

Annual Report 2009 / 2010

Mornington Peninsula Shire

Snapshot



MORNINGTON
PENINSULA
Shire

COMMITTED TO A
SUSTAINABLE
PENINSULA



"In caring for the Mornington Peninsula and its diverse communities, the Shire undertakes many different activities, in many different locations across the municipality."



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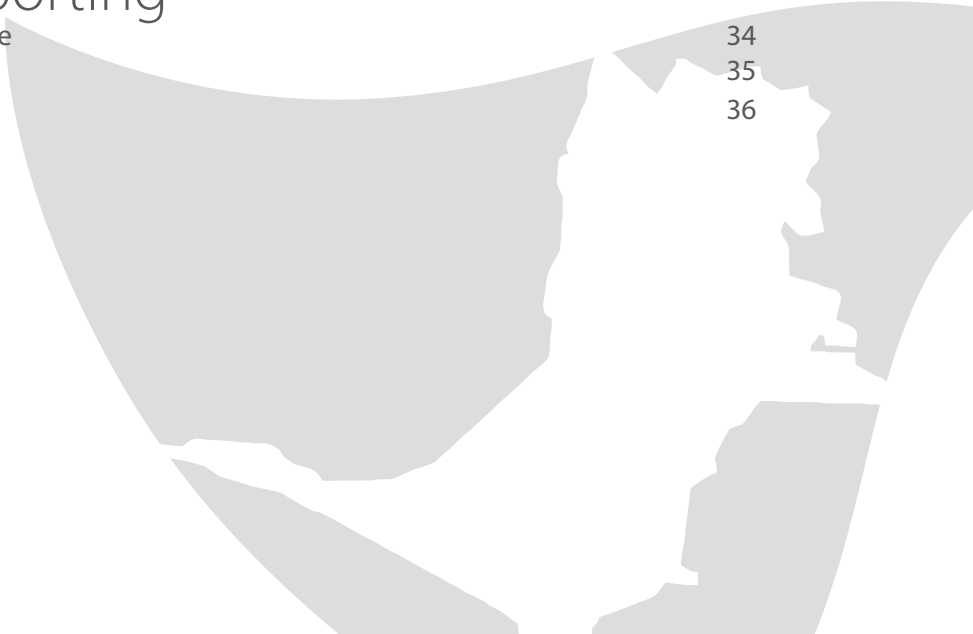
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Our Mission

vision, mission & values

Our Vision

The Mornington Peninsula's unique characteristics and community lifestyles will be maintained and enhanced through our shared commitment to creating a Sustainable Peninsula, achieving outcomes that are environmentally, economically and socially sustainable.

Sustainable environment

- minimises the use of non-renewable resources and the generation of waste
- improves water, soil and air quality
- reduces impacts of climate change
- prevents the loss of biodiversity

Sustainable economy

- is competitive and able to adapt to change over the longer term
- provides meaningful employment for all who seek it
- provides fair access to economic resources

Sustainable community

- is safe
- is healthy
- has vibrant and diverse networks of support
- provides fair access to services, facilities and transport
- encourages active citizenship and inclusive local democracy

Our Mission

Building on a sound understanding of community needs and expectations we will:

- engage with and represent the community and govern in a responsive, open and accountable manner
- provide sustainable services and infrastructure that respond to the needs of our diverse communities
- facilitate a sustainable local economy
- sustain and enhance the biodiversity of our unique natural environment, while managing and accommodating appropriate developments

Our Values

Our values determine how the Shire will conduct itself.

We value:

- sustainability as a guiding principle
- open and effective community consultation
- our diverse communities
- responsible stewardship in managing community assets
- responsiveness to community needs



Message from the mayor



The 2009-2010 year was a very challenging, but also a very rewarding year for Councillors and officers alike. I have been fortunate to lead a team of Councillors from very broad and diverse backgrounds that provides a fantastic mix of wisdom, knowledge, innovation and energy.

Mornington Peninsula Shire is very large and very diverse, and as Councillors, we work hard to understand the needs and expectations of our communities, and reflect them in the range of services, programs and projects we deliver.

There are many ways in which Councillors, both individually and collectively, gather this information, including:

- Informal meetings with individuals and groups on a wide range of topics,
- Council meetings and Ward meetings,
- Monthly Community Council meetings,
- Submissions, letters and petitions received

This approach ensures that the policies that are formulated by Council are robust and thoroughly explored.

Over the past 12 months, Council has continued to work cohesively towards:

- Enhancing the character of the Peninsula's towns, villages and green spaces in the face of Melbourne's rapidly expanding population;
- Improving the condition of community facilities and the appearance of our streetscapes;
- Advocating for improvements to public transport;
- Protecting our much loved environment from the threats posed by Climate Change;
- Exploring opportunities for residents to work, and students to study, 'closer to home'.

There are many important initiatives outlined in this Annual Report, and I encourage you to take the time to read it.

One of my personal highlights was the hosting the Shire's Second Mayoral Charity Golf Day, held at the National Golf Club in May. This year's event raised more than \$22,000 for the State Emergency Services, Mornington Peninsula Youth Enterprises and the Mayoral Emergency Fund.

In closing, I would like to thank my Councillor colleagues, Shire officers and the broader community for their dedication and support over the past 12 months. We should all be pleased with what was achieved in 2009-2010, while continuing to remain focussed on the challenges that lie ahead.

Councillor David Gibb

Message from the CEO



This is an important time in the Mornington Peninsula's unfolding history. Melbourne's population growth is accelerating towards 5 million people. Climate change is increasing the Peninsula's risk of both fire and flood. The changing economic environment is impacting on the work and life prospects of the Peninsula's young people. And the Shire's \$1.4 billion infrastructure asset base (roads, paths, drains, buildings, recreational facilities) needs ongoing renewal, and progressive upgrading to meet the changing needs of local communities.

