

Draft Budget

2024–25



Borough of Queenscliffe
Queenscliff & Point Lonsdale, Victoria, Australia

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CEO's introduction

Following the introduction of rate capping in 2016, Council has worked hard to prepare annual budgets that ensured long term financial sustainability, provided for investment in our assets and addressed the community expectations for service provision.

Each year, achieving this balance is increasingly difficult. In recent years the rate cap has been set below the official inflation rate and well below the increase in material, services and construction costs. The cost of running the organisation has outstripped the revenue Council receives, and the income required to maintain long term financial sustainability. Council has managed this gap over recent years by consistently looking internally, finding operating efficiencies and managing work within existing resources.

This year the Borough of Queenscliffe has reached a turning point. The cost of the external financial influences on our budget has risen beyond the savings we have been able to find in our recurring operational budgets over the last few years. This year, the anticipated rise in costs related to the outdoor services contract and municipal building surveyor services has had to be mitigated by projected cost-saving measures, such as restructuring our staff resources, which will impact service levels.

These cost-saving measures have a number of key influences on our draft 2024–25 budget.

The first important and positive outcome is that we are still forecasting a breakeven underlying result on a recurring basis. This ensures our financial sustainability and presents the new Council in October with a good financial foundation for the next Council term.

The second outcome is that Council is not planning to include any new capital projects in the 2024–25 financial year. This is not a reflection of our overall cash position, which remains positive, but it does reflect the reduction in resource capacity required to ensure Council maintains a breakeven operation position.

The following papers describe in detail the draft budget. The paper describes the expenses and income anticipated for 2024–25, the influences on our budget, the overall cash position, and the projects Council plans to undertake.

It is a very responsible budget that proactively addresses the financial challenges impacting the local government sector in Victoria. It also recognises that in October this year our community will elect a new Council, and a breakeven budget will give the new Council a solid foundation to commence a new term and renewed Council Plan.

Council welcomes your feedback on the draft budget.

Martin Gill
Chief Executive Officer

Executive summary

2021–2025 Council Plan

Council has prepared a budget for the 2024–25 financial year that aligns with the vision in the current Council Plan. This vision focuses on the following five key strategic objectives:

1. To support community wellbeing and encourage an active lifestyle;
2. To protect our environment and address climate change issues;
3. To support a prosperous and diverse local economy;
4. To protect our distinctive coastal, cultural and built environment, and provide sustainable, suitable infrastructure; and
5. To provide a financially viable Council that is accountable, transparent and practices good governance.

2024–25 Draft Budget

The budget sets out and details the resources required over the next year to fund the range of services Council provides to the community. It includes details of capital expenditure allocations to be spent on improving and renewing Council's physical and operational assets, and details of the allocations which fund a range of operating projects.

Given the prevailing economic conditions, local councils face numerous layers of financial and budgeting challenges. Inflation remains higher than the Reserve Bank of Australia's target range of 2% to 3%. This persistent upward trend in costs directly affects numerous council activities, from procurement of materials and services to employee wages. Striking the right balance between providing essential services and adhering to budget constraints within a capped rates environment becomes increasingly difficult.

Therefore, the draft budget is prepared and based on several assumptions about the economic conditions and how they will affect the operation of the Borough. These assumptions will be refined and adjusted in quarterly forecast previews as they emerge.

In the 2024–25 draft budget, a breakeven underlying result is forecasted on a recurring basis. The anticipated rise in costs related to the outdoor services contract and municipal building surveyor services has been mitigated by projected cost-saving measures, particularly through staff resource restructuring. As part of delivering a breakeven budget, Council is committed to undergoing a value management process for its key contracts. However, such a process and the projected reduction in staff resources might affect the current service levels provided by the Council.

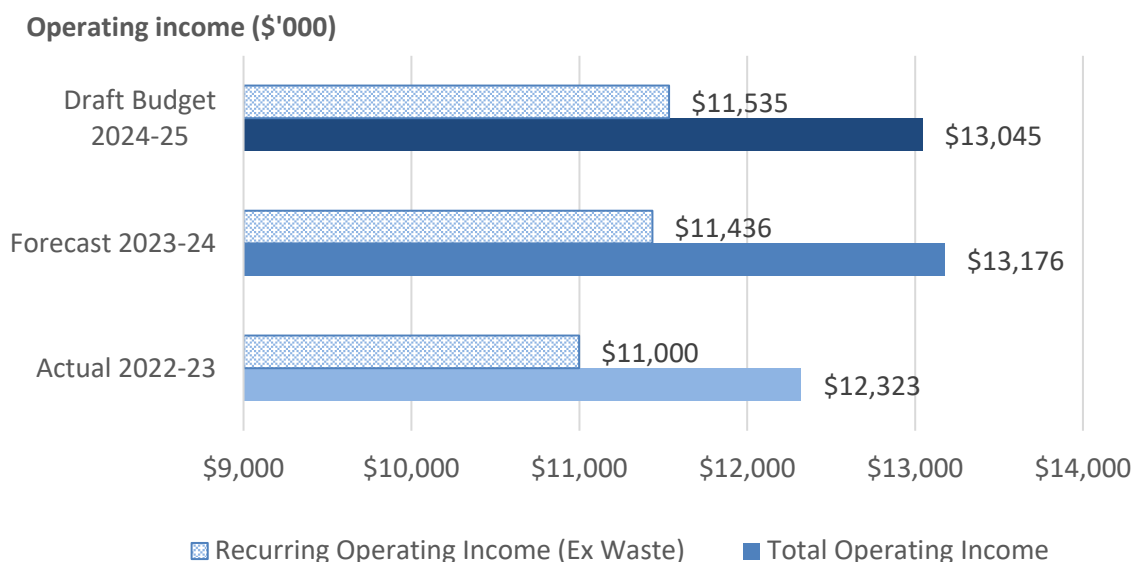
In the 2024–25 draft budget, Council has not identified any priority capital project other than annual asset renewal allocations. Since the overall expenditure on asset renewal and upgrade projects falls short of the yearly depreciation expenses, the draft budget suggests transferring the shortfall to asset renewal reserves. This measure aims to ensure sufficient funds are available to meet future demands for asset renewal.

On a cash basis, the Budget is a balanced budget with a zero-debt balance sheet after transferring cash surplus of \$77,000 to the general reserve for future use. Despite the inflationary pressures on materials, goods and services, the Budget does not draw any funds from the general reserve. However, Council has earmarked \$300,000 to be drawn, if requested, from the general reserve following the decision at its ordinary Council meeting in February 2024 to make a contingent financial commitment to the Ballara Deakin Trust. Key items in the 2024–25 budget have been detailed below.

Operating Income

The budget indicates a decline of 1.0% (\$132,000) in total operating income compared to the 2023–24 financial year. However, the operating income for the 2023–24 financial year is misleading due to the early receipt of 2023–24 Financial Assistance Grants (FAGs) in 2022–23. Further, operating income for 2023–24 includes \$1,050,000 of non-recurring operating grants.

Excluding the accounting profit from the sale of assets, waste management charges, non-recurring grants and allocating FAGs to years to which they relate, there is a \$119,000 (1.0%) increase in recurring operating income (represented by data series with pattern fill in the below chart).



Rates

The budget includes a rate increase of 2.75%. This is in line with the State Government’s rate capping framework, which has capped rate increases by Victorian councils. The additional income estimated from the rate increase is \$200,000 (annualised basis). The total rates income for 2024–25 is estimated to be \$7,462,000.

Waste management charges

The income from waste management charges is estimated to increase by \$256,000 in 2024–25 to \$1,537,000. Council operates a full cost recovery strategy for waste services. Council has previously phased the recovery of direct employee costs associated with the standard kerbside waste services. The shortfall has previously been temporarily financed through the unallocated cash reserve (general reserve) of the Borough. From 2024–25 onwards the direct employee costs are to be recovered in line with Councils full cost recovery strategy.

The projected increase in waste management charges for a residential property is \$82.00 in 2024–25.

User fees

The fees from Council’s tourist parks contribute the largest portion of the user fees budget, with a total anticipated income from tourist parks of \$1,835,000 for the 2024–25 financial year with an estimated increase of \$57,000. The increase in the income from tourist parks is mainly due to the proposed increase in tariff by CPI (3.2% at the time of drafting the budget).

Operating grant

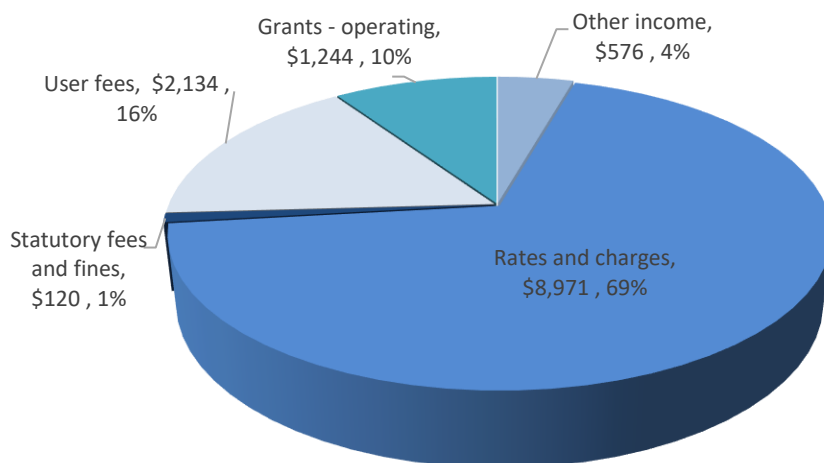
The total operating grant income for 2023–24 was overstated due to the inclusion of \$1,050,000 of non-recurring operating grants. There are \$nil non-recurring operating grants included in draft budget for 2024–25. The 2023–24 overstatement is partially offset by the early receipt of 2023–24 FAGs in prior years. When allocating the FAGs to the financial years to which they relate to and excluding non-

recurring operating grants, there is a \$24,000 decline in operating grants for 2024–25, due to an expected reduction in the state Aged Care Assessment Services grant.

Other income

Overall other income shows a decline of \$62,000 to \$576,000 in 2024–25, due to an anticipated decrease in interest rate income earned on investments. This is in line with the expected decrease in the cash rate set by the Reserve Bank of Australia.

Sources of operating income (\$'000)

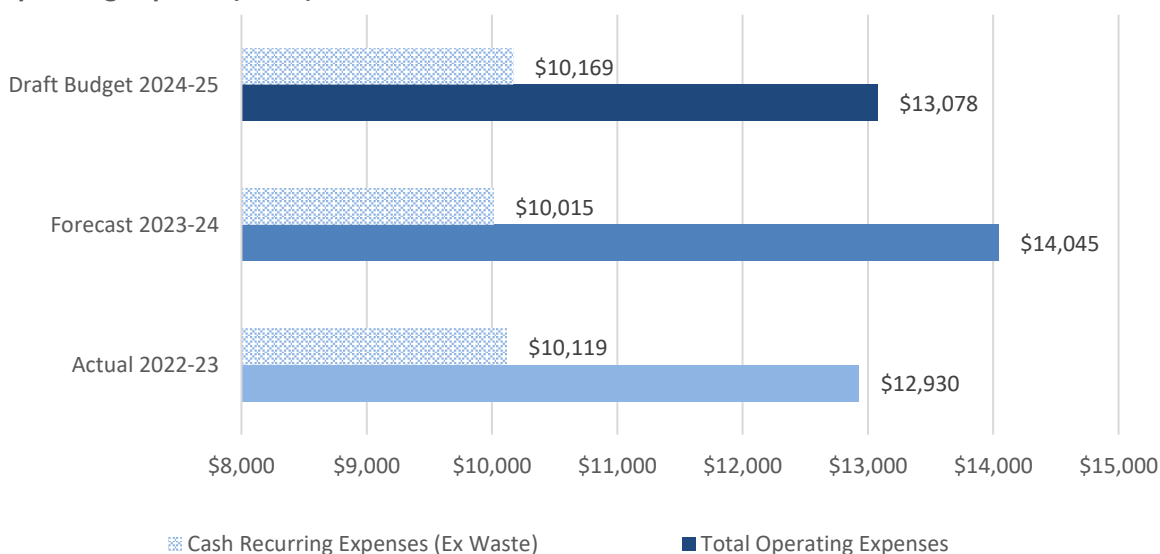


Operating Expenses

The draft budget projects a reduction of 6.9% (\$967,000) in total operating expenses compared to the 2023–24 financial year.

However, excluding non-recurring expense items, depreciation and waste management expenses (linked to waste management charges under the full cost recovery strategy), there is a \$155,000 (1.5%) increase in recurring operating expenses (ongoing basis) in the draft 2024–25 budget compared to the forecasted total operating expenses on the same basis for 2023–24 (represented by data series with pattern fill in the below chart).

Operating expense (\$'000)



Employee cost

In 2024–25, employee costs will rise by \$63,000 (1.2%). Despite increases from factors like the EBA (2.25%) and super guarantee (0.5%), restructuring due to natural attrition is expected to yield significant savings. Employee costs for 2023–24 were underestimated due to ongoing vacancies, but excluding these, 2024–25 costs are projected to match the previous year’s budget. Additionally, restructuring and attrition are forecasted to reduce staff resources by 1.9 FTEs compared to the 2023-24 budget.

Materials and services

Materials and services are projected to decrease by \$1,065,000 (16%) compared to the 2023–24 financial year. However, when excluding waste management costs and non-recurring operating expenses, there is a modest increase of 1.2% (\$50,000) in recurring expenses. The expected substantial increase in costs associated with the outdoor services contract and municipal building surveyor services has been largely offset by anticipated savings in other expense categories within materials and services.

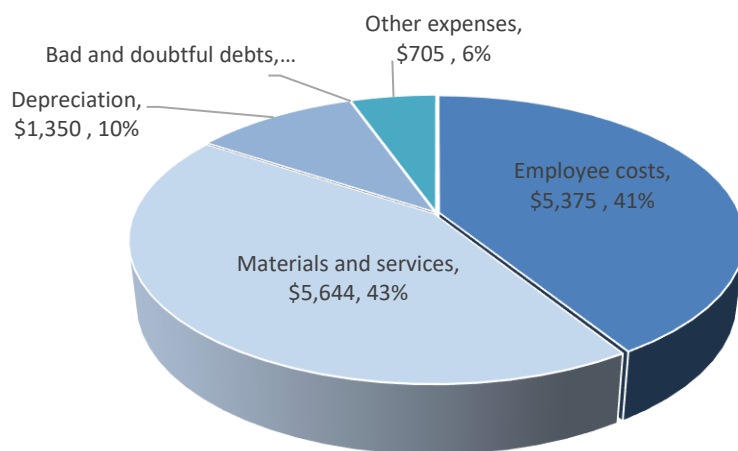
Depreciation

Depreciation is budgeted to decrease by \$22,000 (1.6%). The slight decrease in depreciation mainly reflects reduction in depreciation of Council’s existing building assets.

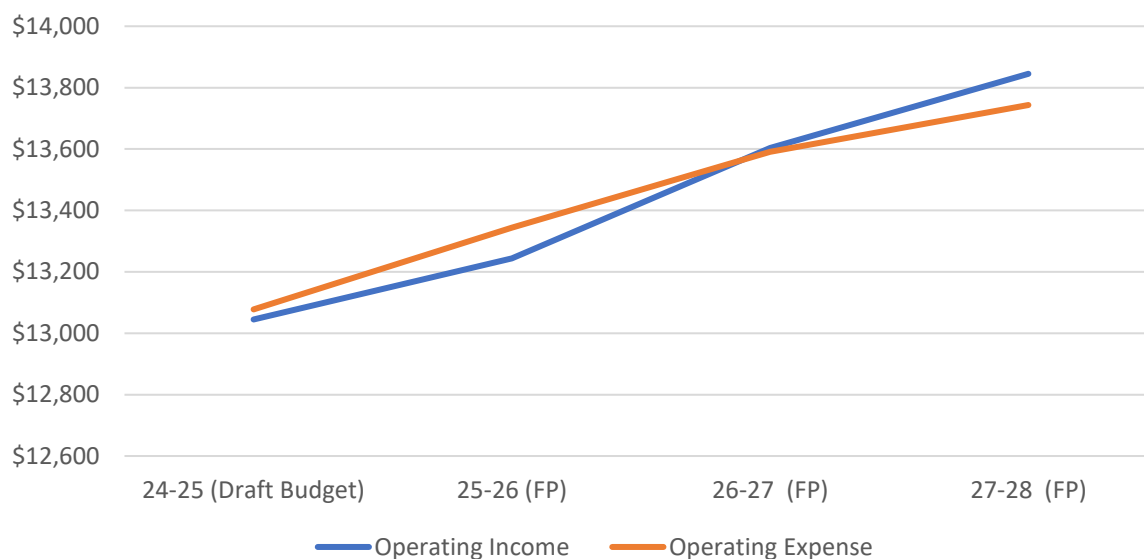
Key operating projects and cost commitments

No new operating projects are proposed in the 2024–25 budget other than the ongoing operating projects totalling \$142,000.

Drivers of operating expenses (\$'000)



Trend in operating income and operating expenses (\$,000)



The chart above illustrates the forecasted trend in both total operating income and total operating expenses over the next four financial years. The projected operating expenses for each of these years includes non-recurring costs associated with non-recurring operating initiatives, adjusted for potential grants and charges. These net cost amounts are estimated to be \$142,000, \$138,000, \$35,000, and \$36,000 respectively for each year.

Underlying Operating Result

Underlying operating result is an indicator of the annual financial position Council must look to achieve to remain a sustainable business and continue to provide core services and meet its Council Plan objectives. The underlying operating result is calculated by adjusting the annual operating surplus/(deficit) and deducting non-recurring (one-off) capital funding (circa operating income minus operating expenses including depreciation).

The Local Government Performance Reporting Framework (LGPRF) based projected underlying result for the 2024–25 year is a deficit of \$33,000 (-0.3%).

The underlying result based on LGPRF is influenced by various factors, including the timing of recurring operating grants, particularly the FAGs, as well as non-recurring operating grants and non-recurring expenses that occur within a given year. To derive a more meaningful representation of the underlying result, it is advisable to evaluate it by excluding the effects of non-recurring operating income and expenses. Additionally, adjustments should be made for the timing of recurring operating grants, where applicable, as defined in the Borough of Queenscliffe 2021 – 2025 Council Plan.

Noting that the Council Plan measure uses an alternative approach to the LGPRF measure to gauge the underlying result, the methodology outlined in the paragraph above aims to establish a consistent method for estimating the recurring basis of the underlying result. This consistency is crucial for facilitating accurate and meaningful comparisons across financial years given the size (size of the budget) of the organisation, allowing for a more reliable assessment of the Borough's financial performance.

A reconciliation between the LGPRF and the recurring basis underlying results (Council Plan measure) is provided below.

Underlying Result	Annual Forecast 2023–24 \$'000	Draft Budget 2024–25 \$'000
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Based on the LGPRF measure		
Surplus / (deficit) for the year (as per the Comprehensive Income Statement)	645	(33)
Less: Grants – capital (non-recurrent)	(1,513)	0
Less: Contributions – monetary – capital	0	0
Adjusted underlying surplus / (deficit)	(868)	(33)
Adjusted Underlying Result – %	(6.6%)	(0.3%)

On recurring basis (based on the Council Plan measure)		
Adjusted underlying surplus / (deficit) – LGPRF	(868)	(33)
Adjusted for:		
Allocating FAG to the year they relate	510	0
Annualised Road to Recovery grant (R2R)	40	0
Removal of grant-funded non-recurring operating project related costs net of grants (council contribution)	21	0
Removal of non- recurring operating project related costs funded via Council’s own funds (reserve and operational cash) – Note 1.	291	142
Removal of timing impact of waste management cost recovery	37	(94)
Removal of costs associated with parallel running of new and existing systems for planned system changeover	62	0
Removal of the impact of the sale of assets	(35)	0
Adjusted underlying surplus / (deficit)	58	15
Adjusted Underlying Result – %	0.5%	0.1%

Note1: Non-recurring operating project-related costs funded via Council’s own funds (reserve and operational cash)

Project	Budget 2024-25 (\$)
<u>Funded via specific reserves</u>	
Planning scheme amendment C40 of Fisherman’s Flat	44,600
Marine Coastal Management Plan	30,000
Review of Queenscliffe Planning Scheme	10,000
Gender Equality Actions	2,000
<u>Funded via operating cash</u>	
Planning scheme amendment C40 of Fisherman’s Flat	55,400
Total	142,500

A breakeven underlying result is forecast on a recurring basis for the 2024–25 financial year. The anticipated rise in costs related to the outdoor services contract and municipal building surveyor services has been mitigated by projected cost-saving measures, particularly through staff resource restructuring. As part of preparing a breakeven budget, the Council is committed to undergoing a value management process for its key contracts. However, a such process and the projected reduction in staff resources might affect the service levels provided by the Council.

Over the next four years (2024–25 to 2027–28), the Council anticipates maintaining an average breakeven underlying position, based on the LGPRF measure, as no major non-recurring operating projects are earmarked for future years.

Nevertheless, on a recurring basis, an average underlying surplus of approximately \$60,000 is projected for each of the next four years.

The above projections are based on the following key assumptions:

1. Council will continue to pursue full cost recovery for all waste management expenses. Required adjustments to adhere to the Minister’s Good Practice Guidelines regarding service rates and charges will be incorporated into future budgets, ensuring the Council’s financial sustainability;
2. Ongoing operational grant support from Better Boating Victoria will continue to be received for the maintenance and enhancement of the boat ramp; and
3. Notional recurring interest income is included in the Financial Plan. This is based on the assumption that proceeds from the sale of Murray Road will be invested in opportunities that generate at least the same level of interest income the Council could have earned otherwise.

The Borough’s long-term financial outlook hinges on careful and prudent planning, especially when considering the creation of new assets. Factors such as rate capping, constrained opportunities for revenue growth from rates, community service level expectations, and the continual maintenance of existing assets will pose significant ongoing financial challenges for the Borough in the years ahead.

