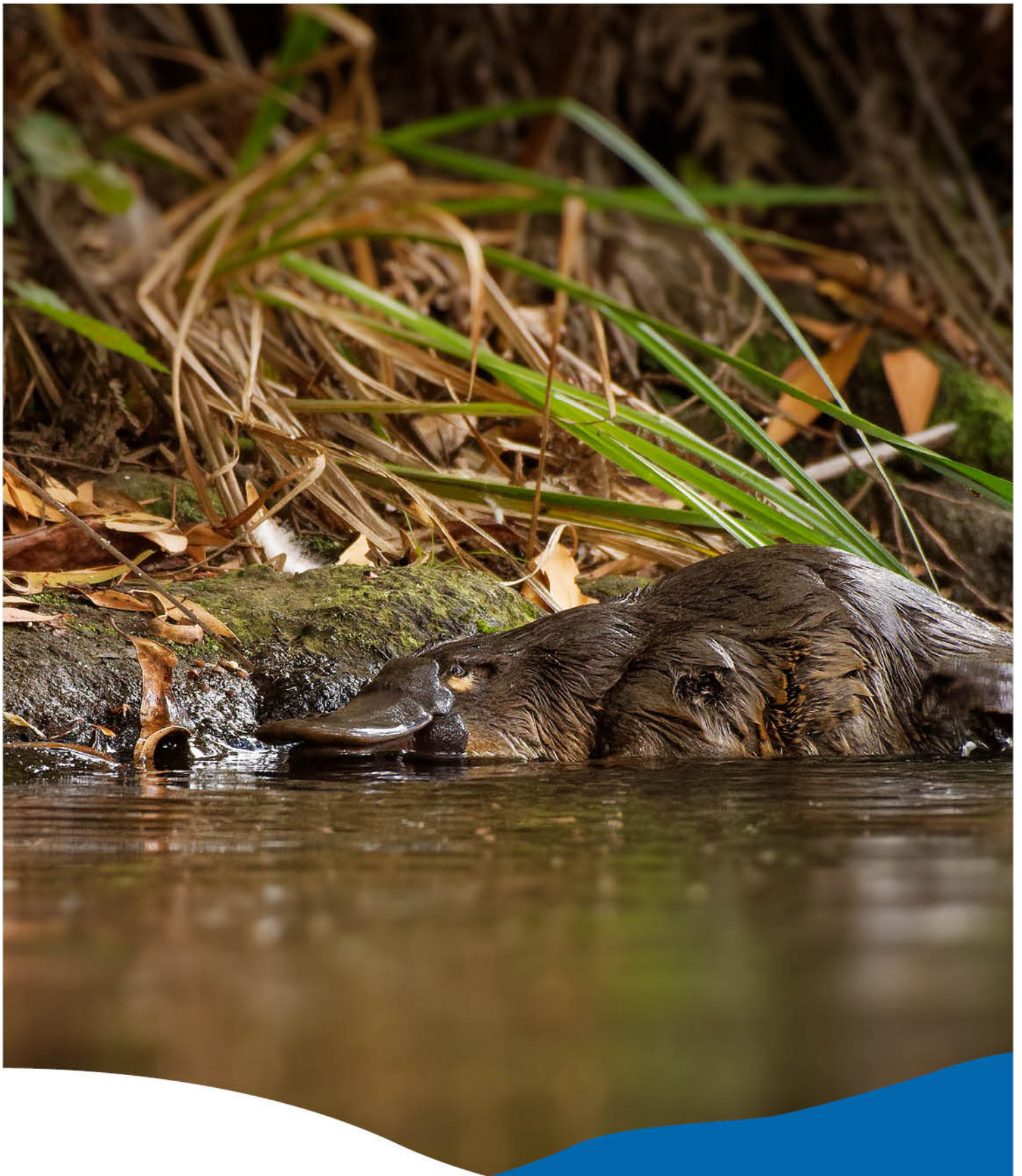




Yarra Ranges Council

Draft Budget 2026–27



Acknowledgement of Country

Yarra Ranges Council acknowledges the Wurundjeri and other Kulin Nation peoples as the Traditional Owners and Custodians of these lands and waterways.

We pay our respects to all Elders, past, present, and emerging, who have been, and always will be, integral to the story of our region.

We proudly share custodianship to care for Country together.



Cover: Tanks for Platypus project.

The Monbulk Creek Smart Water Network's Tanks for Platypus Project provides free rainwater tanks to eligible properties in the Monbulk Creek catchment area to support the health of Monbulk Creek and the platypus that call it home. The tanks capture and release rainwater, reduce stormwater runoff, improve water quality, and give the community a practical way to care for the creek now and into the future.

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Mayor and CEO introduction

The 2026–27 Council Budget sets out our priorities for the year ahead and provides a clear financial outlook for the next four years. In a challenging economic environment, we remain firmly focused on responsible financial management and long-term sustainability. This Budget has been developed to carefully balance immediate financial pressures with the need to plan for future demands on our services and infrastructure.

This Budget demonstrates our continued investment in the services and assets our community values most. This includes drainage improvements, maintaining and renewing existing infrastructure, progressing multiyear capital projects, and delivering essential community programs and support.

Like many councils across Victoria, we are experiencing significant cost pressures as we work to sustain service levels and infrastructure quality. Rising construction, labour and materials costs continue to outpace our revenue growth. This makes it increasingly difficult to meet community expectations while maintaining the standard of services delivered in prior years.

This year, ratepayers will also see a small increase to the Waste Service Charge on their rates notice. This is driven by escalating waste collection costs and continued increases to the Victorian Government's EPA Landfill Levy. Residents will continue to have the opportunity to select the bin size that best meets their household needs and pay accordingly.

We continue to advocate to other levels of government on the financial pressures affecting councils, with a strong focus on minimising future impacts on our community. At the same time, we are actively exploring alternative revenue opportunities and implementing organisation wide cost saving initiatives to ensure we remain financially responsible and sustainable.

For 2026–27, the Victorian Government has set the rate cap at 2.75 per cent. We will apply this increase to help maintain service delivery levels and support delivering our capital works program.

We recognise that many in our community are feeling the strain of rising living costs. In preparing this Budget, we have been careful to identify efficiencies and keep costs as low as possible, while continuing to provide high quality, value for money services.

In October 2025, Council adopted the Council Plan 2025–2029, which sets our strategic direction for the next four years. The Plan was shaped by the Community Vision 2036, data and research, Councillor input and extensive community engagement. It outlines the priorities and measures that guide our efforts across the diverse townships and suburbs of the Yarra Ranges.

Community feedback gathered throughout the development of the Council Plan 2025–2029, along with consultation undertaken over the past year, has been central to shaping the 2026–27 Budget. We greatly value the ongoing feedback and submissions received from community members throughout the year.

One of the most consistently highlighted priorities from our community is the need to improve and maintain drainage to reduce flood risk. This remains a key focus of our capital works investment in 2026–27.

Other community identified priorities reflected in this Budget include:

- Maintaining our roads, footpaths, drains and trails (\$23 million)
- Improving and maintaining parks, sporting facilities, bushlands and reserves (\$24 million)
- Ensuring a resilient future and responding to climate change, including emergency management (\$5 million)
- Programs and activities that support the community through all stages of life (\$17 million)

Council remains focused on driving efficiencies, embracing innovation and seeking alternative income sources to support essential services and maintain community assets. Strengthening our cash position remains a key priority in the Financial Plan, and our financial performance will continue to be monitored within the framework of responsible and prudent financial management.

Overall, this Budget reflects a well-considered balance between financial responsibility and delivering meaningful value to our community. It supports the services, infrastructure and facilities our residents rely on, while helping ensure the Yarra Ranges remains one of the most desirable places in Australia to live, work and visit.

Cr Richard Higgins
Mayor

Tammi Rose
Chief Executive Officer

Executive summary

Yarra Ranges Council's 2026-27 Budget establishes a clear framework to support the delivery of high-quality services, projects and infrastructure. The budget reinforces Council's commitment to strong financial stewardship, ensuring services and projects are delivered responsibly, with a long-term approach that safeguards ongoing financial sustainability.

Key statistics of the 2026-27 budget

- **Total Revenue - \$266.3 million**
- **Total Expenditure - \$260.4 million**
- **Total Comprehensive Result – \$5.9 million surplus**

This is calculated based on total revenue of \$266.3 million less total expenditure of \$260.4 million.

This result includes funding related to Council's capital works program, but not the capital expenditure of that program. The result also includes depreciation and amortisation.

- **Cash balance – \$38.2 million**

This is the cash and cash equivalent budgeted balance at end of June 2027.

(Refer Statement of Cash Flows in Section 3.4)

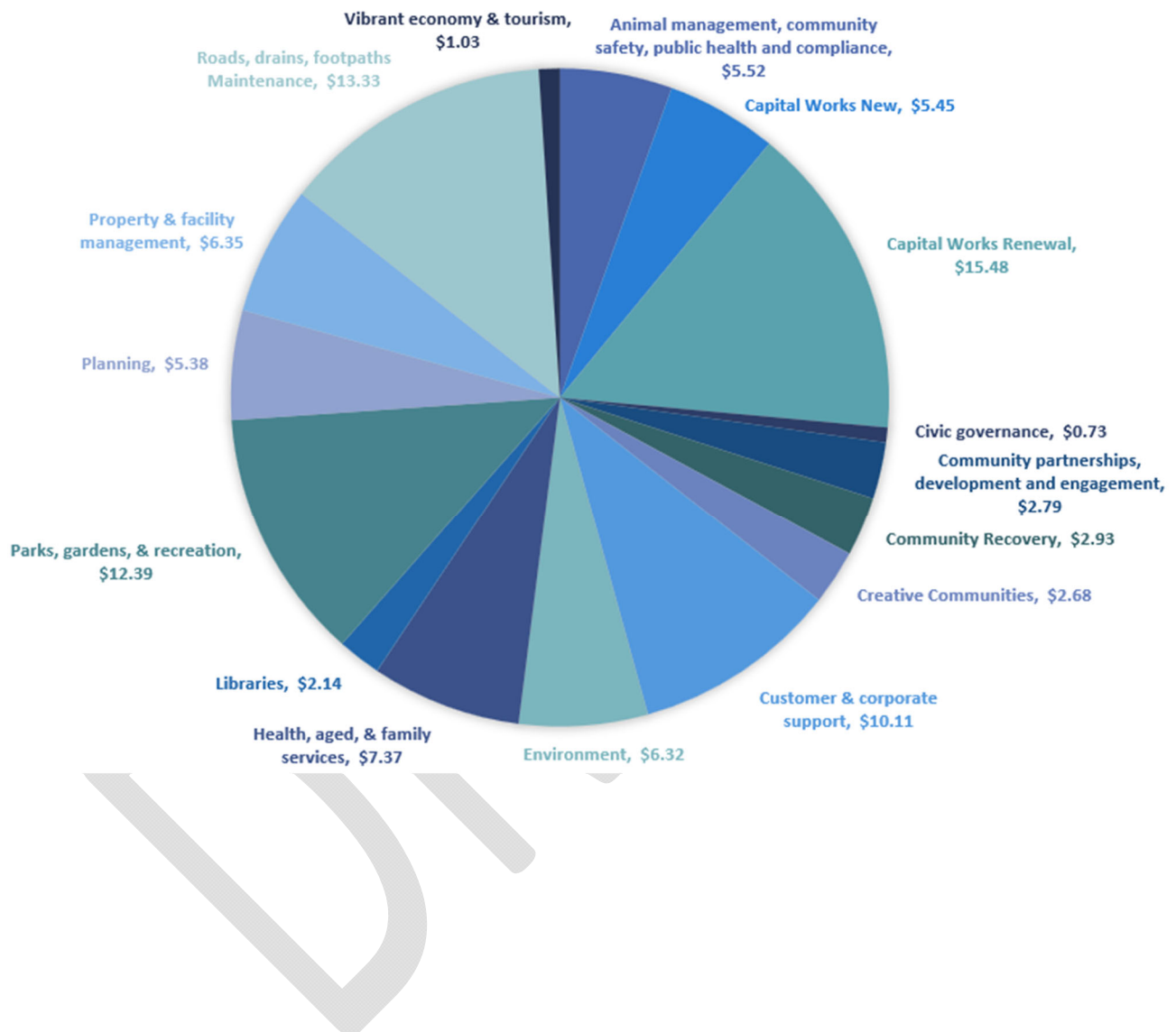
- **Capital Works Program of \$46.7 million** will be funded through:
 - \$21.4 million from Council operations (rates funded);
 - \$10.0 million sourced from borrowings
 - \$0.2 million from contributions from various sporting clubs, etc; and
 - \$15.1 million from external grants

(Refer Statement of Capital Works in Section 3.1).

Where Council spends your rates

The chart below provides an indication of how Council allocates its budgeted expenditure across the main services that it delivers. It shows how much is allocated to each service area for every \$100 that Council receives in rates income in 2026-27.

Net Spending per \$100 of Rates Income (2026-27 Budget)



Yarra Ranges in context

Yarra Ranges spans approximately 2,500 km², encompassing over 55 suburbs, townships, and small communities in both rural and urban areas. This geographic size significantly impacts the costs of providing programs and services.

There are some significant residential areas, some commercial and industrial land use located in the western part of the Council area, while the central and eastern parts are more rural. Rural land is used mainly for agriculture, horticulture and viticulture. Tourism is also an important industry.

According to the 2021 Census, Yarra Ranges has a low level of disadvantage and a high level of advantage compared to the Australian average. It ranks in the top 20 percent for both the Index of Relative Socio-economic Disadvantage (IRSD) and the Index of Relative Socio-economic Advantage (IRSAD), with scores of 1041 and 1054, respectively. Despite these scores, there are community who may be disadvantaged, and Council is working closely with them.

With the substantial size of the municipality, there is significantly responsibility for Council to maintain its asset portfolio for all of the community to safely enjoy. This portfolio extends to include the extensive network of roads and drains.

Council owns assets with a valuation of \$2.07 billion. Apart from land, these assets comprise more than \$341 million in buildings and around \$833 million in other infrastructure such as roads, bridges, drains and footpaths. Funding the annual cost for renewal of these existing assets is an important responsibility for Council, in addition to meeting community demand for new or improved assets.

Budget influences

Setting Council's budget continues to be challenging, as financial sustainability is balances against maintaining service levels and ongoing investment in our asset portfolio.

Our community continues to feel the effects of severe and unpredictable weather events, increasing the need for support and critical services, all while managing rising living costs. In response to these pressures, Council has focused on identifying efficiencies, exploring alternative revenue streams and advocating to other levels of government.

Council has a responsibility to make investment decisions that support climate adaptation, recognising the growing impacts of severe weather and the need to protect community wellbeing. This budget reflects this duty through significant expenditure on drainage upgrades to mitigate flooding risks, emergency management and climate response initiatives funded to approximately \$6 million, and resilient green infrastructure, including parks, bushlands and tree canopy programs that buffer heat and storms. Additional investments in resilient buildings and energy-secure facilities further strengthen preparedness for climate-driven disruption for communities, now into the future.

Council is also experiencing increased financial pressures due to rising service delivery costs, new State Government requirements and limited revenue sources.

Many Council assets are ageing and require repairs or upgrades. At the same time, both State and Federal Governments are facing financial constraints, resulting in reduced funding to local councils, which further impacts our ability to meet community expectations.

The community across our 55 townships values its local assets and facilities, and Council remains committed to managing these assets responsibly while assessing ongoing infrastructure needs.

The 2026–27 Budget aims to provide the resourcing needed to deliver key services and support while maintaining overall financial sustainability. Through prudent financial management, we seek to maintain a stable financial position, identify service innovations and improve operational efficiencies.

Budget principles

Budget guidelines have been prepared that set out the key budget principles which informed the preparation of the budget and also provide a framework for the review and update of the long-term financial plan.

Rates & charges

- Council will apply an annual rate increase in line with the Rate Cap set by the Victorian State Government Fair Go Rates Policy, with 2.75% being applied.
- Waste management to be charged to ratepayers as a full cost recovery service.
- Differential rates to be applied to ensure appropriate allocation of rates (no change from 2025-26 – refer Section 4.1.1(n) for further details:
 - Residential (100% of the rate in the dollar)
 - Commercial (150%)
 - Industrial (150%)
 - Farming (70%)
 - Recreational/Cultural (60%)
 - Vacant land (100%)
- No municipal charge.

Over the next twelve months, Council will undertake a comprehensive assessment of its differential rates, including the potential introduction of Vacant Commercial Land and Vacant Industrial Land categories. The current Vacant Land differential will also be examined to ensure rates are allocated equitably and align with Council's long-term strategic objectives.

Government funding

- All recurrent and non-recurrent funding based on confirmed agreements is included in the budget.
- In later years of the long-term financial plan, where confirmed capital funding is unknown, an estimated percentage of capital expenditure has been used based on historical activity.

Fees & charges

- Fees & charges are reviewed annually to ensure appropriateness, fairness and equity for the community. Fifty six percent (56%) of fees and charges will increase at a rate aligned to the 2.75% rate cap, while twenty four percent (24%) of fees and charges will either remain

unchanged or reduce following detailed reviews within service areas. These adjustments have been made with consideration for ongoing cost of living pressures faced by the community.

- Seven percent (7%) of fees and charges are new or have been updated to reflect new service structure, this includes Warburton Bike Park, Aquatics and Environmental Health.
- Note that six percent (6%) of fees and charges have been discontinued due to closures or changed services.
- The balance of fees and charges will increase in-line with statutory requirements, or benchmarking and review undertaken as part of the budget process.
- See attached Appendix A - Schedule of Fees & Charges from 1 July 2026.

Loan borrowings

- Overall borrowings are set at a financially sustainable level.
- Council is taking a strategic position to increase its level of indebtedness to support community recovery and support the delivery of capital projects.
- Council will maintain an indebtedness ratio below 60% over the long-term period (medium risk indicator). This measure indicates Council's ability to service its debts with its own sourced revenue.

Cash

- Cash will be managed and invested in accordance with operational peaks and troughs, being mindful of short-term cash requirements of Council.
- To support Council's short-term cash requirements, an overdraft facility will be established. The facility will only be activated in the event of significant emergencies requiring immediate expenditure beyond normal operations and cash flow.
- Cash balances assist in funding the capital works program to the extent possible without compromising Council's cash position.
- Council's cash balances are critical to maintaining a stable cash position with a liquidity ratio being managed to at least 1:1 (minimum, VAGO indicator). This measure determines Council's ability to meet its short-term financial obligations with unrestricted assets (i.e. cash holdings) and will maintain a small cash excess to cover for any unforeseen circumstances.