The Mornington Peninsula's diverse local communities expect their elected Council to understand the challenges and opportunities to be addressed, at both a 'whole of Peninsula' and local level, and to then address them in an efficient, effective, and equitable way. And that is precisely what Council is doing, and this annual report records, in detail, how Council is going about it, guided always by the Shire's Commitment to a Sustainable Peninsula, which ensures that the social, economic and environmental aspects of every decision are properly and fully considered.

Planning controls have been put in place to protect the Peninsula's highly valued natural and built environment, to limit future development, to specifically address the pressures of growth, and the need for diverse and affordable housing options. Local planning controls to address township character, including Development Design Overlays (DDOs) and mandatory height controls are being progressively developed, in consultation with the community.

A \$30 million ten year investment in flood management through integrated drainage schemes, and an annual \$2.5 million spend on fire prevention, are part of a comprehensive response to climate change which also includes significant reductions in the use of potable water and energy, and ongoing efforts to reduce the amount of waste to landfill.

We've also worked with the State government and local industry to advocate for two significant water reuse schemes - the Mornington-Tyabb and Boneo Recycled Water Schemes - saving thousands of mega litres of potable water each year.

Council's focus on the needs of the Peninsula's young people extends from a major commitment to early childhood programs, including literacy, through to working with the education and training sector, and business, to improve opportunities to study, and work, closer to home, whether as a tradesman, or a university graduate.

Council's 'total spend' on infrastructure maintenance, renewal and upgrading has increased by more than 30 per cent over the past five years.

For the Shire organisation, we strive to be a 'Can Do' team of people, seeking to be innovative, looking for 'new solutions to old problems', and to 'go the extra mile' in responding to diverse community needs and expectations. Awards for Excellence for our Safer Local Roads program (Institute of Public Works Engineering Australia), our Sustainability programs (LG Professionals Excellence in Sustainability Award), Pelican Park Recreation Centre (Victorian Aquatic and Recreation Centre of the Year) and Mornington Peninsula Tourism (National winner of Specialised Tourism Services at the Qantas Australian Tourism Awards) are all indicators of our commitment to 'doing everything we do the best way it can be done'.

More importantly, the progressive and ongoing improvement in our service standards and infrastructure have been achieved while we continue to have rate levels among Victoria's lowest.

Council's financial position is strong and getting stronger. In 2009-10 we delivered our tenth successive surplus, reduced debt by \$3.7 million, achieved an unqualified audit and have the best risk rating that a Victorian local government can achieve.

This annual report is 'a very big read'. Given that the Shire provides more than 100 different services and functions, there is a lot to report on. I would encourage residents and ratepayers to 'have a read', and, if you wish, to provide feedback, which is always welcome.

Dr. Michael Kennedy, OAM



"The Mornington Peninsula is anything but average. So it is that in responding to the social, environmental and economic needs of our diverse communities that our team must, likewise, be anything but average."

Our Council

Ward Councillors



Rosebud Ward
Councillor
David Gibb -Mayor



Balcombe Ward
Councillor
Anne Shaw



Nepean Ward
Councillor
Tim Rodgers



Cerberus Ward
Councillor
Reade Smith



Red Hill Ward
Councillor
Frank Martin



Kangerong Ward
Councillor
Graham Pittock



Rye Ward
Councillor
Bill Goodrem
Deputy Mayor



Mornington Ward
Councillor
Bev Colomb



Truemans Ward
Councillor
Susan Beveridge



Mount Eliza Ward
Councillor
Leigh Eustace



Watson Ward
Councillor
Lynn Bowden

Shire Organisation

Directors and Teams



Chief Executive Office

Dr. Michael Kennedy, OAM (pictured)

Manager Corporate Planning & Projects: Alison Leighton

Manager Communications: Todd Trimble

Manager Team Support & Development: John Rankine



Sustainable Communities

Joe Cauchi, Director (pictured)

Manager Aged & Disabled Care: Jenny Van Riel

Manager Child, Youth & Family: Robin Adams

Manager Libraries, Arts & Culture: Geoff Carson

Manager Recreation & Leisure: Peter Gore

Social Planning and Community Development: Jenny Macaffer



Sustainable Environment

Ray Webb, acting Director (pictured)

Manager Economic Development: Shane Murphy

Manager Strategic Planning: Allan Cowley

Manager Environment Protection: Claire Smith

Manager Statutory Planning: Niall Sheedy (acting)



Sustainable Infrastructure

Alex Atkins, Director (pictured)

Manager Infrastructure Maintenance: Barry Pankhurst

Manager Infrastructure Strategy: Niall McDonagh

Manager Infrastructure Project Management: Craig Cinquegrana

Manager Renewable Resources: Sophia Schyschow



Sustainable Organisation

Kevin Clarke, Director (pictured)

Manager Finance: Geoff Emberson

Manager Information Services: Brandon Cheshire

Manager Governance & Corporate Support: Noel Buck

Manager Property & Valuations: Yasmin Woods



"In addressing major strategic challenges, one year is a short time. Our highlights summarise what we have done in addressing 'the big issues' in 2009-2010 while continuing to deliver a very wide range of services to our diverse local communities."



"The Mornington Peninsula is not one place, but many. The Shire plays a number of important roles in preserving what we value about the 'look, feel and function' of each locality while 'facing the future', addressing challenges and embracing opportunities."

Local Character

“Nurturing our local character and sense of place.”