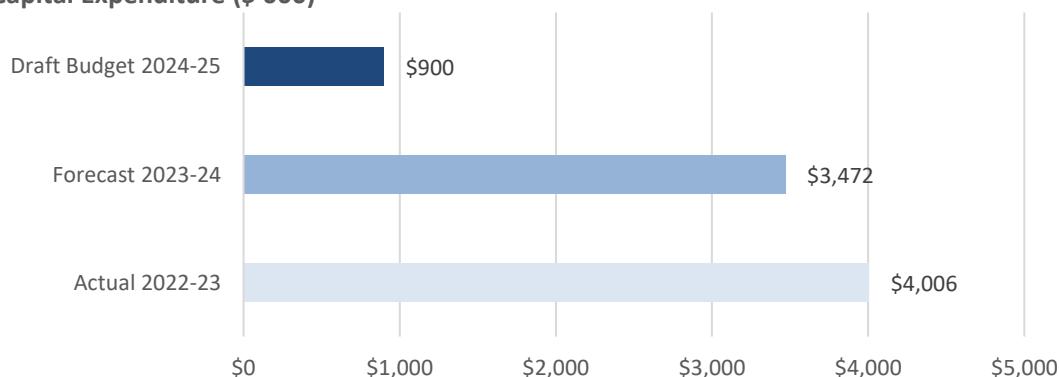
Capital Expenditure

Council is committed to the continued investment in its property, plant and equipment, and infrastructure assets, both in terms of maintaining, renewing and upgrading its existing assets as well as where demand has been demonstrated, creating new assets that will assist in the achievement of service delivery to the community.

For 2024–25, Council is proposing no new capital projects, apart from those as part of the annual asset renewal program for property, plant and equipment and infrastructure assets of \$900,000.

Council considers it as a good practice to invest in asset renewal and upgrade projects an amount at least equivalent to the annual depreciation expense. However, as the budgeted spend is below total depreciation for 2024–25, the difference of \$580,000 is proposed to be transferred to the Asset Replacement Reserve to be used against future identified renewal or upgrade capital projects.

Capital Expenditure (\$'000)



Borrowings

Council does not have any outstanding loans and no new loans are included in the 2024–25 budget.

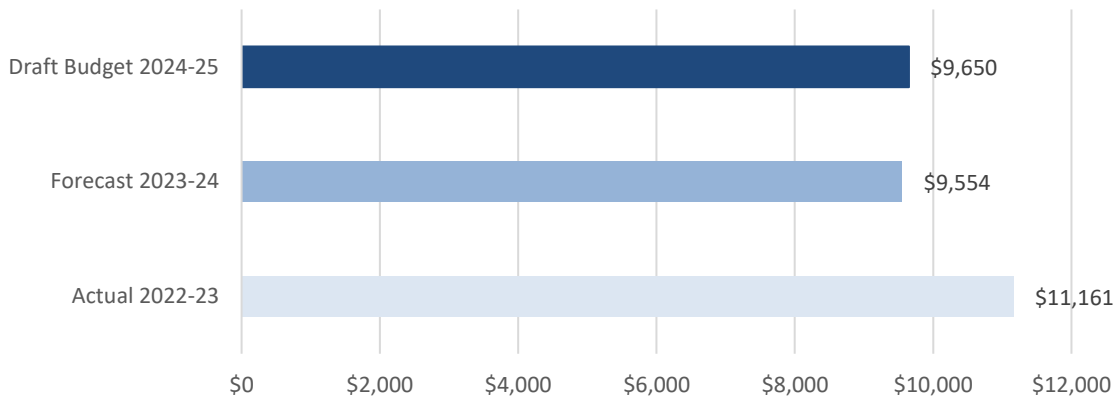
Council continues to focus on efficient and financially responsible service delivery to achieve outcomes that are valued by our community. Council will continue to explore new approaches to provide services in a tighter fiscal environment.

Cash and Investments

Cash and investments are expected to increase by \$96,000 during the year to \$9.65 million. This increase is in line with the reduction in capital spend.

\$3.45 million of cash and investments represents the proceeds balance from the sale of Murray Road land, set aside in a reserve account until a potential project/s is identified in the future in line with Council Policy CP044: Sale, Exchange or Transfer of Council Land.

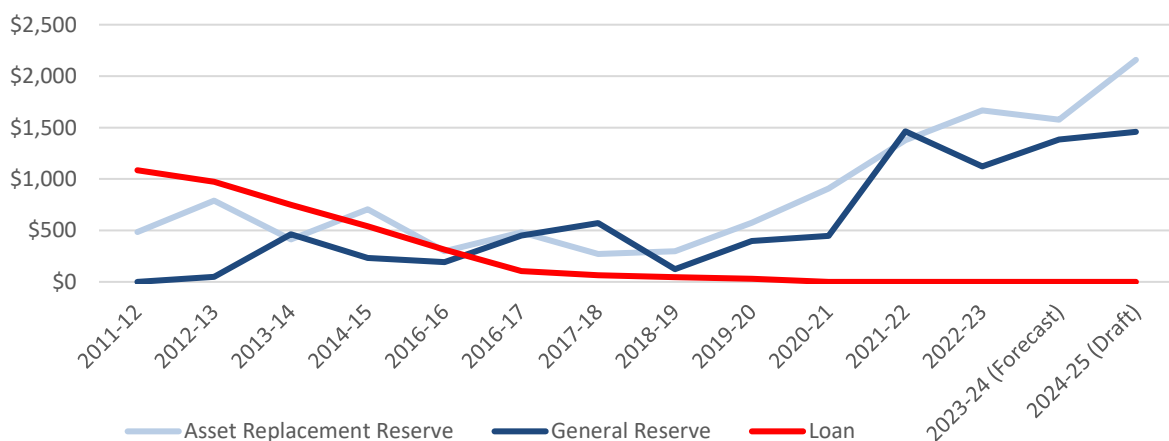
Cash and Investments (\$'000)



Borrowings vs Key Reserve Funds

The budget projects a general reserve balance of \$1.46 million and an asset replacement reserve balance of \$2.16 million at the end of the financial year 2024–25, with a debt-free balance sheet. This indicates a significant turnaround in the financial position of the Borough compared to the situation the Council was in at the end of the 2011–12 financial year (zero general reserve balance with over \$1 million debt in the balance sheet).

Borrowings vs key reserve funds (\$'000)



Reserve Balances

Council's other reserves on the balance sheet are budgeted to increase by \$664,000 (8.7%) compared with the 2023–24 financial year. Details of the reserve movements are provided in note 4.3. to the financial statements. All reserve balances are cash backed.

Reserve description		Annual Forecast at 30 June 24	Draft Budget at 30 June 25	Change \$
Sales proceeds from assets sales				
1	Murray Road land sale proceeds	3,450,000	3,450,000	0
	Total – sales proceeds from assets sales	3,450,000	3,450,000	0
Carry forward capital expenditure reserve				
1	Royal park oval upgrade	360,000	360,000	0
2	ICT transformation project	234,398	234,398	0
3	New bike track/park	165,900	165,900	0
4	Princess park kiosk toilet upgrade	60,000	60,000	0
5	Weeroona Parade toilet	40,000	40,000	0
6	Queenscliff CBD 24-hour toilet	240,000	240,000	0
7	Murray Road Shared Path	10,000	10,000	0
	Total – carry forward capital expenditure reserve	1,110,298	1,110,298	0
Carry forward operating expenditure reserve				
1	Marine coastal management plan	116,200	106,200	(10,000)
2	Review of planning scheme (Heritage Provisions)	74,591	–	(74,591)
3	Development of a Tree Management Plan (Victoria Park)	1,963	1,963	0
4	Gender Equality Actions	4,953	2,953	(2,000)
	Total – carry forward operating expenditure reserve	197,708	111,116	(86,591)
Asset replacement reserve		1,577,911	2,158,311	580,400
Defined Benefits Superannuation Liability		40,000	40,000	0
Standard kerbside waste reserve		(33,138)	–	33,138
Public waste reserve		(60,986)	–	60,986
Unallocated cash reserves / general reserve*		1,383,098	1,459,598	76,500
Total		7,664,890	8,329,323	664,432

*An amount of \$300,000 is earmarked for contingent financial commitment to the Ballara Deakin Trust as resolved by Council at its ordinary Council meeting in February 2024. The allocated amount is not transferred until Council is satisfied that all legal requirements for a trust are in place, including confirmation of Deakin University's financial contribution and ongoing involvement with Ballara.

Financial snapshot

Key Statistics	Annual Forecast 2023-24 \$million	Draft Budget 2024-25 \$million
<i>Total Operating Expenses*</i>	\$14.0	\$13.1
<i>Total Recurring Operating Expenses (excluding waste management expenses) *</i>	\$11.4	\$11.5
<i>Comprehensive Operating Surplus</i>	\$0.6	(\$0.0)
<i>Underlying operating surplus / (deficit) – LGPRF based</i>	(\$0.9)	(\$0.0)
<i>Underlying operating surplus / (deficit) – Council Plan based (on recurring basis)</i>	\$0.1	\$0.0
<i>Cash result</i>	\$0.2	\$0.0
<i>Capital Works Program</i>	\$3.5	\$0.9
<i>Funding the Capital Works Program</i>		
<i>Council – Reporting year income</i>	\$1.4	\$0.9
<i>Council – Reserves</i>	\$0.6	\$0.0
<i>Borrowings</i>	\$0.0	\$0.0
<i>Grants</i>	\$1.5	\$0.0
<i>Cash and Investments</i>	\$9.6	\$9.7

Budgeted Expenditure by Portfolio (excluding depreciation)	Draft Budget 2024-25 \$million	Budget %
<i>Portfolio 1 – Health and wellbeing</i>	\$2.0	17%
<i>Portfolio 2 – Environment</i>	\$2.1	18%
<i>Portfolio 3 – Local economy</i>	\$1.2	10%
<i>Portfolio 4 – Heritage, planning and infrastructure</i>	\$2.9	25%
<i>Portfolio 5 – Governance and finance</i>	\$3.5	30%
Total	\$11.7	100%

*Includes depreciation expenses.

Financial policy statement (Financial sustainability indicators)

The Council Plan has specified the following measures to demonstrate Council’s financial sustainability to fund the aspirations of the Community Vision and the Council Plan.

Policy statement	Measure	BoQ target	Comment
Consistent operating results	Our adjusted underlying result: The difference between recurring income and recurring expenses	Greater than \$0	Adjusted for the timing of recurring operating grants, one-off operating projects (including operating grants if applicable), assets write-offs and any other non-recurring transactions
Ensure Council maintains sufficient working capital to meet its obligations as they fall due	Current assets vs current liabilities: The value of our current assets divided by our current liabilities	Greater than 1	Excludes non-current assets classified as held for sale
Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash imposts if required	Level of unrestricted cash reserve against current liabilities: Our current liabilities as a percentage of our unrestricted cash reserves (based on the remaining maturity of term deposits)	Greater than 100%	Cash and cash equivalents include all items at call and short-term deposits with remaining maturity of less than three months
That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality	Total borrowings against rate revenue: Our total borrowings as a percentage of our rate revenue	Less than 15%	Target is in line with Council Policy CP040: Borrowings
Allocate adequate funds towards renewal capital in order to replace assets and infrastructure as they reach the end of their service life	Asset renewal and upgrade expenses against depreciation: The financial investment in asset renewal and upgrade work divided by the cost of depreciation (based on a three-year rolling average)	Greater than 100%	Three-year rolling average takes into consideration BoQ’s dependency on external funding for major capital projects
Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for renewal capital	Council’s contribution to asset renewal and upgrade: Council’s contribution to asset renewal and upgrade expenses as a percentage of own-source revenue	Greater than 10%	Based on the net contribution from Council for asset renewal and upgrade work

Indicator	Target	Annual Forecast	Draft Budget	Projections		
		2023–24	2024–25	2025–26	2026–27	2027–28
Sustainable operating result						
Our adjusted underlying result	> \$0	\$58	\$15	\$38	\$48	\$138
Working capital						
Current assets vs current liabilities	> 1.0	4.81	5.81	5.16	5.06	4.93
Level of unrestricted cash reserve against current liabilities	> 100%	230.9%	282.1%	489.0%	478.5%	466.7%
Borrowings						
Total borrowings against rate revenue	< 15%	0%	0%	0%	0%	0%
Commitment for asset renewals						
Asset renewal and upgrade expenses against depreciation	> 100%	321.6%	155.5%	168.6%	176.5%	177.4%
Council's contribution to asset renewal and upgrade	> 10%	17%	8%	14%	14%	13%

As per the above financial sustainability indicators, the draft 2024–25 budget satisfies the financial sustainability indicators specified in the Council Plan, except for Council's contribution to asset renewal and upgrade as explained in the previous capital expenditure section of this budget paper. These indicators have been estimated based on the economic assumptions detailed in the subsequent sections of this budget.

Crown land management

Except for very few assets, all buildings and infrastructure assets (including roads) used by the Council to provide various services to the community are located or built on Crown land. Based on the value of land the Council manages, 59% is Crown land and 18% is land under roads. Only 23% of land is owned freehold by the Borough.

Currently the Council manages all its tourist parks as one business unit and as a result the current operating model is not designed to separate the expenditure associated with Crown land and other land types where parks are situated. However, indicative values provided below satisfy the requirement that revenue generated from Crown land is applied in full to meet expenditure requirements for managing Crown land.

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Projections		
			2025–26	2026–27	2027–28
Net contribution from Crown land					
Surplus projected from tourist parks located on Crown land	681	803	830	854	878
Lease income projected from Crown Land properties	127	131	135	138	142
Net contribution from Crown land	808	934	964	992	1,020
Used to fund services in Crown land					
Projected net expenditure on asset management and appearance of public places on Crown land *	(746)	(886)	(918)	(942)	(966)
Projected net expenditure on coastal protection**	(425)	(396)	(409)	(418)	(427)
Net expenditure on Crown land	(1,171)	(1,282)	(1,326)	(1,360)	(1,394)
Net deficit funded via rates and operating grant	(363)	(348)	(362)	(367)	(374)

**2024–25 draft budget onwards includes the increased parks and reserves maintenance costs due to the increase in the Roads Parks and Reserves Maintenance services contract. Asset building maintenance on Crown land is not budgeted separately to building maintenance on Council owned land, as a result the amount apportioned to Crown land has been calculated on the historical actualised expense %.*

***2023–24 forecast includes additional vegetation management expenses.*

As detailed below, the % of income from Golightly Park, compared to the total income from all parks, has been used to apportion the projected surplus from all parks to surplus estimated from tourist parks located on Crown land.

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Projections		
			2025–26	2026–27	2027–28
Total income from all parks	1,778	1,835	1,887	1,936	1,987
Income from Golightly park	394	403	414	425	436
% of income from Golightly park	22%	22%	22%	22%	22%
Total surplus projected from all tourist parks	875	1,029	1,063	1,094	1,125
Less: Surplus attributable to Golightly park based on % of income	(194)	(226)	(233)	(240)	(247)
Surplus projected from tourist parks located on Crown land	681	803	830	854	878

The projected net expenditure above does not include any asset depreciation or non-recurring and asset renewal expenses.

Budget influences (internal and external)

This section sets out the key budget influences arising from the internal and external environment within which Council operates.

External influences

The four years represented within the Budget are 2024–25 through to 2027–28. In preparing the 2024–25 budget, a number of external influences have been taken into consideration. These are outlined below:

Location – the Borough of Queenscliffe is located at the eastern tip of the Bellarine Peninsula and opposite Point Nepean at Port Phillip Heads, in Victoria, Australia. It is bordered by water on three sides: Port Phillip Bay, Swan Bay and Bass Strait. The only land border is with the City of Greater Geelong on its west. The Borough is located approximately 105km south-west of Melbourne and 35km east of Geelong.

Inflation – Australia is experiencing inflationary pressures, impacting the cost of living and economic stability. In 2022, the average inflation rate in Australia was approximately 6.61% compared to the previous year. However, more recent data shows a decrease in the fourth quarter of 2023, with an inflation rate of 4.10%.

Interest Rate Rises – the Reserve Bank of Australia (RBA) has an inflation target of 2% to 3%. The RBA has been raising interest rates in an effort to curb inflation and bring it back within the target range. While the RBA has not provided explicit guidance, many economists anticipate that the central bank will wait for further signs of inflation moderation before considering rate cuts.

Population growth – the Borough of Queenscliffe has a permanent population of around 3,200. This grows up to 17,000 in peak holiday times with the influx of non-permanent residents and visitors. Many property owners only holiday or live part-time in the Borough. The 46.3% of private dwellings unoccupied during the 2021 census is indicative of the large temporary population.

Superannuation – Council has an ongoing obligation to fund any investment shortfalls in the Defined Benefits Scheme, which historically was used by councils across Victoria. The last call on local government was in the 2012–13 financial year, where Council was required to pay \$218,000 (including contributions tax) to top up its share of the Defined Benefits Scheme. The amount and timing of any liability are dependent on the investment market.

Further, the Superannuation Guarantee has been increasing by 0.5% each year since 1 July 2022 and will continue to increase until 1 July 2025 (from 9.5% to 12%).

Financial Assistance Grants (FAGs) – The largest source of government funding to Council is through the annual Victorian Grants Commission allocation. The overall state allocation is determined by the Federal Financial Assistance Grant. The quantum of the grant pool changes annually in line with changes in population and the Consumer Price Index. Though there has been an increase in the recent past, Queenscliffe receives the lowest FAG funding allocation in the state due to the low and stagnated permanent population of around 3,200.

Capital grant funding – Capital grant opportunities arise continually. The budget has been based on no capital grant funding. Any subsequent grants would be reflected in the quarterly reviews.

Cost shifting – This occurs where local government provides a service to the community on behalf of the state and federal governments. Over time, the funds received by local governments does not

increase in line with real cost increases, such as school crossing or library services, resulting in a further reliance on rate revenue to meet service delivery expectations.

Government decisions – Decisions of the state and federal governments impact operations of local governments. For instance, the State Government’s decision to abolish boat ramp parking fees has resulted in a total income loss to ratepayers of \$1.25 million over ten years. At the same time, Council will have to manage ongoing maintenance and asset renewal requirements of the upgraded boat ramp, which is a regional asset predominantly used by non-ratepayers. However, Council currently receives an annual grant from the State Government towards the ongoing maintenance and operational activities of the boat ramp.

Enterprise Bargaining Agreement (EBA) – The current Borough of Queenscliffe Enterprise Bargaining Agreement stipulates a wage increase of 2.0% or a percentage increase of 0.5% less than the official general rate cap for the financial year – whichever is the greater.

Rate capping – The State Government has continued to impose a cap on rate increases. The cap for 2024–25 has been set at 2.75%. However, it is expected that the average inflation during the financial year 2024–25 will be more than the official rate cap.

Supplementary rates – Supplementary rates are additional rates received after the budget is adopted each year for the part of the year when a property value increases in value (e.g., due to improvements made or change in land class), or when new residents become assessable. However, any material change in valuations during the year is very unlikely given the stagnated rates base of the Borough.

Waste disposal costs – The Environment Protection Agency (EPA) regulation has a sustained impact on Council with regards to compliance with existing and past landfill sites. Waste disposal costs are also impacted by industry changes such as increasing EPA landfill levies and negotiation of contracts e.g., recycling sorting and acceptance.

Internal influences

As well as external influences, there are a number of internal influences which are expected to impact the 2024–25 budget. These include:

Service planning – Reviewing services to ensure that they meet community needs is an ongoing process. Balancing the needs of the community within the constraints of the funds available is an ongoing challenge for Council. Council needs to have a robust process for service planning and review to ensure all services continue to provide value for money and are in line with community expectations. Council does not have a comprehensive Service Level Plan and resources have been allocated in the budget for assumed service standards (based on past service levels, community satisfaction survey results, various strategies and plans etc.).

Own-source revenue streams – Council depends heavily on rates income and income from tourist parks in financing its annual budget. Council needs to explore more opportunities to optimise the revenue generating capacity of its tourist parks.

New ongoing cost commitments – New capital projects and some operational decisions result in new ongoing cost commitments for Council. Council needs to have a robust process in place to evaluate new capital projects and significant operational decisions to ensure the financial sustainability of Council.

Cash – Council holds cash reserves to fund capital works, cash reserves allocated for specific purposes, and to meet operational needs. Cash must be managed to ensure that sufficient cash is available to meet Council’s obligations as and when they come due.

Economic assumptions

Key Elements	2024–25	2025–26	2026–27	2027–28
Consumer Price Index (CPI)	3.20	2.85	2.60	2.60
	Based on the Reserve Bank Australia (RBA) Statement on Monetary Policy – February 2024. The average CPI for 2024–25 is based on the beginning (3.3) and the end (3.1) of the year CPI projections. For the remaining period CPI is based on the RBA long term expectation.			
Rates cap – ESC recommended methodology	2.75	2.85	2.60	2.60
	For the purposes projecting future years’ rates cap, Council has linked rates cap to the CPI forecast. However, there remains some uncertainty regarding the level of the rates cap in future years.			
Growth in the rate base	0.20	0.05	0.05	0.05
	No material growth in population is expected for the next 10 years. Predominantly, BoQ has a stagnated rate base.			
User fees and charges – tourist parks income	3.20	2.85	2.60	2.60
	Council adopts a market-based pricing strategy in conjunction with CPI projections.			
User fees and charges – others				
	Other user fees and charges are usually linked to the CPI.			
Interest income	3.50	2.50	2.50	2.50
	Based on average interest rate for term deposits.			
Employee costs	2.75	2.85	2.10	2.10
	Based on the Council’s Enterprise Bargaining Agreement and superannuation guarantee increases.			
Insurance	4.80	5.00	5.00	5.00
	Insurance premiums are predominantly influenced by the performance of the overall insurance industry. Financial Plan is based on historical increases.			
Operating costs	3.20	2.85	2.60	2.60
	Expenses linked to grow in line with CPI.			
Key contract costs				
	Expenses linked to grow in line with CPI plus cost escalation for future contract renewal.			
Waste management expenses	3.20	2.85	2.60	2.60
	Expenses linked to grow in line with CPI.			
Waste management charges				
	Continue with the full cost recovery strategy.			
Government grants				
	Ongoing grants are steady with CPI indexation. Capital grants are estimated based on funding requirements of major capital renewal/upgrade projects.			
Borrowing				
	Zero borrowings; new borrowing (if any) in the future only for projects that will generate additional revenue streams.			
Capital projects				
	Prioritised renewal work. The exact scope and timing of capital projects will be finalised after community consultation engagement where appropriate.			
Asset sales/proceeds				
	No new property sale is planned except for the annual replacement of motor vehicles. Sales proceeds from the sale of Murray Road will be used for investment opportunities that will generate at minimum the interest income the Council could have otherwise earned.			

