approvals continue to be sought for improvements to the Monash Greenlink that will better connect the Health and Education Precinct to the Frankston City Centre. In addition, Council has delivered lighting projects this year, including the Grimwade Clock.	✓
	Develop the Frankston Housing Strategy and commence year one implementation	This strategy has progressed this year, and will continue to 2024-2025, with additional municipal wide flood modelling required and further information being released by the Department of Transport and Planning on new housing targets.	—
	Develop the Frankston Metropolitan Activity Centre (FMAC) Structure Plan and commence year one implementation	This year, the Planning Scheme Amendment C160fran (FMAC) received authorisation from the Minister for Planning, was placed on exhibition and following this, was appointed to an independent planning panel to hear the submissions. The planning panel will occur in quarter one 2024-2025.	✓
	Trial the integration the Vic3D platform into the planning process to support 3D spatial analysis and visualisation of proposed developments within the FMAC	Council has successfully commenced and will continue to trial use of the Vic3D platform for enhanced planning assessment, analysis and visualisation of major development proposals. Major developments (proposed and approved) have been added into the platform to create an enhanced development activity model of the FMAC. Access to the platform has been rolled out internally with Council with training provided, and Councillors have been shown the development activity model and the capability of the software.	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
<p>Improve connectivity and movement and provide transport choices to the community, including walking trails and bike paths</p>	<p>Implement year one actions for Council's Integrated Transport Strategy including review of Bicycle Strategy, to improve transport choices, encouraging safe and accessible active transport and public transport</p>	<p>Actions underway and on track to be completed:</p> <ul style="list-style-type: none"> • Bike Riding Strategy 2024 Draft document has been prepared and will be going through the final round of community consultation on 17 July 2024. It is anticipated to be presented to Council in September 2024 for adoption. • Road Safety Strategy 2024 Draft document has been prepared and will also be progressing to community consultation. This is anticipated to be presented to the new Council in early 2025 for adoption. • Two active paths projects have been delivered; we anticipate delivering two more in 2024-2025 if interest from schools is seen. 	<p></p>
<p>Provide well designed, fit for purpose, multi-use open spaces and infrastructure for the community to connect, engage and participate</p>	<p>Deliver the Open Space Strategy through a priority program of development and renewals for open space and play spaces</p>	<p>The Local Park Action Plan and Frankston Play Strategy implementation delivered high quality outputs this year. Gender Impact Assessments were completed for both strategies. Passive open space upgrades completed at Whitewood and Nodding Reserves in Frankston North and Carrum Bella and Regency Reserves in Carrum Downs. Following community engagement, design development is underway for Brunel Reserve, Seaford and Lucerne Reserve, Karingal with the design for Heysen Reserve, Skye being finalised for tender.</p> <p>Park and playspace upgrades were completed at Kareela Reserve-Frankston; Austin Reserve, Seaford; Pratt Reserve Frankston South; and Lavender Hill Reserve in Carrum Downs.</p>	<p></p>

Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Deliver annual capital works program including key major projects</p>	<p>The delivery of 2023-2024 Capital Works Program is complete with expenditure of \$83.38 million, achieving a 91% delivery rate against a total program budget of \$93.45 million.</p> <p>Major projects completed in 2023-2024 include the Healthy Futures Hub, Jubilee Park Stadium, Ballam Park Regional Playspace, Lloyd Park Pavilion Upgrade and Eric Bell Pavilion. The Kananook Commuter Car Park and Ballam Park Storm Water Treatment and Park Improvements are well underway with expected completion in 2024-2025.</p>	
	<p>Develop Council's Public Toilet Action Plan and implement year one actions</p>	<p>Council endorsed its first Public Toilet Action Plan in quarter two. Implementation of the plan progressed with design underway for the Seaford Foreshore toilet upgrades at Seaford Road and Armstrongs Road. Planning and design progressed for the Seaford Road and Armstrongs Road toilets and design is being finalised for the Witternberg Reserve public toilet renewal. The Lloyd Park Scout Hall public toilet, identified as surplus, has been decommissioned. Scoping commenced for the potential decommissioning of the surplus bluestone toilet at Baxter Park. Tender documentation is underway for the new public toilet at Sandfield Reserve, Carrum Downs and construction of the new public toilet at Carrum Downs Recreation Reserve play space is complete.</p>	

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Review maintenance and asset renewal programs to enhance safety and presentation of the City</p>	<p>Asset and maintenance teams continue to make a positive impact on the presentation of the municipality. The Infrastructure crews have had a focus on rectifying trip hazards throughout the Central Activity Area, with extensive repair works completed. Additionally, conduit has been re-laid along Wells St to improve lighting, as well as decorative flower pods being re-wired. Popular timber seating and infrastructure has been refurbished in several areas of the Central Activity Area.</p> <p>Pedestrian and cyclist safety has been increased with installation of fencing along shared-user paths along North Rd, and the completion of a shared-user path in Overport Park.</p> <p>Drainage's proactive maintenance program continues to keep relevant infrastructure clear with over 500 pit inspections and cleans completed.</p> <p>Roads have recommenced Zonal works, and regular Road Management Plan inspections are undertaken to ensure road safety.</p>	
<p>Innovate with smart technology and initiatives to increase the liveability of the city</p>	<p>Capture real time data to gather insights into liveability</p>	<p>Real time Data is captured through 47 sensors across Frankston. Closing this initiative as this will be now an ongoing activity.</p>	
	<p>Analyse Frankston Metropolitan Activity Centre (FMAC) smart parking trial to identify benefits for further implementation of smart parking technology</p>	<p>Data collected from the smart parking trail has been reviewed and is being considered for other areas as part of broader smart parking project, including making minor adjustments to existing parking restrictions aimed at enhancing turnover.</p>	
	<p>Increase collection of various Smart Cities data sets to create insightful reports to help facilitate data driven decision making for Council</p>	<p>Several sensors had been installed including the pedestrian counter at Boardwalk drive. There are eight sensors installed in different locations between Long Island and the foreshore opposite Grand View Grove. This will be closed as new Smart City roadmap is being worked on with new priorities of the organisation.</p>	

Strategic indicators

Strategic indicators provide Council with measures to monitor how we are progressing towards our outcome. Council’s level of influence over the result of each measure is shown, as often Council does not control the results, but seeks to influence with advocacy, partnerships, and the community.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Urban design renewal of places and spaces	Proportion of residents who are satisfied with the design of places and spaces (Community Satisfaction Survey)	H	79.00%	Satisfaction with Council's performance in meeting its responsibilities toward the design of open spaces was up 2% to 7.9 which elevates performance to an excellent level. Satisfaction with Council's performance in meeting its responsibilities toward the design of public spaces was 7.6 at the very good level. It is noted that satisfaction towards design of our places and spaces was higher in Frankston City than the metropolitan average.
Increased travel options that are connected, accessible, smart and safe	Proportion of residents who are satisfied with travel options around the municipality (Community Satisfaction Survey)	M	75.00%	The Year Actual value gives us a good base to compare to and monitor for future years.
	Proportion of residents living within 400m of public transport (Geographic Information Systems – GIS)		88.75%	From a total of 71,739 current properties within the Municipality, 60,494 reside within 400m of a bus stop, and 3,175 within 400m of a train station..
Frankston City's identity as a liveable city	Proportion of residents who are proud and enjoy living in their local area (Community Satisfaction Survey)	M	8.30%	Strategic Planning is developing a suite of City shaping strategies that provide the foundation for other important work that will continue to ensure that residents are proud and enjoy living in their local area.

Level of influence over the result

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- L Low:** Council's level of influence on this result is limited however monitoring this indicator assists Council in planning and guiding priorities.

Performance indicators (LGPRF)

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

No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Roads							
Satisfaction of use							
R1	Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	104.36	110.67	59.08	40.23	-31.91%	The sealed local road network of Frankston City Council has increased by 15km this year, largely attributed to the transfer of roads from Sandhurst to Council and other minor residential and industrial developments.
Condition							
R2	Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.27%	97.88%	98.57%	97.16%	-1.43%	The standard of the road network has decreased from last year however it is still within expectations. Through its Long-Term Infrastructure Plan (LTIP) and in accordance with its Asset Management Policy, Council continues to invest in the sealed local road network to ensure roads stay above renewal intervention levels.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Service cost							
R3	Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$84.35	\$144.81	\$193.49	\$112.85	-41.68%	The rate of road reconstruction costs has decreased compared to the previous year's result due to lower unit rate costs of road construction. Council has prioritised delivering projects and road treatments that are more cost-effective in the current market.
R4	Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$25.33	\$31.81	\$44.18	\$31.88	-27.84%	The rates of road resealing costs have decreased compared to last year. Council has prioritised delivering projects and road resealing treatments that are more cost-effective in the current market.
Satisfaction							
R5	Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	70.05	73.00	69	70.00	1.45%	Community satisfaction with sealed local roads has increased by 1 per cent to 70 per cent in 2023-2024. This excellent result remains in line with the Victorian South Eastern Council average.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Statutory Planning							
Timeliness							
SP1	Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	57.00 days	76.00 days	78.00 days	81.00 days	3.85%	The time taken to decide remains well within the expected range. The figure has increased marginally in part due to a greater number of large and complex applications in the Frankston Major Activity Centre (FMAC), which have involved longer consideration timeframes.
Service standard							
SP2	Planning applications decided within required time frames [(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	70.10%	58.15%	62.41%	75.94%	21.68%	The percentage of applications determined within statutory timeframes improved during 2023-2024, exceeding the target.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Service cost							
SP3	Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$2,271.09	\$1,811.25	\$3,091.99	\$4,301.39	39.11%	The higher cost is due to a reduction in application numbers from previous years, specifically with volumes down since 2021-2022. This is reflective of the economic climate and building industry pressures, a factor also includes some larger applications made direct to the State Government instead of Council. This combined with an increase in legal expenses relating to several high profile contested VCAT matters to push up the cost of service for this particular year.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Decision making							
SP4	Council planning decisions upheld at VCAT [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	75.00%	75.00%	76.92%	82.35%	7.06%	The percentage of planning applications upheld at VCAT showed continued improvement during the year, now above 80%. Some decisions that were set aside by VCAT related to Determining Referral Authority refusals (requiring Council refusal), despite the application otherwise being to Council's satisfaction.

5. Thriving economy

A thriving economy that has strengthened through recovery, created employment and opportunities to build a skilled and educated community that supports sustainable and diverse industries.

Priorities

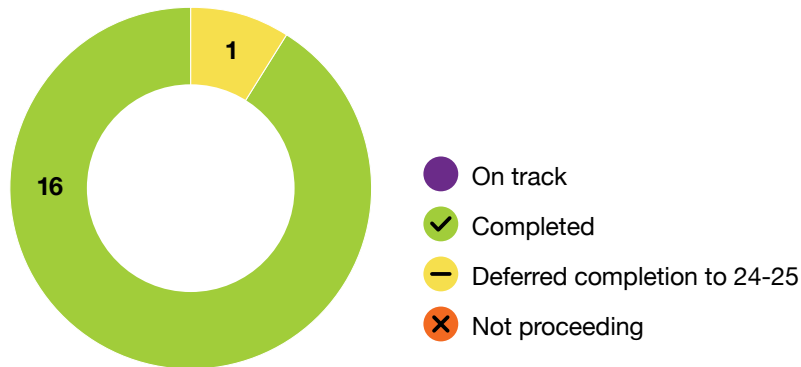
- Business and industry investment attraction
- Activity centre precincts
- Local employment, education and training opportunities for all people

The following provides information about the service funding in 2023-2024.

Economic development	Fostering the development of a sustainable and prosperous local economy.	Net cost	\$'000
		Budget	2,865
		Actual	2,416
		Variance	449
Arts and culture	Building Frankston's cultural landscape by supporting the production and delivery of arts programs, events and library facilities providing opportunities to create, learn and connect.	Net cost	\$'000
		Budget	2,628
		Actual	2,365
		Variance	263
City planning	Building, maintaining and improving a liveable city in line with the Frankston City Planning Scheme.	Net cost	\$'000
		Budget	449
		Actual	409
		Variance	40

How we performed

94% of Council Plan initiatives completed or on track (16/17)



Highlights

Preparations commenced for the Independent Planning Panel for the Planning Scheme Amendment C160fran (FMAC) scheduled to occur in July 2024.

The ‘Young Street Vacant Shopfront Activation Project’ in Frankston has been completed with two Vacant shops offered to quality tenants with quality short term tenants, giving them the opportunity to prove the concept of a physical space in Young Street.

Statutory Planning continued to deliver business improvements to streamline processes and improve customer experience.

We saw a significant increase in social and online media reach for events, specifically South Side Festival and Kubik due to work with an external PR agency.

Destination Event Attraction Program (DEAP) 2024-2025 applications were opened, and successful applicants endorsed, with an exciting mix of events selected that aim to increase awareness, visitation and local economic impact.

More out of home and metro media is planned for this upcoming season, based on new partnerships and event sponsors.

2023-2024 Council Plan initiatives

Four-year initiatives	What we planned for 2023-2024	Comment	Status
Activate vacant commercial spaces and underutilised Council assets	Strategically consider and deliver place activation through the municipality	<p>South Side Festival took place over 10 days in May attracting over 35,000 attendees across 48 events. The festival engaged with 28 local businesses an increase from 15 in 2023.</p> <p>In addition, an outdoor music event Kubik was held at the Frankston waterfront over 10 days in April as part of the Destination Event Attraction Program – the only area outside of inner Melbourne to host the event. Further activities throughout the year included Waterfront Festival, Christmas Festival of Lights, Big Picture Festival, Twilight Markets, Reminisce, Lucky Day Out and Stellar Film Festival.</p>	✓
	Review empty shops in the FMAC and the strategies to encourage occupancy	<p>The ‘Young Street Vacant Shopfront Activation Project’ in Frankston has been completed with two vacant shops offered to quality tenants with quality short term tenants, giving them the opportunity to prove the concept of a physical space in Young Street. Blaze & Foam – 138 Young Street, a craft and hobby store and Curated Archives – 6 Young Street, a fashion store selling vintage and second-hand clothing. Both businesses are expected to enhance the vibrancy of Young Street, contributing to the area’s economic growth and community appeal.</p>	✓

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Four-year initiatives	What we planned for 2023-2024	Comment	Status
<p>Remove complexity and provide planning certainty to attract economic investment</p>	<p>Promote Invest Frankston and precinct opportunities</p>	<p>Proactive communications to promote Invest Frankston and other precinct opportunities were regularly provided through Council's Economy, Investment and Activation monthly Invest Frankston Business eNewsletter.</p> <p>Council officers also joined 33 other exhibitors at the Frankston Business Collective's Awards Conference Expo on 5 October 2023 to showcase business support services and programs offered by Council.</p> <p>Council's Economic Development Team exhibited at the two-day Commbank Small Business Expo in late May. The expo was held at the Melbourne Exhibition and Convention Centre, where Council Officers spoke to more than 150 small business owners, introducing Imagine Frankston and showcasing Frankston City's impressive amenities, upcoming projects, economic statistics, outlook, and growth for the future.</p>	<p>✓</p>
	<p>Continue to deliver business improvements to improve statutory planning processes and customer experience</p>	<p>Various improvements have been delivered over the course of the financial year including:</p> <ul style="list-style-type: none"> • All application and request types online. • New Pre-lodgement and Lodgement workflow process completed. • Council's core application system (planning module) and record keeping system are now integrated. • Rebranded letters and documents. <p>The remaining planning system workflows are almost complete. Once these are complete, customers will then be able to track planning applications based on status online. These final improvements were delayed due to issues integration but will be completed in the next couple of months.</p>	<p>✓</p>

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	Maintain and promote Councils business concierge service	279 Business Concierge inquiries were received and actioned this year. This is an increase from last year, indicating that the service is both required and valued by Frankston City businesses. The majority of Business Concierge inquiries in recent months have come from the food and hospitality industry with requests from health providers such as physiotherapists, dentists, acupuncturists also increasing. Business Concierge has worked with internal colleagues to streamline the request process to reduce the time taken to assess business applications.	✓
	Foster and maintain relationships that support businesses, providing excellent customer service and building Frankston City's reputation as a place to do business	A variety of business workshops were delivered to support both current and aspirational local business operators. 279 participants attended business workshops this year. Engagement was completed with businesses on the new Footpath Trading and Parklet Guidelines and new Mobile Food Van Procurement Guidelines during the year. Council's annual business survey was completed in quarter 1 which informed the training program for this year.	✓
Strengthen Frankston City as a destination for events and creative arts industries	Expand and deliver a reputation for engaging major and destination events	The 2024-2025 season of Destination Event Attraction Program applications were completed, with four events adopted for the season, plus an additional collaboration with Always Live, a State Government backed music program.	✓
	Engage a diverse range of artists and creatives to enhance Frankston as an arts hub	The end of the 2023-2024 Financial Year saw the delivery of six successful Artist Project Grants. The projects spanned from book launches, exhibitions, script developments and a classical music concert. The projects enabled local artists to not only expand their networks and skills, but also to present their work to new and emerging audiences. Over 2000 audience members engaged with the projects and outcomes were delivered at a range of locations across the city.	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	Highlight Frankston as destination city through a robust marketing campaign that highlights the importance of events, development, investment in a city on the move	City positioning has launched a new identify for Frankston City - Imagine Frankston. This brings together all the components of City Positioning under one umbrella, including arts and events, visitor economy, future growth and city presentation. A new prospectus has also been launched to highlight the many facets of change at Frankston City.	✓
Elevate Frankston City's identity as an innovation hub and business-friendly city	Develop the Sustainable Economy and Skilled Community Strategy	At the 13 May 2024 Council Meeting, Council resolved to endorse the Frankston City Economic Development and Skilled Community Strategy. The Strategy aims to support economic prosperity by using current economic and demographic data and information to build on existing strengths and advantages as well as future opportunities which are aligned with the Frankston City Community Vision and Council Plan Priorities. A Strategy Action Plan addresses each of the three Priority Areas of the Strategy: Supporting local business; Investment attraction and economic activation of places; and Council as an enabler.	✓
	Develop the Frankston Industrial Strategy and commence year one implementation	This year, the Industrial Strategy (Planning Scheme Amendment C148fran) underwent various Council briefings, and Authorisation from the State Government for the amendment was requested in quarter three. Authorisation for exhibition from the State Government was received in Quarter four and this work will now continue into 2024-2025.	—
	Support the ongoing growth and development of the Frankston Business Collective and develop an ongoing partnership model	Membership for the Frankston Business Collective (FBC) continues to grow with the Board launching a range of new initiatives mid-year 2024. Council is working closely with the Board to continue growing the Collective and adding new services for businesses in Frankston. The members of the FBC are very engaged and are continually looking towards future challenges.	✓
	Further develop the partnership with Frankston Social Enterprise Hub	Regular meetings with the Social Enterprise Hub have continued throughout the year.	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
<p>Leverage the emerging connection between Frankston City's café and dining culture through the revitalisation of public spaces</p>	<p>Develop the 'Nepean Boulevard' vision and implementation plan</p>	<p>The Nepean Boulevard Master Plan has progressed with detailed strategic transport modelling and analysis underway in close consultation with Department of Transport Planning (DTP) to ensure transport network functionality is satisfactorily maintained with any future development scenarios related to the Nepean Boulevard project. Consultation with the Bunurong Land Council Aboriginal Corporation has continued through various site walks and a Culture Values assessment. Engagement with authorities will continue throughout development of the draft master plan and delivery of the early works. A Gender Impact Assessment has been completed and the findings will be incorporated into the draft master plan.</p> <p>Early Works median planting and gateway signs are progressing at two (2) locations in the north and south of the project corridor. Officers have received DTP approval and works will commence in August 2024.</p>	<p>✓</p>
	<p>Develop new Footpath and Parklet Guidelines to support outdoor dining</p>	<p>The Footpath and Parklet Trading Guidelines was endorsed by Council at the June 2023 meeting. Offices implemented these guidelines in 2023-2024 and will continue to do annually.</p>	<p>✓</p>
	<p>Embed activation programs in key precincts</p>	<p>South Side Festival wrapped up our event and activation season, which saw public and creative spaces activated for the festival as well as collaboration with local businesses to drive visitation.</p>	<p>✓</p>
	<p>Deliver the Frankston Local Shopping Strip Action Plan through a priority program of development and renewals</p>	<p>Local Shopping Strip Action Plan implementation continued this year with due diligence and planning underway for Mahogany Avenue Shops in Frankston North. Designs are progressing for Kareela Road Shopping Strip in Frankston and construction is nearing 60% completion at Fairway Street Shops in Frankston.</p>	<p>✓</p>

Strategic indicators

Strategic indicators provide Council with measures to monitor how we are progressing towards our outcome. Council’s level of influence over the result of each measure is shown, as often Council does not control the results, but seeks to influence with advocacy, partnerships, and the community.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Increased business and industry investment	Number of commercial building approvals (ABS)	L	225.00	A substantial increase in commercial building permits compared to the previous financial year but Council now has more accurate reporting so this may be a factor.
	Gross local product of the municipality (\$m) (.id)	M	\$8.95 Billion	This is an increase of 0.85 billion dollars on last financial year.
Rejuvenated activity centre precincts	Percentage of retail vacancy rates (Economic Development Scorecard)		22.00%	This vacancy rate shows an increase from the last reporting period however, collection and reporting data has been reviewed and updated this period.
	Proportion of residents who are unemployed (.id)	H	7.10%	This is a Victorian figure showing an increase of 1.2%. No local data for underemployment is available for Frankston City.
Enhanced local employment, education and training opportunities for all people	Proportion of residents who hold either a vocational qualification, diploma/ advanced diploma, bachelor degree or higher degree (.id)		53.30%	This data is from the ABS 2021 Census.
	Proportion of residents employed locally in Frankston City (.id)		33.50%	60.9% of residents live in the area but are employed outside of it. 5.6% of residents have no fixed place of work.