Over recent years, we have worked hard to:

- secure State Government support to ensure that 70 per cent of the Peninsula remains rural;
- encourage communities to play an active role in shaping the future of their towns and villages;
- develop township plans that reflect community values and the preferred future character; and
- ensure that new developments and public places recognise and enhance local character.

A number of significant plans, projects and initiatives were delivered in 2009-10, including:

Mandatory Height Controls

The Shire has successfully achieved the introduction of mandatory height controls in Mornington, Somers, Shoreham, Flinders and McCrae.

Mornington Structure Plan

After several years of close consultation with the local community, the Mornington Structure Plan ‘Our Mornington – Vision for a coastal town’ was approved by the State Government in late October.

The Plan was approved and integrated into the Mornington Peninsula Shire Planning Scheme through Amendment C95 and will:

- Protect Mornington from inappropriate high-rise development;
- Maintain the village ambience;
- Enhance the coastal character;
- Preserve heritage features; and
- Improve transport and pedestrian links.

Rosebud West Community Renewal

The Rosebud West Community Renewal initiative is a partnership between the Shire and the State Government aimed at creating a stronger ‘sense of place’ for residents of the area.

Over the past 12 months, the Shire and the local community have worked together to develop an action plan that will provide:

- Ongoing community participation and decision-making;
- New employment and learning opportunities;
- Increased volunteering and other support;
- Upgraded community facilities and open spaces; Greater participation in cultural, recreational and sporting activities; and
- Improved feelings of safety and wellbeing.

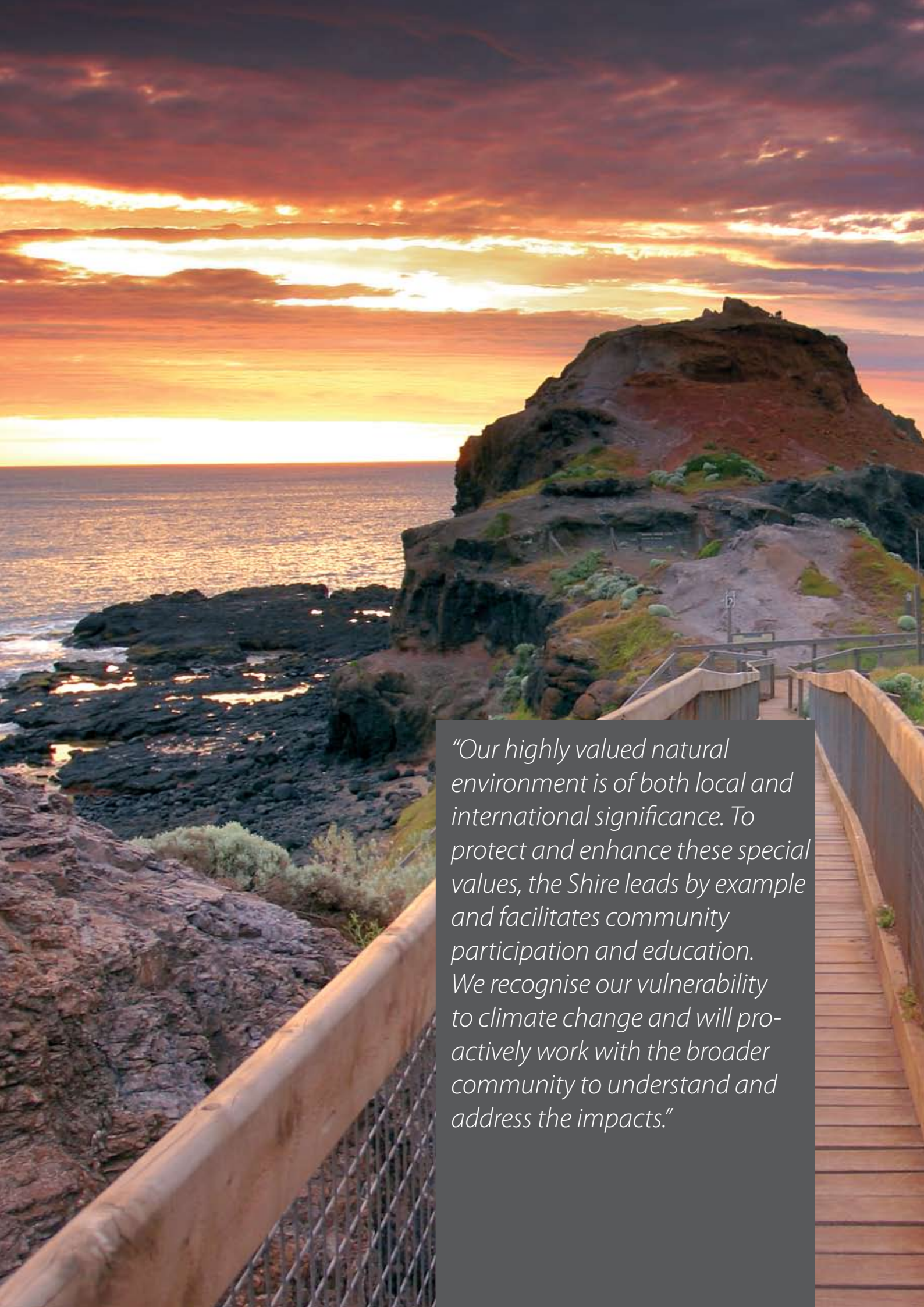


Other plans and strategies

A number of plans and strategies were developed for the long-term enhancement and protection of our towns and villages, including:

