



Quarterly Performance Report

Q2 October – December 2025

- Bangholme
- Dandenong
- Dandenong North
- Dandenong South
- Keysborough
- Keysborough South
- Lyndhurst
- Noble Park
- Noble Park North
- Springvale
- Springvale South





Acknowledgement of Country

Greater Dandenong City Council acknowledges and pays respects to the Bunurong people of the Kulin Nation, as the Traditional Custodians of the lands and waters in and around Greater Dandenong.

We value and recognise local Aboriginal and Torres Strait Islander Cultures, heritage, and connection to land as a proud part of a shared identity for Greater Dandenong.

Greater Dandenong City Council pays respect to Elders past and present and recognises their importance in maintaining knowledge, traditions, and Culture in our Community.

Greater Dandenong City Council also respectfully acknowledges the Bunurong Land Council as the Registered Aboriginal Party responsible for managing the Aboriginal Cultural heritage of the land and waters where Greater Dandenong is situated.

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Message from the CEO



2025 was a busy year for Council with a focus on strengthening connections with community, improving neighbourhoods and supporting wellbeing across all stages of life. We have delivered strongly against Council's strategic objectives over the October to December period and I am pleased to share this report.

We have continued to invest in spaces that bring people together with parks, streetscapes, sporting facilities and community hubs across the city being renewed and upgraded. 8 renewal projects have already been completed with another 11 underway.

Place-based activations in Harmony Square and the Dandy Vibes summer program have encouraged community connection and increased visitation levels to central Dandenong. We continue to prioritise community safety with the implementation of a new video management system to improve visibility and further plans to install new cameras as part of the CCTV network. Planning is also underway for a Community Safety Forum and Youth Crime Forum to be held in early 2026.

We continue to celebrate and support arts, culture and heritage across our municipality hosting key events such as Carols in Harmony Square and the New Years Eve fireworks which attracted strong community participation. Our cultural venues and community hubs recorded high visitation, and we were excited to welcome over 14,000 people to our new Keysborough Community Hub.

Our third Innovate Reconciliation Action Plan is underway, reinforcing our commitment to working respectfully with First Nations people and building shared understanding.

Council remains committed to sustainability and climate action through the reduction of CO2 emissions, expanding our tree canopy, improving open space quality and the introduction of electric vehicles to our fleet. The 2025 tree planting program saw an additional 1,095 trees planted across priority streets and reserves.

Supporting economic resilience and employment has also been a priority. Council continued to partner with local businesses, manufacturers, education providers and employment agencies to strengthen skills pathways and promote local jobs. The Dandenong Employment Hub is progressing to approval stage and the development of our new Economy and Place Strategy is underway with further engagement on the draft anticipated in the new year.

Council continues to improve how we work with our community. Customer satisfaction remains high, and new digital tools are making it easier for residents to report issues, access information and have their say. Listening to community voices through consultation and engagement remains central to how we plan and deliver services. We conducted 11 consultations and had over 2,000 visits to our online engagement platform.

Other important initiatives progressed during the period include the delivery of the annual Walk Against Family Violence, expansion of the Community Connector Program with increased referrals supporting migrant and refugee communities, and continued implementation of strategies supporting children, young people, older adults and people with disability.

Jacqui Weatherill
Chief Executive Officer

Highlights

Festivals and Events

- *Carols and NYE Fireworks* - Carols in Harmony Square attracted 2,500 people to share in the holiday spirit, and the Greater Dandenong New Year's Fireworks, drew an estimated 35,000 people to celebrate the new year. These events continue to strengthen community connections and showcase the vibrancy of Greater Dandenong.



- *Disability Inclusion Program and All-Abilities Inclusive Youth Event* - The Disability Inclusion Program was delivered to 25 students deepening their understanding of disability experiences and promoting inclusive peer support. Students also planned and delivered an All-Abilities Inclusive Youth Event at The Castle in October which brought together 80+ young people from services including Springvale Special Development School, Wallara, Burke and Beyond, and The Bridge.
- *Seniors Festival* - October was dedicated to celebrating older people in our community with 35+ events and 900+ attendees. Highlights included the Seniors Living Well Expo, connecting attendees with local services and social opportunities; the Stronger Together Forum, delivered with Victoria Police and Elder Rights Australia to share safety tips and aged care rights; and the Centenarian High Tea, honouring 10 remarkable residents aged 100+.

Projects

- Two major lighting projects were completed at Greaves Reserve and George Andrews Reserve, delivering upgraded 500 lux LED sports lighting to improve community access and participation.

Advocacy

- Council participated in the Regional Local Government Homelessness and Social Housing Charter Group which is progressing towards finalising its housing and homelessness advocacy asks. These steps are part of a coordinated effort by 13 councils representing over 2 million residents across Melbourne's east and southeast, united under the Charter to call for urgent action on social housing, affordable housing and homelessness.

Community engagement

- 11 community consultations were conducted on topics including policy reviews, budget, facility branding and naming, traffic and transport, and sports infrastructure. The largest ever participation from young people aged 12–25 occurred this quarter, reinforcing Council's commitment to making consultation inclusive and engaging to young people.

Awards

- The city's sustainability leadership was recognised with the 2025 Cities Litter Award for the "Bin It or Take It Home With You" campaign, supported by Melbourne Water and local collaborations.



- The Youth and Family Services team received the Wellbeing Award for Community Health Impacts at the MAVLab Innovation Awards Celebration for the #Filtered, The Body Image Project

Capital Works Summary

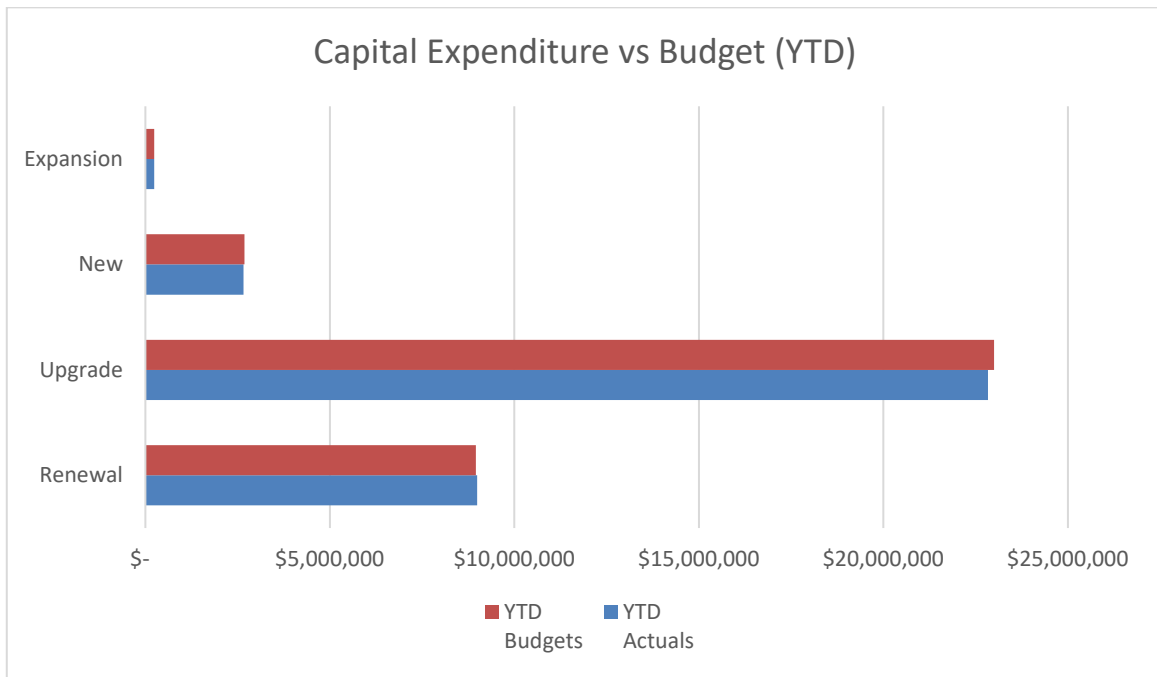
Dandenong Wellbeing Centre Updates

Overall Project Health	
The DWC project is deemed to be HEALTHY.	
The overall project health is determined by assessing metrics such as: Budget, Program, Quality, Risk, Resources, OHS and Environmental.	
Key Achievements to Date	
<ul style="list-style-type: none">✓ Pool Construction of the 50m and Warm Water Pool 2 nearing completion✓ Vertical Construction has commenced✓ Hydrotesting of Warm Water Pool 1 completed✓ Stage 1 Carpark will be completed	
Short Term Lookahead	
<ul style="list-style-type: none">❖ Finalise pouring of all DWC ground floor slabs❖ Commence steel work and timber laminated beam installation❖ Complete hydrotesting of Warm Water Pool 2 and 50m Pool❖ Services Installation ongoing❖ Stage 2 Carpark to commence in early 2026	





Expenditure



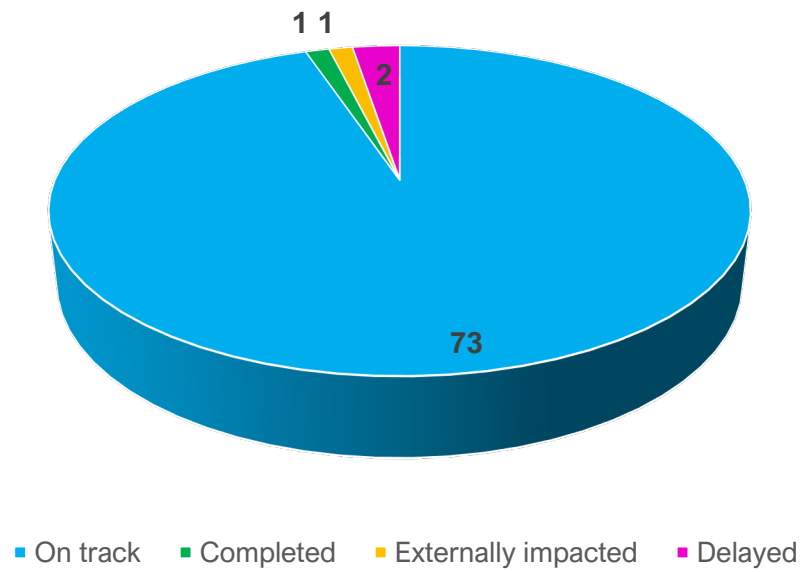
The favourable variance mainly relates to a delay in the works at the Aquatic/Leisure Dandenong Stadium and landscaping works in widening the DCP Perry Road.

Performance Summary

Council Plan Progress

The Annual Plan 2025-26 outlines Council's key activities to deliver on the Council Plan 2025-29. At the end of Q2, 95 per cent of actions are on track and only 3% delayed (2 actions).

Progress of Annual Plan Actions - Q2 2025-26



Council Plan Progress - Annual Plan Actions and Performance Measures

Strategic Objective 1:

A socially connected, safe and healthy city

Performance Measure	Result (July-December)
% of Alcohol Harm Prevention and Management Framework actions complete	Council's touchpoints with alcohol have been identified and will inform the draft Alcohol and Other Drug Strategy and Action Plan.
Advocate and secure service funding to enhance the availability of services	\$76,000 was received through the DFFH 2025-26 Community Food Relief Program to strengthen food relief and food security outcomes across the municipality.
How safe do you feel in public areas of the City of Greater Dandenong? (Community Satisfaction Survey)	79% (2025 Survey)
Importance of disadvantaged support services as a responsibility of Council (Community Satisfaction Survey)	78% (2025 Survey)
Importance of the appearance of public areas as a responsibility of Council (Community Satisfaction Survey)	79% (2025 Survey)
Increase in education and awareness of family violence support options	The Annual Walk against Family Violence was conducted in late November.
Increase in number of reported partnerships and level of collaboration	The development of a strategic partnership measurement tool is yet to be developed.
Increase number and range of referrals to the community connector program	Increase by 30 referrals
Increase the number of consultation activities that consider accessibility for program and infrastructure design	3 – Target of 6 per year
Number of, and attendance at, group MCH Key Age and Stage visits	8 Groups/73 attendees - Averaging 9 clients per session.
Satisfaction with recreation centres and/or aquatic centres (Community Satisfaction Survey)	80% (2025 Survey)
Satisfaction with sports ovals and other sporting facilities (Community Satisfaction Survey)	84% (2025 Survey)

1. Build the capacity of the community to lead safe, active and healthy lifestyles through all stages of life

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>1.1 Continue to implement and review the Make Your Move Strategy informed by community engagement activities, data and statistics</p> <p><i>Activities included:</i></p> <ul style="list-style-type: none"> • Parents and Bubs Pilates at NPAC (45 parents attended) • Martial Arts program for 12-25 year olds (30 attendees) • Distribution of 153 items of second hand sports equipment to the community. 	<p>On track</p> <p>●</p>	<p>■ ● ◆</p>
<p>1.2 Develop and implement an updated Positive Ageing Strategy to ensure older people are supported, valued and remain active members of the community</p> <p><i>Consultation plans are being developed, and discussions have been held with the Positive Ageing Advisory Committee to identify achievements of the current plan and focus areas for the future plan.</i></p>	<p>On track</p> <p>●</p>	<p>■ ● ◆</p>
<p>1.3 Commence development of an integrated Children, Youth and Families Strategy</p> <p><i>Phase 1: Literature Review and Data collection is progressing well, and its completion will inform Phase 2: Community consultation.</i></p>	<p>On track</p> <p>●</p>	<p>■ ● ◆</p>
<p>1.4 Develop and implement a Community Safety Action Plan</p> <p><i>A first draft will be finalised in January for feedback.</i></p>	<p>On track</p> <p>●</p>	<p>■ ● ◆</p>
<p>1.5 Review and navigate Council's role in Aged and Disability Services in response to the National Aged Care Reforms</p> <p><i>Council is navigating changes to the Aged Care Act which came into effect on 1 November 2025.</i></p>	<p>Externally impacted</p> <p>●</p>	<p>●</p>

2. Foster greater collaboration and partnerships with local agencies to address key health and wellbeing needs in the community

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>2.1 Implement an outcomes measurement framework to improve the outcomes and impact of the Community Grants Program</p> <p><i>The review of the Large Grants Partnerships Grants annual acquittal reports ensured alignment with the outcomes measurement framework.</i></p>	<p>On track</p> <p>●</p>	<p>●</p>
<p>2.2 Proactively build and maintain partnerships with existing and potential local stakeholders and networks to improve community wellbeing</p> <p><i>Council continued its partnerships through co-design contributions to SEPHU's practice exchange, participation in the Multicultural Community Engagement Network and promotion of WHISE's Keeping Kids Safe: Preventing Sexual Harm and Violence campaign.</i></p>	<p>On track</p> <p>●</p>	<p>◆</p>

3. Deliver and support initiatives that raise community awareness of gambling, harmful alcohol, tobacco/vaping and other drugs use







Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>3.1 Implement the Alcohol Harm Prevention and Management Framework and Action Plan</p> <p><i>A first draft is complete and will be presented to the Executive Team with draft actions in January.</i></p>	<p>On track</p> <p>●</p>	<p>■ ● ◆</p>

4. Strengthen our commitment to the equitable participation and inclusion of people with a disability and their carers within our community








Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>4.1 Develop and implement Council's new Disability Action Plan</p> <p><i>The Disability Advisory Committee has provided input and final community engagement activities will commence in March.</i></p>	<p>On track</p> <p>●</p>	<p>■ ● ◆</p>

5. Create and maintain safe, inclusive and well-designed public spaces and streetscapes that encourage community participation and expression







Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>5.1 Renew and upgrade streetscapes and open space areas as part of Council's annual Capital Works Program</p> <p><i>19 renewal projects are scheduled for delivery this financial year. 8 projects have been completed and 11 have commenced implementation.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>5.2 Implement the Road Safety Infrastructure Upgrade Program</p> <p><i>Design work is underway for Blackspot Grant programs and Victorian Safer Local Roads and Streets Grants projects. Construction is scheduled to commence shortly for the road project near Dandenong Market.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>5.3 Implement the Springvale Pedestrian Wayfinding S1</p> <p><i>The signage audit is complete and a contractor to fabricate and install signs will be appointed soon with a view to commencing works in the early 2026.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>5.4 Seek State and Federal Government Grant funding for Road Safety and Active Transport Infrastructure (such as Blackspot funding)</p> <p><i>No major grant submissions were made. Planning is underway for 2026 grant funding.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">■ ● ◆</p>
<p>5.5 Maintain an effective Closed Circuit Television (CCTV) network to deter crime and anti-social behaviour and promote access to public spaces</p> <p><i>A new Video Management System has been implemented to improve visibility. The next phase will focus on installing new cameras and mapping proposed locations to enhance coverage.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>5.6 Plan and deliver an annual forum on Crime Prevention and Safety</p> <p><i>Planning is underway for the Community Safety Forum (February) and Youth Crime Forum (March).</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">● ◆</p>