Level of influence over the result

- H High:** Council can directly influence this result.
- M Medium:** Council can influence this result however external factors outside of Council’s control may also influence the result.
- L Low:** Councils level of influence on this result is limited however monitoring this indicator assists Council in planning and guiding priorities.

6. Progressive and engaged city

A thriving economy that has strengthened through recovery, created employment and opportunities to build a skilled and educated community that supports sustainable and diverse industries.

Priorities

- Engagement with our community in communication and decision making
- Future ready service delivery through changes to culture, capability, connectivity and customer experience
- Sound governance to build trust in the integrity and transparency of Council

The following provides information about the service funding in 2023-2024.

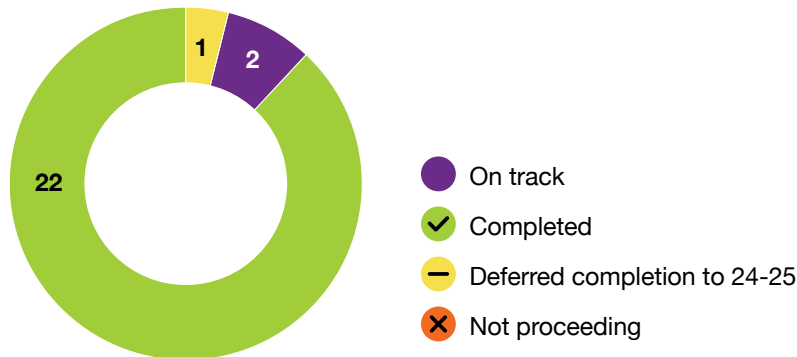
Financial management	Providing leadership and support in financial planning, processing and reporting to ensure Council's long term financial position is sustainable.	Net cost	\$'000
		Budget	3,254
		Actual	3,006
		Variance	248
Asset management	Ensuring Council assets adequately support current and future service delivery.	Net cost	\$'000
		Budget	11,284
		Actual	10,569
		Variance	715
Governance	Enabling sound governance through transparency, accountability, risk management and compliance.	Net cost	\$'000
		Budget	4,506
		Actual	4,348
		Variance	158
Customer service and experience	Enabling future ready service delivery, communications and engagement that meet community expectations.	Net cost	\$'000
		Budget	5,255
		Actual	4,957
		Variance	298
Technology and information	Supporting the delivery and management of technology and information management.	Net cost	\$'000
		Budget	8,706
		Actual	7,581
		Variance	1,125

People, culture and workforce	Enabling a high performing workforce and ensuring a safe workplace.	Net cost	\$'000
		Budget	2,753
		Actual	3,964
		Variance	(1,211)
Council strategy and performance	Supporting sound decision making through the development of council strategy and performance reporting.	Net cost	\$'000
		Budget	5,777
		Actual	5,502
		Variance	275



How we performed

96% of Council Plan initiatives completed or on track (24/25)



Highlights

The Election Period Policy was adopted by Council in May 2024.

A review of the Frankston City Council electoral structure was completed with preparation for Council elections underway including a Councillor Information Session and staff education sessions on the Election Caretaker Period commenced.

The last Cemetery Trust Meeting highlighted the achievements for Frankston Memorial Park, progress was made towards digitising gravesite information and the burial fees were updated.

A substantial upgrade to our finance system Tech One was completed, bringing our procurement process in line with best practices.

The Sandhurst Asset Transfer endorsed by Council is effective from 1 April 2024.

Refresh of the corporate strategy, moving to 'Fit for the Future'. Continuing the focus on transformation and enhancing the customer experience while ensuring financial sustainability now and into the future.

Work has commenced on the replacement of Council's asset management system which will enhance Council's works management processes and strategic asset management.

The development of an Asset Management Plan for the Peninsula Aquatic & Recreation Centre (PARC) and Pines Forest Aquatics Centre (PFAC) has commenced, which will optimise future maintenance and renewal investment in these key community facilities.

2023-2024 Council Plan initiatives




Four-year initiatives	What we planned for 2023-2024	Comment	Status
Ensure sustainable financial management and the strategic allocation of resources to deliver planned infrastructure and services	Review and update Council's 10 year Financial Plan to guide budget decisions to ensure they are responsible and sustainable	The 10 year financial plan has been updated and the first 4 years reflected in the Budget 2024-2028 adopted by Council on 3 June 2024.	✓
	Seek alternative revenue sources through service planning and engagement with relevant stakeholders	The budget 2024-2028, including year 4 Council Plan actions, was adopted by Council at its meeting on 3 June 2024. Twenty-One (21) written submissions were received with six (6) submitters being heard to support their submissions at the meeting held on Wednesday 22 May 2024.	✓
	Continue implementation of the Property Strategy including asset rationalisation and leveraging investment of Council's assets, particularly in the FMAC precinct	<p>The implementation of the Property Strategy has progressed well throughout the year, including the adoption of the Bathing Box Policy and the Road Discontinuance Policy. New lease and licence templates have been drafted, and a Community Fees Model has been developed and internal consultation has commenced.</p> <p>The newly created Strategic Development unit has initiated a range of projects that support the attraction of quality development within the Frankston Metropolitan Activity Centre. A proposed Development Activation Program has been drafted, which will focus on quality development opportunities within the Frankston Metropolitan Activity Centre.</p>	✓

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Enhance procurement processes and practices that support collaboration, innovation, efficiency and agility</p>	<p>The Collaborative Procurement Program was completed in September 2023 resulting in improved efficiencies and autonomy in procurement activities. The implementation of the Procure to Pay module of Council's Financial Management System, was successfully rolled out across the organisation in March 2024. Subsequent work has focused on improved data analytics to inform decisions and monitor compliance.</p> <p>A number of flexible panel contracts and supporting processes have been established for use across the organisation, including a collaboration with Southern Metropolitan councils for the provision of Specialised Consulting Services. The use of these panel arrangements has resulted in both resourcing efficiencies and cost savings due to the aggregation of expenditure.</p>	<p>✓</p>
	<p>Oversee the reporting and governance of Council's subsidiary Peninsula Leisure Propriety Limited to ensure recovery and future growth</p>	<p>Peninsula Leisure Pty Ltd has provided Council with the relevant reporting expected for 2023-2024. Financial and performance outcomes are better than expected.</p> <p>Council and Peninsula Leisure Pty Ltd continue to work in partnership to explore opportunities for future growth that enhances the engagement, participation and wellbeing for the Frankston City community.</p>	<p>✓</p>
<p>Enhance strategy, policy and plan development and identify alignment to allow for prioritisation of services that are efficient, well planned, accessible and meet community needs</p>	<p>Develop and implement an Integrated Planning & Reporting Framework and embed a Service Governance approach</p>	<p>The Integrated Planning and Reporting Framework is now complete and endorsed internally and by the Audit and Risk Committee. The Framework will support the organisation with an integrated approach to planning and reporting for effective decision making.</p>	<p>✓</p>
	<p>Review Council's assets to ensure they meet community needs</p>	<p>Council's work plan for development and renewal of its assets is detailed in its adopted Long Term Infrastructure Plan (LTIP). The development of the 2024-2025 Capital Works Program is complete and incorporated into 2024-2028 Council Budget adopted on 3 June 2024. A review of Council's Asset Plan has commenced, with deliberative engagement with the community panel scheduled for late 2024. This work will inform the future adoption of the Asset Plan and the LTIP in 2025.</p>	<p>✓</p>

Four-year initiatives	What we planned for 2023-2024	Comment	Status
	<p>Continue to enhance the organisations risk maturity through embedding effective risk management and opportunity awareness</p>	<p>The strategic risk environment has been reviewed and the Executive Management team continue to monitor the operating environment for emerging issues to understand and mitigate any potential risk impacts on the organisation.</p> <p>Detailed Risk reports were tabled with the Audit and Risk Committee at each of its meetings throughout the year.</p> <p>Risk management training has been provided to staff via an internal training program titled 'Kickstart'.</p> <p>The Risk Management unit continues to be involved with Project Advisory Groups responsible for the delivery of high risk projects and the Events team regarding public safety and security of major public events.</p>	<p>✓</p>
	<p>Ongoing implementation of the Workforce Plan to encourage a high performing, inclusive and engaged workforce</p>	<p>Following an internal audit in 2023, the Workforce Plan will be readdressed and implemented by the end of the 2024 calendar year. The actions in the current version are complete but enhancements have been determined in the audit and the plan can be improved. Current actions have been implemented while the new plan is developed, endorsed and implemented.</p>	<p>✓</p>
	<p>Continue with the implementation of the new child safe standards with the development of a second-year action plan</p>	<p>The second-year action plan is currently under consultation. Level One and Two Child Safe Compliance Training has been delivered to all required child-facing roles.</p> <p>Level Three Child Safe Training is planned for quarter one of the new financial year.</p>	<p>●</p>

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	Implement year two actions for Council's Gender Equality Action Plan	<p>We continue to ensure leaders and staff are skilled and confident to lead on workplace gender equality and inclusion through the use of trainings, review of policies and procedures, better data collection methods and tools, and by building a positive culture that is free from harassment discrimination.</p> <p>We have been focused on the delivery of Year 4 actions with 57.5% of actions complete or ongoing; 23% are progressing; 13.7% are yet to be started and 5.5% have been cancelled due to reprioritisation or resourcing challenges. We continue to review the action plan in line with available resources, organisational capability and readiness. We begin planning for our 2025-29 Gender Equality Action Plan in FY2024-2025.</p>	
	Complete working with children and police checks on existing employees	Full compliance achieved since the implementation of the policy. The outstanding renewals for both checks are communicated and actioned by the relevant staff members.	
	Scope, identify and implement chemical management software (OSS-08)	Chemical management software has been fully implemented.	
Lead advocacy engagement and enhance relationships with all tiers of government and key stakeholders	Deliver ongoing implementation of 2021-2025 Advocacy Campaign Plan and build the profile of advocacy priorities through implementation of a communication and engagement plan	Advocacy for major projects has progressed with local MPs aware of Council priorities and needs. The Frankston Suburban Revitalisation Board has also been briefed and is now considering future projects. Key projects continue to be delivered and have included extensive stakeholder engagement – this includes work on Len Phelps Pavilion expansion, Monterey Reserve Precinct revitalisation, Nepean Boulevard revitalisation, Kananook desilting and Rail Electrification. This builds on Council's continuing priorities of the Frankston Basketball and Gymnastics Stadium redevelopment, Sandfield Reserve Precinct revitalisation, Kananook Commuter Car Park and Banyan Fields MBD and Pump Track.	

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
Enhance customer experience through the transformation of our services to ensure they are easy to access, and provide seamless transactional and interational experiences	Transformation of our digital platforms, ensuring that they are fully accessible for people of all abilities and cultures (OSS-06)	In 2023-2024, 66% of all requests to Council were received by our digital platforms. We continued to strive for excellence and provide a seamless experience for our community.	✓
	Implement phase one of the Customer Experience Strategy to make it as simple and convenient for customers to access information and services (OSS-09)	The foundational Customer Experience (CX) strategy has now been marked as 'complete'. Some themes from within the strategy will continue in a phase 2 state as part of our commitment to continuously improving and enhancing our service offerings.	✓
	Enhance opportunities for community participation in decision making through the Community Engagement Framework	Community Engagement for 2024 (and 2025) will focus on the Community Vision, Asset Plan and Long-Term Financial Plan and will all feed into the Council Plan for the next Council Term. This engagement process has been very well received, with a high participation rate of 1,355 community members, provide excellent quality contributions, both online and in person.	✓
	Implement year three actions from the IT Strategy to support customer experience and the transformation of processes	The high priority work packages that arose from the systems review project have been identified, with business cases having been developed for discussion and approval. A system rationalisation program has also been commissioned, this program aims to identify areas where system functionalities overlap and can be streamlined and consolidated to provide efficiencies for the organisation.	✓
	Increase efforts on cleaning and maintaining our Name and Address register	A data review has occurred on the Name and Address register, and the teams will work through the recommendations in areas where the accuracy of the dataset can be improved.	✓
	Digitisation of grave site information at Frankston Memorial Park (the Cemetery)	Grave site data collection has completed, and data validation is in progress. Estimate project completion by early August 2024, which will enable management of grave site data through Council's Geographical Information System.	—

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Four-year initiatives	What we planned for 2023-2024	Comment	Status
	Prepare for the Council election period following the VEC's Electoral Structure Review	Victorian Electoral Commission (VEC) has completed its review of Council's electoral structure, with the new electoral structure being released on 16 February 2024. The Frankston municipality has been revised with nine wards and one Councillor to be elected per ward. Preparations are continuing for the Council elections, which includes adoption of the Election Period Policy, meetings with the VEC, Council Information Sessions and a Councillor Induction Program.	✓
Support transparent and evidenced based decision making through sharing council data and clear reporting on our measures of success to the community	Monitor Council's Council Plan and Financial performance and prepare a combined Council Plan and budget performance report on a quarterly basis for the community	The quarter three (January to March 2024) performance report was endorsed by Council on 13 May 2024.	✓
	Enhance the transparency hub system to improve customer experience, trust and confidence in Council	All development of Transparency Hub is now complete. The Transparency Hub will be migrated to Frankston Website through a separate initiative.	✓
	Proactively increase access to Council's open data to maximise new opportunities for release of records	The Azure Data platform has been completed to automate data migration. Data will be pulled to support Transparency Hub and Integrated reporting through a new activity providing more timely data insights and transparency.	✓
	Progress the data protection and security plan	This action is complete. The team have updated the Security Risk Profile Assessment, and have drafted the Protective Data Security Plan 2024 for submission to the Office of the Information Commissioner by the due date of 31 August 2024.	✓

Strategic indicators

Strategic indicators provide Council with measures to monitor how we are progressing towards our outcome. Council’s level of influence over the result of each measure is shown, as often Council does not control the results, but seeks to influence with advocacy, partnerships, and the community.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
Increased engagement with our community	Community satisfaction with Council’s community consultation and engagement (Community Satisfaction Survey)	M	69.00%	Community satisfaction with community and stakeholder community engagement continues to be very strong and within target range – with a result of 69.00.
	Customer satisfaction with Council’s representation, lobbying and advocacy on behalf of the community with other levels of government and private organisations on key issues (Community Satisfaction Survey)		70.00%	Community satisfaction with Council’s representation, lobbying and advocacy continues to be very strong and within target range – with a result of 70.00.
Service delivery that frequently meets the needs and expectations of the community	Proportion of residents’ satisfaction with the overall Council performance (Community Satisfaction Survey)	M	71.00%	The overall performance of Frankston City remained stable at a level higher than the metropolitan Melbourne average, at 71% compared to metropolitan average of 70%, and most importantly, remains 8% above the long-term average since 2012 of 63% or “solid”.
	Overall satisfaction with Council services and facilities (Community Satisfaction Survey)		77%	The average satisfaction with the 32 included services and facilities remained stable again this year, down 1% to 77%, which was a “very good” level of satisfaction. This average satisfaction with services and facilities was marginally (1%) above the metropolitan Melbourne and the southeastern region councils’ (1%) averages, as recorded in the 2024 Governing Melbourne research.

If we are successful, we will see	Outcome measures	Level of influence	Result	Comment
	Percentage of capital works program delivered (Capital Works Delivery Program) (target 90 per cent)	M	91.00%	The delivery of 2023-2024 Capital Works Program is complete with expenditure of \$83.38 million, achieving a 91% delivery rate against a total program budget of \$93.45 million.
Increased satisfaction with the integrity and transparency of Council	Community satisfaction with Council implementing decisions in the best interests of the Community (Community Satisfaction Survey)	M	71.00%	Satisfaction with Council's performance making decisions in the interests of the community was identical to the southeastern region councils' average, and somewhat (2%) higher than the metropolitan Melbourne average, as recorded in Governing Melbourne.
	Community satisfaction with Council's performance in maintaining the trust and confidence of the local community (Community Satisfaction Survey)		70.00%	This result was identical to the metropolitan Melbourne, and 1% below the southeastern region councils' average.

Level of influence over the result

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- L Low:** Councils level of influence on this result is limited however monitoring this indicator assists Council in planning and guiding priorities.

Performance indicators (LGPRF)

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

No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Governance							
Transparency							
G1	Council decisions made at meetings closed to the public [Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee consisting only of Councillors] x100	8.92%	5.86%	2.34%	2.12%	-9.42%	Council decisions made in meetings closed to the public have steadily reduced since 2020, demonstrating transparency in Council’s decision-making process.
Consultation and engagement							
G2	Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	63.00	69.30	70.00	69.00	-1.43%	Community satisfaction with community and stakeholder community engagement continues to be very strong with a result of 69.00.

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No	Service Indicator	2020-2021	2021-2022	2022-2023	2023-2024	Variance	Comments
Attendance							
G3	Councillor attendance at Council meetings [The sum of the number of Councillors who attended each Council meeting / (Number of Council meetings) x (Number of Councillors elected at the last Council general election)] x100	98.15%	99.42%	93.21%	95.00%	1.92%	Councillor attendance at Council meetings has remained steady over the past 12 months.
Service cost							
G4	Cost of elected representation [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$55,196.67	\$62,708.33	\$67,988.11	\$66,346.78	-2.41%	Councillor allowance values increased in 2023-2024 as a result of the Victorian Remuneration Tribunal determination. Other operating expenses decreased.
Satisfaction							
G5	Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	63.00	71.00	72.00	71.00	-1.39%	Satisfaction with council decisions was identical to the south eastern region councils' average, and somewhat (2%) higher than the metropolitan Melbourne average.

Governance, management and other information



Governance

Council meetings

In 2023-2024, 20 Council meetings and 39 Councillor Briefings were held. A total of 189 reports were presented to Council for consideration in 2023-2024. Out of these reports, 185 reports were considered in a meeting open to the public and only 4 reports were considered in a meeting closed to the public, which represented 2.12 per cent.

Councillor Attendance at Meetings – July 2023 - June 2024

Councillor	Council Meetings Attended	Councillor Briefings	Total Attended	Attendance
Cr Glenn Aitken*	8	17	25	93%
Cr David Asker	20	38	58	98%
Cr Sue Baker	20	37	57	97%
Cr Kris Bolam	20	39	59	100%
Cr Nathan Conroy	18	33	51	86%
Cr Claire Harvey	19	36	55	93%
Cr Brad Hill	20	39	59	100%
Cr Liam Hughes	17	22	39	66%
Cr Steven Hughes [#]	18	17	35	59%
Cr Suzette Tayler	19	31	50	85%
Total	179	309	488	83%

[#]Cr Steven Hughes resigned the office of Councillor on 11 December 2023

*Cr Glenn Aitken was elected to the Office of Councillor as a result of the countback for the North West Ward, which was held on 15 January 2024.



Delegated committees

Council can establish committees consisting of:

- Councillors
- Council Officers
- Other persons
- Any combination of the above

Council may also participate in other external committees. The tables below contain all committees established by Council that are in operation and where a Councillor is a delegate

Table 3: Councillor delegates for external committees 2023-2024

Committee	2024 Councillor Delegate(s)
Association of Bayside Municipalities	Cr Sue Baker
Australian Local Government Women's Association	Cr Sue Baker Cr Claire Harvey
Frankston Charitable Fund Committee of Management	Mayor Cr Nathan Conroy Cr Suzette Tayler
Frankston Revitalisation Board	Mayor Cr Nathan Conroy
Greater South East Melbourne Group	Mayor Cr Nathan Conroy
Municipal Association of Victoria	Mayor Cr Nathan Conroy Sub: Deputy Mayor Cr Liam Hughes
National General Assembly	Mayor Cr Nathan Conroy
Peninsula Leisure Pty Ltd Board	Cr Claire Harvey
South East Councils Climate Change Alliance (SECCCA)	Cr Claire Harvey
Youth Advisory Council	Deputy Mayor Cr Liam Hughes

Internal Committees 2023-2024

Table 4. Councillor delegates for internal committees 2023-2024

Committee	2024 Councillor Delegate(s)
Audit and Risk Committee	Mayor Cr Nathan Conroy Cr Sue Baker
Chief Executive Officer's Performance Review Sub- Committee	Mayor Cr Nathan Conroy Cr Kris Bolam Cr Suzette Tayler Cr Claire Harvey
Disability Access and Inclusion Committee (DAIC)	Cr Sue Baker
Foreshore Advisory Committee	Cr Brad Hill
Frankston Arts Advisory Committee	Cr David Asker Cr Kris Bolam Sub: Deputy Mayor Cr Liam Hughes
Frankston Cemetery Trust Committee	Mayor Cr Nathan Conroy Cr Kris Bolam Cr David Asker Cr Suzette Tayler
Housing Advisory Committee	Mayor Cr Nathan Conroy Cr Claire Harvey Cr Sue Baker
Kananook Creek Governance Group	Cr Brad Hill
Major Projects Advisory Committee (MPAC)	All Councillors
Reconciliation Action Plan Advisory Committee	Cr Kris Bolam Cr Sue Baker
Sport and Recreation Advisory Committee	Mayor Cr Nathan Conroy Deputy Mayor Cr Liam Hughes

Councillor code of conduct

The *Local Government Act 2020* requires Council to adopt a Councillor Code of Conduct and provides for Council to review and amend its Councillor Code of Conduct at any time.

