

GREATER DANDENONG

Annual Report

2015-16





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Our
Great City



Our Great City

Great Place

- ◆ Recognised as the capital of Melbourne's south-east
- ◆ Outstanding new library facility and civic space in central Dandenong
- ◆ Victoria's manufacturing heartland and home to 12,500 businesses
- ◆ Playgrounds upgraded across the city
- ◆ Boasting 197 land reserves with 523 hectares of open space, 25 sports reserves and 17 bushland areas covering approximately 42 hectares
- ◆ Revitalisation of activity centres – Dandenong, Springvale and Noble Park
- ◆ Quality infrastructure including 695km of local roads and 58km of bike and shared paths, 1,063km of footpaths and 101 playgrounds

Great People

- ◆ Over 150,000 residents
- ◆ People from over 150 different birthplaces
- ◆ Nearly two-thirds of residents were born overseas
- ◆ Two-thirds of residents speak languages other than English
- ◆ An active and committed volunteer community

Great Times

- ◆ State-of-the-art cultural facilities including the multi-million dollar Drum Theatre
- ◆ Arts events and festivals held monthly
- ◆ Over 150 active sports clubs
- ◆ Over 400 local community groups and service clubs
- ◆ Indoor and outdoor swimming pools
- ◆ Victoria's largest Lunar New Year festival
- ◆ Major events including Snowfest, Sunset Cinema and New Year's Eve celebration

Great Shops

- ◆ The iconic Dandenong Market
- ◆ Melbourne's first Indian Cultural Precinct
- ◆ Afghan Bazaar cultural precinct
- ◆ Significant South East Asian Cultural Precinct
- ◆ Community shopping facilities in Dandenong, Keysborough, Noble Park and Springvale
- ◆ Wide variety of fresh meat, vegetables and exotic spices
- ◆ Diverse cultural cuisines from around the world
- ◆ Thriving small neighbourhood shopping centres/strips

Snapshot of Greater Dandenong

Geography and Population

The City of Greater Dandenong encompasses an area of 129 square kilometres in Melbourne's south-east, approximately 35km from Melbourne's CBD. Around 150,000 people live in our city.



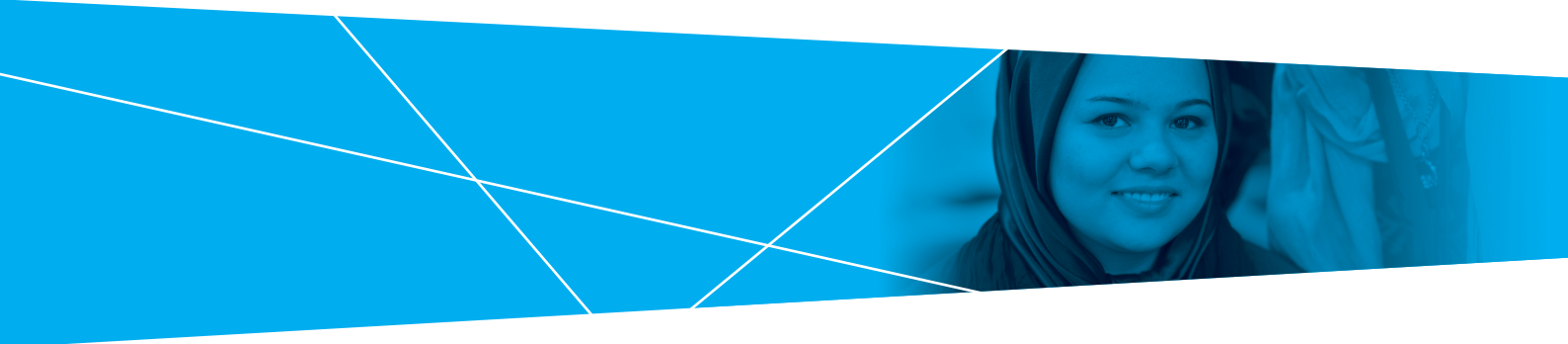
Cultural and Language Diversity

Greater Dandenong is the most culturally diverse locality in Victoria, with over half of its population born overseas, from 150 different birthplaces. Major birthplaces include Vietnam, India, Sri Lanka, Cambodia, China, Afghanistan, New Zealand, Italy, England, Bosnia, Greece and the Philippines.

The number of overseas-born residents in Greater Dandenong has risen steadily in recent years, growing by 14,000, or nearly 20 per cent, in the five years to 2011. Each year, a further 2000 recently arrived migrants settle in Greater Dandenong, the highest rate of settlement in any Victorian municipality. One in five of these settlers are refugees, largely from Afghanistan, Burma, Thailand and Iran.