Recurrent operating expenditure

- In some targeted areas, operational expenditure in 2026-27 will be held at the same or reduced levels, except for costs subject to existing contracts or where external market pressures apply.
- Salaries and wages have been calculated according to Council's full establishment staff roster, with a vacancy allowance based on historical trends. The budget also includes flexible working arrangements and increases in line with Council's Enterprise Agreement 2024.
- Future years expenditure in the long-term financial plan to be increased in line with either the Victorian Department of Treasury and Finance CPI projections or the rate cap estimate.

- Areas of discretionary cost will be reviewed each year as part of setting the annual budget.
- Service levels will continue to be reviewed considering community expectations, shifting demand for services and legislative requirements. The aim is to continue to be efficient with resources and an emphasis on innovation to achieve savings and efficiencies.

New initiatives & cost pressures

- Funding of cost pressures and new initiatives will be sourced from within the organisation through efficiencies, innovation and reallocation of resources.

Capital works

- Asset renewal will be a priority over the long term, with enough financial resources allocated to ensure the risk of failure of assets is minimised.
- In line with the endorsed Long-Term Financial Plan and Asset Plan, Council will allocate a sustainable amount of Council's funding contribution to the Capital Expenditure Program.
- The Capital Expenditure Program will be complimented by third party funding such as grants, land sales, Public Open Space funding and Special Charge Schemes.
- Asset rationalisation, de-commissioning and disposal will be considered as a method of reducing recurrent asset maintenance needs, to ensure funding required for improvements and new assets, particularly relating to community facilities, is secured.
- Lifecycle costs of new and upgraded/expanded assets will be assessed during the preparation of project business cases and considered in allocating a priority ranking.
- External funding opportunities for both new and renewal infrastructure asset projects will be explored when they become available, however, if matching funding is required, budget allocation will need to be considered for those projects that have a high priority.

Community engagement

Yarra Ranges Council engages with the community throughout the year in a variety of ways, including municipality-wide roadshows, the Shaping Yarra Ranges online engagement platform, direct contact with Councillors, contributions made at Council meetings, and feedback received through regular customer interactions. These ongoing conversations provide valuable insight into community needs and expectations, and they have played a central role in shaping the development of the 2026–27 Budget.

The community engagement undertaken for the Council Plan, Asset Plan, and Long-Term Financial Plan has been particularly important. Each of these strategic documents was developed using extensive consultation, and the insights gathered through those processes have been used to inform priorities, guide investment decisions and ensure alignment with the broader vision for the municipality.

The Council Plan identifies what “our community told us” and sets the strategic direction for the coming years, based on community aspirations and priorities.

The Asset Plan outlines how community feedback has shaped Council’s approach to managing, renewing and investing in its \$2 billion asset base.

The Long-Term Financial Plan integrates inputs from these strategic plans to ensure responsible, community-aligned financial decision-making.

The Budget has been prepared with regard to this feedback, as well as matters raised through Councillors and the Council meeting process. In doing so, Council has sought to balance the diverse needs and expectations of approximately 160,000 residents across 55 townships, recognising the competing demands for limited resources.

Feedback received during engagement has highlighted several priority areas for the community.

Following significant storm and rainfall events, improving and maintaining drainage infrastructure emerged as a major concern. Other recurring themes from community input include:

- Maintaining roads, footpaths and trails
- Enhancing sporting facilities, open spaces and reserves
- Protecting the natural environment and responding to climate change
- Providing facilities that support residents at all stages of life

These priorities have informed the development of the 2026–27 Budget and will continue to guide Council’s planning and resource allocation across the coming year.

What we are funding in 2026-27

Delivery of ongoing services

Council has allocated \$152.6 million in direct service delivery to the Yarra Ranges community. These services are summarised in Section 2 together with Council's major initiatives, actions, and measures of success.

Council's 2026-27 Budget will also support several exciting key projects. These are outlined as follows.

Capital works program

This Budget allocates \$46.7 million towards capital works projects. Of this, \$24.7 million is towards renewal of existing infrastructure assets, and \$22.0 million towards the expansion and upgrade of existing infrastructure and construction of new projects. The capital works program includes \$15.1 million from external funding from State and Federal Governments.

Highlights of the capital works program include:

- Roads (\$9.2 million) – including resurfacing of 39 different road segments across the shire; improvements to carparks and traffic works.
- Drainage (\$2.8 million) – including landslip risk management projects, rehabilitation and new drainage works in Dalkeith Crescent, Belgrave; Hazford Street, Healesville; Belle Vue, Lilydale and Morrison Reserve, Mount Evelyn.
- Footpaths and cycleways (\$2.3 million) – renewal works will be delivered on 23 different segments of existing footpaths, and new footpaths in Liverpool Road, Kilsyth; Mt Dandenong Tourist Road; Richards Road, Montrose, amongst others.
- Recreational, leisure and community facilities and buildings (\$10.3 million) – including renewal and improvement works for Seville Recreation Community Pavilion, redevelopment of Don Road Pavilion, Healesville and replacement of infrastructure in aquatic centres.
- Parks, open space, and streetscapes (\$12.9 million) – including Yarra Valley Trail, Warburton Bike Park, Don Road, Healesville trail link, improvements to the Lilydale Lake and jetty and various township improvements.

The Statement of Capital Works can be found in Section 3.5 and further details on the capital works program can be found in Section 4.5.

Caring for the environment and responding to climate change

In 2026-27 Council will continue to support our community to prepare for climate change and care for our environment.

Key actions and programs that will be delivered include:

- Progress the implementation of the Nature Plan 2024–2034, advancing the vision of a healthy, resilient and interconnected natural landscape. A major priority will be commencing development of the Biolinks Plan to help deliver the Nature Plan’s targets and actions.
- Review the Integrated Water Management Plan to strengthen protection of waterways and catchments and develop the next version.
- Continue delivering the Ribbons of Green and Gardens for Wildlife programs, supporting residents to enhance biodiversity on their properties.
- Review and improve the Biodiversity Offset Program to identify future opportunities and refine strategic direction.
- Deliver the bushfire preparedness slashing program, including slashing and brush cutting across 830 roadsides and fire access tracks.
- Maintain support for energy efficiency through programs such as Solar Savers, helping residents and businesses cut emissions and reduce utility costs.
- Continue the grant funded initiative focused on protecting platypus populations within the Monbulk Creek catchment.
- Continue educating and engaging the community through sustainability, climate and environmental programs and events, covering themes such as food security, energy efficiency, resilience and environmentally sustainable design.
- Advance the transition of Council’s fleet, plant and equipment to zero emissions technology.

Review of Council's Financial Plan

Following the preparation of the 2026-27 Budget, Council has reviewed the impact the budget has on the long-term projections contained in its Financial Plan to ensure Council's financial sustainability is being maintained. The budget principles outlined above are reviewed annually and the principles and Financial Plan are adjusted as necessary to respond to the changing environment to ensure the ongoing financial sustainability of Council.

Council's long term financial sustainability remains sound, as shown in the financial performance indicators in Section 5.2.

Australian and Victorian Government advocacy

Yarra Ranges Council continues to advocate strongly, in line with the Council Plan 2025-29 and the adopted Advocacy Priorities 2025-27, supported by Council's Advocacy Framework.

Council's advocacy to the Victorian and Australian Governments continues to play a critical role in supporting delivery of core services, flagship projects and civil infrastructure. Most recently, Council secured a commitment of \$3 million from the Australian Government at the May 2025 federal election to complete the southern network of the Warburton Bike Park.

Our adopted Advocacy Priorities 2025-27 identify some key projects and policy changes with particular focus on the installation of pedestrian crossings at high risk locations to boost road safety; planning provisions to better enable Council to mandate affordable housing in large scale housing developments; funding to construct a bridge over the Birrarung/Yarra River to complete the connection of the Yarra Valley Trail into Yarra Glen; support the development of a greenprint bio-links plan to restore nature; preliminary funding to enable the business case and design of a modern aquatic and leisure centre to be located in the urban area; restoration and prioritisation of funding to deliver programs for young people; prioritise funding of key transport infrastructure including upgrades to Belgrave Station, bus service improvements and duplication of the railway line between Mooroolbark and Lilydale; and advocacy will be ongoing to seek to restore and secure funding to protect local services.

Our advocacy activities seek potential for policy change, along with key areas for investment and proposing opportunities for Council to partner with government to deliver the services our community needs and expects.

Changes made by the Victorian and Australian Governments to key funding programs are impacting opportunities for Council, local businesses and community groups to access support for critical projects and initiatives. Council will continue to raise concerns around these changes and advocate for improved access to relevant funding sources.

Population growth

How are we travelling against population projections?

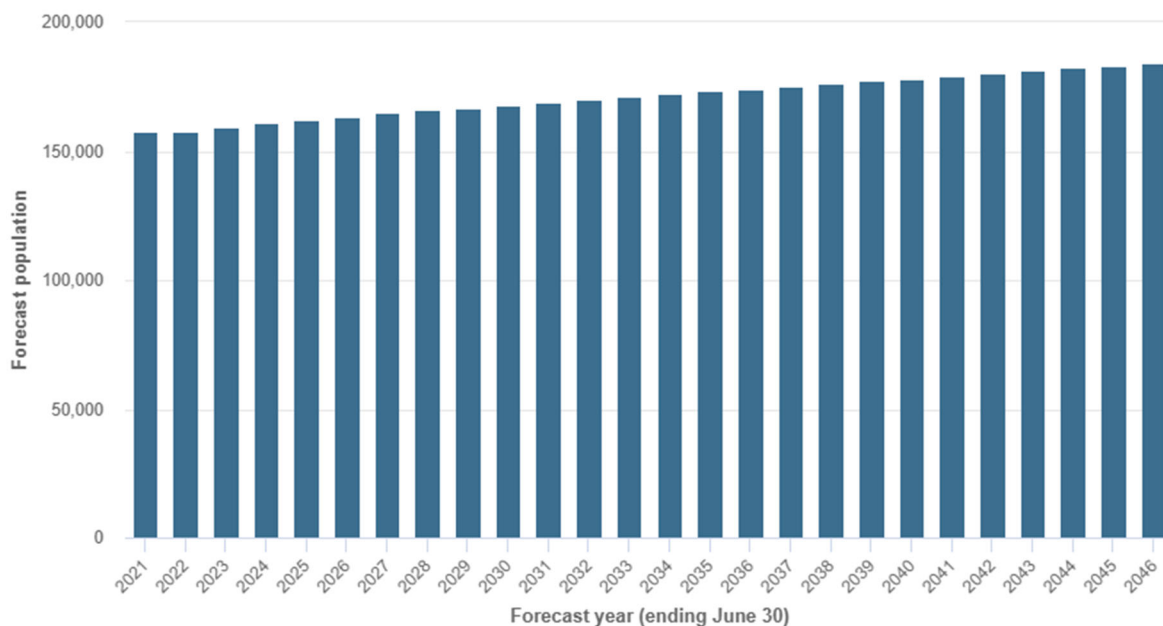
Population for Yarra Ranges was 156,068 at the 2021 Census.

The population forecasts predict that Yarra Ranges' population will grow to 184,223 by 2046. This translates to a net gain of 21,952 between 2025 and 2046, or 13.5% growth. Yarra Ranges' urban areas of Lilydale, Mooroolbark, Chirnside Park and Kilsyth are projected to have the highest population growth over the next twenty years, with local increases ranging from 11.3% in Kilsyth to a very high 79.0% in Lilydale (more than 14,960 new residents in Lilydale primarily due to the development of the Kinley Estate). These forecasts and projections are factored into our long term financial and asset planning.

The full set of projections to 2046 can be accessed here: <http://forecast.id.com.au/yarra-ranges>

Forecast population

Yarra Ranges Council



Source: Population and household forecasts, 2021 to 2046, prepared by .id (informed decisions), September 2024.

Budget reports

The following reports include all statutory disclosures of information and are supported by the analyses contained in Section 4.1 of this report.

This section includes the following reports and statements in accordance with the *Local Government Act 2020* and the Local Government Model Financial Report.

1. Link to Integrated Planning and Reporting Framework
2. Services and service performance indicators
3. Financial statements
4. Notes to financial statements
5. Financial performance indicators
6. Schedule of Fees and charges

1. Link to the Integrated Planning and Reporting Framework

This section describes how the Budget links to the achievement of the Community Vision and Council Plan within an overall integrated strategic planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision and long-term Financial Plan), medium term (Council Plan, Workforce Plan, and Revenue and Rating Plan) and short term (Budget) and then holding itself accountable (Annual Report).

1.1 Legislative planning and accountability framework

The Budget is a rolling four-year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The diagram below depicts the integrated planning and reporting framework that applies to local government in Victoria. At each stage of the integrated planning and reporting framework there are opportunities for community and stakeholder input. This is important to ensure transparency and accountability to both residents and ratepayers.

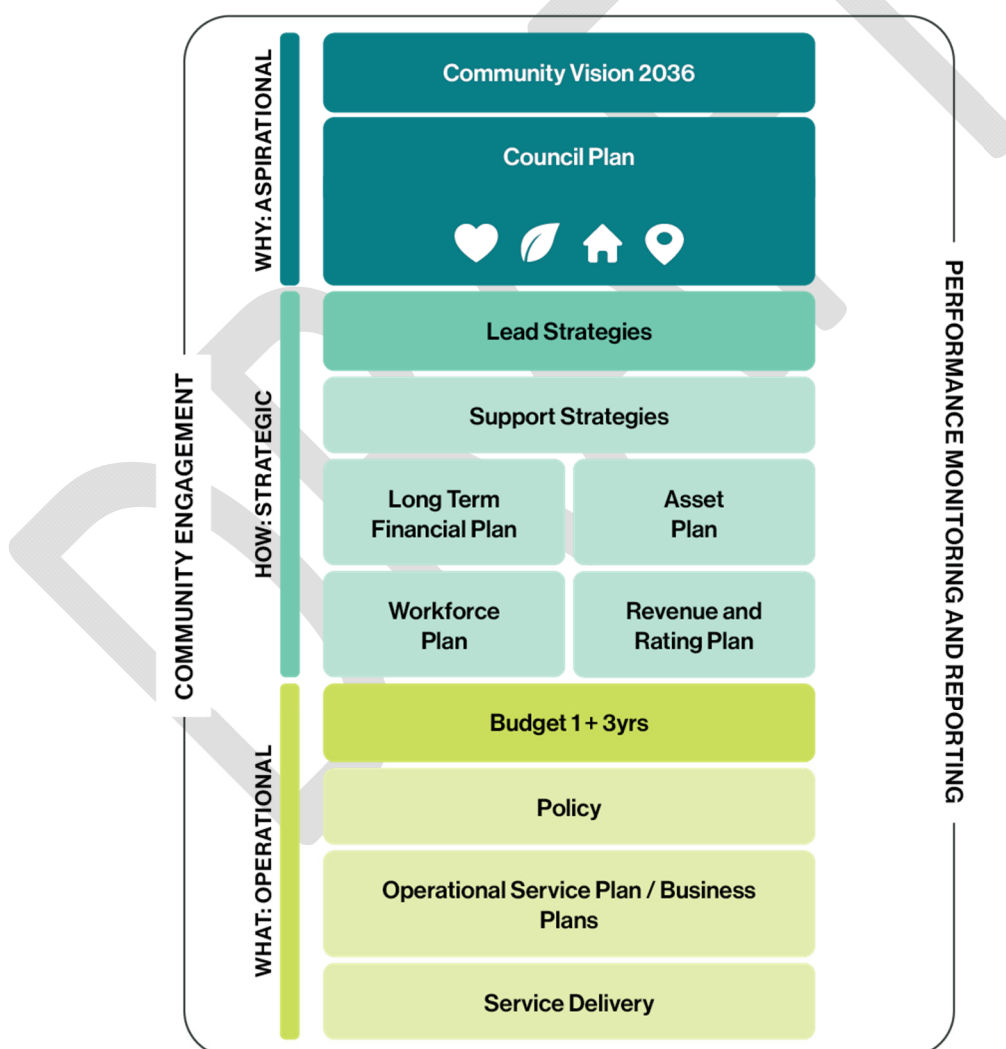


Figure 1: Council Planning Framework

The timing of each component of the integrated planning and reporting framework is critical to the successful achievement of the planned outcomes.

1.2 Key planning considerations

Service Level Planning

Although councils have a legal obligation to provide certain services - such as animal management, local roads, food safety and statutory planning - most council services are not legally mandated, including some services closely associated with councils, such as libraries, building permits and sporting facilities. Further, over time, the needs and expectations of communities can change. Therefore, councils need to have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations.

1.3 Our purpose

Our vision

Whether you live here or visit, you will see how much we care for Country, how inclusive and connected our communities are, and how balanced growth makes this the best place in the world.

Our commitment

We are dedicated to achieving our community vision and serving our communities in the best way possible. We strive to be future focussed, responsible, fair, transparent and efficient in all we do, and this underpins all our work and guides our decisions and actions.

