2025-2026
ANNUAL REPORT



Borough of Queenscliffe
Queenscliff & Point Lonsdale, Victoria, Australia



STATIO TUTISSIMA NAUTIS

"THE SAFEST ANCHORAGE FOR SEAFARERS"

Just as it is a safe haven for mariners, the Borough has an enduring role to play in conserving our extraordinary natural beauty and protecting ecological values of global significance. We do this through recognising and celebrating the values of our Wadawurrung heritage, acknowledging the legacy of our architectural built scape, and appreciating our military history fundamental to Australia's defence.



ACKNOWLEDGEMENT

The Borough of Queenscliffe is located on the traditional lands of the Wadawurrung, we wish to acknowledge them as the traditional custodians and pay our respects to their elders past and present. We extend this respect to all members of our community.

COMMUNITY VISION

CENTRAL STATEMENT:

Queenscliffe is valued for its unique coastline, historic character, and strong local identity. Our residents take pride in being a friendly, respectful, and welcoming community.

We acknowledge and respect the Wadawurrung people and together work to look after the Borough.





SUPPORTING PILLARS

Community Leadership

We expect strong and accountable leadership that upholds good governance, delivers value for ratepayers, and focuses on essential services. Council must act transparently and responsibly, always placing the needs of the community first.

Our Environment

We maintain and care for our coastline, parks, and green spaces so they remain clean, safe, and available for everyone to enjoy.

Local Economy

We support local enterprise and tourism by improving infrastructure and reducing unnecessary regulation to allow business to grow and thrive.

Our Community

We are committed to creating a safe, inclusive, and supportive place for all. We prioritise reliable local services – such as aged care, health, youth, and mental health support – to build a strong and resilient community.

Built, Maritime and Military Heritage

The Borough's historic buildings, coastal villages and landmarks are central to our identity. We protect and preserve them with care and responsibility.

OUR GUIDING PRINCIPLES

Inclusive Engagement | Ensuring all community members have a voice in the decision making process.

Continuous Improvement | Striving for improvement in all Council operations and services.

Liveability | Striving to ensure people can enjoy active, safe, healthy and rewarding lives at all ages.

Sustainability | Promoting practices that guide and enhance the natural environment.

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ABOUT THIS ANNUAL REPORT

The Borough of Queenscliffe Annual Report 2025–26 highlights Council's performance over the financial year.

The Council Plan 2025–2029 sets out five themes against which Council's performance is measured. The strategic objectives of each of portfolio define Council's priorities for service planning and delivery over a four-year period.

Theme 1: Living in the Borough

Theme 2: Building the Borough

Theme 3: Work, play and stay in the Borough

Theme 4: Running the Borough

Theme 5: Caring for the Borough

Principal Photographer: Alan Barber



This Annual Report includes information about Council's performance, achievements and challenges for each of these strategic directions within the 2025–26 year, as well as an outline of Council services and operations. It also provides a comprehensive and externally audited Performance Statement and Financial Report.

As a document, the Annual Report is part of Council's commitment to open, transparent and accountable local governance. It informs Council, ratepayers, community members and other stakeholders of the achievements and challenges of the past financial year, and provides key information required under the *Local Government Act 2020*, Planning and Reporting Regulations 2020, and other relevant legislation.

The content provided within the Annual Report is reviewed every year and is guided by best practice in local government reporting.

Feedback or questions relating to the Annual Report are welcome.

Email: info@queenscliffe.vic.gov.au

Post: Chief Executive Officer
Borough of Queenscliffe
PO Box 93, Queenscliff VIC 3225

FROM THE CHIEF EXECUTIVE OFFICER

It is an immense honour to write my first Annual Report address as the Chief Executive Officer of the Borough of Queenscliffe. Since stepping into the role, I have experienced an incredibly warm and generous welcome from residents, business owners, and community groups alike. This open-hearted reception has underscored what makes our unique coastal municipality so special—its deep sense of identity, rich history, and vibrant community spirit.

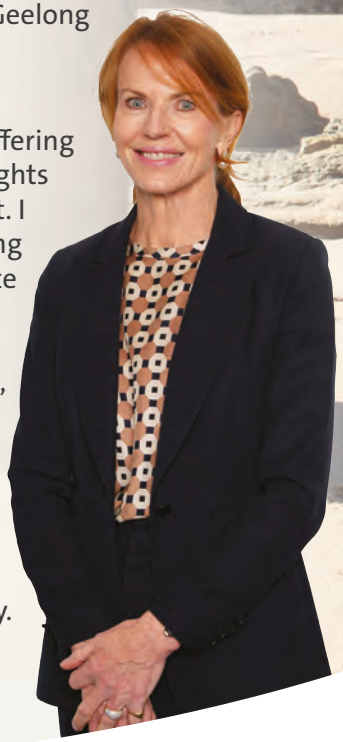
A primary focus of my time in the Borough has been listening, learning and connecting with a broad range of community stakeholders. I have thoroughly enjoyed attending numerous local Annual General Meetings, which have provided an invaluable window into the diverse organisations that form the backbone and heart of our community.

Beyond the formal meetings, immersing myself in local life has been a highlight. I have particularly enjoyed heading down to the Queenscliff Football Netball Club to watch a game of footy and cheer on the Coutas. I have also been continually inspired by the passion, dedication and commitment of the arts community who shape the culture and character of our community. The festivals are a Bellarine drawcard that make us feel connected, engaged and proud.

To ensure our unique strengths are recognised on a broader stage, we are actively strengthening our regional partnerships to improve the Borough's visibility by working closely with G21 – Geelong Regional Alliance on key regional advocacy priorities and collaborating with Tourism Greater Geelong and Bellarine and Regional Development Victoria.

Looking ahead, my mandate is clear. I am here to roll my sleeves up, ensure that the Borough is a destination of choice, that our service offering creates a unique sense of vibrancy, complements our heritage, highlights and educates the importance of caring for our beautiful environment. I look forward to strengthening our relationship with the Wadawurrung Traditional owners and continuing to care for Country. I am passionate about lifting service standards across our customer touch points, ensuring disciplined governance and decision-making, reinforcing that Queenscliff and Point Lonsdale remain exceptional places to live, work, and visit.

Finally, I want to express my sincere gratitude to Mayor Grigau and our Councillors. Their leadership, guidance, and unwavering commitment to the community have been vital as I transitioned into this role. Importantly I need to acknowledge and thank the Council team, including our volunteers, who have supported me unreservedly.



Jane Grover
Chief Executive Officer
Borough of Queenscliffe



FROM THE MAYOR

On behalf of the Councillor group, it is a privilege to present the Borough of Queenscliffe Annual Report for 2025-26, and reflect on the year that has been.

This has been a year of change, collaboration and achievement for Council. Throughout the year, we have remained focused on serving our community, delivering essential services, protecting the unique character of our Borough and planning responsibly for the future.

A significant milestone was the appointment of our new Chief Executive Officer, Jane Grover, in March 2026. The appointment of a CEO is one of the most important decisions a Council makes, and Jane's appointment was unanimously supported by all Councillors. Jane brings strong leadership and a clear commitment to community outcomes with a fresh set of eyes and style. We look forward to working together to deliver the priorities identified in our Council Plan.

I would also like to acknowledge and thank Michael Tudball for his leadership as Interim CEO during the transition period. His professionalism and steady guidance ensured Council continued to operate effectively during this important time.

During 2025-26, Council adopted several key strategic documents, including the Council Plan 2025-2029, the Municipal Public Health and Wellbeing Strategy 2025-2029 and the Asset Plan 2025-2035. Together, these plans provide a clear roadmap for the future and reflect the priorities and aspirations of our community.

This year also delivered several achievements of which we can be particularly proud. Council successfully secured funding for the development of a new Bike Park, creating opportunities for recreation, active living and greater participation for young people and families. We were also pleased to launch the new Visit Queenscliff & Point Lonsdale tourism website, providing a contemporary platform to showcase our region, support local businesses and strengthen our visitor economy.

Advocacy became a strong focus at CEO Grover's appointment. Council continued to represent the interests of our community on a range of important issues, including the future of Fort Queenscliff, clarity of the Queenscliff Kindergarten land ownership, investment in local infrastructure and



planning matters affecting the Borough. We also advocated strongly on behalf of residents regarding the proposed Coles development at Swan Bay, ensuring community concerns about the area's environmental values, character and amenity were clearly heard.

Alongside these achievements, Council maintained its commitment to delivering essential services and maintaining community infrastructure. We continued to invest in our roads, footpaths, public spaces and community facilities while protecting the heritage and coastal environments that contribute so much to the identity of Queenscliff and Point Lonsdale.

It was also encouraging to see positive results from the annual Community Satisfaction Survey. The survey highlighted strong levels of satisfaction with Council's overall performance, customer service and engagement with the community. Residents also expressed appreciation for the appearance of the Borough, the quality of public spaces and Council's efforts to maintain the unique character of our townships. While there is always more work to do, these results demonstrate the value of ongoing investment in services, infrastructure and community wellbeing.

Like all councils, we continue to face increasing costs, regulatory changes and growing expectations from our communities. As a small council, we must make careful decisions about how resources are used, ensuring every dollar delivers the greatest possible benefit for residents, businesses and visitors.



Good governance, transparency and accountability remain central to our work. Our community deserves to understand how decisions are made and to have confidence that Council is acting in the long-term interests of the Borough. Listening to our community, considering evidence and making informed decisions will continue to guide our approach.

One of the greatest strengths of the Borough of Queenscliffe is its people. We sincerely thank the many volunteers, community groups, sporting clubs, service organisations, businesses and residents who help make Queenscliff and Point Lonsdale such vibrant and welcoming places.

I also thank our CEO, Executive Leadership Team and Council staff for their professionalism, dedication and hard work throughout the year. Their efforts, often undertaken behind the scenes, are essential to the services and facilities our community relies upon every day.

As a Council, we look forward to continuing to work together with our community to build a strong, sustainable and prosperous future for the Borough of Queenscliffe.

Cr Donnie Grigau
Mayor, Borough of Queenscliffe



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THE YEAR IN REVIEW



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BAIT
TACKLE



STAKEHOLDER AND COMMUNITY ENGAGEMENT

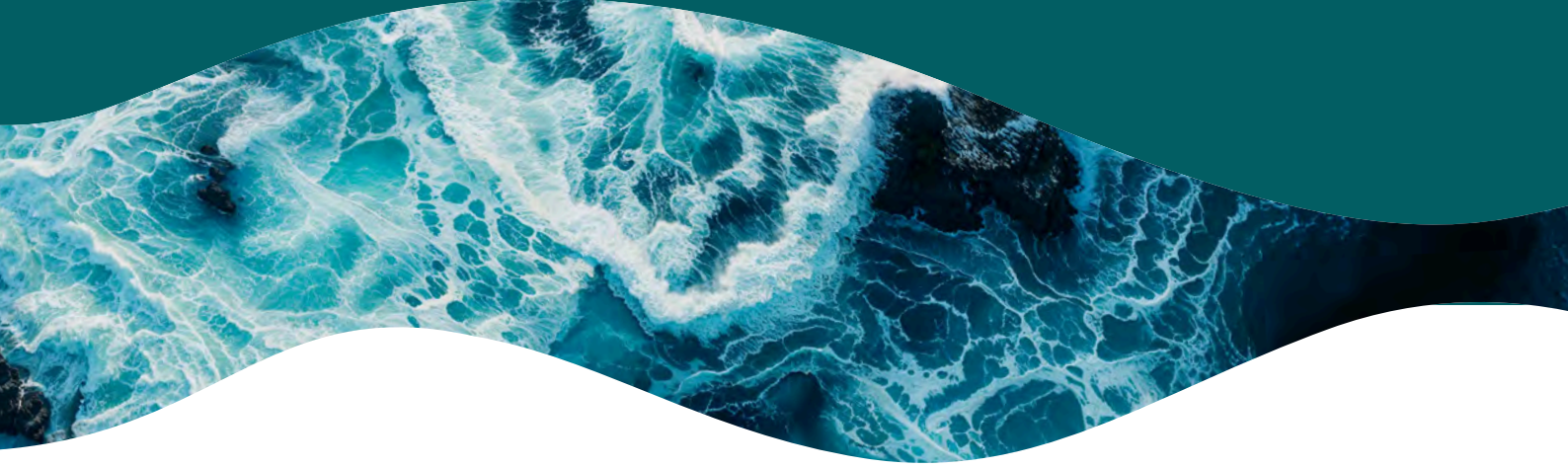
In line with its Community Engagement policy, Council regularly conducts structured community engagement activities to inform the development of strategies, plans and projects by inviting community input and feedback. Stakeholder engagement is the foundation for understanding the diverse needs and aspirations of our residents and ratepayers. This engagement informs Council's decision-making and guides the advocacy that Council conducts on behalf of the community.

Our stakeholder engagement is underpinned by:

- The *Local Government Act 2020*, and specifically Council's role pertaining to acting as a representative government for the local community, advocating its interests to other communities and governments, and encouraging active participation in civic life
- Our Community Engagement policy, which outlines how and when we engage and consult with our community and other stakeholders
- Our Customer Service Charter, which sets out the services provided by Council and how our service levels will be measured
- Our Councillor Code of Conduct, and specifically the principles and behaviours relating to Councillors performing their community engagement and advocacy roles
- Guidelines relevant to various engagement activities, such as our monthly Councillor listening posts.

During the 2025 – 2026 financial year, Council undertook community engagement of the following key strategic initiatives:

- **Review of the Community Vision**
  Council undertook a review of the Community Vision, a ten-year document that aims to produce a consistent, long-term vision for the community's future that successive Councils and the community can work towards. A survey was conducted and the community was given the opportunity to attend drop-in sessions and provide feedback. A revised vision was adopted in July 2025.
- **Road Management Plan**
  Council adopted the Road Management Plan in September 2025, following a 28-day public exhibition period. The plan establishes a management system and performance standards for Council's road management functions.
- **Asset Plan**
  The Asset Plan provides a summary of infrastructure assets, their performance and actions required to achieve the strategic objectives outlined in the Council Plan. The Asset Plan was placed on exhibition, with community members being invited to speak to the Manager Infrastructure and Environment about the document. The Asset Plan was adopted in October.
- **Off leash dog area**
  Council heard from the community a strong desire for a dedicated off leash open space area for dogs, aside from the Narrows Dog Beach. As a result of a survey conducted between September and October, two new off leash areas were implemented throughout the Borough for a one-year trial.



- **Council Plan**
  The Council plan outlines five areas of focus and supporting strategies under which Council will deliver a range of actions to help achieve the Community Vision. The Plan was placed on exhibition for a period of 28 days before being adopted in October.

- **2026-2027 Council Budget**
  The budget sets out how Council plans to fund the services and projects that the community relies on. The 2026-2027 Budget was adopted in June, after consultation occurred over December and January.

- **Financial Plan**
  The Financial Plan provides a strategic overview of the financial resources available to Council over the next 10 years and sets out how the resources will be used to implement the actions of the Council Plan and achieve the Community Vision. Council made the draft documents available for public review. The Plan was adopted at the June 2026 Ordinary Meeting of Council.

- **Municipal Public Health and Wellbeing Strategy 2025–2029**
  The Borough of Queenscliffe plays a vital role in protecting, improving, and promoting public health and wellbeing within the municipal area. The Public Health and Wellbeing Act 2008 sets out the statutory framework for Council's health and wellbeing responsibilities. The Municipal Public Health and Wellbeing Strategy details how Council will endevour to improve our Borough's health. The Strategy was adopted in October after being placed on exhibition for 28 days.

- **Councillors Standing for State or Federal Elections policy**
  In January, Cr Donnie Grigau placed a notice of motion relating to a new policy regarding Councillors standing for state or federal elections. This proposed policy was endorsed for the purpose of community consultation at the January Ordinary Meeting of Council, and placed on exhibition for a period of 21 days. At the February Ordinary Meeting of Council, the policy was amended and adopted as a guideline.

- **Aged Care Review**
  Council began its Aged Care review in June, seeking to better understand if Council can meet the needs of the community in a financially viable way. As of June 30 2026, the consultation was still underway.

- **Hesse Street Commercial Heritage Precinct Review**
  The Borough of Queenscliffe is undertaking the Hesse Street Commercial Precinct Review to protect and enhance the unique heritage values of the Hesse Street commercial area. The draft review was placed on public exhibition from Friday 19th June until the 20th of July.

Engaging with residents and stakeholders strengthens Council's ability to deliver outcomes for the community. In 2026–27, we look forward to continuing this work and partnering with the community to implement the objectives of the Council Plan.

Engaging with our stakeholders enables Council to gain valuable knowledge, build understanding, share views and respond to the opportunities and issues important to our community. Council achieves this through hosting workshops, 'drop-in' sessions, listening posts and online surveys, as well as responding to public questions at monthly Ordinary Council Meetings.

CURRENT LEGISLATIVE REQUIREMENTS

Community participation in the development of the Council Plan, annual budget and any application for an exemption to the rate cap is a statutory requirement under the Local Government Act 2020 for all Victorian councils.

In 2025–26, we welcomed community involvement in the development of our 2026–27 Budget and Financial Plan. Consultation for the budget began in December 2025 and ran through until January 2026. The community was invited to share their thoughts on where Council's priorities should lie via online tools and written submissions. This feedback was considered by Council and incorporated into the final documents adopted by Council in June 2026.

Public question time at the start of monthly Ordinary Council Meetings provides another forum for community participation. Questions are formally lodged before each meeting. Questions asked and responded to during the meeting are recorded in the minutes.

During 2025–26, Council received and responded to 78 public questions raised at the monthly Ordinary Meetings.



SUMMARY OF FINANCIAL PERFORMANCE

Financial reporting provides essential insight into the Borough of Queenscliffe's financial position and performance over the past year. It helps the community and other stakeholders assess Council's capacity to deliver services, maintain facilities and sustain service standards into the future.

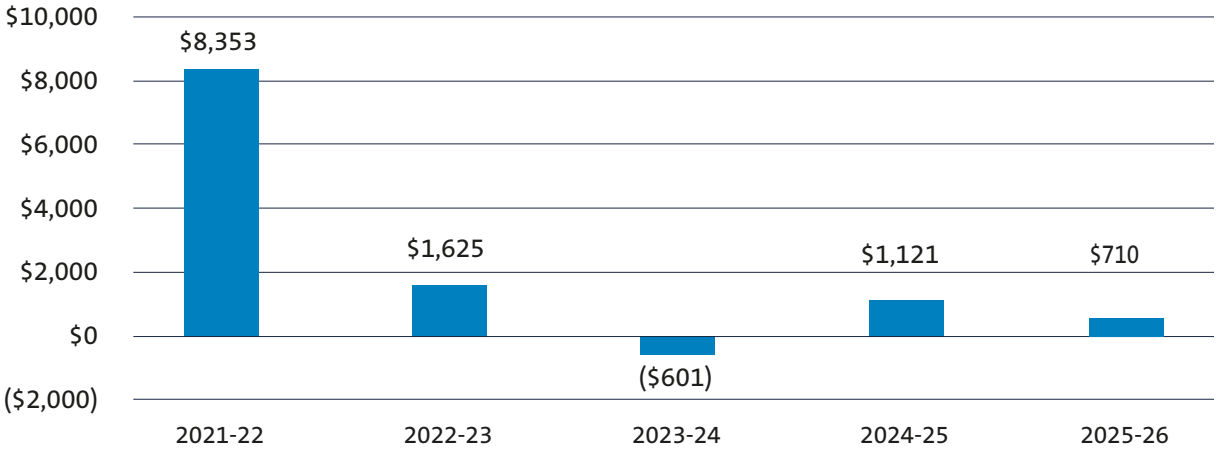
Council's financial position remains strong. The following summary highlights the key outcomes for the year, with further detail provided in the Financial Statements and Performance Statement sections of this report.

SURPLUS/(DEFICIT) FOR THE YEAR

Council recorded a surplus of $0.7 million for the 2025–26 financial year. After accounting for the revaluation and indexation of land and road assets, the total comprehensive result was a surplus of $1.7 million. The net asset revaluation gain is an accounting adjustment only and does not affect Council's cash position or capacity to deliver services.

Further, results for both 2025–26 and 2024–25 were influenced by the timing of the Financial Assistance Grant (FAG). In line with accounting standards, FAG income must be recognised in the year it is received, even if the funding is intended for the following financial year.

Surplus / deficit ($'000)



The reported surplus/(deficit) and comprehensive result in the General-Purpose Financial Statements do not, on their own, provide a complete picture of Council's financial performance. This is because they include capital income without fully reflecting the corresponding expenditure, which is significant for a small council such as the Borough of Queenscliffe. A more meaningful measure of ongoing financial performance is the underlying result, which reflects the difference between operating income and operating expenditure.

For this reason, Council also reports the underlying result to show its recurring operating position after excluding capital income and other items that can distort year-to-year comparisons.

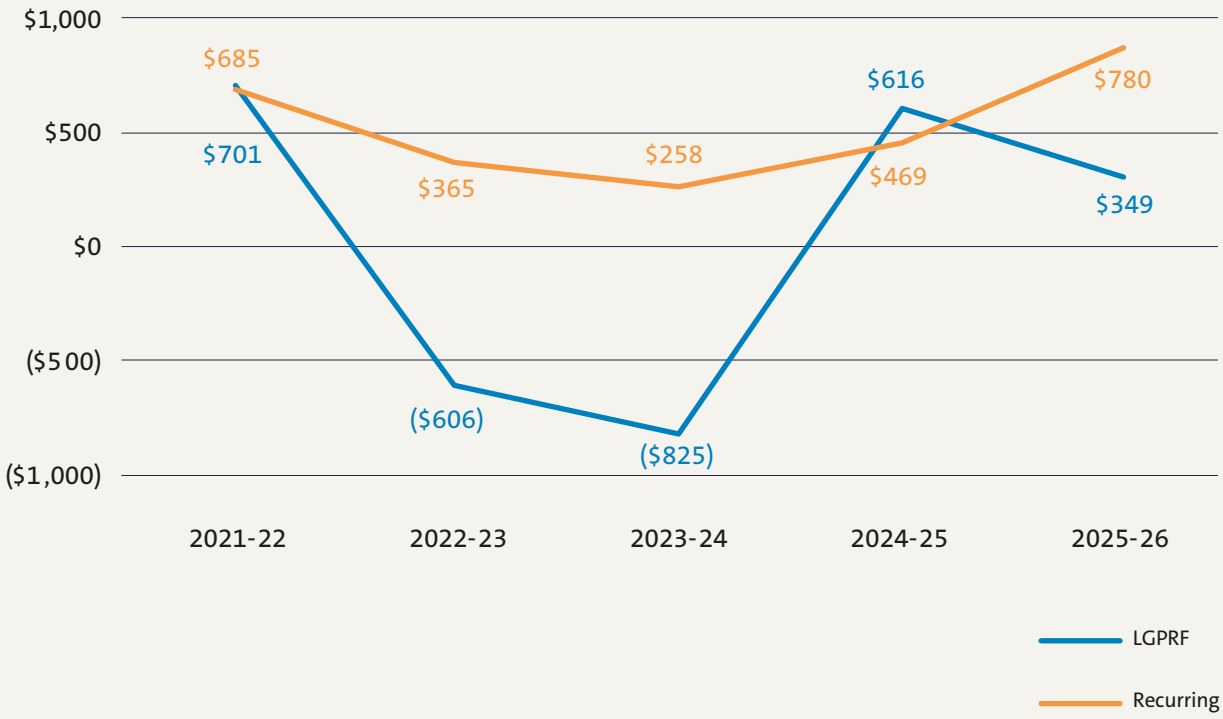
UNDERLYING RESULT

Under the Local Government Performance Reporting Framework (LGPRF), Council achieved an adjusted underlying surplus of $0.35 million in 2025–26, compared with a surplus of $0.62 million in 2024–25. This equates to 2.4% of adjusted underlying revenue and was affected by the early receipt of FAG income.

To better assess ongoing financial performance, it is necessary to adjust for one-off operating items and the timing of recurring grants. This approach, consistent with the Council Plan, enables results to be compared on a consistent basis across years. On this recurring basis, Council's adjusted underlying result for 2025–26 was $0.78 million, compared with $0.47 million in 2024–25.

Despite higher cost pressures, total recurring expenses, excluding waste management, increased by only 2.1%, well below prevailing inflation. Recurring income rose by 2.9% when waste management is excluded and FAG income is allocated to the year to which it applies.

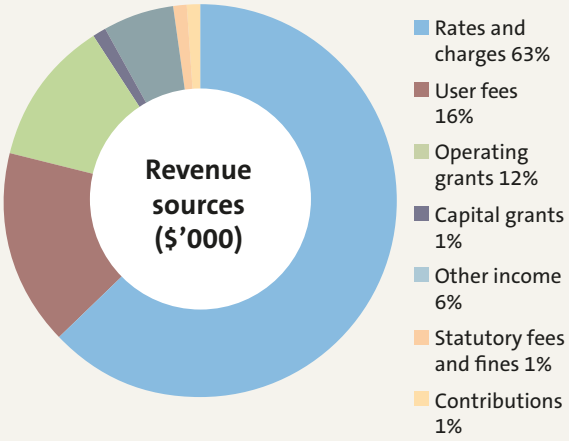
Underlying operating result ($'000)



Overall, as shown in the chart above, Council has maintained a stable underlying result on a recurring basis over the past five years, with FAG timing continuing to have a significant influence on reported LGPRF outcomes.

REVENUE

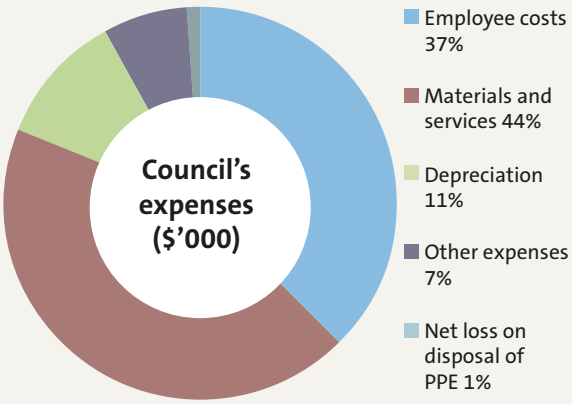
Council's total revenue for the 2025–26 financial year was $14.8 million, a slight increase from $14.6 million in 2024–25. This movement was affected by the timing of Financial Assistance Grants (FAGs) in each year. Excluding the impact of FAG timing and non-recurring capital and operating grants, the key drivers of revenue growth compared with 2024–25 were increases in rates within the rate cap, additional income from Council-managed tourist parks, and recognition of $0.18 million in contributed assets and works.



OPERATING EXPENSES

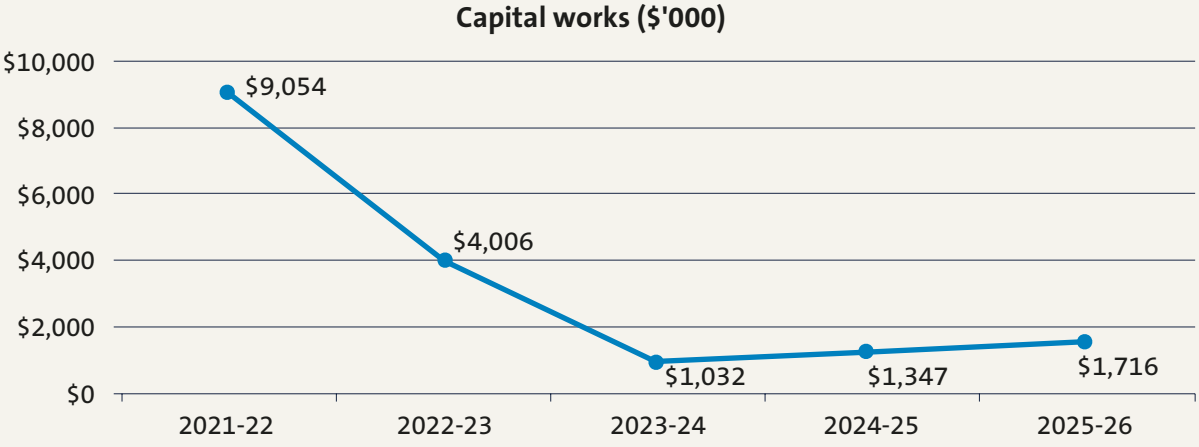
Council's total operating expenses for the 2025–26 financial year were $14.0 million, an increase from $13.5 million in 2024–25.

The increase was primarily attributable to higher depreciation expenses following the revaluation of building assets completed at the end of the 2024–25 financial year.



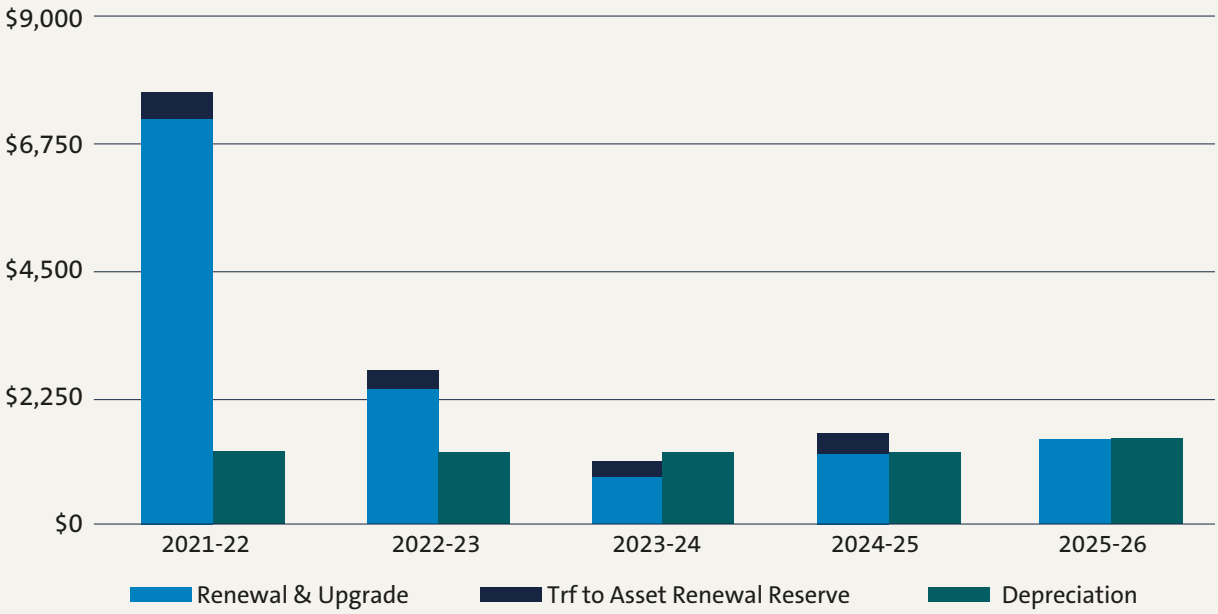
CAPITAL EXPENDITURE

Council invested $1.7 million in capital works during 2025–26, against a budget of $3.0 million. Some major projects were deferred due to scope changes and approval processes. Total investment in asset renewal and upgrade works was $1.5 million, in line with the year's depreciation expense of $1.5 million.



Council has been transferring the unspent portion of its annual asset renewal allocations, at a minimum each year, into the asset renewal reserve to fund future asset renewal works.

Investments in asset renewal and upgrade works against depreciation ($'000)



TOTAL ASSETS

As at 30 June 2026, Council's total asset base was $184.4 million. The majority of these assets comprise property, infrastructure, plant and equipment, and cash and cash investments.

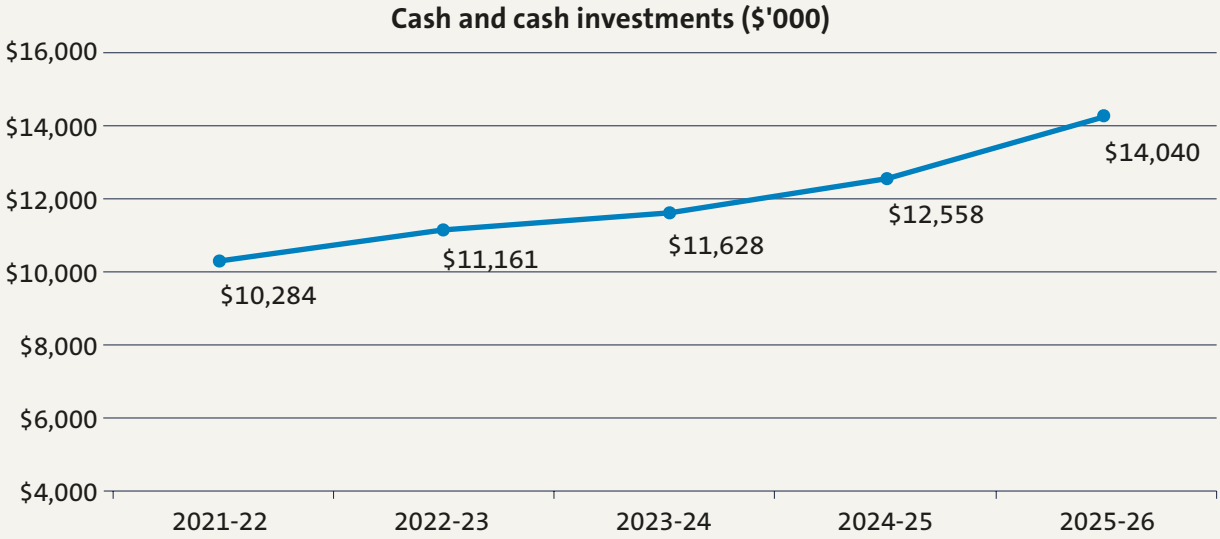
Together, these categories represent 99.5% of Council's total assets. Property, infrastructure, plant and equipment are valued at $169.5 million, including $91.4 million in Crown land and land under roads managed by Council, and $27.4 million in freehold land owned by Council.



LIQUIDITY

Council's cash and cash equivalents, together with short-term cash investments with maturities of 3 to 12 months and long-term cash investments with maturities greater than 12 months, increased to $14.0 million in 2025–26.

