



Quarterly Performance Report

Q1 July – September 2025

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





Acknowledgement of Country

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

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

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

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

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Message from the CEO



I am pleased to present the first quarterly report for the 2025-26 financial year which reflects our progress against the new Council Plan 2025-29.

We are embarking on many new initiatives this year which include buildings and infrastructure, communication and technology, and increased advocacy efforts to support those most vulnerable in our community.

We are also committed to enhancing our customer experience and investing in people and technology to improve the way we do things.

Investment in community spaces

In September we celebrated the official opening of the new Keysborough Community Hub with over 3,000 people attending. The Hub offers a wide range of services and programs, including library, maternal and child health, early years education, landscaped outdoor play areas and flexible rooms for gatherings. We look forward to offering childcare and kindergarten services in 2026.

We also saw the start of our largest community infrastructure project with work officially commencing on the new Dandenong Wellbeing Centre. This exciting project will have a significant impact on our community's health and wellbeing including sport and recreation activities and opportunities to connect and socialise.

Our continued investment in community spaces and activities saw Council recently named as the Winner of the Best Main Street Place Activation – Council Led (Over \$100K) award at the 2025 Mainstreet Australia Awards for the 'Our Street Noble Park' project. This project was a great example of collaboration with local businesses, artists, Bunurong Land Council and cultural groups.

Celebrating our community

Springvale Snow Fest continued to attract enormous crowds with 20,000 attendees. 98.81% of attendees reported an enjoyable experience in the post-event survey.

Noble Park Family Fun Day attracted a crowd of 4,000 people who took part in activities that focused on exploring different cultures, reflecting the theme of 'Around the World'.

The next three months we have many activities and events planned and I look forward to sharing our progress in early 2026.

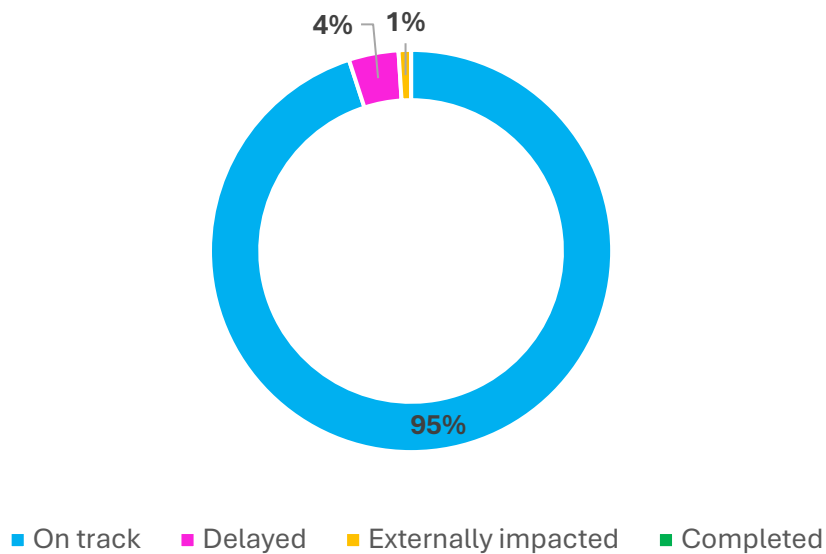
If you have any feedback or suggestions to enhance our community reporting, please do not hesitate to contact me at council@cgd.vic.gov.au or 03 8571 1000.

CEO, Jacqui Weatherill

Performance Summary

Council Plan Progress

The Annual Plan 2025-26 outlines Council's key activities to deliver on the Council Plan 2025-29. At the end of Q1, 95 per cent of the actions are completed and a small number have been delayed. Only one action (1%) is currently affected by external factors such as government reforms.



Highlights

Strategic Objective 1: A socially connected, safe and healthy city

- Council's community connector program provided support to over 50 families and individuals who are newly arrived refugees in the City of Greater Dandenong.
- Initial expansion of the Fee For Service Vaccination program has been successful with 158 vaccines provided to families in community.
- As part of Homelessness Week the Southeast Homelessness and Housing Alliance was formally launched on 31 July. This alliance is a partnership with Cardinia, Casey and Greater Dandenong Councils and a number of sector agencies.
- On Wednesday 6 August Youth and Family Services and 22 young leaders hosted the 'Your Voice, Your Future' Youth Summit.
- Council hosted a 'Poverty is Everyone's Business' stall designed to assist Council in its advocacy efforts with members of parliament.



Strategic Objective 2: A city that respects and celebrates diversity, our history and the arts

- The Children's Festival calendar in September was filled with activities focused on the theme 'Around the World' which celebrated the cultural diversity and global traditions of the community.
- Noble Park Family Fun Day was held on 21 September at Ross Reserve with themed children's workshops, a dance workshop space interactive reptile display and a variety of stalls.
- The introduction of the Little Library outside Noble Park Station is underway.
- Council's third Innovate Reconciliation Action Plan is underway and a number of consultations were held with Bunurong Land Council and the RAP reference group.
- Visitation to Council's cultural and community hubs was 198,458



Highlights

Strategic Objective 3: A city of accessible, vibrant centres and places

- The Keysborough Community Hub officially opened on Saturday 6 September with over 3,000 attendees
- The development of a new Housing Strategy has commenced.
- A number of advocacy activities were undertaken to key strategic transport network upgrades including the Fix Dandy Buses campaign and the RACV 'My Melbourne Road' campaign.
- New path infrastructure remains a priority and a new path under the Webster Street rail line has been completed.
- A master plan has been drafted for Lois Twohig Reserve based on community feedback and the needs and opportunities identified for the reserve.



