

East Gippsland Shire Council
Annual Report
2024–25



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This annual report is prepared in accordance with the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

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Cover image: Lakes Lights, part of the East Gippsland Winter Festival, Lakes Entrance.



Acknowledgement of Country

East Gippsland Shire Council acknowledges the Gunaikurnai, Nindi-Ngujarn Ngarigo, Monero, Bidawel, Duduroa Dhargal, and Jaithmathang people as the Traditional Custodians of this land that encompasses East Gippsland Shire, and their enduring relationship with country. The Traditional Custodians have cared for and nurtured East Gippsland for tens of thousands of years.

Council values their living culture and practices and their right to self-determination. Council pays respect to all Aboriginal and Torres Strait Islander people living in East Gippsland, their Elders, past, present, and future.

The smoking ceremony at the opening of Krauatungalung Walk Stage 1, Lakes Entrance.

Section one: introduction

We are proud to present our 2024-25 Annual Report, which emphasises our commitment to transparency and accountability. This document details our accomplishments, challenges, and financial management, all aligned with our strategic objectives.

Inside, you will find information on how we followed the Council Plan 2021-25 and achieved the 2024-25 Annual Budget goals, ensuring the responsible use of resources for the benefit of the community.

The report also provides information about the elected Council, our organisation, and key statutory details. To understand our financial status, please refer to the Audited Financial Statements for the period from 1 July 2024 to 30 June 2025.

Our Community Vision – reviewed 2024

In 2040, our people, place, environment and economy will be inclusive, connected, sustainable and resilient for the growth and wellbeing of our unique and diverse communities.

- » **Our Communities:** Will include, encourage, respect, and value everyone.
- » **Our Place:** Will be accessible, safe, connected, and healthy.
- » **Our Environment:** Will be managed and preserved for all generations.
- » **Our Economy:** Will be sustainable, innovative, and supportive of existing and emerging industries.

Council Vision

East Gippsland is an inclusive and innovative community that values our natural environment, puts community at the centre of Council decision-making and creates the conditions in which communities can thrive.

Our Values

Our values are Respect, Collaboration, Integrity and Accountability. Our values are embedded into all that we do, creating a great place to work that delivers quality services to our customers and community.

- » **Respect**
We treat all with courtesy and dignity.
- » **Collaboration**
We build and maintain productive relationships.
- » **Integrity**
We focus on taking the correct course of action.
- » **Accountability**
We are responsible for our actions and outcomes.



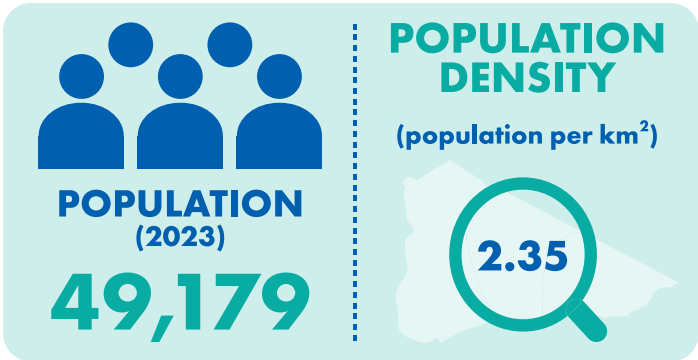
*Being together - Charlotte Williams
Community Vision photo competition winner – Floating Tin Shed, Paynesville.*

DEMOGRAPHIC DATASET

EAST GIPPSLAND



Figures are from the 2021 Census unless otherwise stated.



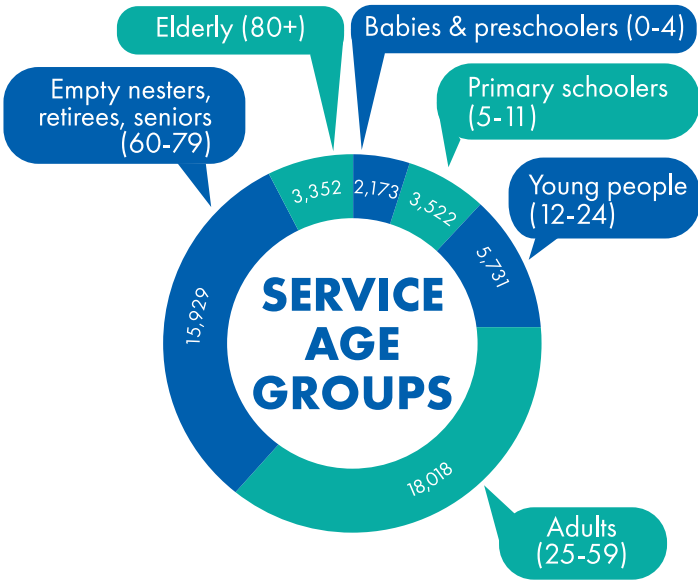
EAST GIPPSLAND POPULATION BY DISTRICT (2023)

DISTRICT:

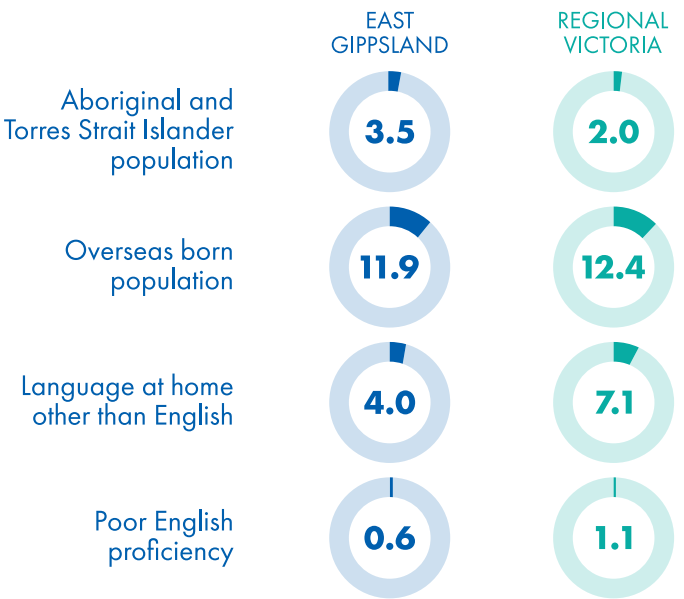
Bairnsdale	17,666	Mallacoota	1,283
Bruthen	1,119	Metung	2,301
Buchan	448	Omeo-Swifts Creek	1,351
Cann River	448	Orbost	4,009
Lakes Entrance	8,716	Paynesville	6,491
Lindenow	2,520	Twin Rivers	2,941

AGE TRENDS

The median age of the community is 52 years, with 39% of the population aged over 60 years. Lone person households make up 29% of all households, with 32.5% of households made up of couples without children, indicative of an older population.



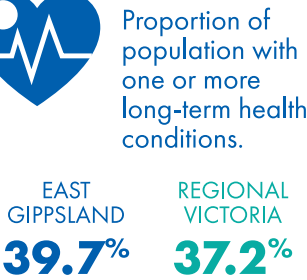
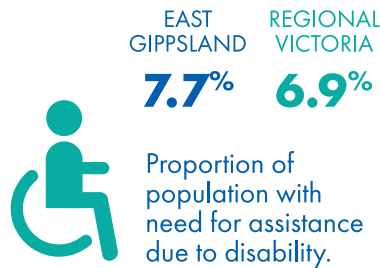
IDENTITY AND DIVERSITY (%)



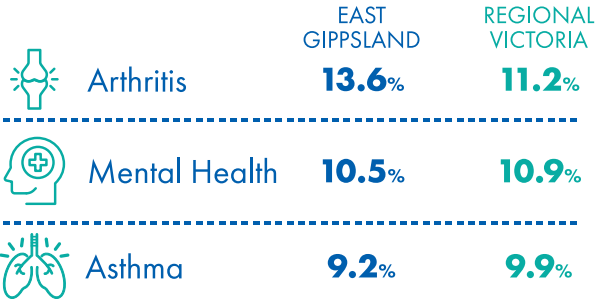
MEDIAN AGE



HEALTH



TOP 3 LONG-TERM HEALTH CONDITIONS



HOUSING

Full ownership of homes is the dominant tenure type in the East Gippsland Shire, with around a quarter of all homes being owned with a mortgage and around a fifth of homes rented. Almost one-third of all households are people who live alone. The average household size in the Shire is 2.2 persons per household.



HOUSEHOLDS		% EAST GIPPSLAND	% REGIONAL VICTORIA
	Families with children	19.1	24.6
	Families with young children	10.1	13.5
	Families with mixed-age children	2.8	3.5
	Families with older children	6.2	7.6
	Couples without children	32.5	28.0
	Lone person households	29.0	37.5

EMPLOYMENT AND SOCIOECONOMIC WELLBEING



	% EAST GIPPSLAND	% REGIONAL VICTORIA
Labour force participation	48.4	57.4
Employment rate	95.6	95.9
Unemployment rate	4.4	4.1
Change in employment rate 2016-2021	2.0	1.9

TOP 5 INDUSTRIES OF EMPLOYMENT (%)

EAST GIPPSLAND		REGIONAL VICTORIA	
Healthcare & social assistance	16.3	16.2	Healthcare & social assistance
Construction	10.0	9.5	Retail trade
Retail trade	9.7	8.8	Education & training
Education & training	9.0	7.2	Agriculture, Forestry & Fishing
Agriculture, Forestry & Fishing	8.4	6.6	Accommodation & food services

HOUSING TENURE

Fully owned (%)	
EAST GIPPSLAND	46.5
REGIONAL VICTORIA	37.6
Owned with a mortgage(%)	
EAST GIPPSLAND	25.4
REGIONAL VICTORIA	31.5
Rented (%)	
EAST GIPPSLAND	18.6
REGIONAL VICTORIA	22.6



HOUSING COSTS

*As at December 2024 via housing.id.com.au/east-gippsland

	EAST GIPPSLAND	REGIONAL VICTORIA
Monthly mortgage repayments	\$1,354	\$1,430
Median weekly house rental*	\$480	\$480
Median weekly unit rental*	\$370	\$395

Mortgage stress (%)	Rental stress (%)
8.7	7.3
29.2	26.2
EAST GIPPSLAND	REGIONAL VICTORIA

MEDIAN HOUSEHOLD INCOME	EAST GIPPSLAND	REGIONAL VICTORIA
	\$1,115	\$1,369

MAIN 3 METHODS OF TRAVEL TO WORK

	EAST GIPPSLAND	REGIONAL VICTORIA
Car as driver	63.3%	61.6%
Worked at home	12.6%	15.1%
Did not go to work	11.0%	11.1%

YOUTH DISENGAGEMENT FROM EDUCATION AND EMPLOYMENT (%)

	EAST GIPPSLAND	REGIONAL VICTORIA
SEIFA index of socioeconomic disadvantage	963	985
SEIFA socioeconomic disadvantage rank out of all Victorian LGAs	63rd (out of 80)	

FAST FACTS 2024–25



Aerodromes

- » We manage three aerodromes: Bairnsdale, Mallacoota and Orbost.
- » Fuel tanks and equipment at Bairnsdale and Mallacoota Airports were upgraded to boost on-site fuel supply – supporting emergency services, private aircraft, and boosting readiness for future commercial flights.
- » Bairnsdale and Orbost airports were officially recognised by Civil Aviation Safety Authority (CASA) as conforming Certified Airports in accordance with the CASA Manuals of Standards.



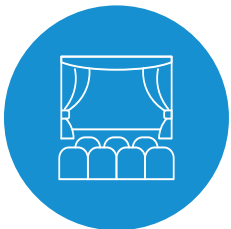
Animal management

- » We helped rehome 267 animals, an increase of 72 from last year.
- » 167 collected animals were reclaimed by their owners.



Aquatic and recreation centres

- » Our recreation centres recorded their highest-ever attendance this year, with 523,104 visits across all aquatic facilities – Bairnsdale Aquatic and Recreation Centre (BARC), Lakes Entrance Aquadome, Bairnsdale Outdoor Pool, and Orbost Outdoor Pool.
- » Learn to Swim numbers continue to grow with 1,316 enrolments across Aquadome and BARC.
- » Bairnsdale City Oval received an upgrade, including lighting of Peppercorn Park, and modern, spacious and female-friendly changerooms. The improvements are encouraging girls to attend training and feel safe in the facilities.
- » The WORLD Sporting Precinct (Bairnsdale) was officially opened, featuring eight courts, a synthetic playing surface with lighting, a turf field, and a modern pavilion equipped with a commercial kitchen, change rooms, and function spaces.



Arts and culture

- » We welcomed 20,199 attendees to the Forge Theatre this year – an increase of over 6,000 compared to last year.
- » The Forge Theatre hosted 101 performances and events this year – 26 more than last year.



Asset management

- » We maintain 3,006km of roads, 191 timber and concrete bridges, 29 footbridges, 267.5 hectares of parks and gardens, 292km of footpaths and shared paths, and 73km of walking trails.
- » We inspected 6,022km of roads as part of Road Management Plan inspections.
- » A total of 260 bridge inspections and 1,907 footpath segment inspections were completed.
- » We held 20 official project openings.

FAST FACTS 2024–25



Caravan parks and campgrounds

- » We run one commercial caravan park – Mallacoota Foreshore Holiday Park – and three free stopover campgrounds in Genoa, Cann River, and Swifts Creek. Travellers who want to support the facilities are encouraged to shop at local businesses in the towns they visit.
- » Mallacoota Foreshore Holiday Park had 12,700 bookings this year, slightly fewer than last year.



Civic events

- » There were four citizenship ceremonies held, welcoming 94 individuals as new Australian citizens.
- » We hosted 26 civic openings, community recognition events and VIP functions.



Customer service

- » We received 53,848 phone calls, with 78% answered within 45 seconds.
- » 799 calls were received after hours.
- » We received 35,303 emails to our feedback@egipps.vic.com.au address.
- » We received 5,495 pieces of mail correspondence and processed 4,844 items at the counter.
- » 129,574 customers attended service centres during the year (excluding the Bairnsdale Library).
- » Our Happy or Not customer feedback kiosks were available at our service centres and the Bairnsdale Library, with 93% of responses rating the service as Very Happy or Happy.



Engagement and communications

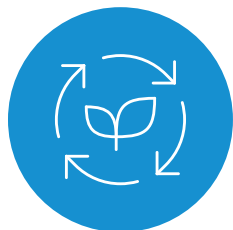
- » Our Facebook page grew to 11,708 followers.
- » Our website had 454,262 visits, an increase of nearly 100,000 from last year.
- » We issued 171 media releases during the year.
- » 45,200 people visited our YourSay site with 1,100 participating in surveys, quick polls or provided feedback.
- » The *Community Matters* newsletter has 1,469 subscribers.



Environmental and public health

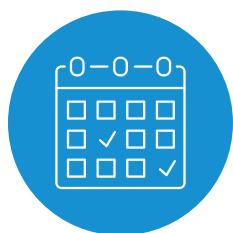
- » We carried out 378 food premises inspections.
- » We held 30 community vaccination sessions.
- » We vaccinated 2,244 people this year, including 583 Year 7 and 10 students, 902 through community sessions, and 759 at corporate sessions.
- » We carried out inspections on 150 septic systems.

FAST FACTS₂₀₂₄₋₂₅



Environmental sustainability

- » Our six public electric vehicle charging stations have avoided 31 tonnes of CO₂ emissions in the past year.
- » There were over 4,090 charging sessions and cars came from 568 postcodes from around Australia.
- » We worked with Howitt Park Market to reduce general waste to less than 120 litres per market.



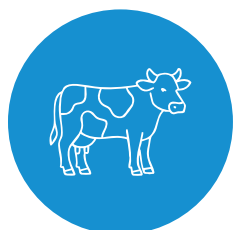
Events

- » We supported over 261 individual events and issued 126 event permits.
- » Sponsored events generated an estimated economic impact of over \$6 million, delivering a return of \$38.46 for every dollar invested.



Information Management

- » We blocked approximately 39.8 million cyber threats.
- » We received approximately 1.2 million emails, keeping our inboxes and teams busy.



East Gippsland Livestock Exchange

- » 57,652 cattle and 38,527 sheep processed.
- » 94 sales held during the year.



Marinas

- » Our three commercial marinas – Metung (145 berths including 24 dry berths), Chinaman's Creek Metung (69 berths), and Slip Bight Paynesville (220 berths) – achieved strong occupancy rates of 88%, 98%, and 89% respectively.
- » We manage 51 public jetties, 22 fishing platforms and 33 boat ramps.

FAST FACTS₂₀₂₄₋₂₅



Planning and building approvals

- » Process improvements saw the median number of days taken to decide planning applications reduce from 94 to 64.
- » During the year, 492 planning permit applications were lodged, 535 were determined, and the approved permits represented an estimated value of \$138 million.
- » A total of 1,078 building permits were lodged.
- » 79 new pool or spa registrations in the year.
- » Reduced the number of outstanding pool barrier compliance certificates from approximately 200 to 42.



Vegetation

- » 6,545,887m² of slashing took place. This is a combination of roadsides, reserves, and Council-owned properties.
- » We mowed our Parks and Gardens multiple times this year, and mowing every area just once covers a total of 2,752,568m².
- » We treated 445km of regionally controlled and prohibited weeds on roadsides.



Waste and recycling services

- » There are 22,552 kerbside garbage bins and 22,203 kerbside recycling bins in service.
- » There were 1,263,450 kerbside garbage and recycling bin lifts.
- » Over 49% of kerbside waste collected was diverted from landfill.

Highlights and major achievements

We are committed to supporting East Gippsland communities by delivering essential services, new infrastructure, and driving projects. We've organised community celebrations and events and provided funding opportunities to help our region flourish. These initiatives align with our strategic goals to enhance the quality of life and strengthen community bonds.

Wild Harvest Seafood Festival, Mallacoota.

An inclusive and caring community that respects and celebrates diversity

We care deeply about our communities because we are part of our communities. We live and work in our communities across the shire and respect different perspectives and experiences – in the workplace and in the community – as we work together to support the health and wellbeing of our communities.

Community Directory connects groups and volunteers

We launched a new era of community connection in May, with our Community Directory going live. The online platform already features over 500 listings of local services, groups, events, and volunteering opportunities. This directory makes it easier for everyone – regardless of age, background or location – to get involved and feel welcome.



Real-time updates with new Emergency Dashboard

We led the way with Victoria's first local Emergency Dashboard providing our community with centralised access to emergency information and resources.

The platform is available on both desktop and mobile and includes live updates on VicEmergency warnings, weather conditions, road and power outages, river heights and other key information drawn from lead agencies. It also links to local hazard mitigation plans, preparedness information, and municipal and district-level emergency planning.

Having one place to find accurate, timely and localised information helps our community prepare, stay safe, and recover more effectively.

More people using our libraries

We focus on making our library and service centre spaces accessible for everyone and this year library use continues to grow, with nearly 6,000 users borrowing over 200,000 items across physical and digital collections.

Our library staff delivered over 1,100 programs, engaging with 14,233 participants across a wide range of age groups and interests. One highlight was *The Big Summer Read* statewide initiative, which saw great engagement with 174 children reading over 1,360 books.

The Paynesville Service Centre outdoor space was transformed into a more user-friendly space, with heating, new fencing and plantings, supported by Friends of Paynesville Library.



Prioritising health and wellbeing

We collaborated with health sector partners on the development of the Municipal Health and Wellbeing Plan, which has been integrated into the Council Plan for the first time, ensuring a more holistic approach to community planning and service delivery.

Cultural awareness training has started to be rolled out to staff to build understanding of First Nations culture and history, strengthen partnerships, and ensure cultural safety across the organisation. Training includes a visit to the Krowathunkooloong Keeping Place (right).



Events for everyone

Our teams and Youth Ambassadors took a lead role in organising and supporting a range of events within the community to highlight important dates such as NAIDOC Week, Reconciliation Week, IDAHOBIT, R U OK? Day, 16 Days of Activism and many more.

The Orbost Outdoor Pool 'Dive In' movie night was a great free community event featuring family-friendly films, a sausage sizzle, popcorn, and inflatable pool access – boosting summer engagement with support from community recovery funds.

At the region's largest annual event – the East Gippsland Field Days – we had our largest and most diverse display to date and welcomed 750 visitors over two days to engage on local government services.

Four citizenship ceremonies were held throughout the year, with 94 East Gippsland residents officially becoming Australian citizens, celebrating with family and friends.

Planning and infrastructure that enriches the environment, lifestyle, and character of our communities

We plan and build things that help protect the environment, make everyday life better, and celebrate what makes each community in East Gippsland special. By designing with care and thinking about everyone's needs, we're creating places that feel good to live in, bring people together, and reflect the values of the people who call this region home.

Celebrating sport and recreation across East Gippsland

The WORLD Precinct, Bairnsdale (right), hosted the Netball Victoria Eastern Association Qualifying Day – a high-level competition that supports athlete development and gives our community the chance to host a prestigious sporting event.

Roofing repairs at Orbost Stadium addressed water leaks and safety issues, replacing roofing iron, guttering, flashings, and skylight mesh. These works build on earlier upgrades and prepare the stadium for timber floor restoration in 2025–26.

Upgrades at seven recreation sites improved inclusivity and safety with modesty screens, better showers, and accessible toilets – delivered with a focus on budget discipline and gender equity.



Building better spaces through capital works

Our capital works program delivered a wide range of upgrades that improve wellbeing, safety, and accessibility.

Highlights include:

- » Lighting upgrades at Lindenow South (right) and Wy Yung Recreation Reserves for safer evening training.
- » Inclusive play areas and Changing Places facilities to support full community participation.
- » Streetscape improvements in Mallacoota and Marine Parade and Myer Street in Lakes Entrance to boost pedestrian safety, drainage, and accessibility.



Planning for a growing and thriving East Gippsland

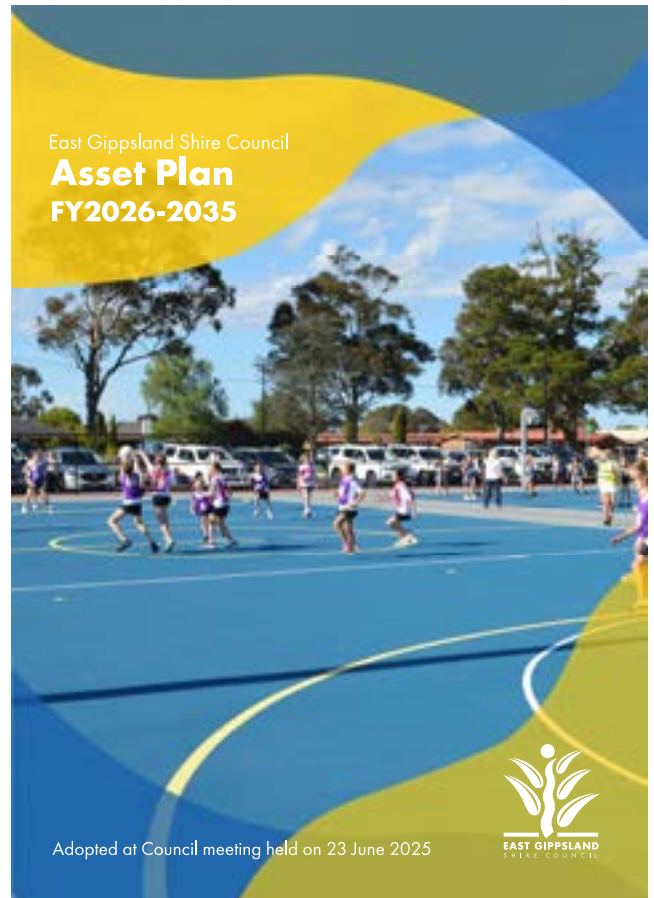
Four major planning amendments were prepared and authorised, including structure plans for Paynesville and Eagle Point (below) now under independent review. Another amendment updating the Municipal Planning Strategy is ready for Ministerial approval. These support planned town growth and housing needs.

Changes to the East Gippsland Planning Scheme initiated by us helped reduced red tape for thousands of property owners across the Shire. The review of the Erosion Management Overlay has reduced the burden on landowners by ensuring it only applies to land where there is a real risk of erosion.



Standing up for East Gippsland

We were active in our advocacy to the State Government on major planning reforms. A comprehensive submission was lodged on the 'Plan for Victoria', along with collective advocacy with other Gippsland councils through One Gippsland. We were also an active participant in a Municipal Association of Victoria working group looking at proposed changes to the *Planning and Environment Act 1987*.



Looking ahead: long-term asset planning

The Asset Plan 2026–2035 was adopted after extensive community consultation. It includes six sub-plans and sets a 10-year direction for asset management, aligning with the Community Vision and outlining annual maintenance, renewal, and infrastructure projects.

A natural environment that is managed and enhanced

We're working together to look after and improve our natural surroundings, so they stay healthy and beautiful for everyone. By managing our natural environment, we help protect local plants and animals, support clean air and water, and create spaces that people can enjoy now and into the future.

Restoring nature and safeguarding our coastline

The transformation of Crooke Street Wetlands in East Bairnsdale has turned a simple drain into a thriving wetland that improves water quality and reduces pollution flowing into the Gippsland Lakes Ramsar site. Council is proud to have contributed over 50% of the funding for this project, which not only enhances biodiversity and supports vital bird habitats, but also improves local amenity. This important work has been made possible through collaboration with DEECA and our valued project partners.

Work is nearing completion on the Draft Coastal and Marine Management Plan, which will guide the sustainable use and protection of East Gippsland's unique coastal and marine environments. Alongside this, the Integrated Water Management Plan for Lakes Entrance and surrounding areas is being developed in collaboration with East Gippsland Water, DEECA, and other stakeholders to support long-term water security and environmental health.

In West Bairnsdale, Stage 1 of our Geothermal Study has recommended further investigation through a test bore to confirm the viability of the resource. If successful, this initiative could significantly reduce emissions and operational costs – particularly at the BARC, our highest user of mains gas.

Smarter waste solutions shaped by community voices

Our Waste and Recycling Review is progressing strongly, shaped by robust community engagement. We received 670 survey responses, held 324 conversations at pop-up stalls, and facilitated five focus groups. These insights are now guiding the final Transition Plan for future waste and recycling services that better reflect community needs and expectations.

Design work for the new organic waste facility has been completed, and we've submitted applications for both an EPA license and a planning permit. The proposed composting facility at the Bairnsdale Landfill and Waste Transfer Station represents a major step forward in sustainable waste management for our region.

Draft CMMP: What we heard (August 2024)

East Gippsland Coastal and Marine Management Plan

Over the past 12 months, Council has been developing a Coastal and Marine Management Plan (CMMP) for the coastal communities across East Gippsland. Guided by Victorian Government legislation (the *Marine and Coastal Act 2018*) and policy (Marine and Coastal Policy, 2020), the Plan will guide sustainable management of Council-managed coastal reserves.

Building on and informed by community input to date, the Draft CMMP was released for public comment in June 2024. The Draft CMMP is an extensive document covering both Shire-wide and community-specific aspects. Throughout June and July, we welcomed comment on the Draft CMMP. People could provide their feedback through:

- Online survey activities
- Community webinars and discussion
- Written submissions

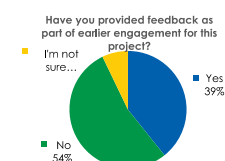
Thank you to everyone who participated and shared their thoughts on the Draft CMMP.



Who We Heard From

We had nearly 30 responses to the online survey, around 20 people join a webinar and submissions from several volunteer, environmental, and community groups.

We appreciated hearing from some of the people we hadn't yet heard from. Over half of the people who completed the survey, said they hadn't contributed before.



For the locality actions, we received most comments for Raymond Island, Paynesville and Newlands Arm, and Eagle Point.

East Gippsland Coastal and Marine Management Plan

1

Leading the way on climate and clean energy

We've outlined our path to Net Zero Emissions by 2032 through the Greenhouse Gas Emissions Reduction Plan, which includes a financial modelling tool to support future planning and business cases. This work ensures we're making informed, strategic decisions that benefit both the environment and our community.

The Climate Risk and Resilience Project has delivered a co-designed climate risk assessment framework and online tool, developed with 20 stakeholders. This tool enables asset risk scoring across hazards and timeframes, supporting more resilient and forward-thinking strategic planning.

We've also expanded our sustainable infrastructure with two new public EV charging stations – one in Mallacoota and another in Buchan – and added our first electric mower to the fleet. While initial adjustments were needed, this move supports our commitment to low-emission operations.



Crooke Street wetlands, East Bairnsdale.



Better access to water and safer marine facilities

At Bastion Point, Mallacoota (above), grant funding from Better Boating Victoria has supported dredge management to maintain safe launching conditions during peak tourist seasons. This ensures continued access for recreational boating and supports local tourism.

A thriving and diverse economy that attracts investment and generates inclusive local employment

We're building a local economy that welcomes new ideas, supports small businesses, and creates jobs for people from all walks of life. By encouraging investment and celebrating our region's strengths, we're helping our community grow in a way that's fair, diverse, and full of opportunity for everyone.

Promoting our region and visitor economy

Omeo's mountain bike trails were launched with a high-impact campaign by Flow MTB, featuring 12 riders in a GoPro POV video competition. The promotion highlighted Omeo's trails, local charm, and hospitality – boosting its profile as a top riding destination.

The successful leasing of Eagle Point Caravan Park to Camp Crusty Operations Pty Ltd marked a major step in its long-term development. The operator brings experience managing tourism assets across Victoria.

Visitor economy support included signage enhancements, a rebuild of the Visit East Gippsland website, event sponsorships and refreshed visual assets for storytelling and promotional campaigns.



Supporting local business and industry

Agribusiness Capability and Leadership Programs supported leadership development and resilience planning for agricultural enterprises, focusing on diversification, decision-making, and financial capability.

Business Digital Literacy and Customer Service Programs delivered workshops and mentoring to help small businesses improve digital skills and service quality.

The Business Support Voucher Program, co-funded by Council and DEECA, helped 54 local businesses apply for Forestry Transition Program funding, offering tailored support in financial literacy, marketing, and strategic planning.



Celebrating community through events

The Region-Wide Touring Program, supported by Emergency Recovery Victoria, delivered 28 performances of 10 shows to over 12,000 people across East Gippsland, including fire-impacted towns like Mallacoota, Orbost, Omeo, and Cann River.

The Pathways to Growth Mentoring Program provided tailored support to four signature events – East Gippsland Winter Festival, Twin Rivers Bream Classic, Paynesville Classic Boat Rally, and Wild Harvest Seafood Festival (above) – to elevate their impact and boost regional visitation.



Building employment pathways

The 2024 Bairnsdale Jobs Expo, delivered in partnership with the Federal Government's Local Jobs Program and East Gippsland Marketing Inc, connected over 220 job seekers with 26 local employers, showcasing 110 vacancies and fostering regional collaboration in skills and training.

Commercial review of the East Gippsland Livestock Exchange

A commercial review of the East Gippsland Livestock Exchange was completed, focusing on commercial viability and future planning to better engage the farming community and align with industry needs.



A transparent organisation that listens and delivers effective, engaging, and responsive services

We're committed to being open, honest, and easy to work with. We listen to our community, act on feedback, and deliver services that are clear, helpful, and responsive to local needs. Whether it's online, over the phone, or face-to-face, we aim to make every interaction positive and worthwhile.

Connecting with our community

Over the past year, our Customer Contact Centre responded to 53,848 calls, helping residents with everything from rates and service requests to event bookings and general council enquiries. This high volume of calls highlights the importance of accessible, responsive service.

At the same time, our service centre teams supported 24,864 in-person customer requests, reinforcing the value of face-to-face interactions across the Shire. We also trialled SMS messaging to reach ratepayers with outstanding payments. The response was overwhelmingly positive, with many appreciating the timely and direct communication.



Planning with purpose

We worked closely with our community to shape the future – ensuring our plans reflect local priorities and values. Through targeted engagement, we gathered feedback on service priorities for the 2025-26 budget, helping shape a plan that reflects what matters most to our residents.

Our updated Community Vision was shaped by a 21-member Community Panel and broad community input. It now serves as the foundation for our Council Plan 2025–2029, which was formally adopted in June. This integrated plan includes the Municipal Health and Wellbeing Plan and aligns our strategic goals with the health and wellbeing needs of our community.



Supporting good governance

We're committed to transparency, accountability, and supporting our elected representatives. Councillor induction training was completed in February 2025 and since then, we've supported over 100 meetings and events, including visits from the Governor of Victoria and the Governor-General of Australia.

We also made strides in improving transparency by reducing the number of council decisions made in closed meetings by 19%, reinforcing our commitment to open governance.



Improving how we work

We're investing in smarter systems and stronger partnerships to deliver better services. A joint tender with Wellington Shire Council for ICT print and copier equipment delivered savings and strengthened our shared services model. We also rolled out a new cloud-based Electronic Document and Records Management System (EDRMS), replacing the outdated ECM system. This upgrade improves automation and service delivery across the organisation.

At our recreation centres (right), a new leadership structure was introduced, improving ways of working and requiring thoughtful change management and communication.

Advocating for our region

We stood up for our community – making sure local voices were heard on key issues. We led a strong advocacy campaign opposing the Emergency Services Volunteers Fund levy, which was introduced without consultation. Our efforts helped pause the levy increase for primary producers in 2025–26.

We also joined other Victorian councils in calling for a rethink of the kerbside glass recycling rollout, advocating for an expanded Container Deposit Scheme as a more cost-effective alternative.

Helping ratepayers in tough times

We understand that financial hardship can affect anyone, and we're here to help. Our Hardship Policy provided tailored support to 33 households and helped 448 accounts manage payments through flexible plans.

Our Rates team worked directly with residents experiencing payment difficulties, offering affordable plans and linking them with free financial counselling. This compassionate and proactive approach ensures that support is accessible and responsive to individual circumstances.



Councillors during one of their regular members with Tim Bull MP, advocating on local issues and opportunities.

Challenges

Over the past year, residents and businesses across East Gippsland have faced mounting cost of living pressures. The compounding effects of inflation and interest rate increases have significantly impacted household budgets and business viability, driving increased demand for support services and placing strain on community wellbeing.

In response, Council has worked to maintain service delivery despite rising costs of materials, utilities, and contracted services, which have placed considerable pressure on our operational and capital budgets. We continue to advocate for targeted investment and policy support to address affordability and infrastructure gaps. To strengthen our internal capacity, we initiated a comprehensive project management review aimed at improving delivery efficiency, enhancing governance, and ensuring that resources are aligned with community priorities. This review will guide future improvements in how we scope, plan, and deliver projects to better meet the needs of our region.

Housing availability and affordability remain critical concerns. Limited housing supply, particularly in areas affected by industry transition and disaster recovery, has hindered the attraction and retention of the workforce. While the implementation of the Housing and Settlement Strategy is underway to assist with land supply for housing over the next 20 years, a range of external factors such as construction costs, low rental supply and cost of living increases means that the pace of development has not kept up with demand. We continue to advocate for targeted investment to address these challenges.

The transition of local economies, particularly following the closure of the native timber industry, has presented both opportunities and disruptions. We have worked closely with communities in Orbost, Nowa Nowa, and Swifts Creek to support local development strategies and identify new economic pathways. However, gaps in training, childcare, and infrastructure remain barriers to inclusive growth and long-term resilience.

Climate-related events, including severe storms and flooding, again tested the region's emergency preparedness and infrastructure resilience. Our investment in emergency power facilities, local incident management plans, and climate risk assessments has strengthened response capacity, but the increasing frequency of extreme weather events underscores the need for sustained adaptation planning.