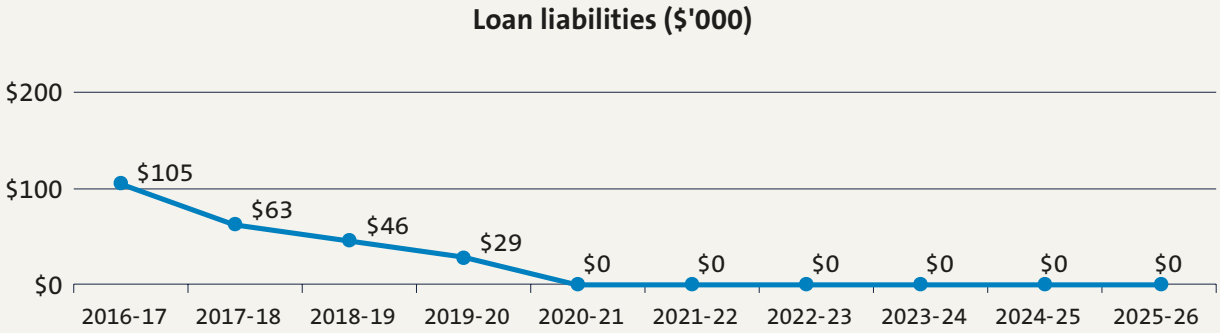
Of this amount, $7.1 million is restricted, including $3.5 million from the Murray Road land sale, leaving $6.9 million in unrestricted reserves.



LIABILITIES

Council's liabilities include amounts owed to suppliers and amounts owed to employees for leave entitlements. Council's total liabilities are $3.7 million as at 30 June 2026.

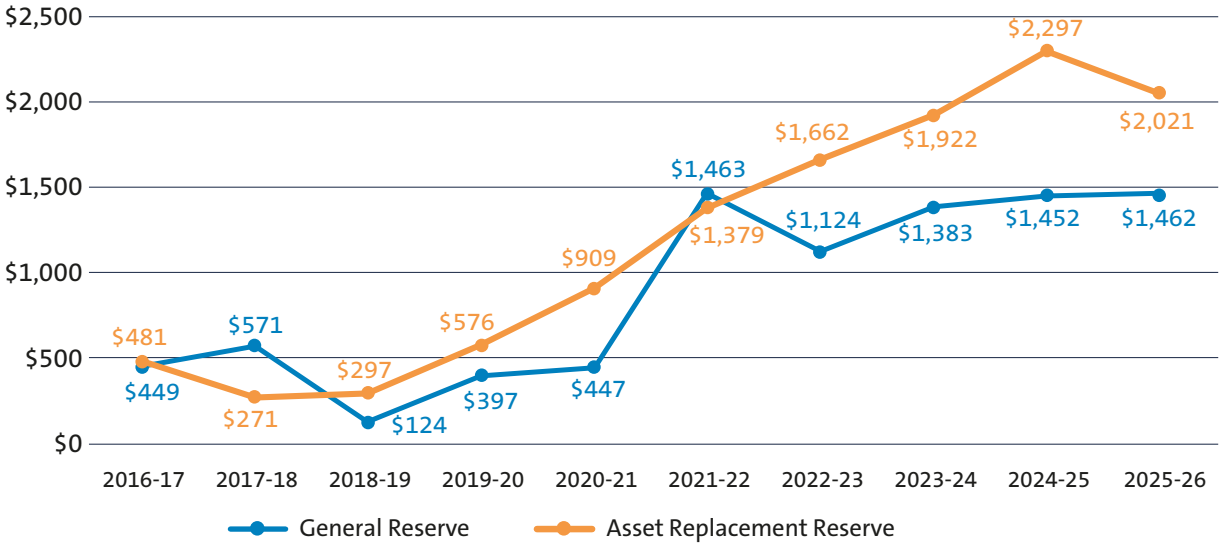
Council has zero debt and is operating well above the Victorian Government's prudential ratio limits.



KEY RESERVES

As at 30 June 2026, Council's other reserve balance, which is fully cash-backed, was $9.1 million. This included $1.46 million in the General Reserve and $2.0 million in the Asset Replacement Reserve.

Key reserves ($'000)



FINANCIAL SUSTAINABILITY INDICATORS

Each year, the Victorian Auditor-General's Office (VAGO) reviews Victorian councils' finances and reports its findings to Parliament. The assessment is based on seven key financial sustainability indicators.

Profitability indicators

- Net result – whether enough revenue is generated to cover operating costs including depreciation.
- Adjusted underlying result – whether the entity generates a surplus in the ordinary course of business.

Financing indicators

- Liquidity – whether sufficient working capital exists to meet short-term commitments.
- Internal financing – whether sufficient operating cash flows are generated to invest in assets and repay debt.
- Indebtedness – whether sufficient operating cash flows are generated to pay the principal and interest on borrowings, as and when they fall due.

Asset renewal and maintenance indicators

- Capital replacement – whether assets have been replaced at a rate consistent with the rate of consumption.
- Renewal gap – whether existing assets have been maintained at a consistent rate.

The table below compares Queenscliffe's performance over the past five years. The 2025–26 data is Council's own calculation, with VAGO's official results to be published later in 2026. Although VAGO did not apply a risk rating system in its most recent report, Council officers believe this framework helps the community understand risk levels across the indicators.

Risk assessment matrix

Financial sustainability indicators	Low	Medium	High
Net result[1]	>0%	-10% – 0%	⟵10%
Adjusted underlying result[1]	>5%	0% – 5%	< 0%
Liquidity	>1.0	0.75 – 1.0	<0.75
Internal financing	>100%	75% – 100%	<75%
Indebtedness	⟸40%	40% – 60%	>60%
Capital replacement	>1.5	1.0 – 1.5	<1.0
Renewal gap	>1.0	0.5 – 1.0	<0.5

Risk assessment

Financial Sustainability Indicators	21/22*	22/23*	23/24*	24/25*	25/26**	5 yrs average
Net result	41.3%	11.1%	-4.4%	7.7%	4.9%	12.1%
Adjusted underlying result	5.6%	-4.9%	-6.1%	4.3%	2.4%	0.3%
Liquidity	3.1	4.6	3.8	2.1	1.0	2.9
Internal financing	122.9%	143.4%	146.8%	167.8%	187.7%	153.7%
Indebtedness	1.1%	0.9%	1.2%	0.9%	1.1%	1.0%
Capital replacement	5.6	4.4	0.9	1.12	1.16	2.64
Renewal gap	5.40	1.95	0.67	0.97	1.00	2.00

Source: VAGO

** Based on VAGO reports*

*** Based on the audited results calculated by BoQ*

The adjusted underlying result in each year has been influenced by the reclassification of some capital costs as operating expenditure and by FAG timing.

Overall, Council remains in a sound financial position, supported by strong liquidity, no debt and positive recurring operating performance. The main financial management focus remains the delivery of the capital works program and continued investment in asset renewal to support long-term service delivery.

DESCRIPTION OF OPERATIONS

Council is committed to ensuring the Borough remains a safe and welcoming place for residents and visitors—a place where history, culture and the natural environment come together to delight and surprise, supported by an engaged and caring community.

To deliver this vision, Council's decision-making and priorities are organised around the five themes set out in the Council Plan 2025–2029.

Council delivers services and initiatives under 25 major service categories. Each contributes to the achievement of strategic objectives set out under each theme. These range from tourist parks to land use planning, street lighting to community engagement – just to name a few. The Borough's permanent population of around 3,000 remains steady and its comparatively older demographic enjoys the broad range of community services and infrastructure offered.

ECONOMIC FACTORS

During 2025–26, Australia's economic conditions remained challenging, with inflationary pressures persisting despite some moderation from earlier peaks.

Interest-rate uncertainty, higher energy and insurance costs, and continued cost-of-living pressures constrained household and business capacity. These conditions continued to affect parts of the Borough of Queenscliffe community, including ratepayers experiencing affordability pressures.

At 30 June 2026, outstanding rates remained an area of active monitoring, reflecting the need for responsible revenue management while supporting ratepayers facing financial difficulty.

Council operations were affected by elevated costs for materials, utilities, insurance, construction-related works and contracted services. Multi-year service contracts were managed carefully to maintain service standards, achieve value for money and support long-term financial sustainability.

In response, Council maintained a prudent approach to budgeting, cash management and expenditure control. Operational efficiencies and investment income contributed to offsetting cost increases and supporting continued service delivery.

These measures assisted Council to manage the operating environment and maintain a stable recurring financial position.

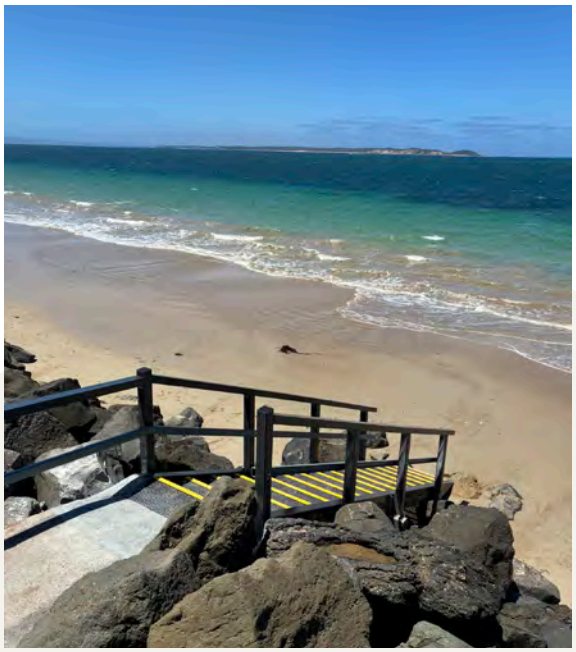
MAJOR CAPITAL WORKS

During 2025–26, major capital works included the following projects:

Dog Beach Ramp Repair and Extension

Council was successful in receiving a grant to extend the sand fence at the Narrows Dog Beach, but before works could commence catastrophic storms occurred in September and October 2024. As a result of these storms, the concrete ramp at the Dog Beach was damaged. Through negotiations with DEECA, the project was altered to repair and extend the Dog Beach ramp. This ramp is an integral piece of infrastructure for beach access and emergency services.





Replacement Stairs at Dog Beach

The same storms mentioned previously also severely damaged the beach access stairs at Dog Beach. A similar design with a reinforced structure was installed to provide safe beach access for residents and visitors.

Royal Park Oval Fence

New fencing was installed around Royal Park using a new PVC/recycled plastic material, replacing the old, galvanised steel fencing. The result provides improved amenity and safety at Royal Park.





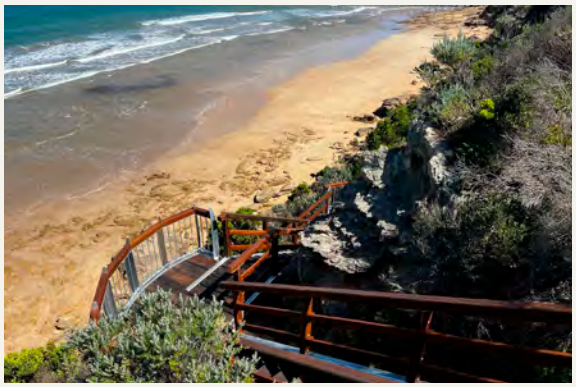
Golightly BBQ Shelter

Works were undertaken to provide a barbeque facility at Golightly Caravan Park. The updated BBQ shelter houses two new BBQs, a sink and picnic settings, making it the perfect spot for guests to cook up a feast, and enjoy the great outdoors with family and friends.

Douglas Court New Playground and Seating Renewal Works

A picnic setting and bench seat with concrete pads were added, together with a new combination play unit featuring double swings and new playground edging, ready for our youngest residents and visitors to enjoy.





Rip View Beach Access Stairs Rehabilitation

The beach access stairs at the Rip View Car Park were closed in September 2024 following the results of an independent structural assessment that confirmed the stairs were in poor condition and posed a risk to public safety. Extensive rehabilitation was required, with stairs disassembled and taken off-site for repairs. Once timbers were refurbished, and steel components re-galvanised, the stairs were craned back into position and re-opened to the public in November 2025, allowing beach goers safer and easier access.

Road Reseal Program in Point Lonsdale

At the start of February 2026, several roads in Point Lonsdale received a fresh new surface, with resealing works completed on Laker Drive, Buckleys Road, Winterley Road, Baillieu Street, and Lonsdale Street. Road resealing is a common preventative maintenance technique where a new coat of bitumen and stone is applied over the existing surface. Rather than undertaking a full reconstruction, resealing provides a practical cost-effective way to strengthen and protect our roads while extending their lifespan.

Ganes Reserve Footpath and Carpark Re-sheeting

Renewal works were undertaken in Ganes Reserve with a gravel re-sheet applied to the path surrounding the wetland to an area of 555m2. Furthermore, the car park had an overlay of crushed rock applied, removing potholes, improving drainage, and extending the life of the asset.

Mercer Street Stormwater Drainage Rehabilitation

There is an existing 375mm diameter stormwater pipe that runs between Mercer Street and Hobson Street, Queenscliff. CCTV inspections undertaken in 2025 confirmed there were a number of structural defects in the pipe that, if left unattended, could deteriorate causing significant damage and flooding risk. Specialist contractors were engaged to undertake localised pipe renewal to help eliminate risk and extend the life of the asset. The methodology involved installation of Swedish-engineered fibreglass patch repairs which have a 100-year design life, allowing for a practical solution, eliminating the need for trenching through private property or boring under houses, minimising costs and impact to residents.

MAJOR ACHIEVEMENTS

Point Lonsdale Foreshore and Citizen Park Infill Planting:

Shrub and ground cover tube stock from Queenscliffe Indigenous Nursery were planted through the areas to encourage new growth and help suppress weeds.

African Boxthorn control from Shortlands Bluff to Dog Beach

Treatment of African Boxthorn along the front dune system of Lovers walk from Bull Ring to Dog beach occurred to protect native habitats.

Princess Park, Citizen Park and Point Lonsdale Park Refresh

The playground garden beds, lighthouse tower and Southern Cross totems were refreshed at Princess Park. Concrete paths and picnic-setting bases were pressure washed at Princess Park, Citizen Park and the Point Lonsdale Foreshore.

Education and Protection of Coastal Moonah Woodlands

A successful Port Phillip Bay grant allowed complimentary weed spraying along the Coastal Moonah Woodlands where the Borough Coastcarers and Swan Bay Environment Association have been hand removing weeds. The weed spraying assisted in managing the weeds difficult to remove by hand, such as Bridal Creeper and Oxalis, in the threatened vegetation community.

Summer By the Sea Education Sessions

A successful Department of Energy, Environment and Climate Action (DEECA) grant application provided two educational walks open to the community to learn about Hooded Plovers and their nesting habitat along the back beach of Point Lonsdale. This was delivered by Bellarine Catchment Network and the Friends of the Hooded Plovers Bellarine.

Seven Beach Access Upgrades

Contractors were engaged to clear sand buildup to help improve beach access along the coast.

Path and Blue Stone Wall Repair on Promenade

A section of pathway along the promenade was repaired to remove a tripping hazard. Steps, capping stones and wave reflectors were repaired along the promenade with assistance of grant funding.

Grant funding received for Point Lonsdale Bike Park development

Council successfully applied for grant funding through the Victorian Government's *Regional Community Sports Infrastructure Fund*. Council will receive $490,440 to put towards the construction of a 125m long jump track, and 105m long pump track and associated infrastructure. Construction is expected to be completed by April 2027.

Completed Road Asset Condition Audit

Council undertakes regular condition assessments of its road, footpath, and car park assets. This provides an independent objective assessment of asset condition, enabling evidence-based asset management and renewal programming. By identifying deterioration early, Council can target maintenance and renewal works at the appropriate time to ensure cost-effective investment, extend asset lives, and reduce whole-of-life maintenance and renewal costs.

Installation of Solar Bud Lights in Hesse Street

Solar bud lights were installed on 9 trees along Hesse Street in November 2025, contributing to a more attractive and inviting public realm, enhancing visual character, ambience, and amenity within the commercial town centre.

Installation of Defibrillator at Community Hall

A new defibrillator was installed at the Community Hall, providing an important, potentially life-saving resource for residents and visitors.

Shipwreck Bell Restoration

Council undertook restoration works on the historic Wreck Bell at the corner of Wharf and Gellibrand Street, after coastal conditions caused corrosion to both the bell and the sign.

New Hard Waste Collection Model

Council successfully introduced a new hard waste collection model, supported by a targeted community education and compliance program. The initiative improved the presentation and management of hard waste across the Borough, increased community awareness of correct disposal practices, and reduced non-compliant waste placements. By combining service improvements with proactive education and enforcement, Council enhanced waste diversion outcomes, protected local amenity, and encouraged more responsible resource recovery behaviours within the community.

CHAPTER 3

OUR COUNCIL, OUR PEOPLE

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A safe haven for locals and visitors alike; where history, culture and the natural environment meet in ways that delight and surprise; an involved and caring community – these are the features that make the Borough of Queenscliffe a special, restorative place for everyone.



BOROUGH PROFILE

Located at the eastern tip of Victoria's Bellarine Peninsula on Wadawurrung Country, the Borough of Queenscliffe covers a mere 10.83 square kilometres, making it Victoria's smallest local government area. Formed by the seaside villages of Queenscliff and Point Lonsdale, as well as Swan Island, it is the only Borough in Victoria – and Australia.

The Borough of Queenscliffe was created in May 1863, making it almost 163 years old and the only local government area that was not subject to amalgamation. The Queenscliff township was built first and foremost for government purposes, providing postal, customs, health and telegraph services, lighthouse and signal services, military and defence establishments and the sea pilot's service. Queenscliffe continues to have a strong military and maritime history.

Cultural heritage

Council acknowledges the Wadawurrung people who have lived in harmony with the land and the waterways of this area for thousands of years. Council is committed to working with the Wadawurrung people to care for Country and look after the Borough.

What's in a name?

Queenscliff spelt without an 'e' on the end refers to the township of Queenscliff, named by Lieutenant Governor La Trobe in 1853 in honour of Queen Victoria. Queenscliffe with the 'e' refers to the Borough of Queenscliffe municipality, proclaimed by the Victorian Parliament in 1863 under the *Municipal Consolidation Act*.

Designed in 1864, the original corporate seal incorporated the Latin text 'Statio Tutissima Nautis', which translates as 'the safest anchorage for seafarers'. Almost 163 years later, we are still using the essence of the original seal and continue to be a safe harbour – not just for seafarers, but for all residents and visitors.



COUNCIL OFFICES

Council offices are based at the Queenscliff Town Hall, 50 Learmonth Street, Queenscliff. The Town Hall is also utilised as an entertainment and cultural facility by various community groups and arts festivals.

Officers can be reached by ringing (03) 5258 1377 or emailing info@queenscliffe.vic.gov.au. A range of information can be found on our website at www.queenscliffe.vic.gov.au/Home.

COUNCILLORS

COUNCILLORS' ROLE

Section 28 of the *Local Government Act 2020* outlines the role that each of our Councillors must play when in office. These roles are incorporated into the model Councillor Code of Conduct which came into effect in October 2024.

Section 28 reads, in full:

1. The role of every Councillor is—
    a. to participate in the decision making of the Council; and
    b. to represent the interests of the municipal community in that decision making; and
    c. to contribute to the strategic direction of the Council through the development and review of key strategic documents of the Council, including the Council Plan.
2. In performing the role of a Councillor, a Councillor must—
    a. consider the diversity of interests and needs of the municipal community; and
    b. support the role of the Council; and
    c. acknowledge and support the role of the Mayor; and
    d. act lawfully and in accordance with the oath or affirmation of office; and
    e. act in accordance with the standards of conduct; and
    f. comply with Council procedures required for good governance.
3. The role of a Councillor does not include the performance of any responsibilities or functions of the Chief Executive Officer.

COUNCILLORS

The current Council were sworn in on 13 November 2024, and under the *Local Government Act 2020* were elected for a four-year term. During the 2025 – 2026 financial year the community was served by five Councillors:

- Cr Donnie Grigau (Mayor)
  Theme: Work, Play and Stay in the Borough
- Cr Di Rule (Deputy Mayor)
  Theme: Building the Borough
- Cr Brendan Monahan
  Theme: Living in the Borough
- Cr Hélène Cameron
  Theme: Caring for the Borough
- Cr Isabelle Tolhurst
  Theme: Running the Borough



Cr Donnie Grigau
(Mayor)

Theme:
Work, Play and Stay in the Borough

Date sworn-in: 13th November 2024

P: 0437 842 380

E: donnie.grigau@queenscliffe.vic.gov.au

DELEGATES

- Geelong Heritage Centre Collection Advisory Committee
- Municipal Association of Victoria (MAV)
- Tourism Greater Geelong & The Bellarine Board
- G21 Region Alliance Board

COMMITTEES & REFERENCE GROUPS

- Audit and Risk Committee
- CEO Employment & Remuneration Advisory Committee
- Urban Design & Public Realm Assets Advisory Group
- Point Lonsdale Lighthouse Reserve Project Control Group
- Finance Committee



Cr Di Rule
(Deputy Mayor)

Theme:
Building the Borough

Date sworn-in: 13th November 2024

P: 0497 863 613

E: di.rule@queenscliffe.vic.gov.au

DELEGATES

- Municipal Association of Victoria (MAV)
- Geelong Regional Library Corporation Board

COMMITTEES & REFERENCE GROUPS

- Point Lonsdale Lighthouse Reserve Project Control
- CEO Employment & Remuneration Advisory Committee
- Queenscliffe Museums Partnership Advisory Committee



Cr Hélène Cameron

Theme:
Caring for the Borough

Date sworn-in: 13th November 2024

P: 0417 542 577

E: helene.cameron@queenscliffe.vic.gov.au

DELEGATES

- Rural Councils Victoria

COMMITTEES & REFERENCE GROUPS

- Coastal & Marine Management Plan Steering Committee
- CEO Employment & Remuneration Advisory Committee



Cr Brendan Monahan

Theme:
Living in the Borough

Date sworn-in: 13th November 2024

P: 0427 150 728

E: brendan.monahan@queenscliffe.vic.gov.au

DELEGATES

- Bellarine Community Safety Group

COMMITTEES & REFERENCE GROUPS

- Community Grants & Events Sponsorship Advisory Reference Group
- CEO Employment & Remuneration Advisory Committee
- Lived Experience Disability Group
- Community Service Awards Reference Group



Cr Isabelle Tolhurst

Theme:
Running the Borough

Date sworn-in: 13th November 2024

P: 0482 992 751

E: isabelle.tolhurst@queenscliffe.vic.gov.au

DELEGATES

- Geelong Regional Library Corporation Board

COMMITTEES & REFERENCE GROUPS

- Audit and Risk Committee
- Coastal & Marine Management Plan Steering Committee
- Finance Committee
- CEO Employment & Remuneration Advisory Committee



ORGANISATIONAL STRUCTURE

The *Local Government Act 2020* (the Act) states that the primary role of a Council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

Council manages a broad range of functions, activities and services to:

- Advocate and promote proposals which are in the best interests of the local community
- Plan for and provide services and facilities for the local community
- Provide and maintain community infrastructure in the municipal district
- Undertake strategic and land use planning for the municipal district
- Raise revenue to enable the Council to perform its functions
- Make and enforce local laws
- Exercise, perform and discharge the duties, functions and powers of Councils under this Act and other Acts
- Ensure the peace, order and good government of the municipal district.

To achieve these objectives, appropriately qualified staff and contractors are engaged to deliver a range of services.

The Chief Executive Officer (CEO) is the only staff appointment made by the Council. The CEO is responsible for the employment, work and conduct of Council's staff, and the implementation of decisions made by Council.

Council's staff work across five teams as outlined in the table on the next page.

The small team at the Borough of Queenscliffe comprises

63 people;

however, the full-time equivalent is approximately

40 positions.

The staff team is made up of:

19 full-time staff

33 part-time staff

11 casual staff

48 female staff

15 male staff

Council and the local community also benefit from the services of a team of

18 volunteers

who donate their time to the Queenscliffe Visitor Information Centre, plus numerous other volunteers who support Council events and activities.



AREAS OF RESPONSIBILITY

Office of the Chief Executive Officer

- Citizenship and civic events
- Communications
- Community engagement
- Governance
- Tourism and economic development
- Community development
- Arts, recreation and cultural services
- Events
- Human resources and training
- Mayor and Councillor support
- Organisational development
- Strategic advocacy

Community & Regulatory Services

- Animal management
- Building control
- Emergency management
- Environmental health
- Heritage advice
- Local law enforcement
- School crossings
- Strategic and statutory planning
- Aged Care Services
- Early Years Services

Infrastructure & Environment

- Building maintenance
- Climate emergency response
- Coastal and Crown land management
- Contract management
- Engineering
- Power line clearance
- Public amenities
- Road maintenance and works
- Street lighting
- Sustainability and environment
- Waste management

Finance & ICT Services

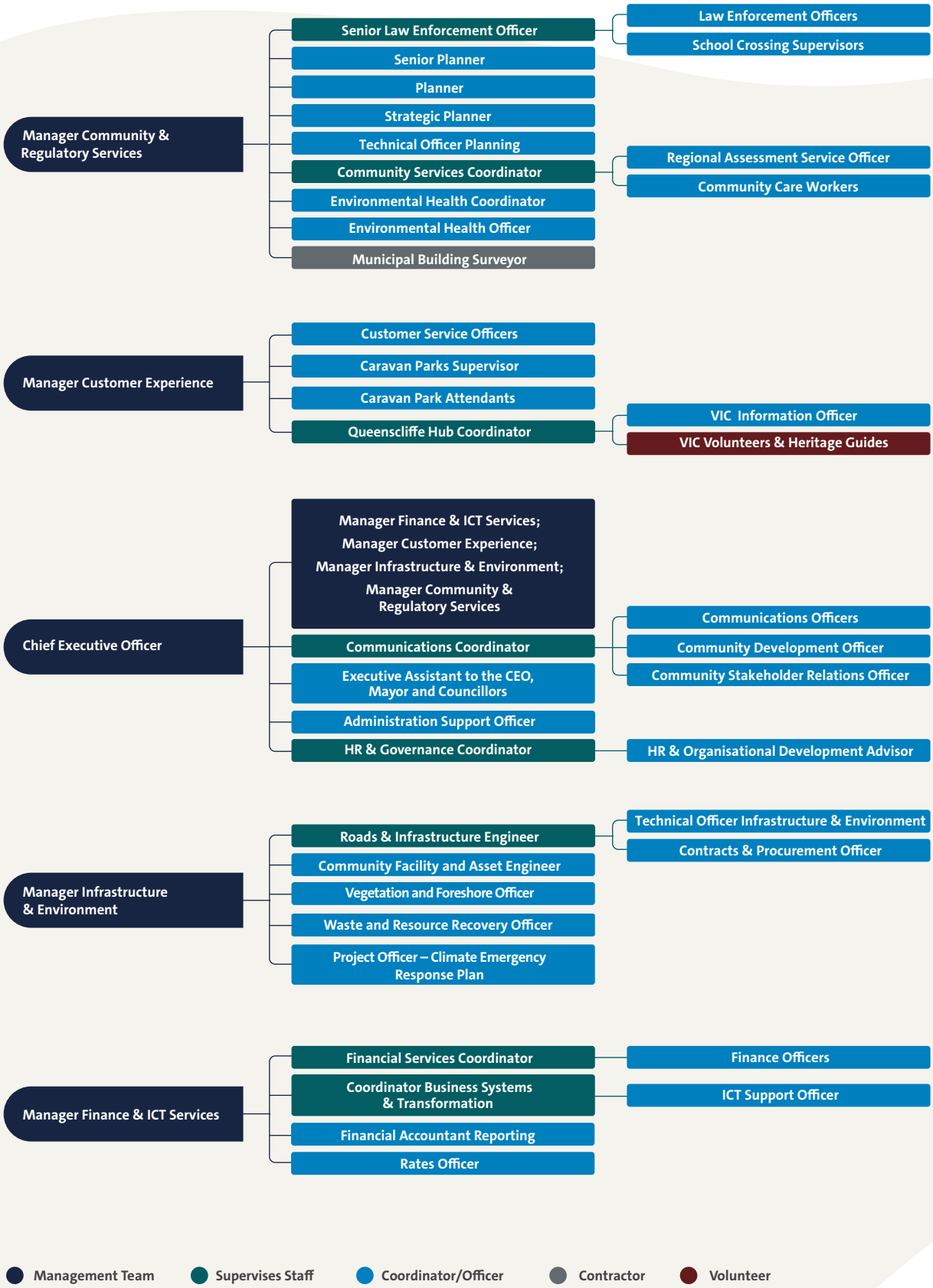
- Finance, risk and audit
- Information technology
- Rate collection

Customer Experience

- Caravan park management
- Library services
- Visitor information
- Customer service



ORGANISATIONAL STRUCTURE



MANAGEMENT TEAM

Council's management team is led by the Chief Executive Officer (CEO) and includes managers of four directorates: Infrastructure & Environment, Community & Regulatory Services, Customer Experience, and Finance & ICT Services.

Chief Executive Officer – Jane Grover

Jane was appointed Chief Executive Officer in March 2026. She has extensive experience across the private and public sectors, specialising in customer experience, organisational transformation, and stakeholder engagement. She has held senior leadership roles with Sheraton, Crown Resorts, Southern Metropolitan Cemeteries Trust (SMCT), and Box Hill Institute, leading large, complex organisations through cultural change and service improvement.

As CEO of SMCT for over a decade, Jane delivered sustained growth, significantly improved employee engagement, and embedded customer focused, community centred practices.

Manager Infrastructure & Environment – Stuart Hansen

Stuart was appointed Manager Infrastructure & Environment in October 2021 after serving as Special Projects Officer and Projects and Contracts Engineer for more than a decade at the Borough. Stuart's experience in managing a diverse range of community assets in local government spans almost 20 years. His qualifications include a Bachelor of Engineering (Environmental) (Hons).

As Manager Infrastructure & Environment, Stuart has responsibility for management of the Borough's community's built assets and natural assets, delivery of the Climate Emergency Response Plan and provision of residential waste services.

Manager Community & Regulatory Services – Tim Crawford

Tim was appointed Manager Community & Regulatory Services in July 2022 after most recently having worked as a senior manager at Victoria Police. He previously spent more than 25 years at New Zealand Police in various managerial roles. His qualifications include a Bachelor of Arts (Education) and a Diploma of Teaching (Education).

As Manager Community & Regulatory Services, Tim is responsible for overseeing the strategic and statutory planning required throughout the organisation, as well as local law enforcement, emergency management, environmental health services and animal management.

Manager Customer Experience – Abbey Tatterson

Abbey was appointed Manager Customer Experience in 2023. Abbey brings a wealth of experience to the position, having worked in various roles since joining the Borough team in August 2017. Abbey also brings a deep understanding of our local community and a great understanding of the local environment. Abbey has a Bachelor of Applied Science and previously has been a Sport Scientist/Player Development Manager at Geelong Football Club.

The Customer Experience directorate brings together the Customer Service Team, Tourist Parks, and Visitor Information services.

Manager Finance & ICT Services – Gihan Kohobange

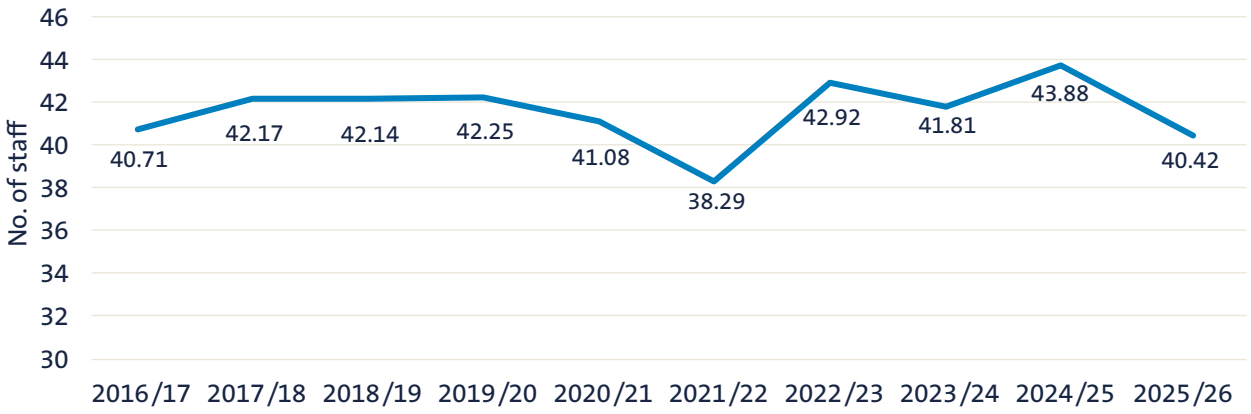
Gihan was appointed Manager Finance & ICT Services in October 2021 after serving as Manager Financial Services for two years at the Borough. His qualifications include a Bachelor of Accounting and Finance and CPA Australia. He has extensive experience in finance and accounting. He was previously with the Shire of Dundas in Western Australia as Deputy Chief Executive Officer/Manager Finance.

As Manager Finance & ICT Services, Gihan has overall responsibility for the efficient performance of the finance and corporate services of the organisation.

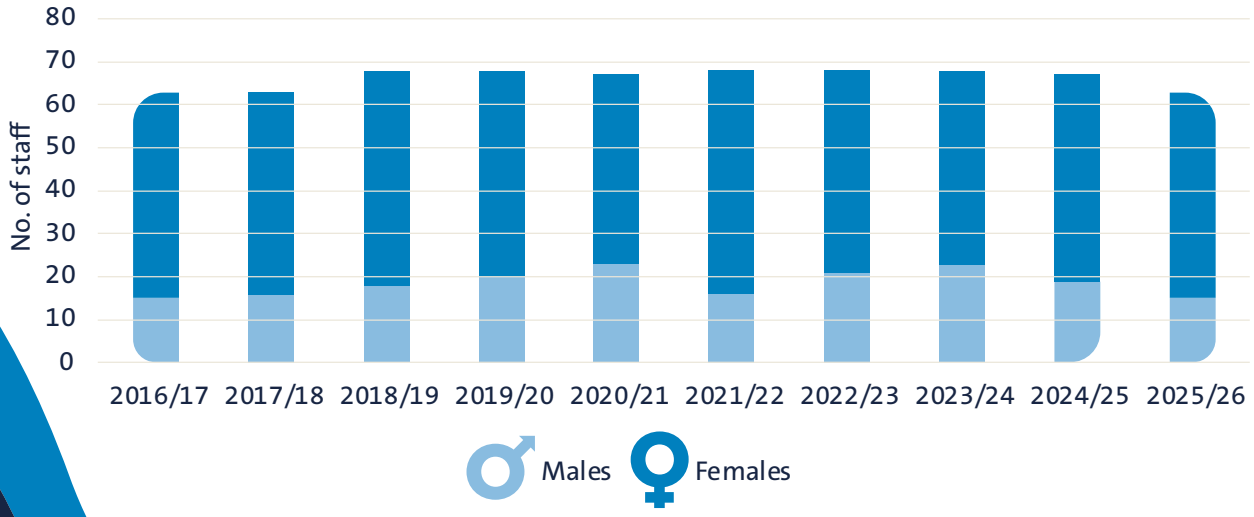
COUNCIL STAFF

The Borough of Queenscliffe staff team currently comprises 63 people.