Strategic Objective 4: A green city committed to a sustainable future

- National Tree Day events were held in July at Tirhatuan Park and Somerfield Reserve.
- Nature Plan and Adopt-a-Park programs were held along with the One Tree Per Child program held in September.
- Four electric vehicles and two hybrid passenger vehicles were purchased as part of Council's Electric Vehicle Transition Plan
- Planning has commenced for the implementation of a glass bin for residents which is required to be implemented by 1 July 2027.
- Council's 'Bin it or Take it Home with you! Community Engagement and Awareness Campaign' was shortlisted as a finalist In the Keep Australia Beautiful Victoria 2025 Tidy Towns and Cities Sustainability Awards



Highlights

Strategic Objective 5: A city that supports business, entrepreneurship, quality education and employment outcomes

- Business permit enquiries remain steady with 173 enquiries so far this year.
- The initial development phase of the Dandenong Employment Hub has commenced which will provide opportunities to collaborate with various service providers as well as community organisations to assist with employment pathways.
- Skill building initiatives were delivered by the Youth and Family Services team to enhance employment opportunities for young people 34 activities attracted 762 participants.
- Council has partnered with Workforce Australia to plan and develop the 2026 Career and Support Expo.
- Key investment activities were undertaken including progressing large scale commercial developments and supporting a business case for a transport innovation precinct.



Strategic Objective 6: A Council that demonstrates leadership and a commitment to investing in the community

- Works officially commenced in July on the new Dandenong Wellbeing Centre which represents a once in a generation investment in the community's health and wellbeing.
- 10 engagement activities were conducted regarding parks, reserves, community hubs, economic development and Council's Domestic Animal Management Plan
- Council has finalised its AI Policy which focuses on the ethical, responsible and human-centric use of artificial intelligence.
- Awareness of child safety and strengthening initiatives across all Council operations continues to be a focus with many staff undertaking training since July.
- Council's capital works program is progressing as planned.



Capital Works Summary

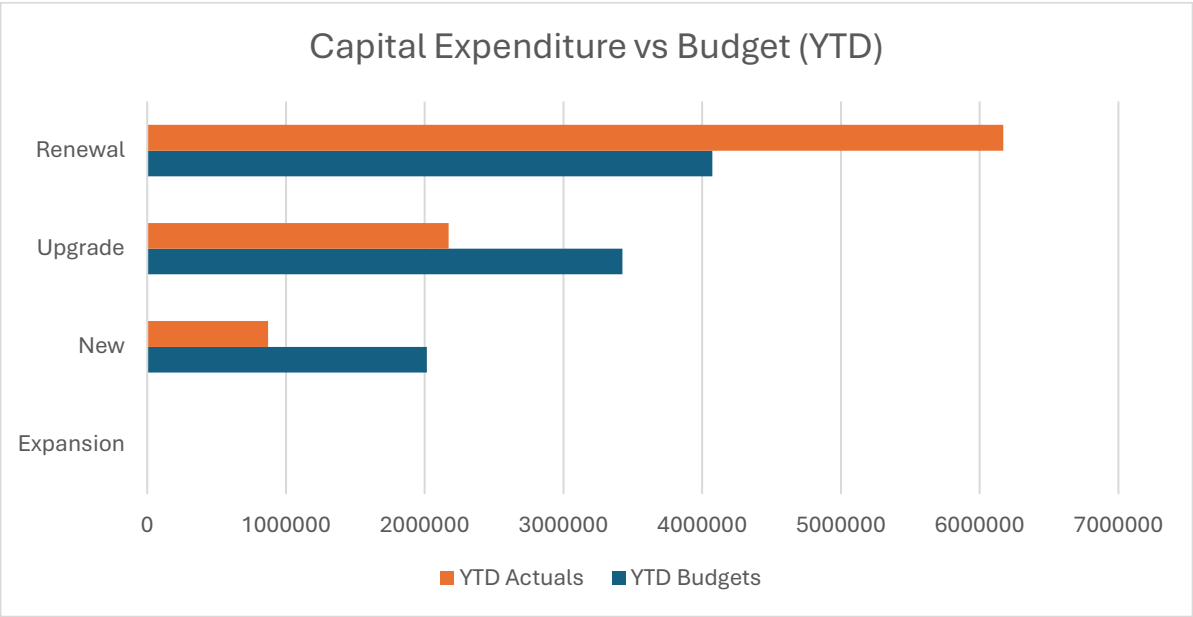
Project Updates Summary

Keysborough Community Hub – Total Budget \$29.5 million

- This project is now complete. The opening event was held on Saturday 6 September 2025 with 3,000+ people enjoying stage performances, roving entertainment, outdoor activities, community stalls and food trucks.
- Since opening 400 new library members have joined and over 7,000 items have been borrowed. A number of programs have been delivered already including the Family Fun School Holiday program, free Calisthenics sessions, Tea and Tech (Seniors Festival), Libraries After Dark Henna workshop, and Baby Bounce and Toddler Time.
- The Department of Education assessment for the childcare and kinder spaces is scheduled for October.



Expenditure



While year-to-date capital expenditure to 30 September 2025 is below budget, \$71 million in commitments are in place for works already underway or scheduled, indicating strong momentum heading into the next quarter.

Dandenong Wellbeing Centre Updates



Overall Project Health

The DWC project is deemed to be HEALTHY.

The overall project health is determined by assessing metrics such as: Budget, Program, Quality, Risk, Resources, OHS and Environmental.

Key Achievements to Date

- ✓ Main Works bulk excavation, inground service installation and concreting underway
- ✓ Stage 1 Carpark underway
- ✓ Demolition of redundant Hockey Pavilion
- ✓ Temporary Hockey Facility complete

Short Term Lookahead

- ❖ Complete installation of all inground Services
- ❖ Concrete works to ground floor