Budget reports

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

1. Link to the Council Plan
2. Services and initiatives and service performance outcome indicators
3. Financial statements
4. Notes to the financial statements
5. Financial performance indicators
6. Other information

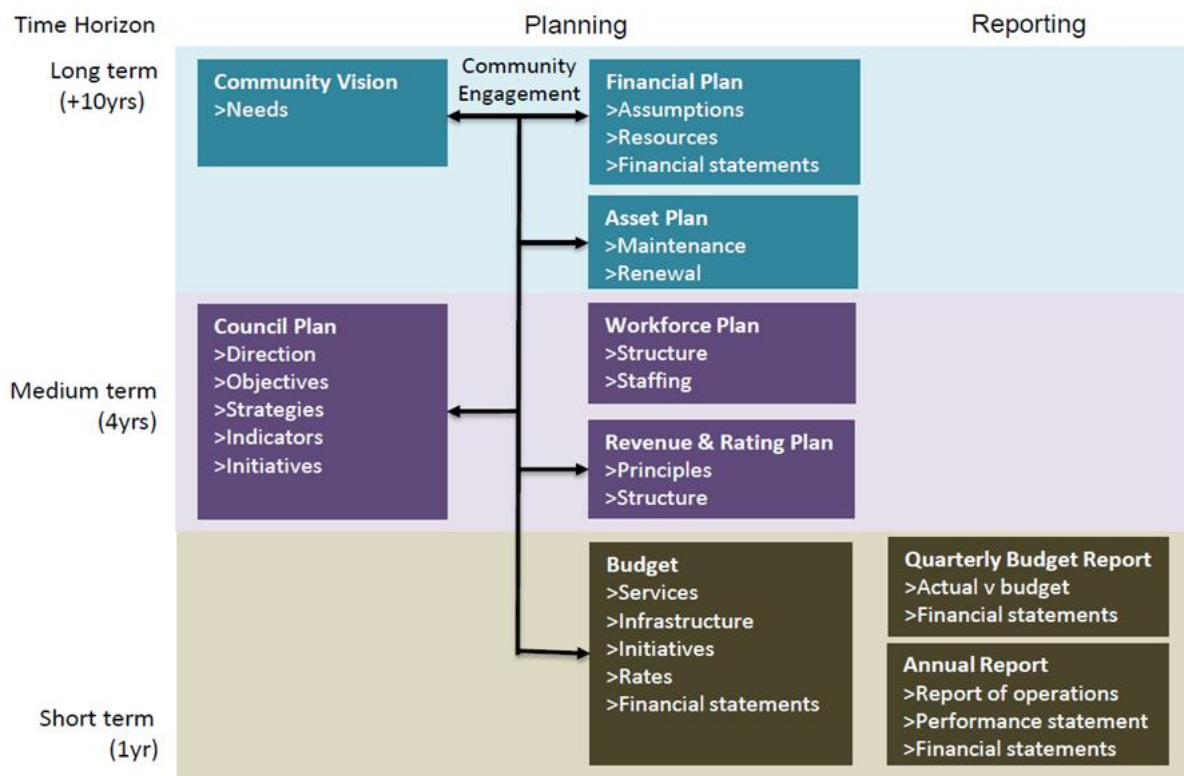
Figures in the 2024–25 budget have been rounded to the nearest thousand dollars. Figures in the budget may not equate due to rounding.

1. Link to the Council Plan

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

1.1 Legislative planning and accountability framework

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



Source: Mark Davies (Financial Professional Solutions)

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

1.1.2 Key planning considerations

Service level planning

All councils have legislative responsibility for providing a range of services such as animal management, local roads, food safety and statutory planning. In addition, councils provide many other services under legal arrangements such as libraries and aged care services. For the Borough of Queenscliffe, legislative obligations and legal arrangements underpin the majority of services.

As the needs and expectations of communities can change, councils need to have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations. In doing so, councils should engage with communities to determine how to prioritise resources and balance service provision against other responsibilities such as asset maintenance and capital works.

1.2 Our purpose

Statio Tutissima Nautis

The Borough of Queenscliffe was established in 1863. Proudly independent, it is the nation's only Borough and the only council in Victoria whose boundary predates the restructure of local government in the mid-1990s. While its small size presents some of Queenscliffe's key challenges, it also remains its greatest strength and positions the Borough well as a place to pilot new ideas and innovate in many fields.

Overlooking the treacherous Rip at the entrance to Port Phillip, the iconic lighthouses at Queenscliff and Point Lonsdale reflect the essence of the Borough's Latin motto – *Statio Tutissima Nautis* – translated as 'the safest anchorage for seafarers'.

The 'safest anchorage' theme inspires Council's vision, in that just as it is a safe haven for mariners, the Borough has an enduring role to play in conserving our extraordinary natural beauty with ecological values of global significance, rich architectural heritage and military history fundamental to Australia's defence. Respectful custodianship maintains Queenscliffe as a special, restorative place for an involved and caring community and the many visitors we welcome.

Our Vision

'The Borough is a special and restorative place, renowned for its distinctive coast, rich living heritage and vibrant culture.'

Our community caring and welcoming to visitors.

We have a deep respect for the Wadawurrung People and are taking action to protect Country.'

Our Values

The way Councillors and Council staff work and serve the Queenscliffe community is guided by the following values:

- **Integrity** – We take ownership and responsibility for our decisions and are accountable for all that we do.
- **Respect** – We treat everyone with dignity, fairness and empathy, look out for the safety and wellbeing of others, and nurture positive and inclusive relationships.

- **Community Focus** – We always work with our community’s experience in mind and take pride in supporting our community.
- **Sustainability** – We place climate change risks at the core of our decision-making and take extensive action to protect our natural environment.
- **Openness** – We actively engage with our community and are transparent in our decision-making.

1.3 Strategic objectives

To ensure the Borough remains a safe haven for locals and visitors alike, where history, culture and the natural environment meet in ways that delight and surprise, and is an involved and caring community, Council’s decision-making and priorities focus around five portfolios as set out in the Council Plan for the years 2021–2025.

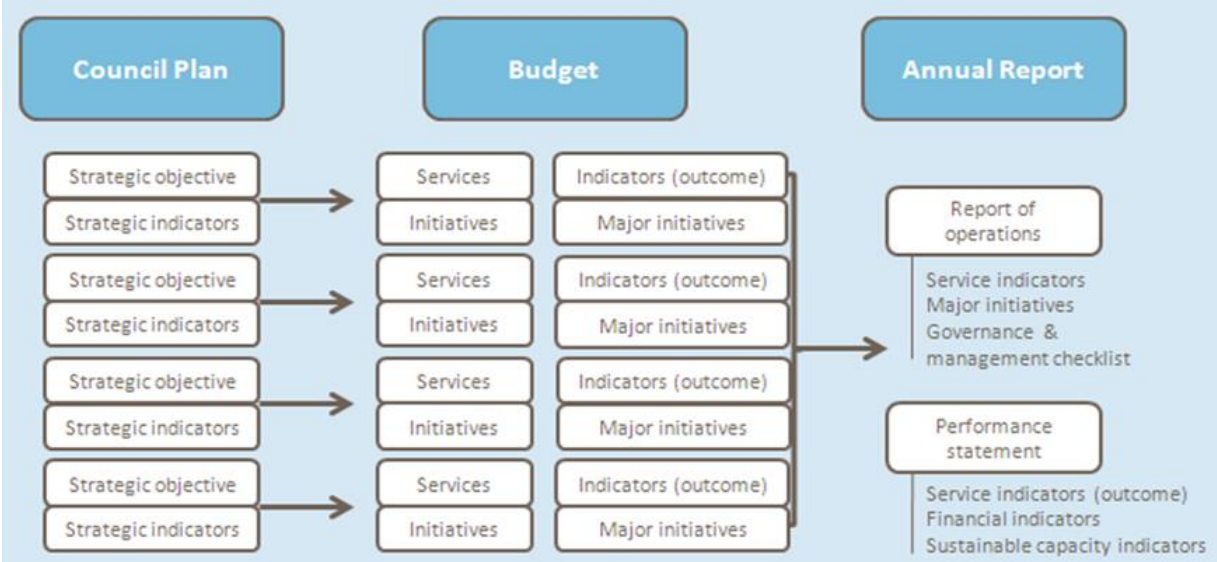
Council delivers services and initiatives under 25 major service categories. Each contributes to the achievement of strategic objectives set out under each portfolio.

This section provides a brief description of the services and initiatives funded in the Budget for the 2024–25 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan under each portfolio.

Portfolio	Strategic Objective
1. Health and wellbeing	To support community wellbeing and encourage an active lifestyle.
2. Environment	To protect our environment and address climate change issues.
3. Local economy	To support a prosperous and diverse local economy.
4. Heritage, planning and infrastructure	To protect our distinctive coastal, cultural and built environment, and provide sustainable, suitable infrastructure.
5. Governance and finance	To provide a financially viable Council that is accountable, transparent and practices good governance.

2. Services and initiatives and service performance outcome indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2024–25 year and details how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes several initiatives and service performance outcome indicators for key areas of Council’s operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Jobs, Precincts and Regions

2.1 Portfolio 1: Health and wellbeing: To support community wellbeing and encourage an active lifestyle.

To achieve our objective of enhancing community wellbeing by providing a safe environment where people are involved, healthy and active in recreation, arts and culture, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, major initiatives, initiatives and service performance indicators for each program area are described below.

Service area	Key service objective/s	Income/ Expense	Actual 2022–23 \$'000	Annual Forecast 2023–24 \$'000	Draft Budget 2024–25 \$'000
Aged Services	The Aged Services program provides care and assistance to older residents and those requiring respite so that their homes remain their safe haven.	Inc	547	623	566
		Exp	(773)	(773)	(715)
		Surplus/ (deficit)	(226)	(150)	(149)
Recreation, Arts, Culture and Community	The Recreation, Arts, Culture and Community program promotes community wellbeing by supporting people and communities to be involved, healthy and active.	Inc	0	0	0
		Exp	(70)	(61)	(107)
		Surplus/ (deficit)	(70)	(61)	(107)
Community Events*	The Community Events program promotes community wellbeing, celebrates the significance of the Borough and stimulates the local economy through conducting events directly or facilitating, supporting and administering a range of recreation, arts and cultural events planned and implemented by community organisations or commercial businesses.	Inc	18	27	26
		Exp	(357)	(321)	(258)
		Surplus/ (deficit)	(339)	(294)	(233)
Maternal and Child Health (MCH)	The Maternal and Child Health program (MCH) plays a key role in supporting and monitoring the health and wellbeing of local families with children from birth to school age.	Inc	69	79	68
		Exp	(80)	(79)	(79)
		Surplus/ (deficit)	(11)	0	(12)
Kindergarten	Kindergarten assists in supporting the wellbeing of pre-school children and providing a safe learning environment to enable children to gain early life skills and knowledge and assist their transition to school.	Inc	0	0	0
		Exp	0	0	0
		Surplus/ (deficit)	0	0	0
Environmental Health	The Environmental Health program monitors and maintains a safe environment for public health and wellbeing.	Inc	38	69	49
		Exp	(104)	(201)	(178)
		Surplus/ (deficit)	(66)	(133)	(129)
Local Laws, Safety and Amenity	The Local Laws, Safety and Amenity program promotes community wellbeing and safety in various settings and through monitoring public behaviour consistent with Council's Local Laws.	Inc	99	70	70
		Exp	(305)	(392)	(395)
		Surplus/ (deficit)	(206)	(323)	(325)
Library	The Library program promotes community wellbeing by encouraging active participation and life-long learning opportunities in a safe, inclusive setting.	Inc	0	0	0
		Exp	(245)	(261)	(259)
		Surplus/ (deficit)	(245)	(261)	(259)
TOTAL	Income		771	868	777
	Expenditure		(1,933)	(2,089)	(1,992)
	Surplus/ (deficit)		(1,162)	(1,221)	(1,215)

*Community Events

No specific community organisation support/events have been identified to receive ongoing funding support from the Council. An allocation of \$80,000 has been proposed towards community organisations/events to be identified in 2024–25.

Service Performance Outcome Indicators

Service	Indicator *	Actual 2022–23	Annual Forecast 2023–24	Draft Budget 2024–25	Note
Maternal and Child Health (MCH)	Participation	45%	50%	100%	1
	Participation (Aboriginal children)	0%	100%	100%	1
Food safety	Health and safety	100%	50%	100%	2
Animal management	Health and safety	100%	100%	100%	3
Libraries	Participation	26%	30%	35%	4

Note:

1. The Budget 2024–25 target is 100%, as Council always seeks full utilisation of its MCH service, although it is recognised that not every child enrolled in the MCH service will necessarily attend at least once in each financial year (e.g. if they are enrolled but then later move out of the area).
2. Forecast 2023–24 is based on the six-month progress review, as included in the December 2023 quarterly financial report to Council.
3. Council's target is zero as Council aims for animal management issues to be resolved before reaching the prosecution stage.
4. Council expects an increase in active library borrowers with the new state of art facilities.

* the table at the end of section 2.5 explains the calculation of Service Performance Outcome Indicators.

2.2 Portfolio 2: Environment: To protect our environment and address climate change issues.

To achieve our objective of playing our part in protecting the local, national and globally significant values within our natural environment for future generations, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, major initiatives, initiatives and service performance outcome indicators for each program area are described below.

Service area	Key service objective/s	Income/ Expenses	Actual 2022–23	Annual Forecast 2023–24	Draft Budget 2024–25
			\$'000	\$'000	\$'000
Environmental Sustainability	The Environmental Sustainability program sees the Borough playing its part in protecting the natural environment for future generations.	Inc	14	19	15
		Exp	(209)	(277)	(179)
		Surplus/ (deficit)	(195)	(258)	(164)
Coastal Protection	The Coastal Protection program seeks to preserve and enhance the Borough's globally significant, highly-valued coast as an iconic environmental asset for current and future generations.	Inc	193	194	122
		Exp	(382)	(662)	(518)
		Surplus/ (deficit)	(188)	(468)	(396)

Service area	Key service objective/s	Income/ Expenses	Actual	Annual Forecast	Draft Budget
			2022–23	2023–24	2024–25
			\$'000	\$'000	\$'000
Waste Management and Recycling	The Waste Management and Recycling program seeks to promote local action in order to protect the environment for future generations. Note full cost recovery of waste management, including recycling, is achieved via application of waste charges to ratepayers in accordance with Council's Rating Strategy.	Inc	1,180	1,276	1,510
		Exp	(1,266)	(1,313)	(1,416)
		Surplus/ (deficit)	(86)	(37)	94
TOTAL	Income		1,387	1,489	1,647
	Expenditure		(1,857)	(2,252)	(2,114)
	Surplus/ (deficit)		(470)	(763)	(467)

Service Performance Outcome Indicators

Service	Indicator *	Actual 2022–23	Annual Forecast 2023–24	Draft Budget 2024–25	Note
Waste collection	Waste diversion	68%	64%	60%	1

Note:

- Forecast is based on the six month progress review in the current year and the Budget is based on achieving a result better than the current year forecast result with the implementation of the kerbside transition project.

* the table at the end of section 2.5 explains the calculation of Service Performance Outcome Indicators.

2.3 Portfolio 3: Local economy: To support a prosperous and diverse local economy.

To achieve our objective of fostering a diverse and vibrant local economy, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, major initiatives, initiatives and service performance outcome indicators for each program area are described below.

Service area	Key service objective/s	Income/ Expenses	Actual	Annual	Draft
			2022–23	Forecast	Budget
			\$'000	2023–24	2024–25
			\$'000	\$'000	\$'000
Tourist Parks	The Tourist Parks and Boat Ramp Services program ensures the Borough remains a special place for visitors while increasing tourism's contribution to the local economy.	Inc	1,807	1,778	1,835
		Exp*	(745)	(971)	(806)
		Surplus/ (deficit)	1,062	807	1,029
Visitor Information Centre	The Visitor Information Centre program promotes the Borough as a special place for visitors, and supports local tourism and related businesses with dissemination of information to build a diverse and vibrant local economy.	Inc	121	85	82
		Exp	(348)	(316)	(301)
		Surplus/ (deficit)	(227)	(231)	(219)
Tourism and Economic Development	The Tourism and Economic Development program seeks to build on the Borough's unique heritage, rich culture and significant natural environment to strengthen the diversity and vibrancy of the local economy.	Inc	48	0	0
		Exp	(203)	(108)	(110)
		Surplus/ (deficit)	(155)	(108)	(110)
TOTAL	Income		1,975	1,862	1,917
	Expenditure		(1,295)	(1,395)	(1,217)
	Surplus/ (deficit)		680	468	700

Service Performance Outcome Indicators

There are no mandatory performance indicators to be reported for the local economy Strategic Objective.

2.4 Portfolio 4: Heritage, planning and infrastructure: To protect our distinctive coastal, cultural and built environment, and provide sustainable, suitable infrastructure.

To achieve our objective of preserving and enhancing the Borough as a special place through excellence of design and conservation of its rich culture and unique heritage, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, major initiatives, initiatives and service performance outcome indicators for each program area are described below.

Service area	Key service objective/s	Income/ Expenses	Actual	Annual	Draft
			2022–23	Forecast	Budget
			\$'000	2023–24	2024–24
			\$'000	\$'000	\$'000
Design and Project Management	The Design and Project Management program seeks to achieve excellence of design and delivery of projects which enhance the Borough as a special place.	Inc	0	0	0
		Exp	0	0	0
		Surplus/ (deficit)	0	0	0

Service area	Key service objective/s	Income/ Expenses	Actual	Annual	Draft
			2022–23	Forecast	Budget
			\$'000	2023–24	2024–24
			\$'000	\$'000	\$'000
Land Use Planning	The Land Use Planning program ensures that the Borough conserves its unique heritage, that the built environment is enhanced by design excellence, and that local amenity is protected against inappropriate land use and development.	Inc	133	150	100
		Exp	(595)	(580)	(562)
		Surplus/ (deficit)	(463)	(430)	(462)
Heritage Conservation Advice	The Heritage Conservation Advice program aims to retain the unique heritage and rich culture captured in the Borough's built form.	Inc	0	0	0
		Exp	0	0	0
		Surplus/ (deficit)	0	0	0
Building Control	The Building Control program ensures that building construction and maintenance is such that the community remains safe.	Inc	29	28	28
		Exp	(35)	(243)	(281)
		Surplus/ (deficit)	(6)	(215)	(253)
Asset Management and Appearance of Public Places	The Asset Management and Appearance of Public Places program ensures the safety and functionality of public places and infrastructure. This program promotes community wellbeing and encourages people to be active in public settings.	Inc	13	817	13
		Exp	(1,885)	(2,547)	(2,007)
		Surplus/ (deficit)	(1,872)	(1,730)	(1,994)
Street Lighting	The Street Lighting program assists in the provision of a safe environment for motorists, pedestrians and cyclists.	Inc	0	0	0
		Exp	0	0	0
		Surplus/ (deficit)	0	0	0
Powerline Safety	The Powerline Safety program assists in the provision of a safe environment and protection of the Borough's significant vegetation from fire by maintaining clear zones around powerlines to standards as set by legislation.	Inc	0	0	0
		Exp	(108)	(74)	(76)
		Surplus/ (deficit)	(108)	(74)	(76)
TOTAL	Income		174	995	141
	Expenditure		(2,623)	(3,444)	(2,927)
	Surplus/ (deficit)		(2,449)	(2,449)	(2,786)

Major Initiatives

- Continue with the review of Fisherman's Flat Planning Scheme;
- Continue with the review of the Coastal and Marine Management Plan;
- Continue with the review of the Queenscliffe Planning Scheme;

Service Performance Outcome Indicators

Service	Indicator *	Actual	Annual	Draft	Note
		2022–23	Forecast	Budget	
			2023–24	2024–25	
Roads	Condition	100%	100%	100%	1
Statutory planning	Service standard	69.23%	75.00%	75.00%	2

Note

1. Length of roads under Council's management is 43km.

2. Target is above the State-wide average of 67% and small rural Council average of 69%.

* the table at the end of section 2.5 explains the calculation of Service Performance Outcome Indicators.

2.5 Portfolio 5: Governance and finance: To provide a financially viable Council that is accountable, transparent and practices good governance.

To achieve our objective of maintaining a cohesive, well governed, financially sustainable and independent Borough, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, major initiatives, initiatives and service performance outcome indicators for each program area are described below.