5.7 Review and amend Council’s Local Laws to improve relevance and effectiveness to manage community safety and public amenity issues	On track 	
<i>Internal planning is underway for this project.</i>		
5.8 Develop and implement the Domestic Animal Management Plan 2025–29	On track 	
<i>A draft plan has been developed for review by Council in February.</i>		
5.9 Improve the strategic direction of Council’s community facilities and hubs	On track 	
<i>A new Community Facilities Access and Use Policy has been developed to provide strategic direction and ensure fair and transparent access to facilities. Consultation is now underway.</i>		

6. Connect and support the community through education and promotion, working with local partners to address and prevent family violence





Actions	Status	Council’s Role
<ul style="list-style-type: none">  Advocate  Deliver  Partner  Regulate 		
6.1 Promote local services and support the implementation of initiatives to address gender equity and prevent family violence within the municipality	On track 	 
<i>Council hosted its annual Walk Against Family Violence in November. Work continues on gender impact assessments for policies and programs across Council and preparation has commenced for the development of the new Gender Equity Action Plan.</i>		

7. Improve access to core services for those experiencing disadvantage and vulnerability in the community to support improved social, physical and mental wellbeing

Actions	Status	Council’s Role
<ul style="list-style-type: none">  Advocate  Deliver  Partner  Regulate 		
7.1 Evaluate and expand the Fee for Service Vaccination Program to increase access to vaccines unavailable through the National Immunisation Program	On track 	
<i>This service expanded with 196 vaccines provided to families with a focus on Meningococcal B.</i>		

<p>7.2 Review and evaluate the Maternal and Child Health Key Ages and Stages group visits that support increased engagement for late-stage visits</p>	On track	 
<p><i>Key Age and Stage consultations decreased over the end of year period but consultations will recommence for 2 and 3 and ½ year old in February.</i></p>		
<p>7.2 Continue to implement the Fair Access Policy</p>	On track	   
<p><i>Seasonal allocations of sport and recreational grounds continue to be assessed against the policy. Work continues with clubs to improve governance and upskill club volunteers to increase engagement and improve wellbeing.</i></p>		
<p>7.4 Continue to deliver the Community Connector Program to provide targeted support and connections to local services particularly for those from migrant and refugee backgrounds</p>	On track	  
<p><i>Demand has increased for this service with an additional 30+ referrals received. Donations of food and toys have been received and distributed, and ongoing donations provide further support.</i></p>		

8. Advocate for an increase in services for those experiencing poverty, and homelessness

Actions	Status	Council's Role
<p>8.1 Undertake advocacy to advance strategies to reduce poverty and improve social equity in Greater Dandenong</p>	On track	<ul style="list-style-type: none">  Advocate  Deliver  Partner  Regulate
<p><i>The 'Poverty is Business' advocacy was advanced through partnerships, and the Anti-Poverty Consortium secured a \$76,000 Food Relief Grant to deliver culturally appropriate meals, employment readiness and financial literacy workshops.</i></p>		

Strategic Objective 2:

A city that respects and celebrates diversity, our history and the arts

Performance Measure	Result (July-December)
Importance of community and cultural activities as a responsibility of Council (Community Satisfaction Survey)	86% (2025 Survey)
Increase attendance to programs in libraries and outreach visits	-3.46% on last year (8,354 program attendees at 557 sessions including inhouse, outreach and family literacy project).
Increase community satisfaction with arts and cultural activities	87% Excellent, 10% Good
Increase visitation to cultural and community hubs	Total: 341,626 Cultural venues: Walker Street Gallery: 4,304 Heritage Hill: 240 Drum: 21,640 Community hubs and facilities: Springvale Community Hub - 102,852 Keysborough Community Hub since opening - 14,132.
Library visits per population	2.49 (on track with result in 2024)
My community is welcoming and accepting of people from diverse cultures and backgrounds (Community Satisfaction Survey)	82% (2025 Survey)
Occupancy rate of cultural and community hubs	With some recent updates to the venue hire system, Bookable, a future occupancy report will be able to be prepared, however currently this report is not generating accurately.
Percentage of the Reconciliation Action Plan actions on track	Council's Third Innovate RAP is currently being redeveloped and is expected to be finally ratified by Reconciliation Australia by the end of April 2026.
Satisfaction surveys from Council run events	Surveys from the past five Council run events show an average 97% satisfaction rate.





1. Deliver and attract high-quality events, programs and initiatives that position the city as an arts and cultural destination

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>1.1 Develop more strategic partnership and sponsorship opportunities for Council's annual events program</p> <p><i>Major festivals and events were delivered to enhance community connections including Deckchair Movies, Walk Against Family Violence, Carols in Harmony Square and New Year's Eve fireworks.</i></p>	<p>On track</p> <p>●</p>	<p>●</p>
<p>1.2 Build the capacity of the community to deliver high quality community events</p> <p><i>Council provided support for event applications in the planning and delivery of 71 community and 18 Council festivals and events.</i></p>	<p>On track</p> <p>●</p>	<p>●</p>





2. Advocate for and assist People Seeking Asylum and Refugees living in the community

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>2.1 Support and advocate for the rights of People Seeking Asylum and Refugees as part of the 'Back Your Neighbour' campaign</p> <p><i>30 new Councillors joined the Mayoral and Councillor Taskforce Supporting People Seeking Asylum after advocacy efforts at the Local Government New South Wales Annual Conference.</i></p>	<p>On track</p> <p>●</p>	<p>■ ●</p>

3. Advance the process of Reconciliation and support First Nations people to enable self-determination











Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
3.1 Develop the new Reconciliation Action Plan and commence implementation <i>A second draft has been submitted to Reconciliation Australia for further review. Provisional approval is expected in January 2026.</i>	On track 	 
3.2 Work with Bunurong Land Council and the wider local Aboriginal community to advance Reconciliation <i>Consultations continued on projects including art installations and place making, First Nations Bush Tucker grant submissions, and Council strategies (Economy and Place, Our Bright Green Future).</i>	On track 	

4. Promote arts, culture and heritage to enrich and support the City's growth and development

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
4.1 Develop and implement a new strategic plan to guide Arts, Culture and Heritage in the City of Greater Dandenong <i>Cultural programming, community workshops, youth engagement and professional development activities continued along with exhibitions, programs and partnerships. Work will commence on a new strategy in 2026.</i>	On track 	
4.2 Review the Library Strategy 2022–26 and develop an updated strategic plan to guide library services <i>This project has commenced with stakeholder consultation on the proposed new Creative and Cultural Strategy.</i>	On track 	

4.3 Review and implement the strategic and operational plan for the Dandenong New Art redevelopment	On track 	
<p><i>The Project Control Group has met to review project requirements and ensure alignment with community needs, contemporary gallery standards, emerging industry trends and Council's strategic objectives. The development of procurement documentation is underway.</i></p>		
4.4 Undertake a planning scheme amendment to update/correct the existing sites contained within the Heritage Overlay	On track 	
<p><i>One submission was received through the public exhibition process and Council continues to work with the submitter before progressing the planning scheme amendment process.</i></p>		

5. Improve access and use of Council's arts, cultural and community facilities to support improved community connection, participation and lifelong learning

Actions	Status	Council's Role  Advocate  Deliver  Partner  Regulate
5.1 Develop and implement the Community Hubs Framework to guide the planning, delivery and activation of the Springvale and Keysborough Community Hubs	On track 	
<p><i>A review of information and benchmarking of community hubs is complete, and a draft framework will now be prepared.</i></p>		
5.2 Continue to maximise the use and performance of Council's community facilities	On track 	
<p><i>Online bookings and enquiries are now available for all community facilities, enabling greater access to availability, pricing and bookings.</i></p>		
5.3 Continue aligning the Community Grants Program with Council Plan priorities and evolving community needs	On track 	
<p><i>Grant programs were assessed and a comprehensive review of the Medium Grants Program guidelines was completed to improve clarity and accessibility. A Grants Satisfaction Survey was also finalised to understand community needs.</i></p>		

Strategic Objective 3:

A city of accessible, vibrant, centres and places

Performance Measure	Result (July-December)
% of time aquatic and recreational facilities operational during opening hours	100%
Dwell time within key public spaces	More than 1000 people visited Harmony Square as part of the Summer Activation Program.
Maintain sealed local roads to meet condition standards, supporting improved access, connectivity and safety	99.94% maintained to condition standards – a new Road Management Plan has been updated and adopted.
Maintenance and appearance of public areas (Community Satisfaction Survey)	79% (2025 Survey)
Number of affordable or social dwellings delivered	4 Council owned sites have been identified as suitable for affordable housing options.
Place score data to understand community satisfaction and quality of public spaces	Summer Activation Program - Dandy Vibes has increased community understanding on public spaces and helped with capacity building.
Review completed of all cultural and community hubs, with a collective Capital Improvement Plan identified	Work has commenced on developing a collective CIP Plan across all Community Facilities.
Satisfaction and engagement levels for public realm upgrade and usage	The place activation program has increased footfall and visitation levels in Central Dandenong.
Value for money in services and infrastructure (Community Satisfaction Survey)	71% (2025 Survey)

1. Provide quality community facilities and amenity improvements that meet the current and future needs of our city

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>1.1 Develop and implement the facility management and operating model for Dandenong Wellbeing Centre</p> <p><i>A consultant has been engaged to develop a proposed operating model for review by Council by June 2026.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>1.2 Explore partnerships to maximise the sustained performance and efficiency of Council's animal pound service</p> <p><i>Options are still under consideration.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">● ◆</p>
<p>1.3 Renew and upgrade community facilities as part of Council's annual Capital Works Program</p> <p><i>Council's capital works program is progressing as planned.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>

2. Increase quality, affordable and social housing options with short-term and long-term options to improve supply and provide support to those on low incomes



Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>2.1 Develop a new Housing Strategy</p> <p><i>In-principle support has been received from Council for the new strategy and draft action plan. Community consultation will be conducted in early 2026.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">■ ▲</p>
<p>2.2 Undertake advocacy to develop an innovative and sustainable housing initiative on Council-owned land</p> <p><i>Four Council owned sites have been identified as suitable for affordable housing options. Advocacy positions have been drafted but will be influenced by proposed amendments to the Planning and Environment Act if passed.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">■</p>

3. Improve liveability and civic pride through placemaking initiatives that attract and retain businesses, residents and visitors

3.1 Actions	Status	Council's Role <ul style="list-style-type: none"> ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>3.2 Undertake placemaking initiatives across activity centres to enhance place experience and improve sense of pride and belonging</p> <p><i>Concept designs for the Palm Plaza play space are complete. Installation and activities will commence in February 2026.</i></p>	<p>On track</p> <p>●</p>	<p>●</p>

4. Plan for and support an accessible and active transport network which optimises connectivity and accelerates growth

Actions	Status	Council's Role <ul style="list-style-type: none"> ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>4.1 Provide strategic transport advice to major development projects and infrastructure projects</p> <p><i>110 planning application referrals have been responded to.</i></p>	<p>On track</p> <p>●</p>	<p>◆</p>
<p>4.2 Administer heavy vehicle permitting processes in a proactive manner to enable uptake and realisation of advances in commercial vehicle capabilities</p> <p><i>100% of National Heavy Vehicle Regulator requests were responded to within statutory timeframes. 95% were provided within 2 business days.</i></p>	<p>On track</p> <p>●</p>	<p>◆</p>
<p>4.3 Advocate for key strategic transport network upgrades to accelerate growth</p> <p><i>Council continues to participate in the GSEM Transport Working Group and has contributed to the RACV 'My Melbourne Road' advocacy campaign.</i></p>	<p>On track</p> <p>●</p>	<p>■</p>

<p>4.4 Manage and implement renewal programs to ensure renewal projects meet modern capacity and functionality standards</p>	<p>On track</p>	
<p><i>A condition audit has commenced and will inform the future renewal program. Path renewals are progressing as per the renewal capital program.</i></p>		
<p>4.5 Implement the Active Transport Infrastructure Program</p>	<p>Delayed</p>	
<p><i>This project has been delayed. The Djerring Trail remains Council's highest priority.</i></p>		

Strategic Objective 4:

A green city committed to a sustainable future

Performance Measure	Result (July-December)
% of Council staff using green travel options (staff travel surveys)	No new data. A staff travel survey will likely follow with the new Enterprise Agreement.
Canopy coverage across the municipality increased to 15% by 2028	10% (Currently planting 1,200 trees per planting season)
Continued reduction in Council's CO2 emissions	82%
Decrease on-road transport emissions	No updated data currently available.
No. of Gross Pollutant Traps (GPTs) installed	No new GPTs installed.
Number of engagements with local business and industry to enhance resilience to climate change and transition to net zero	2
Number of existing open space areas improved	5
Number of public EV charging stations	34 of 36 public chargers are active.
Number of trees planted each year less number of trees removed	0 – the 2026 planting program has been finalised for planting in Q4.




1. Enhance our tree canopy cover and urban forests and promote participation in protecting biodiversity values

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
1.1 Undertake a bi-annual canopy coverage audit and develop a strategic public tree planting program <i>Results of the canopy coverage mapping audit are being reviewed.</i>	On track ●	●
1.2 Implement the Greening Our City: Urban Tree Strategy <i>The 2025 street tree planting program was finalised with 1,095 new trees planted across priority streets and reserves. The cyclical pruning program is on track.</i>	On track ●	●
1.3 Deliver the Geo Tree Scan Project to quantify tree canopy cover for the municipality and monitor tree removals <i>This project is currently delayed but will be progressed by June 2026.</i>	Delayed ●	●
1.4 Implement the Biodiversity Action Plan, bushland maintenance and education programs <i>Implementation was supported by ongoing bushland management programs, habitat enhancement, and preparation for the fire danger period. Nature Play sessions and tailored programs at Alex Wilkie Nature Reserve continued.</i>	On track ●	●





2. Manage stormwater and protect waterways alongside partners to improve water quality and reduce threats to public and environmental health

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
2.1 Implement the new Gross Pollutant Trap Centre Kirkham Road <i>The design for a Gross Pollutant Trap near Centre Kirkham Road has been completed. A review of priority water quality improvement projects (including the Centre Kirkham Road Gross Pollutant Trap) will be undertaken following release of updated flood modelling data undertaken in partnership with Melbourne Water in 2026.</i>	Completed ●	●

3. Increase the quantity and quality of diverse and accessible open spaces across the city

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
3.1 Develop a new Playground Strategy and implement the Open Space Strategy via CIP funding <i>A draft plan is underway in line with Council's Integrated Planning Framework.</i>	On track 	 ●
3.2 Deliver passive and recreational open spaces through Council's annual Capital Works Program <i>18 projects have commenced with 11 completed to date.</i>	On track 	●

4. Transition to a resilient, net zero carbon emission city prepared for the social, environmental and health impacts of climate change

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
4.1 Implement the Electric Vehicle (EV) Transition Plan <i>1 EV truck and 1 EV passenger vehicle are currently on order in addition to 6 EV vehicles purchased in Q1.</i>	On track 	●
4.3 Prepare an updated Fleet Decarbonisation Analysis <i>The 2025 Fleet Decarbonisation Plan is in its final stages of development.</i>	On track 	●
4.3 Implement the Gas and Fleet Transition Plans and implement sustainability strategies <i>Work is underway to replace the HVAC system at 39 Clow Street and preliminary design work continues for higher emissions buildings to assist with future grant funding applications.</i>	On track 	 ●

5. Support local business and industry to enhance resilience to climate change and accelerate transition to a net zero economy

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>5.1 Advocate for and support the business sector in reducing emissions through electrification, energy efficient upgrades, circular economy and other methods</p> <p><i>Open grant funding and other opportunities are promoted through Council's newsletter and businesses are promoted for their sustainability initiatives eg reducing and recycling soft plastics.</i></p>	<p>On track ●</p>	<p>■</p>

6. Provide, promote and advocate for a range of transport options for residents and business, to reduce carbon emissions and build resilience to the impacts of climate change

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>6.1 Advocate in partnership with regional bodies for public transport improvements and reform (Dandenong Station upgrade/ bus service review etc.)</p> <p><i>Council continues to participate in the GSEM Transport Working Group. Support has been provided to the City of Kingston and the Fix Dandy Buses campaign.</i></p>	<p>On track ●</p>	<p>■</p>
<p>6.2 Advocate for key strategic transport network upgrades to improve transport options (Djerring Trail etc.)</p> <p><i>Council continues to participate in the GSEM Transport Working Group and has contributed to the RACV 'My Melbourne Road' advocacy campaign.</i></p>	<p>On track ●</p>	<p>■</p>

Strategic Objective 5:

A city that supports business, entrepreneurship, quality education and employment outcomes

