



Draft Annual Budget 2024-25

(4-year financial outlook)



Addendum – Budget 2024/25

This Addendum is to be read in conjunction with the Draft 2024-25 Annual Budget.

Council adopted the Draft 2024-25 Annual Budget for public exhibition and submissions for 21 days from 30 April to 20 May 2024, with the following amendments.

These amendments are not reflected in the published Draft 2024-25 Annual Budget.

Page Number	Document Reference	Published \$'000	Amended \$'000
23	Comprehensive Income Statement	2024/25 Rates and Charges \$157,433	2024/25 Rates and Charges \$157,424
23	Comprehensive Income Statement	2024/25 Grants – Capital \$1,819	2024/25 Grants – Capital \$2,319 JCMP – Female Friendly Change Facilities Grant
23	Comprehensive Income Statement	2024/25 Materials and services \$59,206	2024/25 Materials and services \$59,371 <i>Operating Projects increase of \$165k</i>
23	Comprehensive Income Statement	2024/25 Total Comprehensive Result \$12,741	2024/25 Total Comprehensive Result \$13,067
24	Balance Sheet	2024/25 Property, infrastructure, plant and equipment \$1,668,588	2024/25 Property, infrastructure, plant and equipment \$1,669,088
24	Balance Sheet	2025/26 Property, infrastructure, plant and equipment \$1,674,138	2025/26 Property, infrastructure, plant and equipment \$1,674,918
26	Statement of Cash Flows	2024/25 Cash and cash equivalents at the beginning of the year \$36,879	2024/25 <i>Carry Forward of \$65k of Grants for funding Operating Projects in 2024/25</i> Cash and cash equivalents at the beginning of the year \$36,944
26	Statement of Cash Flows	2024/25 Cash and cash equivalents at the end of the year \$45,851	2024/25 Cash and cash equivalents at the end of the year \$45,742
26	Statement of Cash Flows	2025/26 Cash and cash equivalents at the end of the year \$38,664	2025/26 Cash and cash equivalents at the end of the year \$38,275
31	4.1.1(a)	Pensioner Rebate (26) Total Rates and Charges \$157,433	Pensioner Rebate (\$34) Total Rates and Charges \$157,424

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Disclaimer

The information contained in this document is for general guidance only. It is not professional advice and should not be used, relied upon or treated as a substitute for specific professional advice. Given the changing nature of laws, rules and regulations, and the inherent hazards of electronic communication, there may be delays, omissions or inaccuracies in information contained in this document.

The model budget, including financial statements, has been prepared in accordance with the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*. While every effort has been made to ensure that the information contained in this document has been accurate and complies with relevant Victorian legislation, each Council remains responsible to ensure that the budget they prepare is compliant with all statutory requirements.

Acknowledgement of Traditional Owners and Aboriginal and Torres Strait Islander people

Darebin City Council acknowledges the Wurundjeri Woi-wurrung people as the traditional owners and custodians of the land and waters we now call Darebin and affirms that Wurundjeri Woi-wurrung people have lived on this land for millennia, practicing their customs and ceremonies of celebration, initiation and renewal. Council acknowledges that Elders past, present and emerging are central to the cohesion, intergenerational wellbeing and ongoing self-determination of Aboriginal communities. They have played and continue to play a pivotal role in maintaining and transmitting culture, history and language.

Council respects and recognises Aboriginal and Torres Strait Islander communities' values, living culture and practices, including their continuing spiritual connection to the land and waters and their right to self-determination. Council also recognises the diversity within Aboriginal and Torres Strait Islander communities.

Aboriginal and Torres Strait Islander people and communities have had and continue to play a unique role in the life of the Darebin municipality. Council recognises and values this ongoing contribution and its significant value for our city and Australian society more broadly

Extract from Darebin City Council's Statement of commitment to Traditional Owners and Aboriginal and Torres Strait Islander people 2019

Mayor Foreword 2024

On behalf of Darebin City Council, I am delighted to present the 2024-25 Draft Budget. Each year, we prepare an Annual Budget and Council Plan Action Plan to ensure funds are allocated to achieve the goals we have set in our four-year Council Plan. This coming financial year (2024-25) represents the final year of our four-year Council Plan.

Our Council Budgets and Plans are created in alignment with the Darebin 2041 Community Vision.

Our 2041 Community Vision:

- *Darebin is an equitable, vibrant and connected community.*
- *Darebin respects and supports First Nations People, values country, our diverse communities and places.*
- *Darebin commits to mitigating the climate emergency, creating prosperity for current and future generations.*

The current economic landscape continues to challenge everyone in our community and this places significant pressure on Darebin's financial planning.

This Budget outlines the expected income and expenditure for operational, strategic and capital activities for the coming year and also incorporates Council's rating strategies. It is an essential planning and resource tool and is vital to the ongoing operational and financial viability of Council.

Our goal is to ensure Darebin is financially sustainable in the long term and therefore we recognise the need for a strong focus on resilience, both in terms of our financial responsibilities and what we can realistically deliver.

Aligned to the goals of our Council Plan Action Plan, our Community Vision, the highlights of our Annual Budget include:

A Vibrant, Respectful and Connected community

- Finalise and commence implementation of the Aboriginal Action Plan
- Finalise and commence implementation of the Cultural Diversity Action Plan
- Prepare for and implement aged care reforms
- Continue to develop a partnership with the Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation to support the delivery of mutual goals

A Prosperous, Livable and Flourishing community

- Undertake essential building renewal works, gym equipment and group exercise equipment at Reservoir Leisure Centre, while scoping longer term options for the redevelopment of the centre
- Deliver the footpath and road renewal programs to improve road safety and the cycling, walking and wheeling network
- Design and construct transport safety projects (including Blackspot Program)
- Commence construction of the KP Hardiman Pavilion
- Complete construction of the John Hall Pavilion
- Deliver the Assertive Outreach program to support people sleeping rough and experiencing homelessness
- Advocate for funding to initiate the Towards Zero approach to support people sleeping rough and experiencing homelessness
- Deliver the kindergarten expansion program to increase kindergarten places in areas of greatest unmet demand

Climate, Green and Sustainable

- Remove gas from eight Council sites as part of ongoing works associated with phasing out natural gas use from Council buildings within the municipality.
- Remediate parcels of land at Clements Reserve, prior to transfer of land to Council, to increase green, open space
- Commence implementing a voluntary Water Sensitive Urban Design (WSUD) in-lieu scheme for developers to meet a proportion of their planning requirements to treat and re-use stormwater on private land
- Finalise and implement new Climate Emergency Plan 2024-30

Responsible, Transparent and Responsive

- Continue to implement the Organisational Strategy, *Leading Darebin*, to drive organisational performance and customer improvements
- Develop key strategic documents including the review of the Community Vision, Council Plan, Financial Plan and Asset Plan including deliberative engagement with the community
- Invest in IT systems through the Your Digital Darebin project to improve customer experience, enable our people and deliver effective governance, compliance, improved data and cyber risk management
- Transform our models of service delivery through the development of service profiles and conduct service reviews, to improve and ensure accessibility, inclusivity for under-represented groups and consistency of our customer experience

The 2024-25 Annual Budget strikes a good balance between financial sustainability and delivering on Council's core services to the community.

I look forward to working together to ensure a financially sustainable future for Darebin.

Cr Susanne Newton

Mayor

Executive Summary

Working in partnership with community to identify priorities allows Council to make important financial decisions, balance current and future needs, while also ensuring Darebin is financially sustainable well into the future.

Our current economic landscape continues to present ongoing challenges. Hyper inflation and rising construction costs has and will continue to place significant cost pressures on Councils' budget over the short to medium term at levels not previously seen. We recognise the need for a strong focus on sustainability, both in terms of our fiscal responsibilities and the types of infrastructure we are delivering.

Similarly, to continue to deliver core services; whilst also addressing current and future community needs, we need to be realistic about what we can responsibly deliver in this current economic landscape.

Council has prepared a draft Budget for 2024-25 that is financially responsible, aligned to the Council Plan (incorporating Municipal Public Health and Wellbeing Plan) 2021-25 to realise the aspirations of the Community Vision 2041.

The draft budget 2024-25 has been developed based on financial sustainability principles that continue to maintain and improve key services and infrastructure as well as deliver projects and services that are relevant, are valued by our community and which represent the highest value for ratepayers' funds given the limitation of staying within the rate cap mandated by the State Government.

Within this budget Council recognises the impact of rising cost of living increases on our community, particularly, those who are most vulnerable and has given careful consideration to this impact in setting fees and charges within this budget whilst ensuring that concessions and rebates are targeted to those who need extra help and assistance.

The draft budget 2024-25 is projecting an operating surplus of \$12.7 million, representing a \$5.1 million increase compared to 2023-24 revised forecast, reflecting our underlying financial sustainability strategy built into the draft budget.

1) Key funding objectives

- a. Ongoing delivery of services to the Darebin community funded by a budget of \$213 million. These services are summarised in Section 2.
- b. Continued investment in property assets (\$10.3 million) and infrastructure assets (\$14.8 million) primarily for renewal works. This includes land and land improvements (\$1.3 million); buildings (\$9 million); plant & equipment (\$6 million); roads (\$6 million); footpaths and bicycle paths (\$3 million); parks, open space and streetscapes (\$1.1 million); recreational, leisure and community facilities (\$4 million).
- c. The Statement of Capital Works can be found in Section 3 with further details on the capital works budget in Sections 4.5.

2) The Rate Decrease

- a. The rate cap has decreased to 2.75% compared to prior year.
- b. Valuations will be as per the General Revaluation dated 1 January 2024 (as amended by supplementary valuations).
- c. Note that for every \$100 in taxes paid by Victorian residents, rates make up approximately \$3.40. The other \$96.60 goes to the State and Federal Governments.
- d. Refer Section 4 for further Rates and Charges details.

3) Key Statistics

Total Revenue:	\$213.0M	(2023-24 Revised Forecast = \$206.1M)
Total Expenditure:	\$200.2M	(2023-24 Revised Forecast = \$198.4M)
Accounting Result:	\$12.7M Surplus	(2023-24 Revised Forecast = \$7.6M Surplus)

(Refer Comprehensive Income Statement in Section 3)

Cash result \$8.9M Surplus (2023-24 Revised Forecast= \$4.9M Deficit)
(Refer Statement of Cash Flows in Section 3)

This is the net funding result after considering the funding requirements to meet loan principal repayments and reserve transfers.

- Total Capital Works Program:
 - o \$22.8M from Council operations (rates funded)
 - o \$8.3M from external grants and contributions

4) Budget Influences

External Influences

The preparation of the budget is influenced by the following external factors:

- The Victorian State Government has set the rate cap for 2024-25 at 2.75%.
- The Consumer Price Index (CPI) for Victoria is currently 5.0% for the December quarter (Next ABS release 24 April 2024).
- The minimum superannuation guarantee is legislated to increase from the current 11.0% to 11.5% on 1 July 2024.
- The levy payable to the State Government for disposal of waste into landfill will be released by the Government in May 24. The levy increased in 2023-24 by 2.7% compared to the 2022-23 year. This increase was in addition to the 60.7% increase incurred during the 2021-22 year & further 18.9% increase incurred during the 2022-23 year.
- Ongoing cost shifting. This occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with service provision real cost increases.
- Councils across Australia raise approximately 3.4% of the total taxation collected by all levels of Government in Australia. In addition, Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the Fire Services Property Levy Act 2012.
- Workers Compensation Premiums rose by an average of 42% in 2023-24 compared to the 2022-23 year, as announced by the Victorian State Government.

Sustainability and Biodiversity

Achieving environmental and social outcomes has been a key element of prioritising investment across many programs in the 10-year Capital Works Plan. Achieving environmental outcomes is also a key factor in project design, and the capital works program plays a really important role in making the city safer, more inclusive and sustainable. Examples of sustainability and biodiversity factors that influence the 10-year Capital Works Plan include:

- Implementing the new Climate Emergency Plan, continuing Darebin's leadership and supporting our community to electrify and be resilient to change.
- Council's Environmentally Sustainable Design program is responding urgently to the climate crisis and sets out sustainable design for council buildings.
- Council's Social and Sustainable Procurement Policy that integrates environmental factors like the use of recycled materials, reducing waste and water consumption, and the use of single use plastics in our procurement decisions.
- The safe travel program considers where the most benefit can be achieved for the very young and very old, and helps people travel without using a vehicle. This is supported by the safe travel strategy that makes Darebin a safer and more sustainable place to travel by encouraging more people to travel by walking, wheeling and riding bikes in Darebin.
- Partnering with community to help tap into their energy and support, for example by working with friends' groups to help with parks.