Service area	Description of services provided	Income/ Expenses	Actual	Annual	Draft
			2022–23	Forecast	Budget
			\$'000	2023–24	2024–25
			\$'000	\$'000	\$'000
Council Governance	The Council Governance program supports the Mayor and Councillors to maintain a cohesive Council and a well-governed Borough.	Inc	0	0	0
		Exp	(245)	(478)	(622)
		Surplus/ (deficit)	(245)	(478)	(622)
Organisational Performance and Compliance	The Organisational Performance and Compliance program supports the Chief Executive Officer and Management Team to maintain a cohesive, well-managed and highly performing organisation.	Inc	49	34	0
		Exp	(1,121)	(648)	(592)
		Surplus/ (deficit)	(1,072)	(614)	(592)
Community Engagement and Customer Service	The Community Engagement and Customer Service program aims to facilitate community involvement in decision-making, and to deliver high quality customer service.	Inc	3	0	0
		Exp	(496)	(709)	(686)
		Surplus/ (deficit)	(493)	(709)	(685)
Financial and Risk Management	The Financial and Risk Management program seeks to ensure the ongoing independence and financial sustainability of the Borough.	Inc	428	612	550
		Exp	(1,343)	(1,658)	(1,580)
		Surplus/ (deficit)	(915)	(1,046)	(1,030)
TOTAL	Income		480	647	550
	Expenditure		(3,205)	(3,493)	(3,478)
	Surplus/ (deficit)		(2,725)	(2,847)	(2,928)

Service Performance Outcome Indicators

Service	Indicator *	Actual 2022–23	Annual Forecast 2023–24	Draft Budget 2024–25	Note
Governance	Satisfaction	65	65	65	1

Note

1. Target is above the State-wide average and small rural Council average of 54.

* the table on the following page explains the calculation of Service Performance Outcome Indicators.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Maternal and Child Health	Participation	Participation in the MCH service. (Percentage of children enrolled who participate in the MCH service)	$[\text{Number of children who attend the MCH service at least once (in the financial year)} / \text{Number of children enrolled in the MCH service}] \times 100$
		Participation in the MCH service by Aboriginal children. (Percentage of Aboriginal children enrolled who participate in the MCH service)	$[\text{Number of Aboriginal children who attend the MCH service at least once (in the financial year)} / \text{Number of Aboriginal children enrolled in the MCH service}] \times 100$
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	$[\text{Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up} / \text{Number of critical non-compliance notifications and major non-compliance notifications about food premises}] \times 100$
Roads	Condition	Sealed local roads below the intervention level (percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal)	$[\text{Number of kilometres of sealed local roads below the renewal intervention level set by Council} / \text{Kilometres of sealed local roads}] \times 100$
Animal management	Health and safety	Animal management prosecutions (Percentage of animal management prosecutions which are successful)	$[\text{Number of successful animal management prosecutions} / \text{Total number of animal management prosecutions}] \times 100$
Libraries	Participation	Library membership (Percentage of the population that are registered library members)	$[\text{Number of registered library members} / \text{Population}] \times 100$
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of recyclables and green organics collected from kerbside bins that is diverted from landfill)	$[\text{Weight of recyclables and green organics collected from kerbside bins} / \text{Weight of garbage, recyclables and green organics collected from kerbside bins}] \times 100$
Statutory planning	Service standard	Planning applications decided within required timeframes (percentage of regular and VicSmart planning application decisions made within legislated timeframes)	$[\text{Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits} / \text{Number of planning application decisions made}] \times 100$
Governance	Consultation and engagement	Satisfaction with community consultation and engagement. (Community satisfaction rating out of 100 with the consultation and engagement efforts of Council)	Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement
Aquatic facilities*	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of population)	Number of visits to aquatic facilities / Population

*Aquatic facilities are not provided by the Borough of Queenscliffe.

2.6 Reconciliation with draft budgeted operating result

Strategic Objectives / Portfolios	Surplus / (deficit) \$'000	Expenditure \$'000	Income \$'000
Portfolio 1 – Health and wellbeing	(1,215)	(1,992)	777
Portfolio 2 – Environment	(467)	(2,114)	1,647
Portfolio 3 – Local economy	700	(1,217)	1,917
Portfolio 4 – Heritage, planning and infrastructure	(2,786)	(2,927)	141
Portfolio 5 – Governance and finance	(2,928)	(3,478)	550
Total	(7,522)	(12,029)	4,507
Expenses/other income added in:			
Depreciation	(1,350)		
Surplus/(deficit) before funding sources	(8,859)		
Funding sources added in:			
Rates and charges revenue	7,474		
Financial Assistance Grant – General Purpose	539		
Capital contributions – monetary	0		
Total funding sources	8,013		
Operating surplus/(deficit) for the year	(33)		
Less:			
Contributions – monetary – capital	0		
Underlying surplus/(deficit) for the year	(33)		
Less:			
Capital Expenditure	(900)		
Transfers to reserves from operating budget	(751)		
Add back:			
Depreciation	1,350		
Contributions – monetary – capital	0		
Proceeds from asset sales	30		
Transfers from reserves to operating budget	87		
Accumulated cash surplus brought forward	218		
Breakeven cash result	(0)		

3. Financial statements

This section presents information regarding the Financial Statements and Statement of Human Resources. The budget information for the year 2024–25 has been supplemented with projections to 2027–28.

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

- 3.1 Comprehensive Income Statement
- 3.2 Balance Sheet
- 3.3 Statement of Changes in Equity
- 3.4 Statement of Cash Flows
- 3.5 Statement of Capital Works
- 3.6 Statement of Human Resources

Figures in the 2024–25 budget have been rounded to the nearest thousand dollars. Figures in the budget may not equate due to rounding.

3.1 Comprehensive Income Statement

For the four years ending 30 June 2028:

Comprehensive Income Statement For the Year Ended 30 June	Notes	Annual Forecast	Draft Budget	Projections		
		2023–24	2024–25	2025–26	2026–27	2027–28
		\$'000	\$'000	\$'000	\$'000	\$'000
Income / Revenue						
Rates and charges	4.1.1	8,496	8,971	9,154	9,428	9,570
Statutory fees and fines	4.1.2	120	120	124	127	130
User fees	4.1.3	2,080	2,134	2,194	2,252	2,310
Grants – operating	4.1.4.	1,807	1,244	1,279	1,312	1,346
Grants – capital	4.1.4	1,513	0	620	300	375
Other income	4.1.5	638	576	493	485	489
Net gain (or loss) on disposal of property, infrastructure, plant and equipment		35	0	0	0	0
Total income / revenue		14,690	13,045	13,864	13,904	14,220
Expenses						
Employee costs	4.1.7	5,313	5,375	5,473	5,623	5,705
Materials and services	4.1.8	6,709	5,644	5,858	5,859	5,905
Depreciation	4.1.9	1,372	1,350	1,385	1,468	1,478
Allowance for impairment losses	4.1.10	3	3	3	3	3
Other expenses	4.1.12	648	706	625	639	653
Total expenses		14,045	13,078	13,344	13,591	13,743
Surplus / (deficit) for the year		645	(33)	520	313	477
Other comprehensive income						
Net asset revaluation increment / (decrement)	4.1.13	0	0	0	0	0
Total comprehensive result		645	(33)	520	313	477

3.2 Balance Sheet

For the four years ending 30 June 2028:

Balance Sheet For the Year Ended 30 June	Notes	Annual Forecast	Draft Budget	Projections		
		2023–24	2024–25	2025–26	2026–27	2027–28
		\$'000	\$'000	\$'000	\$'000	\$'000
Assets						
Current assets						
Cash and cash equivalents	4.2.1	7,054	7,150	6,968	6,751	6,692
Other financial assets	4.2.1	2,500	2,500	2,500	2,500	2,500
Trade and other receivables	4.2.1	300	300	300	300	300
Inventories	4.2.1	4	4	4	4	4
Prepayments	4.2.1	168	141	146	146	148
Other assets	4.2.1	75	75	75	75	75
Total current assets		10,100	10,170	9,993	9,776	9,719
Non-current assets						
Investments in associates	4.2.1	160	160	160	160	160
Property, infrastructure, plant and equipment	4.2.1	174,619	174,170	175,053	175,584	176,157
Total non-current assets		174,780	174,330	175,213	175,745	176,318
Total assets		184,880	184,500	185,206	185,521	186,036
Liabilities						
Current liabilities						
Trade and other payables	4.2.2	1,092	718	877	851	861
Trust funds and deposits	4.2.2	50	50	50	50	50
Provisions	4.2.2	959	983	1,007	1,032	1,058
Unearned income	4.2.2	0	0	0	0	0
Total current liabilities		2,101	1,751	1,935	1,933	1,970
Non-current liabilities						
Provisions	4.2.2	100	102	105	108	110
Total non-current liabilities		100	102	105	108	110
Total liabilities		2,201	1,853	2,040	2,041	2,080
Net assets		182,679	182,646	183,166	183,479	183,956
Equity						
Accumulated surplus	4.3.1	100,736	100,039	100,904	101,409	101,982
Revaluation Reserve	4.3.1	74,278	74,278	74,278	74,278	74,278
Other reserves		7,665	8,329	7,985	7,793	7,696
Total equity		182,679	182,646	183,166	183,479	183,956

3.3 Statement of Changes in Equity

For the four years ending 30 June 2028:

Statement of Changes in Equity For the Year Ended 30 June	Notes	Annual Forecast	Draft Budget	Projections		
		2023–24	2024–25	2025–26	2026–27	2027–28
		\$'000	\$'000	\$'000	\$'000	\$'000
Accumulated Surplus						
Opening Balance 1st July		99,421	100,736	100,039	100,904	101,409
Surplus / (deficit) for the year		645	(33)	520	313	477
Transfer to other reserves		(318)	(751)	(209)	57	(65)
Transfer from other reserves		988	87	554	135	161
Closing Balance 30th June – Accumulated Surplus	4.3.1	100,736	100,039	100,904	101,409	101,982
Revaluation Reserve						
Opening Balance 1st July		74,278	74,278	74,278	74,278	74,278
Net asset revaluation gain/(loss)		0	0	0	0	0
Closing Balance 30th June – Revaluation Reserve	4.3.1	74,278	74,278	74,278	74,278	74,278
Other Reserves						
Opening Balance 1st July		8,335	7,665	8,329	7,985	7,793
Transfer to other reserves		318	751	209	(57)	65
Transfer from other reserves		(988)	(87)	(554)	(135)	(161)
Closing Balance 30th June – Other Reserves	4.3.1	7,665	8,329	7,985	7,793	7,696
Total Equity						
Opening Balance 1st July		182,034	182,679	182,646	183,166	183,479
Surplus / (deficit) for the year		645	(33)	520	313	477
Closing Balance 30th June – Total Equity	4.3.1	182,679	182,646	183,166	183,479	183,956

3.4 Statement of Cash Flows

For the four years ending 30 June 2028:

Statement of Cash Flows For the Year Ended 30 June	Notes	Annual Forecast	Draft Budget	Projections		
		2023–24 \$'000	2024–25 \$'000	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000
Cash flows from operating activities						
<i>Receipts</i>						
Rates and charges		8,365	8,971	9,154	9,428	9,570
Statutory fees and fines		114	120	124	127	130
User fees		1,930	2,134	2,194	2,252	2,310
Grants – Operating		1,603	1,244	1,279	1,312	1,346
Grants – Capital		1,116	0	620	300	375
Interest received		466	333	242	242	242
Other receipts		443	244	251	243	247
Total receipts	4.1.1	14,075	13,045	13,864	13,904	14,220
<i>Payments</i>						
Employee costs		(5,503)	(5,349)	(5,446)	(5,595)	(5,677)
Materials and services		(6,406)	(5,734)	(5,841)	(5,858)	(5,901)
Short-term, low value and variable lease payments		(1)	(1)	(1)	(1)	(1)
Other payments		(617)	(738)	(645)	(668)	(655)
Total payments	4.4.1	(12,527)	(11,821)	(11,933)	(12,122)	(12,233)
Net cash provided by operating activities	4.4.1	1,548	1,224	1,931	1,782	1,987
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment		(3,231)	(1,158)	(2,131)	(2,026)	(2,046)
Proceeds from sale of property, infrastructure, plant and equipment		75	30	18	27	0
Net proceeds from movement of investments		5,093	0	0	0	0
Net cash provided by / (used in) investing activities	4.4.2	1,937	(1,128)	(2,113)	(1,999)	(2,046)
Cash flows from financing activities						
Net cash provided by / (used in) financing activities	4.4.3	0	0	0	0	0
Net increase / (decrease) in cash and cash equivalents		3,485	96	(182)	(218)	(58)
Cash and cash equivalents at the beginning of the financial year		3,568	7,054	7,150	6,968	6,751
Cash and cash equivalents at the end of the financial year	4.2.1	7,054	7,150	6,968	6,751	6,692

3.5 Statement of Capital Works

For the four years ending 30 June 2028:

Statement of Capital Works For the Year Ended 30 June	Notes	Annual Forecast	Draft Budget	Projections		
		2023–24 \$'000	2024–25 \$'000	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000
Property						
Land		0	0	0	0	0
Land improvements		0	0	0	0	0
Total land		0	0	0	0	0
Buildings		471	207	463	843	599
Building improvements		238	0	0	0	0
Total buildings	4.5.1	709	207	463	843	599
Total property	4.5.1	709	207	463	843	599
Plant and equipment						
Plant, machinery and equipment		299	100	146	11	11
Fixtures, fittings and furniture		10	10	10	11	11
Computers and telecommunications		321	46	148	49	50
Total plant and equipment	4.5.1	630	157	304	70	72
Infrastructure						
Roads		139	124	127	130	134
Footpaths and cycleways		181	25	356	476	157
Drainage		90	100	103	106	108
Recreational, leisure and community facilities		181	42	44	45	546
Parks, open space and streetscapes		1,175	110	128	116	169
Off street car parks		5	5	5	5	6
Other infrastructure		198	0	604	70	120
Other Assets		165	131	135	137	140
Total infrastructure	4.5.1	2,133	537	1,501	1,086	1,380
Total capital works expenditure	4.5.1	3,472	900	2,267	1,999	2,051
Represented by:						
Asset renewal expenditure		596	0	823	92	88
New asset expenditure		1,812	900	930	1,462	1,227
Asset upgrade expenditure		1,065	0	515	446	736
Total capital works expenditure	4.5.1	3,472	900	2,267	1,999	2,051
Funding sources represented by:						
Grants		1,513	0	620	300	375
Council cash		1,959	900	1,647	1,699	1,676
Borrowings		0	0	0	0	0
Total capital works expenditure	4.5.1	3,472	900	2,267	1,999	2,051

3.6 Statement of Human Resources

For the four years ending 30 June 2028:

Description	Annual Forecast	Draft Budget	Projections		
	2023–24 \$'000	2024–25 \$'000	2025–26 \$'000	2026–27 \$'000	2027–28 \$'000
Staff expenditure					
Employee costs – operating	5,313	5,375	5,473	5,623	5,705
Employee costs – capital	125	131	135	137	140
Total staff expenditure	5,438	5,506	5,608	5,760	5,846
	FTE	FTE	FTE	FTE	FTE
Staff numbers*					
Employees	48.33	44.35	43.55	43.55	43.55
Total staff numbers	48.33	44.35	43.55	43.55	43.55

*The FTE forecast for 2023-24 encompasses temporary staff for maternity covers and the ICT transformation project. Excluding temporary staff, if there had been no staff vacancies, the FTE forecast for 2023–24 would have been 44.55.

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

Department	Draft Budget	Comprises			
	2024–25 \$'000	Permanent		Casual	Temporary
		Full Time \$'000	Part time \$'000	\$'000	\$'000
Health and Wellbeing	1,025	373	652	8	
Environment	313	115	198		
Local Economy	748	453	202	93	
Heritage, Planning and Infrastructure	1,063	843	166	46	
Governance and Finance	2,093	1,400	611	20	62
Total department wise expenditure	5,242	3,184	1,829	167	62
Other employee related expenditure	133				
Capitalised labour costs	131				
Total expenditure	5,506				

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

Department	Draft Budget	Comprises			
	2024–25 FTE	Permanent		Casual	Temporary
		Full Time FTE	Part time FTE	FTE	FTE
Health and Wellbeing	10.08	3.00	7.03	0.05	
Environment	2.65	1.00	1.65		
Local Economy	7.12	4.00	2.12	1.00	
Heritage, Planning and Infrastructure	7.53	6.00	1.21	0.32	
Governance and Finance	15.97	9.00	5.97	0.20	0.80
Capitalised labour	1.00	1.00		1.57	
Total staff	44.35	24.00	17.98	1.57	0.80

For the four years ending 30 June 2028, a summary of human resources expenditure, categorised according to the organisational structure of Council, is included below:

Description	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000	2027-28 \$'000
Health and Wellbeing				
Permanent – Full time	373	384	392	400
Men	373	384	392	400
Permanent – Part time	652	671	685	699
Women	625	643	657	671
Men	27	28	28	29
Total Health and Wellbeing	1,026	1,055	1,077	1,100
Environment				
Permanent – Full time	115	118	120	123
Women	115	118	120	123
Permanent – Part time	198	203	207	212
Women	198	203	207	212
Total Environment	312	321	328	335
Local Economy				
Permanent – Full time	453	466	476	486
Women	318	327	334	341
Men	135	139	142	145
Permanent – Part time	202	208	213	217
Women	137	141	144	147
Men	65	67	69	70
Total Local Economy	656	674	688	703
Heritage, Planning and Infrastructure				
Permanent – Full time	843	867	886	904
Women	146	150	153	156
Men	633	651	664	678
Vacant/new positions	65	67	68	70
Permanent – Part time	166	170	174	177
Women	80	82	84	85
Men	86	88	90	92
Total Heritage, Planning and Infrastructure	1,009	1,038	1,059	1,082
Governance and Finance				
Permanent – Full time	1,400	1,418	1,446	1,477
Women	772	772	788	804
Men	627	645	659	673
Permanent – Part time	611	628	641	655
Women	400	411	420	429
Men	89	91	93	95
Vacant/new positions	122	126	128	131
Total Governance and Finance	2,010	2,046	2,088	2,132
Casuals, temporary and other expenditure	229	236	241	246
Capitalised labour costs	131	135	137	140
Other employee related expenditure	133	104	142	109
Total staff expenditure	5,506	5,608	5,760	5,846

* Council currently does not have any staff members who identify as a person of self-described gender.

A summary of the number of full time equivalent (FTE) Council staff in relation to human resources expenditure, categorised according to the organisational structure of Council, is included below:

Description	2024–25	2025–26	2026–27	2027–28
	FTE	FTE	FTE	FTE
Health and Wellbeing				
Permanent – Full time	3.00	3.00	3.00	3.00
Men	3.00	3.00	3.00	3.00
Permanent – Part time	7.03	7.03	7.03	7.03
Women	6.68	6.68	6.68	6.68
Men	0.35	0.35	0.35	0.35
Total Health and Wellbeing	10.03	10.03	10.03	10.03
Environment				
Permanent – Full time	1.00	1.00	1.00	1.00
Women	1.00	1.00	1.00	1.00
Permanent – Part time	1.65	1.65	1.65	1.65
Women	1.65	1.65	1.65	1.65
Total Environment	2.65	2.65	2.65	2.65
Local Economy				
Permanent – Full time	4.00	4.00	4.00	4.00
Women	3.00	3.00	3.00	3.00
Men	1.00	1.00	1.00	1.00
Permanent – Part time	2.12	2.12	2.12	2.12
Women	1.32	1.32	1.32	1.32
Men	0.80	0.80	0.80	0.80
Total Local Economy	6.12	6.12	6.12	6.12
Heritage, Planning and Infrastructure				
Permanent – Full time	6.00	6.00	6.00	6.00
Women	1.00	1.00	1.00	1.00
Men	4.50	4.50	4.50	4.50
Vacant/new positions	0.50	0.50	0.50	0.50
Permanent – Part time	1.21	1.21	1.21	1.21
Women	0.71	0.71	0.71	0.71
Men	0.50	0.50	0.50	0.50
Total Heritage, Planning and Infrastructure	7.21	7.21	7.21	7.21
Governance and Finance				
Permanent – Full time	9.00	9.00	9.00	9.00
Women	6.00	6.00	6.00	6.00
Men	3.00	3.00	3.00	3.00
Permanent – Part time	5.97	5.97	5.97	5.97
Women	4.15	4.15	4.15	4.15
Men	0.80	0.80	0.80	0.80
Vacant/new positions	1.02	1.02	1.02	1.02
Total Governance and Finance	14.97	14.97	14.97	14.97
Casuals, temporary and other expenditure	2.37	1.57	1.57	1.57
Capitalised labour costs	1.00	1.00	1.00	1.00
Total staff expenditure	44.35	43.55	43.55	43.55

* Council currently does not have any staff members who identify as a person of self-described gender.

4. Notes to the financial statements

This section presents detailed information on material components of the financial statements.

The Borough of Queenscliffe has adopted a materiality threshold of 10% or a dollar amount of \$100,000. Notes have not been provided for budgets below the materiality threshold, unless the amount is considered to be material because of its nature.

This section includes notes to the financial statements for each of the following items:

- 4.1 Comprehensive Income Statement
 - 4.1.1 Rates and charges
 - 4.1.2 Statutory fees and fines
 - 4.1.3 User fees
 - 4.1.4 Grants
 - 4.1.5 Contributions
 - 4.1.6 Other income
 - 4.1.7 Employee costs
 - 4.1.8 Materials and services
 - 4.1.9 Bad and doubtful debts
 - 4.1.10 Depreciation
 - 4.1.11 Borrowing costs
 - 4.1.12 Other expenses
 - 4.1.13 Net asset revaluation increment
- 4.2 Balance Sheet
 - 4.2.1 Assets
 - 4.2.2 Liabilities
 - 4.2.3 Interest-bearing liabilities
- 4.3 Statement of Changes in Equity
 - 4.3.1 Reserves
 - 4.3.2 Equity
- 4.4 Statement of Cash Flows
 - 4.4.1 Net cash provided by operating activities
 - 4.4.2 Net cash used in investing activities
 - 4.4.3 Net cash provided by/ (used in) financing activities
- 4.5 Capital works program
 - 4.5.1 Summary
 - 4.5.2 Current Budget
 - 4.5.3 Works carried forward from the 2022–23 year

4.1 Comprehensive Income Statement

4.1.1 Rates and charges

Rates and charges are required by the Act and the Regulations to be disclosed in Council's budget.