Performance Measure	Result (July-December)
Increase in Gross Regional Product (\$40.42 billion in 2024)	Awaiting external data update.
Maintain efforts to partner with businesses to support the delivery of initiatives that promote inclusive employment, employment pathways and local skills development	16 engagements were undertaken.
Number of collaborative initiatives with the manufacturing sector	11
Number of personal and professional development programs conducted annually	30
Number of programs delivered which enhance skill capability	9



1. Attract investment to ensure the sustainability, viability and growth of Greater Dandenong and its major activity centres to provide employment, housing and liveability outcomes

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>1.1 Develop and implement Investment initiatives highlighting the unique strengths of activity centres and industrial precincts to attract investors and support economic growth</p> <p><i>Project scopes for business audits and analyses have been drafted for Springvale, Noble Park, Dandenong South and central Dandenong. There is a continued focus on strategic relationships with businesses, developers and real estate/property agents.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>1.2 Deliver the Business Permit Support Service, advocate to reduce regulatory barriers and address challenges identified through the Business Engagement Program that impede business growth</p> <p><i>160 business permit enquiries were received in Q2, with a total of 696 for 2025, a decrease from 735 in 2024.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">■ ●</p>





2. Partner with the manufacturing sector within the city to secure the economy and maintain future employment opportunities

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>2.1 Partner with local manufacturers and industry organisations through the Business Engagement Program to strengthen the economy and enhance future employment opportunities</p> <p><i>Site visits and business check-ins were made with 10 businesses, and 9 network events were delivered through SEBN.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">◆</p>



3. Support engagement in learning, skill development and employment pathways to improve social, economic and environmental outcomes

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
3.1 Develop and implement the Economy and Place Strategy <i>Engagement activities have occurred and the outcomes workshoped with Councillors. A draft strategy will be developed for further consultation in 2026.</i>	On track 	

4. Continue the focus on collaborative business partnerships, supporting work readiness and promoting local jobs for local people

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
4.1 Develop partnerships with local education providers, industry organisations and business associations <i>Collaboration continued with Chisholm Institute, Greater Dandenong Chamber of Commerce, SEMMA and the Dandenong Jobs and Skills network. Opportunities are being explored with Melbourne Innovation Centre and Partners in Wellbeing.</i>	On track 	
4.2 Collaborate with local job providers and community organisations to pursue employment pathways for our local community <i>The Work Local Jobs Portal update is complete and the Dandenong Employment Hub is at approval stage. Council collaborated with Workforce Australia and Sarina Russo to explore future employment opportunities.</i>	On track 	

5. Continue to facilitate active participation of young people in the community to enhance leadership and personal development opportunities

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>5.1 Undertake skill development initiatives to enhance future employment opportunities</p> <p><i>18 activities were conducted with 578 youth contacts. Programs were delivered through Amplify, the Holiday Activities Committee and the Youth Leadership Collective. A Transitions Forum was also hosted to assist vulnerable students moving from primary into secondary school.</i></p>	<p>On track</p> 	

Strategic Objective 6:

A Council that demonstrates leadership, responsible use of public resources and a commitment to investing in the community

Performance Measure	Result (July-December)
% of identified child safe actions completed	91% of actions within the Child Safety Action Plan are ongoing or have been completed.
Decrease in time taken to issue business permits	Business permits applications have been assessed as per legislated timeframes.
How easy was it to deal with Council (Community Satisfaction Survey)	82% (2025 Survey)
Increase in number of visitors to Council's website	Visitation increased from 1,033,040 in 2024 to 1,055,993 in 2025 for the July-December period.
Increase in the use of Snap Send Solve	Work is well underway on a refreshed integration that will enable customers to lodge Snap Send Solve reports directly through Council's website, improving accessibility and strengthening our digital service offering.
Maintain a high completion rate of the annual renewal program	More than 80% of programs are procured and scheduled with 20% progressing with procurement for delivery by June.
Overall satisfaction with the customer service experience (Community Satisfaction Survey)	83% (2025 Survey)
Positive adjusted underlying result - Target >0%	Annual figure to be reported in June.
Rate of First Contact Resolution through our call centre (% and increase year on year)	68% (indicative figure until the methodology is formalised)
Satisfaction with the opportunity to have your say on key issues affecting the community (Community Satisfaction Survey)	73% (2025 Survey)

1. Capture the diverse voices of our community through respectful and inclusive engagement opportunities to inform Council decision making

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>1.1 Run authentic, accessible community consultations for our community to influence programs and projects</p> <p><i>11 consultations were conducted on areas including strategic policy reviews, budget, facility branding and naming, traffic and transport, and sports infrastructure. 2000 community members visited the Have Your Say consultation platform.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>





2. Recognise the rights of children and young people and ensure their voices are valued, respected and celebrated

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>2.1 Increase awareness of child safety and strengthen initiatives across all Council operations</p> <p><i>Child Safety Leadership training has been implemented with 90% participation from people leaders so far.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>



3. Manage Council's resources effectively and efficiently to ensure financial and service sustainability

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>3.1 Implement the Service Review Framework</p> <p><i>A Service Review Policy and Framework have been drafted for further consideration in 2026.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>



4. Renew and maintain infrastructure and facilities that are sustainable, fit for purpose and based on condition and community need

Actions	Status	Council's Role
<p>4.1 Maintain, renew and upgrade buildings and infrastructure as part of Council's annual Capital Works Program</p> <p><i>Council's capital works program is progressing as planned.</i></p>	<p>On track</p> <p style="text-align: center;"></p>	<p> Deliver</p>
<p>4.2 Implement the Asset Plan 2025–35</p> <p><i>Implementation continues along with the preparation of new Asset Management Plans, a review of asset classifications and condition audits of key assets such as pathways, stormwater and buildings are being scoped.</i></p>	<p>On track</p> <p style="text-align: center;"></p>	<p> Deliver</p>

5. Increase awareness of the services and supports available to our community and provide accurate and timely information

Actions	Status	Council's Role
<p>5.1 Promote our services in a human-centric way</p> <p><i>Proactive and positive media releases and engagements continue to be a focus.</i></p>	<p>On track</p> <p style="text-align: center;"></p>	<p> Deliver</p>

6. Improve the customer experience by making it easy for the community to engage with Council

Actions	Status	Council's Role
<p>6.1 Increase First Contact Resolution through our call centre</p> <p><i>Testing of the live chat platform including translation functionality has been successful. Processes are also in place to allow payment plans and infringement extensions to be dealt with without referrals to other staff.</i></p>	<p>On track</p> <p style="text-align: center;"></p>	<p> Deliver</p>

7. Invest in smarter technologies to create a digitally enabled future that meets community needs, enhances services, and improves resource management

Actions	Status	Council's Role ■ Advocate ● Deliver ◆ Partner ▲ Regulate
<p>7.1 Introduce pay by app parking payment technology as per the Parking Precinct Action Plans</p> <p><i>3 pay by app operators are live within paid parking areas. Further advertising and promotion will occur in 2026.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>7.2 Introduce AI technology to business processes</p> <p><i>The AI Policy and toolkit were adopted. Copilot adoption has increased with daily users rising by 47%. Council is participating in the first Victorian Local Government Benchmarking report with 15 Local Government Areas.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>
<p>7.2 Review Snap Send Solve to determine future opportunities to increase usage</p> <p><i>Implementation of the Snap Send Solve enterprise application is underway with training and user testing scheduled for 2026.</i></p>	<p>On track</p> <p style="text-align: center;">●</p>	<p style="text-align: center;">●</p>

Financial Report



Financial Report
1 July 2025 to
31 December 2025

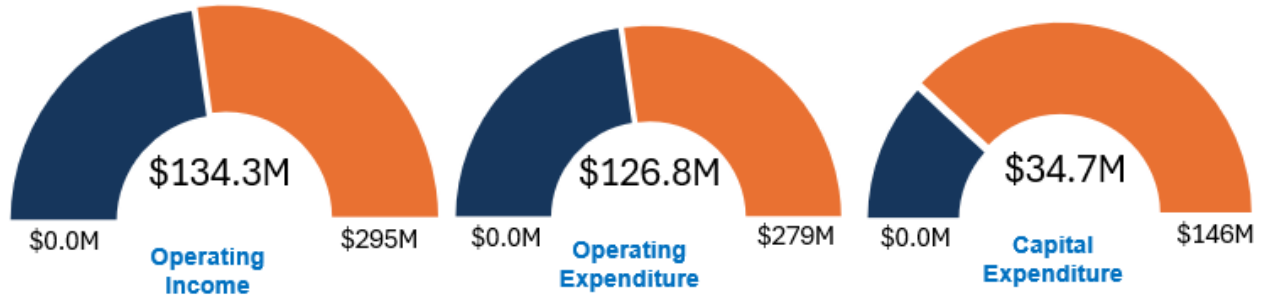
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KEY FINANCIAL HIGHLIGHTS

Quarter ending 31 December 2025



	31 Dec 2025 Year-to-Date					Full Year	
	Actual \$'000	Mid Year Budget \$'000	Variance \$'000	Var. Status Var. %		Original Budget \$'000	Mid Year Budget \$'000
Operating Income	134,304	133,755	549	0%	✓	288,267	295,026
Operating Expenses	126,775	129,060	2,285	2%	✓	262,465	278,956
Operating Surplus	7,529	4,695	2,834	60%	✓	25,802	16,070
Capital Expenditure	34,727	34,883	156	0%	✓	119,871	145,949
Cash / Investment Holdings ¹	230,381	<i>Not applicable</i>				152,942	180,160

Status legend:



Above budgeted revenue or under budgeted expenditure



Below budgeted revenue or over budgeted expenditure by less than 10%



Below budgeted revenue or over budgeted expenditure by 10% or greater

Notes

- Total cash/investments at 31 December 2025 includes cash on hand and financial assets (term deposits invested for a period greater than 90 days) and have been allocated for specific future purposes by Council.

Budget information

The Original Budget information contained in the report is the budget approved by Council on 23 June 2025. The year-to-date budget in this report reflects the Mid-Year Budget as adopted by Council on 8 December 2025.

EXECUTIVE SUMMARY

Operating Result

For the year ended 31 December 2025, Council achieved a surplus operating result of \$7.53 million which is \$2.83 million better than year-to-date budget. The main factors contributing to this result comprise favourable variances in:

Operating income (\$549,000 favourable) – Mainly due to higher income in user fees, primarily parking ticket machine fee income (\$469,000).

Operating expenditure (\$2.28 million favourable) – As a result of lower expenditure in Employee costs (\$3.07 million) and Materials and services (\$3.31 million), partly offset by two non-budgeted, non-cash fixed asset accounting adjustments (Asset write offs (\$3.85 million) and Prior year capital expenditure unable to be capitalised (\$364,000)).

Refer Sections B1 and B2 of this report for more detailed commentary on the key variances.

Measures of financial sustainability

The Victorian Auditor-General’s Office (VAGO) uses a set of financial sustainability indicators to assess the long-term financial health of councils. These indicators provide insights into liquidity, indebtedness, and asset renewal, among other factors. While these measures are unaudited and typically assessed on an annual basis, they remain a useful reference point for monitoring financial performance.

2025-26	Net result	Adjusted underlying result	Internal financing	Liquidity	Indebtedness	Capital replacement	Renewal gap
Dec YTD Actuals	5.61%	1.89%	153.84%	1.73	42.66%	1.83	1.31
Mid Year Budget	5.45%	(8.82%)	56.93%	1.66	35.61%	2.82	0.60
Original Budget	8.95%	4.50%	73.46%	1.48	36.06%	2.68	2.19
2024-25 Full Year Actuals	10.67%	3.76%	132.24%	2.29	22.64%	1.21	0.67

As at 31 December, Council’s year-to-date results suggest performance within the low to medium risk range across all of the indicators. However, it is important to note that these ratios are designed to reflect annual performance, and mid-year results may not accurately represent full-year outcomes.

The Indebtedness ratio currently sits between the 40% to 60% threshold, placing it in the medium-risk category. This ratio compares non-current liabilities to own-source revenue, which primarily consists of rate income accrued evenly over the financial year. As a result, mid-year figures may temporarily inflate the ratio. It is expected to align more closely with the low-risk threshold (below 40%) as full-year revenue is recognised.

The Adjusted Underlying Result ratio as at 31 December is in the 0-5% range. This ratio shows Council’s operating surplus as a percentage of its ongoing income, after removing one-off or non-recurrent capital grants and contributions. In simple terms, it measures whether Council is generating enough surplus from normal operations to remain financially sustainable. A result above 5% is generally considered strong, as it indicates that Council is generating enough surplus to fund its day-to-day operations. Council’s results in this ratio have been lower across recent budgets and actuals because depreciation expense has increased. Depreciation reduces

the accounting surplus, and because it is not excluded from the Adjusted Underlying Result, it places downward pressure on the ratio.

The Internal Financing ratio in both the Mid-Year Budget and the Original Budget falls into the high-risk range mainly because of the significant investment in the Dandenong Wellbeing Centre (DWC) capital project. This ratio measures how much of Council's capital spending is funded by cash generated from its normal operating activities. A result below 100% is considered medium to high risk because it means Council is not fully funding its capital program from operations alone. However, the ratio does not take into account other legitimate funding sources for capital projects, such as reserves or borrowings. Both of these are being used for the DWC project, so the ratio on its own does not fully reflect Council's overall ability to fund this investment.

Council will continue to monitor these indicators closely, with a more accurate assessment to be provided at year-end when full-year financial data is available.

Capital Result

Capital expenditure at 31 December 2025 totalled \$34.73 million, which is \$156,000 below the year-to-date budget. The variance includes a very minor underspend of \$120,000 on the Dandenong Wellbeing Centre, which is not material in the context of the project's \$67 million full-year capital budget.

Detailed variance explanations are included in the body of this report.

As at 31 December, there were \$59.47 million in commitments (open purchase orders), reflecting ongoing and planned capital works.

Cash Position

Cash and investments total \$230.38 million at 31 December 2025, comprising \$26.05 million of cash and cash equivalents and \$204.32 million of 'financial assets' (term deposits invested for a period of greater than 90 days).

Closing cash and investments include cash on hand, cash equivalents, and financial assets (such as term deposits) that are readily convertible to cash and used to support the organisation's operations. This presentation differs from the cash flow statement, where financial assets are excluded in accordance with accounting standards, to provide a more complete view of liquidity for comparative and user purposes.

The working capital ratio result remains sound at 1.72.

Total cash/investments at 31 December 2025 that have been allocated for specific future purposes (restricted cash) amounts to \$184.86 million. Restricted cash includes employee entitlements, trust fund and deposits, Development Contribution Plans (DCP) unearned income and reserves.

INCOME STATEMENT

For the period 1 July 2025 - 31 December 2025

	Note	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income	B1					
Rates and charges		93,347	93,340	7	184,700	184,000
Statutory fees and fines		6,474	6,398	76	12,832	12,805
User fees		5,507	5,038	469	9,420	9,420
Grants - operating		16,197	16,198	(1)	32,988	36,800
Grants - capital		3,553	3,532	21	25,411	20,870
Contributions - monetary		1,657	1,656	1	7,509	3,162
Contributions - non-monetary		-	-	-	7,500	7,500
Net gain (loss) on disposal of property, infrastructure, plant and Other income		272	281	(9)	787	787
		7,297	7,312	(15)	13,879	12,923
Total income		134,304	133,755	549	295,026	288,267
Expenses	B2					
Employee costs		50,129	53,204	3,075	114,348	105,929
Materials and services		43,194	46,511	3,317	99,643	96,820
Prior year capital expenditure unable to be capitalised (non- Bad and doubtful debts		364	-	(364)	-	-
		632	674	42	1,614	1,614
Depreciation		24,231	24,231	-	53,229	48,481
Amortisation - right of use assets		357	357	-	715	715
Borrowing costs		1,368	1,368	-	3,793	3,936
Finance costs - leases		-	-	-	57	57
Asset write offs		3,855	-	(3,855)	-	-
Other expenses		2,645	2,715	70	5,557	4,913
Total expenses		126,775	129,060	2,285	278,956	262,465
Net surplus (deficit)		7,529	4,695	2,834	16,070	25,802

Notes

For comments regarding movements in Operating Income and Expenditure items, please refer to explanatory notes located at B1 to B2.