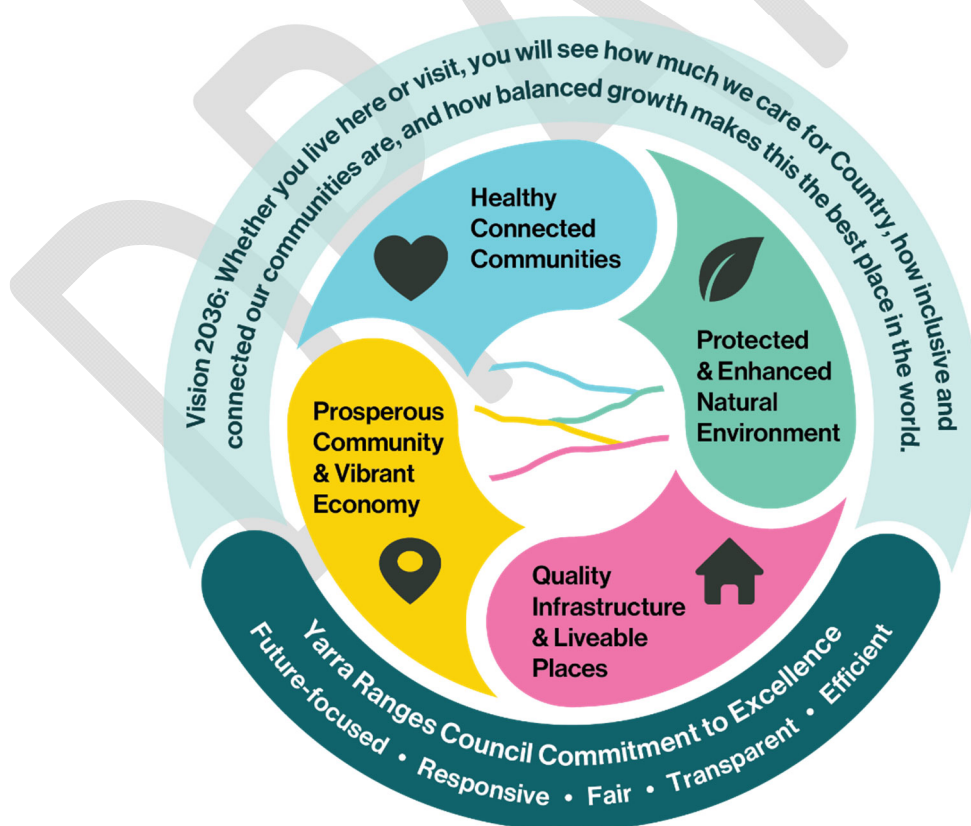


Figure 2: Council Plan roadmap

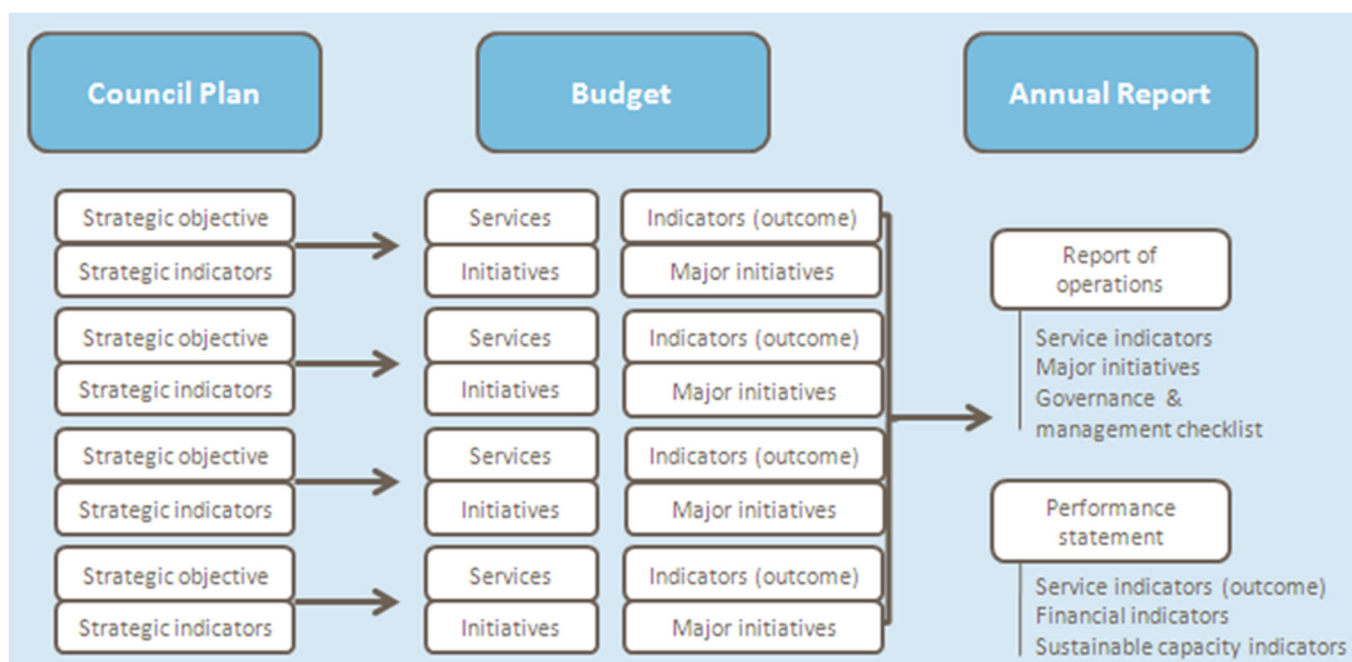
Strategic objectives

Council delivers services and initiatives in over 60 service categories. Each contributes to the achievement of one of the five Strategic Objectives as set out in the Council Plan. The following table lists the five Strategic Objectives as described in the Council Plan.

Strategic Objective	Description
 Healthy Connected Communities	Communities are safe, resilient, healthy, inclusive and socially connected. Quality services are accessible to everyone.
 Protected & Enhanced Natural Environment	Together we care for Country and the environment is healthier for future generations.
 Quality Infrastructure & Liveable Places	Facilities and infrastructure meet current and future needs. Places are well planned and are hubs of activity that foster wellbeing and innovation.
 Prosperous Community & Vibrant Economy	Our economy, tourism and industries support our communities. Strong investment attraction underpins sustainable economic wellbeing and local job creation.
Yarra Ranges Commitment to Excellence Future-focused • Responsive • Fair • Transparent • Efficient	

2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2026-27 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes several initiatives and service performance outcome indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives, Council Plan actions and service performance outcome indicators in the Budget and report against them in its Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Jobs, Precincts and Regions

Strategic Objective 1



Healthy Connected Communities

Communities are safe, resilient, healthy, inclusive and socially connected. Quality services are accessible to everyone.

Yarra Ranges Council is dedicated to building connected, healthy communities where people feel safe, resilient, included and supported, with equitable access to high-quality services.

Our community-strengthening initiatives foster resilience, deepen social connections, celebrate diversity and honour our rich cultural heritage, ensuring every person feels valued and included.

We support residents at every stage of life, from early childhood through to older age, by promoting wellbeing, education and social participation, and by protecting public health through proactive programs and accessible health services.

Together, these services form a comprehensive framework that nurtures the physical, mental and social wellbeing of our community, creating an inclusive environment where every resident can thrive and feel connected.

Services

Community Safety		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Animal Management	Includes pet registration, response to animal-related complaints, management of dangerous animals to ensure public safety and promote responsible pet ownership.	\$1,880	\$3,117	(\$1,237)
School Crossings	Managing the supervisor program, providing trained crossing supervisors to assist children in safely crossing roads near schools during peak arrival and departure times.	\$784	\$2,457	(\$1,673)
Emergency Management	Coordinates preparedness, response, and recovery efforts for various emergencies and disasters, working closely with local emergency services and the community to enhance resilience and safety.	\$552	\$2,685	(\$2,133)
Local Laws and Regulatory Compliance	Develop, implement, and enforce local laws and regulations to address specific community needs, maintain public order, and ensure compliance with various legislative requirements across areas such as public health, safety, amenity, and environmental protection.	\$1,249	\$1,016	\$233

Community Wellbeing		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Social Infrastructure Planning	Involves strategically assessing, developing, and managing community facilities and services to meet current and future social needs of residents.	\$0	\$685	(\$685)
Community Strengthening	Foster resilient, connected communities through programs, grants, and initiatives that magnify community strengths, support local groups, encourage volunteering, promote inclusivity, and build capacity and leadership.	\$0	\$2,975	(\$2,975)
Arts, Culture and Heritage	Planning, development, and delivery of cultural programs, events, and initiatives that celebrate local creativity safeguard and promote understanding of cultural heritage and foster community engagement through diverse art, culture and heritage experiences.	\$332	\$5,923	(\$5,591)
Indigenous Development	Facilitates Reconciliation activities and provides corporate services to integrate Indigenous ways of Knowing, Being, and Doing, aiming to enhance organisational cultural literacy.	\$0	\$811	(\$811)

Community Services		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Early and Middle Years	Supports child development through partnerships, volunteer assistance, professional development, targeted programs, quality childcare, and specialised playgroups for vulnerable families.	\$5,320	\$6,182	(\$862)
Maternal and Child Health	Provides comprehensive support for families with young children through structured appointments, targeted home visits, and specialised support in sleep and settling.	\$2,142	\$5,096	(\$2,954)
Youth Development	A multidisciplinary service providing programs and support aimed at empowering young people (aged 12-24), focusing on early intervention, capacity building and promoting positive social connections within the community.	\$260	\$714	(\$454)
Healthy Active Ageing	Provides comprehensive support, resources, and opportunities for older adults to enhance their wellbeing, maintain independence, and actively participate in community life through information services, social engagement programs, and age-friendly initiatives.	\$396	\$923	(\$527)

Health Services		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Public and Environmental Health	A regulatory service that proactively manages public health risks through education, monitoring, and enforcement activities in high-risk settings and for vulnerable populations.	\$1,386	\$1,384	\$2
Immunisation	Offering immunisation services to residents and students within the municipality	\$109	\$495	(\$386)
Public Health and Wellbeing	Develop and implement plans to protect, improve, and promote community health in alignment with state guidelines.	\$17	\$795	(\$778)
Healthy Connected Communities Total		\$14,427	\$35,258	(\$20,831)

Council Plan Community Priorities

- Connected and resilient communities
- Inclusive and safe communities
- Healthy through life stages
- Access to local services

Council Plan Initiatives

Initiatives Council will deliver over the next four years	Council Role
1. Place-based approach to achieve local priorities Work with local communities to identify and coordinate place planning to create town centre plans for services and infrastructure that address local priorities.	Partner
2. Work with partners to advocate for local priorities Collaborate with partners, including the Eastern Region Council Group, to advocate for and advance shared priorities.	Advocate
3. Deliver and enhance multiuse Community Pavilions across the municipality. Deliver the Don Rd Healesville and Seville Community Sporting Pavilions, and program of upgrades for existing pavilions to be fit-for-purpose, future proof, and inclusive of all genders.	Provider

4. Planning for an urban aquatic and leisure facility

Planner

Progress planning for an aquatic and leisure facility within the urban area.

DRAFT

Strategic objective 2



Protected and Enhanced Natural Environment

Communities are safe, resilient, healthy, inclusive and socially connected. Quality services are accessible to everyone.

At the heart of our commitment to the community is our dedication to caring for Country and ensuring the environment is healthier and more resilient for future generations. This strategic objective brings together a suite of essential services that protect ecological systems and strengthen environmental resilience.

Through these integrated services, we work to build a sustainable community where people can live in harmony with nature. Our initiatives focus on safeguarding local ecosystems, enhancing climate resilience, and managing waterways responsibly, all of which contribute to a thriving and healthy natural environment.

Our efforts not only support and enhance biodiversity but also honour the knowledge and cultural practices of Traditional Owners in caring for Country. We empower our community to participate in environmental stewardship, fostering shared responsibility for the landscapes we cherish.

Together, these actions underpin our mission to nurture a healthier, more resilient environment across Yarra Ranges, ensuring our natural landscapes continue to flourish for generations to come.

Services

Nature Enhancement		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Land Management	Land management services involve the planning, conservation, and maintenance of public lands and natural resources within the municipality, including activities such as weed control, vegetation management and planned burns.	\$237	\$5,613	(\$5,376)
Planting Programs	Planting programs involve the strategic planning and implementation of vegetation initiatives in public spaces, including street tree planting, urban forest expansion, and community garden projects.	\$184	\$869	(\$685)
Biodiversity	Biodiversity services encompass the planning, implementation, and management of initiatives aimed at protecting and enhancing local ecosystems, including native species conservation, habitat restoration, and invasive species control.	\$554	\$1,394	(\$840)

Liveable Climate		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Climate Adaptation	Involves developing and implementing strategies to prepare the community and local ecosystems for the impacts of climate change, including extreme weather events, sea level rise, and changing weather patterns.	\$459	\$2,899	(\$2,440)
Resource Recovery	Collection, processing, and management of household waste and recyclable materials to maximise resource recovery and minimise landfill disposal. It also provides ongoing management and remediation of five closed landfill sites across the Yarra Ranges Shire.	\$38,190	\$38,191	(\$2)

Healthy Resilient Waterways		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Stormwater Management	Plans, designs, constructs, maintains, and improves drainage infrastructure to effectively collect, convey, and treat stormwater runoff within the municipality.	\$297	\$3,910	(\$3,613)
Water Management	Implement water sensitive urban design principles, fosters partnerships with Melbourne Water, and promote integrated water management strategies to enhance our community's water resources.	\$2,413	\$2,519	(\$106)

Protected & Enhanced Natural Environment TOTAL		\$42,334	\$55,395	(\$13,061)
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Council Plan Community Priorities

- Local biodiversity
- Energy, climate, disaster and resilience
- Water management
- Circular economy

Council Plan Initiatives

Initiatives Council will deliver over the next four years	Council Role
5. Enhance energy and infrastructure resilience for Council and communities before, during and after extreme weather events. Enabling Council and community to achieve sustainable infrastructure design by enhancing infrastructure resilience and energy efficiency, thereby reducing climate and weather-related impacts.	Partner
6. Increase and protect biodiversity links and canopy connections Increase and protect connected natural landscapes and healthy waterways for local biodiversity, and cooling affect.	Provider
7. Use nature-based solutions to increase resilience of natural landscape in a changing climate. Partner with Traditional Owners and utilise solutions for the changing climate that work with nature, reducing impact of natural hazards (e.g. storms, flooding and fire).	Partner
8. Provide leadership in pursuit of net zero emissions and support the transition to a low carbon future. Deliver programs that strengthen community's climate adaptation and resilience to climate impacts. Support the transition to a low carbon future, by increasing the use of renewable energy, improving energy efficiency, and fostering sustainable practices in local businesses and homes.	Deliver

Strategic Objective 3



Quality Infrastructure and Liveable Places

Facilities and infrastructure meet current and future needs. Places are well planned and are hubs of activity that foster wellbeing and innovation.

At the heart of our commitment to Yarra Ranges community is our dedication to creating and maintaining quality infrastructure and liveable places. This strategic objective brings together a wide range of essential services that enhance the everyday experience of residents and visitors, ensuring our facilities and infrastructure meet both current needs and the demands of a growing future. Thoughtfully designed spaces across the region serve as vibrant hubs that support wellbeing, connection and innovation.

Through this integrated approach, we aim to build a community where people can live, work and play in harmony with their surroundings. Whether it's providing sporting facilities that encourage active lifestyles or improving road networks to support safer and easier movement, we continually strive to make Yarra Ranges more accessible, functional and enjoyable for everyone.

Our placemaking initiatives and community facilities strengthen social ties and support local activities, while our parks and open spaces offer opportunities for recreation, relaxation and improved wellbeing. Together, these services form the foundation of our work to create a thriving, connected and liveable Yarra Ranges, now and for generations to come.

Services

Placemaking		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Building Services	Building control administrations, compliance, and enforcement duties. Functions and responsibility under the Building Act that relate to the compliance and safety of building and the built environment.	\$558	\$1,189	(\$631)
Place Planning and Design	Plans and develops designs for vibrant, functional community spaces through urban planning, landscape architecture, and community engagement, encompassing long-term place development, open space planning, recreation facilities, urban design, and township revitalisation.	\$20	\$2,780	(\$2,760)

Statutory Planning	Manages and implements the Planning and Environment Act 1987 and the Yarra Ranges Planning Scheme through assessment of development applications, provision of planning advice, and enforcement of planning controls to ensure orderly use and development and compliance with the planning scheme, approved permits and plans, and relevant legislation.	\$2,163	\$8,859	(\$6,697)
Strategic Projects	Facilitation and delivery of identified major infrastructure projects which typically involve progressing planning approvals and need to involve multiple external and internal stakeholders.	\$0	\$1,121	(\$1,121)

Roads and Transport		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Local Roads, Bridges, Footpaths and Carparks	Responsible for the planning, construction, maintenance, and management of local roads, ensuring safety, accessibility, and effective traffic flow while engaging with the community and coordinating with state authorities.	\$246	\$24,147	(\$23,901)
Public Lighting	Manages the installation, maintenance, and upgrade of street lighting infrastructure to ensure safe, energy-efficient, and well-lit public spaces for the community.	\$0	\$1,430	(\$1,430)
Traffic Management	Ensures the safe and efficient movement of people and vehicles by planning, implementing, and maintaining traffic systems, infrastructure, and policies to support transportation needs and community safety.	\$0	\$1,147	(\$1,147)

Recreation and Sporting		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Sports Fields	Support community wellbeing through the design, construction maintenance and optimisation of sports grounds ensuring they remain safe, functional and ready for community use and sporting clubs.	\$151	\$3,941	(\$3,790)
Aquatics	Support community wellbeing through the design, construction maintenance and optimisation of aquatics facilities ensuring they remain safe, functional and ready for community use.	\$0	\$2,944	(\$2,944)
Trails	Design, construct, and maintain trails to ensure they are safe, functional, and ready for community use.	\$4,127	\$3,739	\$388

Community Facilities	26-27 BUDGET \$'000
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Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Cultural Venues and Community Halls	Support community wellbeing through the activation, maintenance and optimisation of community cultural venues and halls ensuring they remain safe, functional and ready for community use.	\$696	\$479	\$217
Libraries	Offers free access to books, digital resources, information technology, educational programs, and community spaces for learning, research, and cultural engagement.	\$0	\$4,767	(\$4,767)
Leases and Licences	Manages the issuance, renewal, and administration of licences and leases for council owned land, buildings, and facilities. This includes agreements for commercial, community, and residential use, ensuring compliance with local regulations and fair access to public assets.	\$40	\$2,467	(\$2,427)
Facilities Maintenance and Operations	Ensures the efficient upkeep, operation, and safety of council-owned buildings and public facilities, providing a clean, functional, and well-maintained environment for community use.	\$1,002	\$10,508	(\$9,506)

Parks and Open Space		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Townships	Overseeing the planning, development, and undertaking maintenance of smaller urban areas within the municipality to ensure they have functional and safe essential infrastructure, services, and amenities.	\$0	\$384	(\$384)
Play Spaces	Provision of safe, accessible, and engaging outdoor play areas for children of various ages and abilities throughout the community.	\$0	\$422	(\$422)
Parks	Focuses on the design, development, and maintenance of structures within public parks and open spaces, including amenities such as shelters, visitor centres, and public toilets. It ensures these buildings are safe, accessible, sustainable, and meet community needs.	\$142	\$6,776	(\$6,635)
Tree Management	Assesses, maintains, prunes, removes, and plants trees on Council land, responding to public requests and providing tree-related information to enhance community landscapes, promote environmental sustainability, and ensure public safety.	\$0	\$6,639	(\$6,639)

Quality Infrastructure & Liveable Places TOTAL	\$9,144	\$83,739	(\$74,595)
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Council Plan Community Priorities

- Roads and drainage
- Paths, trails and green open space
- Clean and well-planned townships and urban areas
- Fit for purpose assets and facilities

Council Plan Initiatives

Initiatives Council will deliver over the next four years	Council Role
9. Reduce stormwater and flood risks Proactively manage stormwater to safeguard our community, promote sustainable development practices and preserve natural ecosystems.	Provider
10. Activate Ridges and Rivers Deliver funded stages and operating models of ngurrak-barring/Ridge Walk, Yarra Valley Trail and Warburton Bike Park while continuing to advocate for future funding.	Provider
11. Facilitate diverse housing options Work with partners and industry to increase opportunities for diverse housing around transport hubs, employment centres and key services.	Partner
12. Improve safety and maintenance of local roads Plan and deliver road maintenance in accordance with local priorities and advocate for further funding opportunities.	Provider

Strategic objective 4



Prosperous Community & Vibrant Economy

Our economy, tourism and industries support our communities. Strong investment attraction underpins sustainable economic wellbeing and local job creation.