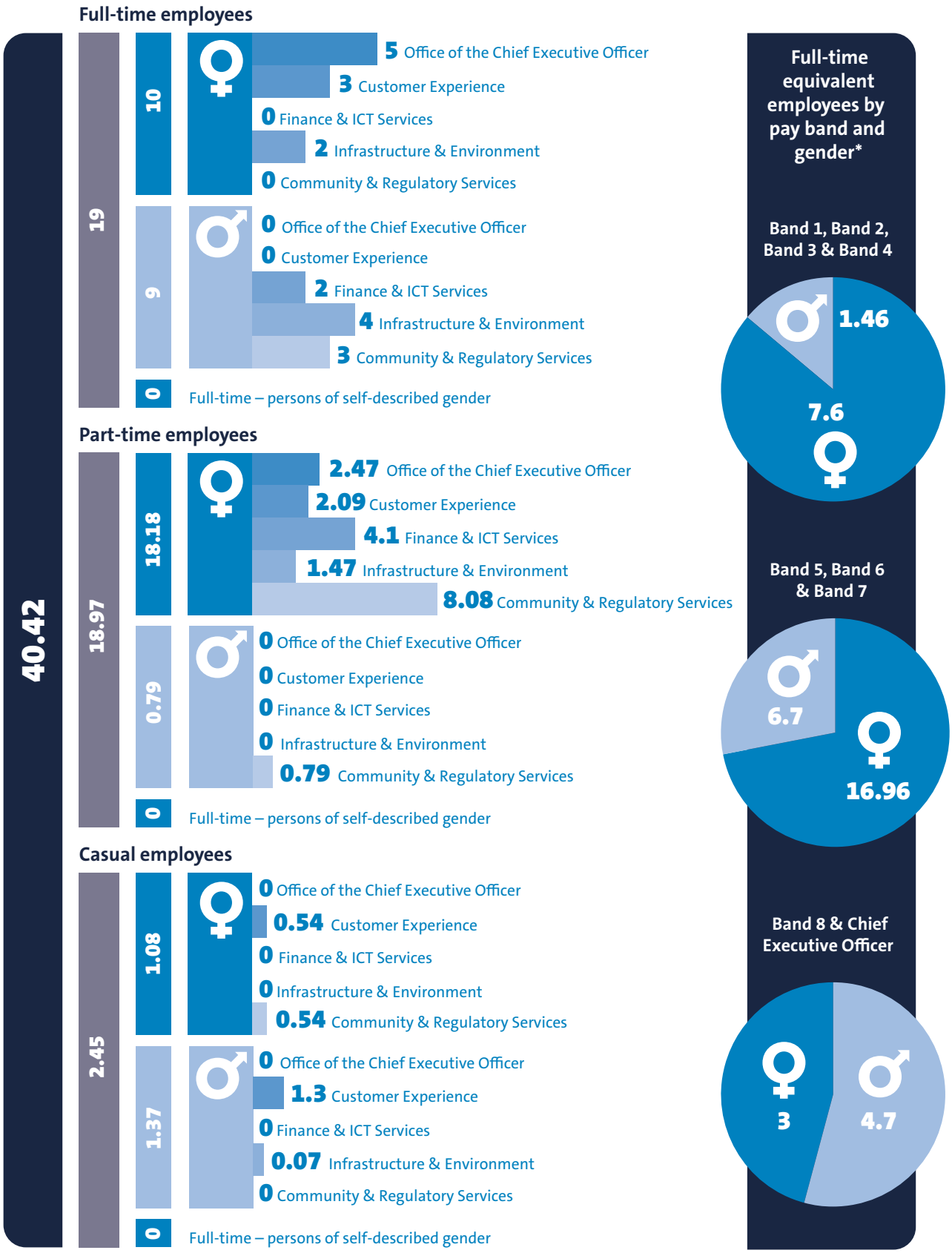
Total staff (full time equivalent) employed by the Borough over the past ten years



Total staff (numbers) employed by the Borough over the past ten years



FULL-TIME EQUIVALENT EMPLOYEES BY EMPLOYMENT TYPE, GENDER AND DIRECTORATE



Given the team's small size, employees could be individually identified by pay band and gender in a typical set of reporting data. To protect the privacy of staff at the Borough, these bands have been grouped.

VOLUNTEERING

The Borough is home to more than 60 community organisations, whose volunteers enrich our community and the lives of those they support. We are proud of the Borough of Queenscliffe's strong culture of volunteering. According to the 2021 Census, 28 per cent of residents aged 15 and over volunteer through an organisation or group—15 percentage points above the statewide rate.

Volunteering is central to building and sustaining a connected community and strengthening our collective wellbeing. Local volunteers care for our landscapes, buildings, arts and culture, sporting clubs, residents and visitors. They are the fabric of our community, and without them the Borough would be a very different place to live and visit.

Helping our visitors

The local knowledge and welcoming manner of our Queenscliffe Visitor Information Centre (VIC) volunteers enhance many visitors' experiences of the Borough and surrounding region.

In 2025–26, the Visitor Information Centre's 20 customer service volunteers and three heritage guides responded to 26,552 in-person and phone enquiries and led heritage walks for 200 participants.

The guides also conducted their largest tour to date, welcoming a group of more than 50 people.

The year marked the Visitor Information Centre's 25th anniversary. Council thanks the staff and volunteers whose service has shaped the centre and supported countless residents and visitors.

Volunteers Al and Helen also celebrated 15 years of service, an outstanding contribution for which the Borough is deeply grateful.

"Volunteering is truly at the heart of Borough communities."





Celebrating our volunteers

Our annual volunteer function was held in May. Hosted at 360Q in Queenscliff, it brought together more than 100 local volunteers for a night of recognition and celebration. Also in attendance was Mayor Donnie Grigau, along with Councillors Brendan Monahan, Hélène Cameron, and Isabelle Tolhurst.

The Mayor spoke about how fortunate the Borough is to have so many people who generously give their time to support worthy causes and strengthen the community, saying, “Volunteering is truly at the heart of Borough communities. For those who choose to volunteer, it often provides a greater sense of purpose, improves social connections, and helps strengthen communities.”

Paul Fahey took out the 2026 Citizen of the Year award with extraordinary contribution to the local community through nearly three decades of volunteering. A quiet achiever, he has supported countless community organisations and events, always willing to step into any role needed and encourage others to get involved.

The 2026 Community Group of the Year winners were the **Point Lonsdale Surf Life Saving Club and Coast Guard Queenscliff.** Together, these dedicated volunteer organisations are the frontline guardians of Port Phillip Heads, one of Australia’s most dynamic and challenging stretches of coastline. The groups were jointly nominated following their extraordinary response during a major marine rescue on 5 April 2025. In severe conditions, 17 swimmers and three kayakers were swept past the Point Lonsdale Pier by a powerful outgoing tide and carried towards the dangerous waters of Port Phillip Heads. Responding with remarkable speed, professionalism and courage, the volunteers worked together to ensure every person was brought safely home, turning what could have been a tragic event into a story of teamwork, skill and community spirit.

Council remains immensely proud of the Queenscliffe community’s dedication to volunteerism, which continually outranks the rest of the state and country.

OUR BOROUGH COMMUNITY






















































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CHAPTER 4

OUR PERFORMANCE

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STRATEGIC PLANNING AND REPORTING FRAMEWORK

The *Local Government Act 2020* requires Council to prepare its key planning and reporting documents in accordance with strategic planning principles. The strategic planning principles in the Act are:

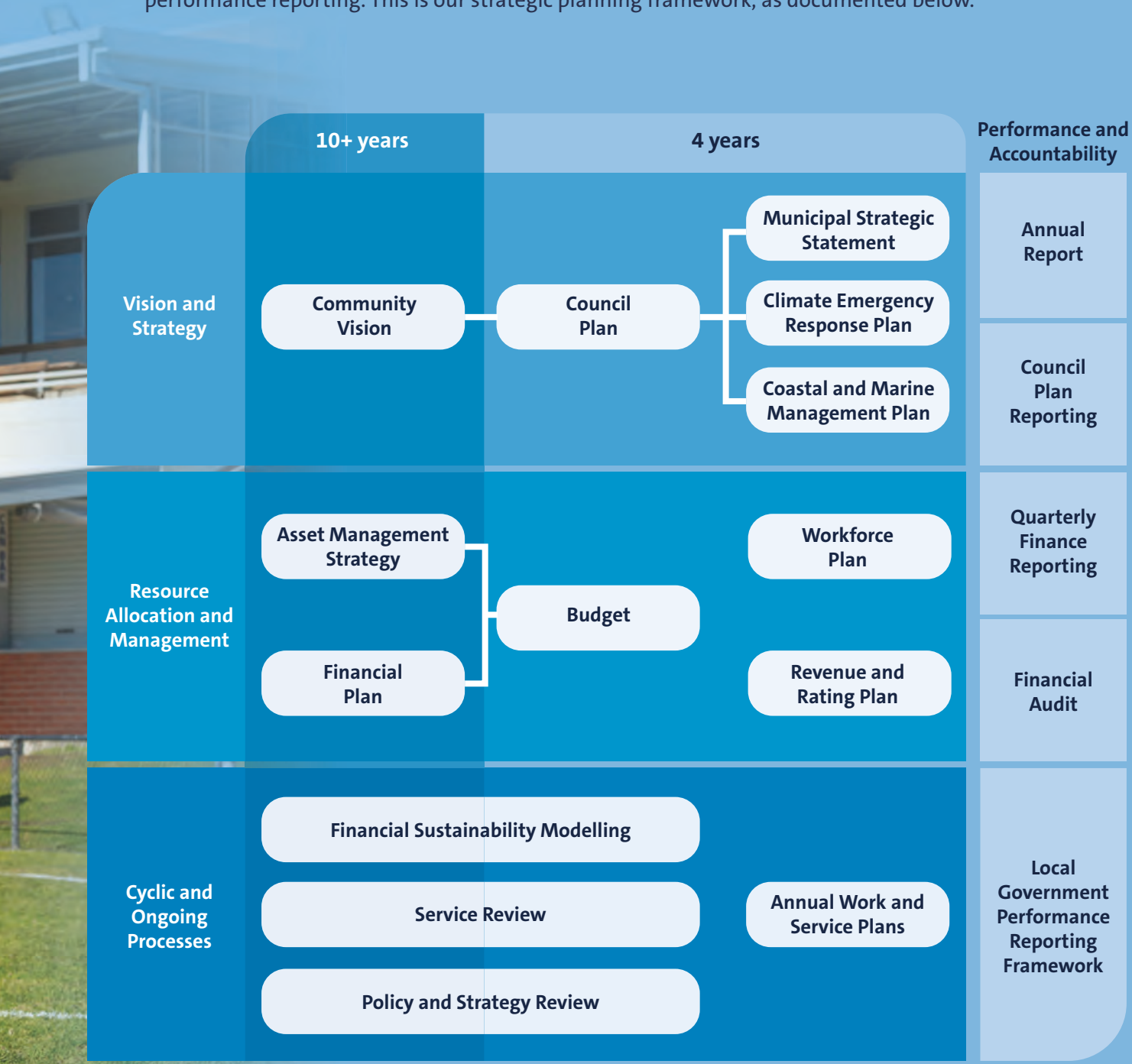
a) strategic planning must address the Community Vision

b) strategic planning must take into account the resources needed for effective implementation

c) strategic planning must identify and address the risks to effective implementation

d) strategic planning must provide for ongoing monitoring of progress and regular reviews to identify and address changing circumstances.

The Act also requires Council to adopt an integrated approach to planning, monitoring and performance reporting. This is our strategic planning framework, as documented below.



COUNCIL PLAN 2025 - 2029

A Council election was held in November 2024, and the newly elected Council worked together to develop a new Council Plan. The Plan was placed on public exhibition for a period of 28 days, before being adopted in September 2025.

The Borough of Queenscliffe's Council Plan 2025–2029 determines the strategic direction for the Council during its term. It sets out five themes against which Council's performance is measured. The strategic objectives of each of portfolio define Council's priorities for service planning and delivery over a four-year period.



Theme 1: Living in the Borough



Theme 2: Building the Borough



Theme 3: Work, play and stay in the Borough



Theme 4: Running the Borough



Theme 5: Caring for the Borough

The plan outlines five areas of focus (themes) and supporting strategies under which Council will deliver a range of actions to achieve the Community Vision. Council will report on progress through strategic indicator performance measures that will be available on Council's website and through quarterly reports presented at Council meetings, as well as in this Annual Report.

COMMUNITY VISION

The Local Government Act 2020 requires Council to create a Community Vision which informs and guides the development of the Council Plan. The goal of the vision is to produce a consistent, long-term outlook for the Borough's future that successive Councils and the community can work towards.

The vision encapsulates a central statement, supported by five pillar statements that provide further detail on the values and goals outlined in the central statement.

The vision is a 10-year document and is reviewed following a Council election to ensure its contents and intentions remain applicable to the community. In 2025 the Community Vision undertook a 5-year review.

At the July 2025 Ordinary Meeting of Council, a revised version of the vision was adopted.



Community Leadership

We expect strong and accountable leadership that upholds good governance, delivers value for ratepayers, and focuses on essential services. Council must act transparently and responsibly, always placing the needs of the community first.

Our Environment

We maintain and care for our coastline, parks, and green spaces so they remain clean, safe, and available for everyone to enjoy.

Local Economy

We support local enterprise and tourism by improving infrastructure and reducing unnecessary regulation to allow business to grow and thrive.

Our Community

We are committed to creating a safe, inclusive, and supportive place for all. We prioritise reliable local services – such as aged care, health, youth, and mental health support – to build a strong and resilient community.

Built, Maritime and Military Heritage

The Borough's historic buildings, coastal villages and landmarks are central to our identity. We protect and preserve them with care and responsibility.

Theme 1: Living in the Borough

1. More of our community members feel connected to community life

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
1.1 Library members as a percentage of the population	Maintain or increase	55% (LGPRF*)	55.26%	●	Approximately 55% of the municipal population holds a library membership, one of the highest rates in the Bellarine region.
1.2 Participation in the Maternal and Child Health (MCH) services	Maintain or increase	62% (LGPRF)	75.76%	●	In 2025-26, 50 children attended the Maternal and Child Health (MCH) service, at least once out of a total of 66 infants.
1.3 Satisfaction with elderly support services	Maintain or increase	69 (CSS**)	72	●	Community satisfaction with elderly support services increased from 69 to 72, exceeding the baseline.
1.4 Implementation of the Access and Inclusion Plan	Implemented	N/A	N/A	●	All major items of the 2025-26 action plan were implemented in partnership with the Lived Experience Disability Group.
1.5 Number of volunteers within the community (indication of the extent of connection and social cohesion across the municipality)	Maintain or increase	190	197	●	The number of volunteers within the community remained above the baseline of 190, indicating strong community connection.

** LGPRF – Local Government Performance Reporting Framework*

*** CCS– Community Satisfaction Survey*

N/A – Not Applicable

2. More places are accessible and support health and development

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
2.1 New / replaced Council assets incorporate accessible design	Maintain	100% (assessed annually)	N/A	N/A	Design of Toc H amenities block renewal incorporates accessible design. Construction scheduled for 2026-27.
2.2 Number of projects implemented to support accessibility	Maintain or increase	1 project annually	1		Beach Access Matting Program implemented.

3. Our streets are cleaner and greener

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
3.1 Reported graffiti was removed within the policy timeframes	Maintain or increase	80% (assessed annually)	89%		70 removals were recorded. The average response time was 1.7 business days.
3.2 Graffiti removal kits provided to the public when requested for use on private assets	Maintain	100% (assessed annually)	N/A	N/A	No requests were received by Council.
3.3 Tree canopy across the Borough	Maintain or increase	30% (first tree canopy assessment to be conducted in 2026/27)	N/A	N/A	The tree canopy coverage will undergo initial assessment in 2026-27.
3.4 Number of new trees planted per year by Council	Maintain or increase	200 plants annually	172		A total of 2,955 plantings were completed, including shrubs. A shortage of preferred tree species impacted this metric.
3.5 New/replaced Council assets incorporate the use of surfaces, materials and treatments that contribute to climate adaptability and resilience	Maintain	100% (assessed annually)	100%		All renewal projects were assessed through a climate risk lens, with materials and treatments selected accordingly.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure / material variations	2022-23	2023–24	2024–25	2025-26
Maternal and Child Health (MCH)				
Service standard *Infant enrolments in the MCH service*	100.00%	100.00%	100.00%	**100.00%**
15 birth notifications received and all enrolled in the MCH service.				
Service cost *Cost of MCH service*	$202	$202	$217	**$243**
The contracted cost of the service has increased, while service hours remain at the same level as the previous year.				
Participation *Participation in the MCH service*	45.37%	65.81%	63.64%	**75.76%**
50 children attended the MCH service at least once, of the 66 infants enrolled.				
Participation *Participation in the MCH service by Aboriginal children*	0.00%	100.00%	66.67%	**0.00%**
During 2025-26, one Aboriginal child was enrolled in the MCH service; however, the child did not attend during the reporting period. By comparison, three Aboriginal children were enrolled in the service in 2024-25, of whom two attended at least once during the year.				
Satisfaction *Participation in 4-week Key Age and Stage visit*	130.00%	100.00%	64.71%	**146.67%**
In 2025-26, 15 birth notifications were received, and 22 four-week Key Ages and Stages visits were conducted. The higher number of visits compared to birth notifications reflects presentations of infants whose births were notified outside the municipality, but who subsequently accessed Maternal and Child Health services within the Borough.				
Food Safety				
Timeliness *Time taken to action food complaints*	1.00	1.00	1.00	**1.00**
6 food complaints received, all actioned within 1 day.				
Service standard *Food safety assessments*	59.68%	100.00%	100.00%	**100.00%**
The number of food safety assessments completed was consistent with the previous year.				
Service cost *Cost of food safety service*	$647	$1,221	$1,168	**$1,208**
The result shows a slight increase, despite the total cost of the service decreasing by 4.0% in 2025-26. This was primarily due to a slight reduction in the number of registered food premises compared with the previous financial year, resulting in a higher cost per registered premises.				
Health and safety *Critical and major non-compliance notifications*	100.00%	100.00%	100.00%	**100.00%**
Council received 15 critical non-compliance notifications in 2025-26. Council has achieved a 100.00% compliance rate over the four years.				
Service standard *Food safety samples*	N/A	112.50%	135.00%	**116.67%**
Council obtained 14 samples for analysis during the 2025 calendar year, surpassing the minimum requirement of 12 samples and demonstrating compliance with monitoring obligations.				

Service / indicator / measure / material variations	2022-23	2023–24	2024–25	2025-26
Local Law Enforcement – Animal Management				
Timeliness *Time taken to action animal requests*	1.00	1.00	1.00	**1.00**
All animal management requests were addressed within 24 hours, with any response under 24 hours still recorded as one full day.				
Service standard *Animals reclaimed*	20.00%	100.00%	0.00%	**0.00%**
3 animals collected and taken to animal welfare.				
Service standard Animals rehomed	0.00%	0.00%	0.00%	**0.00%**
3 animals collected and taken to animal welfare.				
Service cost *Cost of animal management service per population*	$29	$31	$29	**$25**
A reduction in employee costs was achieved as a result of temporary staff vacancies that remained unfilled for a part of the year, together with savings arising from the restructuring of the Local Laws team.				
Health and safety *Animal management prosecutions*	0.00%	0.00%	0.00%	**0.00%**
No reported offences warrant prosecution. Council applies a graduated model of animal management enforcement based around education, warnings and infringements appropriate to the circumstances.				
Library – Libraries				
Resource currency *Recently purchased library collection*	74.25%	72.82%	70.74%	**69.49%**
The acquisition of library collection items has slightly declined compared to the previous year.				
Service cost *Cost of library service per population*	$76	$75	$84	**$78**
The variance is primarily attributable to incorrect building cost allocations in the previous year. As the library occupies the premises under a shared tenancy arrangement, these allocation errors inflated the reported cost of library operations in the prior year.				
Participation *Loans per head of population*	N/A	15.10	16.14	**15.22**
This indicator shows that, on average, 15 library items were available for borrowing per person at any given time during 2025-26, representing a slight decrease from 16 items per person in the previous year.				
Participation *Library membership*	N/A	52.59%	55.03%	**55.26%**
Approximately 55% of the municipal population holds a library membership.				
Participation *Library visits per head of population*	N/A	8.37	8.85	**9.34**
Queenscliff Library continued to maintain strong visitation levels in 2025-26, with the number of visits increasing compared to the previous year, demonstrating the library's ongoing importance as a valued community resource.				

The following statement provides information in relation to the services funded in the 2025–26 Budget and the persons or sections of the community who received the service.

	Surplus/(Deficit) $'000		
Service area	**Actuals**	**Budget**	**Variance**
Aged services	**(84)**	**(187)**	**103**
Provides care and assistance to older residents and carers requiring respite so that residents can live independently and remain safe in their homes. The program is focused on maximising the wellbeing, safety and health of frail older people and carers requiring respite. Through the Commonwealth Home Support Programme, support and maintenance services are provided to people living at home whose capacity for independent living is at risk, or who are at risk of premature or inappropriate admission to long term residential care.			
Recreation, arts, culture and community	**(368)**	**(392)**	**24**
Promotes community wellbeing by supporting people and communities to be involved and active in sport, recreation, arts, culture and other community and civic activities. The program area is responsible for building the capacity of local clubs and community organisations and assisting these organisations to develop and implement projects that support social inclusion, access and equity within the Borough.			
Maternal and child health	**(15)**	**(15)**	**1**
Plays a key role in supporting and monitoring the health and wellbeing of local families and children from birth to school age. The program is a primary health service which provides a comprehensive and focused approach for the promotion, prevention, early detection, and intervention of the physical, emotional or social factors affecting young children and their families. Council currently contracts the City of Greater Geelong to provide these services in the Borough.			
Environmental health	**(105)**	**(137)**	**34**
Monitors and maintains a safe environment for public health and wellbeing. This program is designed to meet Council's statutory obligations regarding public health, notably under the *Food Act 1984* and *Public Health and Wellbeing Act 2008*. Mandatory assessments of food safety, accommodation and beauty treatment premises are completed in accordance with the regulations and risk management frameworks. Tobacco control activities reduce the prevalence of smoking in the community. Nuisance complaint investigations remedy public health and amenity concerns and infectious disease investigations control and reduce the likelihood of notifiable disease. The program also facilitates mosquito control activity.			
Local laws, safety and amenity	**(322)**	**(321)**	**(1)**
Promotes community wellbeing and safety in various settings and through monitoring public behaviour consistent with Council's local laws. This is achieved through management of school crossings, the provision of animal management services including animal registration and a dog and cat collection service, enforcement of local laws, issuing of local law permits, management of the boat ramp and enforcement of parking restrictions. This service is also the first Council respondent to out-of-hours emergencies.			
Library	**(258)**	**(258)**	**0**
Promotes community wellbeing by encouraging active participation and life-long learning opportunities in a safe, inclusive setting. Libraries can be restorative places and often a safe haven for people outside their own home. The public library service is provided in Queenscliff in a Council-owned building and is operated by the Geelong Regional Library Corporation under a deed of agreement with Council. Council is one of five municipalities that make up the membership of the Corporation.			
TOTAL	**(1,152)**	**(1,310)**	**159**

Note: The figures above exclude capital grants, depreciation expenses, and reclassified capital expenditure that does not meet the capitalisation criteria or threshold.


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Theme 2: Building the Borough

4. Active transport networks are better connected and accessible

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
4.1 Number of active transport improvement related projects delivered across the municipality	Maintain or increase	1 project annually	1	●	Council placed the Wayfinding Signage Strategy on exhibition. Completion in 2026-27.
4.2 Number of road safety projects completed across the municipality	Maintain or increase	1 project annually	0	●	Four road safety projects are currently in the planning stage, with completion scheduled for 2026–27.
4.3 Sealed local roads maintained to condition standards	Maintain	100% (LGPRF)	100%	●	All local roads are maintained above the renewal intervention level set by Council.
4.4 Number of advocacy initiatives and government meetings undertaken to promote improved local and regional transport services	Maintain or increase	2 initiatives/ meetings	9	●	Nine meetings with the Department of Transport to advocate for better road safety and regional transport.

5. Assets are well maintained and support community life

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
5.1 Community satisfaction with appearance of parks, gardens and open space	Maintain or increase	69 (CSS)	72	●	Achieved the target to maintain or improve performance. Result reflects positive community satisfaction.
5.2 Community satisfaction with recreation facilities	Maintain or increase	69 (CSS)	72	●	The Bike Park development will enhance community recreation facilities, with completion scheduled for 2026–27.
5.3 Bike lanes and verges are clear of vegetation	Decrease in customer requests	12 customer requests annually	10 customer requests	●	100% were rectified within our committed timeframes.
5.4 Town Hall Restoration project plan endorsed by Council	Council endorsement	N/A	N/A	N/A	Restoration Plan scheduled to be considered by Council in 2026-27.
5.5 Playground Strategy endorsed by Council	Council endorsement	N/A	N/A	N/A	Playground Strategy scheduled to be reviewed by Council in 2027-28 cycle.
5.6 Energy Use in Council buildings has improved	Decrease in imported energy consumption	423,617kWh	447,261kWh	●	This metric was not achieved due to increased community use of Council facilities, including the Caravan Parks, Town Hall and The Hub.
5.7 An Expression of Interest (EOI) process for the P1 huts has been undertaken to assess potential community use	Completed	N/A	N/A	●	Phase 1 of the EOI was released to market, with submissions closing on 10 August 2026.
5.8 Council's building assets are maintained at or above a fair condition standard	Maintain or increase	90%	90%	●	This result is based on the 2025 building condition audit. The next condition assessment is scheduled for 2028.

6. Local Planning Policy protects heritage and local character

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
6.1 Completion of the Planning Scheme review	To be submitted to the Minister for Planning.	N/A	N/A	●	Plan to report to Council in October 2026 for adoption and review submitted to the Minister for Planning.



The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure / material variations	2022–23	2023–24	2024–25	2025-26
Land Use Planning – Statutory Planning				
Timeliness *Time taken to decide planning applications*	69.50	36.00	17.00	**22.00**
The slight increase in the average time taken to decide planning applications reflects the complexity of a number of applications received during 2025-26. Although the overall number of applications was lower than in previous years, more complex applications required additional assessment, consultation and processing time.				
Service standard *Planning applications decided within required timeframes*	69.23%	76.36%	92.08%	**94.67%**
In 2025-26, 71 of 75 planning applications were decided within the required timeframes, compared with 93 of 101 applications in 2024-25. The performance reflects the complexity of several applications received during the year.				
Service cost *Cost of statutory planning service*	$2,781	$3,790	$2,929	**$3,884**
While overall statutory planning service expenditure decreased in 2025-26 mainly due to lower town planning appeal costs, the cost per planning application increased significantly as a result of the reduced number of applications processed during the year.				
Decision-making *Council planning decisions upheld at VCAT*	100.00%	50.00%	66.67%	**0.00%**
There were no VCAT decisions relating to Council planning determinations during the 2025-26 financial year. In comparison, three planning decisions were referred to VCAT in 2024-25, with two of those decisions upheld.				
Asset Management and Appearance of Public Places – Roads				
Satisfaction of use *Sealed local road requests*	230.95	171.93	169.05	**92.86**
A total of 39 requests were received in 2025-26 concerning 42 km of sealed local roads, compared with 71 requests in 2024-25. The lower number of requests is primarily attributable to drier weather conditions during the year, resulting in fewer potholes and road defects. This outcome may also reflect the positive impact of enhanced road management and maintenance practices, including the implementation of the Road Management Plan, the new maintenance contract, improvements to the customer request management system, and the ongoing road reseal program.				
Condition *Sealed local roads maintained to condition standards*	100.00%	100.00%	100.00%	**100.00%**
All local roads are maintained above the renewal intervention level set by Council.				
Service cost *Cost of sealed local road reconstruction*	$7	$10	$43	**$288**
Sealed local road reconstruction activities are inherently sporadic due to the Borough's small road network and the timing of capital works programs. During 2025-26, a total of 25 square metres of sealed local roads were reconstructed, compared to 1,150 square metres in 2024-25.				
Service cost *Cost of sealed local road resealing*	$6.82	$9.87	$0.00	**$7.45**
Sealed local road renewal activities are inherently sporadic due to the Borough's small road network and the timing of capital works programs. During 2025-26, a total of 12,205 square metres of sealed local roads were resealed, compared with no resealing works undertaken in 2024-25.				
Satisfaction *Satisfaction with sealed local roads*	65.00	63.00	61.00	**63.00**
Satisfaction with sealed local roads improved in 2025-26. The score exceeded both the state-wide average of 46 and the small council average of 48, demonstrating a high level of community satisfaction with the Borough's sealed road network.				

The following statement provides information in relation to the services funded in the 2025–26 Budget and the persons or sections of the community who received the service.

	Surplus/(Deficit) $'000		
Service area	**Actuals**	**Budget**	**Variance**
Asset management and appearance of public places	**(2,006)**	**(2,099)**	**93**
Ensures the safety, functionality and aesthetics of public places and infrastructure. This program promotes community wellbeing and encourages people to be active in public settings. The program ensures safe and efficient active transport settings, including the development of a network of connected walking and cycling routes, facilitates safe access to and use of community facilities, parks and gardens, sports ovals and local amenities. Responsibilities extend to include maintenance of local roads, kerb and channel, footpaths, shared use trails, drainage and street cleanliness. Council implements an asset renewal and maintenance program for infrastructure including roads, paths, drainage and all Council-owned and managed community buildings. It is also responsible for the maintenance, cleaning and renewal of 14 public toilets.			
Powerline safety	**(60)**	**(76)**	**17**
Assists in the provision of a safe environment and protection of the Borough's significant public and private assets and vegetation from fire by maintaining clear zones around powerlines to standards as set by legislation.			
Land use planning	**(333)**	**(377)**	**44**
Ensures that the Borough conserves its unique heritage, that the built environment is enhanced by design excellence, and that local amenity is protected against inappropriate land use and development. The program implements Council's Planning Scheme and prepares major policy documents including the Municipal Strategic Statement. It maintains and processes amendments to the Queenscliffe Planning Scheme and carries out research on demographic, economic and social issues affecting Council. The program administers Council's statutory planning responsibilities, including the various processes associated with the assessment of planning permit applications and defence of Council decisions at the Victorian Civil and Administrative Tribunal.			
Building control	**(147)**	**(266)**	**120**
Ensures that building construction and maintenance is such that the community remains safe. It provides statutory building services including processing of siting variation consent, emergency management responsibilities, building inspections, building safety audits, and investigation of complaints and illegal works.			
TOTAL	**(2,545)**	**(2,818)**	**274**

Note: The figures above exclude capital grants, depreciation expenses, and reclassified capital expenditure that does not meet the capitalisation criteria or threshold.


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Theme 3: Work, play and stay in the Borough

7. Our activity centres are more vibrant

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
7.1 Visitation numbers	Increase	24,000	26,552	●	There was a 6% increase from the previous year.
7.2 Activity centre vacancy rates (the number of shops/ commercial premises vacant at the main streets in Queenscliff and Point Lonsdale)	Decrease	6	7	●	The increase in activity centre vacancies is reflective of a strained economic climate.
7.3 Number of functions/workshops with local trader groups to deliver activities	Maintain	3	3	●	Consistent with the previous year.
7.4 Community satisfaction with business, community development and tourism activities	Increase	53 (CSS)	56	●	The three-point increase reflects continued effort and focus in this service area.



8. There are more events and creative activity

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
8.1 Number of arts and culture partnerships with communities and businesses	Maintain or increase	14	29	●	Council support for local groups and events increased significantly, contributing to a strong result for arts and culture partnerships.
8.2 Opportunities for community to use Council facilities for temporary public use (measured through Council facilities provided free of charge for sponsored community events)	Maintain or increase	6	10	●	The increased number of community groups using Council facilities is a positive result.

The following statement provides information in relation to the services funded in the 2025-26 Budget and the persons or sections of the community who received the service.

	Surplus/(Deficit) $'000		
Service area	**Actuals**	**Budget**	**Variance**
Tourist parks	**1,229**	**1,106**	**123**
Ensures the Borough remains a special place for visitors while increasing tourism's contribution to the local economy. The program includes management of three tourist parks. It currently provides approximately 350 camping/caravanning sites and associated facilities, including maintenance of seven amenities blocks. While contributing significantly to the local economy, this program generates a net income result, which is used to fund improvements to and maintenance of community facilities, foreshore infrastructure and coastal protection activities on Crown land.			
Visitor Information Centre	**(204)**	**(226)**	**22**
Promotes the Borough as a special place for visitors, and supports local tourism and related businesses through the dissemination of tourism information that plays a key role in supporting a diverse and vibrant local economy. This program manages a year-round state-accredited tourist information service, with paid staff and volunteers offering information and advice about the visitor experiences on offer across the Borough and through other parts of Victoria.			
Tourism and Economic Development	**(170)**	**(198)**	**28**
Seeks to build on the Borough's unique heritage, rich culture and significant natural environment to strengthen the diversity and vibrancy of the local economy. The program is integrated with the activities of state and regional tourism organisations. Marketing and promoting the Borough and its attractions is key to increasing the number of day trippers and overnight visitors. The program's focus is informed by the Council's Economic Development Strategy and includes supporting local businesses and working with neighbouring municipalities, Tourism Greater Geelong & the Bellarine, G21 and the State Government to implement regional economic development and related infrastructure priorities.			
TOTAL	**855**	**682**	**173**

Note: The figures above exclude capital grants, depreciation expenses, and reclassified capital expenditure that does not meet the capitalisation criteria or threshold.

Theme 4: Running the Borough

9. More people have trust and confidence in Council

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Manager Comments
9.1 Satisfaction with community consultation and engagement	Increase	53 (CSS)	56	●	A positive result reflecting improved consultation processes.
9.2 Satisfaction with Council decision making / overall direction	Increase	43 (CSS)	51	●	A positive reflection of the community's confidence in Council.
9.3 Satisfaction with Council's performance	Increase	57 (CSS)	62	●	A positive outcome for Council's second year in office.
9.4 Satisfaction with Council's lobbying activities	Increase	50 (CSS)	56	●	The 10% increase represents a positive improvement.
9.5 Developed strategic advocacy priorities	Completed	N/A	N/A	●	Strategic advocacy priorities have been developed and communicated via G21 and direct engagement with State and Federal Members of Parliament.