BALANCE SHEET

As at 31 December 2025

		2025-26 ACTUAL 31 Dec 2025 \$'000	2024-25 ACTUAL 30 Jun 2025 \$'000	2025-26 MID YEAR BUDGET \$'000	2025-26 ORIGINAL BUDGET \$'000
	Note				
ASSETS					
Current assets	C1				
Cash and cash equivalents		26,058	32,822	35,160	24,942
Financial assets		204,323	179,708	145,000	128,000
Trade and other receivables *		104,950	32,253	32,519	32,100
Other assets		2,787	5,895	5,503	6,021
Total current assets		338,118	250,678	218,182	191,063
Non-current assets	C2				
Property, infrastructure, plant and equipment		3,033,112	3,026,836	3,126,996	2,781,993
Investment property		6,865	6,865	6,865	6,690
Right-of-use assets		323	680	664	1,257
Trade and other receivables		182	183	183	266
Total non-current assets		3,040,482	3,034,564	3,134,708	2,790,206
Total assets		3,378,600	3,285,242	3,352,890	2,981,269
LIABILITIES					
Current liabilities	C3				
Trade and other payables		10,844	25,669	44,452	39,221
Prepaid rates *		90,332	-	-	-
Trust funds and deposits **		17,817	3,201	3,300	4,354
Unearned income		52,802	54,054	54,354	56,668
Provisions		21,764	21,504	22,112	21,804
Interest-bearing liabilities		2,249	4,379	6,619	6,068
Lease liabilities		230	494	507	599
Total current liabilities		196,038	109,301	131,344	128,714
Non-current liabilities	C4				
Provisions		1,660	1,957	1,718	1,305
Trust funds and deposits		2,389	2,910	3,052	3,052
Interest-bearing liabilities		43,992	43,992	73,617	74,027
Lease liabilities		154	244	251	647
Total non-current liabilities		48,195	49,103	78,638	79,031
Total liabilities		244,233	158,404	209,982	207,745
NET ASSETS	C5	3,134,367	3,126,838	3,142,908	2,773,524
EQUITY					
Accumulated surplus		1,005,733	993,868	1,024,289	1,054,410
Asset revaluation reserve		2,027,966	2,027,966	2,027,966	1,655,211
Reserves		100,668	105,004	90,653	63,903
TOTAL EQUITY		3,134,367	3,126,838	3,142,908	2,773,524

* *Prepaid Rates and Trade and Other Receivables*: Total rate revenue levied in July (excluding supplementary rates) is accrued evenly over the year, while actual receipts vary based on payment methods chosen by the ratepayer. Prepaid rates represent the rate revenue that will be recognised over the remaining financial year.

** *Trust funds and deposits (current)*: Higher this quarter due to the timing of the quarterly Emergency Services Volunteer Fund payment to the State Revenue Office.

Explanatory notes regarding movements in other Balance Sheet items are located at C1 to C5.

CASH FLOW STATEMENT

		2025-26 ACTUAL as at 31 Dec 2025 Inflows/ (Outflows) \$'000	2025-26 ANNUAL MID YEAR BUDGET Inflows/ (Outflows) \$'000	2025-26 ANNUAL ORIGINAL BUDGET Inflows/ (Outflows) \$'000
	Notes			
Cash flows from operating activities				
Rates and charges		112,978	184,933	183,417
Statutory fees and fines		4,739	10,676	10,809
User fees		4,117	10,503	10,292
Grants - operating		18,008	34,395	38,574
Grants - capital		3,673	25,391	20,870
Contributions - monetary		2,266	8,309	3,962
Interest received		4,897	6,829	6,000
Trust funds and deposits taken		37,052	32,195	32,100
Other receipts		2,260	7,533	7,700
Net GST refund		6,449	21,536	18,235
Employee costs		(52,972)	(113,878)	(105,201)
Materials and services		(49,174)	(104,857)	(112,460)
Short-term, low value and variable lease payments		(350)	(722)	(720)
Trust funds and deposits repaid		(22,965)	(31,954)	(31,954)
Other payments		(2,697)	(5,493)	(4,823)
Net cash provided by operating activities	D1	68,281	85,396	76,801
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment		(44,386)	(145,949)	(119,871)
Proceeds/(payments) of investments		(27,085)	34,708	14,000
Proceeds from sale of property, infrastructure, plant and equipment		275	847	847
Net cash used in investing activities	D2	(71,196)	(110,394)	(105,024)
Cash flows from financing activities				
Finance costs		(1,364)	(3,793)	(3,936)
Proceeds from borrowings		8,725	45,227	36,502
Repayment of borrowings		(10,855)	(13,361)	(4,770)
Interest paid - lease liability		(1)	(57)	(57)
Repayment of lease liabilities		(354)	(680)	(680)
Net cash used in financing activities	D3	(3,849)	27,336	27,059
Net increase (decrease) in cash and cash equivalents		(6,764)	2,338	(1,164)
Cash and cash equivalents at the beginning of the year		32,822	32,822	26,106
Cash and cash equivalents at the end of the period		26,058	35,160	24,942
Represented by:				
Operating cash		(158,803)	(126,531)	(114,494)
Restricted cash	D4	184,861	161,691	139,436
Total		26,058	35,160	24,942

Details regarding Council's cash movements are contained in **Note D - Cash Flow Statement**.

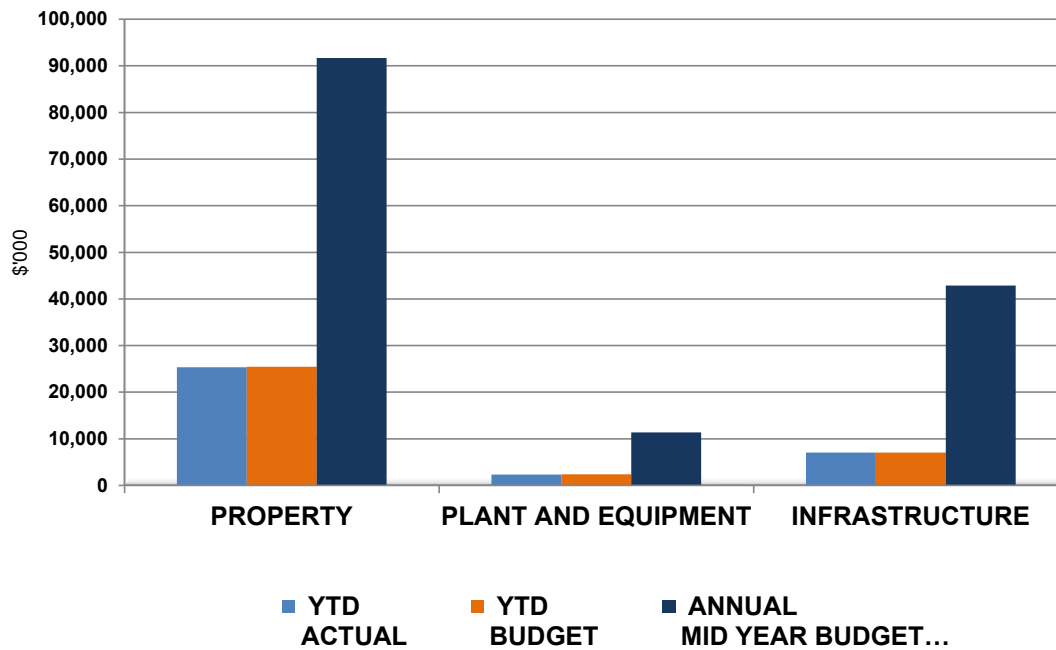
The dissemination of Council's restricted and operating cash is provided in the table in section D4 and the graph "Restricted and Unrestricted Cash" in **Appendix 2 Investment Analysis** of this report. Note - cash inflows and outflows are inclusive of GST where applicable.

CAPITAL EXPENDITURE STATEMENT

The detailed program under each of the capital groups is contained in **Appendix 1 – Capital Expenditure**.

	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	YTD COMMIT \$'000	ANNUAL MID YEAR \$'000	ANNUAL ORIGINAL \$'000
PROPERTY	25,337	25,442	105	46,317	91,699	77,123
PLANT AND EQUIPMENT	2,350	2,410	59	2,760	11,350	7,983
INFRASTRUCTURE	7,040	7,031	(8)	10,394	42,900	34,765
TOTAL EXPENDITURE	34,727	34,883	156	59,470	145,949	119,871

**Capital Expenditure by Asset Group
1 July 2025 to 31 December 2025**



MANAGEMENT ACCOUNTING RESULT

For the period 1 July 2025 - 31 December 2025

Whilst the Financial Statements are prepared in accordance with Australian Accounting Standards, they contain several items which are “non-cash” in nature such as depreciation on assets and the written down (book) value of assets sold. They also exclude capital expenditure, new borrowings and loan repayments and as such, these Statements do not provide an accurate indication of the surplus/deficit cash position within a financial year.

The following table provides a management accounting summary of the financial performance for the period 1 July 2025 to 31 December 2025 which removes non-cash items and adds back cash items that are excluded from the financial statements.

Description	YEAR-TO-DATE			FULL YEAR		
	ACTUAL \$'000	MID YEAR BUDGET \$'000	VARIANCE Fav(unfav) \$'000	MID YEAR BUDGET \$'000	ORIGINAL BUDGET \$'000	VARIANCE Fav(unfav) \$'000
Income Statement						
Income	134,304	133,755	549	295,026	288,267	6,759
Expenditure	126,775	129,060	2,285	278,956	262,465	(16,491)
Net surplus - ongoing operations	7,529	4,695	2,834	16,070	25,802	(9,732)
Management Accounting reconciliation						
<i>Add (less) non cash items included in op result</i>						
Depreciation	24,231	24,231	-	53,229	48,481	(4,748)
Amortisation - right of use assets	357	357	-	715	715	-
Contributions non-monetary assets	-	-	-	(7,500)	(7,500)	-
Assets written off	3,855	-	(3,855)	-	-	-
Prior year cap expenditure unable to be capitalised	364	-	(364)	-	-	-
Written down value of assets sold / disposed	-	-	-	60	60	-
Sub total	28,807	24,588	(4,219)	46,504	41,756	(4,748)
Net operating surplus	36,336	29,283	7,053	62,574	67,558	(14,480)
<i>Add (less) cash items not included in op result</i>						
Capital expenditure	(34,727)	(34,883)	156	(145,949)	(119,871)	(26,078)
Net transfers from (to) reserves	4,340	4,340	-	14,351	21,261	(6,910)
Repayment of borrowings	(10,855)	(10,855)	-	(13,361)	(4,770)	(8,591)
Proceeds from borrowings	8,725	8,725	-	45,227	36,502	8,725
Repayment of lease liabilities	(354)	(354)	-	(680)	(680)	-
Sub total	(32,871)	(33,027)	156	(100,412)	(67,558)	(32,854)
Cash surplus (deficit)	3,465	(3,744)	7,209	(37,838)	-	(47,334)
Accumulated surplus brought forward	-	-	-	37,838	-	37,838
Surplus position	3,465	(3,744)	7,209	-	-	(9,496)

The management accounting result at 31 December 2025 (after removing non-cash items and adjusting for items not in the operating result) shows a favourable variance between budget and actual of \$7.21 million due to a net operational surplus of \$7.05 million after removing non-cash fixed asset items.

NOTES TO THE FINANCIAL STATEMENTS

A. Accounting Policy Notes

The financial report is prepared on the principles of accrual accounting. Accrual accounting recognises income when earned and expenditure when incurred, regardless of whether cash settlement has taken place. The basis of recognition of major income and expenditure in these statements are defined below.

1. **Rate revenue:** Rate revenue (excluding supplementary rates) is accrued evenly over the year, although cash is received in quarterly instalments or a lump sum, depending on how the ratepayer chooses to pay. Rate revenue in the Income Statement is a monthly accrual of the rates determined for the year in July.
2. **Grant revenue:** Council receives two types of grants, namely a General Purpose Grant (Financial Assistance Grant funding from the Victorian Local Government Grants Commission) which is not tied to any programs and Special Purpose Grants for various programs.

In accordance with Accounting Standards, AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income of Not-For-Profit Entities', grant income is generally recognised in the Income Statement to the extent of satisfied performance obligations.

Alternatively, grant funding which does not have sufficiently specific performance obligations is recognised as income when the cash is received. Any grant income relating to unsatisfied performance obligations are recognised as unearned income in the Balance Sheet at balance date. Grants comprise of operating and capital (recurrent and non-recurrent in nature).

3. **Fees and charges:** Most fees and charges are recognised when cash is received. Generally, where Council raises a debtor's invoice, income is recognised at the point of the invoice and not when cash is received. Car parking permit income relating to a future period at balance date are recognised as unearned income in the Balance Sheet.
4. **Contributions - cash:** Cash contributions are essentially from developers towards open space works. These monies are treated as income when received. Council is obligated to spend these monies for the purpose for which they are given by the developers. Council also receives external contributions for other capital projects. Cash contributions received are held in reserves and treated as "restricted cash" until they are spent (see note 9 below).
5. **Employee costs:** Salaries expenditure is based on fortnightly salaries paid and accruals for salary on-costs such as leave entitlements, superannuation and Workcover.
6. **Capital expenditure:** The two broad areas of capital are the capital improvement program (CIP) (which includes infrastructure and major projects) and 'other' which includes fleet, computers, plant and furniture. Expenditure is recognised as capital if it is significant in value and results in assets which have a useful life in excess of at least one year.
7. **Budget information:** The Original Budget information contained in the report is the budget approved by Council on 23 June 2025. The year-to-date budget in this report reflects the Mid year Budget as adopted by Council on 22 December 2025. In accordance with Section 97(3) of the Local Government Act 2020 the Chief Executive Officer is of the view that a

Revised Budget is not required for the financial reporting period 31 December 2025. No variations have been made to the declared rates and charges or loan borrowings other than what has been approved in the 2024-25 Adopted Budget.

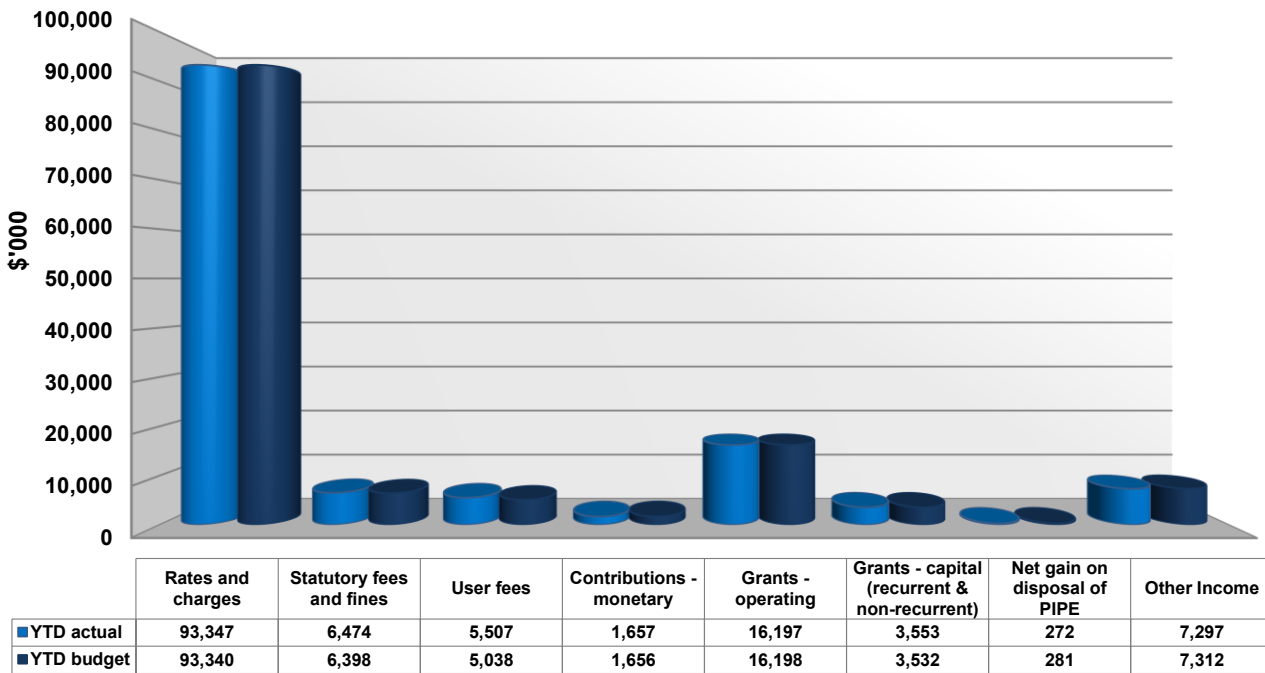
8. **Cash Flow Statement:** Reflects the actual cash movements during the year.
9. **Restricted cash:** These are monies set aside for specific purposes and are not readily available for day-to-day operations or general capital works. They include funds set aside towards meeting long service leave commitments (required by government regulations), statutory reserves (e.g. open space contributions) and other funds that are committed towards specific purposes.

B. Income Statement

B1. Operating Income

The chart below shows the categories of operating income against their respective budgets (excludes non-cash accounting entries such as non-monetary contributions or gifted assets).