Hydrostatic Testing various pools

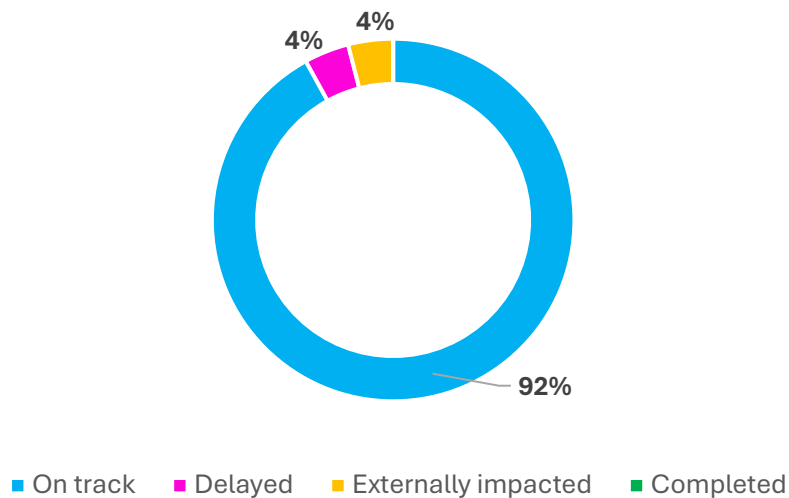




Part A:

Annual Plan Progress

Strategic Objective 1: A socially connected, safe and healthy city



Priority	Action	Progress	Status
Build the capacity of the community to lead safe, active and healthy lifestyles through all stages of life	Continue to implement and review the Make Your Move Strategy informed by community engagement activities, data and statistics	The 2025 Make Your Move (MYM) Participation survey was delivered from Monday 3 February to Sunday 30 March 2025. This survey is completed every 5-6 years with the purpose of the survey to understand how our community are being physically active and what the barriers are to participation. Results are currently being analysed and the findings will be used to inform future programs and activations within the MYM implantation plan for this year.	●
	Develop and implement an updated Positive Ageing Strategy to ensure older people are supported, valued and remain active members of the community	This action will commence in early 2026.	●
	Commence development of a new integrated Children, Youth and Families Strategy	Phase 1 of the new integrated Children, Youth and Families Strategy is underway, with a consultant appointed via tender to conduct the literature review, data collection, and analysis to inform the Strategy.	●

Priority	Action	Progress	Status
	Develop and implement a Community Safety Plan	Council Officers have completed a comprehensive evaluation of data gathered through the Community Safety Survey, alongside insights from the Crime Statistics Agency, the Australian Bureau of Statistics, and recent Council Plan engagement activities. These findings are now informing the strategic development of the Community Safety Plan, ensuring it is evidence-based, community-informed, and aligned with broader Council priorities.	
	Review and navigate Council's role in Aged and Disability Services in response to the National Aged Care Reforms	This action is yet to start due to a delay in advice from the Commonwealth Government in relation to the Aged Care Act coming into effect on 1 November 2025	
Foster greater collaboration and partnerships with local agencies to address key health and wellbeing needs in the community	Implement an outcomes measurement framework to improve the outcomes and impact of the Community Grants Program	- The outcomes framework has been implemented and associated reporting collected for the first time from Large Grant Year 1 Progress Reports. - A trial of the 'Smartygrants Analytics' tool has been undertaken to streamline future impact reporting processes. - The 2023-24 Impact Report draft is complete.	
	Pro-actively build and maintain partnerships with existing and potential local stakeholders and networks to improve community wellbeing	Council continued to collaborate with the Department of Health, Monash Health, Prevention United the South East Public Health Unit (SEPHU), enliven, Women's Health in the South East (WHISE), and other health stakeholders within the local prevention system to improve the strategic planning of local health and wellbeing priorities. Council contributed to the co-design of SEPHU's practice exchange regional networks, actively participated in the Multicultural Community Engagement Network and provided local information for Monash Health's strategic planning, contributed to the Vic Health stakeholder survey and reviewed WHISE's Good Health Down South Strategy.	

Priority	Action	Progress	Status
Deliver and support initiatives that raise community awareness of gambling, harmful alcohol, tobacco/vaping and other drugs use	Implement the Alcohol Harm Prevention and Management Framework and Action Plan	The development of the Alcohol Harm Prevention and Management Framework and Action Plan has progressed. The Action Plan has been revised to include drug-related harm, acknowledging the interconnected nature of substance-related issues within the community. Desktop research into drug-related harm is nearing completion, providing a strong evidence base to inform targeted actions. The internal Alcohol Harm Minimisation Working Group was established in July to provide guidance and expertise in developing the Action Plan. Engagement with key Advisory Committees, has been undertaken to ensure the plan reflects diverse community perspectives and lived experiences. Drafting of the Action Plan is ongoing, with a focus on integrating research findings, stakeholder feedback, and alignment with Council's broader community safety objectives.	
Strengthen our commitment to the equitable participation and inclusion of people with a disability and their carers within our community	Develop and implement Council's new Disability Action Plan	A draft engagement plan is under development with a tentative plan to commence consultation at the end of October / early November.	
Create and maintain safe, inclusive and well-designed public spaces and streetscapes that	Renew and upgrade streetscapes and open space areas as part of Council's annual Capital Works Program	There are 19 renewal projects to be delivered in the current financial year, all have commenced and are at various stages of implementation. Of the 19 Projects, four have been completed to date.	

Priority	Action	Progress	Status
encourage community participation and expression	Implement the Road Safety Infrastructure Upgrade Program	Progress is underway on the design of several Federal Blackspot Grant Projects (Clow Street, McCrae Street) Victorian Safer Travel in Local Streets Grant Projects (Bryants Road, McCrae Street, Chapel Road) and the Victorian Government IP43 Grant Project (Cleeland Street). Applications have been submitted for projects under the Blackspot Program (Federal), Safer Local Roads and Infrastructure Program (federal) and Safe Local Roads and Streets (Victorian).	
	Implement the Springvale Pedestrian Wayfinding S1	A site analysis and key findings and recommendations are now complete. Design and delivery is planned for early 2026.	
	Seek State and Federal Government Grant funding for Road Safety and Active Transport Infrastructure (such as Blackspot funding)	Applications have been submitted for projects under the Blackspot Program (Federal), Safer Local Roads and Infrastructure Program (federal) and Safe Local Roads and Streets (Victorian). Funding has been secured through the Safe Local Roads and Streets Program (McCrae Street, Bryants Road) and Council is awaiting an outcome of a previous submission (Chapel Road). An MoU variation with Level Crossing Removal Projects has been executed to deliver approximately an additional \$2 million in funding to Council for new paths and to cover the loss of asset life caused by project.	
	Maintain an effective Closed Circuit Television (CCTV) network to deter crime and anti-social behaviour and promote access to public spaces	Council Officers worked with Fortis contractors to renew Council's CCTV back-end (hardware and software). This first phase is nearing completion. Detailed mapping is currently underway of the CCTV system which will provide guidance for the second phase (replacement of CCTV). Council Officers are also participating in a new South East CCTV Community of Practice - which will promote best practice and lessons learnt amongst neighbouring councils.	