- Exhibition of the draft Rosebud Structure Plan 'Community, Commerce and Coast' to help guide the town's development as the principal commercial centre for the southern Peninsula.
- Adoption of Amendments C101 (Flinders) and C103 (Shoreham), following supportive reports from an independent Panel to implement the Flinders Village Design Guidelines and the Shoreham Design Guidelines.
- Approval of the interim McCrae village centre design controls including a mandatory two storey height limit.
- Adoption of the Schnapper Point Framework Plan to ensure that a comprehensive policy perspective is applied to this key coastal area in Mornington.
- Commencement of a comprehensive review of heritage classifications, with the aim of ensuring that the community's expectations regarding protection of heritage buildings and places are soundly based.
- Commencement of the Fossil Beach Conservation Management Plan to protect and manage this important heritage site.
- Working with the Shire's Design Advisory Panel to produce guidelines to ensure effective site context analysis and more appropriate design responses.
- Introduction of an interim local policy in relation to camping and caravan parks in the Green Wedge to ensure that this form of development does not undermine the integrity of the Urban Growth Boundary and erode the rural character of the Green Wedge.
- Development of an implementation plan for the Sorrento Streetscape design concept.
- Commencement of an Urban Design Framework and guidelines for both the Port Phillip and Western Port townships, including Red Hill. This will complement more detailed work on specific townships and villages.





“Our highly valued natural environment is of both local and international significance. To protect and enhance these special values, the Shire leads by example and facilitates community participation and education. We recognise our vulnerability to climate change and will proactively work with the broader community to understand and address the impacts.”

Environment

“Protecting the environment and tackling climate change.”

We are committed to:

- managing and protecting our coastal areas for our community and future generations;
- improving bio-diversity by increasing and improving habitat; reducing weeds and protecting wildlife; and
- leading change on climate change within our community.

Highlights of the 2009-10 year included:

Busfire Community Awareness

Following the devastating Black Saturday Bushfires, Council significantly increased its bushfire prevention works, committing an additional \$1 million to an already comprehensive program. The additional funding ensured increased vegetation pruning and back-burning on Council land, together with a comprehensive community education and engagement program. The Shire's website was used to convey important information to residents, earning praise from the Bushfire Royal Commission which stated: *“The Mornington Peninsula Shire website contained all bushfire information on one page, saving the user from having to navigate through numerous links. These sites provide good models that could be included in a template for all municipal websites.”*

Energy and Water Usage

Energy and water audits have continued throughout Shire-owned buildings and have resulted in significant reductions in usage. Through the installation of water-saving devices, the Shire has already achieved its target of saving 60% of potable water, and has recently purchased green power for Shire buildings and facilities.

Fleet Management

Reduction in greenhouse gas emissions from the Shire's fleet through a sustainable replacement program of 6 cylinder with 4 cylinder vehicles continued throughout 2009/10. In 2008/09 the Shire's fleet was 35% - 6 cylinder and 65% - 4 cylinder. In 2009/10 the Shire's fleet is now 22% - 6 cylinder and 78% - 4 cylinder. This reduction in green house gas emissions will continue over the next 12 months as further 6 cylinders are replaced with 4 cylinders.

Oval Rehabilitation

Prior to the commencement of the Oval Rehabilitation Program in 2001/02 the water consumption for playing fields in the Shire was over 80 mega litres per year. With the changing of turf and the monitoring of ovals with the use of weather base control units, the net result has been a reduction of portable water usage by over 90%. This has effectively made the ovals drought proof as the Shire is using less than half of water allocation of 28 mega litres per annum as permitted by South East Water.

"The diversity of the Mornington Peninsula means a 'one size fits all' approach is not suitable. Working with the community, the Shire continues to develop tailored solutions that suit our diverse towns, villages and coastal and rural communities."

Green Waste

Two free green waste drop-off weekends were provided to link in with the commencement of the fire season and to provide assistance to residents with storm damage.

Eco Living

The opening of the Eco-Living Display Centre at The Briars in late 2009 saw more than 800 people in attendance and featured an Eco-Living Festival with over 30 stalls displaying eco-friendly products and services, DIY seminars and Eco-living workshops and activities specifically designed for children's participation. The centre has been designed to show residents how they can retrofit their existing homes to make them more sustainable and to save money on household bills.

Recycled Water

Two significant water recycling projects have been undertaken this year. The Boneo Recycled Water Scheme was completed and is operational. This project is delivering more than 3,000 megalitres of recycled water for use by vegetable growers, golf courses, Rosebud Secondary College and by the Shire at Olympic Reserve in Rosebud. The Mornington Recycled Water Scheme construction phase is now complete with 100 megalitres of recycled water being distributed to the Mornington Racing Club, Civic Reserve and Dallas Brooks Reserve, Mornington.

Water Conservation

Water conservation initiatives at Council facilities such as Hastings Office and Hastings Community Hall are projected to save more than two million litres of drinking water annually. Storm water harvesting at Council reserves is also contributing to one million litres not previously captured or used. Despite already achieving our target of reducing water consumption by 60 per cent, the Shire continues to find innovative ways to maximise our water efficiency.

Agriculture Support

Work is progressing on the Bunyip Food Belt project with Casey and Cardinia Councils and the Water Authorities on this project to investigate the potential benefits of providing recycled water and possible planning controls to support agriculture on the Peninsula.

Group Buy Schemes

The Shire organised Community Group Buy Schemes throughout the year for solar hot water and rain water tanks. More than 200 people made purchases from suppliers taking advantage of discounted prices and government subsidies.

Continuing the Climate Change Conversation

More than 1,400 people have registered to receive our Continuing the Climate Change Conversation newsletter. This newsletter is published bi-monthly and contains news and advice about living in a sustainable way and action on climate change.