**Income from operating activities
for 1 July 2025 - 31 December 2025**



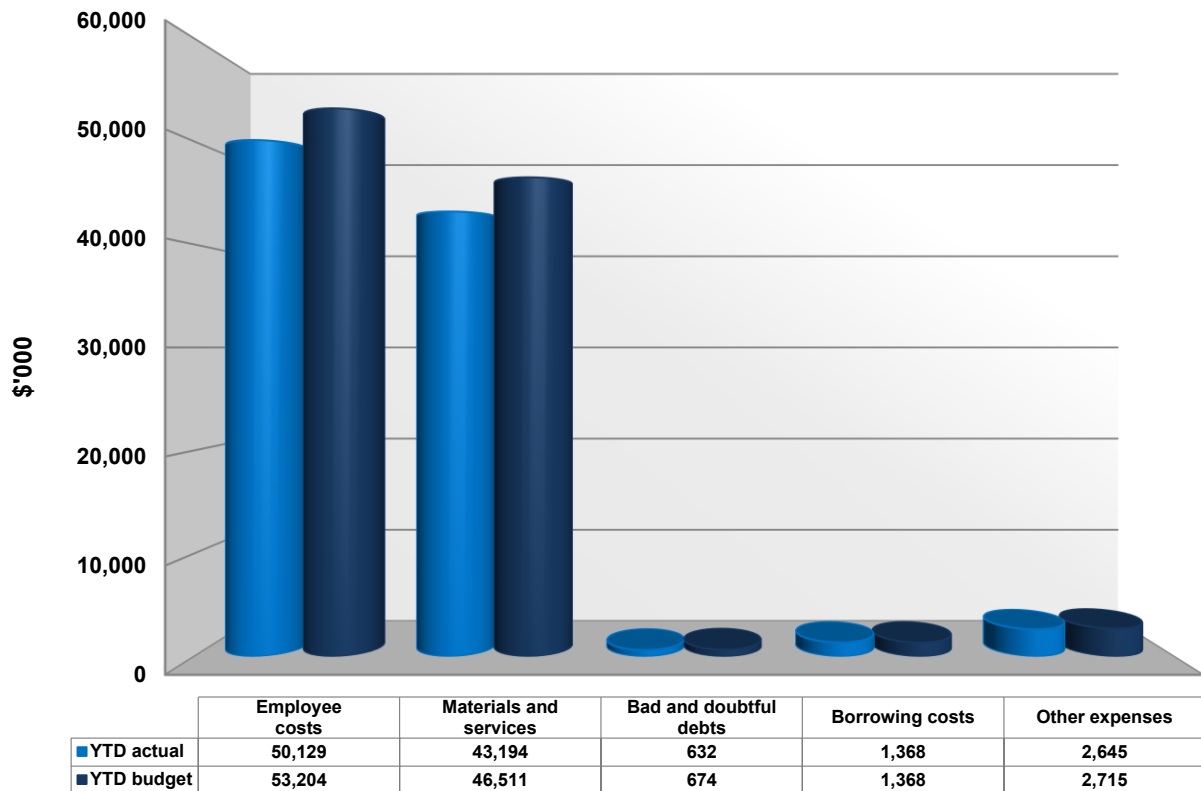
Operating income for the quarter ended 31 December 2025 is \$549,000 favourable against budget. This is primarily due to the following:

- **User fees (\$469,000 favourable)** – Mainly due to higher income from parking ticket machines (City Futures \$405,000).
- **Statutory fees and fines (\$76,000 favourable)** - Mainly higher income in Civil Development (\$194,000), Building (\$118,000) and Health (\$58,000). This is partially offset by lower income from local law fines due to a delay in recruitment of four new positions introduced in the 2025-26 Budget (General Law Enforcement \$255,000).

B2. Operating Expenditure

The chart below shows the categories of operating expenditure against their respective budget (excludes non-cash accounting entries including depreciation, amortisation, asset write offs and prior year capital expenditure unable to be capitalised).

**Expenditure from operating activities
for 1 July 2025 to 31 December 2025**



Operating expenditure for the year ended 31 December 2025 is favourable by \$2.28 million. This is due to favourable variances in materials and services and employee costs partly offset by two fixed asset accounting entries (prior year capital expenditure unable to be capitalised and asset write offs). The fixed asset accounting entries do not impact Council’s cash position and are discussed in more detail in Notes 13 and 14 of this report.

- **Materials and services (\$3.31 million favourable)** – due to the following variances:
 - Lower building maintenance services which are reactive by nature (\$934,000).
 - Delayed start of maintenance programs following the July/August implementation of the new Works Management System (WMS) (Roads and Drains \$723,000).
 - Lower tonnages across the three main waste streams including domestic garbage, Food Organics Garden Organics (FOGO) and comingled recycling (Waste Management \$335,000).
 - Due to the recent service review and restructure, there has been a delay in progressing some work (Parks Services \$327,000).

- Lower Family Day Care educator payments matched by lower income (\$119,000).
- Lower performance fees and special project costs (Experiences and Partnerships \$125,000).
- **Employee costs (\$3.08 million)**

As depicted in the table below, the \$3 million favourable variance is made up of:

Directorate	2025-26 Variance Fav/(unfav) \$	Grant Funded Programs \$	Offset by Lower Income \$	2025-26 Potential Underspend/ (overspend) \$
CEO SERVICES	(30,219)	-	-	(30,219)
CITY FUTURES	978,344	26,244	-	952,101
COMMUNITY STRENGTHENING	1,717,644	856,785	237,665	623,194
NON DIRECTORATE	560	-	-	560
STRATEGY & CORPORATE SERVICES	11,954	-	-	11,954
CUSTOMER & INFORMATION OFFICE	107,196	-	-	107,196
CHIEF FINANCIAL OFFICE	290,166	-	-	290,166
Grand Total	3,075,645	883,029	237,665	1,954,951

- \$883,200 (35%) in grant funded programs which represent a future obligation and require an acquittal, caused mainly by a delay in recruitment (mostly in Community Strengthening).
- \$237,665 represents favourable employee costs that are wholly offset by lower income in Community Care
- The remaining \$2.19 million represents a potential underspend in employee costs due to the delay in recruitment of vacant positions as well as the timing gap between recruitment of vacant positions commencing and onboarding across the organisation:
 - *Community Strengthening (\$623,000)* – Library and Information Services (\$199,000), Children Support Services (\$176,000), HACC – Home Maintenance (\$165,000), Maternal and Child Health (\$132,000), Family Day Care (\$65,000) and HACC – Co-ordination (\$61,000). This is offset by higher employee costs in Cultural & Community Hubs (\$130,000).
 - *City Futures (\$952,000)* – Parks and Opens Spaces (\$454,000), Statutory and Planning (\$239,000), General Law Enforcement (\$200,000), Waste Management (\$150,000), Strategic and Environmental Planning (\$102,000), Parking Management (\$89,000), Community Amenity Administration (\$86,000), Health (\$77,000), and Roads and Drains (\$55,000).
 - *Customer & Information Office (\$170,000)* - Call and Service Centre (\$64,000) and Digital Technology Executive (\$49,000).

C. Balance Sheet

Council's net assets are valued at \$3.13 billion on 31 December 2025.

C1. Current assets

Cash and other assets that can be readily converted to cash.

Cash and cash equivalents (\$26.06 million) – Represent the net amount held by Council in cash or term deposits with a term of less than 90 days.

When combined with 'Financial assets' of \$204.32 million (below), Council holds a total of \$230.38 million in cash and investment funds. Of this amount, \$184.86 million (80%) is restricted for specific purposes, including employee entitlements, trust funds and deposits, and internal reserves.

Funds are invested in accordance with Council's Investment Policy. The policy requires Council to invest with prudence, consideration of acceptable risks and relevant legislation.

The details of Council's investments are contained in **Appendix 2**. In selecting investment products, Council has paid due consideration to risk by ensuring the investment portfolio does not exceed the limits set in the Policy based on the Standard and Poor's Long-Term rating of Authorised Deposit Taking Institutions (ADI) combined with the term of the investment.

Financial assets (\$204.32 million) – Increase in financial assets from 30 June 2025 is due to the make-up of Council's cash and investments holdings at 31 December 2025 with more investments placed with a term of over 90 days and less investments with a term of under 90 days.

Trade and other receivables (\$104.95 million) – This balance includes:

- Rate debtors \$87.14 million
- Infringement debtors of \$10.63 million (net of provision for doubtful debts).
- General debtors \$1.74 million (net of provision for doubtful debts).

Rate revenue (excluding supplementary rates) is accrued evenly over the year, although cash is received in quarterly instalments, nine direct debit payments or a lump sum, depending on how the ratepayer chooses to pay. Rate revenue in the Income Statement is a monthly accrual of the rates determined for the year in July.

Other assets (\$2.79 million) – This balance includes:

- Accrued income \$2.32 million – income earned but cash not yet received as at 31 December 2025.
- Prepayments \$127,895 - expenses prepaid at 31 December 2025.
- Other deposits \$333,700 – represents \$8,700 works warranty bond for Soccer Pitch and Community Centre - 9 Memorial Drive, Noble Park, \$75,000 deposit for Metropolitan Resource Recovery organic waste processing contract and \$250,000 deposit paid for Metropolitan Resource Recovery Landfill Services Gate Fee.

C2. Non-current assets

Property, infrastructure, plant and equipment (\$3.03 billion) – Includes Council roads, drains, buildings, plant and other fixed assets. These values are reflected after recognising the depreciation allowed against each asset.

Investment property (\$6.86 million) is separately classified from ‘Property, infrastructure, plant and equipment’ in accordance with Australian Accounting Standards. Any adjustment to the fair value of these assets on an annual basis is recorded in the Comprehensive Income Statement and these assets are not depreciated.

Right-of-use assets (\$323,000) – Represents leased (right-of-use) assets and includes property, fleet, IT and office equipment that has been leased under ordinary lease arrangements.

Trade and other receivables (\$182,000) – Comprises Council’s share of funds in the former Narre Warren landfill site (\$179,000 held by Whitehorse City Council) and in South East Metropolitan Advanced Waste Processing Pty Ltd (\$3,000).

C3. Current liabilities

Debts due to be repaid within 12 months.

Trade and other payables (\$10.84 million) – This balance includes trade creditors arising from operations and capital works.

Trust funds and deposits (\$17.82 million) – Trust funds and deposits includes other refundable monies in respect of:

- Other deposits (\$2.27 million).
- Landscape deposits (\$911,000).
- Emergency Services Volunteer Fund funds collected by Council on behalf of the State Government, but not yet paid on to the State Revenue Office (\$14.15 million). These monies are remitted to the State Revenue Office in accordance with legislative timeframes (28 days after each quarterly rate instalment date).
- Road deposits (\$311,000).
- Open space contributions (\$170,000).

Unearned income (\$52.80 million) – Represents income not yet earned based on specific performance obligations that were not complete at 31 December 2025 in respect of:

- Developer Contribution Plan liabilities (DCP) – (\$42.02 million).
- Operating grants (\$8.78 million).
- Capital grants (\$1.31 million).
- Other (\$689,000).

Provisions (\$21.76 million) – This balance represents the provision for employee entitlements and landfill restoration works.

- Employee entitlements:
 - Long service leave entitlements - \$12.05 million.
 - Annual leave entitlements - \$8.87 million.
 - Rostered days off (RDO) - \$735,000.
- Landfill provision - \$101,000 - provision for the restoration and aftercare management of the former Spring Valley landfill site (closed). The former closed landfill is owned by the Council and is used as recreational open space. Council's share is 19.88% of the total future estimated costs.

Interest-bearing liabilities (\$2.25 million) – Represents the repayment of long-term borrowings expected during 2025-26.

Lease liabilities (\$230,000) - Represents the lease repayments in respect of the right-of-use assets that are payable during 2025-26.

C4. Non-current liabilities

Debts due to be repaid in future years.

Provisions (\$1.66 million) – Represents the provisions estimated to be paid beyond the 2025-26 financial year and comprises of long service leave entitlements for employees (\$301,000) and landfill provision for restoration of Spring Valley landfill site (\$1.36 million) (Council's share is 19.88% of the total future estimated costs).

Trust funds and deposits (\$2.39 million) – Represents deposits that are payable beyond the 2025-26 financial year and comprises asset protection bonds of \$2.11 million, landscape deposits of \$166,000 and contractor deposits of \$115,000.

Interest-bearing liabilities (\$43.99 million) – Comprises the amount of outstanding borrowings to be repaid beyond the next 12 months.

Lease liabilities (\$154,000) – Represents the amount of lease payments in respect of the right-of-use assets to be repaid beyond the next 12 months.

C5. Net assets and equity

Net assets - Represents the difference between total assets and total liabilities. It is the Council's net worth to the City's ratepayers.

Reserves – Includes both statutory reserves (S) and discretionary reserves (D). The statutory reserves apply where funds are gained from the application of legislative requirements to contribute – and where expenditure of the funds is not entirely discretionary (i.e. the funds need to be used for certain expenditure only). The reserves listed below are explained in the notes to the cash flows that follow.

The **discretionary** reserves are:

- Major projects reserve
- Insurance fund reserve
- Council funded – Development Contribution Plans reserve
- Spring Valley landfill rehabilitation reserve
- Springvale Activity Precinct – Parking and Development reserve
- Dandenong Activity Precinct – Parking and Development reserve
- Native re-vegetation reserves
- Keysborough South Maintenance Levy reserve
- General reserve (Aged Care)
- Grants in advance reserve
- Future maintenance reserve
- Digital Technology

The **statutory** reserves are:

- Open space – planning, development and improvements
- Open space – land acquisitions

D. Cash Flow Statement

Cash and investment holdings total \$26.06 million as at 31 December 2025, a decrease of \$6.76 million since 30 June 2025.

When considered together with 'Financial assets' of \$204.32 million, Council's total cash and investment holdings comprise \$230.38 million. 'Financial assets' are term deposits with a maturity greater than 90 days.

80% or \$184.86 million of Council's total cash and investment holdings are restricted for specific purposes. Please refer to the following page for a detailed listing of Restricted Cash items.

Cash flows from operating activities – net inflow of \$68.28 million.

The major inflows are rates (\$112.98 million), trust funds and deposits taken (\$37.05 million), operating grants (\$18 million) and net GST refund (\$6.4 million).

The major outflows are employee costs (\$52.97 million), materials and services (\$49.17 million) and trust funds and deposits repaid (\$22.96 million).

Trust funds and deposits taken and repaid mainly relate to fire services property levies (FSPL). The remittance of the FSPL and FSPL levy interest amounts are made to the State Revenue Office (SRO) in four payments in accordance with Section 41(1) of the FSPL Act. An instalment is due and payable to the Commissioner of State Revenue 28 days after the due date of rates instalments. Council collects FSPL on behalf of the State Government.

Cash flows from investing activities – net outflow of \$71.19 million, including:

- \$44.38 million for capital works expenditure. The detailed capital works schedule is included in this report as Appendix 1. Please note the difference between the two capital expenditure amounts is due to the movement in capital trade creditors at the start and end of the reporting period. Appendix 1 is on an accrual basis.
- \$27.09 million relates to cash outflow for term deposits with a maturity of greater than three months.
- \$275,000 proceeds on asset sales mainly relating to the fleet replacement program.

Cash flows from financing activities – outflow of \$3.85 million.

During the quarter, Council refinanced two variable-rate loans (with NAB and CBA) into fixed-rate loans through the Treasury Corporation of Victoria. This was done to provide long-term certainty over interest costs. The financial effects of this refinancing are reflected in the Mid-Year Budget. While the refinancing resulted in \$8.7 million of additional loan proceeds and corresponding loan repayments being recorded, these movements offset each other, so there is no overall financial impact.

As at 31 December, Council has received \$8.725 million in loan proceeds from the refinancing and has made \$10.86 million in loan repayments (including the refinancing transactions).

In addition, Council repaid \$354,000 of its lease liabilities as at 31 December 2025.

Restricted cash - Restricted cash represents funds that are set aside for specific purposes, as detailed in the following tables.

