

Draft Budget 2025/26

Fact Sheet

May 2025



The annual Budget is our public statement of priorities, describing the services we intend to provide and what funds will be allocated to deliver them.

Our Budget has been guided by six key principles

- Developed in an integrated way across our suite of strategic plans.
- Preserving financial sustainability.
- Having services and service levels acceptable to the community.
- Ensuring we are keeping up with asset renewals.
- Efficient use of ratepayers' money.
- Renewal and upgrade of existing assets is prioritised over the creation of new assets and new assets are designed for cost management and community need.

How we engaged with you

To inform the development of the Annual Budget 2025/26, we undertook a significant community engagement with input from over 4,000 people - one of East Gippsland's most extensive community engagement programs.

As part of our engagement, in February this year (for the first time) we provided an opportunity for our community to tell us which services matter most to them.

Through this engagement, we received 976 contributions where participants allocated funding to their preferred services. Additionally, 492 individuals left comments, offering more detailed insights and suggestions.

This feedback has allowed us to consider what resources are needed to provide the services that you told us are most important.

- Roads, footpaths and drainage
- Parks and playgrounds
- Aquatic and recreation centres
- Community facilities
- Emergency management
- Waste services
- Environmental management and sustainability

How we are responding and the investment we are making is outlined on our website.

Rate increase is less than the rate cap

We have set the proposed rate increase for the 2025/26 year at 2.0% which is 1.0% less than the allowed rate cap increase.

This is in direct response to the rising cost-of-living pressures on our community. We will balance out this below cap increase with continued efficiency targets and the development of a financial sustainability strategy. This strategy will identify a framework for realising future savings and efficiencies in how we provide services.

The municipal charge is \$257 for 2025/26.

For an explanation on how rates are calculated see the full Draft Budget 2025/26 document.

Property valuations

The value (determined by the Valuer-General, not Council) of each property serves as the basis for calculating what each property owner will pay. Differential rating assists in the equitable distribution of rates.

We have three rate categories depending on how a property is used. In 2025/26 we are intending to apply the following differentials to the rates to achieve an overall 2.0% increase:

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- General Residential 100% / \$41.2m
- Commercial/Industrial 129% / \$6m
- Farming 74% / 6m

More detail on differential rating and property valuation can be found in Section 4 of the Budget document.

Fees and charges

Fees and charges have in the most part been raised by 3.0%.

This year, based on market benchmarking and reasonable cost recovery, marina licence fees and Riviera Harbour canal jetty fees are proposed to increase by 12% and 30% respectively after several years of no increases.

Waste fees and charges

Waste services operate on a full cost recovery model.

- The waste service charge for kerbside collection will increase by 2.0%.
- The waste levy will remain unchanged at \$51.
- Waste service charges (e.g. at transfer stations) will increase on average 3.0%.
- The green waste disposal fee will increase from \$12 per cubic metre to \$14 per cubic metre and will contribute \$710,000 (70%) of the processing costs.
- A free green waste period will again be offered throughout November.

Financial sustainability

Sound long-term financial management is critical to providing the financial certainty and flexibility needed for efficient and effective service delivery and asset management.

While we are financially sound, demonstrated by our strong financial sustainability indicators, we have longer term risk associated with our underlying position - a good measure of financial sustainability.

We want to ensure a strong, continued focus on being as efficient as we can. This is in line with the budgeting principles of efficient use of ratepayer money and keeping services and service levels at an acceptable level.

This is why we will develop a Financial Sustainability Strategy that will identify a framework for realising future savings and efficiencies in how we provide services to our communities.

To start, ongoing efficiency targets have been built into the budget for the next three years.

- 2025/26: \$2.5m
- 2026/27: \$1.5m
- 2027/28: \$1.5m

How to get involved

We encourage all community members to provide feedback on our draft Annual Budget.

A copy of the draft plan is available via our website and at all customer service centres and libraries.

You can share your thoughts and suggestions through our website, by email or mail, or in-person at our customer service centres and libraries.