Sustainable Schools

The Shire's Sustainable Schools Program delivered waste and sustainability programs throughout the year to more than 1,000 primary school children across the Mornington Peninsula. In addition, more than 3,000 children attended this year's School Environment Week activities at The Briars.



Excellence in Sustainability

This year the Shire won the Local Government Professionals Excellence in Sustainability Award for our ongoing efforts to engage the community on climate change issues. This award is evidence of our leadership in addressing climate change, and in engaging our community in doing so. Our ongoing Continuing the Climate Change Conversation program is recognised not only in Victoria, but nationally.

Safer Local Roads

The Safer Local Roads Team has adopted the use of Emulsion for the sealing of residential streets rather than using the traditional hot cutback bitumen commonly used in Australia. The use of cutback bitumen is banned in Europe and is discouraged in California and New Zealand for two reasons. Firstly, there are environmental concerns in releasing hydrocarbon (kerosene) vapours into the atmosphere; and secondly the risk of personal injury due to hot bitumen burns is minimised.

The Safer Local Roads will save us \$65 million over the next 15 years and key achievements in the first three years include:

- Closing the renewal gap for the Shire's existing local road network.
- Increasing our road resealing program by 750 per cent.
- Using 18,000 tonne of reclaimed material (typically recycled asphalt pavement – RAP) in lieu of energy intensive virgin material.

Bushland and Landcare Groups

The Shire has worked closely throughout the year with our 50 active bushland friends groups and nine landcare groups. These groups have a combined membership of more than 600 people and in partnership with the Shire have participated in a range of diverse activities with assist to protect and enhance bushland reserves, waterways, grasslands and coastal sites.



“Empowered communities are those that are safe, well informed, connected and supported. The Shire promotes health and wellbeing for all and provides accessible and valued community facilities and services.”

Community

“Creating safe, healthy and engaged communities.”

Working with our community, we continue to:

- plan, develop and maintain community assets;
- provide and support a range of community projects, events and festivals;
- increase access to information and learning opportunities for all ages; and
- advocate for improved housing diversity and affordability for those in need.

A significant focus of the Shire in recent years has been on the importance of the early years of a child's development, through a program called *Best Start*:

Best Start

Research shows that interventions in early childhood such as the development of strong literacy skills and positive engagement in kindergarten and child care results in adults with a higher than average level of health, wellbeing and contribution to community. Over the past 12 months, a number of significant projects were delivered through Best Start, including:

- Co-ordination of the Let's Read project in Rosebud West and Mornington with development of a new project in Hastings underway. Let's Read is designed to be owned and delivered within the community and focuses on children from birth to 5 years. It empowers parents and carers to read with young children and aims to give children the skills they will need to learn to read when they start school
- Implementation of the Early Start to Kindergarten pilot project. This project seeks to increase participation of children known to Child Protection in effective kindergarten programs through the provision of free places for children in both 3 and 4 year old programs within their local community

Home and Community Care

Throughout 2009-10, the Shire's Home and Community Care team assisted elderly residents within the Shire with:

- 60,000 hours of home, personal and respite care (an increase of 5000 hours on the previous year)
- 90,000 delivered meals
- 8300 community transport trips
- 6500 hours of activity programs
- 4200 hours of home maintenance
- 2500 in-home assessments
- 2000 new referrals

Healthy Living

The 'Let's Eat' (Rosebud), program and 'Fun Fit' (Hastings) program have both worked to develop healthy eating and exercise programs for young people.



Heatwave Response

More than 3000 elderly residents were visited and assisted during January's heatwave, with information and practical assistance to cope with the extreme heat.

Community Meetings

Community Council meetings were held in 11 localities throughout the year, allowing members of the community to meet with Councillors and officers to discuss issues of importance in their township. More than 7000 people attended throughout the year.

Budget Information

A series of 10 budget briefings were held with community groups and service organisations in June 2010 during the exhibition of the Shire's draft 2010-11 Budget. More than 200 people attended to hear how the budget is prepared and Council's budget priorities and processes.

Alcohol and Drug Education

The *Communities That Care* Mornington Peninsula Parents Resource Alcohol and Drug Book was created in partnership with 13 secondary colleges and has been distributed to parents of Year 7 students with an aim of reducing alcohol and drug use amongst young people and creating a culture of safe parties.

Youth Support

The 'Beachcomber' mobile youth centre has enabled youth workers to engage with young people at locations within the shire area that are experiencing challenging behaviours .

The Mornington Peninsula Youth Services website (www.mpys.com.au) now receives more than 5,000 visitors each month and the launch of the Peninsula DriveSafe facebook page has attracted more than 1,400 friends (visitors). This page has been used to inform young people about issues of road safety in a method which is known to be preferred by younger people.



Peninsula DriveSafe

We have seen a significant reduction in road fatalities on the Mornington Peninsula since the introduction of the Peninsula DriveSafe road safety strategy, falling from 14 fatalities in 2008, to six in 2009. Whilst there are a large range of relevant contributing factors to this result, the important work done in implementing this strategy since its adoption has raised awareness of road safety across the Peninsula.

Funding Grants

The Shire has been very successful in obtaining both State and Federal Government funding this year, with more than \$7.6 million secured for a range of operational and capital projects. Highlights include securing \$922,000 for the Municipal Literacy Partnership Project and \$575,000 for the West Rosebud Place-based Early Childhood Outreach Program.

Our Libraries

More than 1,300 children registered for the annual Summer Reading Club held at Our Libraries which encourages and rewards children of all ages who keep reading throughout summer.