10. More people are satisfied with core Council services

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
10.1 Community Satisfaction with Customer Service	Maintain or increase	70 (CSS)	73	●	This is an encouraging result and reflects the ongoing work of the Customer Service team in supporting the community.
10.2 No formal/ valid customer complaints received	Maintain	0	0	●	No formal complaints received.
10.3 Satisfaction with regular waste and recycling collection services	Maintain or increase	71 (CSS)	78	●	This result demonstrates community satisfaction with Borough of Queenscliffe waste services, including hard waste collection.
10.4 Kerbside collection bins missed	Maintain or decrease	5 bins per 10,000 bin lifts (LGPRF)	3.27	●	The number of missed bin collections in 2025-26 was 54, equating to 3.27 missed bins per 10,000 bin lifts.

11. More people actively engage with Council

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
11.1 Demographic diversity (age and gender) of people participating in consultation and engagement	To be determined	To be determined based on 2026 community engagement results	These questions are now introduced across all consultation and engagement campaigns	N/A	Council has introduced demographic questions across consultation and engagement campaigns to establish a baseline for future reporting.
11.2 Readership of Council publications, numbers for social media and newsletter subscribers	Maintain or decrease	5,900 Facebook followers and 524 Newsletter subscribers	6,200 Facebook followers 581 newsletter subscribers	●	An encouraging increase in engagement.

12. Council maintains financial sustainability

Note: Table format is different for this metric – Council will control all metrics. Council will continue to report its performance under the LGPRF framework, alongside these measures.

Performance Metric	Trend or Target	Baseline	2026	Traffic light Target not achieved Target partially achieved Target achieved	Comments
12.1 .**Consistent operating results** Our adjusted underlying result: The difference between recurring income and recurring expenses applicable to the financial year	Achieved	Adjusted for the timing of recurring operating grants, one-off operating projects assets write-offs and any other non-recurring transactions Greater than $0	$780,000		Council has maintained a stable underlying result on a recurring basis over the past five years.
12.2 **Ensure Council maintains sufficient working capital to meet its obligations as they fall due** Current assets vs current liabilities: The value of our current assets divided by our current liabilities	Achieved	Excludes non-current assets classified as held for sale Greater than 1	1.02		At the end of the 2025–26 financial year, current assets decreased as Council invested in term deposits with maturities greater than 12 months to secure favourable interest rates in the prevailing environment.
12.3 **Council maintains sufficient unrestricted cash to ensure ongoing liquidity as well as to address unforeseen cash requirements** Current liabilities against the level of unrestricted cash reserve: Our current liabilities as a percentage of our unrestricted cash reserves	Achieved	Cash and cash equivalents include all items at call and short-term deposits with remaining maturity of less than six months Less than 100%	51.5%		Council maintains sufficient unrestricted cash reserves to ensure ongoing liquidity and meet its operational commitments.

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Comments
12.4 **That Council applies loan funding to new capital and maintains total borrowings in line with rate income and growth of the municipality** Total borrowings against rate revenue: Our total borrowings as a percentage of our rate revenue	Less than 15% achieved	Target is in line with Council Policy CP040: Borrowings Less than 15%	0%	●	Council has a debt-free balance sheet.
12.5 **Allocate adequate funds towards renewal capital to replace assets and infrastructure as they reach the end of their service life** Asset renewal and upgrade expenses against depreciation: The financial investment in asset renewal and upgrade work divided by the cost of depreciation (based on a three-year rolling average)	Achieved	Three-year rolling average takes into consideration BoQ's dependency on external funding for major capital projects Greater than 100%	88.9%	●	This indicator is based on a three-year rolling average. Council's expenditure on asset renewal and upgrade activities during the 2023–24 financial year was significantly lower than annual depreciation, although renewal and upgrade expenditure exceeded depreciation in each of the subsequent two financial years. The lower expenditure in 2023–24 contributed to the result. However, Council strengthened its capacity to fund future asset renewal works by making a substantial transfer to the Asset Renewal Reserve during 2023–24.
12.6 **Council generates sufficient revenue from rates plus fees and charges to ensure a consistent funding for renewal capital Council's contribution to asset renewal and upgrade:** Council's contribution to asset renewal and upgrade expenses as a percentage of own-source revenue	Achieved	Based on the net contribution from Council for asset renewal and upgrade work Greater than 10%	10.5%	●	Council contributed $1.3 million from its own funding sources towards asset renewal and upgrade works.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure / material variations	2022–23	2023–24	2024–25	2025-26
Transparency *Council decisions made at meetings closed to the public*	9.68%	10.88%	10.00%	**8.67%**
The number of matters addressed in the closed section of the meeting for the 2025-26 financial year was 17 compared to 18 during the 2024-25 financial year.				
Consultation and engagement *Satisfaction with community consultation and engagement*	63.00	51.00	53.00	**56.00**
Community satisfaction improved slightly in 2025-26, reflecting a positive upward trend. The score was above the state-wide average of 53 but slightly below the small council average of 57.				
Attendance *Councillor attendance at Council meetings*	100.00%	95.38%	97.33%	**96.00%**
Councillor attendance remained high throughout 2025-26. All Councillors attended, or were on approved leave of absence for Council meetings, except for three instances of non-attendance involving three different Councillors.				
Service cost *Cost of elected representation*	$41,071	$46,114	$48,744	**$46,474**
Costs decreased in 2025-26 due to the absence of the elevated Councillor training and induction expenses that were incurred in 2024-25 following the Council election.				
Satisfaction *Satisfaction with Council decisions*	60.00	50.00	50.00	**55.00**
Satisfaction with council decisions improved in 2025-26. The score was above the state-wide average of 52 but slightly below the small council average of 56.				

The following statement provides information in relation to the services funded in the 2025-26 Budget and the persons or sections of the community who received the service.

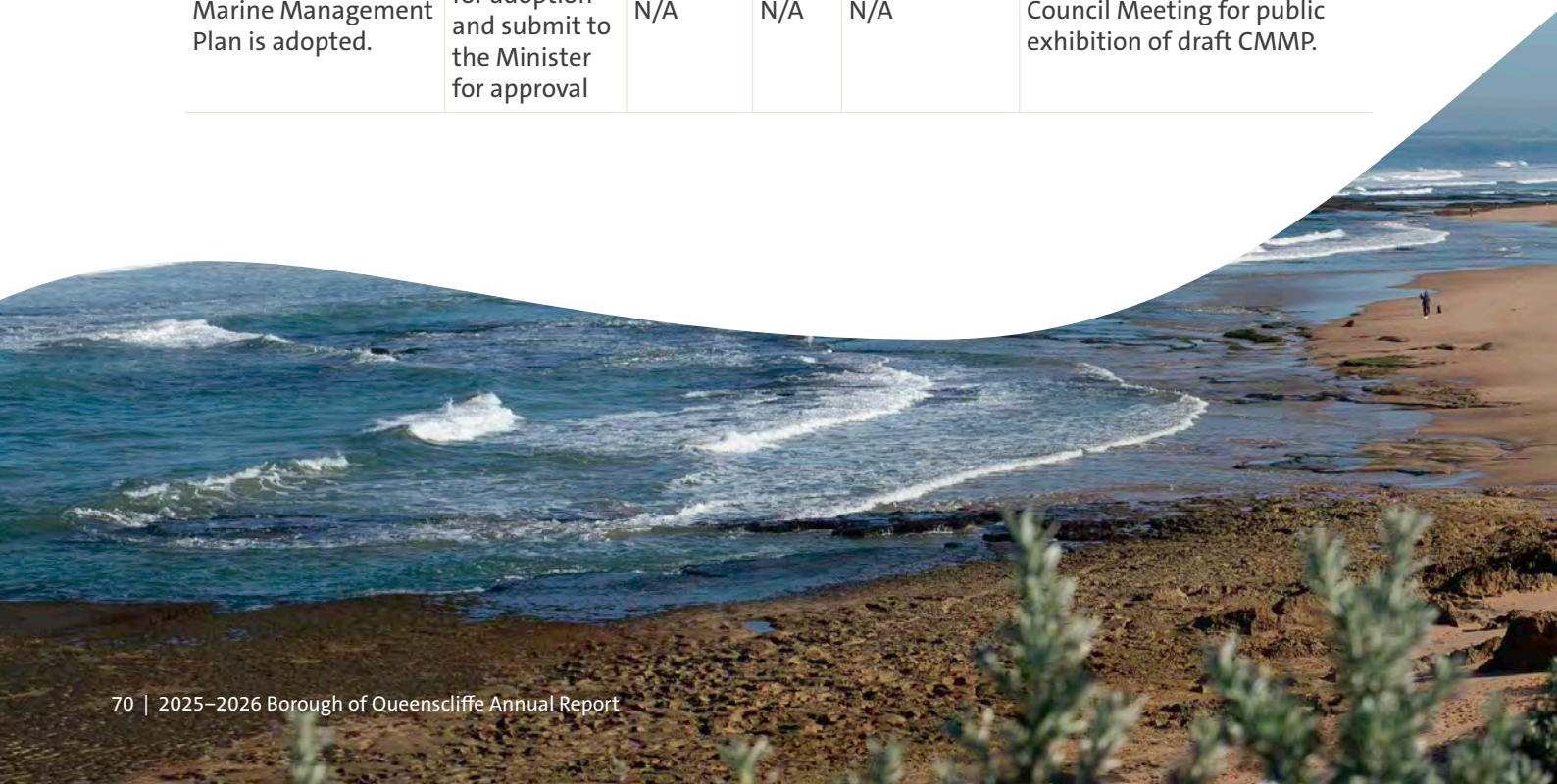
Service area	Surplus/(Deficit) $'000		
	Actuals	Budget	Variance
Council governance	**(405)**	**(554)**	**149**
Supports the Mayor and Councillors to maintain a cohesive Council and a well-governed municipal Council. The program is structured to meet all legislative requirements associated with the *Local Government Act 2020* and any other applicable Act. It supports Council's compliance with the Councillor Code of Conduct and its key relationships and memberships with organisations such as the MAV and G21. Council's participation in the annual Local Government Community Satisfaction Survey also forms part of this program.			
Organisational performance and compliance	**(779)**	**(554)**	**(225)**
Supports the Chief Executive Officer and Executive Management Team in maintaining a cohesive, well-managed, and high-performing organisation. This includes driving organisational development, ensuring statutory compliance, and promoting staff behaviour that aligns with the Staff Code of Conduct. The program also encompasses procurement, contract management, and the maintenance of robust computer systems. Key outputs include the preparation and review of the Council Plan, Strategic Resource Plan and long-term financial plan, Annual Implementation Plan, and Council's Annual Budget.			
Community engagement and customer service	**(639)**	**(761)**	**123**
Aims to facilitate community involvement in decision-making, and to deliver high quality customer service. It includes practical and strategic advice regarding Council's internal and external communications and issues management, and supports first point of contact to customers at the Council office. The program provides records management services in accordance with Council policy and procedures, administers the requirements of the privacy and freedom of information legislation, coordinates Council and Committee meetings, and provides other associated administrative support.			
Financial and risk management	**7,344**	**7,088**	**256**
Seeks to ensure the ongoing independence and financial sustainability of the Borough of Queenscliffe. Council achieves this through sound financial management, effective organisational performance, and the maintenance of robust systems. The service encompasses long-term financial planning, strong internal risk management, and adherence to guidelines on the prudent management of debt, cash, and asset renewal. It also includes regular asset reviews to enhance returns on Council's investments. Key functions of the service include managing Council's finances, raising and collecting revenue, processing employee salaries and wages, managing the vehicle fleet, and administering insurance and risk management systems. The program also covers property revaluations for rating purposes, processing of supplementary rates, and administration of the State Government's Emergency Services and Volunteers Fund.			
TOTAL	**5,521**	**5,219**	**302**

Note: The figures above exclude capital grants, depreciation expenses, and reclassified capital expenditure that does not meet the capitalisation criteria or threshold.

Theme 5: Caring for the Borough

13. Effective weed management enhances biodiversity

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Manager Comments
13.1 Customer Satisfaction with environmental sustainability	Increase	66 (CSS)	62	●	Community satisfaction with environmental sustainability decreased from 66 to 62. Further analysis will be undertaken to understand the drivers of this result and inform future improvement actions.
13.2 Customer satisfaction with appearance of parks, gardens and open space	Increase	69 (CSS)	72	●	Community satisfaction with the appearance of parks, gardens and open space increased from 69 to 72, exceeding the baseline.
13.3 Adopted Weed Management Program	Completed	N/A	N/A	N/A	Weed Management Program scheduled to be considered by Council in 2026-27.
13.4 Coastal and Marine Management Plan is adopted.	In progress to finalise CMMP for adoption and submit to the Minister for approval	N/A	N/A	N/A	Report to go to August Council Meeting for public exhibition of draft CMMP.



14. Existing urban character is maintained and protected

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Manager Comments
14.1 Urban Design and Public Realm Asset Framework adopted	Completed	N/A	N/A	N/A	Council resolved to extend the term of the Urban Design and Public Realm Asset Advisory Committee to August 2027.
14.2 Fort Queenscliff is accessible and open to the public	In progress	N/A	N/A	N/A	Advocacy with the Federal Government is occurring.

15. Community has access to Ballara

Performance Metric	Trend or Target	Baseline	2026	Traffic light ● Target not achieved ● Target partially achieved ● Target achieved	Manager Comments
15.1 Ballara is accessible and open to the public	In progress	N/A	N/A	N/A	Council is supportive of the Ballara project. Council is waiting on further information to progress this matter.



The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure / material variations	2022–23	2023–24	2024–25	2025-26
Waste Management and Recycling – Waste Collection				
Service standard *Kerbside collection bins missed*	5.42	4.40	4.34	**3.27**
The number of missed bin collections in 2025-26 was 54, compared to 137 in 2024-25. In previous years, the reported figure included bins that were presented after the scheduled collection time, as well as bins genuinely missed due to contractor service failures. The 2025-26 result reflects improved data capture and reporting practices, with only contractor-related missed collections being recorded. As a result, the 2025-26 figure provides a more accurate measure of Council's performance against this indicator.				
Service cost *Cost of kerbside garbage collection service*	$102	$101	$102	**$96**
The result has been impacted by a correction to the cost allocation methodology to better reflect the true cost of providing the service. Based on the revised approach, the 2024-25 result would have been $92.30. This indicates an increase in costs in 2025-26, primarily driven by higher landfill-related expenses.				
Service cost *Cost of kerbside recyclables collection service*	$67	$79	$79	**$72**
The result has been impacted by a correction to the cost allocation methodology to better reflect the true cost of providing the service. Based on the revised approach, the 2024-25 result would have been $74.22. On a like-for-like basis, this represents a decrease in costs in 2025-26, primarily driven by lower recycling processing expenses.				
Waste diversion *Kerbside collection waste diverted from landfill.*	68.03%	67.08%	71.65%	**73.04%**
The waste diversion rate improved to 73% in 2025-26, compared with 56% in 2021-22. This significant increase reflects the success of ongoing initiatives aimed at reducing the volume of waste sent to landfill, including the introduction of Food Organics and Garden Organics (FOGO) services, as well as continued community participation in waste reduction and recycling programs.				

The following statement provides information in relation to the services funded in the 2025-26 Budget and the persons or sections of the community who received the service.

Service area	Surplus/(Deficit) $'000		
	Actuals	Budget	Variance
Environmental sustainability	**(132)**	**(195)**	**62**
Sees the Borough playing its part in protecting the natural environment for future generations. This includes Council measuring, monitoring and reducing its carbon emissions as well as assisting the local community to implement various initiatives designed to reduce greenhouse gases through the Community Environment Alliance. Council plays a key role in responding to the challenges of climate change and sea level rise and where possible working with various federal, state, regional and local organisations to inform and educate the community about practices that support environmental sustainability.			
Coastal protection	**(391)**	**(426)**	**34**
Seeks to preserve and enhance the Borough's globally significant, highly-valued coast as an iconic environmental asset for current and future generations. Under this program, Council implements State Government coastal management policy, manages environmental projects and works with state, regional and local services to enhance its management of coastal Crown Land. The program involves weed reduction initiatives and annual planting of trees, shrubs and grasses.			
Waste management and recycling	**13**	**(26)**	**38**
Seeks to involve the local community in protecting the environment for future generations by minimising waste. Council works with local and regional organisations, including Recycling Victoria and neighbouring Councils to increase community awareness and promote behaviours that reduce waste and promote recycling. In addition to regular kerbside waste collection and a hard rubbish collection, the program includes a recycling service, effective e-waste disposal and a green waste bin service for all residential and tourist accommodation properties. A range of public waste services are also provided given the comparatively high level of tourist visitation. It is important to note that full cost recovery of waste management, including recycling, is achieved via application of waste charges to ratepayers in accordance with Council's Rating Strategy.			
TOTAL	**(511)**	**(646)**	**135**

Note: The figures above exclude capital grants, depreciation expenses, and reclassified capital expenditure that does not meet the capitalisation criteria or threshold.

COMMUNITY SATISFACTION

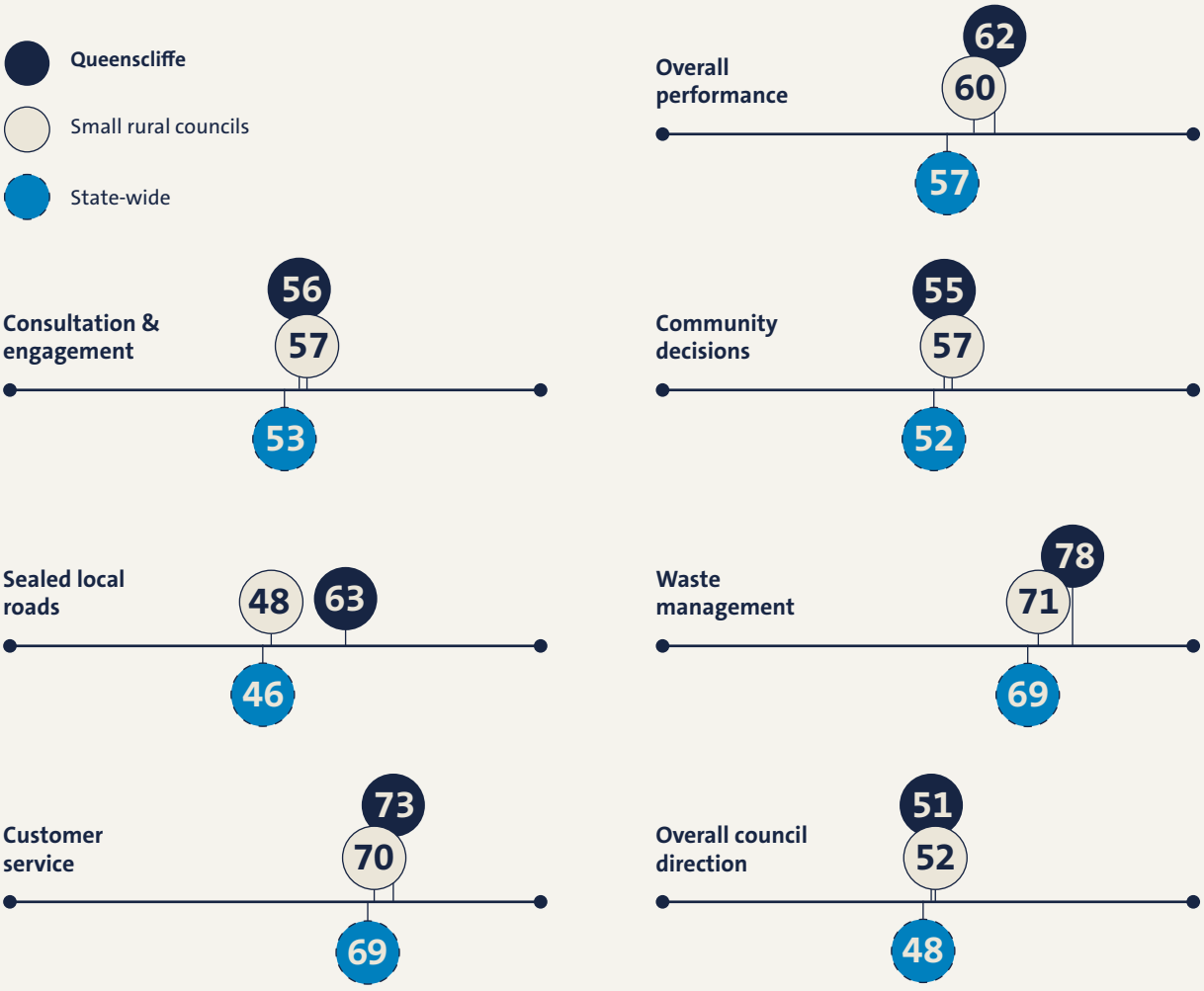
The annual Local Government Community Satisfaction Survey provides valuable feedback on Council's performance in core performance and service-related areas.

The charts below summarise the performance of the Borough against other small rural councils and the state-wide average over the past five years. These results provide the Borough with an opportunity to benchmark its performance against other councils and to identify areas where service delivery improvements are needed.

Encouragingly, 2026 brought a steady increase in most areas, including an 8 point increase in Overall Direction, a 5 point increase in Overall Performance, a 6 point increase in Informing the Community and a 7 point increase in Waste Management. The only area Council saw a slight drop in was Environmental Sustainability, with a 4 point loss occurring over the year.

Council's overall performance remains higher than the average ratings for small rural councils and the State-wide average.

CORE PERFORMANCE MEASURES 2026





CHAPTER 5

GOVERNANCE AND MANAGEMENT

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GOVERNANCE

The Borough of Queenscliffe is constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and the local community. Good governance ensures that the Borough is managed in a manner that provides accountability, fairness, and transparency to our community. Good governance also means that the Borough meets its legislative responsibilities in an efficient and effective manner for the benefit of the community.

Council does this through our local laws, our decision-making processes, formal delegations of authority, effective risk management systems and processes, frameworks for planning, monitoring operational effectiveness, and performance management. We also provide good governance by setting the strategic direction of the municipality through the development of the Council Plan, establishing and guiding policies, setting service delivery standards and monitoring the performance of the organisation on our community's behalf.

COUNCIL'S ROLE

Queenscliffe is one of 79 councils across Victoria that derive their roles, powers and functions primarily from the *Local Government Act 2020*. Section 8 of the Act explains, in part, that:

1. The role of a Council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

2. A Council provides good governance if—

   a. it performs its role in accordance with section 9;

   b. the Councillors of the Council perform their roles in accordance with section 28.

Subsequently, section 9 of the Act lists the following overarching governance principles which Council must, in the performance of its role, give effect to:

a. Council decisions are to be made and actions taken in accordance with the relevant law;

b. Priority is to be given to achieving the best outcomes for the municipal community, including future generations;

c. The economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;

d. The municipal community is to be engaged in strategic planning and strategic decision making;

e. Innovation and continuous improvement is to be pursued;

f. Collaboration with other Councils and Governments and statutory bodies is to be sought;

g. The ongoing financial viability of the Council is to be ensured;

h. Regional, state and national plans and policies are to be taken into account in strategic planning and decision making;

i. the transparency of Council decisions, actions and information is to be ensured.

Section 9 continues by stating that in giving effect to the overarching governance principles, Council must take into account the following supporting principles:

a. The community engagement principles;

b. The public transparency principles;

c. The strategic planning principles;

d. The financial management principles;

e. The service performance principles.

Section 28 outlines the role of a Councillor and is included in full on page 32 of this Annual Report.

COUNCIL MEETINGS

A key governance function of Council is making decisions. Decisions are made in monthly Council meetings open to the public at Wirrng Wirrng (the Queenscliffe Hub). The agenda is available for the public three days before the meeting. All Council meetings are video recorded and can be streamed at any time via YouTube.

A list of Council meetings held throughout the reporting period, including Councillor attendance data, is displayed below:

Meeting register	23 Jul 25 Ordinary	27 Aug 25 Ordinary	15 Sep 25 Special	24 Sep 25 Special	29 Oct 25 Ordinary	10 Nov 25 Special	17 Nov 25 Special	26 Nov 25 Ordinary	10 Dec 25 Ordinary	28 Jan 26 Ordinary	11 Feb 26 Special	25 Feb 26 Ordinary	25 Mar 26 Ordinary	22 Apr 26 Ordinary	27 May 26 Ordinary	24 Jun 26 Ordinary
Cr Donnie Grigau (Mayor November 2025 – present)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Cr Di Rule (Mayor November 2024 – November 2025) (Deputy Mayor November 2025–present)	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Cr Brendan Monahan (Deputy Mayor November 2024 – November 2025)	●	●	●	●	●	●	●	●	●	●	●	●	●	✕	●	●
Cr Isabelle Tolhurst	●	●	●	●	●	●	●	●	●	●	●	●	✕	●	●	●
Cr Hélène Cameron	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	✕

● Attended in-person ● Attended virtually ● Leave of absence ✕ Apology

In accordance with section 25(1) of the *Local Government Act 2020*, at a meeting of the Council that is open to the public, Councillors must elect a Councillor to be the Mayor of the Council. At the Ordinary Meeting of Council held in November 2025, Cr Donnie Grigau was elected as Mayor for a one-year term. Council then chose to continue to establish the role of Deputy Mayor, and elected Cr Di Rule to the position for a one-year term.

DELEGATED COMMITTEES

The *Local Government Act 2020* allows Council to appoint delegated committees of Council. These committees must include at least two Councillors (one of whom must chair the delegated committee), and include any other person appointed to the delegated committee by Council. The Act allows for Council, by instrument of delegation, to delegate any of its functions, duties or powers to a delegated committee. The Borough of Queenscliffe had no delegated committees in 2025–26.

The Act also requires Council to establish an Audit and Risk Committee. The Act specifies that the Audit and Risk Committee is not a delegated committee of Council.

Committee groups as of 30 June 2026 included:

- Audit and Risk Committee
- CEO Employment and Remuneration Advisory Committee
- CEO Recruitment Advisory Committee
- Finance Committee

Council also has several reference groups who provide advice and direction on specific projects. These reference groups consist of community members, Councillors and Council staff.

Reference groups as of 30 June 2026 included:

- Coastal and Marine Management Plan Steering Committee
- Community Grants & Events Sponsorship Advisory Reference Group
- Community Service Awards Reference Group
- Lived Experience Disability Reference Group
- Point Lonsdale Lighthouse Reserve Project Control Group
- Urban Design & Public Realm Assets Advisory Group

New committees and reference groups are established as required.

DECISION-MAKING

Council decisions are made in one of two ways:

1. By resolution at Council meetings and delegated committees of Council, or
2. By Council officers under delegated authority.

Most decisions of an operational nature have been delegated to officers through the Chief Executive Officer (CEO) and are exercised in accordance with adopted Council policies. This system recognises the CEO's responsibility under the *Local Government Act 2020* in managing the organisation's day-to-day operations.

CODE OF CONDUCT

A Model Councillor Code of Conduct became law for all Victorian councils via the *Local Government Act 2020* on 26 October 2024. The code aims to:

- Assist Councillors to maintain the highest standards of conduct and behaviour;
- Attract the highest level of confidence from Council's stakeholders; and
- Assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

The code is available on Council's website.

LOCAL LAW

Council has one general local law that aims to protect and enhance the community's general way of life and wellbeing. The Council's power to make these local laws is contained in section 71 of the *Local Government Act 2020*. The current local law was adopted on 17 February 2021.

The purpose and general purport of **General Local Law 2021** is to:

a. provide for those matters which require a Local Law under the *Local Government Act 2020* (the Act) and any other Act;

b. prohibit, regulate and control activities, events, practices and behaviour in places so that no nuisance is caused and there is no detriment to the amenity of the neighborhood, to a person or to a person's property;

c. provide for the administration and exercise of Council powers and functions;

d. provide for the peace, order and good governance of the municipal district of the Borough of Queenscliffe;

e. regulate and control the use of the Council's Common Seal; and

f. repeal any redundant Local Laws.



CONFLICT OF INTEREST

Councillors are elected by the residents and ratepayers to act in the community's best interests. This is a position of trust that requires Councillors to act in the public interest. When Council delegates its powers to staff or a delegated committee, the committee or member of staff also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and committee meetings.

While the procedures vary depending on the role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests.

Council meeting date (or date conflict of interest nominated)	**Councillor/Officer**	**Conflict of interest**	**Reasoning**
25 February 2026	Cr Isabelle Tolhurst	Community Grants and Event Sponsorship Advisory Group Appointments	Personal relationship with one of the applicants
25 February 2026	Cr Di Rule	Community Grants and Event Sponsorship Advisory Group Appointments	Personal relationship with one of the applicants
25 February 2026	Cr Donnie Grigau	Urgent Business: Fort Queenscliff and Swan Island Federal Divestment Announcement	Cr Grigau sits on the Fort Queenscliff Museum Board
22 April 2026	Cr Donnie Grigau	Petition received (re: wombat crossing Stevens St) from Holy Trinity Queenscliff	Cr Grigau is Vice Chair, Parish Council, Holy Trinity Queenscliff
27 May 2026	Cr Donnie Grigau	Response to Petition (re: wombat crossing Stevens St) from Holy Trinity Queenscliff	Cr Grigau is Vice Chair, Parish Council, Holy Trinity Queenscliff
24 June 2026	Cr Isabelle Tolhurst	Community Grants and Event Sponsorship 2026 Advisory Group Recommendations	Association with one or more grant/ event sponsorship applicants
24 June 2026	Cr Di Rule	Community Grants and Event Sponsorship 2026 Advisory Group Recommendations	Association with one or more grant/ event sponsorship applicants
24 June 2026	Cr Brendan Monahan	Provision of Panel of Suppliers Trade Services Contract 2022/02	Professional relationship with several of the trade panel applicants

POLICIES, STRATEGIES AND PLANS

Council reviewed, endorsed and/or adopted the following significant policies, strategies and plans during 2025–26. These documents are available on Council's website, as are all Council policies and key planning documents.

Date adopted	Title
23 July 2025	Council Policy CP010 Information Privacy (revised)
27 August 2025	Council Policy CP006 Customer Service Charter (revised) Council Policy CP012 Events (revised) Council Policy CP018 Councillor Resources, Support & Facilities (revised)
24 September 2025	Road Management Plan 2025–2029 Annual Financial Report 2024–2025 Audit & Risk Committee Charter (revised)
29 October 2025	Annual Report 2024–2025 Council Plan 2025–2029 Municipal Public Health and Wellbeing Strategy 2025–2029 Asset Plan 2025–2035 Financial Plan 2025–2035
26 November 2025	Public Toilet Strategy 2025–2030 Council Policy CP019 Conservation Covenant Incentive (revised)
10 December 2025	Building Asset Management Plan 2025–2035
25 February 2026	Councillors Standing for State or Federal Elections Guideline (new)
27 May 2026	Council Policy CP017 Risk Management (revised)
24 June 2026	Budget 2026–2027
24 June 2026	Financial Plan 2026–2036
24 June 2026	Annual Plan 2026–2027

COUNCILLOR ALLOWANCES AND EXPENSES

Councillor allowances

All Councillors are paid an allowance while performing their duty. The following table sets out the allowances paid to Councillors for the reporting period.

Councillor	Allowance ($)
Cr Donnie Grigau (Mayor Nov 2025– present)	64,357
Cr Di Rule (Mayor July 2025 – Nov 2025) (Deputy Mayor Nov 2025 – present)	53,295
Cr Brendan Monahan (Deputy Mayor July 2025 – November 2025)	35,156
Cr Isabelle Tolhurst	28,097
Cr Hélène Cameron	28,097
TOTAL	**209,003**

Councillor expenses

Section 40 of the *Local Government Act 2020* provides for the reimbursement of necessary out-of-pocket expenses incurred while performing the duties of a Councillor.

The Borough of Queenscliffe's reimbursement of Councillors and Members of Council Committees Policy outlines arrangements for reimbursement of expenses for training, registration fees for conferences and functions, travel and child care.

The following table breaks down the expenses by category, in accordance with the *Local Government (Planning and Reporting) Regulations 2014*.

Interstate and overseas travel

The *Local Government Act 2020* requires Councillors to register their interstate and overseas travel and associated expenses. No Councillors travelled interstate or overseas in a work capacity during the 2025–2026 financial year.

Councillor	Travel $	Car Mileage $	Childcare $	Information and Communications Technology $	Conferences and Training $	Total $
Cr Donnie Grigau (Mayor Nov 2025– present)	-	-	-	109	2,400	**2,509**
Cr Di Rule (Mayor July 2025 – Nov 2025) (Deputy Mayor Nov 2025 – present)	-	-	-	254	1,390	**1,644**
Cr Brendan Monahan (Deputy Mayor July 2025 – November 2025)	-	-	-	254	650	**904**
Cr Isabelle Tolhurst	-	-	1,380	109	650	**2,139**
Cr Hélène Cameron	-	-	-	254	650	**904**
TOTAL	**-**	**-**	**1,380**	**980**	**5,740**	**8,100**

MANAGEMENT

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee ('the Committee') is a formally appointed committee of Council as required by section 53 of the *Local Government Act 2020*. The Committee does not have executive powers or authority to implement actions in any areas over which Council has responsibility. In addition, the Audit and Risk Committee does not have any management functions and is therefore independent of the Council administration and operations.

The Committee's objective is to provide qualified independent advice to Council on matters relevant to the Committee's Charter to support decision-making by Council on matters relating to financial management, risk management and good governance. The main duties and responsibilities of the Audit and Risk Committee are to:

- monitor the compliance of Council policies and procedures;
- monitor Council financial and performance reporting;
- monitor and provide advice on risk management and fraud prevention systems and controls; and
- oversee internal and external audit functions.

The Audit and Risk Committee consists of four independent members, appointed for a three-year term (renewable for a further three-year term without public advertisement), and two Councillors. The chair is elected from among the independent members by the Committee.

Independent members are paid a sitting fee for each meeting attended. The table below provides details of the Audit and Risk Committee's membership during 2025–26.

Member	September 2025	December 2025	April 2026	June 2026	Sitting Fees Paid
Richard Davies (Chair)					**$3,200**
Rebecca Brezzi					**$2,200**
Richard Bull					**$2,200**
Michael Tehan					**$2,200**
Cr Donnie Grigau	N/A				**N/A**
Cr Di Rule		N/A	N/A	N/A	**N/A**
Cr Isabelle Tolhurst					**N/A**

 Attended in-person

Council officers (including the Chief Executive Officer and Manager Finance & ICT Services) attend meetings but are not members of the Committee. Recommendations from each Audit and Risk Committee meeting are reported to and considered by Council.

During the 2025–26 financial year, the Audit and Risk Committee met 4 times on the following dates:

- 8 September 2025
- 1 December 2025
- 20 April 2026
- 15 June 2026

Meetings cover several standing items that evaluate and address Council's audit, governance, and risk functions. Audit reports are provided by Council's internal audit contractor and the external auditor appointed by the Victorian Auditor-General's Office (VAGO). Council officers provide a management response and follow up on items identified for action.