In developing the Budget, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the financial planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2024/25 the FGRS cap has been set at 2.75%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges. For the 2024/25 financial year, the average general rate of Council will increase by 2.75% in line with the rate cap.

The Valuer-General reviews the value of every property in the municipality annually, and these property values are used to calculate individual property rates. This annual revaluation does not result in a net gain or loss of revenue to Council. Ratepayers may see rate increases that differ from the average 2.75% increase because of changes to their property values relative to that of other ratepayers' properties (average change in property values).

The Treasurer of Victoria proposed a new levy on short-stay accommodation platforms in the 2023/24 state budget. The proposed levy is set to be implemented with effect from 1 January 2025. Furthermore, the proposal suggests removing any other charges on tourist accommodation properties by local councils. Consequently, the Borough of Queenscliffe will not be able to impose a rating differential of 110% on tourist accommodation properties as of 1 January 2025. It has been proposed in the budget to remove the tourist accommodations rating differential from the 2024–25 financial year onwards. Properties previously classified as tourist accommodations are now included under residential properties in the 2024–25 draft budget.

It is proposed to continue with a separate charge for the collection and disposal of all waste management services. This enables the recovery of all waste management costs through the waste management charges.

The Minister for Local Government has published the Local Government Service Rates and Charges Minister's Good Practice Guidelines. The intention of the Guidelines is to articulate what the minister considers good practice in the application of Service Rates and Charges across the local government sector. The council has not proposed any change to the way it calculates waste management charges for the 2024–25 financial year, and required changes will be included in future budgets in a manner that will help the Council sustain its financial sustainability.

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

Descriptions	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$	\$	\$	%
General rates *	7,233,083	7,461,601	228,518	3.2%
Municipal charge *	0	0	0	0.0%
Waste management charges	1,242,738	1,497,516	254,778	20.5%
Supplementary rates and rate adjustments	16,998	10,455	(6,543)	(38.5%)
Cultural and recreational rates	3,300	3,446	146	4.4%
Interest on rates and charges	7,075	5,960	(1,115)	(15.8%)
Less: rebate (properties of environmental interest)	(7,488)	(7,694)	(206)	2.7%
Total rates and charges	8,495,706	8,971,284	475,578	5.6%

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

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

Type or class of land	2023–24	2024–25	Change
	cents/\$CIV	cents/\$CIV	
General rate for rateable residential properties*	0.146823	0.151641	3.3%
General rate for rateable residential vacant land properties	0.183529	0.189551	3.3%
General rate for rateable commercial properties	0.190870	0.197133	3.3%
General rate for rateable tourist accommodation properties*	0.161506	n/a	-
Rate concession for rateable cultural and recreational properties	0.036706	0.037910	3.3%

* Proposed to remove tourist accommodations rating differential. Previous tourist accommodations properties now include under residential properties.

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

Type or class of land	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$	\$	\$	%
Residential	5,965,002	6,999,953	1,034,951	17.4%
Residential vacant land	163,295	150,134	(13,161)	(8.1%)
Commercial	297,706	311,514	13,808	4.6%
Tourist accommodation	807,080	n/a	(807,080)	-100.0%
Total amount to be raised by general rates	7,233,083	7,461,601	228,518	3.2%

Description	2023–24	2024–25	Change	
	\$	\$	\$	%
Annualised rates*	7,261,899	7,461,602	199,702	2.75%

*Capped rates increase is based on the annualised rates income. The forecast for 2023–24 has been adjusted annualising the impact of supplementary rates during the 2023–24 financial year.

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

Type or class of land	2023–24	2024–25	Change	
	Number	Number	Number	%
Residential	2,554	2,905	351	13.7%
Residential vacant land	63	55	(8)	(12.7%)
Commercial	155	156	1	0.6%
Tourist accommodation	340	n/a	(340)	(100.0%)
Cultural and recreational	5	5	0	0.0%
Total number of assessments	3,117	3,121	4	0.1%

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

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

Type or class of land	2023–24	2024–25*	Change	
	\$	\$	\$	%
Residential	4,068,595,000	4,616,135,000	547,540,000	13.5%
Residential vacant land	77,625,000	79,205,000	1,580,000	2.0%
Commercial	156,398,000	158,022,500	1,624,500	1.0%
Tourist accommodation	524,615,000	n/a	-524,615,000	(100.0%)
Cultural and recreational	8,990,000	9,090,000	100,000	1.1%
Total value of land	4,836,223,000	4,862,452,500	26,229,500	0.5%

**Based on the provisional valuation data provided by the valuer general's office.*

4.1.1(g) \$Nil municipal charge is to be levied under Section 159 of the Act (2023–24 \$nil).

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

Type of Charge	Per Rateable Property	Per Rateable Property	Change	
	2023–24	2024–25	\$	%
	\$	\$		
Standard kerbside waste	315.00	365.00	50.00	15.9%
An additional kerbside bin (per any bin)	130.00	135.00	5.00	3.8%
Public waste	111.00	143.00	32.00	28.8%

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

Type of Charge	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$	\$	\$	%
Standard kerbside waste	869,810	1,016,327	146,517	16.8%
Additional kerbside bins	26,830	22,950	-3,880	-14.5%
Public waste	346,098	458,239	112,141	32.4%
Total waste management charges	1,242,738	1,497,516	254,778	20.5%

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

Descriptions	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$	\$	\$	%
General rates	7,233,083	7,461,601	228,518	3.2%
Municipal charge	0	0	0	0.0%
Waste management charges	1,242,738	1,497,516	254,778	20.5%
Supplementary rates and rate adjustments	16,998	10,455	(6,543)	(38.5%)
Cultural and recreational rates	3,300	3,446	146	4.4%
Interest on rates and charges	7,075	5,960	(1,115)	100.0%
<i>Less: rebate (properties of environmental interest)</i>	<i>(7,488)</i>	<i>(7,694)</i>	<i>(206)</i>	<i>2.7%</i>
Total rates and charges	8,495,706	8,971,284	475,578	5.6%

4.1.1(k) Fair Go Rates System Compliance

The Borough of Queenscliffe is required to comply with the State Government’s Fair Go Rates System (FGRS). The table below details the budget assumptions, consistent with the requirements of the Fair Go Rates System.

Descriptions	Final Budget 2023–24	Draft Budget 2024–25
Total Rates (annualised)	\$6,986,887	\$7,261,899
Number of rateable properties	3,112	3,116
Base Average Rate	\$2,245.14	\$2,330.52
Maximum Rate Increase (set by the State Government)	3.50%	2.75%
Capped Average Rate	\$2,323.72	\$2,394.61
Maximum General Rates and Municipal Charges Revenue	\$7,231,428	\$7,461,601
Budgeted General Rates and Municipal Charges Revenue	\$7,231,412	\$7,461,601
Budgeted Supplementary Rates	\$10,455	\$10,455
Budgeted Total Rates and Municipal Charges Revenue	\$7,241,868	\$7,472,056

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

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

- The making of supplementary valuations (2024–25: estimated \$10,456);
- The variation of returned levels of value (e.g. valuation appeals);
- Changes in use of land such that rateable land becomes non-rateable land and vice versa;
- Changes in use of land such that residential land becomes commercial land and vice versa; and/or
- Changes in use of land such that residential land becomes tourist accommodation land and vice versa.

4.1.1(m) Differential rates

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

- A general rate of 100% (0.151641 cents in the dollar of CIV) for all rateable residential properties.
- A general rate of 125% (0.189551 cents in the dollar of CIV) for all rateable residential vacant land properties.
- A general rate of 130% (0.197133 cents in the dollar of CIV) for all rateable commercial properties including properties with six or more bedrooms which are rented out as holiday accommodation.
- A general (concessional) rate of 25% (0.037910 cents in the dollar of CIV) for all rateable cultural and recreational properties.

Each differential rate will be determined by multiplying the Capital Improved Value of rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council believes each differential rate will contribute to the equitable and efficient carrying out of council functions.

Details of the objectives of each differential rate and the types of classes of land that are subject to each differential rate are set out below.

General or residential rate

The objective of this rate is to ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations and to ensure that the differential rate in the dollar declared for defined general rate land properties is fair and equitable, having regard to the cost and the level of benefits derived from provision of Council services.

Rateable land having the relevant characteristics described below:

- used primarily for residential purposes; and
- any land that is not defined as commercial land or residential vacant land; or
- any land which is zoned Residential under the Borough of Queenscliffe Planning Scheme on which a legally habitable building is erected but unoccupied.

Residential vacant land rate

The objective of this differential rate includes promoting housing development on vacant land, while continuing to ensure all rateable land makes an equitable financial contribution to ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations.

Residential vacant land is any land which is:

- unoccupied but zoned Residential under the Borough of Queenscliffe Planning Scheme; and
- not commercial land; and
- vacant or with any uninhabitable shed or shelter (not a legally habitable building or structure, i.e. where no certificate of occupancy has been issued).

Commercial rate

The objective of this rate is to ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations and to ensure that the differential rate in the dollar declared for defined commercial rate land properties is fair and equitable, having regard to the cost and the level of benefits derived from provision of Council services.

Commercial land is any land, which is:

- used primarily for carrying out the manufacture or production of, or trade in, goods or services (including accommodation for tourists); or
- unoccupied building erected on land which is zoned Commercial (Business) under the Borough of Queenscliffe Planning Scheme; or
- unoccupied land which is zoned Commercial (Business) under the Borough of Queenscliffe Planning Scheme;

Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out in Council's **revenue and rating plan**.

4.1.1(n) Waste management charges

An important component of Council's 2024–25 budget process is Council's continuing commitment to three key principles stated in its revenue and rating plan, in relation to funding waste management services.

1. Full cost recovery of all waste management services.
2. Clear identification of the waste management cost streams and specifying these on the rate notice where applicable.
3. Disclosure of all costs associated with each of the waste management streams. In its revenue and rating plan, Council has determined the most equitable method of full waste cost recovery as follows:
 - Standard kerbside waste (which now includes FOGO waste), applicable to residential properties only, is charged at a fixed amount; and
 - Public waste, applicable to all rateable properties, is charged at a fixed amount.

Separating out waste management charges from general rates to achieve full cost recovery remains the most financially responsible option available to Council to cover the rising cost of providing waste services to our community given the State Government's rate capping legislation.

Waste management costs (net of government grants)

The Minister for Local Government has published the Local Government Service Rates and Charges Minister's Good Practice Guidelines. The intention of the Guidelines is to articulate what the minister considers good practice in the application of Service Rates and Charges across the local government sector. The council has not proposed any change to the way it calculates waste management charges for the 2024–25 financial year, and required changes will be included in future budgets in a manner that will help the Council sustain its financial sustainability.

The following is a list of all waste management cost streams and waste management charges included in the 2024–25 budget, summarised by waste charge type.

Description	Annual Forecast 2023–24 \$	Draft Budget 2024–25 \$	Increase/(decrease)	
			\$	%
Kerbside waste collection (landfill, recycling and hard waste/ e-waste)	205,100	275,300	70,200	34%
Kerbside FOGO collection	162,800	168,000	5,200	3%
Kerbside FOGO processing	164,000	218,500	54,500	33%
Landfill disposal including landfill levy	162,000	150,000	(12,000)	(7%)
Recycling disposal (income)/expenditure	90,000	105,000	15,000	17%
Waste collection bin renewal	23,000	20,000	(3,000)	(13%)
Waste & litter education	7,000	0	(7,000)	(100%)
Direct employee costs	55,726	69,339	13,613	24%
Non recurrent operating grants – state	(20,111)	0	20,111	(100%)
Interest on charges	(901)	0	901	(100%)
Sub-total: Standard kerbside waste costs	848,614	1,006,139	157,525	18.6%
Public waste – pickup & disposal of waste	244,700	153,900	(90,800)	(37%)
Fixed price contract – street cleaning and sweeping	135,000	192,900	57,900	43%
Fixed price contract – beach cleaning	43,000	37,900	(5,100)	(12%)
Illegal waste dumping	2,091	2,091	0	0%
Direct employee costs	18,575	23,113	4,538	24%
Beach cleaning subsidy	(12,259)	(12,651)	(392)	3%
Interest on charges	(395)	0	395	(100%)
Sub-total: Public waste costs	430,712	397,253	(33,459)	(7.8%)
Total: Waste management costs	1,279,326	1,403,392	124,066	9.70%

Total waste management costs in 2024–25 (net of government grants) is budgeted to increase by \$124,000 (9.7%) compared with the 2023–24 financial year. However, when excluding non-recurring state grants, the total operational cost of waste management services is budgeted to increase by \$104,000 (8.0%) This increase mainly comprises:

- \$70,200 in kerbside waste collection, with a \$33,500 increase in hard waste/ e-waste costs and a \$36,700 increase across landfill and recycling collection costs.
- \$54,000 increase in kerbside FOGO processing expenses. The Council is currently conducting a procurement process for the provision of services in 2024–25 and an increase is expected based current market conditions.

Waste management charges

Description	Annual Forecast 2023-24	Draft Budget 2024-25	Increase/(decrease)	
			\$	%
Kerbside waste charge	869,810	1,016,327	146,517	16.8%
Kerbside waste charge – additional bins	26,830	22,950	(3,880)	(14.5%)
Kerbside waste charge	896,640	1,039,277	142,637	15.9%
Public waste charge	346,098	458,239	112,141	32.4%
Total: Waste management charges	1,242,738	1,497,516	254,778	20.5%

In calculating waste charges to be applied in the 2024–24 financial year, Council is budgeting to recover a forecasted deficit of \$33,000 in the standard kerbside waste reserve account and a forecasted deficit of \$61,000 in the in the public waste reserve account for the financial year 2023–24. This deficit mainly reflects an increase in the public waste recycling costs and the deferral of the full cost recovery of kerbside employee costs from 2023-24.

As a result, the net increase in waste management charges for 2024–25 is expected to be \$254,800 (20.5%).

The fixed amount to be levied for each type of property

Type of Property	Actual 2023–24	Draft Budget 2024–25	Change	
			\$	%
Residential	426.00	508.00	82.00	19.2%
Residential vacant land	111.00	143.00	32.00	28.8%
Commercial	111.00	143.00	32.00	28.8%
Tourist accommodation	426.00	n/a	-	-

Waste management reserve funds

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Increase/(decrease)	
			\$	%
Kerbside waste reserve fund				
Opening balance	(81,164)	(33,138)	48,026	(59.2%)
Transfers to reserve	48,026	33,138	(14,888)	(31.0%)
Closing balance	(33,138)	0	33,138	(100.0%)
Public waste reserve fund				
Opening balance	23,629	(60,986)	(84,614)	(358.1%)
Transfers to reserve	0	60,986	60,986	0.0%
Transfers from reserve	(84,614)	0	84,614	(100.0%)
Closing balance	(60,986)	(0)	60,986	(100.0%)
Total: Waste management reserve funds	(94,124)	0	94,124	(100.0%)
Net waste reserve transfers for the financial year	(36,588)	94,124	(130,712)	357.3%

An annual reconciliation is completed at each financial year-end to determine the surplus/ (deficit) between waste management charges collected from ratepayers and the actual waste costs incurred by Council for the year. Reserve funds are held on the Balance Sheet to record any net surplus achieved, so Council can then determine that amount which will be allocated towards meeting the cost of waste services in the next financial year, while retaining part of the surplus as a contingency to address emerging risks with respect to waste management services in future years.

In preparing the waste management budget, a set of assumptions has been made about the estimated costs of the waste management services in 2024–25. Given the widely fluctuating nature of waste services, these annual budget assumptions will be monitored, with any variance to be reported to Council via quarterly financial reports during the 2024–25 year as necessary.

4.1.2 Statutory fees and fines

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Town planning fees	100	100	0	0.0%
Building, pool and spa fees	12	12	0	0.0%
Permits	4	4	(0)	(0.0%)
Land information certificates	2	2	(0)	(0.0%)
Infringements and costs	2	2	0	0.0%
Total statutory fees and fines	120	120	(0)	(0.0%)

Statutory fees and fines relate mainly to fees and fines levied in accordance with legislation. Infringements income is predominantly from parking fines, with minor fines issued for animals and local laws infringements. A detailed listing of statutory fees is included in Appendix A.

4.1.3 User fees

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Tourist park fees	1,778	1,835	57	3.2%
Aged services	168	164	(5)	(2.7%)
Registration and other permits	70	70	0	0.0%
Tourism	28	28	0	0.0%
Other fees and charges (< \$10,000 each)	35	37	2	4.3%
Total user fees	2,080	2,134	54	2.6%

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services, consistent with principles in Council Policy CP047: User Fees and Charges. In setting the budget, the key principle for determining the level of user charges is that increases reflect CPI or market levels.

The fees from Council’s tourist parks contribute the largest portion of the user fees budget, with a total budget of \$1,835,000 for the 2024–25 financial year. The increase in income from tourist parks is mainly due to the proposed increase in tariff by 3.2%.

A detailed listing of user fees is included in Appendix A.

4.1.4 Grants

Operating and capital government grants include all monies received from Victorian and Commonwealth Government sources for the purposes of funding the delivery of Council’s services and projects.

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Grants are received in respect of the following:				
Summary of grants:				
Commonwealth funded grants	456	915	459	101%
State government funded grants	2,861	325	(2,536)	(89%)
Other funded grants	3	3	(0)	(0%)
Total grants received	3,321	1,243	(2,077)	(63%)
(a) Operating grants				
Recurrent – Commonwealth government				
Financial assistance grants	28	539	511	1,791%
Aged services	362	376	15	4%
Recurrent – State government				
Boat ramp maintenance	122	122	0	0%
Maternal and child health	79	67	(12)	(16%)
Fire services property levy administration	43	43	0	0%
School crossing supervision	30	30	0	0%
Aged services	51	26	(26)	(50%)
Beach cleaning	12	13	(0)	(1%)
ANZAC day celebration	26	24	(2)	(9%)
Walk to School	0	0	0	0%
Other (<\$10,000 each)	0	0	0	0%
Recurrent – Other				
Tobacco activity program	3	3	(0)	(0%)
Total recurrent operating grants	757	1,243	486	64%
Non-recurrent – State government				
Asbestos removal works	805	0	(805)	(100%)
Beach marker condition assessment	32	0	(32)	(100%)
Record digitisation	34	0	(34)	(100%)
Vegetation study	50	0	(50)	(100%)
Waste management and recycling	20	0	(20)	(100%)
Onsite domestic wastewater management	20	0	(20)	(100%)

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Coastal protection	40	0	(40)	(101%)
Kindergarten Infrastructure and Services Plan (KISP)	42	0	(42)	(100%)
Other (<\$10,000 each)	7	0	(7)	(100%)
Total non-recurrent operating grants	1,050	0	(245)	(23%)
Total operating grants	1,807	1,243	(564)	(31%)
(b) Capital grants				
Non-recurrent – Commonwealth government				
Roads	66	0	(66)	(100%)
Buildings	0	0	0	0%
Non-recurrent – State government				
Other infrastructure	1,110	0	(1,110)	(100%)
Information technology	147	0	(147)	(100%)
Footpaths and cycleways	31	0	(31)	(100%)
Recreational, leisure and community facilities	160	0	(160)	(100%)
Total non-recurrent capital grants	1,513	0	(1,513)	(100%)
Total capital grants	1,513	0	(1,513)	(100%)
Total grants	3,321	1,243	(2,077)	(63%)

Operating grants include all monies received from state and federal government and community sources for the purposes of funding the delivery of Council's services to ratepayers.

The decrease in operating grants is mainly due to no non-recurring grants being identified for 2024–25. This is partially offset by 100% of the 2024–25 Financial Assistance Grants (FAGs) to be received in the 2024–25 financial year, compared to the majority of the 2023–24 FAG bring received in 2021–22 and 2022–23 financial years. Based on the annual allocation, a 0% increase in FAGs is projected for 2024–25.

Grant Allocation Year	Grant Payment Year				Total
	2021–22	2022–23	2023–24	2024–25	
	\$	\$	\$	\$	\$
2021–22 Allocation	377,188	–	–		503,658
2022–23 Allocation	482,780	27,084	27,470		537,334
2023–24 Allocation	96,242	441,718	1,026		538,986
2024–25 Allocation*				539,000	539,000
Total	956,210	468,802	28,496	539,000	

*estimated

There are no non-recurring operating grants estimated to be received in 2024–25. Any non-recurring operating grant funding opportunities that Council may be successful in securing will be updated in the quarterly forecast reviews to be reported to Council during the 2024–25 financial year.

No capital grants are included in the 2024–25 budget, inline with no new capital projects outside of annual renewal works being identified. Any non-recurring capital grant funding opportunities that

Council may be successful in securing will be updated in the quarterly forecast reviews and will be reported to Council during the 2024–25 financial year.

4.1.5 Contributions

Contributions relate to monies paid by non-government third parties for the purpose of funding the delivery of Council’s services to ratepayers (operating) and/or provision of buildings and facilities (capital). Contributions can also be non-monetary, with an in-kind donation of physical assets to Council. All contributions are typically non-recurring and the amount will vary from year to year, thus a comparison by financial year is meaningless.

No monetary or non-monetary contribution is recognised in the 2024–25 budget.

4.1.6 Other income

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Interest – investment of available funds	400	333	(68)	(17%)
Other rent – lease of land properties	163	169	5	3%
Contribution from volunteers	75	75	0	0%
Total other income	638	576	(62)	(10%)

The average investment in term deposits is expected to be around \$9.5 million during the year 2024–25. Under the assumption that the average interest rate is around 3.5% for the 2024–25 financial year compared to an average interest rate of 4.2% in 2023–24, a \$68,000 decrease in interest income is projected in the budget.

The value of the contribution provided by volunteers which may otherwise has been paid by Council is estimated be \$75,000 for 2024–25.