Type	31-Dec-25	Notes
Reserve funds	\$'000	
Council funded Development Contribution Plans (DCP) reserve	17,575	Reserved for specific expenditure in accordance with the published DCP.
Open space – planning, development and improvements	8,024	Reserved for enhancing the City's open space by planning, development and improvements.
Open space – acquisitions	5,995	To fund acquisitions of new open space land.
Major projects reserve	42,163	Funds realised from the sale of Council's property assets or surplus Council funds that will be utilised for investing in other properties or funding future major projects.
Keysborough South Maintenance Levy	4,977	Reserved for specific maintenance expenditure relating to this area.
Spring Valley landfill rehabilitation	5,437	Rehabilitation of the Spring Valley landfill site.
Re-vegetation reserves	155	To meet native re-vegetation requirements on Council's reserves.
Insurance fund reserve	598	To meet large and unexpected policy excesses on multiple insurance claims.
Springvale Activity Precinct Parking and Development reserve	236	To fund development in the Springvale Activity Centre.
Dandenong Activity Precinct Parking and Development reserve	4,271	To fund development in the Dandenong Activity Centre.
General reserve (Aged Care)	6,432	Funds set aside for the aged care reforms.
Future maintenance reserve	3,716	Contribution funds for future works to address level crossing removal authority defects.
Digital Technology	1,088	To fund digital technology uplift.
Total reserve funds	100,667	

Employee provisions	\$'000	
Long service leave	12,356	Funds to meet long service leave commitments.
Annual leave and other	9,608	Funds set aside to meet annual leave and rostered days off (RDO) commitments.
Total employee provisions	21,964	

Type	31-Dec-25	Notes
Trust funds and deposits	\$'000	
Emergency Services Volunteer Fund (FSPL) collected and due	14,155	Payable to State Revenue Office – legislative requirement.
Open space contributions	170	Pending completion of works.
Landscape deposits	1,077	Pending completion of works.
Road deposits	311	Pending completion of works.
Other trust funds and deposits	4,493	Refundable upon finalisation of programs.
Total trust funds and deposits	20,206	

Other restricted funds	\$'000	
DCP unearned income	42,024	Pending completion of works by developers.
Total other restricted funds	42,024	

Total restricted cash	184,861
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Other metrics – Rating and hardship

Measure	YTD	YTD
RATES	Sep-24	Sep-25
Hardship Claims (Number of successful applications & total rates waived)	19 \$6,400	32 \$12,377
Rates Recovery (%)	33.47%	33.81%

E. Statement of Capital Works

Total capital expenditure as at 31 December 2025 was \$34.73 million, with a further \$59 million in commitments. The following CIP Expenditure Report contains the expenditure status of each of the approved capital projects.

The timing of cash outflows and project completion can differ for capital projects. Commentary on the status of each project with major variances are reported if the variance is greater than \$300,000. Please note that the variances detailed below are the total of all asset classes by project whereas the Capital Expenditure report details the variances separately by asset class and project.

No notes / comments required for capital works.

APPENDIX 1 – CIP EXPENDITURE REPORT

	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL MID YEAR BUDGET \$	ANNUAL ORIGINAL BUDGET \$
PROPERTY						
Buildings						
1631. Art Gallery PEP Bldg	259,572	246,189	(13,383)	8,154	562,061	-
1869. Dandenong Community Hub	90,170	100,000	9,830	1,396,512	1,415,544	-
3004. Bldg Renewal Aq/Leis D'nong Oasis	126,761	132,791	6,030	252	132,791	19,470
3024. Heritage Kindergarten	1,139	2,000	862	3,570	32,062	32,062
3041. Dandenong Civic Ctr Rectification	165,092	211,026	45,934	28,171	930,126	500,000
3083. Bldg Renewal Walker St Gallery	108,867	79,845	(29,022)	21,203	79,845	79,845
3093. Dandenong Nth Senior Citizen	1,165	12,248	11,083	8,500	61,242	-
3207. Bldg Renewal Aq/Leis D'nong Stadium	115,556	115,556	-	82,764	298,290	-
3224. Ross Res Athletics Pav. Amenities	5,739	5,700	(39)	3,545	64,800	64,800
3267. Lois Twohig Gerry Sweet Pavilion	40,210	40,210	(0)	4,468	137,600	137,600
3303. NP Comm Ctr Building 2	12,374	20,698	8,324	11,088	27,597	-
3324. Bldg Renewal Aq/Leis Springers	2,930	3,000	70	20,000	135,536	-
3455. Burden Park Masterplan Implem.	2,330	14,118	11,788	5,794	47,059	-
3479. Darren Reserve Kindergarten	3,300	3,300	-	-	78,605	-
3548. Keysborough Community Hub (KCH)	824,257	824,129	(128)	307,955	1,428,516	-
3717. Springvale Reserve	-	-	-	-	324,920	-
3793. Dandenong Market Square	800	-	(800)	5,825	-	-
3820. Bldg Renewal Aq/Leis NPAC	50,736	54,550	3,814	142,738	137,671	53,471
3873. Bldg Renewal DDA	-	-	-	-	223,112	223,112
3876. Bldg Renewal Fixt/Fitt Bathroom	16,078	7,564	(8,514)	19,788	15,127	-
3878. Bldg Renewal Lift	125,179	26,500	(98,679)	5,716	26,500	-
3879. Building Renewal Minor Works	-	-	-	1,016	-	-
3883. Bldg Renewal Fixt/Fitt Kitch & Mech	-	-	-	37,617	-	-
3904. Bldg Renewal Theatre	25,580	42,896	17,317	69,937	188,690	188,690
3906. Dandenong New Art	223,073	261,100	38,027	72,709	9,191,603	4,255,599
3946. Bldg Renewal Aquat/Leis	4,340	2,686	(1,654)	78,210	5,371	-
3955. Chandler MCH/Kinder Windows	31,777	31,800	23	-	85,455	-
3974. D'nong Wellbeing Centre	22,713,233	22,833,723	120,490	42,654,209	67,086,733	66,156,000
4001. Dandenong Market Bazaar Bird Net	8,354	8,400	46	177,082	185,000	-
4003. Springvale Res Masterplan Implem.	-	-	-	-	88,500	-
4067. Lyndale Sec. College Kitchen	7,728	7,700	(28)	9,846	163,589	-
4069. PEP Redevelopment	5,833	-	(5,833)	371,741	1,094,032	-
4071. Noble Park Comm Ctr-DDA bathroom	-	-	-	-	450,000	-
4072. Noble Park Comm Ctr-Kitchen	-	-	-	-	70,000	-
4073. Drum Theatre Facade & Lighting	-	-	-	-	250,000	-
4074. Burden Park Bowls Club Flooring	2,020	-	(2,020)	-	61,500	-
4104. Security Program	-	-	-	752	220,000	-
4105. Police Paddocks Water Main	250	205	(45)	47,106	122,727	-
4106. 2330-22/23 D'nong Civic Hot Water	-	-	-	-	93,280	-
4126. Dandenong Day Nursery Cafe Blinds	-	-	-	-	35,000	-
4132. Heritage Hill (Laurel)	3,078	16,509	13,431	1,050	55,028	-
4146. 39 Clow Ground Floor HVAC	6,480	6,500	20	1,500	664,480	664,480
4147. Dandenong West Prim Sch	-	-	-	2,800	25,080	25,080
4148. Noble Park Mobile Library Service	17,356	17,356	0	-	17,356	-
4184. Dandenong Market - Lift	6,754	6,800	46	186,441	174,565	-
4185. D'nong Market Fire & Compliance	230,471	226,082	(4,389)	45,294	803,976	100,000
4186. D'nong Market Struct Rectification	27,086	27,100	14	-	510,318	500,000
4202. Gas Transition Program	26,984	38,072	11,088	20,394	120,237	-
4219. Bldg Renewal Fixt/Fitt Paddy O'Don	320	-	(320)	15,910	-	-
4220. Bldg Renewal Fixt/Fitt General	12,469	12,500	31	12,009	88,570	-
4222. NPAC Pump & Pipework	-	-	-	-	5,000	-
4238. Bldg Renewal Fixt/Fitt Fifth Ave	-	-	-	-	110,000	-
4264. Dandenong Stadium Court Resurfacing	-	-	-	-	474,467	1,024,467
4265. Water Main Renewal Program	4,120	3,200	(920)	64,716	1,119,680	1,119,680
4293. Dandenong Library Inclusive Spaces	13,613	-	(13,613)	46,862	471,839	471,839
4296. Springers Floor & Futsal Goal	-	-	-	-	950,525	950,525
4298. Bldg Renewal D'nong Civic Centre	-	-	-	-	93,280	93,280
4299. Springvale Res Sport Pav Amenities	3,000	-	(3,000)	304,913	452,868	452,868

	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL MID YEAR BUDGET \$	ANNUAL ORIGINAL BUDGET \$
PROPERTY						
Leasehold Improvements						
3553. Parkmore Customer Service Refurb	-	-	-	-	10,000	10,000
4288. Police Paddocks DDA Access	9,945	-	(9,945)	12,420	-	-
Land						
4201. 9A Blissington Street, Springvale	590	-	(590)	5,947	-	-
Total property	25,336,707	25,442,053	105,346	46,316,522	91,697,753	77,122,868

PLANT AND EQUIPMENT						
Plant, machinery and equipment						
1445. Fleet Renewal Program	1,519,775	1,522,549	2,774	2,101,098	5,759,395	3,949,201
Library books						
3104. Library Strategy Books & Resources	266,857	287,796	20,939	217,349	865,592	865,592
Computers and telecommunications						
3147. Parking Machines	-	-	-	331,078	-	-
4104. Security Program	-	-	-	-	40,000	-
4154. Various Locations People Counters	-	-	-	-	31,088	-
4162. CCTV Renewal Program	37,590	37,500	(90)	-	2,651,627	1,832,290
4223. Dandenong Library Book Sorter	231,173	250,000	18,827	-	250,000	-
4224. Dandenong Civic Ctr UPS Server	80,871	80,900	29	26,957	137,832	-
4262. AI-powered Chat Bot	73,972	74,000	28	791	250,000	-
Fixtures, fittings and furniture						
3314. Furn Renewal Community Hubs	35,956	40,742	4,786	-	162,970	162,970
3959. Emergency Relief Centre Equipment	21,904	24,804	2,900	131	29,010	-
4151. Public Art Renewal Program	11,805	-	(11,805)	4	-	-
4269. Library RFID Infrastructure Renewal	-	-	-	-	268,487	268,487
4270. Creative Studio Hub	1,200	21,960	20,760	-	26,352	26,352
4271. Community Hub Waste Wash Stations	-	-	-	-	12,497	12,497
4297. D'nong Civic Ctr Chamber Screen	-	-	-	-	43,065	43,065
4300. Furn Renewal Kitchen & Mechanical	69,370	69,400	30	31,806	625,000	625,000
4301. MCH Office Furniture	-	-	-	50,497	197,316	197,316
Total plant and equipment	2,350,473	2,409,651	59,178	2,759,711	11,350,231	7,982,770

INFRASTRUCTURE						
Parks, open space and streetscapes						
3027. Fencing Program (Active & Passive)	117,826	117,500	(326)	4,420	249,075	249,075
3147. Parking Machines	19,086	20,000	914	-	682,448	224,290
3173. Springvale Activity Ctr Wayfinding	-	-	-	-	117,000	117,000
3293. Heritage Archive Fencing & Gate	-	-	-	26,705	62,150	62,150
3442. NPR Noble Park Revitalisation	146,239	147,896	1,657	23,732	247,793	-
3835. Passive OS Signage	-	-	-	-	186,560	186,560
3847. Public Lighting Renewal Program	78,601	40,200	(38,401)	112,707	305,250	305,250
3849. Frederick Wachter Playground	-	-	-	-	34,471	-
3973. Signage Renewal Program	3,480	-	(3,480)	-	-	-
4012. Alex Wilkie Wetlands	78,109	112,568	34,459	68,327	331,425	-
4062. NPR Muderra Artwork	85,137	109,459	24,322	26,251	137,459	-
4066. George Andrews Field 2 Lighting	131,970	171,186	39,216	145	171,186	-
4075. Parking Meter Expansion	-	-	-	-	300,000	-
4079. Police Paddocks Pitch 3 Lighting	-	-	-	12,200	90,000	-
4119. Frederick Wachter Tennis Lighting	9,871	9,900	30	-	26,378	26,378
4124. Thomas Carroll West Oval Lighting	-	-	-	23,607	-	-
4151. Public Art Renewal Program	-	-	-	-	58,300	58,300

	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL MID YEAR BUDGET \$	ANNUAL ORIGINAL BUDGET \$
INFRASTRUCTURE						
Parks, open space and streetscapes						
4164. Dandy CBD LED Upgrade	95,676	61,228	(34,448)	26,900	122,456	-
4175. Springvale Revit ActPLAN	13,361	13,361	0	41	250,000	-
4191. Railway Parade Shopping Centre	1,659	3,036	1,377	-	7,595	-
4207. Noble Park Reserve Carpark & Picnic	5,600	39,250	33,650	4,750	39,250	-
4208. Warner Reserve Masterplan Implem.	-	-	-	57,128	60,212	-
4213. View Road Furn & Landscape	76,905	75,300	(1,605)	6,138	110,110	110,110
4234. Rosswood Tennis Lighting	162,101	162,100	(1)	8,101	368,338	-
4235. Greaves Res Oval 4 Lighting	103,989	141,107	37,118	12,627	141,107	-
4274. Doris Res - Local Pk Furn & LndScp	32,733	32,700	(33)	-	86,130	86,130
4277. JC Mills Reserve Hockey Lighting	6,890	-	(6,890)	-	24,420	24,420
4278. Fotheringham Reserve Lighting	1,800	1,800	-	-	23,320	23,320
4281. WJ Turner Reserve Floodlighting	160,622	147,000	(13,622)	32,040	327,904	327,904
4290. Fotheringham Reserve LED Lighting	3,603	-	(3,603)	286,631	-	-
4304. Passive OS Furniture & BBQs	98,577	98,845	268	73,234	215,710	215,710
4305. Ian Tatterson Wayfinding	-	-	-	9,030	183,150	183,150
Recreational, leisure and community facilities						
1679. Parkfield Reserve Master Plan	92,316	134,967	42,651	106,040	314,921	-
1859. Rowley Allan Res Masterplan Implem.	-	-	-	-	30,000	-
3209. Active Reserve Prog Facilities	83,528	78,500	(5,028)	15,847	126,308	126,308
3211. Passive OS Sofffall & Rubber	238,297	238,300	3	206,808	513,040	513,040
3406. Fotheringham Cricket Wicket	-	-	-	25,000	146,080	146,080
3506. Greaves Reserve Cricket Wicket	-	-	-	67,223	71,940	71,940
3586. Booth Reserve(Clou St)	2,000	2,000	-	8,800	36,080	36,080
3631. Dandenong Park Masterplan Implem	20,460	29,454	8,994	16,384	44,180	-
3684. Warner Reserve Cricket Wicket	53,679	53,679	-	31,451	146,080	146,080
4120. Ross Reserve Athletics Track	-	-	-	8	-	-
4125. Greaves Reserve Masterplan	-	-	-	-	14,593	-
4158. Springvale Reserve Netball	80,340	80,000	(340)	-	80,000	-
4233. Greaves Res Fit Playgrd Rec'n Zone	-	-	-	16,393	-	-
4275. JC Mills Res Hockey Field & Fence	28,110	18,000	(10,110)	25,790	95,436	95,436
4276. Rowley Allan Coaches Box	24,494	24,500	6	-	46,600	46,600
4280. Greaves Reserve Recreation Infra.	5,575	-	(5,575)	946,915	964,917	964,917
4282. Warner Reserve Sth Soccer Field	4,300	4,300	-	69,951	212,227	212,227
4285. Greaves Reserve Coaches Boxes x 6	64,900	-	(64,900)	-	-	-
4292. Ross Res. Athletics Shade Struct's	12,657	-	(12,657)	-	-	-
4303. Passive OS Playground Risk	125,097	102,500	(22,597)	-	123,200	123,200
Roads						
3099. Road Signs, Linemark & Improvemts	170	-	(170)	-	154,050	154,050
3231. Road Reconstruction Program	2,627,482	2,627,738	256	2,468,500	5,309,761	2,757,300
3373. Kerb & Channel Renewal	18,174	18,200	26	913	239,300	239,300
3404. Black Spot - Brady Rd, Dandenong	42,643	42,650	8	8,040	365,797	-
3752. Roads to Recovery Prg	403,669	353,670	(49,999)	470,767	1,891,400	1,831,496
3753. Road Resurfacing Program	594,115	595,000	885	497,292	6,147,840	6,147,840
3754. Road Rehabilitation Program	-	-	-	54,872	-	-
3931. Guardrail Renewal Program	-	-	-	-	211,250	211,250
3992. DCP Perry Rd Stage 3 (KR01c)	237,374	240,000	2,626	3,866,123	6,715,596	6,715,596
4064. NPR Laneway Activation P	-	-	-	173	-	-
4138. LATM Renewal Program	77,067	77,067	0	-	200,000	200,000
4187. Black Spot Prog.- Hammond Rd Lodgjs	-	-	-	21,750	82,454	-
4189. Black Spot Prog.-View Rd, S/Vale	9,151	39,311	30,160	2,315	52,414	-
4225. Dandenong Market Road Safety	54,320	64,791	10,471	21,620	86,386	-
4257. Safe Local - McCrae St Dandenong	14,920	15,000	80	102,166	2,252,500	2,252,500
4258. Blackspot Dandenong	-	-	-	-	3,876,000	3,876,000
4261. IP43 Road Safety Infrastructure	9,948	10,000	52	3,571	1,388,585	1,388,585
4273. Minor Civil Engineering Design Prog	-	-	-	-	87,450	87,450
4302. Road Renewal (Complex) Program	-	-	-	-	606,320	606,320
4309. LXRFP Fowler Road	-	-	-	-	350,000	-

