

GLEN EIRA CITY COUNCIL

Draft Financial Plan 2025–2035



**GLEN EIRA
CITY COUNCIL**

**BENTLEIGH, BENTLEIGH EAST, BRIGHTON EAST, CARNEGIE, CAULFIELD, ELSTERNWICK,
GARDENVALE, GLEN HUNTLY, MCKINNON, MURRUMBEENA, ORMOND, ST KILDA EAST**

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Acknowledgement of Traditional Owners

Glen Eira City Council acknowledges the Boon Wurrung/Bunurong and Wurundjeri Woi Wurrung peoples of the Kulin Nation as Traditional Owners and Custodians, and pays respect to their Elders past and present. We acknowledge and uphold their continuing relationship to land and waterways. Council extends its respect to all Aboriginal and Torres Strait Islander peoples.

Council honours the rich histories and cultures of First Nations peoples and recognises and values the important contribution of Aboriginal and Torres Strait Islander peoples in enriching our community. We support the Uluru Statement from the Heart and are committed to a *Reconciliation Action Plan* which is underpinned by the principles of self-determination. We work towards improved outcomes and long-term generational change, and to consolidate Glen Eira as a culturally safe place for Aboriginal and Torres Strait Islander peoples. We are committed to achieving equality for Aboriginal and Torres Strait Islander people to live healthy and prosperous lives and to improve life outcomes for current and future generations.

Glen Eira resides on country that always was, and always will be, Aboriginal land.

Message from the Mayor

As Mayor, I'm proud to introduce our *10-Year Financial Plan* — a vital roadmap that helps us make responsible, forward-thinking decisions on behalf of our community.

We face a challenging financial environment. Costs are rising, the need to renew our community assets is growing, and our financial reserves are under growing pressure. These realities mean we cannot continue delivering the same services in the same way. We also face increasing costs passed down from other levels of government, alongside inflation and construction market volatility — all of which make it more difficult to deliver the services our community expects and deserves.

Every four years, following local elections, we are required by the *Local Government Act 2020* to prepare a long-term financial outlook. But for us, this plan is more than just a legal requirement — it's a key tool to ensure we're managing your money wisely and investing where it matters most.

This *Plan* covers the decade from 2025–2035. It helps us balance day-to-day needs with long-term priorities: maintaining essential services, renewing and upgrading important community assets. It's designed to reflect the goals of our *Council Plan* and the aspirations in our *Community Vision* — both shaped with your input.

Over the past two years, we have been working closely with our community to understand what matters most — and how we can deliver those priorities in the face of growing financial pressure. As you have shared your thoughts, a clear picture has emerged. We have heard that you want Council to focus on what matters most: services that benefit everyone, support those who need it most, and deliver value in fair and transparent ways.

Our ambition is clear: to build a financially resilient organisation that can continue to deliver high-quality services and infrastructure for our community — now and into the future. We recognise that financial sustainability is not just about balancing the books but about ensuring we can continue to meet the evolving needs of our residents and businesses in a responsible and equitable way. That may mean, with your help, we need to make some challenging decisions ahead.

Thank you to everyone who's contributed their voice to help guide our priorities. We look forward to continuing to involve you in the conversations ahead to ensure we continue to deliver the services and infrastructure that matter most to you.



Cr Simone Zmood
Glen Eira Mayor

Foreword from Chief Executive Officer

I'm pleased to present Council's *10-Year Financial Plan* — a clear and practical guide to how we'll manage our resources and continue delivering value for our community.

The truth is, we are facing significant financial pressures, and our financial targets are not being met. Rising costs, growing demand for services, and the need to renew important community infrastructure and plan for the future have placed strain on our finances and reserves. If we want to keep delivering the services our community values, we need to make meaningful change — and soon.

We've been open with our community about these challenges. Your insights — through engagement programs like *Our Priorities*, *Our Future* and *Our Place, Our Plan* — have helped shape the direction of this *Financial Plan*.

This *Plan* builds on the *2025–2026 Budget* and extends our financial outlook to 2035. It provides a long-term view of challenges and choices, and shows clearly that without action, we risk falling short of our community's needs and expectations.

We've grounded this *Plan* in key principles: protecting essential services, managing risk responsibly, and investing in infrastructure that meets current and future demand. But it also signals a shift — from short-term fixes to long-term decisions that address structural pressures in our budget.

That may mean making tough choices. But those decisions will always be made transparently, and always with the Glen Eira community at the centre. We are committed to involving you in every step — especially when change directly affects residents, services or local facilities. To make sure our response is effective, we'll undertake a comprehensive reforecast of this *Plan* as part of the *2026–2027 Budget* cycle. That work will focus on years five to 10 of the plan, where our modelling shows a significant need for improvement. This reforecasting will help ensure our financial strategy remains responsive, resilient and focused on the future.

This isn't just about the numbers — it's about ensuring Glen Eira continues to thrive. With the right planning, and by working together with our community, we can make informed, fair and future-focused decisions that serve everyone — now and in the years to come.



Lucy Roffey
Chief Executive Officer

Introduction

At Glen Eira City Council, our strategic plans all work toward a common goal: building a thriving, inclusive and sustainable City where everyone has the opportunity to live well.

Whether we're planning for health and wellbeing, managing assets, responding to climate change or supporting our growing population, our role is to help shape a future where people and place can flourish together.

This introduction provides context for all our strategic documents — connecting our shared vision, values and planning approach across the organisation.

Who we are and what we do

Glen Eira is located in Melbourne's south-east, just 10 kilometres from the CBD. We're a proudly diverse municipality, home to more than 156,000 people, with a rich mix of cultural backgrounds, life experiences and community connections. The area rests on the traditional lands of the Boonwurrung/Bunurong and Wurundjeri Woi Wurrung peoples of the Kulin Nation.

Our suburbs include Bentleigh, Bentleigh East, Carnegie, Caulfield, Caulfield East, Caulfield North, Caulfield South, Elsternwick, Gardenvale, Glen Huntly, McKinnon, Murrumbeena and Ormond, and parts of the suburbs of Brighton East and St Kilda East — each with their own unique identity and local character.

As a Council, our role is broad. We:

- Deliver services that support the health, wellbeing and everyday needs of our residents.
- Maintain public assets and infrastructure — including parks, roads, footpaths and community facilities.
- Plan and regulate the built environment, ensuring development supports community needs and sustainability goals.
- Work in partnership with community groups, service providers and other levels of government.
- Advocate on behalf of our community to influence decisions and secure resources.
- Inform and empower our residents to make decisions that benefit them and their communities.

This means that our strategic plans connect and support each other. They are all part of a shared commitment to delivering meaningful outcomes for our community.

How we plan

We take an integrated approach to planning, guided by our *Glen Eira 2040 Community Vision*. This *Vision* reflects what our community values most — inclusivity, sustainability, wellbeing, creativity and connectedness — and what people want Glen Eira to become over time.

Our *Integrated Planning and Reporting Framework* also guides our work and ensures that all Council strategies and plans align to this *Vision* and to our *Council Plan 2025–2029* — which sets out the strategic directions and priorities for the current four-year term of Council.

We know that effective planning must also be:

- Community-informed — shaped by what matters most to our residents and stakeholders.
- Evidence-based — drawing on data, research and expert insight.
- Place-based — tailored to the diverse needs and identities of local communities across Glen Eira.
- Resource-aware — aligned to available budgets, assets, and workforce capability.
- Adaptable — ready to respond to emerging risks, challenges and opportunities.

These principles guide how we approach every strategic plan — whether it's about climate, assets, biodiversity or finance.

Engagement approach

Our planning is built on meaningful engagement with our community. Over a 12-month period, we delivered our largest ever conversation with the Glen Eira community through a dedicated engagement program called *Our Place, Our Plan*.

This integrated, multi-phased program invited residents, stakeholders and partners to help shape the future of our City. It was delivered across the *consult* and *collaborate* levels of the IAP2 Public Participation Spectrum, using a place-based lens to ensure local voices were heard in local contexts.

We connected with the community through a wide range of activities — both online and face-to-face — including pop-ups, drop-in sessions, focus groups, intercept surveys, interviews and stakeholder workshops. The engagement was designed to reach people across all Glen Eira suburbs and demographic groups, with targeted efforts to involve children and young people, people with disability, multicultural communities and other underrepresented groups.

A key component of this process was the establishment of a representative *Community Priorities Panel* — a deliberative citizen panel of 39 residents who worked together to provide Council with informed recommendations on the priorities that matter most.

Each phase of engagement gathered insights on community values, needs and aspirations — helping us understand what outcomes people want to see over the next four years. These insights directly informed the development of our *Council Plan 2025–2029* and strategic priorities.

Reports from all engagement phases are available at www.haveyoursaygleneira.com.au/OPOP

Our strategic directions

While each plan has its own focus and outcomes, all Council strategies contribute to four overarching strategic directions:

1. Community safety, cohesion, health and wellbeing
2. Diverse, welcoming and accessible places
3. Environmental stewardship
4. Innovative and financially sustainable Council

These strategic directions have been developed through extensive community engagement (see Appendix A) and help us stay focused on the big picture. Each plan outlines specific objectives, actions and indicators that contribute to one or more of these directions.

You can find more detail in our *Council Plan 2025–2029*.

Our place-based approach

Our City is made up of many communities, each with its own strengths, challenges and priorities. That's why we take a place-based approach in our planning. This means engaging with people locally, understanding the unique character of each neighbourhood, and delivering solutions that reflect community needs on the ground.

This approach is essential for ensuring that our work is inclusive, meaningful and effective across all parts of Glen Eira.

Health and wellbeing in everything we do

We know not everyone starts from the same place. That's why fairness and equity are guiding principles in how we plan, prioritise and deliver services across Glen Eira.

Our community is diverse — including older residents, people with disabilities, families with young children, and culturally and linguistically diverse communities. We're committed to making sure everyone can access the services and spaces they need to thrive, regardless of background or circumstance.

This means protecting and strengthening services that support inclusion and wellbeing, like libraries, maternal and child health, community grants, and public spaces. These services don't just meet practical needs. They also help build connection and opportunity.

Staying accountable

We are committed to being transparent about our progress and staying connected to our community's needs. Each year, we set specific actions, measure our impact, and report back to the community through our *Service Performance Reports*, *Annual Reports* and monthly financial management reporting.

All Council strategies share a common foundation: they are shaped by community values, built on strong evidence, and guided by a long-term vision for a more inclusive, sustainable and connected future.

As we start to engage more directly on the options ahead to tackle our complex financial challenges, we'll be transparent about the challenges and clear about the trade-offs. We'll ask for your views on what's negotiable, what's not, and how we can strike the right balance.

Executive summary

1.1 Purpose of the Financial Plan

In accordance with the *Local Government Act 2020*, councils are required to prepare a financial plan that spans a minimum of 10 financial years following each Council election. This requirement ensures that long-term financial sustainability is embedded into our strategic planning and governance practices.

The *Financial Plan 2025–2035* outlines our long-term financial strategy and provides a structured framework for responsible financial management. It articulates how we will maintain operational surpluses, increase investment in the renewal, upgrade, and development of community infrastructure, and work towards liquidity and cash reserves at levels that support both service delivery and financial resilience.

Serving as a strategic tool, the *Financial Plan* enables us to align our financial capacity with the goals and aspirations set out in the *Council Plan* and the broader *Community Vision*. It supports transparent and evidence-based decision-making by providing a long-term view of Council's financial position and its ability to meet future service and infrastructure needs.

The plan is reviewed and updated annually to reflect changes in economic conditions, legislative requirements, and community priorities. It builds upon the assumptions and budgetary parameters established in the *2025–2026 Budget*, which provides a detailed four-year outlook, and extends these assumptions through years five to 10. This approach ensures continuity in planning while allowing flexibility to adapt to emerging challenges and opportunities.

1.2 Setting the scene

Our financial position is challenging. Costs are rising, asset renewal has not kept pace, and our financial reserves are below our target. These realities mean we must make important changes to secure our financial future.

Our *Financial Plan* provides a current snapshot of our financial position. It acknowledges the challenges we face, and the work needed to restore long-term financial sustainability. While our financial position is not where we want it to be, we are committed to transparency and are actively taking steps to build a stronger, more resilient financial future.

To keep delivering the services and infrastructure our community values in a way that's financially responsible, we need to make some thoughtful, long-term choices. Based on what we've heard from our community, we'll investigate options when planning our services. We don't want to just cut and slash. We want to plan smarter, act earlier, and protect what matters most. These approaches include:

1. Service prioritisation and efficiency

We're reviewing what we deliver and how we deliver it, including whether some services can be made more efficient or can be provided through more innovative models. We want to make sure we're investing in the right things, at the right time, in the right way. We manage over \$2 billion in assets across all services, so we must spend every dollar where it's needed most.

2. Strategic asset management

We're looking closely at our property portfolio. Over recent years we've strategically purchased a significant amount of new land for open space. The way people use our facilities and spaces is changing and some buildings may no longer meet community needs or be too costly to maintain. We're exploring whether underused assets could be repurposed, consolidated or sold — with proceeds reinvested into community priorities.