4.1.7 Employee costs

Employee costs include all staff related expenditure, including wages, salaries and on-costs such as allowances, leave entitlements (annual leave and long service leave), employer superannuation, rostered days off and time-in-lieu owed to employees, Workcover premium and fringe benefits tax.

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Wages and salaries	4,557	4,579	22	0.5%
Superannuation	473	502	29	6.2%
Workcover premium	107	114	7	6.1%
FBT Expense	45	48	3	6.7%
Other	131	133	2	1.5%
Total employee costs	5,313	5,375	63	1.2%

Employee costs are to be increased by \$63,000 (1.2%) in the 2024–25 financial year. Despite increases stemming from factors such as the Enterprise Bargaining Agreement (EBA) (2.25%) and rises in super guarantee (0.5%) and Workcover premiums, significant savings in employee costs are anticipated through restructuring based on the natural attrition.

However, it's noted that the employee costs for 2023–24 are underestimated due to ongoing staff vacancies, even after factoring in additional expenses for temporary staff (one-off costs). When excluding the impact of these vacancies and one-off expenses, the total employee cost for the 2024–25 financial year is projected to remain at the same level as the 2023–24 budgeted total employee cost, including costs that could potentially be capitalised.

Furthermore, through restructuring and natural attrition, it's expected that staff resources will decrease by 1.9 Full-Time Equivalents (FTEs) compared to the staff numbers (FTE) included in the 2023–24 budget.

Certain expenses related to employees, which were initially categorised under 'Material and Services,' in the previous financial years, have been accurately moved to the 'Other' subcategory within employee costs.

A summary of human resources expenditure, categorised according to the organisational structure of Council, is provided for both costs (\$) and staff numbers (FTE) in the Statement of Human Resources at Section 3.6 of this report.

4.1.8 Materials and services

Materials and services include payments to contractors for provision of services, waste management, asset maintenance, the purchases of consumables, utility costs and expensed capital works (expensed capital works are works associated with Council assets and major projects that do not meet the definition of asset expenditure under Australian Accounting Standards).

Description	Annual Forecast 2023–24	Draft Budget 2023–24	Change	
	\$'000	\$'000	\$'000	%
Contract Payments	2,386	2,634	248	10%
Building Maintenance	1,002	172	(830)	(83%)
Consultants	896	593	(303)	(34%)
General Maintenance	805	803	(3)	(0%)
Information Technology	362	310	(52)	(14%)
Utilities	343	320	(23)	(7%)
Insurance	333	349	16	5%
Office Administration	231	230	(0)	(0%)
Other Materials and Services	267	178	(89)	(33%)
Total materials and services	6,709	5,644	(1,065)	(16%)
Total materials and services: excluding waste management and non-recurring expenses	4,129	4,178	50	1%

The Reserve Bank of Australia in its Statement on Monetary Policy issued in February 2024, has projected Consumer Price Index (CPI) to be at 3.3% and 3.1% respectively for 30 June 2024 and 30 June 2025. As a result, it is expected that prices of key service contracts that the Council has entered will

see increases within this range. However, certain contracts such as the Outdoors Maintenance (Roads, parks, and reserves maintenance) contract, FOGO processing contract and insurance costs are expected to increase as high as 26%.

Materials and services are budgeted to decrease by \$1,065,000 (16%) compared with the 2023–24 financial year.

However, excluding waste management costs (explained in note '4.1.1(n) Waste management charges') and non-recurring operating expenses (rates-funded and grant-funded), there is a 1.2% (\$50,000) increase in recurring expenses.

The most significant increases estimated in recurring materials and services in the 2024–25 financial year include:

- \$211,000: Contract payments in relation to the Roads, parks and reserves maintenance, due to the expected value of a new contract to commence in 2024–25;
- \$16,000: Insurance costs, increase is in line historical increase of 4.9%; and
- \$12,000: Consultants costs, mainly in relation to expected increase in legal fees and in costs associated with providing Municipal Building Surveyor (MBS) services via an external contractor (previously provided through a contract by the Surf Coast Shire Council; due to unavailability of qualified staff this contract is no longer able to continue).

To minimise the impact of the increase in the Roads, parks and reserves maintenance contract, significant savings have also been found in recurring materials and services in the 2024–25 financial year including:

- \$60,000: Building and General maintenance, mainly a reduction in building, drainage and vegetation maintenance, with works expected to be covered under the annual asset renewal program;
- \$47,000: Information Technology, mainly due to the reduction in the associated costs with parallel running of the new and old finance systems as part of the ICT transformation project;
- \$30,000: Fleet operations, mainly fleet repairs and maintenance and fuel & oil costs, with a decrease expected in line with Council's motor vehicle renewal program in transitioning to hybrid and electric vehicles;
- 27,000: Other Material and Services, mainly town planning appeal costs, with current 2023–24 financial year inflated due to additional VCAT appeal costs not expected to be an ongoing cost; and
- 23,000: Utilities, mainly electricity and water costs savings expected due to efficiency savings and infrastructure upgrades.

Non-recurring operating projects (a total of \$142,000) in the 2024–25 budget include the following, which are all rates funded.

- \$100,000: Planning scheme amendment C40 of Fisherman's Flat;
- \$30,000: Continue with the Coastal and Marine Management Plan;
- \$10,000: Continue with the review of Queenscliffe Planning Scheme;
- \$2,000: Continue with the Gender Equality Actions.

Subcategories previously listed under 'Material and Services' have been reclassified in comparison to the previous financial years to enhance the presentation of information.

4.1.9 Depreciation

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property (buildings), plant and equipment, and infrastructure assets (such as roads and drains).

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Property	332	300	(32)	(10%)
Plant and equipment	159	162	3	2%
Infrastructure	881	888	7	1%
Total depreciation	1,372	1,350	(22)	(2%)

The slight decrease in depreciation expenses mainly reflects reduction in depreciation of Council's existing building assets.

The revaluation of drainage infrastructure assets is scheduled to be completed in 2023–24. The outcome of this revaluation and its impact on the depreciation expenses is not able to be predicted for inclusion in the 2024–25 budget.

4.1.10 Bad and doubtful debts

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Bad and Doubtful Debts – Parking Fine Debtors	3	3	0	0%
Total bad and doubtful debts	3	3	0	0%

A provision of \$3,000 p.a. for bad and doubtful debts is included in Council's budget, largely relating to infringements. Council works with Fines Victoria to manage the administration and enforcement of infringements.

4.1.11 Borrowing costs

Council does not have any outstanding loans and no new loans are included in the 2024–25 budget.

4.1.12 Other expenses

Other expenses relate to a range of unclassified items including Mayoral and Councillor allowances, internal and external audit fees, photocopier lease expense, asset write-offs and other miscellaneous expenditure.

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Contributions and Donations	212	167	(46)	(21%)
Councillors' Allowances	198	205	7	3%
Auditors' Remuneration – VAGO	46	47	1	2%
Auditors' Remuneration – Internal Audit	16	16	0	0%
Operating Lease Rentals	1	1	(0)	(0%)
Others	99	195	95	96%
Cost of Contribution from Volunteers	75	75	0	0%
Total other expenses	648	705	58	9%

Contributions and Donations have decreased \$46,000 in 2024–25 to \$167,000. No specific community organisation/ events have been identified. Allocation of funds to be determined through an allocation process during the 2024–25 financial year.

Increase in Councillors' allowances is in line with the determination made by the Victorian Independent Remuneration Tribunal.

Others have increased by \$95,000 to \$195,000 in 2024–25. This represents the 2024 Council election costs of \$86,000 which are a cost that occurs every four years, and \$8,000 in increased bank collection fees.

The cost of the expenditure which may otherwise have been paid by Council in the absence of any contribution from volunteers is estimated to be \$75,000 for 2024–25.

4.1.13 Net asset revaluation increment

The revaluation of drainage infrastructure assets is scheduled to be completed in 2023–24. The outcome of this revaluation is not able to be predicted for inclusion in the 2024–25 budget.

4.2 Balance Sheet

4.2.1 Assets

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Cash and cash equivalents	7,054	7,150	96	1%
Trade and other receivables	300	300	0	0%
Other financial assets	2,500	2,500	0	0%
Inventories	4	4	0	0%
Prepayments	168	141	(27)	(16%)
Other assets	75	75	0	0%
Total current assets	10,100	10,170	70	1%
Investment in an associate	160	160	0	0%
Property, infrastructure, plant and equipment	174,619	174,170	(450)	(0%)
Total non-current assets	174,780	174,330	(450)	(0%)
Total assets	184,880	184,500	(380)	(0%)

Current assets are those assets that are able to be converted to cash within 12 months. These assets are expected to increase by \$70,000 (1%) compared with the 2023–24 financial year, as cash is used to pay for projects carried forward from 2023–24 when they are completed (net movement of 'Cash and cash equivalents' and 'Other financial assets', other financial assets represent term deposits with more than 90 days original maturity). Prepayments have decreased by \$27,000 (16%), in line with reduced operating spending. No movement in inventories and other assets are budgeted for 2024–25. Variances to this assumption are adjusted in the forecast when known.

Non-current assets are those assets which are not expected to be converted to cash within 12 months. Property, infrastructure, plant and equipment is the largest component. These assets are expected to decrease by \$450,000 (0%) compared with the 2023–24 financial year, due to capital work spend being less than asset depreciation for 2024–25.

Council recognises its interest in the Geelong Regional Library Corporation by recording an investment in its financial statements at a value based on the Borough's underlying interest in the net assets of the service disclosed in its audited financial statements each year. The Borough's share of the net assets is calculated on the same ratio as it contributes to the operating costs of the service. Both the 2023–24 forecast and 2024–25 budget assume no movement in library equity, with adjustments in equity advised by the Geelong Regional Library Corporation to be reported at year-end and the 2024–25 forecast adjusted accordingly. Annual contributions to Geelong Regional Library Corporation are included as expenditure in the Income Statement.

4.2.2 Liabilities

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Trade and other payables	1,092	718	(374)	(34%)
Trust funds and deposits	50	50	0	0%
Provisions	959	983	24	2%
Total current liabilities	2,101	1,751	(350)	(17%)
Provisions	100	102	2	3%
Total non-current liabilities	100	102	2	3%
Total liabilities	2,201	1,853	(347)	(16%)

Current liabilities are those obligations Council must pay within the next 12 months. These liabilities are expected to decrease by \$350,000 (17%) compared with the 2023–24 financial year, largely due to more capital expenditure projected for the 2023–24 financial year compared to the 2024–25 financial year, leading to an expected increase in the value of creditor invoices due at 30 June 2024 compared to 30 June 2025.

Provisions (employee cost provisions for accrued long service leave, annual leave, rostered days off and time-in-lieu owing to employees) are budgeted to increase by \$26,000 (\$24,000 current and \$2,000 non-current), in accordance with the Enterprise Bargaining Agreement and increase in super guarantee with effect from 1 July 2023. Active management of leave balances may result in some forecast savings during the year, and this will be adjusted in 2024–25 should a positive outcome be achieved.

No movement in trust funds and deposits (e.g. tender deposits and bonds paid to Council for future hall hire) is budgeted for 2024–25. Variances to this assumption are adjusted in the forecast when known.

Non-current liabilities are those obligations Council is not expected to pay within the next 12 months.

4.2.3 Borrowings

Council continues to focus on efficient and financially responsible service delivery to achieve outcomes that are valued by our community. Council will continue to explore new approaches to provide services in a tighter fiscal environment.

Council currently has a debt-free balance sheet and no new borrowing is included in the 2024–25 budget.

4.2.4 Leases by category

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of \$10,000), including IT equipment.

Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4.3 Statement of Changes in Equity

4.3.1 Equity

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Accumulated surplus	100,736	100,039	(697)	(1%)
Asset revaluation reserves	74,278	74,278	0	0%
Discretionary reserves	7,665	8,329	664	9%
Total equity	182,679	182,646	(33)	(0%)

Total equity always equals net assets and is made up of the following components:

- Accumulated surplus, which is the value of all net assets less reserves that have accumulated over time;
- Asset revaluation reserves, which represent the difference between the previously recorded value of non-current assets (property, infrastructure, plant and equipment) and their current valuations; and
- Other reserves, which are funds Council wishes to separately identify as being set aside to meet a specific purpose in the future and for which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council and separately disclosed.

\$33,000 of the \$697,000 (1%) decrease in **accumulated surplus** results directly from the projected deficit for the year. The balance of \$664,000 is the net amount of budgeted amounts to be transferred to **other reserves** from accumulated surplus net of \$87,000 to be transferred from other reserves for operating works program as explained in the note 4.3.2. These are transfers between equity items and does not impact the total equity.

No change is included in the 2024–25 budget with respect to the **asset revaluation reserve**. While Council's drainage infrastructure assets are scheduled to be revalued in 2023–24, the outcome of this revaluation will not be known until late June 2024.

4.3.2 Other reserves

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Accumulated unallocated cash reserve (general reserve)	1,383	1,460	77	5.6%
Asset replacement reserve – allocated	1,578	2,158	580	36.8%
Future calls on defined benefits superannuation	40	40	0	0.0%
Funds carried forward to future years	1,308	1,221	(87)	-6.7%
Waste management reserves	(94)	0	94	-100.0%
Proceeds from the sale of Murray Road land	3,450	3,450	0	0.0%
Total discretionary reserves	7,665	8,329	664	8.7%

Council’s other reserves on the Balance Sheet are budgeted to increase by \$664,000 (9%) compared with the 2023–24 financial year, predominantly because the overall renewal and upgrade capital works spend is below that of depreciation expensed (the Borough views depreciation as the amount that should be spent on asset renewal each year). This \$580,000 shortfall has been transferred to the **Asset replacement reserve – allocated** to be used to fund future asset renewal requirements.

Accumulated unallocated cash reserve (general reserve) reserve comprises of the cash surpluses achieved in previous financial years, which have not yet been allocated by Council to specific projects within the Annual Budget. This reserve provides a contingency for responding to emerging risk management and other unbudgeted issues which may arise during the course of the financial year.

\$77,000 will be transferred into the general reserve which represents the projected cash surplus for the 2024–25 financial year.

The **defined benefits superannuation liability reserve** is used as a hedge against future calls which may be made by Vision Super on the defined benefits scheme. Council set aside \$20,000 in each of the 2014–15 and 2015–16 budget years, with a total of \$40,000 remaining in this reserve and no plans to adjust the total.

Carry forward reserves are used mainly for holding over funds received / allocated in one year, to be spent in future years. The reserve movement of \$86,600 in 2024–25 reflects;

- \$86,600: transfer from carry forward operating expense reserves to fund the following projects:
 - \$44,600: Planning scheme amendment C40 of Fisherman’s Flat;
 - \$30,000: Continue with the Coastal and Marine Management Plan;
 - \$10,000: Continue with the review of Queenscliffe Planning Scheme;
 - \$2,000: Continue with the Gender Equality Actions.

Proceeds from the sale of Murray Road land are set aside in a separate reserve account.

Council uses **Waste management reserves** to hold the net surplus of waste management charges collected from ratepayers compared with the actual costs of waste management paid by the Council. \$94,000 is to be transferred to the Waste Management reserve. The movement in the waste management reserve is explained in note 4.1.1(n).

4.4 Statement of Cash Flows

4.4.1 Net cash flows provided by operating activities

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Rates and charges	8,365	8,971	607	7%
Statutory fees and fines	114	120	6	6%
User fees	1,930	2,134	203	11%
Grants – Operating	1,603	1,244	(360)	(22%)
Grants – Capital	1,116	0	(1,116)	(100%)
Interest received	466	333	(133)	(29%)
Other receipts	443	244	(200)	(45%)
Total receipts	14,075	13,045	(1,030)	(7%)

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Employee costs	(5,503)	(5,349)	155	3%
Materials and services	(6,406)	(5,734)	672	10%
Short-term, low value and variable lease payments	(1)	(1)	0	0%
Other payments	(617)	(738)	(121)	(20%)
Total payments	(12,527)	(11,821)	705	6%
Net cash provided by operating activities	1,548	1,224	(325)	(21%)

Operating activities refer to the cash generated (or used in) the normal service delivery functions of Council.

Net cash provided by operating activities is forecast to decrease by \$325,000 (21%) compared with the 2023–24 financial year, mainly due to the decrease in non-recurring operating initiatives and capital projects in 2024–25.

4.4.2 Net cash flows used in investing activities

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Payments for Property, Infrastructure, Plant & Equipment	(3,231)	(1,158)	2,073	64%
Proceeds from sale of Property, Infrastructure, Plant and Equipment	75	30	(45)	60%
Proceeds from sale of investments	5,093	0	(5,093)	100%
Net cash provided by / (used in) investing activities	1,937	(1,128)	(3,065)	158%

Investing activities refer to cash provided (or used in) the enhancement or creation of infrastructure and other assets, cash generated from the sale of assets and cash used/generated from investing activities.

There is a reduction in the budgeted investments in Property, Infrastructure, Plant & Equipment for 2024–25.

Proceeds from the sale of investments for 2023–24 reflect the reclassification of term deposits from other financial assets to cash and cash equivalents during the year when reinvested in term deposits with less than 90 days of maturity.

4.4.3 Net cash flows provided by/ (used in) financing activities

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Borrowing costs	0	0	0	0%
Proceeds from borrowings	0	0	0	0%
Repayment of borrowings	0	0	0	0%
Net cash provided by / (used in) financing activities	0	0	0	0%

Financing activities refer to cash provided (or used in) the financing of Council functions, including new borrowings from financial institutions and the repayment of principal and interest in each financial year. Council settled its loan liabilities in full in the 2020–21 financial year. No new borrowings are included in the 2024–25 budget.

4.5 Capital Works Program

This section presents a listing of the capital works projects that will be undertaken for the 2024–25 financial year, classified by expenditure type and funding source. All works are from the current budget, there are no capital works carried forward from prior year.

4.5.1 Summary

Description	Annual Forecast 2023–24	Draft Budget 2024–25	Change	
	\$'000	\$'000	\$'000	%
Property	709	207	(502)	(70.8%)
Plant and Equipment	630	157	(474)	(75.1%)
Infrastructure	2,133	537	(1,596)	(74.8%)
Total	3,472	900	(2,572)	(74.1%)

The 2024–25 budget sees a \$2,572,000 (74%) reduction in capital works projects. This is due to no new capital projects being identified to be included in the 2024–25 budget apart from the Annual Asset Renewal Program for property, plant and equipment and infrastructure assets.

The decision to not include any new capital projects outside of the Annual Asset Renewal Program allows a review of capital works post Council elections in October 2024 with the update of the Council Plan.

Asset expenditure types and funding sources

Description	Project Cost	Asset expenditure types			Summary of Funding Sources				
		New	Renewal	Upgrade	Grants	Contrib.	Council Cash	Reserve transfers	Asset Sales
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	272	0	272	0	0	0	272	0	0
Plant and Equipment	179	0	179	0	0	0	149	0	30
Infrastructure	449	0	449	0	0	0	449	0	0
Total	900	0	900	0	0	0	870	0	30

Council has been successful in the past attracting significant grants for key infrastructure projects in the Borough. Community contributions are sought toward projects which benefit a specific user group. Asset sales relate entirely to the annual motor vehicle replacement program. Funds for projects carried forward from prior financial years are held in reserves on the Balance Sheet until expenditure occurs. The balance of Council's capital works program is funded from rates and charges (excluding waste management).

Capital renewal budget generally follows the expenditure identified in the following asset management documents:

- Roads expenditure follows the recommendations in the 2019 Road Condition and Renewal Modelling Report and the Roads Footpath and Kerb Asset Management Plan 2019;
- Buildings expenditure reflects the 2018 Building Condition Assessment Modelling Report and the Buildings Asset Management Plan 2019;
- Storm water drainage expenditure reflects the Urban Stormwater Drainage Asset Management Plan 2019; and
- Open space expenditure reflects the Open Space Asset Management Plan 2019 in combination with the playground works schedule.