We were on hand to help open the ADRA Community Food Pantry in March.

Moving forward

In 2024–25, we have finalised several major infrastructure and community initiatives that have been years in the making. These projects – ranging from recreation upgrades to community facility renewals – reflect our long-term investment in local wellbeing, resilience, and liveability.

At the same time, we are undertaking a more strategic approach to service planning. By reviewing how services are delivered and aligning them with community needs and expectations, we aim to ensure that every program and initiative delivers maximum value to our community.

We are also actively exploring cost-saving measures and service improvements across the organisation. Through innovation, collaboration, and data-informed decision-making, we are committed to delivering high-quality services in the most efficient and effective way possible. As we move forward, our focus remains on building a connected, inclusive, and future-ready East Gippsland.



Rising Strong forum. Credit: Lauren Anderson.

Section two: the year in review



Message from the Mayor and Chief Executive Officer

Community matters – and it's at the heart of everything we do. This commitment is reflected throughout our Annual Report and in the services we've delivered across the past year. As part of the community, we understand the pressures many people are facing, especially as the cost of living continues to rise.

As we reflect on the 2024–25 year, we acknowledge the dedication and leadership of the previous Council group, whose term concluded in October. Their commitment to community-centred decision-making and long-term planning has laid a strong foundation for the work ahead. We thank them for their service and the legacy they leave in progressing key strategies, infrastructure, and community partnerships.

This year marked the formal conclusion of bushfire recovery funding from the 2019–20 Black Summer fires. Over the past four years, this funding has supported hundreds of community-led projects, infrastructure upgrades, and wellbeing initiatives across East Gippsland. The end of this funding signals a transition from recovery to resilience.

While the funding may have concluded, our commitment to supporting impacted communities remains steadfast. We will continue to work alongside local leaders and volunteers to ensure long-term resilience is embedded in our planning and service delivery.

The challenges of the past year have been significant. Rising costs, housing pressures, and weather events have tested us all. Yet,

through collaboration and innovation, we have continued to deliver vital services, advocate for fairer funding, and invest in infrastructure that supports our region's future. Our focus on financial sustainability has remained strong, ensuring we can meet today's needs while planning responsibly for tomorrow.

Looking ahead, we are strengthening our project planning and delivery processes to support improved performance and accountability. This will help us respond more effectively to challenges and continue delivering on our commitments.

We thank our community, partners, and staff for their continued support and contribution. Together, we are building a more inclusive, connected, and resilient East Gippsland – because community matters.

Councillor John White – Mayor
Fiona Weigall – Chief Executive Officer



Cr John White and Fiona Weigall at the Rising Strong Forum.

Summary of financial performance

The 2024/25 financial year demonstrated Council's strong commitment to sound financial management, resilience, and delivering long-term value to our community. Despite external challenges and project delays, we maintained a solid operating position, made meaningful progress across priority areas, and preserved a healthy financial base to support future growth and infrastructure delivery.

Our Long-term Financial Plan continues to be the foundation of our decision-making, ensuring that we allocate resources effectively, remain adaptable, and sustain essential services now and into the future. The year's results reflect prudent financial planning, a clear focus on service continuity, and a disciplined approach to capital investment.

Financial highlights

We generated \$171.6 million in total revenue, outperforming the adopted budget by 6.3% (\$10.1 million). This was driven by early financial assistance grant payments, stronger-than-expected user fees, and increased investment returns.

- » Rates and charges contributed \$72.2 million, representing 44% of our operating income.
- » Operating expenditure totalled \$146.2 million, exceeding budget by 10.3% (\$13.7 million), largely due to higher employee costs, depreciation, and asset write-offs associated with capital renewals.
- » We recorded a strong net operating income of \$20.1 million, providing a solid financial buffer, though slightly below the adopted budgeted net income of \$24.1 million.
- » Council delivered \$43.8 million in capital works, completing key infrastructure upgrades while rescheduling other major projects to 2025/26 due to design, planning, and environmental considerations. This represents 48% of the total adopted capital works budget of \$91.4 million.
- » Cash and financial assets were maintained at \$123.1 million, safeguarding Council's liquidity and ability to respond to future needs.
- » Debt remained steady at \$9.1 million, well within sustainable levels and aligned with long-term projections.

Asset renewal

Council remains committed to responsibly maintaining and renewing its infrastructure to ensure long-term service delivery for the community. In 2024/25, a total of \$32.66 million was invested in asset renewal works, representing approximately 44.5% of the adopted renewal budget of \$58.9 million. While this was below target, the variance was due to the deferral of some major projects to 2025/26, including the Bairnsdale Airport runway upgrade, multiple

plant replacements, IT system renewals, and road, drainage, waste, and open space improvements. These delays were primarily driven by timing, environmental approvals, and updated asset condition assessments.

Council's long-term asset management plans continue to guide renewal priorities, ensuring assets are maintained in a cost-effective and sustainable manner that meets current and future community needs.

High-level asset class	Renewal (\$'000)	Upgrade (\$'000)	New (\$'000)	Total (\$'000)
Property	4,969	268	2,501	7,738
Plant and Equipment	4,812	95	1,552	6,459
Infrastructure	22,882	1,147	5,599	29,628
Total Capital Expenditure	32,663	1,510	9,652	43,825

Cash holdings

Council's cash and cash equivalents at the end of the 2024/25 financial year totalled \$123.16 million. This balance represents an increase from the prior year and is attributable to the receipt of grant funding in advance, as well as underspending in capital works due to project deferrals.

A significant portion of these funds is earmarked for committed projects that will be delivered in 2025/26, including major infrastructure and building works.

Debt management

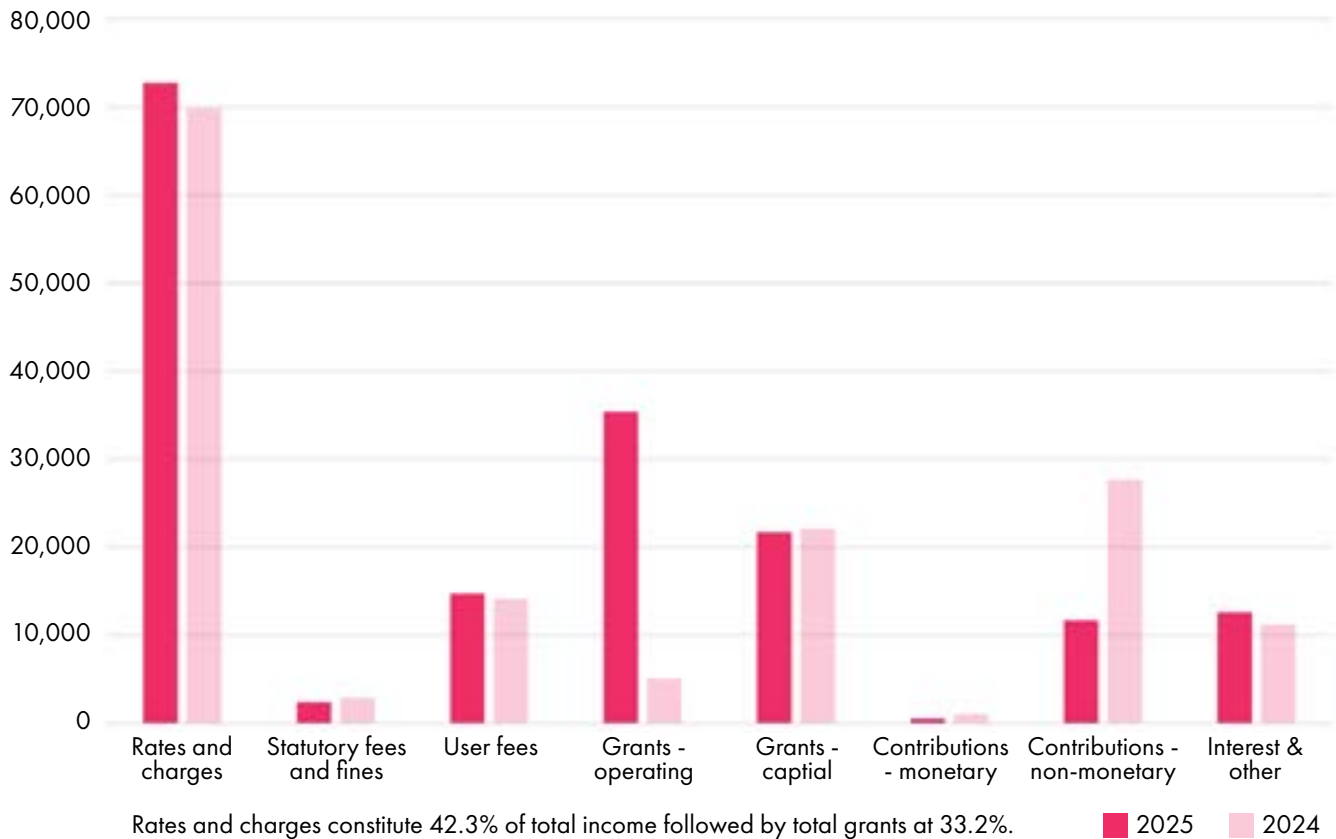
During the 2024/25 financial year, Council's debt levels decreased slightly, reflecting ongoing repayment efforts alongside investment in essential infrastructure and community facilities. Total borrowing at year-end stood at \$9.1 million, down

from \$9.859 million in the previous year. Council continued making monthly repayments on the loan from Treasury Corporation Victoria (TCV) throughout the year among others. This reduction aligns with Council's Long-term Financial Plan and supports the delivery of major capital projects, many of which span multiple years and offer lasting benefits to the community.

Operating results

In 2024/25, Council generated a total income of \$171.7 million, representing an increase of \$17.7 million compared to the previous year. This growth reflects our ongoing commitment to delivering better services and infrastructure while maintaining a sustainable financial position.

Total revenue: 2025 vs 2024



Rates and charges

The largest source of income continues to be rates and charges, which contributed \$72.7 million (42%) of total revenue. The steady increase of nearly 4.1% (\$2.8 million) from last year helps us maintain essential services such as waste collection, road maintenance, and local facilities.

User charges

Income increased by \$626,000 (4.4%) in 2024/25, rising from \$14.113 million to \$14.739 million, 8.6%. This growth was driven by higher patronage across indoor recreation centres and pools, strong performance at the Livestock Exchange, and increased bookings at key holiday parks such as Mallacoota Foreshore and Swifts Creek. These results reflect strong community and visitor engagement with Council facilities and help diversify revenue beyond rates.

Grants

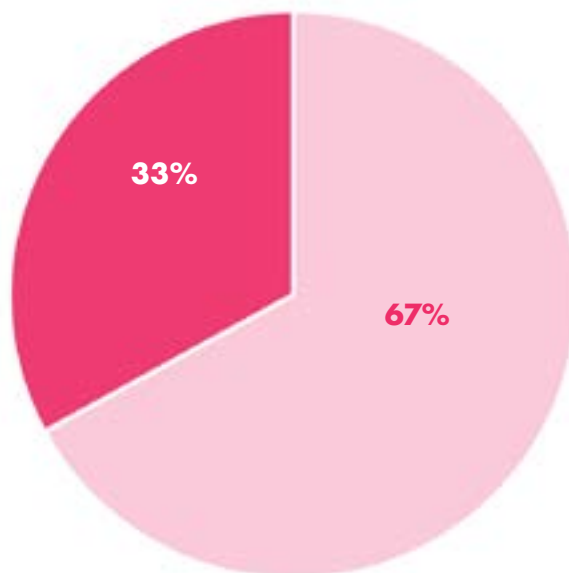
Grants remained a key source of Council's income in 2024/25, collectively contributing \$57.14 million (33.3%) of total revenue.

- » Operating grants increased significantly by \$30.34 million (597%), rising from \$5.08 million in 2023/24 to \$35.42 million in 2024/25. This was primarily due to the early receipt of \$10.7 million from the Victoria Grants Commission for the following year, along with other timing-related inflows.

- » In contrast, capital grants decreased slightly by \$387,000 (1.8%), from \$22.11 million in 2023/24 to \$21.72 million in 2024/25. The modest decline was mainly due to delays in the delivery of some major capital works projects, which will now be completed and recognised in the 2025/26 year.

Together, grants continue to play a critical role in supporting both day-to-day operations and long-term infrastructure investment.

Grant income as a % of total income



- Other income
- Grants

Over 33% of Council services are funded through grants.

Contributions: monetary and non-monetary

In the 2024/25 financial year, Council received a total of \$12.107 million in contributions, consisting of \$399,000 in monetary contributions and \$11.708 million in non-monetary contributions. This marks a decrease of \$16.571 million (57.8%) compared to the 2023/24 total of \$28.678 million, which comprised \$1.033 million in monetary contributions and \$27.645 million in non-monetary contributions.

Monetary contributions fell by \$634,000 (61.4%) year-on-year. This decline was largely due to fewer developer and operating contributions, as several subdivision projects experienced delays in 2024/25. Although the year included \$252,000 in unbudgeted capital project contributions (notably for the Swifts Creek Recreation Reserve), it was not enough to offset the overall reduction compared to 2023/24.

Non-monetary contributions dropped significantly by \$15.937 million (57.7%). In 2023/24, Council recorded an unusually high volume of developer-contributed assets such as roads, footpaths, and drainage infrastructure, coinciding with the completion of several large subdivisions. In contrast, the 2024/25 figure, while still above the adopted budget, reflects a return to more typical levels of development activity.

While the 2024/25 contributions are materially lower than the previous year, they continue to enhance Council's asset base. However, non-monetary asset transfers also bring long-term financial commitments in terms of maintenance, renewal, and depreciation.

Interest & other income

Council recorded \$12.577 million in Interest & Other income, an increase of \$1.367 million (12.2%) compared to \$11.210 million in 2023/24. The year-on-year growth was driven by higher-than-expected investment income, reflecting increased cash holdings from unspent capital works and advanced grant funding, combined with elevated interest rates throughout the year. Other contributing factors included additional rental income and miscellaneous revenues from Council operations. This continued uplift underscores the positive impact of prudent cash management and favourable market conditions on Council's non-core revenue streams.

Operating expenditure

Council's total operating expenditure increased to \$146.276 million, up from \$131.443 million in 2023/24 — an increase of \$14.833 million (11.3%). The most significant contributor to this rise was employee costs, which grew by \$4.550 million (11%), driven by the continuation of bushfire recovery roles and casual staff costs. Materials and services also rose substantially, increasing by \$4.708 million (9%), reflecting inflationary pressures, service demand, and delivery of externally funded programs.

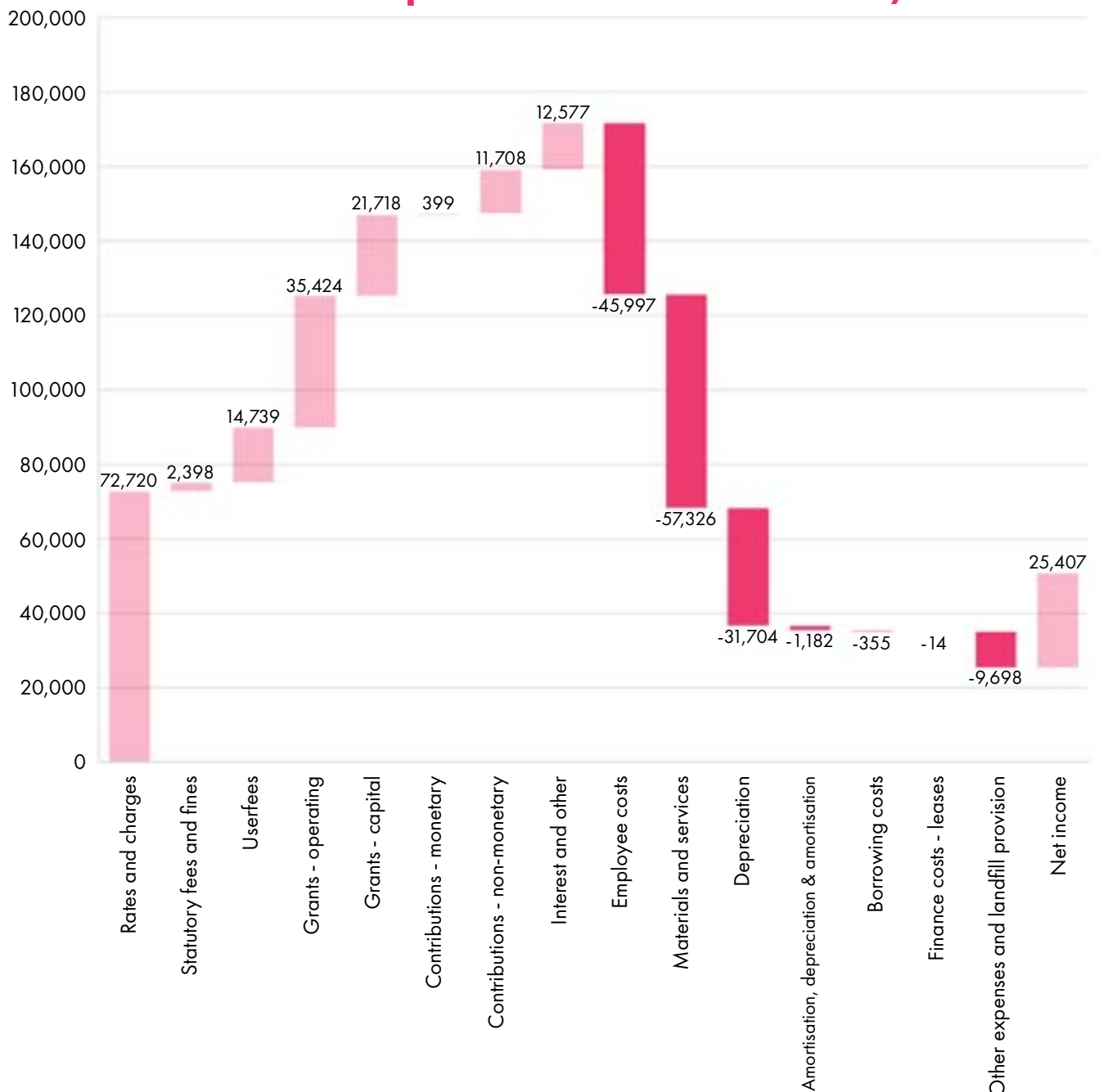
Depreciation expense climbed by \$2.410 million (8.2%), primarily due to contributed assets being added to Council's infrastructure base and the completion of capital works from prior years resulting in new assets becoming subject to depreciation.

Other expenses increased by \$2.495 million, mostly due to asset write-offs related to infrastructure renewals, a non-cash adjustment that aligns the asset register with the current state of assets. Additionally, landfill rehabilitation provision recorded a positive movement of \$582,000, changing from a reversal of \$311,000 in 2023/24 to a \$271,000 increase in 2024/25, due to revised cost and discount rate assumptions.

Minor changes were recorded in amortisation, borrowing costs, finance lease interest, and impairment losses, which collectively had limited impact on the overall result.

Overall, the increase in operating expenditure reflects both real growth in service-related costs and the effect of year-end accounting adjustments.

Income and expenditure flow chart: 2024/25

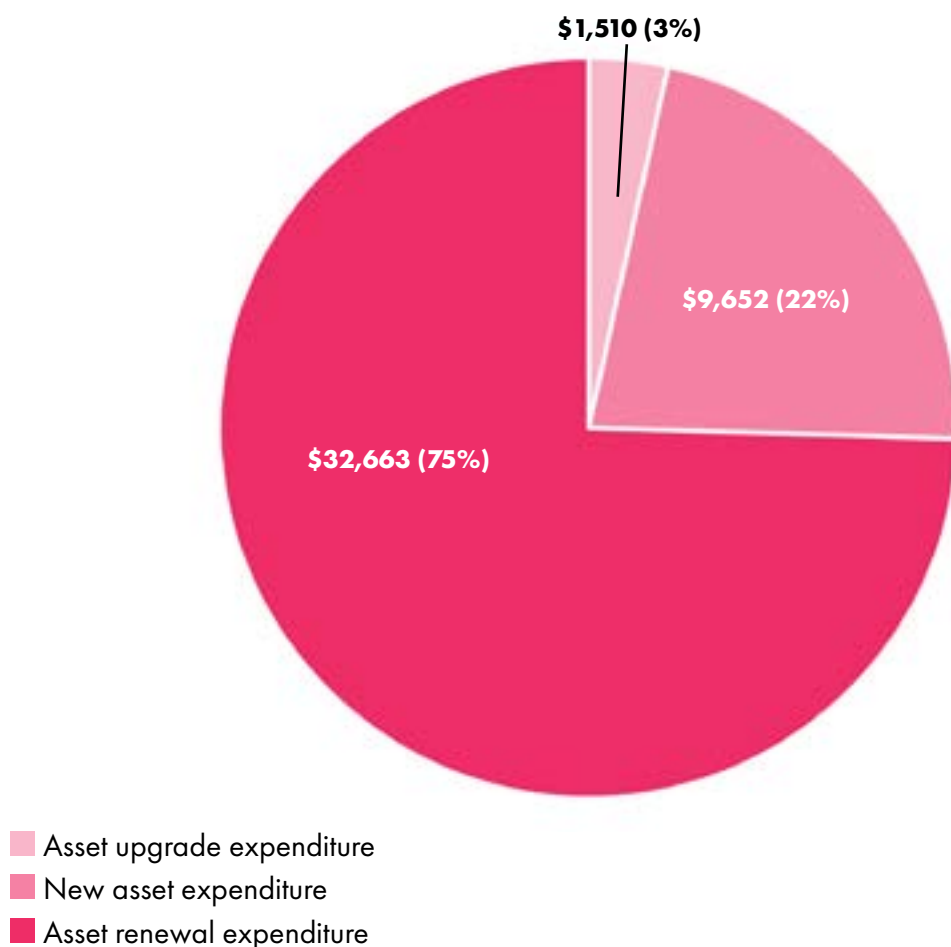


Summary of Capital Works Allocations

Council's total capital works expenditure for the 2024/25 financial year was \$43.825 million, representing an underspend of \$47.558 million (52.04%) compared to the adopted budget of \$91.383 million.

The shortfall was due to the deferral of several major infrastructure projects into the 2025/26 financial year, including the Bairnsdale Airport Runway Extension (\$11.092 million), Digital Services Project (\$3.543 million), and WORLD Sporting Precinct Stage 1 (\$3.632 million).

Allocation of capital expenditure: 2024/25



Advocacy

We have an important role in advocating for projects and initiatives that matter to our communities and contribute to building a safe, sustainable and resilient shire. This advocacy, and supporting public communications, includes regular meetings with Members of Parliament from the Australian and Victorian governments and Opposition, local Members of Parliament, and maintaining positive working relationships with other organisations and statutory authorities.

Councillors and executive members also hold representative positions on external advisory committees and boards to ensure that East Gippsland is represented in regional, state, and national arenas. Such as the National Timber Councils Association, One Gippsland, Australian Coastal Councils Association, Timber Towns Victoria, and Australian Local Government Association.

A prioritised set of 31 advocacy initiatives adopted in April 2024 were pursued during the year, categorised under the five Council Plan 2021-25 themes. Seven of these priorities were deemed critical and included:

- » Asset management
- » Climate change mitigation and adaptation
- » Digital connectivity
- » Housing availability for workers
- » National Disaster Recovery Funding reform
- » Native timber industry transition
- » State-wide flood mapping integration

Federal election priorities

Following the 2024 October local government election, the new Council established a set of key priorities for the May Federal election, calling on candidates in the Gippsland electorate to commit to much-needed investments in roads, community safety, economic transition, and cost-of-living relief for our rural communities. Among our requests were support for:

- » Our senior community – resulting in a Labor Government commitment of \$500,000 for senior citizens' rooms in Bairnsdale.
- » Improved management of public land.
- » A Bairnsdale Arts and Culture Precinct.
- » A Local Government Commissioner for rural councils.
- » Road safety, through access to increased funding to support the sealing of the Corryong Road.
- » Funding to build the Lakes Entrance Multi-Use Stadium.
- » Access to funding to maintain and build community infrastructure.
- » An exemption from federal environmental laws requiring native vegetation offsets, which are delaying vital upgrades to the Bairnsdale Airport.
- » Increased support for housing.
- » Natural disaster recovery funding reform.
- » Regional telecommunications.
- » Attracting new industries to replace the native timber sector.

Emergency Services and Volunteers Fund (ESVF) levy

When the new ESVF levy was announced by the Victorian Government in December 2024, without consultation with local government, we immediately knew it would have a significant impact statewide. We were quick to start leading the local government advocacy to MPs, lobby groups and our local government partners.

One of our strongest advocacy campaigns included meetings, conversations and letters to Ministers, local MPs, crossbench MPs, the Municipal Association of Victoria, Rural Councils Victoria, other councils, and the Governor of Victoria's office.

Our advocacy was supported by our own sustained media campaign both locally and into regional and metropolitan audiences, and in collaboration with others on regional campaigns. We kept our community informed from the outset and listened to our ratepayers and representative and advisory groups.

The advocacy resulted in a slight reprieve, with the Government pausing the increase on primary producers for 2025-26.

We're not giving up on having the ESVF scrapped. As a Council and broader local government sector, we will continue to work on how we can best support our community.

Wednesday, June 4, 2025
www.bairnsdaleadvertiser.com.au

5

Open letter to the community

A tax that is taking a toll on us all

Dear East Gippslanders,

Like you, we are devastated by the decision of the Victorian Government to forge ahead with its ill-considered cash grab: the Emergency Services Volunteers Fund (ESVF) levy.

We've been able to influence a temporary reprieve for our farmers as announced on Friday. However, the new tax still fails to consider the impact on rural communities, small businesses, farmers and families.

We are all impacted.

The major tax hike also ignores the impact on council. The cost alone to administer this extra tax collection is significant and this ultimately impacts the services we deliver to the community.

This tax will rip millions of dollars out of our community for little local benefit. The tax is not like rates, which are 100 per cent invested back into the community. It must be immediately scrapped, and emergency services properly funded through the State's general revenue – just like other essential public services.

SIX MONTHS OF FIGHTING

When the new ESVF levy was announced by the Victorian Government in December last year, without consultation with local government, we immediately knew it would have a significant impact statewide. That's why we were quick to start leading the local government advocacy to MPs, lobby groups and our local government partners.

This has included meetings, conversations and letters to

Ministers, local MPs, crossbench MPs, the Municipal Association of Victoria, Rural Councils Victoria, other councils, and the Governor of Victoria's office.

We've had our own sustained media campaign both locally and into regional and metropolitan audiences and collaborated with others on regional campaigns.

We've kept our community informed from the outset and listened to our ratepayers and representative and advisory groups.

This work over the past six months hasn't let up, working both publicly and behind-the-scenes to garner support to stop the money grab from rural communities who are already up against it – difficult season conditions, cost-of-living pressures, a slow economy and the closure of the timber industry.

As the media attention and public displays of protest from all sectors across the state have demonstrated over recent weeks, this tax will hurt us all.

The conversations, phone calls and letters from community members emphasise the disbelief this tax could be forced upon us.

It's taking a toll on us all. We are in this together.

But we have had some wins. We've been able to consistently shine a light on why our community cannot afford this tax, and we've influenced a rethink on the amount our farmers are taxed.

WHAT WE KNOW

Disappointingly, the government didn't read the room when it first considered putting it to Parliament

and withdrew due to a lack of support. We worked hard to get the support of crossbench MPs to assist the Coalition in blocking the bill in Parliament.

When the bill was presented in May, there were some minor tweaks but unfortunately those changes did not go far enough. The impact on our communities remained largely the same.

There is limited appreciation by city decision-makers of the impact this tax has on rural people, both financially and emotionally.

Friday's announcement by the Premier to declare the entire state in drought gives our farmers some reprieve. The drought declaration means the ESVF variable rate on primary production properties will remain at 28.7 – the same as it was in 2024-25 – for the duration of the 2025-26 financial year. This is down from the proposed ESVF variable rate of 71.8 (costs per \$1,000 CIV).

This reduced rate will be applied to rates notices for primary production properties automatically.

We welcome this concession from the Premier that the levy was impacting all farmers. However, the concern for the hike in the levy for residential and commercial property owners remains.

It's step one in having this completely overturned.

"JUST DON'T PAY" – IT'S NOT THAT SIMPLE

We also worked hard on having the levy collected by the State Revenue Office, not council. Unfortunately, you will see the levy itemised on your rates bill,

even though it is not a council charge.

We have heard the suggestions to "just don't pay the new tax". Unfortunately, it's not that simple.

Councils are obligated to collect the levy and cannot use a separate invoice to collect the levy.

Also, council must proportionally allocate rates revenue towards the levy if ratepayers choose not to pay the levy element on their rates notice. For example, if your rates are \$3000, and the levy is \$500, if the property owner pays only the \$3000 rate component council collects \$2500 (roughly 85 per cent of payment in this example) and the \$450 balance goes off to the government. We know that will be significantly more for many ratepayers. And your rates notice will still be in arrears.

Unfortunately, ratepayers who refuse to pay the levy may cause financial strain on councils across the state. It may also be subject to council's debt collecting processes – something we agree is unfair.

You will hear more from us about the levy prior to receiving your 2025/26 rates notice.

EMERGENCY SERVICES VOLUNTEERS

This money grab is not how our local emergency services operate. Volunteers are the glue that keeps our communities strong.

Unfortunately, this levy is not only inequitable – it shows a deep lack of understanding and respect for the role farmers, small businesses and families play in keeping our communities safe in times of need.

There is no guarantee the money taken from East Gippsland will be returned to our region to support local emergency services and disaster preparedness. This is compounded by East Gippsland being one of the most emergency prone areas of the state.

WHAT'S NEXT

We're not giving up on having the ESVF scrapped. As a council and broader local government sector, we will continue to work on how we can best support our community. In the meantime, we hope the following suggestions are of some help.

If you are a farmer, commercial business owner, or have vacant land, talk to your accountant or financial advisor about how you may be able to minimise the impact of the levy.

If you are a CFA or SES volunteer, investigate how you can get the volunteer rebate on your principal place of residence or farm. This rebate is not administered by council.

If you are experiencing any difficulty in paying your rates, please talk to us as soon as possible. We're here to help.

Let's stick together and continue to fight for the best outcome for our community. The best outcome is the Emergency Services Volunteers Fund is scrapped in its entirety.

Warm regards,
East Gippsland Shire Councillors:
Mayor John White, Deputy Mayor Senia Buckley, Arthur Allen, Jodie Ashworth, Tom Crook, Barry Davis, Joanne Eastman, Bernie Farquhar and Ian Tervaskivi.

An open letter to the community explaining our advocacy work on the ESVF.

Kerbside glass recycling

We joined other Victorian councils to request the State reconsider its plan to introduce kerbside glass recycling to ensure the financial cost to ratepayers was kept as low as possible.

The advocacy to the State highlighted research which found that implementing a glass-only service would come at a significant cost to local communities, including an estimated \$75 million set up fee and additional average ongoing collection and processing cost of \$27 per household, per annum.

We also highlighted that expanding the successful Container Deposit Scheme to include wine and spirit bottles would have similar benefits to a kerbside glass service but would be less of a financial burden to councils as existing infrastructure can be utilised.

Drought support

Drought relief advocacy to support farmers north of Swifts Creek battling ongoing dry seasonal conditions resulted in the Premier extending drought assistance to the whole of the state in late-May after East Gippsland High Country communities were left out of drought assistance packages only weeks prior.

This included a pause on the introduction of the flawed and unfair Emergency Services and Volunteers Fund levy on primary producers.

Rural Councils Victoria, on which we have representation, was a key driver in advocating for drought support.

Additionally, during the year Council developed several motions to be considered by the Australian Local Government Association (ALGA) and the Municipal Association of Victoria (MAV).

The ALGA National Assembly supported our calls for:

- » Expanding access to the Roads of Strategic Importance Program to deliver vital road safety and industry transport links including

food production for the south-east of Australia.

- » Increasing funding through the Disaster Ready Fund or other funding programs to allow infrastructure to be upgraded to meet changing climate and weather patterns and implement the National Disaster Risk Reduction Framework.
- » Implementing all recommendations in the Australian Government's Regional Telecommunications Independent Review Committee report to improve connectivity for regional, rural and remote communities.
- » Restoring the Local Roads and Community Infrastructure Program to ensure local government can continue to provide infrastructure that meets a range of community resilience and economic needs.

During the June 2025 Australian Local Government Association National General Assembly in Canberra – the largest annual gathering of local government leaders in Australia – Council met with Cross Border Commissioner Brett Davis to discuss key issues affecting border communities, including transport and roads, employment, childcare and education, the Eden port redevelopment, and the timber transition.

The delegation also toured the National Emergency Management Agency's National Situation Room. While in Canberra, Council attended sessions on safer roads, housing and community infrastructure, local government jobs and skills, women in local government, and emergency management capability and capacity.

MAV motions endorsed by Council for the State Council Meeting in early 2025-26 call on the State Government to support:

- » Implementing recommendations from the Inquiry into Local Government Funding.
- » Resourcing to support health outcomes.
- » Better management of public land.

Description of operations

We are committed to enhancing the wellbeing and prosperity of our community through a comprehensive range of services, programs, projects, and infrastructure. Our strategic objectives are achieved by providing essential services and facilities, offering support, and advocating for the needs of our community. To ensure these goals are met effectively, we employ a variety of performance indicators and measures.

Under both Victorian and Australian legislation, our responsibilities include maintaining community infrastructure, managing land use planning and building control, overseeing domestic animal control, protecting the environment, and supporting local businesses. Each of these areas is integral to our mission of fostering a thriving and resilient community.



The Council-run Mallacoota Foreshore Holiday Park.

Major capital works

During the 2024-25-year, Council successfully delivered \$44,498,354 in projects.

While some projects will extend into the next financial year, many are part of ongoing, multi-year initiatives that will continue to benefit our community for years to come.

The following is a summary highlighting some of the major projects and renewal programs undertaken during the year.

Drainage

- » Two drainage outfalls in Marlo were upgraded following storm damage, improving local flood resilience and environmental protection.
- » Design work progressed for flood resilience projects in the Bairnsdale and Forge Creek area, with implementation pending funding opportunities.
- » Flood remediation works were undertaken at Livingstone Park in Omeo, enhancing natural defences and biodiversity. While not strictly drainage, this project aligns with our broader water management goals.
- » A Stormwater Management Plan is being developed to guide drainage planning over the next decade.
- » 7,778 metres of stormwater pipes were added to the asset register through contributed assets, capital works, and found assets.

Footpaths

- » The Bemm River Footpath Connections project was completed, delivering 1.5km of concrete and boardwalk footpaths (\$328,488), improving pedestrian access and safety.

- » 9,094 metres of footpaths were added to the asset register from contributed assets and capital works projects.

Culverts

- » Design works were completed for culverts at Kellys Road, Omeo, and Jones Road, Eagle Point (\$24,088), supporting safer and more reliable road infrastructure.

Bridges

- » Timber bridges at Nodens Access, Mallacoota, and Gulf Road, Bendoc, were replaced in 2024–25, improving safety and connectivity.
- » Only three timber road bridges remain. All have been designed and are ready for tender when funding becomes available.
- » All load-limited timber bridges have now been replaced, removing key transport barriers and improving freight and emergency access.