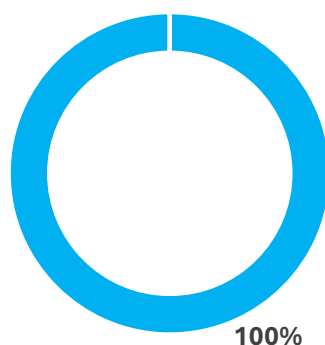
Priority	Action	Progress	Status
	Plan and deliver an annual forum on Crime Prevention and Safety	Two community safety forums are planned for March and April 2026. As a partnership between Community Safety and Youth Services, the Youth Crime Forum will bring together key stakeholders from government, law enforcement, youth services, and community organisations to explore the complex issue of youth crime in Greater Dandenong and neighbouring LGAs. With youth crime continuing to be a significant concern across our communities, the forum aims to build a shared understanding of local trends, evidence-based interventions, and opportunities for meaningful collaboration. Council Officers have also commenced initial planning with Victoria Police for a broader community forum which will focus on addressing the most pressing safety concerns within the community and will feature a panel of policing experts who will present essential crime statistics and outline specific operations aimed at addressing crime and enhancing public safety.	
	Review and amend Council's Local Laws to improve relevance and effectiveness to manage community safety and public amenity issues	This project has commenced with a focus on cross-Council collaboration and internal planning.	
	Develop and implement the Domestic Animal Management Plan 2025-29	Community consultation is complete and was a big success. Officers are currently reviewing the feedback.	
	Improve the strategic direction of Council's community facilities and hubs	A new Community Facilities Access and Use Policy has been developed, incorporating information from the community. This policy provides a strategic direction for Community Facilities, including fair and transparent access to facilities. This policy is due to be presented to Council by the end of 2025 and will include public consultation.	

Priority	Action	Progress	Status
Connect and support the community through education and promotion, working with local partners to address and prevent family violence	Promote local services and support the implementation of initiatives to address gender equity and prevent family violence within the municipality	Steps have been taken to secure guest speakers and make arrangements for the November Greater Dandenong Walk against Family Violence - a major event bringing together many members of the community, raising awareness of family violence, and generating public support for efforts to prevent such crimes. Collaboration with Women's Health in the South East, the premier organisation for the prevention of violence against women continues, with Council participating in two regional planning events and the provision of assistance in the development of a template to enable the organisation to document the progress of regional violence prevention initiatives. Within Council, measures have been taken to facilitate the preparation of gender impact assessments to better enable new and revised policies and programs to be developed.	
Improve access to core services for those experiencing disadvantage and vulnerability in the community to support improved social, physical and mental wellbeing	Evaluate and expand the Fee for Service Vaccination Program to increase access to vaccines unavailable through the National Immunisation Program	Initial expansion of the Fee for Service Vaccination Program has been successful with 158 vaccines provided to families in our community.	
	Review and evaluate the Maternal and Child Health Key Ages and Stages group visits that support increased engagement for late-stage visits	Maternal and Child Health clients are offered 2 year and 3 ½ year Group Key Age and stages instead of one on one consultations. These are proving popular with five sessions being offered across the municipality each month, with one of these sessions occurring on a Saturday. On average between 8-12 children are attending each session.	

Priority	Action	Progress	Status
	Continue to implement the Fair Access Policy	The Victorian Government Fair Access Policy has been incorporated into the Sporting Grounds and Pavilion Allocation Policy 2023. This informs Council's decisions around fair and equitable access to sport and recreational facilities, with sporting clubs being assessed against objectives and outcomes of the Fair Access Policy when applying for seasonal ground allocations	
	Continue to deliver the Community Connector Program to provide targeted support and connections to local services particularly for those from migrant and refugee backgrounds	The Community Connector program successfully provided support to over 50 families and individuals who are newly arrived refugees in the City of Greater Dandenong. Support for these vulnerable members of the community included personal advocacy and connection to a range of government services, authorities, medical institutions, material resources and charitable organisations. Some notable areas of support enabled community members to access material aid, community care, Kindergarten, MCH programs, immunisations, health services, swimming lessons and support to afford utility and household bills. This personal client centred advocacy, using multiple languages in order to understand the needs of newly arrived refugees, is unique in that it supports people out of crisis to a position where they have the capacity for self-empowerment.	

Priority	Action	Progress	Status
Advocate for an increase in services for those experiencing poverty, and homelessness	Undertake advocacy to advance strategies to reduce poverty and improve social equity in Greater Dandenong	Council continues to implement the Anti-Poverty Strategy through advocacy, partnerships, and community engagement. Key activities included: • The Anti-Poverty Steering Committee met with MP Anne-Marie Hermans. • A survey was developed targeting people experiencing or at risk of homelessness with outcomes that will inform future advocacy and service planning. • At the Keysborough Community Hub opening, Council hosted a “Poverty is Everyone's Business” stall, engaging MP Tim Richardson and encouraging community members to contact local MPs. A formal meeting with MP Richardson has since been secured. • Council partnered with the Salvation Army and Springvale Learning and Activity Centre (SLAC) to apply for a Community Food Relief Program - Local Grants [DFFH]. Four co-designed workshops were developed using the \$12,000 Game Change Grant.	