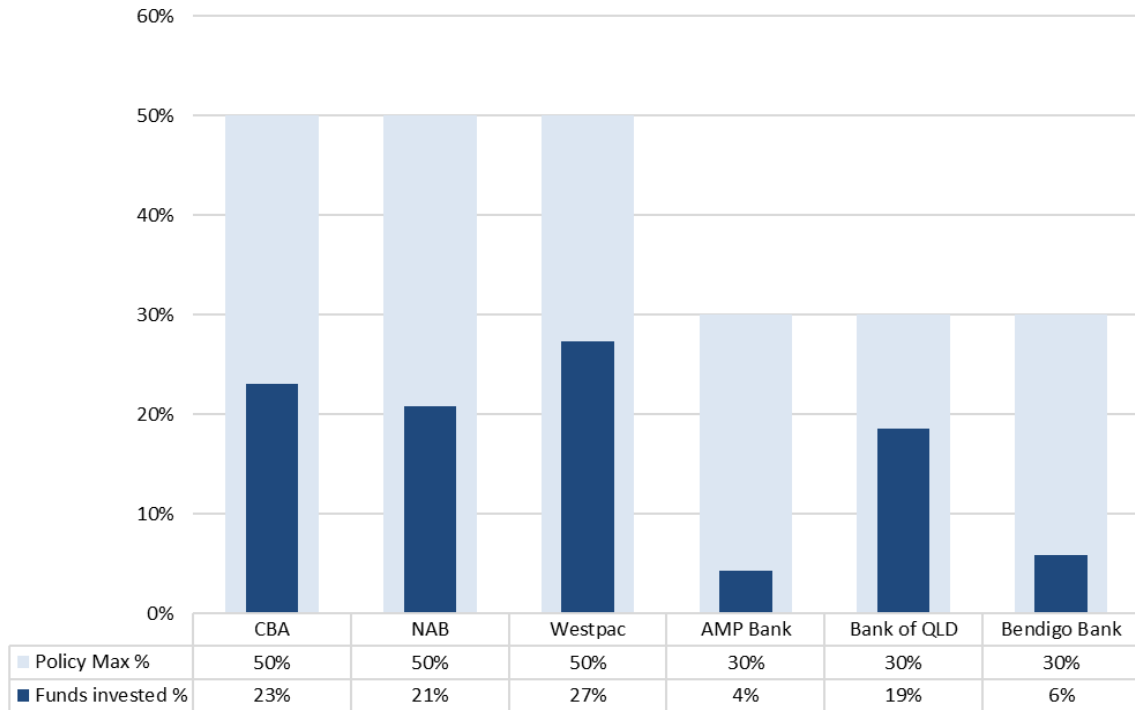
	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL MID YEAR BUDGET \$	ANNUAL ORIGINAL BUDGET \$
INFRASTRUCTURE						
Bridges						
3185. Bridge & Boardwalk Program	-	-	-	-	261,850	261,850
Footpath and cycleways						
3134. Palm Plaza	364	-	(364)	-	239,800	239,800
3355. Footpath Renewal Program	1,314	1,000	(314)	-	537,325	537,325
4250. LXP Fowler Rd Footpath	21,860	-	(21,860)	350,027	750,000	-
4308. LXP Sth Gipps Path	-	-	-	-	99,900	-
Off street car parks						
4003. Springvale Res Masterplan Implem.	-	-	-	-	12,230	-
4186. D'nong Market Struct Rectification	65,218	61,158	(4,060)	32,537	203,855	-
4272. Off Street Car Park Renewal	7,051	7,000	(51)	-	119,405	119,405
4306. Burden Park Southern Carpark	9,187	8,700	(487)	-	179,190	179,190
4307. Noble Park Reserve Carpark Aenone	6,395	6,400	5	-	179,190	179,190
Drainage						
3269. Rowley Allen Pav. Oval Interface	8,364	8,000	(364)	5,000	301,968	301,968
4010. LRC12 Callander Road	6,950	7,000	50	2,750	276,444	-
4226. Drainage Renewal Works Program	106,016	106,000	(16)	130,720	1,097,800	1,097,800
4227. Drainage Reactive Works Program	448,265	471,800	23,535	3,256	699,600	699,600
Total infrastructure	7,039,602	7,031,121	(8,481)	10,393,715	42,900,459	34,765,470

CIP Glossary

Abbrev.	Description
AI	Artificial Intelligence
CBD	Central Business District
CCTV	Closed-Circuit Television
DCP	Development Contributions Plan
DDA	Disability Discrimination Act
HVAC	Heating, Ventilation and Air Conditioning
LED	Light-Emitting Diode
LRCI	Local Roads Community Infrastructure
MCH	Maternal and Child Health
NP	Noble Park
NPAC	Noble Park Aquatic Centre
NPR	Noble Park Revitalisation
OS	Open Space
PEP	Precinct Energy Plant
UPS	Uninterruptible Power Supply

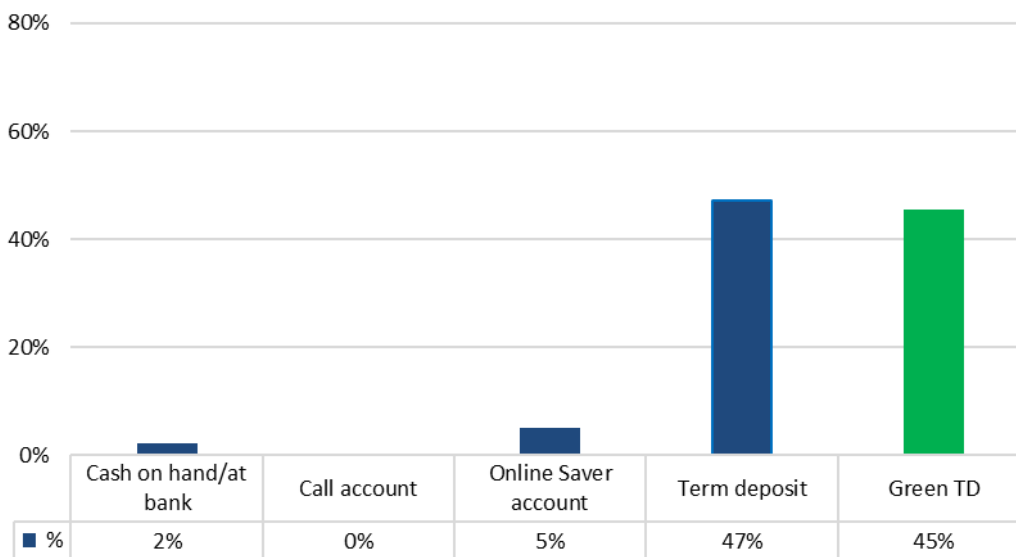
APPENDIX 2 – INVESTMENT ANALYSIS

Individual Institution (ADI) limits



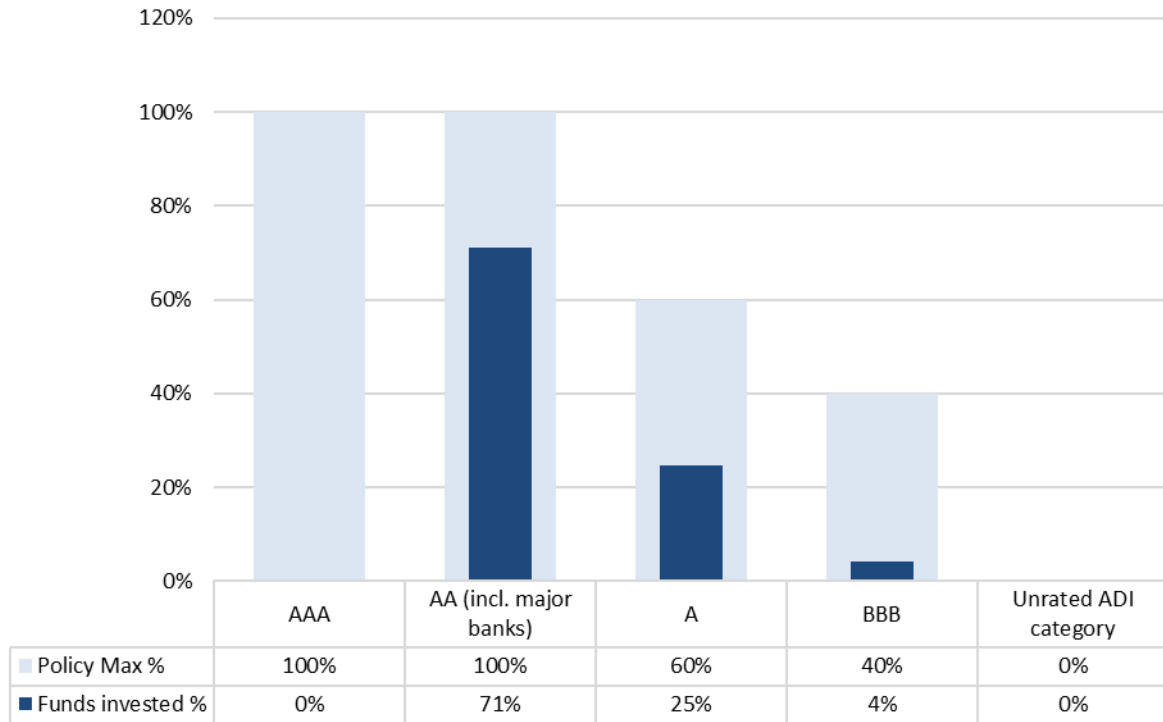
Policy limit – AAA category bank max. 60%, AA category or major bank 50%, A category bank max. 40%, BBB category bank max. 30%, Unrated ADI category bank 0%.

Portfolio Products

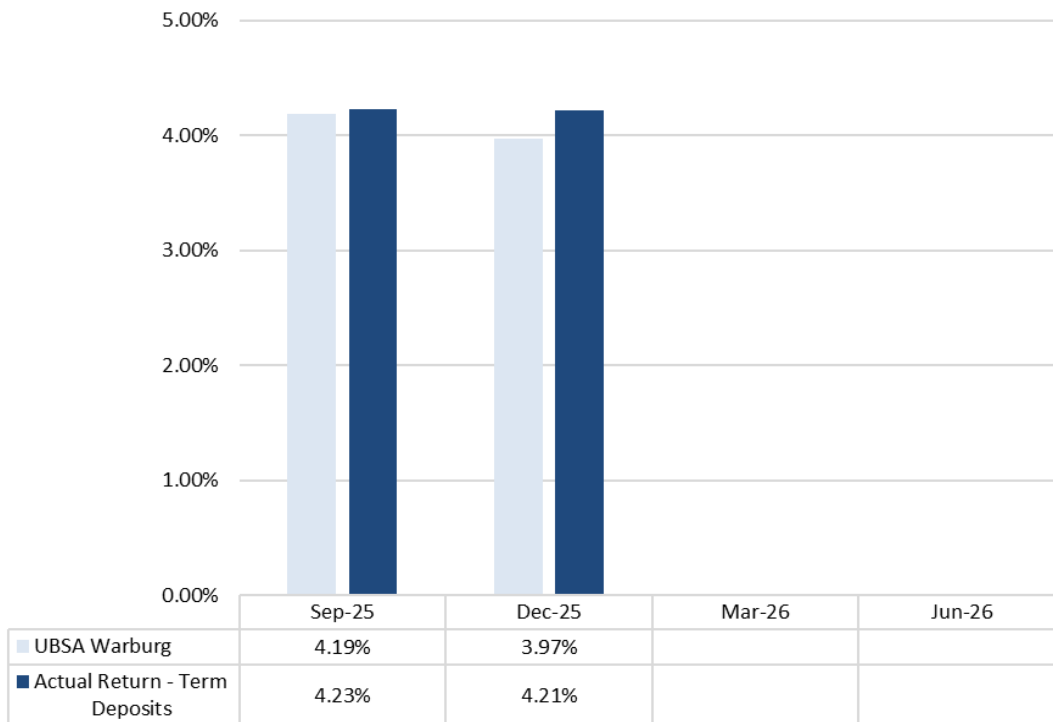


Note re Green deposits: 45% (or \$104.7 million) was invested at 31 December 2025. These investments are certified against Climate Bonds Initiative – Climate Bonds Standard, the same certification as green bonds. Investments held with Bendigo Bank fall under this category as this institution does not invest in fossil fuels.

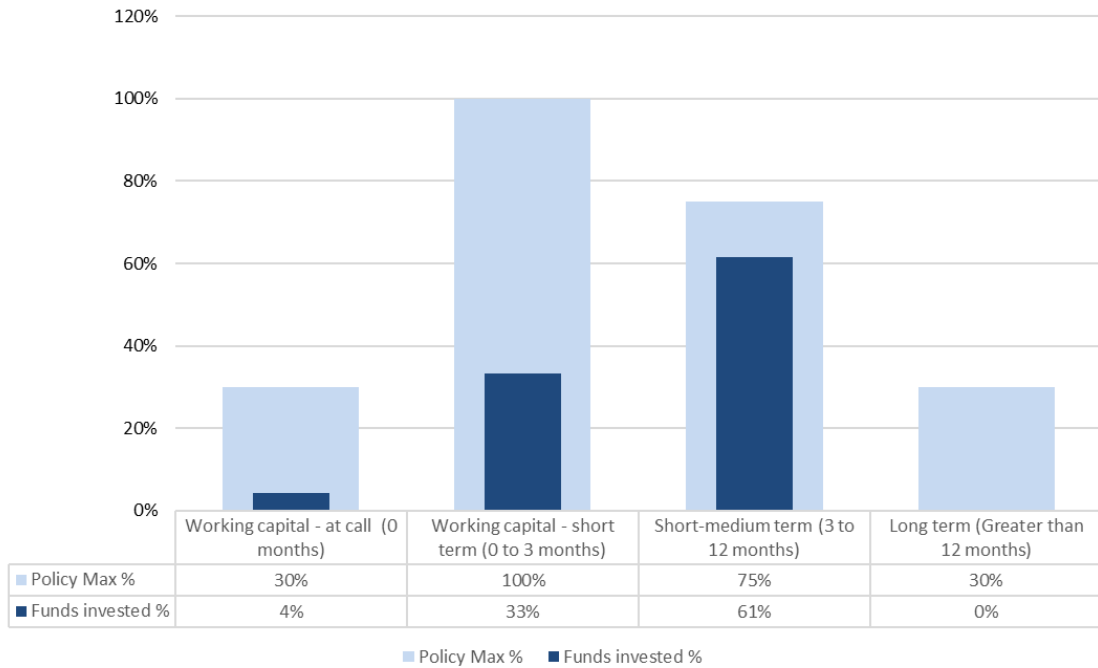
Investment portfolio by credit rating



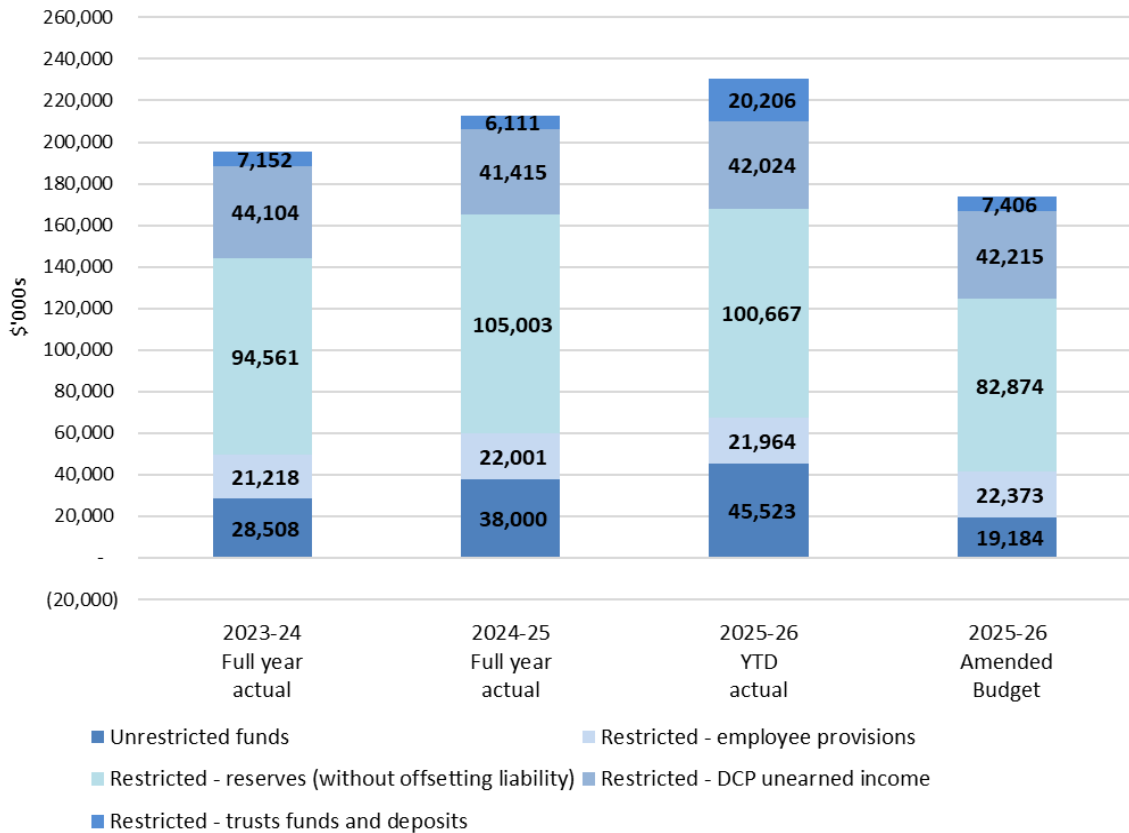
Benchmark Indicator - Term/Green Deposits



Maturity Targets



Restricted and unrestricted cash balances



Note – the unrestricted cash balance at 31 December 2025 does not reconcile to the Statement of Cash Flows for the purposes of the above graph as the term deposits over 90 days classified as ‘financial assets’ have also been included as cash here.