Roads

- » 300,127 square metres of roads were resealed during 2024–25, enhancing road safety and durability.
- » 5,653 metres of road wearing course were added to the asset register from contributed assets and capital works projects.
- » 9,260 metres of kerb and channel were added to the asset register, improving drainage and pedestrian safety.

Capital works completed

Bairnsdale Air Ambulance Facility

The construction of a Patient Transfer Facility for Air Ambulance Victoria was highlighted as a priority in the Bairnsdale Airport Masterplan 2020.

Bairnsdale Aerodrome handles the highest number of fixed wing aeromedical retrievals by Air Ambulance Victoria (AAV) in regional Victoria, with aircraft visiting Bairnsdale as often as two to three times a day for patient transfers.

The project received 50% funding from the Australian Government through the Department of Industry, Science and Resources - Regional Airports Program Round 3, with the remaining funding contributed by us.

All civil work has been completed including asphalt connection to the existing taxiway. Certificate of Occupancy has been issued, and the building is now ready for use.



Crooke Street Wetlands, Bairnsdale

The project to create a wetland at Crooke Street and install gross pollutant traps in Hoddinott Street Reserve in East Bairnsdale to better regulate stormwater, eliminate gross waste and suspended sediments to reduce nutrient flows into Jones Bay has been completed. The project had broad stakeholder support and was developed and co-funded with assistance from a range of partner agencies.

The Crooke Street wetland was designed to achieve multiple environmental outcomes including:

- » 100% removal of gross pollutants, this includes litter.
- » 100% suspended solids.
- » 81% of current phosphorus.
- » 33% of current nitrogen.

Forest Park, Orbost

The Forest Park Orbost upgrade has revitalised and modernised Orbost's premier passive recreation area and visitor rest-stop. This will both grow local tourism by providing a destination for travellers using the Princes Highway and provide a place for community members of all ages to gather, connect and enjoy the beautiful location and facilities. This will assist the Orbost community to recover from the impacts of prolonged drought and announcements that will see an end to the area's native timber industry.

Funding was provided through the Council and the Department of Infrastructure, Transport, Regional Development and Communications via the Regional Recovery Partnerships program.

The playground opened in November 2024, with local school children enjoying a teddy bears' picnic in celebration. The new facility includes:

- » New play equipment
- » New toilet block
- » Barbecue shelter, new barbecues and seating
- » Additional long vehicle parking





Krauatungalung Walk, Lakes Entrance

Krauatungalung Walk Stage 1 commenced in 2023 with the installation of an Indigenous Garden representing the five Gunaikurnai clans and a beautiful seat starring Gunaikurnai creators Borun the pelican and Tuk the Musk duck, to enhance the cultural experience for all.

Partnering with the Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) underscores our commitment to engage and listen deeply to Gunaikurnai Traditional Owners. GLaWAC will design and install additional cultural art pieces, ensuring the project remains deeply rooted in cultural heritage.

The boardwalk on the southern side of Cunningham Arm from the Surf Club to the sand spit has been completed. 150 metres in length, this exciting project encompasses the Water Sports Pavilion which was also delivered by council.

Design for the remaining stages is underway, with Stage 2, on the northern side from Eastern Beach to the existing concrete footpath set to commence construction in the 2025-26 financial year.

A formal opening ceremony was held in February 2025.

Changing Places facility, Lakes Entrance

We have installed a Changing Places facility in Lakes Entrance at the Foreshore Park.

This facility allows people with high support needs to participate in all elements of community life, without having to limit their time out due to concerns about being able to access a suitable bathroom. Without Changing Places facilities, many people are unable to fully immerse themselves in the community, not out of choice, but because of a lack of suitable public toilets.

Changing Places facilities include:

- » A height-adjustable adult-sized change table.
- » A constant-charging ceiling track hoist system.
- » A centrally-located peninsula toilet.
- » Additional circulation space more than standard accessible toilets.
- » An automatic door with a clear opening of 950 mm at a minimum and a privacy screen.

A second Changing Places facility will be installed at Mick Baum Park in Cann River in early 2026.





Lakes Entrance Foreshore Park

The playground, near the footbridge on the Esplanade in Lakes Entrance is now complete and open for all to enjoy. The design focuses on universally accessible equipment and the park is an area where young people of all abilities can play and relax in a safe, enjoyable, and challenging environment that inspires creativity and encourages physical activity.

This park is a fantastic spot for everyone to enjoy, thanks to water play, nature play, and inclusive design features.

The official opening took place in February 2025.

Livingstone Park, Omeo

Delivered under a detailed flood-remediation plan developed by a specialist waterway consultant, the project focused on strengthening the park's natural defences against flooding while enhancing its appeal for locals and visitors.

Construction works of stage 1 are complete, and key upgrades include:

- » Construction of rock chutes
- » Installation of a new rock crossing
- » Extensive new plantings to improve biodiversity and flood resilience



Stage 2 will see the replacement of the damaged spillway. The existing concrete and rock spillway will be replaced by a new rock spillway, and a new bridge will be constructed over the spillway.

Mallacoota Streetscape

The Mallacoota Streetscape upgrade has been completed. This project has transformed Maurice Avenue into a more pedestrian-friendly and functional space, with key features including:

- » Raised crossings and traffic-calming measures to improve safety.
- » Wider footpaths and better footpath connections.
- » New street furniture, native landscaping and upgraded car parking.
- » Dedicated disabled parking and a new electric vehicle (EV) charging bay.

Importantly, there has been no reduction in car parking spaces. In fact, the new layout has added two extra spaces on Maurice Avenue. Accessibility has also been enhanced, with improved footpath connections and four newly designated disabled parking bays located near important destinations such as the pharmacy.

Complementing this project, an additional 11 parking bays and an EV charging space have been installed in nearby Greer Street. The charging station is East Gippsland's most visually appealing to date – the unit is adorned with beautiful artwork thanks to a collaboration with the Croajingolong Centre for Communications and the Arts. This creative touch integrates local culture into the project and enhances its visual appeal.

The streetscape upgrade was shaped by community input through a dedicated Project Reference Group, which included representatives from Friends of Mallacoota, Traditional Owners, seniors, youth, arts groups, local business and accessibility advocates.

As a result of community feedback, we:

- » Retained large native trees, mosaics, commemorative bricks and the rotunda.
- » Worked with local groups to select plant species that are native and reflect Mallacoota's existing gardens.
- » Improved safety at the bus stop and ensured new footpaths are accessible to all.

Local creativity will continue to shine through the project. In the coming months, new public art will be installed to celebrate Mallacoota's culture, natural surrounds and community identity. We will oversee the installation in partnership with the artist.





Marine Parade, Lakes Entrance

We secured \$1.2 million of funding through the Australian Government for the upgrade and redevelopment of Marine Parade in Lakes Entrance. The project area extends from the entry roundabout at Marine Parade and the Princes Highway along to the Barks Avenue intersection. The project aimed to achieve traffic calming measures, improve pedestrian safety and improve on-road parking safety.

Raised pedestrian crossings, asphalted road, concrete footpaths and line marking of off-road parking spaces are now complete.

We have now secured funds to upgrade the intersection of Barks Ave and Marine Parade. Construction is scheduled for the 2025-26 financial year.

Myer Street, Lakes Entrance

Safety improvements have been completed with a focus on Myer Street and service roads between Roadknight Street and Coates Road, including Lambert Street in Lakes Entrance.

Kerb and channel have been constructed to improve drainage and additional footpath crossings have improved pedestrian safety. The service roads have been formalised with dedicated entry and exit points between the service roads and Myer Street.





Omeo Mountain Bike Trail – 50km open

Omeo has marked a key milestone with the official opening of Stage 1 of the Omeo Mountain Bike Trails. At a ceremony held at Livingstone Park in December 2024 community members, mountain bike enthusiasts and dignitaries came together to celebrate the project, which is already establishing Omeo as a nationally significant mountain biking destination.

Stage 1 of the project includes 50km of professionally designed trails catering to riders of all abilities, as well as state-of-the-art facilities at the Livingstone Park trailhead, including showers, changerooms, a bike wash, trail maps, skills park and a pump track, offering a functional and inviting space for riders to gather and prepare for an adventure.

Swifts Creek Recreation Reserve

Like many rural communities, sport and recreation plays a critical role in bringing the Swifts Creek community together and helps maintain their physical and mental health wellness. The Swifts Creek Recreation Reserve Committee of Management knows that the recreation reserve is a critical asset for Swifts Creek and surrounding communities in keeping people of all ages and abilities socially and physically connected.

Funded by the Victorian Government through the Local Economic Grants Program we are pleased to report that our local contractor, Design Co Builders, has completed the construction of the new pavilion and we look forward to welcoming the community to an official opening later this year.



Capital projects in progress

Planning and development of the following projects has commenced. Further information regarding project scope and construction programming is available on Your Say East Gippsland.

Buchan Recreation Reserve

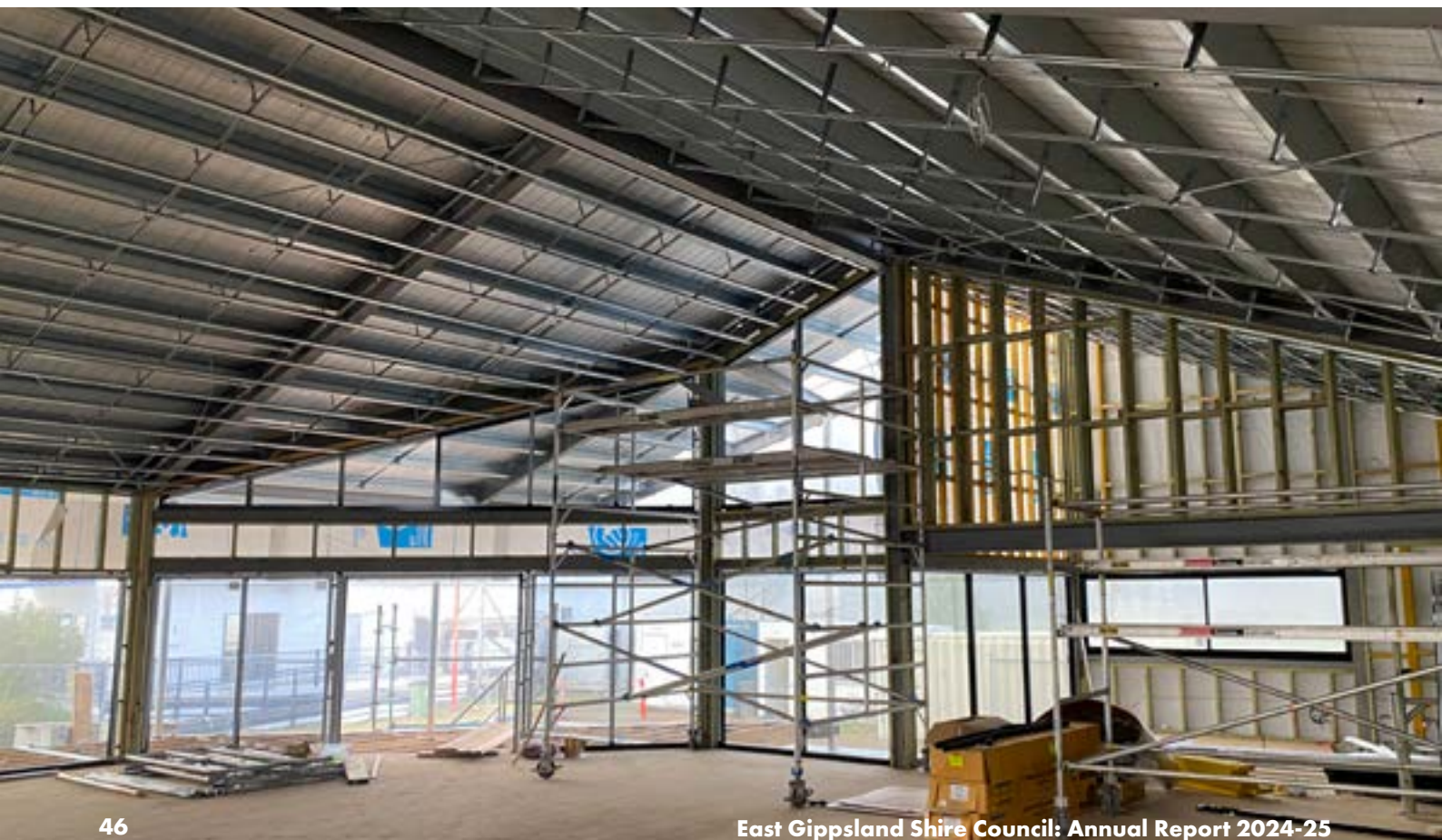
We, with the support of State and Australian Government, and Community funding, are investing in the development of the Buchan Recreational Reserve Master Plan.

Sport and recreation play a vital role in bringing the local community together and this investment in the Buchan Recreational Reserve reflects Council's strategic vision to recognise that an active and connected community is better placed to build resilience and recover following the difficulties experienced by small communities, like Buchan, during times of natural disaster events.

The Buchan Recreation Reserve is a large community open space reserve located within the village precinct of Buchan and adjacent to the beautiful Buchan River. The reserve provides the local community with a critical staging and refuge facility during natural disaster events and is a well-used local sports ground and community hall facility, being home to five local sporting clubs – pony, netball, tennis, football, and cricket. Upgrades to the Buchan Recreation Reserve are now underway and progressing well.

Netball/tennis courts have been completed with training now taking place under the newly installed lighting system.

Construction has commenced on the Pavilion, and the walls are up. Works will continue with an expected completion date in mid-2026.





Hoddinott Playground, Bairnsdale

The upgrade of the Hoddinott Reserve playground is in full swing, aiming to create a lively community area that combines fun and relaxation.

The project is progressing quickly, with construction actively taking place to provide a refreshed recreational space for everyone in the community.

This project, led by us and executed by the Gunaikurnai Land and Waters Aboriginal Corporation, will introduce a family-friendly playground featuring engaging equipment suitable for children aged 4 to 12. Families can also look forward to new seating options, making the reserve a

more welcoming spot for play and relaxation.

The design has been shaped by community input, promoting active play and fostering social connections. Although we initially planned to keep some of the original play structures, after evaluation they were deemed too worn out. Consequently, we will invest in all new playground equipment, focusing on what can be achieved within the available grant funding. Despite these changes, we are dedicated to creating a high-quality, enjoyable space for everyone.

Mallacoota Hall

The Mallacoota Hall is the dedicated emergency relief centre facility for the Mallacoota Community.

This project will upgrade the hall to improve its functionality for day-to-day use by:

- » Relocating the main entry.
- » Addressing existing accessibility barriers.
- » Redeveloping the toilets and change rooms to improve accessibility and functionality.
- » Future-proofing the building to prevent bushfire smoke entering the facility.
- » Creating new internal storage space.
- » Expanding the existing kitchen.
- » Creation of additional community and office spaces.



The project is on track for completion by November 2025.



Metung Boardwalk revitalisation

Work to improve the Metung Boardwalk is about to begin, with the first stage of upgrades starting in October 2025. The project is part of our broader asset renewal program and aims to make the boardwalk, one of the town's most used public spaces, safer and more durable.

The boardwalk is one of Metung's most popular features and needs to be looked after properly. This first stage is all about improving safety, extending the life of the boardwalk, and keeping it accessible for everyone. Stage 1 of the project will run from October to November 2025.



Sarsfield Recreation Reserve

The Recreation Reserve in Sarsfield is being upgraded. The almost 60-year-old hall is being replaced with a multipurpose community centre and upgraded public toilet facilities.

Funding for this project is provided by the Australian Government through the Department of Infrastructure, Transport, Regional Development, Communications, and the Arts.

We have worked closely with the community to through the design phase and construction has now commenced.

Slip Road Maritime Precinct, Paynesville

Following a comprehensive review stemming from unforeseen lake bed conditions, we made necessary design updates to the Slip Road project.

The updated project design aims to ensure the long-term durability of the waterfront structures and addresses the geotechnical review and will ensure that the water-based infrastructure is stable and durable.

Progress to date:

- » Northern seawall panels: Pre-fabrication is complete, a major step forward in strengthening our coastal resilience.
- » Service Jetty: Pile driving is around 70% complete, with beams and deck prefabrication underway.
- » Floating pontoon jetties: Design and general layout were endorsed by the CFA, and pre-fabrication commenced.
- » We've completed the installation of the southern boardwalk approximately 150m long.



Awards

LGPro Award Winner – Disaster Readiness and Recovery Award

We received the LGPro Award for our 'Strengthened Disaster Readiness and Resilience East Gippsland' initiative, developed in response to the 2019-20 Black Summer bushfires.

The program embedded community leadership into emergency planning, resulting in 46 Local Incident Management Plans (LIMPs) and 14 Community Emergency Management Plans. Infrastructure upgrades included ember-proofing, solar panels, microgrids, generators, and satellite communications.

Victoria's first local government Emergency Dashboard was launched, alongside inclusive tools such as Person-Centred Emergency Preparedness (P-CEP), Social Stories designed for children with autism, providing relatable narratives that explain what to expect in unfamiliar situations, and Sensory

Kits (a bag of tools that help children with autism or sensory processing challenges ease anxiety and improve communication during sensory overload). The initiative has become a benchmark for community-led emergency planning, with its scalable model shared at state and national forums.

LGPro Finalist – Service Delivery

Our Mobile Service Initiative was recognised as a finalist in the Service Delivery category of the 2025 LGPro Awards for Excellence. The program introduced two multipurpose vans delivering integrated library, customer service, and digital connectivity across 47 locations – covering over 60,000km in the past year. Beyond service reach, the initiative has strengthened social connection and trust in areas where our presence was previously limited.



Civic events

Through a range of civic events, we provide opportunities for community groups to participate, engage and celebrate with Councillors, staff and contractors. As part of our civic leadership role and commitment to active community engagement, we recognise the importance of community involvement and celebrating achievements by hosting civic events. This approach supports transparency, builds trust and helps civic events remain relevant to the community needs. These events include citizenship ceremonies, project openings and announcements, welcoming of visiting dignitaries and participation in community events. We also work directly with local groups, schools, and organisations, ensuring a broad cross-section of people are involved and engaged.

In May, as part of National Volunteer Week, 53 exceptional individuals were added to the East Gippsland Volunteer Honour Roll. This roll acknowledges the dedication and years of service contributed by local community members. These new inductees join a growing group of changemakers who embody commitment and generosity, contributing more than 820 years of

volunteer service between them – a testament to community spirit. The Honour Roll now includes 282 recognised volunteers: each representing the profound impact of giving back. The Honour Roll is permanently featured on our website.

We delivered four citizenship ceremonies, with the June 2025 ceremony the largest ceremony to date, welcoming 36 new citizens. In total, we welcomed 94 new citizens this year.

Official openings of community projects delivered through our capital works program focus on community participation of organisations, residents and community groups. These events not only celebrate the completion of infrastructure and facility upgrades but also recognise the collaborative efforts that bring projects to life – strengthening community connections and fostering a sense of pride and ownership within the region. Our civic event opportunities are widely shared through our communication platforms, featured in local media, supported by community networks, groups and clubs.



January's Citizenship Ceremony held at St Mary's Parish, Bairnsdale.

Civic events delivered

July 2024

- » Omeo Recreation Reserve netball courts opening
- » The Old Slipway opening, Lakes Entrance
- » Bairnsdale City Oval, Peppercorn Park

September 2024

- » Jemmy's Point Lookout opening, Kalimna
- » Australian Citizenship Ceremony

November 2024

- » Bairnsdale Show
- » Omeo Show (pictured)
- » Orbost Forest Park upgrade opening

December 2024

- » WORLD Sporting Precinct – netball, hockey and pavilion opening, Bairnsdale
- » Omeo Mountain Bike Trails Stage 1 opening
- » 30-year Council Amalgamation civic reception, Bairnsdale

January 2025

- » Shire-wide Australia Day Awards, Orbost
- » Australian Citizenship Ceremony

February 2025

- » Lakes Entrance Water Sports Pavilion opening
- » Lakes Entrance Foreshore Park opening
- » Lakes Entrance Krauatungalung Walk opening
- » Governor of Victoria visit (multiple locations), including civic reception Bairnsdale

March 2025

- » Orbost Show (pictured)

April 2025

- » Bemm River footpaths opening (pictured)
- » East Gippsland Field Days, Bairnsdale
- » Australia Citizenship Ceremony

May 2025

- » National Volunteer Week

June 2025

- » Governor-General of Australia visit, including First Responders' Day civic reception (pictured)
- » Australian Citizenship Ceremony
- » Lindenow South Recreation Reserve lighting upgrade opening
- » Wy Yung Recreation Reserve lighting upgrade opening



East Gippsland Australia Day Awards

Over 150 residents gathered on Saturday 18 January to celebrate and honour some of the region's most dedicated volunteers and outstanding community events at the 2025 East Gippsland Australia Day Awards.

Held in the heart of Orbost at the upgraded Forest Park, the event was a reflection of community spirit, featuring a flag unfurling ceremony led by the Orbost Girl Guides (below). Live music by local favourites, Marlo band *The Remedies* while the Orbost Lions Club hosted the barbecue.

A highlight of the afternoon was the keynote address by our Australia Day Ambassador, Sailor's Grave Brewing's Chris Moore (pictured), who provided a thoughtful keynote address about the strengths of East Gippsland's communities.

The event was not only an opportunity to recognise exceptional contributions, but also to strengthen connections across the region.





Citizen of the Year – Bill Newcomen (above)

Metung's Bill Newcomen has made an outstanding contribution to his community through decades of service. From school councils and CFA training to mentoring junior sailors, Bill's dedication is unwavering.

For 25 years, he led the junior sailing program at the Metung Yacht Club, teaching over 600 children – including some who now compete internationally. Even nearing 80, he continues to assist and remains a familiar face on rescue boats and at regattas. He's held multiple leadership roles at the club, including Commodore and Vice Commodore.

Professionally, Bill worked as a social worker with Bairnsdale Regional Health Service and Omeo Hospital, supporting families during life's toughest moments. He's also a trusted confidant for emergency service workers across the shire, regularly checking in on paramedics and offering a calm, compassionate presence.

Community Event of the Year – Mountain Cattlemen's Association of Victoria Annual Get Together (right)

The 2024 Omeo Get Together brought over 3,000 people together to celebrate community spirit, heritage, and local pride. Held just outside Omeo, the event highlighted the region's rich history through exhibits, performances, and activities that honoured the traditions and stories of the area.

A true showcase of collaboration, the event demonstrated the strength of community connection in East Gippsland.



Young Citizens of the Year – Alfie Simpson (L) and Tanner McMillan (R)

Bairnsdale's Tanner McMillan and Alfie Simpson were named Young Citizens of the Year for their remarkable community contributions.

Tanner, who lives with Lyme disease after a tick bite as a child, has become a tireless advocate for awareness and support. Despite ongoing health struggles, he's raised over \$100,000 for the Lyme Disease Association of Australia and shared his story on *The Project* and other media to inspire change. In December, he walked the entire 90 Mile Beach to raise funds — an effort even recognised by Coldplay's lead singer during a Melbourne concert.

Nine-year-old Alfie began fundraising at six, collecting cans and donating the proceeds to help those in need. He and his brother also created 'Can-Do Poo' selling sheep manure as fertiliser and giving most of the profits to support the homeless. Alfie's motivation is simple: "I have what I need – others don't."

Tanner and Alfie are shining examples of kindness, courage, and the power of young people to make a real difference in their community.





Governor-General's visit – Thank a First Responder Day

More than 50 local first responders were joined by Her Excellency the Honourable Ms Sam Mostyn AC, Governor-General of the Commonwealth of Australia, for a breakfast in honour of Thank a First Responder Day at the Bairnsdale Fire Brigade on Wednesday 11 June.

Representatives from the CFA, Victoria Police, Coast Guard, VICSES and DEECA came together to share their stories, enjoy breakfast, and connect with Her Excellency, who made time to speak with everyone, ask questions, and offer her personal thanks for their service.

Victorian Governor's Tour

In February, we hosted a civic reception in Bairnsdale, attended by Her Excellency Professor the Honourable Margaret Gardner AC, Governor of Victoria, with a focus on bringing together a wide range of industry and community leaders from across the shire.

Her Excellency's visit included some of the region's key industries, workforce training centres, and cultural landmarks. The Victorian Governor praised East Gippsland's community spirit, noting its strong culture of volunteerism and the way locals quietly support one another without seeking recognition. The Governor's visit emphasised the importance of collaboration between local communities, government, and industry to foster East Gippsland's continued growth.



Events

We sponsored nine regional events, generating an impressive economic benefit of \$6.28 million for the East Gippsland economy.

Eight new events were secured during off-peak periods, injecting vibrancy into the region and providing valuable support to local businesses. We also supported the Bairnsdale Anzac Day Commemoration Service, delivering a meaningful ceremony that honoured local heroes. Additionally, the Lakes Entrance Foreshore Summer Carnival returned as a seasonal highlight, attracting both residents and visitors to enjoy the waterfront festivities.

Two event masterclasses were hosted in Bairnsdale and Lakes Entrance, attended by 70 participants.

These sessions focused on risk and emergency planning, volunteering, and sustainable event practices, and included the launch of the newly developed 'Promoting Your Event' guide.

Four signature events participated in the Pathways to Growth Mentoring Program, receiving tailored support to grow and sustain their impact:

- » East Gippsland Winter Festival
- » Twin Rivers Bream Classic
- » Paynesville Classic Boat Rally
- » Wild Harvest Seafood Festival

The program, funded through our event sponsorship budget, aims to elevate homegrown events and promote regional visitation.



Hooked On Lakes, Lakes Entrance. Credit: Neonormal.

Event highlights for year include:

Dates	Event	Our role
21 June – 21 July 2024	East Gippsland Winter Festival 2024	Sponsorship and Pathways to Growth
19 – 21 July 2024	The Twin Rivers Bream Classic	Pathways to Growth
17–18 August 2024	2024 Vic Bream Classic Series- Mallacoota	Sponsorship
7 – 22 September 2024	The 2024 Australian National Retrieving Championships	Sponsorship
19 – 20 October 2024	Joyride Rookie Cup 2024	Sponsorship
12 – 13 October 2024	2024 Vic Bream Classic Series- Marlo	Sponsorship
23 – 24 November 2024	2024 Victoria Mountain Bike Series (VDHS)	Sponsorship
9 – 21 January 2025	33rd Australian Speleological Federation (ASF) Conference	Sponsorship
9 March 2025	Hooked on Lakes	Sponsorship
20 June - 20 July 2025	East Gippsland Winter Festival 2025	Sponsorship and Pathways to Growth

Paynesville Classic Boat Rally.



Culture and creativity

We delivered a landmark year of creative programming, regional engagement and sector development, reinforcing the role of arts and culture in community, the economy and the identity of East Gippsland.

We launched East Gippsland's first-ever curated creative program, titled *Create*, with two editions published. Released biannually, it aims to bring together a visual representation of the offering for local audiences to experience local, nationally and internationally acclaimed work right here in East Gippsland – whether in formal venues like the Forge, or in a local community venue.

The Forge Theatre continues to build its position as an integral part of cultural life in East Gippsland:

- » 16,878 seats filled across the year.
- » Delivered exclusive daytime performances for schools, fostering early engagement with live performance and creative thinking.
- » Developed a strategic marketing and communications strategy to deliver long-term promotional systems, templates and workflows to support new audience engagement with the venue.

Between August 2024 and May 2025, 12,241 people across East Gippsland engaged with culture and the performing arts through a region-wide touring program supported by Emergency Recovery Victoria (ERV). This initiative delivered 28 performances of 10 different shows to towns throughout region, including: Mallacoota, Orbost, Omeo, Swifts Creek, Nowa Nowa, Bruthen, Cann River, and Cabbage Tree Creek. Select performances were also held in Bairnsdale to ensure accessibility for those from the broader fire-impacted regions.

We delivered in partnership with MILKE, one of Australia's leading producing organisations, the Producers Training Program, which equipped four emerging regional producers with tools, confidence and networks they need to create and deliver arts experiences in our region. The program was conducted face-to-face and included direct one-on-one mentoring, offering emerging regional producers hands-on industry insight and support.

We deepened our commitment and connection to First Nations artists and community members, ensuring space, respect and genuine collaboration are part of our ongoing creative programming. Council delivered a show in partnership with GLaWAC and acknowledges the journey ahead and remains committed to listening, learning, and supporting cultural expression that reflects local stories.

The annual Youth Art Prize showcased the incredible talent of young people across East Gippsland. The Forge Theatre supported the hosting of the exhibition and opening event.



Section three: our Council



East Gippsland Shire Councillors, senior staff and CEO, Fiona Weigall onsite at Built QA in Newmerella for a business morning tea in February 2025.

Our Council

East Gippsland is characterised by its distinctive qualities, which present both advantages and challenges. The region boasts a remarkable natural setting, with the Gippsland Lakes and rugged coastline defining its southern boundary, and the High Country forming a picturesque backdrop. The area is marked by historical rural landscapes and pristine bushland, which encapsulate its communities. These features are fundamental to the region's thriving tourism industry.

Regional profile

East Gippsland economy is anchored by primary industries such as agriculture, forestry, and fishing, with beef, dairy, timber, and seafood being key outputs. Health care and social assistance are the largest employers, driven by an aging population. Construction and retail trade also play significant roles, supporting local development and services. Tourism is vital, attracting visitors to its lakes, forests, and coastline, while education, manufacturing, and emerging renewable energy projects contribute to a steadily evolving regional economy.



Mayor Cr John White with Gippsland Agriculture Group and East Gippsland Agriculture Advisory Committee member Trevor Caithness.

Our local economy

East Gippsland Shire's population is 50,794 and is forecast to grow to 59,979 by 2046. The region currently supports 4,578 businesses and a stable workforce with an estimated 18,654 jobs. The current unemployment rate is 4.4% in line with the regional Victorian average of 4.1%.

Despite ongoing cost-of-living pressures stemming from the Reserve Bank of Australia's interest rate increases since May 2022, the local economy has shown resilience. The total value of final goods and services produced (or Gross Regional Product) reached \$3.392 billion, marking a 6.5% increase on the previous year.

The visitor economy has continued its upward trajectory, with domestic visitation valued at \$861.9 million and expenditure reaching \$469.5 million, reflecting year-on-year increases of 10.5% and 7.0% respectively.

As the final year of dedicated recovery efforts, we delivered a range of significant projects and programs designed to strengthen business resilience and support long-term economic renewal. While recovery support remained a priority, we also broadened our focus to re-engage with key industry sectors and business leaders.

We also maintained a strong focus on advocacy and support for communities experiencing significant structural change, particularly those most affected by the withdrawal from native timber harvesting. This transition had a profound impact on communities and disrupted supply chain businesses across the Shire, prompting us to intensify our engagement and response efforts.

In 2024-25, the Economic Development Unit welcomed the Culture and Creativity team into its portfolio, marking a strategic shift towards embedding creative industries and cultural development within the broader economic agenda. This integration has enabled stronger alignment between tourism, events and cultural programming. By bringing creative industries into closer collaboration with economic development, we are fostering innovation, community engagement, and new opportunities for local businesses to thrive in a changing economic landscape.

Sector leaders represented through our advisory committees, along with targeted business and industry engagement has continue to play a vital role in shaping Council's response to emerging industry needs.

Economic Development

- » Co-funded by Council and the Department of Energy, Environment and Climate Action (DEECA), the Business Support Voucher Program was a highly valued initiative designed to assist local businesses in applying for funding through the Forestry Transition Program. It provided 54 businesses with tailored support in financial literacy, marketing, and strategic planning, resulting in increased resilience and business literacy. The program received positive feedback from both participants and panellists due to the tailored support to meet businesses where they were at and the lasting impact.
- » The East Gippsland Small Business Digital Confidence Program 2025 strengthened the digital capabilities of local businesses – particularly in bushfire-impacted areas. Delivered by GippsTech, the fully virtual program saw high participation and strong outcomes, with 57 businesses attending workshops and 77% of mentoring



Gippsland Jersey's Sallie, Chris, Dee, Nicole, and Chelsea trying new products.

participants completing the program. With the addition of AI-focused content, stronger cybersecurity accountability, and enhanced virtual delivery tools, both feedback and impact exceeded expectations – participants rated the program 5/5 overall and reported meaningful digital improvements in their businesses.

- » The 2024 Bairnsdale Jobs Expo, delivered in partnership with the Federal Government's Local Jobs Program and East Gippsland Marketing Inc, successfully connected over 220 job seekers with 26 local employers across key industries such as healthcare, construction, and government. With 110 local vacancies on display and active participation from our officers, the event provided job seekers with direct pathways into meaningful employment. Positive engagement extended to employers, with a dedicated networking session drawing 30 businesses and showcasing strong regional collaboration to grow skills, education, and training opportunities.

- » In May 2025, we launched a free, online Customer Experience Program featuring short, practical modules designed to support time-poor small businesses in retail, hospitality, and service sectors. Developed with a regional focus the program provides accessible strategies to improve service delivery, communication, team engagement, and customer satisfaction.
- » The 'How to Start Your Small Business' workshop, delivered by Business Victoria and facilitated locally by Phil East, attracted strong interest with 28 registrations, and provided aspiring business owners with essential tools, resources, and follow-up support. Secured through a successful Marketing Activity Plan after an earlier unsuccessful attempt, the free workshop was a valuable achievement in strengthening start-up support for East Gippsland's business community.



The 2024 Bairnsdale Jobs Expo successfully connected over 220 job seekers with 26 local employers.



Agriculture

In June, we brought together all three cohorts of the Ag Leadership Program to revisit change leadership principles and reflect on the real-world impact of the program. Participants shared powerful outcomes, including starting new businesses, building confidence in leadership and advocacy, improving conflict management, and driving change in their communities and organisations. The feedback highlighted a deeper and more lasting impact than initially expected, with many expressing gratitude to Council for supporting leadership growth and strengthening the region's agricultural sector.

Through eight Business of Farming events, over 200 farmers explored strategies to better manage financial challenges and make more informed business decisions, often challenging existing perceptions. The collaborative environment fostered critical thinking, adaptability, and a strong sense of community, equipping participants to respond more effectively to change.

Following a six-month recruitment process, seven new members have joined the Agriculture Sector Advisory Committee, which has served as a key

forum for informed input on agricultural issues since 2021. The committee continues to play a vital role in shaping policy, supporting innovation, and strengthening resilience across East Gippsland's farming communities, with a review underway to refine its meeting format after four years of operation.

Visitor Economy

We proudly launched the region's first official visitor guide in over seven years (pictured over page), marking a significant milestone in destination marketing. The guide showcases East Gippsland's diverse tourism offering and was developed in collaboration with local stakeholders to ensure authenticity and regional representation.

We have developed a new and improved Visit East Gippsland website to become the main source of visitor information and provide an improved user experience. In addition, Council is in the process of rolling out QR-enabled visitor signage kiosks across the shire that provide information on local visitor highlights and direct visitors to the website for further information.



We provided subsidies to businesses for an annual subscription to the Australian Tourism Data Warehouse platform, Australia's national platform for digital tourism marketing with distribution to Visit Victoria, Destination Gippsland and the new Visit East Gippsland website.

Our mobile visitor servicing van has proven highly effective in reaching high-footfall environments such as events and tourism hotspots during school holidays. This initiative reflects a shift toward meeting visitors where they are and enhancing accessibility to local information.