Council adopted its Councillor Code of Conduct on 15 February 2021 and resolved to amend it on 24 October 2022, in accordance with the requirements of the Act.

The Councillor Code of Conduct is binding on all councillors to:

- Specify the standards of conduct expected of Frankston City Council's elected representatives
- Foster constructive working relationships between councillors, to enable councillors to work together in the best interests of the community
- Mandate legal, ethical and appropriate councillor conduct that will build public confidence in the integrity of local government.

Conflict of interest

Residents and ratepayers elect councillors to act in the best interests of the community. 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 happens when a personal or private interest might compromise the ability to act in the public interest. We have a Conflict of Interest Policy for disclosure of general and material instances of conflict of interest in accordance with the provisions of the *Local Government Act 2020*.

Declaration of a conflict of interest is a standard agenda item for all our Council, Councillor Briefings and committee meetings.

While the procedures vary depending on the circumstances, in general they involve disclosing the relevant interests and stepping aside from the decision-making process or from exercising public duty. We maintain a register to record all conflicts of interest made by councillors and Council staff.

During 2023-2024 there were two (2) instances when a conflict of interest was declared by a Councillor at a Briefing and/or Council meeting.

Councillor allowances

In accordance with Section 39 of the *Local Government Act 2020*, councillors are entitled to receive an allowance while performing their duty as a councillor. The Victorian Independent Remuneration Tribunal made its first determination on the payment of Mayoral, Deputy Mayor and Councillor Allowances on 18 March 2022. The new allowances applied retrospectively from 18 December 2021 and councils were required to pay their council members in accordance with the Tribunal's determination. The determination saw a further increase to allowances on 18 December 2022. On 30 June 2023 Local Government Victoria released the Victorian Independent Remuneration Tribunal's Determination of an annual adjustment to the values of allowances for Mayors, Deputy Mayors and Councillors. This includes a 2% increase which in effect going forward for 1 July 2023 to 17 December 2023, and a 2% increase to the allowance values that apply from 18 December 2023 for Mayors, Deputy Mayors and Councillors.

Councillor Steven Hughes chose not to receive the increase and will remain at the maximum allowance rate of \$31,444, the amount resolved by Council in January 2021. Deputy Mayor Liam Hughes chose not to receive the increase and remained on the Deputy Mayor allowance of \$54,235.44 from 19 November 2022 until 30 June 2023.

On 1 July 2024 Local Government Victoria released the Victorian Independent Remuneration Tribunal's Determination of an annual adjustment to the values of allowances for Mayors, Deputy Mayors and Councillors. This includes a 3.5% increase which in effect going forward for 1 July 2024 to 17 December 2024, and a 3.5% increase to the allowance values that apply from 18 December 2024 for Mayors and Deputy Mayors only, and 2025 for Mayor and Deputy Mayor only.

Table 5. Total allowances paid to Councillors during the 2023-2024 year

Councillor	Allowance (per year, pro-rata from 1 July 2023)	Allowance (per year, pro-rata from 18 December 2023)
Cr Glenn Aitken (from 16 January 2024)	NA	17,914
Cr David Asker	38,316	39,390
Cr Sue Baker	38,316	39,390
Cr Kris Bolam	38,316	39,390
Cr Nathan Conroy (Mayor)	126,958	130,390
Cr Claire Harvey	38,316	39,390
Cr Brad Hill	38,316	39,390
Cr Liam Hughes (Deputy Mayor)	60,201	60,201
Cr Steven Hughes (to 12 December 2023)	14,128	NA
Cr Suzette Tayler	38,316	39,390

Councillor expenses

In accordance with Section 40 of the *Local Governance Act 2020*, Council are required to reimburse a Councillor for expenses incurred while performing his or duties as a Councillor.

Our Council Expenses Policy guides the payment of reimbursements of expenses and the provision of resources, facilities and other support provided to Mayor and Councillors to enable them to perform their functions and duties.

Table 6. Councillor Expenses 2023-2024

Councillor	IC	CT	T	CM	C	M	FAC tickets	Total
Cr David Asker	381.72	-	-	-	-	-	-	381.72
Cr Sue Baker	381.72	2,437.44	-	-	-	-	165.00	2,984.16
Cr Kris Bolam	381.72	1,869.15	-	-	-	-	-	2,250.87
Mayor Nathan Conroy* <i>Re-elected as Mayor from 15 November 2023</i>	-	(582.15)	-	-	-	(75.24)	-	(657.39)
Cr Claire Harvey	381.72	2,783.25	-	-	-	-	352.80	3,517.77
Cr Brad Hill	381.72	-	-	-	-	-	-	381.72
Cr Liam Hughes	-	-	-	-	-	-	-	-
Cr Steven Hughes <i>Resigned on 11 December 2023</i>	-	-	-	-	-	-	-	-
Cr Suzette Tayler	381.72	-	-	-	-	-	-	381.72
Cr Glenn Aitken <i>Cr Glenn Aitken was elected as a result of a countback for North West Ward held on 15 January 2024</i>	327.72	-	-	-	-	-	-	327.72
Total	2,618.04	6,507.69	-	-	-	(75.24)	517.80	9,568.29

*Mayor Cr Nathan Conroy elected to repay back to Council, allowable expenses totalling \$657.39 which were incurred in 2020-2021 (\$75.24) and 2021-2022 (\$582.15).

IC = Information and Communication

Includes equipment such as mobiles, laptops, stationery, and associated operating costs.

CT = Conferences and Training

Covers attendance costs for conferences, training, and/or events, including booking/entry fees, meals, accommodation, and membership fees for approved organisations.

T = Travel

Encompasses costs for travel by taxi, bus, tram, or air related to approved Council business.

CM = Car Mileage

Allows for a claim for car mileage when using a Councillor's private vehicle for Council business.

C = Childcare

Permits reimbursement of bona fide out-of-pocket expenses, such as childcare, incurred while performing Councillor duties.

M = Materials

Allows reimbursement of out-of-pocket expenses, like protective clothing, name badges, and business cards.

FAC Tickets

Frankston Arts Tickets: The Councillor Expense Reimbursement Policy provides for Councillors to receive 8 complimentary double house seat tickets per year for performances at the Frankston Arts Centre.



Management

Audit and Risk Committee

Under Section 53 of the *Local Government Act 2020* (the Act), Council has established an Audit and Risk Committee to provide independent advice and recommendations to Council about the systems and activities of Council. It acts in this capacity by monitoring, reviewing, endorsing and advising on the below matters:

- reliable and complete financial and performance reporting
- high standards of corporate governance
- appropriate application of accounting policies
- compliance with applicable laws and regulations
- effective management and monitoring of all risks, controls and insurances
- effective and efficient internal and external audit functions
- appropriate measures to provide early warning of any issues affecting the organisation's financial wellbeing
- the level and effectiveness of appropriate Business Continuity and Disaster Recovery planning
- maintenance and fostering of an ethical environment and oversight of related party transactions
- fraud prevention, including corruption

Independent members

Lisa Tripodi (Chairperson)

Michael Ulbrick

Trudy Ararat

Councillor members

Mayor Cr Nathan Conroy

Cr Sue Baker

The committee met five times in 2023-2024 with the CEO, Directors and Manager Financial and Integrated Planning. Other management representatives attend as required to present reports.

The external auditors attend each year to present the Audit Plan, Independent Audit Report and to review the financial statements.

Council reports to and considers recommendations from each committee meeting.

Table 7. Audit and risk management committee member attendance

Member	Eligible to attend	Attended
Mayor Cr Nathan Conroy	5	4
Deputy Mayor, Cr Liam Hughes	1	
Councillor Sue Baker	5	5
Lisa Tripodi	5	5
Michael Ulbrick	5	5
Trudy Ararat	5	4

Internal audit

Our Internal Audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. We revise a risk-based three-year Internal Audit Plan annually to ensure the audit resources remain focused on the appropriate areas.

The review process considers our risk framework, the Council Plan, the impact of any change on operations, systems or the business environment, prior audit coverage and outcomes and management input.

During 2023-2024 year, representatives from HLB Mann Judd attended each Audit and Risk Committee meeting to report on the status of the Internal Audit Plan, provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated. Council's corporate system tracks the recommendations assigned to the responsible manager. Updates are provided quarterly which the Internal Auditor reviews and reports to the Executive Management Team and the Audit and Risk Committee. Client satisfaction surveys for each review, the annual Audit and Risk Committee self assessment, completion of the Internal Audit Plan and benchmarking against other internal audit functions measure quality assurance.

Audits undertaken during 2022-2023 include:

- Review of the Management Privacy
- Review of Community Consultations and Engagement
- Review of Compliance with Child Safe Standards
- Review of Purchasing Cards
- Follow-up Review of Agreed Actions
- Review of Climate Change and Adaptation Processes
- Review of Financial Controls (incl. data analytics and AP/AR & payroll)
- Review of Implementation of Key Council Strategies

External audit

The Victorian Auditor-General externally audits Council. A Victorian Auditor-General's representative conducted the annual external audit of Council's Financial Statements and Performance Statement for 2023-2024.

The external auditors attend Audit and Risk Committee meetings throughout the year as required to present the annual audit plan and Independent Audit Report. They provide the external audit management letter and responses to the committee.

Risk management

Our Risk Management Policy sets out our commitment to managing risk, which eliminates or minimises significant or unacceptable negative impacts on the environment, our community and the organisation. It encourages the pursuit of opportunities for the best outcomes for our community and future generations while ensuring that risks are managed and maintained to within acceptable levels. Following a review, the Policy was subsequently adopted by Council in July 2022.

We continue to monitor the organisation's strategic risk environment with a particular focus on new or emerging issues.

Detailed risk reports are tabled with the Audit and Risk Committee at each of its scheduled meetings throughout the course of the year.

We continue to embed our risk management framework across the organisation and into key process in order to evolve and improve our risk maturity as well as continuing to capture and review operational risks.

Other key risk initiatives are highlighted within this report, which are contained with the matters titled 'Child Safe Organisation', 'Health, Safety and Wellbeing', Employee diversity and inclusion' (regarding Council's obligation to comply with the *Gender Equality Act 2020*) and 'Climate Change'.

Governance and management checklist

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

No	Governance and management item	Assessment
1	Community Engagement Policy Policy 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: 1 March 2021
2	Community Engagement Guidelines Guidelines to assist staff to determine when and how to engage with the community	Current guidelines in operation Updated: currently in progress
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 Date of adoption: 11 October 2021
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: June 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: 28 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: 3 June 2024
7	Risk Policy Policy outlining Council's commitment and approach to minimising the risks to Council's operations	Current policy in operation Date of commencement of current policy: 11 July 2023

No	Governance and management item	Assessment
8	Fraud Policy Policy outlining Council's commitment and approach to minimising the risks to Council's operations.	Current policy in operation Date of commencement of current policy: 11 July 2023 (as part of the Risk Policy)
9	Municipal emergency management planning Council's participation in meetings of the Municipal Emergency Management Planning Committee (MEMPC).	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year Date of MEMPC meetings attended: 6 September 2023, 6 December 2023, 21 February 2024, 22 May 2024
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: 11 October 2021
11	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	Current plan in operation Date updated: June 2023
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	Current plan in operation Date of commencement: 15 January 2021 Date updated: June 2024
13	Complaint policy Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints	Developed in accordance with section 107 of the Act Date of commencement of policy: 20 September 2021
14	Workforce Plan Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation.	Established in accordance with section 46 of the Act Updated: currently in progress
15	Payment of rates and charges hardship policy Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates.	Current policy in operation Date of commencement of current policy: 15 August 2022

No	Governance and management item	Assessment
16	Risk Management Framework Framework outlining Council's approach to managing risks to the Council's operations	Current framework in operation Updated: currently in progress
17	Audit and Risk Committee Advisory committee of Council under section 53 and section 54 of the <i>Local Government Act</i> whose role is to monitor the compliance of Council policies and procedures, monitor Council's financial reporting, monitor and provide advice on risk management, and provide oversight on internal and external audit functions.	Established in accordance with section 53 of the Act Date of establishment: 27 October 1997
18	Internal Audit Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls	Internal auditor engaged Date of engagement of current provider: Initial three-year period from 1 October 2019 to 30 September 2022 and option exercised to extend contract to 30 September 2024
19	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> .	Current framework in operation Date of adoption: 21 June 2021
20	Council Plan Reporting 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	Current report Date of report: (Q2) 19 February 2024
21	Quarterly Budget Reports Quarterly reports presented to Council under section 97 of the <i>Local Government Act 2020</i> comparing actual and budgeted results and an explanation of any material variations.	Reports presented to Council in accordance with Section 97(1) of the Act 2020 Dates presented: Q1 20 November 2023, Q2 19 February 2024, Q3 13 May 2024
22	Risk Reports Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies	Reports presented Date of reports: 13 October 2023, 1 December 2023, 16 February 2024, 3 May 2024

No	Governance and management item	Assessment
23	<p>Performance Reports</p> <p>Six-monthly reports of indicators measuring results against financial and non-financial performance including the performance indicators referred to in section 98 of the Act 2020</p>	<p>Performance reports prepared</p> <p>Date of report: 19 February 2024</p>
24	<p>Annual Report</p> <p>Annual report under sections 98, 99 and 100 of the Act 2020 to the community containing a report of operations and audited financial and performance statements</p>	<p>Presented at a meeting of the Council in accordance with section 100 of the Act</p> <p>Date of presentation: 2 October 2023</p>
25	<p>Councillor Code of Conduct</p> <p>Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters</p>	<p>Reviewed and adopted in accordance with section 139 of the Act</p> <p>Date Reviewed: September 2022</p> <p>Date Revised Code of Conduct adoption: 24 October 2022</p>
26	<p>Delegations</p> <p>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</p>	<p>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:</p> <p>Date of review: S7 of sub delegation in progress to be finalised by 26 July 2024. All other instruments of delegation are current and up to date.</p>
27	<p>Meeting Procedures</p> <p>Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees</p>	<p>Governance Rules adopted in accordance with section 60 of the Act</p> <p>Date Governance Rules adopted: 30 August 2020</p> <p>Updated: 5 September 2022</p>

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

Phil Cantillon
 Chief Executive Officer
 XX October 2024

Cr Nathan Conroy
 Mayor
 XX October 2024

Documents available for public inspection

The *Local Government Act 2020* requires various documents to be made publicly available. Council has also resolved to publish a range of additional information about the activities and responsibilities of Councillors and the Council administration. Facilitating access to these documents supports good governance through openness and accountability and aligns with Council's Public Transparency Policy. The following documents are currently available on Council's website:

- Council meeting agendas
- Minutes of Council meetings
- Councillor Interstate and Overseas Travel register
- Councillor Attendance and Expenses
- Councillor Conflict of interest register
- Councillor Briefing Matters
- Election Campaign Donation Returns
- Councillor Gift Register
- Summary of Personal Interest Returns
- List of donations and grants
- Petitions register
- Public lease register
- S5 Instrument of Delegation – Council to CEO
- S6 Instrument of Delegation – Council to Staff
- S18 Instrument of Sub-Delegation under the *Environment Protection Act 2017*

Contracts

In accordance with the *Local Government Act 2020*, we continue to abide by the Procurement Policy. During this period, we did not enter into any contracts valued at \$300,000 or more for either goods or services without engaging in a competitive process.

Freedom of Information Act

The *Freedom of Information Act 1982* provides the community with a right of access to documents held by Council which are not available via administrative processes. Certain exemptions exist to protect interests such as the personal privacy of individuals and commercially sensitive information of businesses.

Many requests for copies of records or information from records can be met without the need for a formal Freedom of Information request. Enquiries about access to records can be made to Council's Freedom of Information officer. Where a formal Freedom of Information request is required, the application must be in writing and be as specific as possible about the documents being sought.

Council received 58 Freedom of Information applications in 2023-2024.

Information about the types of documents held by Council, and the documents which are publicly available, can be found in the Freedom of Information Part II Statement on Council's website.

Public Interest Disclosures

The *Public Interest Disclosure Act 2012* enables anyone to make a disclosure about improper conduct within the public sector without fear of reprisal and aims to ensure protection for any person who makes such a report. Council's Public Interest Disclosure (PID) Policy was adopted in January 2021 and outlines the options for how to make a disclosure. The policy and procedures are available on Council's website.

During 2023-2024 there were eight (8) anonymous disclosures made to the independent hotline service, Stoline. None of these met the threshold for making a notification to Victoria's Independent Broad-based Anti-Corruption Commission (IBAC) under the *Public Interest Disclosure Act 2012* for further assessment and investigation to be made a PID complaint. The disclosures were handled confidentially according to complaint handling procedures.

Privacy and Data Protection Act 2014 and Health Records Act 2001

Council is committed to complying with the obligations and principles in the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*. Personal, sensitive and health information is only collected when necessary for Council's functions and activities and is handled and stored securely. Customers are entitled to access their personal information, except where there is a requirement in law to withhold it.

Concerns about Council's handling of personal, sensitive or health information may be directed to Council's Privacy Officer. Complaints are investigated promptly and a written response provided.

Council received 25 privacy complaints during 2023-2024. One complaint was referred to the Victorian Information Commissioner. No complaints were referred to the Health Complaints Commissioner.

Further information regarding privacy, including Council's Privacy Policy, is available on the website. The policy is also available upon request by contacting the Privacy Officer on 1300 322 322 or by emailing privacyofficer@frankston.vic.gov.au

Food Act Ministerial directions

In accordance with Section 7E of the *Food Act 1984 (Vic)*, no Ministerial directions were received during 2023-2024.

Road Management Act ministerial directions

In accordance with section 22 of the *Road Management Act (2004)*, no ministerial directions were received during 2023-2024.

Local law

Each local area has its own unique characteristics, demographics, and environmental considerations. Local councils are best positioned to understand these factors and tailor laws that are appropriate for their specific community.

Frankston City Council has a role in maintaining public order and safety within the municipality. Local laws can address issues such as noise control, parking regulations, animal management, building standards, and the use of public spaces to ensure a safe and harmonious community environment. Local laws current at the time of 30 June 2024 were:

- Community Local Law 2020
- Governance Local Law 2020
- Tree Protection Local Law No. 22
- Short Stay Rental Accommodation Local Law 2020

Disability Action Plan 2021-2025

In accordance with section 38 of the *Disability Act 2006*, Council's Disability Action Plan 2021-2025 outlines how we will work over the next four years to improve access and inclusion for people with disability and recognise and support the role of carers.

Priority 1: Increase Active Participation in the Community

- Infrastructure across Frankston City continues to be upgraded to promote accessibility and inclusion for all.
- For example, the following reserve upgrades each had a specific focus on improving accessibility, introducing with new furniture, play equipment and/or pathways:
 - Carrum Downs Recreation Reserve and Sandfield Reserve in Carrum Downs
 - Whistletop Reserve, Dalpura Reserve, Kareel Reserve, Ballam Park, Wittenberg Reserve and Willow Park in Frankston
 - Austin Reserve, Seaford
- Council's Public Toilet Action Plan was endorsed on 20 November 2023. The plan introduced our new design standards. The design standards aim to improve accessibility and safety for all by: introducing gender neutral cubicles with external washbasins, increase the availability of ambulant cubicles, left and right-hand transfer Accessible cubicles, changing places and baby change facilities. The design standards will be applied to all new builds and planned full upgrades, with the first new toilet block delivered at Carrum Downs Recreation Reserve.
- Council currently has a beach wheelchair available for Free Hire from the Frankston Visitor Information Centre. Council continues to work in partnership with a range of community organisations

and networks to explore further ways to improve accessibility of our local beaches. Council's commitment to beach accessibility is further reflected within the draft Coastal and Marine Management Plan, due for endorsement in July 2024.

- In June 2024, Council in collaboration with Monash University Occupational Therapy students, introduced specific Recharge Points for electric mobility scooters or wheelchairs at our Civic Centre, Frankston Arts Centre as well as Frankston, Seaford and Carrum Downs Library branches. The project aimed to remove a community access barrier that electric mobility scooter users had identified: a fear of being left stranded due a flat battery.
- Council continues deliver new and upgraded accessible sport and recreational infrastructure (e.g. Healthy Futures Hub in Seaford and Jubilee Park Stadium in Frankston), promote local accessible sport and recreation clubs and events to the public whilst also providing free resources and training to assist clubs to become more accessible and inclusive for all.

Priority 2: Increase Social inclusion, engagement and Mental Wellbeing

- Council has been working to improve accessibility of information, accountability and transparency of our work.
 - All Council meetings are available to be live streamed and can be watched back via Vimeo.
 - Wherever possible, the video will zoom in and focus on individual talking, allowing users to lip read if they are able.
 - On the advice of our Disability Access and Inclusion Committee, closed captioning was added to our videos, with settings that allow users to change the appearance of the font, size, colour and opacity of the caption text to suit their personal preferences.