Social Inclusion and Equity

Another key element of prioritising investment across the programs in the 10-year Capital Works Plan is the value we place on social inclusion and equity for our residents including those from culturally diverse backgrounds, older people, young people, families, Aboriginal members of our community, people of all abilities, gender considerations and those from socio-economic disadvantaged backgrounds. Examples of social inclusion and equity factors that influence our work include:

- Council's long standing commitment to Traditional Owners and Aboriginal and Torres Strait Islander Communities as set out in Councils' Statement of Commitment 2019.
- Towards Equality: Council's Equity, Inclusion and Human Rights Framework, which helps puts equity, inclusion and human rights at the heart of all our work and will help us build a stronger, healthier and happier community where everyone is welcome, valued and respected.
- Aged Friendly Darebin is ensuring the full participation of older residents can be better supported to live well in our community.
- Economic considerations including barriers to participation, increasing employment and business opportunities for Darebin residents and local businesses.

Other Influences

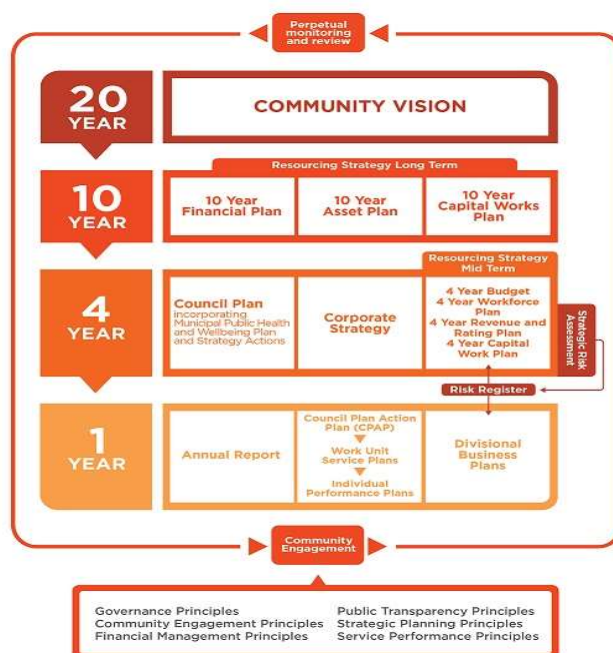
- Asset management obligations.
- Borrowing Strategy (Council resolution August 2023)
- Capital Works Principles (Council resolution October 2019)
- Risk Management Framework

1. Link to the Integrated Planning and Reporting Framework

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 the 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 has been adopted by Council. 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: Darebin City Council Integrated Planning and Reporting Framework

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

1.2 Key planning considerations

Service level planning

Although councils have a legal obligation to provide some services—such as animal management, local roads, food safety and statutory planning—most council services are not legally mandated, including some services closely associated with councils, such as libraries, building permits and sporting facilities. Further, over time, the needs and expectations of communities can change. Therefore, 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.

Community consultation needs to be in line with a council's adopted Community Engagement Policy and Public Transparency Policy.

1.3 Our purpose

Our 2021-2025 Council Plan (incorporating Municipal Public Health and Wellbeing Plan)

The 2021 - 2025 Council Plan (incorporating Municipal Public Health and Wellbeing Plan) has been developed using the context of strategic planning principles, financial management principles, engagement principles, service performance principles and asset plan integration.

Its development has also been informed by the development of the Darebin 2041 Community Vision and provides for alignment to the Vision through the Strategic Directions. The priorities for this four year plan provides a view of how Council will achieve the Community Vision aspirations.

Over the past 24 months the COVID pandemic has resulted in numerous, significant and compelling challenges that have and continue to have a substantial impact on the economic and social health and wellbeing of our community. Council's own economic circumstances have also been dramatically impacted.

In order to respond both strategically and operationally, Council has prepared a Budget for 2024-25 which is aligned to the Council Plan (incorporating Municipal Public Health and Wellbeing Plan) 2021-25 to realise the aspirations of the Community Vision 2041. The Budget 2024-25 seeks to maintain and improve services and infrastructure as well as deliver projects and services that are relevant and valued by our community and deliver within the rate increase mandated by the State Government.

Darebin 2041 Community Vision

- Darebin is an equitable, vibrant, green and connected community.
- Darebin respects and supports First Nations People, values country, our diverse communities and places.
- Darebin commits to preventing and mitigating the climate emergency, creating prosperity for current and future generations.

1.4 Strategic objectives

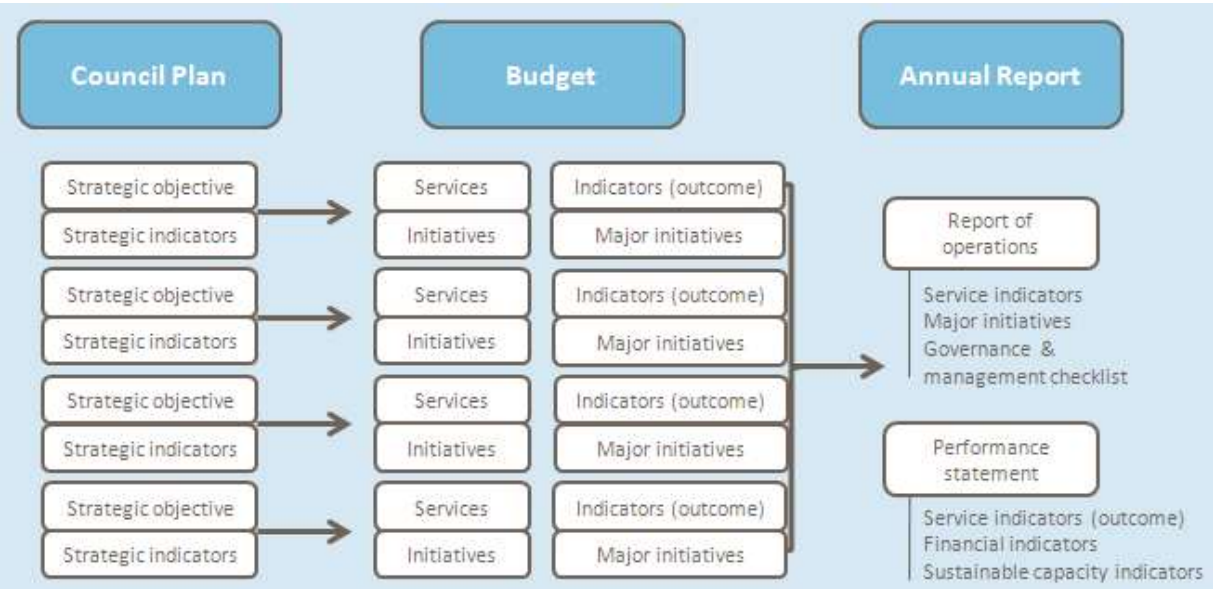
Darebin City Council's Strategic direction are realised through four themes (referred to as 'Strategic Directions' by the Local Government Act). The first three themes reflect the community priorities of the Darebin 2041 Community Vision and were developed through the community and deliberative engagement processes. One additional theme has been included which recognises Darebin City Council's internal Council focus on service delivery, governance and financial sustainability. For each theme, there is a strategic framework that says what we will do, how and by when, and, how we will know we have done it well.

Council delivers services and initiatives under 22 major service categories. Each contributes to the achievement of one of the four Strategic Directions as set out in the Council Plan for the years 2021-25. The following table lists the four Strategic Directions as described in the 2021 - 2025 Council Plan (incorporating Municipal Public Health and Wellbeing Plan).

Strategic Objective	Description
1. Vibrant, Respectful and Connected	<ul style="list-style-type: none"> • Our Darebin will celebrate all our diverse communities. • We will uplift different voices in places of power, influence and decision-making. • We will recognise Aboriginal and Torres Strait Islander values, and honour their living culture and connection to country. • We will support connection to, and the preservation of, local history, and acknowledge past harm and trauma. • Our Darebin will be one filled with vibrant and dynamic spaces, amenities and events. It will be a city where no suburb, or person, will be left behind. • We are one Darebin.
2. Prosperous, Liveable and Flourishing	<ul style="list-style-type: none"> • Our Darebin will encourage and incentivise business investment and growth in the sustainability sector. • We will create equitable and diverse opportunities for employment and volunteering. • We will make Darebin a centre for creative industry and the arts in Victoria. • We are a 20-minute city, and will ensure our community's access to amenities and services close to our homes. • We will sustain our community's ownership of services across their lifespan. We will maintain the health and wellbeing of all. • Our Darebin will ensure development, and the built environment, is designed for our liveability and sustainability.
3. Climate, Green and sustainable	<ul style="list-style-type: none"> • Our Darebin will take urgent action on the climate emergency facing our world. We will lead and educate our community and businesses to redress the imbalance. • We will make decisions that are driven by our community. Our decisions will be transparent, and socially and equitably just. Our decisions will be equitable for our community. • We will provide and promote safe and sustainable transport across our city. • We will lead the regeneration, enhancement and protection of our natural ecosystems and biodiversity. • We will integrate ecological solutions into our built environment. We will promote sustainable development and retrofitting practices that protect our natural assets. • Our Darebin will strive for zero carbon emissions.
4. Responsible, Transparent and Responsive	<ul style="list-style-type: none"> • Our Darebin is responsible, and responsive, to our community's needs, now and into the future. • We will make our decisions in the best interests of our community – transparently, and with integrity. • We will manage our resources effectively, and plan for our future growth. We will work in partnership with our community, business, and other government, to fulfill our responsibilities as the custodians of our city. • Our Darebin is progressive. Our Darebin is accountable. Our Darebin is a leader.

2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2024/25 year and 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. Strategic Direction 1: Vibrant, Respectful and Connected

To achieve our strategic direction:

- We will prioritise and respect the voices and aspirations of Traditional Owners and Aboriginal and Torres Strait Islander communities in Darebin
- We will develop partnerships with organisations from across our city, to value and include people from multicultural and diverse backgrounds
- We will help to build an inclusive and empowered community, where social cohesion and community harmony are fostered
- We will embrace diversity and ensure everyone is included in our society, and no one is left behind by combating discrimination, and championing equity, inclusivity and diversity
- We will increase social connection to reduce isolation and loneliness, and support positive mental health
- We will ensure our festivals, events and functions are inclusive and respond equitably to, and value the diverse needs and aspirations of, our community
- We will continue to be a local government leader in the prevention of violence against women, and gender equity
- We will work towards a discrimination-free, and systemic racism-free Darebin, and reduce the impact of poverty and disadvantage

The services, major initiatives, other initiatives and service performance indicators for each business area are described below.

Services

Service area	Description of services provided		2022/23 Actual \$'000	2023/24 Forecast \$'000	2024/25 Draft Budget \$'000
Community wellbeing, equity and diversity	This service area develops policy and implements projects which address disadvantage and make Darebin a healthier, safer and more inclusive place for all residents including Emergency Management, Community Development and Wellbeing, Access and Inclusion and Equity and Diversity	<i>Inc</i>	302	220	80
		<i>Exp</i>	4,038	4,544	4,926
		<i>Surplus / (deficit)</i>	(3,736)	(4,324)	(4,846)
Aged Disability	Supports, informs and advocates for the needs of Darebin's diverse older residents, people living with disability and those who care for them, to live independently and well. Programs and services include social connection, clubs, groups and venues, access to community, and Home Support services such as domestic assistance and assisted shopping	<i>Inc</i>	9,151	8,251	8,910
		<i>Exp</i>	13,387	14,295	15,266
		<i>Surplus / (deficit)</i>	(4,235)	(6,043)	(6,355)
Libraries, and Learning	Responsible for our physical library services at Fairfield, Northcote, Preston and Reservoir and e-book, e-audiobook and e-magazine collection loans via our virtual library at www.darebinlibraries.vic.gov.au .	<i>Inc</i>	1,333	1,176	1,179
		<i>Exp</i>	5,508	5,826	6,092
		<i>Surplus / (deficit)</i>	(4,175)	(4,650)	(4,914)
Creative culture and community facilities	This service area provides a program of arts and cultural events and activities and develops policies and strategies to facilitate arts practice in the municipality and management and operation of the Bundoora Homestead Art Centre and the Darebin Art and History Collection, and coordination of Darebin Arts Centre and Northcote Town Hall and community venues. Services include Cultural Infrastructure, Collections, Festivals and Events and Community Hubs	<i>Inc</i>	1,083	1,082	1,157
		<i>Exp</i>	7,542	8,572	8,375
		<i>Surplus / (deficit)</i>	(6,459)	(7,490)	(7,218)

Major Initiatives

1. Finalise and commence implementation of the Aboriginal Action Plan.
2. Finalise and commence implementation of the Cultural Diversity Action Plan.
3. Prepare for and implement aged care reforms.
4. Continue to develop a partnership with Wurundjeri Corporation to support the delivery of mutual goals.

Other Initiatives

1. Provide funding to local, aboriginal-controlled organisations through a dedicated grant program.
2. Continue the Merri Merri Wayi collaboration with the City of Merri-bek, Wurundjeri Woi-Wurrung Cultural Heritage Aboriginal Corporate, CERES and other partners – a community-led collaboration to enable our natural and urban worlds thrive along the Merri Creek
3. Finalise and commence implementation of the LGBTIQ+ Action Plan to support the inclusion, rights and wellbeing of LGBTIQ+ communities and work to combat homophobia, biphobia and transphobia.