The introduction of WiFi access at all library service points enables library members to bring their own laptop computers into the library and obtain free, high-speed internet access during opening hours. Launched in March 2010, the service was funded by a State Government initiative to provide public access to the internet and has been enthusiastically embraced by library members has encouraged non-users to the service.

Bike Paths

The Shire secured a \$540,000 grant to undertake a bike path project in Rosebud West and Hastings. These projects will provide opportunity for short term employment and work experience for a small number of local unemployed or vulnerable people.

"A sustainable economy is essential, providing meaningful employment for all who seek it, and services that reflect the community's needs. The Shire works collaboratively with government, business and industry sectors to build and sustain a skilled, well informed and innovative business community, which is competitive and able to adapt to change."



Economy

“Supporting a sustainable Peninsula economy.”

We do this by:

- assisting local businesses with training, information and support;
- fostering and encouraging agriculture and promoting the Peninsula’s rural sector;
- maintaining the Peninsula as a place to live, work and recreate; and
- focusing on year-round activities to support the local tourism industry.

Our success in this area was recognised in early 2010 when Mornington Peninsula Tourism (MPT) won the national Tourism Award for Specialised Tourism Services. This award recognised MPT’s integrated approach to tourism services and its unique collaboration with local industry to build sustainable tourism across the Peninsula throughout the year. MPT is now conducting a workshop series to assist local tourism businesses to enter the 2010-11 Victorian Tourism Awards.

Other highlights included:

A number of initiatives have been developed to enhance the successful school-to-work transition for local youth. The benefit is two-fold: to provide meaningful employment opportunities for local youth, as well as to fill crucial skills gaps in the Shire organisation (‘Growing Our Own’) to meet future workforce needs. A number of initiatives operate under this program, including:

- School Tours/presentations: Shire officers regularly speak (either in schools or on site) with local secondary students about the professions, career paths and benefits of working at the Shire.
- Shire traineeships: The Shire offers a number of traineeships for local youth each year, including the Wal Morrison Traineeship (5 x traineeships each year / Certificate II in Local Government (Administration)); school-based apprenticeships (SBA’s) at The Briars (10 x local students each year complete a Certificate II in Conservation and Land Management); other SBA’s (eg. Cert.II Business in Revenue).
- Work Experience: The shire has a ‘Never say no’ attitude to work experience with more than 100 students (secondary and tertiary) hosted in the Shire workplace each year.



Networking

The Mornington Peninsula Tourism facebook page hit record numbers during the year with more than 6,500 friends and an average of 4,000 visits per month.

Careers and Jobs Expo

The Shire's Career and Jobs Expo was once again held at the Peninsula Community Theatre, attracting close to 3000 attendees and more than 50 exhibitors.

Youth Employment

The Shire is a member of the Frankston-Mornington Peninsula Local Learning and Employment Network, placing us at the forefront of any new developments and projects that assist local youth. Some initiatives to come out of this network include lobbying for further tertiary access for Peninsula locals and the expansion of courses and facilities.

Tourism Traineeship

A new tourism traineeship program was designed in consultation with industry sector representatives and is now underway with 9 local tourism businesses hosting Peninsula secondary students.

Industry Workshops

In 2009-10, MPT (a) identified industry training needs and linked with the statewide Tourism Excellence program to launch nine industry workshops attracting more-than 300 attendees; (b) rolled out a Business Audit program to benchmark the delivery of services by 60 member businesses via a mystery shopper exercise to identify gaps in product or service delivery.



"The Shire is committed to helping local businesses develop and grow to provide sustainable employment. Our Economic Development team offers planning advice, demographic data, referral services, careers advice and more."

Accommodation

Mornington Peninsula Tourism (MPT) conducts an accommodation booking service, event ticketing service to help increase visitor expenditure at local businesses. Consumers are now able to purchase accommodation, tours, event tickets, retail special deals and passes on-line through our regional website.

Business Mentoring

An expansion of the Experts in Residence service, where businesses can meet with experienced business mentors to discuss their specific business issues. This service is provided every fortnight in partnership with Frankston City Council's Economic Development team.

Green Business Network

This year the Shire established the Mornington Peninsula Green Business Network with more than 900 small and medium businesses participating in a series of workshops specifically designed for business owners and managers to reduce their impact on the environment and save money.

"We embrace the principles of continuous improvement and best practice to ensure that we deliver reliable, efficient and effective services to the community. We achieve this through responsible financial management, effective advocacy and engagement, and by highly valuing our people."



Accountability

“Being responsive, accountable and forward looking.”

We achieve this by:

- regularly engaging with the community in diverse and innovative ways;
- persistently and effectively advocating on issues of community importance;
- ensuring we do everything we do, the best way it can be done; and
- managing our finances and risk in a responsible (and responsive) way.

The Shire’s community engagement efforts were recognised in early 2010 when we were awarded the top prize for Sustainability Initiatives at the Local Government Professionals (LGPro) Annual Awards for Excellence for our *Climate Change Conversations* initiative.

A series of 14 Conversations were held across the Shire in late 2009, attracting close to 3,000 attendees to discuss the likely impacts of climate change on the Peninsula. A regular newsletter ‘*Continuing the Climate Change Conversations*’ is now produced bi-monthly and emailed to more than 1,400 subscribers.

Shared Services

To reduce costs, the Shire’s procurement of all significant IT hardware – desktop computers and laptops, servers, storage devices and printers – is now done through State Purchasing Contracts (SPCs) which are State Government department Whole Of Victorian Government competitive arrangements which the minister opened to local government (subjects to some limits). In addition, the MAV is engaging in a range of shared service opportunities on behalf of local government.