At the heart of our commitment to the Yarra Ranges community is our dedication to fostering a prosperous and vibrant local economy. Our industries, businesses and tourism sector play a vital role in supporting community wellbeing, while strong investment attraction underpins long-term economic sustainability and local job creation.

This strategic objective brings together a range of essential services focused on targeted advocacy and practical support to drive economic growth. We work to strengthen the foundations for business establishment, sustainability and expansion, while also advancing tourism initiatives that enhance community prosperity and showcase the unique strengths of our region.

Services

Economic Development		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Economy, Tourism and Investment Support	We deliver targeted advocacy and services to foster economic growth by supporting the establishment, sustainability, and growth of businesses, while also promoting tourism initiatives to enhance community prosperity.	\$150	\$2,296	(\$2,146)
Prosperous Community & Vibrant Economy TOTAL		\$150	\$2,296	(\$2,146)

Council Plan Priorities Areas

- Local industry and producers
- Local business
- Balanced tourism
- Local jobs

Council Plan Initiatives

Initiatives Council will deliver over the next four years	Council Role
13. Enhance local amenity and walkability Continue improving and maintaining the look, feel and walkability of townships and local areas in collaboration with communities.	Provider
14. Strengthen tourism destination management across the region Collaborate across the new Visitor Economy Partnership and local communities to cohesively manage the impact of new and existing tourism assets on established communities and infrastructure.	Partner
15. Support local Agri-Food Futures Centre of Excellence and Innovation Work with industry, education, Traditional Owners, community and government partners to establish an industry hub and centre of excellence.	Planner
16. Develop a new Green Wedge Management Plan Develop a new, contemporary Green Wedge Management Plan that addresses emerging agricultural practices and industry needs related to land use.	Planner

Yarra Ranges Commitment to Excellence

Future-focused • Responsive • Fair • Transparent • Efficient

Our unwavering commitment to excellence drives us to be a high performing organisation. We are dedicated to achieving our community vision and serving our communities in the best way possible.

We are focussed on ensuring every action and decision we take is responsible, transparent and efficient - maximising impact while delivering strong value for money. With a future-focussed mindset, we continuously seek smarter, fairer and more sustainable ways to serve our community, ensuring our resources are positioned to meet both current and future needs. Council will track and report on progress against these principles each year to ensure we remain accountable to our residents.

Services

Our People		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
People and Culture	Responsible for recruiting, developing, and supporting the council's workforce, ensuring the right talent, skills, and culture are in place to effectively deliver services to the community.	\$0	\$293	(\$293)
Health Safety and Wellbeing	Responsible for promoting and maintaining a safe, healthy, and supportive work environment for all council employees, focusing on physical and mental health, safety compliance, and employee wellbeing initiatives.	\$0	\$158	(\$158)
Organisational Development	Provides strategic guidance and practical solutions to enhance council's effectiveness, culture, and capability through planned interventions, change management, and leadership development initiatives. This includes training and development across the organisation.	\$0	\$4,370	(\$4,370)

Our Assets		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Asset Strategy and Planning	Develop and implement comprehensive asset management strategies, focusing on long-term planning, lifecycle management, risk assessment, and performance evaluation to ensure sustainable, resilient, and future-focused infrastructure aligned with organisational goals.	\$0	\$1,483	(\$1,483)

Asset Data and Systems	Ensures the effective management, maintenance, and integrity of corporate asset information systems, providing accurate data, performance analytics, and geospatial asset mapping to support informed decision-making and efficient asset management.	\$0	\$229	(\$229)
Capital Investment Planning	Manages capital and corporate projects, prioritising long-term sustainability and community needs. Oversees the Capital Infrastructure Pipeline, supports project prioritisation, and facilitates grant management. Collaborates across teams to ensure well-planned infrastructure.	\$0	\$797	(\$797)
Capital Infrastructure Design and Delivery	Planning, design, and construction of major infrastructure projects, ensuring they meet community needs, regulatory standards, and sustainability goals.	\$0	\$2,726	(\$2,726)

Our Customers		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Customer Experience	Providing integrated, accessible, and responsive support to community members through multiple service channels, including contact centre, online, phone, and in-person interactions to ensure efficient and effective resolution of customer enquiries and service requests.	\$66	\$4,001	(\$3,935)
Community Engagement	Foster a strong, inclusive, and connected community by ensuring transparent, accessible, and effective communication between the council and the public.	\$0	\$2,697	(\$2,697)

Our Governance		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Governance, Risk and Compliance	Ensures the effective management of governance processes, risk mitigation, and regulatory compliance to support the council's operations and community services and includes insurances and internal audit.	\$73	\$6,238	(\$6,165)
Advocacy	Represents the interests of the local community, ensuring that key issues, concerns, and needs are communicated to government bodies, stakeholders, and decision-makers.	\$0	\$314	(\$314)
Integrated Planning	Coordinates the development and alignment of council policies, plans, and projects, ensuring community consultation and adaptability to emerging trends while tracking performance and strategic outcomes.	\$0	\$1,253	(\$1,253)

Our Finance		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Financial Management	Provides comprehensive financial management, including internal and external reporting, accounts payable, general ledger maintenance, investments, budgeting, and internal staff services to ensure the effective allocation of resources and compliance with financial regulations.	\$0	\$2,565	(\$2,565)
Procurement Services	Procurement Services manages the process of acquiring goods, services, and works in a transparent, cost-effective, and compliant manner, ensuring value for money and adherence to legislative requirements.	\$0	\$1,193	(\$1,193)
Rates Services	Rates Services manages the assessment, collection, and administration of property rates to fund local government services and infrastructure.	\$459	\$1,518	(\$1,059)

Our Systems and Knowledge		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Records Management*	Delivers data-driven insights and governance to support evidence-based policy and service decisions across Council.	\$4	\$1,299	(\$1,295)
Digital Services and Solutions	Modernises Council operations through innovative digital solutions that enhance service delivery capabilities	\$0	\$588	(\$588)
IT Infrastructure Services	Maintains secure and reliable technology infrastructure enabling Council operations and service delivery.	\$5	\$9,818	(\$9,813)

*Records management, FOIs, Policy, standards, related systems and data

Our Innovation		26-27 BUDGET \$'000		
Services	Description of services provided	Inc	Exp	Surplus / (deficit)
Optimisation and Innovation	Drives improvement, innovation, and efficiency by identifying opportunities to enhance Council operations, services, and community value through data analysis, problem-solving, and strategic transformation.	\$0	\$1,089	(\$1,089)

Council's Commitment TOTAL		\$607	\$42,630	(\$42,023)
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Our commitment

To achieve our Community Vision and best serve our communities, Council is committed to being:

- **Future-focused** – anticipating challenges and opportunities, demonstrating continued leadership to build resilience, climate adaptation and make decisions that benefit future generations
- **Responsive** – meaningfully engaging, listening and addressing community needs in a timely and appropriate manner
- **Fair** – ensuring equitable access to services, resources and opportunities across our diverse communities*
- **Transparent** – being open, inclusive and accountable in our decision-making processes
- **Efficient** – making the most impact with our resources, minimising waste and delivering quality cost-effective services

2.1 Reconciliation with budgeted operating result

	Surplus/ (deficit)	Expenditure	Income
	\$'000	\$'000	\$'000
Healthy Connected Communities	(20,831)	35,258	14,427
Protected & Enhanced Natural Environment	(13,061)	55,395	42,334
Quality infrastructure and liveable places	(74,595)	83,739	9,144
Prosperous Community & Vibrant Economy	(2,146)	2,296	150
Yarra Ranges Commitment to Excellence	(42,023)	42,630	607
Total	(152,655)	219,316	66,661
Expenses added in:			
Depreciation and amortisation	46,173		
Finance costs	2,572		
Other expenses/adjustments	(7,673)		
Surplus/(Deficit) before funding sources	(193,727)		
Funding sources added in:			
Rates and charges revenue	158,123		
Grants commission funding	19,156		
Capital grants	14,427		
Interest revenue	2,540		
Contributions – cash & non-monetary	4,300		
Other revenue	1,075		
Total funding sources	199,621		
Operating surplus/(deficit) for the year	5,894		

2.2 Service performance outcome indicators

The following table outlines the prescribed indicators of service performance and prescribed measures included under the Local Government Act 2020. These are reported on in the annual Performance Statement.

Service	Indicator	Performance Measure	Computation
Governance	Community engagement	Satisfaction with community consultation and engagement. (Community satisfaction rating out of 100 with the consultation and engagement efforts of Council)	Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement
	Financial decisions	Total unpaid rates and charges (total unpaid rates and charges and unpaid interest on rates and charges for all financial years as a percentage of all rates and charges for the financial year)	Sum of unpaid rates and charges and unpaid interest on rates and charges for all financial years / Sum of all rates and charges for the financial year x100
Statutory planning	Service standard	Planning applications decided within required timeframes (percentage of regular and VicSmart planning application decisions made within legislated timeframes)	[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
Roads	Condition	Sealed local roads below the intervention level (percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)	[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100
Communities	Library services	Library membership (percentage of the population that are registered library members)	[Number of registered library members / Population] x100
Waste management	Waste diversion	Kerbside collection waste diverted from landfill. (Percentage of garbage, recyclables and green organics collected from kerbside bins that is 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
		Cost of kerbside waste collection services (direct cost of kerbside waste collection services per serviced property)	Direct cost of kerbside waste collection services / Number of serviced properties
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities. (Number of visits to aquatic facilities per head of population)	Number of visits to aquatic facilities / Population
Animal Management	Health and safety	Animal management prosecutions. (Percentage of animal management prosecutions which are successful)	Number of successful animal management prosecutions / Total number of animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance outcome notifications. (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises] x100
Maternal and Child Health Services	Participation	Participation in the MCH service. (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the financial year) / Number of children enrolled in the MCH service] x100
		Participation in MCH service by Aboriginal children	Percentage of Aboriginal children enrolled who participate in the MCH service

3. Financial Statements

This section presents information regarding the Financial Statements and Statement of Human Resources. The budget information for the financial year 2026-27 has been supplemented with projections to 2029-30.

This section includes the following financial statements prepared in accordance with the *Local Government Act 2020* (the Act) and the *Local Government (Planning and Reporting) Regulations 2020* (the Regulations).

- 3.1 Comprehensive income statement
- 3.2 Balance sheet
- 3.3 Statement of changes in equity
- 3.4 Statement of cash flows
- 3.5 Statement of capital works
- 3.6 Statement of human resources

Pending accounting standards

The 2026-27 budget has been prepared based on the accounting standards applicable at the date of preparation. Pending accounting standards that will be in effect from the 2026-27 financial year have not been considered in the development of the budget.

3.1 Comprehensive Income Statement

For the four years ending 30 June 2030

		Forecast Actual 2025/26 \$'000	Budget 2026/27 \$'000	Projections 2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
	NOTES					
Income / Revenue						
Rates and charges	4.1.1	191,258	197,472	203,621	209,946	216,449
Statutory fees and fines	4.1.2	3,422	3,662	3,754	3,847	3,944
User fees	4.1.3	7,669	11,445	13,347	14,905	15,936
Grants - operating	4.1.4	29,201	30,523	29,112	29,840	30,586
Grants - capital	4.1.4	23,383	15,053	12,948	4,300	1,999
Contributions - monetary	4.1.5	2,377	2,218	2,120	2,173	2,227
Contributions - non-monetary	4.1.5	2,500	2,500	2,563	2,627	2,692
Other income	4.1.6	3,613	3,409	3,494	3,582	3,671
Total income / revenue		263,423	266,282	270,959	271,220	277,504
Expenses						
Employee costs	4.1.7	85,227	88,984	93,474	96,718	99,336
Materials and services	4.1.8	107,217	113,342	114,003	116,635	119,933
Depreciation	4.1.9	41,596	42,206	42,784	42,111	42,184
Amortisation - intangible assets	4.1.10	1,732	1,756	1,345	1,177	1,042
Depreciation - right of use assets	4.1.11	2,585	2,211	2,204	2,307	2,570
Allowance for impairment losses		239	100	103	105	108
Borrowing costs		846	2,092	2,043	1,704	1,348
Finance costs - leases		1,922	736	649	566	476
Net loss on disposal of property, infrastructure, plant and equipment		407	150	163	175	188
Other expenses	4.1.12	8,731	8,812	9,031	9,259	9,490
Total expenses		250,502	260,389	265,799	270,757	276,675
Surplus/(deficit) for the year		12,921	5,894	5,160	463	829
Total other comprehensive income		-	-	-	-	-
Total comprehensive result		12,921	5,894	5,160	463	829

3.2 Balance Sheet

For the four years ending 30 June 2030

		Forecast Actual 2025/26 \$'000	Budget 2026/27 \$'000	2027/28 \$'000	Projections 2028/29 \$'000	2029/30 \$'000
	NOTES					
Assets						
Current assets						
Cash and cash equivalents		38,637	38,181	38,241	41,306	48,161
Trade and other receivables		51,847	51,858	52,232	52,508	52,972
Prepayments		2,140	2,202	2,266	2,329	2,397
Non-current assets classified as held for sale		744	-	-	-	-
Contract assets		4,934	5,031	5,132	5,236	5,340
Total current assets	4.2.1	<u>98,302</u>	<u>97,272</u>	<u>97,871</u>	<u>101,379</u>	<u>108,870</u>
Non-current assets						
Trade and other receivables		5,362	4,060	4,499	5,230	5,037
Investments in associates, joint arrangement and subsidiaries		3,496	3,496	3,495	3,496	3,496
Property, infrastructure, plant & equipment		2,061,200	2,072,511	2,067,354	2,057,247	2,046,248
Right-of-use assets	4.2.4	14,360	12,603	11,300	8,993	7,171
Intangible assets		7,813	6,557	5,712	5,035	4,493
Total non-current assets	4.2.1	<u>2,092,231</u>	<u>2,099,227</u>	<u>2,092,360</u>	<u>2,080,001</u>	<u>2,066,445</u>
Total assets		<u>2,190,533</u>	<u>2,196,499</u>	<u>2,190,231</u>	<u>2,181,380</u>	<u>2,175,315</u>
Liabilities						
Current liabilities						
Trade and other payables		20,285	22,084	22,182	22,760	23,398
Trust funds and deposits		6,128	6,232	6,338	6,446	6,562
Contract and other liabilities		19,490	16,567	14,082	14,082	14,082
Provisions		19,212	20,091	19,997	20,512	20,960
Interest-bearing liabilities	4.2.3	6,090	3,010	3,545	3,711	3,887
Lease liabilities	4.2.4	1,934	2,119	2,340	2,391	2,677
Total current liabilities	4.2.2	<u>73,139</u>	<u>70,103</u>	<u>68,484</u>	<u>69,900</u>	<u>71,566</u>
Non-current liabilities						
Provisions		9,908	8,716	8,087	7,428	6,815
Interest-bearing liabilities	4.2.3	33,887	40,489	32,779	25,098	19,353
Lease liabilities	4.2.4	13,153	11,595	10,125	7,733	5,533
Total non-current liabilities	4.2.2	<u>56,948</u>	<u>60,800</u>	<u>50,991</u>	<u>40,259</u>	<u>31,701</u>
Total liabilities		<u>130,087</u>	<u>130,903</u>	<u>119,475</u>	<u>110,161</u>	<u>103,267</u>
Net assets		<u>2,060,446</u>	<u>2,065,596</u>	<u>2,070,756</u>	<u>2,071,219</u>	<u>2,072,048</u>
Equity						
Accumulated surplus		668,158	673,452	677,976	677,766	677,885
Reserves		1,392,288	1,392,144	1,392,780	1,393,453	1,394,163
Total equity		<u>2,060,446</u>	<u>2,065,596</u>	<u>2,070,756</u>	<u>2,071,219</u>	<u>2,072,048</u>

3.3 Statement of changes in equity

For the four years ending 30 June 2030

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	NOTES	\$'000	\$'000	\$'000	\$'000
2026 Forecast Actual					
Balance at beginning of the financial year		1,852,381	656,451	1,176,683	19,247
Surplus/(deficit) for the year		12,921	12,921	-	-
Net asset revaluation gain/(loss)		196,358	-	196,358	-
Transfers (to)/from other reserves		(1,214)	(1,214)	-	-
Balance at end of the financial year		2,060,446	668,158	1,373,041	19,247
2027 Budget					
Balance at beginning of the financial year		2,060,446	668,158	1,373,041	19,247
Surplus/(deficit) for the year		5,894	5,894	-	-
Net asset revaluation gain/(loss)		(744)	-	(744)	-
Transfers (to)/from other reserves	4.3.1	-	(600)	-	600
Balance at end of the financial year	4.3.2	2,065,596	673,452	1,372,297	19,847
2028 Plan					
Balance at beginning of the financial year		2,065,596	673,452	1,372,297	19,847
Surplus/(deficit) for the year		5,160	5,160	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers (to)/from other reserves		-	(636)	-	636
Balance at end of the financial year		2,070,756	677,976	1,372,297	20,483
2029 Plan					
Balance at beginning of the financial year		2,070,756	677,976	1,372,297	20,483
Surplus/(deficit) for the year		463	463	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers (to)/from other reserves		-	(673)	-	673
Balance at end of the financial year		2,071,219	677,766	1,372,297	21,156
2030 Plan					
Balance at beginning of the financial year		2,071,219	677,766	1,372,297	21,156
Surplus/(deficit) for the year		829	829	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers (to)/from other reserves		-	(710)	-	710
Balance at end of the financial year		2,072,048	677,885	1,372,297	21,866

3.4 Statement of cash flows

For the four years ending 30 June 2030

	Notes	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	2027/28 \$'000	Projections 2028/29 \$'000	2029/30 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities						
Rates and charges		189,547	198,112	202,448	208,330	216,077
Statutory fees and fines		3,422	4,023	4,121	4,222	4,329
User fees		8,436	12,575	14,511	16,249	17,434
Grants - operating		29,201	29,731	28,583	29,743	30,494
Grants - capital		20,383	12,768	11,182	4,928	2,109
Contributions - monetary		2,377	2,218	2,120	2,173	2,227
Interest received		764	900	923	946	969
Trust funds and deposits taken		1,237	104	106	108	116
Other receipts		2,713	2,976	3,045	3,104	3,183
Net GST refund / payment		24,826	16,028	13,836	13,274	13,365
Employee costs		(85,227)	(88,480)	(93,007)	(96,239)	(98,846)
Materials and services		(116,157)	(123,042)	(125,376)	(127,801)	(131,367)
Other payments		(9,720)	(10,404)	(11,115)	(10,789)	(11,080)
Net cash provided by/(used in) operating activities	4.4.1	71,802	57,509	51,377	48,249	49,010
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment		(71,209)	(56,334)	(38,800)	(32,558)	(31,599)
Proceeds from sale of property, infrastructure, plant and equipment		789	-	-	-	-
Payments for intangible assets		(619)	(500)	(500)	(500)	(500)
Net cash provided by/ (used in) investing activities	4.4.2	(71,039)	(56,834)	(39,300)	(33,058)	(32,099)
Cash flows from financing activities						
Finance costs		(1,423)	(2,092)	(2,043)	(1,704)	(1,348)
Proceeds from borrowings		8,000	10,000	-	-	-
Repayment of borrowings		(5,365)	(6,478)	(7,175)	(7,515)	(5,569)
Interest paid - lease liability		(790)	(736)	(649)	(566)	(476)
Repayment of lease liabilities		(1,976)	(1,825)	(2,150)	(2,341)	(2,663)
Net cash provided by/(used in) financing activities	4.4.3	(1,554)	(1,131)	(12,017)	(12,126)	(10,056)
Net increase/(decrease) in cash & cash equivalents		(792)	(456)	60	3,064	6,855
Cash and cash equivalents at the beginning of the financial year		39,429	38,637	38,181	38,241	41,306
Cash and cash equivalents at the end of the financial year		38,637	38,181	38,241	41,306	48,161