Strategic Objective 2: A city that respects and celebrates its diversity, our history and the arts



■ On track ■ Delayed ■ Not due to start ■ Completed

Priority	Action	Progress	Status
Deliver and attract high-quality events, programs and initiatives that position the city as an arts and cultural destination	Develop more strategic partnership and sponsorship opportunities for Council's annual events program	Key annual events including Springvale Snow Fest (20,000 attendees), Noble Park Family Fun Day (4,000), and the first week of Deckchair Movies (409) were delivered. These events were supported by strategic partnerships with multiple Council departments and over 30 community and corporate organisations, including major sponsors such as Optus, Bendigo Bank, and Hyatt Place Melbourne Caribbean Park. These collaborations have strengthened event delivery and visibility. The team will continue to grow strategic partnerships and sponsorships to enhance future events.	●
	Build the capacity of the community to deliver high quality community events	Council provided support on event applications for 52 community events and 15 council events across the municipality.	●

Priority	Action	Progress	Status
Advocate for and assist People Seeking Asylum and Refugees living in the community	Support and advocate for the rights of People Seeking Asylum and Refugees as part of the 'Back Your Neighbour' campaign	Between 2-3 September 2025, representatives of the Mayoral and Councillor Taskforce Supporting People Seeking Asylum Taskforce—including Taskforce Chair Mayor Cr Jim Memeti, Executive Council Mayors Cr Thuy Dang and Cr Helen Davidson, refugee advocates, and council officers—held 13 meetings in Canberra with Federal Members of Parliament. These meetings focused on the Back Your Neighbour campaign priorities. Discussions promoted fairness and support for people seeking asylum, particularly by raising awareness about visa uncertainty and improving access to essential services. Additionally, Mayor Memeti and Taskforce Executive Cr Hadi Saab attended seven meetings in Sydney, including one with Capital Cities Lord Mayors and others with Mayor and Councillor representatives from six Greater Sydney councils. These meetings aimed to strengthen the national coalition of Taskforce councils and advance advocacy for inclusive communities and refugee protection.	

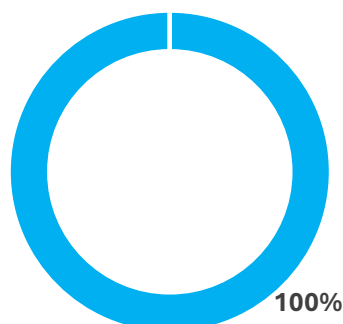
Priority	Action	Progress	Status
Advance the process of Reconciliation and support First Nations people to enable self-determination	Develop the new Reconciliation Action Plan and commence implementation	Council has progressed the development of its Third Innovate Reconciliation Action Plan (RAP), undertaking a number of consultations with Bunurong Land Council, the RAP reference group and internal steering committee. Priorities identified by the land council included: - Bunurong cultural values being embedded into infrastructure designs - Staff training - Development of a Cultural Values Design Framework - Prototype Bunurong Forest Garden with Bunurong Rangers and conservation staff - Support Caring for Country Fund. Priorities identified by the Reference group included: - Cultural safety and awareness - Truth telling - Community engagement. A first draft of the RAP has been completed, which identifies if deliverables will require new funding or can be delivered within existing funding. This draft will be submitted to Reconciliation Australia for feedback.	

Priority	Action	Progress	Status
	Work with Bunurong Land Council and the wider local Aboriginal community to advance Reconciliation	Council partnered with Bunurong Land Council, Dandenong Market and our wider local Aboriginal community in the delivery of a special NAIDOC week event. The day was well attended and included, a special BLAK Market, which showcased several local Aboriginal businesses and creatives. The event also included traditional dance and interactive workshops. The event was a great success and was led by community for community - in true self determination. Council has continued connecting deeply with the Bunurong Land Council via bimonthly consultations and with the wider local Aboriginal community via the RAP Reference Group. Council has been engaging and consulting with community in relation to several projects, including the living neighbourhood Home 25 Exhibition, Keysborough Community Hub Open Day, community planting days, the Heritage Hill Interpretation Strategy and Dandenong Market Masterplan.	

Priority	Action	Progress	Status
Promote arts, culture and heritage to enrich and support the City's growth and development	Develop and implement a new strategic plan to guide Arts, Culture and Heritage in the City of Greater Dandenong	- HOME 25 - Invisible Cities was delivered, a precinct-wide exhibition across Walker Street Gallery, Drum Theatre, Heritage Hill, Dandenong Market, Library, and public spaces. The project featured 16 artists, major commissions, curatorial tours, community events, and new partnerships with RMIT Future Play Lab, Dandenong Market, and Liquid Architecture. - Conservation works on Pillars of Freedom, new public art projects at Keysborough Community Hub and First Nations Commissions at Railway Parade Shops were completed. - Drum Theatre hosted programs including Encore shows, workshops, and Our Beat. - NAIDOC Week's Blak Market was supported. - Popular creative workshops and residence programs were delivered. - As part of the Children's Festival, two workshops engaged families in creative play.	
	Review and implement the strategic and operational plan for the Dandenong New Art redevelopment	The Project Control Group (PCG) reconvened to progress the redevelopment of Dandenong New Art (DNA). Starting from identifying key project elements and plans requiring review, ensuring the project remains aligned with community needs, contemporary museum standards, and Council priorities. The PCG is developing a forward plan for refining the strategic and operational plan ahead of the gallery's redevelopment and staged implementation.	
	Review the Library Strategy 2022-26 and develop an updated strategic plan to guide library services	Reflection on previous years achievements have been drafted for design. A new strategy expression of interest has been developed for a consultant to commence in November	

Priority	Action	Progress	Status
	Undertake a planning scheme amendment to update/correct the existing sites contained within the Heritage Overlay	Council has undertaken the majority of the Heritage Overlay Planning Scheme Amendment and completed the public exhibition process in the first half of 2025. The exhibition process resulted in one submission; Council officers are engaging with the submitter before progressing the planning scheme amendment process.	
Improve access and use of Council's arts, cultural and community facilities to support improved community connection, participation and lifelong learning	Develop and implement the Community Hubs Framework to guide the planning, delivery and activation of the Springvale and Keysborough Community Hubs	The first stage of this project has commenced with the which includes a review of all current information on Community Hubs and benchmarking with other Councils.	
	Continue to maximise the use and performance of Council's community facilities	Significant improvements are being made to enable greater access and use of Council's community facilities, including website and marketing information, as well as enabling online enquiries and bookings for facilities.	
	Continue aligning the Community Grants Program with Council Plan priorities and evolving community needs	- A Change Management Register has been implemented to structure and log program updates. - The Annual Grants Satisfaction Survey is currently collecting data on community experiences and needs. - Staff delivered grant program presentations and outreach activities at community forums (e.g. SE Maori and Pasifika Workers Network and 'The Collective' youth leadership development initiative).	