4.5.2 Current Capital Work Budget

Capital Works Area	Project Cost	Asset expenditure types			Summary of Funding Sources			
		New	Renewal	Upgrade	Grants	Council Cash	Reserve transfers	Asset Sales
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>PROPERTY</u>								
BUILDINGS								
Annual renewal program – buildings	207		207			207		
Staff cost to capitalise	65		65			65		
TOTAL BUILDINGS	272	0	246	0	0	272	0	0
TOTAL PROPERTY	272	0	246	0	0	272	0	0
<u>PLANT AND EQUIPMENT</u>								
PLANT, MACHINERY AND EQUIPMENT								
Annual renewal program – motor vehicles	90		90			60		30
Annual renewal program – caravan park washing machines and driers	5		5			5		
Annual renewal program – minor plant and equipment	10		10			10		
TOTAL PLANT, MACHINERY AND EQUIPMENT	105	0	105	0	0	75	0	30
FIXTURES, FITTINGS AND FURNITURE								
Annual renewal program – fixtures, fittings and furniture	27		27			27		
TOTAL FIXTURES, FITTINGS AND FURNITURE	27	0	27	0	0	27	0	0
COMPUTERS AND TELECOMMUNICATIONS								
Annual renewal program – computers and telephone equipment	46		46			46		
TOTAL COMPUTERS AND TELECOMMUNICATIONS	46	0	46	0	0	46	0	0
TOTAL PLANT AND EQUIPMENT	179	0	179	0	0	149	0	30
<u>INFRASTRUCTURE</u>								
ROADS								

Capital Works Area	Project Cost	Asset expenditure types			Summary of Funding Sources			
		New	Renewal	Upgrade	Grants	Council Cash	Reserve transfers	Asset Sales
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Annual renewal program – road resealing	85		85			85		
Annual renewal program – pavement repair	21		21			21		
Annual renewal program – kerb and channel	18		18			18		
TOTAL ROADS	124	0	124	0	0	124	0	0
FOOTPATHS AND CYCLEWAYS								
Annual renewal program – footpaths	25		25			25		
TOTAL FOOTPATHS AND CYCLEWAYS	25	0	25	0	0	25	0	0
DRAINAGE								
Annual renewal program – drainage	100		100			100		
TOTAL DRAINAGE	100	0	100	0	0	100	0	0
RECREATIONAL, LEISURE AND COMMUNITY FACILITIES								
Annual renewal program – beach access	20		20			20		
Annual renewal program – car parks	5		5			5		
Staff cost to capitalise	65		65			65		
TOTAL RECREATIONAL, LEISURE AND COMMUNITY FACILITIES	91	0	64	0	0	91	0	0
PARKS, OPEN SPACE AND STREETSCAPES								
Annual renewal program – open space	80		80			80		
Annual renewal program – open space and reserves – other assets	30		30			30		
TOTAL PARKS, OPEN SPACE AND STREETSCAPES	110	0	110	0	0	110	0	0
TOTAL INFRASTRUCTURE	449	0	449	0	0	449	0	0
TOTAL CAPITAL WORKS	900	0	900	0	0	870	0	30

5. Performance and Financial indicators

5.1. Targeted performance indicators

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

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

Targeted performance indicators – Service

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	+/-
Governance									
Consultation and engagement (Council decisions made and implemented with community input)	Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with the consultation and engagement efforts of Council	1	65	65	65	65	65	65	o
Roads									
Condition (sealed local roads are maintained at the adopted condition standard)	Sealed local roads below the intervention level Number of kms of sealed local roads below the renewal intervention level set by Council / Kms of sealed local roads		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	o
Statutory planning									
Service standard (planning application processing and decisions are in accordance with legislative requirements)	Planning applications decided within the relevant required time Number of planning application decisions made within the relevant required time / Number of planning application decisions made	2	69.23%	75.00%	75.00%	75.00%	75.00%	75.00%	o
Waste management									
Waste diversion (amount of waste diverted from landfill is maximised)	Kerbside collection waste diverted from landfill Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins	3	68.00%	64.00%	60.00%	60.00%	60.00%	60.00%	o

Targeted performance indicators – Financial

Indicator	Measure	Notes	Actual	Forecast	Target	Target Projections			Trend
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	+ / o / -
Liquidity									
Working Capital (sufficient working capital is available to pay bills as and when they fall due)	Current assets compared to current liabilities Current assets / current liabilities		458.01%	480.80%	150.00%	150.00%	150.00%	150.00%	o
Obligations									
Asset renewal (assets are renewed as planned)	Asset renewal compared to depreciation Asset renewal and upgrade expense / Asset depreciation		194.79%	209.60%	125.00%	125.00%	125.00%	125.00%	o
Stability									
Rates concentration (revenue is generated from a range of sources)	Rates compared to adjusted underlying revenue Rate revenue / adjusted underlying revenue	4	65.92%	64.50%	65.00%	65.00%	65.00%	65.00%	o
Efficiency									
Expenditure level (resources are used efficiently in the delivery of services)	Expenses per property assessment Total expenses / no. of property assessments	5	\$4,165	\$4,500	\$4,000	\$4,000	\$4,000	\$4,000	+

5.1. Financial performance indicators

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

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

Indicator	Measure	Notes	Actual	Forecast	Target		Target Projections		Trend
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	+/-
Operating position									
Adjusted underlying result (an adjusted underlying surplus is generated in the ordinary course of business)	Adjusted underlying surplus (or deficit) Adjusted underlying surplus (deficit) / Adjusted underlying revenue	6	-4.9%	-6.6%	-0.3%	-0.8%	0.1%	0.7%	+
Liquidity									
Unrestricted cash (sufficient cash that is free of restrictions is available to pay bills as and when they fall due)	Unrestricted cash compared to current liabilities Unrestricted cash / current liabilities	7	69.14%	280.55%	342.08%	326.83%	320.99%	318.47%	o
Obligations									
Loans and borrowings (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	Loans and borrowings compared to rates Interest bearing loans and borrowings / rate revenue		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	o
Loans and borrowings (level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities)	Loans and borrowings repayments compared to rates Interest and principal repayments on interest bearing loans and borrowings / rate revenue		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	o
Indebtedness (level of long term liabilities is appropriate)	Non-current liabilities compared to own-source revenue Non-current liabilities / own source revenue		0.89%	0.88%	0.87%	0.88%	0.88%	0.88%	o

Indicator	Measure	Notes	Actual	Forecast	Target		Target Projections		Trend
			2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	+/-
to the size and nature of a Council's activities)									
Stability									
Rates effort (rating level is set based on the community's capacity to pay)	Rates compared to property values Rate revenue / CIV of rateable properties in the municipal district		0.18%	0.18%	0.18%	0.19%	0.19%	0.20%	-
Efficiency									
Revenue level (resources are used efficiently in the delivery of services)	Average rate per property assessment General rates and municipal charges / no. of property assessments	8	\$2,229	\$2,321	\$2,393	\$2,466	\$2,531	\$2,598	-

Key to Forecast Trend:

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

Notes to indicators

- Satisfaction with community consultation and engagement** – Target is well above the State-wide average and small rural Council average of 54.
- Planning applications decided within the relevant required time** – Target is above the State-wide average of 67% and small rural Council average of 69%.
- Kerbside collection waste diverted from landfill** – Target is above the State-wide average of 48% and small rural Council average of 38%.
- Rates concentration** – Rates and charges continues to represent a significant source of income for Council.
- Expenditure level** – The majority of expenditure incurred by Queenscliffe is non-discretionary and part of managing the services expected of a local council. Given the very small ratepayer base, this translates into a level of expenditure per property assessment which is higher than the outcome for most of the other local councils. However, the target is in line with the small rural Council average of \$4,036 per property assessment.

6. **Adjusted underlying result** – This is an important measure of financial sustainability and an indicator of the operating result required to enable Council to continue to provide core services and meet its objectives.

The Local Government Performance Reporting Framework (LGPRF) based projected underlying result for the 2024–25 year is a deficit of \$33,000 (-0.3%).

The LGPRF based underlying result is impacted by the timing of recurring operating grants (especially FAG), non-recurring operating grants and non-recurring operating expenses included in the budget of a particular year. As a result, the underlying result is more meaningful when it is assessed excluding the impact of non-recurring operating income and expense items and adjusted for the timing of recurring operating grants, where applicable, as defined in the Council Plan of the Borough.

A breakeven underlying result is projected for the 2024–25 financial year after excluding non-recurring operating expenses, non-recurring operating grants and adjusted for the timing of recurring operating grants.

7. **Unrestricted cash** – Term deposits with original maturities of more than 90 days are considered restricted cash. However, the budget indicates that Council will have sufficient cash not restricted by any external obligation to cover its current liabilities. The budget is prepared based on the assumption that Council will invest in term deposits with original maturities of more than 90 days to optimise interest income in line with Council Policy CP011: Investment of Available Funds.
8. **Revenue level** – Rate revenue represents a high proportion of Queenscliffe’s revenue. Given the very small ratepayer base, this translates into a level of rate revenue per property assessment which is higher than the outcome for most of the other local councils.

Appendix A: Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2024–25 year.

The following information is listed for each type of fee charged by Council:

- Program / activity to which the user fee relates (example: law enforcement)
- Type of fee charged (example: dog registration)
- More details regarding each fee type (example: dog registration – sterilised dog)
- An indication as to whether the fee is legislated or at the discretion of Council
- Whether the fee is inclusive of GST, or if in fact GST does not apply to the fee
- Fees for both the current year (2023–24) and proposed fees for the next year (2024–25)
- % increase in fees compared with that charged for the previous year

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Rates and charges	Land Information Certificates *	Per certificate	Y	N	\$28.90	3.8%	TBC	
	Rates Debt Collection Fee	Per debt collection agency letter issued	N	Y	\$22.00	New	\$23.00	4.5%
	Rates Debt Collection- Legal Fee	Per legal procedure enforced	N	N	Based on actual cost	New	Based on actual cost	
	Rates Debt Collection- Other Charges	Per legal procedure enforced	N	Y	Based on actual cost	New	Based on actual cost	
	Current year rates notices	Per notice fee (up to 20 minutes)	N	N	\$0.00	0.0%	\$0.00	0.0%
	Previous year rates notices	Per notice fee (up to 20 minutes)	N	N	\$17.00	0.0%	\$18.00	5.9%
	Rate history enquiry	Administration fee (per hour)	N	N	\$55.00	5.8%	\$57.00	3.6%
	Rate Refund – Due to ratepayer error	Per Refund Request – Discretionary	N	N	\$15.00	50.0%	\$15.00	0.0%
	Dishonoured Cheque/Direct Debit Rejections Fee	Per cheque dishonoured – Australia Post transactions	N	N	\$25.00	0.0%	\$26.00	4.0%
		Per cheque dishonoured – Bank transactions	N	N	\$10.00	0.0%	\$10.00	0.0%
Per Direct Debit rejection – Bank transactions		N	N	\$2.50	(75.0%)	\$3.00	20.0%	
Administration	Photocopy charges – per page	A4 paper	N	Y	\$0.50	11.1%	\$0.55	10.0%
		A3 paper	N	Y	\$0.75	7.1%	\$0.80	6.7%
		A4 colour copy	N	Y	\$1.40	3.7%	\$1.45	3.6%
		A3 colour copy	N	Y	\$1.90	2.7%	\$1.95	2.6%
		A4 laminating	N	Y	\$2.60	0.0%	\$2.60	0.0%
	A3 laminating	N	Y	\$4.45	0.0%	\$4.45	0.0%	
Freedom of Information Request*	Per Application	Y	N	\$31.80	3.9%	TBC		
Facility hire	Per day hire – Town Hall	Social Events / Functions – Charity	N	Y	\$0.00	0.0%	\$0.00	0.0%
		Social Events / Functions – BoQ organisations/BoQ community groups	N	Y	\$200.00	0.0%	\$210.00	5.0%
		Social Events / Functions – Private events (Full day)	N	Y	\$500.00	0.0%	\$500.00	0.0%

* Subject to revision in line with the Gazetted fees and charges (Victorian Government Gazette: G16).

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Facility hire	Per day hire – Town Hall	Social Events / Functions – Private events (Half day)	N	Y	\$300.00	0.0%	\$300.00	0.0%
		Set-up fee for events in the Town Hall	N	Y	Based on actual cost		Based on actual cost	
		Social Events /Commercial/Functions – Private events (Full day)	N	Y	\$800.00	0.0%	\$825.00	3.1%
		Social Events /Commercial/Functions – Private events (Half day)	N	Y	\$500.00	0.0%	\$515.00	3.0%
	Per day hire – Pavilion	Social Events / Functions – BoQ organisations/BoQ community groups – per day	N	Y	\$100.00	0.0%	\$100.00	0.0%
		Social Events / Functions – Other users – per day	N	Y	\$200.00	0.0%	\$200.00	0.0%
		Social Events / Functions – BoQ organisations/BoQ community groups – per hour	N	Y	\$25.00	New	\$25.00	0.0%
	Per day hire – Community Hall	Social Events / Functions – Charity	N	Y			\$0.00	New
		Social Events / Functions – BoQ organisations/BoQ community groups	N	Y			\$100.00	New
		Social Events /Commercial/Functions – Private events (Full day)	N	Y			\$400.00	New
		Social Events /Commercial/Functions – Private events (Half day)	N	Y			\$250.00	New
		Social Events / Functions – BoQ organisations/BoQ community groups – per hour	N	Y			\$25.00	New
	Princess Park- Hire	Booking for exclusive use of park/or part there of	N	Y			Dependant on use type, by negotiation	New
	Per day hire – Oval	Booking fee	N	Y	\$84.00	0.0%	\$87.00	3.6%

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Foreshore Other	Tour Operator Licence	Licence (permit to carry out recreational business for profit on Crown Land managed by Council)*	Y	Y	\$330.40	5.5%	TBC	
	Recreational activities	Permit to carry out recreational activities on Land owned by Council	Y	Y	\$330.40	New	TBC	
Visitor Information Centre	Heritage Walks	Heritage Walk – with cup of tea	N	Y	\$20.00	11.1%	\$20.00	0.0%
		Heritage Walk – walk only	N	Y	\$10.00	0.0%	\$10.00	0.0%
		Cemetery	N	Y	\$10.00	New	\$10.00	0.0%
	Bike Hire	Bike Hire – 4 hours	N	Y	\$30.00	0.0%	\$30.00	0.0%
		Bike Hire – Full day (7 hours)	N	Y	\$40.00	0.0%	\$40.00	0.0%
		Deposit per hire (refundable)	N	Y	\$50.00	0.0%	\$50.00	0.0%
	Display Banners	Per week	N	Y	\$20.00	0.0%	\$20.00	0.0%
	Souvenirs**	Per item	N	Y	Various		Various	
	Auditorium hire	BoQ community groups & BoQ Not for Profits – per hour	N	Y	\$0.00	New	\$0.00	0.0%
		Not for profit – per hour	N	Y	\$20.00	New	\$20.00	0.0%
Business/ commercial – per hour		N	Y	\$50.00	New	\$50.00	0.0%	
Tour bus local tour guide fee	Per person	N	Y	\$5.00	New	\$5.00	0.0%	
Engineering	Build Over Easement Permit*	Per permit	Y	N	\$311.80	4.0%	TBC	
	Legal Point of Discharge Enquiry*	Per enquiry	Y	N	\$155.30	4.0%	TBC	
	Works Within Road Reserve Permits	Per permit	N	N	\$132.00	5.6%	\$136.00	3.0%
	Electric vehicle charge rate	Fee charge rate c/kwh	N	Y	\$0.45	New	\$0.45	0.0%
	Permit Fees	Builders’ construction of temporary vehicle crossing	N	N	\$143.00	3.6%	\$148.00	3.5%
		Tapping into Council drain	N	N	\$70.00	3.7%	\$72.00	2.9%
Road opening		N	N	\$143.00	3.6%	\$148.00	3.5%	

* Subject to revision in line with the Gazetted fees and charges (Victorian Government Gazette: G16).

** Please ask at the Visitor Information Centre for a current price list for souvenirs.

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Aged Care	Charges dependant on client means test	Home Care	N	N	\$5.65 – \$21.70	3.6%	\$5.85 – \$21.90	3.5%
		Personal Care	N	N	\$5.65 – \$21.70	3.6%	\$5.85 – \$21.90	3.5%
		Respite Care	N	N	\$2.95	3.5%	\$4.00	35.6%
		Home Maintenance	N	N	\$11.60 – \$20.05	3.6%	\$12.05 – \$20.75	3.9%
		Travel fees per km	N	Y	\$1.490	3.5%	\$1.55	4.0%
	Other Agencies \$/hour	Home Care	N	Y	\$63.95	3.5%	\$73.55	15.0%
		Personal Care	N	Y	\$67.00	3.5%	\$77.05	15.0%
		Respite Care	N	Y	\$68.35	3.5%	\$78.60	15.0%
		Home Maintenance	N	Y	\$77.80	3.5%	\$89.50	15.0%
		Travel fees per km	N	Y	\$1.49	3.5%	\$1.54	3.3%
	On-Call Case Managed Client fee	Per hour (minimum 1 hour per call-out)	N	Y	\$93.00 – \$233.00	3.6%	\$106.95 – \$267.95	15.0%
	Case Management Fee – per month	Monthly fee	N	Y	\$51.75	3.5%	\$59.50	15.0%
Building	Lodgement Fees – Building Permits*	Per lodgement	Y	N	\$130.90	4.1%	TBC	
	Building Certificate – Property Enquiry*	Per certificate	Y	N	\$50.70	4.0%	TBC	
	Building Surveyors Consent – Permit*	Per permit	Y	N	\$311.80	4.0%	TBC	
	Building Surveyors Consent – Permit*	Per permit – where land is liable to flooding	Y	N	\$311.80	4.0%	TBC	
	Copying of Building Permit Documentation	Per copy	N	Y	\$100 min.		\$100 min.	
	Records Search Fee	Per search (Records kept on-site)	N	Y	\$130.00	4.0%	\$134.00	3.1%
	Records Search Fee	Per search (Records kept off-site)	N	Y	\$190.00	2.7%	\$196.00	3.2%
	Pool and Spa Registration Fee*	Per pool/spa	Y	Y	\$34.20	4.0%	TBC	
	Pool and Spa Customer Search Fee*	Per registration	Y	Y	\$50.70	4.1%	TBC	
Building Surveyors Consent – Section 29A demolition*	Per request	Y	N	\$91.40	4.0%	TBC		

* Subject to revision in line with the Gazetted fees and charges (Victorian Government Gazette: G16).

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Town Planning	Planning Permit – new application*	Per permit (fee depends on Class) – from Lowest (Class 2)	Y	N	\$214.70	4.0%	TBC	
		Per permit (fee depends on Class) – to Highest (Class 16)	Y	N	\$61,914.60	4.0%	TBC	
	Planning Permit – extension of time*	First request	N	N	\$214.70	4.0%	TBC	
		Second request	N	N	\$429.40	New	TBC	
		Third and subsequent request	N	N	\$644.10	New	TBC	
	Planning Permit – amendment*	Per permit (fee depends on Class) – from Lowest (Class 2)	Y	N	\$214.70	4.0%	TBC	
		Per permit (fee depends on Class) – to Highest (Class 16)	Y	N	\$3,665.00	4.0%	TBC	
	Planning Permit – subdivision/restriction/easement/not otherwise provided for in regulations*	Per subdivision	Y	N	\$1,415.10	4.0%	TBC	
	Certification – subdivision*	Per subdivision	Y	N	\$187.60	4.0%	TBC	
	Alteration of plan – subdivision*	Per subdivision	Y	N	\$119.30	New	TBC	
	Amendment of certified plan – subdivision*	Per subdivision	Y	N	\$151.10	New	TBC	
	Planning Infringements*	Per infringement – natural person	Y	N	\$961.50	4.0%	TBC	
	Planning Infringements*	Per infringement – body corporate	Y	N	\$1,923.10	4.0%	TBC	
	Secondary consent*	Standard	N	Y	\$429.40	5.8%	TBC	
		Vicsmart	N	Y	\$214.70	5.8%	TBC	
	Planning Permit – Request	Copy of endorsed plans	N	Y	\$13.50	3.8%	\$13.90	3.0%
		Copy of permit	N	Y	\$53.80	3.5%	\$55.50	3.2%
		Request for planning information in writing.	N	Y	\$131.30	3.5%	\$135.50	3.2%
	Amend or end a Section 173 agreement*	Per request	Y	N	\$707.60	New	TBC	
	Satisfaction matters/Certificate of Compliance under Section 97N*	Per request	Y	N	\$349.80	New	TBC	

* Subject to revision in line with the Gazetted fees and charges (Victorian Government Gazette: G16).

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Town Planning	Development Plan	Application or amendment of development plan	N	Y	\$349.80	5.8%	TBC	
	Public notification fee	Base fee, up to 10 notices posted to adjoining owners & occupiers	N	Y			\$50.00	New
		Per notice (each additional notice posted after first 10)	N	Y			\$5.00	New
		Administration fee to place notice in local newspaper (to be paid by applicant in addition to fee invoiced by Newspaper)	N	Y			\$50.00	New
Environmental Health	Food – Class 1***	Per renewal	N	N	\$483.00	26.1%	\$498.00	3.1%
	Food – Class 2***	Per renewal	N	N	\$396.00	New	\$409.00	3.3%
	Food – Class 3A***	Per renewal	N	N	\$131.00	New	\$135.00	3.1%
	Food – Class 3***	Per renewal	N	N	\$262.00	3.6%	\$270.00	3.1%
	Food – Class 4***	Per renewal	N	N	\$0.00	New	\$0.00	0.0%
	Class 1: New Food Premises Registration	Per registration	N	N	\$966.00	New	\$997.00	3.2%
	Class 2: New Food Premises Registration	Per registration	N	N	\$792.00	New	\$817.00	3.2%
	Class 3A: New Food Premises Registration	Per registration	N	N	\$262.00	New	\$270.00	3.1%
	Class 3: New Food Premises Registration	Per registration	N	N	\$524.00	New	\$541.00	3.2%
	Class 4: New Food Premises Registration	Per registration	N	N	\$125.00	New	\$129.00	3.2%
	Change of Ownership Reinspection for all Classes	Per request	N	N	\$262.00	New	\$270.00	3.1%
	Disclosure of Information for Reinspection for all classes	Per request	N	N	\$125.00	New	\$129.00	3.2%
	Change of Ownership follow-up for all classes	Per requirement	N	N	\$125.00	New	\$129.00	3.2%
Food Sampling >2 samples	Per failed Sample	N	N	\$124.00	New	\$128.00	3.2%	
*** All new Environmental Health business registrations will be charged on a monthly pro rata basis.								

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Environmental Health	Environmental Health Accessories	Per request	N	N	\$25.00	New	\$26.00	4.0%
	Extra Environmental Health Administration	Per request	N	N	\$77.00	New	\$79.00	2.6%
	Mobile food premises – Class 2***	Per renewal	N	N	\$396.00	3.4%	\$409.00	3.3%
	Mobile Food premises Class 2 New premises Registration	Per registration	N	N	\$792.00	New	\$817.00	3.2%
	Mobile food premises – Class 3***	Per renewal	N	N	\$262.00	3.6%	\$270.00	3.1%
	Mobile Food premises Class 3 New premises Registration	Per registration	N	N	\$524.00	New	\$541.00	3.2%
	Mobile Food premises Class 3A	Per renewal	N	N	\$125.00	New	\$129.00	3.2%
	Mobile Food premises Class 3A New premises Registration	Per registration	N	N	\$262.00	New	\$270.00	3.1%
	Mobile Food premises Class 4	Per renewal	N	N	\$0.00	New	\$0.00	0.0%
	Mobile Food premises Class 4 New premises Registration	Per registration	N	N	\$125.00	New	\$129.00	3.2%
	Accommodation***	Per renewal	N	N	\$396.00	3.4%	\$409.00	3.3%
	Accommodation New Premises Registration	Per registration	N	N	\$792.00	New	\$817.00	3.2%
	Accommodation and Food New Premises	Per registration	N	N	\$1,188.00	New	\$1,226.00	3.2%
	Beauty Premises***	Per renewal	N	N	\$198.00	3.7%	\$204.00	3.0%
	Beauty Premises New Registration	Per registration	N	N	\$396.00	New	\$409.00	3.3%
	Septic tank fees	Construct, install or alter Onsite Waste Management System Variable application Fee	Y	N	\$777.00 to \$2,153.00	New	TBC	
		Minor Alteration to Onsite Waste Management System – Regulation 196 (1)(a), (3)	Y	N	\$592.00	New	TBC	
		Transfer a Permit – Regulation 197	Y	N	\$158.00	New	TBC	
		Amend a Permit – Regulation 198	Y	N	\$165.00	New	TBC	
Renew a Permit – Regulation 200		Y	N	\$132.00	New	TBC		
*** All new Environmental Health business registrations will be charged on a monthly pro rata basis.								