Communications

Council has implemented a ten-times-faster broadband landline service which not only resolved performance, reliability and speed issues, but also delivered capacity for new technologies, such as Storage Area Networks and virtualisation.

The next improvement is to upgrade the external broadband link to the internet, which will vastly improve external communications



Transport Services

The Shire secured ongoing funding for the Rosebud-Chisholm bus service and the Rye – St Andrews service, and initiated the Hastings Bicycle User Group. Additionally in March, the Shire secured funding for two important trial bus services as part of the Transport Connections program, a cross-Peninsula service (Hastings – Moorooduc – Mornington) and a Red Hill – Arthurs Seat – Dromana service. These trial services have been experiencing significantly high patronage levels.

Best Practice

The Shire has received Best Practice Awards for the delivery of infrastructure services, including the Institute of Public Works Engineering Australia – Victoria Division: Awards for Excellence for Innovative Practice/Service Delivery for Local Road Network Management Service Delivery Network Management Alliance.

Pelican Park

The Shire's Pelican Park Recreation Facility was awarded the prestigious Aquatic and Recreation Centre of the Year title at the Aquatics and Recreation Victoria annual awards ceremony. These awards have been running for 10 years and are designed to acknowledge excellence in the field of leisure and aquatics. This award adds to the vast array of centre and individual awards already won by Pelican Park in previous years including Employee of the Year 2007, Aqua Instructor of the Year 2007, and Learn to Swim Instructor of the Year 2006.

Government Submissions

The Shire has developed a number of major submissions to government, including the Review of the Planning and Environment Act, the Future Farms strategy and the Port and Environs Advisory Committee discussion paper.

Advocacy

The Shire has been working with State Government and neighbouring Councils to advocate for an Alternative Resource Recovery Technology (ARRT) facility for our municipality. Clusters of interested Councils have been proposed – our Council has advised that we would be interested in taking a lead role in the development of an ARRT for our group of Councils.




"The Shire's Sustainable Peninsula initiative is a commitment by the Council to work closely with the community. Regular Shire-wide and township-based community forums are held to review our progress on achieving a Sustainable Peninsula, and to identify and resolve potential conflicts as we pursue our environmental, social and economical goals."

The Peninsula Way

The Shire is committed to doing everything it does in the best way it can be done. The Peninsula Way Program Review is the formal method through which our teams strive for best practice and continuous improvement, examining what they do, how they do it and identifying opportunities for improvement. Four Peninsula Way Best Value Reviews were conducted during 2009-10: Social Planning and Community Development; Childcare; Volunteering; and Revenue.

Corporate Information System (CIS)

The Shire has developed an Electronic Correspondence Management System (ECMS) strategy to meet legislative requirements and public records office guidelines for stronger and more accountable management of Council's information. The project commenced in 2010 and staff will progressively implement the features Council needs over the next three years. All items of correspondence (including inbound and outbound emails) can now be stored and retrieved electronically.



"The Shire's primary objective is to understand the present and future needs of our diverse communities and to work towards addressing those needs, consistent with a sustainable financial strategy."

Finance

Comment on Financial Performance

To those who are regular readers of the Annual Report, you will note that I always acknowledge that unlike a commercial business, financial performance is not Council's primary objective.

Our primary objective is to understand the present and future needs of our diverse communities and to work to address those needs, in a manner that is consistent with a sustainable financial strategy. Financial performance is, therefore, an important 'means to an end', and responsible financial management is part of ensuring we have the capacity to undertake all that the community expects of us, as cost-effectively as possible.

The key financial messages for 2009/10 are positive. We have produced another underlying surplus, our level of debt has reduced, and of the five key indicators used by the Auditor General to measure 'financial sustainability', four have improved and the other is consistent with the past year; we expect another 'low risk' rating.

Importantly for our ratepayers, we have retained our low rating status when compared to other Councils.

In terms of the numbers, Council's financial statements are prepared in accordance with relevant Australian Accounting Standards, legislation and regulations. The accounts have been endorsed by the Victorian Auditor General without qualification.

We are conscious, however, that the financial statements prepared according to Accounting Standards may lead a reader to overestimate our overall financial position. The audited year end result in the financial statements shows a net surplus on ordinary operations of \$22.713m, compared to last year which was a surplus of \$14.313m. These however are not our 'losses or profits' for the year, in the usual meaning of the word. This year's surplus includes \$12.79m of contributed assets, which is effectively a 'non-cash' transfer of assets to the Shire. They are in fact infrastructure assets which (now and into the future) will require us to expend funds to maintain them.

On the following page, we have set out a summary of how we performed in 2009/10, with adjustments made to deduct the impact of 'non-cash' transactions. However even with these adjustments, the results are confused somewhat by required account treatments for things such as government grants for 2010/11, but paid to Council in 2009/10, which we are required to record as income in 2009/10. We stress that this reporting is our own 'layman's approach', and the reporting according to Australian Accounting Standards is to be found under 'Financial Report' at the back of this report.

Stated simply, while there were a range of 'unders and overs' in different parts of the Shire organisation, which were the result of our responding to particular needs and circumstances as the need arose, 'Funds Available' (being the surplus on recurring operations) was a favourable \$3.529m. Our cash deficit for the year was \$1.093m, which is some \$5.343m less than budgeted.

"The key financial messages for 2009/10 are positive."

The important messages are that after allowing for variations through the year, "we made budget", we invested sufficient funds in the renewal of our assets, we reduced our debt, our various financial ratios as assessed by the Auditor General improved, and we did this in a environment which sees our rates and charges low when compared to other Councils. Council's financial position is both strong and sustainable.