The following key areas were considered by the Audit and Risk Committee during meetings held in 2025–26:

- Annual Financial Report 2024/25
- Performance Statement 2024/25
- Governance and management checklist 2024/25, prior to inclusion in the Annual Report
- External Audit Interim Report 2024/25
- External Audit Management Letter 2024/25
- Annual Internal Audit Plan 2025/26
- Strategic Internal Audit Plan 2026/28, 2027/29
- Quarterly financial reports
- Draft financial budget 2026/27
- External Audit Strategy Memorandum 2025/26
- Updated Risk Management Framework
- Reviewed fair value assessment of property, plant, equipment and infrastructure assets for the 2024/25 year and update on 2025/26 year
- Review revised Council policies with a financial and risk management focus, prior to formal consideration by Council
- Strategic risk register updates
- Impact of recommendations mentioned in applicable performance audit reports issued by VAGO
- Reports on gifts, benefits and hospitality
- Reports on reimbursement of expenses of Councillors
- Reports on Investments in Term Deposits
- Reports from management's Risk & Governance Committee
- Review of 2025/26 insurance arrangements and proposed 2026/27 insurance arrangements
- Reports on the Business Continuity Plan and Testing Regime
- Reports on ICT security and general ICT matters
- Reports on any instances of unethical behaviour, fraud, corruption and lack of integrity

INTERNAL AND EXTERNAL AUDITS

Internal audit

The internal audit function provides independent and objective assurance to the Audit and Risk Committee and Council that appropriate processes and controls are in place. The internal audit program is revised annually to ensure internal audit resources remain focused on appropriate areas. The internal auditor attends all Audit and Risk Committee meetings and presents the findings of the internal audit reviews as well as providing appropriate commentary on other agenda items.

The Audit and Risk Committee makes recommendations to Council on a risk-based rolling internal audit program, delivered twice a year.

Internal audit topics reviewed during 2025–26 included:

- Project Management (including Management of Contracts) Service Planning.
- Financial Sustainability.

External audit

Council is externally audited by the Victorian Auditor-General's Office (VAGO). The external auditor's representative attends Audit and Risk Committee meetings in April, June and September to present the annual audit plan and independent external audit report on the Performance Statement and Annual Financial Report. The external audit management letter and management responses are also provided to the Audit and Risk Committee and progress status reports on agreed recommendations are reviewed regularly.

RISK MANAGEMENT

The key objective of risk management is to identify, assess and control risks throughout Council's operations.

The risk management process at the Council can be summarised as follows:

1. Policy

- Sets the strategic direction for risk management.
- Defines Council's risk appetite.

2. Framework

- Outlines how risks are managed internally.
- Ensures alignment with the policy parameters and ISO 31000:2018 – Risk Management Guidelines.
- Audit and Risk Committee (ARC) endorses the framework.

3. Risk Registers

- Strategic Risk Register: Captures risks that impact Council's strategic objectives and is presented at each ARC meeting.
- Operational Risk Registers: Identify risks affecting key service areas and day-to-day operations.

Incident reporting is an important part of the organisation's risk plan and where potential hazards are identified or incidents occur, these are referred to our insurers or to the relevant government department. Incident reporting is included in Council's quarterly finance reports during the year. Our internal Risk and Governance Committee meets regularly to ensure the organisation's risk management practices operate within appropriate frameworks, relevant legislation, and Council strategy. The committee reports on risk management activities to the Audit and Risk Committee.

The standing agenda for the Risk and Governance Committee meetings includes:

- Review of audit reports and actioning the recommendations of internal and external auditors as well as insurance audits
- Assessment of risk management, considering incident/risk reports, emergency response, business continuity and disaster recovery, risk training schedule, risk register review and ensuring appropriate insurance policies are in place
- Status of Council policies, organisational policies and Council plans
- Update on any active lawsuits or potential lawsuits, and insurance claims that may affect Council's operations or budget
- Reports on any instances of unethical behaviour, fraud, and corruption.

Business continuity

Business continuity management is essential to ensuring the organisation's resilience and capability to respond to an event that causes business disruption in a controlled and effective manner, in order to significantly reduce prolonged periods of interruption in service provision to the community.

The organisation works continuously to ensure documentation and testing is up to date and in line with current good practice guidelines and standards as part of our business continuity management approach.

Insuring our risks

JLT Municipal Asset Protection Plan Discretionary Trust (JMAPP) provides Council's building and contents insurance. Public liability insurance is covered under the Liability Mutual Insurance (LMI) scheme.

Other important insurance policies held by Council, to cover risks which cannot be mitigated in full, include:

- Councillors' and officers' liability (professional indemnity)
- Motor vehicle accidents
- Personal accident/corporate travel
- Personal accident (Council-associated organisations)
- Personal accident and sickness (employees and councillors)
- Cyber liability
- Commercial crime (fidelity).

The 2025–26 insurance premium increased by just 1% from the previous year, primarily due to softer market conditions across the insurance sector. Council maintains a strong claims record, with claims performance well below the industry average and assessed as highly satisfactory by insurers.

Officers continued to attend regular best practice forums conducted by our insurance brokers for councils within the region. These provide an important source of information in helping to manage the organisation's risks in the most appropriate manner.

PROCUREMENT

Section 108 of the *Local Government Act 2020* requires all Victorian councils to prepare and adopt a procurement policy "which specifies the principles, processes and procedures applying in respect of the purchase of goods and services by the Council, including for the carrying out of works." The policy must also seek to promote open and fair competition and provide value for money. Council adopted its most recent procurement policy at the January 2025 Ordinary Meeting of Council. This policy will be reviewed at least once during each four-year term of Council, in accordance with the Act.

Council's procurement and contract management activities:

- Support our corporate strategies, aims and objectives
- Span the whole life cycle of an acquisition and take sustainability considerations into account
- Achieve demonstrable value for money
- Are conducted in, and demonstrate, an impartial, fair, and ethical manner
- Seek continual improvement through innovative and technological initiatives
- Generate and support local business through inclusion wherever practicable.

LEGISLATIVE COMPLIANCE

DOCUMENTS FOR INSPECTION

In accordance with the *Local Government Act 2020* and/or Council's Public Transparency policy, the following documents are available for inspection at the Council offices (50 Learmonth Street, Queenscliff) during normal business hours.

Some of these can also be accessed via our website (www.queenscliffe.vic.gov.au).

1. The definition of the types or classes of land which are subject to a differential rate, and the objectives of the differential rate
2. A copy of any proposed declaration of a special rate or a special charge
3. A copy of any local law made by Council under section 74 of the Local Government Act 2020
4. A copy of any document, code, standard, rule, specification, or method which contains any matter incorporated in a local law of Council
5. A summary of personal interests
6. A copy of an election campaign donation return for the most recent Council election (older returns may also be able to be inspected)
7. Documents such as:

- Plans and reports adopted by Council
- Council policies
- Project and service plans
- Service agreements, contracts, leases and licences
- Relevant technical reports and/or research that inform Council's decision-making.

8. Process information such as:

- Application processes for approvals, permits, grants, access to Council services
- Decision-making processes
- Guidelines and manuals
- Community engagement processes
- Complaints handling processes.

9. The following Council information:

- Meeting agendas
- Minutes of meetings
- Audit and Risk Committee Charter
- Terms of Reference for delegated committees
- Gift registers for Councillors and Council staff
- Travel registers for Councillors and Council staff
- Registers of conflicts of interest disclosed by Councillors and Council staff
- Registers of leases entered into by Council
- Register of delegations
- Register of Authorised Officers
- Any other registers or records required by the *Local Government Act 2020* or any other Act.

CONTRACTS

In accordance with section 10(c) of the Local Government (Planning and Reporting) Regulations 2020, Council must, for the period during which it has adopted a Procurement Policy under section 108 of the Act, provide a list of contracts entered into valued above the contract value at which it must invite a tender or seek an expression of interest under its Procurement Policy.

Council adopted its Procurement Policy on 29 January 2025 and set a figure of $200,000 (ex. GST) as the tender threshold. During the period 1 July 2025 to 30 June 2026, Council entered into the following contracts valued at $200,000 or more:

Date awarded	Contract	Contractor	Value ($) Excl. GST
26 November 2025	Contract 2025-02 – Supply & Install two (2) New Caravan Park Cabins at Recreation Reserve, Hesse St	Yarrawonga Manufactured Housing Pty Ltd	$270,703.36
25 March 2026	Contract 2024-03 Kerbside Food Organics Garden Organics (FOGO) Receival and Processing Services (12-month extension)	Corio Waste Management Pty Ltd	$221,400.00
27 May 2026	Contract 2026-03: Heating Ventilation and Air Conditioning Tender for the Council Offices at 50 Learmonth St, Queenscliff	Mechtrol Pty Ltd	$220,544.00

DISABILITY ACTION PLAN

In accordance with section 38 of the *Disability Act 2006*, Council must prepare a disability action plan and report on its implementation in the Annual Report.

Council's Disability Action Plan was lodged with the Human Rights and Equal Opportunity Commission in January 2014 and was adopted by Council in the same month. It has been reviewed since its adoption and a major review was undertaken during 2024–25.

This major review was greatly assisted by the Lived Experience Disability Reference Group. The work of this review has resulted in the Access and Inclusion Plan 2025–2029, incorporating the 2025–2026 implementation plan.

This plan reflects community and Council priorities within the framework used by National and Victorian strategic documents. This four-year plan will be used to develop annual implementation plans which will be incorporated into the Council's Annual Plan.

Council also regularly installs beach matting throughout the summer period, allowing those with mobility aids or prams to access the water over the sand. This allows for more of our community to enjoy and experience the beach.

DOMESTIC ANIMAL MANAGEMENT PLAN

In accordance with section 68A of the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan (DAMP) at four-yearly intervals and report on its implementation in the annual report.

The 2026–2029 DAMP was adopted at the June 2025 Ordinary Meeting of Council. It was prepared in accordance with the requirements and responsibilities under the following legislation and guiding documents:

- *Domestic Animals Act 1994*
- *Impounding of Livestock Act 1994*
- Borough of Queenscliffe General Local Law 2021, Policies and Procedures Manual, and
- Relevant Council policies.

The plan identifies several key issues including the importance of the provision of information and education to encourage responsible pet ownership, the value of microchipping and desexing pets, and the need for a strategic approach to manage domestic animals in the community.

Domestic animal management statistics for the past five years appear in the tables on page 93.

FIRE MANAGEMENT

While no longer required by legislation, Council continues to maintain and review its municipal fire management plan which now sits as a sub-plan of Council's municipal emergency management plan. Fire risk is also contained in Council's Community Emergency Risk Assessment, maintained by the Victoria State Emergency Service.

Council undertakes an annual fire prevention inspection program in line with the 2009 Victorian Bushfire Royal Commission recommendations. Council issued 5 properties with a Schedule 15 Fire Prevention Notice (FPN) during 2025–26, with 100% compliance.

FOOD ACT MINISTERIAL DIRECTIONS

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a copy or summary of any direction received from the Minister in its annual report. No such ministerial directions were received by Council during 2025–26.



FREEDOM OF INFORMATION

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982* (FOI Act), Council is required to publish certain statements in its Annual Report or separately, such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately, however the following summary of the application and operation of the FOI Act is provided here.

Our Freedom of Information Statement outlines the organisation's role, key services, functions and reports, and how a person can access the information required.

The FOI Act establishes a legally enforceable right for individuals or organisations to access information from certain records held by Council. Access to documents in Council's possession may be obtained through written request to the Freedom of Information Officer as detailed in section 17 of the FOI Act and in summary as follows:

- It should be in writing
- It should identify as clearly as possible which document is being requested
- It should be accompanied by the appropriate application fee, and
- It may be lodged in person, online or by email.

Access charges may also apply once documents have been processed and a decision on access is made (e.g. search and photocopying charges). Further information regarding Freedom of Information can be found at www.ovic.vic.gov.au and on Council's website.

Council received 7 valid requests for information during 2025–26.

INFRASTRUCTURE AND DEVELOPMENT CONTRIBUTIONS

In accordance with section 46GM and 46QD of the Planning and Environment Act 1987, Council must prepare and give a report to the Minister on infrastructure and development contributions, including levies and works in kind, and this report must be published in the Annual Report. No such contributions were received during 2025–26.

PUBLIC INTEREST DISCLOSURE PROCEDURES

The *Public Interest Disclosures Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures.

In accordance with section 70 of the *Public Interest Disclosure Act 2012*, Council must include in their Annual Report information about how to access the procedures established by the Council under Part 9 of that Act.

Procedures on how to make a disclosure are publicly available on Council's website. Council is also required to provide certain information about the number and types of public interest disclosure complaints during the financial year.

During 2025–26 there were no disclosures notified to the IBAC under section 21(2) of the *Public Interest Disclosures Act 2012*.

ROAD MANAGEMENT ACT MINISTERIAL DIRECTIONS

In accordance with section 22 of the *Road Management Act 2004*, Council is, as a road authority, required to publish a copy or summary of any direction received from the Minister in its annual report. No such ministerial directions were received by Council during 2025–26.

LISTS AND TABLES

INFRINGEMENTS, REGISTRATIONS AND PERMITS ISSUED

The following tables report the infringement notices, registrations and permits issued under the relevant Local Law or Act over the past five years.

Infringement notices	2025-26	2024-25	2023-24	2022-23	2021-22
Parking infringements	82	102	64	97	57
Animal infringements	4	3	2	16	2
Local law infringements	1	–	–	1	–
Fire prevention	–	–	–	–	–
Planning	–	–	–	–	–
Total	**87**	**105**	**66**	**114**	**59**

Court briefs	2025-26	2024-25	2023-24	2022-23	2021-22
Court briefs	–	–	–	–	–
Total	**–**	**–**	**–**	**–**	**–**

Local law permits	2025-26	2024-25	2023-24	2022-23	2021-22
Consume alcohol	6	7	10	10	23
Weddings	12	8	6	9	11
Events	29	29	33	24	24
Bulk rubbish bins	23	6	7	16	14
Disabled parking	107	67	68	–	–
Outdoor eating facilities	20	20	19	23	18
Goods for sale	15	12	15	15	12
A-frames	46	49	37	33	41
Residential parking	10	10	4	–	–
Boat ramp	50	52	49	–	–
Other	23	26	14	37	30
Total	**234**	**286**	**262**	**167**	**173**

Animal management	2025-26	2024-25	2023-24	2022-23	2021-22
Dogs registered	629	631	637	735	682
Cats registered	101	105	110	110	137
Impounded animals	1	–	1	8	8
Door knocks (streets)	58	59	42	211	215
Animal renewal notices	767	758	768	635	630
Native animal responses	3	8	6	70	61
Total	**1559**	**1561**	**1564**	**1796**	**1723**

Notices	2025-26	2024-25	2023-24	2022-23	2021-22
Fire prevention	5	5	5	6	8
Non-compliance of notices	–	–	–	–	–
Total	**5**	**5**	**5**	**6**	**8**

Outside hours	2025-26	2024-25	2023-24	2022-23	2021-22
After hours calls	79	74	96	65	75
After hours call-outs	1	7	2	5	15
Total	**80**	**81**	**98**	**70**	**90**

GRANTS AND DONATIONS TO LOCAL ORGANISATIONS

Community grants

Recipient	Purpose	2026 ($)	2025 ($)
ANZAC Day	Event support including ANZAC Day events	-	10,000
Subtotal		**-**	**10,000**

Contribution to operating costs

Recipient	Purpose	2026 ($)	2025 ($)
Life Saving Victoria	Lifeguard services	38,570	37,482
Queenscliff & Point Lonsdale Cemetery	Grant for restoration of veterans' graves	17,000	-
Queenscliffe Literary Festival	Street flags	2,700	-
Queenscliffe Maritime Museum	Harbour to Horizon	2,520	-
Queenscliff Senior Citizens Club	Contribution	1,500	-
Wathaurong Glass	Community Service Awards	655	445
Geelong Street Rodders	Traffic management support for Rod Run	-	8,349
Uniting Church Queenscliff & Point Lonsdale	Sponsorship of the Sacrededge Festival	-	4,000
Queenscliff Senior Citizens Club	Club contribution - license agreement	-	1,500
Queenscliff Sea Scout Group	Club contribution - license agreement	-	1,500
Subtotal		**62,945**	**53,277**

Community development grants

Recipient	Purpose	2026 ($)	2025 ($)
Swan Bay Environmental Association	2026 - Friends of the Hooded Plover - Dog's breakfast 2025 - Gardens for wildlife nursery	3,000	2,000
Pt Lonsdale Boardriders Club Inc	Upskill 5 x parent participants & junior club members to complete the Surfing Australia Foundation Surf Coaching Course	2,050	-
Pt Lonsdale Surf Life Saving Club	Contribution to beach access wheelchair	2,000	-
Point Lonsdale Primary School	2026 - Delivery of a literary program to promote respectful relationships and engage families in children's education 2025 - Story telling in schools program	1,500	1,830
Bellarine Catchment Network	Purchased tools and equipment	1,304	1,500
St Aloysius Primary School	2026 - Visitor trails 2025 - St Aloysius Playgroup	1,200	700
Shedding the Blues	Encore show and hire of town hall	1,100	-
Queenscliffe Historical Museum	2026 - Reprint book 'Dwellers of Fisherman's Flat' - historical significance 2025 - Purchase two sound showers	1,000	1,847
Combined Probus Club of Queenscliffe	Purchase of wool for knitting group	1,000	-
Point Lonsdale Bowls Club Inc.	Music Quality Sound System upgrade	1,000	-
Queenscliffe and District Neighbourhood House Inc	Monday Craft Group - Purchase of wool and knitting needles	1,000	-
Queenscliff Music Festival	Feel Good Sing - Sign writing, A frame permit, and a portable sound system	790	-
1st Queenscliff Sea Scout Group	Purchase of replacement larger sized personal floatation devices	700	-
Queenscliff Playgroup at St Aloysius	Community grant for St Aloysius playgroup	-	2,122
Uniting Queenscliff	Community meal Wednesday evenings	-	2,000
Queenscliff Primary School	Community bike and scooter hub	-	2,000
Fort Queenscliff Heritage Association	Research computers upgrade	-	1,948
Queenscliffe Literary Festival	Indigenous literary foundation trivia night	-	1,800
Point Lonsdale Basketball Association Inc	Procurement of equipment & uniforms	-	1,700
Queenscliffe Community Market	Signage restoration	-	1,000
Subtotal		**17,644**	**20,447**



Sponsorship program

Recipient	Purpose	2026 ($)	2025 ($)
Australian Volunteer Coast Guard Queenscliff	50th Anniversary Celebrations	18,000	-
Queenscliff Music Festival (QMF)	Queenscliff Music Festival	15,000	20,000
Queenscliffe Maritime Museum (QMM)	2026 - Harbour & Horizon festival 2025 - A Night at the Museum	15,000	2,500
Queenscliffe Literary Festival	Queenscliffe Literary Festival 2025	15,000	-
Sale & Adventure Ltd	Alma Doepel (ship) to QMM Harbour & Horizon festival	10,000	-
Bellarine Lighthouse Film Festival Incorporated	Queenscliff Film Festival	3,000	1,000
Sea All Dolphin Swims	Borough by the Bay	3,000	2,500
Barwon Heads Arts Council Inc	Bellarine Arts Trail	2,500	5,000
Pt Lonsdale Surf Life Saving Club	Rip View Swim Classic	2,500	2,500
Uniting Church Queenscliff/Point Lonsdale	Sacrededge Festival	2,500	1,500
Grounded Entertainment Pty Ltd	Blues Train on Rod Run weekend event	2,500	-
New Swell Choir	End of year concert for choir	2,500	-
The Anglican Parish of St Georges Queenscliff and St James	St George's flower show	2,000	-
Chrysalis Awakenings	World Healing Day	1,500	2,563
Rotary Club of Ocean Grove	Art show at Point Lonsdale Primary	500	-
Queenscliffe Lighthouse Theatre Group Inc	Pantomime	-	1,500
Shedding the Blues	Tune Up Number 4	-	1,000
Subtotal		**95,500**	**40,063**

Education awards

Recipient	Purpose	2026 ($)	2025 ($)
Bellarine Secondary College	Award	909	1,000
Point Lonsdale Primary School	Award	273	300
St Aloysius Primary School	Award	273	300
Queenscliff Primary School	Award	-	300
Subtotal		**1,455**	**1,900**

TOTAL grants and donations paid to local organisations	**177,543**	**125,687**

GRANTS AND SUBSIDIES RECEIVED

In 2025-26 Council received a total of $2,723,446 in grants and subsidies from external sources.

Federal funding

Purpose	Type	Source	2026 ($)	2025 ($)
Victoria Grants Commission - General Purpose Grants	Recurrent Operating Grants - Federal	Department of Infrastructure, Transport, Regional Development, Communications and the Arts (VGC)	664,586	730,682
Aged Care - Domestic Assistance	Recurrent Operating Grants - Federal	Department of Health	256,187	261,164
Victoria Grants Commission - Local Roads	Recurrent Operating Grants - Federal	Department of Infrastructure, Transport, Regional Development, Communications and the Arts (VGC)	119,127	53,165
Aged Care - Property Maintenance	Recurrent Operating Grants - Federal	Department of Health	59,592	60,624
Aged Care - Personal Care	Recurrent Operating Grants - Federal	Department of Health	57,889	60,714
Aged Care - Social Support Individuals	Recurrent Operating Grants - Federal	Department of Health	10,216	10,689
Aged Care - Respite Care	Recurrent Operating Grants - Federal	Department of Health	9,126	13,135
Fair Work Commission Boost - Indexation	Non Recurrent Operating Grants - Federal	Department of Health, Disability and Ageing	2,891	–
Queenscliff Recreation Reserve Lighting Upgrade	Non Recurrent Capital Grants - Federal	Department of Infrastructure, Transport, Regional Development, Communications and the Arts	–	144,000
Local Roads And Community Infrastructure Program	Non Recurrent Capital Grants - Federal	Department of Infrastructure	–	72,740
Victoria Grants Commission - Local Roads	Non Recurrent Operating Grants - Federal	Department of Infrastructure, Transport, Regional Development, Communications and the Arts (VGC)	–	5,224
Aged Care - Home Modifications	Recurrent Operating Grants - Federal	Department of Health	–	235
Subtotal			**1,179,613**	**1,412,372**

State funding

Purpose	Type	Source	2026 ($)	2025 ($)
Bike Track Design	Non Recurrent Capital Grants - State	Department of Jobs, Skills, Industry and Regions	294,264	–
Point Lonsdale Maritime & Defence Precinct	Non Recurrent Capital Grants - State	Department of Energy, Environment and Climate Action	200,000	–
King Street and Swanston Street - Roundabout works	Non Recurrent Capital Grants - State	Transport Accident Commission	150,900	–
Gellibrand Street - Raised Pedestrian Crossing works	Non Recurrent Capital Grants - State	Transport Accident Commission	131,000	–
Better Boating Program - Boat Launching And Parking Fees Abolition	Recurrent Operating Grants - State	Department of Transport	129,295	126,636
Stokes Street and Stevens Street - Roundabout works	Non Recurrent Capital Grants - State	Transport Accident Commission	120,750	–
St Aloysius Primary School - School crossing works	Non Recurrent Capital Grants - State	Transport Accident Commission	113,100	–
Queenscliff Community Resilience Battery	Non Recurrent Capital Grants - State	Department of Energy, Environment and Climate Action	90,000	–
Maternal And Child Health	Recurrent Operating Grants - State	Department of Education & Early Childhood Development	80,789	75,845
Transition to Emergency Services and Volunteers Fund	Non Recurrent Operating Grants - State	State Revenue Office	50,000	–
Emergency Services and Volunteers Fund Administration Funding	Recurrent Operating Grants - State	State Revenue Office - Department of Treasury & Finance	45,540	44,429
School Crossing Supervisors	Recurrent Operating Grants - State	Department of Transport Planning and Local Infrastructure	32,288	31,349
ANZAC Day	Recurrent Operating Grants - State	Department of Veteran Affairs	29,593	24,622
Maintenance of landscaped vegetation areas	Recurrent Operating Grants - State	Department of Transport and Planning	10,367	–

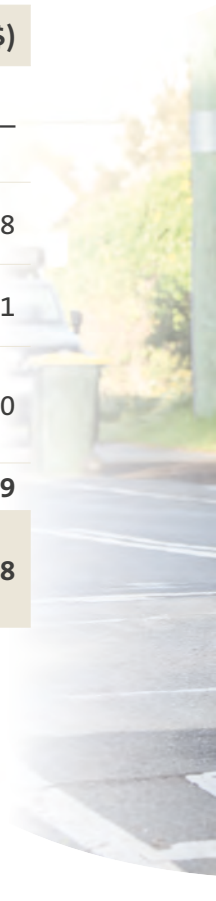
State funding continued...

Purpose	Type	Source	2026 ($)	2025 ($)
Beach Cleaning	Recurrent Operating Grants - State	Department of Sustainability & Environment	10,106	12,900
Mosquito Surveillance	Non Recurrent Operating Grants - State	Department of Health	8,000	–
Aged Care - Assessment	Recurrent Operating Grants - State	Department of Health	6,336	6,182
Summer By The Sea Activities	Non Recurrent Operating Grants - State	Department of Energy Environment and Climate Action	3,000	–
Dog Beach Stairs	Non Recurrent Capital Grants - State	Department of Energy Environment and Climate Action	–	51,877
Circular Economy Household Education Grant Project	Non Recurrent Operating Grants - State	Sustainability Victoria	–	25,950
Education Protection of Coastal Moonah Woodlands	Non Recurrent Operating Grants - State	Department of Energy Environment and Climate Action	–	25,000
Kerbside Transition Plan	Non Recurrent Operating Grants - State	Department of Environment Land Water and Planning	–	8,378
Subtotal			**1,505,328**	**433,167**

Other funding

Purpose	Type	Source	2026 ($)	2025 ($)
Vegetation Management - weed removal	Recurrent Operating Grants - Other	Country Fire Authority	25,000	–
Tobacco Program	Recurrent Operating Grants - Other	Municipal Association Victoria	8,804	12,898
Senior Citizens Week	Recurrent Operating Grants - Other	Department of Health	3,200	3,491
16 Days of Activism Against Gender Based Violence	Recurrent Operating Grants - Other	Municipal Association Victoria	1,500	1,500
Subtotal			**38,504**	**17,889**
Total Grants and Subsidies Received by Council			**2,723,446**	**1,863,428**

Note: The total grants and subsidies balance will not match the face of the income statements due to adjustments for grants received in advance.



MEMBERSHIP OF ORGANISATIONS

Organisation	Membership Contribution	
	2026 ($)	2025 ($)
Tourism Greater Geelong and the Bellarine	23,890	25,195
Municipal Association of Victoria	18,722	16,280
Rural Councils Victoria	5,750	–
Victorian Caravan Parks Association	3,465	2,164
Victorian Local Governance Association	3,196	3,111
G21 Regional Alliance	2,292	6,384
Before You Dig Australia Ltd	2,004	1,877
Australian Local Government Women's Association	1,575	1,537
Victorian Tourism Industry Council	560	532
Infrastructure Design Association	500	500
Tourism Greater Geelong and the Bellarine - Caravan Parks	336	318
School Crossings Victoria	100	100
Barwon South West Climate Alliance Inc	–	7,763
TOTAL funds contributed to organisation memberships	**62,390**	**65,761**



LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK

The *Local Government Act 2020* (the Act) states the primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long-term and cumulative effects of decisions.

The Act states it is essential there is a legislative framework that provides for Councils to be accountable to their local communities in the performance of functions and the exercise of powers and the use of resources. It is a statutory requirement under the Act that Councils prepare and report on medium and short-term plans to discharge their duties of accountability and transparency to their communities.

A mandatory system of performance reporting exists for Councils that prescribe performance information to be included in Council's Annual Report from 1 July 2014. The framework aims to ensure that performance information reported in the Annual Report is relevant, balanced, appropriate and clearly aligned with Council Plan strategic objectives to ensure performance reporting is meaningful to the community.

The Act requires Council's Annual Report to contain an audited Performance Statement, including audited results achieved against the prescribed performance indicators and measures of service performance outcome, financial performance and sustainable capacity.

In addition to the performance information required to be disclosed in the Performance Statement, Councils are also required to disclose other performance-related information in the report of operations in the Annual Report, including:

- A governance and management checklist (page 104)
- Other prescribed indicators and measures of service performance, results achieved and an explanation of material variances (page 115)
- A statement that reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic indicators included in the Council Plan (page 50).

This performance information in the report of operations along with the performance statement forms part of the Local Government Performance Reporting Framework. Taking an integrated approach to performance reporting can help councils understand how well they are performing in meeting the needs of their communities as well as achieving the strategic objectives in the Council Plan.



What is the Performance Statement?

The Performance Statement contains information about the performance of Council for the financial year whereby Council makes itself accountable to the community. Council's performance for the financial year is reported against the key strategic activities that were adopted as part of the annual Budget process.

Council must describe the prescribed indicators and measures in the Performance Statement so it is clear about what is being measured.

The Performance Statement must include the results achieved in relation to prescribed:

- Service performance outcomes
- Financial performance, and
- Sustainable capacity.

Councils must also provide an explanation of any material variations in the results between the current year and other years disclosed, to enable the reader to form an understanding of the reason for the variation.

Each result is reviewed by the external auditors. Supporting evidence and data is scrutinised to ensure accuracy of performance reporting. Please refer to page 111 for the Certification of the Performance Statement and page 112 for the VAGO Independent Auditor's Report.

What is the Governance and Management Checklist?

The Governance and Management Checklist measures whether a Council has strong governance and management frameworks in place covering community engagement, planning, monitoring, reporting and decision-making. It includes 27 qualitative measures against which Council is assessed each year. This checklist is included within the 'Our Performance' section of the Annual Report (page 104).



GOVERNANCE AND MANAGEMENT CHECKLIST

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

No.	Governance and management item	Assessment
1	**Community engagement policy** (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act Date of adoption: 25/06/2025.
2	**Community engagement guidelines** (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation Date of operation of current guidelines: 25/06/2025, included within the policy.
3	**Financial Plan** (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act Date of adoption: 24/06/2026.
4	**Asset Plan** (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act Date of adoption: 29/10/2025.
5	**Revenue and Rating Plan** (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act Date of adoption: 25/06/2025.
6	**Annual budget** (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 94 of the Act Date of adoption of the 2026-27 Budget: 24/06/2026.
7	**Risk policy** (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation Date of adoption: 27/05/2026.
8	**Fraud policy** (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation Date of adoption: 24/07/2024.
9	**Municipal emergency management planning** (Participation in meetings of the Municipal Emergency Management Planning Committee.)	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year. Date of MEMPC meetings attended: 14/07/2025, 10/11/2025 and 03/03/2026.
10	**Procurement policy** (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act Date of operation of current policy: 29/01/2025.
11	**Business continuity plan** (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation Date of operation of current plan: 20/08/2024.

No.	Governance and management item	Assessment
12	**Disaster recovery plan** (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation Date of operation of current plan: 30/01/2026.
13	**Complaint policy** (Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints.)	Policy developed in accordance with section 107 of the Act Date of operation of current policy: 25/06/2025.
14	**Workforce plan** (Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation.)	Plan developed in accordance with section 46 of the Act Date of operation of current plan: 04/12/2023. Workforce Plan to be reviewed following the service review program in 2026/27.
15	**Payment of rates and charges hardship policy** (Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates.)	Current policy (Rates Assistance) in operation Date of operation of current policy: 24/07/2024.
16	**Risk management framework** (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation Date of operation of current framework: 19/06/2026.
17	**Audit and Risk Committee** (Advisory committee of Council under section 53 and section 54 of the Act whose role is to monitor the compliance of Council policies and procedures, monitor Council's financial reporting, monitor and provide oversight on internal and external audit functions)	Established in accordance with section 53 of the Act Date of establishment: 28/09/2022.
18	**Internal audit** (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged Date of engagement of current provider, RSD Auditors: 07/10/2022. The contract was subsequently extended for a further two years on 21/07/2025.
19	**Performance reporting framework** (A set of indicators measuring financial and non-financial performance indicators referred to in section 98 of the Act)	Current framework in operation Date of operation of current framework: 01/07/2015.
20	**Council Plan report** (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report Date of reports: 2024–25 Quarter 4 Implementation update for the Annual Plan 23/07/2025 2025–26 Quarter 1 Implementation update for the Annual Plan 26/11/2025 2025–26 Quarter 2 Implementation update for the Annual Plan 25/02/2026 2025–26 Quarter 3 Implementation update for the Annual Plan 22/04/2026

No.	Governance and management item	Assessment
21	**Quarterly budget reports** (quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	Quarterly reports presented to Council in accordance with section 97(1) of the Act Dates of reports: 2024–25 Quarter 4 Finance Report 24/09/2025 2025–26 Quarter 1 Finance Report 26/11/2025 2025–26 Quarter 2 Finance Report 25/02/2026 2025–26 Quarter 3 Finance Report 22/04/2026
22	**Risk reporting** (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented Updated strategic risk register presented to the Audit and Risk committee on 08/09/2025, 01/12/2025, 20/04/2026 and 15/06/2026.
23	**Performance reporting** (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the Act)	Performance reports prepared Dates of presentation of reports: 2024–25 Performance Report - 24/09/2025 2025–26 First 6 months Report - 25/02/2026.
24	**Annual report** (annual report under sections 98, 99 and 100 of the Act containing a report of operations and audited financial and performance statements)	Annual report presented at a meeting of Council in accordance with section 100 of the Act Date considered; 29/10/2025, 2024–25 Annual Report.
25	**Councillor Code of Conduct** (Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)	Code of conduct reviewed and adopted in accordance with section 139 of the Act Date of review: 26/10/2024.
26	**Delegations** (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act Date of review: 24/06/2026.
27	**Meeting procedures** (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Date adopted: 25/06/2025.

Certification of the governance and management checklist

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



Jane Grover
Chief Executive Officer
30 September 2026
Queenscliff



Councillor Donnie Grigau
Mayor
30 September 2026
Queenscliff



STATEMENT OF SECURE EMPLOYMENT

The Borough of Queenscliffe is committed to providing a safe and secure work environment for its employees.

The following information is provided on the Borough's secure employment indicators for the 2025–26 financial year. It may be read in conjunction with Section 4 in the Report of Operations component of the Annual Report that reports on the human resources of the Borough of Queenscliffe.