East Gippsland achieved outstanding recognition in the 2025 TAC Top Tourism Town Awards, with three towns named as finalists:

- » Lakes Entrance Top Tourism Town (population over 5,000)
- » Paynesville Top Small Tourism Town (population 1,500 to 5,000)
- » Marlo Top Tiny Tourism Town (population under 1,500)

These nominations reflect the strength of local tourism operators and community pride, with each application from the respective Business and Tourism Association scoring over 70% to qualify as a finalist.

Swifts Creek Futures

We are the host agency for the Victorian Forestry Transition Program's Local Development Strategy (LDS) funding for Swifts Creek and District. We also support the advancement of LDS projects in Orbost and Nowa Nowa.

The Swifts Creek Futures Project reached a significant milestone with the finalisation of the LDS, a community-led roadmap designed to guide the region's transition following the cessation of native forest harvesting. The LDS outlines strategic priorities across education and skills, nature-based recreation and tourism, and value-added primary industries, and was developed through extensive engagement with local stakeholders and innovation working groups.

Building on the foundations of the LDS, we, on behalf of the Swifts Creek community, successfully secured \$500,000 in funding through the Community Development Fund (CDF) Stream 1 to deliver Phase 2 of the project. This phase will support the implementation of innovation opportunities identified in the LDS, including feasibility studies, business cases, and the development of prospectuses to drive sound projects. The funding also enables the continuation of dedicated staffing, including a project manager and administrative support, ensuring leadership and coordination through to 2026.

Your Councillors

The East Gippsland Shire Council is an unsubdivided municipality consisting of nine Councillors, who represent the whole shire and its diversity.

The Council was elected and officially sworn in on 11 November 2024. It comprises five new Councillors along with four returning Councillors from the previous term. The Council is responsible for setting the strategic direction for the shire and providing leadership for its governance.



Mayor Cr John White
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cr.white@egipps.vic.gov.au



Deputy Mayor Cr Sonia Buckley
0429 567 229
cr.sbuckley@egipps.vic.gov.au



Cr Arthur Allen
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Cr Jodie Ashworth
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Cr Tom Crook
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Cr Barry Davis
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Cr Joanne Eastman
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Cr Bernie Farquhar
0428 291 458
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Cr Ian Trevaskis
0428 159 518
cr.trevaskis@egipps.vic.gov.au

The following former Councillors served until the local council election in October 2024:

Cr Jane Greacen OAM

Elected Terms:
2020-2024

Cr Trevor Stow

Elected Terms:
2020-2024

Cr Kirsten Van Diggele

Elected Terms:
2020-2024

Cr Mark Reeves

Elected terms:
2012-2016; 2016-2020, 2020-2024
Served as Mayor:
2013-2014, 2021-22, 2022-23

Cr Mendi Urie

Elected terms:
2005-2008; 2008-2012, 2020-2024
Served as Mayor:
2006-2009; 2020-2021

Section four: our organisation

To bring our Council Plan strategies to life, we rely on a dynamic, diverse, and skilled team working together to achieve meaningful outcomes for our community. By fostering a strong, supportive culture and maintaining robust structures and adaptable systems, we empower our employees to thrive and make a real impact.



Major changes

Organisational structure

An organisational restructure was driven by the need to better align the organisation's structure, culture, and processes. This was undertaken to improve the focus of services to the community in addition to prioritisation for communications and advocacy to report to the CEO.

Key internal changes included:

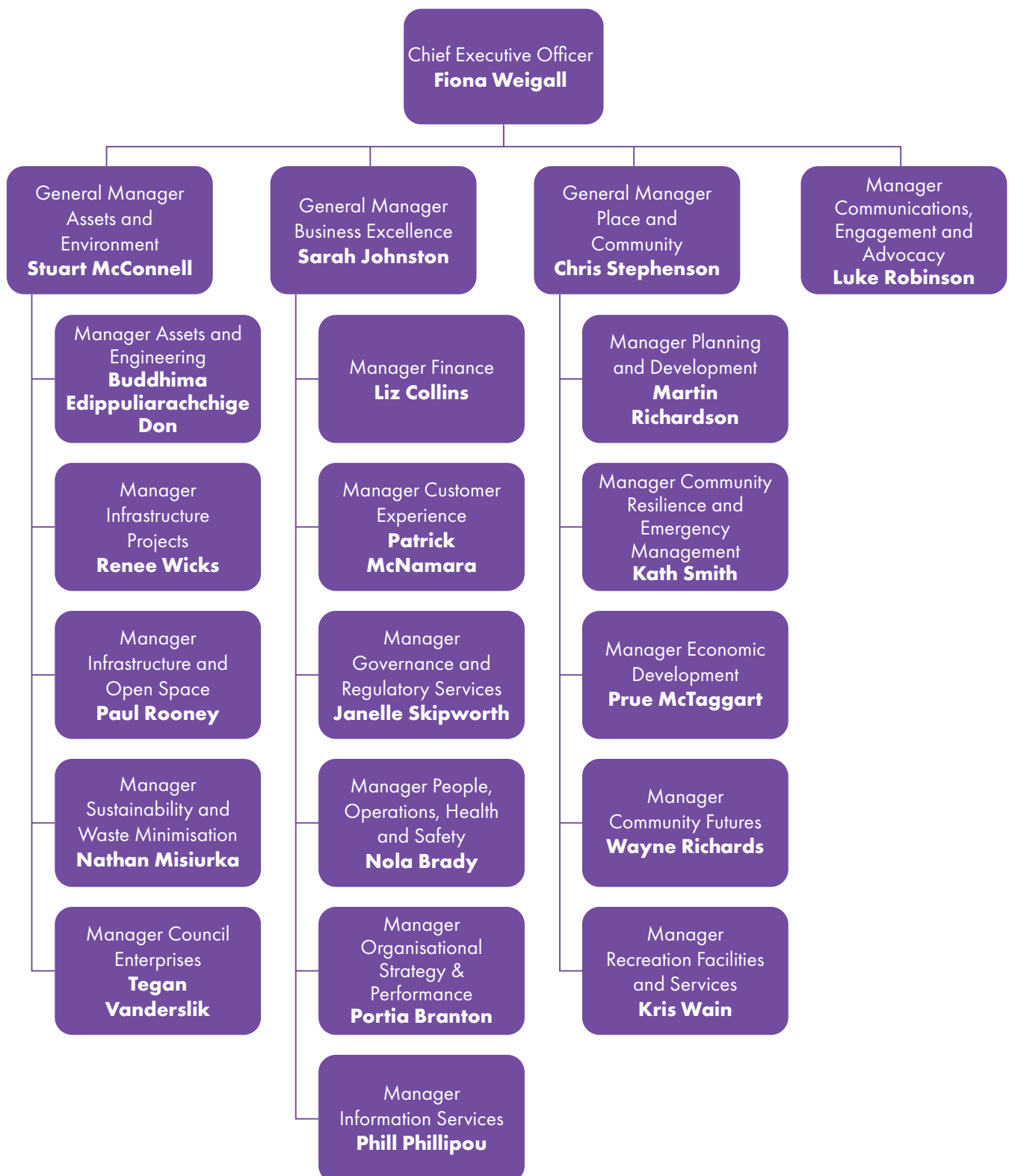
- » A new business unit for Communications, Engagement, and Advocacy was established to manage strategic communications and advocacy across the organisation.
- » The restructuring of the Community Facilities and Open Space team led to the creation of the Community Futures unit, now under the Place and Community directorate, focusing on long-term community planning and integrated service delivery.
- » The Open Space team was moved into the Civil Infrastructure business unit, resulting in a new name, Infrastructure and Open Space.
- » The previous Council Enterprises business unit was split into two with a formal business unit for Recreation Facilities and Services created to oversee recreation infrastructure and programming and ensure a more appropriate alignment of services.
- » The Emergency Management business unit was redefined to incorporate elements of Community Resilience, resulting in the Community Resilience and Emergency Management Business Unit.
- » The role of Manager People, Operations, Health and Safety was expanded to include broader responsibilities across human resources operations, workplace health and safety, and organisational wellbeing.

Enterprise Agreement Number 7

The Enterprise Agreement Number 7 introduces several key changes that will be in effect until 30 June 2027. These changes include three annual wage increases, the introduction of the End of Band Payment, and increased allowance rates. Additionally, the agreement adds new leave clauses, including special leave, parental leave for both primary and secondary caregivers, miscarriage leave, family violence leave, and extra leave for participation in First Nations events. It also includes superannuation contributions for primary caregivers, training for casual employees, and casual loading. These updates aim to enhance employee benefits and support various personal and family needs.

Enterprise Agreement Number 7 was approved by the Fair Work Commission in December 2024.

Organisational structure as at 30 June 2025





Our Works team, winners of the Accountability award at the 2024 All-Staff Event.

Staff profile

The *Local Government Act 2020* requires the establishment of a ‘Code of Conduct’ for Council staff. Under the code, staff are required to:

- » Act impartially
- » Act with integrity and avoid conflicts of interest
- » Accept accountability for results
- » Provide responsive service

The Staff Code of Conduct provides a set of guidelines that connect staff decision-making, behaviour and actions to the vision, objectives, and standards of the organisation. It is designed to guide staff on the standards expected of them as they carry out their work. Those standards include honesty and integrity, and commitment to treating all people with courtesy and respect.

Total staff numbers

The figures below represent the organisation’s total staff numbers, including casuals and limited-tenure staff, but excluding staff on parental leave and the Chief Executive Officer. The number of full-time equivalent (FTE) positions as at 30 June 2025 were 440.4, including casuals.

Year	Total staff	FTE
2024/25	639*	440.4
2023/24	644*	427
2022/23	602*	383.4**
2021/22	561*	359.63
2020/21	560*	403.00#
2019/20	536	289.75
2018/19	516	305.11
2017/18	497	316.23
2016/17	458	317.16
2015/16	472	301.08

* Including casuals and limited-tenure staff. Excluding the Chief Executive Officer and staff on parental leave.

Staff FTE numbers include limited-tenure Bushfire Recovery and ‘Working for Victoria’ staff, other limited-tenure roles and a calculated component for casuals and capitalised roles.

** Staff EFT numbers include limited-tenure Bushfire Recovery, other limited-tenure roles, and calculated component for casual and capitalised roles.

Total staff numbers by salary band and gender

Employment Classification	Total staff	Female staff	Male staff	Self-described gender staff
Band 1	24	12	11	
Band 2	26	15	10	
Band 3	195	85	109	
Band 4	118	83	32	
Band 5	90	60	30	
Band 6	93	48	45	
Band 7	46	25	19	
Band 8	21	10	11	
Senior Executive Officer / Senior Officer	20	8	12	
Immunisation Nurses	6	6		
Total	639**	352	279	8*

* To protect anonymity, self-described gender has not been declared at band level, due to low figures.

** Excluding Chief Executive Officer and staff on parental leave

Job level by gender

Job level	Total staff	Female staff	Male staff	Self-described gender staff
Chief Executive Officer	1	1		
General Manager	3	1	2	
Manager	17	7	10	
Coordinator	56	32	24	
All other staff	563	312	243	
Total	640	353	279	8

* To protect anonymity, self-described gender has not been declared at band level, due to low figures.

** Excluding Chief Executive Officer and staff on parental leave

Staff numbers by directorate

Staff numbers for each directorate as at 30 June 2025 are:

Work type/ gender	Chief Executive Officer team	Assets and Environment	Business Excellence	Place and Community	Total
Full time – Female	6	25	54	43	128
Full time – Male	2	119	25	27	173
Part time – Female	4	121	45	35	105
Part time – Male		30	10	9	49
Casual – Female		13	23	84	120
Casual – Male		15	4	38	57
- other					8
Total	12	225	163	240	640

* To protect anonymity, self-described gender has not been declared at directorate level, due to low figures

** Excluding staff on parental leave



People and Culture

In December 2024, the consolidated Enterprise Agreement Number 7 was approved, with an overwhelming 86% of staff voting in favour. This agreement aligns with industry standards and enhances accessibility to key leave entitlements, including parental leave, reinforcing East Gippsland's competitiveness in attracting and retaining talent.

To support workforce growth and development, we have implemented a series of innovative recruitment initiatives. These included participation in the Job Jumping program, where staff engaged with Year 9–12 students to promote career opportunities at Council, attendance at regional job expos, and collaboration with the Gippsland East LLEN Broadening Horizons program.

Cultural capability was strengthened through the rollout of Cultural Awareness Training that all staff will undertake, with 119 staff already completing the program. This program deepens understanding of Aboriginal culture and history, while fostering culturally safe and respectful workplace practices and partnerships.

We delivered 26 corporate training programs, reaching over 490 staff, and piloted the Victorian Government's Earn and Learn program to support workforce development and capability building.

Organisational change was supported through structural adjustments following the appointment of a new CEO. These changes enhanced communication and advocacy for the community, while also creating internal development opportunities. Staff were supported to take on secondments in new roles, building capability and adaptability in response to new project demands.

During the financial year, we recruited 87 staff across full-time, part-time, and limited tenure roles. Many of these appointments were internal, with staff moving into new positions and their previous roles being backfilled, supporting career progression and continuity.

Pleasingly, staff turnover reached a four-year low of 13.4%, significantly outperforming the 2024 Victorian local government average of 18%, reflecting the success of our workforce strategies and commitment to employee wellbeing.

Workplace Health and Safety

We are constantly evolving our commitment to improving the health, safety and wellbeing of our employees, volunteers, and contractors.

The new Safety Management System (SMS) was approved and rolled out across the organisation. The SMS provides a systematic approach to managing safety risks in our day-to-day operations. It also aims to improve safety by building on existing processes, demonstrating corporate due diligence, and reinforcing our overall safety culture.

DoneSafe was implemented to enhance the incident and hazard reporting. Enabling us to have effective injury management and giving greater visibility of incident data to review and identify strategies to improve the health, safety and wellbeing of all employees.

The implementation has also introduced modules to support Councils SMS such as:

- » Audits module: enabling employees to complete their building compliance inspections.
- » Compliance module: houses current legal and legislative documents.
- » Asbestos module: containing the current asbestos register.
- » Chemicals management module: all chemical site registers.
- » Checklists modules: documentation of all site Health, Safety and Wellbeing inspections, and capacity for employees to create their own checklist for site specific documentation.

Having data such as this electronically enables easier access, currency and appropriateness for all employees.



We sent our largest ever contingent representing Council at the East Gippsland Field Days in Bairnsdale.

Section five: our organisation

This section of the Annual Report offers a snapshot of our progress in achieving the five strategic objectives outlined in the Council Plan 2021-25:

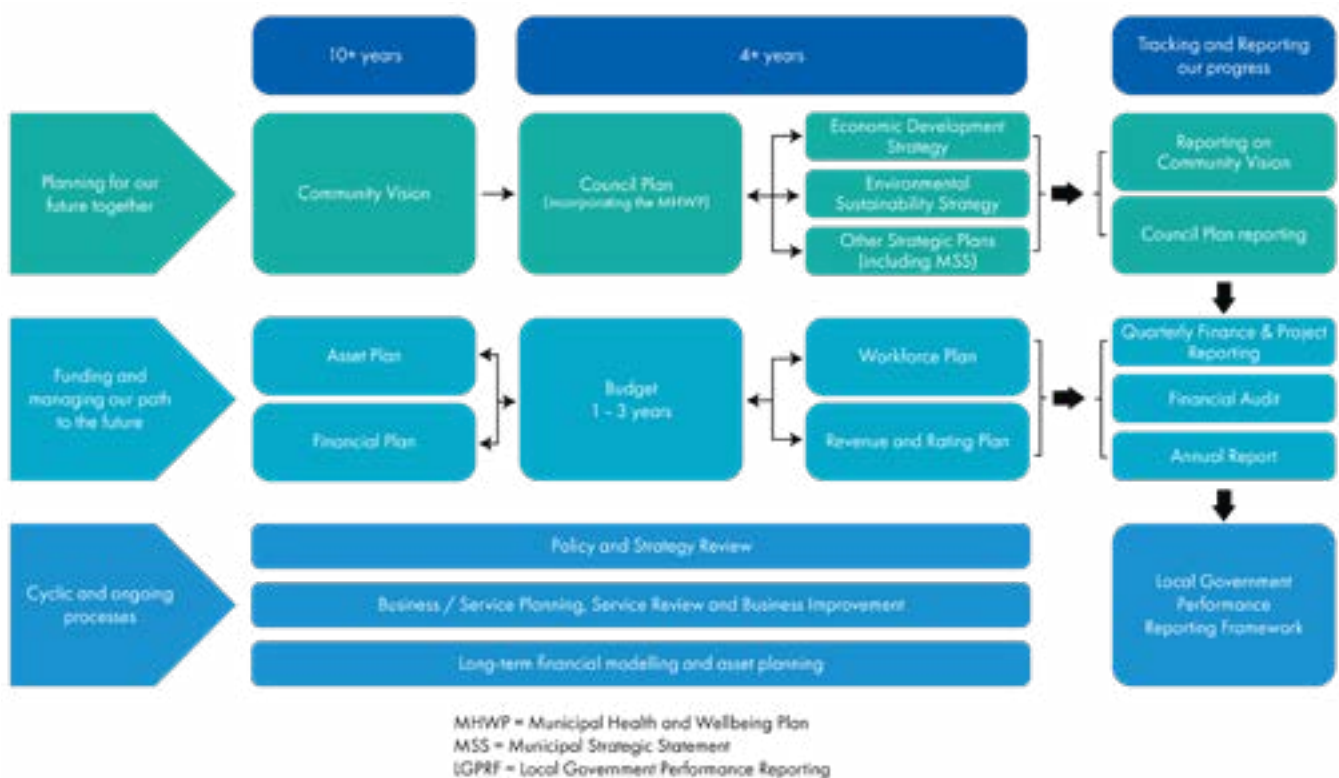
- **An inclusive and caring community that respects and celebrates diversity.**
- **Planning and infrastructure that enriches the environment, lifestyle, and character of our communities.**
- **A natural environment that is managed and enhanced.**
- **A thriving and diverse economy that attracts investment and generates inclusive local employment; and**
- **A transparent organisation that listens and delivers effective, engaging, and responsive services.**

Strategic Planning Principles

The Strategic Planning Principles are found in Part 4 (clause 89) of the *Local Government Act 2020* (the Act). The Act requires that Council adopt an integrated approach to planning, monitoring and performance reporting.

Under the Act, Council's strategic planning must:

- » Address the Community Vision.
- » Consider the resources needed for effective implementation.
- » Identify and address the risks to effective implementation; and provide for ongoing monitoring of progress and regular reviews to identify and address changing circumstances.



This diagram shows the relationships between the key planning and reporting documents that make up the integrated planning framework for local government.

Council Plan

The Council Plan 2021-25 outlines our strategic objectives and strategies for the four-year period, along with key indicators to track our progress. The financial resources needed to implement these strategies are detailed in the Annual Budget.

The following are the strategic objectives and strategies of the Council Plan.

An inclusive and caring community that respects and celebrates diversity

- 1.1 - Council strives to provide equitable access to their services, support, and facilities.
- 1.2 - Collaboration with key stakeholders fosters the cultural, arts and creative communities for all activities Council has facilitated or financially contributed to.
- 1.3 - Community groups and volunteers are acknowledged, promoted, and supported.
- 1.4 - Through targeted services, partnerships and advocacy, communities enjoy strong mental and physical health, well-being, and resilience.
- 1.5 - Strong working relationships are further developed with First Nations people and organisations.
- 1.6 - Council is culturally and linguistically inclusive and celebrates diversity.

Planning and infrastructure that enriches the environment, lifestyle, and character of our communities

- 2.1 - Statutory and strategic planning for land use delivers sustainable outcomes that balance the need for growth with the enhancement of our lifestyle, character, the built and natural environment.
- 2.2 - Infrastructure provision and maintenance support a diverse range of current and future user needs and activities and is both environmentally and financially sustainable.
- 2.3 - Planning with local communities for natural disasters and emergencies strengthens capacity, infrastructure, resilience, preparedness, and recovery.

A natural environment that is managed and enhanced

- 3.1 - Council works to reduce its own and the communities carbon emissions while supporting the community to mitigate the impact of a changing climate on the environment, safety, health, and lifestyles.
- 3.2 - Sustainable land use practices are used to manage Council land to protect biodiversity and to provide education and incentives to support the management of private land.
- 3.3 - Natural values on key Council managed land are managed and enhanced.
- 3.4 - Environmentally and financially sustainable practices reduce waste going to landfill.

A thriving and diverse economy that attracts investment and generates inclusive local employment

- 4.1 - Leadership enables economic prosperity, investment, recovery, resilience, and growth.
- 4.2 - Collaboration amongst key partners is facilitated to improve pathways for education and skills training.
- 4.3 - Council's work with stakeholders fosters entrepreneurship and new business opportunities, particularly with communities facing change.
- 4.4 - Targeted information and streamlined approvals and processes make it easier for business to invest.
- 4.5 - Tourism sector investment is sought in business capability, product development and experience to meet the changing needs of domestic and international markets.
- 4.6 - East Gippsland's natural strengths in agriculture and natural resource-based industries are enhanced to increase value, employment, sustainability, and resilience.

A transparent organisation that listens and delivers effective, engaging, and responsive services

- 5.1 - A better everyday customer experience is created for our residents and visitors.
- 5.2 - Strong relationships with government, partners and stakeholders are maintained and strengthened to advocate for the community.
- 5.3 - Communities are engaged in decision-making and support is provided to develop local solutions to local issues.
- 5.4 - Continuous improvement systems are strengthened, and organisational efficiency enhanced.
- 5.5 - Resources are managed to meet current and future needs and priorities.
- 5.6 - Council attracts, develops, and retains an inclusive workforce to deliver services and priorities.

Performance

The following pages outline Council's performance against each of the five strategic objectives of the Council Plan.

Performance is measured against:

- » Major initiatives set out in the Annual Action Plan and Annual Budget.
- » Council Plan strategic indicators.
- » Local Government Performance Reporting Framework indicators.
- » Cost of services.



An inclusive and caring community that respects and celebrates diversity

Progress against major initiatives

Major initiative	Progress
Major initiative 1 Develop engagement and collaboration agreements to build sustainable and beneficial relationships with Aboriginal organisation and communities.	We have advanced our commitment to reconciliation and Aboriginal engagement through the submission of its draft Innovate Reconciliation Action Plan (RAP) to Reconciliation Australia. The RAP, supported by a dedicated working group, outlines a vision of being ‘Culturally Safe and Treaty Ready’ and aims to embed cultural safety and strengthen partnerships with Aboriginal and Torres Strait Islander communities. We supported Aboriginal-led recovery through the Black Summer Bushfire Recovery Aboriginal Culture and Healing Projects, including the development of nine Community Emergency Management Plans (CEMPs), cultural infrastructure in Mallacoota, and the release of two Requests for Quotes for emergency management training and community capacity building. We also continued to deliver essential services at Lake Tyers Aboriginal Trust, partnered with GLaWAC on planning and infrastructure projects, and supported cultural events such as NAIDOC and Reconciliation Week, including the Elders’ Lunch. These efforts reflect our ongoing commitment to respectful, strategic, and inclusive engagement.



Artist, storyteller and educator Alfie Hudson delivering a Welcome to Country and smoking ceremony at the opening of Krauatungalung Walk Stage 1, Lakes Entrance.

Strategic indicators

Performance against the Council Plan's strategic indicators.

Strategic indicator	2023-24	2024-25	Target	Comments
Community satisfaction with accessibility to Council facilities	N/A	50%	Baseline to be confirmed	Council advanced accessibility and gender equity across community facilities. Highlights include integration of 1,500+ Australian Standards into DoneSafe, upgrades at Paynesville Community Centre and BARC, and a hearing loop trial at Bairnsdale Library. Recreation reserves received gender-inclusive improvements, with female-friendly changerooms completed at AJ Freeman Reserve and a Changing Places facility at Lakes Entrance. Designs and grant applications were finalised for Eagle Point and Lindenow.
Number of community facilities and infrastructure upgraded to improve accessibility	11	13	≥ 10 Upgrades	The target to improve accessibility across more than 10 community facilities was met. Key upgrades include the newly constructed Changing Places facility and accessible jetty enhancements in Lakes Entrance. Shower and modesty improvements were completed at Lindenow, Orbost Lochiel Park, Swan Reach, and Omeo to support inclusive access.
Number of cultural and creativity focused organisations / individuals funded through Council's community grants program	-	9	≥ Nine Arts and Heritage	A total of nine arts and heritage-focused organisations or individuals were supported through the Council's grants programs, reflecting a strong commitment to nurturing local creativity and cultural development. This included one small grant, four impact grants, and funding to support four participants in our Producer Training Program.
Community group satisfaction with Council support	-	7.04 out of 10	Baseline developed	Satisfaction with Council support among Community Groups was assessed through Annual Allocation applications. The overall satisfaction score recorded was 7.04 out of 10. Committees of Management for council-owned facilities reported higher satisfaction than those managing DEECA or private facilities.

Strategic indicator	2023-24	2024-25	Target	Comments
Number of events held that recognise and support volunteers	6	2	≥ Four events per annum	The target was not met, however there was a planned decision to change the approach in recognising volunteers during National Volunteer Week (May) with the election of the new council. The change in approach created more awareness and celebrated and promoted the work of individuals and groups/clubs to a broader audience with Councillors taking a lead role. The Australia Day Awards program was again a success and continued the approach of taking the awards to a different community. Attendance and media coverage ensured the volunteers were celebrated. Events such as the Governor-General of Australia visit, and opening of new major facilities (WORLD Sporting Complex) provided an opportunity to recognise volunteers in their own, familiar surroundings - a more impactful recognition.
People attending Council's recreation centres through an allied health service program delivery	35	63	> 800 attendances per annum	Facility usage tracking was updated – from scan tags to casual entry - to reflect changes in how people access services. We're working with BRHS to improve how attendance is recorded and to see if reporting needs to change.
Percentage of Council directorate representation on Reconciliation Action Plan working group	33%	100%	100%	All directorates now have representation on the Reconciliation Action Plan Working group, with five meetings held during the year.

Strategic indicator	2023-24	2024-25	Target	Comments
Number of projects and service reviews that have included formal engagement with traditional owners	67	59	≥ 10 projects and service reviews	A total of 57 capital works projects included formal engagement with Traditional Owners. We maintained active engagement with Traditional Owners across many projects, including the Cann River Transfer Station, Eagle Point Foreshore Trail, Gilsenan Reserve, Krauatungalung Walk, and the Bairnsdale Composting Facility. Our Waste Service Review and Commercial Review of the Livestock Exchange, also included formal engagement with Traditional Owners.
Percentage of staff who have participated in culture awareness training in the past 24-months		21%	= 100%	We commenced a Cultural Awareness Program in partnership with Gunaikurnai Land and Waters Aboriginal Corporation (GLaWAC) to offer an intensive half day off-site workshop. This program has been rolled out to all full-time, part-time and casual staff. The first program commenced October 2024. We continue to monitor and maximise participant capacity of these sessions.
The number of multicultural initiatives supported by Council	5	11	≥ 10 events per annum	We supported a number of multicultural initiatives this year including, NAIDOC Week, the Elders' Lunch, Lakes Entrance ACCHO Community Bus celebration, internal Cultural Awareness Training and RAP Working Groups.

Local government performance reporting framework

The Victorian Government's compulsory service measures relevant to this goal are shown below:

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Animal management					
Timeliness Time taken to action animal requests ¹	1.49	2.24	3.51	3.02	Response times improved over the previous year, driven by two key factors: the implementation of streamlined data management processes, and operational adjustments during the Animal Registration Renewal period. While quarter four typically experiences delays due to increased customer requests, these improvements contributed to more efficient handling of enquiries across the year.
Service standard Animals reclaimed ²	27.19%	23.08%	27.85%	24.46%	The year-to-date trend shows a decline in the proportion of registrable animals being reclaimed, falling below 25%. Contributing factors include broader economic pressures, with some owners choosing not to reclaim or adopt animals due to financial constraints. This challenge is consistent with trends reported by animal welfare agencies across the sector. Council continues to actively promote responsible pet ownership and animal adoption.

¹ [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]

² [Number of animals reclaimed / Number of animals collected]

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Service standard Animals rehomed ³	36.64%	21.85% ⁴	57.02% ⁴	40.53% ⁴	We have observed a growing number of surrendered animals that are difficult to rehome – particularly older animals, those with health issues, and animals displaying aggressive behaviours. Post-COVID socialisation gaps have contributed to behavioural challenges that further limit rehoming options. Economic pressures also appear to be contributing to the surrender or abandonment of animals with health issues, compounding the difficulty of finding suitable homes. Despite these challenges, rehoming figures for the year remained within the target range, reflecting ongoing efforts to promote responsible pet ownership and support animal welfare outcomes.

³ [Number of animals rehomed / Number of animals collected]

⁴ [Number of animals rehomed / Number of unclaimed collected animals]

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Service cost Cost of animal management service ⁵	\$14.99	\$15.20	\$14.82	\$16.97	The overall cost of animal management services has increased, primarily due to higher expenses associated with operating the animal shelter (pound) service.
Health and safety Animal management prosecutions ⁶	100%	100%	100%	100%	There were no Court prosecutions for the year. Note that in many cases infringements for animal related offences have been issued. Court prosecutions are restricted to the most serious offences, where the public interest is served by a Court appearance and there are witnesses willing to attend Court to give evidence. This year there were several incidents that warrant a court prosecution but the delays in the court system mean that they will appear in the next financial year's results.
Aquatic facilities					
Service standard Health inspections of aquatic facilities ⁷	0	0	0.5	1.0	All aquatic facilities were inspected by an authorised officer during the reporting period. Aquatics staff also assessed water quality five times daily, with records of results maintained at all locations.
Utilisation Utilisation of aquatic facilities ⁸	6.07	9.23	9.93	10.64	Recreation centre utilisation continued to grow over the reporting period, with record patronage levels recorded. Utilisation data includes attendance across the Bairnsdale Aquatic Recreation Centre, Bairnsdale Outdoor Pool, Lakes Entrance Aquadome, and Orbest Outdoor Pool, reflecting strong community engagement with aquatic and recreational facilities.

⁵ [Direct cost of the animal management service / Number of registered animals]

⁶ [Number of successful animal management prosecutions / Total number of animal management prosecutions]

⁷ [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]

⁸ [Number of visits to aquatic facilities / Municipal population]

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Service cost Cost of aquatic facilities ⁹	\$7.99	\$4.06	\$5.25	\$5.08	This year the cost associated with aquatic facilities decreased slightly over the reporting period.
Food safety					
Timeliness Time is taken to action food complaints ¹⁰	1.73	2.25	2.18	2.48	A total of 31 food complaints were received during 2024. All complaints were investigated within one to three days.
Service cost Food safety assessments ¹¹	99.46%	124.64%	115.86%	99.74%	386 of 387 registered premises received annual inspections during the 2024 calendar year. The total number of inspections conducted was 400, but due to some businesses since closing, they have not been included in the total calculation.
Service cost Cost of food safety service ¹²	\$712.70	\$771.83	\$809.40	\$838.43	The cost of food safety service increased from the previous financial year in line with CPI.
Health and safety Critical and major non-compliance outcome notifications ¹³	100%	100%	100%	90%	A total of 10 critical or major non-compliances, 9 were followed up in 2024 calendar year. The 1 non-compliance that was not followed up related to a low-risk mobile food premises and was identified by another council. The non-compliance was rectified at the time of the inspection. A food safety inspection has since been conducted, and the premises was found to be compliant.

⁹ [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]

¹⁰ [Number of days between receipt and first response action for all food complaints / Number of food complaints]

¹¹ [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment by the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment by the Food Act 1984] x100.

¹² [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]

¹³ [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Food safety samples ¹⁴	New indicator for the 23/24FY	New indicator for the 23/24FY	107%	101.92%	In accordance with Section 32A of the <i>Food Act 1994</i> , 104 food safety samples were required to be obtained and analysed during the 2024 calendar year. Council collected 106 samples during the year, exceeding the requirement.
Libraries					
Utilisation Library loans per population ¹⁵	New indicator for the 23/24FY	New indicator for the 23/24FY	5.23	5.67	Library loans per population have increased slightly this year. Consistent engagement across all quarters reflects the effectiveness of ongoing initiatives such as targeted marketing campaigns and the introduction of automatic renewals for overdue items. The results demonstrate strong community use of library services and confirm that the service is operating at a healthy level of utilisation relative to population.
Resource standard Recently purchased library collection ¹⁶	53.62%	51.24%	51.27%	51.69%	51.69% of the library collection was purchased within the last five years, placing the result comfortably within the target range of 40% to 90%. This figure remains consistent with the result from the previous financial year, indicating ongoing stability in the age profile of the collection. We continue to maintain a balanced and strategic approach to collection development through regular purchasing and weeding to ensure relevance, freshness, and alignment with community needs.
Service cost Cost of library service per population ¹⁷	\$23.92	\$21.99	\$24.24	\$25.13	Cost of library service increased slightly during the financial year.

¹⁴ [Number of foods samples obtained / Required number of food samples]

¹⁵ [Number of collection item loans (including digital materials eg. audio books, e-books) / population]

¹⁶ [Number of library collection items purchased in the last 5 years / Number of library collection items] x100

¹⁷ [Direct cost of the library service / population]

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Participation Library membership ¹⁸	New indicator for the 23/24FY	New indicator for the 23/24FY	12.34%	26.74%	Active Library membership calculation was previously calculated incorrect, resulting in a lower-than-expected range for 2023-24. However, we have calculated correctly in 2024-25, which shows that we are now within the expected range of active library members.
Library visits per population ¹⁹	New indicator for the 23/24FY	New indicator for the 23/24FY	4.99	5.10	The result is consistent with previous years and reflects stable, ongoing community engagement with library services. Although marketing and outreach activities have been increased over the past 12 months with the aim of further boosting visitation, the trend remains steady. Continued efforts to promote programs, services, and spaces, including both physical branches and mobile libraries, will support future opportunities to grow library usage across the municipality.

¹⁸ [The sum of the number of registered library members in the last three financial years / The population] x 100

¹⁹ [Number of library visits / The population]

Cost of our services

The following statement provides information about the services funded in the Annual Budget 2024/25.