Finance

Corporate Performance Statement

Corporate Performance Statement Year Ending 30 June 2010

	Budget Y.E. \$'000	Actual Y.E. \$'000	Variance Y.E. \$'000
Income			
Rates	96,873	97,127	254
Grants and Subsidies	11,745	12,373	628
User Charges	22,564	24,384	1,820
Grants Commission	5,019	5,003	(16)
Interest Income	870	1,424	554
	<u>137,071</u>	<u>140,311</u>	<u>3,240</u>
Expenses			
Sustainable Environment	13,472	14,690	(1,218)
Sustainable Infrastructure	46,585	43,752	2,833
Sustainable Communities	30,478	31,526	(1,048)
Sustainable Organisation	16,314	16,471	(157)
CEO and Council	3,785	3,917	(132)
Interest	2,929	2,918	11
	<u>113,563</u>	<u>113,274</u>	<u>289</u>
Funds Available	<u>23,508</u>	<u>27,037</u>	<u>3,529</u>
Capital and Priority Works and Services			
New Borrowings	1,500	-	(1,500)
Transfers From Reserves	-	-	-
Repayment of Borrowings	(3,377)	(3,341)	36
Repayment of Finance Leases	(432)	(432)	-
Priority Projects (Net)	(2,026)	(513)	1,513
Priority Works (Net)	(3,586)	(2,706)	880
Capital Grants	6,156	5,409	(747)
Capital Contributions	2,280	4,354	2,074
Capital Expenditure	(22,153)	(23,063)	(910)
Special Charge Schemes	2,438	20	(2,418)
Special Charge Works	(4,765)	(419)	4,346
	<u>(23,965)</u>	<u>(20,691)</u>	<u>3,274</u>
Operating Result	<u>(457)</u>	<u>6,346</u>	<u>6,803</u>
Non Operating			
Asset Sales	550	339	(211)
	<u>550</u>	<u>339</u>	<u>(211)</u>
Result	<u>93</u>	<u>6,684</u>	<u>6,591</u>
Carry-Forwards	(4,283)	(3,890)	393
Transfers from Reserves	(613)	(501)	112
Net Non-Cash Balance Sheet Movements	(1,633)	(3,386)	(1,753)
Cash Surplus / (Deficit)	<u>(6,436)</u>	<u>(1,093)</u>	<u>5,343</u>
Cash at Beginning of Period	27,719	25,964	(1,755)
Cash at End of Period	21,283	24,871	3,588

Reporting

Local Government Indicators

Number	Category	Indicators	Result	Indicator Definitions
1	Overall performance	Community satisfaction rating for overall performance of the council.	63	Council result from the Annual Community Satisfaction Survey for Local Governments, coordinated by Local Government Victoria.
2	Advocacy	Community satisfaction rating for council's advocacy and community representation on key local issues.	61	Council result from the Annual Community Satisfaction Survey for Local Governments, coordinated by Local Government Victoria.
3	Engagement	Community satisfaction rating for council's engagement in decision making on key local issues.	61	Council result from the Annual Community Satisfaction Survey for Local Governments, coordinated by Local Government Victoria.
4	All rates	Average rates and charges per assessment.	\$1,042	Rates and charges declared as being receivable, in the calculations for the adopted rates, at the beginning of the year, including: <ul style="list-style-type: none"> • general rates and charges declared under ss.160, 161, 161A of the Local Government Act 1989 • municipal charges and service rates and charges (that is, garbage services) levied under ss.159, 162 respectively • supplementary rates declared divided by the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).
5	Residential rates	Average residential rates and charges per assessment.	\$1,014	Rates and charges declared for all residential assessments (including vacant residential assessments) as defined in "All rates", except for residential assessment only <i>divided by</i> the number of residential assessments used in calculation of the adopted rate (that is, when the rate was struck).
6	Operating costs	Average operating expenditure per assessment.	\$1,546	Total expenses per the Income Statement (previously known as the statement of financial performance) plus net gain (loss) on disposal of property, plant and equipment infrastructure <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).

Reporting

Local Government Indicators

Number	Category	Indicators	Result	Indicator Definitions
7	Capital expenditure	Average capital expenditure per assessment	\$289	<p>Amount of council's expenditure capitalised to the Balance Sheet (previously known as the statement of financial position) and contributions by a local government to major assets not owned by the local government, including expenditure on:</p> <ul style="list-style-type: none"> capital renewal of existing assets which returns the service potential or the life of the asset up to that which it had originally capital expansion which extends an existing asset at the same standard as currently enjoyed by residents to a new group of users capital upgrade which 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 <p>divided by the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).</p>
8	Infrastructure	Renewal	89%	<p>Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential or the life of the asset up to that which is had originally to the AAAC totalled for each and every infrastructure asset to give one ratio.</p>
9	Infrastructure	Renewal and maintenance	94%	<p>Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential or the life of the asset up to that which it had originally plus current spending on maintenance:</p> <ul style="list-style-type: none"> to AAAC plus all anticipated planned and unplanned maintenance (that is, the expected level of maintenance which was used in the calculation of the useful life of the asset) totalled for each and every infrastructure asset to give one ratio. <p>The Average Annual Asset Consumption (AAAC) is the amount of a local government's asset base consumed during a year. It is based on the current replacement cost 'as new' divided by useful life.</p>
10	Debts	Average liabilities per assessment	\$655	<p>Total liabilities as per Balance Sheet (previously known as the statement of financial position) less items held in trust (reflected in assets also held) divided by the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).</p>
11	Operating result	Operating result per assessment	\$243	<p>Surplus (deficit) for the period per the Income Statement divided by the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).</p>

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