4. Continue to partner with community volunteers to care for the City's open spaces and habitat areas including through support for planting days, through the Edwardes Lake Taskforce and relationships with friends of groups.

Service Performance Outcome Indicators

Service	Indicator	2022/23 Actual	2023/24 Forecast	2024/25 Draft Budget
Libraries*	Participation	(new indicator)	12.0%	12.0%

* refer to table at end of section 2 for information on the calculation of Service Performance Outcome Indicators

2.2. Strategic Direction 2: Prosperous, Liveable and Flourishing

To achieve our strategic direction:

- We will deliver equitable and accessible infrastructure to provide opportunities for our community to live well
- We will design and create public spaces where our people feel safe, welcome, and respected, including improving lighting and safety for people walking, wheeling, cycling and driving
- We will facilitate more affordable, social and public housing in Darebin, to meet our community's needs
- We will foster local urban streetscapes and activity centres that connect our community, support economic recovery, and encourage people to live, work and play locally
- We will invest in services and the built environment to improve access for our residents and visitors
- We will support the human rights, housing and wellbeing needs of our people experiencing homelessness
- We will work in partnership to address place-based socio-economic disadvantage and health inequity in East Preston and East Reservoir
- We will advocate to reduce the harm associated with electronic machine gambling, alcohol and tobacco
- We will leverage investment, partnerships and advocacy to drive Darebin's growth and sustainability and ensure Darebin is a great place to do business

The services, major initiatives, other initiatives and service performance indicators for each business area are described below.

Services

Service area	Description of services provided		2022/23 Actual \$'000	2023/24 Forecast \$'000	2024/25 Draft Budget \$'000
Economic Development	Economic Development develops and implements strategies and activities which aim to foster a resilient economy. Our services include providing local employment opportunities; attracting a range of new industries; supporting and working with local businesses, and associations to help them improve business performance and enhance promotions; and working with neighbouring municipalities and our partners to increase economic growth	<i>Inc</i>	610	788	-
		<i>Exp</i>	2,757	3,061	2,062
		<i>Surplus/ (deficit)</i>	(2,147)	(2,273)	(2,062)
Family, Youth & Children	Responsible for a diverse range of services that includes immunisation, maternal and child health services, family and early parenting programs, supported playgroups, toy library, support and resourcing to early childhood education and care services, Best Start, pre-school field officer program, childcare and kindergarten registration system, and a range of services and supports to young people from the Hub at Northland, Decibels Youth Music Centre and through outreach and Youth Voice projects.	<i>Inc</i>	3,778	3,446	3,547
		<i>Exp</i>	9,348	9,682	9,977
		<i>Surplus/ (deficit)</i>	(5,570)	(6,235)	(6,431)
Recreation and leisure	Supporting the Darebin community to get active through formal and informal opportunities including: sports clubs, programs, and facilities. Delivering recreation and leisure policy and planning – in particular infrastructure planning, delivery and activation. Responsible for Council's major recreation facilities at the Darebin Community Sports Stadium, Darebin International Sports Centre, Northcote Aquatic and Recreation Centre, the Reservoir Leisure Centre and the public golf courses at Bundoora and Northcote	<i>Inc</i>	5,131	4,755	6,964
		<i>Exp</i>	8,369	10,434	8,959
		<i>Surplus/ (deficit)</i>	(3,239)	(5,679)	(1,995)
City development and health protection	Administers the Darebin Planning Scheme through determination of planning applications in line with Council's governance practices (Statutory Planning) as well as delivering services to ensure compliance with building legislation and industry standards. Responsible for Council's environmental health service (enforcement of the Food Act, Health Act, Tobacco Act and Environment Protection Act and associated regulations).	<i>Inc</i>	4,128	4,574	5,084
		<i>Exp</i>	10,178	10,257	10,198
		<i>Surplus/ (deficit)</i>	(6,050)	(5,684)	(5,114)
Civic compliance	Responsible for Council's animal management, Local Laws, Planning Enforcement, Traffic Enforcement and School Crossings Supervision Service.	<i>Inc</i>	4,128	7,610	6,436
		<i>Exp</i>	7,339	7,737	8,374
		<i>Surplus/ (deficit)</i>	(3,211)	(127)	(1,938)
Facilities and infrastructure management and maintenance	Responsible for planning, management and maintenance of roads, footpaths, drains, bridges, facilities, properties as well as network of street, directional, parking, regulatory and advisory signs. Oversees and coordinates the delivery of the capital works program including the delivery of major infrastructure projects.	<i>Inc</i>	1,752	2,238	2,231
		<i>Exp</i>	10,915	9,212	9,820
		<i>Surplus/ (deficit)</i>	(9,163)	(6,974)	(7,589)
Sustainable Transport	Delivers a wide range of statutory and non statutory road management functions including: Local Area Placemaking transport investigation and improvement programs, parking change management requests, construction permits, cross-over (new driveway) applications. The service also provides transport engineering advice for capital projects, transport policies, referrals for statutory planning applications, speed limit reductions, and transport permits to use road space.	<i>Inc</i>	160	106	167
		<i>Exp</i>	2,463	2,495	2,440
		<i>Surplus/ (deficit)</i>	(2,303)	(2,389)	(2,272)

Major Initiatives

1. Undertake essential building renewal works, gym equipment and group exercise equipment at Reservoir Leisure Centre, while scoping longer term options for the redevelopment of the centre.
2. Deliver the footpath and road renewal programs to improve road safety and the cycling, walking and wheeling network.
3. Design and construct transport safety projects (including Blackspot Program).
4. Commence construction of the KP Hardiman Pavilion.
5. Complete construction of the John Hall Pavilion.
6. Deliver the Assertive Outreach program to support people sleeping rough and experiencing homelessness.
7. Advocate for funding to initiate the Towards Zero approach to support people sleeping rough and experiencing homelessness.
8. Deliver the kindergarten expansion program to increase kindergarten places in areas of greatest unmet demand.

Other Initiatives

1. Finalise the draft Community Infrastructure Plan.
2. Commence a planning scheme amendment to implement the recommendations of the Darebin Housing Supply & Demand and Neighborhood Character Study.
3. Deliver four place-based projects that respond to local community issues and needs.
4. Mitigate against flood risk through a Special Building Overlay (Flood Risk Assessment) Planning Scheme amendment.
5. Continue to support a wide variety of community groups from kindergartens to cultural groups to sports clubs through provision of facilities and grounds with significant subsidies reflecting the community benefit.

Service Performance Outcome Indicators

Service Performance Outcome Indicators

Service	Indicator	2022/23 Actual	2023/24 Forecast	2024/25 Draft Budget
Maternal and Child Health*	Participation in MCH service	74.8%	74.0%	75.0%
	Participation in MCH service by Aboriginal children	73.9%	75.0%	75.0%
Aquatic Facilities*	Utilisation	2.7	10.2	8.8
Roads*	Satisfaction	95.2%	95.0%	95.0%

* refer to table at end of section 2 for information on the calculation of Service Performance Outcome Indicators

2.3. Strategic Direction 3: Climate, Green and Sustainable

To achieve our objective, we will:

- We will adapt to climate change and build the resilience of our community, infrastructure and the built environment, with a focus on our vulnerable communities at risk of fuel poverty, and flooding
- Aim to achieve 12% canopy cover on Council owned and managed land by 2025, prioritising catchment biodiversity and shopping areas
- We will drive significant improvements in water quality and biodiversity across Darebin, designating Edwardes Lake as a flagship project to demonstrate water recreation (in the long term)
- We will reduce carbon emissions by switching to renewable energy on a large scale for Council buildings and through community focused initiatives
- We will reduce waste and stimulate a local circular economy, where waste resources are re-used rather than discarded

The services, major initiatives, initiatives and service performance indicators for each business area are described below.

Services

Service area	Description of services provided		2022/23 Actual \$'000	2023/24 Forecast \$'000	2024/25 Draft Budget \$'000
Climate Emergency and Environment	Leads reform and improvement projects, and management of risk relating to climate, energy, waste, biodiversity, contaminated land and water. Delivers climate, energy, recycling, waste minimisation, litter and water education programs, support community led programs, runs recycling trials, work with other Councils and State Government on regional/state programs, develops / delivers circular economy proposals. Delivers Solar Saver Program, where Council installs solar panels on residents' roofs, which is paid back via rates.	<i>Inc</i>	192	1,297	1,745
		<i>Exp</i>	5,408	7,153	7,243
		<i>Surplus/ (deficit)</i>	(5,217)	(5,856)	(5,498)
Open spaces, parks and environment	Develops and implements policies and programs that contribute to the sustainable management of the Municipality's natural resources and environment. Includes development, oversight and implementation of strategies including Open Space Strategy, Urban Forest Strategy, Parks Asset Management Strategy Responsible for the management and maintenance of approximately 600ha of open space including 130 playgrounds, several wetlands, pathways, seating, garden beds, waterways, catchments, dams and street trees and more than 100,000 trees in parks and reserves.	<i>Inc</i>	5,485	5,619	6,184
		<i>Exp</i>	16,180	15,017	15,952
		<i>Surplus/ (deficit)</i>	(10,695)	(9,398)	(9,768)
Waste management	Collection of general waste, recyclables, FOGO and dumped rubbish, street and right of way cleansing, the hard waste collection service, and in-house management of the operations of the Darebin Resource and Recovery Centre	<i>Inc</i>	4,947	4,504	5,051
		<i>Exp</i>	24,353	23,874	24,398
		<i>Surplus/ (deficit)</i>	(19,406)	(19,370)	(19,346)

Major Initiatives

1. Remove gas from twenty Council sites.
2. Remediate parcels of land at Clements Reserve, prior to transfer of land to Council, to increase green, open space.
3. Commence implementing a voluntary Water Sensitive Urban Design (WSUD) in-lieu scheme for developers to meet a proportion of their planning requirements to treat and re-use stormwater on private land.

Other Initiatives

1. Fund WaterWatch - a citizen science program for monitoring waterway health and educational component for schools.
2. Increase the number of street trees prioritising areas with low canopy cover.
3. Commence implementing the new Climate Emergency Plan, including supporting residents to switch to electrical equipment through the revised Solar Saver program.
4. Finalise and implement the Contaminated Land Management Framework.

Service Performance Outcome Indicators

Service	Indicator	2022/23 Actual	2023/24 Forecast	2024/25 Draft Budget
Waste Collection*	Waste Diversion	54%	55%	56%

* refer to table at end of section 2 for information on the calculation of Service Performance Outcome Indicators

Strategic Direction 4: Responsible, Transparent and Responsive

To achieve our strategic direction:

- We will ensure balanced and responsible financial decision making that meets the needs of our community now and into the future.
- We will ensure our assets are optimised for the benefit of our community
- We will transform our services and service delivery models to ensure they meet the current, emerging and future needs of our community
- We will ensure major changes in our city achieve significant improvements in our city
- We will improve the sustainability, accessibility, and design of development on

The services, major initiatives and service performance indicators for each business area are described below.

Services

Service area	Description of services provided		2022/23 Actual \$'000	2023/24 Forecast \$'000	2024/25 Draft Budget \$'000
Communication, advocacy and engagement	Using demographic data to undertake consultation, facilitation, engagement and evaluation to inform the promotion and advocacy of social justice, community inclusion, infrastructure and equity. Work with other levels of government, partners, stakeholders and media on issues that are important to the Darebin community.	<i>Inc</i>	-	-	-
		<i>Exp</i>	2,594	2,685	2,716
		<i>Surplus/ (deficit)</i>	(2,594)	(2,685)	(2,716)
Customer service	This service provides the customer interface for most services and a wide range of transactions. Service is delivered via customer service centres, a telephone call centre, our website and an after-hours emergency service.	<i>Inc</i>	-	-	-
		<i>Exp</i>	2,369	2,504	2,589
		<i>Surplus/ (deficit)</i>	(2,369)	(2,504)	(2,589)
People and culture	Provides support to the organisation on strategic issues such as change management, workforce planning, leadership development and organisation development.	<i>Inc</i>	-	15	-
		<i>Exp</i>	2,912	3,473	3,751
		<i>Surplus/ (deficit)</i>	(2,927)	(3,473)	(3,751)
Customer Transformation	This service focuses on improving customer experience across the organisation through continuous improvement activities such as service reviews, process improvement, system optimisation and customer experience practices.	<i>Inc</i>	-	-	-
		<i>Exp</i>	218	710	878
		<i>Surplus/ (deficit)</i>	(218)	(710)	(878)
Mayor and council	The Mayor and Councillors are responsible for the governance and leadership of the community, and for providing strategic direction to the organisation	<i>Inc</i>	23	11	171
		<i>Exp</i>	4,590	4,534	5,489
		<i>Surplus/ (deficit)</i>	(4,568)	(4,524)	(5,318)
Corporate governance	This service includes direct administrative support to the Mayor and Councillors, coordination of Council and Committee meetings, and includes the Chief Executive Officer, Executive Management Team, as well as the administration of Council business, policy support, corporate strategy and corporate risk.	<i>Inc</i>	1,240	1,457	959
		<i>Exp</i>	6,266	8,272	6,646
		<i>Surplus/ (deficit)</i>	(5,026)	(6,815)	(5,687)
Information technology services	This service provides Council with digital platforms to improve business performance by allowing timely and informed decision making that enhances improved service provision to Council and the community. The services also include cybersecurity, governance of technological systems, the maintenance of the infrastructure, and functionality of the systems overall.	<i>Inc</i>	7	0	0
		<i>Exp</i>	8,447	9,676	10,168
		<i>Surplus/ (deficit)</i>	(8,439)	(9,675)	(10,168)
Financial services	Provides financial services and support to internal and external customers and includes management of Council's finances, raising and collection of rates and charges, and valuation of properties	<i>Inc</i>	465	171	178
		<i>Exp</i>	3,804	4,057	3,962
		<i>Surplus/ (deficit)</i>	(3,339)	(3,886)	(3,784)
Fleet services	Responsible for the fleet required to support all Council's in-house service delivery.	<i>Inc</i>	624	250	320
		<i>Exp</i>	3,447	3,181	3,279
		<i>Surplus/ (deficit)</i>	(2,822)	(2,931)	(2,959)

Major Initiatives

1. Continue to implement the Organisational Strategy, Leading Darebin, to drive organisational performance and customer improvements.
2. Develop key strategic documents including the review of the Community Vision, Council Plan, Long Term Financial Plan and Asset Plan including deliberative engagement with the community.
3. Invest in IT systems to improve customer experience, enable our people and deliver effective governance, compliance, improved data and cyber risk management.
4. Transform our models of service delivery through the development of service profiles and conduct service reviews, to improve and ensure accessibility, inclusivity for under-represented groups and consistency of our customer experience.