APPENDIX 3 – DIRECTORATE ANALYSIS

Total Operating Results by Directorate

	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income					
Chief Financial Office	116	105	11	576	576
Customer & Information Office	61	61	-	131	-
Strategy & Corporate Services	763	774	(11)	1,701	1,639
City Futures	25,742	25,473	269	51,920	51,411
Community Strengthening	14,726	14,525	201	29,936	27,248
Non-Directorate ^(a)	89,278	89,239	39	179,964	185,421
Capital Works Program	3,622	3,601	21	30,857	22,032
Total income	134,308	133,778	530	295,085	288,327
Expenses					
Chief Executive Office	422	384	(38)	768	768
Chief Financial Office	2,251	2,565	314	5,345	5,290
Customer & Information Office	6,652	6,833	181	12,395	11,517
Strategy & Corporate Services	9,270	9,224	(46)	16,950	16,200
City Futures	46,401	50,520	4,119	114,150	111,344
Community Strengthening	30,924	32,896	1,972	69,031	61,050
Non-Directorate ^(a)	30,859	26,661	(4,198)	60,376	56,356
Total expenses	126,779	129,083	2,304	279,015	262,525
Net surplus (deficit)	7,529	4,695	2,834	16,070	25,802

Notes

(a) Non-Directorate includes non-attributable items such as rates income, Emergency Services Volunteer Fund (ESVF) developer's contributions, interest income, non-monetary assets, finance costs and depreciation. The \$4.2 million unfavourable variance in Non-Directorate is due to two fixed asset accounting entries that do not impact on Council's cash result:

- 'Asset write offs' (\$3.86 million) which represent asset renewal and replacement as part of capital work projects and renewal programs. Refer to Note 14 of this report for further details.
- 'Prior year capital expenditure unable to be capitalised (non-cash)' of \$364,000 which represents works in progress (prior year capital expenditure) that is not able to be capitalised to the asset register because it is not capital in nature, does not meet the capitalisation threshold or relates to non-Council owned assets. Refer to Note 13 of this report for further details.

General note: Total income and total expenditure may differ to the operating result presented earlier in this report due to the treatment of proceeds from asset sales and associated written down value.

CEO Directorate

	YTD ACTUAL	YTD BUDGET	YTD VARIANCE	ANNUAL MID YEAR BUDGET	ANNUAL ORIGINAL BUDGET
Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses					
Employee costs	361	330	(31)	664	664
Materials and services	59	52	(7)	102	102
Other expenses	2	2	-	2	2
Total expenses	422	384	(38)	768	768
Net surplus (deficit)	(422)	(384)	(38)	(768)	(768)

No notes / comments required for this directorate.

Chief Financial Office Portfolio

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Statutory fees and fines		81	56	25	112	112
User fees		2	1	1	3	3
Other income		33	48	(15)	461	461
Total income		116	105	11	576	576
Expenses						
Employee costs	1	1,794	2,085	291	4,223	4,223
Materials and services		455	479	24	1,118	1,063
Other expenses		2	1	(1)	4	4
Total expenses		2,251	2,565	314	5,345	5,290
Net surplus (deficit)		(2,135)	(2,460)	325	(4,769)	(4,714)

Expenditure

Note 1 **Employee costs (\$291,000 favourable)** – Due to delay in recruitment of vacant positions (Procurement \$238,000). Recruitment has been finalised, and onboarding will occur in December and January. This variance is expected to resolve by year end.

Customer and Information Office Portfolio

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Grants - operating		61	61	-	131	-
Total income		61	61	-	131	-
Expenses						
Employee costs	2	2,832	2,939	107	5,966	5,726
Materials and services	3	3,515	3,589	74	5,800	5,162
Other expenses		305	305	-	629	629
Total expenses		6,652	6,833	181	12,395	11,517
Net surplus (deficit)		(6,591)	(6,772)	181	(12,264)	(11,517)

Expenditure

Note 2 Employee Costs (\$107,000 favourable) – Due to delay in recruitment of vacant positions (Call and Service Centre \$64,000 and Digital Technology Executive \$49,000).

Note 3 Materials and services (\$74,000 favourable) – Primarily due professional services digitisation of building permits (Records Management \$48,000)

Strategy and Corporate Services Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
User fees		10	4	6	9	9
Grants - operating		20	20	-	170	150
Contributions - monetary		66	63	3	63	-
Other income		667	687	(20)	1,459	1,480
Total income		763	774	(11)	1,701	1,639
Expenses						
Employee costs		4,995	5,007	12	10,061	9,784
Materials and services	4	3,885	3,789	(96)	6,017	5,586
Other expenses		390	428	38	872	830
Total expenses		9,270	9,224	(46)	16,950	16,200
Net surplus (deficit)		(8,507)	(8,450)	(57)	(15,249)	(14,561)

Expenses

Note 4 **Materials and services (\$96,000 unfavourable)** – Due to higher than anticipated software maintenance, claims and professional services to date (Empowering Communities \$58,000, People & Change Executive \$28,000, Strategic Communication and Engagement \$20,000).

City Futures Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Rates and charges		14,014	14,026	(12)	28,424	28,425
Statutory fees and fines		6,269	6,245	24	12,623	12,623
User fees	5	3,917	3,512	405	6,139	6,139
Grants - operating		687	658	29	899	575
Asset sales		275	305	(30)	847	847
Other income	6	580	727	(147)	2,988	2,802
Total income		25,742	25,473	269	51,920	51,411
Expenses						
Employee costs	7	19,576	20,555	979	42,730	40,777
Materials and services	8	26,057	29,138	3,081	69,054	68,501
Bad and doubtful debts		630	674	44	1,606	1,606
Carrying amount of assets sold		3	24	21	60	60
Other expenses		135	129	(6)	700	400
Total expenses		46,401	50,520	4,119	114,150	111,344
Net surplus (deficit)		(20,659)	(25,047)	4,388	(62,230)	(59,933)

Income

Note 5 User fees (\$405,000 favourable) – Mainly due to better than anticipated ticket machine income to date due to reduced availability in some non-council car parks, because of ongoing (Parking Infrastructure Management \$313,000). Plus, higher than anticipated fee income (Health \$69,000 and Statutory Planning \$50,000)

Note 6 Other income (\$147,000 unfavourable) – Mainly due to lower than anticipated Container Deposit (Waste Management \$133,000).

Expenses

Note 7 Employee costs (\$979,000 favourable) – Due mainly to the delay in recruitment of vacant positions as well as the timing gap between recruitment of vacant positions commencing and onboarding occurring (Statutory Planning \$239,000, Active Parks \$225,000, General Law Enforcement \$200,000, Waste Management \$150,000, Strategic and Environmental Planning \$102,000, Parks Executive \$99,000, Parking Management \$89,000, Community Amenity Administration \$86,000, City Presentation \$77,000, Health \$77,000, Urban Forest \$62,000, and Roads and Drains \$55,000).

This favourable variance is partially offset by higher salaries temporary agency costs and staff departures from department restructures and retirement (Building \$237,000, Transport \$169,000, Building and Maintenance \$101,000, and Growth and Investment \$52,).

Note 8 **Materials and services (\$3.08 million favourable)** – Lower expenditure to date across several areas including:

- Building Maintenance (\$934,000) – Variance due to the largely reactive nature of building maintenance services. Due to the Christmas period some invoices were not received from contractors.
- Roads and Drains (\$726,000) - Delayed start of maintenance programs following the July/August implementation of the new Works Management System (WMS). Maintenance programs are now fully functioning, and the variance is expected to reduce over the coming months.
- City Presentation (\$406,000) - Due to the recent restructure, there has been a delay in progressing some work. More work has been scheduled for Q3 and Q4.
- Waste Management (\$335,000) - Lower tonnages across the three main waste streams including domestic garbage, Food Organics Garden Organics (FOGO) and comingled recycling.
- Active Parks (270,000) – Mainly due to time taken to implement the new structure and lower than anticipated water use. It is expected over summer water consumption will increase.
- Building Disposal Program (243,000) - Due to lower than anticipated contract costs for PEP
- Cleansing (\$220,000) - Lower expenditure for graffiti removal, stained footpath cleaning and dumped rubbish.
- Keysborough Community Hub (\$165,000) – The new facility is now open to the public, with costs to date coming in below budget estimates.
- Strategic & Environmental Planning – Due to lower than anticipated consultant expenditure

The favourable variance is partially offset by higher volume of reactive pruning, root barrier investigation works, consultant inspections for private tree applications, additional tree removals under the block proactive program, and extra work identified through Council's parks facilities audit (Urban Forest \$406,000)

Community Strengthening Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
User fees	9	1,578	1,520	58	3,270	3,270
Grants - operating		11,870	11,899	(29)	24,669	22,019
Other income	10	1,278	1,106	172	1,997	1,959
Total income		14,726	14,525	201	29,936	27,248
Expenses						
Employee costs	11	20,562	22,279	1,717	49,234	42,598
Materials and services	12	8,945	9,171	226	16,931	15,887
Bad and doubtful debts		1	-	(1)	9	9
Other expenses		1,416	1,446	30	2,857	2,556
Total expenses		30,924	32,896	1,972	69,031	61,050
Net surplus (deficit)		(16,198)	(18,371)	2,173	(39,095)	(33,802)

Income

Note 19 User fees (\$58,000 favourable) – Mainly due to higher than anticipated income from fees and sales (Food Services \$36,000, Drum Theatre \$35,000, Family Day Care \$32,000 and Immunisation \$25,000).

The favourable variance is partially offset by lower than anticipated fees to date (Home and Community Care \$31,000 and HACC – Home Maintenance \$32,000).

Note 10 Other income (\$172,000 favourable) - Due to higher rental, venue hire and recovery income (The Drum Theatre \$109,000, Civic Facilities \$102, Senior Citizen facilities \$23,000 and Jan Wilson Community Centre \$19,000).

The favourable variance is partially offset by lower rental income (Sports Planning \$92,000)

Expenses

Note 11 Employee costs (\$1.72 million favourable)

Community Strengthening Directorate	2025-26 Variance Fav/(unfav) \$	Grant Funded Programs \$	Offset by Lower Income \$	2025-26 Potential Underspend/ (overspend) \$
COMMUNITY CARE	469,738	-	237,665	232,073
COMMUNITY STRENGTHENING EXECUTIVE	(34,549)	-	-	(34,549)
COMMUNITY WELLBEING	1,361,019	856,785	-	504,234
SAFE, ACTIVE & CONNECTED COMMUNITIES	(31,068)	-	-	(31,068)
CREATIVE AND ENGAGED CITY	(47,496)	-	-	(47,496)
Grand Total	1,717,644	856,785	(237,665)	623,194

The \$1.72 million favourable variance at the end of the second quarter comprises:

- \$857,000 (50%) relates to grant funded programs which represent a future obligation and require an acquittal, caused mainly by a delay in recruitment (Child First \$227,000, Children’s Services Grants \$156,000, Playgroups Initiative \$123,000, Pre-School Field Officer \$121,000, Harm Prevention \$83,000, and Enhanced Maternal and Child Health Program \$75,000).
- \$2378,000 in Community Care is offset by lower income due to actual target achievement and service levels. This is due to ongoing resourcing challenges combined with an ageing workforce on limited duties or Workcover.
- The remaining \$623,000 favourable variance is due to delays in recruitment of vacant positions as well as the timing gap between recruitment of vacant positions commencing and onboarding occurring, in the following areas:
 - Library and Information Services (\$199,000)
 - Children Support Services (\$176,000)
 - HACC – Home Maintenance (\$165,000)
 - Maternal and Child Health (\$132,000)
 - Family Day Care (\$65,000)
 - HACC – Co-ordination (\$61,000)

The favourable variance is partially offset by higher than anticipated casual salaries (Cultural & Community Hubs \$130,000)

Note 12 Materials and services (\$226,000 favourable) – Due to lower than anticipated performance fees and special project costs (Experiences and Partnerships \$125,000) and lower Family Day Care educator payments offset by higher income (Family Day Care \$119,000). This favourable variance is partially offset by higher than anticipated professional fees (Maternal Child and Health \$67,000)

Non-Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Rates and charges		79,333	79,313	20	156,275	155,575
Statutory fees and fines		123	97	26	97	70
Grants - operating		3,560	3,560	-	7,119	14,056
Contributions - monetary		1,523	1,525	(2)	2,000	2,000
Contributions - non-monetary		-	-	-	7,500	7,500
Other income		4,739	4,744	(5)	6,973	6,220
Total income		89,278	89,239	39	179,964	185,421
Expenses						
Employee costs		8	9	1	1,471	2,156
Materials and services		281	292	11	619	519
Prior year capital expenditure unable to be capitalised (non- Depreciation	13	364	-	(364)	-	-
Amortisation - right of use assets		24,231	24,231	-	53,229	48,481
Borrowing costs		357	357	-	715	715
Finance costs - leases		1,368	1,368	-	3,793	3,936
Asset write offs	14	-	-	-	57	57
Other expenses		3,855	-	(3,855)	-	-
		395	404	9	492	492
Total expenses		30,859	26,661	(4,198)	60,376	56,356
Net surplus (deficit)		58,419	62,578	(4,159)	119,588	129,065

Note - Non-Directorate includes non-attributable items such as rates income, fire services levy payable on Council properties, developer's contributions, interest income, gifted assets, carrying amount of assets disposed/written off and finance costs.

Expenses

Note 13 Prior year capital expenditure unable to be capitalised (non-cash) (\$364,000 unfavourable) – Due to prior year capital expenditure included in works-in-progress being non-capital in nature, not meeting capitalisation thresholds or relating to non-council owned assets (Corporate Accounting \$364,000).

- \$135,000 of capital works that were below the capitalisation threshold that predominantly relates to asset class Fixtures, Fittings and Furniture, and Roads - Surface.
- \$65,000 relates to non-council assets works (streetlights owned by United Energy) undertaken during Road Resurfacing works at Railway Parade, Noble Park.
- \$54,000 was spent on repairs and maintenance, predominantly for Recreational, Leisure and Community Facilities, however, these expenses are closely monitored.
- \$21,000 also relates to Studies/Surveys/Concepts that relates to concept design belongs to asset class Fixtures, Fittings and Furniture, Recreational, Leisure and Community Facilities and Road Surface.
- \$55,000 relates to operational services that was included in the capital works and mainly relates to Road Surface and Drainage asset class.

Note 14 **Asset write offs (\$3.86 million unfavourable)** – Arising mainly from disposals, asset renewal and replacement works as part of capital work projects. This item is not budgeted as it is difficult to predict and is a non-cash accounting entry (Corporate Accounting \$3.86 million). Year to date result mainly relates to:

- Replacement of assets as part of Council’s capital renewal programs for infrastructure and building assets totals approximately \$2.7 million.
- Infrastructure asset write-offs amounting to \$58,000 are due to incorrect mapping and duplicate assets that were previously recognised in the Asset Register.
- Assets valued at \$432,000 from the asset classes Recreational, Leisure and Community Facilities, Footpaths and Cycleways and Drainage assets have now been transferred to non-Council assets as advised.
- Additionally, assets worth \$64,000 from Parks, Open Space and Streetscapes were not found on site and old building sheds and stores totalling of \$236,000 from Heyington Crescent (61-63) Noble Park North has therefore been written off.

Capital Works Program

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL MID YEAR BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Grants - capital		3,553	3,532	21	25,411	20,870
Contributions - monetary		69	69	-	5,446	1,162
Total income		3,622	3,601	21	30,857	22,032
Net surplus (deficit)		3,622	3,601	21	30,857	22,032

No notes / comments required for this directorate.