3. Advocacy for fairer funding

We're continuing to advocate to the Victorian and Australian governments for a fairer and more sustainable funding model for local government. The current arrangement is fundamentally inequitable — local councils collect just 3.8 per cent of Australia's total tax revenue yet are responsible for managing one-third of the nation's public infrastructure. This imbalance places an unreasonable burden on councils and limits our ability to deliver the services, and capital works our communities rely on.

While we maintain some of the most affordable rates in Victoria, and have done so for generations, this affordability comes at a cost. Rate capping under the *Fair Go Rates System* restricts our ability to raise revenue in line with inflation and service demand. At the same time, we face escalating costs across essential services, infrastructure renewal, and community programs — many of which are impacted by cost shifting and unfunded mandates from other levels of government.

We keep rates low to ease pressure on households and businesses, but low rates make it increasingly difficult to fund the infrastructure and services our community expects and deserves. Without reform, councils risk deferring critical investment, reducing service levels, and increasing reliance on debt. That's why we're calling for a funding framework that reflects the scale and complexity of local government responsibilities — one that restores the value of financial assistance grants, compensates councils for mandated services, and provides flexibility to respond to local needs.

Fairer funding is not just a financial necessity — it is a matter of equity, sustainability and good governance. We will continue to raise our voice to ensure that local government is properly resourced to deliver for our communities now and into the future.

4. Investigating fairer user-pays models

We're exploring whether some services could adopt a more equitable 'user-pays' approach. So those who use a service contribute more directly to its cost. Parking is one example.

Through our *Parking Management Strategy* and community engagement, we'll talk about opportunities for improvement — better enforcement, fairer access and smarter use of space. A well-designed user-pays model could help achieve that, while supporting local businesses and a timelier investment in improving our activity centres.

To guide this work, we are applying five key levers: revenue, expenses, services, assets, and capital. These provide a structured approach to decision-making and enable us to manage income generation, control costs, align services with community priorities, maintain our assets appropriately, and invest where it will deliver the greatest long-term value.

Our ambition is clear: to build a financially resilient organisation that can continue to deliver high-quality services and infrastructure for our community — now and into the future. We recognise that financial sustainability goes beyond balancing the books; it means ensuring we can responsibly and equitably meet the evolving needs of our residents and businesses.

Through the *Our Place, Our Plan* engagement process, we have listened closely to our community. Their feedback has shaped our priorities and financial decisions, ensuring that our actions align with the values and aspirations of those we serve.

Looking ahead, we will undertake a comprehensive reforecasting of this *Financial Plan* as part of the *2026–2027 Budget* cycle. This will ensure our financial strategy remains responsive to changing conditions, community expectations, and emerging opportunities, allowing us to incorporate the latest strategic insights into a refreshed and forward-looking financial framework.

We are determined to make the necessary decisions today to secure a stronger financial future for tomorrow. We remain committed to transparency, accountability, and continuous improvement as we navigate this important journey together.

1.3 Context and challenges

Council holds a fundamental responsibility to manage public resources with integrity, foresight, and accountability. At the heart of this responsibility is the commitment to financial sustainability, ensuring that today's decisions do not compromise the ability of future generations to enjoy the same level of services and infrastructure.

This means making prudent use of the public funds entrusted to us, planning and managing community assets responsibly, and ensuring that future ratepayers are not burdened with unsustainable financial obligations. Our financial strategy is built on the principle of intergenerational equity — delivering value today while safeguarding tomorrow.

We are actively working to improve the City's infrastructure and community facilities, ensuring that they remain fit-for-purpose, accessible, and aligned with the evolving needs of our residents. At the same time, we are committed to delivering services that are essential, high-quality, and affordable — services that the community both needs and is willing to support financially.

To achieve this, we must continue to exercise disciplined financial management, supported by innovation, digital transformation, and a culture of continuous improvement. Every dollar spent must deliver measurable value, and every service must be delivered in the most efficient and cost-effective way possible.

Strategic decision-making and financial prioritisation are more critical than ever. We are responsible for determining how resources are allocated across both operational services and the capital works program. These decisions are guided by strategic priorities, community expectations, and the need to maintain and renew critical infrastructure.

The legacy of the pandemic is that we have had to defer major projects that were in previous financial plans to manage our financial position. For example, the development of the Elsternwick Community Hub which we will not be able to afford within the 10 years of this plan.

We must ensure that working capital is maintained at levels that support day-to-day operations and provide the flexibility to respond to unforeseen events. This includes maintaining sufficient cash reserves to manage cash flow requirements and to act swiftly in the face of emergencies or economic shocks.

The financial landscape in which we operate is becoming increasingly complex. Rising cost pressures, a tightening fiscal environment, and a growing population are placing unprecedented demands on local government. In this context, forward-thinking financial decisions are not optional — they are essential.

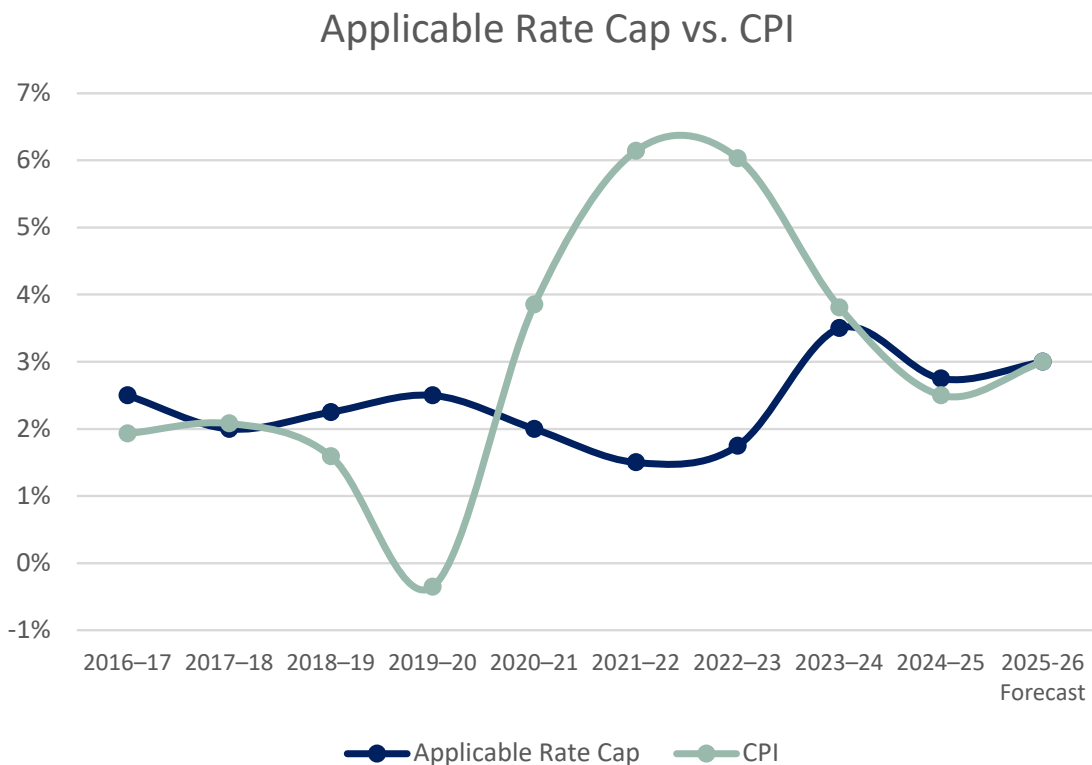
Long-term financial sustainability is the foundation upon which our ability to deliver valued programs and services rests. Without it, the quality, accessibility, and reliability of services that our community depends on could be compromised.

Cost shifting continues to place significant financial pressure on us, with an estimated total impact of more than \$18 million. This occurs where responsibilities for delivering services or infrastructure are transferred from other levels of government without sufficient funding to match. This places increasing pressure on our financial resources, forcing us to stretch budgets to maintain service levels our community expects. Examples of services that are subject to cost shifting include school crossing supervision, library services and maternal and child health. As we strive to manage these demands within the constraints of rate capping and a tightening fiscal environment, cost shifting remains a key challenge in maintaining long-term financial sustainability.

Another significant constraint is the *Fair Go Rates System*, introduced in 2015, which caps rate increases and limits our ability to grow revenue in line with rising costs.

Rate capping helps ease cost-of-living pressures for residents, but it also limits a major source of income for local governments, making it harder for them to maintain service levels and quality. The actual rate caps since implementation have on average been lower than CPI, specifically in the years of heightened inflation post pandemic — for example, annual CPI to

June 2023 was six per cent, while the applicable rate cap for Victorian Local Governments for the same period was 1.75 per cent.



The compounding effect of a low rate cap for councils results in slower revenue growth, which over time can impact long-term financial sustainability, limiting the ability to provide services, maintain infrastructure, and meet new demands. Without the flexibility to compound revenue at a rate that matches inflation and service demands, councils face a challenging balancing act, which may lead to reduced services, increased debt, or a backlog of deferred projects that becomes more costly to address later. A year-by-year rate cap also diminishes the ability of councils to manage their rate base over time.

External risks and uncertainties

We face a range of external risks that are beyond our control and cannot be fully incorporated into the *Financial Plan*. These include:

- The ongoing cost-of-living crisis, which may lead to reductions in Victorian and Australian Government funding to local governments.
- Potential salary increases resulting from future *Enterprise Bargaining Agreements* and any changes to industrial frameworks applicable to our workforce.
- Further cost shifting from other levels of government, where responsibilities are transferred to local government without corresponding funding.
- Infrastructure renewal and upgrade needs, which may increase as improved condition assessment data becomes available.

- Changes in service delivery models, including the optimal mix, level, and method of service provision, which may affect both costs and savings.
- Emergency events, such as natural disasters or public health crises, which can have significant financial implications.
- Liabilities associated with the Defined Benefit Plan Scheme, which may require additional funding contributions.
- Future rate cap announcements, which will directly influence our revenue-raising capacity.
- Global financial uncertainty arising from the United States administration policy on tariffs and how this will impact the Australian economy, interest rates and inflation.

1.4 Key financial objectives of the Financial Plan

The development of the *Financial Plan* is guided by a key objective: ensuring financial sustainability over the medium to long term, while still delivering on the strategic goals set out in the *Council Plan*. In setting this direction, we recognise the challenging financial environment and the need to balance community expectations with financial realities.

The key financial objectives for Council are:

- Rates — maintain rate increases in line with the constraints set by the Victorian Government's Rate Cap.
- Liquidity — establishing a budget that sets our liquidity level at no less than 100 per cent excluding its reserve funds.
- Fees — set fee increases that are manageable and sustainable, in line with the consumer price index and reasonable benchmarking.
- Service charges — to be set on a cost recovery basis.
- Risk management — mitigate major risks through targeted investment in critical areas, including a focus on maintenance and renewal within our *Capital Works Program*.
- Service level — maintain essential services at no less than current levels.
- Retain capacity to invest in long-term sustainability — support initiatives that build long-term financial sustainability and organisational capability.
- Retain our efficiency position — keep day-to-day costs manageable and acknowledging that our rates have been below similar councils for a long time.
- Community engagement — ensure that priorities reflect feedback from, and engagement with, the community.

1.5 Budget and efficiency monitoring

Our financial forecasts are continually updated as new information arises. In particular our annual budget cycle ensures our costs are regularly refreshed with up-to-date figures. At the same time, efficiencies are analysed to understand whether they can become long-term savings.

Council has five strategic levers to influence our financial performance: they are to increase income, decrease expenditure, determine our capital program, sale of assets and review service provision.

A key lever being explored is increasing our revenue streams. Our revenues over several years have remained stable while operational cost continue to increase.

Council's current revenue position reinforces financial sustainability concerns within the current rate-capping system, with rates and charges, contributions, and grants making up 80 per cent of total income in the 2025–2026 financial year. While this demonstrates a solid financial foundation, over-reliance on these conventional revenue streams limits future agility to raise total revenues and service growing costs.

The *Financial Plan* includes an initiative to maximise our grant income by developing a dedicated approach to grant management and increasing the effectiveness of grant applications. This will include seeking out grants for ready-to-fund projects and partnerships that align with our strategic goals.

Additionally, we review our user fees annually including benchmarking against neighbouring municipalities to gain insights into the broader council environment and best practices elsewhere. Our community engagement has indicated that user fees are appropriate for some services such as facility hire, and that user fees could be used to fund increased access to and quality of our facilities.

This underscores the necessity for us to diversify our fiscal position with an innovative and robust review of potential ongoing revenue generation opportunities.

We also need to continuously review our service provisions to ensure we maintain the quality that is expected but also provide for growth and maintain value for money. Over time this can mean our services change to meet the changing needs of the community, or that a service can be better provided by another organisation with Council providing oversight and review.

1.6 Gender Impact Assessment

As required by the *Gender Equality Act 2020 (Vic)*, a *Gender Impact Assessment (GIA)* was completed on the *Financial Plan* to ensure that our long-term financial decisions promote fairness and inclusion. The *GIA* process evaluates how budget allocations, capital works, and service delivery may differently affect women, men, and gender-diverse people — particularly in areas such as infrastructure access, safety, and economic participation. By embedding this assessment into the financial planning process, we aim to prioritise investments that are not only fiscally responsible but also aligned with our legislative obligations to advance gender equality across the municipality.