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Arts and Culture	This service provides a varied, ongoing program of arts and cultural events that bring our communities together to celebrate our identity and generate ideas. It also provides funding and strategic advice to support the development of arts and culture in East Gippsland.	816 <u>801</u> (15)
Community Laws	This service maintains and improves the health and safety of people and the environment. This includes staff at school crossings throughout the municipality to ensure that school children are able to cross the road safely. Animal management services are delivered in accordance with the <i>Domestic Animals Act 1994</i> and include a lost and found notification service, a contracted pound service, registration and administration service, an afterhours service and an emergency service. It also provides education, regulation and enforcement of the General Local Law and relevant Victorian Government legislation.	876 <u>1,024</u> 148
Community Planning	The Community Planning function supports, encourages and works with citizens and community groups to identify their needs and aspirations and how to achieve them with responsive, high-quality services and facilities.	232 <u>336</u> 104
Community Programs	Community programs provide support, assistance and information to the community at all stages of life. They also provide community facilities that enhance social and health outcomes and improve local neighbourhood amenity.	886 <u>1,000</u> 114
Community Support	Council provides a range of aged support programs and services to the community.	387 <u>1,132</u> 745
Family and Youth Services	Supports Preschools, Playgroups and early years programs. Support is also provided to suitably accredited organisations that provide Maternal and Child Health services (MaCH). The providers of the MaCH service are directly funded by the Victorian Government for the provision of the specified services and Council provides a financial contribution to the operations of each of the providers.	354 <u>346</u> (8)

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Library Services	Library and outreach services are located at six locations within the municipality, including mobile library services to our more remote areas. Library services and programs are customer focused and aim to meet the learning and information needs of local communities. Libraries also provide a focal point for the community where they can meet, relax and enjoy the facilities and services offered and increase their participation in community life.	816 <u>801</u> (15)
Performing Arts	This service provides performing arts facilities, including the Forge Theatre and Arts Hub in Bairnsdale. A key focus is to deliver accessible programs and events that celebrate our cultural diversity and enrich the lives of our community and visitors.	572 <u>581</u> 9
Public Health	Public Health maintains and improves the health and safety of people and the environment in accordance with the Public Health and Wellbeing Act 2008. It maintains safety, amenity and harmony in the community by coordinating food safety support programs, registered premises inspections, Tobacco Act 1987 activities and wastewater management. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls; and provides an immunisation service	462 <u>388</u> (74)
Recreation Centres	This service combines a wide range of programs and services that contribute to the general wellbeing of the community. This includes opportunities for individuals of all ages, genders and abilities to participate in a variety of health, education, and leisure activities by providing recreational facilities that include indoor and outdoor aquatic facilities, a fully equipped gymnasium, aqua aerobics and group fitness classes, a stadium and childcare facilities.	2,293 <u>1441</u> (852)

Planning and infrastructure that enriches the environment, lifestyle, and character of our communities

Progress against major initiatives

Major initiative	Progress
Major initiative 2 Initiate and progress Planning Scheme Amendments including the Municipal Planning Strategy, Planning Policy Framework, Housing and Settlement Strategy, Rural Land Use Strategy and the Paynesville Growth Area Structure Plan.	All four major Planning Scheme Amendments have progressed in line with expectations. Amendments C171 and C172 have been formally referred to the Planning Panel. Amendment C169 is scheduled to be reported to Council for final approval. Documentation for Amendment C170 – Rural Land Use Strategy – has been completed and is ready for public notification.
Major initiative 3 Undertake a climate risk assessment to identify and respond to the likely impact of extreme weather and climate events on Council and community infrastructure and services.	The methodology contract with Finity was finalised, enabling the development of a robust climate risk assessment method and online interface. Co-designed with input from 20 East Gippsland asset management stakeholders, the framework has been verified as fit for purpose and will significantly enhance collaborative planning and management of climate risks. It incorporates hazard, built, economic, and social domain scores, with district-level vulnerability data. The interface supports both standalone and interdependent asset risk scoring across multiple time horizons and emissions scenarios. Access is structured in levels to enable collaborative work, and risk outputs are standardized to allow comparison across different hazards and districts. The Climate Risk Assessment will be undertaken next financial year, and we will embed within strategic operational planning for the Asset Plan 2026-2035.



Strategic indicators

The following statistics review the performance of Council against the Council Plan's strategic indicators.

Strategic indicator	2023-24	2024-25	Target	Comments
Completion of 2024-25 milestones of for the Public Open Space Strategy	100%	90%	≥ 90 per cent of milestones	The Public Open Space Strategy is at final engagement and endorsement stage, with minimal change expected to the document and in particular the Action Plan. Actions from the Draft plan are being incorporated into Business Unit Plans to support resource allocation and accountability.
Percentage of Committees of Management and volunteer groups four Council managed land with a guiding plan.		25%	> 70%	Currently 25 Committees of Management of managed facilities have masterplans or strategic plans in place. There is a higher uptake of guiding plans by recreation reserves, compared to facilities such as halls or reserves.
Percentage of community recreation reserves and halls asset condition above target condition rating	-	78%	> 70%	Based on our asset assessment from 2023, 78% of community / recreation facilities are above the target condition rating. We continue to complete repairs and renewals on community facilities as required and as per the capital works program.
Asset renewal and upgrade expenses as a percentage of depreciation	97.34%	107.79%	> 100 per cent	We completed our Infrastructure Revaluation during 2023/24, resulting in an approximate 8% increase in depreciation. This has directly impacted the 2024/25 renewal gap. The outcome highlights the ongoing need for sustained investment in asset renewal to ensure infrastructure is maintained at appropriate service levels.
Community satisfaction with appearance of public areas in East Gippsland	65	64	≥ Large Rural Average	Satisfaction with the appearance of public areas has decreased slightly from last year, and is slightly under the Large Rural Average (66). We continue to work on the appearance of our public areas and take great pride in our town centre gardens across the shire.

Strategic indicator	2023-24	2024-25	Target	Comments
Percentage of adopted capital projects completed at the conclusion of the financial year (based on the most recent amended budget)	47%	49%	> 80 per cent	The period saw the delivery of another substantial capital works program, although a significant number of projects were carried forward. Of the 282 projects, 91 were completed within the year, while 112 are being delivered across multiple years. Additionally, 29 projects were deferred to future years to allow for further planning, and 2 projects were withdrawn.
Community satisfaction with emergency and disaster management	60	65	≥ Large Rural Average	Satisfaction with emergency and disaster management increased significantly this year and is now equal to the Large Rural Average. We continue to work with communities to ensure they are prepared and resilient for emergencies.
Percentage of communities that need a Local Incident Management Plan have one in place	100%	100%	100%	Consistent engagement has enabled communities to prepare Local Incident Management Plans (LIMPs) at new locations and to update LIMPs ensuring they reflect community needs.
2024-25 milestones achieved for climate risk analysis	10%	100%	100%	All project milestones for the year have been met. Including appointing a consultant, drafted methodology and stakeholder engagement.

Local government performance reporting framework

The Victorian Government's compulsory service measures for all Councils that are relevant to this goal are shown below:

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Roads					
Satisfaction of use Satisfaction with sealed local roads ²⁰	41	43	41	40	Community satisfaction with sealed local roads has decreased over the reporting period, however the satisfaction result is 1 point higher than the large rural council average. Many of the verbatim comments collected through the survey related to roads maintained by the State Government. Council will continue to advocate for improvements to our road network over the coming year.
Condition Sealed local roads below the intervention level ²¹	94.04%	97.36%	96.03%	96.24%	Council continues to maintain sealed local roads to very high standard below the intervention level required under the <i>Road Management Act</i> . This resulted in only 4% of local roads identified as requiring repair. A comprehensive condition assessment is conducted every four years, with the latest undertaken in late 2023.
Service cost Cost of sealed local road reconstruction ²²	\$50.89	\$68.54	\$74.53	\$43.28	The cost of sealed road reconstruction can vary from year to year depending on materials used and the treatment required. Costs are also impacted by the trial of more environmentally friendly products.

²⁰ [Number of sealed local road requests / Kilometres of sealed local roads] x100

²¹ [Number of kilometres of sealed local roads below the intervention renewal level set by Council / Kilometres of sealed local roads] x100

²² [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Service cost Cost of sealed local road resealing ²³	\$6.29	\$8.43	\$10.75	\$9.60	The cost of sealed road resealing can vary from year to year depending on materials used and the treatment required. Costs are also impacted by the trial of more environmentally friendly products.
Satisfaction Satisfaction with sealed local roads ²⁴	41	43	41	40	Community satisfaction with sealed local roads has decreased over the reporting period, however the satisfaction result is 1 point higher than the large rural council average. Many of the verbatim comments collected through the survey related to roads maintained by the State Government. Council will continue to advocate for improvements to our road network over the coming year.

²³ [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]

²⁴ [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Statutory Planning					
Timeliness Time taken to decide planning applications ²⁵	89	96	94	64	The average time taken to decide planning applications has decreased significantly during the year, this can be attributed to improved processing and internal improvements in the department. We continue to review and refine internal processes to enhance decision times.
Service standard Planning applications decided within 60 days ²⁶	38.91%	37.12%	36.41%	56.07%	There has been a significant improvement in planning applications being decided within required timeframes, this can be attributed to improved processing and internal improvements in the department. We continue to review and improve internal process to enhance decision times.
Service cost Cost of statutory planning service ²⁷	\$1,573.60	\$1,823.28	\$3,339.14	\$3,553.64	There has been an increase in the number of VCAT appeals this year, along with a rise in planning enforcement fees. Additionally, Council has filled a position that was vacant during the previous financial year, contributing to changes in service delivery costs.
Decision making Council planning decisions upheld at VCAT ²⁸	75.00%	70.00%	40.00%	61.54%	During the reporting period, 13 Council planning decisions were appealed to VCAT, with five being set aside.

²⁵ [The median number of days between receipt of a planning application and a decision on the application]

²⁶ [Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits / Number of planning application decisions made] x100.

²⁷ [Direct cost of statutory planning service / Number of planning applications received]

²⁸ [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100.

Cost of our services

The following statement provides information about the services funded in the Annual Budget 2024/25.

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Asset Maintenance	This service provides management and ongoing maintenance of the Council's assets, including 3,006 km of roads, 191 bridges and 29 pedestrian bridges; over 300 km of drains, 292 km of footpaths and shared paths, and 550 km of kerb and channel; numerous playgrounds, parks, gardens, and recreation reserves; three aerodromes; over 4,000 street lights; 50 public jetties, 28 fishing platforms and 31 boat ramps; and the Raymond Island Ferry.	14,565 <u>14,253</u> (312)
Asset Management	This service conducts planning for Council's main civil infrastructure assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These assets include roads, laneways, car parks, foot/bike paths, drains and bridges.	1,033 <u>788</u> (245)
Building Control	This service enforces statutory building regulations under the Victorian Building Code. These include providing advice on building permits and legislation, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.	(143) <u>164</u> 307
Emergency Management	Council works collaboratively with relevant stakeholders to help communities prepare for emergency events and natural disasters and, in times of emergency, respond to their needs and help them recover.	1,161 <u>1,347</u> 186
Emergency Response	Council has a significant responsibility in emergency management and disaster response across East Gippsland, along with other lead agencies. Although the Australian Government provides significant funding to repair and reconstruct assets following natural disasters, Council (in the first instance) is required to fund the response and then seek recompense after the event. Council therefore carries that burden while waiting for reimbursement, which can impact upon current plans for infrastructure planning and maintenance.	3,874 <u>2,851</u> (1,023)
Parks and Gardens	Parks and Gardens provides management and implementation of open space strategies and maintenance including mowing, garden maintenance, annual displays, weed control and walking track maintenance. It also provides tree maintenance including inspection, pruning and removals.	4,950 <u>3,942</u> (1,008)

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Project Management	This service undertakes project planning, design and delivery of various works within Council's Capital Works Program.	1,173 <u>(27)</u> (1,200)
Recreation and Sporting Reserve Management	This service is responsible for the maintenance and operation of sporting grounds and pavilions and community centres with meeting, function and activity space. Often this work is undertaken in conjunction with community operated committees of management. The service assists in the delivery of strategic sporting outcomes across the municipality through the upgrade and improvement of facilities and the attraction of funding to undertake this work.	3,463 <u>1,079</u> (2,384)
Statutory Planning and Development Services	Statutory planning services process and assess planning applications in accordance with the Planning and Environment Act 1987, the Planning Scheme and Council policies aimed at ensuring that our cities, towns and settlements develop in an orderly and sustainable way. It provides advice and makes decisions about development and land-use proposals, as well as representing Council at the Victorian Civil and Administrative Tribunal (VCAT) where necessary.	1,226 <u>921</u> (305)
Strategic Planning	This service aims to deliver vibrant, connected and productive places and infrastructure to meet current and future community needs. Strategic Planning advocates for and implements land use policies, plans and standards that guide land use development and promote sustainable design, development and heritage conservation. This is supported through continual reviews and improvements to the East Gippsland Planning Scheme.	703 <u>1,323</u> 620
Works	This service provides for the management and maintenance of Council's building infrastructure and assets. It includes management and maintenance of Council's vehicles, machinery and equipment and place-based works crews.	2,118 <u>1,536</u> (582)

A natural environment that is managed and enhanced

Progress against major initiatives

Major initiative	Progress
Major initiative 4 Finalise Council's Greenhouse Gas Emissions Reduction Plan and commence delivery of year one actions.	The Greenhouse Gas Emissions Reduction Plan is finalised and approved. Activities are underway to support the plan's actions in alignment with our 2032 net zero emissions reduction target. These projects include: » Investigating geothermal energy at the BARC. » EV Fleet Transition. » Electrification of buildings. » Supporting contractors to collate and report emissions in the supply chain.
Major initiative 5 Progress development of an organic waste processing facility at Bairnsdale Landfill.	The design for the organic waste facility has been completed. The application for an EPA license and planning permit has been submitted for the proposed organic composting facility at Bairnsdale Landfill and Waste Transfer Station (Johnstons Rd, Forge Creek). The new facility will separate organic waste, such as food scraps and garden trimmings, from general waste, enabling composting into nutrient-rich soil rather than sending it to landfill where methane emissions would be generated. We have held multiple community information sessions for this project, to inform neighbours and other interested parties about the proposed facility. The sessions have been well attending, and in response to concerns raised during the event and in submissions, council committed to presenting alternative options to mitigate any odour or noise concerns and as per community engagement SMEC (consultant) is relocating certain elements of layout and vegetation assessment will commence once finalised.



Lakes Entrance Transfer Station.

Strategic indicators

The following statistics review the performance of Council against the Council Plan's strategic indicators.

Strategic indicator	2023-24	2024-25	Target	Comments
Percentage of Council's electricity use from renewable sources	99.16%	98.90%	> 95.00%	Very few accounts remain off Council's Power Purchase Agreement, which utilises 100% renewal energy. These remaining accounts are primarily smaller usage, such as security lighting.
Reduce carbon emissions from Council operations	2,194	2,201	<3,639	The slight increase in emissions from last year is from increased fuel use. The development of an Electric Vehicle Transition Plan will plan to strategically reduce vehicle emissions and improve the result.
Proportion of Council passenger vehicle fleet is electric, hybrid or uses alternate fuel sources	50%	50%	> 10%	We currently have 20 alternate fuel vehicles in our passenger fleet. 19 are hybrid and one electric.
New public electric vehicle charging stations	4	6	≥ 7	Two of the three planned EV public chargers have been installed this year, one in each of Buchan and Mallacoota. Overall, we have installed 6 of the 7 charges during the current Council Plan period.
Total Kilowatt hours output from renewable energy systems at Council Owned facilities	N/A	N/A	> 10%	The system currently used to capture this data is not recording the required information, which means the data is unavailable.
Kilometres of regionally controlled and prohibited weeds treated on roadsides	397km	445km	> 200 km per annum	We completed the treatment of 50km of regionally prohibited weeds on roadsides using existing staff and contractors to continue to meet appropriate management of these species. Additionally, 890km of regionally controlled weeds, including Blackberry and a significant amount of African Love Grass affected roadsides were treated. Additional funding from Council supported an increased management area resulting in a greater landscape benefit for both agricultural and semi-urban areas.

Strategic indicator	2023-24	2024-25	Target	Comments
Community satisfaction with slashing and weed control	41	45	≥ Large Rural Average	Satisfaction with slashing and weed control has increased over the reporting period and is just under the Large Rural Average (46).
Total investment in Council managed land to support natural areas	\$1,996,898	\$1,627,463	≥ \$1,710,000	While slightly below the target, we have made significant investment to support natural areas. Activities included general maintenance and roadside fire slashing.
Community Satisfaction with waste management	66	68	≥ Large Rural Average	Satisfaction with waste management has increased over the reporting period and is higher than the Large Rural Average (65).
Proportion of recycled content in construction projects on Council assets	35%	31%	> 10%	There were that 15 projects utilised recycled materials. The best example is the completed construction of Giles Street and Bosworth Road in Bairnsdale, where silage wrap has been incorporated into the asphalt road pavement.
Number of community waste education programs delivered	10	29	> Five programs per annum	There were numerous waste education programs delivered throughout the year, including Event Waste Planning, Circular Economy Workshops and general community education at events such as the East Gippsland Field Days.
Number of new waste streams collected through waste facilities	2	3	≥ Two new waste streams	Three new waste streams were introduced during the year, including fridge degassing, solar panels and separation of copper wire using granulator machine.

Local government performance reporting framework

The Victorian Government's compulsory service measures for all Councils that are relevant to this goal are shown below:

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Waste collection					
Service standard Kerbside collection bins missed ²⁹	0.43	1.75	2.4	2.02	There was a slight decrease in the number of missed bins during the reporting period. Council continues to actively work with contractors to improve these results.
Service cost Cost of kerbside garbage collection service ³⁰	\$65.92	\$70.55	\$78.11	\$74.40	
Cost of kerbside recyclables collection service ³¹	\$73.01	\$75.59	\$78.90	\$79.78	
Waste diversion Kerbside collection waste diverted from landfill ³²	53.32%	53.07%	49.18%	49.30%	The introduction of the Container Deposit Scheme has contributed to a decrease in the weight of kerbside collection waste diverted from landfill. Council continues to work with community to ensure waste is recycled where possible.

²⁹ [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000

³⁰ [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]

³¹ [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]

³² [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

Cost of our services

The following statement provides information about the services funded in the Annual Budget 2024/25.

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Environmental Management	The Environmental Management function identifies and manages broad-based environmental issues on Council owned or managed land including Council's Mosquito Management Program, pest plants and animals and Urban Waterway	730 <u>1,161</u> 431
Environmental Sustainability	This service develops environmental policy and strategies, coordinates and implements environmental projects and works with other services to improve Council's environmental performance. Reducing greenhouse emissions and utility use within Council operations are a key priority. This includes community awareness and behavioural change programs to encourage and support reduced use of energy and resources.	562 <u>509</u> (53)
Waste Services	This service provides kerbside waste collection of household, recycling and green waste from households, and landfill and transfer station facilities. The service operates and rehabilitates Council's current and legacy landfills and manages the East Gippsland Waste and Recycling Centre in ways that promote positive waste behaviour in the community and minimise environmental impacts.	9,300 <u>8,427</u> 873

A thriving and diverse economy that attracts investment and generates inclusive local employment

Progress against major initiatives

Major initiative	Progress
Major initiative 6 Support the delivery of the Pathways to Growth program from the Tourism Events Action Plan 2022-26.	Four events are participating in the Pathways to Growth Program: Twin Rivers Bream Classic, East Gippsland Winter Festival, Paynesville Classic Boat Rally (biennial), and Wild Harvest Seafood Festival (biennial). Council continues to provide support and guidance to help these events meet their performance targets. Two events are in their final year of funding. An independent review has been undertaken, including interviews with recipient organisations and lessons will inform future program design.



Fishing fleet, western marina.

Strategic indicators

The following statistics review the performance of Council against the Council Plan's strategic indicators.

Strategic indicator	2023-24	2024-25	Target	Comments
Percentage of actions implemented from the Economic Development Strategy Action Plan 2022-26	80%	85%	≥ 80% of year 2 actions	Key achievements include the development of a strategic, tiered Business and Industry Engagement Framework to replace static advisory models, enhancing responsiveness and embedding engagement through internal training and shared tools. Additional initiatives included a Customer Service Training module, ongoing engagement with Agribusiness Leadership Program alumni, and finalisation of the East Gippsland Investment Prospectus to support future investment attraction and the relaunch of the Invest East Gippsland platform. These efforts reflect our commitment to strategic, place-based economic development and continuous improvement in partnering with business and industry.
Average processing time for goods on footpath permits	8.32 days	6.30 Days	≤ 8 days	Processing times have improved throughout the year, however, there has also been a decrease in permit applications which have contributed to the improvement.
Average processing time trading permits	7.97 days	1.75 days	≤ 6 days	Processing times have improved significantly during the year. This is due to improved processes, which are ensuring better response times.
Average processing time for domestic animal business registrations	-	0	≤ 6 days	No new applications for of Domestic Animal business registrations were made during the year.
Number of tourism events held during the low and shoulder season periods	70 events	22 events	> 50 events per annum	We continue to prioritise events during these periods, as well as fair weather events. Key events include the East Gippsland Winter Festival, MLF Australia Fishing Competition, Tour de Tambo, Mother's Day Classic, Gippsland Lakes Paddle Challenge and the Netball Victoria Easter Association Championships.

Strategic indicator	2023-24	2024-25	Target	Comments
Number of businesses that participate in Council run programs delivered to support business growth	837	477	≥ 300 businesses per annum	477 business participated in Council run programs supporting business growth. This figure also includes those businesses that have used the business concierge service and business check ins that were offered throughout the year.
Number of new businesses registered	N/A	261	Increase from previous year	261 new businesses were registered in East Gippsland during the year.
Total visitation to East Gippsland (international, domestic and daytrip combined)		1,629,100	≥ 1,300,000	Visitation to East Gippsland has surpassed the expected target during the year.
Tourism expenditure in East Gippsland		\$577,400,000	≥ \$60,000,000	Tourism expenditure has surpassed the expected target during the year. Suggesting strong visitor spending in the region.
Number of jobs in the agriculture sector in East Gippsland	1,690	1,690	Increase from previous year	Number of jobs in the agriculture sector have remained steady during the year.
Value added by the agriculture sector in East Gippsland	\$357,000,000	\$368,000,000	Increase from previous year	Value added by the agriculture sector has increased during the year. This increase reflects positive growth and continued contribution of the sector to the regional economy.

Cost of our services

The following statement provides information about the services funded in the Annual Budget 2024/25.

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Business Growth	The development of business and industry in East Gippsland is supported by this service, which provides business information services, referrals to other organisations for support, facilitation of industry networking and knowledge sharing events, and facilitation of funding opportunities at all levels of government. It also works with government departments to link businesses to Victorian and Australian Government services to support growth and diversification.	117 <u>150</u> 33
Economic Development	The economic development service assists the organisation to facilitate an environment that is conducive to a sustainable and growing local business sector and provides opportunities for local residents to improve their skill levels and access employment.	1547 <u>941</u> (606)
Events	This service works with partners to develop East Gippsland's reputation as a recognised events destination through attraction and facilitation of new events and support of existing events. It provides support, resources and training information, and assists with the development of major events that stimulate economic benefits and cultural diversity and enhance the well-being of citizens.	356 <u>362</u> 6
Tourism and Visitor	Council supports the tourism industry and helps promote East Gippsland as a highly sought after visitor destination. Quality visitor information services are provided with the aim of meeting the expectations and needs of visitors.	915 <u>868</u> (47)

An inclusive and caring community that respects and celebrates diversity

Progress against major initiatives

Major initiative	Progress
Major initiative 7 Place Plans are developed for key areas to capture the needs and priorities of communities at a local level.	As of April, the Place Planning function has been fully established. Significant progress has been made on the Omeo Place Plan, including development of the project plan and framework, and a comprehensive review of existing documentation and strategies. External engagement commenced in June through participation in community group meetings. Internally, a cross-organisational Project Working Group has been formed to support collaborative input into the planning process.
Major initiative 8 Review the Community Vision 2040 and support Council in the development of the Council Plan 2025-29.	A comprehensive review of the Community Vision 2040 was completed, alongside strategic support for the development of the Council Plan 2025–29. This work was underpinned by one of East Gippsland’s most extensive community engagement programs, involving over 4,000 participants through surveys, conversations, and facilitated sessions. A key feature of the engagement process was the establishment of a deliberative engagement panel comprising 21 community members from diverse backgrounds and townships. The panel met across a series of online and face-to-face sessions, contributing thoughtful recommendations that shaped the revised Community Vision, Long-Term Financial Plan, Asset Plan, and Health and Wellbeing Plan. Their work was marked by integrity, respect, and a strong commitment to community outcomes. Insights from the panel and broader engagement directly informed the Council Plan 2025–29, which was adopted on 23 June 2025. The Plan sets out Council’s strategic themes, priorities, and initiatives for the next four years, ensuring alignment with community aspirations and statutory obligations under the <i>Local Government Act 2020</i>.

Community Vision 2040

Reviewed 2025

Strategic indicators

The following statistics review the performance of Council against the Council Plan's strategic indicators.

Strategic indicator	2023-24	2024-25	Target	Comments
Community satisfaction with customer service	62	66	≥ Large Rural Average	Satisfaction with customer service has increased over the reporting period and is higher than the Large Rural Average (65).
Community satisfaction with advocacy (lobbying on behalf of the community)	44	47	≥ Large Rural Average	Satisfaction with advocacy has increased over the reporting period and is now equal to the Large Rural Average. We continue to advocate for the needs of the community.
Community satisfaction with community consultation and engagement	41	46	≥ Large Rural Average	Satisfaction with community consultation and engagement has increased over the reporting period, just below the Large Rural Average (48). We continue to review our consultation and engagement practices in an effort to improve the community satisfaction rating.
Community satisfaction with making community decisions	44	47	≥ Large Rural Average	Satisfaction with council decisions has increased over the reporting period and is higher than the Large Rural Average (46). We are committed to making decisions in the community's best interest, and the slight increase in satisfaction reflects this.
Community satisfaction with informing the community	48	48	≥ Large Rural Average	Satisfaction with informing the community has remained the same for the reporting period, however, was lower than the Large Rural Average (54). We are committed to making improvements for connecting and informing the community.
Number of service reviews undertaken	2	2	≥ Two reviews per annum	There were two service reviews conducted during the year, being the Waste Service Review and the East Gippsland Livestock Exchange Commercial Review.

Strategic indicator	2023-24	2024-25	Target	Comments
Permanent workforce has access to mobile technology	91.76%	92.00%	> 70.00%	All permanent positions that have a requirement for mobile technology have access to the technology required.
Victorian Auditor-General's Office assessment of Council's overall Financial Sustainability is low risk	Achieved	Achieved	Achieve low risk rating	Financial Sustainability overall remains low risk, with only the underlying result reporting a medium risk rating.
The percentage of actions implemented from the Workforce Plan 2021-25	93%	100%	≥ 80% of year 3 actions	All actions from the Workforce Plan 2021-25 have either been completed or are ongoing. Key strategies developed during the year include the Aging Workforce Strategy, Succession Planning Strategy, and the Capability Framework, supporting long-term workforce sustainability and capability development.
Unplanned staff turnover rate	13.4%	13.04%	< 12 per cent annual rate	Unplanned staff turnover rate has remained steady during the year and is lower than the industry average

Local government performance reporting framework

The Victorian Government's compulsory service measures for all Councils that are relevant to this goal are shown below:

Indicator measure	Results				Comments
	2021-22	2022-23	2023-24	2024-25	
Governance					
Transparency Council resolutions at meetings closed to the public ³³	17.27%	14.29%	14.29%	11.54%	Council made 104 resolutions over the reporting period. Of these, 12 were confidential resolutions made at meetings closed to the public. Council is committed to improving transparency and is working diligently to reduce the number of decisions made in closed meetings.
Consultation and engagement Satisfaction with community consultation and engagement ³⁴	45	41	41	46	Satisfaction with community consultation and engagement has increased over the reporting period. We continue to review our consultation and engagement practices in an effort to improve the community satisfaction rating.
Attendance Councillor attendance at Council meetings ³⁵	91.89%	91.98%	91.98%	99.26%	Councillor attendance at Council meetings remains high as Councillors are able to attend meetings online or face to face.
Service cost Cost of governance ³⁶	\$54,313.56	\$54,313.56	\$54,009.11	\$53,184.78	
Satisfaction Satisfaction with Council decisions ³⁷	50	47	44	47	Satisfaction with council decisions has increased over the reporting period. We are committed to making decisions in the community’s best interest, and the slight increase in satisfaction reflects this.

³³ [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x100

³⁴ [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]

³⁵ [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x100

³⁶ [Direct cost of the governance service / Number of councillors elected at the last council general election]

³⁷ [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]

Cost of our services

The following statement provides information about the services funded in the Annual Budget 2024/25.

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Community Leadership and Advocacy	Council provides leadership on issues of importance to East Gippsland and advocates on behalf of the community and its vision for the future. It does this through strong, transparent, accountable leadership and the development of strong relationships with key stakeholders and other levels of government.	15,603 <u>5,626</u> 23
Council Enterprises	This service supports the local economy and provides an alternative revenue stream for Council through the effective operation of a range of Council managed commercial enterprises such as caravan parks, marinas and the East Gippsland Livestock Exchange.	(1,652) <u>(782)</u> 870
Customer and Civic Services	This service acts as the main customer interface with the community. It provides accessible, high-quality customer service at Council's Corporate, Business and Service Centres, which connects people to Council services and general information.	2,374 <u>2,490</u> 116
Finance and Treasury	This service predominantly provides financial based services to both internal and external customers including the management of Council's finances and raising and collection of rates and charges.	(2,037) <u>(362)</u> 1,675
Governance	This service provides a range of governance, statutory and corporate support services to Council, including coordination of business papers for meetings of the Council and its committees; coordination of arrangements for Council and committee meetings; and the maintenance of statutory registers and the conduct of municipal elections. An Audit Committee supports this service. This service also provides the framework, oversight and advice to support Council in complying with statutory procurement and contracting provisions.	3,976 <u>4,051</u> 75
Human Resources	Through this service Council provides human resource and industrial relations services dedicated to ensuring Council's workforce operates efficiently and effectively within a framework that encourages innovation and continuous improvement. Human Resources also provides payroll services for all employees.	1,980 <u>2,195</u> 215

Business area	Description of services provided	Net Cost Actual Budget Variance Surplus/ (deficit) \$'000
Information Services	This service provides, supports and maintains reliable and cost-effective communications and computing systems, facilities and infrastructure to Council staff enabling them to deliver services in a smart, productive and efficient way. It is also responsible for the provision of document and information management support services and compliance with statutory obligations under Freedom of Information and Information Privacy legislation.	5,603 <u>5,626</u> 23
Media, Communications and Civic Events	This service oversees provision of advice on communications, in consultation with relevant stakeholders, on behalf of Council. It also provides in-house graphic design services. This service also conducts civic events to recognise, commemorate and celebrate prominent citizens and the successful delivery of significant Council programs, infrastructure and projects.	691 <u>829</u> 138
Organisation Strategy and Performance	This service provides Council with strategic and operational organisation development support. The service also assists managers to determine and progress toward future structures, capability and cultures in their service units.	806 <u>935</u> 129
Property Management	The management of Council's property portfolio, including purchases, sales, leases and licenses to ensure land under Council's ownership or management is used effectively and in the best interests of current and future generations is delivered through this service. It also supports local groups that have a focus on land and facility stewardship.	498 <u>313</u> (185)
Risk Management and Compliance	This service manages a compliance framework that promotes prudent and responsible management approaches to Council's decision-making and service delivery. It ensures the highest standards of legislative compliance are achieved across all Council functions and that its risk exposure is minimised through proactive and comprehensive systems and processes.	2,694 <u>2,731</u> 37

Section six: governance, management and other information

East Gippsland Shire Council is a public statutory body, which operates under the legislative requirements of the Local Government Act 2020 (the Act).

The Act sets out the role of Council, as an elected body, to provide leadership for the good governance of the East Gippsland Shire. Council's elected members and employees work within systems and processes to ensure they comply with all Acts administered by the Council.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that council and its administration meet the community's priorities. The community has many opportunities to provide input into council's decision-making processes including community consultation, public forums such as community meetings and the ability to make submissions to Special Committees of Council.

Council Plan

Council's roles and responsibilities

The Council is committed to working in partnership with the wider community and other levels of government, to create and achieve the best opportunities possible for all people in East Gippsland.

Key responsibilities of Council include:

- » Guaranteeing good governance in the performance of its roles and responsibilities;
- » Prioritising the best outcomes for the East Gippsland community;
- » Making decisions that consider economic, social, and environmental sustainability of the East Gippsland Shire, including, where possible mitigating and planning for climate change;
- » Addressing the diverse needs of the local community in decision making;
- » Advocating for the needs and desires of the community across East Gippsland;
- » Providing leadership through strategic objectives, monitoring progress, and adapting to changes to support the community;
- » Fostering community cohesion and encourage active participation in the East Gippsland Shire Council activities; and
- » Ensuring transparency of decision making and accessibility to publicly available information.

Meetings of Council

Council is committed to transparent governance in decision-making. Council meetings are open to the public and are also livestreamed via East Gippsland Shire Council's YouTube channel, East Gippy TV.

Council meetings usually occur on Tuesday evenings from 6.00 pm. All Council meeting dates are publicly available on Council's website.

Council meetings provide an opportunity for community members to submit a question to the Council and speak on matters of interest to the community. Details for this are available on Council's website. The business to be considered by Council is set out in an agenda, which is available on Council's website from 1pm on the Friday before the meeting.

Council minutes capturing all resolutions of a meeting can be viewed in the same locations as the agenda. In 2024-25, there was a total of 15 Council meetings, comprising 13 scheduled, one unscheduled Council meeting, and one separate meeting for the purpose of electing a Mayor and Deputy Mayor.

Council meeting attendance

The following table provides a summary of Councillor attendance at Council meetings in 2024-25:

Councillor	Council meetings
Cr Arthur Allen ²	14
Cr Jodie Ashworth	9
Cr Sonia Buckley ²	15
Cr Tom Crook ²	15
Cr Barry Davis	9
Cr Bernie Farquhar	9
Cr Joanne Eastman	9
Cr Jane Greacen OAM ¹	6
Cr Mark Reeves ¹	6
Cr Trevor Stow ¹	6
Cr Ian Trevaskis	9
Cr Mendy Urie ¹	6
Cr Kirsten Van Diggele ¹	6
Cr John White ²	15

¹ Councillor until October 2024

² Councillor re-elected in the 2024 local council election

Councillor allowances

Under section 39 of the *Local Government Act 2020*, Councillors are entitled to receive an allowance while performing their duty. The Mayor and Deputy Mayor are also entitled to receive a higher allowance. The Victorian Independent Remuneration Tribunal (the Tribunal) is responsible for setting allowances for the Mayor, Deputy Mayor, and Councillors.

The Tribunal has classified each Council into one of four Council allowance categories, and East Gippsland has been classified as a Category 2 Council.

The annual allowances that applied from 1 July 2024 to 17 December 2024 were Mayor \$109,114, Deputy Mayor \$54,558 and Councillors \$34,028. Effective from the 18 December 2024, the annual allowances were Mayor \$111,987 and Deputy Mayor \$55,994. The base allowance for Councillors remains unchanged from the figure that came into effect on 1 July 2024.



Cr Jodie Ashworth, Deputy Mayor Cr Sonia Buckley, Her Excellency the Honourable Ms Sam Mostyn AC, Governor-General of the Commonwealth of Australia and Mayor Cr John White with members of the Bairnsdale Fire Brigade.

Councillor expenses

Under section 40 of the *Local Government Act 2020*, Council is required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors in accordance with section 41 of the *Local Government Act 2020*.

The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties.

The following table details the total expenses for all Councillors during the 2024-25 financial year.

Councillor	Base allowance \$	Remote area travel allowance \$	Total allowances paid \$
Cr Tom Crook ¹ (Mayor October 2023 to October 2024)	55,506	0	55,506
Cr John White ¹ (Mayor from November 2024)	78,711	0	78,711
Cr Jane Greacen OAM ² (Deputy Mayor from October 2023 to October 2024)	17,637	0	17,637
Cr Sonia Buckley ¹ (Deputy Mayor from November 2024)	45,510	950	46,460
Cr Arthur Allen ¹	33,842	0	33,842
Cr Jodie Ashworth	21,536	0	21,536
Cr Barry Davis	21,536	0	21,536
Cr Joanne Eastman	21,536	0	21,536
Cr Bernie Farquhar	21,536	0	21,536
Cr Mark Reeves ²	11,001	143	11,144
Cr Trevor Stow ²	11,001	0	11,001
Cr Ian Trevaskis	21,536	0	21,536
Cr Mendy Urie ²	11,001	0	11,001
Cr Kirsten Van Diggele ²	11,001	0	11,001
Total	382,890	1,093	383,983

¹ Councillor re-elected in the 2024 local council election.