- For those unable to watch full meetings, the Mayor presents a summary recap video for each meeting, which appears on our social media channels.
- Information specific to locals with disability and carers is shared across a number of our Council Communication mediums, including:
 - Our website
 - Social Media posts on the following accounts: Frankston City Council, Frankston City Libraries, Frankston Youth Services and Frankston Arts Centre
 - Articles in Frankston City News publications and Frankston City eNews and other Council newsletters including Let's Be Frank and Positive Ageing Together
 - Posters and flier displays within Frankston City Library and local Community Centres
 - Information sharing across a variety of Council and professional networks and service user groups.
- Frankston City's Municipal Emergency Management Planning Committee continues to have a strong focus on improving outcomes for people with disability in emergency situations by:
 - Working closely with our community partners to share information and knowledge
 - Distributing emergency preparedness information and opportunities with the community.
- The Disability Access and Inclusion Committee (DAIC) continue to provide advice to Council on a range of projects. In addition, the DAIC met with a number of community organisations to expand our knowledge about opportunities and impact in our local area.
 - Due to popular demand to join the DAIC, there is now a waiting list of casual members, with casuals filling in for members if they are away whilst also being invited to participate in additional engagement opportunities and training.
 - Council continues to champion diversity and disability in the Arts through the Frankston Art Centre:
 - The Frankston Arts Centre (FAC) season continues to implement a range of accessible platforms to assist patrons in attending live theatre.
 - Our ongoing relationship with BAM Arts is proving positive and the BAM Musical Theatre Classes for All Abilities continues to sell out.
 - Artwell – our community mental health wellness program continues with positive participation.
 - DialysArt, an arts program run out of Frankston Hospital, continues to engage patients undergoing haemodialysis treatment, and provide engagement and wellness support.
 - A successful pilot of the Art for Dementia program was run, with participants reporting and increase in positive improvement to mental health and wellbeing.
 - Council's Major Events continues support disability inclusion the preparation of social scripts and accessibility guides displayed on the website for all events. The events team meet with the Disability Access and Inclusion Committee to explore other opportunities to further support accessibility at events, and review current implementation of activations/documentation.

- Council Celebrated International Day of People with Disability in 2023 by supporting the Disability Pride event planned and run by VALID's Frankston Peer Action Group at Orwil Street Community Centre in Frankston. In addition we helped promote activities and events run by Statewide Autistic Services Inc. and BAM Arts Inc.
- Council celebrated Carers Week in 2023 by hosting a Carer Information Expo at Ebdale Community Hub, Frankston. The event began with a presentation from local services available to support carers, followed by a morning tea where carers could chat to service providers 1:1 at their stall.
- Frankston City Libraries is committed to promoting inclusion, and in May 2024 hosted a very successful Human Library event. This event gave borrowers the unique opportunity to spend half an hour listening to and chatting with to a "Human Book" (i.e. a community member willing to share their personal story in order to help break down stigma and promote understanding in our community. Story topics included: parent of a child with disability, living with schizophrenia, life in your 90s, being Transgender and more.
- Council continues to acknowledge a range of community awareness and health promotional days with accessible and inclusive events and activities aimed at promoting respectful relationships. For example, we acknowledged: World Elder Abuse Day, 16 Days of Activism against Gender Based Violence, International Womens Day, Men's Health Week, and International Day Against Homophobia, Biphobia, Intersexism and Transphobia (IDAHOBIT) and more.
- Child Safe Training continues to be delivered to Council staff and volunteers imbedding strategies to keep children and young people safe, with specific reference to the needs of children with a disability, Aboriginal and/or Torres Strait Islander children, children from non-dominant culture backgrounds and children who identify as LGBTQIA+.

Priority 3: Support Respectful Relationships

- Council is committed to supporting safe and respectful relationships. The Disability Access and Inclusion Committee were engaged to ensure the experiences of people with disability were considered in the following respectful relationships and safety plans adopted this year:
 - Community Safety Strategy which was adopted in 11 December 2023
 - Family Violence Prevention Action Plan adopted on 13 May 2024
- In May 2024, Council held its first Council-wide Volunteer Recognition Celebrations. The event highlighted the incredible work our volunteers do, but also showcased the wide range of volunteer opportunities Council has available that can help community members feel connected while gaining valuable skills and knowledge.
- In 2023-2024, the Work Ready Program continued to be funded by Council and supported three traineeships and one apprenticeship and two school-based apprenticeships across several areas of Council.
- Council is committed to enhancing our workplace systems and environment to deliver a workplace experience that is fairer and more inclusive for all. We aspire to be a workplace where people feel welcome to join and stay because they feel they belong, a workplace where staff feel valued and respected, and a workplace where staff have opportunities and resources to thrive and perform.

Priority 4: Reduce Barriers to Education and Employment

- This year, Council have enacted and resourced actions that enhance inclusive practices, and progress equity and gender equality. For example: Council delivered Active Bystander and Family Violence training to staff as part of 16 Days of Activism against Gender-based Violence. Our staff Diversity Inclusion Group continue to meet regularly to share information and help imbed an intersectional lens on our work.
- Council are having ongoing conversations with local businesses and organisations that want to include employment opportunities for people with disability and also provide ongoing support to questions and queries by local businesses.

Domestic animal management plan

In accordance with the *Domestic Animals Act 1994*, we develop a Domestic Animal Management Plan every four years and assess its progress annually in our reports. The Domestic Animal Management Plan 2020-2024 was adopted in August 2020, identifying several key issues:

- Non-compliance with dog waste cleanup in public areas by owners
- Dogs being walked off-leash with irresponsible ownership
- Cats roaming freely during both day and night
- Regulations concerning dogs in foreshore areas
- Insufficient fenced dog-free roam parks and dogs being walked on sports ovals
- Dog regulations within the Frankston City Centre
- Dog attacks and concerns over public safety
- Strengthening enforcement efforts by our Community Laws Officers

Implementation of the plan has included the following actions:

- Auditing all dog waste bins and strategically placing additional bins in critical areas
- Safer Communities Officers distributing dog waste bags during proactive patrols
- Reviewing the cat curfew in late 2021, with Council confirming a dusk till dawn curfew after extensive community consultation
- Establishing a free-roam dog beach at Keast Park in late 2021
- Completing a fenced free-roam area in Carrum Downs
- Allowing dogs in the city centre following community feedback to lift the ban
- Introducing a Rapid Response Team to enhance patrols and visibility in parks, reserves, and business areas
- A range of support programs to promote responsible pet ownership such as, free adoption campaign, domestic violence and vulnerable persons animal accommodation and financially rewarding dog owners who enrol and complete obedience training for their dog.
- Council will commence a detailed review of the current Domestic Animal Management Plan in 2025 in accordance with the *Domestic Animals Act 1994*.

Performance Statement



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 2020.

Principal Accounting Officer**Dated:**

In our opinion, the accompanying performance statement of Frankston City Council for the year ended 30 June 2024 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.

Mayor**Dated:**

Councillor**Dated:**

Chief Executive Officer**Dated:**

Independent Auditor's Report (VAGO)



Description of municipality

Frankston City is located on the eastern shores of Port Phillip Bay, approximately 40km south of Melbourne and within metropolitan Melbourne.

Frankston City comprises the suburbs of Frankston, Frankston South, Frankston North, Seaford, Carrum Downs, Langwarrin, Langwarrin South, Sandhurst and Skye and is strategically placed as the regional centre for the Mornington Peninsula and the south-east growth corridor of Melbourne.

The city is currently home to an estimated 140,809 residents, which is expected to grow to 163,610 by 2041. Frankston City is recognised for its natural reserves, vibrant lifestyle, diverse community and growing business, arts, education and health sectors.

The municipality covers an area of about 131km² from the Seaford Wetlands in the north, to Frankston South in the south and the Western Port Highway in the east. The western boundary of the city is made up of 11km of pristine coastline.



Service Performance Indicators

For the year ended 30 June 2024

Service / indicator / measure	Results					Comment
	2020-2021	2021-2022	2022-2023	2023-2024		
	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic facilities						
Utilisation						
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.29	4.59	7.26	N/A	7.32	There has been strong customer and member engagement with the facilities, with attendance continuing to grow from previous years.
Animal management						
Health and safety						
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Total number of animal management prosecutions] x 100	100%	100%	100%	N/A	100%	100% (175 in total) of Animal Management prosecutions were successful.

Service / indicator / measure	Results					Comment
	2020-2021	2021-2022	2022-2023	2023-2024		
	Actual	Actual	Actual	Target as per budget	Actual	
Food safety						
Health and safety						
<p><i>Critical and major non-compliance outcome notifications</i></p> <p>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</p>	100%	95.51%	97.09%	N/A	100%	Major and Critical non-compliances are a high priority. Environmental Health Officers ensured all major and critical issues raised at food premises are followed up as a priority within the required timeframes to mitigate the risk to the community. The total number of critical and major non-compliance follow ups completed for the period was 155.
Governance						
<p>Consultation and engagement</p> <p><i>Satisfaction with community consultation and engagement</i></p> <p>[Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]</p>	63	69	70	70	69	Community satisfaction with community and stakeholder community engagement continues to be very strong with a result of 69.00.

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Service / indicator / measure	Results					Comment
	2020-2021	2021-2022	2022-2023	2023-2024		
	Actual	Actual	Actual	Target as per budget	Actual	
Libraries						
Participation						
Library membership [The number of registered library members/ Population] x100	-	-	-	N/A	33.31%	The library can be a hub for the whole community to engage, connect, access the internet, attend an event or borrow from the library collection. 33% of the community have made use of their library card in the last year, however there are a wide range of other opportunities for the community to engage with the library, which are not reflected in this result.
Maternal and child health						
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	64.75%	67.94%	74.01%	N/A	77.38%	Frankston City Council MCH Service has continued to have an increase in participation in the MCH Service. This result can be attributed to a high quality, flexible and responsive service delivery model.

Service / indicator / measure	Results					Comment
	2020-2021	2021-2022	2022-2023	2023-2024		
	Actual	Actual	Actual	Target as per budget	Actual	
<p>Participation</p> <p><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</p>	64.85%	3.71%	70.86%	N/A	85.27%	Additional time-limited funding for 2023/24 has enabled an Aboriginal MCH Liaison Nurse to attend local yarning groups and Aboriginal Community Controlled Health Organisations (ACCHO) to engage with Aboriginal and Torres Strait Islander families who have previously been disengaged from the MCH Service. The Frankston MCH team have also been working closely with First People's Health and Wellbeing (Frankston), delivering Key Ages and Stages (KAS) visits onsite for Aboriginal and Torres Strait Islander families that access their services. The Frankston MCH Service has also undertaken MCH Centre audits, with actions resulting in enhanced cultural safety of our centres.

Service / indicator / measure	Results					Comment
	2020-2021	2021-2022	2022-2023	2023-2024		
	Actual	Actual	Actual	Target as per budget	Actual	
Roads						
Condition						
<p><i>Sealed local roads maintained to condition standards</i></p> <p>[Number of kilometres of sealed local roads below the renewal intervention level set by Council/ Kilometres of sealed local roads] x100</p>	99.27%	97.88%	98.57%	95%	97.16%	The standard of the road network has decreased from last year however it is still within expectations. Through its Long Term Infrastructure Plan (LTIP) and in accordance with its Asset Management Policy, Council continues to invest in the sealed local road network to ensure roads stay above renewal intervention levels.
Statutory Planning						
Service standard						
<p><i>Planning applications decided within required time frames</i></p> <p>[Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits/Number of planning application decisions made] x100</p>	70.10%	58.15%	62.41%	70%	75.94%	The percentage of applications determined within statutory timeframes improved during the time period, exceeding the target.

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Service / indicator / measure	Results					Comment
	2020-2021	2021-2022	2022-2023	2023-2024		
	Actual	Actual	Actual	Target as per budget	Actual	
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	55.71%	51.64%	51.88%	52%	52.26%	Councils landfill diversion rate has increased due to a reduction in waste tonnes, an increase in Food Organics / Garden Organics (FOGO) tonnes and a decrease in recycling tonnes due to the introduction of the Container Deposit Scheme (CDS) in November 2023.

Financial Performance Indicators

For the year ended 30 June 2024

Dimension / indicator / measure	Results				Forecasts				Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	
	Actual	Actual	Actual	Target as per budget	Forecast	Forecast	Forecast	Forecast	
Efficiency									
Expenditure level									
Expenses per property assessment	\$2,787.42	\$3,034.84	\$3,379.69	\$3,330.61	\$3,494.02	\$3,543.32	\$3,583.11	\$3,623.87	Expenses have risen across Council operations and services largely impacted by inflationary pressures across the business.
[Total expenses / Number of property assessments]									

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results					Forecasts					Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028			
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast		
Revenue level											
Average rate per property assessment	\$1,598.80	\$1,638.00	\$1,680.80	N/A	\$1,725.23	\$1,816.61	\$1,845.15	\$1,873.56	\$1,901.76		
[Sum of all general rates and municipal charges/Number of property assessments]											
[General rates and Municipal charges / Number of property assessments]											

Council's general rate income has been increased in compliance with the rate cap of 3.5% set by the State Government. In 2020-2021 and 2021-2022, the increase had been offset by the COVID-19 rate waiver offered. There was no COVID-19 rate waiver offered in 2022-2023 or 2023-2024. The increase is expected to remain stable over the forecast period due to rate capping.

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results				Forecasts				Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	
	Actual	Actual	Actual	Target as per budget	Forecast	Forecast	Forecast	Forecast	
Liquidity									
Working capital									
Current assets compared to current liabilities	223.69%	194.28%	184.06%	175.39%	134.87%	144.01%	139.68%	140.15%	The working capital result is lower than prior year and lower than target due to higher than expected capital grants received in advance where the performance obligations under the contract have not yet being met. Cash assets are expected to tighten over the next four years as Council delivers on its strategic priorities.
[Current assets / Current liabilities] x100									

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results					Forecasts					Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028			
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast		
Unrestricted cash Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	68.95%	30.14%	0.60%	N/A	33.77%	36.63%	24.38%	28.40%	32.89%	Council continues to invest a portion of its cash reserves in term deposits greater than 90 days, which is considered to be restricted cash. The result has increased due to the lower amount invested in term deposits greater than 90 days at 30 June 2024 compared to the prior year. Cash reserves are expected to decrease over the next few years as Council continues to deliver on its strategic priorities and the large repayment of a loan in 2025-26.	

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results					Forecasts					Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028			
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast		
Obligations											
Loans and borrowings											
Loans and borrowings compared to rates [interest bearing loans and borrowings / Rate revenue] x100	23.20%	19.98%	20.28%	N/A	25.73%	30.99%	28.34%	38.96%	35.60%		This indicator has increased in the last 12 months as Council borrowed \$9.4m in funds to assist in delivery of its capital works program and repaid \$427k of its borrowings. It is expected to increase in the next four years, reflecting Council's decision to borrow more funds to assist with the delivery of the capital works program.

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results					Forecasts					Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028			
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast		
Loans and borrowings											
Loans and borrowings compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	1.38%	3.45%	1.27%	N/A	1.29%	2.60%	13.07%	4.26%	5.13%		This has returned to normal levels after a spike in 2021-2022 and is forecast to increase in the future years, reflecting Council's decision to borrow more funds to assist with the delivery of the capital works program. The ratio is high in 2025-26 due to the repayment of the interest only loan borrowed through the Local Government funding vehicle.

Item 7.2 Attachment A: Frankston City Council Annual Report 2023-2024

Dimension / indicator / measure	Results					Forecasts					Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028			
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast		
Indebtedness											
<i>Non-current liabilities compared to own source revenue</i>	18.95%	17.05%	16.38%	N/A	21.61%	15.67%	21.04%	28.27%	25.56%		Council long term liabilities have increased due to new borrowings, however the level of own source revenue continues to be restricted through rate capping and user fees and charges.
[Non-current liabilities / Own source revenue] x100											
Asset renewal and upgrade											
<i>Asset renewal and upgrade compared to depreciation</i>	8.87%	129.94%	166.00%	128.23%	140.36%	103.15%	140.24%	142.21%	107.16%		Council is focused on closing its asset renewal gap, and has planned a robust capital works program to achieve this outcome.
[Asset renewal and upgrade expense / Asset depreciation] x100											

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results					Forecasts					Material Variations and Comments	
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028				
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast			
Operating position												
Adjusted underlying result												
Adjusted underlying surplus (or deficit)	-0.58%	-1.98%	-3.58%	N/A	-10.36%	-2.12%	-2.43%	-2.67%	-2.88%			This underlying deficit indicates the true cost of service delivery and reflects the long-term impact of rate capping, the challenging economic environment and inflationary pressure on materials and services. Financial performance is expected to decline over the next four years as these pressures continue to impact.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100												

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results				Forecasts				Material Variations and Comments	
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028		
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast	
Stability										
Rates concentration										
Rates compared to adjusted underlying revenue	73.71%	71.19%	68.11%	69.46%	71.42%	68.54%	68.84%	69.11%	69.48%	Rate revenue continues to be Council's main source of income, and is expected to remain consistent over the next four years.
[Rate revenue / Adjusted underlying revenue] x100										

Item 7.2 Attachment A: Frankton City Council Annual Report 2023-2024

Dimension / indicator / measure	Results					Forecasts					Material Variations and Comments
	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028			
	Actual	Actual	Actual	Target as per budget	Actual	Forecast	Forecast	Forecast	Forecast		
Rates effort											
<i>Rates compared to property values</i>	0.34%	0.34%	0.28%	N/A	.30%	0.30%	0.31%	0.31%	0.31%		Rates increased by 3.5% in compliance with the rate cap and Council's Capital Improved Property Values (CIV) decreased by 2.6% from 2022-2023 to 2023-2024. A conservative estimate of a 1% increase in valuations has been factored into the calculation for the following years as property value fluctuations are dependent on economic and market movement.

Sustainable Capacity Indicators

For the year ended 30 June 2024

Indicator / Measure	Results				Comment
	2020-2021	2021-2022	2022-2023	2023-2024	
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,244.58	\$1,379.39	\$1,534.02	\$1,589.92	Expenses have risen in Council operations due to inflationary pressure on materials and services.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$6,549.61	\$7,115.10	\$7,533.22	\$8,034.76	Frankston City continues to increase infrastructure delivery to meet community needs. During the year, Council also revalued its infrastructure assets which resulted in an increase of \$13.0m to its infrastructure asset base.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	203.32	199.45	199.41	197.55	Population density per km of road has decreased compared to last year's result. This year, the municipal population has increased by 1,826 people, however, the local road network has increased by 16km due to the transfer of road assets in Sandhurst Estate and minor gifted assets from subdivisions.
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,071.81	\$1,171.22	\$1,299.37	\$1,344.29	Own source revenue has grown 4% in the last 12 months with strong utilisation in the recycling centre contributing to the increased result. Rates income has also increased in compliance with the 3.5 per cent rate cap in 2023-2024. Council will continue to identify and pursue alternative revenue sources.

Results					
Indicator / Measure	2020-2021	2021-2022	2022-2023	2023-2024	Comment
Recurrent grants					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$135.85	\$159.90	\$161.78	\$74.34	Recurrent grants have reduced compared to the previous year, due to the Financial Assistance Grant funding allocated for 2023-2024 received in the previous financial year.
Disadvantage					
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	6.00	6.00	6.00	6.00	Council ranks in the sixth decile in Victoria. The first decile indicates the most disadvantaged and the tenth decile indicates the least disadvantaged.
Workforce turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	11.59%	18.19%	14.29%	10.45%	The 2023/24 Financial year has presented our lowest turnover percentage since the 2019/20 Financial Year. Following the pandemic and the challenges it presented, Council experienced a large increase in turnover as seen across the sector at that time. Council placed focus on negotiating a strong EBA, providing a successful approach to hybrid working, a focus on the induction process and a strong response to the results of the pulse engagement survey. The initiatives surrounding these elements of the organisation culture have continued to provide positive outcomes including the turnover result outlined.



Notes to the accounts

For the year ended 30 June 2024

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 strategic resource 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 on 3 June 2024 in its 2024-2028 budget 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 council.

Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the <i>Aboriginal Heritage Act 2006</i>
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • 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
annual report	means an annual report prepared by a council under section 98 of the Act
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
asset upgrade expenditure	means expenditure that — (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , 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

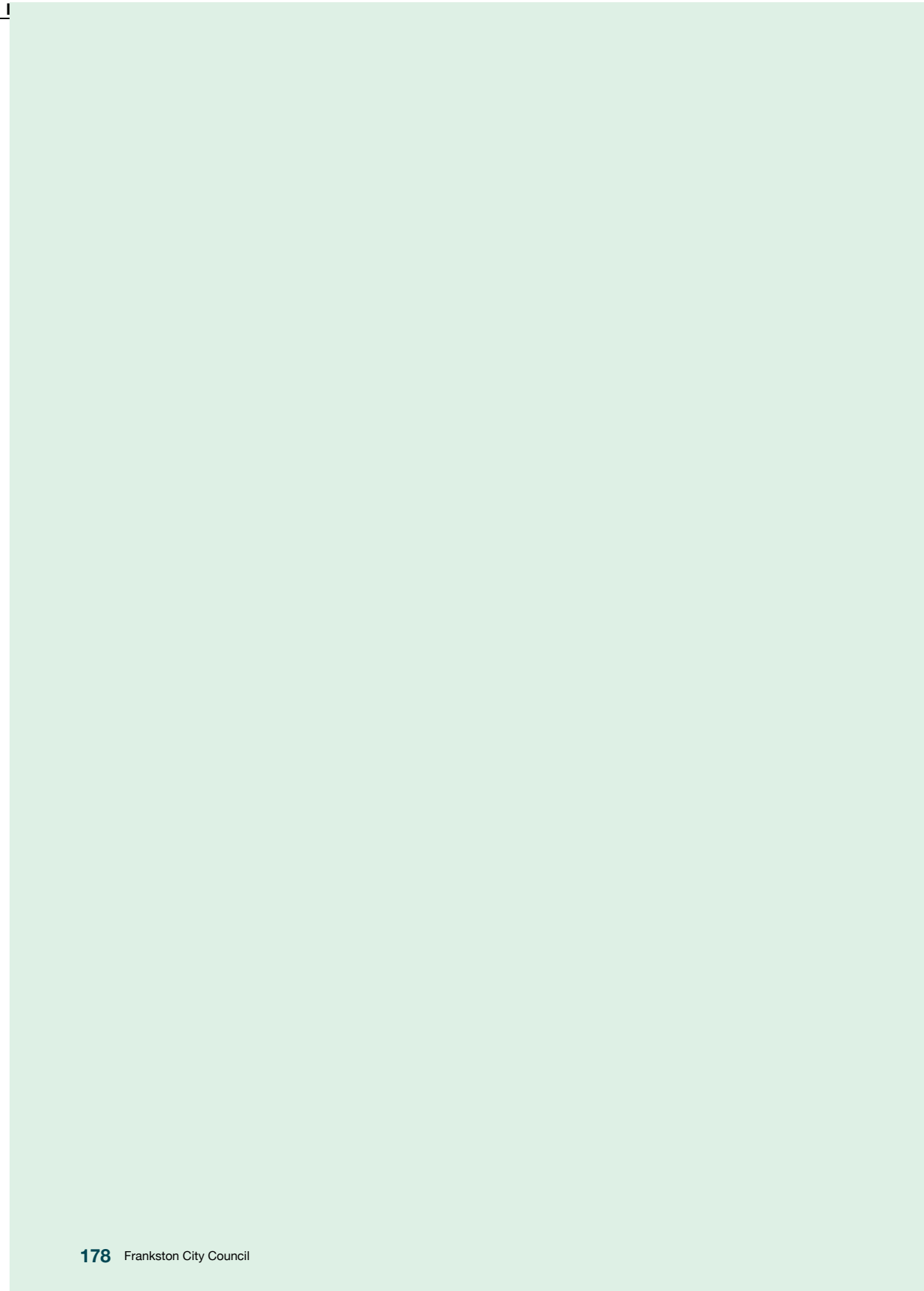
Key term	Definition
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted 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
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, 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
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

Consolidated Financial Statements



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Financial Report

Understanding the Financial Report

Introduction

Frankston City Council is committed to accountability and transparency. This guide has been prepared to assist readers understand and analyse the Financial Report as particular terminology and disclosure requirements required by the Accounting Standards and Local Government legislation may not be familiar to all readers as they vary compared to the private sector financial reports.

The Financial statements are prepared in accordance with the requirements of the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements. Victorian Local Government authorities are required to follow the prescribed format of the model financial report issued by Local Government Victoria to ensure standardised financial reporting across the sector.

What is included in the Financial Report?

The Financial Report is a key report prepared by Frankston City Council. It includes the Consolidated Financial Statements of Council and those entities over which Council has the power to govern the financial and operating policies so as to obtain the benefits from their activities. This represents the consolidated performance of Frankston City Council and Peninsula Leisure Pty Ltd.

Council's financial report contains two sets of statements:

- Financial statements and accompanying explanatory notes that show how Council performed financially during the financial year and the overall position as at 30 June 2024; and
- Performance statements that contain a mix of service and financial indicators that are prescribed for Local Government authorities to show how Council performed in relation to key strategic activities.

These statements are prepared by Council officers and audited by the Victorian Auditor-General. The statements are subsequently reviewed by Council's Audit and Risk Management Committee who makes a recommendation to Council for adoption in principle.

Financial statements

The Financial statements are made up of five key financial statements. Each statement has a purpose and provides the reader with information in relation to an aspect of Council's financial operation. When the statements are read in conjunction with each other, it assists in the overall understanding of Council's financial position.

The five statements are as follows:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works

The accompanying explanatory notes to the statements disclose Council's accounting policies and provide greater detail on the values contained in the statements.

The statements are prepared on an 'accrual' basis which requires Council to recognise income and expenses as they are incurred (services or goods exchanged) at a particular point in time where payment may not yet have changed hands. By recognising debts owed and owing Council is able to more accurately present the income and expenses and their related assets and liabilities (matching principle).

Comprehensive Income Statement

This statement was once known as the 'Profit and Loss Statement'. The Statement measures Council's financial performance over the year and shows if a surplus or a deficit has resulted from delivering Council services. The statement lists:

- The sources of Council's revenue under various income headings such as rates and charges
- The expenses incurred in the day-to-day running of Council over the financial year. These expenses relate only to the daily operations and do not include the cost associated with capital purchases or the construction of assets. While capital purchase costs are not included in the expenses there is an item for 'depreciation'. This value is the value of the assets "used up" during the year
- Other Comprehensive Income which demonstrates the movement in the value of Council's net assets as a result of asset revaluations and impairments as at 30 June 2024.

The key figure in this statement is the surplus for the reporting period, which is the best measure of Council's financial performance. This figure is determined by deducting total expenses from total income. The figure indicates whether Council operated at a surplus or a deficit (a figure inside brackets reflects a deficit).

Why do Councils need a surplus?

Whilst Council is a not-for-profit organisation, it should on average generate a surplus in order to ensure that Council has the ability to fund current and future capital works programs and invest in initiatives to achieve its Council Plan outcomes.

It is important to note however, that the surplus result is not a "cash" surplus due to the recognition of non-cash items such as depreciation and statements being prepared based on accrual accounting as explained above.

Balance Sheet

The Balance Sheet is a one page summary, presenting a snapshot of the financial position of Council as at 30 June. It outlines what Council owns (its assets) and what it owes (liabilities). Council's net worth (net assets or equity) is determined by deducting total liabilities from total assets — the larger the net equity, the stronger the financial position. Council's financial position at 30 June 2024 is sound, reflecting its commitment to financial and infrastructure sustainability.

The assets and liabilities are separated into current and non-current. Current assets are realisable or convertible to cash within the next 12 months. Current liabilities are those which the Council must pay or settle within the next 12 months.

Components of the Balance Sheet include:

Current and non-current assets

Council's assets are as follows:

- **Cash and cash equivalents** includes cash and investments, i.e. cash held in the bank and in petty cash and a maturity term of no greater than three months
- **Other financial assets** includes the value of Council's longer-term financial investments (maturity greater than three months) such as bank bills, term deposits and floating rate notes

- **Trade and other receivables** are monies owed to Council for rates, parking, fines, home support and other services provided by Council
- **Inventories** include the stock held for sale or consumption in Council services
- **Non-current assets classified as held for sale** represents the value of assets and related liabilities less costs to sell that are earmarked for a highly probable sale in the coming financial period
- **Other assets** Includes prepayments which are expenses that Council has paid in advance of service delivery and 'accrued income' which represents revenue due to Council, but not yet paid or billed
- **Property, infrastructure, plant and equipment** is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over many years. It also includes those assets which Council does not own but has significant control over, and responsibility for, such as foreshore pavilions, parks and Crown land
- **Right-of-use assets** is the net present value of Council's right to use its leased financial assets
- **Intangibles** represent non-current assets held by Council that are not physical assets, for example computer software and licences

Current and non-current liabilities

Council's liabilities are as follows:

- **Trade and other payables** are suppliers to whom the Council owes money as at 30 June 2024
 - **Trust funds and deposits** represent monies held in trust or deposits received and held by Council
 - **Unearned income / revenue** represent monies received in advance by Council and yet to complete the performance obligation associated with the revenue as at 30 June 2024
- **Provisions** include long service and annual leave entitlements owing to employees at the end of the financial year
 - **Lease Liabilities** is the net present value of all Council's outstanding financial lease obligations
 - **Interest bearing loans and borrowings** are the outstanding balance Council owes on bank loans

Net assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June 2024.

The net value of Council is also described as total equity.

Total equity

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

- **Accumulated surplus** is the profit or loss results of all financial years totalled and carried forward
- **Asset revaluation reserve** is the difference between the previously recorded value of property and infrastructure assets and their current valuations
- **Other reserves** are allocations of the accumulated surplus to specific projects or obligations such as unspent funds from developer contributions and the sale of open space land

Statement of Changes in Equity

The Statement of Changes in Equity summarises the increase (or decrease) in Council's net worth for the year ended 30 June 2024. Council's net worth can only change as a result of:

- A surplus or deficit as recorded in the Comprehensive Income Statement
- An increase or decrease in the value of non-current assets resulting from a revaluation of those assets. The value

of all non-current assets are reviewed and assessed each year to ensure that they reflect their true value in the Balance Sheet

- Transfer of monies to or from Council's reserves

Cash Flow Statement

The Cash Flow Statement shows all the cash received and paid during the financial year. Figures without brackets are inflows (receipts) and figures inside brackets are outflows (payments). This statement shows how much cash Council had at the beginning of the financial year, the inflows and outflows during the financial year and the cash balance at the end of the financial year. It differs from the Income Statement in that:

- It excludes non-cash expenses, such as depreciation
- It excludes the accruals taken into account by the Comprehensive Income Statement
- It includes payments or receipts in relation to capital items
- It includes any 'financing' activities, such as any additional cash that Council may hold as a result of holding increased trust deposits

Cash in this statement refers to bank deposits and other forms of highly liquid investments that can readily be converted into cash.

Council's cash arises from, and is used, in three main areas as follows:

- **Cash flows from operating activities:** this section shows the cash related to the general operation of Council. It includes receipts from rates, user fees and charges, grants and subsidies, interest received, and other income. This is offset by payments for employee benefits, materials and services and other expenses

- **Cash flows from investing activities:** this section shows the cash invested in the creation or purchase of property, infrastructure, plant and equipment assets and the cash received from the sale of these assets.
- **Cash flows from financing activities:** this section shows the transactions associated with loans and borrowings and leases and includes repayments and interest payments (finance costs).

Statement of Capital Works

The Statement of Capital Works details Council's capital works expenditure for the financial year. It sets out the expenditure on creating or buying property, plant, equipment and infrastructure by each category of asset. It also shows how much has been spent on renewing, upgrading, expanding or creating new assets of this type. This is important because each of these categories has a different impact on Council's future costs. Council's capital works occur in three main areas:

- **Property:** includes land and buildings purchased and built during the year
- **Plant and equipment:** includes non-infrastructure assets like computers, artworks, furniture and fixtures
- **Infrastructure:** this is where the bulk of the Capital Works Program is allocated. It includes roads, bridges, footpaths and cycle ways, drainage, recreational, leisure and community facilities, waste management, parks, open space and streetscapes and off-street car parks.

The last section of the statement provides a breakdown of the total capital expenditures into:

- **New:** represents in the creation or acquisition of a new asset to meet current or additional service level requirements
- **Renewal:** is expenditure on an existing asset that returns the service potential or the life of the asset up to that which it had originally

- **Expansion:** extends the capacity of an existing asset to provide an additional level of service and benefits to new users while maintaining the same standard for existing users
- **Upgrade:** enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally

Notes to the Financial Statements

The notes are an important and informative section of the report. The Accounting Standards are not prescriptive of all issues, and so to enable the reader to understand the basis on which the values shown in the statements are established, it is necessary to detail Council's accounting policies.

Apart from the accounting policies, the notes also give details behind many of the summary figures contained in the statements. The note numbers are shown beside the relevant items in the statements.

The notes have been grouped thematically to improve the accessibility of Council's financial statements. The notes are grouped under the following headings:

- Performance against budget
- Analysis of Council results by program
- Funding for the delivery of our services
- The cost of delivering services
- Our financial position
- Assets we manage
- People and relationships
- Managing uncertainties
- Other matters

The statements should be read in conjunction with the notes to get a clearer picture of Council's finances.

Certification of the Financial Statements

The Certification of the Financial Report is made by the Principal Accounting Officer, the Chief Executive Officer and two Councillors on behalf of Council who are members of Council's Audit and Risk Management Committee.

The certification by the Principal Accounting Officer is made by the person responsible for the financial management of Council. They are responsible for certifying that the Financial Report, in their professional opinion, meet all statutory and professional reporting requirements.

The certification by the representative Councillors and the Chief Executive Officer certifies that in their opinion, the Financial Report is presented fairly and is not misleading.

Independent Auditors Report

The Independent Auditor's Report provides the reader with an external, independent opinion on Council's Financial Report. It confirms that the Financial Report fairly presents the results in all material respects of Council and complies with the statutory and professional standards. The Victorian Auditor-General is Council's auditor.

Council received a clear audit for 2023-2024 with no high or moderate risks identified.

Certification of 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*, Australian Accounting Standards and other mandatory professional reporting requirements.

Caroline Reidy CPA
Principal Accounting Officer

Dated: xx October 2024

30 Davey Street, Frankston Victoria, Australia

In our opinion the accompanying Financial Statements present fairly the consolidated financial transactions of Frankston City Council for the year ended 30 June 2024 and the consolidated financial position of Council as of that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the Financial Statements to be misleading or inaccurate.

We have been authorised by Council on xx October 2024 and by the Local Government (Planning and Reporting) Regulations 2020 to certify the Financial Statements in their final form.

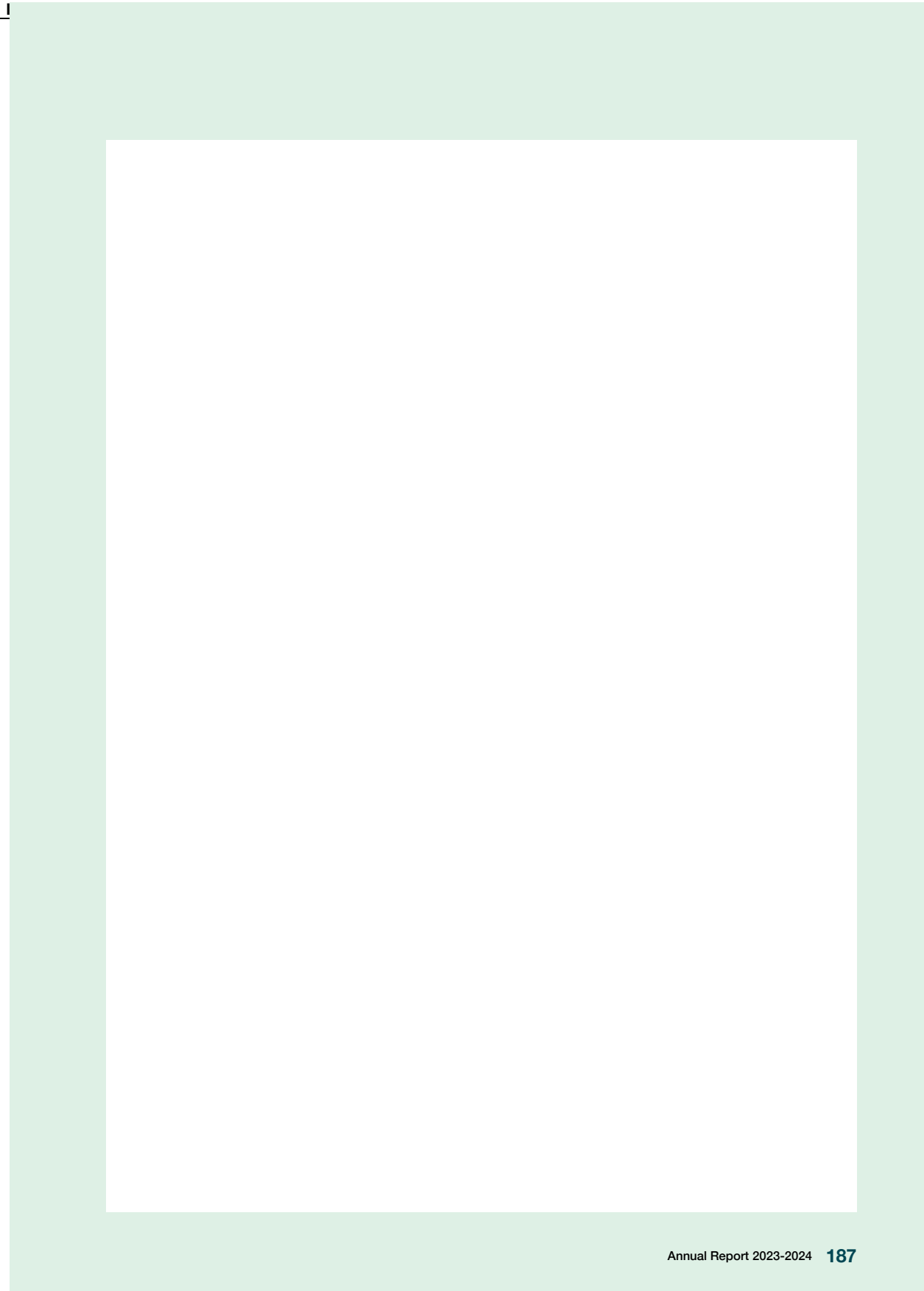
Cr Nathan Conroy
Mayor
Dated: xx October 2024
30 Davey Street, Frankston Victoria,
Australia

Phil Cantillon
Chief Executive Officer
Dated: xx October 2024
30 Davey Street, Frankston Victoria,
Australia

Cr Sue Baker
Councillor
Dated: xx October 2024
30 Davey Street, Frankston Victoria,
Australia

Victorian Auditor-General's Office Report





Financial Statements

Consolidated Comprehensive Income Statement

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income / Revenue			
Rates and charges	3.1	146,948	142,227
Statutory fees and fines	3.2	6,589	6,051
User fees	3.3	30,869	28,396
Grants – operating	3.4	11,897	24,867
Grants – capital	3.4	26,799	14,294
Contributions – monetary	3.5	4,155	1,824
Contributions – non-monetary	3.5	24,851	7,103
Net gain on disposal of property, plant and equipment	3.6	533	377
Other income	3.7	7,061	6,163
Total income / revenue		259,702	231,302
Expenses			
Employee costs	4.1	94,318	90,825
Materials and services	4.2	76,339	76,900
Depreciation	4.3	37,665	36,838
Amortisation – intangible assets	4.4	1,207	1,075
Depreciation – right-of-use assets	4.5	191	372
Movement in allowance for impairment losses	4.6	(24)	209
Borrowings costs	4.7	1,485	1,415
Finance costs – leases	4.8	23	20
Other expenses	4.9	15,878	8,646
Total expenses		227,082	216,300
Surplus for the year		32,620	15,002
Other comprehensive income			
Net asset revaluation gain / (loss)	6.1	(113,398)	24,769
Total other comprehensive income		(113,398)	24,769
Total comprehensive result		(80,778)	39,771

The above Consolidated Comprehensive Income Statement should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	58,136	38,293
Other financial assets	5.1	8,547	32,049
Trade and other receivables	5.1	34,889	27,148
Contract assets	5.1	1,447	2,063
Inventories	5.2	265	191
Other assets	5.2	330	330
Prepayments	5.2	2,640	2,389
Total current assets		106,254	102,463
Non-current assets			
Trade and other receivables	5.1	414	471
Other financial assets	5.1	3,507	3,507
Property, infrastructure, plant and equipment	6.1	2,113,667	2,154,516
Right-of-use assets	5.8	690	212
Intangible assets	5.2	3,021	3,121
Total non-current assets		2,121,299	2,161,827
Total assets		2,227,553	2,264,290
Liabilities			
Current liabilities			
Trade and other payables	5.3	25,390	19,095
Trust funds and deposits	5.3	6,637	6,637
Contract and other liabilities	5.3	19,651	13,206
Provisions	5.5	18,035	16,201
Interest-bearing liabilities	5.4	1,260	427
Lease liabilities	5.8	131	103
Total current liabilities		71,104	55,669
Non-current liabilities			
Provisions	5.5	4,343	1,463
Interest-bearing liabilities	5.4	36,555	28,415
Lease liabilities	5.8	587	136
Total non-current liabilities		41,485	30,014
Total liabilities		112,589	85,683
Net assets		2,114,964	2,178,607
Equity			
Accumulated surplus		863,304	800,831
Reserves	9.1	1,251,660	1,377,776
Total equity		2,114,964	2,178,607

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2024

2024	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of financial year		2,178,607	800,831	1,328,967	48,809
Surplus for the year		32,620	32,620	–	–
Prior year adjustment – found assets		17,135	17,135	–	–
Net asset revaluation gain	9.1(a)	(113,398)	–	(113,398)	–
Transfers to other reserves	9.1(b)	–	(6,692)	–	6,692
Transfers from other reserves	9.1(b)	–	19,410	–	(19,410)
Balance at end of the financial year		2,114,964	863,304	1,215,569	36,091

2023	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of financial year		2,136,958	765,364	1,304,198	67,396
Surplus for the year		15,002	15,002	–	–
Prior year adjustment – found asset		1,878	1,878	–	–
Net asset revaluation gain	9.1(a)	24,769	–	24,769	–
Transfers to other reserves	9.1(b)	–	(15,820)	–	15,820
Transfers from other reserves	9.1(b)	–	34,407	–	(34,407)
Balance at end of the financial year		2,178,607	800,831	1,328,967	48,809

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 30 June 2024

	Note	2024 Inflows/ (Outflows) \$'000	2023 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		141,960	140,748
Statutory fees and fines		5,801	5,404
User fees		33,347	28,953
Grants – operating		11,112	26,061
Grants – capital		30,732	12,132
Contributions – monetary		4,155	1,825
Interest received		2,877	1,510
Trust funds and deposits taken		17,391	16,836
Other receipts		4,675	4,051
Net GST receipt/(payment)		(924)	3,648
Employee costs		(91,636)	(90,164)
Materials and services		(66,202)	(88,113)
Short-term, low value and variable lease payments		(438)	(482)
Trust funds and deposits repaid		(17,391)	(16,095)
Other payments		(3,574)	(3,205)
Net cash provided by operating activities	9.2	71,885	43,109
Cash flows from investing activities			
Payments for property, infrastructure, intangibles, plant and equipment		(83,571)	(75,015)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	749	623
Net proceeds for investments		23,503	13,458
Net cash used in investing activities		(59,319)	(60,934)
Cash flows from financing activities			
Finance costs		(1,473)	(1,409)
Proceeds of borrowings		9,400	2,150
Repayment of borrowings		(427)	(392)
Interest paid – lease liabilities		(23)	(19)
Repayment of lease liabilities		(200)	(412)
Net cash provided / (used) in financing activities		7,277	(82)
Net increase/(decrease) in cash and cash equivalents		19,843	(17,907)
Cash and cash equivalents at the beginning of the financial year		38,293	56,200
Cash and cash equivalents at the end of the financial year	9.3	58,136	38,293
Financing arrangements	5.6		

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Capital Works

For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Property			
Land		–	387
Total land		–	387
Buildings		28,941	35,940
Total buildings		28,941	35,940
Total property		28,941	36,327
Plant and equipment			
Plant, machinery and equipment		2,850	3,856
Fixtures, fittings and furniture		528	575
Computers and telecommunications		2,614	3,105
Library books		723	789
Total plant and equipment		6,715	8,325
Infrastructure			
Roads		7,964	6,400
Bridges		1,369	198
Footpaths and cycleways		3,914	2,790
Drainage		2,497	1,206
Recreational, leisure and community facilities		6,529	10,077
Waste management		142	260
Parks, open space and streetscapes		9,698	8,191
Off street car parks		15,565	1,049
Other infrastructure		56	–
Total infrastructure		47,734	30,171
Total capital works expenditure		83,390	74,823
Represented by:			
New asset expenditure		28,073	12,978
Asset renewal expenditure		28,981	23,761
Asset expansion expenditure		2,449	695
Asset upgrade expenditure		23,887	37,389
Total capital works expenditure		83,390	74,823

The above Consolidated Statement of Capital Works should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 1 Overview

Introduction

Frankton 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 30 Davey Street, Frankston, Victoria.