The *GIA* was not treated as a compliance exercise but as a strategic tool to inform the structure and priorities of the *Financial Plan*. The *GIA* followed a four-step methodology: defining the issues, gathering insights, exploring options, and making recommendations. This

process surfaced key equity considerations, such as the disproportionate reliance of women, carers, and low-income households on subsidised services, and the historical bias in infrastructure investment that has favoured male-dominated spaces.

The *GIA* influenced the *Financial Plan's* operational framework by recommending a phased approach to work towards gender-responsive budgeting (GRB). In the short term, this includes updating the *Financial Plan* to reflect equity commitments and strengthening gender analysis in budget bids. Medium-term actions focused on building internal GRB capability and establishing a long-term framework to guide future financial decisions.

1.7 Summary of key outcomes

The updated *Financial Plan* has focused on providing us with an honest and transparent assessment of our current financial position, modelling of future scenarios, and identification of options to ensure that we have the best possible information to help inform future decision-making and manage risk.

We will continue to explore and assess new potential revenue sources; identify specific opportunities for revenue enhancement; and codevelop initiatives for Council to consider new and enhanced revenue streams.

The *Financial Plan* is based on conservative assumptions over our next 10 years, however with continued work, we aspire to meet the following financial sustainability goals:

- operational surpluses throughout the 10-year period.
- a working capital ratio (liquidity) greater than 100 per cent for the majority of the 10-year period
- an increased ability to fund capital works in general as required in asset planning.
- to meet our borrowing obligations (see Borrowing Strategy on page 45–46).
- an improvement in our ability to cash back our reserves.

Legislative requirements

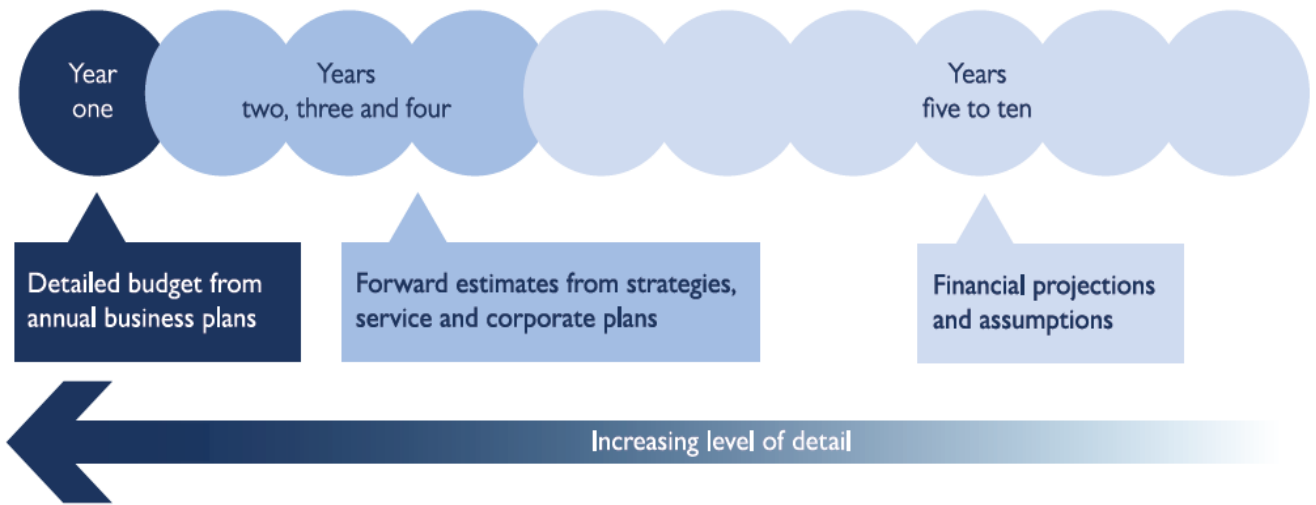
This section describes how the *Financial Plan* links to the *Community Vision* and the *Council Plan* within the *Integrated Strategic Planning and Reporting Framework*. This framework guides the Council in identifying community needs and aspirations over the long term (*Community Vision*), medium term (*Council Plan*) and short term (*Budget*) and then holding itself accountable (Annual Report).

The following diagram provides an overview of the core legislated elements of an integrated strategic planning and reporting framework and outcomes.



This shows the links between the *Community Vision*, *Council Plan* and strategies, with the *Financial Plan*, *Asset Plan*, *Revenue and Rating Plan*, *Workforce Plan* and *Budget* informing and enabling these to deliver community outcomes. The financial plan is influenced by ongoing strategies and service planning and is then used to inform the four-year budget development and other financial processes.

LONG-TERM FINANCIAL PLAN = 10 YEARS



2.1 Strategic Planning Principles

The *Financial Plan* provides a 10 year financially sustainable projection regarding how the actions of the *Council Plan* may be funded to achieve the *Community Vision*. The *Financial Plan* is developed in the context of the following strategic planning principles:

- a) Council has an integrated approach to planning, monitoring, and performance reporting.
- b) Council's *Financial Plan* addresses the *Community Vision* by funding the aspirations of the *Council Plan*. The *Council Plan* aspirations and actions are formulated in the context of the *Community Vision*.
- c) The *Financial Plan* statements articulate the 10-year financial resources necessary to implement the goals and aspirations of the *Council Plan* to achieve the *Community Vision*.
- d) Council's strategic planning principles identify and address the risks to effective implementation of the *Financial Plan*.
- e) The *Financial Plan* provides for the strategic planning principles of monitoring the progress and reviews to identify and adapt to changing circumstances.

2.2 Financial management principles

The *Financial Plan* demonstrates the following financial management principles:

- Revenue, expenses, assets, liabilities, investments, and financial transactions are managed in accordance with Council's financial policies and strategic plans.
- Financial risks must be monitored and managed prudently having regard to economic circumstances.
- Financial policies and strategic plans, including the *Revenue and Rating Plan*, must seek to provide stability and predictability in the financial impact on the municipal community.

- Accounts and records that explain the financial operations and financial position of the Council must be kept.
- Management of the following financial risks:
 - the financial viability of Council (refer to *Financial Policy Statements*, page 19).
 - the management of current and future liabilities of Council.
 - the beneficial enterprises of Council.

2.3 Service performance principles

Our services are designed to be purposeful, targeted to community needs and value for money. The service performance principles are listed below:

- Services are provided in an equitable manner and are responsive to the diverse needs of the community. The *Council Plan* is designed to identify the key services and projects to be delivered to the community. The *Financial Plan* provides the mechanism to demonstrate how the service aspirations within the *Council Plan* may be funded.
- Services are accessible to the relevant users within the community for whom the services are intended.
- Council provides quality services that provide value for money to the community. The *Local Government Planning and Reporting Framework (LGPRF)* is designed to communicate Council's performance regarding the provision of quality and efficient services.
- Council has a performance monitoring approach to continuously improve its service delivery standards.
- Council is uplifting its service delivery framework that considers and responds to community feedback and complaints regards service provision.

In addition to identifying the operational and strategic practices that ensure we manage assets across their life cycle in a financially sustainable manner, the *Asset Plan* quantifies the asset portfolio and the financial implications of those practices. Together the *Financial Plan* and *Asset Plan* seek to balance projected investment requirements against projected budgets.

Financial plan context

This section describes the context and external/internal environment considerations in determining the 10-year financial projections and assumptions.

Financial Policy Statements

This section defines the policy statements and associated financial measures.

Financial Policy Statements for the years ending 30 June 2025 – 2035													
Statement	Measure	Objective	2024–25 Forecast	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35
Consistent financial surplus result (Table figures are in \$000's)	Total income - Total Expenditure	> \$5m	10,718	6,032	3,375	1,877	718	3,231	3,013	3,866	4,190	6,376	7,846
Council holds sufficient working capital to meet obligations.	Current Assets / Current Liabilities greater than 1	Average over 100%	144%	144%	123%	111%	90%	84%	77%	72%	72%	75%	79%
That Council applies loan funding to new capital and maintains total borrowings in line with rate income.	Total borrowings / Rate revenue to remain below 60%	<60%	34%	31%	29%	27%	24%	22%	21%	17%	15%	12%	10%
Allocate funds towards renewal capital in order to replace assets as they reach the end of their service life.	Asset renewal and upgrade spend/ Depreciation averages above 100%	>100%	124%	89%	90%	97%	111%	94%	98%	92%	83%	91%	89%
Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required.	Unrestricted cash / current liabilities to be maintained above 0%	>0%	-1%	3%	0%	-15%	-39%	-48%	-58%	-68%	-73%	-74%	-71%
Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for new and renewal capital.	Capital Outlays as a % of Own Source Revenue to remain above 15%	>15%	22%	17%	21%	17%	19%	17%	17%	15%	14%	15%	14%

Assumptions to the financial plan statements

Rates and charges

Planning for future rate increases has been an important component of the *Financial Plan* process. The Victorian Government has introduced the *Fair Go Rates System* which sets out the maximum amount councils may increase rates in a year. The *Financial Plan* assumes a minimum rate increase of 2.7 per cent.

The *Plan* also assumes an additional 600 property assessments per annum. The average rates per Assessment for 2025–2026 is estimated at \$1,630 after applying the Ministers rate cap for 2025–2026 of three per cent.

Our policy is to levy waste and recycling charges on the basis of cost recovery. This is consistent with the position of the majority of councils given that waste charges are outside the Victorian Government's council rate cap.

Statutory fees and fines

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, health act registrations and parking fines. Statutory fees are outside the control of Council and therefore can be subject to increases less than the Consumer Price Index (CPI) depending on the decision determined by the Victorian Government each year. Increases are set at approximately 1.2 per cent per annum.

User fees

User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of our services. These include use of Glen Eira Leisure, lease and hire of community facilities and the provision of human services such as Family Day Care. Increases are set at an average of 2.4 per cent per annum.

Grants

Grant funding received from State and Federal sources is expected to increase on an annual basis by approximately 2.4 per cent. One-off non-recurrent grant funding includes:

- Getting off Gas for Glen Eira Sports and Aquatic Centre: \$2.5 million is expected to be received by 2026–2027.
- Active Transport and Transport Safety grants of over \$3 million which will be used for multiple road improvement projects.
- We will continue to advocate for grants to fund priority projects.

Monetary contributions

Contributions are the funds we receive from non-government sources. We receive contributions from developers which enable us to provide necessary infrastructure improvements to accommodate development growth. All money raised by the levy will go into more and better open space.

Other income

Other income includes lease and rental income, non-statutory licenses, and reimbursements.

Employee costs

Increases for employee costs mainly reflect the salary increase for all staff pursuant to expected *Enterprise Bargaining Agreements*. No changes to FTE are projected.

Glen Eira has capable and diverse staff required to provide a range of quality services to the community. Recruitment, development, and retention of our staff are critical for the organisation to be able to provide services to our community. The ages of staff vary, with Glen Eira Leisure attracting a younger age group of employees in the fitness and aquatic areas.

The 2025 staff engagement survey showed 73 per cent of staff being highly engaged which places us in the top quartile when benchmarked against other councils. Sixty six per cent of staff gave highly favourable responses to questions relating to alignment factors, this places us in the top decile when benchmarked against other councils.

Materials and consumables

Material costs include items required for the maintenance and repairs of our buildings, parks, roads, drains and footpaths. Cost increases for these items are governed more by market forces based on availability rather than Consumer Price Index.

Contracts and services

Contractor costs primarily cover our services provided by external specialists, used when specific expertise is either more cost-effective or not available in-house. Our contract expenditure includes waste management, home care, agency costs, parks services, information technology, parking, building maintenance and cleaning.

Depreciation and amortisation

Depreciation and amortisation of our infrastructure, intangibles and right of use of assets is determined from information contained within their various asset management plans and strategies. The future projections of depreciation in the *Financial Plan* are based on the forecasted projects in our *Capital Works Program*. It is crucial that we continue to renew existing assets in our *Capital Works Program*. Depreciation has been further increased by the indexing of the replacement cost of our fixed assets.

Other expenses

Other expenses include administration costs such as Councillor allowances, lease expenditure, audit costs, subscriptions and other costs associated with the day to day running of Council.

Other matters impacting the 10-year financial projections

- Council election costs of \$900,000 every four years.
- \$1 million funding for new Council initiatives.
- Future maintenance for the Elsternwick Club has been included after settlement of the property at \$1 million per annum from 2028–2029.
- No provision or allowance has been made for any call from the Defined Benefits superannuation fund.

Capital Works Program

Our capital program for the next 10 years is approximately \$37 million per annum. Projects in the 10-year *Capital Works Program* include:

Place projects

- \$24.7 million has been allocated to fund place works over the next 10 years. Funding for this is to implement major projects identified in our structure plans, including new buildings, new public plazas, etc. and includes the following:
- *Better Streets and Better Places* design and construction funding allocation — \$9.3 million over 10 years.
- *Integrated Transport Strategy* projects including new pedestrian improvements, wayfinding signage, parking improvements of \$720k.
- *Cycling Action Plan* implementation of \$1.5 million to improve opportunities for cycling around Glen Eira. The plan identifies areas for improvement to help support cycling as a safe and viable transport option for the community. This includes improvements to recognise the role that the cycling network plays in linking people to public transport and walking routes. The plan includes actions around infrastructure, policy and enforcement and education/behaviour.
- Selwyn Street Cultural Precinct (Elsternwick) — \$8.65 million from 2028–2029 to 2030–2031. The vision for the precinct is to create a vibrant and welcoming pedestrian focused public space that foregrounds the important Jewish cultural institutions in Selwyn Street.
- \$3.9 million for other structure plan implementations.