² Councillor until October 2024.

Office Expenses include Telephone and Stationery. Conferences/Training, Delegate and Other Council representation costs include related accommodation and travel expenses.

Model Councillor Code of Conduct

In accordance with the *Local Government Act 2020*, Councillors must observe the Model Councillor Code of Conduct. The purpose of the Model Councillor Code of Conduct is to include the standards of conduct expected to be observed by Councillors in the course of performing their duties and functions as Councillors, including prohibiting discrimination, harassment (including sexual harassment) and vilification.

The Model Councillor Code of Conduct applies to all Victorian Councils and is prescribed by the *Local Government (Governance and Integrity) Regulations 2020*.

Conflict of Interest

A conflict of interest arises when a personal or private interest of a Councillor or officer in a matter may compromise their ability to act impartially and in the best interests of the community.

The *Local Government Act 2020* outlines the scope for determining conflicts of interest by an individual. Only an individual can decide if they have a conflict of interest in a matter. Council's Governance Rules address how a Councillor or staff member deals with a conflict of interest. The Governance Rules are available on the Council's website. A Conflicts of Interest Register captures the conflict disclosures by Councillors and is publicly available on Council's website.

Committees

The *Local Government Act 2020* allows councils to establish the following types of committees:

- » Delegated Committees;
- » Joint Delegated Committees;
- » Community Asset Committees; and
- » Audit and Risk Committee.

Councils may also establish advisory committees for the purpose of providing advice to the Council.

Delegated Committees

Delegated Committees are able to exercise any powers, duties or functions of a council, under the *Local Government Act 2020* or any other Act, delegated to it through an Instrument of Delegation, and must consist of at least two Councillors, and any other persons appointed by the Council. Council has not established any Delegated Committees.

Joint Delegated Committees

Under section 63 of the *Local Government Act 2020*, two or more Councils may resolve to establish a Joint Delegated Committee. A Joint Delegated Committee must include at least one Councillor from each of the participating Councils. Council has not established any Joint Delegated Committees.

Community Asset Committees

Council may also establish a Community Asset Committee under section 65 of the *Local Government Act 2020* for the purpose of managing a community asset in the municipality and may consist of as many members as necessary in order to achieve its purpose.

These types of committees act under the power of delegation by the Chief Executive Officer, subject to any specified conditions and limitations specified in the Instrument.

Council has not established any Community Asset Committees.

Advisory Committees

Advisory committees have no decision-making powers and may only make recommendations to the Council.

The following table contains a list of all advisory committees established by the Council that are in operation and the purpose for which each committee was established:

Committee	Councillors	Officers	Other	Purpose
Chief Executive Employment and Remuneration Committee	4	0	1	Considers, and makes recommendations to Council on the: » selection and appointment of an Independent Member » performance monitoring of the Chief Executive Officer (CEO), including with respect to achievement of the Key Performance Indicators (KPIs) » annual review of the CEO's performance, including against the KPIs » CEO's remuneration » recruitment and appointment (or reappointment) of a CEO, if required.
Disability Advisory Committee	2	2	11	Provides advice on things that matter to people with a disability in the region. It seeks to maximise the contribution being made by Council and its partners by working with a common agenda to create a more inclusive and accessible East Gippsland. The committee was in recess for most of the year.
East Gippsland Agriculture Sector Advisory Committee	2	4	14	Provides advice, guidance and recommendations to Council on matters that affect the agriculture sector in East Gippsland and its communities.

Committee	Councillors	Officers	Other	Purpose
East Gippsland Livestock Exchange Consultative Committee	2	4	7	Is a platform for consultation with key stakeholders on the operations of the livestock exchange. The group also discusses industry matters that may impact the livestock exchange business. The committee was in recess for most of the year.
East Gippsland Economic Development Advisory Committee	3	4	14	Provides advice, guidance and recommendations to Council on matters that affect economic development in East Gippsland and its communities.
Marina Consultative Committee	2	0	6	Forms part of Council's consultation mechanism for the operations of existing and emerging services at Council's Metung, Chinaman's Creek and Slip Bight Marinas.

Audit and Risk Committee

Under section 53 of the *Local Government Act 2020* Council must establish an Audit and Risk Committee.

The Audit and Risk Committee's role is to monitor and provide advice to Council on financial reporting, internal control, compliance, and risk management. It does this through the provision of independent advice on matters relevant to its Charter, to assist Council decision-making. The Audit and Risk Committee performs an advisory function. It has no executive powers or authority to implement actions in areas over which management has responsibility and no delegated financial responsibility. Nor does it have any management functions, so is independent of management.

The Audit and Risk Committee comprises of seven members: four independent external members, one of whom will be Chair, along with the Mayor of the day and two other Councillors appointed by Council.

The Chair is appointed each February. In 2024/25 the Audit and Risk Committee members were:

Councillors

- » Cr Mark Reeves: July 2024 to October 2024
- » Cr Mendy Urie: July 2024 to October 2024
- » Cr John White (Mayor): November 2024 to June 2025
- » Cr Jodie Ashworth: December 2024 to June 2025
- » Cr Joanne Eastman: December 2024 to June 2025

Independent Committee Members

- » Claudia Goldsmith: July 2024 – June 2025
- » Celeste Gregory: July 2024 – June 2025 (Chair 2024 and 2025)
- » Jason Hellyer: July 2024 – June 2025
- » Susan Lloyd: November 2024 – June 2025

Internal audit

The internal audit process assists Council and the Chief Executive Officer to assess, monitor and improve the effectiveness of risk management and governance processes and controls. The Internal Auditor reports on activities to the Audit and Risk Committee regularly throughout the year.

The function is undertaken by an independent external provider. A risk-based three-year Internal Audit Plan (IAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems, or the business environment, prior audit coverage, outcomes and management input. The IAP is reviewed and endorsed by the Audit and Risk Committee annually.

External audit

We are externally audited by the Victorian Auditor-General's representatives to provide an assurance that financial statements reflect the financial position at the end of the financial year.

For 2024/25, the annual external audit of Council's Financial and Performance Statements was conducted by the Victorian Auditor-General's representative, RSD Audit.

Risk management

Council remains firmly committed to safeguarding our community, environment, and services through robust, transparent, and proactive risk management practices.

Over the past year, we have significantly enhanced our approach to identifying, assessing, and managing risks across all areas of Council operations. A key milestone was the redevelopment of our Risk Management Plan and the implementation of a comprehensive Risk Management Strategy. These initiatives provide a clear framework for managing both current and emerging risks, ensuring that risk considerations are embedded in everyday decision-making.

We have also reviewed and updated our policies, strengthened our planning and response capabilities, and continued to foster a culture where staff are empowered and supported to manage risks responsibly. Our systems and processes are designed to help us deliver safe, reliable, and sustainable services to the community.

The Audit and Risk Committee continues to play a vital role in overseeing our risk management framework, offering strategic guidance and driving continuous improvement.

Governance and management checklist

As outlined in section 98(3)(d) of the *Local Government Act 2020* (the Act) and regulation 9(2)(c) of the *Local Government (Planning and Reporting) Regulations 2020* (the Regulations), the results of Council's assessment against the Governance and Management Checklist are set out below in the form prescribed by the Regulations.

Governance and management Items	Assessment	
1 Community Engagement Policy (Policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)	Policy adopted in accordance with section 55 of the Act. Date of adoption: 16 March 2021	
2 Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of commencement of current guidelines: 16 March 2021	
3 Financial Plan (Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Plan adopted in accordance with section 91 of the Act. Date of adoption: 23 June 2025	
4 Asset Plan (Plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plan adopted in accordance with section 92 of the Act. Date of adoption: 23 June 2025	
5 Revenue and Rating Plan (Plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)	Plan adopted in accordance with section 93 of the Act. Date of adoption: 23 June 2025	
6 Annual Budget (Plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)	Adopted in accordance with section 94 of the Act. Date of adoption: 23 June 2025	
7 Risk Policy (policy outlining council's commitment and approach to minimising the risks to Council's operations)	Policy Date of commencement of current policy: 29 November 2022	
8 Fraud Policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations.)	Policy Date of commencement of current policy: 5 May 2020	

Governance and management Items	Assessment	
9 Municipal Emergency Management Planning (participation in meetings of the Municipal Emergency Management Planning Committee)	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year Dates of MEMPC meetings attended: » 5 September 2024 » 5 December 2024 » 6 March 2025 » 5 June 2025	
10 Procurement Policy (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council)	Policy adopted in accordance with section 108 of the Act Date of adoption: 14 September 2021	
11 Business Continuity Plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of commencement of current plan: 27 March 2019	
12 Disaster Recovery Plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of commencement of current plan: 29 January 2025	
12A Complaint Policy (policy under section 107 of the Act outlining Council's commitment and approach to managing complaints)	Policy developed in accordance with section 107 of the Act. Date of commencement of current policy: 16 December 2021	
12B Workforce Plan (plan under section 46 of the Act outlining Council's commitment and approach to planning for current and future workforce requirements)	Plan developed in accordance with section 46 of the Act. Date of commencement of current plan: 30 August 2021	
12C Payment of Rates and Charges Hardship Policy (policy outlining Council's commitment and approach to assisting ratepayers who are experiencing financial hardship or difficulty paying their rates)	Policy Date of commencement of current policy: 27 August 2024	
13 Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of commencement of current framework: 7 April 2025	

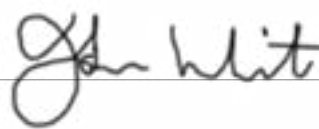
Governance and management Items	Assessment	
14 Audit and Risk Committee (Advisory committee of Council under section 53 and section 54 of the Act whose role is to monitor the compliance of Council policies and procedures, monitor Council's financial reporting, monitor and provide oversight on internal and external audit functions)	Established in accordance with section 53 of the Act. Date of establishment: 25 August 2020	
15 Internal Audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged Date of engagement of current provider: 1 July 2023	
16 Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Framework Date of adoption of current framework: 29 June 2021	
17 Council Plan Report (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of report: » 15 October 2024 » 3 December 2024 » 18 March 2025 » 20 May 2025	
18 Quarterly Budget Reports (quarterly reports to the Council under section 97 of the Act comparing actual and budgeted results and an explanation of any material variations)	Reports presented to Council in accordance with section 97(1) of the Act Dates reports presented: » 24 September 2024 » 3 December 2024 » 18 March 2025 » 20 May 2025	
19 Risk Reports (6-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Dates of reports: » 19 August 2024 » 9 December 2024 » 24 February 2025 » 26 May 2025	

Governance and management Items	Assessment	
20 Performance Reports (6-monthly reports of indicators measuring financial and non-financial performance, including performance indicators referred to in section 98 of the Act)	Reports Dates of reports: » 15 October 2024 » 26 May 2025	
21 Annual Report (annual report under sections 98 and 99 of the Act of containing a report of operations and audited financial and performance statements)	Presented at a meeting of the Council in accordance with section 100 of the Act. » Date of presentation: » 15 October 2024	
22 Councillor Code of Conduct (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	Reviewed and adopted in accordance with section 139 of the Act Date reviewed and adopted: 16 December 2021	
23 Delegations (Documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act Date of review under section 11(7): 29 November 2022	
24 Meeting Procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Date Governance Rules adopted: 30 August 2022	

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



Fiona Weigall
 Chief Executive Officer
 Dated:



Cr John White
 Mayor
 Dated:

Statutory information

Information available for public inspection

Council has a Public Transparency Policy that commits to making Council information publicly available except where the information is confidential by virtue of legislation or not in the public interest. Publicly available information can be accessed on our website, where possible. Information not able to be placed on the website may be accessed on request for viewing in person.

Our Public Transparency Policy, available on our website, outlines the information that is publicly accessible.

Freedom of Information

The *Freedom of Information Act 1982* (the FOI Act) provides individuals with the right to request access to Council documents. There is an application procedure, and rights of access are limited by exemptions detailed in the FOI Act. Applications must be accompanied by an application fee and specific details of the documents requested.

Council received 33 applications during the reporting year 2024-25. No requests were transferred to or from another agency within this financial year. Additionally, three requests were carried forward from the 2024-25 financial year.

	2024-25	2023-24	2022-23	2021-22	2020-21
New applications / requests	33	36	39	26	22
Access granted in full	4	6	1	15	7
No documents existed in the requested form / Act does not comply	1	1	5	2	4
Access denied	0	0	4	2	1
Withdrawn	1	2	2	1	0
Requests outstanding at end of financial year	3	3	3	0	0
Review by Office of Victorian Information Commissioner	0	2	1	0	1
Appeals lodged with VCAT	0	0	0	0	0
Fees collected (\$)	294.30	445.20	642.60	752.50	621.20
Fees waived (\$)	98.10	7	428.40	408.00	0
Charges collected (\$)	189.86	386.00	424.30	0	0

Public Interest Disclosures

Under the *Public Interest Disclosures Act 2012 (Victoria)*, councils have a legal and ethical responsibility to foster a culture of transparency and accountability. They are required to actively encourage the reporting of improper conduct or detrimental action within the public sector. This includes ensuring that individuals—whether staff or members of the public—feel safe and supported when making disclosures.

In accordance with section 58 of the *Public Interest Disclosures Act 2012 (Victoria)*, Council has established procedures for handling public interest disclosures and information about making a disclosure is available on Council’s website.

Council made no public interest disclosure notifications to the Independent Broad-based Anti-corruption Commission for the year ended 30 June 2025.

Privacy and Data Protection Act

The *Privacy and Data Protection Act 2014*, along with the *Health Records Act 2001*, are designed to protect personal information.

Council’s Privacy Policy was adopted on 30 April 2024 which guides how Council collects, uses and discloses personal information where it is necessary to perform Council functions or when required by law. Formal complaints can be made if people believe their privacy has been breached.

Further details about Council’s approach to privacy is located on website.

Contracts

Section 108(1) of the *Local Government Act 2020* requires Council to adopt a Procurement Policy which specifies the principles, processes and procedures that apply in respect to the purchase of works, goods and services.

Council’s Procurement Policy was adopted 14 September 2021. A comprehensive review of the Policy is well underway and is anticipated to be completed by the end of the 2025 calendar year.

During 2024/25, a total of 36 formal procurement processes (including Requests for Tender, Requests for Quotation and Expression of Interest requests) were undertaken. These complied with the expenditure thresholds and market engagement requirements as detailed in the Procurement Policy.

The details of all contracts:

Year	Contracts awarded by Chief Executive Officer (\$)		Total Contracts awarded	Contracts awarded by Council (\$)	Total Contracts awarded
	< 250,000 (inc. GST)	< 500,000 (inc. GST)		>500,000 (inc. GST)	
2024/25	12	7	19	17	36

Best Value Victoria

Best Value applies to all Council services and encourages the adoption of a consistent set of principles across the sector, while also allowing councils the flexibility to meet the unique needs of their communities. Council continues to communicate with the community in a range of ways, including community forums, weekly advertisements, social and traditional media.

The incorporation of Best Value Principles in business planning processes enables Council to focus on identifying opportunities to continuously improve services and ensure we are addressing our community's changing needs. Council aims to deliver quality and affordable services in the most effective manner with Council services continually monitored and opportunities for improvement identified.

Municipal Health and Wellbeing Plan 2021-25

In accordance with the *Public Health and Wellbeing Act 2008*, Council must report annually on the achievements of the plan. This year that includes the following:

- » Significant progress has been made on accessibility and female facility upgrades. Completed works include shower partitioning and modesty screens at Wy Yung, Lindenow, Paynesville, Swan Reach, and Omeo, along with a new shower installation at Orbost Lochiel Park.
- » Access audits have been conducted across Council-owned and community spaces. These audits will enhance safety and accessibility for all users, build community confidence, and encourage greater use of local services and facilities.
- » The East Gippsland Community Directory was launched in May 2025, featuring a comprehensive listing of disability services. To support accessible travel, 32 community and courtesy buses are also included.
- » Emergency Relief Centres now offer Sensory Kits to support children with additional needs. These kits help families and carers manage environments with loud noises, bright lights, or crowds. Special story guides are also available to explain the relief centre experience in a calm and child-friendly way.
- » Over 1,500 accessibility design features from Australian Standards (AS1428.1) have been integrated into our safety system, Donesafe. This enhancement will streamline access audits of community buildings starting next financial year.
- » Changing Places accessible bathroom facilities are under construction in Lakes Entrance and Cann River. A 10-year strategic plan is nearing completion to guide future installations.
- » A hearing loop is being trialled at the Bairnsdale Library to assist people who use hearing aids. If successful, this technology may be extended to other customer service areas.
- » We continued to support Respect Victoria and Safe and Equal's statewide collaborations, including the local Hands Up for RESPECT campaign. Funding has been provided through community grants for local prevention initiatives. In partnership with the Gippsland Prevention of Violence Network, a series of workshops will be held across the region, supported by tailored resources for each audience group.
- » During the 16 Days of Activism campaign, we illuminated the corporate centre in orange to spark community conversations about the vital work of direct service agencies and to reaffirm our commitment to those affected by gender-based violence.

Domestic Animal Management Plan 2021-25

The *Domestic Animals Act 1994* requires Council to prepare a Domestic Animal Management Plan every four years. The plan caters for the needs of pets and their owners while achieving a balance with the needs of others in the community. The plan helps Council provide a professional, consistent

and proactive approach to domestic animal management services. This includes education and promotion of responsible pet ownership.

Council completed the following actions during the year:

- » Attended the East Gippsland Field Days and the Orbost Show and provided education on responsible pet ownership.

Year	Animal Impoundments	Reclaimed	Adopted	Euthanised	Transferred to Animal Aid Coldstream ¹
2024-25	656	167	267	131	15
2023-24	474	134	219	67	8
2022-23	572	132	145	97	4
2021-22	423	115	155	56	8
2020-21	525	122	203	92	0
2019-20	612	172	295	68	55
2018-19	871	227	422	186	48

¹ Coldstream is the headquarters of Animal Aid, Councils pound services contractor

Food Act Ministerial Directions

Under section 7E of the *Food Act 1984*, Council is required to publish a summary of any ministerial directions received during the financial year in its annual report.

No such ministerial directions were received by Council during the financial year.

Road Management Act Ministerial Directions

Under section 22 of the *Road Management Act 2004*, Council must publish a copy or summary of any ministerial directions in its annual report.

No such ministerial directions were received by Council during the financial year.

Infrastructure and Development Contributions

Under section 46GM and 46QD of the *Planning and Environment Act 1987*, a Council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind and publish this report in its Annual Report.

For the 2024-25 year there were no infrastructure and development contributions made. Council did not collect any Community Infrastructure Levies or payments during the financial year.

East Gippsland Shire Council

ANNUAL FINANCIAL REPORT

for the year ended 30 June 2025



Annual Financial Report

for the year ended 30 June 2025

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Annual Financial Report

for the year ended 30 June 2025

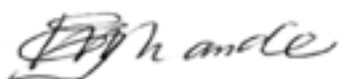
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Annual Financial Report

for the year ended 30 June 2025

Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.

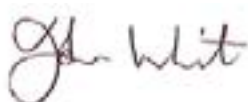


Ernest Mhande CPA
Principal Accounting Officer
Dated: 7 October 2025
Bairnsdale

In our opinion, the accompanying financial statements present fairly the financial transactions of East Gippsland Shire Council for the year ended 30 June 2025 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

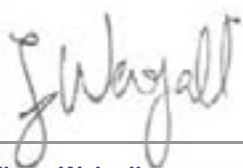
We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.



John White
Mayor
Dated: 7 October 2025
Bairnsdale



Jodie Ashworth
Councillor
Dated: 7 October 2025
Bairnsdale



Fiona Weigall
Chief Executive Officer
Dated: 7 October 2025
Bairnsdale

Independent Auditor's Report

To the Councillors of East Gippsland Shire Council

Opinion	I have audited the financial report of East Gippsland Shire Council (the council) which comprises the: • balance sheet as at 30 June 2025 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including material accounting policy information • certification of the financial statements. In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the financial report	The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
9 October 2025



Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement

for the year ended 30 June 2025

	Note	2025 \$ '000	2024 \$ '000
Income / Revenue			
Rates and charges	3.1	72,720	69,885
Statutory fees and fines	3.2	2,398	2,924
User fees	3.3	14,739	14,113
Grants - operating	3.4	35,424	5,080
Grants - capital	3.4	21,718	22,105
Contributions - monetary	3.5	399	1,033
Contributions - non monetary	3.5	11,708	27,645
Net gain on disposal of property, infrastructure, plant and equipment	3.6	329	8
Fair value adjustments on investment properties	6.2	377	244
Other income	3.7	11,871	10,958
Total income / revenue		171,683	153,995
Expenses			
Employee costs	4.1	45,997	41,447
Materials and services	4.1	57,326	52,618
Depreciation	4.2	31,704	29,294
Amortisation - Intangible assets	4.3	997	950
Depreciation - Right of use assets	4.4	80	89
Allowance for impairment losses	4.5	105	94
Borrowing costs	4.6	355	314
Finance Costs - Leases	4.7	14	16
Other expenses	4.8	9,427	6,932
Landfill rehabilitation provision movement	5.5	271	(311)
Total expenses		146,276	131,443
Surplus for the year		25,407	22,552
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain	9.1	—	(124,980)
Total items which will not be reclassified subsequently to the operating result		—	(124,980)
Total other comprehensive income		—	(124,980)
Total comprehensive result		25,407	(102,428)

The above comprehensive income statement should be read in conjunction with the accompanying notes.

Balance Sheet

as at 30 June 2025

	Note	2025 \$ '000	2024 \$ '000
Assets			
Current assets			
Cash and cash equivalents	5.1	86,005	117,192
Trade and other receivables	5.1	10,417	10,189
Other financial assets	5.1	37,159	—
Contract assets		2,337	3,652
Other assets	5.2	2,738	2,251
Total current assets		138,656	133,284
Non-current assets			
Trade and other receivables	5.1	99	154
Other financial assets	5.1	10	10
Property, infrastructure, plant and equipment	6.1	1,375,817	1,362,142
Investment property	6.2	13,030	10,787
Intangible assets	5.2	1,959	3,663
Right-of-use assets	5.8	465	593
Total non-current assets		1,391,380	1,377,349
Total assets		1,530,036	1,510,633
Liabilities			
Current liabilities			
Trade and other payables	5.3	16,105	12,873
Trust funds and deposits	5.3	3,821	4,137
Contract and other liabilities	5.3	7,204	15,815
Provisions	5.5	13,743	13,579
Interest-bearing liabilities	5.4	695	663
Lease liabilities	5.8	24	79
Total current liabilities		41,592	47,146
Non-current liabilities			
Contract and other liabilities	5.3	265	340
Provisions	5.5	8,067	7,694
Interest-bearing liabilities	5.4	8,501	9,196
Lease liabilities	5.8	547	600
Total non-current liabilities		17,380	17,830
Total liabilities		58,972	64,976
Net assets		1,471,064	1,445,657
Equity			
Accumulated surplus		533,426	508,156
Reserves	9.1	937,638	937,501
Total Equity		1,471,064	1,445,657

The above balance sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2025

	Note	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000	Other Reserves \$ '000
2025					
Balance at beginning of the financial year		1,445,657	508,156	934,911	2,590
Surplus/(deficit) for the year		25,407	25,407	—	—
Net asset revaluation gain/(loss)	6.1	—	—	—	—
Transfers to other reserves	9.1	—	(137)	—	137
Balance at end of the financial year		<u>1,471,064</u>	<u>533,426</u>	<u>934,911</u>	<u>2,727</u>
2024					
Balance at beginning of the financial year		1,548,085	486,359	1,059,891	1,835
Surplus/(deficit) for the year		22,552	22,552	—	—
Net asset revaluation gain/(loss)	6.1	(124,980)	—	(124,980)	—
Transfers to other reserves	9.1	—	(755)	—	755
Balance at end of the financial year		<u>1,445,657</u>	<u>508,156</u>	<u>934,911</u>	<u>2,590</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2025

		2025 Inflows/ (Outflows) \$ '000	2024 Inflows/ (Outflows) \$ '000
	Note		
Cash flows from operating activities			
Rates and charges		72,187	67,827
Statutory fees and fines		2,397	2,946
User fees		15,855	16,588
Grants - operating		37,139	3,454
Grants - capital		13,976	20,595
Contributions - monetary		425	1,042
Interest received		5,754	7,074
Reimbursements		4,675	3,779
Trust funds and deposits taken		9,870	12,598
Other receipts		1,803	(7)
Net GST refund		4,058	3,019
Employee costs		(45,256)	(40,585)
Materials and services		(59,932)	(54,085)
Trust funds and deposits repaid		(10,258)	(12,216)
Other payments		(3,117)	(2,015)
Net cash provided by operating activities	9.2	49,576	30,014
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(44,461)	(61,028)
Proceeds from sale of property, infrastructure, plant and equipment		1,949	1,341
Payments for investments		(37,159)	–
Proceeds from sale of investments		–	45,262
Net cash (used in) investing activities		(79,671)	(14,425)
Cash flows from financing activities			
Finance costs		(355)	(299)
Proceeds from borrowings		–	7,043
Repayment of borrowings		(663)	(96)
Interest paid - lease liability		(14)	(16)
Repayment of lease liabilities		(60)	(74)
Net cash flow provided by/(used in) financing activities		(1,092)	6,558
Net Increase /(decrease) in cash and cash equivalents		(31,187)	22,147
Cash and cash equivalents at the beginning of the financial year		117,192	95,045
Cash and cash equivalents at the end of the financial year ¹		86,005	117,192
Financing arrangements	5.6	10,996	11,659

(1) The above statement of cash flows should be read in conjunction with the accompanying notes.

Statement of Capital Works

for the year ended 30 June 2025

	Note	2025 \$ '000	2024 \$ '000
Property			
Land		104	174
Total land		104	174
Buildings		7,615	16,888
Heritage buildings		19	10
Total buildings		7,634	16,898
Total property		7,738	17,072
Plant and equipment			
Plant, machinery and equipment		4,763	5,182
Fixtures, fittings and furniture		551	280
Computers and telecommunications		938	905
Library books		207	207
Total plant and equipment		6,459	6,574
Infrastructure			
Roads		11,872	11,289
Bridges		1,528	3,716
Footpaths and cycleways		1,326	3,160
Drainage		2,506	1,191
Recreational, leisure and community facilities		5,619	4,106
Waste management		161	205
Parks, open space and streetscapes		4,000	3,982
Aerodromes		53	9
Off street car parks		1,147	1,371
Other infrastructure		1,416	3,966
Total infrastructure		29,628	32,995
Total capital works expenditure	6.1	43,825	56,641
Represented by:			
New asset expenditure		9,652	19,584
Asset renewal expenditure		32,663	32,423
Asset upgrade expenditure		1,510	4,634
Total capital works expenditure		43,825	56,641

The above statement of capital works should be read in conjunction with the accompanying notes.

Notes to the Financial Report

for the year ended 30 June 2025

Note 1. Overview

Introduction

The East Gippsland Shire Council was established by an Order of the Governor in Council on 2 December 1994 and is a body corporate.

The Council's main office is located at 273 Main Street Bairnsdale Victoria 3875.

Statement of compliance

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

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Accounting policy information

1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1.)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1.).
- the determination of employee provisions (refer to Note 5.5.).
- the determination of landfill provisions (refer to Note 5.5.)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable
- other areas requiring judgements

Notes to the Financial Report
for the year ended 30 June 2025

Note 1. Overview (continued)

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Notes to the Financial Report

for the year ended 30 June 2025

Note 2. Analysis of our results

Note 2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

2.1.1 Income / Revenue and expenditure

	Budget 2025 \$ '000	Actual 2025 \$ '000	Variance \$ '000	Variance %	Ref
Income / Revenue					
Rates and charges	72,221	72,720	499	0.69%	
Statutory fees and fines	2,646	2,398	(248)	(9.37)%	
User fees	13,527	14,739	1,212	8.96%	1
Grants - operating	26,062	35,424	9,362	35.92%	2
Grants - capital	36,169	21,718	(14,451)	(39.95)%	3
Contributions - monetary	310	399	89	28.71%	4
Contributions - non monetary	2,000	11,708	9,708	485.40%	5
Net gain on disposal of property, infrastructure, plant and equipment	—	329	329	∞	6
Fair value adjustments on investment properties	—	377	377	∞	7
Other income	8,564	11,871	3,307	38.62%	8
Total income / revenue	161,499	171,683	10,184	6.31%	
Expenses					
Employee costs	41,504	45,997	(4,493)	(10.83)%	9
Materials and services	57,260	57,326	(66)	(0.12)%	
Depreciation	30,214	31,704	(1,490)	(4.93)%	10
Amortisation - intangible assets	1,093	997	96	8.78%	
Depreciation - right of use assets	71	80	(9)	(12.68)%	11
Allowance for impairment losses	48	105	(57)	(118.75)%	12
Borrowing costs	391	355	36	9.21%	
Finance costs - leases	1	14	(13)	(1,300.00)%	
Other expenses	1,956	9,427	(7,471)	(381.95)%	13
Landfill Provision Movement	—	271	(271)	∞	14
Total expenses	132,538	146,276	(13,738)	(10.37)%	
Surplus/(deficit) for the year	28,961	25,407	(3,554)	(12.27)%	

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1.	User fees	User fees exceeded the budget by \$1.212 million this year, primarily due to increased usage and activity across multiple facilities. Indoor Recreation Centres and pool memberships generated \$362,000 more than expected, reflecting higher patronage. The Livestock Exchange also outperformed projections, bringing in an additional \$494,000 as a result of stronger sales throughout the year. At both the Mallacoota Foreshore Holiday Park and Swift Creek Caravan Park, booking fees surpassed the budget by \$218,000 due to a rise in visitor numbers. In contrast, revenue from the Eagle Point Caravan Park declined by \$45,000, as the park was leased out during the year and no longer produced direct income. The remaining \$183,000 increase came from other activities, including marinas and the Raymond Island Ferry services.
2.	Grants - operating	Grant income was \$9.362 million higher than the adopted budget, mainly because an advance payment of \$10.696 million was received in June 2025 from the Victoria Grants Commission for the 2025/26 financial year. This boost was partially reduced by a \$912,000 decrease due to delays in completing the Sarsfield Recreation Reserve project, which has now been postponed to 2025/26.
3.	Grants - capital	Capital grants were \$14.451 million below the adopted budget, primarily due to delays in several major capital projects. These projects are now expected to be completed in the 2025/26 financial year, and as a result, the associated grant funding was not recognised in the current financial year. The main projects with funding carried forward include: Krautungalung Walk – \$566,000 Bairnsdale Airport Terminal – \$867,000 WORLD Sporting Precinct – \$1,027,000 Slip Road Maritime Precinct, Paynesville – \$1,619,000 Roads to Recovery-funded projects – \$651,000 Bairnsdale Runway 04/22 Extension – \$9,618,000 (new grant applications in progress)

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

4.	Contributions - monetary	Unbudgeted contributions of \$252,000 were received in 2024/25 for the Swift creeks Recreation Reserve project and other capital works. This extra income helped to partly offset a \$163,000 shortfall in developer and other operating contributions, which was due to delays in completing new subdivisions during the financial year.
5.	Contributions - non monetary	Contributed assets totaling \$9.708 million above budget were received during the year, significantly exceeding the budget of \$2 million. The value of developer-contributed assets fluctuates each year depending on subdivision activity. For the 2023/24 and 2024/25 years, the number of assets transferred to the Council was higher than usual due to the timing of several subdivision completions. It is often not easy to forecast accurately when development will be completed.
6.	Net gain on disposal of property, infrastructure, plant and equipment	During the year, Council sold plant and vehicles, resulting in a net gain of \$329,000. This type of income is not typically included in the budget, as the timing and value of asset disposals can vary significantly and are difficult to predict in advance. The net proceeds depend on factors such as market conditions, asset condition at the time of sale, and operational needs, making it impractical to reliably forecast this revenue.
7.	Fair value adjustments on investment properties	At the end of the year, the fair value of investment properties increased by \$377,000. This increase was not included in the budget because fair value adjustments are difficult to predict accurately. Market conditions and property values can fluctuate unexpectedly due to factors beyond the Council's control, making it challenging to estimate these changes at the time of preparing the budget.
8.	Other income	Other income was \$3.307 million higher than budgeted. This was mainly due to additional investment income of \$3.028 million earned during the year. The increase resulted from higher-than-expected RBA interest rates and more cash available for investment. The cash came from grants received in advance of project delivery, along with unspent funds carried forward from incomplete capital projects at the end of the 2023/24 financial year. The remaining balance of \$279,000 is accounted by income from rental property and others.

Notes to the Financial Report
for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

9. Employee costs

Employee Costs were \$4.493 million over budget for the 2024/25 financial year. Several key factors contributed to this overspend:

- Carry-forward of Bushfire Support Roles: An additional \$1.023 million in employee costs was incurred due to the extension of bushfire recovery programs. These roles, which were fully grant-funded, continued into 2024/25 to ensure program completion
- Casual Wages: Casual staff costs exceeded the budget by \$1.949 million. This was largely driven by the need to maintain service delivery across various areas where permanent staff were on leave, particularly sick leave.

The majority of this overspend relates to backfilling staff absences to ensure continuity of service.

Sick Leave costs totalled \$1.261 million. As these costs are typically not included in the operating budget, they significantly impacted the overall employee cost variance. The high level of sick leave also contributed to the increased use of casual staff. Other employee related costs account for the remaining \$260,000.

10. Depreciation

Depreciation expenses were \$1.490 million higher than budgeted for the 2024/25 financial year. The main driver of this variance was a reduction in the remaining useful lives of several infrastructure assets, following condition assessment updates made during the 2023/24 asset revaluation. These adjustments led to accelerated depreciation on affected assets.

In addition, the full-year impact of higher asset values resulting from the 2023/24 revaluation also contributed to increased depreciation charges in 2024/25.

Another contributing factor was the significant volume of contributed assets, particularly roads and footpaths transferred to Council ownership through completed subdivisions. These contributed assets totalled approximately \$15 million in 2023/24 and \$9 million in 2024/25—well above budgeted expectations—and are now included in the depreciable asset base.