Statement of compliance

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

The 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.

Accounting policy information

(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. Specific 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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 1 Overview (continued)

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 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- other areas requiring judgments

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.

The Frankston Cemetery Trust has been specifically excluded from this report by virtue of the *Cemeteries Trust Act (1958)*.

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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2 Analysis of our results

Note 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 \$1 million 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 22 May 2023. 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*.

Note 2.1.1 Income / Revenue and expenditure

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref.
Income / Revenue					
Rates and charges	146,422	146,948	526	0.36%	
Statutory fees and fines	6,744	6,589	(155)	(2.30%)	
User fees	29,822	30,869	1,047	3.51%	1.
Grants – operating	19,629	11,897	(7,732)	(39.39%)	2.
Grants – capital	29,858	26,799	(3,059)	(10.25%)	3.
Contributions – monetary	1,754	4,155	2,401	136.89%	4.
Contributions – non-monetary	800	24,851	24,051	3006.38%	5.
Net gain on disposal of property, infrastructure, plant and equipment	512	533	21	4.10%	
Other income	5,548	7,061	1,513	27.27%	6.
Total income / revenue	241,089	259,702	18,613	7.72%	
Expenses					
Employee costs	94,468	94,318	150	0.16%	
Materials and services	77,288	76,339	949	1.23%	
Depreciation	34,736	37,665	(2,929)	(8.43%)	7.
Amortisation – Intangible assets	1,157	1,207	(50)	(4.32%)	
Depreciation – Right-of-use assets	281	191	90	32.03%	8.
Movement in allowance for impairment losses	232	(24)	256	110.34%	9.
Borrowing costs	1,622	1,485	137	8.45%	
Finance costs – leases	10	23	(13)	(130.00%)	10.
Other expenses	4,307	15,878	(11,571)	(268.66%)	11.
Efficiency factor	(1,000)	–	(1,000)	100.00%	12.
Total expenses	213,101	227,082	(13,981)	(6.56%)	
Surplus for the year	27,988	32,620	4,632	16.55%	

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Ref	Explanation
1.	User fees and charges
	User fees had a favourable actual to budget variance of \$1.047 million primarily due to higher than expected patronage at Frankston Regional Recycling and Recovery Centre \$0.963 million and Centenary Park Golf Course \$0.313 million and higher fees received in Engineering Services for private subdivisions \$0.301 million and occupation of land \$0.216 million. These have been offset by lower fees received for charged car parking \$0.496 million and community hall hire \$0.176 million.
2.	Grants – operating
	Grants – operating had an unfavourable actual to budget variance of \$7.732 million primarily due to the non-receipt of budgeted Financial Assistance Grants of \$8.200 million from the Commonwealth Government. These were previously received 100% in advance in 2022-2023 and 75% in advance in 2021-2022. Unexpected grants of \$0.467 million were received in Waste Circularity.
3.	Grants – capital
	Grants – capital had an unfavourable actual to budget variance of \$3.059 million primarily due to the deferral of project expenditure to 2024-2025 for projects including Kananook Commuter Car Park \$4.649 million, Sandfield Reserve Improvements \$0.798 million and LXP Community Assets Improvements \$0.686 million. This has been partially offset by additional grants for Seaford Wetlands Rejuvenation \$0.734 million, Barrett’s Road construction \$0.691 million and Hall Road construction \$1.698 million.
4.	Contributions – monetary
	Contributions – monetary had a favourable actual to budget variance of \$2.401 million primarily due to the receipt of bank guarantee payments following the collapse of the Lloyd Group for Jubilee Park \$1.423 million, Eric Bell Pavilion \$0.377 million, Healthy Futures Hub \$0.216 million and Lloyd Park Pavilion \$0.245 million.
5.	Contributions – non-monetary
	Contributions – non-monetary assets had a favourable actual to budget variance of \$24.051 million due the Sandhurst Estate Formal Asset Transfer \$19.744 million, LXP shared users paths \$1.845 million, a modular pavilion at Belvedere Reserve provided by the AFL \$1.0 million and gifted land, roads, footpaths and drainage received relating to subdivisions within the municipality \$2.461 million.
6.	Other income
	Other income had a favourable actual to budget variance of \$1.515 million due to higher interest received from investments \$0.596 million, higher PARC café sales \$0.186 million, unbudgeted container deposit scheme \$0.252 million, property leases \$0.241 million, insurance settlements \$0.109 million and various reimbursements \$0.131 million.
7.	Depreciation
	Depreciation had an unfavourable actual to budget variance of \$2.929 million due to increased revaluation of off-street carparks and other infrastructure assets and indexation of other asset classes in 2022-2023 after the budget was set for 2023-2024. In addition, unbudgeted depreciation on gifted and found assets totalled \$0.474 million.
8.	Depreciation – Right-of-use assets
	Depreciation – Right-of-use assets had a favourable actual to budget variance of \$0.090 million due to the delayed rollout of new leased laptops for staff.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations (continued)

Ref	Explanation
9.	Movement in allowance for impairment losses
	Allowance for impairment losses had a favourable actual to budget variance of \$0.256 million mainly due to the write-back of an overprovision of parking fines.
10.	Finance costs – leases
	Finance costs – leases had an unfavourable actual to budget variance due to new leases entered into for equipment at Peninsula Leisure.
11.	Other expenses
	Other expenditure had an unfavourable actual to budget variance of \$11.571 million due to write off of the carrying amount of assets mainly in Infrastructure \$9.953 million and Land and Buildings \$1.445 million. A review revealed \$0.455 million of operating expenditure in capital project handovers that could not be capitalised. These were offset by lower learning & development costs \$0.149 million and operating lease rentals \$0.114 million due to the postponement in undertaking these programs.
12.	Efficiency factor
	Efficiencies achieved have been reflected in other categories, but not material enough to have an impact on the budget bottom line.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2.1 Performance against budget (continued)

Note 2.1.2 Capital works

	Budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000	Variance %	Ref.
Property					
Buildings	18,502	28,941	10,439	56.42%	1.
Total Buildings	18,502	28,941	10,439	56.42%	
Total Property	18,502	28,941	10,439	56.42%	
Plant and equipment					
Plant, machinery and equipment	2,576	2,850	274	10.64%	2.
Fixtures, fittings and furniture	375	528	153	40.80%	3.
Computers and telecommunications	2,795	2,614	(181)	(6.48%)	
Library books	750	723	(27)	(3.60%)	
Total plant and equipment	6,496	6,715	219	3.37%	
Infrastructure					
Roads	8,278	7,964	(314)	(3.79%)	
Bridges	150	1,369	1,219	812.67%	4.
Footpaths and cycleways	4,779	3,914	(865)	(18.10%)	5.
Drainage	3,064	2,497	(567)	(18.51%)	6.
Recreational, leisure and community facilities	5,548	6,529	981	17.68%	7.
Waste management	420	142	(278)	(66.19%)	8.
Parks, open space and streetscapes	10,385	9,698	(687)	(6.62%)	
Off street car parks	20,800	15,565	(5,235)	(25.17%)	9.
Other infrastructure	-	56	56	100.00%	10.
Total infrastructure	53,424	47,734	(5,690)	(10.65%)	
Total capital works expenditure	78,422	83,390	4,968	6.33%	
Represented by:					
New asset expenditure	36,018	28,073	(7,945)	(28.30%)	
Asset renewal expenditure	26,239	28,981	2,742	9.46%	
Asset expansion expenditure	1,673	2,449	776	31.69%	
Asset upgrade expenditure	14,492	23,887	9,395	39.33%	
Total capital works expenditure	78,422	83,390	4,968	6.33%	

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Ref	Explanation
1.	Buildings
	A significant portion of the Capital Works Program expenditure was delivered on buildings & facilities (\$28.941 million); a variance of \$10.439 million over the adopted budget. This is primarily due to carry forward expenditure of \$7.371 million in buildings from 2022-2023 following unfavourable market conditions to deliver major projects. In addition, contractor insolvency experienced on a number of buildings major projects resulted in additional funding required to complete these projects in the 2023-2024 financial year.
2.	Plant, machinery and equipment
	Over expenditure of \$0.274 million in plant, machinery and equipment is primarily due to the delivery of a backlog of heavy plant and light vehicles that were planned for replacement in 2022-2023.
3.	Fixtures, fittings and furniture
	Over expenditure of \$0.153 million was primarily due to the delayed delivery of supply of CCTV camera units that were planned for delivery in 2022-2023.
4.	Bridges
	Bridges were overspent by \$1.219 million, primarily due to the delivery of the Seaford Wetlands Rejuvenation – Canal Bridge Construction project that was delayed in 2022-2023 due to planning approvals from external agencies.
5.	Footpaths and cycleways
	Footpaths and cycleways were under spent by \$0.865 million due to project delays and deferrals. Projects primarily affected included pathway improvements funded via the Level Crossing Removal Authority (\$0.165 million), Frankston Revitalisation Action Plan – Greenlink (\$0.437 million) and Robinsons Road to Peninsula Link Trail Shared User Path (\$0.174 million).
6.	Drainage
	Drainage was under spent by \$0.567 million. Project affected include Frankston South Drainage Strategy drainage upgrade projects at 15 Kars Street, Frankston (\$0.150 million) and Warringa Stage 2 – Cliff Road (\$0.600 million).
7.	Recreational, leisure and community facilities
	Recreational, leisure and community facilities were overspent by \$0.981 million, primarily due to the delivery of the Overport Park Mountain Bike Track (\$0.330 million) and Jubilee Park Master Plan Implementation (West Precinct) (\$0.385 million) that were carried forward from 2022-2023.
8.	Waste management
	Waste management was under spent by \$0.278 million, primarily due to project savings associated with Council's landfill management.
9.	Off street car parks
	Off street carparks were under spent by \$5.235 million due to project planning delays with the Kananook Commuter Car Park (\$4.715 million) major project.
10.	Other infrastructure
	Other infrastructure was overspent by \$0.056 million due to the addition of the City Centre Parklet Refresh and Renewal project.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

Chief Executive Officer (CEO) and Council

The CEO has responsibility for the day to day management of Council's operations in accordance with the strategic direction of the Council Plan 2021-2025.

Infrastructure and Operations

Provide support to the CEO and Councillors on delivery, maintenance and management of Council's assets. Also focuses on delivering innovative and sustainable outcomes for the community.

The directorate includes Capital Works Delivery, Buildings and Facilities, Operations, Sustainable Assets and Engineering Services.

Communities

Communities provides leadership, direction and general management of all departments within the Communities Directorate as well as community policy and strategy development.

The directorate includes Community Strengthening, Development Services, Safer Communities, Family Health Support Services and City Futures.

Corporate and Commercial Services

Providing advice and support to the CEO and Councillors on governance and financial matters, in conjunction with forming strong partnerships with the community to deliver services to improve the community's lifestyle.

The directorate includes Governance and Information, Procurement, Property and Risk and Waste Circularity as well as Financial and Integrated Planning.

Customer Innovation and Arts

The Customer Innovation and Arts directorate oversees the organisation's service delivery to its community via traditional means as well as the integration of technology to enhance the user experience.

The directorate includes People and Culture, Customer Experience and Transformation, Business and Information Technology, Arts and Culture and Community Relations.

Other

The items in Other are not directly attributable to the Directorates and includes overheads and grants.

Peninsula Leisure

Peninsula Leisure Pty Ltd is a wholly-owned subsidiary of Frankston City Council. Peninsula Leisure Pty Ltd operates Peninsula Aquatic Recreation Centre (PARC), Pines Forest Aquatic Centre and the Frankston Skate Park.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2.2 Analysis of Council results by program (continued)

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

2024	Income / Revenue \$'000	Expenses \$'000	Surplus/ (Deficit) \$'000	Grants included in income / revenue \$'000	Total assets \$'000
CEO and Council	–	856	(856)	–	–
Infrastructure and Operations	1,609	76,903	(75,294)	296	1,907,628
Communities	22,110	44,706	(22,596)	10,038	31,298
Corporate and commercial services	158,132	39,155	118,977	468	41,707
Customer innovation and arts	6,373	34,877	(28,504)	1,052	60,440
Other	56,579	16,361	40,218	26,150	181,975
Peninsula Leisure	14,899	14,224	675	692	4,505
Total	259,702	227,082	32,620	38,696	2,227,553

2023	Income / Revenue \$'000	Expenses \$'000	Surplus/ (Deficit) \$'000	Grants included in income / revenue \$'000	Total assets \$'000
CEO and Council	–	775	(775)	–	–
Infrastructure and Operations	2,917	79,879	(76,962)	424	1,943,634
Communities	19,291	44,168	(24,877)	9,702	32,562
Corporate and commercial services	154,239	38,237	116,002	1,658	37,532
Customer innovation and arts	5,623	34,768	(29,145)	1,018	63,988
Other	35,548	5,144	30,404	25,396	183,394
Peninsula Leisure	13,684	13,329	355	963	3,180
Total	231,302	216,300	15,002	39,161	2,264,290

Notes to the Financial Statements

For the year ended 30 June 2024

Note 3 Funding for the delivery of our services

	2024	2023
	\$'000	\$'000

Note 3.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is its site value inclusive of land, buildings and other improvements.

The valuation base used to calculate general rates for 2023-2024 was \$48,781million (2022-2023 \$50,147 million). The 2023-2024 general rate in the dollar was 0.00199259 (2022-2023 0.00187066). The municipal charge is levied at the rate of \$177.85 (2022-2023 \$171.86) per rateable property.

General rates	100,100	96,082
COVID-19 Rate waiver	–	(1)
Service rates and charges	33,692	33,823
Municipal charge	11,460	11,005
Supplementary rates and rate adjustments	580	484
Interest on rates and charges	1,116	834
Total rates and charges	146,948	142,227

The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2023 and the valuation was applied to the rating period commencing 1 July 2023.

The annual revaluation is undertaken by Patel Dore Pty Ltd, under contract to the Valuer General Victoria.

Annual rates and charges are recognised as revenues when Council issues annual rates notices.

Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

Note 3.2 Statutory fees and fines

Infringements and costs	2,638	2,068
Permits	2,052	1,939
Building and town planning fees	1,607	1,827
Land information certificates	162	142
Court recoveries	130	75
Total statutory fees and fines	6,589	6,051

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

Notes to the Financial Statements

For the year ended 30 June 2024

Note 3 Funding for the delivery of our services (continued)

	2024 \$'000	2023 \$'000
Note 3.3 User fees		
Recreation and leisure	14,153	12,546
Waste management	6,691	6,749
Arts and culture	4,629	3,985
Parking	1,421	1,470
Waiver – parking fees	–	(142)
Registrations and other permits	1,270	890
Aged and health services	1,114	1,159
Other fees and charges	879	814
Child care/children's programs	320	349
Building services	264	286
Library services	85	58
Legal cost recovery – rates	43	232
Total user fees	30,869	28,396
User fees by timing of revenue recognition		
User fees recognised over time	10,012	9,049
User fees recognised at a point in time	20,857	19,347
Total user fees	30,869	28,396

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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 3 Funding for the delivery of our services (continued)

	2024	2023
	\$'000	\$'000

Note 3.4 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants

Commonwealth funded grants	25,677	24,452
State funded grants	13,019	14,709
Total grants received	38,696	39,161

(a) Operating grants

Recurrent – Commonwealth Government

Financial Assistance Grants	441	12,252
Aged and community care	3,438	3,286
Family, children and youth services	1,029	976
Maternal and child health	24	25
Recurrent Commonwealth grants	4,932	16,539

Recurrent – State Government

Maternal and child health	2,427	2,214
Libraries	972	972
Family, children and youth services	661	422
School crossing supervisors	548	532
Aged and community care	424	823
Community development	371	300
Recreation	175	181
Community safety	40	89
Recurrent State grants	5,618	5,533
Total recurrent operating grants	10,550	22,072

Notes to the Financial Statements

For the year ended 30 June 2024

Note 3 Funding for the delivery of our services (continued)

	2024 \$'000	2023 \$'000
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Note 3.4 Funding from other levels of government (continued)

Non-recurrent – Commonwealth Government

Family, children and youth services	1	–
Non-recurrent Commonwealth grants	1	–

Non-recurrent – State Government

Environment	483	1,677
Maternal and child health	351	85
Community safety	218	23
Community development	93	575
Family, children and youth services	81	130
Libraries	58	28
Recreation	44	104
Aged and community care	18	173
Non-recurrent State grants	1,346	2,795
Total non-recurrent operating grants	1,347	2,795
Total operating grants	11,897	24,867

(b) Capital grants

Recurrent – Commonwealth Government

Roads to recovery	67	740
Recurrent Commonwealth grants	67	740

Non-recurrent – Commonwealth Government

Off-street car parks	16,195	938
Roads	2,410	1,162
Buildings	1,950	5,073
Parks, open space and streetscapes	122	–
Non-recurrent Commonwealth grants	20,677	7,173

Non-recurrent – State Government

Footpaths and cycleways	1,638	656
Buildings	1,492	1,728
Parks, open space and streetscapes	1,340	1,810
Bridges	1,255	195
Recreational, leisure and community facilities	214	1,871
Drainage	114	121
Computers and telecommunications	2	–
Non-recurrent State grants	6,055	6,381
Total non-recurrent capital grants	26,732	13,554
Total capital grants	26,799	14,294

Notes to the Financial Statements

For the year ended 30 June 2024

Note 3 Funding for the delivery of our services (continued)

	2024 \$'000	2023 \$'000
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Note 3.4 Funding from other levels of government (continued)

(c) Recognition of grant income / revenue

Before recognising funding from government grants as revenue the 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, the 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 point in 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.

Income recognised under AASB 1058 Income of Not-for-Profit Entities

General purpose	441	12,252
Other specific purpose grants	6,565	7,530

Revenue recognised under AASB 15 Revenue from Contracts with Customers

Specific purpose grants	31,690	19,379
Total Grants	38,696	39,161

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

Operating

Balance at start of year	5,604	4,409
Received during the financial year and remained unspent at balance date	2,407	3,135
Received in prior years and spent during the financial year	(2,564)	(1,940)
Balance at year end	5,447	5,604

Capital

Balance at start of year	4,312	6,474
Received during the financial year and remained unspent at balance date	10,658	1,649
Received in prior years and spent during the financial year	(4,111)	(3,811)
Balance at year end	10,859	4,312

Unspent grants are determined and disclosed on a cash basis.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 3 Funding for the delivery of our services (continued)

	2024 \$'000	2023 \$'000
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Note 3.5 Contributions

Monetary	4,155	1,824
Non-monetary	24,851	7,103
Total contributions	29,006	8,927

Contributions of non-monetary assets were received in relation to the following asset classes

Roads	12,585	6,182
Land under roads	4,332	103
Bridges	2,264	–
Footpath and cycleways	2,152	98
Drainage	1,579	559
Buildings	999	–
Other infrastructure	726	37
Off-street car parks	155	–
Recreational, leisure and community	59	124
Total non-monetary contributions	24,851	7,103

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

Note 3.6 Net gain on disposal of property, plant and equipment

Proceeds from sale	749	623
Written down value of assets disposed	(216)	(246)
Total net gain on disposal of property, plant and equipment	533	377

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

Note 3.7 Other income

Interest	2,388	2,112
Sales	1,976	1,972
Other rent	1,268	1,158
Other	827	589
Reimbursements	474	208
Insurance settlements	128	124
Total other income	7,061	6,163

Interest is recognised as it is earned.