3.5 Statement of capital works

For the four years ending 30 June 2030

		Forecast 2025/26 \$'000	Budget 2026/27 \$'000	2027/28 \$'000	Projections 2028/29 \$'000	2029/30 \$'000
	NOTES					
Property						
Land		-	-	-	-	-
Total land		-	-	-	-	-
Buildings		11,027	9,101	13,020	6,775	5,850
Building improvements		-	-	-	-	-
Total buildings		11,027	9,101	13,020	6,775	5,850
Total property		11,027	9,101	13,020	6,775	5,850
Plant and equipment						
Plant, machinery and equipment		2,639	2,500	2,500	3,000	3,200
Fixtures, fittings and furniture		19	-	-	-	-
Computers and telecommunications		700	300	300	300	250
Total plant and equipment		3,358	2,800	2,800	3,300	3,500
Infrastructure						
Roads		14,198	9,198	10,834	8,500	8,200
Bridges		282	550	400	500	250
Footpaths and cycleways		2,196	2,263	2,164	2,100	2,200
Drainage		1,235	2,811	900	1,250	1,750
Recreational, leisure and community facilities		3,068	1,232	1,000	1,100	1,100
Parks, open space and streetscapes		10,121	13,137	2,600	2,750	2,600
Off street car parks		375	350	100	200	200
Other infrastructure		5,110	5,225	5,244	5,439	7,464
Total infrastructure		36,585	34,766	23,242	21,839	23,764
Total capital works expenditure	4.5.1	50,970	46,667	39,062	31,914	33,114
Represented by:						
New asset expenditure		10,015	12,159	4,083	4,315	4,598
Asset renewal expenditure		32,955	24,670	23,793	23,076	23,942
Asset expansion expenditure		1,400	3,544	4,986	1,160	823
Asset upgrade expenditure		6,600	6,294	6,200	3,363	3,751
Total capital works expenditure	4.5.1	50,970	46,667	39,062	31,914	33,114
Funding sources represented by:						
Grants		8,454	15,054	12,948	4,300	2,000
Contributions		347	150	-	-	-
Council cash		34,169	21,463	26,114	27,614	31,114
Borrowings		8,000	10,000	-	-	-
Total capital works expenditure	4.5.1	50,970	46,667	39,062	31,914	33,114

3.6 Statement of human resources

For the four years ending 30 June 2030

	Forecast	Budget	Projections		
	2025/26	2026/27	2027/28	2028/29	2029/30
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	85,227	88,984	93,474	96,719	99,337
Employee costs - capital	6,295	6,686	6,878	5,254	5,411
Total staff expenditure	91,521	95,670	100,351	101,972	104,748
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees	754	772	777	776	772
Total staff numbers	754	772	777	776	772

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2026/27 \$'000	Comprises			
		Permanent		Casual	Temporary
		Full Time \$'000	Part time \$'000		
Built Environment and Infrastructure	25,334	22,652	556	104	2,022
Communities	23,803	13,675	5,442	5	4,681
Corporate Services	18,896	15,579	1,809	-	1,508
Planning and Sustainable Futures	17,420	15,157	554	-	1,709
Office of the CEO	1,927	1,817	110	-	-
Natural Disaster Recovery & Response	183	-	-	-	183
Total permanent staff expenditure	87,563	68,881	8,470	109	10,102
Other employee related expenditure	1,422				
Capitalised labour costs	6,686				
Total expenditure	95,670				

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget 2026/27	Comprises			
		Permanent		Casual	Temporary
		Full Time	Part time		
Built Environment and Infrastructure	208	184	4	1	19
Communities	211	115	55	-	40
Corporate Services	157	126	20	-	12
Planning and Sustainable Futures	138	118	5	-	15
Office of the CEO	12	11	1	-	-
Natural Disaster Recovery & Response	2	-	-	-	2
Total staff (excluding capital)	728	554	86	1	87

Summary of planned human resources

Expenditure for the four years ending 30 June 2030

	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
Built Environment and Infrastructure				
Permanent - Full time	22,652	24,194	25,030	25,689
Women	7,616	8,313	8,655	8,908
Men	15,036	15,881	16,375	16,782
Persons of self-described gender	-	-	-	-
Permanent - Part time	556	567	579	590
Women	556	567	579	590
Men	-	-	-	-
Persons of self-described gender	-	-	-	-
Total Built Environment and Infrastructure	23,208	24,762	25,608	26,279
Communities				
Permanent - Full time	13,675	13,948	14,227	14,512
Women	10,838	11,055	11,276	11,502
Men	2,836	2,893	2,951	3,010
Persons of self-described gender	-	-	-	-
Permanent - Part time	5,442	5,551	5,662	5,775
Women	4,913	5,011	5,111	5,213
Men	529	540	551	562
Persons of self-described gender	-	-	-	-
Total Communities	19,117	19,499	19,889	20,287
Corporate Services				
Permanent - Full time	15,579	15,891	16,208	16,532
Women	10,982	11,201	11,425	11,654
Men	4,597	4,689	4,783	4,879
Persons of self-described gender	-	-	-	-
Permanent - Part time	1,809	1,845	1,882	1,919
Women	1,624	1,656	1,689	1,723
Men	185	188	192	196
Persons of self-described gender	-	-	-	-
Total Corporate Services	17,388	17,735	18,090	18,452
Planning and Sustainable Futures				
Permanent - Full time	15,157	15,460	15,770	16,085
Women	9,404	9,592	9,784	9,979
Men	5,753	5,868	5,986	6,106
Persons of self-described gender	-	-	-	-
Permanent - Part time	554	565	576	588
Women	412	420	428	437
Men	142	145	148	151
Persons of self-described gender	-	-	-	-
Total Planning and Sustainable Futures	15,711	16,025	16,346	16,673
Office of the CEO				
Permanent - Full time	1,817	1,854	1,891	1,929
Women	1,582	1,614	1,646	1,679
Men	235	240	245	250

	2026/27 \$'000	2027/28 \$'000	2028/29 \$'000	2029/30 \$'000
Persons of self-described gender	-	-	-	-
Permanent - Part time	110	112	114	116
Women	110	112	114	116
Men	-	-	-	-
Persons of self-described gender	-	-	-	-
Total Office of the CEO	1,927	1,966	2,005	2,045
Casuals, temporary and other expenditure	11,626	13,480	14,775	15,596
Capitalised labour costs	7	7	5	5
Total staff expenditure	88,984	93,474	96,719	99,337

Staff numbers for the four years ending 30 June 2030

	2026/27 FTE	2027/28 FTE	2028/29 FTE	2029/30 FTE
Built Environment and Infrastructure				
Permanent - Full time	184	192	194	193
Women	62	66	67	67
Men	122	126	127	126
Persons of self-described gender	-	-	-	-
Permanent - Part time	4	4	4	4
Women	4	4	4	4
Men	-	-	-	-
Persons of self-described gender	-	-	-	-
Total Built Environment and Infrastructure	188	196	198	197
Communities				
Permanent - Full time	116	115	115	113
Women	91	90	90	89
Men	25	25	25	24
Persons of self-described gender	-	-	-	-
Permanent - Part time	56	55	55	55
Women	49	48	48	48
Men	7	7	7	7
Persons of self-described gender	-	-	-	-
Total Communities	172	170	170	168
Corporate Services				
Permanent - Full time	126	125	125	124
Women	93	92	92	91
Men	33	33	33	33
Persons of self-described gender	-	-	-	-
Permanent - Part time	20	20	20	19
Women	18	18	18	17
Men	2	2	2	2
Persons of self-described gender	-	-	-	-
Total Corporate Services	146	145	145	143
Planning and Sustainable Futures				
Permanent - Full time	118	117	117	117
Women	75	74	74	74
Men	43	43	43	43
Persons of self-described gender	-	-	-	-
Permanent - Part time	5	5	5	5
Women	4	4	4	4
Men	1	1	1	1
Persons of self-described gender	-	-	-	-
Total Planning and Sustainable Futures	123	122	122	122
Office of the CEO				
Permanent - Full time	11	11	11	11
Women	9	9	9	9
Men	2	2	2	2
Persons of self-described gender	-	-	-	-
Permanent - Part time	1	1	1	1

	2026/27 FTE	2027/28 FTE	2028/29 FTE	2029/30 FTE
Women	1	1	1	1
Men	-	-	-	-
Persons of self-described gender	-	-	-	-
Total Office of the CEO	12	12	12	12
Casuals and temporary staff	88	88	87	87
Capitalised labour	44	44	43	43
Total staff numbers	772	777	776	772

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4. Notes to the financial statements

This section presents analysis on material components of the financial statements.

4.1 Comprehensive income statement

4.2 Balance sheet

4.3 Statement of changes in equity

4.4 Statement of cash flows

4.5 Statement of capital works

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4.1 Comprehensive income statement

Rates and charges

Rates and charges are required by the *Local Government Act 2020* (the Act) and the Regulations to be disclosed in Council's budget.

As per the Act, Council is required to have a Revenue and Rating Plan which is a four-year plan for how Council will generate income to deliver the Council Plan, program and services and capital works commitments over a four-year period.

In developing the Budget, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the financial planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2026-27 the FGRS cap has been set at 2.75%. The cap applies to both general rates and municipal charges and is calculated on the basis of Council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate will increase by 2.75% in line with the rate cap. The change from 2025-26 of 3.7% includes additional supplementary rates charged during the year in excess of the forecasted amount of \$732,000. For increases in average rates paid per property, refer to section 4.1.1 (l).

This will raise total rates and charges for 2026-27 to \$197.5 million.

4.1.1(a) The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:

	2025/26 Forecast	2026/27 Budget	Change	
	\$'000	\$'000	\$'000	%
General rates*	151,833	157,510	5,677	3.7%
Garbage and Service charges	37,034	37,710	675	1.8%
Special rates and charges	257	-	(257)	(100.0%)
Supplementary rates and rate adjustments	732	900	168	23.0%
Interest on rates and charges	1,402	1,352	(50)	(3.6%)
Total rates and charges	191,258	197,472	6,212	3.2%

*These items are subject to the rate cap established under the FGRS

4.1.1(b) The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2025/26 cents/\$CIV	2026/27 cents/\$CIV	Change
General rate for rateable residential properties	0.25283	0.25330	0.2%
General rate for rateable commercial properties	0.37925	0.37995	0.2%
General rate for rateable industrial properties	0.37925	0.37995	0.2%
General rate for rateable farming properties	0.17698	0.17731	0.2%
General rate for rateable recreational/cultural properties	0.15170	0.15198	0.2%
General rate for rateable vacant properties	0.25283	0.25330	0.2%

4.1.1(c) The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	2025/26 \$'000	2026/27 \$'000	Change \$'000	%
Residential	131,650	136,777	5,126	3.9%
Commercial	9,464	9,722	258	2.7%
Industrial	5,173	5,314	141	2.7%
Farming	5,436	5,585	148	2.7%
Recreational / Cultural	72	74	2	2.7%
Vacant land	37	38	1	2.7%
Total amount to be raised by general rates	151,833	157,510	5,677	3.7%

4.1.1(d) The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2025/26 Number	2026/27 Number	Change Number	%
Residential	62,858	63,257	399	0.6%
Commercial	2,342	2,342	-	-
Industrial	1,088	1,088	-	-
Farming	1,531	1,531	-	-
Recreational / Cultural	13	13	-	-
Vacant land	326	326	-	-
Total number of assessments	68,158	68,557	399	0.6%

4.1.1(e) The basis of valuation to be used is the Capital Improved Value (CIV)

4.1.1(f) The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2025/26 \$'000	2026/27 \$'000	Change \$'000	%
Residential	52,070,680	53,997,928	1,927,248	3.7%
Commercial	2,495,425	2,558,809	63,384	2.5%
Industrial	1,364,013	1,398,658	34,646	2.5%
Farming	3,071,765	3,149,788	78,023	2.5%
Recreational / Cultural	47,450	48,655	1,205	2.5%
Vacant land	14,706	15,079	374	2.5%
Total value of land	59,064,038	61,168,917	2,104,879	3.6%

Property valuations for rating purposes will be as per general valuations dated 1 January 2026.

Valuation data is based on preliminary valuations received from the Valuer General in March 2026. This will be reviewed and updated, if required, following confirmation of true and correct valuation data, which is expected by 31 May 2026. Any changes may have an impact on rate in the dollar calculations.

4.1.1(g) The municipal charge under Section 159 of the Act compared with the previous financial year.

Yarra Ranges Council does not apply a municipal charge.

4.1.1(h) The estimated total amount to be raised by municipal charges compared with the previous financial year.

Yarra Ranges Council does not apply a municipal charge.

4.1.1(i) The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year.

The waste service charges are not included in the Essential Services Commission's rate capping framework and has been calculated based on a full cost recovery model in line with Council's Waste Policy.

The Victorian State Government introduced new legislation for local councils to move to a circular economy plan by introducing changes to the way we collect kerbside waste, with the introduction of FOGO bins (Food Organics, Garden Organics) and the introduction of glass recycling. Yarra Ranges rolled out FOGO to the community in October 2023, which was part of our ongoing commitment to reducing waste and greenhouse gases. Reducing the amount sent to landfill helps minimise future

landfill charges for the disposal of organic waste, for a cleaner, greener community. Council has deferred the roll out of glass recycling to 2027.

Type of Charge	Per Rateable Property 2025/26 \$	Per Rateable Property 2026/27 \$
FOGO 80 litre Bin	142	144
FOGO 120 litre Bin	157	159
FOGO 240 litre Bin	201	203
Recycling 80 litre Bin	51	54
Recycling 120 litre Bin	55	59
Recycling 240 litre Bin	69	74
Garbage 80 litre Bin	126	127
Garbage 120 litre Bin	155	157
Garbage 240 litre Bin	242	247
Minimum Base Charge – Residential	128	134
Minimum Base Charge – Non Residential	48	57

4.1.1(j) The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Charge	2025/26 \$'000	2026/27 \$'000
FOGO 80 litre Bin	46	9
FOGO 120 litre Bin	1,202	1,280
FOGO 240 litre Bin	11,737	11,940
Recycling 80 litre Bin	5	1
Recycling 120 litre Bin	38	53
Recycling 240 litre Bin	4,461	5,062
Garbage 80 litre Bin	1,161	1,154
Garbage 120 litre Bin	8,730	9,699
Garbage 240 litre Bin	218	112
Minimum Base Charge – Residential	8,077	8,269
Minimum Base Charge – Non Residential	113	131
Total	35,788	37,710

4.1.1(k) The estimated total amount to be raised by all rates and charges compared with the previous financial year

	2025/26 \$'000	2026/27 \$'000	Change \$'000	%
General Rates	151,833	157,510	5,677	3.7%
Waste Service Charge	35,788	37,984	2,196	6.1%
Total Rates and charges	187,621	195,494	7,873	4.2%

4.1.1(l) Fair Go Rates System Compliance

Yarra Ranges Shire Council is required to comply with the State Government's Fair Go Rates System (FGRS). The table below details the budget assumptions consistent with the requirements of the Fair Go Rates System.

	2025/26	2026/27
Total Rates	\$151,760,805	\$157,510,000
Number of rateable properties	68,145	68,544
Base Average Rate	\$2,163	\$2,236
Maximum Rate Increase (set by the State Government)	3.00%	2.75%
Capped Average Rate	\$2,227	\$2,297
Maximum General Rates and Municipal Charges Revenue	\$151,770,248	\$157,466,102
Budgeted General Rates and Municipal Charges Revenue	\$151,760,805	\$157,436,231
Budgeted Cultural and Recreational Rates	\$73,946	\$73,579
Budgeted Supplementary Rates	\$732,000	\$900,000
Budgeted Total Rates and Municipal Charges Revenue	\$152,564,787	\$158,410,178

4.1.1(m) Any significant changes that may affect the estimated amounts to be raised by rates and charges

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations (2026/27: estimated \$0.9m and 2025/26: \$0.7m)
- The variation of returned levels of value (e.g. valuation appeals)
- Changes of use of land such that rateable land becomes non-rateable land and vice versa.
- Changes of use of land such that residential land becomes business land and vice versa.

4.1.1(n) Differential rates

The rate and amount of rates payable in relation to each category of differential are:

Type or class of land	2024/25 cents/\$CIV	2025/26 cents/\$CIV	Change
General rate for rateable residential properties	0.25283	0.25330	0.2%
General rate for rateable commercial properties	0.37925	0.37995	0.2%
General rate for rateable industrial properties	0.37925	0.37995	0.2%
General rate for rateable farming properties	0.17698	0.17731	0.2%
General rate for rateable recreational/cultural properties	0.15170	0.15198	0.2%
General rate for rateable vacant properties	0.25283	0.25330	0.2%

Each differential rate will be determined by multiplying the CIV of rateable land (categorised by the characteristics described below) by the applicable rate as outlined below.

Council believes each differential rate will contribute to the equitable and efficient carrying out of Council functions. Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

Residential land

Definition: Residential Land is any land which does not have the characteristics of Vacant Sub-Standard Land, Farm Land, Commercial Land or Industrial Land, and which is:

- used, designed, or adapted to be used primarily for residential purposes; or
- vacant land but which, by reason of its locality and zoning under the relevant Planning Scheme would, if developed, be or be likely to be used primarily for residential purposes; or
- any other land which does not have the characteristics of Vacant Sub-Standard Land, Farm Land, Commercial Land, or Industrial Land.

Objectives: The objective of this differential rate is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council having regard to the capacity of such land to be used to yield income and the demands such land makes on Council's infrastructure. Those functions include the:

- implementation of good governance and sound financial stewardship
- construction, renewal, upgrade, expansion, and maintenance of infrastructure assets
- development and provision of health, environmental, conservation, leisure, recreation, youth, and family community services
- provision of strategic and economic management, town planning and general support services and
- promotion of cultural, heritage and tourism aspects of Council's municipal district.