Other Initiatives

1. Complete the Property Strategy to ensure maximum community benefit is being realised from Council's property portfolio.
2. Continue to undertake drainage condition assessments to proactively plan for the renewal and maintenance of Darebin's drainage assets.
3. Deliver the Councillor induction program following the General Election in October 2024.

Service Performance Outcome Indicators

Service	Indicator	2022/23 Actual	2023/24 Forecast	2024/25 Draft Budget
Statutory planning*	Service Standard	37.9%	60.0%	60.0%
Food safety*	Health and Safety	100.0%	100.0%	100.0%
Animal management*	Health and Safety	100.0%	100.0%	100.0%
Governance*	Consultation and engagement	60.0%	66.0%	66.3%

* refer to table at end of section 2 for information on the calculation of Service Performance Outcome Indicators

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
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
Statutory planning	Service standard	Planning applications decided within required timeframes (percentage of regular and VicSmart planning application decisions made within legislated timeframes)	[Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits / Number of planning application decisions made] x100
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)	[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100
Libraries	Participation	Library membership (Percentage of the population that are registered library members)	[Number of registered library members / Population] x100
Waste management	Waste diversion	Kerbside collection waste diverted from landfill. (Percentage of recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities. (Number of visits to aquatic facilities per head of population)	Number of visits to aquatic facilities / Population
Animal Management	Health and safety	Animal management prosecutions. (Percentage of animal management prosecutions which are successful)	Number of successful animal management prosecutions / Total number of animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance outcome notifications. (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises] x100
Maternal and Child Health	Participation	Participation in the MCH service. (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the financial year) / Number of children enrolled in the MCH
		Participation in the MCH service by Aboriginal children. (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the financial year) / Number of Aboriginal children enrolled in the MCH service] x100

2.4. Reconciliation with budgeted operating result

	Surplus/ (Deficit)	Expenditure	Income / Revenue
	\$'000	\$'000	\$'000
Strategic Objective 1: Vibrant, Respectful and Connected	(23,333)	34,659	11,326
Strategic Objective 2: Prosperous, Liveable and Flourishing	(27,401)	51,830	24,429
Strategic Objective 3: Climate, Green and Sustainable	(34,613)	47,592	12,980
Strategic Objective 4: Responsible, Transparent and Responsive	(37,850)	39,478	1,628
Total	(123,197)	173,560	50,363
(Expenses)/Revenue added in:			
Depreciation	(28,247)		
Borrowing Interest Expenses	(1,608)		
Net Other Revenue/(Expenditures) not included above	10,437		
Surplus/(Deficit) before funding sources	(19,418)		
Funding sources added in:			
Rates and charges revenue (not included above)	134,039		
Waste charge revenue	21,317		
Total funding sources	155,356		
Operating surplus/(deficit) for the year	12,741		

3. Financial Statements

This section presents information in regard to 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*.

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Human Resources

3.1. Comprehensive Income Statement

For the four years ending 30 June 2028

		Forecast Actual	Budget	Projections		
		2023/24	2024/25	2025/26	2026/27	2027/28
	NOTES	\$'000	\$'000	\$'000	\$'000	\$'000
Income / Revenue						
Rates and charges	4.1.1	152,500	157,433	162,354	167,244	172,281
Statutory fees and fines	4.1.2	9,795	9,355	9,823	10,314	10,830
User fees	4.1.3	11,612	12,562	12,845	13,134	13,429
Grants - operating	4.1.4	18,497	18,158	18,521	18,892	19,269
Grants - capital	4.1.4	2,271	1,819	1,799	3,857	1,144
Contributions - monetary	4.1.5	5,728	6,607	7,000	7,000	7,000
Contributions - non-monetary	4.1.5	-	-	-	-	-
Net gain (or loss) on disposal of property, infrastructure, plant and equipment		1,118	730	750	750	750
Fair value adjustments for investment property		-	-	-	-	-
Share of net profits (or loss) of associates and joint ventures		-	-	-	-	-
Other income	4.1.6	4,604	6,327	6,334	6,187	5,970
Total income / revenue		206,125	212,991	219,426	227,378	230,673
Expenses						
Employee costs	4.1.7	(100,268)	(104,577)	(107,908)	(110,839)	(114,431)
Materials and services	4.1.8	(61,096)	(59,206)	(73,025)	(75,357)	(78,435)
Depreciation	4.1.9	(26,713)	(27,712)	(28,091)	(28,933)	(29,801)
Amortisation - intangible assets	4.1.10	(514)	(532)	(562)	(579)	(596)
Depreciation - right of use assets	4.1.11	(30)	(3)	(2)	-	-
Allow ance for impairment losses		(1,876)	(1,339)	(1,369)	(1,400)	(1,431)
Borrow ing costs		(1,735)	(1,608)	(1,445)	(1,275)	(1,098)
Finance costs - leases		-	0	0	-	-
Other expenses	4.1.12	(6,258)	(5,272)	(5,404)	(5,539)	(5,677)
Total expenses		(198,490)	(200,250)	(217,805)	(223,921)	(231,470)
Surplus/(deficit) for the year		7,635	12,741	1,621	3,456	(797)
Other comprehensive income						
Items that will not be reclassified to surplus or deficit in future periods						
Net asset revaluation gain /(loss)		-	-	-	-	-
Share of other comprehensive income of associates and joint ventures		-	-	-	-	-
Items that may be reclassified to surplus or deficit in future periods						
(detail as appropriate)		-	-	-	-	-
Total other comprehensive income		-	-	-	-	-
Total comprehensive result		7,635	12,741	1,621	3,456	(797)

3.2. Balance Sheet

For the four years ending 30 June 2028

		Forecast Actual	Budget	Projections		
		2023/24	2024/25	2025/26	2026/27	2027/28
	NOTES	\$'000	\$'000	\$'000	\$'000	\$'000
Assets						
Current assets						
Cash and cash equivalents		36,879	45,851	38,664	32,558	23,864
Trade and other receivables		23,583	22,678	23,481	24,276	24,626
Other financial assets		14,154	14,154	14,154	14,154	14,154
Inventories		66	66	66	66	67
Prepayments		-	-	-	-	-
Non-current assets classified as held for sale		-	-	-	-	-
Contract assets		-	-	-	-	-
Other assets		145	145	145	145	145
Total current assets	4.2.1	74,827	82,893	76,510	71,199	62,856
Non-current assets						
Trade and other receivables		1,562	1,570	1,578	1,586	1,593
Other financial assets		6	6	6	6	6
Investments in associates, joint arrangement and subsidiaries		-	-	-	-	-
Property, infrastructure, plant & equipment		1,665,225	1,668,588	1,674,138	1,679,241	1,683,155
Right-of-use assets	4.2.4	-	(3)	-	-	-
Investment property		9,271	9,271	9,271	9,271	9,271
Intangible assets		727	195	(367)	(945)	(1,541)
Total non-current assets	4.2.1	1,676,791	1,679,626	1,684,626	1,689,158	1,692,484
Total assets		1,751,618	1,762,520	1,761,137	1,760,357	1,755,340
Liabilities						
Current liabilities						
Trade and other payables		7,375	9,773	11,163	11,495	11,888
Trust funds and deposits		6,908	6,908	6,908	6,908	6,908
Contract and other liabilities		107	107	107	107	107
Provisions		19,233	19,233	19,233	19,233	19,233
Interest-bearing liabilities	4.2.3	4,256	4,398	4,568	4,745	4,929
Lease liabilities	4.2.4	-	(3)	-	-	-
Total current liabilities	4.2.2	37,879	40,416	41,979	42,488	43,065
Non-current liabilities						
Provisions		2,380	2,380	2,380	2,380	2,380
Interest-bearing liabilities	4.2.3	39,221	34,845	30,277	25,532	20,602
Lease liabilities	4.2.4	-	-	-	-	-
Total non-current liabilities	4.2.2	41,601	37,225	32,657	27,912	22,982
Total liabilities		79,480	77,641	74,636	70,400	66,047
Net assets		1,672,138	1,684,879	1,686,500	1,689,957	1,689,292
Equity						
Accumulated surplus		600,940	613,681	615,302	618,759	617,962
Reserves		1,071,198	1,071,198	1,071,198	1,071,198	1,071,330
Total equity		1,672,138	1,684,879	1,686,500	1,689,957	1,689,292

3.3. Statement of Changes in Equity

For the four years ending 30 June 2028

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	NOTES	\$'000	\$'000	\$'000	\$'000
2024 Forecast Actual					
Balance at beginning of the financial year		1,664,503	593,470	1,055,675	15,358
Surplus/(deficit) for the year		7,635	7,635	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers to other reserves		(165)	(165)	-	-
Transfers from other reserves		165	-	-	165
Balance at end of the financial year		1,672,138	600,940	1,055,675	15,523
2025 Budget					
Balance at beginning of the financial year		1,672,138	600,940	1,055,675	15,523
Surplus/(deficit) for the year		12,741	12,741	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers to other reserves	4.3.1	-	-	-	-
Transfers from other reserves	4.3.1	-	-	-	-
Balance at end of the financial year	4.3.2	1,684,879	613,681	1,055,675	15,523
2026					
Balance at beginning of the financial year		1,684,879	613,681	1,055,675	15,523
Surplus/(deficit) for the year		1,621	1,621	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
Balance at end of the financial year		1,686,500	615,302	1,055,675	15,523
2027					
Balance at beginning of the financial year		1,686,500	615,302	1,055,675	15,523
Surplus/(deficit) for the year		3,456	3,456	-	-
Net asset revaluation gain/(loss)		-	-	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
Balance at end of the financial year		1,689,957	618,759	1,055,675	15,523
2028					
Balance at beginning of the financial year		1,689,957	618,759	1,055,675	15,523
Surplus/(deficit) for the year		(797)	(797)	-	-
Net asset revaluation gain/(loss)		132	-	132	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
Balance at end of the financial year		1,689,292	617,962	1,055,807	15,523