Community facilities

Community facilities comprise buildings and building improvements, upgrade, and renewal of community facilities; Municipal offices; sports facilities; and pavilions. Projects include:

- Mackie Reserve Pavilion — total costs \$4.8 million (\$4.5 million construction in 2025–2026).
- *Pavilion Design and Construction Program* — approximately \$16 million over 10 years.

Recreation and open space

Recreation and open space includes open space initiatives; parks; playing surfaces; and playground equipment. Projects include:

- *Open Space Strategy* implementation of \$39 million over 10 years. This includes the purchase of Elsternwick Club with settlement due June 2027, funding for future land purchases and projects to implement of masterplans.
- Recreational upgrades of \$24.8 million including sportsground lighting, warm season grasses, playground upgrades, cricket net upgrades, sportsground shelters and tennis strategy implementation.

Climate and sustainability initiatives

Climate and sustainability initiatives includes the installation of photovoltaic systems to generate renewable energy, double glazing, and insulation on Council assets, getting off gas at Council's facilities and other building sustainability improvements totalling \$16.5 million over 10 years.

Included in this portfolio is funding of \$3.7 million over 10 years for the *Urban Forest Strategy* implementation. The *Strategy* outlines our vision to create a resilient and sustainable urban forest that supports our liveable City and contributes to the wellbeing of the community in a changing climate.

We have a significant getting off gas project at Glen Eira Sports and Aquatic Centre (GESAC) at a cost of \$6.5 million to be completed by 2027 as well as \$2.2 million for a number of smaller sites to be progressed over the 10 years.

Community safety

Transport and planning projects of \$9.9 million includes safety projects at cross intersections, pedestrian crossings, safer speed limits, school safety, shopping centres, sustainable transport, and disabled parking upgrades.

Renewal program

Included in the capital program is the renewal and upgrade of our major infrastructure assets with an average spend of \$23 million per annum including:

- Infrastructure renewals, average per annum: roads and resurfacing \$7 million, drainage improvement program \$4.2 million and footpaths \$2.5 million.
- Building renewal works — \$1.5 million per annum for cyclical renewal works such as floor coverings, roof renewals and replacement of plant and equipment.
- Recreation and parks — \$1.8 million per annum for renewals of: park shelters, cricket wickets, goal posts, bin enclosures, park furniture and athletics/netball track re-surfacing.
- Glen Eira Leisure Services (GEL) — \$1.5 million per annum for cyclical renewal works and replacement of plant and equipment.
- Library book collections — \$700,000 per annum for the purchase of books, DVDs, magazines, games.
- Replacement of fleet and plant — \$1.7 million per annum includes plant and equipment at Parks, Depot and Glen Eira Town Hall.

- Information technology — \$1 million per annum including renewing base infrastructure such as storage, servers, networking, and end-user tools (desktops; laptops; tablets; monitors).

Digital and technology

Digital and technology includes technological solutions to enable customers to better transact with us and enhancements to existing operational systems.

We are currently developing the *Digital and Technology Strategy*. This seeks to lay out a roadmap for the uplift and implementation of critical parts of our organisation's technology framework, by:

- Improving the accessibility and visibility of customer facing systems and digital services.
- Modernising back-office processes and systems.
- Integrating systems across the framework.
- Appropriately capturing and leveraging data.
- Ensuring cybersecurity and controlling risks.

Over the next 10 years, Council has allocated \$6 million to support the digital and technology program.

Financial plan statements

This section presents information regarding the Financial statements for the 10 years from 2025–2035.

Comprehensive Income Statement

Balance Sheet

Statement of Changes in Equity

Statement of Cash Flows

Statement of Capital Works

Statement of Human Resources

Comprehensive Income Statement for the years ending 30 June 2025 – 2035

	2024–25 Forecast	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income											
Rates and charges	142,465	147,953	152,789	157,843	163,059	168,442	173,999	179,733	185,651	191,758	198,060
Statutory fees and fines	10,145	11,970	12,113	12,259	12,406	12,555	12,705	12,858	13,012	13,168	13,326
User fees	28,212	30,007	30,727	31,464	32,220	32,993	33,785	34,595	35,426	36,276	37,147
Interest received	2,740	2,260	2,204	1,850	1,593	817	715	573	466	435	482
Contributions - monetary	5,409	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Grants - operating	20,853	19,973	21,183	20,667	21,163	21,671	22,191	22,724	23,269	23,828	24,399
Grants - capital	11,415	8,717	2,592	711	728	1,913	763	782	800	820	839
Other income	2,131	2,593	2,655	2,719	2,784	2,851	2,920	2,501	2,561	2,623	2,686
Total Income	223,369	228,473	229,264	232,512	238,952	246,242	252,077	258,766	266,185	273,906	281,939
Expenses											
Employee costs	91,811	93,301	96,923	99,731	102,623	105,602	108,670	111,830	115,085	118,537	122,093
Materials and consumables	5,118	5,138	5,241	5,346	5,453	5,562	5,673	5,786	5,902	6,020	6,141
Contractor payments	59,271	65,440	64,286	65,143	67,262	67,876	69,523	70,886	73,508	74,314	75,977
Maintenance	8,246	8,876	9,089	9,307	10,531	10,783	11,042	11,307	11,579	11,857	12,141
Utilities	5,190	5,363	5,491	5,623	5,758	5,896	6,038	6,183	6,331	6,483	6,639
Insurance	2,061	2,350	2,407	2,464	2,524	2,584	2,646	2,710	2,775	2,841	2,909
Grants and subsidies	1,502	1,646	1,686	1,726	1,768	1,810	1,854	1,898	1,944	1,990	2,038
Other expenses	6,677	6,777	6,940	7,106	7,277	7,451	7,630	7,813	8,001	8,193	8,389
Borrowing costs	2,475	2,438	2,408	2,295	2,103	1,934	1,882	1,767	1,519	1,294	1,098
Finance costs - leases	87	61	77	51	53	54	55	57	58	59	61
Depreciation	27,853	29,094	29,676	30,270	31,375	32,003	32,643	33,296	33,961	34,641	35,334
Amortisation - intangible assets	411	362	145	116	93	74	59	47	38	30	24
Depreciation - right of use assets	562	533	459	395	355	320	288	259	233	210	189
Net loss on sale/Disposal of property, infrastructure, plant and equipment	1,385	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061	1,061
Total Expenses	212,650	222,441	225,889	230,635	238,234	243,011	249,063	254,900	261,994	267,530	274,093
Surplus for the year	10,718	6,032	3,375	1,877	718	3,231	3,013	3,866	4,190	6,376	7,846

Balance Sheet for the years ending 30 June 2025 – 2035

	2024–25 Forecast \$'000	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000	2030–31 \$'000	2031–32 \$'000	2032–33 \$'000	2033–34 \$'000	2034–35 \$'000
Assets											
Current Assets											
Cash and cash equivalents	54,845	55,106	46,238	39,817	27,220	23,817	19,105	15,525	14,488	16,073	19,319
Trade and other receivables	22,083	22,583	22,883	23,213	23,583	24,083	24,583	25,083	25,083	25,083	25,083
Other financial assets	6,063	6,063	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113	3,113
Total Current Assets	82,992	83,752	72,234	66,143	53,917	51,013	46,801	43,722	42,684	44,269	47,515
Non-Current Assets											
Investments in joint operations	282	282	282	282	282	282	282	282	282	282	282
Financial assets	5	5	5	5	5	5	5	5	5	5	5
Intangible assets	496	334	389	273	180	206	247	200	162	131	107
Right of use assets	1,214	681	222	3,131	2,776	2,456	2,168	1,909	1,676	1,466	1,277
Property, infrastructure, plant & equipment	2,714,178	2,717,244	2,730,764	2,734,828	2,742,786	2,747,606	2,752,947	2,754,026	2,753,002	2,753,177	2,752,938
Total Non-Current Assets	2,716,175	2,718,547	2,731,663	2,738,520	2,746,029	2,750,555	2,755,649	2,756,422	2,755,127	2,755,062	2,754,610
Total Assets	2,799,167	2,802,299	2,803,897	2,804,663	2,799,946	2,801,569	2,802,450	2,800,144	2,797,811	2,799,331	2,802,125
Liabilities											
Current Liabilities											
Trade and other payables	12,426	12,926	12,939	12,961	12,996	13,044	13,044	13,044	13,044	13,044	13,044
Contract and other liabilities	3,480	3,028	2,577	2,125	1,674	1,222	770	318	-	-	-
Trust funds and deposits	23,892	23,892	23,892	23,892	23,892	23,892	23,892	23,892	23,892	23,892	23,892
Provisions	14,780	14,780	15,067	15,375	15,710	16,162	16,662	17,162	17,162	17,162	17,162
Lease liabilities	606	537	182	330	340	340	340	340	340	340	340
Interest-bearing liabilities	2,343	2,959	4,112	5,023	5,237	5,788	5,880	5,865	4,516	4,712	5,461
Total Current Liabilities	57,527	58,122	58,768	59,706	59,848	60,448	60,588	60,622	58,954	59,150	59,900
Non-Current Liabilities											
Provisions	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173	1,173
Interest-bearing liabilities	57,334	54,375	52,133	47,110	41,874	40,006	38,074	32,209	27,693	22,981	17,520
Lease liabilities	766	229	48	3,021	2,681	2,341	2,000	1,660	1,320	979	639
Other liabilities	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753	4,753
Total Non-Current Liabilities	64,026	60,530	58,107	56,058	50,481	48,273	46,001	39,795	34,939	29,887	24,085
Total Liabilities	121,553	118,652	116,875	115,764	110,329	108,721	106,589	100,417	93,893	89,037	83,985
Net Assets	2,677,614	2,683,647	2,687,021	2,688,899	2,689,617	2,692,848	2,695,862	2,699,727	2,703,918	2,710,294	2,718,140
Equity											
Accumulated surplus	1,015,505	1,016,637	1,027,397	1,026,729	1,025,563	1,026,464	1,028,151	1,029,796	1,032,736	1,037,012	1,042,758
Reserves	1,662,109	1,667,009	1,659,624	1,662,169	1,664,054	1,666,384	1,667,711	1,669,931	1,671,182	1,673,282	1,675,382
TOTAL EQUITY	2,677,614	2,683,647	2,687,021	2,688,899	2,689,617	2,692,848	2,695,862	2,699,727	2,703,918	2,710,294	2,718,140

Statement of Changes in Equity for the years ending 30 June 2025 – 2035

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2024–25 Forecast				
Balance at beginning of the financial year	2,666,896	1,008,492	1,637,316	21,088
Comprehensive result	10,718	10,718	-	-
Movement in Reserves	-	(3,705)	-	3,705
Balance at end of financial year	2,677,614	1,015,505	1,637,316	24,793
2025–26				
Balance at beginning of the financial year	2,677,614	1,015,505	1,637,316	24,793
Comprehensive result	6,032	6,032	-	-
Movement in Reserves	-	(4,900)	-	4,900
Balance at end of financial year	2,683,647	1,016,637	1,637,316	29,693
2026–27				
Balance at beginning of the financial year	2,683,647	1,016,637	1,637,316	29,693
Comprehensive result	3,375	3,375	-	-
Movement in Reserves	-	7,385	-	(7,385)
Balance at end of financial year	2,687,021	1,027,397	1,637,316	22,308
2027–28				
Balance at beginning of the financial year	2,687,021	1,027,397	1,637,316	22,308
Comprehensive result	1,877	1,877	-	-
Movement in Reserves	-	(2,545)	-	2,545
Balance at end of financial year	2,688,899	1,026,729	1,637,316	24,853
2028–29				
Balance at beginning of the financial year	2,688,899	1,026,729	1,637,316	24,853
Comprehensive result	718	718	-	-
Movement in Reserves	-	(1,885)	-	1,885
Balance at end of financial year	2,689,617	1,025,563	1,637,316	26,738
2029–30				
Balance at beginning of the financial year	2,689,617	1,025,563	1,637,316	26,738
Comprehensive result	3,231	3,231	-	-
Movement in Reserves	-	(2,330)	-	2,330
Balance at end of financial year	2,692,848	1,026,464	1,637,316	29,068

Statement of Changes in Equity for the years ending 30 June 2025 – 2035 (continued)