Characteristics: The types and classes of rateable land within this category are those having the relevant characteristics described above (see definition).

Use of Rate: The differential rate will be used to fund items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Level of Rate: 100% of Residential Rate.

Use of Land: Any use permitted under the Yarra Ranges Council Planning Scheme.

Geographic Location: The geographic location of the land within this category is wherever it is located within the municipal district, without reference to ward boundaries.

Planning Scheme Zoning: The zoning applicable to each ratable land within this category, as determined by consulting maps referred to in the relevant Yarra Ranges Council Planning Scheme.

Types of Buildings: All buildings which are already constructed on the land, or which are constructed prior to the expiry of the financial year.

Vacant substandard land

Definition: Vacant Sub-Standard Land is any land which does not have the characteristics of Residential Land, Farmland, Commercial Land or Industrial Land, and which is vacant land on which, by reason of its locality and zoning under the relevant Planning Scheme, no building can be erected except in accordance with an adopted restructure plan.

Objectives: The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council having regard to the capacity of such land to be used to yield income and the demands such land makes on Council's infrastructure. Those functions include the:

- implementation of good governance and sound financial stewardship
- construction, renewal, upgrade, expansion, and maintenance of infrastructure assets

- development and provision of health, environmental, conservation, leisure, recreation, youth, and family community services
- provision of strategic and economic management, town planning and general support services and
- promotion of cultural, heritage and tourism aspects of Council's municipal district.

Characteristics: The types and classes of rateable land within this category are those having the relevant characteristics described above.

Use of Rate: The differential rate will be used to fund items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Level of Rate: 100% of the Residential Rate.

Use of Land: Any use permitted under the Yarra Ranges Council Planning Scheme.

Geographic Location: The geographic location of the land within this category is wherever it is located within the municipal district, without reference to ward boundaries.

Planning Scheme Zoning: The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Yarra Ranges Council Planning Scheme.

Types of Buildings: All buildings which are already constructed on the land, or which are constructed prior to the expiry of the financial year.

Commercial land

Definition: Commercial Land is any land which does not have the characteristics of Residential Land, Vacant Sub-Standard Land, Farmland or Industrial Land, and which is:

- used, designed, or adapted to be used primarily for the sale of goods or services or other commercial purposes or
- vacant land but which, by reason of its locality and zoning under the relevant Planning Scheme, would, if developed, be or be likely to be used primarily for the sale of goods or services or other commercial purposes.

Objectives: The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council having regard to the capacity of such land to be used to yield income and the demands such land makes on Council's infrastructure. Those functions include the:

- implementation of good governance and sound financial stewardship
- construction, renewal, upgrade, expansion, and maintenance of infrastructure assets
- development and provision of health, environmental, conservation, leisure, recreation, youth, and family community services
- provision of strategic and economic management, town planning and general support services and
- promotion of cultural, heritage and tourism aspects of Council's municipal district.

The commercial rate is set at 150% of the residential rate and the reasons for the use and level of this differential rate are:

- to reduce the rate distribution to Residential Land by applying a higher differential to Commercial Land in recognition of the tax deductibility of rates that is not available to owners of most Residential Land
- in recognition of the extra services, when compared to Residential Land, that Commercial Land derives from Council, which include but are not limited to economic development activities for businesses, the impact that heavy vehicles (servicing businesses) have on road infrastructure, street cleaning and local laws monitoring car park overstays.

Characteristics: The types and classes of rateable land within this category are those having the relevant characteristics described above.

Use of Rate: The differential rate will be used to fund items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Level of Rate: 150% of the Residential Rate.

Use of Land: Any use permitted under the Yarra Ranges Council Planning Scheme.

Geographic Location: The geographic location of the land within this category is wherever it is located within the municipal district, without reference to ward boundaries.

Industrial land

Definition: Industrial Land is any land which does not have the characteristics of Residential Land, Vacant Sub-Standard Land, Farmland, or Industrial Land, and which is:

- used, designed, or adapted to be used primarily for the sale of goods or services or other commercial purposes or
- vacant land but which, by reason of its locality and zoning under the relevant Planning Scheme, would, if developed, be or be likely to be used primarily for the sale of goods or services or other commercial purposes.

Objectives: The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council having regard to the capacity of such land to be used to yield income and the demands such land makes on Council's infrastructure. Those functions include the:

- implementation of good governance and sound financial stewardship
- construction, renewal, upgrade, expansion, and maintenance of infrastructure assets
- development and provision of health, environmental, conservation, leisure, recreation, youth, and family community services
- provision of strategic and economic management, town planning and general support services and
- promotion of cultural, heritage and tourism aspects of Council's municipal district.

The industrial rate is set at 150% of the residential rate and the reasons for the use and level of this differential rate are:

- to reduce the rate distribution to residential land by applying a higher differential to Industrial Land in recognition of the tax deductibility of rates that is not available to owners of most Residential Land
- in recognition of the extra services, when compared to Residential Land, that Industrial Land derives from Council, which include but are not limited to economic development activities for businesses, the impact that heavy vehicles (servicing businesses) have on road infrastructure, street cleaning and local laws monitoring car park overstay.

Characteristics: The types and classes of rateable land within this category are those having the relevant characteristics described above.

Use of Rate: The differential rate will be used to fund items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Level of Rate: 150% of the Residential Rate.

Use of Land: Any use permitted under the Yarra Ranges Council Planning Scheme.

Geographic Location: The geographic location of the land within this category is wherever it is located within the municipal district, without reference to ward boundaries.

Planning Scheme Zoning: The zoning applicable to each ratable land within this category, as determined by consulting maps referred to in the relevant Yarra Ranges Council Planning Scheme.

Types of Buildings: All buildings which are already constructed on the land, or which are constructed prior to the end of the financial year.

Farm land

Definition: Farmland is any land which does not have the characteristics of Residential Land, Vacant Sub-Standard Land, Commercial Land, or Industrial Land, and which is:

- 'Farm land' within the meaning of Section 2(1) of the *Valuation of Land Act 1960* and
- approved by Council as farm land, following the receipt of an application by an owner of land in accordance with the rules and application process detailed on Council's website.

Objectives: The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council having regard to the capacity of such land to be used to yield income and the demands such land makes on Council's infrastructure. Those functions include the:

- implementation of good governance and sound financial stewardship
- construction, renewal, upgrade, expansion, and maintenance of infrastructure assets
- development and provision of health, environmental, conservation, leisure, recreation, youth, and family community services
- provision of strategic and economic management, town planning and general support services and
- promotion of cultural, heritage and tourism aspects of Council's municipal district.

The farm rate is set at 70% of the residential rate and the reasons for the use and level of this differential rate are:

- to encourage the continuation of farming pursuits on rural land in support of the strategic objective to support the economic development of the agricultural sector.
- in recognition that the size of the landholding required to conduct a farm business is far greater than other non-farm businesses with similar turnover and (pre-tax) profitability. Therefore, farms in comparison have a higher valuation and would pay higher rates if a lower differential rate was not applied.
- in recognition that farm businesses' profitability is affected by weather, which means that their income is more susceptible and fragile than many other businesses.

Characteristics: The types and classes of rateable land within this category are those having the relevant characteristics described above.

Use of Rate: The differential rate will be used to fund items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Level of Rate: 70% of the Residential Rate.

Use of Land: Any use permitted under the Yarra Ranges Council Planning Scheme.

Geographic Location: The geographic location of the land within this category is wherever it is located within the municipal district, without reference to ward boundaries.

Planning Scheme Zoning: The zoning applicable to each ratable land within this category, as determined by consulting maps referred to in the relevant Yarra Ranges Council Planning Scheme.

Types of Buildings: All buildings which are already constructed on the land, or which are constructed prior to the end of the financial year.

Cultural and recreational land

Definition – Under the *Cultural and Recreational Lands Act 1963* Section 2a Recreational land is considered land that is:

- vested in or occupied by anybody corporate or unincorporate which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives and which applies its profits in promoting its objects; and
- used for out-door sporting recreational or cultural purposes or similar out-door activities; or
- lands which are used primarily as agricultural showgrounds; or
- lands (whether or not otherwise rateable) which are declared by Order of the Governor in Council under Section 2a to be recreational lands.

Objectives: The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council having regard to the capacity of such land to be used to yield income and the demands such land makes on Council's infrastructure. Those functions include the:

- implementation of good governance and sound financial stewardship
- construction, renewal, upgrade, expansion, and maintenance of infrastructure assets
- development and provision of health, environmental, conservation, leisure, recreation, youth, and family community services
- provision of strategic and economic management, town planning and general support services and
- promotion of cultural, heritage and tourism aspects of Council's municipal district.

Characteristics: The types and classes of rateable land within this category are those having the relevant characteristics described above.

Use of Rate: The Cultural and Recreational rate will be used to fund items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Level of Rate: 60% of the Residential Rate.

Use of Land: Any use permitted under the Yarra Ranges Council Planning Scheme.

Geographic Location: The geographic location of the land within this category is wherever it is located within the municipal district, without reference to ward boundaries.

Planning Scheme Zoning: The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Yarra Ranges Council Planning Scheme.

Types of Buildings: All buildings which are already constructed on the land, or which are constructed prior to the end of the financial year.

Over the next twelve months, Council will undertake a comprehensive assessment of its differential rates, including the potential introduction of Vacant Commercial Land and Vacant Industrial Land categories. The current Vacant Land differential will also be examined to ensure rates are allocated equitably and align with Council's long-term strategic objectives.

4.1.2. Statutory fees and fines

	Forecast 2025/26	Budget 2026/27	Change	
	\$'000	\$'000	\$'000	%

Infringements and costs	1,632	1,608	(24)	(1.5%)
Court recoveries	420	485	65	15.5%
Town planning fees	1,297	1,535	238	18.4%
Other	73	34	(39)	(53.5%)
Total statutory fees and fines	3,422	3,662	240	7.0%

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, *Public Health and Wellbeing Act 2008* registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

The Department of Treasury and Finance sets the value of a penalty unit annually. A detailed listing of statutory fees and fines is included in Appendix A – Fees and Charges Schedule.

4.1.3. User fees

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Leisure centre and recreation	1,351	4,579	3,227	238.8%
Child care/children's programs	1,568	1,838	270	17.3%
Registration and other permits	1,000	1,078	78	7.8%
Animal control	1,606	1,600	(6)	(0.4%)
Building Services	1,050	1,020	(30)	(2.8%)
Other fees and charges	1,094	1,330	236	21.6%
Total user fees	7,669	11,445	3,776	49.2%

User fees, charges and fines relate to the recovery of costs to deliver services by charging the users of Council's services. These include separate rating schemes, use of leisure, entertainment and other community facilities, and the provision of human services such as childcare and community services. In setting the budget, the key principle for determining the level of user fees has been to keep fees at the current level or restrict the increase of fees for most services to 2.75% to reduce the burden of increased fees to the community. This community-focused pricing model remains the main driver in setting Fees. User fees budgeted income is expected to increase in Leisure and Recreation due to Warburton Bike Park staged opening.

4.1.4. Grants

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	32,243	33,075	832	2.6%
State funded grants	20,340	12,501	(7,839)	(38.5%)

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change \$'000 %	
Total grants received	52,583	45,576	(7,007)	(13.3%)
(a) Operating Grants				
<i>Recurrent - Commonwealth Government</i>				
Financial Assistance Grants	18,702	19,157	455	2.4%
Aged Care	2,708	2,982	274	10.1%
<i>Recurrent - State Government</i>				
Environmental planning	1,831	2,742	911	49.8%
Aged care	4	4	-	-
School crossing supervisors	783	784	1	0.1%
Family and Children	1,016	1,136	120	11.8%
Maternal and child health	2,313	2,159	(154)	(6.7%)
Recreation	86	86	-	-
Community safety	432	328	(104)	(24.1%)
Total recurrent grants	27,875	29,378	1,503	5.4%
<i>Non-recurrent - Commonwealth Government</i>				
Family and Children	16	15	(1)	(6.3%)
<i>Non-recurrent - State Government</i>				
Environmental planning	1,311	1,130	(181)	(13.8%)
Total non-recurrent grants	1,327	1,145	(182)	(13.7%)
Total operating grants	29,201	30,523	1,322	4.5%
(b) Capital Grants				
<i>Recurrent - Commonwealth Government</i>				
Roads to recovery	4,273	4,360	87	2.0%
Total recurrent grants	4,273	4,360	87	2.0%
<i>Non-recurrent - Commonwealth Government</i>				
Buildings	-	3,095	3,095	-
Recreation, leisure and community	273	-	(273)	(100.0%)
Parks open space and streetscape	3,650	3,026	(624)	(17.1%)
Roads	2,621	340	(2,281)	(87.0%)
Footpaths and cycleways	-	100	100	-
<i>Non-recurrent - State Government</i>				
Buildings	3,923	400	(3,523)	(89.8%)
Recreation, leisure and community	306	-	(306)	(100.0%)
Bridges	54	-	(54)	(100.0%)
Parks open space and streetscape	5,877	3,732	(2,145)	(36.5%)
Roads	2,400	-	(2,400)	(100.0%)
Other	6	-	(6)	(100.0%)
Total non-recurrent grants	19,110	10,693	(8,417)	(44.0%)
Total capital grants	23,383	15,053	(8,330)	(35.6%)
Total Grants	52,583	45,576	(7,008)	(13.3%)

Operating grants include monies from State and Federal government sources for the purposes of funding the delivery of Council's services to residents. The level of operating grants is projected to increase by \$1.3 million (+4.5%), with increases mainly in Commonwealth financial assistance and State environment funding compared to the 2025-2026 Forecast.

Capital Grants income is anticipated to decrease \$8.3 million (-35.6%) mainly due to a reduction in road funding from federal and state governments (down \$4.7 million) and a reduction in parks, open space and streetscapes funding from federal and state governments (down \$2.8 million).

4.1.5. Contributions

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Monetary	2,377	2,218	(159)	(6.7%)
Non-monetary	2,500	2,500	-	-
Total contributions	4,877	4,718	(159)	(3.3%)

Monetary contributions relate mainly to monies paid by developers for public recreation, footpaths, drainage, and car parking in accordance with planning permits issued for property development with a small decrease relating to flat building development activity prediction in 2026/27.

Also included are contributions towards capital projects and contributions from the State Revenue Office in relation to the administration of the Fire Services Levy.

Non-monetary asset contributions in the main relate to the construction of infrastructure assets by developers in accordance with planning permits issued for property development, which are expected to be steady in 2026/27.

4.1.6. Other income

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Interest	900	900	-	-
Rent	934	1,109	176	18.8%
Cost recovery and reimbursements	1,779	1,400	(379)	(21.3%)
Total other income	3,613	3,409	(204)	(5.6%)

4.1.7. Employee costs

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Wages and salaries	73,016	76,201	3,186	4.4%
Superannuation	9,215	9,908	693	7.5%
Other employee costs	1,836	1,494	(342)	(18.6%)
Work Cover	954	1,291	337	35.3%
Fringe benefits tax	206	90	(116)	(56.2%)
Total employee costs	85,227	88,984	3,758	4.4%

Employee costs include all labour related expenditure such as wages and salaries, and on-costs such as allowances, leave entitlements and employer superannuation. Wages and salaries include the reallocation of capital-related wages and on-costs to Assets.

Employee costs are budgeted to increase by 4% or \$3.8 million in 2026-27 compared to the forecast in 2025-26 attributed to the following key factors:

- Warburton Bike Park – staffing estimate based on predicted patronage and bus usage of new stages.
- Yarra Ranges Council Enterprise Agreement 2024

The salaries and wages budget for 2026-27 has been calculated based on Council's employee establishment register, which includes budgeted costs for all positions across Council (including vacant positions which are expected to be filled).

Salaries and wages for employees in 2026-27 are budgeted to increase by 2.75% in line with Council's negotiated Enterprise Agreement.

Full-time equivalents (FTE) increased from 754 in 2025-26 to 772 in 2026-27, primarily due to staged opening of Warburton Bike Park.

Council is the largest employer in the Yarra Ranges and much of its staff live in the local community – we are pleased to be able to continue to support local employment in a significant way.

4.1.8. Materials and services

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Contract payments (see details below for major contracts)	53,281	56,165	2,884	5.4%
Other contract payments	19,498	21,490	1,992	10.2%
Consultants	6,722	6,711	(11)	(0.2%)
Utilities	2,070	3,130	1,061	51.2%
Maintenance	9,188	10,152	965	10.5%

Other Materials & Services	16,459	15,694	(765)	(4.6%)
Total materials and services	107,217	113,342	6,125	5.7%

Materials and services include the purchases of consumables, payments to contractors for the provision of services, and utility costs.

Materials and services are budgeted to increase by 5.7% or \$6.1 million mainly due to these key areas:

- \$2.7m annual CPI budget increases
- \$0.4m aquatic increases in utility and maintenance cost obligations
- \$0.8m increase due to forecasted Landfill levy and waste volume increases
- \$0.7m maintenance due to expected material cost and safety protocols (above budgeted CPI)
- \$0.5m increase cost of insurance (16%)

List of major contract payments

	Forecast 2025/26	Budget 2026/27	Change	
	\$'000	\$'000	\$'000	%
Garbage collection/disposal	9,813	10,643	830	8.5%
Green waste collection/disposal (FOGO)	11,941	12,374	433	3.6%
Street Litter Bin Clearance/Disposal	1,238	1,069	(169)	(13.7%)
Recycling collection/disposal	4,981	5,215	234	4.7%
Hard Waste & Branches	4,377	4,748	371	8.5%
Aquatics	1,238	1,395	157	12.7%
Facilities maintenance & cleaning	2,640	2,734	94	3.6%
Trees reactive maintenance & Line clearance	4,766	4,882	116	2.4%
Bushfire prevention	1,791	1,846	55	3.1%
Infrastructure programmed maintenance	7,691	7,994	303	3.9%
Insurance	2,805	3,265	460	16.4%
Total major contract payments	53,281	56,165	2,884	5.4%

4.1.9. Depreciation

	Forecast 2025/26	Budget 2026/27	Change	
	\$'000	\$'000	\$'000	%
Property	14,963	15,170	207	1.38%
Plant & equipment	2,880	2,912	32	1.1%
Infrastructure	23,752	24,124	372	1.6%
Total depreciation	41,596	42,206	610	1.5%

Depreciation is an accounting measure which allocates the value of an asset over its useful life for Council's property, plant and equipment and infrastructure assets, such as roads and drains. The increase of \$0.6 million for 2026-27 is largely driven by the completion of new assets.

Refer to the Statement of Capital Works for a more detailed analysis of Council's capital works program for the 2026-27 year.