Strategic Objective 3: A city of accessible, vibrant centres and places



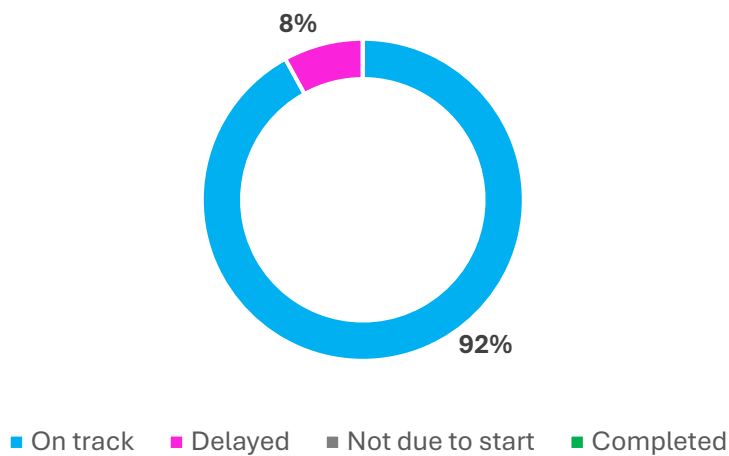
■ On track ■ Delayed ■ Not due to start ■ Completed

Priority	Action	Progress	Status
Provide quality community facilities and amenity improvements that meet the current and future needs of our city	Develop and implement the facility management and operating model for Dandenong Wellbeing Centre	Initial discussions with the facility operator around an operating model for Dandenong Wellbeing Centre (DWC), including provisional operating budgets have begun. Ongoing discussions will continue throughout the financial year, leading up to submission of finalised management structures and budgets for approval.	●
	Explore partnerships to maximise the sustained performance and efficiency of Council's animal pound service	Currently in stage 2 discussions with multiple councils with regards to a joint pound collaboration.	●
	Renew and upgrade community facilities as part of Council's annual Capital Works Program	The delivery of Council's capital works program to renew community facilities is progressing as planned.	●
Increase quality, affordable and social housing options with short-term and long-term options to improve supply and provide support to	Develop a new Housing Strategy	The development of a revised Housing Strategy has commenced and will continue into this year taking into consideration findings from the scoping paper research and investigations and responding to State Government housing policy and statewide changes to planning controls to facilitate future housing.	●

Priority	Action	Progress	Status
those on low incomes	Undertake advocacy to develop an innovative and sustainable housing initiative on Council-owned land	Investigations are continuing re suitable Council sites that would be appropriate for social and affordable housing options. A couple of Council-owned sites are under review as part of a collaborative project between MAV and Council. Targeted advocacy will be able to be undertaken once confirmed and planning considerations or other requirements specific to the site/s are known.	
Improve liveability and civic pride through placemaking initiatives that attract and retain businesses, residents and visitors	Undertake placemaking initiatives across activity centres to enhance place experience and improve sense of pride and belonging	Central Dandenong activation program planning is underway. Stakeholder engagement is complete. Activation onsite will commence in November 2025.	
Plan for and support an accessible and active transport network which optimises connectivity and accelerates growth	Provide strategic transport advice to major development projects and infrastructure projects	Approximately 120 planning application referrals were responded to.	
	Administer heavy vehicle permitting processes in a proactive manner to enable uptake and realisation of advances in commercial vehicle capabilities	100% of National Heavy Vehicle Regulator Requests were responded to within the statutory timeframe. Over 95% provided within two business days.	
	Advocate for key strategic transport network upgrades to accelerate growth	- Ongoing participation in the GSEM Transport working group. - Contribution to RACV "My Melbourne Road" advocacy campaign. - Contribution to the Eastern Transport Coalition's Advocacy Package. - Support provided to the City of Kingston and the Fix Dandy Buses Campaign for specific projects benefiting Greater Dandenong.	
	Manage and implement renewal programs to ensure renewal projects meet modern capacity and functionality standards	Path renewal is progressing as per the footpath renewal capital program. Complex renewal programs are in early stages to address path renewal near Dandenong Markets.	

Priority	Action	Progress	Status
	Implement the Active Transport Infrastructure Program	The focus at this time is advocacy for new path infrastructure. The Djerring Trail remains Councils highest Active Transport Infrastructure advocacy item and has been included in Councils advocacy packages. Recent execution of the agreement with Level Crossing Removal Projects has seen significant funding provided for Council to deliver paths on Fowler Road and South Gippsland Highway. A new path under the rail line at Webster Street has recently been completed.	

Strategic Objective 4: A green city committed to a sustainable future



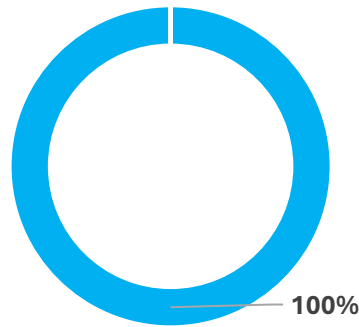
Priority	Action	Progress	Status
Enhance our tree canopy cover and urban forests and promote participation in protecting biodiversity values	Undertake a bi-annual canopy coverage audit and develop a strategic public tree planting program	The canopy coverage mapping audit has been undertaken for 2025, and the results are currently being reviewed.	●
	Implement the Greening Our City: Urban Tree Strategy	Implementation of the Urban Tree Strategy progressed well this quarter, with ongoing reactive tree pruning requests completed and delivery of the cyclic pruning program on track. The 2025 street tree planting program was finalised, with 1095 new trees planted across priority streets and reserves. Planning commenced for the 2026 planting program, including a review of proposed planting lists to ensure species diversity, climate resilience, and alignment with the city's canopy cover targets.	●
	Deliver the Geo Tree Scan Project to quantify tree canopy cover for the municipality and monitor tree removals	Project scope is been reviewed and the impletion will commence next quarter.	●