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2030–31				
Balance at beginning of the financial year	2,692,848	1,026,464	1,637,316	29,068
Comprehensive result	3,013	3,013	-	-
Movement in Reserves	-	(1,327)	-	1,327
Balance at end of financial year	2,695,862	1,028,151	1,637,316	30,395
2031–32				
Balance at beginning of the financial year	2,695,862	1,028,151	1,637,316	30,395
Comprehensive result	3,866	3,866	-	-
Movement in Reserves	-	(2,220)	-	2,220
Balance at end of financial year	2,699,727	1,029,796	1,637,316	32,615
2032–33				
Balance at beginning of the financial year	2,699,727	1,029,796	1,637,316	32,615
Comprehensive result	4,190	4,190	-	-
Movement in Reserves	-	(1,251)	-	1,251
Balance at end of financial year	2,703,918	1,032,736	1,637,316	33,866
2033–34				
Balance at beginning of the financial year	2,703,918	1,032,736	1,637,316	33,866
Comprehensive result	6,376	6,376	-	-
Movement in Reserves	-	(2,100)	-	2,100
Balance at end of financial year	2,710,294	1,037,012	1,637,316	35,966
2034–35				
Balance at beginning of the financial year	2,710,294	1,037,012	1,637,316	35,966
Comprehensive result	7,846	7,846	-	-
Movement in Reserves	-	(2,100)	-	2,100
Balance at end of financial year	2,718,140	1,042,758	1,637,316	38,066

Statement of Cash Flows for the years ending 30 June 2025 – 2035

	2024–25 Forecast	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35
	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000	Inflow/ (Outflow) \$'000
Cash Flow from Operating Activities											
Rates and charges	142,465	147,953	152,789	157,843	163,059	168,442	173,999	179,733	185,651	191,758	198,060
Statutory fees and fines	10,145	11,970	12,113	12,259	12,406	12,555	12,705	12,858	13,012	13,168	13,326
User fees	28,212	30,007	30,727	31,464	32,220	32,993	33,785	34,595	35,426	36,276	37,147
Other receipts	1,679	2,142	2,204	2,268	2,333	2,399	2,468	2,050	2,243	2,623	2,686
Interest received	2,740	2,260	2,204	1,850	1,593	817	715	573	466	435	482
Contributions - monetary	5,409	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Grants - operating	20,853	19,973	21,183	20,667	21,163	21,671	22,191	22,724	23,269	23,828	24,399
Grants - capital	11,415	8,717	2,592	711	728	1,913	763	782	800	820	839
Employee costs	(91,811)	(93,301)	(96,923)	(99,731)	(102,623)	(105,602)	(108,670)	(111,830)	(115,085)	(118,537)	(122,093)
Materials and services	(82,194)	(88,372)	(87,750)	(89,151)	(92,826)	(94,034)	(96,289)	(98,274)	(101,532)	(102,988)	(105,317)
Short-term, low value and variable lease payments	(393)	(441)	(450)	(459)	(468)	(477)	(487)	(497)	(507)	(517)	(527)
Other payments	(6,677)	(6,777)	(6,940)	(7,106)	(7,277)	(7,451)	(7,630)	(7,813)	(8,001)	(8,193)	(8,389)
Net Cash provided by/(used in) Operating Activities	41,842	39,130	36,749	35,613	35,306	38,225	38,549	39,901	40,743	43,671	45,612
Cash Flow from Investing Activities											
Proceeds from sale of property, infrastructure, plant & equipment	398	370	300	300	300	300	300	300	300	300	300
Payments for property, infrastructure, plant & equipment	(40,605)	(33,791)	(41,807)	(35,695)	(40,694)	(38,284)	(39,445)	(35,736)	(34,298)	(36,177)	(36,456)
Net Cash provided by/(used in) Investing Activities	(40,207)	(33,421)	(41,507)	(35,395)	(40,394)	(37,984)	(39,145)	(35,436)	(33,998)	(35,877)	(36,156)
Cash Flow from Financing Activities											
Proceeds from borrowings	-	-	2,165	-	-	4,000	4,000	-	-	-	-
Repayment of borrowings	(2,162)	(2,343)	(3,253)	(4,112)	(5,023)	(5,316)	(5,840)	(5,880)	(5,865)	(4,516)	(4,712)
Finance costs	(2,475)	(2,438)	(2,408)	(2,295)	(2,103)	(1,934)	(1,882)	(1,767)	(1,519)	(1,294)	(1,098)
Interest paid - lease liability	(87)	(61)	(77)	(51)	(53)	(54)	(55)	(57)	(58)	(59)	(61)
Repayment of lease liabilities	(693)	(606)	(537)	(182)	(330)	(340)	(340)	(340)	(340)	(340)	(340)
Net Cash provided by/(used in) Financing Activities	(5,417)	(5,448)	(4,110)	(6,640)	(7,509)	(3,645)	(4,117)	(8,044)	(7,782)	(6,209)	(6,210)
Net Increase/(Decrease) in cash held	(3,782)	260	(8,868)	(6,421)	(12,596)	(3,403)	(4,712)	(3,579)	(1,038)	1,585	3,246
Cash and cash equivalents at the beginning of the financial year	58,628	54,845	55,106	46,238	39,817	27,220	23,817	19,105	15,525	14,488	16,073
Cash and Cash Equivalents at End of Year	54,845	55,106	46,238	39,817	27,220	23,817	19,105	15,525	14,488	16,073	19,319

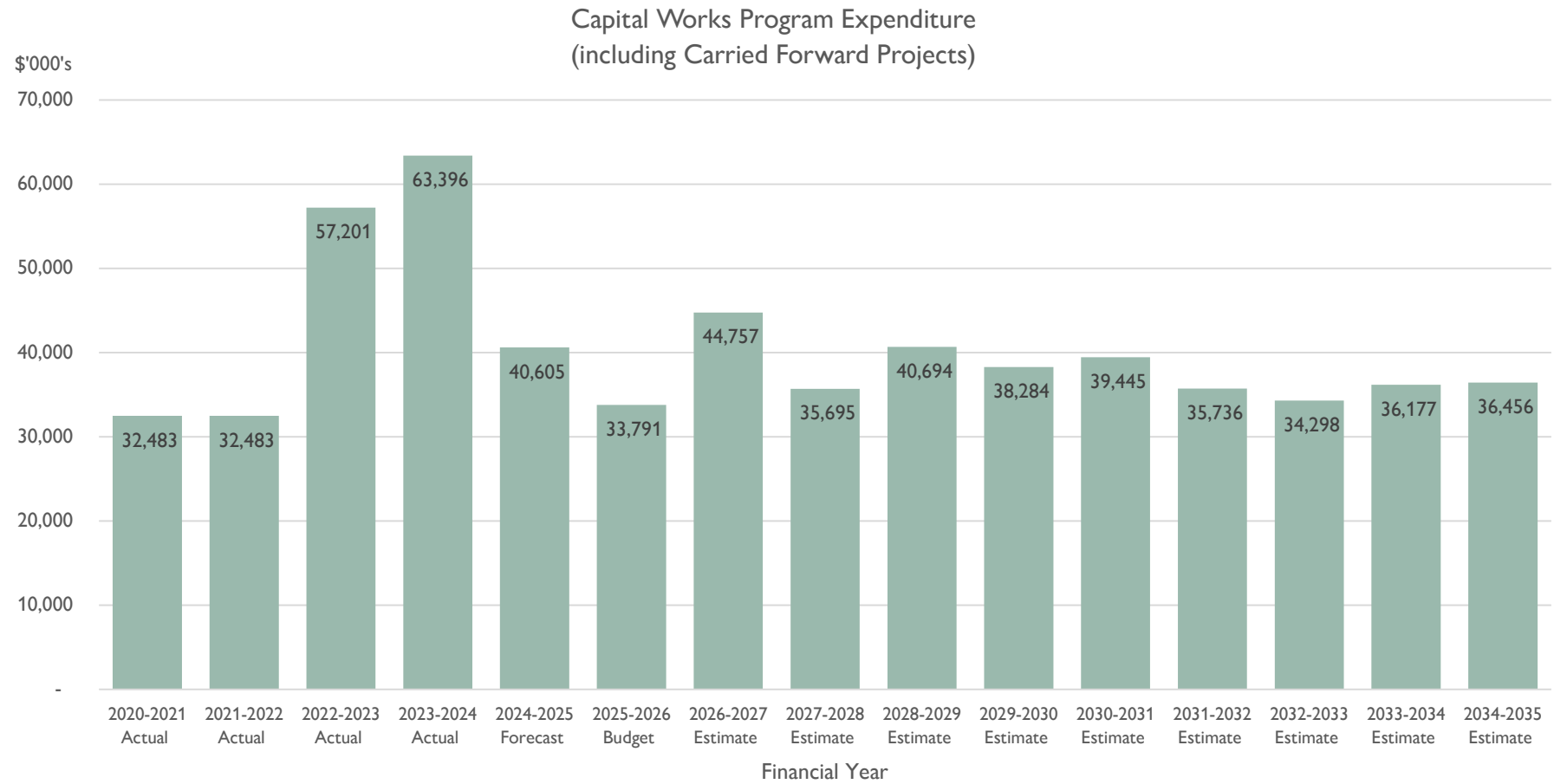
Statement of Capital Works for the years ending 30 June 2025 – 2035

Capital Works Area	2024–25 Forecast \$'000	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000	2028–29 \$'000	2029–30 \$'000	2030–31 \$'000	2031–32 \$'000	2032–33 \$'000	2033–34 \$'000	2034–35 \$'000
Carried forward expenditure from previous financial year	4,986	6,624	-	-	-	-	-	-	-	-	-
New Works											
Property											
Land	1,504	-	14,750	2,405	1,990	2,550	2,225	2,550	2,550	2,550	2,550
Buildings	19,715	8,244	6,600	3,688	5,717	2,254	2,402	5,716	2,009	5,716	5,727
Total Property	21,219	8,244	21,350	6,093	7,707	4,804	4,627	8,266	4,559	8,266	8,277
Plant and Equipment											
Plant, Machinery and Equipment	1,276	1,808	2,513	3,103	2,752	2,767	2,800	2,800	2,800	2,800	2,800
Computers and Telecommunications	1,635	877	1,845	1,913	1,881	950	968	988	1,248	1,248	1,248
Library Books and Materials	966	605	618	630	642	655	668	682	695	709	724
Other Plant & Equipment	451	576	860	997	2,755	1,481	988	1,001	1,008	1,008	1,012
Total Plant and Equipment	4,327	3,867	5,834	6,643	8,031	5,853	5,425	5,471	5,752	5,766	5,783
Infrastructure											
Roads	6,107	5,127	5,235	7,892	9,337	8,143	9,734	8,403	9,920	8,483	8,592
Footpaths	2,235	2,600	2,750	2,991	2,823	2,858	2,902	2,965	2,405	2,405	2,450
Drainage	1,255	1,267	1,000	4,438	4,549	4,662	4,779	4,898	4,898	4,898	4,994
Open Space and Recreation	5,207	4,632	6,812	6,321	6,349	6,400	6,681	3,955	5,474	4,662	4,662
Car Parks	1,647	320	170	270	170	170	170	170	170	170	170
Streetscape Works	245	1,111	1,605	1,047	1,727	5,393	5,128	1,607	1,120	1,527	1,527
Total Infrastructure	16,696	15,057	17,573	22,959	24,956	27,626	29,394	21,999	23,988	22,146	22,396
Total New Works	42,243	27,167	44,757	35,695	40,694	38,284	39,445	35,736	34,298	36,177	36,456
Carried forward projects to the next financial year	(6,624)	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure (including carry forwards)	40,605	33,791	44,757	35,695	40,694	38,284	39,445	35,736	34,298	36,177	36,456

Statement of Capital Works (continued)

Capital Works Area	2024-25 Forecast \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000	2031-32 \$'000	2032-33 \$'000	2033-34 \$'000	2034-35 \$'000
Total Capital Expenditure	40,605	33,791	44,757	35,695	40,694	38,284	39,445	35,736	34,298	36,177	36,456
Represented by:											
Asset Renewal Expenditure	17,342	14,634	13,487	20,529	21,023	17,713	19,845	20,627	18,963	20,361	20,547
Asset Upgrade Expenditure	17,178	11,141	13,077	8,741	13,714	12,240	12,226	10,124	9,093	10,999	11,070
Asset Expansion Expenditure	646	100	721	1,315	1,751	3,347	3,484	1,400	1,399	1,523	1,546
Asset New Expenditure	5,439	7,917	17,472	5,109	4,206	4,984	3,890	3,585	4,842	3,293	3,293
Total Capital Expenditure	40,605	33,791	44,757	35,695	40,694	38,284	39,445	35,736	34,298	36,177	36,456
Funding sources represented by:											
Grants	11,415	8,717	2,592	711	728	1,913	763	782	800	820	839
Council Cash & Reserve	29,189	25,075	39,999	34,984	39,966	32,370	34,682	34,954	33,498	35,357	35,616
Borrowings	-	-	2,165	-	-	4,000	4,000	-	-	-	-
Total Capital Funding	40,605	33,791	44,757	35,695	40,694	38,284	39,445	35,736	34,298	36,177	36,456

The graph below highlights the movement in capital spend since 2020–21 and our forward outlook on capital expenditure to 2034–35.