4.1.10. Amortisation – intangible assets

Council's intangible assets with finite lives (for example certain software) are amortised as an expense on a systematic basis over the asset's useful life

	Forecast 2025/26	Budget 2026/27	Change	
	\$'000	\$'000	\$'000	%
Intangible assets	1,732	1,756	24	1.4%
Total amortisation - intangible assets	1,732	1,756	24	1.4%

4.1.11. Depreciation – right of use assets

Right of use assets represent the Council's right to use an asset over the course of the lease. Depreciation of the Council's right of use assets relates to the depreciable amount of the assets over their useful life.

	Forecast 2025/26	Budget 2026/27	Change	
	\$'000	\$'000	\$'000	%
Right of use assets	2,585	2,211	(374)	(14.5%)
Total depreciation - right of use assets	2,585	2,211	(374)	(14.5%)

4.1.12. Other expenses

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Council contributions and grants	7,775	7,813	38	0.5%
Operating lease rentals	213	259	46	21.6%
Councillor allowances	554	552	(2)	(0.4%)
Councillor other expenses and reimbursements	54	44	(10)	(19.3%)
Auditor remuneration - VAGO	135	144	10	7.1%
Total other expenses	8,731	8,812	81	0.9%

4.2 Balance Sheet

This section analyses the movements in assets, liabilities, and equity between 2025/26 and 2026/27.

Key assumptions

In preparing the budgeted Balance Sheet for the year ending 30 June 2027 it was necessary to make several assumptions about assets, liabilities, and equity balances. The key assumptions are as follows:

Rates collections continue to be impacted by changes in legislation. The introduction in 2025 of the new payment software, Payable is providing greater flexibility to the community and is assisting in improving collection rates.

Trade creditors to be based on total capital and operating expenditure. Payment cycle is 30 days from date of invoice.

Other debtors and creditors to remain consistent with 2025-26 levels.

4.2.1 Current and non-current assets

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Assets				
Current assets				
Cash and cash equivalents	38,637	38,181	(456)	(1.2%)
Trade and other receivables	51,847	51,858	11	0.0%
Prepayments	2,140	2,202	62	2.9%
Non-current assets classified as held for sale	744	-	(744)	(100.0%)
Contract assets	4,934	5,031	97	2.0%
Total current assets	98,302	97,272	(1,030)	(1.0%)
Non-current assets				
Trade and other receivables	5,362	4,060	(1,302)	(24.3%)
Investments in associates, joint arrangement and subsidiaries	3,496	3,496	0	0.0%
Property, infrastructure, plant & equipment	2,061,200	2,072,511	11,311	0.5%
Right-of-use assets	14,360	12,603	(1,757)	(12.2%)
Intangible assets	7,813	6,557	(1,256)	(16.1%)
Total non-current assets	2,092,231	2,099,227	6,996	0.3%
Total assets	2,190,533	2,196,499	5,966	0.3%

Cash and cash equivalents include cash and investments, such as cash held in the bank, and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. For a detailed analysis of cash flows, please see Section 4.4.

Property, infrastructure, plant, and equipment is the largest component of Council's worth and represents the value of all land, buildings, plant and equipment, and infrastructure assets such as roads, footpath, drainage, and open space assets etc. which have been built up by Council over many years.

Intangible assets represent Council's software assets.

Right of use assets are where Council is required to recognise a right of use asset and associated liability for leases longer than 12 months, except those considered to be of low value.

4.2.2 Current and non-current liabilities

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change \$'000 %	
Liabilities				
Current liabilities				
Trade and other payables	20,285	22,084	1,799	8.9%
Trust funds and deposits	6,128	6,232	104	1.7%
Contract and other liabilities	19,490	16,567	(2,924)	(15.0%)
Provisions	19,212	20,091	879	4.6%
Interest-bearing liabilities	6,090	3,010	(3,080)	(50.6%)
Lease liabilities	1,934	2,119	185	9.6%
Total current liabilities	73,139	70,103	(3,036)	(4.2%)
Non-current liabilities				
Provisions	9,908	8,716	(1,192)	(12.0%)
Interest-bearing liabilities	33,887	40,489	6,602	19.5%
Lease liabilities	13,153	11,595	(1,558)	(11.8%)
Total non-current liabilities	56,948	60,800	3,852	6.8%
Total liabilities	130,087	130,903	816	0.6%

Trade and other payables are those to whom Council owes money as of 30 June each year.

Provisions include accrued long service leave and annual leave owing to employees and provision for landfill remediation.

Interest-bearing loans and borrowings represent funds borrowed by Council.

Lease Liabilities are where Council is required to recognise a right of use asset and associated liability for leases longer than 12 months, except those considered to be of low value.

4.2.3 Borrowings

The budgeted loan liability of \$43.5 million at 30 June 2027 represents 22% of rates revenue, which is an increase of 1% from 2025/2026. This is due to new borrowings of \$10 million to fund capital projects.

The budget also includes the potential for an overdraft facility to as a contingency measure. The facility will only be activated in the event of significant emergencies requiring immediate expenditure beyond normal operations and cash flow.

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	2027/28 \$'000	Projections 2028/29 \$'000	2029/30 \$'000
Amount borrowed as at 30 June of the prior year	37,511	39,977	43,499	36,324	28,809
Amount proposed to be borrowed	8,000	10,000	-	-	-
Amount projected to be redeemed	(5,534)	(6,478)	(7,175)	(7,515)	(5,569)
Amount of borrowings as at 30 June	39,977	43,499	36,324	28,809	23,240

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	2027/28 \$'000	Projections 2028/29 \$'000	2029/30 \$'000
Bank Overdraft Facility/ TCV Working Capital Account	-	10,000	10,000	10,000	10,000
Total Bank Overdraft Facility/ TCV Working Capital Account	-	10,000	10,000	10,000	10,000

4.2.4 Leases by category

Following the introduction of AASB 16 Leases, right of use assets and lease liabilities have been recognised as outlined in the table below:

	Forecast 2025/26 \$	Budget 2026/27 \$
Right-of-use assets		
Property	489,533	621,609
Vehicles	13,870,752	11,980,914
Total right-of-use assets	14,360,285	12,602,523
Lease liabilities		
Current lease Liabilities		
Property	42,849	68,531
Vehicles	1,891,131	2,050,802
Total current lease liabilities	1,933,980	2,119,333
Non-current lease liabilities		
Property	499,413	603,776
Vehicles	12,653,478	10,991,125
Total non-current lease liabilities	13,152,891	11,594,901
Total lease liabilities	15,086,871	13,714,234

Where the interest rate applicable to a lease is not expressed in the lease agreement, Council applies the average incremental borrowing rate in the calculation of lease liabilities. The current incremental borrowing rate is 5.2%.

4.3 Statement of changes in equity

4.3.1 Reserves

Total reserves are made up of the asset revaluation reserve and other reserves. Asset revaluation reserve represents the difference between the previously recorded value of assets and their current valuations.

Other reserves are the Public Open Space Reserve that Council has set aside to meet a specific purpose in the future and for which there is no existing liability. These amounts are transferred from the accumulated surplus of the Council to be separately disclosed.

4.3.2 Equity

Equity is accumulated surplus which is the value of all net assets less reserves that have accumulated over time. Increase in accumulated surplus results directly from the budgeted accounting result for the year (\$5.9 million).

4.4 Statement of cash flows

This section analyses the expected cash flows from the operating, investing, and financing activities of Council for the 2026-27 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

Operating activities - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.

Investing activities - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property, and equipment.

Financing activities - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions. These activities also include repayment of the principal component of loan repayments for the year.

4.4.1 Net cash flows provided by/used in operating activities.

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
	Inflows (Outflows)	Inflows (Outflows)		
Cash flows from operating activities				
Rates and charges	189,547	198,112	8,566	4.5%
Statutory fees and fines	3,422	4,023	601	17.6%
User fees	8,436	12,575	4,139	49.1%
Grants - operating	29,201	29,731	530	1.8%
Grants - capital	20,383	12,768	(7,615)	(37.4%)
Contributions - monetary	2,377	2,218	(158)	(6.7%)
Interest received	764	900	136	17.8%
Trust funds and deposits taken	1,237	104	(1,133)	(91.6%)
Other receipts	2,713	2,976	263	9.7%
Net GST refund / payment	24,826	16,028	(8,798)	(35.4%)
Employee costs	(85,227)	(88,480)	(3,254)	3.8%
Materials and services	(116,157)	(123,042)	(6,885)	5.9%
Other payments	(9,720)	(10,404)	(684)	7.0%
Net cash provided by/(used in) operating activities	71,802	57,509	(14,293)	(19.9%)

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which are excluded from the Cash Flow Statement.

4.4.2 Net cash flows provided by/used in investing activities.

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
	Inflows (Outflows)	Inflows (Outflows)	\$'000	%
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment	(71,209)	(56,334)	14,875	(20.9%)
Proceeds from sale of property, infrastructure, plant and equipment	789	-	(789)	(100.0%)
Proceeds from investments	(619)	(500)	119	(19.2%)
Net cash provided by/ (used in) investing activities	(71,039)	(56,834)	14,205	(20.0%)

4.4.3 Net cash flows provided by/used in financing activities.

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
	Inflows (Outflows)	Inflows (Outflows)	\$'000	%
Cash flows from financing activities				
Finance costs	(1,423)	(2,092)	(669)	47.0%
Proceeds from borrowings	8,000	10,000	2,000	25.0%
Repayment of borrowings	(5,365)	(6,478)	(1,113)	20.7%
Interest paid - lease liability	(790)	(736)	54	(6.8%)
Repayment of lease liabilities	(1,976)	(1,825)	151	(7.6%)
Net cash provided by/(used in) financing activities	(1,554)	(1,131)	423	(27.2%)

4.5 Statement of capital works

This section presents a listing of the capital works projects that will be undertaken for the 2026/27 year, classified by expenditure type and funding source. Works are also disclosed as current budget or carried forward from prior year.

4.5.1 Summary

	Forecast 2025/26 \$'000	Budget 2026/27 \$'000	Change	
			\$'000	%
Property	11,027	9,101	(1,926)	(17.5%)
Plant and Equipment	3,358	2,800	(558)	(16.6%)
Infrastructure	36,585	34,766	(1,819)	(5.0%)
Total	50,970	46,667	(4,303)	(8.4%)

	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib. \$'000	Council cash \$'000	Borrowings \$'000
Property	9,101	-	5,555	1,241	2,305	3,495	150	3,170	2,286
Plant and equipment	2,800	-	2,240	560	-	-	-	2,800	-
Infrastructure	34,766	12,158	16,875	4,493	1,240	11,558	-	15,494	7,714
Total	46,667	12,158	24,670	6,294	3,545	15,053	150	21,464	10,000

Property (\$9.1 million)

The property class comprises land, buildings and building improvements including community facilities, municipal offices, sports facilities, and pavilions.

In the 2026-27 year, \$9.1 million will be allocated to building improvement projects. The more significant projects include Seville Recreation Reserve Multi-use Facility Redevelopment (\$1.5 million); Don Road Reserve Multi-use Facility Redevelopment (\$2.5 million); Monbulk Aquatic Centre Electrification (\$0.6 million); Council Building Minor Works (\$3.0 million); and Aquatic Facilities Minor Works (\$1.3 million).

Plant and equipment (\$2.8 million)

Plant and Equipment includes plant, machinery and equipment, fixtures, fittings and furniture, and computers and telecommunications.

In the 2026-27 year, \$2.8 million will be expended on new plant, equipment, and other projects. The significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$2.5 million); and upgrade/replacement of information technology hardware (\$0.3 million).

Infrastructure (\$34.8 million)

Infrastructure includes roads, bridges, footpaths and cycleways, drainage, recreation, leisure and community facilities, parks, open space, and streetscapes, off-street car parks and other infrastructure.

In the 2026-27 year, \$34.8 million will be expended on Infrastructure projects. Major programs include the Road Re-sealing Program (\$4.0 million) and Road Rehabilitation and Renewal Program (\$4.5 million).

The footpath and shared paths expenditure will be \$2.3 million, of which \$1.4 million will go towards footpath rehabilitation works and \$0.9 million will go towards footpath new and improvement works.

\$12.9 million will be expended on parks, open space, and streetscape projects and \$1.4 million will be spent on recreational, leisure and community facilities projects. The more significant projects include Warburton Bike Park Stage 2 (\$3.0 million); Yarra Valley Trail Stages 1B.2 and 2A (\$3.0 million); Collins Place Streetscape Plan Delivery (\$0.5 million); McDermott Reserve Open Space Improvements (\$0.6 million) and Lillydale Lake Community Improvements and Jetty (\$2.0 million).

Asset renewal (\$24.7 million), new assets (\$12.2 million), upgrade (\$6.3 million) and expansion (\$3.5 million)

A distinction is made between expenditure on new assets, asset renewal, upgrade, and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in a new asset with an additional burden for future operation, maintenance, and capital renewal.

4.5.2 Works prioritisation process

The following factors were considered for prioritising capital works projects:

- Council Plan Strategic Objectives and actions
- Forecast expenditure in existing asset management plans and current condition assessments.
- Projects identified in existing adopted strategic plans (such as the Playspace Strategy)
- Design frameworks (such as the Lillydale Urban Design Framework)

- Masterplans (such as township plans or reserve master plans)
- Projects assessed in previous budget cycles and to be delivered in future years capital works programs.

Council also develops and reviews asset-based prioritisation plans regularly that inform future baseline budgets.

Blackspot Funding Program

Council have received \$3.7 million from the Federal Blackspot Funding Program for the delivery of traffic safety improvements on local roads, intersections and precincts. Projects will be scoped and designed in the 2026-27 year (\$0.3 million) and will be phased for delivery (\$3.0 million) from the 2027-28 year onwards.

4.5.3 Capital Works - Current Budget 2026-27

Capital Works – 2026-27	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council Funding \$'000	Borrowings \$'000
PLANT & EQUIPMENT									
Plant, Machinery and Equipment									
Plant Replacement	2,500	-	2,000	500	-	-	-	2,500	-
Computers and Telecommunications									
Information technology upgrade – hardware	300	-	240	60	-	-	-	300	-
PLANT & EQUIPMENT Total	2,800	-	2,240	560	-	-	-	2,800	-
PROPERTY									
Buildings									
Aquatic Facilities Minor Works	1,336	-	1,069	-	267	-	-	-	1,336
Don Road Recreation Reserve Multi-use Facility Redevelopment	2,500	-	1,250	-	1,250	2,500	-	-	-
Seville Recreation Reserve Multi-use Facility Redevelopment	1,500	-	750	-	750	400	150	-	950
Monbulk Aquatic Centre Electrification	595	-	297	298	-	595	-	-	-
Gas Transition Feasibility Studies	150	-	74	38	38	-	-	150	-
Building Improvements									
Council Building Minor Works	3,020	-	2,114	906	-	-	-	3,020	-
PROPERTY Total	9,101	-	5,554	1,242	2,305	3,495	150	3,170	2,286
INFRASTRUCTURE									
Bridge									

Capital Works – 2026-27	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contributions	Council Funding	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Bridge Renewal	550	-	550	-	-	-	-	100	450
Car Park									
Car Park Rehabilitation	350	-	350	-	-	-	-	50	300
Drainage									
Dalkeith Crescent, Belgrave (Construction)	250	125	-	125	-	-	-	-	250
Hazford Street, Healesville	391	196	-	195	-	-	-	-	391
Lilydale Tennis Court Upgrade (Construction)	150	105	-	45	-	-	-	-	150
Morrison Reserve, Mount Evelyn	250	-	125	125	-	-	-	-	250
Belle Vue, Lilydale	300	300	-	-	-	-	-	-	300
Various Drainage Renewal	230	-	230	-	-	-	-	-	230
Landslip Risk management	1,240	-	620	-	620	-	-	-	1,240
Footpaths									
Richards Road, Montrose	160	160	-	-	-	-	-	-	160
Liverpool Road, Kilsyth	200	200	-	-	-	100	-	-	100
Warburton Hwy, Seville	75	75	-	-	-	-	-	75	-
Kia Ora Avenue and McLaren Street, Upwey	168	168	-	-	-	-	-	-	168
Mt Dandenong Tourist Road (Fiveways), Kalorama	263	263	-	-	-	-	-	63	200
Various Footpath Renewal	1,377	-	1,377	-	-	-	-	161	1,216
Footpath Design Investigations	20	20	-	-	-	-	-	20	-
Open Space									
Lillydale Lake Community Improvements	726	363	-	363	-	386	-	340	-
McDermott Reserve, Mooroolbark Open Space Improvements	566	-	-	566	-	-	-	566	-
Lillydale Lake Jetty Upgrade	1,250	-	313	937	-	690	-	-	560
Beryl Phillips Wetland	200	100	-	100	-	-	-	-	200
Belsay Reserve Playspace Barrier Treatment	165	-	-	165	-	-	-	165	-
Lilydale Recreation Reserve Master Plan	150	150	-	-	-	-	-	150	-
Kilsyth Recreation Reserve - Multipurpose Court & supporting infrastructure	300	150	-	150	-	-	-	300	-
Coldstream Activation Stage 2	101	50	-	51	-	-	-	-	101
Various Open Space Renewal	753	-	753	-	-	-	-	753	-
Township Open Space Minor Improvements	500	250	-	250	-	-	-	500	-
Strategic Land acquisitions	604	604	-	-	-	-	-	604	-

Capital Works – 2026-27	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contributions	Council Funding	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Sports Equipment Locker Stations	25	25	-	-	-	-	-	25	-
Playspace									
Various Playspaces Renewal	186	-	186	-	-	-	-	-	186
Road Rehab									
Road resealing program (Various)	4,036	-	4,036	-	-	1,000	-	3,036	-
Road Reseal									
Various Roads Rehabilitation & Renewal	4,510	-	4,510	-	-	3,360	-	1,150	-
Roads									
Blackspot Program	340	-	-	170	170	340	-	-	-
Traffic Works & Improvements	234	-	117	117	-	-	-	234	-
Local Roads Design Costs	78	78	-	-	-	-	-	78	-
Sports Reserves									
Various Sports Reserves Renewal	1,042	-	1,042	-	-	-	-	1,042	-
Capital Development Grants Program	190	133	-	-	57	-	-	190	-
Township									
Collins Place, Kilsyth Streetscape Plan	500	250	-	250	-	-	-	-	500
Trails									
Warburton Bike Park	3,000	3,000	-	-	-	3,000	-	-	-
Yarra Valley Trail Stage 1B.2	1,094	1,094	-	-	-	732	-	-	362
Yarra Valley Trail, Stage 2A	1,950	1,950	-	-	-	1,950	-	-	-
Little Yarra Trail (Warburton Highway)	75	75	-	-	-	-	-	75	-
Trail extension – Stage 1 - Bailey Rd to Graham Colling Reserve	177	177	-	-	-	-	-	177	-
Don Rd, Healesville Trail Stage 1, and other missing links	400	400	-	-	-	-	-	-	400
Various Trails Renewal	414	-	414	-	-	-	-	414	-
Other Infrastructure									
Advanced Design Program	318	318	-	-	-	-	-	318	-
Project Management	4,907	1,423	2,208	883	393	-	-	4,907	-
INFRASTRUCTURE Total	34,766	12,202	16,831	4,492	1,240	11,558	-	15,493	7,714
TOTAL NEW CAPITAL WORKS	46,667	12,202	24,625	6,294	3,545	15,053	150	21,463	10,000