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Environmental Health	Septic tank fees	Exemption – Regulation 199 Variable application fee	Y	N	\$233.00 to \$976.00	New	TBC	
	Temporary food registration***	Per for-profit organisation	N	N	\$218.00	3.3%	\$225.00	3.2%
	Temporary food registration – Class 2 & 3***	Per community organisation (up to 12 events held each year)	N	N	\$0.00	0.0%	\$0.00	0.0%
	Temporary food registration – Class 2***	Per community organisation (more than 12 events held each year)	N	N	\$198.00	3.7%	\$204.00	3.0%
	Temporary food registration – Class 3***	Per community organisation (more than 12 events held each year)	N	N	\$130.00	3.2%	\$134.00	3.1%
	Temporary food registration – Class 3A***	Per community organisation (more than 12 events held each year)	N	N	\$99.00	New	\$102.00	3.0%
	Temporary food registration – Class 4***	Per community organisation	N	N	\$0.00	0.0%	\$0.00	0.0%
	Sporting Clubs Season Registration – Class 2 & 3***	Per renewal	N	N	\$199.00	3.6%	\$205.00	3.0%
	Sporting Clubs Season Registration – Class 2 & 3 New registration	Per registration	N	N	\$396.00	New	\$409.00	3.3%
	Associated fixed premise (temporary food) ***	Per renewal	N	N	\$0.00	0.0%	\$0.00	0.0%
	Associated fixed premise (temporary food) New registration***	Per registration	N	N	\$99.00	New	\$102.00	3.0%
	Aquatic facilities	Per registration	N	N			\$333.00	New
Local Laws	Dog Registrations – per registration <i>Note: fees are in accordance with the Domestic Animals Act, where applicable.</i>	Declared Restricted Breed	N	N	\$500.00	0.0%	\$500.00	0.0%
		Declared Menacing Breed	N	N	\$500.00	0.0%	\$500.00	0.0%
		Declared Dangerous Dog	N	N	\$500.00	0.0%	\$500.00	0.0%
		Entire & Microchipped	Partially	N	\$121.00	3.4%	\$125.00	3.3%
		Entire & Microchipped (Pension)	Partially	N	\$61.00	3.4%	\$63.00	3.3%
		Entire & Microchipped 6 months & under	N	N	\$40.00	2.6%	\$41.00	2.5%
		Registered Organisation (both owner and animal)	Partially	N	\$40.00	2.6%	\$41.00	2.5%
		Desexed & Microchipped	Partially	N	\$40.00	2.6%	\$41.00	2.5%
*** All new Environmental Health business registrations will be charged on a monthly pro rata basis.								

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Local Laws	Dog Registrations – per registration <i>Note: fees are in accordance with the Domestic Animals Act, where applicable.</i>	Desexed & Microchipped (Pension)	Partially	N	\$21.00	5.0%	\$22.00	4.8%
		Over 10 years old Entire & Microchipped	Partially	N			\$63.00	New
		Over 10 years old Entire & Microchipped (Pension)	Partially	N			\$32.00	New
		Over 10 years old Desexed & Microchipped	Partially	N			\$22.00	New
		Over 10 years old Desexed & Microchipped (Pension)	Partially	N			\$11.00	New
		Dual Registration	N	N	\$7.00	0.0%	\$7.00	0.0%
		Guide Dog / Carer Dog	Y	N	\$0.00	0.0%	\$0.00	0.0%
		Transfer from another Council current registration	N	N	\$0.00	0.0%	\$0.00	0.0%
		Replacement Dog Tag	N	N	\$2.00	0.0%	\$2.00	0.0%
	Cat Registrations – per registration <i>Note: fees are in accordance with Domestic Animals Act, where applicable. Entire (not applicable in BoQ as local law does not allow entire cat).</i>	Desexed & Microchipped	Partially	N	\$34.80	3.6%	\$36.00	3.4%
		Desexed & Microchipped (Pension)	Partially	N	\$17.40	3.6%	\$18.00	3.4%
		Over 10 years old Desexed & Microchipped	Partially	N			\$18.00	New
		Over 10 years old Desexed & Microchipped (Pension)	Partially	N			\$9.00	New
		Registered Organisation (both owner and animal)	N	N	\$34.80	3.6%	\$36.00	3.4%
		Transfer from another Council current registration	N	N	\$0.00	0.0%	\$0.00	0.0%
		Dual Registration	N	N	\$7.00	0.0%	\$7.00	0.0%
		Replacement Cat Tag	N	N	\$2.00	0.0%	\$2.00	0.0%
	Local Law Permit Fees <i>Note: unless otherwise stipulated, these are annual permit fees.</i>	Planting on or removal of plants from nature strip	N	N	\$0.00	0.0%	\$0.00	0.0%
		Keeping more animals or birds than prescribed – application fee	N	N	\$100.00	3.6%	\$103.00	3.0%
		Keeping more animals or birds than prescribed – annual renewal	N	N	\$19.00	2.7%	\$20.00	5.3%
		Keeping an animal or bird not listed	N	N	\$0.00	0.0%	\$0.00	0.0%
		Lighting a fire in the open	N	N	\$124.00	3.3%	\$128.00	3.2%
		Bringing a horse or donkey	N	N	\$31.50	3.3%	n/a	Remove

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Local Laws	Local Law Permit Fees <i>Note: unless otherwise stipulated, these are annual permit fees.</i>	Erecting booth, stall scaffolding etc. – for charitable purposes	N	N	\$0.00	0.0%	\$0.00	0.0%
		Erecting booth, stall scaffolding etc. – for other purposes	N	N	\$192.50	3.5%	\$199.00	3.4%
		Placing signs, displaying, or storing goods – for charitable purposes	N	N	\$0.00	0.0%	\$0.00	0.0%
		Placing signs, displaying, or storing goods – for other purposes	N	N	\$39.50	3.9%	\$41.00	3.8%
		Placing signs, displaying, or storing goods – annually	N	N	\$116.00	3.6%	\$120.00	3.4%
		Signage other than above	N	N	\$284.50	3.5%	\$294.00	3.3%
		Singing, playing a musical instrument, delivering a public address, using sound amplifying equipment – for charitable purposes	N	N	\$0.00	0.0%	\$0.00	0.0%
		Singing, playing a musical instrument, delivering a public address, using sound amplifying equipment – for other purposes (<=7 days)	N	N	\$19.50	2.6%	\$20.00	2.6%
		Singing, playing a musical instrument, delivering a public address, using sound amplifying equipment – for other purposes (annual permit)	N	N	\$64.50	3.2%	\$67.00	3.9%
		Sell or hire or offer for sale or hire goods or services or raffle or lottery tickets – for charitable purposes	N	N	\$0.00	0.0%	\$0.00	0.0%
		Sell or hire or offer for sale or hire goods or services or raffle or lottery tickets – for other purposes	N	N	By arrangement		By arrangement	
		Filming within the Borough – Feature Films & Commercials – First day	N	N	\$320.00	3.6%	\$330.00	3.1%
		Filming within the Borough – Feature Films & Commercials – Subsequent day(s), per day	N	N	\$127.00	3.7%	\$131.00	3.1%
Filming within the Borough – Major Television Productions, low and medium budget films, telemovies – First day	N	N	\$255.50	3.4%	\$264.00	3.3%		

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Local Laws	Local Law Permit Fees <i>Note: unless otherwise stipulated, these are annual permit fees.</i>	Filming within the Borough – Major Television Productions, low and medium budget films, telemovies – Subsequent day(s), per day	N	N	\$127.00	3.7%	\$131.00	3.1%
		Filming within Borough – Commercial Stills Photography – First day	N	N	\$193.50	3.5%	\$200.00	3.4%
		Filming within the Borough – Commercial Stills Photography – Subsequent Day(s), per day	N	N	\$64.50	3.2%	\$67.00	3.9%
		Filming within the Borough – Small Scale Television Productions – First day	N	N	\$127.00	3.7%	\$131.00	3.1%
		Filming within the Borough – Small Scale Television Productions – Subsequent day(s), per day	N	N	\$64.50	3.2%	\$67.00	3.9%
		Filming within the Borough – Productions for Charities	N	N	By arrangement		By arrangement	
	Local Law Permit Fees <i>Note: unless otherwise stipulated, these are annual permit fees.</i>	Using a crane, hoist, or movable platform etc.	N	N	\$192.50	3.5%	\$199.00	3.4%
		Fly an engine powered model airplane	N	N	\$39.50	3.9%	\$41.00	3.8%
		Landing a helicopter – weekdays 9am-5pm	N	N	\$124.00	3.3%	n/a	Remove
		Landing a helicopter – week nights and all-day Saturday	N	N	\$249.00	3.5%	n/a	Remove
		Landing a helicopter – all day on a Sunday	N	N	\$373.50	3.5%	n/a	Remove
		Removing paint, painting, or repairing a vehicle or boat in a public place – per permit	N	N	\$1,246.50	3.5%	\$1,286.00	3.2%
		Place a skip – accredited & have insurance – per week	N	N	\$39.50	3.9%	\$41.00	3.8%
		Place a skip – non-accredited – per week	N	N	\$103.00	3.5%	\$106.00	2.9%
		Events – local law – weddings	N	N	\$0.00	0.0%	\$0.00	0.0%
		Events – local law – major event (promote or conduct an event for which an entry fee is charged, or which is intended to make a profit)	N	N	By arrangement		By arrangement	
Conduct a road activity – for charitable purposes	N	N	\$0.00	0.0%	\$0.00	0.0%		
Conduct a road activity – for other purposes	N	N	\$64.50	3.2%	\$67.00	3.9%		

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Local Laws	Local Law Permit Fees <i>Note: unless otherwise stipulated, these are annual permit fees.</i>	Camping or keeping a caravan in a public place or private land -per day (\$Nil for the first 6 weeks on private land)	N	N	\$33.50	3.1%	\$35.00	4.5%
		Special uses and events	N	N	By arrangement		By arrangement	
		Street appeals – for charitable purposes	N	N	\$0.00	0.0%	\$0.00	0.0%
		Street appeals – for other purposes	N	N	\$127.00	3.7%	\$131.00	3.1%
		Consumption of liquor	N	N	\$6.00	3.4%	\$6.00	0.0%
		Itinerant trading (roadside vendors)	N	N	By arrangement		By arrangement	
		Failure to comply with a notice to comply (three penalty units) *	Y	N	\$576.90	4.0%	TBC	
	Parking Fees-per Bay (where footpath area used for works, thus requiring pedestrians to use designated parking bays as footpaths)	Per day	N	N	\$10.00	0.0%	\$11.00	10.0%
		Per week (based on a seven-day week)	N	N	\$40.00	0.0%	\$44.00	10.0%
		Per month (based on a calendar month)	N	N	\$100.00	0.0%	\$110.00	10.0%
	Parking Fines – per infringement	Minimum fee*	Y	N	\$96.00	26.3%	TBC	
		Medium fee*	Y	N	\$115.00	7.5%	TBC	
		Maximum fee*	Y	N	\$192.00	4.3%	TBC	
		Courtesy letter fee*	Y	N	\$28.00	21.7%	TBC	
	Fire Hazard Charges	Failing to comply with a fire prevention notice*	Y	N	\$1,923.00	4.0%	TBC	
		Failing to obtain a permit to conduct road opening*	Y	N	\$365.00	3.7%	TBC	
	Animal Infringements	Dog not on lead in public place*	Y	N	\$192.00	4.3%	TBC	
		Dog wandering at large, daytime*	Y	N	\$288.00	4.0%	TBC	
		Dog wandering at large, nighttime*	Y	N	\$385.00	4.3%	TBC	
		Failure to register a dog or cat*	Y	N	\$385.00	4.3%	TBC	
		Registered dog or cat not wearing tag*	Y	N	\$96.00	4.3%	TBC	
		Unregistered dog or cat wearing a tag*	Y	N	\$96.00	4.3%	TBC	
		Contravening council order regarding dogs or cats in public place*	Y	N	\$192.00	4.3%	TBC	

* Subject to revision in line with the Gazetted fees and charges (Victorian Government Gazette: G16).

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Local Laws	Animal Infringements	Dog or cat being a nuisance*	Y	N	\$96.00	4.3%	TBC	
		Cat at large or not securely confined to owner's premises*	Y	N	\$192.00	4.3%	TBC	
		Greyhounds not muzzled or chain outside owner's premises*	Y	N	\$288.00	4.0%	TBC	
		Non-compliance of order to abate nuisance*	Y	N	\$327.00	4.5%	TBC	
Tourist Parks	Golightly (based on 2 adults & 4 children)	Annual fees – A	N	Y	\$9,982.00	3.5%	\$10,300.00	3.2%
		Annual fees – B	N	Y	\$9,120.00	3.5%	\$9,410.00	3.2%
		Annual fees – C	N	Y	\$8,745.00	3.5%	\$9,025.00	3.2%
	Recreation Reserve (based on 2 adults)	Annual fees	N	Y	\$6,540.00	3.5%	\$7,195.00	10.0%
	Victoria Park (based on 2 adults)	Annual fees	N	Y	\$6,540.00	3.5%	\$7,195.00	10.0%
	All parks	Annual fees – Transfer of ownership	N	Y	\$250.00	0.0%	n/a	Remove
		Annual fees – Valuation fee	N	Y	\$220.00	10.0%	n/a	Remove
	Seasonal Package – All Parks ****	1 December -24 December	N	Y			\$1,225.00	New
		1 December – 30 April	N	Y	\$5,982.00	3.5%	n/a	Remove
		1 December – 31 March	N	Y	\$5,205.00	3.5%	n/a	Remove
		1 December – 28 February	N	Y	\$4,121.00	3.5%	n/a	Remove
		26 December – 31 January	N	Y	\$2,709.00	3.5%	n/a	Remove
		4 February -17 April	N	Y	\$2,749.00	3.5%	\$2,749.00	0.0%
		4 February – 31 March	N	Y	\$1,902.00	3.5%	\$2,100.00	10.4%
		4 February – 28 February	N	Y	\$1,130.00	3.5%	\$1,225.00	8.4%
	Additional persons	Extra adult on annual permit	N	Y	\$145.00	0.0%	\$159.50	10.0%
Extra child on annual permit		N	Y	\$77.00	0.0%	\$84.70	10.0%	
Extra adult – Casual site or package per night		N	Y	\$15.00	0.0%	\$15.00	0.0%	
Extra child – Casual site, or package per night		N	Y	\$10.00	0.0%	\$10.00	0.0%	

* Subject to revision in line with the Gazetted fees and charges (Victorian Government Gazette: G16).

**** All Seasonal Packages are based on 2 adults only

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Tourist Parks	Casual – per night ***** (Powered site)	Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events)	N	Y	\$88.00	3.5%	\$92.00	4.5%
		Shoulder (1 September to 26 December, 1 February – 30 April)	N	Y	\$67.00	3.1%	\$67.00	0.0%
		Low (1 May – 31 August)	N	Y	\$47.00	4.4%	\$47.00	0.0%
		Discount applied for bookings more than 5 nights – Shoulder season only			20% Discount		20% Discount	
		Discount applied for bookings more than 5 nights – Low season only			30% Discount	New	30% Discount	
	Cabins – per night Water View 1-3	Water View 1-3 – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Sun to Thur	N	Y	\$295.00	0.0%	\$310.00	5.1%
		Water View 1-3 – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Fri & Sat	N	Y	\$310.00	New	\$310.00	0.0%
		Water View 1-3 – Shoulder (1 September to 26 December, 1 February – 30 April) – Sun to Thur	N	Y	\$255.00	0.0%	\$235.00	(7.8%)
		Water View 1-3 – Shoulder (1 September to 26 December, 1 February – 30 April) – Fri & Sat	N	Y	\$270.00	New	\$250.00	(7.4%)
		Water View 1-3 – Low (1 May – 31 August) – Sun to Thur	N	Y	\$200.00	0.0%	\$185.00	(7.5%)
		Water View 1-3 – Low (1 May – 31 August) – Fri & Sat	N	Y	\$210.00	New	\$195.00	(7.1%)
Cabins – per night Park View 4-5	Park View 4-5 – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Sun to Thur	N	Y	\$275.00	0.0%	\$290.00	5.5%	
***** Given the competitive nature of camping and caravan park accommodation, casual rates for camping may be varied to a maximum discount of 20%. A 20% premium may also apply for the duration of publicly advertised major events. Any discounts to be approved by Caravan Park management or a member of the Executive Management Team.								

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Tourist Parks	Cabins – per night Park View 4-5	Park View 4-5 – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Fri & Sat	N	Y	\$290.00	New	\$290.00	0.0%
		Park View 4-5 – Shoulder (1 September to 26 December, 1 February – 30 April) – Sun to Thur	N	Y	\$200.00	0.0%	\$185.00	(7.5%)
		Park View 4-5 – Shoulder (1 September to 26 December, 1 February – 30 April) – Fri & Sat	N	Y	\$210.00	New	\$195.00	(7.1%)
		Park View 4-5 – Low (1 May – 31 August) – Sun to Thur	N	Y	\$180.00	0.0%	\$165.00	(8.3%)
		Park View 4-5 – Low (1 May – 31 August) – Fri & Sat	N	Y	\$190.00	New	\$175.00	(7.9%)
	Budget cabins – per night	Budget Cabin ("Whale") – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Sun to Thur	N	Y	\$180.00	0.0%	\$190.00	5.6%
		Budget Cabin ("Whale") – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Fri & Sat	N	Y	\$190.00	New	\$190.00	0.0%
		Budget Cabin ("Whale") – Shoulder (1 September to 26 December, 1 February – 30 April) – Sun to Thur	N	Y	\$155.00	0.0%	\$145.00	(6.5%)
		Budget Cabin ("Whale") – Shoulder (1 September to 26 December, 1 February – 30 April) – Fri & Sat	N	Y	\$165.00	New	\$155.00	(6.1%)
		Budget Cabin ("Whale") – Low (1 May – 31 August) – Sun to Thur	N	Y	\$145.00	11.5%	\$140.00	(3.4%)
		Budget Cabin ("Whale") – Low (1 May – 31 August) – Fri & Sat	N	Y	\$150.00	New	\$145.00	(3.3%)
		Budget Cabin ("Sardine") – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Sun to Thur	N	Y	\$150.00	0.0%	\$160.00	6.7%

Program / Activity	Fees & Charges Type	Fees & Charges Detail	Legislated Fee (Y/N)	GST (Y/N)	Actual 2023-24		Draft Budget 2024-25	
					Price	% Increase	Price	% Increase
Tourist Parks	Budget cabins – per night	Budget Cabin ("Sardine") – Peak (26 December – 31 January, Easter Holidays, Public Holidays, Queenscliff Music Festival, Special Events) – Fri & Sat	N	Y	\$160.00	New	\$160.00	0.0%
		Budget Cabin ("Sardine") – Shoulder (1 September to 26 December, 1 February – 30 April) – Sun to Thur	N	Y	\$140.00	0.0%	\$130.00	(7.1%)
		Budget Cabin ("Sardine") – Shoulder (1 September to 26 December, 1 February – 30 April) – Fri & Sat	N	Y	\$150.00	New	\$140.00	(6.7%)
		Budget Cabin ("Sardine") – Low (1 May – 31 August) – Sun to Thur	N	Y	\$130.00	0.0%	\$125.00	(3.8%)
		Budget Cabin ("Sardine") – Low (1 May – 31 August) – Fri & Sat			\$135.00	New	\$130.00	(3.7%)
	Cabins	Additional Person	N	Y	\$25.00	13.6%	\$25.00	0.0%
		Stay 3 nights pay for 2 nights (low season only)	N	Y			Discount	New
	Powered site	Queenscliff Music Festival weekend (2 nights, Fri/Sat 2 people)	N	Y	\$220.00	10.0%	n/a	Remove
		Queenscliff Music Festival weekend (3 nights Fri/Sat/Sun, 2 people)	N	Y	\$300.00	New	n/a	Remove
		Queenscliff Music Festival weekend (4 nights Thur/Fri/Sat/Sun)	N	Y	\$350.00	New	n/a	Remove
		Queenscliff Music Festival – Additional person per night	N	Y	\$25.00	(50.0%)	n/a	Remove
	Other Charges (applies for all sites)	Cancellation Fee	N	Y	\$50.00	0.0%	n/a	Remove
		Late Checkout Fee – Camp sites only	N	Y	\$20.00	100.0%	\$20.00	0.0%
		Laundry Charges – Washing Machine	N	Y	\$5.00	25.0%	\$5.00	0.0%
		Laundry Charges – Dryer (per 15 minutes)	N	Y	\$5.00	150.0%	\$5.00	0.0%
		Bags of Ice (per bag)	N	Y	\$5.00	0.0%	\$5.00	0.0%
		Credit Card and EFTPOS Fees	N	N			Actual – as per card provider	New

End of the budget document.