Statement of Human Resources - Staff Numbers for the years ending 30 June 2025 - 2035

Description	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	Forecast FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Community Wellbeing											
Permanent Full-time	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00	75.00
Women	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00	56.00
Men	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00	19.00
Permanent Part-time	122.57	122.57	122.57	122.57	122.57	122.57	122.57	122.57	122.57	122.57	122.57
Women	107.36	107.36	107.36	107.36	107.36	107.36	107.36	107.36	107.36	107.36	107.36
Men	15.21	15.21	15.21	15.21	15.21	15.21	15.21	15.21	15.21	15.21	15.21
Total Community Wellbeing	197.57	197.57	197.57	197.57	197.57	197.57	197.57	197.57	197.57	197.57	197.57
Sustainability, Assets and Leisure											
Permanent Full-time	190.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00	193.00
Women	50.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00	51.00
Men	140.00	142.00	142.00	142.00	142.00	142.00	142.00	142.00	142.00	142.00	142.00
Permanent Part-time	12.74	12.74	12.74	12.74	12.74	12.74	12.74	12.74	12.74	12.74	12.74
Women	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17	9.17
Men	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57	3.57
Total Sustainability, Assets and Leisure	202.74	205.74	205.74	205.74	205.74	205.74	205.74	205.74	205.74	205.74	205.74
Planning and Place											
Permanent Full-time	82.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00	85.00
Women	44.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00	46.00
Men	38.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00	39.00
Permanent Part-time	18.29	18.29	18.29	18.29	18.29	18.29	18.29	18.29	18.29	18.29	18.29
Women	13.32	13.32	13.32	13.32	13.32	13.32	13.32	13.32	13.32	13.32	13.32
Men	4.97	4.97	4.97	4.97	4.97	4.97	4.97	4.97	4.97	4.97	4.97
Total Planning and Place	100.29	103.29	103.29	103.29	103.29	103.29	103.29	103.29	103.29	103.29	103.29
Customer and Corporate Affairs											
Permanent Full-time	81.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00	79.00
Women	45.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00	44.00
Men	36.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
Permanent Part-time	17.33	17.33	17.33	17.33	17.33	17.33	17.33	17.33	17.33	17.33	17.33
Women	14.35	14.35	14.35	14.35	14.35	14.35	14.35	14.35	14.35	14.35	14.35
Men	2.98	2.98	2.98	2.98	2.98	2.98	2.98	2.98	2.98	2.98	2.98
Total Customer and Corporate Affairs	98.33	96.33	96.33	96.33	96.33	96.33	96.33	96.33	96.33	96.33	96.33
City Management											
Permanent Full-time	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00	45.00
Women	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00	35.00
Men	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Permanent Part-time	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83
Women	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83	5.83
Total City Management	50.83	50.83	50.83	50.83	50.83	50.83	50.83	50.83	50.83	50.83	50.83
Total Permanent Staff	649.76	653.76	653.76	653.76	653.76	653.76	653.76	653.76	653.76	653.76	653.76
Casuals and Other Capitalised Labour	118.51	118.51	118.51	118.51	118.51	118.51	118.51	118.51	118.51	118.51	118.51
	3.00	-	-	-	-	-	-	-	-	-	-
Total Staff	771.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27

Statement of Human Resources - Staff Expenditure for the years ending 30 June 2025 - 2035

Description	2024-25 Forecast	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Community Wellbeing											
Permanent Full-time	10,606	10,228	10,637	10,956	11,285	11,623	11,972	12,331	12,701	13,082	13,475
Women	7,920	7,638	7,944	8,182	8,427	8,680	8,941	9,209	9,485	9,770	10,063
Men	2,686	2,590	2,694	2,774	2,858	2,943	3,032	3,123	3,216	3,313	3,412
Permanent Part-time	18,819	12,999	13,519	13,925	14,342	14,773	15,216	15,672	16,142	16,627	17,125
Women	16,702	11,537	11,998	12,358	12,729	13,111	13,504	13,910	14,327	14,757	15,199
Men	2,117	1,462	1,520	1,566	1,613	1,661	1,711	1,763	1,816	1,870	1,926
Total Community Wellbeing	29,425	23,227	24,156	24,881	25,627	26,396	27,188	28,004	28,844	29,709	30,600
Sustainability, Assets and Leisure											
Permanent Full-time	19,513	23,143	24,069	24,791	25,535	26,301	27,090	27,902	28,739	29,601	30,490
Women	5,309	6,297	6,549	6,745	6,948	7,156	7,371	7,592	7,820	8,054	8,296
Men	14,204	16,846	17,520	18,045	18,587	19,144	19,719	20,310	20,920	21,547	22,194
Permanent Part-time	2,512	1,117	1,162	1,197	1,232	1,269	1,307	1,347	1,387	1,429	1,472
Women	1,851	823	856	882	908	935	963	992	1,022	1,053	1,084
Men	661	294	306	315	324	334	344	354	365	376	387
Total Sustainability, Assets and Leisure	22,025	24,260	25,230	25,987	26,767	27,570	28,397	29,249	30,126	31,030	31,961
Planning and Place											
Permanent Full-time	10,367	11,563	12,026	12,386	12,758	13,141	13,535	13,941	14,359	14,790	15,234
Women	5,593	6,238	6,488	6,682	6,883	7,089	7,302	7,521	7,746	7,979	8,218
Men	4,774	5,325	5,538	5,704	5,875	6,052	6,233	6,420	6,613	6,811	7,015
Permanent Part-time	1,927	1,963	2,042	2,103	2,166	2,231	2,298	2,367	2,438	2,511	2,586
Women	1,488	1,516	1,577	1,624	1,673	1,723	1,775	1,828	1,883	1,939	1,997
Men	439	447	465	479	493	508	523	539	555	572	589
Total Planning and Place	12,294	13,526	14,067	14,489	14,924	15,371	15,833	16,308	16,797	17,301	17,820
Customer and Corporate Affairs											
Permanent Full-time	10,337	11,039	11,481	11,825	12,180	12,545	12,921	13,309	13,708	14,120	14,543
Women	5,754	6,145	6,391	6,583	6,780	6,983	7,193	7,409	7,631	7,860	8,096
Men	4,583	4,894	5,090	5,242	5,400	5,562	5,729	5,900	6,077	6,260	6,448
Permanent Part-time	2,132	1,717	1,786	1,839	1,894	1,951	2,010	2,070	2,132	2,196	2,262
Women	1,803	1,452	1,510	1,555	1,602	1,650	1,700	1,751	1,803	1,857	1,913
Men	329	265	276	284	292	301	310	319	329	339	349
Total Customer and Corporate Affairs	12,469	12,756	13,266	13,664	14,074	14,496	14,931	15,379	15,841	16,316	16,805
City Management											
Permanent Full-time	6,172	6,324	6,577	6,774	6,977	7,187	7,402	7,624	7,853	8,089	8,331
Women	4,643	4,757	4,947	5,096	5,249	5,406	5,568	5,735	5,907	6,085	6,267
Men	1,529	1,567	1,630	1,679	1,729	1,781	1,834	1,889	1,946	2,004	2,064
Permanent Part-time	916	768	799	823	847	873	899	926	954	982	1,012
Women	916	768	799	823	847	873	899	926	954	982	1,012
Total City Management	7,088	7,092	7,376	7,597	7,825	8,060	8,301	8,550	8,807	9,071	9,343
Total Permanent Staff Expenditure	83,301	80,861	84,095	86,618	89,217	91,893	94,650	97,490	100,414	103,427	106,530
Casuals and Other Expenditure	8,510	12,440	12,828	13,113	13,406	13,708	14,019	14,340	14,670	15,110	15,564
Capitalised Labour Costs	400	-	-	-	-	-	-	-	-	-	-
Total Expenditure	92,211	93,301	96,923	99,731	102,623	105,602	108,670	111,830	115,085	118,537	122,093

Statement of Human Resources for the years ending 30 June 2025 - 2035											
Staff Expenditure	2024-25 Forecast \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000	2028-29 \$'000	2029-30 \$'000	2030-31 \$'000	2031-32 \$'000	2032-33 \$'000	2033-34 \$'000	2034-35 \$'000
Employee Costs — Operating	91,811	93,301	96,923	99,731	102,623	105,602	108,670	111,830	115,085	118,537	122,093
Employee Costs — Capital	400	-	-	-	-	-	-	-	-	-	-
Total Staff Expenditure	92,211	93,301	96,923	99,731	102,623	105,602	108,670	111,830	115,085	118,537	122,093
Staff Numbers	2024-25 Forecast FTE	2025-26 FTE	2026-27 FTE	2027-28 FTE	2028-29 FTE	2029-30 FTE	2030-31 FTE	2031-32 FTE	2032-33 FTE	2033-34 FTE	2034-35 FTE
Employees (Full-time Equivalent)	771.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27	772.27

Financial Performance Indicators

Local Government Performance Reporting Framework Indicators (LGPRF)

The *Local Government Performance Reporting Framework* is a mandatory system of performance reporting for all councils. The regulations include a set of 12 financial performance indicators, which aim to provide information on the effectiveness of financial management. The following tables highlight our current and projected performance across a range of these key financial performance indicators. These indicators provide a useful analysis of our financial position and performance and should be used in the context of the organisation's objectives.

Projected performance indicators - Financial														
Indicator	Measure	Note	2024-25 Forecast	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	Trend +/o/-
Operating Position														
Adjusted Underlying Result	<u>Adjusted Underlying Surplus</u> Adjusted Underlying Revenue	1	-0.33%	-1.22%	0.35%	0.50%	0.00%	0.54%	0.90%	1.20%	1.28%	2.03%	2.49%	+
Liquidity														
Working Capital	<u>Current Assets/</u> Current Liabilities	2	144.27%	144.10%	122.91%	110.78%	90.09%	84.39%	77.24%	72.12%	72.40%	74.84%	79.32%	-
Unrestricted Cash	<u>Unrestricted Cash/</u> Current Liabilities		-0.81%	2.62%	0.06%	-14.95%	-39.12%	-48.21%	-58.07%	-67.60%	-73.40%	-74.02%	-71.18%	-
Obligations														
Loans and Borrowings	<u>Interest-bearing Loans and</u> Borrowings Rate Revenue	3	41.89%	38.75%	36.81%	33.03%	28.89%	27.19%	25.26%	21.18%	17.35%	14.44%	11.60%	+
Loans and Borrowings	<u>Interest and Principal</u> Repayments Rate Revenue		3.25%	3.23%	3.71%	4.06%	4.37%	4.30%	4.44%	4.25%	3.98%	3.03%	2.93%	+
Indebtedness	<u>Non-current Liabilities</u> Own Source Revenue		34.48%	31.08%	28.98%	27.19%	23.80%	22.18%	20.52%	17.28%	14.73%	12.24%	9.57%	+
Asset Renewal	<u>Asset Renewal+Upgrdae</u> Asset Depreciation	4	123.93%	88.59%	89.51%	96.70%	110.71%	93.59%	98.25%	92.36%	82.61%	90.53%	89.48%	-

Projected performance indicators - Financial

Indicator	Measure	Note	2024-25 Forecast	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	Trend +/-/○
Stability														
Rates Concentration	<u>Rate Revenue</u> Adjusted Underlying Revenue	5	67.22%	67.33%	67.41%	68.09%	68.45%	68.94%	69.24%	69.67%	69.96%	70.22%	70.46%	○
Rates Effort	<u>Rate Revenue</u> Property Values (CIV)		0.16%	0.16%	0.15%	0.15%	0.15%	0.15%	0.14%	0.14%	0.14%	0.14%	0.14%	+
Efficiency														
Expenditure Level	<u>Total Expenditure</u> No. of Assessments		\$ 2,943	\$ 3,053	\$ 3,075	\$ 3,114	\$ 3,191	\$ 3,229	\$ 3,283	\$ 3,334	\$ 3,400	\$ 3,445	\$ 3,502	○
Revenue Level	<u>Sum of all General Rates and Municipal Charges</u> No. of Assessments		\$ 1,592	\$ 1,641	\$ 1,684	\$ 1,729	\$ 1,776	\$ 1,823	\$ 1,872	\$ 1,922	\$ 1,974	\$ 2,027	\$ 2,082	○
Workforce Turnover	<u>No. of Resignations & Terminations</u> Average Number of Staff		12.89%	12.63%	12.61%	12.60%	12.58%	12.57%	12.56%	12.54%	12.53%	12.51%	12.50%	○

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to Financial Performance Indicators (LGPRF)

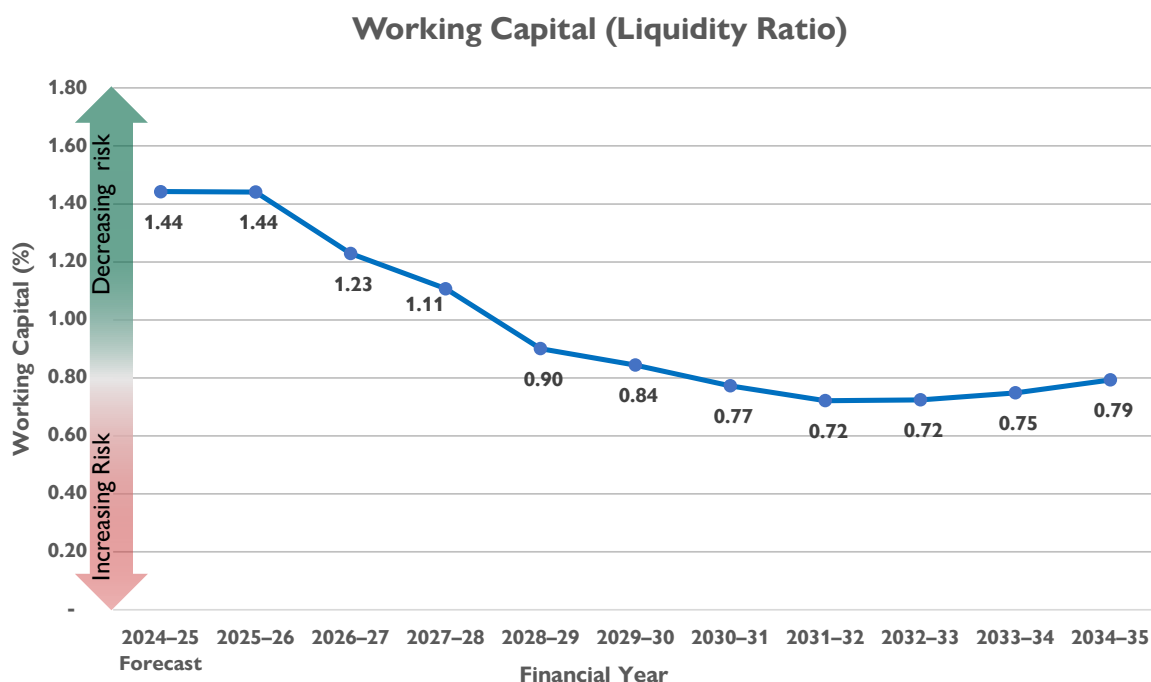
Adjusted underlying result

An adjusted underlying surplus is generated in the ordinary course of business from 2026–2027. A sustainable operating result is required for us to continue to provide core services and meet its objectives.