Priority	Action	Progress	Status
	Implement the Biodiversity Action Plan bushland maintenance and education programs	Implementation of the Biodiversity Action Plan progressed well, supported by ongoing bushland management programs focused on weed control and the delivery of National Tree Day events at Tirhatuan Park and Somerfield Reserve, enhancing biodiversity and canopy cover across key sites. Nature Play and Adopt-a-Park programs continued to engage schools and kinders in hands-on environmental learning, while the One Tree Per Child program was delivered in September, with plans for a second offering in Q4.	
Manage stormwater and protect waterways alongside partners to improve water quality and reduce threats to public and environmental health	Implement the new Gross Pollutant Trap Centre Kirkham Road	The design for a Gross Pollutant Trap near Centre Kirkham Road has been completed. A review of priority water quality improvement projects (including the Centre Kirkham Road Gross Pollutant Trap) will be undertaken following release of updated flood modelling data undertaken in partnership with Melbourne Water. This is anticipated in late 2025 or early 2026. Following this review, the highest priority water quality improvement projects will be scoped to align with future grant or Council budget opportunities.	
Increase the quantity and quality of diverse and accessible open spaces across the city	Develop a new Playground Strategy and implement the Open Space Strategy via CIP funding	The Playground Strategy is being reframed as a Playspace and Active Recreation Guide. Significant progress has been made with the completion of the assessment of the current stock of playgrounds, development of the existing walkability of the municipality's playgrounds and identifying gaps in line with the Open Space Strategy. The next phase is the development of walkability maps for Active Recreation and identifying gaps through to development of the hierarchy similar to the Playground analysis. This body of work has helped inform the proposed 5 year open space capital works program.	

Priority	Action	Progress	Status
	Deliver passive and recreational open spaces through Council's annual Capital Works Program	There are 18 passive and open space projects to be delivered in the current financial year, all have commenced and are at various stages of implementation. Of the 18 Projects, 7 have been completed to date.	
Transition to a resilient, net zero carbon emission city prepared for the social, environmental and health impacts of climate change	Implement the Electric Vehicle (EV) Transition Plan	Four EV and two hybrid passenger vehicles were purchased. One EV truck and one EV passenger vehicle are currently on order for delivery in Q2.	
	Prepare an updated Fleet Decarbonisation Analysis	Specialist consultant, Evenergi, are currently completing the 2025 Fleet Decarbonisation Plan.	
	Implement the Gas and Fleet Transition Plans and implement sustainability strategies	Opportunities to replace and upgrade operational assets to electric or low emission alternatives continue to be investigated and actioned where possible. Work is underway to replace the HVAC system at 39 Clow Street, and a grant has been submitted to replace the HVAC system at Dandenong Civic Centre. Further work is underway to better understand the cost-benefits of transitioning to net zero emissions.	
Support local business and industry to enhance resilience to climate change and accelerate transition to a net zero economy	Advocate for and support the business sector in reducing emissions through electrification, energy efficient upgrades, circular economy and other methods	Opportunities have been identified for open grant funding through the State and Commonwealth Government which are shared with the relevant business units and promoted through a newsletter to support the business sector.	
Provide, promote and advocate for a range of transport options for residents and business, to reduce carbon emissions and	Advocate in partnership with regional bodies for public transport improvements and reform (Dandenong Station upgrade/bus service review etc)	Activities included: - Ongoing participation in the GSEM Transport working group. - Contribution to the Eastern Transport Coalitions Advocacy Package. - Support provided to City of Kingston and the Fix Dandy Buses Campaign for specific projects benefiting Greater Dandenong.	

Priority	Action	Progress	Status
build resilience to the impacts of climate change	Advocate for key strategic transport network upgrades to improve transport options (Djerring Trail etc)	Activities included: - Ongoing participation in the GSEM Transport working group. - Contribution to the RACV "My Melbourne Road" advocacy campaign. - Contribution to the Eastern Transport Coalitions Advocacy Package.	

Strategic Objective 5: A city that supports business, entrepreneurship, quality education and employment outcomes



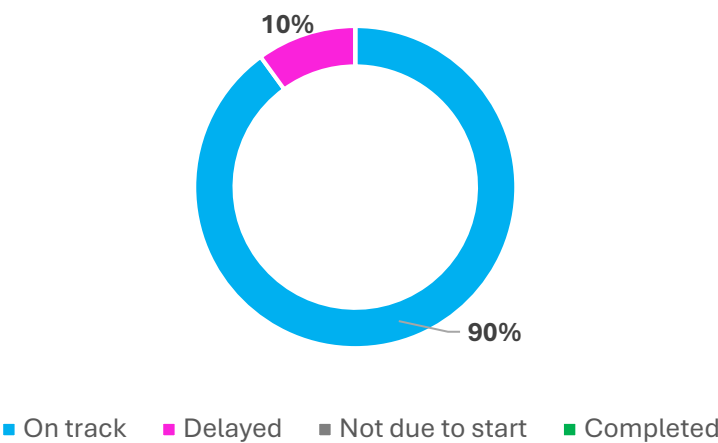
■ On track ■ Delayed ■ Not due to start ■ Completed

Priority	Action	Progress	Status
Attract investment to ensure the sustainability, viability and growth of Greater Dandenong and its major activity centres to provide employment, housing and liveability outcomes	Develop and implement investment initiatives highlighting the unique strengths of activity centres and industrial precincts to attract investors and support economic growth	Key investment attraction activities included working with developers and investors to secure a large-scale residential development site in central Dandenong, progressing large scale commercial developments, supporting a business case for a transport innovation precinct, and monitoring commercial, industrial and residential markets to identify trends and new strategic opportunities. A review of our investment attraction approach will be undertaken in Q2, to inform and shape an investment attraction framework by early-2026.	●
	Deliver the Business Permit Support Service, advocate to reduce regulatory barriers and address challenges identified through the Business Engagement Program that impede business growth	Business permit enquiries remain steady with 173 enquiries, resulting in an average of 57.7 enquiries per month this financial year.	●