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

Notes to the Financial Statements

For the year ended 30 June 2024

Note 4 The cost of delivering services

	2024	2023
	\$'000	\$'000

Note 4.1 Employee costs

(a) Employee costs

Salaries and wages	75,028	72,670
Casual and agency staff	7,093	7,218
Superannuation	8,878	8,226
WorkCover	3,018	2,352
Fringe benefits tax	211	158
Other	90	201
Total employee costs	94,318	90,825

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	174	119
	174	119

Employer contributions payable at reporting date	–	40
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Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	7,861	7,645
Employer contributions – other funds	843	462
	8,704	8,107

Employer contributions payable at reporting date	–	40
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Contributions made exclude amounts accrued at balance date. Refer to note 9.4 for further information relating to Council's superannuation obligations.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 4 The cost of delivering services (continued)

	2024 \$'000	2023 \$'000
Note 4.2 Materials and services		
Waste collection and disposal services	24,244	23,672
Contract services	20,789	19,172
Materials	9,071	7,516
Utilities	4,219	4,134
Information technology	3,243	3,157
Plant and equipment	2,343	4,131
Works in progress (unable to be capitalised)	2,153	3,453
Building maintenance	2,051	3,382
Insurance and fire services levy	2,010	1,804
Consultants	1,731	2,251
Finance and legal	1,447	1,502
Office administration	1,427	1,159
Cost of goods sold	817	729
Marketing and promotion	794	838
Total materials and services	76,339	76,900

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

Note 4.3 Depreciation

Infrastructure	24,830	24,620
Property	8,508	8,137
Plant and equipment	4,327	4,081
Total depreciation	37,665	36,838

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

Note 4.4 Amortisation – Intangible assets

Software	1,207	1,075
Total amortisation – Intangible assets	1,207	1,075

Please refer to note 5.2(c) for a more detailed breakdown of amortisation charges and accounting policy.

Note 4.5 Depreciation – Right-of-use assets

Plant and equipment	171	344
Motor vehicles	2	10
Property	18	18
Total Depreciation – Right-of-use assets	191	372

Please refer to note 5.8 for a more detailed breakdown of depreciation charges and accounting policy.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 4 The cost of delivering services (continued)

	2024	2023
	\$'000	\$'000

Note 4.6 Movement in allowance for impairment losses

Other debtors	432	35
Parking fine debtors	(456)	174
Total allowance for impairment losses	(24)	209

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.

Note 4.7 Borrowing costs

Interest – borrowings	1,485	1,415
Total borrowing costs	1,485	1,415

Borrowing costs are recognised as an expense in the period in which they are incurred.

Note 4.8 Finance costs – leases

Interest – lease liability	23	20
Total finance costs – leases	23	20

Note 4.9 Other expenses

Assets written-off / impaired – Infrastructure	9,953	3,808
Assets written-off / impaired – Property	1,519	757
Assets written-off / impaired – Plant and equipment	392	367
Assets written-off / impaired – Intangibles	–	26
Grants and contributions	1,563	1,069
Training and professional development	719	797
Operating lease rentals	438	482
Councillors' allowances and expenses	430	432
Court lodgement fees	429	386
Auditor remuneration – Internal	151	238
Director and committee member fees	124	121
Auditors' remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals	103	99
Board costs	57	64
Total other expenses	15,878	8,646

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations

	2024 \$'000	2023 \$'000
Note 5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	19	20
Cash at bank	3,611	4,868
Term deposits	54,506	33,405
Total cash and cash equivalents	58,136	38,293
(b) Other financial assets		
Current		
Term deposits	8,547	32,049
Total Current other financial assets	8,547	32,049
Non-current		
Term deposits	3,507	3,507
Total non-current other financial assets	3,507	3,507
Total other financial assets	12,054	35,556
Total cash and cash equivalents and other financial assets	70,190	73,849

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 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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

	2024	2023
	\$'000	\$'000

Note 5.1 Financial assets (continued)

(c) Trade and other receivables

Current

Statutory receivables

Rates debtors	24,751	19,580
Infringement debtors	7,370	6,580
Allowance for expected credit loss – infringements	(2,787)	(3,081)
Net GST receivable	2,889	1,972
Special rate scheme	213	217

Non statutory receivables

Other debtors	2,526	1,952
Allowance for expected credit loss – other debtors	(73)	(72)

Total current trade and other receivables	34,889	27,148
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Non-current

Statutory receivables

Special rate scheme	414	471
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Total non-current trade and other receivables	414	471
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Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. 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:

Current (not yet due)	2,055	1,521
Past due between 31 and 180 days	222	209
Past due between 181 and 365 days	249	222
Total trade and other receivables	2,526	1,952

(e) Contract assets

Contract assets	1,447	2,063
Total contract assets	1,447	2,063

Contract assets are recognised when Council has transferred goods or services to the customer but where Council is yet to establish an unconditional right to consideration.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

	2024	2023
	\$'000	\$'000

Note 5.2 Non-financial assets

(a) Inventories

Current

Inventories held for distribution	176	129
Inventories held for sale	89	62
Total inventories	265	191

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Current

Prepayments	2,640	2,389
Other	330	330
Total other assets	2,970	2,719

(c) Intangible assets

Software

At cost	10,644	10,334
Less accumulated amortisation	(7,623)	(7,213)
	3,021	3,121

Gross carrying amount

Balance at 1 July	10,334	8,748
Write-off	(797)	(793)
Transfers from property, infrastructure, plant and equipment	1,107	2,379
Balance at 30 June	10,644	10,334

Accumulated amortisation and impairment

Balance at 1 July	7,213	6,899
Amortisation expense	1,207	1,075
Write-off	(797)	(761)
Balance at 30 June	7,623	7,213

Net book value 30 June	3,021	3,121
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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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

	2024	2023
	\$'000	\$'000

Note 5.3 Payables, trust funds and deposits and contract and other liabilities

(a) Trade and other payables

Current

Non-statutory payables

Trade payables	21,514	14,445
Accrued expenses	3,876	4,650
Total current trade and other payables	25,390	19,095

(b) Trust funds and deposits

Current

Refundable deposits and bonds	3,981	3,805
Fire Services Levy	2,451	2,643
Trust deposits	117	105
Unclaimed moneys	88	84
Total current trust funds and deposits	6,637	6,637

Trust funds and deposits

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 forfeiture.

Purpose and nature of items

Refundable deposits – Deposits are taken by Council as a form of surety in a number of circumstances, including building works, tender deposits, contract deposits and the use of Council facilities.

Fire Services Levy – Council is the collection agent for the 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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

	2024 \$'000	2023 \$'000
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Note 5.3 Payables, trust funds and deposits and contract and other liabilities (continued)

(c) Contract and other liabilities

Current

Grants received in advance – operating	5,447	5,604
Grants received in advance – capital	10,859	4,312
User fees	3,345	3,290
Total contract and other liabilities	19,651	13,206

Contracts and other liabilities

Contract liabilities and reflect consideration received in advance from customers in respect of grant operating income, user fees and charges and rent income. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to note 3.3 and note 3.4.

Grants received in advance – operating – Operating grants received by Council where Council has not yet satisfied their performance obligations under the contract.

Grants received in advance – capital – Capital grants received by Council where Council has not yet satisfied their performance obligations under the contract.

User fees – User fees and charges received by Council where Council has not yet satisfied their performance obligations under the contract.

Note 5.4 Interest-bearing liabilities

Current

Treasury Corporation of Victoria borrowings – secured	805	–
Other borrowings – secured	455	427
Total current	1,260	427

Non-current

Treasury Corporation of Victoria borrowings – secured	10,795	2,200
Other borrowings – secured	25,760	26,215
Total non-current	36,555	28,415
Total interest-bearing liabilities	37,815	28,842

Borrowings are secured over the general rates of Council.

(a) The maturity profile for Council's borrowings is:

Not later than one year	1,192	427
Later than one year and not later than five years	21,326	17,007
Later than five years	15,297	11,408
Total interest-bearing liabilities	37,815	28,842

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

	Employee \$'000	Landfill restoration \$'000	Total \$'000
Note 5.5 Provisions			
2024			
Balance at beginning of financial year	17,664	–	17,664
Additional provisions	9,239	2,030	11,269
Amounts used	(6,858)	–	(6,858)
Change in discounted amount arising because of the time and the effect of any change in the discount rate	303	–	303
Balance at the end of the financial year	20,348	2,030	22,378
Provisions current	17,835	200	18,035
Provisions non-current	2,513	1,830	4,343
2023			
Balance at beginning of financial year	17,007	–	17,007
Additional provisions	7,675	–	7,675
Amounts used	(6,977)	–	(6,977)
Change in discounted amount arising because of the time and the effect of any change in the discount rate	(41)	–	(41)
	17,664	–	17,664
Provisions current	16,201	–	16,201
Provisions non-current	1,463	–	1,463

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

	2024 \$'000	2023 \$'000
Note 5.5 Provisions (continued)		
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	7,143	6,318
Long service leave	1,544	1,429
Gratuity	2	2
	8,689	7,749
Current provisions expected to be wholly settled after 12 months		
Annual leave	376	333
Long service leave	8,747	8,095
Gratuity	23	24
	9,146	8,452
Total current employee provisions	17,835	16,201
Non-current		
Long service leave	2,513	1,463
Total non-current employee provisions	2,513	1,463
Aggregate carrying amount of employee provisions:		
Current	17,835	16,201
Non-current	2,513	1,463
Total aggregate carrying amount of employee provisions	20,348	17,664

The calculation of employee costs and benefits 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 the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the 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 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 the 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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

	2024	2023
	\$'000	\$'000

Note 5.5 Provisions (continued)

Key assumptions:

– discount rate	4.350%	4.060%
– inflation rate	4.450%	4.350%

(b) Landfill restoration

Current	200	–
Non-current	1,830	–
	2,030	–

Council is obligated to restore – Landfill site at McClelland Road, Frankston North 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.

This was disclosed as a contingent liability in previous years' statements.

Key assumptions:

– discount rate	4.250%	n/a
– inflation rate	2.500%	n/a

Note 5.6 Financing arrangements

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

Bank overdraft	2,500	2,500
Credit card facilities	100	70
Treasury Corporation of Victoria facilities	17,907	13,550
Interest-bearing loans and borrowings – secured	26,215	26,642
Total facilities	46,722	42,762
Used facilities	37,855	28,842
Unused facilities	8,867	13,920

Council has a bank overdraft facility secured over rates with the Commonwealth Bank.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

Note 5.7 Commitments

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

(a) Commitments for expenditure

2024	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 year and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Recycling and waste collection	13,538	10,707	25,260	21,672	71,177
Council building maintenance	9,371	9,371	5,274	–	24,016
Other	7,230	2,681	1,400	–	11,311
Energy	731	188	376	–	1,295
Information technology	3,570	1,384	388	–	5,342
Total	34,440	24,331	32,698	21,672	113,141
Capital					
Buildings	12,063	–	–	–	12,063
Infrastructure	4,475	361	–	–	4,836
Plant and equipment	1,941	–	–	–	1,941
Total	18,479	361	–	–	18,840

2023	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 year and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Operating					
Recycling and waste collection	14,628	14,613	24,104	35,609	88,954
Council building maintenance	9,159	9,192	10,378	–	28,729
Other	3,606	2,501	1,754	–	7,861
Energy	856	732	376	376	2,340
Information technology	2,591	1,155	516	–	4,262
Total	30,840	28,193	37,128	35,985	132,146
Capital					
Buildings	21,027	4,199	–	–	25,226
Infrastructure	6,189	–	–	–	6,189
Plant and equipment	2,022	59	–	–	2,081
Total	29,238	4,258	–	–	33,496

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

Note 5.8 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;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council has the right to direct 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.

Under AASB 16 Leases, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

Note 5.8 Leases (continued)

Right-of-Use Assets	Property \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Total \$'000
Balance at 1 July 2023	39	167	6	212
Additions	–	673	–	673
Disposals	–	–	(4)	(4)
Depreciation charge	(18)	(171)	(2)	(191)
Balance at 30 June 2024	21	669	–	690
Balance at 1 July 2022	57	370	16	443
Additions	–	141	–	141
Depreciation charge	(18)	(344)	(10)	(372)
Balance at 30 June 2023	39	167	6	212

Lease Liabilities	2024 \$'000	2023 \$'000
Maturity analysis – contractual undiscounted cash flows		
Less than one year	231	86
One to five years	486	138
Total undiscounted lease liabilities as at 30 June:	717	224
Lease liabilities included in the Balance Sheet at 30 June:		
Current	131	103
Non-current	587	136
Total lease liabilities	718	239

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 asset (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 5 Investing in and financing our operations (continued)

Note 5.8 Leases (continued)

	2024 \$'000	2023 \$'000
Expenses relating to:		
Short-term leases	403	416
Leases of low value assets	35	66
Total	438	482

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:

Within one year	1	1
Later than one year but not later than five years	–	1
Total lease commitments	1	2

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage

Note 6.1 Property, infrastructure, plant and equipment

	Carrying amount 30 June 2023 \$'000	Additions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposals \$'000	Write-offs \$'000	Found \$'000	Transfers \$'000	Carrying amount 30 June 2024 \$'000
Property	1,327,892	3,892	5,331	(126,430)	(8,508)	-	(1,445)	129	45,665	1,246,526
Plant and equipment	12,214	2,703	-	-	(4,327)	(216)	(11)	-	2,782	13,145
Infrastructure	712,360	2,651	19,520	13,032	(24,830)	-	(9,954)	17,006	21,168	750,953
Work in progress	102,050	74,322	-	-	-	-	(2,607)	-	(70,722)	103,043
	2,154,516	83,568	24,851	(113,398)	(37,665)	(216)	(14,017)	17,135	(1,107)	2,113,667

	Opening WIP \$'000	Additions \$'000	Write-offs \$'000	Reclassification \$'000	Transfers \$'000	Closing WIP \$'000
Property	56,621	24,982	(340)	(4,883)	(44,723)	31,657
Plant and equipment	6,333	4,191	(724)	(488)	(3,889)	5,423
Infrastructure	39,096	45,149	(1,543)	5,371	(22,110)	65,963
Total	102,050	74,322	(2,607)	-	(70,722)	103,043

Summary of Work in Progress (WIP)

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.1 Property, infrastructure, plant and equipment (continued)

(a) Property	Land – specialised \$'000	Land – non specialised \$'000	Land – roads \$'000	Total land \$'000	Buildings – specialised \$'000	Buildings – non specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
At fair value 1 July 2023	1,060,527	27,236	4,457	1,092,220	46,788	333,311	380,099	56,621	1,528,940
Accumulated depreciation 1 July 2023	-	-	-	-	(21,110)	(123,317)	(144,427)	-	(144,427)
	1,060,527	27,236	4,457	1,092,220	25,678	209,994	235,672	56,621	1,384,513
Movements in fair value									
Additions	-	-	-	-	-	3,892	3,892	24,982	28,874
Contributions	-	-	4,332	4,332	-	999	999	-	5,331
Found	-	-	-	-	19	117	136	-	136
Revaluation	(127,746)	(1,406)	-	(129,152)	3,894	42,809	46,703	-	(82,449)
Write-offs	(1,306)	-	-	(1,306)	(657)	(1,499)	(2,156)	(340)	(3,802)
Transfers from Infrastructure	-	-	-	-	-	1,419	1,419	-	1,419
Work in progress reclassification	-	-	-	-	-	-	-	(4,883)	(4,883)
Transfers	-	-	-	-	2,475	42,249	44,724	(44,723)	1
	(129,052)	(1,406)	4,332	(126,126)	5,731	89,986	95,717	(24,964)	(55,373)
Movements in accumulated depreciation									
Depreciation	-	-	-	-	(987)	(7,521)	(8,508)	-	(8,508)
Found	-	-	-	-	-	(7)	(7)	-	(7)
Transfers from Infrastructure	-	-	-	-	-	(479)	(479)	1	(478)
Revaluation	-	-	-	-	(3,339)	(40,642)	(43,981)	-	(43,981)
Accumulated depreciation of write-offs	-	-	-	-	623	1,394	2,017	-	2,017
	-	-	-	-	(3,703)	(47,255)	(50,958)	1	(50,957)
At fair value 30 June 2024	931,475	25,830	8,789	966,094	52,519	423,297	475,816	31,657	1,473,567
Accumulated depreciation 30 June 2024	-	-	-	-	(24,813)	(170,572)	(195,385)	-	(195,385)
Carrying amount	931,475	25,830	8,789	966,094	27,706	252,725	280,431	31,657	1,278,182

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.1 Property, infrastructure, plant and equipment (continued)

(b) Plant and equipment	Plant machinery and equipment \$'000	Fixtures, fittings and furniture \$'000	Computers and telecomms \$'000	Library books \$'000	Work in progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2023	23,294	2,330	8,035	7,342	6,333	47,334
Accumulated depreciation 1 July 2023	(15,361)	(1,297)	(5,909)	(6,220)	-	(28,787)
	7,933	1,033	2,126	1,122	6,333	18,547
Movements in fair value						
Additions	2,291	42	29	341	4,191	6,894
Write-offs	(102)	-	(2,414)	-	(724)	(3,240)
Disposals	(1,591)	-	-	-	-	(1,591)
Transfers to intangible assets	-	-	-	-	(1,107)	(1,107)
Work in progress reclassification	-	-	-	-	(488)	(488)
Transfers	1,302	801	679	-	(2,782)	-
	1,900	843	(1,706)	341	(910)	468
Movements in accumulated depreciation						
Depreciation	(2,578)	(294)	(941)	(514)	-	(4,327)
Disposals	1,375	-	-	-	-	1,375
Accumulated depreciation of write-offs	98	-	2,407	-	-	2,505
	(1,105)	(294)	1,466	(514)	-	(447)
At fair value 30 June 2024	25,194	3,173	6,329	7,683	5,423	47,802
Accumulated depreciation 30 June 2024	(16,466)	(1,591)	(4,443)	(6,734)	-	(29,234)
Carrying amount	8,728	1,582	1,886	949	5,423	18,568

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.1 Property, infrastructure, plant and equipment (continued)

(c) Infrastructure	Roads		Bridges and cycleways		Footpaths and drainage		Recreational, leisure and community		Waste management		Off-street car parks		Other infrastructure		Work in progress		Total Infrastructure	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2023	595,725	28,490	137,296	304,861	153,399	2,950	55,854	20,504	39,096	1,338,175								
Accumulated depreciation 1 July 2023	(243,438)	(13,636)	(74,192)	(154,201)	(61,777)	(2,262)	(27,416)	(9,797)	–	(586,719)								
	352,287	14,854	63,104	150,660	91,622	688	28,438	10,707	39,096	751,456								
Movements in fair value																		
Additions	5	–	178	–	1,968	–	458	42	45,149	47,800								
Contributions	16,739	2,857	2,242	1,843	59	–	159	1,322	–	25,221								
Found	22,818	–	1,116	727	255	–	–	–	–	24,916								
Revaluation	(60,202)	1,140	(6,329)	11,147	1,298	–	2,626	842	–	(49,518)								
Write-offs	(17,186)	(134)	(1,301)	(682)	(2,214)	–	(109)	(88)	(1,543)	(23,257)								
Work in progress reclassification	–	–	–	–	–	–	–	–	5,371	5,371								
Transfers to Buildings	–	–	–	–	(1,420)	–	–	–	–	(1,420)								
Transfers	3,315	194	3,457	1,046	11,845	–	2,135	118	(22,110)	(1,420)								
	(34,511)	4,057	(637)	14,081	11,751	–	5,269	2,236	26,867	29,113								
Movements in accumulated depreciation																		
Depreciation	(7,526)	(677)	(3,079)	(3,991)	(7,259)	(295)	(1,448)	(555)	–	(24,830)								
Accumulated depreciation of write-offs	9,818	132	753	305	675	–	74	3	–	11,760								
Revaluation	57,087	(468)	13,097	(5,778)	1,286	–	(2,315)	(359)	–	62,550								
Transfers to Buildings	–	–	–	–	478	–	–	–	–	478								
Contributions	(4,154)	(593)	(90)	(264)	–	–	(4)	(596)	–	(5,701)								
Found	(7,581)	–	(173)	(156)	–	–	–	–	–	(7,910)								
	47,644	(1,606)	10,508	(9,884)	(4,820)	(295)	(3,693)	(1,507)	–	36,347								
At fair value 30 June 2024	561,214	32,547	136,659	318,942	165,150	2,950	61,123	22,740	65,963	1,367,288								
Accumulated depreciation 30 June 2024	(195,794)	(15,242)	(63,684)	(164,065)	(66,597)	(2,557)	(31,109)	(11,304)	–	(550,372)								
Carrying amount	365,420	17,305	72,975	154,857	98,553	393	30,014	11,436	65,963	816,916								

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.1 Property, infrastructure, plant and equipment (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. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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

Asset category		Threshold limit \$
Property		
Buildings	40-60 years	15,000
Infrastructure		
Roads		
Sealed road pavement foundation	No depreciation applied	15,000
Sealed road pavement base	100 years	15,000
Unsealed roads	20 years	15,000
Kerb and channel	70 years	15,000
Bridges	70-100 years	15,000
Footpaths and cycleways		
Footpaths	70 years	15,000
Bicycle paths	20 years	15,000
Drainage	80 years	5,000
Recreational, leisure and community	10-20 years	1,000
Waste management	5-10 years	15,000
Off-street carparks	50 years	15,000
Traffic management devices	50 years	15,000
Plant and equipment		
Plant, machinery and equipment	5-10 years	15,000
Fixtures, fittings and furniture	5-10 years	15,000
Computers and telecoms	5 years	15,000
Library books	5 years	Nil

Land under roads

Land under roads acquired after 30 June 2008 are brought to account using the cost basis. Council does not recognise land under roads that were controlled prior to that period in its financial report.