The cultural diversity of this city is reflected in its wide range of religious faiths, which include Christianity 50 per cent, Buddhism, adhered to by 18 per cent of residents, Islam 11 per cent, and Hinduism 4 per cent.

Nearly two-thirds of the residents of Greater Dandenong speak languages other than English – the largest proportion in Victoria and twice the metropolitan level. Among the more widely-spoken languages in this community are Vietnamese, Khmer, Chinese, Greek, Punjabi and Sinhalese. One in seven residents however has limited fluency in spoken English, three times the metropolitan level of 4 per cent.



Our Vision

Greater Dandenong is a safe and vibrant city of opportunity for all – to visit, work, live and play.

Our Key Strategic Objectives

People

- ◆ A healthy, active and safe community
- ◆ A city that celebrates its diversity with pride

Place

- ◆ An environmentally sustainable city
- ◆ A city planned for the future

Opportunity

- ◆ A thriving and resilient economy
- ◆ A proactive council that listens and leads



Our Great City

Message from the Mayor

There is no doubt the challenging global economic climate and the introduction of rate capping in the past 12 months has meant Council has had to look at different ways to achieve a balance between service delivery, infrastructure renewal and community needs.

I am proud to say that as a Council and a community we have tackled these challenges head on. When I consider everything we have achieved in the past 12 months I think we can reflect positively on the year that was.

This financial year we invested more than \$36 million in the renewal, expansion, and upgrade of assets, including \$4.8 million on parks, open space and streetscapes. \$12.8 million was also spent on roads, drains, and footpaths.

The old Council offices in Springvale have now been demolished and work has commenced on the refurbishment of the Springvale Town Hall.

Council recognises the community's need for quality facilities and invested significantly in projects that would add benefit to residents who live, work and play in Greater Dandenong.

The City of Greater Dandenong has continued to build its reputation as the festival and events capital of the south-east.

One of the most significant projects completed this year was the construction of the Noble Park Skate Park at Ross Reserve. The skate park formed part of the Ross Reserve Master Plan, adopted by Council in 2012.

The City of Greater Dandenong has continued to build its reputation as the festival and events capital of the south-east. Lunar New Year brought more than 70,000 visitors to the city and more than 32,000 people saw Springvale transform into a magical winter wonderland for Snow Fest 2015. Australia Day and Carols by Candlelight, along with the very successful New Year's Eve celebrations in Harmony Square, proved popular events with residents.

The big screen has provided a valuable asset for Council and has added another component to the experiences we can offer the community.

Council has also made a significant investment in local tourism with the city's food offerings proving a popular drawcard for visitors.

Greater Dandenong continues to build on its reputation as a food lovers paradise. Cuisine from south-east Asia, Turkey, the Balkans, Persia, Samoa, Argentina, Northern India, Malaysia, Africa, Afghanistan, China and the Middle East are all on offer.

The State Government recently named Dandenong as the home to Victoria's first ever Indian Cultural Precinct. Dandenong was selected following consultation with the Indian community through an advisory panel, community consultations, written submissions and an independent feasibility study. Council has received \$500,000 to help transform Little India in Foster Street. It is hoped the injection of funding will enhance Little India's presence as a drawcard for tourism and boost the local economy.

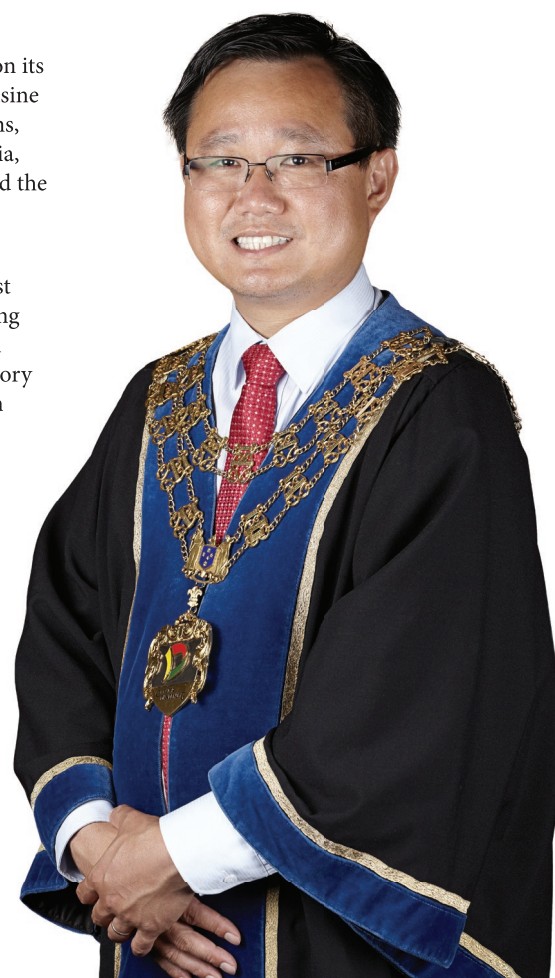
Greater Dandenong is incredibly proud of its vibrant and diverse city and is committed to fostering this in the year ahead.