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

11	Depreciation - right of use assets	This represents a minor variance and reflects the actual depreciation expense for leased assets during the year.
12	Allowance for impairment losses	Allowance for Impairment Losses was \$57,000 higher than budgeted. This variance arose from the end-of-year assessment of doubtful debts, which identified a greater need for provision than initially expected. This type of variance is not uncommon, as the allowance for impairment is based on actual debtor balances and their recoverability at year end. Since it reflects changes in payment behavior, economic conditions, and the age of outstanding debts, it can be difficult to estimate accurately at the time the budget is prepared.
13	Other expenses	Asset Write-Offs totalled \$7.471 million for the year. Of this amount, \$7.370 million related to the write-off of buildings, roads, bridges, and other infrastructure assets that were replaced during the year. When an asset—such as a road, footpath, or bridge—is upgraded or renewed, the old component it replaces is removed from the asset register and its remaining value is written off. This is standard accounting practice and ensures Council's asset records reflect only the current condition and value of infrastructure. While this appears as an expense in the financial statements, it aligns with the renewal and upgrade of community assets and does not represent a loss in service.
14	Landfill Provision Movement	This variance is due to an end-of-year adjustment to the present value calculation of Council's future obligation to rehabilitate landfill sites. Under accounting standards, councils are required to set aside a provision for the future cost of restoring and monitoring landfill sites after they are closed. This provision is based on estimates of future rehabilitation costs, the expected timing of those costs, and discount rates used to calculate their present value. In this case, changes in assumptions such as updated cost estimates, revised timelines, or movements in the discount rate resulted in a \$271,000 increase in the required provision. While this does not represent an immediate cash outflow, it ensures that the financial statements accurately reflect Council's long-term environmental responsibilities

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

2.1.2 Capital works

	Budget 2025 \$ '000	Actual 2025 \$ '000	Variance \$ '000	Variance %	Ref
Property					
Land	401	104	(297)	(74.06)%	1
Total land	401	104	(297)	(74.06)%	
Buildings	10,416	7,615	(2,801)	(26.89)%	2
Heritage buildings	—	19	19	∞	
Total buildings	10,416	7,634	(2,782)	(26.71)%	
Total property	10,817	7,738	(3,079)	(28.46)%	
Plant and equipment					
Plant, machinery and equipment	6,597	4,763	(1,834)	(27.80)%	3
Fixtures, fittings and furniture	30	551	521	1,736.67%	4
Computers and telecommunications	6,622	938	(5,684)	(85.84)%	5
Library books	209	207	(2)	(0.96)%	
Total plant and equipment	13,458	6,459	(6,999)	(52.01)%	
Infrastructure					
Roads	12,192	11,872	(320)	(2.62)%	
Bridges	610	1,528	918	150.49%	6
Footpaths and cycleways	1,290	1,326	36	2.79%	
Drainage	4,544	2,506	(2,038)	(44.85)%	7
Recreational, leisure and community facilities	7,112	5,619	(1,493)	(20.99)%	8
Waste management	2,859	161	(2,698)	(94.37)%	9
Parks, open space and streetscapes	24,161	4,000	(20,161)	(83.44)%	10
Aerodromes	13,553	53	(13,500)	(99.61)%	11
Off street car parks	175	1,147	972	555.43%	12
Other infrastructure	612	1,416	804	131.37%	13
Total infrastructure	67,108	29,628	(37,480)	(55.85)%	
Total capital works expenditure	91,383	43,825	(47,558)	(52.04)%	
Represented by:					
New asset expenditure	16,323	9,652	(6,671)	(40.87)%	14
Asset renewal expenditure	58,899	32,663	(26,236)	(44.54)%	15
Asset upgrade expenditure	16,161	1,510	(14,651)	(90.66)%	16
Total capital works expenditure	91,383	43,825	(47,558)	(52.04)%	

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1.	Land	Land Acquisitions was under budget by \$297,000 as a result of the timing for purchase of Tambo bluff land reserves. These acquisitions are still expected to occur and have been carried forward for completion in the 2025/26 financial year. It's common for land purchases to be delayed due to factors such as extended negotiations, changes in project scope, or dependencies on planning and legal processes. As a result, while the expenditure has not occurred this year, the funding remains allocated for completion of these projects in the following year.
2.	Buildings	Buildings expenditure was \$2.801 million below budget in 2024/25. This variance is primarily due to the timing of several major projects, now scheduled for completion in the 2025/26 financial year, with a combined value of \$3.386 million. Key deferred projects include: • Bairnsdale Airport Terminal (Air Ambulance Facility) – \$1.015 million. • Community Resilience and Development Program – Phase 2 – \$569,000. • Mallacoota Foreshore Holiday Park Fire Safety Upgrades – \$416,000. Delays in one year shifts project delivery and associated expenditure into the following financial year, even when funding is secured. Additionally, \$1.439 million of expenditure initially budgeted under Waste has been reclassified to the Buildings category at year-end. This accounting adjustment reflects the correct asset classification and does not impact total capital expenditure, but it does contribute to the variance in the Buildings budget.

Notes to the Financial Report
for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

3.	Plant, machinery and equipment	Council invested \$4.763 million in the purchase of plant and vehicles as part of its scheduled replacement program. However, \$2.207 million of the planned renewal program was carried forward to the next financial year. This deferral was due to updated condition assessments, which determined that some assets were still in good working order and did not yet require replacement.
4.	Fixtures, fittings and furniture	Fixtures, Fittings and Furniture expenditure was \$521,000 over budget. This variance arose because many projects were initially budgeted at a total project level without detailed asset-type breakdowns. During the year-end process, actual costs were reviewed and allocated to their appropriate asset classes based on the nature of the items. As a result, some costs originally budgeted under other categories were correctly reclassified as Fixtures, Fittings and Furniture. This reallocation reflects the true composition of assets delivered and ensures accurate financial reporting in line with accounting standards
5.	Computers and telecommunications	Spending on computers and telecommunications was \$5.584 million below budget. This variance is primarily due to the deferral of key projects, totaling \$4.460 million, which are now scheduled for completion in the 2025/26 financial year. These include the Renewal and Upgrade of Corporate Systems (\$1.515 million) and the Digital Services Project (\$3.543 million). In addition, approximately \$526,000 in costs—mainly related to cloud-based software and similar services—were reclassified from capital expenditure to operating expenses in line with current accounting standards.

Notes to the Financial Report
for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

6. Bridges

The \$0.918 million greater than budget variance is due to the reclassification of two projects that were initially allocated to the Parks, Open Space and Streetscapes, and Footpaths categories, but have since been correctly reclassified under Bridges. These projects include Krautungalung Walk Stage 1 (\$668,000), originally classified under Parks, Open Space and Streetscapes, and Bemm River Footpath Connections (\$248,000), originally classified under Footpaths. Although these projects were initially budgeted under Parks, Open Space and Streetscapes categories, their final classification under Bridges better reflects the structural nature and engineering characteristics of the works delivered.

7. Drainage

Expenditure on drainage projects was \$2.038 million below budget due to delays in the delivery of several key projects, which are now scheduled for completion in the 2025/26 financial year. The deferred projects include:

- Stirling / David Road, Metung – Drainage Upgrade: \$399,000
- LENGA Drainage: \$580,000
- Marlo Town – Drainage Upgrade: \$468,000
- Admirals Quay, Paynesville – Drainage Works: \$515,000
- Other minor projects: \$76,000

These delays have contributed to the overall underspend in the drainage category for the current financial year.

Notes to the Financial Report
for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

8. Recreational, leisure and community facilities

The variance for Recreational, Leisure and Community Facilities was \$1.493 million under budget. This is primarily due to some major projects, totalling \$5.380 million, being delayed and now scheduled for completion in the 2025/26 financial year. The most significant of these projects include:

- WORLD Sporting Precinct Stage 1 – \$3.632 million
- Nowa Nowa Boat Jetty – \$478,000
- Seawall Renewal Program – \$324,000
- Bastion Point Geotextile Groin Wall – \$385,000

Additionally, the Slip Road Maritime Precinct project, originally budgeted under Parks, Open Space and Streetscapes, was reclassified to Recreational, Leisure and Community Facilities at year-end. This reclassification amounted to \$3.813 million. Other minor reclassifications totalled \$74,000.

9. Waste management

Expenditure in Waste Management was \$2.698 million below budget. This variance is primarily due to project delays and reclassifications. Several key projects, totaling \$1.609 million, have been deferred to the 2025/26 financial year, including:

- Cann River Waste Transfer Station – \$901,000
- Bairnsdale Recycling Centre – \$461,000

In addition, \$1.439 million worth of projects initially classified under Waste in the budget were reclassified as Buildings by the end of the financial year. This amount includes \$533,000 for waste projects carried forward from 2023/24 to 2024/25.

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

10 Parks, open space and streetscapes

Expenditure in Parks, Open Space and Streetscapes was \$20.161 million below budget, largely due to project delays and reclassifications. Several key projects, totaling \$9.339 million, have been deferred to the 2025/26 financial year, including:

- The Slip Road Maritime Precinct – \$4.75 million
- Livingstone Park, Omeo Stage 1 & 2 – \$1 million
- Omeo Mountain Bike Trails Stage 2 – \$663,000

Additionally, some projects were reclassified as Roads projects at the end of the financial year, including:

- Mallacoota Streetscape – \$2.880 million
- Buchan Streetscape – \$442,000

Furthermore, the Slip Road Maritime Precinct project, initially classified under Parks, Open Space and Streetscapes, was transferred to Recreational, Leisure and Community Facilities at year-end, amounting to \$3.813 million

11. Aerodromes

The Bairnsdale Runway Extension & Lighting Upgrade project has been delayed due to environmental considerations relating to native vegetation. This has resulted in a variation of \$11.092 million. The project has been re-budgeted for delivery in the 2025/26 financial year, with new grant applications underway.

The Apron and Taxiway Project is also being carried forward to 2025/26, with an allocated budget of \$2 million.

12. Off street car parks

Parking - Marine Parade Lakes Entrance project was transferred to off street car park asset category at the end of the year with a value of \$ 1.029 million which resulted in increase of actual from budget.

13. Other infrastructure

Expenditure in Other Infrastructure was \$0.804 million greater than budget. This variance includes the reclassification of several projects at the end of the financial year, such as Omeo Mountain Bike Trails – Stage 1, totaling \$611,000, and the Bruthen Streetscape project, amounting to \$190,000.

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.1 Performance against budget (continued)

14. New Asset Expenditure

Asset renewal expenditure was \$26.236 million below budget. This variance is primarily due to the deferral of several major projects to the 2025/26 financial year and lower-than-expected expenditure on some current year projects. Key contributors to the underspend include: Omeo Mountain Bike Trails Stage 2 – \$663,000 under budget Krautungalung Walk Stages 1 & 2 – \$486,000 under budget Footpath projects – \$518,000 under budget WORLD Sporting Precinct Stage 1 – \$5.620 million under budget While a few projects exceeded their budgets, the variances were minor and not considered significant in the context of overall asset renewal expenditure.

15. Asset renewal expenditure

There were a number of projects that will now be completed in the 2025/26 year where the renewal expenditure was less than the budget. The most significant of these are Bairnsdale Airport Terminal (Air Ambulance Facility) underbudget by \$1.015 million, Plant Replacement underbudget by \$1.515 million, IT projects underbudget by \$4.467 million, roads and drainage projects under budgeted by \$3.626 million, Waste projects under budgeted by \$1.387 million Aerodrome projects under budgeted by \$2.779 million and Parks, Open Space and Streetscapes projects also under budgeted by \$4.340 million.

16. Asset upgrade expenditure

There are a number of projects where the upgrade expenditure is less than budget. The most significant projects are Digital Services underbudget by \$3.543 million, Slip Road Maritime Precinct underbudget by \$2.375 million, Foreshore Management Plan Implementation - Marlo project underbudget by \$374,000. Also Bairnsdale Aerodrome Runway Extension was re-budgeted to 25/26 and the portion of upgrades was reduced by \$4.620 million

Notes to the Financial Report

for the year ended 30 June 2025

Note 2.2 Analysis of Council results by program

2.2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

Office of the CEO

Activities associated with municipal governance including the Chief Executive Officer, communication engagement and advocacy .

Business Excellence

Activities associated with financial management, rate collection, risk management, valuations, information services and human resources, procurement, the cost of Councillors, corporate planning, customer service, libraries, regulatory services, governance administration and property services.

Place and Community

Activities associated with strategic and statutory planning, economic development and tourism, emergency management, family and childrens services, aged services, community planning, recreation facilities, Forge Theatre, development and bushfire recovery activities.

Assets and Environment

Activities associated with roads, bridges, drainage, signs, footpaths and street sweeping, parks and reserves, tree management, playgrounds, public toilets, waste and environmental management, asset management, capital works program, commercial business operations and fleet and plant management.

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

	Income / Revenue \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income / revenue \$ '000	Total assets \$ '000
2025					
Office of the CEO	1,852	1,852	—	—	—
Business Excellence	53,098	27,691	25,407	22,314	150,766
Place and Community	28,195	28,195	—	1,545	78,850
Assets and Environment	88,539	88,539	—	33,283	1,300,420
	171,684	146,277	25,407	57,142	1,530,036
2024					
Office of the CEO	668	668	—	—	—
Business Excellence	47,110	24,558	22,552	1,152	360,194
Place and Community	14,410	14,410	—	1,683	1,229
Assets and Environment	91,807	91,807	—	24,350	1,149,210
	153,995	131,443	22,552	27,185	1,510,633

Notes to the Financial Report

for the year ended 30 June 2025

Note 3. Funding for the delivery of our services

	2025	2024
	\$ '000	\$ '000

3.1 Rates and charges

Council uses capital improved value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all of its improvements.

The valuation base used to calculate general rates for 2024/25 was \$15,033 million (2023/24 \$14,803 million). Commercial/Industrial rates for 2024/25 was \$1,617 million (2023/24 \$1,544 million) and Farm rates was for 2024/25 \$2,982 million (2023/24 \$2,848 million). The 2024/25 rate in the CIV dollar for General rates was 0.00265466 (2023/24 0.00256872), Commercial/Industrial rates was 0.00358379 (2023/24 0.00359621) and Farm rates was 0.00199100 (2023/24 0.00205498).

General rates	51,642	49,429
Municipal charge	8,186	7,830
Waste management charge	11,664	11,197
Supplementary rates and rate adjustments	639	903
Interest on rates and charges	488	429
Revenue in lieu of rates	101	97
Total rates and charges	72,720	69,885

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2024 and the valuation was first applied in the rating year commencing 1 July 2024.

Annual rates and charges are recognised as income when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

Infringements and costs	309	219
Application Registration Fees	333	370
Animal Registrations	428	431
Town planning fees	773	1,247
Land information certificates	112	112
Permits	69	60
Other	374	485
Total statutory fees and fines	2,398	2,924

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

Notes to the Financial Report

for the year ended 30 June 2025

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

	2025 \$ '000	2024 \$ '000
3.3 User fees		
Aged and health services	–	25
Leisure centre and recreation	3,361	3,030
Raymond Island Ferry	382	325
Arts and Culture	213	201
Caravan Parks	2,724	3,109
Saleyards	1,245	1,114
Marinas	1,200	1,223
Child care/children's programs	72	53
Tourism	79	63
Building services	27	39
Waste management services	5,019	4,642
Other fees and charges	417	289
Total user fees	14,739	14,113
User fees by timing of revenue recognition		
User fees recognised over time	2,516	2,751
User fees recognised at a point in time	12,223	11,362
Total user fees	14,739	14,113

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

Notes to the Financial Report

for the year ended 30 June 2025

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

	2025 \$ '000	2024 \$ '000
3.4 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	45,608	18,105
State funded grants	11,534	9,080
Total grants received	57,142	27,185
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	31,064	878
Recurrent - State Government		
Arts and Culture	60	60
Asset Maintenance	226	248
Community Development	23	45
Community Laws	125	122
Emergency Management	120	122
Environmental Management	104	94
Libraries	383	379
Parks and Gardens	—	2
Public Health	34	43
Total recurrent operating grants	32,139	1,993
Non-recurrent - Commonwealth Government		
Community Development	(44)	285
Economic Development	—	395
Environmental Management	—	(64)
Emergency Management	56	600
Recreational, Leisure and Community Facilities	360	456
Non-recurrent - State Government		
Community Development	186	110
Community Laws	9	—
Arts and Culture	(6)	—
Economic Development	225	105
Bushfire Recovery	330	—
Emergency Management	385	575
Waste Management	55	43
Roads	10	(127)
Strategic planning	128	20
Human resource	2	10
Recreational, Leisure and Community Facilities	1,542	648
Non-recurrent - Other		
Other - Environmental Management	2	26
Other - Community Development	—	2
Other - Economic Development	9	—
Other - Strategic planning	22	—

Notes to the Financial Report

for the year ended 30 June 2025

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

	2025 \$ '000	2024 \$ '000
Other - Libraries	14	3
Total non-recurrent operating grants	3,285	3,087
Total operating grants	35,424	5,080
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	2,950	2,622
Recurrent - State Government		
Recreational, Leisure and Community Facilities	9	9
Total recurrent capital grants	2,959	2,631
Non-recurrent - Commonwealth Government		
Buildings	318	912
Bridges	–	1,506
Aerodrome	962	–
Footpaths and cycleways	1,177	1,467
Parks, Open Space and Streetscapes	2,394	–
Recreational, Leisure and Community Facilities	2,584	3,410
Roads	4,044	3,942
Other Infrastructure	(257)	1,696
Non-recurrent - State Government		
Buildings	990	84
Other	189	–
Parks, Open Space and Streetscapes	2,234	–
Plant and Equipment	21	45
Recreational, Leisure and Community Facilities	3,766	3,979
Waste Management	–	239
Environmental sustainability	150	45
Emergency Management	–	(113)
Roads	–	2,130
Non-recurrent - Other		
Other - Plant and Equipment	–	27
Other - Environmental sustainability	187	105
Total non-recurrent capital grants	18,759	19,474
Total capital grants	21,718	22,105

Notes to the Financial Report

for the year ended 30 June 2025

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

	2025 \$ '000	2024 \$ '000
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(c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income for Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

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

General purpose	31,791	1,654
Specific purpose grants to acquire non-financial assets	22,345	22,926
Other specific purpose grants	1,480	1,200
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	1,526	1,405
	57,142	27,185

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

Balance at start of year	1,393	3,019
Received during the financial year and remained unspent at balance date	2,727	74
Received in prior years and spent during the financial year	(1,393)	(1,700)
Balance at year end	2,727	1,393

Capital

Balance at start of year	14,014	15,775
Received during the financial year and remained unspent at balance date	1,578	4,007
Received in prior years and spent during the financial year	(11,415)	(5,768)
Balance at year end	4,177	14,014

Unspent grants are determined and disclosed on a cash basis.

Notes to the Financial Report

for the year ended 30 June 2025

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

	2025 \$ '000	2024 \$ '000
3.5 Contributions		
Monetary	399	1,033
Non-monetary	11,708	27,645
Total contributions	12,107	28,678

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

Land	4,162	6,002
Investment Property - Buildings	—	283
Roads	3,248	10,487
Drainage	2,973	7,090
Other infrastructure	113	128
Other	205	—
Footpath	1,007	3,655
Total non-monetary contributions	11,708	27,645

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

	2025 \$ '000	2024 \$ '000
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Proceeds of sale	1,949	1,341
Written down value of assets disposed	(1,620)	(1,333)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	329	8

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

3.7 Other income

Interest	5,568	6,334
Investment property rental	1,239	1,014
Reimbursements - Other	1,487	1,826
Reimbursements - Natural Disasters	3,188	1,577
Other	389	207
Total other income	11,871	10,958

Interest is recognised as it is earned.

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

Notes to the Financial Report

for the year ended 30 June 2025

Note 4. The cost of delivering services

	2025	2024
	\$ '000	\$ '000

4.1 (a) Employee costs

Wages and salaries	39,509	35,988
WorkCover	1,897	1,364
Superannuation	4,469	3,977
Fringe benefits tax	122	118
Total employee costs	45,997	41,447

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	21	37
	21	37

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,430	1,448
Employer contributions - Australian Super	531	418
Employer contributions - Hostplus	370	296
Employer contributions - Vic Super	196	180
Employer contributions - other funds	1,921	1,598
	4,448	3,940

Employer contributions payable at reporting date	109	63
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Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

Notes to the Financial Report

for the year ended 30 June 2025

Note 4. The cost of delivering services (continued)

	2025 \$ '000	2024 \$ '000
4.1 Materials and services		
Contractors		
- Road maintenance	10,709	9,730
- Vegetation management	534	946
- Ferry maintenance	–	10
- Aerodrome Operations and maintenance	104	98
- Building maintenance	278	135
- Electrical Services	137	445
- Buchan recreation reserve	2,156	170
- Environmental Management	–	32
- Waste collection	4,906	5,048
- Waste Management	1,156	1,004
- Animal pound services	285	254
- Courier services	–	9
- Cleaning	1,123	1,096
- Swifts Creek Recreation Reserve	1,887	125
- Club Terrace Community	–	37
- Sarsfield recreation reserve	–	67
- Parks and gardens	638	1,029
- Consulting	–	571
- Other	220	176
Other materials and services		
Building maintenance	1,102	396
General maintenance	15,362	15,973
Utilities	2,427	2,189
Office administration	2,392	1,517
Information technology	3,589	3,070
Insurance	1,776	1,482
Consultants	4,665	3,490
Contributions	1,880	3,519
Total materials and services	57,326	52,618

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

Notes to the Financial Report

for the year ended 30 June 2025

Note 4. The cost of delivering services (continued)

	2025 \$ '000	2024 \$ '000
4.2 Depreciation		
Property		
Heritage buildings	285	285
Buildings - specialised	4,040	3,942
Total depreciation - property	4,325	4,227
Plant and equipment		
Plant machinery and equipment	2,379	2,127
Fixtures fittings and furniture	889	795
Computers and telecomms	683	572
Library books	182	162
Total depreciation - plant and equipment	4,133	3,656
Infrastructure		
Roads	14,596	13,681
Bridges	1,506	1,492
Footways and cycleways	1,357	1,000
Drainage	1,084	1,033
Recreational, leisure and community	1,014	873
Waste management	1,197	1,059
Parks open spaces and streetscapes	808	705
Aerodromes	241	183
Off street car parks	248	274
Other infrastructure	1,195	1,111
Total depreciation - infrastructure	23,246	21,411
Total depreciation	31,704	29,294

Refer to note 5.2(b), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.3 Amortisation - Intangible assets

Software	92	155
Landfill Airspace	905	795
Total Amortisation - Intangible assets	997	950

4.4 Depreciation - Right of use assets

Property	70	74
Plant and Equipment	10	15
Total Depreciation - Right of use assets	80	89

Notes to the Financial Report

for the year ended 30 June 2025

Note 4. The cost of delivering services (continued)

	2025 \$ '000	2024 \$ '000
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4.5 Allowance for impairment losses

Parking fine debtors	53	10
Animal fine debtors	17	29
Rates debtors	33	30
Other debtors	2	25
Total allowance for impairment losses	105	94

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	1,249	1,187
New allowances recognised during the year	105	94
Amounts already allowed for and written off as uncollectible	(18)	(32)
Amounts allowed for but recovered during the year	3	–
Balance at end of year	1,339	1,249

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.6 Borrowing costs

Interest - Borrowings	355	314
Total borrowing costs	355	314

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

4.7 Finance Costs - Leases

Interest - Lease Liabilities	14	16
Total finance costs	14	16

Notes to the Financial Report

for the year ended 30 June 2025

Note 4. The cost of delivering services (continued)

	2025 \$ '000	2024 \$ '000
4.8 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	65	64
Auditors' remuneration - Internal Audit	48	44
Councillors' allowances	421	406
Operating lease rentals	281	87
Memberships/Subscriptions	419	420
Bank fees and charges	206	285
Legal fees	596	512
Assets written-off -Buildings	274	113
Assets written-off -Bridges	185	1,415
Assets written-off -Roads	3,372	265
Assets written-off -Open Space	37	322
Assets written-off -Drainage	129	180
Assets written-off -Other infrastructure	64	977
Assets written-off - Inv property	–	117
Assets written-off others	43	52
Assets written-off - Car Park	273	212
Assets written off other	1,896	1,447
Assets written-off Footpath	193	–
Assets written-off Recreation	197	–
Assets written-off software	707	–
Bad debt written off	20	–
Others	1	14
Total other expenses	9,427	6,932

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations

	2025 \$ '000	2024 \$ '000
5.1 Financial assets		
(a) Cash and cash equivalents		
Current		
Cash on hand	11	12
Cash at bank	43,001	28,893
Term deposits	42,993	88,287
Total cash and cash equivalents	86,005	117,192
(b) Other financial assets		
Current		
Term deposits	37,159	—
Total current other financial assets	37,159	—
Non-current		
Shares in Community Banks	10	10
Total other financial assets	37,169	10
Total cash and cash equivalents and other financial assets	123,174	117,202
Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.		
Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.		
Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.		
(c) Trade & Other Receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	7,018	6,370
Special rate assessment	607	659
Infringement debtors	1,134	1,037
Allowance for expected credit loss - infringements, rates and schemes	(1,268)	(1,165)
Net GST receivable	1,170	1,552
<i>Non-statutory receivables</i>		
Other debtors	1,827	1,820
Allowance for expected credit loss- other debtors	(71)	(84)
Total current trade and other receivables	10,417	10,189
Non-Current		
<i>Statutory receivables</i>		
Special rate scheme	99	154
Total non-current trade and other receivables	99	154
Total trade and other receivables	10,516	10,343

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

	2025	2024
	\$ '000	\$ '000

(d) Ageing of receivables

The ageing of the Council's trade & other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	1,193	1,164
Past due by up to 30 days	35	290
Past due between 31 and 180 days	442	183
Past due between 181 and 365 days	81	87
Past due by more than 1 year	5	12
Total trade and other receivables	1,756	1,736

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$71,000 (2024: \$84,000) were impaired. The amount of the allowance raised against these debtors was \$71,000 (2024: \$84,000). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Past due by more than 1 year	71	84
Total trade and other receivables	71	84

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

	2025 \$ '000	2024 \$ '000
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5.2 Non-financial assets

(a) Other assets

Accrued income	731	891
Prepayments	2,005	1,356
Other	2	4
Total other assets	2,738	2,251

(b) Intangible assets

Software	41	840
Landfill air space	1,918	2,823
Total intangible assets	1,959	3,663

	Software \$ '000	Landfill \$ '000	Total \$ '000
Gross Carrying Amount			
Balance at 1 July 2024	2,691	8,472	11,163
Additions from internal developments	—	—	—
Other additions	—	—	—
Disposals	(1,575)	—	(1,575)
Balance at 30 June 2025	1,116	8,472	9,588
Accumulated amortisation and impairment			
Balance at 1 July 2024	1,851	5,649	7,500
Amortisation expense	92	905	997
Disposal Amortisation expense	(868)	—	(868)
Balance at 30 June 2025	1,075	6,554	7,629
Net book value at 30 June 2024	840	2,823	3,663
Net book value at 30 June 2025	41	1,918	1,959

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

	2025 \$ '000	2024 \$ '000
5.3 Payables, trust funds and deposits and contract and other liabilities		
(a) Trade and other payables		
Current		
<i>Non-statutory payables</i>		
Trade payables	13,063	10,644
Accrued expenses	3,042	2,229
Total current trade and other payables	16,105	12,873
(b) Trust funds and deposits		
Current		
Refundable deposits	2,470	3,157
Fire services levy	427	211
Retention amounts	924	769
Total current trust funds and deposits	3,821	4,137
(c) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance - operating	2,727	1,393
Caravan Park and other	174	268
Prepaid Marina Income	126	140
Total current contract liabilities	3,027	1,801
Other liabilities		
Current		
Deferred capital grants	4,177	14,014
Total current other liabilities	4,177	14,014
Total current contract and other liabilities	7,204	15,815
Contract liabilities		
Non-current		
Prepaid Marina Income	265	340
Total non-current contract liabilities	265	340
Total contract and other liabilities	7,469	16,155

Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Contract liabilities

Contract liabilities reflect consideration received in advance from Marina and Caravan Park customers in respect of leases and licences paid in advance as well as grant funding for various operational projects that Council has yet to gain the right to the funds in accordance with funding agreements. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

Other liabilities

Grant consideration was received from government funding bodies to support the construction of a number of capital projects. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of the related capital projects. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

Purpose and nature of items

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

	2025 \$ '000	2024 \$ '000
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5.4 Interest-bearing liabilities

Current

Treasury Corporation of Victoria borrowings - secured	695	663
Total current interest-bearing liabilities	695	663

Non-current

Treasury Corporation of Victoria borrowings - secured	6,851	7,546
Other borrowings - secured	1,650	1,650
Total non-current interest-bearing liabilities	8,501	9,196
Total	9,196	9,859

Borrowings are secured by mortgages over the general rates of Council.

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

Not later than one year	695	663
Later than one year and not later than five years	4,283	4,139
Later than five years	4,218	5,057
	9,196	9,859

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

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities based on contractual repayment terms at every balance date.

In classifying borrowings as current or non-current Council considers whether at balance date it has the right to defer settlement of the liability for at least twelve months after the reporting period. Council's loan arrangements include covenants based on Council's financial performance and position at the end of the reporting period. These covenants are assessed for compliance after the reporting period based on specified financial ratios.

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

	Employee provisions \$ '000	Landfill restoration \$ '000	Other \$ '000	Total \$ '000
5.5 Provisions				
2025				
Balance at the beginning of the financial year	7,853	13,234	186	21,273
Additional provisions	1,353	—	78	1,431
Addition - New Landfill Cell	—	—	—	—
Amounts used	(912)	(255)	(2)	(1,169)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	4	271	—	275
Balance at the end of the financial year	8,298	13,250	262	21,810
Provisions				
Provisions - current	7,249	6,494	—	13,743
Provisions - non-current	1,049	6,756	262	8,067
Total Provisions	8,298	13,250	262	21,810
2024				
Balance at the beginning of the financial year	6,955	10,444	205	17,604
Additional provisions	1,903	137	9	2,049
Addition - New Landfill Cell	—	3,618	—	3,618
Amounts used	(997)	(516)	(28)	(1,541)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(8)	(449)	—	(457)
Balance at the end of the financial year	7,853	13,234	186	21,273
Provisions				
Provisions - current	7,099	6,480	—	13,579
Provisions - non-current	754	6,754	186	7,694
Total Provisions	7,853	13,234	186	21,273
			2025	2024
			\$ '000	\$ '000
(a) Employee provisions				
Current provisions expected to be wholly settled within 12 months				
Annual leave			2,875	2,678
Long service leave			395	385
Other Leave			120	174
			3,390	3,237
Current provisions expected to be wholly settled after 12 months				
Annual leave			306	394
Long service leave			3,553	3,468
			3,859	3,862
Total current employee provisions			7,249	7,099

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

	2025 \$ '000	2024 \$ '000
Non-Current		
Long service leave	1,049	754
Total Non-Current Employee Provisions	1,049	754
Aggregate Carrying Amount of Employee Provisions:		
Current	7,249	7,099
Non-current	1,049	754
Total Aggregate Carrying Amount of Employee Provisions	8,298	7,853

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Key assumptions:

- discount rate	4.20%	4.35%
- index rate	2.25%	2.00%

(b) Landfill restoration

Current	6,494	6,480
Non-current	6,756	6,754
Total	13,250	13,234

Council is obligated to restore landfill sites to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate	4.20%	4.35%
- index rate	4.00%	4.00%

(c) Native vegetation offset provision

Non-current	262	186
	262	186

Notes to the Financial Report
for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

	2025	2024
	\$ '000	\$ '000

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2025.

Bank overdraft	1,500	1,500
Credit card facilities	300	300
Treasury Corporation of Victoria facilities	7,546	8,209
Other facilities	1,650	1,650
Total Facilities	10,996	11,659
Used facilities	9,263	9,917
Unused facilities	1,733	1,742

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

5.7 Commitments

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

(a) Commitments for expenditure

	Not later than 1 year \$ '000	Later than 1 year and not later than 2 years \$ '000	Later than 2 years and not later than 5 years \$ '000	Later than 5 years \$ '000	Total \$ '000
2025					
Operating					
Recreation	3,510	—	—	—	3,510
Cleaning	1,063	691	749	—	2,503
Ferry					
Operations/Maintenance	570	193	92	—	855
Road Infrastructure					
Maintenance	701	701	58	—	1,460
Waste Management	5,034	3,180	1	—	8,215
Other Service Contracts	276	52	—	—	328
Total	11,154	4,817	900	—	16,871
Capital					
Buildings	—	—	—	—	—
Roads	—	—	—	—	—
Recreation	5,228	—	—	—	5,228
Waste	666	—	—	—	666
Parks and Open Space	4,821	—	—	—	4,821
Drainage	837	—	—	—	837
Other	1,205	—	—	—	1,205
Total	12,757	—	—	—	12,757
2024					
Operating					
Recreation	—	—	—	—	—
Cleaning	1,229	1,041	1,407	—	3,677
Ferry					
Operations/Maintenance	11	11	27	—	49
Road Infrastructure					
Maintenance	682	57	—	—	739
Waste Management	3,364	355	23	—	3,742
Other Service Contracts	197	—	—	—	197
Total	5,483	1,464	1,457	—	8,404
Capital					
Buildings	125	—	—	—	125
Roads	3,859	—	—	—	3,859
Recreation	6,166	—	—	—	6,166
Waste	1,920	—	—	—	1,920
Parks and Open Space	—	—	—	—	—
Drainage	—	—	—	—	—
Other	15,317	—	—	—	15,317
Total	27,387	—	—	—	27,387

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

	2025 \$ '000	2024 \$ '000
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(b) Operating lease receivables***Operating lease receivables***

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

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

Not later than one year	1,151	1,083
Later than one year and not later than five years	2,896	2,802
Later than five years	2,011	2,416
	<u>6,058</u>	<u>6,301</u>

5.8 Leases

At inception of a contract, Council assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

Council has 53 peppercorn/low value leases on land and buildings. Use of these properties is restricted to community service and welfare activities.

Right-of-Use Assets

	Property \$ '000	Equipment \$ '000	Total \$ '000
Balance at 1 July 2024	558	35	593
Disposal	(23)	(25)	(48)
Depreciation charge	(70)	(10)	(80)
Balance at 30 June 2025	465	–	465

Notes to the Financial Report

for the year ended 30 June 2025

Note 5. Investing in and financing our operations (continued)

	2025 \$ '000	2024 \$ '000
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Lease Liabilities

Maturity analysis - contractual undiscounted cash flows

Less than one year	37	76
One to five years	140	181
More than five years	498	553
Total undiscounted lease liabilities as at 30 June:	675	810

Lease liabilities included in the Balance Sheet at 30 June:

Current	24	79
Non-current	547	600
Total lease liabilities	571	679

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than exsiting capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Expenses relating to:

Short-term leases	219	54
Leases of low value assets	55	32
Total	274	86

Variable lease payments (not included in measurement of lease liabilities)

Variable lease payments	73	84
Total	73	84

Variable lease payments are those that depend on an index or a rate, for example payments linked to the consumer price index, a benchmark interest rate or changes in market rental rates.