3.4. Statement of Cash Flows

For the four years ending 30 June 2028

	Notes	Forecast	Budget	Projections		
		Actual				
		2023/24	2024/25	2025/26	2026/27	2027/28
		\$'000	\$'000	\$'000	\$'000	\$'000
		Inflow s	Inflows	Inflow s	Inflow s	Inflow s
		(Outflow s)	(Outflows)	(Outflow s)	(Outflow s)	(Outflow s)
Cash flows from operating activities						
Rates and charges		153,506	157,475	160,841	165,712	170,765
Statutory fees and fines		7,919	10,288	10,750	11,288	11,854
User fees		12,422	13,815	14,073	14,390	14,716
Grants - operating		18,961	18,150	18,391	18,760	19,141
Grants - capital		1,951	1,818	1,791	3,672	1,354
Contributions - monetary		5,728	6,607	7,000	7,000	7,000
Interest received		2,841	2,384	1,733	1,565	1,327
Dividends received		-	-	-	-	-
Trust funds and deposits taken		-	-	-	-	-
Other receipts		1,964	4,332	4,906	5,017	5,044
Net GST refund / payment		8,105	3,353	4,806	5,063	5,295
Employee costs		(100,703)	(103,609)	(107,796)	(110,742)	(114,321)
Materials and services		(76,083)	(69,523)	(85,021)	(88,778)	(92,270)
Short-term, low value and variable lease payments		-	-	-	-	-
Trust funds and deposits repaid		-	-	-	-	-
Other payments		-	-	-	-	-
Net cash provided by/(used in) operating activities	4.4.1	36,611	45,090	31,474	32,947	29,906
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment		(36,857)	(31,075)	(33,641)	(34,036)	(33,583)
Proceeds from sale of property, infrastructure, plant and equipment		1,118	803	825	825	825
Payments for investments		-	-	-	-	-
Proceeds from sale of investments		9	-	-	-	-
Loans and advances made		-	-	-	-	-
Payments of loans and advances		-	-	-	-	-
Net cash provided by/ (used in) investing activities	4.4.2	(35,730)	(30,272)	(32,816)	(33,211)	(32,758)
Cash flows from financing activities						
Finance costs		(1,735)	(1,608)	(1,445)	(1,275)	(1,098)
Proceeds from borrow ings		-	-	-	-	-
Repayment of borrow ings		(4,080)	(4,234)	(4,398)	(4,568)	(4,745)
Interest paid - lease liability		-	0	0	-	-
Repayment of lease liabilities		-	(3)	(2)	-	-
Net cash provided by/(used in) financing activities	4.4.3	(5,815)	(5,846)	(5,844)	(5,843)	(5,843)
Net increase/(decrease) in cash & cash equivalents		(4,934)	8,972	(7,186)	(6,106)	(8,694)
Cash and cash equivalents at the beginning of the financial year		41,813	36,879	45,851	38,664	32,558
Cash and cash equivalents at the end of the financial year		36,879	45,851	38,664	32,558	23,864

3.5. Statement of Capital Works

For the four years ending 30 June 2028

	NOTES	Forecast Actual	Budget	Projections		
		2023/24	2024/25	2025/26	2026/27	2027/28
		\$'000	\$'000	\$'000	\$'000	\$'000
Property						
Land		-	-	2,450	-	-
Land improvements		1,626	1,320	400	400	200
Total land		1,626	1,320	2,850	400	200
Buildings		6,177	8,959	10,170	10,970	9,050
Heritage buildings		-	-	-	-	-
Building improvements		-	-	-	-	-
Leasehold improvements		-	-	-	-	-
Total buildings		6,177	8,959	10,170	10,970	9,050
Total property		7,803	10,279	13,020	11,370	9,250
Plant and equipment						
Heritage plant and equipment		-	-	-	-	-
Plant, machinery and equipment		1,840	2,075	2,105	2,105	2,030
Fixtures, fittings and furniture		30	-	-	-	-
Computers and telecommunications		3,216	3,160	2,700	2,700	3,500
Library books		750	800	800	800	800
Total plant and equipment		5,836	6,035	5,605	5,605	6,330
Infrastructure						
Roads		4,270	5,943	4,950	6,150	6,400
Bridges		137	45	555	1,000	-
Footpaths and cycleways		3,145	2,950	3,000	3,000	3,000
Drainage		1,613	-	-	-	-
Recreational, leisure and community facilities		4,671	4,064	4,161	4,711	6,253
Waste management		250	630	550	400	350
Parks, open space and streetscapes		3,974	1,129	1,800	1,800	2,000
Aerodromes		-	-	-	-	-
Off street car parks		100	-	-	-	-
Other infrastructure		-	-	-	-	-
Total infrastructure		18,160	14,761	15,016	17,061	18,003
Total capital works expenditure	4.5.1	31,799	31,075	33,641	34,036	33,583
Represented by:						
New asset expenditure		2,071	6,380	7,038	4,831	6,272
Asset renewal expenditure		24,381	21,491	21,983	24,362	24,185
Asset expansion expenditure		2,859	717	1,382	1,369	523
Asset upgrade expenditure		2,488	2,487	3,237	3,473	2,603
Total capital works expenditure	4.5.1	31,799	31,075	33,641	34,036	33,583
Funding sources represented by:						
Grants		2,271	1,819	1,819	1,799	3,857
Contributions		5,728	6,500	7,000	7,000	7,000
Council cash		23,800	22,756	24,822	25,237	22,726
Borrowings		-	-	-	-	-
Total capital works expenditure	4.5.1	31,799	31,075	33,641	34,036	33,583

3.6. Statement of Human Resources

For the four years ending 30 June 2028

	Forecast Actual	Budget	Projections		
	2023/24	2024/25	2025/26	2026/27	2027/28
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	100,268	104,577	107,908	110,839	114,431
Employee costs - capital	3,140	2,636	2,636	2,636	2,636
Total staff expenditure	103,408	107,213	110,544	113,475	117,067
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees	950.8	947.0	947.0	947.0	947.0
Total staff numbers	950.8	947.0	947.0	947.0	947.0

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

Department	Budget 2024/25 \$'000	Comprises			
		Permanent		Casual	Temporary
		Full Time \$'000	Part time \$'000	\$'000	\$'000
City Sustainability & Strategy	18,508	15,093	2,187	87	1,142
Infrastructure, Operations & Finance	27,538	27,095	292	-	151
Community	42,288	19,833	16,890	4,526	1,039
Customer & Corporate	15,027	12,641	1,697	220	469
Total permanent staff expenditure	103,362	74,662	21,066	4,833	2,801
Other employee related expenditure	3,851				
Capitalised labour costs	(2,636)				
Total expenditure	104,577				

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

Department	Budget 2024/25	Comprises			
		Permanent		Casual	Temporary
		Full Time	Part time		
City Sustainability & Strategy	166	125	29	1	11
Infrastructure, Operations & Finance	241	237	3	-	1
Community	422	178	167	68	9
Customer & Corporate	118	94	16	3	4
Total staff	947	634	214	73	25

Summary of Planned Human Resources Expenditure
For the four years ended 30 June 2028

	2024/25 \$'000	2025/26 \$'000	2026/27 \$'000	2027/28 \$'000
City Sustainability & Strategy				
Permanent - Full time	15,093	15,640	16,129	16,633
Women	6,644	6,885	7,100	7,322
Men	7,480	7,751	7,993	8,243
Persons of self-described gender	0	0	0	0
Vacant positions	969	1,004	1,035	1,068
Permanent - Part time	2,187	2,266	2,337	2,410
Women	1,221	1,266	1,305	1,346
Men	776	804	829	855
Persons of self-described gender	0	0	0	0
Vacant positions	190	197	203	209
Total City Sustainability & Strategy	17,280	17,907	18,466	19,043
Community				
Permanent - Full time	19,833	20,552	21,194	21,856
Women	13,683	14,179	14,622	15,079
Men	5,197	5,385	5,553	5,727
Persons of self-described gender	127	131	135	139
Vacant positions	827	857	883	911
Permanent - Part time	16,890	17,503	18,050	18,614
Women	11,780	12,207	12,588	12,982
Men	2,033	2,107	2,173	2,241
Persons of self-described gender	153	158	163	168
Vacant positions	2,924	3,030	3,125	3,223
Total Community	36,723	38,054	39,244	40,470
Infrastructure, Operations & Finance				
Permanent - Full time	27,096	28,078	28,956	29,860
Women	6,480	6,715	6,925	7,141
Men	19,335	20,036	20,662	21,308
Persons of self-described gender	93	96	99	102
Vacant positions	1,188	1,231	1,270	1,309
Permanent - Part time	292	303	312	322
Women	193	200	206	213
Men	56	58	60	62
Persons of self-described gender	0	0	0	0
Vacant positions	43	45	46	48
Total Infrastructure, Operations & Finance	27,388	28,381	29,268	30,183
Customer & Corporate				
Permanent - Full time	12,641	13,099	13,508	13,930
Women	7,040	7,295	7,523	7,759
Men	4,661	4,830	4,981	5,137
Persons of self-described gender	0	0	0	0
Vacant positions	939	973	1,003	1,035
Permanent - Part time	1,697	1,759	1,814	1,870
Women	1,217	1,261	1,300	1,341
Men	149	155	159	164
Persons of self-described gender	0	0	0	0
Vacant positions	331	343	354	365
Total Customer & Corporate	14,338	14,858	15,322	15,801
Casuals, temporary and other expenditure	8,848	8,708	8,539	8,934
Capitalised labour costs	-2,636	-2,731	-2,816	-2,904
Total staff expenditure	104,577	107,908	110,839	114,431

	2024/25 FTE	2025/26 FTE	2026/27 FTE	2027/28 FTE
City Sustainability & Strategy				
<i>Permanent - Full time</i>	125	125	125	125
Women	53	53	53	53
Men	57	57	57	57
Persons of self-described gender	-	-	-	-
Vacant positions	15	15	15	15
<i>Permanent - Part time</i>	29	29	29	29
Women	15	15	15	15
Men	11	11	11	11
Persons of self-described gender	-	-	-	-
Vacant positions	3	3	3	3
Total City Sustainability & Strategy	154	154	154	154
Community				
<i>Permanent - Full time</i>	178	178	178	178
Women	110	110	110	110
Men	42	42	42	42
Persons of self-described gender	1	1	1	1
Vacant positions	25	25	25	25
<i>Permanent - Part time</i>	167	167	167	167
Women	110	110	110	110
Men	22	22	22	22
Persons of self-described gender	2	2	2	2
Vacant positions	33	33	33	33
Total Community	345	345	345	345
Infrastructure, Operations & Finance				
<i>Permanent - Full time</i>	237	237	237	237
Women	51	51	51	51
Men	170	170	170	170
Persons of self-described gender	1	1	1	1
Vacant positions	15	15	15	15
<i>Permanent - Part time</i>	3	3	3	3
Women	2	2	2	2
Men	1	1	1	1
Persons of self-described gender	0	0	0	0
Vacant positions	0	0	0	0
Total Infrastructure, Operations & Finance	240	240	240	240
Customer & Corporate				
<i>Permanent - Full time</i>	94	94	94	94
Women	49	49	49	49
Men	31	31	31	31
Persons of self-described gender	0	0	0	0
Vacant positions	14	14	14	14
<i>Permanent - Part time</i>	16	16	16	16
Women	11	11	11	11
Men	1	1	1	1
Persons of self-described gender	0	0	0	0
Vacant positions	4	4	4	4
Total Customer & Corporate	110	110	110	110
Casuals and temporary staff	98	98	98	98
Capitalised labour	22	22	22	22
Total staff numbers	946	946	946	946

4. Notes to the financial statements

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

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.

As per the Local Government Act 2020, Council is required to have a Revenue and Rating Plan which is a four-year plan for how Council will generate income to deliver the Council Plan, program and services and capital works commitments over a four-year period.

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.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate and the municipal charge will increase by 2.75% in line with the rate cap.

This will raise total rates and charges for 2024/25 to \$157.4 million.

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

	2023/24		2024/25	Change	%
	Forecast	Actual	Draft Budget		
	\$'000		\$'000		
General rates*	128,092		132,774	4,682	3.66%
Supplementary rates and charges	560		425	(135)	(24.11%)
Pensioner Rebate	(23)		(26)	(4)	15.89%
Interest on rates and charges	500		500	0	-
Green waste bin income	1,104		1,132	28	2.50%
Waste Charge	22,996		23,157	161	0.70%
Waste Charge Rebate / Concession	(1,901)		(1,840)	61	(3.22%)
Special charges- retail activity centres	371		366	(5)	(1.44%)
Special charges- solar saver scheme	800		945	145	18.13%
Total rates and charges	152,500		157,433	4,933	3.23%

*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 cents/\$CIV*	2024/25 cents/\$CIV*	Change
General rate for rateable residential properties	0.00169972	0.00174646	2.75%
General rate for rateable commercial properties	0.00297451	0.00305631	2.75%
General rate for rateable Cultural & Recreational properties	0.00148726	0.00152815	2.75%
General rate for rateable vacant residential	0.00509916	0.00523939	2.75%
General rate for rateable vacant business	0.00679889	0.00698585	2.75%
General rate for rateable mixed use occupancy	0.00237961	0.00244505	2.75%
General rate for rateable vacant retail	0.00679889	0.00698585	2.75%

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 (annualised value).