Please take the time to read about the highlights of 2015-16 throughout this report. We are proud of what we have achieved in the past 12 months and our community should be too.

I would like to express my thanks to my fellow Councillors for their support and the staff of the City of Greater Dandenong for their ongoing efforts in delivering services to our community over the past 12 months.



Cr Heang Tak
Mayor



Chief Executive Officer's Report

Two years ago, Council delivered on its long-term commitment to establish a new, modern and effective Civic Centre in central Dandenong. Since that time, the facility has been most successful – arguably exceeding expectations with visitation to the Library, community meeting spaces and Harmony Square.

In many respects, these are 'nice problems to have' – that we would face challenges where demand for, and participation in services and facilities exceeds the offering. Be assured, that Council will continue to explore options to satisfy reasonable needs and for the organisation, this defines our role – to present options to Council that seek to satisfy community need.

Immediately upon opening the Dandenong facility, Council committed its strategic focus and efforts towards Springvale developing a series of projects that aim to make 'sensational Springvale' even more spectacular. Time has been spent over the last two years master planning; engaging with the community and specific stakeholders; disposing of surplus land (former Council Depot site) to secure a sound financial base upon which proposed works could be delivered; and, identifying other improvements that build upon the rail grade separation and the ongoing emergence of Springvale as a most desirable activity centre.

All of this work has led to some imminent decisions to be taken by Council – the adoption of a tender to upgrade the Town Hall (retaining its size, look and feel and significantly enhancing its amenities and décor); the adoption of a tender to advance the design of a new Springvale Library and landscaped surrounds; and, more detailed engagement with the community, businesses and shoppers to create a new and attractive 'Springvale Boulevard'.

A municipal election is upon us and this Council aims to hand over significant 'works-in-progress' to a new Council, but there should be no under estimation of the considerable planning and project preparation completed in this past year.

The outcomes will materialise in future years, but it is the solid research, engagement and deliberation that this Council has undertaken that will define that outcome.

Two years ago, I paid tribute to Council for its delivery of the iconic Dandenong project – in two to three years I fully expect similar kudos flowing for great outcomes in Springvale.

However, Council can't deliver projects of the type that it has – and that it will continue to pursue – without taking tough and courageous decisions. Selling surplus public land that is no longer reasonably required for public use; borrowing responsibly when its long term financial strategy justifies it; setting rate increases at a level that will support ongoing investment when legislation allows it; and, taking other decisions that may involve additional revenue flows are legitimate and prudent actions that local government authorities must consider. This Council has, and has taken these decisions in the best interests of the future of the city.

Among these, was the introduction of parking meters in Springvale in late 2015. Whilst productive revenues flow from this action (forecast and currently on target to be approximately \$900,000 per year) revenues are not the reason that Council introduces paid parking – this management technique is a proven means of generating turn over of spaces and ensuring that visitors do not overstay (to the ultimate detriment of the viability of a centre). Surveys prior to the introduction of paid parking and as recently as March 2016, demonstrate that Council's expectations are on track – that visitation remains high; that turnover is occurring; and, that a sound and consistent number of spaces exists throughout the centre to attract new visitors. This does not suggest that mechanisms of this type are universally popular and Council will continue to work with traders and shoppers to optimise benefits to all parties.

Most projects and activities undertaken by Council are a 'work in progress' and this is just one more of those – a project that needs ongoing review, refinement and improvement.

To return briefly then to the matter of revenue, it has been a most strategic decision

by Council that all revenues received from on-street parking meters will be 're-invested' in the same activity centre that it was raised – in Springvale. For a number of years into the future, infrastructure improvements will now be made in the Springvale business precinct – funded substantially by this revenue stream.

This Council does not just focus on one or two signature projects – albeit these can paint a strong picture of a key, strategic direction – and has a wide ranging Council Plan that seeks to address all other priority activities. The outcomes of this important strategic focus is detailed elsewhere in this Annual Report reflecting a high level of achievement and performance. I convey my appreciation to the many staff of Council who have contributed to this achievement.