Indicator	2025-26 Financial Year	Comment
Permanent Employees		
Total headcount of council employees engaged on a permanent basis at the end of the financial year	50	
Total FTE of council employees engaged on a permanent basis at the end of the financial year	36.4	
Total expenditure on council permanent employees for the financial year	$ 4,740,247	Employee leave provisions and accrued wages have been excluded, while employee costs capitalised on capital works have been included.
Other Employees		
Fixed-Term Employees		
Total headcount of council employees engaged on a fixed-term basis at the end of the financial year	2	This figure includes the CEO. Section 44(2) of the Local Government Act 2020 requires the CEO to be appointed under a contract of employment with the Council that does not exceed 5 years.
Total FTE of council employees engaged on a fixed-term basis at the end of the financial year	1.57	
% of fixed-term employee headcount to the total of Permanent Employees and Other Employees at the end of the financial year	3.17%	
Total number of fixed-term roles converted to ongoing employment for the financial year	0	
Casual Employees		
Total headcount of direct-hire casual employees at the end of the financial year	11	Council employs casual staff predominantly for two purposes: 1. to provide operational flexibility across services (particularly seasonally affected services such as our Tourist Parks) and 2. to provide leave backfill for services operated by small (single person) teams.
Total FTE of direct-hire casual employees at the end of the financial year	2.45	
Total expenditure on direct-hire casual employees for the financial year	$ 250,281	

Indicator	2025-26 Financial Year	Comment
Labour Hire		Employee leave provisions and accrued wages have been excluded, while employee costs capitalised on capital works have been included.
Total headcount engaged by council through labour hire arrangements of less than 90 days for the financial year	0	
Total headcount engaged by council through labour hire arrangements of 90 days or more for the financial year	0	
Total expenditure, for the financial year, on workers engaged by council through a labour hire arrangement of less than 90 days	$0	
Total expenditure, for the financial year, on workers engaged by council through a labour hire arrangement for 90 days or more	$0	
Top 5 functions or departments, based on total expenditure, which utilise labour hire	N/A	
Ratio between Permanent and Other Employees		
Ratio between council's Permanent Employee headcount and total Other Employees (fixed-term, labour hire and casual)	3.85:1	Permanent: 50 Other employees: 13 • Fixed term: 2 • Casual: 11
Ratio between total expenditure on council's Permanent Employees and total Other Employees (fixed-term, labour hire and casual)	6.48:1	
Apprentices and Trainees		
Total headcount of new apprentices and trainees engaged for the financial year	0	
Number of apprenticeships and traineeships completed with council for the financial year	0	
Top 5 occupation streams for apprenticeships and traineeships completed for the financial year	N/A	
Number of council employees who completed an apprenticeship or traineeship at the council within the preceding 5 years	0	
Consultants and Contractors		
Total expenditure on consultants for the financial year	$486,000	
Description of professional services procured Key professional services procured during the year included building control services, legal services, tourist park caretaker services, Traditional Owner consultation services, traffic management services, social media management services, heritage planning & control services, independent advisory services for the CEO Remuneration Committee, and other miscellaneous professional services.		
Total expenditure on contractors procured for the financial year	$2,862,000	
Description of contracted services procured Key contracted services procured during the year comprised infrastructure maintenance, parks and gardens maintenance, cleaning services, street sweeping services, waste collection and disposal services, ICT helpdesk services, powerline safety & vegetation management services, laundry services, property maintenance services, Maternal and Child Health services, library services and valuation services.		

CHAPTER 6

PERFORMANCE STATEMENT

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CERTIFICATION OF THE PERFORMANCE STATEMENT

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020.*



Gihan Kohobange CPA
Principal Accounting Officer
Date: 30 September 2026
Queenscliff

In our opinion, the accompanying performance statement of the Borough of Queenscliffe for the year ended 30 June 2026 fairly presents the results of Council's performance in accordance with the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2020 to certify this performance statement in its final form.



Donnie Grigau
Mayor
Date: 30 September 2026
Queenscliff



Isabelle Tolhurst
Councillor
Date: 30 September 2026
Queenscliff



Jane Grover
Chief Executive Officer
Date: 30 September 2026
Queenscliff

VICTORIAN AUDITOR-GENERAL'S OFFICE AUDIT REPORT

Independent Auditor's Report

Victorian Auditor-General's Office

To the Councillors of the Borough of Queenscliffe

Opinion	I have audited the accompanying performance statement of the Borough of Queenscliffe (the council) which comprises the: • description of municipality for the year ended 30 June 2026 • service performance indicators for the year ended 30 June 2026 • financial performance indicators for the year ended 30 June 2026 • sustainable capacity indicators for the year ended 30 June 2026 • notes to the accounts • certification of the performance statement. In my opinion, the performance statement of the Borough of Queenscliffe in respect of the year ended 30 June 2026 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

VICTORIAN AUDITOR-GENERAL'S OFFICE AUDIT REPORT

Auditor's responsibilities for the audit of the performance statement

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

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

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



MELBOURNE
2 October 2026

Travis Derricott
as delegate for the Auditor-General of Victoria

DESCRIPTION OF MUNICIPALITY

The Borough of Queenscliffe is located south of Melbourne on the south-eastern tip of the Bellarine Peninsula. The Borough has a land area of 10.7 square kilometres, all of which is essentially coastal land.

The Borough was proclaimed a municipality in 1863 and is unique in Victoria in that it is the only local government untouched by any boundary change. It remained unchanged through the amalgamation process in the first half of the 1990s.

POPULATION

On the night of the 2021 Census, the Borough's permanent resident population was 3,276 (2016: 2,853), with 1,760 people residing in Point Lonsdale (2016: 1,538) and 1,516 in Queenscliff (2016: 1,315) as well as a significant non-residential population. The Borough's population increases to around 17,000 people over the summer period. It is anticipated that the Borough's permanent population will remain around this level in the foreseeable future as the municipality is fully developed and has a long history of having a large non-permanent ownership of property.

AGEING POPULATION

On the night of the 2021 Census, the population aged 65 years and older was 45.1% (2016: 40.4%), compared with the Victorian average of 16.8% (2016: 15.6%). Our population is significantly older than the rest of the state, with just 9.4% of the Borough's population aged between 0 and 15 years (2016: 11.5%), compared to 18.0% for Victoria (2016: 18.3%).

The Borough's median age is 62 (2016: 60), which is the oldest median age by local government area in Victoria.

Council has a strong commitment to providing aged care and prides itself on maintaining a 'zero waiting list' for aged care services.

BIRTHS

New births in the Borough remain relatively low, with 15 babies being born in 2025–26 (2024–25: 17 births).

HOUSING

On the night of the 2021 Census, there were 2,898 dwellings (2016: 2,802) in the Borough of Queenscliffe, with an average household size of 2.0 persons (2016: 2.0).

Property values in the Borough are generally high, with the median house prices for both Queenscliff and Point Lonsdale now in excess of $1.5 million.

GOVERNMENT GRANTS

Council has continued to attract significant levels of government grant funding. Government funding is an important source of income for the Borough, in reducing the pressure on Council's rates budget and user fees and charges in order to achieve the same level of services as is currently provided for the community.

SERVICE PERFORMANCE INDICATORS

For the Year Ended 30 June 2026

Service / ***Indicator*** / *Measure* [Formula]	2023 Actual	2024 Actual	2025 Actual	2026 Target as per budget	2026 Actual
Aquatic Facilities					
Utilisation *Utilisation of aquatic facilities*	0.00	0.00	0.00	N/A	**0.00**
[Number of visits to aquatic facilities / Municipal population] Borough of Queenscliffe does not provide this service.					
Animal Management					
Health and safety *Animal management prosecutions*	0.00	0.00	0.00	N/A	**0%**
[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100 No reported offences warranted prosecution. Council applies a graduated model of animal management enforcement based around education, warnings and infringements appropriate to the circumstances.					
Food Safety					
Health and safety *Critical and major non-compliance outcome notifications*	100.00%	100.00%	100.00%	N/A	**100.00%**
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100 Council received 15 critical non-compliance notifications in 2025-26. Council has maintained a 100% follow-up rate over the past four years.					
Governance					
Consultation and engagement *Satisfaction with community consultation and engagement*	63	51	53	60	**56**
[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement] Community satisfaction improved slightly in 2025-26, reflecting a positive upward trend. The score was above the state-wide average of 53 but slightly below the small council average of 57.					
Libraries					
Participation *Library membership*	N/A	52.59%	55.03%	N/A	**55.26%**
[Number of registered library members / Population] x100 Approximately 55% of the municipal population holds a library membership.					

SERVICE PERFORMANCE INDICATORS

For the Year Ended 30 June 2026

Service / ***Indicator*** / *Measure* [Formula]	2023 Actual	2024 Actual	2025 Actual	2026 Target as per budget	2026 Actual
Maternal and Child Health (MCH)					
Participation	45.37%	65.81%	63.64%	N/A	**75.76%**
Participation in the MCH service					
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
In 2025-26, 50 children attended the Maternal and Child Health (MCH) service at least once from a total of 66 enrolled infants. This represents an increase in attendance compared to the previous year, when 42 of the 66 enrolled infants attended the service at least once, demonstrating improved participation and engagement with the service.					
Participation in the MCH service by Aboriginal children	0.00%	100.00%	66.67%	N/A	**0.00%**
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100					
During 2025-26, one Aboriginal child was enrolled in the MCH service; however, the child did not attend during the reporting period. In comparison, three Aboriginal children were enrolled in the service in 2024-25, of whom two attended at least once during the year.					
Roads					
Condition	100.00%	100.00%	100.00%	100.00%	**100.00%**
Sealed local roads maintained to condition standards					
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					
All local roads are maintained above the renewal intervention level set by Council.					
Statutory Planning					
Service standard	69.23%	76.36%	92.08%	75.00%	**94.67%**
Planning applications decided within required time frames					
[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100					
In 2025-26, 71 of 75 planning applications were decided within the required timeframes, compared with 93 of 101 applications in 2024-25. Although the number of applications received during 2025–26 decreased, the complexity of some applications was significantly greater, requiring additional assessment time and resources.					
Waste Management					
Waste diversion	68.03%	67.08%	71.65%	60.00%	**73.04%**
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] x100					
The waste diversion rate improved to 73% in 2025-26, compared with 56% in 2021-22 prior to roll out of the Food Organics and Garden Organics (FOGO) services. This significant increase reflects the success of ongoing initiatives aimed at reducing the volume of waste sent to landfill, including the introduction of FOGO services, as well as continued community participation in waste reduction and recycling programs.					

FINANCIAL PERFORMANCE INDICATORS

For the Year Ended 30 June 2026

Dimension / ***Indicator*** / *Measure* [Formula]	2023 Actual	2024 Actual	2025 Actual	2026 Target as per budget	2026 Actual	2027 Budget	2028 Forecasts	2029 Forecasts	2030 Forecasts
Efficiency									
Expenditure level *Expenses per property assessment*	$4,165.10	$4,566.99	$4,315.16	$4,250.00	**$4,457.20**	$4,557.65	$4,683.78	$4,786.67	$4,850.76
[Total expenses / Number of property assessments]									
Excluding non-recurring items, the result for 2025–26 is $4,157, compared with $4,116 in 2024–25 on a consistent basis. The increase of approximately 1.0% in recurring expenses per property assessment.									
Most of Queenscliffe's expenditure is non-discretionary and required to maintain essential council services. Due to the Borough's small ratepayer base, the cost of delivering these services is spread across fewer property assessments, resulting in a higher expenditure per assessment than is typically observed in larger councils.									
Furthermore, the inclusion of non-recurring expenditure items makes meaningful comparison between reporting periods more difficult, as these items can distort the underlying trend in operating expenditure.									
Excluding non-recurring items, the result for 2025–26 is $4,157, compared with $4,116 in 2024–25 on a consistent basis. The increase of approximately 1.0% in recurring expenses per property assessment.									
This represents an increase of 1.0%, which is well below the prevailing Consumer Price Index (CPI), indicating that growth in recurring expenditure has remained below the rate of inflation.									
Revenue level *Average rate per property assessment*	$2,229.14	$2,324.04	$2,387.11	N/A	**$2,465.48**	$2,541.50	$2,612.89	$2,679.37	$2,747.43
[Sum of all general rates and municipal charges / Number of property assessments]									
Rate revenue represents a high proportion of Queenscliffe's revenue and spread across a very small ratepayer base. The movement is primarily due to the annual increase in rates revenue in line with the rate cap.									
Liquidity									
Working capital *Current assets compared to current liabilities*	458.01%	385.16%	213.59%	150.00%	**102.08%**	180.05%	195.63%	190.38%	191.60%
[Current assets / Current liabilities] x100									
At the end of the 2025–26 financial year, current assets decreased as Council invested in term deposits with maturities greater than 12 months to secure favourable interest rates in the prevailing environment.									
Unrestricted cash *Unrestricted cash compared to current liabilities*	69.14%	-1.27%	-57.61%	N/A	**-33.18%**	-40.44%	-46.04%	-36.00%	-12.86%
[Unrestricted cash / Current liabilities] x100									
In 2025–26, Council held $11.7 million in term deposits with original maturities exceeding 90 days, classified as restricted cash for LGPRF reporting purposes (compared with $11.6 million in 2024–25). This strategy was adopted to secure favourable interest rates in the prevailing economic climate.									
Council anticipates converting a portion of these term deposits into operational cash to fund key projects, while continuing to maintain a strong operational cash balance over the next three years.									

FINANCIAL PERFORMANCE INDICATORS

For the Year Ended 30 June 2026

Dimension / ***Indicator*** / *Measure* [Formula]	2023 Actual	2024 Actual	2025 Actual	2026 Target as per budget	2026 Actual	2027 Budget	2028 Forecasts	2029 Forecasts	2030 Forecasts
Obligations									
Loans and borrowings *Loans and borrowings compared to rates* [Interest bearing loans and borrowings / Rate revenue] x100 Council has a debt-free balance sheet.	0.00%	0.00%	0.00%	N/A	**0.00%**	0.00%	0.00%	0.00%	0.00%
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 Council has a debt-free balance sheet.	0.00%	0.00%	0.00%	N/A	**0.00%**	0.00%	0.00%	0.00%	0.00%
Indebtedness *Non-current liabilities compared to own source revenue* [Non-current liabilities / Own source revenue] x100 The increase in non-current liabilities for 2025–26 reflects an increase in the non-current portion of the employee leave provision at year end.	0.89%	1.22%	0.90%	N/A	**1.13%**	0.91%	0.90%	0.91%	0.91%
Asset renewal and upgrade *Asset renewal and upgrade compared to depreciation*	194.79%	66.82%	97.35%	100.00%	**100.29%**	278.96%	108.08%	130.46%	115.40%

The increase is primarily due to increased investment in asset renewal and upgrade capital works during 2025–26 compared with the previous financial year.

FINANCIAL PERFORMANCE INDICATORS

For the Year Ended 30 June 2026

Dimension / ***Indicator*** / *Measure* [Formula]	2023 Actual	2024 Actual	2025 Actual	2026 Target as per budget	2026 Actual	2027 Budget	2028 Forecasts	2029 Forecasts	2030 Forecasts
Operating position									
Adjusted underlying result *Adjusted underlying surplus (or deficit)*	-4.90%	-6.15%	4.31%	N/A	**2.42%**	-1.17%	-0.81%	-1.77%	-0.71%

[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100

The timing of Financial Assistance Grant (FAG) payments can cause year-to-year operating results to appear higher or lower than they actually are. If FAG funding were recognised in the financial year to which it relates, Council's adjusted operating results would have been –4.3% in 2022–23, –2.4% in 2023–24, 2.3% in 2024–25, and 1.1% in 2025–26.

When considering only ongoing income and expenditure, including depreciation, and allocating FAG funding to the appropriate year, Council's underlying result for 2025–26 would have been 6.8%, compared with 3.1% in 2024–25.

Budget and forward forecast results have been prepared on the basis that FAG payments are allocated to the year to which they relate. Forecast reductions in interest income, combined with increasing operating expenses, are projected to result in underlying operating deficits in future years.

Stability									
Rates concentration *Rates compared to adjusted underlying revenue*	65.92%	63.38%	63.63%	65.00%	**64.37%**	67.88%	69.18%	69.16%	69.32%

[Rate revenue / Adjusted underlying revenue] x100

Council has historically sourced approximately 64% of its underlying revenue from rates. As no changes in property base is forecast over the projection period, rates revenue is expected to increase in accordance with the rate cap assumptions. Combined with a projected decline in interest income, this is expected to result in a higher proportion of Council's underlying revenue being sourced from rates.

Rates effort *Rates compared to property values*	0.18%	0.18%	0.18%	N/A	**0.21%**	0.22%	0.23%	0.23%	0.24%

[Rate revenue / Capital improved value of rateable properties in the municipality] x100

A lower proportion of rate revenue to property values generally indicates a lower rate burden on the community. However, the Borough's relatively small number of high-value properties favourably impacts this measure when compared with other municipalities. The increase in the 2025–26 result compared to the previous three financial years is attributable to a decline in property values and annual rate increases applied in accordance with the rate cap framework.

SUSTAINABLE CAPACITY INDICATORS

For the Year Ended 30 June 2026

Indicator / *Measure* [Formula]	**2023 Actual**	**2024 Actual**	**2025 Actual**	**2026 Actual**
Population	$4,009.31	$4,400.56	$4,095.61	**$4,232.80**
Expenses per head of municipal population				
[Total expenses / Municipal population]				
After excluding non-recurring items, the 2025–26 result increased to $3,948 from $3,907 in 2024–25 on a comparable basis. This represents an increase of 1.0%, which is well below the prevailing Consumer Price Index (CPI), indicating that growth in recurring expenditure has remained below the rate of inflation.				
Infrastructure per head of municipal population	$14,144.10	$13,958.93	$14,683.51	**$15,269.49**
[Value of infrastructure / Municipal population]				
This indicator has been affected by the increase in infrastructure asset values arising from indexation. Had the asset revaluation not occurred, the result for 2025–26 would have been $14,624.				
Population density per length of road	77.02	76.26	76.79	**77.14**
Municipal population / Kilometres of local roads]				
43 km of local roads for a population of 3,317. Queenscliffe has a comparatively low population (the smallest in the state) and a comparatively low length of road.				
Own-source revenue	$3,398.34	$3,600.06	$3,710.23	**$3,815.67**
Own-source revenue per head of municipal population				
[Own-source revenue / Municipal population]				
The Borough's own source revenue includes municipal rates, and a comparatively high level of user fees and charges income, particularly with respect to fees from tourist parks.				
Recurrent grants	$353.97	$233.94	$485.46	**$470.17**
Recurrent grants per head of municipal population				
[Recurrent grants / Municipal population]				
The timing of the Financial Assistance Grant has affected this result. After adjusting for timing differences, recurrent grants per head of the municipal population were $412 in 2025–26 and $396 in 2024–25.				
Disadvantage	10.00	10.00	10.00	**10.00**
Relative Socio-Economic Disadvantage				
[Index of Relative Socio-Economic Disadvantage by decile]				
The Council's result improved, increasing from a score of 9 in the 2011 Census to 10 in both the 2016 and 2021 Censuses.				
Workforce turnover	15.1%	20.5%	14.95%	**15.0%**
Percentage of staff turnover				
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100				
The 2025–26 result reflects eight staff resignations and terminations, double the number recorded in 2024–25 (four), resulting in a higher employee turnover rate for the year. The higher turnover rate was also influenced by an increased number of staff retirements during 2025–26.				

NOTES TO THE ACCOUNTS

BASIS OF PREPARATION

Council is required to prepare and include a performance statement within its Annual Report. The performance statement includes the results of the prescribed, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district, an explanation of material variations in the results and notes to the accounts. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g., Australian Bureau of Statistics or the Council's satisfaction survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the Local Government (Planning and Reporting) Regulations 2020. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year, and the results forecast for the period 2026-27 to 2029-30 by the council's 2026-27 budget.

The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.



DEFINITIONS

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the *Food Act 1984* , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the *Food Act 1984*
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*

Key term	Definition
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges
relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
unrestricted cash	means all cash and cash equivalents other than restricted cash

FINANCIAL REPORT



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UNDERSTANDING THE FINANCIAL REPORT

INTRODUCTION

The Financial Statements show how Council performed financially during the 2025–26 financial year and the overall position at the end of the financial year.

Council presents its Financial Report in accordance with the Australian Accounting Standards. Particular terms required by the standards may not be familiar to some readers. The Borough of Queenscliffe is committed to accountability. It is in this context that the following explanations have been developed to assist readers to understand and analyse the Financial Report.

WHAT IS CONTAINED IN THE FINANCIAL REPORT?

Council's Financial Report has two main sections: the Report and the Notes. There are five statements and eight notes. These are prepared by Council staff, examined by the Audit Committee, Council and audited by the Victorian Auditor-General's Office.

The five statements included in the first few pages of the report are the:

1. Comprehensive Income Statement
2. Balance Sheet
3. Statement of Changes in Equity
4. Statement of Cash Flows
5. Statement of Capital Works

The Notes detail Council's accounting policies and the make-up of values contained in the statements.

COMPREHENSIVE INCOME STATEMENT

The Comprehensive Income Statement measures Council's performance over the year.

It lists revenue sources under various income headings, as well as the expenses incurred during the year. The revenue includes grants and contributions associated with the purchase or building of assets. However, the expenses relate only to the 'operations' and do not include the costs associated with the purchase or building of assets. Expenses do include an item for depreciation, which is the value of the assets used up during the year.

The statement is prepared on an 'accrual' basis. This means that all income and costs for the year are recognised even though the income may not yet be received (such as interest on bank deposits) or expenses not yet paid (invoices not yet received for goods and services already used).

If the statement is in a deficit (loss) situation, this means that Council is not creating a sufficient surplus (profit) to replace infrastructure assets at the time when they need to be replaced. Continual deficits may indicate concern about Council's ability to be financially viable in the longer term.

BALANCE SHEET

The balance sheet shows the assets that Council own and what Council owe (liabilities) as of 30 June 2026.

The bottom line of the balance sheet is net assets, which is the net worth Council have built up over many years.

The assets and liabilities are separated into current and non-current. Current means those assets or liabilities that will fall due or will be consumed in the next 12 months.

STATEMENT OF CHANGES IN EQUITY

The statement of changes in equity summarises the change in value of total ratepayer equity. The value of equity can only change as a result of:

- The 'profit and loss' from operations, described in the Comprehensive Income Statement as the surplus/(deficit) for the year
- The use of monies from Council's reserves and transfers to Council's reserves
- The change in the value of non-current assets, resulting from a revaluation of these assets, and
- Any adjustment to opening balance, where applicable.

STATEMENT OF CASH FLOWS

The cash flow statement summarises Council's cash payments and receipts for the year, as well as the level of cash at the end of the financial year.

Cash in this statement refers to bank deposits and investments that can be quickly converted to cash.

Cash arises from, and is used in, three main areas:

- Cash flows from operating activities – summarises all income and expenses relating to operations, including service delivery and maintenance.
- Cash flows from investing activities – relates to capital works payments recorded as assets in the balance sheet, as well as receipts for the sale of assets.
- Cash flows from financing activities – represents repayments of and receipts from loans.

STATEMENT OF CAPITAL WORKS

This statement provides detail of capital expenditure by asset type and distinguishes renewal, upgrade and new capital expenditure.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the accounts enable the reader to understand the basis on which the values shown in the accounts are established. The notes also advise if there has been any change to the accounting standards, policy or legislation that has impacted on how the standards were prepared.

Within the five financial statements, there is a 'note' column to indicate where the reader should go or additional information. This is particularly useful where there has been a significant change from the previous year's comparative figure.

CERTIFICATION BY PRINCIPAL ACCOUNTING OFFICER AND COUNCILLORS

The Financial Statements and the Performance Statement require certification under the Local Government Act 2020. The certifications are made by a combination of the Principal Accounting Officer, the Chief Executive Officer and two councillors, on behalf of the Council, as a written undertaking to the statements being correct and not misleading.

AUDITOR-GENERAL'S REPORT

The Independent Audit Report is the external and independent opinion on the financial statements.

It provides the reader with a totally independent opinion on the financial statements. The opinion covers both the statutory and professional requirements and also the fairness aspects of the financial statements.

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CERTIFICATION OF THE FINANCIAL STATEMENTS

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



Gihan Kohobange CPA
Principal Accounting Officer
Dated : 30 September 2026
Queenscliff

In our opinion, the accompanying financial statements present fairly the financial transactions of the Borough of Queenscliffe for the year ended 30 June 2026 and the financial position of the Council as at that date.

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

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



Donnie Grigau
Mayor
Dated : 30 September 2026
Queenscliff



Isabelle Tolhurst
Councillor
Dated : 30 September 2026
Queenscliff



Jane Grover
Chief Executive Officer
Dated : 30 September 2026
Queenscliff

VAGO REPORT ON THE FINANCIAL REPORT

Independent Auditor's Report

To the Councillors of the Borough of Queenscliffe

Victorian Auditor-General's Office

Opinion	I have audited the financial report of the Borough of Queenscliffe (the council) which comprises the: • balance sheet as at 30 June 2026 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including material accounting policy information • certification of the financial statements. In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2026 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the financial report	The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Level 31 / 35 Collins Street, Melbourne Vic 3000
T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

VAGO REPORT ON THE FINANCIAL REPORT

Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
2 October 2026

Travis Derricott
as delegate for the Auditor-General of Victoria

COMPREHENSIVE INCOME STATEMENT

For the Year Ended 30 June 2026

	Note	2026	2025
		$'000	$'000
Income / Revenue			
Rates and charges	3.1	9,262	8,993
Statutory fees and fines		126	163
User fees	3.2	2,316	2,201
Grants - operating	3.3	1,732	1,881
Grants - capital	3.3	180	376
Contributions - monetary	3.4	-	129
Contributions - non monetary	3.4	181	-
Share of net profits / (loss) of associates and joint ventures		(2)	8
Other income	3.5	954	894
Total income / revenue		**14,749**	**14,645**
Expenses			
Employee costs	4.1	(5,266)	(5,202)
Materials and services	4.2	(6,170)	(6,161)
Depreciation	4.3	(1,499)	(1,282)
Net loss on disposal of property, infrastructure, plant and equipment		(124)	(18)
Allowance for impairment losses		(2)	(2)
Other expenses	4.4	(978)	(859)
Total expenses		**(14,039)**	**(13,524)**
Surplus/(deficit) for the year		**710**	**1,121**
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	6.1	1,010	(3,746)
Total other comprehensive income		**1,010**	**(3,746)**
Total comprehensive result		**1,720**	**(2,625)**

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

BALANCE SHEET As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	5.1	2,373	947
Trade and other receivables	5.1	421	232
Other financial assets	5.1	585	4,051
Inventories		1	2
Prepayments		145	314
Other assets		162	212
Total current assets		**3,687**	**5,758**
Non-current assets			
Other financial assets	5.1	11,081	7,560
Investments in associates, joint arrangements and subsidiaries		187	189
Property, infrastructure, plant and equipment	6.1	169,445	168,225
Total non-current assets		**180,713**	**175,974**
Total assets		**184,400**	**181,732**
Liabilities			
Current liabilities			
Trade and other payables	5.2	719	483
Trust funds and deposits		57	43
Contract and other liabilities	5.2	2,006	1,201
Provisions	5.3	830	970
Total current liabilities		**3,612**	**2,697**
Non-current liabilities			
Provisions	5.3	142	110
Total non-current liabilities		**142**	**110**
Total liabilities		**3,754**	**2,807**
Net assets		**180,646**	**178,925**
Equity			
Accumulated surplus		99,872	98,875
Reserves	9.1	80,774	80,050
Total Equity		**180,646**	**178,925**

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

STATEMENT OF CHANGES IN EQUITY

For the Year Ended 30 June 2026

2026	Note	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
Balance at beginning of the financial year		178,925	98,875	70,652	9,398
Surplus/(deficit) for the year		710	710	-	-
Net asset revaluation gain/(loss)	6.1	1,010	-	1,010	-
Transfers to other reserves	9.1	-	(274)	-	274
Transfers from other reserves	9.1	-	561	-	(561)
		180,646	99,872	71,662	9,112
Balance at end of the financial year		**180,646**	**99,872**	**71,662**	**9,112**

2025	Note	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
Balance at beginning of the financial year		181,551	98,253	74,398	8,900
Surplus/(deficit) for the year		1,121	1,121	-	-
Net asset revaluation gain/(loss)	6.1	(3,746)	-	(3,746)	-
Transfers to other reserves	9.1	-	(1,192)	-	1,192
Transfers from other reserves	9.1	-	694	-	(694)
		178,925	98,875	70,652	9,398
Balance at end of the financial year		**178,925**	**98,875**	**70,652**	**9,398**

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

STATEMENT OF CASH FLOWS For the Year Ended 30 June 2026

	Note	2026 Inflows/ (Outflows) $'000	2025 Inflows/ (Outflows) $'000
Cash flows from operating activities			
Rates and charges		9,179	9,010
Statutory fees and fines		123	157
User fees		2,308	2,265
Grants - operating		1,623	2,022
Grants - capital		1,142	82
Contributions - monetary -		-	129
Interest received		578	594
Trust funds and deposits taken		27	93
Other receipts		383	423
Net GST refund / (payment)		(99)	-
Employee costs		(5,415)	(5,387)
Materials and services		(5,707)	(6,167)
Short-term, low value and variable lease payments		(10)	(11)
Trust funds and deposits repaid		(13)	(76)
Other payments		(950)	(830)
Net cash provided by/(used in) operating activities	9.2	**3,169**	**2,302**
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(1,734)	(1,437)
Proceeds from sale of property, infrastructure, plant and equipment		46	65
Payments for investments		(7,377)	(12,086)
Proceeds from sale of investments		7,322	10,312
Net cash provided by/(used in) investing activities		**(1,743)**	**(3,145)**
Cash flows from financing activities			
Net increase (decrease) in cash and cash equivalents		1,426	(843)
Cash and cash equivalents at the beginning of the financial year		947	1,790
Cash and cash equivalents at the end of the financial year		**2,373**	**947**

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

STATEMENT OF CAPITAL WORKS For the Year Ended 30 June 2026

	2026 $'000	2025 $'000
Property		
Buildings	875	291
Building improvements	1	-
Total buildings	**876**	**291**
Total property	**876**	**291**
Plant and equipment		
Plant, machinery and equipment	82	82
Computers and telecommunications	39	29
Total plant and equipment	**121**	**111**
Infrastructure		
Roads	104	111
Footpaths and cycleways	31	85
Drainage	100	93
Recreational, leisure and community facilities	120	70
Parks, open space and streetscapes	296	364
Other infrastructure	60	162
Other assets	8	60
Total infrastructure	**719**	**945**
Total capital works expenditure	**1,716**	**1,347**
Represented by:		
New asset expenditure	212	99
Asset renewal expenditure	1,448	830
Asset upgrade expenditure	56	418
Total capital works expenditure	**1,716**	**1,347**

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

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 1. OVERVIEW

Introduction

The Borough of Queenscliffe was established by an Order of the Governor in Council on 12th May 1863 and is a body corporate. The Council's main office is located at 50 Learmonth Street, Queenscliff, VIC, 3225.

Statement of compliance

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

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

Accounting policy information

1.1 Basis of accounting

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

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

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

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

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

Actual results may differ from these estimates.

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.3)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- other areas requiring judgements

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

Goods and Services Tax (GST)

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

1.2 Impact of emergencies and natural disasters

There are no known material impacts to report arising from emergencies or natural disasters.