Non-cancellable lease commitments - Short-term and low-value leases

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

Payable:

Within one year	54	66
Later than one year but not later than five years	67	155
Later than five years	34	142
Total lease commitments	155	363

Notes to the Financial Report
for the year ended 30 June 2025

Note 6. Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2024	Additions	Contributions	Revaluation	Disposal	Depreciation	Write-off	Transfers	Carrying amount 30 June 2025
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Property	314,132	—	4,252	—	(1,110)	(4,325)	—	16,432	329,381
Plant and equipment	16,307	—	35	—	(828)	(4,133)	—	10,417	21,798
Infrastructure	959,226	—	7,421	—	(4,449)	(23,246)	—	44,767	983,719
Work in progress	72,477	43,825	—	—	—	—	(1,896)	(73,487)	40,919
Total	1,362,142	43,825	11,708	—	(6,387)	(31,704)	(1,896)	(1,871)	1,375,817

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	34,202	7,739	(616)	(34,168)	7,157
Plant and equipment	2,327	6,458	(321)	(8,058)	406
Infrastructure	35,948	29,628	(959)	(31,261)	33,356
Total	72,477	43,825	(1,896)	(73,487)	40,919

Notes to the Financial Report

for the year ended 30 June 2025

Note 6. Assets we manage (continued)

	Land specialised \$ '000	Land non specialised \$ '000	Total land and land improve- ments \$ '000	Heritage buildings \$ '000	Buildings specialised \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
(a) Property								
At fair value 1 July 2024	192,431	4,770	197,201	20,281	207,422	227,703	34,202	459,106
Accumulated depreciation at 1 July 2024	—	—	—	(11,091)	(99,681)	(110,772)	—	(110,772)
	192,431	4,770	197,201	9,190	107,741	116,931	34,202	348,334
Movements in fair value								
Additions	—	—	—	—	—	—	7,739	7,739
Contributions	4,162	—	4,162	—	90	90	—	4,252
Disposal	(836)	—	(836)	—	(1,510)	(1,510)	—	(2,346)
Write-off	—	—	—	—	—	—	(616)	(616)
Transfers	(109)	—	(109)	18	15,140	15,158	(34,168)	(19,119)
	3,217	—	3,217	18	13,720	13,738	(27,045)	(10,090)
Movements in accumulated depreciation								
Depreciation and amortisation	—	—	—	(285)	(4,040)	(4,325)	—	(4,325)
Accumulated depreciation of disposals	—	—	—	—	1,236	1,236	—	1,236
Transfers	—	—	—	—	1,383	1,383	—	1,383
	—	—	—	(285)	(1,421)	(1,706)	—	(1,706)
At fair value 30 June 2025	195,648	4,770	200,418	20,299	221,142	241,441	7,157	449,016
Accumulated depreciation at 30 June 2025	—	—	—	(11,376)	(101,102)	(112,478)	—	(112,478)
Carrying amount	195,648	4,770	200,418	8,923	120,040	128,963	7,157	336,538

Notes to the Financial Report

for the year ended 30 June 2025

Note 6. Assets we manage (continued)

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Computers and telecomms \$ '000	Library books \$ '000	Work in progress \$ '000	Total plant and equipment \$ '000
(b) Plant and Equipment						
At fair value 1 July 2024	25,443	11,491	3,474	5,730	2,327	48,465
Accumulated depreciation at 1 July 2024	(14,746)	(8,972)	(1,504)	(4,609)	—	(29,831)
	<u>10,697</u>	<u>2,519</u>	<u>1,970</u>	<u>1,121</u>	<u>2,327</u>	<u>18,634</u>
Movements in fair value						
Additions	—	—	—	—	6,458	6,458
Contributions	28	7	—	—	—	35
Disposal	(2,793)	(204)	—	—	—	(2,997)
Write-off	—	—	—	—	(321)	(321)
Transfers	6,147	2,697	1,366	207	(8,058)	2,359
	<u>3,382</u>	<u>2,500</u>	<u>1,366</u>	<u>207</u>	<u>(1,921)</u>	<u>5,534</u>
Movements in accumulated depreciation						
Depreciation and amortisation	(2,379)	(889)	(683)	(182)	—	(4,133)
Accumulated depreciation of disposals	2,003	166	—	—	—	2,169
	<u>(376)</u>	<u>(723)</u>	<u>(683)</u>	<u>(182)</u>	<u>—</u>	<u>(1,964)</u>
At fair value 30 June 2025	28,826	13,991	4,840	5,938	406	54,001
Accumulated depreciation at 30 June 2025	(15,123)	(9,695)	(2,187)	(4,792)	—	(31,797)
Carrying amount	<u>13,703</u>	<u>4,296</u>	<u>2,653</u>	<u>1,146</u>	<u>406</u>	<u>22,204</u>

Notes to the Financial Report

for the year ended 30 June 2025

Note 6. Assets we manage (continued)

	Roads \$ '000	Bridges \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Recrea- tional, leisure and community \$ '000	Waste management \$ '000	Parks open spaces and streets- capes \$ '000	Aerodromes \$ '000	Off street car parks \$ '000	Other infra- structure \$ '000	Work in progress \$ '000	Total infra- structure \$ '000
(c) Infrastructure												
At fair value 1 July 2024	862,483	125,443	70,166	111,668	38,842	13,975	47,000	12,769	13,654	38,048	35,948	1,369,996
Accumulated depreciation at 1 July 2024	(215,691)	(25,854)	(22,314)	(44,754)	(15,684)	(6,119)	(21,947)	(2,458)	(3,274)	(16,727)	—	(374,822)
	<u>646,792</u>	<u>99,589</u>	<u>47,852</u>	<u>66,914</u>	<u>23,158</u>	<u>7,856</u>	<u>25,053</u>	<u>10,311</u>	<u>10,380</u>	<u>21,321</u>	<u>35,948</u>	<u>995,174</u>
Movements in fair value												
Additions	—	—	—	—	—	—	—	—	—	—	29,628	29,628
Contributions	3,248	51	1,007	2,973	29	—	—	—	—	113	—	7,421
Disposal	(5,158)	(256)	(337)	(208)	(248)	—	(51)	—	(297)	(134)	—	(6,689)
Write-off	—	—	—	—	—	—	—	—	—	—	(959)	(959)
Transfers	13,846	4,086	5,574	4,695	5,874	72	180	9	1,894	8,536	(31,261)	13,505
	<u>11,936</u>	<u>3,881</u>	<u>6,244</u>	<u>7,460</u>	<u>5,655</u>	<u>72</u>	<u>129</u>	<u>9</u>	<u>1,597</u>	<u>8,515</u>	<u>(2,592)</u>	<u>42,906</u>
Movements in accumulated depreciation												
Depreciation and amortisation	(14,596)	(1,506)	(1,357)	(1,084)	(1,014)	(1,197)	(808)	(241)	(248)	(1,195)	—	(23,246)
Accumulated depreciation of disposals	1,787	70	143	80	52	—	14	—	24	70	—	2,240
Transfers	(15)	—	(4)	(3)	—	—	—	—	23	—	—	1
	<u>(12,824)</u>	<u>(1,436)</u>	<u>(1,218)</u>	<u>(1,007)</u>	<u>(962)</u>	<u>(1,197)</u>	<u>(794)</u>	<u>(241)</u>	<u>(201)</u>	<u>(1,125)</u>	<u>—</u>	<u>(21,005)</u>
At fair value 30 June 2025	874,419	129,324	76,410	119,128	44,497	14,047	47,129	12,777	15,250	46,563	33,356	1,412,900
Accumulated depreciation at 30 June 2025	(228,515)	(27,290)	(23,532)	(45,761)	(16,646)	(7,316)	(22,741)	(2,698)	(3,474)	(17,852)	—	(395,825)
Carrying amount	<u>645,904</u>	<u>102,034</u>	<u>52,878</u>	<u>73,367</u>	<u>27,851</u>	<u>6,731</u>	<u>24,388</u>	<u>10,079</u>	<u>11,776</u>	<u>28,711</u>	<u>33,356</u>	<u>1,017,075</u>

Notes to the Financial Report

for the year ended 30 June 2025

Note 6. Assets we manage (continued)

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

	Depreciation Period	Threshold Limit \$ '000
Asset recognition thresholds and depreciation periods		
Land and land improvements		
land	-	-
Buildings		
buildings	15-80 years	5
building and leasehold improvements	15-80 years	5
Plant and Equipment		
ferry equipment	40 years	1
plant, machinery and equipment	2-50 years	1
fixtures, fittings and furniture	5-50 years	1
computers and telecommunications	5 years	1
library books	10 years	1
Infrastructure		
road pavements and seals	18-80 years	5
road wearing course	15 years	5
road formation and earthworks		5
road kerb, channel and minor culverts	70 - 80 years	5
bridges	40-100 years	5
footpaths and cycleways	15-65 years	5
drainage	70 -100 years	5
recreational, leisure and community facilities	10-60 years	5
aerodromes	15-80 years	5
waste management landfill cells	4 years	5
waste management infrastructure	50 years	5
parks, open space and streetscapes	40-75 years	5
car parks	15-80 years	5
Intangible assets	3-10 years	1

Land under roads

Council recognises land under roads it controls at fair value after 30 June 2008.

Depreciation and amortisation

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

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

Notes to the Financial Report

for the year ended 30 June 2025

Note 6. Assets we manage (continued)

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

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

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

Repairs and maintenance

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date there were no leasehold improvements.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Todd Svanberg, Certified Practising Valuer CPV API Member: 63110, Senior Director, Commercial Compliance and Quality of JLL Public Sector Valuations Pty Ltd and Mark Pastor, Certified Practising Valuer CPV API Member: 63501, Senior Valuer JLL Public Sector Valuations Pty Ltd as at 30 June 2023. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date and type of the current valuation is detailed in the following table.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Specialised land	—	—	195,648	Jun/23	Independent
Non - Specialised land	—	4,770	—	Jun/23	Independent
Heritage buildings	—	—	8,923	Jun/23	Independent
Buildings	—	—	120,040	Jun/23	Independent
Total	—	4,770	324,611		

Valuation of Infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuer Josef Wang B.Eng, Quantity Surveyor, Infrastructure valuer and Regina Sun Quantity Surveyor. APV Valuers and Asset Management as at 31 December 2023.

The date and type of the current valuation is detailed in the following table.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation..

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2025 are as follows:

Notes to the Financial Report

for the year ended 30 June 2025

Note 6. Assets we manage (continued)

	Level 1	Level 2	Level 3	Date of valuation	Type of Valuation
Roads	—	—	645,904	Dec/23	Independent
Bridges	—	—	102,034	Dec/23	Independent
Footpaths and cycleways	—	—	52,878	Dec/23	Independent
Drainage	—	—	73,367	Dec/23	Independent
Recreational, leisure & community facilities	—	—	27,851	Dec/23	Independent
Waste management	—	—	6,731	Dec/23	Independent
Parks, open space & streetscapes	—	—	24,388	Dec/23	Independent
Aerodromes	—	—	10,079	Dec/23	Independent
Off street car parks	—	—	11,776	Dec /23	Independent
Other Infrastructure	—	—	28,711	Dec/23	Independent
Total	—	—	983,719		

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 0% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1.20 and \$450.00 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$84 to \$6,730 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 15 years to 80 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 15 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2025 \$ '000	2024 \$ '000
Reconciliation of specialised land		
Land under roads	2,642	1,988
Parks and reserves	68,864	69,230
Recreation and Leisure	59,443	57,330
Residential Land	825	706
Commercial Land	362	362
Aerodrome Land	15,802	15,802
Community Services Land	9,766	10,101
Business Centre/Library Land	4,669	4,669
Caravan Park Land	2,616	2,979
Carpark Land	4,642	4,642
Depot Land	832	832
Quarry Reserve Land	356	356
Drainage Reserve Land	16,053	14,658
Saleyard and Pound Facility Land	1,941	1,941
Waste Management Land	6,368	6,368
Road Reserves	467	467
Total specialised land	195,648	192,431

Notes to the Financial Report

for the year ended 30 June 2025

Note 6. Assets we manage

6.2 Investment property

	2025 \$ '000	2024 \$ '000
Balance at beginning of financial year	10,787	7,455
Contributions	–	283
Additions	424	322
Transfer	1,442	2,600
Disposals	–	(117)
Fair value adjustments	377	244
Balance at end of financial year	13,030	10,787

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by Todd Svanberg, Certified Practising Valuer CPV API Member 63110, Senior Director, Commercial Compliance and Quality of JLL Public Sector Valuations Pty Ltd and Mark Pastor, Certified Practising Valuer CPV API Member 63501, Senior Valuer JLL Public Sector Valuations Pty Ltd as at 30 June 2023. The valuation is at fair value, based on the current market value for the property. An index based valuation was conducted in the current year. This valuation was based on Indices provided by the Victoria Valuer-General. A full valuation of these assets will be conducted in 2026/27.

Notes to the Financial Report

for the year ended 30 June 2025

Note 7. People and relationships

7.1 Council and key management remuneration

(a) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of East Gippsland Shire Council. The Councillors, Chief Executive Officer and General Managers are deemed KMP.

Details of KMP at any time during the year are:

Councillors

Councillor John White (1/7/24 to 26/10/24)
 Councillor John White (Mayor 12/11/24 to 30/6/25)
 Councillor Sonya Buckley (1/7/24 to 26/10/24)
 Councillor Sonya Buckley (Deputy Mayor 12/11/24 to 30/6/25)
 Councillor Arthur Allen (1/7/24 to 26/10/24)
 Councillor Arthur Allen (12/11/24 to 30/6/25)
 Councillor Jodie Ashworth (12/11/24 to 30/6/25)
 Councillor Tom Crook (Mayor 1/7/24 to 26/10/24)
 Councillor Tom Crook (12/11/24 to 30/6/25)
 Councillor Barry Davis (12/11/24 to 30/6/25)
 Councillor Joanne Eastman (12/11/24 to 30/6/25)
 Councillor Bernie Farquhar (12/11/24 to 30/6/25)
 Councillor Ian Trevaskis (12/11/24 to 30/6/25)
 Councillor Mendy Urie (1/7/24 to 26/10/24)
 Councillor Jane Greacen (Deputy Mayor 1/7/24 to 26/10/24)
 Councillor Trevor Stow (1/7/24 to 26/10/24)
 Councillor Kirsten Van Diggele (1/7/24 to 26/10/24)
 Councillor Mark Reeves (1/7/24 to 26/10/24)
 Fiona Weigall, Chief Executive Officer
 Sarah Johnston, General Manager Business Excellence
 Stuart McConnell, General Manager Assets and Environment
 Alba Elling, Acting General Manager Place and Community (1/7/24 to 9/8/24)
 Christopher Stephenson, General Manager Place and Community (12/8/24 to 30/6/25)
 Paul Rooney, Acting General Manager Assets and Environment (3/7/2024 to 22/7/2024)

	2025 No.	2024 No.
Total Number of Councillors	14	9
Total of Chief Executive Officer and other Key Management Personnel	6	8
Total Number of Key Management Personnel	20	17

Notes to the Financial Report

for the year ended 30 June 2025

Note 7. People and relationships (continued)

(b) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages.

	2025 \$ '000	2024 \$ '000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,300	1,336
Other long-term employee benefits	24	18
Post-employment benefits	103	97
Total	1,427	1,451

	2025 No.	2024 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$0 - \$9,999	—	1
\$10,000 - \$19,999	6	1
\$20,000 - \$29,999	6	—
\$30,000 - \$39,999	1	6
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	1	1
\$70,000 - \$79,999	1	2
\$90,000 - \$99,999	—	1
\$150,000 - \$159,999	—	1
\$190,000 - \$199,999	—	1
\$210,000 - \$219,999	1	—
\$230,000 - \$239,999	1	—
\$240,000 - \$249,999	1	—
\$250,000 - \$259,999	—	1
\$280,000 - \$289,999	1	1
	20	17

Notes to the Financial Report

for the year ended 30 June 2025

Note 7. People and relationships (continued)

(c) Remuneration of other senior staff

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

	2025 \$ '000	2024 \$ '000
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	172	166
Other long-term employee benefits	—	4
Post-employment benefits	20	19
Termination benefits	—	—
Total	192	189

	2025 No.	2024 No.
The number of other senior staff are shown below in their relevant income bands:		
Income Range:		
\$180,000 - \$189,999	—	1
\$190,000 - \$199,999	1	—
	1	1

	2025 \$ '000	2024 \$ '000
Total remuneration for the reporting year for other senior staff included above, amounted to:	192	189

Notes to the Financial Report
for the year ended 30 June 2025

Note 7. People and relationships (continued)

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties:

For the year ended 30 June 2025, Council paid \$196,916 to suppliers and contractors related to Key Management Personnel on normal commercial terms and conditions. Details of these related party transactions for Key Management Personnel are as follows:

Cr Allen	Leftrade Pty Ltd - \$12,078 for goods and service
	Paper Cranes Sushi Pty Ltd - \$11,307 for catering services
Cr White	Melwood Investments Pty Ltd - \$21,884 for contracted slashing
Alba Elling	East Gippsland Marketing Inc \$130,638 for marketing services agreement and other services provided.
Cr Farquhar	Berbard Farquhar Pty Limited \$ 20,915 for plumbing services

(b) Outstanding balances with related parties

The following balances totalling \$312 are outstanding at the end of the reporting period in relation to transactions with related parties on normal commercial terms and conditions.

Cr Allen	Paper Cranes Sushi Pty Ltd - \$312
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(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party as follows:

Nil

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

Nil

Notes to the Financial Report

for the year ended 30 June 2025

Note 8. Managing uncertainties

8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

(i) Council is currently undergoing a process over a three year period to identify old drainage assets that are not currently recorded. At this stage Council is currently unable to value any of these found assets and will bring them to account in the future when valuations have been calculated.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Landfill

Council operates a number of landfills. Council will have to carry out site rehabilitation works in the future. Council has provided the Environment Protection Authority with a bank guarantee in their favour of \$1.3 million to meet the remedial action financial assurance requirements for licenced landfill sites.

Liability Mutual Insurance

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013, there is a six year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. If required, adjustments will occur at the 3-year and 6-year points during the liability period, and will affect participating members.

Notes to the Financial Report

for the year ended 30 June 2025

Note 8. Managing uncertainties (continued)

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council assesses the impact of these new standards. As at 30 June 2025 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2025 that are expected to impact Council.

In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank and TCV borrowings. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of Council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- Council has a policy for establishing credit limits for the entities Council deals with;

Notes to the Financial Report

for the year ended 30 June 2025

Note 8. Managing uncertainties (continued)

- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1.0% and - 1.0% in market interest rates (AUD) from year-end rates of 4.35%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

Notes to the Financial Report

for the year ended 30 June 2025

Note 8. Managing uncertainties (continued)

8.4 Fair value measurement

Fair Value Hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

Council has considered the amendments to AASB 13 Fair Value Measurement that apply for the 2024-25 financial year as a result of AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities. For assets, where the Council adopts a current replacement cost approach to determine fair value, the Council now considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

The AASB 13 amendments apply prospectively, comparative figures have not been restated.

The AASB 13 amendments have not resulted in any material impacts to Council's financial statements.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Notes to the Financial Report

for the year ended 30 June 2025

Note 8. Managing uncertainties (continued)

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 4 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset Class	Revaluation frequency
Land	1 to 4 years
Buildings	1 to 4 years
Roads	1 to 4 years
Bridges	1 to 4 years
Footpaths and cycleways	1 to 4 years
Drainage	1 to 4 years
Recreational, leisure and community facilities	1 to 4 years
Waste management	1 to 4 years
Parks, open space and streetscapes	1 to 4 years
Aerodromes	1 to 4 years
Other infrastructure	1 to 4 years

Where the assets are revalued, the revaluation increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset.

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

Notes to the Financial Report

for the year ended 30 June 2025

Note 9. Other matters

	Balance at beginning of reporting period	Increase (decrease)	Balance at end of reporting period
	\$ '000	\$ '000	\$ '000
9.1 Reserves			
(a) Asset revaluation reserves			
2025			
Property			
Land and land improvements	153,259	—	153,259
Buildings	90,944	—	90,944
	244,203	—	244,203
Infrastructure			
Roads	507,762	—	507,762
Bridges	69,004	—	69,004
Footpaths and cycleways	31,594	—	31,594
Drainage	34,087	—	34,087
Recreational, leisure and community facilities	16,025	—	16,025
Waste management	1,329	—	1,329
Parks, open space and streetscapes	5,967	—	5,967
Aerodromes	3,389	—	3,389
Offstreet car parks	2,238	—	2,238
Other infrastructure	19,313	—	19,313
	690,708	—	690,708
Total asset revaluation reserves	934,911	—	934,911
2024			
Property			
Land and land improvements	153,259	—	153,259
Buildings	90,944	—	90,944
	244,203	—	244,203
Infrastructure			
Roads	592,958	(85,196)	507,762
Bridges	87,796	(18,792)	69,004
Footpaths and cycleways	21,090	10,504	31,594
Drainage	53,244	(19,157)	34,087
Recreational, leisure and community facilities	16,621	(596)	16,025
Waste management	3,823	(2,494)	1,329
Parks, open space and streetscapes	14,792	(8,825)	5,967
Aerodromes	2,080	1,309	3,389
Offstreet car parks	3,287	(1,049)	2,238
Other infrastructure	19,997	(684)	19,313
	815,688	(124,980)	690,708
Total asset revaluation reserves	1,059,891	(124,980)	934,911

Notes to the Financial Report

for the year ended 30 June 2025

Note 9. Other matters (continued)

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
(b) Other reserves				
2025				
Car Parking	193	—	—	193
Development Contribution Plans	196	—	—	196
Lakes Entrance Northern Growth Area	1	—	—	1
Recreational Land	2,074	119	—	2,193
Road Upgrading	126	—	—	126
Street Trees Reserve	—	18	—	18
Total Other reserves	2,590	137	—	2,727
2024				
Car Parking	193	—	—	193
Development Contribution Plans	129	—	67	196
Lakes Entrance Northern Growth Area	1	—	—	1
Recreational Land	1,453	—	621	2,074
Road Upgrading	59	—	67	126
Total restricted reserves	1,835	—	755	2,590
Total Other reserves	1,835	—	755	2,590

The Recreation Land Reserve receives developer contributions for future development of public open space.

Development Contribution Plans receive contribution from developers upon the sale of land in a prescribed planning area.

The Car Parking Reserve receives developer funds for future development of public car parks.

The Road Upgrading Reserve receives contributions from developers for the future upgrade of specific roads as required by development plans.

Lakes Entrance Northern Growth Area receive contributions in accordance with the development plan.

Notes to the Financial Report

for the year ended 30 June 2025

Note 9. Other matters (continued)

	2025 \$ '000	2024 \$ '000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	25,407	22,552
Non-cash adjustments:		
Depreciation/amortisation	32,781	30,333
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(329)	(8)
Fair value adjustments for investment property	(377)	(244)
Contributions - Non-monetary assets	(11,708)	(27,645)
Financing cost in financing activities	369	315
Write off property, plant and equipment	7,370	5,100
Bad debt written off	20	—
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(193)	(1,332)
(Increase)/decrease in prepayments	(649)	(313)
Increase/(decrease) in contract assets	1,315	—
Increase/(decrease) in other assets	162	(19)
Increase/(decrease) in trade and other payables	3,873	692
Increase/(decrease) in provisions	537	3,662
(Decrease)/increase in trust funds and deposits	(316)	382
(Decrease)/increase in contract and other liabilities	(8,686)	(3,461)
Net cash provided by/(used in) operating activities	49,576	30,014

9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2025, this was 11.5% as required under Superannuation Guarantee (SG) legislation (2024: 11.0%)).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding Arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. As at 30 June 2024, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2024 (of which Council is a contributing employer) was 105.4%. The financial assumptions used to calculate the VBI were:

Notes to the Financial Report

for the year ended 30 June 2025

Note 9. Other matters (continued)

Net investment returns 5.6% pa
Salary information 3.5% pa
Price inflation (CPI) 2.7% pa

As at 30 June 2025, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2025.

Vision Super has advised that the VBI at 30 June 2025 was 110.5%. Council was notified of the 30 June 2025 VBI during August 2025 (2024: August 2024). The financial assumptions used to calculate this VBI were:

Net investment returns 5.7% pa
Salary information 3.5% pa
Price inflation (CPI) 2.6% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2024 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2024 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2025, this rate was 11.5% of members' salaries (11.0% in 2023/24). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

(b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%).

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2024 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2024 while a full investigation was conducted as at 30 June 2023.

Notes to the Financial Report

for the year ended 30 June 2025

Note 9. Other matters (continued)

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

	2024 (Interim)	2023 (Triennial)
	\$m	\$m
- A VBI Surplus	108.4	85.7
- A total service liability surplus	141.4	123.6
- A discounted accrued benefits surplus	156.7	141.9

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2024.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2024.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2024.

The 2025 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2025 as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the VBI at 30 June 2025 was 110.5%. Council was notified of the 30 June 2025 VBI during August 2025 (2024: August 2024). The financial assumptions used to calculate this VBI were:

Net investment returns 5.7% pa
Salary information 3.5% pa
Price inflation (CPI) 2.6% pa

It is anticipated that this actuarial investigation will be completed by 31 October 2025.

The 2023 triennial investigation

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of these investigations were:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.50% pa	2.5% pa for two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2025 are detailed below:

Scheme	Type of scheme	Rate	2025 \$ '000	2024 \$ '000
Vision Super	Defined benefits	11.5% (2024:11.0%)	21	37
Vision Super	Accumulation	11.5% (2024:11.0%)	1,430	1,448
Various other funds	Accumulation	11.5% (2024:11.0%)	3,018	2,492

There were \$109,438 contributions outstanding and no loans issued from or to the above schemes as at 30 June 2025.

Notes to the Financial Report

for the year ended 30 June 2025

Note 9. Other matters (continued)

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is \$22,593.

Note 10. Changes in accounting policies

There have been no changes to accounting policies in the 2024-25 year.

Independent Auditor's Report

To the Councillors of East Gippsland Shire Council

Opinion	I have audited the accompanying performance statement of East Gippsland Shire Council (the council) which comprises the: • description of municipality for the year ended 30 June 2025 • service performance indicators for the year ended 30 June 2025 • financial performance indicators for the year ended 30 June 2025 • sustainable capacity indicators for the year ended 30 June 2025 • notes to the accounts • certification of the performance statement. In my opinion, the performance statement of East Gippsland Shire Council in respect of the year ended 30 June 2025 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

**Auditor's
responsibilities
for the audit of
the performance
statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
9 October 2025



Travis Derricott
as delegate for the Auditor-General of Victoria

East Gippsland Shire Council

Performance Statement

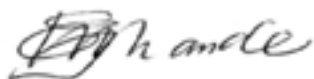
For the year ended 30 June 2025

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Certification of performance statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.



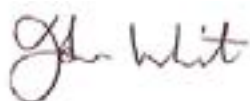
Ernest Mhande, CPA
Principal Accounting Officer
Dated: 7 October 2025

In our opinion, the accompanying performance statement of the East Gippsland Shire Council for the year ended 30 June 2025 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



John White
Mayor
Dated: 7 October 2025



Jodie Ashworth
Councillor
Dated: 7 October 2025



Fiona Weigall
Chief Executive Officer
Dated: 7 October 2025

Section 1. Description of municipality

East Gippsland is a large and vibrant region in a beautiful natural setting, home to proud and involved communities that embrace and encourage self-reliance, responsibility and new ideas. The past 30 years have seen East Gippsland evolve from its rural origins to a flourishing economic and tourism region in Eastern Victoria, drawing more than one million visitors each year.

The region has kept its identity and sense of place as it has grown. The shire stretches from west of Bairnsdale to the New South Wales border, covering approximately 21,000 square kilometres or 10 percent of the State. East Gippsland has an Estimated Residential Population of approximately 49,179 residents (as at 30 June 2023).

East Gippsland's unique qualities are both its strength and challenges. The region is distinguished by its natural setting, with its southern edge defined by the Gippsland Lakes and rugged coastline and the rising backdrop of the High Country. Historical rural landscapes and natural bushland areas characterise the region and surround its communities.

We are responsible for maintaining 3,010 km of roads, 191 timber and concrete bridges, 27 pedestrian bridges, over 3,500 km of table drains, 540 km of kerb and channel, 350 hectares of Parks and Gardens and over 4,500 streetlights.

Section 2. Service Performance Indicators

For the year ended 30 June 2025

	Results					Comments
	2022	2023	2024	2025		
	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	6.07	9.23	9.93	N/A	10.64	Recreation centre utilisation continued to grow over the reporting period, with record patronage levels recorded. Utilisation data includes the Bairnsdale Aquatic Recreation centre, Bairnsdale outdoor pool, Lakes Entrance Aquadome and Orbest outdoor pool.
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100.00%	100.00%	100.00%	N/A	0.00%	There were no Court prosecutions for the year. Note that in many cases infringements for animal related offences have been issued. Court prosecutions are restricted to the most serious offences, where the public interest is served by a Court appearance and there are witnesses willing to attend Court to give evidence. This year there were several incidents that warrant a court prosecution but the delays in the court system mean that they will appear in the next financial year's results.
Food safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	100.00%	100.00%	N/A	90.00%	A total of 10 critical or major non-compliances, 9 were followed up in 2024 calendar year. The 1 non-compliance that was not followed up related to a low-risk mobile food premises and was identified by another council. The non-compliance was rectified at the time of the inspection. A food safety inspection has since been conducted, and the premises was found to be compliant.

	Results					Comments
	2022	2023	2024	2025		
	Actual	Actual	Actual	Target as per budget	Actual	
Governance Satisfaction <i>Satisfaction with community consultation and engagement</i> (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)	48	45	41	60	46	Satisfaction with community consultation and engagement has increased over the reporting period. Council is continues to review its consultation and engagement practices in an effort to improve the community satisfaction rating.
Libraries Participation <i>Library membership</i> [percentage of the population that are registered library members] x100	NA	NA	12.34%	N/A	26.74%	Active Library membership calculation was previously calculated incorrect, resulting in a lower than expected range for 2023-24. However, we have calculated correctly in 2024-25, which shows that we are now within the expected range of active library members.
Roads Condition Sealed local roads below the intervention level (percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)	94.04%	97.37%	96.03%	100.00%	96.24%	Council continues to maintain sealed local roads to very high standard below the renewal intervention level, resulting in only 4% of local roads identified as requiring renewal. A comprehensive condition assessment is conducted every four years, with the latest undertaken in late 2023.
Statutory Planning Service standard <i>Planning applications decided within the relevant required time</i> (percentage of planning application decisions made within the relevant required time)	38.91%	37.12%	36.41%	80.00%	56.07%	There has been a significant improvement in planning applications being decided within required timeframes, this can be attributed to improved processing and internal improvements in the department. Council continues to review and improve internal process to enhance decision times.

	Results					Comments
	2022	2023	2024	2025		
	Actual	Actual	Actual	Target as per budget	Actual	
Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	53.32%	53.06%	49.18%	55.00%	49.30%	The introduction of the Container Deposit Scheme has contributed to a decrease in the weight of kerbside collection waste diverted from landfill. Council continues to work with community to ensure waste is recycled where possible.

Section 3. Financial Performance Indicators

For the year ended 30 June 2025

	2022	2023	2024	2025		2026	2027	2028	2029	Material Variations and Comments
Dimension / indicator / measure	Actual	Actual	Actual	Target as per Budget	Actual	Forecast	Forecast	Forecast	Forecast	
Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,414.94	\$3,617.96	\$3,990.98	\$3,960.00	\$4,371.01	\$3,987.55	\$3,751.08	\$3,767.17	\$3,847.32	
Revenue level <i>Average rate per property assessment</i> [General rates and Municipal charges / Number of property assessments]	\$1,653.46	\$1,691.66	\$1,764.72	N/A	\$1,806.87	\$1,834.20	\$1,877.27	\$1,916.98	\$1,957.44	
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	256.80%	307.46%	282.70%	226.00%	333.37%	247.09%	202.71%	200.25%	236.90%	The advance payment in the 2024/25 year of \$10 million of the 2025/26 Federal Assistance grant increased current assets in the previous year and impacted on the movement in this indicator.

	2022	2023	2024	2025		2026	2027	2028	2029	Material Variations and Comments
Dimension / indicator / measure	Actual	Actual	Actual	Target as per Budget	Actual	Forecast	Forecast	Forecast	Forecast	
Unrestricted cash										
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	61.38%	89.62%	137.45%	N/A	86.26%	154.06%	108.83%	102.00%	138.09%	Council invested \$37 million cash more than 90 days so they were not classified as cash. There were zero investments in 23/24 for longer than 90 days.
Obligations										
Loans and borrowings										
<i>Loans and borrowings compared to rates</i> [Interest and principle repayments on Interest bearing loans and borrowings / Rate revenue] x100	2.64%	4.44%	14.11%	N/A	12.65%	11.42%	10.10%	8.83%	10.40%	Council repaid \$663,000 of Infrastructure loans. However, the rates increased as normal rate increase. This caused a decline in this indicator.
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	3.23%	0.27%	0.57%	N/A	1.40%	1.43%	1.35%	1.21%	1.59%	Council repaid \$663,000 of the infrastructure loan. Last year there were loans acquired as the infrastructure was being built.
Indebtedness										
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	9.79%	7.96%	18.17%	N/A	16.97%	16.72%	14.46%	15.50%	15.03%	

Dimension / indicator / measure	2022	2023	2024	2025		2026	2027	2028	2029	Material Variations and Comments
	Actual	Actual	Actual	Target as per Budget	Actual	Forecast	Forecast	Forecast	Forecast	
Asset renewal and upgrade Asset renewal and upgrade compared to depreciation [Asset renewal and upgrade expense / Asset depreciation] x100	112.75%	97.34%	126.50%	248.40%	107.79%	188.18%	179.59%	120.23%	92.09%	The actual result is less than the target due to \$36.8m of renewal and upgrade works being carried forward for completion in the 2025/26 year.
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	10.33%	13.92%	-23.30%	N/A	-3.64%	-6.18%	0.51%	1.30%	0.13%	The 50% advance payment of the 2025/26 Victoria Grants Commission allocation, \$10.7 million, received in the 2024/25 year increased total revenue for the year. Additionally, the full 2023/24 financial year grant was paid in the previous year. These were the main contributing factors to the reduction in the underlying deficit compared to 2023/24.

	2022	2023	2024	2025		2026	2027	2028	2029	Material Variations and Comments
Dimension / indicator / measure	Actual	Actual	Actual	Target as per Budget	Actual	Forecast	Forecast	Forecast	Forecast	
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	50.72%	47.77%	65.56%	56.90%	51.52%	58.60%	59.74%	60.27%	60.97%	Operating grants increased in the 2024/25 year due to the advance payment of \$10.7 million from the Victoria Grants Commission allocation for 2025/26. This impacted the underlying revenue for 2024/25.
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.51%	0.41%	0.36%	N/A	0.37%	0.37%	0.35%	0.33%	0.31%	

Section 4. Sustainable Capacity Indicators

For the year ended 30 June 2025

Indicator / measure [formula]	Results				Comment
	2022 Actual	2023 Actual	2024 Actual	2025 Actual	
Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,285.97	\$2,417.94	\$2,672.75	\$2,974.36	There was an increase in expenditure as a result of a number of projects that were funded from 2019 Bushfire grants, received in prior years, that were incomplete at the end of the previous year and the project expenditure continued into the current year. There was also an increase in depreciation over the previous financial year due to re valuation.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$23,419.57	\$25,544.50	\$23,687.77	\$23,900.42	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	15.95	16.46	16.34	16.39	
Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,791.01	\$1,875.75	\$1,995.40	\$2,082.88	
Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$564.45	\$571.89	\$94.02	\$713.68	Council received 50% Financial Assistance Grant for 25/26 late June 2025.
Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	3.00	3.00	3.00	3.00	

Indicator / measure [formula]	Results				Comment
	2022	2023	2024	2025	
	Actual	Actual	Actual	Actual	
Workforce turnover Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	20.50%	14.20%	13.10%	13.20%	

Section 5. Notes to the accounts

5.1 Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the *Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2025-26 to 2028-29 by the council's financial plan.

The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

5.2 Definitions

Key term	Definition
adjusted underlying revenue	means total income other than: • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the <i>Food Act 1984</i>
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges

Key term	Definition
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

5.3 Other Matters

No other matters to be reported.

Council Offices

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Mallacoota

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Omeo

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