Type or class of land	2023/24 \$'000	2024/25 \$'000	Change \$'000	%
General rate for rateable residential properties	105,840	108,751	2,911	2.75%
General rate for rateable commercial properties	21,164	21,746	582	2.75%
General rate for rateable Cultural & Recreational properties	21	21	1	2.75%
General rate for rateable vacant residential	463	476	13	2.75%
General rate for rateable vacant business	633	651	17	2.75%
General rate for rateable mixed use occupancy	1,083	1,113	30	2.75%
General rate for rateable vacant retail	15	16	0	2.75%
Total amount to be raised by general rates	129,220	132,774	3,554	2.75%

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

Type or class of land	2023/24 Number	2024/25 Number	Change Number	%
General rate for rateable residential properties	68,532	69,154	622	0.91%
General rate for rateable commercial properties	4,779	4,800	21	0.44%
General rate for rateable Cultural & Recreational properties	9	9	0	-
General rate for rateable vacant residential	99	95	(4)	(4.04%)
General rate for rateable vacant business	55	51	(4)	(7.27%)
General rate for rateable mixed use occupancy	531	534	3	0.56%
General rate for rateable vacant retail	6	4	(2)	(33.33%)
Total number of assessments	74,011	74,647	636	0.86%

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 \$'000	2024/25 \$'000	Change \$'000	%
General rate for rateable residential properties	61,762,527	62,269,106	506,579	0.82%
General rate for rateable commercial properties	6,989,147	7,115,211	126,064	1.80%
General rate for rateable Cultural & Recreational properties	13,970	13,970	0	-
General rate for rateable vacant residential	94,955	90,865	(4,090)	(4.31%)
General rate for rateable vacant business	104,340	93,160	(11,180)	(10.71%)
General rate for rateable mixed use occupancy	454,135	455,310	1,175	0.26%
General rate for rateable vacant retail	4,170	2,250	(1,920)	(46.04%)
Total value of land	69,423,244	70,039,872	616,628	0.89%

4.1.1(g) 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 2023/24 \$	Per Rateable Property 2024/25 \$	Change \$	%
<i>Kerbside waste costs</i>	293.07	312.73	20	6.71%
<i>Public waste costs</i>	0.00006124	0.00005603	(0.00000521)	(8.51%)

4.1.1(h) 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	2023/24 \$'000	2024/25 \$'000	Change \$'000	%
<i>Kerbside waste costs</i>	18,841	19,336	495	2.63%
<i>Public waste costs</i>	4,155	3,821	(334)	(8.04%)
Total	22,996	23,157	161	0.70%

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

	2023/24 \$'000	2024/25 \$'000	Change \$'000	%
<i>General rates</i>	129,129	133,672	4,543	3.52%
<i>Special Rates</i>	1,171	1,311	140	11.93%
<i>Green waste bin income</i>	1,104	1,132	28	2.50%
<i>Kerbside waste costs</i>	18,841	19,336	495	2.63%
<i>Public waste costs</i>	4,155	3,821	(334)	(8.04%)
<i>Waste Charge Rebate / Concession</i>	(1,901)	(1,840)	61	(3.22%)
Total Rates and charges	152,500	157,433	4,933	3.23%

4.1.1(j) Fair Go Rates System Compliance

Darebin City Council 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.

	2023/24	2024/25
Total General Rates	\$ 129,199,326	\$ 132,752,645
Number of rateable properties	74,002	74,638
Base Average Rate	1,686.85	1,731.01
Maximum Rate Increase (set by the State Government)	3.50%	2.75%
Capped Average Rate	\$ 1,745.89	\$ 1,778.62
Maximum General Rates and Municipal Charges Revenue	\$ 129,199,326	\$ 132,752,307
Budgeted General Rates and Municipal Charges Revenue	\$ 129,199,326	\$ 132,752,645
Budgeted Supplementary Rates	\$ 560,000	\$ 425,000
Budgeted Total Rates and Municipal Charges Revenue	\$ 129,759,326	\$ 133,177,645

4.1.1(m) 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 \$425,000 and 2023/24: \$560,000)
- The variation of returned levels of value (e.g. valuation appeals)
- Changes of use of land such that rateable land becomes non-rateable land and vice versa
- Changes of use of land such that residential land becomes business land and vice versa.

4.1.1(l) Differential rates to be levied

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

- A general rate of 0.174646% (0.00174646 cents in the dollar of CIV) for all rateable residential land.
- A general rate of 0.305631% (0.00305631 cents in the dollar of CIV) for all rateable business land.
- A general rate of 0.152815% (0.00152815 cents in the dollar of CIV) for all rateable recreational land.
- A general rate of 0.523939% (0.00523939 cents in the dollar of CIV) for all rateable vacant residential land
- A general rate of 0.698585% (0.00698585 cents in the dollar of CIV) for all rateable vacant business land.
- A general rate of 0.244505% (0.00244505 cents in the dollar of CIV) for all rateable mixed use occupancy land.
- A general rate of 0.698585% (0.00698585 cents in the dollar of CIV) for all rateable vacant retail land

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, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

Residential land

Residential Land is any land which is not Vacant Residential Land as described under the heading Vacant residential land and:

- the primary use of which is residential; or
- which is unoccupied and is zoned residential under the Darebin Planning Scheme.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- construction and maintenance of infrastructure assets;
- development and provision of health and community services; and
- provision of general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in the paragraphs immediately above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is land wherever located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate is, in the case of improved land, any use of land creating the relevant characteristics described in this section above.

The residential land affected by this rate is that which is located in any zone where residential development is permitted by the Darebin Planning Scheme and which displays the characteristics described in this section above.

The types of buildings on the land within this differential rate are all buildings which are present on the land at the date of declaration of rates for the 2024-25 financial year.

Council has considered this differential rate in the context of the range of revenue instruments available to it and has determined that this differential rate is the most appropriate means of meeting Council's stated objectives.

Business land

Business Land is any land which is not Vacant Retail Land, as described under the heading Vacant business land and:

- the primary use of which is the carrying out of the manufacture or production of, or the trade in, goods or services; or
- which is unoccupied and is zoned other than residential under the Darebin Planning Scheme

The objectives of this differential rate, having regard to principles of equity including the capacity to pay of those levied the rate, is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- construction and maintenance of infrastructure assets;
- development and provision of health and community services; and
- provision of general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in the paragraphs immediately above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is land wherever located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate is, in the case of improved land, any use of land creating the relevant characteristics described in this section above.

The business land affected by this rate is that which is in any zone where business development is permitted by the Darebin Planning Scheme and which displays the characteristics described in this section above.

The types of buildings on the land within this differential rate are all buildings which are present on the land at the

date of declaration of rates for the 2024-25 financial year.

Council has considered this differential rate in the context of the range of revenue instruments available to it and has determined that this differential rate is the most appropriate means of meeting Council's stated objectives.

Vacant residential land

Vacant Residential Land is any land which is zoned residential under the Darebin Planning Scheme and:

- on which there is no dwelling or other building designed or adapted for permanent occupation and
- in respect of which a building permit for demolition was issued under the Building Act 1993 since the date 18 months prior to the date of declaration of rates for the 2024-25 financial year; and
- in respect of which no building permit for the construction of a new dwelling or other building designed or adapted for permanent occupation has been issued under the Building Act 1993 in the period since demolition, with the date of demolition taken to be the date on which the building permit for demolition was issued under the Building Act 1993;

or

- on which there is no dwelling or other building designed or adapted for permanent occupation and
- in respect of which no building permit for demolition was issued under the Building Act 1993 since the date 18
- in respect of which no building permit for the construction of a new dwelling or other building designed or adapted for permanent occupation has been issued under the Building Act 1993 since the date 12 months prior to the date of declaration of rates for the 2024-25 financial year.

The objectives of this differential rate are to:

- promote responsible land management through appropriate maintenance and development of the land; and
- encourage prompt development of vacant residential land and attract new residents to the Darebin; and
- ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited) to the:
 - (a) construction and maintenance of infrastructure assets;
 - (b) development and provision of health and community services; and
 - (c) provision of economic development and general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in this section above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is land wherever located within the municipal district, without reference to ward boundaries.

The residential land affected by this rate is that which is zoned residential under the Darebin Planning Scheme and which displays the characteristics described in this section above.

Council has considered this differential rate in the context of the range of revenue instruments available to it and has determined that this differential rate is the most appropriate means of meeting Council's stated objectives. Vacant business land

Vacant Business Land is any land:

- which is zoned other than residential under the Darebin Planning Scheme and
- on which no building designed or adapted for permanent occupation is constructed and
- in respect of which no building permit for the construction of a new building designed or adapted for permanent occupation has been issued under the Building Act 1993 since the date 12 months prior to the date of declaration of rates for the 2024-25 financial year.

The objectives of this differential rate, having regard to principles of equity including the capacity to pay of those levied the rate, are to:

- promote responsible land management through appropriate maintenance and development of the land;
- ensure that foregone community and economic development resulting from under utilisation of land is minimised;
- encourage the use and occupancy of business land, leading to reinvigoration of trade and commerce within the Darebin; and
- ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited) to the:
 - (a) construction and maintenance of infrastructure assets;

- (b) development and provision of health and community services; and
- (c) provision of economic development and general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in this section above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is land wherever located within the municipal district, without reference to ward boundaries.

The vacant land affected by this rate is that which is zoned other than residential under the Darebin Planning Scheme and which displays the characteristics described in this section above.

Council has considered this differential rate in the context of the range of revenue instruments available to it and has determined that this differential rate is the most appropriate means of meeting Council's stated objectives.

Mixed use occupancy land

Mixed Use Occupancy Land is any land:

- on which there is a building, at least part of which is used, designed or adapted for the carrying out of the manufacture or production of, or the trade in, goods and services and is occupied for that purpose; and
- on which there is a building, at least part of which is used, designed or adapted as a principal place of residence and is occupied as such; and
- both the part of the land which meets the requirements of the first bullet point of this section and the part of the land which meets the requirements of the second bullet point of this section is occupied by the ratepayer; or
- where there is more than one ratepayer, at least one of those ratepayers occupies both the part of the land which meets the requirements of the first bullet point of this section and the part of the land which meets the requirements of the second bullet point of this section. The objectives of this differential rate, having regard to principles of equity including the capacity to pay of those levied the rate, are to:
- ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:
 - (a) construction and maintenance of public infrastructure assets;
 - (b) development and provision of health, environmental and community services; and
 - (c) provision of general support services; and
- address an apparent inequity for those ratepayers who reside in, and operate a business from, the same building and have previously been required to pay rates in respect of two separate assessments.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in this section above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is land wherever located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate is, in the case of improved land, any use of land creating the relevant characteristics described in this section above.

The land affected by this rate is that which is in any zone where mixed-use development is permitted by the Darebin Planning Scheme and which displays the characteristics described in this section above.

The types of buildings on the land within this differential rate are all buildings which are present on the land at the date of declaration of rates for the 2024-25 financial year.

Council has considered this differential rate in the context of the range of revenue instruments and options available to it and has determined that this differential rate is the most appropriate means of meeting Council's stated objectives.

Vacant retail land

Vacant Retail Land is any land:

- on which a building designed or adapted for retail occupation is constructed; and
- in respect of which:
 - (a) the building has not been open for trade since a date 24 months prior to the date of declaration of rates for the 2024-25 financial year; and
 - (b) no building permit has been issued under the Building Act 1993 since the date 12 months prior to the date of declaration of rates for the 2024-25 financial year.

The objectives of this differential rate are to:

- promote responsible land management through appropriate maintenance, development and use of the land;
- ensure that foregone community and economic development resulting from under utilisation of the land is ~~minimised~~
- encourage the use and occupancy of retail land, leading to reinvigoration of trade and commerce within the Darebin; and
- ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited) to the:
 - (a) construction and maintenance of public infrastructure assets;
 - (b) development and provision of health, environmental and community services; and
 - (c) provision of economic development and general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in this section above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is land wherever located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate is, in the case of improved land, any use of land creating the relevant characteristics described in this section above.

The land affected by this rate is that which is in any zone where retail development is permitted by the Darebin Planning Scheme and which displays the characteristics described in this section above.

The types of buildings on the land within this differential rate are all buildings which are present on the land at the date of declaration of rates for the 2024-25 financial year.

Council has considered this differential rate in the context of the range of revenue instruments and options available to it and has determined that this differential rate is the most appropriate means of meeting Council's stated objectives.

Cultural and Recreation Land

Cultural and Recreation are any lands which are:

- vested in or occupied by any body corporate or unincorporate which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives and which applies its profits in promoting its objects and prohibits the payment of any dividend or amount to its members; and
- used for out-door sporting recreational or cultural purposes or similar out-door activities; or
- lands (whether or not otherwise rateable) which are declared by Order of the Governor in Council to be recreational land
- The objective of this differential rate is to:
- promote responsible land management through appropriate maintenance, development and use of the land;

The types and classes of rateable land within this differential rate are those having the relevant characteristics described in this section above. The provision of rate relief to recreational land is provided by the Cultural and Recreational Lands Act 1963. The Act effectively provides for properties used for outdoor activities to be differentially rated and at the discretion of whether to provide a cultural and recreational lands rate rests with Council.

The geographic location of the land within this differential rate is land wherever located within the municipal district, without reference to ward boundaries.

Council has considered this differential rate in the context of the range of revenue instruments and options available to it and has determined that this differential rate is the most appropriate means of meeting Council's stated objectives

Concessions

In line with Councils Revenue & Rating Plan, the Budget includes the following concessions:

- A Pensioner Concession of \$150 for pensioners who are holders of an eligible Centrelink or Veteran Affairs Pension Concession Card or a Veteran Affairs Gold Card which stipulates TPI or War Widow for the Kerbside Waste Collection Service Charge. This concession will be provided by direct provision (without application where information is known) for the Kerbside Collection Service Charge on their principal place of residence only.
- A Pensioner Safety Net Concession of \$150 for pensioners who are holders of a Centrelink or Veteran Affairs Pension Concession Card or a Veteran Affairs Gold Card which stipulates TPI or War Widow and who are not eligible for the Pensioner Concession for the Kerbside Waste Collection Service Charge, for the principal place of residence. Ongoing eligibility is maintained, unless rejected by Centrelink or the Department of Veteran Affairs during the annual verification procedure. Upon confirmation of an eligible pensioner concession status, the pensioner concessions deducted from the rate account before payment is required by the ratepayer.
- A concession for residential properties with a CIV value at \$500,000 or less by the Valuer General of Victoria that equates to 100% of the public waste rate & caps the kerbside waste charge at \$50. This concession will automatically be applied to the principal place of residence for ratepayers and will not require an application.