Council's Strategic Focus

In 2015–16, Council has demonstrably maintained its focus on:

- ◆ **advocacy for better outcomes** – Council's ongoing call for grade separations has made a contribution to the broader metropolitan call for action. This will translate to the elevated separation of rail from road at Corrigan Road; Heatherton Road; Chandler Road and Abbott's Road over the coming years. In 2016, Council has focussed its specific advocacy on securing quality amenity outcomes associated with each separation.



Our Great City

- ◆ **securing partnerships in the delivery of community needs** – evidenced by stronger, ongoing relationships with State and Federal agencies in the support of disadvantaged people; tackling the impacts of problem gambling on vulnerable people; taking a strong stand to eradicate violence against women; advocating for greater controls over the extensive sales of packaged liquor (for the anti-social implications that this generates); and, pursuing improved and environmentally sustainable outcomes throughout the city.
- ◆ **commitment to the progressive enhancement of community infrastructure** – with increasingly high levels of capital investment including essential investment in ‘renewals’ (looking after the infrastructure we already have)
- ◆ **creating a sound and sustainable financial strategy that can ensure operational resourcing and capital investments that satisfy community expectations** – highlighted in this last year in particular, by the introduction of Rate Capping under the State Governments ‘Fair Go Rates’ program. This report will have a stronger focus next year, on the learning’s, outcomes and forward projections in a rate capped environment.

Capital Investment

Capital investment returned to a more sustainable level in 2015–16 (post the period of construction of the Greater Dandenong Civic Centre). \$36.44 million was expended on all projects in this year of which \$20 million was dedicated to asset renewals. It is most important that a properly determined ratio of ‘renewal and refurbishment/total project investment’ is maintained to ensure that previous infrastructure investments remain at standards that are serviceable and reflect highly on the city. Council monitors this ratio very closely over time.

Council’s capacity to fund this investment came to an interesting position at 30 June – after which rates will be capped unless, and until, Council can demonstrate through engagement with its community that it will

deliver a higher rate of community benefit for higher rates paid. As stated, this is a matter for 2016–17 but it naturally follows that lower levels of revenue will impact on Council’s ability to invest in community infrastructure.

This remains a challenge, but difficult decisions continue to be taken that will result in higher operating surpluses and thereby, a greater capacity to fund capital improvements.

These challenges include:

- ◆ refining and containing operating expenditures;
- ◆ pursuing external grant funds through partnerships and advocacy; and,
- ◆ increasing other revenues while maintaining rates at an appropriate level.

This reflects prudent financial management and Council has once again demonstrated its commitment to this core responsibility.

Sound Financial Management

Council’s operating result was a surplus of \$48.42 million. It is important to note that these surpluses are ‘accounting surpluses’ which include a range of non-cash items such as depreciation on Council assets, assets written off, assets gifted to Council by developers (eg. roads, footpaths and open space) and exclude cash costs such as capital expenditure.

Council remains in a sound financial position – once again I state, to be future tested by the implications of rate capping – but even allowing for any worst case scenarios associated with lower rate revenues; reduced grant allocations and constrained fees and charges, Council will not allow its hard fought and sound financial position to be unreasonably impacted.

Capital Improvements

As stated above, of the \$36.44 million spent on capital improvements during the year, \$20 million was on asset renewals with a further \$7.69 million on upgrades to existing infrastructure assets. Major project spending totalled \$6.54 million including Tatterson Park, Springvale Community Precinct and Abbotts Road Bridge (partially funded by the Federal Government) projects.

The funding of basic infrastructure – roads, footpaths and drains – is always a challenge but it is pleasing to report that in 2015–16, \$12.69 million was spent on this essential area. This investment continues to underpin the importance of Council’s maintenance and protection of existing assets.

An extensive list of improvement projects was completed and these are outlined elsewhere in this report.

2015–16 can be ticked off as yet another successful year for Council. But it is more than the end of a Council year – with Municipal elections looming, it essentially marks the end of a 4-year Council term. Importantly, the community will make its assessment at the upcoming election but from my position, I can state without hesitation that the year past, and the preceding period of this electoral term have reflected high standards of corporate governance; sound and prudent financial management; service standards and performance assessed by community satisfaction as equal to or greater than metropolitan comparisons; maintenance of the highest possible standards of public amenity; and, infrastructure custodianship that has returned over \$1 billion in assets to the community at a higher standard than what was inherited four years ago.

2016–17 presents yet another opportunity to serve the people and businesses of Greater Dandenong to the best of our corporate ability.

I thank Council for its leadership and the many wonderful staff who remain committed to local government service within Greater Dandenong City Council.



John Bennie PSM
Chief Executive Officer