Roads received from developers are valued based on the base block value for the area in which they are located. The base block value is determined by reference to the biennial valuations performed by Council. The rate determined is applied to the area of the land. The base block value is then discounted by 92.50 per cent to determine fair value.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.1 Property, infrastructure, plant and equipment (continued)

Depreciation

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken in March 2024 by a qualified independent valuer Lauren Ashley (AAPI 63183) of Patel Dore Pty Ltd. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement.

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 surplus/(deficit) in 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 and type of the current valuation is detailed in the following table. A full revaluation of these assets will be conducted in 2024-2025.

Details of Council's land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Scheduled Full Revaluation	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation	Valuation – 30 June 2024
Land – non-specialised	March 2025	–	25,830	–	June 2024	Full revaluation
Land – specialised	March 2025	–	–	931,475	June 2024	Full revaluation
Land under roads	–	–	–	8,789	–	–
Buildings – non-specialised	March 2025	–	252,725	–	June 2024	Full revaluation
Buildings – specialised	March 2025	–	–	27,706	June 2024	Full revaluation
Total		–	278,555	967,970		

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.1 Property, infrastructure, plant and equipment (continued)

Valuation of infrastructure

Valuation of infrastructure assets has been undertaken by Council officers (Sarah Mahbub, Markus Vorster, Mitch Morris and Gayani Jayawardena) in accordance with AASB 116 and AASB 136. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

The date of the current valuation is detailed in the following table. An index based revaluation was conducted in the current year where shown. Indexed based valuation is based on information published by the Australian Bureau of Statistic's Producer Price Index, Australia, March, Class 3101, Table 17 – Victoria. A full re-valuation of these assets will be conducted according to the schedule in the table below. Please refer to note 8.4 for further information on revaluation frequency.

Details of Council's infrastructure and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Scheduled Full Revaluation	Level 3 \$'000	Date of Valuation	Valuation – 30 June 2024
Roads	2026-2027	365,420	June 2024	Full revaluation
Bridges	2024-2025	17,305	June 2024	Indexed valuation
Footpaths and cycleway	2027-2028	72,975	June 2024	Full revaluation
Drainage	2025-2026	154,857	June 2024	Indexed valuation
Recreational, leisure and community facilities	2024-2025	98,553	June 2024	Indexed valuation
Waste management*	–	393	–	–
Off-street carparks	2026-2027	30,014	June 2024	Full revaluation
Other infrastructure	2026-2027	11,436	June 2024	Full revaluation
Total		750,953		

*It is Council policy to treat Waste management infrastructure assets at cost. The fair value of these assets is equal to cost.

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique.

Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5 per cent and 95 per cent. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$55 and \$2,100 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$300 to \$93,985 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 2 years to 88 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 5 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.1 Property, infrastructure, plant and equipment (continued)

	2024 \$'000	2023 \$'000
Reconciliation of specialised land		
Land	931,475	1,060,527
Land under roads	8,789	4,457
Total specialised land	940,264	1,064,984

Note 6.2 Investments in subsidiaries

Subsidiary

Peninsula Leisure Pty Ltd (ACN: 160 239 770)

Background

Peninsula Leisure Pty Ltd is a wholly-owned subsidiary of Frankston City Council. Peninsula Leisure Pty Ltd operates Peninsula Aquatic Recreation Centre (PARC), an aquatic and recreation facility servicing the region. The centre was established in 2014 and is located near the heart of the Frankston CBD. Peninsula Leisure Pty Ltd also operates Pines Forest Aquatic Centre and the Frankston Skate Park.

Summarised financial information

Summarised statement of comprehensive income

	2024 \$'000	2023 \$'000
Total income	14,899	13,674
Total expenses	14,224	13,318
Profit for the year	675	356
Other comprehensive income	–	–
Total comprehensive result	675	356

Summarised balance sheet

Current assets	3,598	2,662
Non-current assets	1,057	521
Total assets	4,655	3,183
Current liabilities	1,830	1,439
Non-current liabilities	562	156
Total liabilities	2,392	1,595
Net assets	2,263	1,588

Summarised statement of cash flows

Net cash from operating activities	1,138	781
Net cash flows used in investing activities	(181)	(185)
Net cash used in financing activities	(175)	(184)
Net increase in cash and cash equivalents	782	412

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Assets we manage (continued)

Note 6.2 Investments in subsidiaries (continued)

Economic Dependency

Peninsula Leisure Pty Ltd operates Peninsula Aquatic Recreation Centre, Pines Forest Aquatic Centre and the Frankston Skate Park under a Management Services Agreement (MSA) with Frankston City Council. Under the MSA the Council provides (if required by the Company) a Management Services Fee in reference to the following points:

- a) Peninsula Leisure Pty Ltd costs to operate and manage PARC
- b) ensuring that the Peninsula Leisure Pty Ltd has the financial capacity to operate PARC in accordance with the annual plan and budget
- c) ensuring that Peninsula Leisure Pty Ltd is able to meet its debts as and when they fall due
- d) providing a sufficient allowance for PARC's working capital requirements.

Council has a nil cash contribution in 2023-2024 (2022-2023: \$500,000) in financial support to Peninsula Leisure Pty Ltd as a result of the facility closure related to COVID-19 government restrictions.

Council has not committed funding to Peninsula Leisure Pty Ltd under the MSA for 2024-2025.

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2024, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

Entities consolidated into Council include:

- Peninsula Leisure Pty Ltd (ACN: 160 239 770)

All entities controlled by Council that have material revenues, expenses, assets or liabilities have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 7 People and relationships

Note 7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Frankston City Council is the parent entity.

Subsidiaries and joint arrangements

Interests in subsidiaries are detailed in note 6.2.

(b) Key Management Personnel

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

Details of KMP at any time during the year are:

Councillors	
Councillor Nathan Conroy	(16 November 2020 to 30 June 2024. Mayor from 18 November 2021 to 30 June 2024)
Councillor Kris Bolam	(22 October 2016 to 30 June 2024)
Councillor Glenn Aitken	(16 January 2024 to 30 June 2024)
Councillor David Asker	(16 November 2020 to 30 June 2024)
Councillor Sue Baker	(16 November 2020 to 30 June 2024)
Councillor Claire Harvey	(16 November 2020 to 30 June 2024)
Councillor Brad Hill	(16 November 2020 to 30 June 2024)
Councillor Liam Hughes	(16 November 2020 to 30 June 2024)
Councillor Steven Hughes	(16 November 2020 to 12 December 2023)
Councillor Suzette Tayler	(16 November 2020 to 30 June 2024)

Key Management Personnel	
Chief Executive Officer:	Phil Cantillon
Director – Communities	Angela Hughes
Director – Corporate and Commercial Services	Kim Jaensch
Director – Infrastructure and Operations	Cam Arullanantham
Director – Customer Innovation and Arts	Shweta Babbar

Notes to the Financial Statements

For the year ended 30 June 2024

Note 7 People and relationships (continued)

Note 7.1 Council and key management remuneration (continued)

	2024 No.	2023 No.
Total Number of Councillors	9	9
Total of Chief Executive Officer and other Key Management Personnel	5	5
Total Number of Key Management Personnel	14	14

(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 the 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.

	2024 \$'000	2023 \$'000
Total remuneration of Key Management Personnel was as follows:		
Short-term employee benefits	2,048	1,860
Other long-term employee benefits	37	46
Post-employment employee benefits	224	200
Total	2,309	2,106

Notes to the Financial Statements

For the year ended 30 June 2024

Note 7 People and relationships (continued)

Note 7.1 Council and key management remuneration (continued)

(c) Remuneration of Key Management Personnel (continued)

The numbers of Key Management Personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2024 No.	2023 No.
\$ 20,000 – \$ 29,999	1	–
\$ 30,000 – \$ 39,999	6	6
\$ 40,000 – \$ 49,999	–	1
\$ 50,000 – \$ 59,999	1	1
\$100,000 – \$109,999	1	–
\$120,000 – \$129,999	–	1
\$290,000 – \$299,999	–	1
\$310,000 – \$319,999	–	2
\$320,000 – \$329,999	–	1
\$330,000 – \$339,999	1	–
\$340,000 – \$349,999	1	–
\$360,000 – \$369,999	1	–
\$370,000 – \$379,999	1	–
\$420,000 – \$429,999	–	1
\$470,000 – \$479,999	1	–
	14	14

The calculation of KMP remuneration is on an accrual basis. Total remuneration comprises of salaries and wages, paid leave, councillor allowances, superannuation, contribution for the private use of a vehicle (where applicable), higher duties (where applicable), termination payments (where applicable) and net movement in leave provisions (annual leave and long service leave).

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.*

	2024 \$'000	2023 \$'000
Total remuneration of Senior Officers was as follows:		
Short-term employee benefits	3,733	3,616
Other long-term employee benefits	104	114
Post-employment employee benefits	409	378
Termination benefits	–	31
Total	4,246	4,139

Notes to the Financial Statements

For the year ended 30 June 2024

Note 7 People and relationships (continued)

Note 7.1 Council and key management remuneration (continued)

(d) Remuneration of other senior staff (continued)

The number of Senior Officers are shown below in their relevant income bands:

Income range	2024 No.	2023 No.
\$190,000 – \$199,999	–	2
\$200,000 – \$209,999	3	7
\$210,000 – \$219,999	7	4
\$220,000 – \$229,999	5	3
\$230,000 – \$239,999	1	–
\$240,000 – \$249,999	2	1
\$250,000 – \$259,999	1	–
\$260,000 – \$269,999	–	1
\$270,000 – \$279,999	–	1
	19	19

**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.*

The calculation of Senior Officers remuneration is on an accrual basis. Total remuneration comprises of salaries and wages, paid leave, superannuation, contribution for the private use of a vehicle (where applicable), higher duties (where applicable), termination payments (where applicable) and net movement in leave provisions (annual leave and long service leave).

Notes to the Financial Statements

For the year ended 30 June 2024

Note 7 People and relationships (continued)

Note 7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with its wholly owned subsidiary, Peninsula Leisure Pty Ltd:

	2024 Excl GST \$'000	2023 Excl GST \$'000
Received from Peninsula Leisure Pty Ltd		
Other reimbursements	117	105
Total received	117	105
Paid to Peninsula Leisure Pty Ltd		
Management Service Fee	–	500
Contract payment	692	510
Grant	30	11
Total paid	722	1,021

(b) Outstanding balances with related parties

The following transactions were outstanding at 30 June:

Payable to Peninsula Leisure Pty Ltd		
Contract payment	63	-
Total payable	63	-

(c) Loans to/from related parties

Nil

(d) Commitments to/from related parties

Council has made a nil (2022-2023: \$500,000) cash contribution in financial support to Peninsula Leisure Pty Ltd. Under the Management Service Agreement Council provides (if required by the Company) a management service fee (refer to note 6.2(b)).

Council has no committed funding to Peninsula Leisure Pty Ltd under the MSA for 2024-2025.

No other commitments have been made, guaranteed or secured by Council to Key Management Personnel or related parties during the reporting year (2022-2023, nil).

Notes to the Financial Statements

For the year ended 30 June 2024

Note 8 Managing uncertainties

Note 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.

(a) Contingent assets

Council has entered into leases on its property. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 38 years. All leases include a CPI based revision of the rental charge annually.

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

	2024 \$'000	2023 \$'000
No later than one year	672	794
Later than one year and not later than five years	902	1,102
Later than five years	61	419
Total	1,635	2,315

(b) Contingent liabilities

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. Please refer to note 9.4 for further information.

Future superannuation contributions

In addition to the disclosed contributions, Frankston City Council has paid unfunded liability payments to Vision Super totalling \$0.174 million paid during the 2023-2024 year (2022-2023 \$0.119 million). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2024. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2025 are \$0.150 million.

Liability Mutual Insurance

Council was a participant of the MAV Liability Mutual Insurance (LMI) Scheme until 30 June 2014 and then subsequently re-joined the LMI Scheme on 1 July 2019. 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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 8 Managing uncertainties (continued)

Note 8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council assesses the impact of these new standards.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities to modify AASB 13 Fair Value Measurement. AASB 2022-10 amends AASB 13 Fair Value Measurement for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
- are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
- are to be applied prospectively for annual periods beginning on or after 1 January 2024;
- would not necessarily change practice for some not-for-profit public sector entities; and
- do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13.

Council will assess any impact of the modifications to AASB 13 ahead of the 2024-2025 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants. AASB 2022-6 amends AASB 101 Presentation of Financial Statements to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-2025 reporting period.

Note 8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank and TCV borrowings. Details of the material accounting policy information 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's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us 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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 8 Managing uncertainties (continued)

Note 8.3 Financial instruments (continued)

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
- 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 Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. 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 deals with
- Council may require collateral where appropriate
- 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 allowance 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
- sets 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 is deemed insignificant based on prior periods' data and current assessment of risk.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 8 Managing uncertainties (continued)

Note 8.3 Financial instruments (continued)

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of +1.00 per cent and -1.00 per cent in market interest rates (AUD) from year-end rates of 4.50 per cent.

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

Note 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.

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 8 Managing uncertainties (continued)

Note 8.4 Fair value measurement (continued)

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 two to four years. The valuation is performed either by experienced Council officers or independent experts.

Asset class	Revaluation frequency
Land	Two years
Buildings	Two years
Roads	Four years
Bridges	Four years
Footpaths and cycleways	Four years
Drainage	Four years
Recreational, leisure and community facilities	Four years
Parks, open space and streetscapes	Four years
Other infrastructure	Four 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 decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset. Please refer to note 6.1 and 9.1(a) for a breakdown of the revaluations by asset class.

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.

Note 8.5 Events occurring after balance date

On 1 August 2024, it was gazetted in the Victorian Government Gazette No. S419 that the Hall Road is now an arterial road. The ownership and maintenance of Hall Road from 1 August 2024 has been passed to the Department of Transport.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters

Note 9.1 Reserves

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increase/ (decrease) \$'000	Balance at end of reporting period \$'000
2024			
Property			
Land revaluation	958,853	(129,152)	829,701
Building revaluation	83,959	2,722	86,681
	1,042,812	(126,430)	916,382
Infrastructure			
Drainage revaluation	92,850	5,369	98,219
Infrastructure asset revaluation (excluding drainage)	192,691	7,663	200,354
	285,541	13,032	298,573
Plant and equipment			
Plant, machinery and equipment revaluation	614	-	614
	614	-	614
Total asset revaluation reserves	1,328,967	(113,398)	1,215,569
2023			
Property			
Land revaluation	958,853	-	958,853
Building revaluation	83,959	-	83,959
	1,042,812	-	1,042,812
Infrastructure			
Drainage revaluation	89,508	3,342	92,850
Infrastructure asset revaluation (excluding drainage)	171,264	21,427	192,691
	260,772	24,769	285,541
Plant and equipment			
Plant, machinery and equipment revaluation	614	-	614
	614	-	614
Total asset revaluation reserves	1,304,198	24,769	1,328,967

Nature and purpose of reserves

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters (continued)

Note 9.1 Reserves (continued)

(b) Other reserves

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
2024				
Statutory				
Public resort and recreation	4,117	1,779	(3,442)	2,454
Subdivision roadworks	133	–	–	133
Infrastructure assets	74	–	–	74
Car parking	10	–	–	10
Total statutory reserves	4,334	1,779	(3,442)	2,671
Discretionary				
MAV LGFV Fund	13,538	379	–	13,917
PARC asset management sinking fund	10,582	750	(1,540)	9,792
Capital projects reserve	5,350	562	(1,253)	4,659
Waste recycling and resource recovery reserve	–	2,239	–	2,239
Unexpended grant reserve	11,139	–	(10,414)	725
Strategic asset reserve	3,485	–	(2,761)	724
Economic Development grants reserve	–	95	–	95
Resource efficiency reserve	81	3	–	84
Peninsula Leisure strategic reserve	300	–	–	300
Peninsula Leisure asset management fund	–	885	–	885
Total discretionary reserves	44,475	4,913	(15,968)	33,420
Total other reserves	48,809	6,692	(19,410)	36,091

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters (continued)

Note 9.1 Reserves (continued)

(b) Other reserves (continued)

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
2023				
Statutory				
Public resort and recreation	7,230	1,783	(4,896)	4,117
Subdivision roadworks	133	-	-	133
Infrastructure assets	74	-	-	74
Car parking	10	-	-	10
Total statutory reserves	7,447	1,783	(4,896)	4,334
Discretionary				
Strategic asset reserve	23,403	417	(20,335)	3,485
MAV LGFV Fund	12,708	830	-	13,538
PARC asset management sinking fund	11,048	750	(1,216)	10,582
Unexpended grant reserve	8,482	9,966	(7,309)	11,139
Capital projects reserve	3,931	2,070	(651)	5,350
Peninsula Leisure strategic reserve	300	-	-	300
Resource efficiency reserve	77	4	-	81
Total discretionary reserves	59,949	14,037	(29,511)	44,475
Total other reserves	67,396	15,820	(34,407)	48,809

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters (continued)

Note 9.1 Reserves (continued)

Nature and purpose of reserves

Capital projects reserve – has been established to quarantine specific purpose funding for the delivery of capital projects.

MAV LGFV Fund – has been established to provide for the \$15.542 million principal repayment required on the maturity of the interest-only Local Government Funding Vehicle in 2025-2026.

PARC asset management sinking fund – has been established by Council and represents funding allocated to set aside funds to contribute to the replacement of the Aquatic Facility in approximately 35 years – this reserve is not to fund renewal or maintenance expenditure on this facility.

PARC asset management plan reserve – has been established by Peninsula Leisure and is designated to meet the Company's obligations for defined classes of capital as set out in the schedule with the PARC Asset Management Plan (AMP).

PARC strategic reserve – has been established by Peninsula Leisure and is designated for capital investment expended over more than one financial year that falls outside the requirements of the AMP.

Resource efficiency reserves – have been established by Council to reinvest savings from energy costs in further works to minimise energy consumption.

Statutory reserves – have been established to record revenues received from developers that are to be applied specifically to undertaking future capital works for car parking, public open space and recreation, subdivision roadworks and community infrastructure.

Strategic asset reserve – Strategic asset reserve – has been established to assist in the delivery of community infrastructure highlighted in the Council Plan.

Unexpended grant reserve – has been established by Council to quarantine unexpended grant funding.

Economic Development grants reserve – has been established to quarantine unexpended business and façade grants until they are fully claimed by the recipients.

Waste, Recycling and Resource Recovery reserve has been established in compliance with the statutory and discretionary reserves policy to ensure all revenue from the waste charge is fully expended on waste related activities only.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters (continued)

Note 9.2 Reconciliation of cash flows from operating activities to surplus

	2024 \$'000	2023 \$'000
Surplus for the year	32,620	15,002
Non-cash adjustments:		
Depreciation/amortisation	39,063	38,285
Net gain on disposal of property, plant and equipment	(533)	(377)
Write-off of property, infrastructure, intangibles, plant and equipment	11,864	4,958
Works in progress unable to be capitalised (expensed)	2,153	3,453
Borrowing costs	1,485	1,415
Finance costs	23	20
Contributions – non-monetary assets	(24,851)	(7,103)
Change in assets and liabilities:		
(Increase)/Decrease in trade and other receivables	(7,684)	2,369
Increase in prepayments	(251)	(507)
Decrease/(Increase) in contract assets	616	(1,384)
Increase in inventory	(74)	(22)
Increase/(decrease) in trade and other payables	6,295	(14,132)
Increase in provisions	4,714	657
Increase/(decrease) in contract and other liabilities	6,445	(266)
Increase in trust funds and deposits	–	741
Net Cash provided by operating activities	71,885	43,109

Note 9.3 Reconciliation of cash and cash equivalents

Cash on hand	19	20
Cash at bank	3,611	4,868
Term deposits	54,506	33,405
Cash and cash equivalents	58,136	38,293

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters (continued)

Note 9.4 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 Comprehensive Operating 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 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%)).

Defined benefit

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

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023. 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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2023 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022-2023). 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 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

(b) 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.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters (continued)

Note 9.4 Superannuation (continued)

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.

Employer contributions

(b) Funding calls

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 2023 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

	2023 (Triennial) \$m	2022 (Interim) \$m
- A VBI Surplus	84.70	44.60
- A total service liability surplus	123.60	105.80
- A discounted accrued benefits surplus	141.90	111.90

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 2023.

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 2023.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2023.

The 2024 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Other matters (continued)

Note 9.4 Superannuation (continued)

The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns	5.6% pa
Salary information	3.5% pa
Price inflation (CPI)	2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

The 2020 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:

	2020 Triennial investigation	2023 Triennial investigation
Net investment return	5.60% pa	5.70% pa
Salary inflation	2.50% pa	3.50% pa
Price inflation	for the first two years and 2.75%pa thereafter 2.00% pa	2.80% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Type of Scheme	Rate	2024 \$,000	2023 \$,000
Vision super	Defined benefit	11.0% (2023:10.5%)	174	119
Vision super	Accumulation fund	11.0% (2023:10.5%)	7,861	7,645
Hostplus	Accumulation fund	11.0% (2023:10.5%)	843	462

Council has paid no unfunded liability payments to Vision Super for the 2023-2024 year (2022-2023 nil), apart from the contributions above.

There were nil contributions outstanding and no loans issued from or to the above schemes as at 30 June 2024.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2025 is \$0.147million.

Note 10. Change in accounting policy

There have been no changes to accounting policies in the 2023-2024 year.

There are no pending accounting standards that are likely to have a material impact on council.





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