Council considers that the granting of these concessions provide a benefit to the Darebin community in that it provides some relief on rates to elderly and other eligible residents in addition to the State Government rates concession and is consistent with principles that underpin the Council Plan 2021-2025.

4.1.2 Statutory fees and fines

	Forecast Actual 2023/24	Budget 2024/25	Change	
	\$'000	\$'000	\$'000	%
Animal Control	788	746	(42)	(5.34%)
Environmental Health	1,065	1,127	62	5.81%
Planning Compliance	-	-	0	-
Local Law s	430	427	(4)	(0.83%)
Planning Scheme Amendments	35	36	1	2.03%
Building Supervision	831	972	142	17.04%
Building Supervision	55	29	(26)	(47.29%)
Council Elections	-	162	162	-
Traffic Enforcement	5,022	4,029	(994)	(19.78%)
Building & Leisure	-	-	0	-
Statutory Planning	1,384	1,438	54	3.93%
Fees - Land Certificates (Stat)	171	178	8	4.50%
Transport Engineering	15	71	56	374.39%
Residential Garbage	-	140	140	-
Total statutory fees and fines	9,795	9,355	(440)	(4.50%)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are forecast to decrease by 4.5% or \$440k compared to forecast due mainly to traffic enforcement fines, aligning with historical trends. A detailed listing of statutory fees is included in section 6.

4.1.3 User fees

	Forecast Actual	Budget	Change	
	2023/24	2024/25	\$'000	%
	\$'000	\$'000	\$'000	%
Aged and health services	755	1,202	447	59.28%
Arts and culture	547	602	55	10.07%
Families, youth and children programs	297	318	21	7.00%
Golf course attendance	640	632	(8)	(1.24%)
Leisure centres and recreation	3,857	4,196	339	8.78%
Library	73	74	1	1.13%
Registration and other permits	5,323	5,414	90	1.70%
Other fees and charges	120	124	4	3.40%
Total user fees	11,612	12,562	949	8.18%

User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of leisure, entertainment and other community facilities and the provision of human services such as home help services. In setting the budget, key principles for determining the level of user charges has been to reflect increases in CPI, alignment to market rates and equity.

Total budgeted user fees of \$12.56M is an increase of 8% on forecast (\$11.6M), however, represents a decrease of 4% compared to adopted budget of \$13M, mainly driven through a decrease in fee income generated from the Darebin Resource Recovery Centre (DRRC).

A detailed listing of fees and charges is included in attachment 1 to this document.

4.1.4 Grants

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

	Forecast Actual	Budget	Change	
	2023/24 \$'000	2024/25 \$'000	\$'000	%
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	11,246	11,577	331	2.94%
State funded grants	9,522	8,400	(1,122)	(11.79%)
Total grants received	20,768	19,977	(792)	(3.81%)
(a) Operating Grants				
Recurrent - Commonwealth Government				
Aged care	5,562	5,831	268	4.83%
Financial Assistance Grants	5,044	5,066	22	0.44%
Recurrent - State Government				
Sustainable Transport	25	25	0	-
Family and Children	1,367	1,389	22	1.62%
Aged Care	1,913	1,777	(135)	(7.08%)
Youth Programs	46	47	1	2.92%
Maternal & Child Health	1,535	1,570	35	2.25%
Immunisation	136	135	(1)	(0.44%)
Libraries	1,071	1,071	0	-
Economic Development	60	-	(60)	(100.00%)
Equity & Wellbeing	-	75	75	-
Recurrent - Other				
Environmental	9	9	0	-
Family and Children	712	650	(62)	(8.77%)
Fuel Rebate	-	70	70	-
Arts & Culture	37	7	(30)	(80.13%)
Festivals & Events	35	35	0	-
Total recurrent grants	17,552	17,758	228	1.30%
Non-recurrent - State Government				
Building	60	300	240	400.00%
Family and Children	2	80	78	3,900.00%
Arts & Culture	95	20	(75)	(78.95%)
Economic Development	788	-	(788)	(100.00%)
Total non-recurrent grants	945	400	(545)	(57.67%)
Total operating grants	18,497	18,158	(340)	(1.84%)
(b) Capital Grants				
Recurrent - Commonwealth Government				
Roads to recovery	640	680	40	6.25%
Total recurrent grants	640	680	40	6.25%
Non-recurrent - State Government				
Local Roads Community Infrastructure	582	-	(582)	(100.00%)
Buildings	200	250	50	25.00%
Roads	155	870	715	461.29%
Plant & Equipment	18	19	1	5.56%
Parks & open Space	676	-	(676)	(100.00%)
Total non-recurrent grants	1,631	1,139	(492)	(30.17%)
Total capital grants	2,271	1,819	(452)	(19.90%)
Total Grants	20,768	19,977	(792)	(3.81%)

4.1.5 Contributions

	Forecast Actual	Budget	Change	
	2023/24 \$'000	2024/25 \$'000	\$'000	%
Monetary	5,728	6,607	879	15.35%
Non-monetary	-	-	0	-
Total contributions	5,728	6,607	879	15.35%

Contributions relate to monies paid by developers regarding public resort and recreation, developer Contribution scheme, drainage and car parking in accordance with planning permits issued for property development.

Contribution income is increasing by 15% or \$935k compared to forecast, due to unfavourable results in the current year not expected to continue next year.

4.1.6 Other income

	Forecast Actual	Budget	Change	
	2023/24 \$'000	2024/25 \$'000	\$'000	%
Interest on Investments	2,641	2,385	(255)	(9.67%)
Property rentals and leases	727	598	(129)	(17.73%)
Recovery of costs	1,237	1,481	244	19.75%
Other items	-	1,863	1,863	-
Total other income	4,604	6,327	1,723	37.43%

Other income relates to a range of items such as interest on investments, cost recoups and other miscellaneous income items.

Other income is increasing by 37% or \$1.7M compared to forecast, due mainly to the Northcote Aquatic Centre operations.

4.1.7 Employee costs

	Forecast Actual	Budget	Change	
	2023/24 \$'000	2024/25 \$'000	\$'000	%
Wages, salaries and related oncosts	80,400	80,475	75	0.09%
Superannuation	9,301	12,364	3,063	32.93%
Workcover	2,749	3,057	308	11.21%
Fringe Benefits tax	304	115	(189)	(62.17%)
Other employee costs	7,515	8,566	1,051	13.99%
Total employee costs	100,268	104,577	4,308	4.30%

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

Employee costs increasing in line with EBA arrangements & Superannuation legislated by the Government.

4.1.8 Materials and services

	Forecast Actual	Budget	Change	
	2023/24	2024/25		
	\$'000	\$'000	\$'000	%
Banking fees and charges	427	455	29	6.76%
Contract payments	37,538	36,170	(1,368)	(3.64%)
Office administration	1,554	1,342	(211)	(13.61%)
IT System Maintenance & Licence	4,871	5,027	156	3.20%
Insurances and excess	2,258	2,390	133	5.88%
Other Services	3,818	3,488	(330)	(8.65%)
Plant & Equipment	751	418	(333)	(44.32%)
Postage	335	369	34	10.13%
Printing	441	371	(70)	(15.84%)
Publications Libraries	166	172	6	3.89%
Supplies & Consumables	3,765	3,882	117	3.11%
Utilities	5,173	5,120	(53)	(1.03%)
Total materials and services	61,096	59,206	(1,891)	(3.09%)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs.

Materials and services are forecast to decrease by 3% or \$1.9 million compared to 2023-24 Forecast, mainly driven by the Northcote Aquatic Centre operations.

4.1.9 Depreciation

	Forecast Actual	Budget	Change	
	2023/24	2024/25		
	\$'000	\$'000	\$'000	%
Property	10,205	10,563	358	3.51%
Plant & equipment	4,208	3,624	(584)	(13.88%)
Infrastructure	12,300	13,525	1,225	9.96%
Total depreciation	26,713	27,712	1,000	3.74%

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of \$1 million for 2024-25 is largely due to the new Northcote Aquatic Centre capitalization.

4.1.10 Amortisation - Intangible assets

	Forecast Actual	Budget	Change	
	2023/24	2024/25		
	\$'000	\$'000	\$'000	%
Intangible assets	514	532	18	3.50%
Total amortisation - intangible assets	514	532	18	3.50%

Amortisation of intangible assets is an accounting measure which attempts to allocate the value of software and water licenses over the useful life of those licenses.

4.1.11 Amortisation - Right of use assets

	Forecast Actual 2023/24 \$'000	Budget 2024/25 \$'000	Change	
			\$'000	%
Right of use assets	30	3	(27)	(90.00%)
Total depreciation - right of use assets	30	3	(27)	(90.00%)

Amortisation of right of use assets is an accounting measure which attempts to allocate the value of leased assets over the useful life of those leases.

4.1.12 Other expenses

	Forecast Actual 2023/24 \$'000	Budget 2024/25 \$'000	Change	
			\$'000	%
Auditors remuneration - VAGO	94	92	(2)	(2.44%)
Auditors remuneration - Internal	160	150	(10)	(6.28%)
Community grants and other contributions	3,769	2,949	(821)	(21.77%)
Councillors emoluments	459	459	0	-
Fines Victoria processing costs	170	180	10	5.88%
Fire services levy	158	156	(1)	(0.89%)
Lease payments	404	429	25	6.13%
Legal expenses	1,004	832	(172)	(17.13%)
Other minor expenses	40	25	(15)	(37.50%)
Total other expenses	6,258	5,272	(986)	(15.76%)

Other items of expense relate to a range of unclassified items including contributions to community groups, legal expenses, audit fees and other miscellaneous expenditure items.

Other expenses are forecast to decrease by 16% or \$986k compared to 2023-24 Forecast, mainly driven by a reduced community grants program.

4.2 Balance Sheet

4.2.1 Assets

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less.

Trade and other receivables are monies owed to Council by ratepayers and others. A portion of this relates to Council offering extended repayment terms for ratepayers who avail themselves of solar panels through Council's Solar Saver program.

Other assets include items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by Council over many years. The \$3.3 million increase in this balance is mainly attributable to the net result of the capital works program (\$31.0 million) and depreciation of assets (\$27.7 million).

4.2.2 Liabilities

Trade and other payables are those to whom Council owes money as at 30 June.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are only expected to increase marginally due to more active management of entitlements despite factoring in an increase for Collective Agreement outcomes.

4.2.3 Borrowings

The table below shows information on borrowings specifically required by the Regulations.

	Forecast Actual	Budget	Projections		
	2023/24	2024/25	2025/26	2026/27	2027/28
	\$	\$	\$	\$	\$
Amount borrowed as at 30 June of the prior year	47,557	43,477	39,243	34,845	30,277
Amount proposed to be borrowed	-	-	-	-	-
Amount projected to be redeemed	(4,080)	(4,234)	(4,398)	(4,568)	(4,745)
Amount of borrowings as at 30 June	43,477	39,243	34,845	30,277	25,532

4.3 Statement of changes in Equity

1.3.1 Reserves

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability are as follows:

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

Other reserves are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability are as follows:

Drainage

The drainage development reserve is used to provide partial funding for the replacement of Council's drainage network. Funding is provided from developer contributions for drainage which is initially recognised in the comprehensive income statement and then transferred to the reserve from accumulated surplus to facilitate separate tracking of the total funds received but not yet spent. There is no budgeted movement in this reserve for 2024-25.

Car park development

The car park development reserve is used to provide funding for future development and ongoing maintenance of car parks within the municipality. Funding is derived from unspent contributions from commercial developers for cash in lieu of constructed car parks. This funding is initially recognised in the comprehensive income statement and then transferred to the reserve from accumulated surplus to facilitate separate tracking of the total funds received but not yet spent. There is no budgeted movement in this reserve for 2024-25.

Public open space and recreation

The public open space and recreation reserve is used to provide funding for future purchases and improvements of open space. Funding is provided from developers' contributions for open space which is initially recognised in the comprehensive income statement and then transferred to the reserve from accumulated surplus to facilitate separate tracking of the total funds received but not yet spent. There is no budgeted movement in this reserve for 2024-25.

Plant Replacement

Purpose – This reserve is to set aside funds to replace Council's heavy plant and equipment at the end of the service life.

Movements – Inflows to the reserve are mainly sourced from budget savings in depot maintenance and operations. Transfers from the reserve are aligned to Council's replacement schedule to fund plant acquisitions on an annual basis. There is no budgeted movement in this reserve for 2024-25.