Working capital

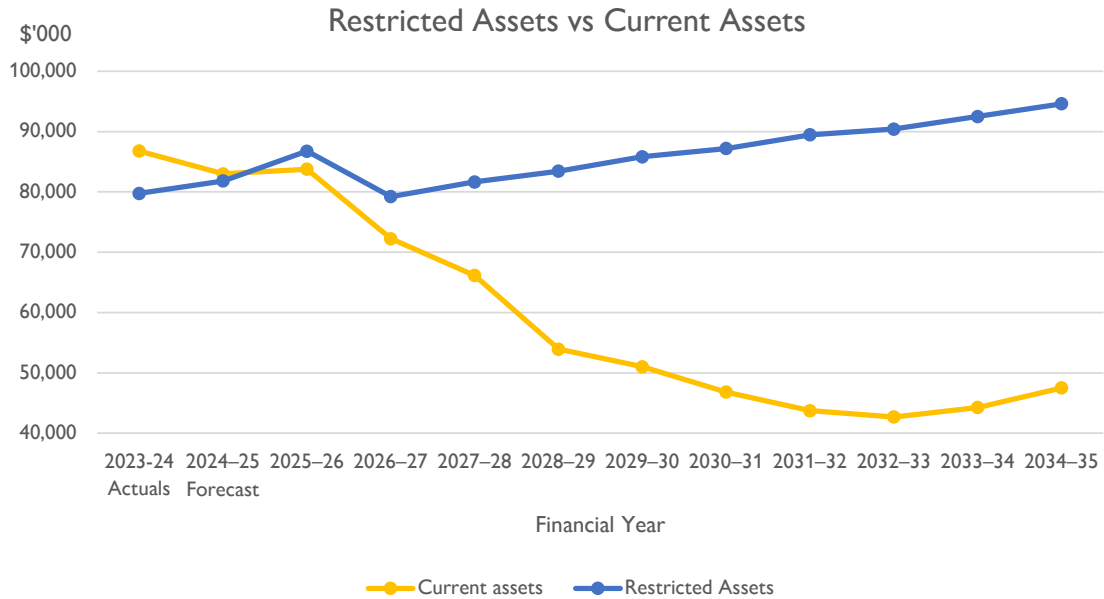
Working capital is the excess of current assets above current liabilities. This calculation recognises that although we have current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months and are therefore not available for discretionary spending.

A ratio of more than 100 per cent means there are more short-term assets than short-term liabilities.



Unrestricted cash

Restricted assets include items such as residential aged care bonds, contractor deposits, employee entitlements and the open space reserve. Whilst we will nearly be able to cash back our reserves in 2025–2026, greater intervention is required in the years following to build the resilience necessary to respond to risk and unknown factors — many of which are outside of our control.



Loans and borrowings

The indicators show whether the level of interest-bearing loans and borrowings is appropriate to the size and nature of our activities. Our borrowing level will reduce over the 10 years in line with our repayment schedules.

Asset renewal

This percentage indicates the extent of our renewal and upgrade expenditure on new capital works projects against its depreciation charge.

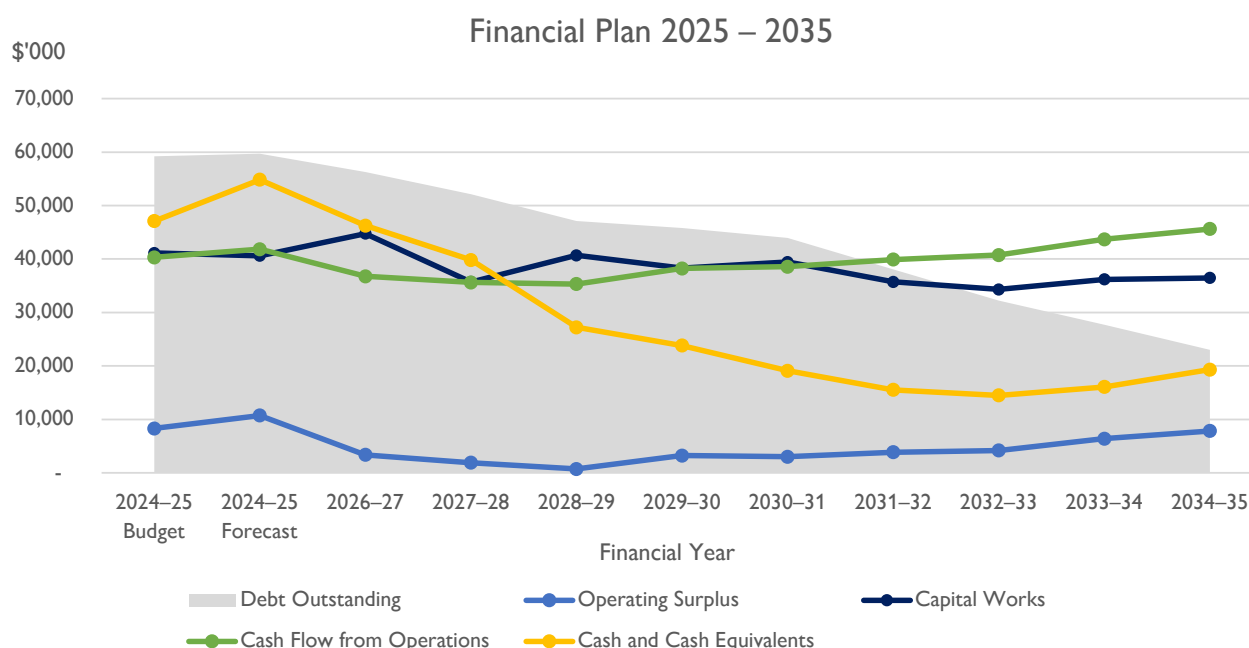
Rates concentration

Reflects extent of reliance on rate revenues to fund all of our on-going services. Trend indicates we will still be consistently reliant on rate revenue compared to all other revenue sources with over 65 per cent of our income coming from rates.

Financial resources

The following graph summarises the key financial results for the years ending 30 June 2025 to 2035. The graph below shows: the operating result improving; capital works averaging over \$37 million per annum; and loans repayments over 15 years.

The level of projected cash incorporates capital expenditure and current rates projections. The financial statements include a more detailed analysis of the financial resources to be used over the 10-year period.



Key Financial Results for the years ending 30 June 2025 – 2035

Statement	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	Trend +/o/-
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Operating Surplus	6,032	3,375	1,877	718	3,231	3,013	3,866	4,190	6,376	7,846	+
Capital Works	33,791	44,757	35,695	40,694	38,284	39,445	35,736	34,298	36,177	36,456	o
Cash Flow from Operations	39,130	36,749	35,613	35,306	38,225	38,549	39,901	40,743	43,671	45,612	+
Cash and Cash Equivalents	55,106	46,238	39,817	27,220	23,817	19,105	15,525	14,488	16,073	19,319	-
Debt Outstanding	57,334	56,245	52,133	47,110	45,794	43,954	38,074	32,209	27,693	22,981	+

Key to forecast trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

Victorian Auditor-General's Office (VAGO) indicators

Each year, the Auditor-General of Victoria performs an audit of the Local Government sector and produces a report to Parliament of the results of those audits. As part of this process, the Auditor-General assesses the financial sustainability of councils. The following provides forecast indicators for Glen Eira City Council.

VAGO Financial Sustainability Risk Indicators for the years ending 30 June 2025 – 2035											
Indicator	Objective	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35
Net Result (%)	To generate surpluses consistently greater than 0%.	2.64%	1.47%	0.81%	0.30%	1.31%	1.20%	1.49%	1.57%	2.33%	2.78%
Underlying Result (%)	Ability to generate surplus in the ordinary course of business—excluding nonrecurrent capital grants and non monetary asset contributions to fund capital expenditure from net result. Low risk indicator is to be more than 5%.	-1.22%	0.35%	0.50%	0.00%	0.54%	0.90%	1.20%	1.28%	2.03%	2.49%
Liquidity (ratio)	To measure Council's ability to repay short-term liabilities as they fall due. Low risk - indicator is to be greater than 1.0.	1.44	1.23	1.11	0.90	0.84	0.77	0.72	0.72	0.75	0.79
Internal Financing (%)	Generating enough cash from operations to fund new assets. Low risk indicator is to be greater than 100%.	117%	89%	101%	87%	101%	98%	113%	120%	122%	126%
Indebtedness (%)	Lower than 40% relates to the ability to repay debt from own-source revenue.	31%	29%	27%	24%	22%	21%	17%	15%	12%	10%
Capital Replacement (ratio)	To ascertain the level of risk of insufficient spending on asset renewal. Low risk indicator is to be more than 1.5.	1.16	1.41	1.18	1.30	1.20	1.21	1.07	1.01	1.04	1.03
Renewal Gap (ratio)	To ensure there is sufficient spending on Council's asset base. Low risk indicator is to be greater than 1.0.	0.89	0.90	0.97	1.11	0.94	0.98	0.92	0.83	0.91	0.89

Low risk range

Medium risk range

High risk range

Integration with our strategies and plans

This section describes the strategies and plans that support the 10-year financial projections included to the *Financial Plan*.

Borrowing strategy

Loan borrowing is a responsible financial management tool that can provide us with an appropriate mechanism to enable us to implement our *Council Plan* objectives. This is considered an appropriate funding source for long-term community assets. Borrowing is a useful tool for spreading the cost of an asset over its useful life, ensuring that the ratepayers who benefit from it contribute to its cost over time. This approach supports intergenerational equity within the community. Loans can only be approved by Council resolution.

Current debt position

We are projected to hold approximately \$60 million in loans at the end of 2024–2025, that were used to undertake intergenerational capital works projects and environmental initiatives. We have drawn down the following loans:

- 2019 Community Infrastructure Loans Scheme
 - Eat Street Community Space Project (\$2 million)
 - Bentleigh Library Redevelopment (\$5 million)
- 2020 Community Sports Infrastructure Loans Scheme
 - Carnegie Memorial Swimming Pool Redevelopment (\$10 million)
- General Loans from Treasury Corporation of Victoria (\$47 million).

We intend to increase our borrowings by \$10.2 million in the later years of the *Financial Plan* to fund strategic projects such as the Selwyn Street Cultural Precinct in Elsternwick.

An average loan principal and interest repayment of approximately \$6.6 million per annum have been included in the *Financial Plan*.

It is important to note that borrowings provide us with cash to create an asset (available cash) and a liability (obligation to repay) with the repayment of principal being a reduction in the liability and the interest treated as an expense.

Borrowings may also be required in the future to fund other liabilities. For example, we may be subject to a call on future contributions to the Local Government Defined Benefits Fund which is dependent on market-forces.

The following financial sustainability principles must be adhered to with new borrowings:

- The purpose for borrowing is consistent with our strategic objectives as detailed in the *Council Plan*.
- Borrowings must be carefully considered in accordance with sound financial management principles and the ability for us to meet the relevant prudential requirements.
- The nature of any borrowings (short or long-term) and the interest rate (fixed or variable) will consider the purpose of the borrowings and seek to minimise interest rate exposure.

- Borrowings must only be applied where it can be proven that repayments can be met in the *Financial Plan*.
- Borrowings are not to be used to finance ongoing recurrent operational expenditure.
- Borrowings are appropriate for funding large capital works where the benefits are provided to future generations.
- We will maintain our debt at levels which are sustainable in accordance with the thresholds of the Victorian Auditor-General's Sustainability Indicators. We will aim for an indebtedness ratio of less 40 per cent relating to the ability to repay debt from own-source revenue (which excludes grants and contributions).