1.3 Impacts of other external events

Council has considered ongoing external events that have contributed to volatility in international markets, disrupted global supply chains and increased inflationary pressure, including the risk that they may cause significant changes in the carrying values of assets and liabilities in the next financial year, and has concluded that there is no material impact on the 2025-26 financial report that requires additional disclosure.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 2. ANALYSIS OF OUR RESULTS

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2020 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or a dollar variance +/- $100,000, where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

2.1.1 Income / Revenue and expenditure	**Budget 2026 $'000**	**Actual 2026 $'000**	**Variance $'000**	**Variance %**	**Ref**
Income / Revenue					
Rates and charges	9,206	9,262	56	1%	**1**
Statutory fees and fines	131	126	(5)	-4%	
User fees	2,180	2,316	136	6%	**2**
Grants - operating	1,349	1,732	383	28%	**3**
Grants - capital	813	180	(633)	-78%	**4**
Contributions - non monetary	-	181	181	100%	**5**
Net gain/(loss) on disposal of property, infrastructure, plant and equipment*	43	(124)	(167)	-389%	**6**
Share of net profits/(losses) of associates and joint ventures	-	(2)	(2)		
Other income	716	954	238	33%	**7**
Total income / revenue	**14,437**	**14,626**	**189**	**1%**	
Expenses					
Employee costs	(5,488)	(5,266)	(222)	4%	**8**
Materials and services	(6,296)	(6,170)	(126)	2%	**9**
Depreciation	(1,300)	(1,499)	199	-15%	**10**
Bad and doubtful debts - Allowance for impairment losses	(3)	(2)	(1)	25%	
Other expenses	(710)	(978)	268	-38%	**11**
Total expenses	**(13,797)**	**(13,916)**	**(119)**	**1%**	
Surplus/(deficit) for the year	**640**	**710**	**70**	**11%**	

* Reclassified under "Expenses" to improve the presentation of the Comprehensive Income Statement.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

(i) Explanation of material variations

1	Rates and charges: The increase is mainly attributable to higher income from supplementary rates and waste management charges.
2	User fees: The favourable variance is mainly due to higher-than-budgeted income from tourist parks ($55,000) and additional user fee revenue from home care services ($47,000), which primarily reflects a budgeting error.
3	Grants - operating: Council received an additional $151,000 in non-recurrent operating grants during the year compared with the budget. The favourable variance of $232,000 in recurrent operating grants is primarily attributable to the timing of the Financial Assistance Grant (FAG) for 2025-26, which contributed $195,000 to the variance. The budget was prepared on the assumption that the full 2025-26 grant allocation would be received during the 2025-26 financial year. However, part of the 2025-26 Financial Assistance Grant was received in 2024-25, while a portion of the 2026-27 grant allocation was received in advance during the 2025-26 financial year. In addition, Council recognised a new recurrent operating grant of $25,000 for CFA vegetation management in 2025-26, which was not included in the original budget.
4	Grants - capital: The variance is primarily due to the timing of the underlying capital projects and the associated recognition of grant income. During the year, grant income was recognised for works undertaken on several projects, including the Point Lonsdale Maritime & Defence Precinct Development ($77,000), Dog Beach Fence and Stairs ($72,000), Queenscliff Community Resilience Battery ($27,000), and Bike Track ($4,000).
5	Contributions - non monetary: During the year, Council assumed ownership of infrastructure assets constructed by the developer of Wordel Court, with a fair value of $170,000. Additionally, the occupant of the Council-owned property at 29 King Street, Queenscliff (QMF Building) contributed/ incurred $11,000 towards the capitalisable value of the major renewal works completed on the building.
6	Net gain/(loss) on disposal of property, infrastructure, plant and equipment: The variance is attributable to the write-off of the carrying value of assets replaced or renewed and sold during the financial year, which was not provided for in the budget.
7	Other income: The favourable variance is primarily attributable to an additional $123,000 in interest income resulting from higher-than-budgeted interest rates, $32,000 in legal fee reimbursements received from Council's insurer, and $62,000 in additional notional income recognised for volunteer contributions. A corresponding amount was recognised as an expense for volunteer contributions, resulting in no net impact on the operating result.
8	Employee costs: Employee costs were $222,000 below budget, driven primarily by lower salaries, wages and associated on-costs. - Salaries, wages and superannuation: $172,000 favourable variance, largely attributable to organisational restructuring, staff resignations creating temporary vacancies,recruitment delays during the year and reduction in the employee leave provision; - WorkCover premiums: $26,000 favourable variance due to lower-than-expected prior year wage reconciliation adjustments and a 5% discount achieved through an early payment arrangement; - Other employee costs: $13,000 favourable variance, mainly resulting from lower travel reimbursement expenses for home care staff; and - Fringe Benefits Tax (FBT): $10,000 favourable variance compared with budget.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

9	Materials and services: Materials and services expenses were $126,000 lower than budget. The favourable variance is mainly attributable to: -$25,000 savings in parks, gardens, vegetation and tree management expenses; -$25,000 savings in town planning appeal costs during the year; -$24,000 savings in insurance premiums, as policy renewals were finalised after the budget was adopted; -$23,000 savings in electricity expenses due to Council securing more favourable energy rates; -$22,000 savings in landfill disposal levy charges; -$19,000 savings in home care and home maintenance expenses; -$17,000 of climate emergency action expenditure deferred to future periods; and -$17,000 savings in powerline safety expenses due to lower vegetation growth during the year. These savings were partially offset by additional ICT and communications expenditure of $49,000. Some of the above variances were incorporated into the quarterly forecasts throughout the year and have been reported in the quarterly financial reports.
10	Depreciation: The increase in depreciation expense is primarily attributable to the revaluation of building assets completed at the end of the 2024-25 financial year. The resulting increase in asset values and compartmentalization of assets for more accurate depreciation calculation led to higher depreciation charges in 2025-26, and this impact was not factored into the original budget.
11	Other expenses: The unfavourable variance is primarily attributable to $138,000 of expenditure originally budgeted as capital works that was subsequently recognised as operating expenditure, as the costs did not meet Council's capitalisation criteria, either because they were below the capitalisation threshold or the projects were no longer proceeding. A further $75,000 relates to a one-off out-of-court settlement. Council was a party to Supreme Court proceedings concerning a dispute over land previously sold by Council. The matter was resolved through an out-of-court settlement, with Council paying the plaintiffs a final settlement amount. In addition, VAGO audit fees were $16,000 higher than budget, and notional expenses increased by $62,000 to recognise the value of volunteer contributions. A corresponding amount was recognised as volunteer contribution income, resulting in no net impact on the operating result. These increases were partially offset by savings and the deferral of expenditure relating to donations, contributions and sponsorships provided to community organisations and community members.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

2.1.2 Capital works	Budget 2026 $'000	Actual 2026 $'000	Variance $'000	Variance %	Ref
Property					
Buildings	1,072	875	(197)	-18.36%	1
Building improvements	58	1	(57)	-98.62%	2
Total buildings	**1,130**	**876**	**(254)**	**-22.48%**	
Total property	**1,130**	**876**	**(254)**	**-22.48%**	
Plant and equipment					
Plant, machinery and equipment	145	82	(63)	-43.59%	
Fixtures, fittings and furniture	15	-	(15)	-100.00%	
Computers and telecommunications	46	39	(7)	-15.00%	
Total plant and equipment	**206**	**121**	**(85)**	**-41.31%**	
Infrastructure					
Roads	136	104	(32)	-23.31%	
Footpaths and cycleways	26	31	5	17.31%	
Drainage	100	100	-	0.10%	
Recreational, leisure and community facilities	244	120	(124)	-50.63%	3
Parks, open space and streetscapes	224	296	72	32.18%	
Off street car parks	5	-	(5)	-100.00%	
Other infrastructure	813	60	(753)	100.00%	4
Other assets	136	8	(128)	-93.80%	5
Total infrastructure	**1,684**	**719**	**(965)**	**-57.27%**	
Total capital works expenditure	**3,020**	**1,716**	**(1,304)**	**-43.17%**	
Represented by:					
New asset expenditure	224	212	(12)	-5.21%	
Asset renewal expenditure	2,222	1,448	(775)	-34.86%	6
Asset upgrade expenditure	574	56	(518)	-90.24%	6
Total capital works expenditure	**3,020**	**1,716**	**(1,304)**	**-43.17%**	

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

(i) Explanation of material variations

Overall

1	Buildings: The decrease in building capital expenditure is primarily due to the timing of works associated with several projects that were budgeted for completion during the year but have been deferred into 2026-27. The value of works carried forward includes: - Toc H Toilet Renewal ($198,000). The construction tender for this project has been finalised. However, commencement of the works has been delayed due to delays in obtaining the necessary permits and regulatory approvals. - Golightly Amenity Renewal, including solar panels ($172,000). The tendered cost for the project significantly exceeded the allocated budget. As a result, Council has revised the project scope and will undertake a scaled-down program of renewal works during the 2026-27 financial year. - Ocean View Kiosk Renewal ($57,000): The project was delayed pending the finalisation of the Expression of Interest (EOI) process to select a new occupant for the kiosk. These decreases were partially offset by $187,000 of expenditure on QMF Building Renewal Works, which was not included in the original budget, and an additional $57,000 of building renewal works associated with the Queenscliff Library building (roof). As a result, the overall variance was lower than would otherwise have occurred.
2	Building improvements: The variance is primarily due to the timing of the Town Hall Audio Visual (AV) Upgrade project, with a significant portion of the works originally budgeted for completion in 2025-26 now scheduled to be undertaken in the future.
3	Recreational, leisure and community facilities: The variance is mainly attributable to the timing of works associated with the Royal Park Oval Irrigation Planning project ($32,000) and the Royal Park Oval Upgrade Scope and Design project ($82,000). These projects progressed more slowly than anticipated, resulting in a portion of the budgeted expenditure being deferred to future financial years.
4	Other infrastructure: The variance is primarily due to the timing of works associated with the Point Lonsdale Maritime & Defence Precinct Development project, which is fully funded by the State Government. As the project progressed more slowly than anticipated during the year due to changes to the project scope, a significant portion of the budgeted expenditure has been deferred to future financial years.
5	Other assets: A total of $136,000 in employee costs for all capital projects was budgeted under “Other Assets” to be capitalised. However, staff effort costs on individual projects amounted to $96,000 for the 2025–26 financial year, and these costs were capitalised under their respective asset categories rather than the full amount being recorded under “Other Assets”.
6	Asset renewal and asset upgrade: Almost all of the projects carried forward relate to asset renewal and upgrade programs. As a result, the variance is predominantly reflected within the Asset Renewal and Asset Upgrade investment categories in the capital expenditure analysis. The timing of these projects has resulted in a significant portion of the budgeted expenditure being deferred to the next financial year.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs:

2.2.1 Theme 1: Living in the Borough: To support community wellbeing and encourage an active lifestyle.

Aged Services

The Aged Services program provides care and assistance to older residents and carers requiring respite so that residents can live independently and remain safe in their homes. The program is focused on maximising the wellbeing, safety and health of frail older people and carers requiring respite. Through the Commonwealth Home Support Programme, support and maintenance services are provided to people living at home, whose capacity for independent living is at risk, or who are at risk of premature or inappropriate admission to long term residential care.

Recreation, Arts, Culture and Community

The Recreation, Arts, Culture and Community program promotes community wellbeing by supporting people and communities to be involved and active in sport, recreation, arts, culture and other community and civic activities. The program area is responsible for building the capacity of local clubs and community organisations and assisting these organisations to develop and implement projects that support social inclusion, access and equity within the Borough.

Community Events

The Community Events program promotes community wellbeing, celebrates the significance of the Borough and stimulates the local economy through conducting events directly or facilitating, supporting and administering a range of recreation, arts and cultural events planned and implemented by community organisations or commercial businesses. Council also plays a key role in promoting and acknowledging the significant roles played by volunteers in local organisations.

Maternal and Child Health

The Maternal and Child Health program (MCH) plays a key role in supporting and monitoring the health and wellbeing of local families and children from birth to school age. MCH is a primary health service which provides a comprehensive and focused approach for the promotion, prevention, early detection, and intervention of the physical, emotional or social factors affecting young children and their families. Council currently contracts the City of Greater Geelong to provide the Maternal and Child Health services in the Borough.

Kindergarten

The Kindergarten program is an important part of the Borough's early years services. Kindergarten assists in supporting the wellbeing of pre-school children and providing a safe learning environment to enable children to gain early life skills and knowledge and assist their smooth transition to primary school. Whilst the Queenscliff Kindergarten is operated as a not for profit organisation, Council manages the Kindergarten building, facilitates access to external grants and supports the Kindergarten Committee of Management as needs arise.

Environmental Health

The Environmental Health program monitors and maintains a safe environment for public health and wellbeing. This program is designed to meet Council's statutory obligations regarding public health notably under the *Food Act 1984* and *Public Health and Wellbeing Act 2008*. Mandatory assessments of food safety, accommodation and beauty treatment premises are completed in accordance with the regulations and risk management frameworks. Tobacco control activities reduce the prevalence of smoking in the community. Nuisance complaint investigations remedy public health and amenity concerns and infectious disease investigations control and reduce the likelihood of notifiable disease. The Environmental Health program area also facilitates mosquito control activity.

Local Laws, Safety and Amenity

The Local Laws, Safety and Amenity program promotes community wellbeing and safety in various settings and through monitoring public behaviour consistent with Council's Local Laws. This is achieved through management of school crossings, the provision of animal management services including animal registration and a dog and cat collection service, enforcement of local laws, issuing of local law permits, management of the boat ramp and enforcement of parking restrictions. This service is also the first Council respondent to out-of-hours emergencies.

Library

The Library program promotes community wellbeing by encouraging active participation and life-long learning opportunities in a safe, inclusive setting. Libraries can be restorative places and often a safe haven for people outside their own home. The public library service is provided in Queenscliff in a Council-owned building, and is operated by the Geelong Regional Library Corporation under a deed of agreement with Council. Council is one of five municipalities that make up the membership of the Corporation.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

Theme 2: Building the Borough: To protect our distinctive coastal, cultural and built environment, and provide sustainable, suitable infrastructure.

Land Use Planning

The Land Use Planning program ensures that the Borough conserves its unique heritage, that the built environment is enhanced by design excellence, and that local amenity is protected against inappropriate land use and development. The program implements Council's Planning Scheme and prepares major policy documents including the Municipal Strategic Statement. It maintains and processes amendments to the Queenscliffe Planning Scheme and carries out research on demographic, economic and social issues affecting Council. The program administers Council's statutory planning responsibilities, including the various processes associated with the assessment of planning permit applications and defence of Council decisions at the Victorian Civil and Administrative Tribunal.

Further, within this service area the heritage conservation advice works aim to retain the unique heritage and rich culture captured in the Borough's built form. It adds value to the Land Use Planning program by providing an external heritage expert to advise development applicants on how to respect and achieve compliance with heritage objectives, and to inform Council's assessment of planning permit applications in relation to heritage conservation.

Building Control

The Building Control program ensures that building construction and maintenance is such that the community remains safe. It provides statutory building services including processing of siting variation consent, emergency management responsibilities, building inspections, building safety audits, and investigation of complaints and illegal works.

Asset Management and Appearance of Public Places

The Asset Management and Appearance of Public Places program ensures the safety, functionality and aesthetics of public places and infrastructure. This program promotes community wellbeing and encourages people to be active in public settings. The program ensures safe and efficient active transport settings, including the development of a network of connected walking and cycling routes, facilitates safe access to and use of community facilities, parks and gardens, sports ovals and local amenities. Responsibilities extend to include maintenance of local roads, kerb and channel, footpaths, shared use trails, drainage and street cleanliness. Council implements an asset renewal and maintenance program for infrastructure including roads, paths, drainage and all Council-owned and managed community buildings. It is also responsible for the maintenance, cleaning and renewal of 14 public toilets.

Further, within this service area design and project management works seek to achieve excellence of design and delivery of projects which enhance the Borough as a special place. Specifically, the program manages project design, tendering and contract management activities as well as the implementation and supervision of Council's annual capital works program. It also manages issues associated with private development activities such as building over easements, legal point of discharge, vehicle point of access and unit development infrastructure.

Powerline Safety

The Powerline Safety program assists in the provision of a safe environment and protection of the Borough's significant public and private assets and vegetation from fire by maintaining clear zones around powerlines to standards as set by legislation.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

Theme 3: Work, play and stay in the Borough: To support a prosperous and diverse local economy.

Tourist Parks

The Tourist Parks program ensures the Borough remains a special place for visitors while increasing tourism's contribution to the local economy. The program includes management of three tourist parks. It currently provides approximately 350 camping/ caravanning sites and associated facilities, including maintenance of seven amenities blocks. While contributing significantly to the local economy, this program generates a net income result, which is used to fund improvements to and maintenance of community facilities, foreshore infrastructure and coastal protection activities on Crown land.

Visitor Information Centre

The Visitor Information Centre program promotes the Borough as a special place for visitors, and supports local tourism and related businesses through the dissemination of tourism information that plays a key role in supporting a diverse and vibrant local economy. This program manages a year round State accredited tourist information service, with paid staff and volunteers offering information and advice about the visitor experiences on offer across the Borough and through other parts of Victoria.

Tourism & Economic Development

The Tourism and Economic Development program seeks to build on the Borough's unique heritage, rich culture and significant natural environment to strengthen the diversity and vibrancy of the local economy. The program is integrated with the activities of state and regional tourism organisations. Marketing and promoting the Borough and its attractions is key to increasing the number of day trippers and overnight visitors. The program's focus is informed by the Council's Economic Development Strategy and includes supporting local businesses and working with neighbouring municipalities, Tourism Greater Geelong & the Bellarine, G21 and the State Government to implement regional economic development and related infrastructure priorities.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

Theme 4: Running the Borough: To provide a financially viable Council that is accountable, transparent and practices good governance.

Council Governance

The Council's Governance program supports the Mayor and Councillors to maintain a cohesive Council and a well-governed municipal Council. The program is structured to meet all legislative requirements associated with the *Local Government Act 2020* and any other applicable Act. It supports Council's compliance with the Councillor Code of Conduct and its key relationships and memberships with organisations such as the MAV and G21. Council's participation in the annual Local Government Community Satisfaction Survey also forms part of this program.

Organisational Performance and Compliance

The Organisational Performance and Compliance program supports the Chief Executive Officer and Executive Management Team to maintain a cohesive, well-managed and highly performing organisation. This includes supporting organisation development and statutory compliance and seeking to ensure that the behaviour of all staff complies with the Staff Code of Conduct. Key outputs of the program are the preparation and/or review of the Council Plan, Strategic Resource Plan and long term budget, Annual Implementation Plan and Council's Annual Budget.

Community Engagement and Customer Service

The Community Engagement and Customer Service program aims to facilitate community involvement in decision-making, and to deliver high quality customer service. It includes practical and strategic advice regarding Council's internal and external communications and issues management, and supports first point of contact to customers at the Council office. The program provides records management services in accordance with Council policy and procedures, administers the requirements of the privacy and freedom of information legislation, coordinates Council and Committee meetings, and provides other associated administrative support.

Financial and Risk Management

The Financial and Risk Management program seeks to ensure the ongoing independence and financial sustainability of the Borough of Queenscliffe. Council ensures sound financial management, and cohesiveness and performance of the organisation's operations, through the maintenance of appropriate systems. The service provides long term financial planning, robust internal risk management, adherence to guidelines on prudent management of debt, cash and asset renewal, and reviews its assets to improve the return on Council's investments. The service predominantly includes management of Council's finances, the raising and collection of revenue, payment of salaries and wages to Council employees, fleet management, management and maintenance of robust computer systems, insurance and risk management systems. The program also includes the revaluation of properties for rating purposes, processing of supplementary rates and the administration of the State Government's Emergency Services Volunteer Fund levy.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

Theme 5: Caring for the Borough: To protect our environment and address climate change issues.

Environmental Sustainability

The Environmental Sustainability program sees the Borough playing its part in protecting the natural environment for future generations. This includes Council measuring, monitoring and reducing its carbon emissions as well as assisting the local community to implement various initiatives designed to reduce greenhouse gases through the Community Environment Alliance. Council plays a key role in responding to the challenges of climate change and sea level rise and where possible working with various Federal, State, regional and local organisations to inform and educate the community about practices that support environmental sustainability.

Coastal Protection

The Coastal Protection program seeks to preserve and enhance the Borough's globally significant, highly-valued coast as an iconic environmental asset for current and future generations. Under this program, Council implements State Government coastal management policy, manages environmental projects and works with State, regional and local services to enhance its management of coastal Crown Land. The program involves weed reduction initiatives and annual planting of trees, shrubs and grasses.

Waste Management and Recycling

The Waste Management and Recycling program seeks to involve the local community in protecting the environment for future generations by minimising waste. Council works with local and regional organisations, including neighbouring councils and Sustainability Victoria to increase community awareness and promote behaviours that reduce waste and promote recycling. The program includes a recycling service, Food Organic and Garden Organic (FOGO) service, household rubbish service and hard rubbish collection service for all residential and tourist accommodation properties. A range of public waste services are also provided given the comparatively high level of tourist visitation. It is important to note that full cost recovery of waste management, including recycling, is achieved via application of waste charges to ratepayers in accordance with Council's Rating and Revenue Plan.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

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

2026	Income / Revenue $'000	Expenses $'000	Surplus/ (Deficit) $'000	Grants included in income / revenue $'000	Total assets $'000
Living in the Borough					
Aged Services	593	677	(84)	402	-
Recreation, Arts, Culture and Community	36	404	(368)	33	32,160
Maternal and Child Health	81	96	(15)	81	-
Environmental Health	57	162	(105)	17	-
Local Laws, Safety and Amenity	91	413	(322)	32	16
Library	-	258	(258)	-	1
Sub total	**858**	**2,010**	**(1,152)**	**565**	**32,178**
Building the Borough					
Land Use Planning	85	427	(342)	-	-
Building Control	50	196	(147)	-	-
Asset Management and Appearance of Public Places	399	3,521	(3,122)	193	73,618
Powerline Safety	-	60	(60)	-	-
Sub total	**534**	**4,204**	**(3,669)**	**193**	**73,618**
Work, play and stay in the Borough					
Tourist Parks	1,953	800	1,153	-	19,748
Visitor Information Centre	18	236	(218)	-	2
Tourism & Economic Development	-	170	(170)	-	2,010
Sub total	**1,971**	**1,207**	**764**	**-**	**21,760**
Running the Borough					
Council Governance	6	411	(405)	-	658
Organisational Performance and Compliance	698	1,031	(333)	666	244
Community Engagement and Customer Service	3	651	(648)	-	-
Financial and Risk Management	8,614	1,807	6,807	130	-
Sub total	**9,321**	**3,899**	**5,421**	**796**	**902**
Caring for the Borough					
Environmental Sustainability	21	159	(138)	-	-
Coastal Protection	361	932	(571)	168	285
Waste management and Recycling	1,504	1,491	13	10	56
Sub total	**1,885**	**2,582**	**(697)**	**179**	**341**
Total - Strategic Objectives	**14,569**	**13,901**	**668**	**1,732**	**128,799**
Other Non-attributable					
Expenditure not meeting capitalisation criteria / threshold	-	138	(138)	-	-
Capital Grants and Contributions	180	-	180	180	-
Land Under Roads	-	-	-	-	23,060
Other Property & Buildings	-	-	-	-	32,542
	14,749	**14,039**	**710**	**1,913**	**184,400**

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

2025	Income / Revenue $'000	Expenses $'000	Surplus/ (Deficit) $'000	Grants included in income / revenue $'000	Total assets $'000
Living in the Borough					
Aged Services	566	698	(132)	413	-
Recreation, Arts, Culture and Community	35	305	(270)	28	31,629
Maternal and Child Health	140	86	54	140	-
Environmental Health	49	164	(115)	13	-
Local Laws, Safety and Amenity	90	385	(295)	31	16
Library	-	238	(238)	-	1
Sub total	**879**	**1,875**	**(996)**	**625**	**31,646**
Building the Borough					
Land Use Planning	173	494	(321)	50	-
Building Control	45	268	(224)	-	-
Asset Management and Appearance of Public Places	304	3,220	(2,916)	208	72,401
Powerline Safety	-	54	(54)	-	-
Sub total	**522**	**4,037**	**(3,515)**	**258**	**72,401**
Work, play and stay in the Borough					
Tourist Parks	1,882	793	1,089	-	19,422
Visitor Information Centre	19	259	(239)	-	2
Tourism & Economic Development	-	118	(118)	-	1,976
Sub total	**1,901**	**1,169**	**732**	**-**	**21,400**
Running the Borough					
Council Governance	4	593	(589)	-	648
Organisational Performance and Compliance	739	1,322	(584)	746	240
Community Engagement and Customer Service	1	623	(622)	-	-
Financial and Risk Management	8,286	1,321	6,965	44	-
Sub total	**9,029**	**3,859**	**5,170**	**790**	**887**
Caring for the Borough					
Environmental Sustainability	28	194	(166)	0	-
Coastal Protection	349	852	(503)	160	280
Waste management and Recycling	1542	1447	95	47	55
Sub total	**1,919**	**2,493**	**(574)**	**208**	**335**
Total - Strategic Objectives	**14,251**	**13,434**	**817**	**1,881**	**126,669**
Other Non-attributable					
Expenditure not meeting capitalisation criteria / threshold	-	72	(72)	-	-
Adjustment to reclassify asset disposals from income to expenditure	18	18	-	-	-
Capital Grants and Contributions	376	-	376	376	-
Land Under Roads	-	-	-	-	23,060
Other Property & Buildings	-	-	-	-	32,004
	14,645	**13,524**	**1,121**	**2,257**	**181,732**

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 3. FUNDING FOR THE DELIVERY OF OUR SERVICES

	2026 $'000	2025 $'000
3.1 Rates and charges		
Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all its improvements.		
The valuation base used to calculate general rates for 2025/26 was $4,540 million (2024/25 was $4,867 million).		
General rates		
Residential	7,305	7,002
Residential vacant land	144	150
Commercial	275	311
Total general rates	**7,723**	**7,464**
Waste management charges		
Standard kerbside waste	861	1,057
Public waste	639	445
Additional bins	31	29
Total waste management charges	**1,531**	**1,531**
Other rates and charges		
Interest on rates and charges	16	15
Cultural and recreational charges - in lieu of rates	4	3
Supplementary rates and charges	42	21
Less: additional pensioner concession offered by Council	(50)	(38)
Less: rebate for properties of environmental interest	(4)	(3)
Total other rates and charges	**8**	**(2)**
Total rates and charges	**9,262**	**8,993**

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2025 and the valuation was first applied in the rating year commencing 1 July 2025.

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

3.2 User fees		
Tourist park fees	1,953	1,882
Aged Services	190	153
Registration and other permits	65	60
Building services	50	44
Other fees and charges (<$10,000 each)	58	61
Total user fees	**2,316**	**2,201**
User fees by timing of revenue recognition		
User fees recognised over time	2,251	2,141
User fees recognised at a point in time	65	60
Total user fees	**2,316**	**2,201**

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

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

	2026 $'000	2025 $'000
3.3 Funding from other levels of government		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	1,180	1,482
State funded grants	695	757
Other grants	39	18
Total grants received	**1,913**	**2,257**
(a) Operating Grants		
Recurrent - Commonwealth Government		
Aged Services	393	407
Financial Assistance Grants	784	857
Recurrent - State Government		
Maternal and child health	81	76
Service System Resourcing	6	6
Fire Services Property Levy administration	46	44
School crossing supervision	32	31
Beach cleaning	10	13
Better Boating Program	129	127
Municipal Maintenance	10	-
Other (<$10,000 each)	30	28
Recurrent - Other		
Tobacco Activity Program	9	13
16 Days of Activism against Gender Based Violence	2	2
Senior Citizens Week	3	-
CFA Vegetation Management	25	-
Total recurrent operating grants	**1,560**	**1,603**
Non-recurrent - Commonwealth Government		
Aged Services	3	-
Non-recurrent - State Government		
Waste management and recycling	-	8
Coastal protection	34	-
New Corporate System	-	14
Environmental Sustainability	-	26
Mosquito Surveillance	8	-
Emergency services and volunteers fund transition from FSPL	50	-
Asbestos Removal Works	64	27
Summer By The Sea Activities	3	-
Integrated water management plan	-	50
Beach Marker condition assessment report	-	20
Vegetation Study - Coastal and Marine Management Plan	-	50
Education protection of Coastal Moonah Woodlands	11	14
Maternal Child Health Service Delivery Support	-	64
Local Roads	-	5
Total non-recurrent operating grants	**173**	**278**
Total operating grants	**1,732**	**1,881**
(b) Capital Grants		
Non-recurrent - Commonwealth Government		
Roads	-	54
Other Infrastructure	-	160
Non-recurrent - State Government		
Parks, open space and streetscapes	77	145
Footpaths & Cycleways	4	-
Queenscliff Community Resilience Battery	27	-
Fencing	20	17
Dog Beach Stairs	52	-
Total non-recurrent capital grants	**180**	**376**
Total capital grants	**180**	**376**

(c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:
- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

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

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

The following table provides a summary of unspent grants.

	2026	2025
	$'000	$'000
Income recognised under AASB 1058 *Income of Not-for-Profit Entities*		
General purpose	794	857
Specific purpose grants to acquire non-financial assets	180	376
Other specific purpose grants	271	297
Revenue recognised under AASB 15 *Revenue from Contracts with Customers*		
Specific purpose grants	668	727
	1,913	**2,257**

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

Operating		
Balance at start of year	**175**	**275**
Received during the financial year and remained unspent at balance date	-	11
Received in prior years and spent during the financial year	(109)	(111)
Balance at year end	**66**	**175**
Capital		
Balance at start of year	640	**909**
Received during the financial year and remained unspent at balance date	1,069	52
Received in prior years and spent during the financial year	(149)	(321)
Balance at year end	**1,559**	**640**

Unspent grants are determined and disclosed on a cash basis.

	2026 $'000	2025 $'000
3.4 Contributions		
Monetary	-	129
Non-monetary	181	-
Total contributions	**181**	**129**
Contributions of non monetary assets were received in relation to the following asset classes.		
Buildings	11	-
Infrastructure	170	-
Total non-monetary contributions	**181**	**-**

Monetary and non-monetary contributions are recognised as income at their fair value when Council obtains control of the contributed asset. During the year, Council recognised $181,000 in contributed assets and works, comprising $170,000 in infrastructure assets transferred from the Wordel Court developer and an $11,000 contribution towards capital renewal works at the QMF Building, 29 King Street, Queenscliff.

3.5 Other income		
Interest	573	573
Other rent - lease of Crown Land properties	153	150
Other rent - lease of Council properties	40	39
Reimbursements	37	-
Contribution from volunteers	137	121
Other	15	10
Total other income	**954**	**894**

Interest is recognised as it is earned.

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

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 4. THE COST OF DELIVERING SERVICES

	2026	2025
	$'000	$'000
4.1 (a) Employee costs		
Wages and salaries	4,512	4,460
Superannuation	511	496
Overtime	26	29
WorkCover	87	89
Fringe benefits tax	20	16
Other	111	114
Total employee costs	**5,266**	**5,202**

(b) Superannuation

Council made contributions to the following funds:

Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	215	234
Employer contributions - other funds	325	265
	540	**499**
Employer contributions payable at reporting date.	-	-

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

Contract Payments	1,981	1,861
Waste Management*	1,393	1,358
Building Maintenance	290	212
General Maintenance	579	554
Utilities	291	324
Office Administration	176	189
Information Technology	406	353
Insurance	348	351
Consultants	486	747
Fleet Operations	41	48
Other Materials and Services	179	166
Total materials and services	**6,170**	**6,161**

*Waste Management includes Contract Payments amounting to $880,605 (2024/25 was $853,000).

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

	2026	2025
	$'000	$'000
4.3 Depreciation		
Property	522	305
Plant and equipment	139	144
Infrastructure	838	833
Total depreciation	**1,499**	**1,282**

Refer to note 6.1 for a more detailed breakdown of depreciation charges and accounting policy.

4.4 Other expenses

Councillors' allowances	210	202
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	63	63
Auditors' remuneration - Internal	30	29
Auditors' remuneration - Other	13	29
Audit and risk committee sitting fees	10	11
Operating lease rentals	10	11
Peppercorn or concessional lease rentals	-	1
Contributions and Donations	183	117
Collection and bank fees	62	58
Expenditure not meeting capitalisation criteria / threshold	138	72
Cost of volunteers	137	121
Local Government election expenses	3	85
Councillors training and induction expenses	6	32
Others	113	28
Total other expenses	**978**	**859**

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 5. INVESTING IN AND FINANCING OUR OPERATIONS

	2026	2025
	$'000	$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	1	1
Cash at bank	115	99
Term deposits	2,257	847
Total cash and cash equivalents	**2,373**	**947**
(b) Other financial assets		
Current		
Term deposits	585	4,051
Total current other financial assets	**585**	**4,051**
Non-current		
Term deposits	11,081	7,560
Total non-current other financial assets	**11,081**	**7,560**
Total other financial assets	**11,667**	**11,611**
Total cash and cash equivalents and other financial assets	**14,040**	**12,558**

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

	2026 $'000	2025 $'000
(c) Trade and other receivables		
Current		
Statutory receivables		
Rates debtors	217	138
Infringement debtors	6	5
Allowance for expected credit loss - infringements	(1)	(2)
Net GST receivable	99	-
Non statutory receivables		
Other debtors	103	92
Allowance for expected credit loss - other debtors	(3)	-
Total current trade and other receivables	**421**	**232**

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

(d) Ageing of Receivables

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

Current (not yet due)	41	50
Past due by up to 30 days	5	7
Past due between 31 and 180 days	16	29
Past due between 181 and 365 days	33	6
Past due by more than 1 year	7	-
Total trade and other receivables	**103**	**92**

	2026	2025
	$'000	$'000
5.2 Payables, trust funds and deposits and contract and other liabilities		
(a) Trade and other payables		
Current		
Non-statutory payables		
Trade payables	470	53
Accrued wages	39	20
Accrued expenses	210	350
Statutory payables		
PAYG payable	-	36
Superannuation payable	-	23
Total current trade and other payables	**719**	**483**
(b) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance - operating	66	175
Other	382	387
Total contract liabilities	**447**	**561**
Other liabilities		
Current		
Deferred capital grants	1,559	640
Total other liabilities	**1,559**	**640**
Total contract and other liabilities	**2,006**	**1,201**

Contract liabilities
Contract liabilities reflect consideration received in advance from customers mainly in respect of grant-capital and user fees. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

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

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

	2026	2025
	$'000	$'000
5.3 Provisions		
(a) Employee provisions		
Balance at beginning of the financial year	1,080	1,145
Additional provisions	413	249
Amounts used	(491)	(317)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(29)	3
Balance at the end of the financial year	**972**	**1,080**
Provisions - current	830	970
Provisions - non-current	142	110
Balance at the end of the financial year	**972**	**1,080**
(b) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	114	113
Long service leave	18	15
Accrued days off	23	21
	156	**148**
Current provisions expected to be wholly settled after 12 months		
Annual leave	193	260
Long service leave	482	561
	675	**821**
Total current employee provisions	**830**	**970**
Non-current		
Long service leave	142	110
Total non-current employee provisions	**142**	**110**
Aggregate carrying amount of employee provisions:		
Current	830	970
Non-current	142	110
Total aggregate carrying amount of employee provisions	**972**	**1,080**

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

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:
- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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

Long service leave

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

Key assumptions:	2026	2025
- discount rate	4.736% - 4.973%	4.203% - 4.397%
- wage inflation rate	4.150%	4.250%

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

5.4 Commitments

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

(a) Commitments for expenditure

2026	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Operating	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Roads, Parks & Reserves Maintenance Services	1,424	1,463	4,612	4,967	**12,465**
Kerbside Collection Services	708	728	2,293	1,022	**4,751**
Provision of Amenities & BBQ Cleaning Services	25	-	-	-	**25**
Software as a Service (Annual License and Support)	4	4	-	-	**7**
Provision Of Building Cleaning Services	15	-	-	-	**15**
Internal Audit Services	35	10	-	-	**44**
Environmental Education & Supervision	48	49	-	-	**98**
Municipal Building Surveyor & Building Inspector	166	171	209	-	**545**
Provision of ICT Managed Service	103	105	-	-	**208**
Review Of Heritage Places In Hesse Street	30	-	-	-	**30**
Total	**2,557**	**2,529**	**7,114**	**5,988**	**18,188**
Capital					
Supply & Install 2 Caravan Park Cabins	298	-	-	-	**298**
Supply & Install HVAC System for Borough of Queenscliffe Office	243	-	-	-	**243**
Total	**540**	**-**	**-**	**-**	**540**
Total commitments for expenditure	**3,097**	**2,529**	**7,114**	**5,988**	**18,729**

2025	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Operating	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Roads, Parks & Reserves Maintenance Services	1,364	1,405	4,428	6,438	**13,634**
Kerbside Collection Services	664	684	2,157	1,727	**5,232**
Provision of Amenities & BBQ Cleaning Services	126	25	-	-	**151**
Software as a Service (annual license and support)	63	4	4	-	**70**
Provision of Building Cleaning Services	73	15	-	-	**88**
Internal Audit Services	7	-	-	-	**7**
Shortland's Bluff Weeding and land management services	10	-	-	-	**10**
E-tendering Portal	2	-	-	-	**2**
Environmental Education & Supervision	46	48	49	-	**143**
Municipal Building Surveyor & Building Inspector	160	165	375	-	**700**
Provision of ICT Managed Service	99	102	104	-	**305**
Total	**2,616**	**2,446**	**7,116**	**8,165**	**20,343**
Capital					
Ripview beach stair access refurbishment	124	-	-	-	**124**
Total	**124**	**-**	**-**	**-**	**124**
Total commitments for expenditure	**2,739**	**2,446**	**7,116**	**8,165**	**20,467**

(b) Operating lease receivables

Operating lease receivables

The Council has entered into commercial and community property leases, which include surplus freehold and managed (committee of management) properties. These properties, held under operating leases, have remaining non-cancellable lease terms ranging from 1 to 17 years. All leases are subject to annual rental charge adjustments based on the Consumer Price Index (CPI).

Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	2026	2025
	$'000	$'000
Not later than one year	195	196
Later than one year and not later than five years	445	502
Later than five years	475	632
	1,115	**1,330**

5.5 Leases

Except for the below listed leases, Council does not have any other material lease liability. Under AASB 16 Leases, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

•Lease signed with VicTrack commencing 1 Sept 2023 (Lots 57,59,60 and access to lot 56). Term 10 years, expiring 2033. Annual lease rental $1,200 plus GST with 4% increase each year. Current rent to 1 Sept 2026 is $1,297.92 plus GST
•Lease signed 1 Oct 2023 VicTrack (Lot 62 and access to Lot 56). For 10 years. Expiring 2033. Annual lease rental $800 plus GST with 4% increase each year. Current rent to 1 Oct 2026 is $865.28 plus GST.
•Lease signed with Geelong Cemeteries Trust 1 Sep 2015. Annual lease rental is $104 plus GST. For 50 years expiring 2065. Current lease to Sept 2026 is $139.79 plus GST

Council is generating minor income from the use of the Community Hall on lot 62 and none from the other above properties (land).

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 6. ASSETS WE MANAGE

6.1 Property, Infrastructure, Plant And Equipment

Summary of property, infrastructure, plant and equipment	Carrying amount 30 June 2025	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	Carrying amount 30 June 2026
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property	143,614	451	11	(1,131)	(522)	(117)	-	63	**142,369**
Plant and equipment	465	121	-	-	(139)	(38)	-	-	**408**
Infrastructure	23,580	579	170	2,141	(838)	(16)	-	80	**25,697**
Work in progress	566	565	-	-	-	-	(16)	(143)	**971**
Total	**168,225**	**1,716**	**181**	**1,010**	**(1,499)**	**(171)**	**(16)**	**-**	**169,445**

Summary of Work in Progress	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	$'000	$'000	$'000	$'000	$'000
Property	105	425	-	(63)	**466**
Plant and equipment	-	-	-	-	**-**
Infrastructure	461	140	(16)	(80)	**505**
Total	**565**	**565**	**(16)**	**(143)**	**971**

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

(a) Property	Land - specialised	Land - non specialised	Total Land & Land Improvements	Heritage buildings	Buildings - specialised	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At fair value 1 July 2025	93,805	26,122	**119,927**	4,319	25,287	3,256	**32,863**	105	**152,895**
Accumulated depreciation at 1 July 2025	-	-	**-**	(1,566)	(6,495)	(1,115)	**(9,176)**	-	**(9,176)**
	93,805	**26,122**	**119,927**	**2,754**	**18,792**	**2,141**	**23,687**	**105**	**143,719**
Movements in fair value									
Additions	-	-	**-**	-	265	187	**451**	425	**876**
Contributions	-	-	**-**	-	-	11	**11**	-	**11**
Revaluation	(2,377)	1,246	**(1,131)**	-	-	-	**-**	-	**(1,131)**
Disposal	-	-	**-**	-	(224)	(182)	**(406)**	-	**(406)**
Transfers	-	-	**-**	-	-	63	**63**	(63)	**-**
	(2,377)	**1,246**	**(1,131)**	**-**	**40**	**79**	**120**	**362**	**(650)**
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	**-**	(67)	(396)	(60)	**(522)**	-	**(522)**
Accumulated depreciation of disposals	-	-	**-**	-	155	134	**289**	-	**289**
	-	**-**	**-**	**(67)**	**(241)**	**74**	**(234)**	**-**	**(234)**
At fair value 30 June 2026	91,428	27,368	**118,796**	4,319	25,327	3,336	**32,983**	466	**152,245**
Accumulated depreciation at 30 June 2026	-	-	**-**	(1,632)	(6,736)	(1,041)	**(9,409)**	-	**(9,409)**
Carrying amount	**91,428**	**27,368**	**118,796**	**2,687**	**18,591**	**2,295**	**23,573**	**466**	**142,836**

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

(b) Plant and Equipment	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Work In Progress	Total plant and equipment
	$'000	$'000	$'000	$'000	$'000
At cost 1 July 2025	565	470	816	-	**1,850**
Accumulated depreciation at 1 July 2025	(311)	(373)	(701)	-	**(1,385)**
	254	**97**	**114**	**-**	**465**
Movements in carrying value					
Additions	81	-	39	-	**121**
Disposal	(109)	-	-	-	**(109)**
	(28)	**-**	**39**	**-**	**11**
Movements in accumulated depreciation					
Depreciation and amortisation	(66)	(18)	(56)	-	**(139)**
Accumulated depreciation of disposals	72	-	-	-	**72**
	6	**(18)**	**(56)**	**-**	**(68)**
At cost 30 June 2026	537	470	855	-	**1,861**
Accumulated depreciation at 30 June 2026	(305)	(391)	(757)	-	**(1,453)**
Carrying amount	**232**	**79**	**98**	**-**	**408**

Plant and equipment are carried at historical cost.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

(c) Infrastructure	Roads	Footpaths and cycleways	Drainage	Recreational, leisure and community facilities	Waste Management	Parks open space and streetscapes	Off street car parks	Other Infrastructure	Work In Progress	Total Infrastructure
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
At fair value / cost 1 July 2025	19,340	2,797	6,892	4,491	221	2,272	1,094	3,802	461	**41,370**
Accumulated depreciation at 1 July 2025	(8,166)	(1,313)	(3,442)	(2,158)	(220)	(1,260)	(242)	(528)	-	**(17,329)**
	11,174	**1,484**	**3,450**	**2,333**	**1**	**1,012**	**852**	**3,274**	**461**	**24,041**
Movements in fair value										
Additions	105	31	100	206	-	(17)	-	155	140	**720**
Contributions	86	15	69	-	-	-	-	-	-	**170**
Revaluation movement	4,061	-	-	-	-	-	-	-	-	**4,061**
Disposal	-	-	-	(59)	-	-	-	(34)	-	**(93)**
Write-off	-	-	-	-	-	-	-	-	(16)	**(16)**
Transfers	-	-	-	62	-	17	-	-	(80)	**-**
	4,251	**46**	**169**	**210**	**-**	**-**	**-**	**121**	**44**	**4,841**
Movements in accumulated depreciation										
Depreciation and amortisation	(259)	(48)	(70)	(178)	(1)	(148)	(17)	(116)	-	**(838)**
Accumulated depreciation of disposals	-	-	-	54	-	-	-	22	-	**77**
Revaluation movement	(1,919)	-	-	-	-	-	-	-	-	**(1,919)**
	(2,178)	**(48)**	**(70)**	**(124)**	**(1)**	**(148)**	**(17)**	**(94)**	**-**	**(2,680)**
At fair value / cost 30 June 2026	23,591	2,842	7,061	4,701	221	2,272	1,094	3,924	505	**46,211**
Accumulated depreciation at 30 June 2026	(10,344)	(1,361)	(3,512)	(2,282)	(221)	(1,408)	(259)	(622)	-	**(20,009)**
Carrying amount	**13,247**	**1,482**	**3,549**	**2,419**	**-**	**864**	**835**	**3,302**	**505**	**26,202**

Assets classified under recreational, leisure and community facilities, parks and open space, streetscapes, and other infrastructure categories are carried at historical cost.

Acquisition

Initial measurement

Council initially measures its property, infrastructure, plant and equipment assets at cost. The cost of an acquired asset is the fair value of the consideration that Council has provided at the date of acquisition plus any incidental costs attributable to the acquisition.

Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer to Note 8.4 for more information on how Council measures fair value.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

	Depreciation Period	Threshold Limit
Asset recognition thresholds and depreciation periods		$'000
Land & land improvements		
Land	-	10
Land under roads	-	10
Land improvements	-	10
Buildings		
Buildings	25 - 200 years	10
Plant and Equipment		
Plant, machinery and equipment	2 - 10 years	2
Fixtures, fittings and furniture	3 - 10 years	2
Computers and telecommunications	3 - 10 years	2
Infrastructure		
Roads	12 - 80 years	10
Footpaths and cycleways	20 - 50 years	10
Drainage	15 - 100 years	10
Recreation, leisure and community facilities	10 - 100 years	5
Waste management	5 - 15 years	5
Parks, open space and streetscapes	5 - 25 years	5
Off-street car parks	12 - 80 years	10
Other infrastructure	5 - 100 years	5

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

A full valuation of Crown land and land under roads assets was undertaken during the 2025–26 financial year by an independent qualified valuer, Opteon Property Group (Victoria) ("Opteon"), Valuer Registration No. 63379. The valuation of freehold land was performed internally using site valuations certified by the Valuer-General Victoria (VGV) for rating purposes. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement. Where land use is not restricted, highest and best use is assumed to be current use, except where the land is held for sale, or highly likely to be used for an alternative purpose within 12 months of the reporting date.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

A full valuation of building assets was undertaken during the 2024–25 financial year by an independent valuer. Knowledge Asset Management Services completed a comprehensive condition assessment of all Council-owned buildings, while Modelve performed the valuation of building assets and contributed to the development of Council's Building Asset Management Plan. This valuation was carried out in accordance with the prescribed requirements, including the relevant Australian Accounting Standards, with specific consideration of the revised requirements under AASB 13 Fair Value Measurement.

Council assessed the fair value of its building assets as at 30 June 2026 using unit rates from the Rawlinson Construction Handbook. This assessment identified a variance of $1.891 million between the carrying value and the indexed fair value. As the variance was not considered material, no revaluation adjustment has been recognised.

Details of Council's land and buildings, together with information regarding the fair value hierarchy applied at the date of valuation, are presented below.

	Level 1	Level 2	Level 3	Date of Current Valuation	Type of Valuation	Date of Last / Next Full Valuation
Freehold Land	-	27,368	-	Jun-26	Full	Jun 26 / Jun 30
Crown Land (specialised land)	-	-	72,922	Jun-26	Full	Jun 26 / Jun 30
Land under roads (specialised land)	-	-	18,506	Jun-26	Full	Jun 26 / Jun 30
Buildings*	-	-	2,141	Jun-25	Full	Jun 25 / Jun 28
Buildings Specialised	-	-	21,546	Jun-25	Full	Jun 25 / Jun 28
Total	**-**	**27,368**	**115,116**			

*As there are no comparable market prices within the municipality for the identified non-specialised buildings, level 3 inputs have been applied in the valuation.

Valuation of infrastructure

Valuation of road network infrastructure assets (roads including kerb and channel, footpaths and cycleways) and off street car parks was conducted by Council's engineer, Mr. Stuart Hansen, using the condition assessment work of Mr Peter Moloney, Dip C.E.C.E.MIE Aust, in 2022-23 financial year. The valuation was at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

An indexation assessment of unit rates was undertaken as at the balance sheet date using the Victorian Producer Price Index (PPI) for road construction to determine whether significant changes in the carrying amounts of road assets had occurred due to movements in market conditions. Based on the results of this assessment, a revaluation adjustment of $2.141 million was recognised for roads, including kerb and channel assets, as the impact was considered material.

The valuation of drainage assets was conducted by Council's engineer, Mr. Stuart Hansen in the 2023-24 financial year. The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

An indexation exercise of the unit cost was conducted as of the balance sheet date based on the Rawlinsons' Construction Cost Index to evaluate any significant changes in carrying amounts of drainage assets on the balance sheet due to shifts in market conditions. However, no adjustments were required based on this exercise.

Details of Council's infrastructure assets and information relating to the fair value hierarchy at the date of valuation are outlined below:

	Level 1	Level 2	Level 3	Date of Current Valuation	Type of Valuation	Date of Last Next Full Valuation
Roads	-	-	13,247	Jun-26	Indexed	Jun 23 / Jun 27
Footpaths and cycleways	-	-	1,438	Jun-23	Full	Jun 23 / Jun 27
Drainage	-	-	3,427	Jun-24	Full	Jun 24 / Jun 28
Off street car parks	-	-	870	Jun-23	Full	Jun 23 / Jun 27
Total	**-**	**-**	**18,982**			

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 10% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between $85 and $2,900 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from $655 to $5,655 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 140 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 5 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2026	2025
Reconciliation of specialised land	**$'000**	**$'000**
Crown Land	72,922	71,652
Land under roads	18,506	22,138
Total specialised land	**91,428**	**93,790**

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 7. PEOPLE AND RELATIONSHIPS

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Borough of Queenscliffe is the parent entity.

Subsidiaries and Associates

Geelong Regional Library Corporation (Council's share of the net assets, 1.30%)

(b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of the Borough of Queenscliffe. The Councillors, Chief Executive Officer and Managers are deemed KMP.

Details of KMP at any time during the year are:

		2026	2025
		No.	No.
Councillors	Councillor Donnie Grigau (current Mayor from 26 November 2025)	1	1
	Councillor Di Rule - from 13 November 2024 (current deputy Mayor from 26 November 2025)	1	1
	Councillor Isabelle Tolhurst	1	1
	Councillor Brendan Monahan - from 13 November 2024	1	1
	Councillor Helene Cameron - from 13 November 2024	1	1
	Councillor Ross Ebbels - to 26 October 2024	-	1
	Councillor Michael Grout - to 26 October 2024	-	1
	Councillor Rob Minty - to 26 October 2024	-	1
Officers	Chief Executive Officer, Martin Gill - to 28 Nov 2025	1	1
	Acting Chief Executive Officer, Michael Tudball - from 1 December 2025 to 13 March 2026	1	-
	Chief Executive Officer, Jane Grover - from 16 March 2026	1	-
	Manager Community & Regulatory Services, Tim Crawford	1	1
	Manager, Finance and ICT Services, Gihan Kohobange	1	1
	Manager, Infrastructure and Environment, Stuart Hansen	1	1
	Manager, Customer Experience, Abbey Tatterson	1	1
Total Number of Councillors		**5**	**8**
Total of Chief Executive Officer and other Key Management Personnel		**7**	**5**
Total Number of Key Management Personnel		**12**	**13**

(c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages.

	2026	2025
	$'000	$'000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	1,156	1,082
Other long-term employee benefits	16	32
Post-employment benefits	105	100
Termination benefits	60	-
Total	**1,336**	**1,213**

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:	2026	2025
	No.	No.
$0 - $9,999	-	1
$10,000 - $19,999	-	2
$20,000 - $29,999	2	4
$30,000 - $39,999	1	-
$50,000 - $59,999	1	1
$60,000 - $69,999	1	-
$70,000 - $79,999	1	-
$90,000 - $99,999	1	-
$150,000 - $159,999	-	1
$180,000 - $189,999	3	1
$190,000 - $199,999	2	2
$280,000 - $289,999	-	1
Total	**12**	**13**

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

	2026	2025
	$'000	$'000

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

Geelong Regional Library Corporation - contribution to cover ongoing expenses	244	237
Mechtrol Pty Ltd - mechanical systems maintenance for Council buildings	29	11
Tourism Greater Geelong and Bellarine	24	26
Queenscliffe Literary Festival	22	-
Queenscliff Headstones Project	17	-
Trak constructions - building construction services	11	43
GoLightly Constructions	9	-
Brendan Monahan Painting	5	7
Point Lonsdale Surf Life Saving Club	5	-
New Swell Choir	3	-
St George's Flower Show	2	-
G21 - Geelong Region Alliance Ltd	-	6
Swan Bay Environment Association	-	6
Fort Queenscliff Museum Inc - community grant	-	2
Queenscliff Historical Museum - community grant	-	2
Uniting Church Q'Cliff/ Pt.Lonsdale - community grant	-	4

(b) Outstanding balances with related parties

As at 30 June 2026, an amount of $9,768 was payable to Trak Constructions. This amount was settled in early 2026–27. No other balances were outstanding at the end of the reporting period in relation to transactions with related parties (2024–25: nil).

(c) Loans to/from related parties

No loans have been made, guaranteed or secured during the reporting period by Council to a related party (2024–25: nil).

(d) Commitments to/from related parties

No commitments are in existence at balance date that have been made, guaranteed or secured during the reporting period by Council to a related party (2024–25: nil).

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 8. MANAGING UNCERTAINTIES

8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Council.

At balance date the Council is not aware of any contingent assets.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

At balance date the Council is not aware of any contingent liabilities in addition to the specific items disclosed below.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Insurance claims

There are Nil insurance claims as at 30 June 2026 that could have a material impact on future operations.

Legal matters

There are Nil legal matters as at 30 June 2026 that could have a material impact on future operations.

Liability Mutual Insurance

Council is (was) a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

MAV WorkCare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the Workplace Injury Rehabilitation and Compensation Act 2013 , there is a six-year liability period following the cessation of the Scheme (to 30 June 2027). During the liability period, adjustment payments may be required (or received). The determination of any adjustment payment is dependent upon revised actuarial assessments of the Scheme's tail claims liabilities as undertaken by Work Safe Victoria. Any adjustments, which are expected to occur at the 3-year and 6-year periods during the liability period will affect participating members. The assessment from WorkSafe Victoria at the 3-year period was a deficiency of $5.776 million payable to WorkSafe Victoria. This was due to evidence of higher-than-expected payments and higher claim lodgements during the first three years of the runoff period.

(c) Guarantees for loans to other entities

The Council does not guarantee any loans.

8.2 Australian Accounting Standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2026 reporting period.
The Australian Accounting Standards Board (AASB) has issued AASB 18 Presentation and Disclosure in Financial Statements. When applicable AASB 18 supersedes AASB 101 Presentation of Financial Statements. AASB 18 aims to improve how entities communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. It is expected to result in presentation and disclosure changes, primarily to Council's Comprehensive Income Statement. AASB 18 is expected to first apply to Council for the 2028-29 financial year.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables) and payables (excluding statutory payables). Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk Council:

- have a policy for establishing credit limits for the entities council deal with;
- may require collateral where appropriate; and
- only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 0.25 % and -1.00% in market interest rates (AUD) from year-end rates of 4.3%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

8.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy , Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair Value Measurement aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards. For assets where Council adopts a current replacement cost approach to determine fair value, Council considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 4 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset class	Revaluation frequency
Land	4 years
Buildings	3 years
Roads	3 years
Footpaths and cycleways	3 years
Drainage	4 years
Recreational, leisure and community facilities	N/A
Waste management	N/A
Parks, open space and streetscapes	N/A
Other infrastructure	N/A

Where the assets are revalued, the revaluation increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset.

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. The impairment policy above does not apply to Council's property, infrastructure, specialised buildings and other non-current physical assets subsequently measured at fair value. These are primarily non-cash generating assets of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity. Their recoverable amount is expected to be materially the same as fair value determined under AASB 13 Fair Value Measurement, with the consequence that AASB 136 Impairment of Assets does not apply to such assets that are regularly revalued.

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 9. OTHER MATTERS

	Balance at beginning of reporting period	Increase (decrease)	Balance at end of reporting period
	$'000	$'000	$'000
9.1 Reserves			
(a) Asset revaluation reserves			
2026			
Property			
Land			
- Freehold land	27,048	1,246	28,294
- Crown land	17,251	1,255	18,506
- Land under roads	9,030	(3,632)	5,398
Buildings	13,096	-	13,096
	66,424	**(1,131)**	**65,293**
Infrastructure			
Roads	3,620	2,141	5,761
Footpaths and cycleways	2	-	2
Drainage	606	-	606
	4,228	**2,141**	**6,369**
Total asset revaluation reserves	**70,652**	**1,010**	**71,662**
2025			
Property			
Land			
- Freehold land	30,019	(2,971)	27,048
- Crown land	20,237	(2,986)	17,251
- Land under roads	9,952	(922)	9,030
Buildings	9,963	3,133	13,096
	70,170	**(3,746)**	**66,424**
Infrastructure			
Roads	3,620	-	3,620
Footpaths and cycleways	2	-	2
Drainage	606	-	606
	4,228	**-**	**4,228**
Total asset revaluation reserves	**74,398**	**(3,746)**	**70,652**

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

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	$'000	$'000	$'000	$'000
(b) Other reserves				
2026				
Asset replacement reserve	2,297	-	(276)	2,021
General reserve - Unallocated cash	1,452	10	-	1,462
Future calls on defined benefits superannuation	40	-	-	40
Funds carried forward to future years				
Proceeds from land sale	3,500	-	-	3,500
Incomplete works - Operating	442	159	(58)	543
Incomplete works - Capital	1,643	15	(149)	1,509
Total funds carried forward to future years	**5,585**	**174**	**(208)**	**5,552**
Waste management reserves				
Standard kerbside waste*	138	-	(77)	61
Public waste*	(113)	90	-	(23)
Total waste management reserves	**25**	**90**	**(77)**	**37**
Total Other reserves	**9,398**	**274**	**(561)**	**9,112**
2025				
Asset replacement reserve	1,922	449	(75)	2,297
General reserve - Unallocated cash	1,383	69	-	1,452
Future calls on defined benefits superannuation	40	-	-	40
Funds carried forward to future years				
Proceeds from land sale	3,500	-	-	3,500
Incomplete works - Operating	323	202	(83)	442
Incomplete works - Capital	1,803	313	(472)	1,643
Total funds carried forward to future years	**5,626**	**515**	**(555)**	**5,585**
Waste management reserves				
Standard kerbside waste*	(21)	159	-	138
Public waste*	(50)	-	(63)	(113)
Total waste management reserves	**(71)**	**159**	**(63)**	**25**
Total Other reserves	**8,900**	**1,192**	**(694)**	**9,398**

Asset replacement reserve: Funds are held in this reserve to meet future asset renewal requirements for specific projects earmarked by Council.

General reserve - Unallocated cash: This reserve comprises of the cash surpluses achieved in previous financial years, which have not yet been allocated by Council to specific projects within the Annual Budget.

Future calls on defined benefits superannuation: As a hedge against future calls which may be made by Vision Super on the unfunded superannuation liability (defined benefits scheme).

Funds carried forward to future years: The bulk of funds held in these reserves each financial year is with respect to operating and capital projects to be carried forward for completion in future years.

Waste management reserves: Net surplus/(deficit) of waste services.

*The negative balance represents cost that Council needs to recover in future years.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

	2026 $'000	2025 $'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	710	1,121
Non-cash adjustments:		
Depreciation	1,499	1,282
(Profit)/loss on disposal of property, infrastructure, plant and equipment	124	18
Assets written off	16	14
Contributions - non monetary	(181)	-
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(188)	210
(Increase)/decrease in inventories	1	4
(Increase)/decrease in prepayments	169	(115)
Increase/(decrease) in other assets	50	(10)
(Increase)/decrease in regional library equity	(2)	(8)
Increase/(decrease) in trade and other payables	357	76
Increase/(decrease) in accrued expenses	(123)	81
Increase/(decrease) in accrued wages	19	(167)
Increase/(decrease) in trust funds and deposits	14	17
Increase/(decrease) in income received in advance	(4)	214
Increase/(decrease) in provisions	(107)	(65)
(Decrease)/increase in contract and other liabilities	810	(369)
Net cash provided by/(used in) operating activities	**3,169**	**2,302**

9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2026, this was 12% as required under Superannuation Guarantee (SG) legislation (2025: 11.5%)).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee Benefits.

Funding arrangements

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee Benefits. Council was notified of the 30 June 2026 VBI during August 2026. The financial assumptions used to calculate the 30 June 2026 VBI of 116.9% were:

- Net investment returns 5.7% pa
- Salary information 3.5% pa
- Price inflation (CPI) 2.6% pa

As at 30 June 2026, a triennial actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2026. The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2025 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2025 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2026, this rate was 12% of members' salaries (11.5% in 2024/25). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

(b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%).

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2025 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2025 and 30 June 2024 while a full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

	2025 (Interim) $m	2024 (Interim) $m	2023 (Triennial) $m
- A VBI Surplus	200.1	108.4	85.7
- A total service liability surplus	229.4	141.4	123.6
- A discounted accrued benefits surplus	242.8	156.7	141.9

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2025.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2025.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2025.

The 2026 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2026 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2026. The last interim actuarial investigation conducted prior to 30 June 2026 was at 30 June 2025. The VBI of the Defined Benefit category at that date was 110.5%. The financial assumptions used to calculate the 30 June 2025 VBI were:

- Net investment returns 5.7% pa
- Salary information 3.5% pa
- Price inflation (CPI) 2.6% pa

Council was notified of the 30 June 2025 VBI during August 2025.
Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2025 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

The 2023 triennial investigation

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

	2023 Triennial investigation	2020 Triennial investigation
Net investment return	5.7% pa	5.6% pa
Salary inflation	3.50% pa	2.5% pa for two years and 2.75% pa thereafter
Price inflation	2.8% pa	2.0% pa

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2026 are detailed below:

			2026	2025
Scheme	**Type of Scheme**	**Rate**	**$'000**	**$'000**
Vision super	Accumulation	12% (2025:11.5%)	215	234

Council has paid $Nil unfunded liability payments to Vision Super during the 2025/26 year (2024/25 $Nil).

There were $Nil contributions outstanding and no loans issued from or to the above schemes as at 30 June 2026.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2027 is $Nil.

NOTES TO THE FINANCIAL REPORT

For the Year Ended 30 June 2026

NOTE 10. CHANGE IN ACCOUNTING POLICY

There have been no changes to accounting policies in the 2025-26 year.

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GLOSSARY

Accrual accounting	A system of accounting where items are brought to account and included in the Financial Statements as they are earned or incurred, rather than as they are received or paid.
Assets	Future economic benefits controlled by Council because of past transactions or other past events.
Bad and doubtful debts expenditure	Bad debts written off and the movement in the bad debt provision for infringement debtors, caravan park debtors and sundry debtors.
Balance sheet	A quantitative summary of Council's financial position as of 30 June, including assets, liabilities and net equity.
Borrowing costs	Interest incurred on loan borrowings.
Cash and cash equivalents assets	Cash and investments readily convertible to cash, including cash on hand, cash held in the bank, deposits at call and highly liquid investments.
Comprehensive income statement	A financial statement highlighting the accounting surplus or deficit of Council. It provides an indication of whether the Council has sufficient revenue (including capital grants) to meet expenses (other than capital expenditure) in the current year, including non-cash costs such as depreciation and amortisation expenditure. It also includes other comprehensive income items including net asset revaluation increment (decrements) reversals and share of other comprehensive income of associates and joint ventures accounted for by the equity method to arrive at a 'comprehensive result'. The comprehensive result equates to the movement in net assets or total equity from the prior year.
Contributions income	Contributions received by Council for the purpose of providing and improving public open space, provision / improvement of the drainage system and in relation to specific projects.
Current assets	Assets for which Council expects to receive the future economic benefit within the next twelve months unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
Current liabilities	Liabilities for which Council expects to fulfil its obligation within the next twelve months unless Council does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date.
Depreciation and amortisation expenditure	An expense which recognises the value of a fixed asset as it is used up over time.
Employee benefits expenditure	Relates to wages and salaries, casual staff payments, annual leave, long service leave, superannuation, fringe benefits tax and WorkCover.

Equity	The residual interest in the assets of Council after deduction of its liabilities, which is made up of accumulated surplus and reserves. Total equity is also equal to net assets.
Equity method	A method of assessing profits earned by joint venture investments. The reported income value is based on Council's share of joint venture assets.
Expense	An outgoing payment made by Council.
Financial performance indicator	A prescribed indicator measuring the effectiveness of financial management in Council covering operating position, liquidity, obligations, stability and efficiency.
Fixed assets	See Property, infrastructure, plant and equipment.
G21 Geelong Region Alliance	A formal alliance of government, business and community organisations working together to improve the lives of people within the Geelong region across five member municipalities – Colac Otway Shire, Golden Plains Shire, City of Greater Geelong, Borough of Queenscliffe and Surf Coast Shire.
Governance and management checklist	An outline of Council's performance against a set of policies, plans and strategies (e.g. annual budget, community engagement policy, disaster recovery plan).
Grants – recurrent income	Grant income received on a regular basis (e.g. quarterly, annually, etc.) and granted to Council by another entity for specific or general purposes.
Indicator	A measure to demonstrate Council's performance across a variety of areas.
Interest bearing loans and borrowings	Council's borrowings.
Interest income	Includes interest earned on all cash and investment balances, interest earned on rates and unrealised gains on managed fund investments.
Inventories	A complete listing of merchandise or stock on hand, work in progress, finished goods on hand, etc.
Land – non-specialised	Includes freehold land, where Council is the owner of the land.
Land – specialised	Includes Crown land assets, where Council is the Committee of Management, and land under roads, where Council has operational control of the land.
Liabilities	Future sacrifices of economic benefits that Council is presently obliged to make to other entities as a result of past transactions or other past events.

Materials and services expenditure	Expenditure incurred in relation to contract payments and trade services, building maintenance, general maintenance, plant and equipment maintenance, utilities, consultants, office and administration, insurance, financial and legal costs and information technology costs.
Measure	A unit or set of units against which to determine whether Council has achieved set targets.
Movement in equity for the period	The change in the net surplus (deficit), asset revaluation increments (decrements) and movement in other reserves. This is also equal to the change in equity.
Net assets	The difference between total assets and total liabilities, which represents Council's net worth. Net assets are also equal to total equity.
Net asset revaluation increment (decrement)	This represents the increase (decrease) between the old valuation and new valuation of property and infrastructure asset classes, which were re-valued during the year.
Net gain (loss) on disposal of property, plant and equipment, infrastructure	The net income received in relation to the sale of assets and the carrying amount of assets sold, replaced or disposed of during the year.
Non-current assets	Assets where the future economic benefit is not expected to be received within the next twelve months or where the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
Non-current assets classified as held for sale	Non-current assets that Council intends to sell within the next twelve months.
Non-current liabilities	Liabilities where the obligation is not expected to be fulfilled within the next twelve months or where Council has a right to defer settlement of the liability for at least 12 months after reporting date.
Other expenses	Includes auditors' remuneration, Councillors' allowances, operating lease rentals, cost of volunteers' contribution, impairment losses and asset write-offs.
Other income	Income received from investment property rental, other rental income, interest income, value of volunteers' contribution and reimbursements.
Infringement Court	Refers to Penalty Enforcement by Registration of Infringement Notice. A system established under Schedule 7 of the *Magistrates Court Act 1989 (Vic)* to deal with unpaid fines.
Prepayments	Payments made by Council in advance of receiving the goods or services.
Property, infrastructure, plant and equipment assets	Often referred to as *fixed assets*, this is the largest component of Council's asset base or worth. It represents the value of all land, buildings, roads, footpaths, drains, vehicles, plant and equipment and so on, which are recorded on Council's asset register.
Provisions	Includes accrued long service leave, annual leave, time in lieu and rostered days off owing to employees at reporting date.

Ramsar Convention	Also known as the Convention on Wetlands of International Importance. It is an intergovernmental treaty that provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources.
Rate cap	An annual limit set each year by the Minister for Local Government. The rate cap applies to general rate increases for all councils during a particular financial year. It does not apply to waste management charges.
Rates and charges	Income received from ratepayers in relation to general rates, waste management charges and special rate schemes.
Reserves	Includes the asset revaluation reserve and discretionary reserves. The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of fixed assets. Discretionary reserves, which are funds Council wishes to separately identify as being set aside to meet a specific purpose in the future and for which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council and separately disclosed.
Revenue	The amount of money that Council actually receives from its activities, mostly from rates and services provided to customers and ratepayers.
Service performance indicator	A prescribed indicator measuring the effectiveness and efficiency of Council services covering appropriateness, quality, cost and service outcomes.
Statutory fees and fines income	Includes parking infringements and costs, Infringement Court recoveries, town planning fees, land information certificates, etc.
Surplus (deficit)	Represents the difference between total revenues (including grants – capital), expenses (other than capital expenditure), net gain (loss) on disposal of property, plant and equipment, infrastructure and share of net profits (losses) of associates and joint ventures accounted for by the equity method.
Sustainable capacity indicator	A prescribed indicator measuring whether Council has the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management.
Trade and other payables	Monies owed by Council to other entities / individuals.
Trade and other receivables	Monies owed to Council by ratepayers and other parties less the provisions for doubtful debts.
Trust funds and deposits	Monies received by Council for a specific purpose, which are to be refunded upon a specific event occurring (e.g. Council assets are not damaged).
User fees	Income received by Council from a variety of fees and charges such as aged and health services fees, animal and local law fines and registrations, building permits and other charges, debt collection recovery charges and caravan and camping fees.

ABBREVIATIONS

Term	Explanation
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ABS	Australian Bureau of Statistics
AM	Member of the Order of Australia
APES	Accounting Professional and Ethical Standards
AUD	Australian dollars
BoQ	Borough of Queenscliffe
CA	Chartered Accountant
CALD	Culturally and Linguistically Diverse
CEO	Chief Executive Officer
CERP	Climate Emergency Response Plan
CHSP	Commonwealth Home Support Programme
CIV	Capital Improved Value
CMMP	Coastal & Marine Management Plan
CPA	Certified Practicing Accountant
CPI	Consumer price index
CPR	Cardiopulmonary resuscitation
Cr	Councillor
EBA	Enterprise Bargaining Agreement
ERP	Estimated resident population
FCCA	Fellow of Chartered Certified Accountants
FTE	Full-time equivalent
G21	Geelong Region Alliance
GRLC	Geelong Regional Library Corporation
GST	Goods and Services Tax
HACC	Home and Community Care

Term	Explanation
HR	Human Relations
IT	Information Technology
JMAPP	JLT Municipal Asset Protection Plan Discretionary Trust
JP	Justice of the Peace
LMI	Liability Mutual Insurance
LSL	Long service leave
MAV	Municipal Association of Victoria
MCH	Maternal and Child Health
MEMP	Municipal Emergency Management Plan
MT	Management Team
NA	Not applicable
NDIS	National Disability Insurance Scheme
NES	National Employment Standards
OAM	Medal of the Order of Australia
OHS	Occupational Health and Safety
PC	Personal computer
PS	Primary school
SEIFA	Socio-Economic Indexes for Areas
TGGB	Tourism Greater Geelong and the Bellarine
WDV	Written down value
WIP	Work in progress
VAGO	Victorian Auditor-General's Office
VBI	Vested benefit index
VCAT	Victorian Civil and Administrative Tribunal
VGC	Victoria Grants Commission
VIC	Visitor Information Centre

"To reach a port we must sail, sometimes with the wind, and sometimes against it. But we must not drift or lie at anchor."

by Oliver Wendell Holmes Jr.



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50 Learmonth Street, PO Box 93, Queenscliff VIC 3225
info@queenscliffe.vic.gov.au

The Annual Report can also be viewed electronically on Council's website, **www.queenscliffe.vic.gov.au**