Developer contribution scheme

The developer contribution reserve is used to provide for the future funding of Council's asset base. These assets include community facilities, parkland, and the drainage and road networks. Funding is provided by way of a developer's contribution, whereby the developer funds only the renewal of assets from that location. This funding is initially recognised in the comprehensive income statement and then transferred to the reserve from accumulated surplus to facilitate separate tracking of the total funds received but not yet spent.

1.3.2 Equity

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time.

4.4 Statement of Cash Flows

4.4.1 Net cash flows provided by/used in operating activities

The movement in cash flows from operating activities reflects an overall increase of \$8.9 million. The main drivers are as follows:

- Increase cash inflows from rates & charges, statutory fees & fines, user fees and contributions, offset by increases in cash outflows from employee expenses and materials & services.

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement.

4.4.2 Net cash flows provided by/used in investing activities.

The decrease in payments for investing activities is mainly driven by a decrease in cash being used to deliver the capital works program compared to 2023-24, as disclosed in section 4.5 of this budget report.

4.4.3 Net cash flows provided by/used in financing activities.

No new borrowings in the 2024-25 budget with subsequent repayments of the current loan liability used to fund construction of the Northcote Aquatic & Recreation Centre redevelopment.

4.5 Capital works program.

This section presents a listing of the capital works projects that will be undertaken for the 2024/25 year, classified by expenditure type and funding source. Works are also disclosed as current budget or carried forward from prior year.

4.5.1 Summary

	Forecast Actual 2023/24 \$'000	Budget 2024/25 \$'000	Change \$'000	%
Property	7,803	10,279	2,476	31.73%
Plant and equipment	5,836	6,035	199	3.41%
Infrastructure	18,160	14,761	(3,399)	(18.72%)
Total	31,799	31,075	(724)	(2.28%)

	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Property	✔ 10,279	3,603	5,330	890	456	-	-	10,279	-
Plant and equipment	✔ 6,035	40	5,005	810	180	-	-	6,035	-
Infrastructure	✔ 14,761	2,738	11,155	787	81	1,819	6,500	6,442	-
Total	31,075	6,381	21,490	2,487	717	1,819	6,500	22,756	-

4.5.2 Current Budget

Capital Works Area		New	Renewal	Upgrade	Expansion
	\$'000	\$'000	\$'000	\$'000	\$'000
PROPERTY					
Land					
Land Purchase	-	-	-	-	-
Land Improvements	1,320	-	1,320	-	-
Buildings					
Buildings	8,959	3,603	4,010	890	456
Heritage buildings	-	-	-	-	-
Building improvements	-	-	-	-	-
Leasehold improvements	-	-	-	-	-
TOTAL PROPERTY	10,279	3,603	5,330	890	456
PLANT AND EQUIPMENT					
Heritage plant and equipment	-	-	-	-	-
Plant, machinery and equipment	2,075	40	2,016	19	-
Fixtures, fittings and furniture	-	-	-	-	-
Computers and telecommunications	3,160	-	2,189	791	180
Library books	800	-	800	-	-
TOTAL PLANT AND EQUIPMENT	6,035	40	5,005	810	180
INFRASTRUCTURE					
Roads	5,943	1,720	4,223	-	-
Bridges	45	-	36	9	-
Footpaths and cycleways	2,950	-	2,950	-	-
Drainage	-	-	-	-	-
Recreational, leisure and community facilities	4,064	1,018	2,244	722	81
Waste management	630	-	630	-	-
Parks, open space and streetscapes	1,129	-	1,073	56	-
Aerodromes	-	-	-	-	-
Off street car parks	-	-	-	-	-
Other infrastructure	-	-	-	-	-
TOTAL INFRASTRUCTURE	14,761	2,738	11,155	787	81
TOTAL NEW CAPITAL WORKS	31,075	6,380	21,491	2,487	717

4.6 Summary of Planned Capital Works Expenditure

For the four years ended 30 June 2028

2025/26	Asset Expenditure Types				
	Total \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000
Property					
Land	2,450	2,450	0	0	0
Land improvements	400	0	400	0	0
Total Land	2,850	2,450	400	0	0
Buildings	10,170	2,210	5,182	1,625	1,153
Heritage Buildings	0	0	0	0	0
Building improvements	0	0	0	0	0
Leasehold improvements	0	0	0	0	0
Total Buildings	10,170	2,210	5,182	1,625	1,153
Total Property	13,020	4,660	5,582	1,625	1,153
Plant and Equipment					
Heritage plant and equipment	0	0	0	0	0
Plant, machinery and equipment	2,105	40	2,046	19	0
Fixtures, fittings and furniture	0	0	0	0	0
Computers and telecommunications	2,700	0	1,869	681	150
Library books	800	0	800	0	0
Total Plant and Equipment	5,605	40	4,715	700	150
Infrastructure					
Roads	4,950	1,250	3,700	0	0
Bridges	555	0	444	111	0
Footpaths and cycleways	3,000	0	3,000	0	0
Drainage	0	0	0	0	0
Recreational, leisure and community facilities	4,161	1,089	2,282	712	79
Waste management	550	0	550	0	0
Parks, open space and streetscapes	1,800	0	1,710	90	0
Aerodromes	0	0	0	0	0
Off street car parks	0	0	0	0	0
Other infrastructure	0	0	0	0	0
Total Infrastructure	15,016	2,339	11,686	913	79
Total Capital Works Expenditure	33,641	7,038	21,983	3,237	1,382

2026/27	Asset Expenditure Types				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000
Property					
Land	0	0	0	0	0
Land improvements	400	0	400	0	0
Total Land	400	0	400	0	0
Buildings	10,970	2,186	5,974	1,680	1,130
Heritage Buildings	0	0	0	0	0
Building improvements	0	0	0	0	0
Leasehold improvements	0	0	0	0	0
Total Buildings	10,970	2,186	5,974	1,680	1,130
Total Property	11,370	2,186	6,374	1,680	1,130
Plant and Equipment					
Heritage plant and equipment	0	0	0	0	0
Plant, machinery and equipment	2,105	40	2,046	19	0
Fixtures, fittings and furniture	0	0	0	0	0
Computers and telecommunications	2,700	0	1,869	681	150
Library books	800	0	800	0	0
Total Plant and Equipment	5,605	40	4,715	700	150
Infrastructure					
Roads	6,150	1,250	4,900	0	0
Bridges	1,000	0	800	200	0
Footpaths and cycleways	3,000	0	3,000	0	0
Drainage	0	0	0	0	0
Recreational, leisure and community facilities	4,711	1,356	2,463	803	89
Waste management	400	0	400	0	0
Parks, open space and streetscapes	1,800	0	1,710	90	0
Aerodromes	0	0	0	0	0
Off street car parks	0	0	0	0	0
Other infrastructure	0	0	0	0	0
Total Infrastructure	17,061	2,606	13,273	1,093	89
Total Capital Works Expenditure	34,036	4,831	24,362	3,473	1,369

2027/28	Asset Expenditure Types				
	Total \$'000	New \$'000	Renewal \$'000	Expansion \$'000	Upgrade \$'000
Property					
Land	0	0	0	0	0
Land improvements	200	0	200	0	0
Total Land	200	0	200	0	0
Buildings	9,050	3,503	4,597	750	200
Heritage Buildings	0	0	0	0	0
Building improvements	0	0	0	0	0
Leasehold improvements	0	0	0	0	0
Total Buildings	9,050	3,503	4,597	750	200
Total Property	9,250	3,503	4,797	750	200
Plant and Equipment					
Heritage plant and equipment	0	0	0	0	0
Plant, machinery and equipment	2,030	40	1,990	0	0
Fixtures, fittings and furniture	0	0	0	0	0
Computers and telecommunications	3,500	0	2,435	840	225
Library books	800	0	800	0	0
Total Plant and Equipment	6,330	40	5,225	840	225
Infrastructure					
Roads	6,400	1,250	5,150	0	0
Bridges	0	0	0	0	0
Footpaths and cycleways	3,000	0	3,000	0	0
Drainage	0	0	0	0	0
Recreational, leisure and community facilities	6,253	1,479	3,763	913	98
Waste management	350	0	350	0	0
Parks, open space and streetscapes	2,000	0	1,900	100	0
Aerodromes	0	0	0	0	0
Off street car parks	0	0	0	0	0
Other infrastructure	0	0	0	0	0
Total Infrastructure	18,003	2,729	14,163	1,013	98
Total Capital Works Expenditure	33,583	6,272	24,185	2,603	523

5. Performance 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 2022/23	Forecast 2023/24	Target 2024/25	Target Projections			Trend
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	60.0	66.0	66.3	66.6	70.0	70.3	+
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	2	95.2%	95.0%	95.0%	95.0%	95.0%	95.0%	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	3	37.0%	60.0%	60.0%	60.0%	60.0%	60.0%	+
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	4	54.1%	55.0%	56.0%	57.0%	58.0%	59.0%	+

Indicator	Measure	Notes	Actual 2022/23	Forecast 2023/24	Target 2024/25	Target Projections			Trend
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	5	1.8	2.0	2.1	1.8	1.7	1.5	
Obligations									
Asset renewal (assets are renewed as planned)	Asset renewal compared to depreciation Asset renewal and upgrade expense / Asset depreciation	6	1.3	1.0	0.9	0.9	1.0	1.0	
Stability									
Rates concentration (revenue is generated from a range of sources)	Rates compared to adjusted underlying revenue Rate revenue / adjusted underlying revenue	7	71.0%	75.8%	75.8%	76.0%	76.1%	76.3%	
Efficiency									
Expenditure level (resources are used efficiently in the delivery of services)	Expenses per property assessment Total expenses / no. of property assessments	8	\$2,623	\$2,682	\$2,683	\$2,779	\$2,857	\$2,953	

5.2 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 2022/23	Forecast 2023/24	Budget 2024/25	Projections 2025/26	2026/27	2027/28	Trend +/-
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	9	4.0%	0.3%	2.5%	-3.1%	-2.9%	-3.6%	-
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	10	53.2%	89.7%	106.2%	85.2%	69.8%	48.7%	-
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	11	33.1%	28.8%	25.2%	21.7%	18.3%	15.0%	+
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		1.3%	3.9%	3.8%	3.6%	3.5%	3.4%	+
Indebtedness (level of long term liabilities is appropriate to the size and nature of a Council's activities)	Non-current liabilities compared to own-source revenue Non-current liabilities / own source revenue		26.2%	23.1%	20.0%	17.0%	14.1%	11.3%	+
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	12	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	o
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	13	\$1,631	\$2,045	\$2,091	\$2,113	\$2,136	\$2,158	+

Key to Forecast Trend:

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

Notes to indicators

Targeted Performance Indicator

1. Satisfaction with community consultation and engagement

Council adopted a Community Engagement Policy in February 2021 which aims to put the community at the heart of our decision-making. This policy has improved our community engagement approach, and this should translate into a gradual improvement in the result for this indicator.

2. Sealed local roads below the intervention level

Forecast is based on the planned renewal expenditure on road and our target to maintain the current service level for the next four years.

3. Planning applications decided within the relevant required time

Darebin has historically not performed well against this indicator; however Council expects this figure to continue to improve over time as the result of investments into systems upgrades and process improvements. A target of 60% has

been set because this is the average achieved by comparable inner-metro councils.

4. Kerbside collection waste diverted from landfill

Forecast results in 2023-24 seems achievable given the implementation of a universal FOGO (Food and Green Organic Waste Program) and Darebin Resource Recovery Centre (due to more material filtering through a re-sale shop that would otherwise become landfill). A year-on-year improvement of 1pp each year thereafter would achieve a result of around 59% by 2027-28.

5. Working Capital

A general measure of the organisation's liquidity and its ability to meet its commitments as and when they fall due.

6. Asset renewal

This indicates the extent of Council's renewal and upgrade of assets against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

7. Rates concentration

A general measure of the organisations dependency on rate revenue to generate a surplus operating performance year on year.

8. Expenditure level

A general measure of how much Council spends to deliver key services to each property and can be compared to the Revenue Level measure as stated below to measure costs versus income on a per property basis.

[Financial Performance Indicator](#)

9. Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.

10. Unrestricted Cash

A general measure of the organisation's liquidity and its ability to meet its commitments as and when they fall due with available cash, free from restrictions.

Unrestricted Cash means all cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, other than restricted cash.

Restricted cash means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year.

11. Debt compared to rates

One of two general measures used to ensure the level of interest bearing loans and borrowings is appropriate to the size and nature of Council's activities.

12. Rates effort

This measure is intended to examine the community's capacity to pay its rates liabilities.

13. Revenue level

A general measure of how much Council spends to deliver key services to each property and can be compared to the Expenditure Level measure as stated above to measure costs versus income on a per property basis.

6. Schedule of Fees and Charges

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

Fees and charges are based on information available at the time of publishing and may vary during the financial year subject to any changes in Council's policy or legislation.

Refer attachment 1 for full draft 2024/25 Fees & Charges price schedule.

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