The following table highlights our projected loan balance, including new loans and loan repayments for the 10 years of the *Financial Plan*:

Borrowings for the years ending 30 June 2025 – 2035										
	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	59,676	57,334	56,245	52,133	47,110	45,794	43,954	38,074	32,209	27,693
Plus New loans	-	2,165	-	-	4,000	4,000	-	-	-	-
Less Principal repayment	(2,343)	(3,253)	(4,112)	(5,023)	(5,316)	(5,840)	(5,880)	(5,865)	(4,516)	(4,712)
Closing balance	57,334	56,245	52,133	47,110	45,794	43,954	38,074	32,209	27,693	22,981
Interest payment	(2,438)	(2,408)	(2,295)	(2,103)	(1,934)	(1,882)	(1,767)	(1,519)	(1,294)	(1,098)

The following table shows our projected performance across a range of debt management performance indicators. We maintain our loan borrowing within prudent and management limits as demonstrated by these indicators.

Borrowing Indicators for the years ending 30 June 2025 – 2035										
	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35
Total borrowings / Rate revenue	38.75%	36.81%	33.03%	28.89%	27.19%	25.26%	21.18%	17.35%	14.44%	11.60%
Debt servicing / Rate revenue	1.65%	1.58%	1.45%	1.29%	1.15%	1.08%	0.98%	0.82%	0.67%	0.55%
Debt commitment / Rate revenue	3.23%	3.71%	4.06%	4.37%	4.30%	4.44%	4.25%	3.98%	3.03%	2.93%
Indebtedness / Own source revenue	31.08%	28.98%	27.19%	23.80%	22.17%	20.51%	17.27%	14.72%	12.22%	9.56%

Reserves strategy

Councils have traditionally used reserve funds — money set aside for specific future purposes. These reserves usually don't have separate bank accounts but instead represent a portion of our overall cash surplus. Ideally, reserves should be backed by cash to serve as a key funding source in the *Financial Plan*. The following are the reserve funds that we hold:

Open Space Reserve

We collect a Public Open Space contribution in many circumstances when land is subdivided within the municipality. The requirement for this is in the *Glen Eira Planning Scheme* at clause 53.01.

As part of applicable subdivisions, a landowner is required to make a contribution based on the site value, which we use to either purchase land to create new open spaces such as public parks, playgrounds and reserves, or to make improvements within our existing open space areas. Our open space planning is informed by our *Open Space Strategy*.

There are different contribution rates that apply in different parts of the City. These include:

- In the area known as Caulfield Village, five per cent of the site value of the land which is contained within the mixed-use precinct and the Smith Street precinct, and four per cent of the site value of the land which is contained within the residential precinct.
- In the area known as East Village, in accordance with the *East Village Comprehensive Development Plan*, May 2020 and *East Village Development Contributions Plan*, May 2020.
- All other land, 8.3 per cent of the site value of the land effective March 2023.

The purpose of the Open Space Reserve is to set aside any funds received from the sale of public open space which includes any land set aside in a plan or land in a plan zoned or reserved under a planning scheme for public recreation or public resort; or as parklands; or for similar purposes as defined in the *Subdivision Act 1988*.

Strategic asset development reserve

A reserve is established for the net sale proceeds of any Council-owned land or buildings to be transferred to pending consideration by Council of the application of these funds.

The following table shows the projections of reserves for the years 2025–2035.

Reserves for the years ending 30 June 2025 – 2035

	2025–26	2026–27	2027–28	2028–29	2029–30	2030–31	2031–32	2032–33	2033–34	2034–35
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Open space planning, development and improvements reserve										
Opening Balance	24,793	29,693	23,568	26,113	27,998	30,328	31,655	33,875	35,126	37,226
Transfer to reserve	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Transfer from reserve	(100)	(11,125)	(2,455)	(3,115)	(2,670)	(3,673)	(2,780)	(3,749)	(2,900)	(2,900)
Closing balance	29,693	23,568	26,113	27,998	30,328	31,655	33,875	35,126	37,226	39,326
Strategic Asset Development Reserve										
Opening Balance	1,260	1,260	-	-	-	-	-	-	-	-
Transfer to reserve	-	-	-	-	-	-	-	-	-	-
Transfer from reserve	-	(1,260)	-	-	-	-	-	-	-	-
Closing balance	1,260	-	-	-	-	-	-	-	-	-

Glen Eira Biodiversity Plan 2025–2029

The *Glen Eira Biodiversity Plan 2025–2029* outlines a strategic and community informed approach to enhancing and protecting biodiversity across the municipality. Developed as a key action under the *Our Climate Emergency Response Strategy 2021–2025 | Dhumbali Wurrungi-biik Parbin-ata*, the *Plan* builds on the *Urban Forest Strategy* and reflects our commitment to climate resilience, ecological health, and reconciliation with First Nations Peoples.

The *Plan* was shaped through two phases of community engagement and expert input from Ecology Australia, resulting in 30 targeted actions aligned to four strategic goals:

1. Prioritise the inclusion of First Peoples in biodiversity management.
2. Improve understanding of Glen Eira’s biodiversity.
3. Maintain, improve and protect biodiversity.
4. Engage the community in biodiversity enhancement.

Key amendments to the draft *Plan* were made in response to community feedback, including stronger emphasis on aquatic habitats, collaboration with VicTrack, and refined language to reflect local ecological priorities. Specific suggestions, such as setting measurable targets and partnering with landowners, will inform future action plans.

The *Plan* integrates meaningful engagement with all three Traditional Owner groups, Boonwurrung, Wurundjeri Woi Wurrung, and Bunurong to ensure cultural knowledge and traditional land management practices are embedded into biodiversity actions.

Implementation of the *Plan* is supported by our existing budgets, with future initiatives subject to annual budget processes. It aligns with state biodiversity policy and the *Local Government Act 2020*, reinforcing our commitment to environmental, social, and economic sustainability.

Revenue and Rating Plan

We are required to prepare and adopt a *Revenue and Rating Plan* by 30 June following a general election. This *Plan* must span a minimum of four financial years and forms a key component of our *Integrated Planning Reporting Framework*. The *Revenue and Rating Plan* establishes the revenue-raising framework within we propose to operate. Its purpose is to determine the most appropriate and affordable approach to revenue and rating, ensuring that — alongside other income sources — we can adequately fund the priorities and objectives outlined in the *Council Plan*.

The strategies set out in the *Revenue and Rating Plan* are aligned with the goals of the *Council Plan 2025–2029* and are designed to support long-term financial sustainability. These strategies also inform the development of Council's *Budget, Financial Plan*, and other key documents such as the *Asset Plan* and *Workforce Plan*. By integrating the *Revenue and Rating Plan* with broader strategic planning efforts, we can ensure a transparent, responsible, and community-aligned approach to financial management — one that balances affordability for ratepayers with the need to invest in services, infrastructure, and community wellbeing.

Asset Plan integration

Integration to the *Asset Plan* is a key principle of our strategic financial planning principles. The purpose of this integration is to ensure future funding supports service delivery and the effective long-term management of our assets.

The *Asset Plan* outlines the operational and strategic practices that enable us to manage assets throughout their lifecycle in a financially sustainable way. Along with supporting asset management policies, it helps us to understand and manage the risks associated with maintaining assets for the community's benefit.

The *Asset Plan* also informs the 10-year *Financial Plan* by identifying the capital renewal, backlog, and maintenance funding needed for each asset category. This funding is based on asset condition, risk assessments, and the review of service levels and intervention points for each asset class

Strategic Property Plan

The *2025–2030 Strategic Property Plan* is a forward-looking framework designed to guide how we plan for and manage community infrastructure — ranging from libraries and kindergartens to parks, pools, and civic buildings. Maintaining and renewing these assets in a financially responsible way, especially in a time of rising costs and limited funding, is one of the most significant challenges facing Local Government. The *Strategic Property Plan* helps us make thoughtful, transparent decisions about how we manage, renew, and invest in these important assets while being responsive to the evolving needs of our community, while also being financially sustainable and transparent in their management. The *Plan* supports long-term service delivery by aligning property decisions with population growth, demographic trends, and future infrastructure needs. It addresses challenges like ageing or underused facilities, recommending upgrades or redevelopment to keep assets fit for purpose and valued

by the community. Strategic reviews and community engagement help prioritise investments that offer the greatest benefit now and into the future.

Risk management approach

We are committed to ensuring that both strategic and operational risks are effectively managed to safeguard the organisation and the broader community. We have developed a mature and structured *Risk Management Framework* that supports informed decision-making across all levels. A key feature of this *Framework* is ensuring that risk awareness is embedded in core planning and operational activities.

Our Risk Management business unit plays a central role in facilitating and supporting us in identifying, discussing, and mitigating both existing and emerging risks. This is achieved through close collaboration with business unit managers and the provision of ongoing support, advice, and training to staff. The goal is to foster a culture where risk is not only managed reactively but is proactively considered in every decision made — transforming risk management into a driver of business success.

Oversight is further strengthened by the Audit and Risk Committee (ARC), which reviews a range of risk management reports prepared by staff. The ARC examines specific risk areas, including those related to major projects, and evaluates the effectiveness of the controls in place. In addition to strategic and project-specific risks, the ARC also reviews directorate-level risks, ensuring that risk governance is applied consistently across all tiers of the organisation. This governance structure ensures that risk management is integrated across the organisation, with staff accountability reinforced through position descriptions and performance expectations.

At the operational level, each manager/coordinator maintains a risk register to monitor and manage risks within their business unit. Regular refresher training is provided to ensure managers can effectively assess and update risks, evaluate control effectiveness, and document mitigation strategies. New and emerging risks are identified, and if required, escalated to the Executive for consideration at the strategic level. Additionally, we have mapped key assurance activities to strategic risks, creating a comprehensive assurance map that links risk exposure to performance expectations and control mechanisms — ensuring a transparent and accountable approach to risk governance.

Plan appendices

Engaging our community on financial planning

Nearly **1,600 Glen Eira residents** — from children to older adults, local businesses, and community groups — shared their hopes and priorities through *Our Place, Our Plan*, a four-phase engagement shaping our city’s future.

These conversations directly informed our four-year plans, including our **Financial Plan**. The community’s insights that informed priorities on managing our budgets and finances was gathered through our Community Vision check in, broad engagement and Community Priorities Panel is outlined below.

Community Vision engagement findings (August 2024)

While 88 per cent of respondents agreed that the Community Vision developed in 2021 still reflects their aspirations, some respondents also identified areas they felt were missing. One of the themes identified was the request for Council to work towards economic improvements, for affordability, reduced costs for services and to be more accountable for spending.

Broad community engagement results (February to March 2025)

What matters most to our community



Top priority: Parks, gardens, playgrounds, and open spaces.



Why it matters: Green spaces help people feel more connected to their neighbourhoods.



Community wants: More trees, greener spaces, and investment in nature.

Key engagement findings to guide Council’s financial planning for the future



The community's most important services are:



The assets the community would like Council to prioritise improving



Community views on how Council should pay for increased costs if they were to maintain assets to a higher standard over the next four years



Community Priority Panel’s recommendations (April 2025)

In addressing the Council Plan priority themes, the Panel made the following recommendations to guide our future planning.

Priority theme	Recommendations for future financial planning	Community consensus %
Community safety, cohesion, health and wellbeing	Multi-use spaces: Ensure green spaces and physical recreation areas accommodate different community groups throughout the week.	90%
	Asset maximisation: Utilise our existing assets to support social connection and mental health.	88%
	Improve accessibility: Understand barriers for the community accessing council programs, services and assets and investigate options to improve access.	82%
	Adult-oriented spaces: Create passive, quiet outdoor spaces with activities specifically for adults.	90%
	Versatile community hubs: Design community hubs with co-located services connected through public transport.	88%
	Adaptable spaces: Build community hubs that can adjust to evolving neighbourhood needs.	88%
	Strategic asset assessment: Complete assessments to identify land priorities for shared community hubs.	84%
	Evidence-based design: Use frameworks that apply community connection principles to environmental design.	84%
	Digitally centralised information: introduce a digital tool to centralise information about activities and services from both Council and external service providers	
Diverse, welcoming and accessible places	Accessible community transport: facilitate free, safe and accessible community transport to/from/between centres of activity, both during the day and after dark.	
	Balanced placemaking: Find a balance between maintenance and adding value through placemaking, leveraging businesses and locals.	78%
	Review asset modelling criteria to include social value and utilisation.	84%
	Micro-parks: Prioritise micro-parks and passive open spaces over larger active spaces.	78%

Priority theme	Recommendations for future financial planning	Community consensus %
Environmental Stewardship	<p>Introduce services to reduce the communities waste: such as a library of things, communal green bins. Repair cafes and community gardens.</p> <p>Tree Canopy: Develop kerbside and parking policies that incorporate increased tree canopy and biodiversity (86%)</p> <p>Electric vehicle infrastructure: all council car parks should have EV charging by 2029</p> <p>Sustainable infrastructure: Assets like renewable energy installations, water recycling systems, and eco-friendly buildings demonstrate a commitment to reducing environmental impact.</p>	<p>90%</p> <p>86%</p> <p>78%</p> <p>86%</p>
Innovative and financially sustainable Council	<p>Universal vs targeted support: Council should provide services for the whole community unless there's a gap in existing targeted services.</p> <p>Digital platforms: ask the community what they want to be digitised or use customer service analytics to prioritise digitisation of services.</p>	<p>78%</p> <p>76%</p>



GLEN EIRA
CITY COUNCIL

GLEN EIRA CITY COUNCIL

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