4.5.4 Works Carried Forward from 2025-26 Year

Capital Works – Carry Forward from 2025-26	Project Cost \$'000	Asset Expenditure Types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council Funding \$'000	Borrowing \$'000
PROPERTY									
Buildings									
Healesville Outdoor Pool - Pool Filtration Works	290	-	290	-	-	-	-	290	-
Lillydale Lake Water Park Plant Room Upgrade	100	-	100	-	-	-	-	100	-
Seville Recreation Reserve Community Pavilion	1,974	395	790	395	395	1,473	46	455	-
Warburton Arts Centre	27	-	27	-	-	-	-	27	-
TOTAL PROPERTY	2,391	395	1,207	395	395	1,473	46	873	-
INFRASTRUCTURE									
Drainage									
Chapel Street, Lilydale	156	78	-	78	-	-	-	156	-
Lilydale Tennis Court	46	46	-	-	-	-	-	46	-
Stuart Reserve, Lilydale	252	252	-	-	-	-	-	252	-
Parks, Open Space and Streetscapes									
Morrison Recreation Reserve, Mt Evelyn Youth Activation and Bike Park	193	193	-	-	-	147	-	46	-
Warburton Bike Park	837	837	-	-	-	-	-	837	-
Yarra Valley Trail - Stage 2A	1,600	1,600	-	-	-	1,600	-	-	-
Lillydale Lake Community Improvements	446	178	267	-	-	202	-	244	-
Roads									
Anderson St, Lilydale-Pedestrian/Cyclist Safety Improvement	80	40	40	-	-	40	-	40	-
Edward Rd/Paynes Rd Roundabout, Chirnside Pk -Blackspot &R2R	984	-	-	689	295	984	-	-	-
Safer Local Roads and Street Program - TAC & DTP	361	181	-	-	180	361	-	-	-
WP Road Sealing Program	3,200	-	-	1,60	1,600	1,600	1,600	-	-
TOTAL INFRASTRUCTURE	8,156	3,406	307	2,367	2,076	4,934	1,600	1.622	-
TOTAL CARRIED FORWARD CAPITAL WORKS 2025/26	10,547	3,800	1,514	2,762	2,471	6,407	1,646	2.494	-

4.5.5 Summary of Planned Capital Works Expenditure, years ending 30 June 2028, 2029, 2030

2027/28 Capital Works	Total \$'000	Asset Expenditure Types				Total \$'000	Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000		Grants \$'000	Contributions \$'000	Council Funding \$'000	Borrowing \$'000
PROPERTY										
Building - Aquatic	300	-	240	60	-	300	-	-	300	-
Buildings	9,021	150	4,435	2,888	1,548	9,020	5,250	-	3,770	-
Capital Building Improvements	3,700	-	2,590	-	1,110	3,701	-	-	3,701	-
TOTAL PROPERTY	13,021	150	7,265	2,948	2,658	13,021	5,250	-	7,771	-
PLANT & EQUIPMENT										
Plant, Machinery and Equipment	300	-	240	-	60	300	-	-	300	-
Computers and Telecommunications	2,500	-	2,000	-	500	2,500	-	-	2,500	-
TOTAL PLANT & EQUIPMENT	2,800	-	2,240	-	560	2,800	-	-	2,800	-
INFRASTRUCTURE										
Bridge	400	-	400	-	-	400	-	-	400	-
Carpark	100	-	100	-	-	100	-	-	100	-
Drainage	900	400	100	-	400	900	-	-	900	-
Footpaths	2,164	1,164	1,000	-	-	2,164	364	-	1,800	-
Open Space	1,100	60	920	60	60	1,100	-	-	1,100	-
Playspace	600	-	600	-	-	600	-	-	600	-
Roads	10,834	-	7,700	1,517	1,617	10,834	7,334	-	3,500	-
Sports Reserves	1,000	140	800	60	-	1,000	-	-	1,000	-
Township	500	500	-	-	-	500	-	-	500	-
Trails	400	-	400	-	-	400	-	-	400	-
Other Infrastructure	5,239	1,668	2,264	402	905	5,240	-	-	5,240	-
TOTAL INFRASTRUCTURE	23,237	3,932	14,284	2,039	2,982	23,238	7,698	-	15,540	-
TOTAL NEW CAPITAL WORKS	39,058	4,082	23,789	4,987	6,200	39,059	12,948	-	26,111	-

2028/29 Capital Works	Asset Expenditure Types					Summary of Funding Sources			
	Total	New	Renewal	Upgrade	Expansion	Total	Grants	Contributions	Council Funding
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Borrowing \$'000
PROPERTY									
Building - Aquatic	2,500	-	2,000	500	-	2,500	-	-	2,500
Buildings	526	150	188	188	-	526	-	-	526
Capital Building Improvements	3,750	-	2,625	-	1,125	3,750	-	-	3,750
TOTAL PROPERTY	6,776	150	4,813	688	1,125	6,776	-	-	6,776
PLANT & EQUIPMENT									
Plant, Machinery and Equipment	300	-	240	-	60	300	-	-	300
Computers and Telecommunications	3,000	-	2,400	-	600	3,000	-	-	3,000
TOTAL PLANT & EQUIPMENT	3,300	-	2,640	-	660	3,300	-	-	3,300
INFRASTRUCTURE									
Bridge	500	-	500	-	-	500	-	-	500
Carpark	200	-	200	-	-	200	-	-	200
Drainage	1,250	550	150	-	550	1,250	-	-	1,250
Footpaths	2,100	900	1,200	-	-	2,100	-	-	2,100
Open Space	800	-	800	-	-	800	-	-	800
Playspace	600	-	600	-	-	600	-	-	600
Roads	8,500	-	8,400	-	100	8,500	4,300	-	4,200
Sports Reserves	1,100	140	900	60	-	1,100	-	-	1,100
Township	800	800	-	-	-	800	-	-	800
Trails	550	-	550	-	-	550	-	-	550
Other Infrastructure	5,435	1,775	2,320	412	928	5,435	-	-	5,435
TOTAL INFRASTRUCTURE	21,835	4,165	15,620	472	1,578	21,835	4,300	-	17,535
TOTAL NEW CAPITAL WORKS	31,911	4,315	23,073	1,160	3,363	31,911	4,300	-	27,611

2029/30 Capital Works	Total \$'000	Asset Expenditure Types				Total \$'000	Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000		Grants \$'000	Contributions \$'000	Council Funding \$'000	Borrowing \$'000
PROPERTY										
Building - Aquatic	1,700	-	1,360	340	-	1,700	-	-	1,700	-
Buildings	150	150	-	-	-	150	-	-	150	-
Capital Building Improvements	4,000	-	2,800	-	1,200	4,000	-	-	4,000	-
TOTAL PROPERTY	5,850	150	4,160	340	1,200	5,850		-	-	-
PLANT & EQUIPMENT										
Plant, Machinery and Equipment	300	-	240	-	60	300	-	-	300	-
Computers and Telecommunications	3,200	-	2,560	-	640	3,200	-	-	3,200	-
TOTAL PLANT & EQUIPMENT	3,500	-	2,800	-	700	3,500	-	-	3,500	-
INFRASTRUCTURE										
Bridge	250	-	250	-	-	250	-	-	250	-
Carpark	200	-	200	-	-	200	-	-	200	-
Drainage	1,750	800	150	-	800	1,750	-	-	1,750	-
Footpaths	2,200	1,000	1,200	-	-	2,200	-	-	2,200	-
Open Space	800	-	800	-	-	800	-	-	800	-
Playspace	450	-	450	-	-	450	-	-	450	-
Roads	8,200	-	8,100	-	100	8,200	2,000	-	6,200	-
Sports Reserves	1,100	140	900	60	-	1,100	-	-	1,100	-
Township	800	800	-	-	-	800	-	-	800	-
Trails	550	-	550	-	-	550	-	-	550	-
Other Infrastructure	5,460	1,708	2,378	423	951	5,460	-	-	5,460	-
TOTAL INFRASTRUCTURE	21,760	4,448	14,978	483	1,851	21,760	2,000	-	19,760	-
TOTAL NEW CAPITAL WORKS	31,110	4,598	21,938	823	3,751	31,110	2,000	-	29,110	-

5 Performance indicators

5.1 Targeted performance indicators

The following tables highlight Council's current and projected performance across a selection of targeted service and financial performance indicators. These indicators provide a useful analysis of Council's intentions and performance and should be interpreted in the context of the organisation's objectives.

The targeted performance indicators below are the prescribed performance indicators contained in Schedule 4 of the Local Government (Planning and Reporting) Regulations 2020. Results against these indicators and targets will be reported in Council's Performance Statement included in the Annual Report.

Targeted performance indicators – Service - Mandatory

Indicator	Measure	Notes	Actual 2024/25	Forecast 2025/26	Target 2026/27	Target Projections			Trend
						2027/28	2028/29	2029/30	+/-
Governance									
Satisfaction with community consultation and engagement	Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	1	46	47	49	51	52	53	+
Roads									
Sealed local roads below the intervention level	Number of kms of sealed local roads below the renewal intervention level set by Council / Kms of sealed local roads	2	96.0%	97.0%	98.5%	98.5%	98.5%	98.5%	o
Statutory planning									
Planning applications decided within the relevant required time frames	Number of planning application decisions made within the relevant required time / Number of decisions made	3	64.8%	62.0%	64.0%	66.0%	68.0%	70.0%	+
Waste management									
Kerbside collection waste to landfill per serviced property	Weight in tonnes collected from kerbside waste collection services that is sent to landfill / Number of serviced properties	4	30.5%	30.0%	29.0%	29.0%	29.0%	29.0%	o

Targeted performance indicators – Service – Non-Mandatory

Indicator	Measure	Notes	Actual 2024/25	Forecast 2025/26	Target 2026/27	Target Projections 2027/28	2028/29	2029/30	Trend +/-
Governance - Council									
Council Resolutions closed to public	No. of council resolutions closed to public / No. of council resolutions	1	3.7%	3.0%	2.0%	2.0%	1.0%	1.0%	+
Community - Library									
Library loans per head of population	No. of library collection item loans / population	2	7.4	7.5	7.5	7.5	7.5	7.5	o
Community – Maternal Health									
Participation in 4-week key age and stage visit	Number of 4-week key age and stage visits / Number of birth notifications received	3	96.0%	96.0%	96.0%	97.0%	97.0%	97.0%	+
Environment – Food safety									
Food safety samples	No. food samples obtained / required no. of food samples	4	116.1%	110.0%	110.0%	110.0%	110.0%	110.0%	o
Responsiveness – Resource Recovery									
Missed Kerbside collection bins	No. kerbside collection bins missed / No. scheduled kerbside collection bin lifts	5	11.9	10.0	8.0	7.0	6.0	6.0	-
Cost - Planning									
Cost of Statutory Planning Service	Direct cost Statutory planning / No. planning applications	6	\$3,096	\$3,150	\$3,175	\$3,200	\$3,225	\$3,250	+
Financial Forecasting									
Loan repayments vs own-source revenue	Interest and principal repayments on loans and borrowings / Own-source revenue	7	20.5%	21.2%	22.3%	18.1%	13.9%	10.9%	-
Environment - Roads									
Population density per length of road	Population / Kms local roads	8	91.3%	90.0%	90.0%	90.0%	90.0%	90.0%	o

Targeted performance indicators - Financial

Indicator	Measure	Notes	Actual 2024/25	Forecast 2025/26	Target 2026/27	Target Projections			Trend
						2027/28	2028/29	2029/30	+/-
Asset renewal and asset upgrade									
Asset renewal and asset upgrade compared to depreciation	Asset renewal and upgrade expense / Asset depreciation	1	122.7%	87.7%	72.7%	49.4%	42.1%	40.8%	-
Liquidity									
Current assets compared to current liabilities	Current assets / current liabilities	2	134.7%	134.4%	138.8%	142.9%	145.0%	152.1%	+
Rates Concentration									
Rates concentration	Rate revenue / adjusted underlying revenue	3	75.4%	79.6%	78.4%	78.7%	78.5%	78.4%	o
Expenditure and revenue level									
Expenses per property assessment	Total expenses / no. of property assessments	4	\$3,646	\$3,687	\$3,797	\$3,855	\$3,905	\$3,969	-
Average rate per property assessment	General rates and municipal charges / no. of property assessments	5	\$2,706	\$2,786	\$2,858	\$2,931	\$3,005	\$3,082	+
Population									
Expenses per head of population	Total expenses / Population	6	\$1,531	\$1,530	\$1,579	\$1,601	\$1,622	\$1,648	+
Infrastructure per head of population	Value of infrastructure / Population	7	\$11,403	\$12,610	\$12,579	\$12,465	\$12,330	\$12,194	o
Revenue and grants									
Own-source revenue per head of population	Own source revenue / Population	8	\$1,206	\$1,272	\$1,324	\$1,364	\$1,404	\$1,442	+
Recurrent grants per head of population	Recurrent grants / Population	9	\$237	\$178	\$185	\$176	\$179	\$185	o
Rates collection									
Rates and charges debt	Unpaid rates and charges / all rates and charges	10	20.7%	38.1%	21.6%	21.7%	21.7%	21.9%	o

5.2 Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

The financial performance indicators below are the prescribed financial performance indicators contained in Part 2 of Schedule 3 of the Local Government (Planning and Reporting) Regulations 2020. Results against these indicators will be reported in Council's Performance Statement included in the Annual Report.

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	+/-
Operating position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	(2.2%)	(6.0%)	(4.7%)	(4.1%)	(2.4%)	(1.4%)	+
Liquidity									
Unrestricted cash	Unrestricted cash / current liabilities	2	20.8%	(7.7%)	(5.6%)	(3.2%)	0.0%	8.4%	+
Obligations									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	20.5%	21.2%	22.3%	18.1%	13.9%	10.9%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	4	1.6%	3.6%	9.5%	9.6%	9.3%	7.9%	+
Indebtedness	Non-current liabilities / own source revenue	5	28.6%	27.4%	27.9%	22.5%	17.2%	13.1%	+
Stability									
Rates effort	Rate revenue / CIV of rateable properties in the municipality	6	0.3%	0.3%	0.3%	0.3%	0.3%	0.0%	o
Efficiency									
Revenue level	General rates and municipal charges / no. of property assessments	7	\$2,706	\$2,786	\$2,858	\$2,931	\$3,005	\$3,082	-

- Note: target and target projections are calculated using the 2026-27 draft budget financial statements from Section 3: Financial Statements

5.3 Performance indicator notes

Targeted Performance Indicators – Service (Mandatory)

1. *Satisfaction with community consultation & engagement* indicates moderate community satisfaction and trend demonstrates steady improvement.
2. *Sealed local roads below intervention level*, target shows a very high proportion of roads maintained above renewal threshold, with trend demonstrating stable ongoing performance.
3. *Planning applications decided within required timeframes* reflects moderate timeliness, with trend demonstrating year-on-year improvement.
4. *Kerbside waste to landfill per property* indicates strong diversion performance, and trend remains stable at this improved level.

Targeted Performance Indicators – Service (Non-Mandatory)

1. *Council resolutions closed to the public* shows limited use of confidential resolutions, with trend demonstrating continued reduction.
2. *Library loans per head of population* indicates consistent usage, with a stable trend.
3. *Maternal and Child Health 4-week key age & stage participation* shows very high participation, with trend showing slight further improvement before stabilising.
4. *Food safety samples* meets and exceeds sampling requirements, with trend stable at this performance level.
5. *Missed kerbside collection bins* shows decreasing misses, with trend demonstrating continued improvement in service reliability.
6. *Cost of statutory planning service* reflects increasing cost per application, with trend showing continued upward pressure.
7. *Loan repayments vs own-source revenue* shows a relatively high proportion, with trend demonstrating this ratio reduces significantly over time.
8. *Population density per length of road* demonstrates consistent density index, with stable trend.

Targeted Performance Indicators – Financial

1. *Asset renewal & upgrade compared to depreciation* shows renewal activity lower than depreciation, with the projected trend demonstrating further decline before later stabilisation.
2. *Current assets vs current liabilities* demonstrates stable liquidity, with trend showing continued improvement.

3. *Rates concentration* indicates a typical level of rate reliance, with trend remaining stable over time.
4. *Expenses per property assessment* shows rising expenditure, with trend demonstrating continued upward movement.
5. *Average rate per property assessment* shows moderate rate levels per property, and the trend demonstrates gradual increases consistent with rate-cap settings.
6. *Expenses per head of population* shows stable per-capita expenditure, and the trend demonstrates a modest upward movement as service costs increase.
7. *Infrastructure per head of population* reflects continued strength in infrastructure value per resident, and the trend demonstrates incremental growth as capital works continue.
8. *Own-source revenue per head of population* indicates moderate own-source revenue per resident, and the trend demonstrates gradual growth as the population and rates base expand.
9. *Recurrent grants per head of population* shows lower grant funding per person, and the trend demonstrates relatively stable levels with only minor variation over the forward years.
10. *Rates and charges debt* reflects an increasing level of outstanding rates and charges, with a concentrated effort to reduce this, resulting in a trend that demonstrates stable performance with slight fluctuations year-to-year.

Financial performance indicators

1. *Adjusted underlying result* indicates an underlying deficit, with trend demonstrating improvement toward a balanced position.
2. *Unrestricted cash vs current liabilities* shows constrained unrestricted cash, with trend demonstrating steady improvement into positive territory.
3. *Loans & borrowings versus rate revenue* shows moderate leverage, with trend demonstrating a reduction in indebtedness.
4. *Loan repayments versus rate revenue* shows an elevated proportion of repayments, with trend demonstrating gradual easing across future years.
5. *Indebtedness (non-current liabilities vs own-source revenue)* shows moderate indebtedness, with trend showing improvement as liabilities reduce.
6. *Rates effort* reflects a steady level of rating effort with trend remaining stable.
7. *Revenue level (rates/charges per property)* shows moderate property-based revenue with trend demonstrating a gradual increase aligned to rate-cap settings.

Appendix A

Fees and charges schedule

This attached schedule presents the fees and charges which will be charged in respect to various goods and services during the financial year 2026/27.

Note that this schedule only includes fees set by Council. There are other fees in addition to this listing that are set in accordance with legislative requirements and charged by Council. These fees are updated as of 1 July 2026 and will be reflected on Council's website.

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