Priority	Action	Progress	Status
Partner with the manufacturing sector within the city to secure the economy and maintain future employment opportunities	Partner with local manufacturers and industry organisations through the Business Engagement Program to strengthen the economy and enhance future employment opportunities	Council engaged with 10 manufacturing businesses via site visits and business check-ins and have partnered with Workforce Australia to plan and develop the 2026 Career and Support Expo.	
Support engagement in learning, skill development and employment pathways to improve social, economic and environmental outcomes	Develop and implement the Economy and Place Strategy	Phase one engagement to inform and shape the draft Economy and Place Strategy is now complete. Eight external consultation sessions and two internal workshops were delivered and over 80 survey responses received. Analysis of the engagement findings is underway, with outcomes to be presented and workshopped with Councillors in November 2025.	
Continue the focus on collaborative business partnerships, supporting work readiness and promoting local jobs for local people	Develop partnerships with local education providers, industry organisations and business associations	Partnerships with Chisholm, SEMMA and the Greater Dandenong Chamber of Commerce are being maintained with opportunities for collaboration being explored. Attendance at SEMMA and Greater Dandenong Chamber of Commerce board meetings continue with monthly meetings held between the Business team and Chisholm.	
	Collaborate with local job providers and community organisations to pursue employment pathways for our local community	Council is in the initial development phase of the Dandenong Employment Hub which will provide opportunities to collaborate with various service providers as well as community organisations to assist with employment pathways for our community members. The Work Local Greater Dandenong Jobs Portal is in the process of being updated and will promote local jobs available in CGD.	

Priority	Action	Progress	Status
Continue to facilitate active participation of young people in the community to enhance leadership and personal development opportunities	Undertake skill development initiatives to enhance future employment opportunities	Youth and Family Services delivered skill-building to enhance employment opportunities for young people through Amplify, Young Leaders, IMPACT, and The Youth Leadership Collective, including event delivery, referee accreditation, Zoo Careers Expo, micro-learning on small grants and public speaking, a youth employment consultation, and school mock interviews. Total activities = 34 Total participants = 762.	

Strategic Objective 6: A Council that demonstrates leadership, responsible use of public resources, and a commitment to investing in the community



Priority	Action	Progress	Status
Improve the customer experience by making it easy for the community to engage with Council	Increase First Contact Resolution through our call centre	The CGD chatbot has been upgraded with a new AI feature which uses AI processing to better interpret customer interactions and match them with the most appropriate responses. Council continues to work closely with external partner, IngeniousAI, to test and refine this feature. IngeniousAI has also provided a prototype of an AI-powered Knowledge Base chatbot, which is currently undergoing internal testing. Training has been scheduled for October on the Crisp human webchat platform, with plans to roll this out to support real-time, one-on-one customer interactions.	

Priority	Action	Progress	Status
Capture the diverse voices of our community through respectful and inclusive engagement opportunities to inform Council decision making	Run authentic, accessible community consultations for our community to influence programs and projects	1. Applied strategic stakeholder engagement planning principles to Council's consultation processes, utilising templates to structure how, when and who we consult. 2. Shared outcomes of consultations with participants and the general community demonstrating how community input influenced final decisions. 3. Reviewed and updated the Community Engagement Policy, scheduled for management review in November, followed by community consultation 4. Facilitated more than 10 engagement activities about parks, reserves, domestic animal management, economy and place, and community hubs, ensuring broad representation and genuine community impact.	
Recognise the rights of children and young people and ensure their voices are valued, respected and celebrated	Increase awareness of child safety and strengthen initiatives across all Council operations	Council has significantly increased awareness of child safety and strengthened its initiatives across all operations through a stronger presence on both internal and external websites and a visible demonstration of leadership commitment, highlighted by the CEO's child safety video message.	
Manage Council's resources effectively and efficiently to ensure financial and service sustainability	Implement the Service Review Framework	Due to the recent organisational realignment the service review process has not yet commenced.	
Renew and maintain infrastructure and facilities that are sustainable, fit for purpose and based on condition and community need	Maintain, renew and upgrade buildings and infrastructure as part of Council's annual Capital Works Program	The delivery of Council's capital works program is progressing as planned	
	Implement the Asset Plan 2025-35	The Asset Plan was adopted by Council and came into effect on 01 July 2025. Capital projects for the first year of the Asset Plan (2026-27) is under review and consultation to form next year's capital improvement program.	

Priority	Action	Progress	Status
Increase awareness of the services and supports available to our community and provide accurate and timely information	Promote our services in a human-centric way	Positive story telling is a priority through proactive rather than reactive media, including sharing positive 'behind the scenes' stories demonstrating our staff and the attraction of working at Greater Dandenong City Council. Proactive campaign work is underway to share Council's services, assets and case studies of the work we do to improve the community and respond to the needs of residents, businesses and visitors.	
Invest in smarter technologies to create a digitally enabled future that meets community needs, enhances services, and improves resource management	Introduce pay by app parking payment technology as per the Parking Precinct Action Plans	An agreement has been reached with two providers to date. This project is expected to commence in Q2.	
	Introduce AI technology to business processes	The organisation's AI Policy has been finalised, focusing on ethical, responsible, and human-centric use of AI. It will be rolled out in Q2 with a supporting toolkit of resources and guidance to aid adoption. A Community of Practice with 81 members has been established to enable peer learning and knowledge sharing. A structured training program will also launch in Q2 to build staff capability. The AI-powered chatbot is being developed to assist with Business Permit enquiries, improving customer experience and reducing manual workload.	
	Review Snap Send Solve to determine future opportunities to increase usage	A new contract proposal from Snap Send Solve has been received, with procurement pending.	

Part B:

Financial Report



Financial Report

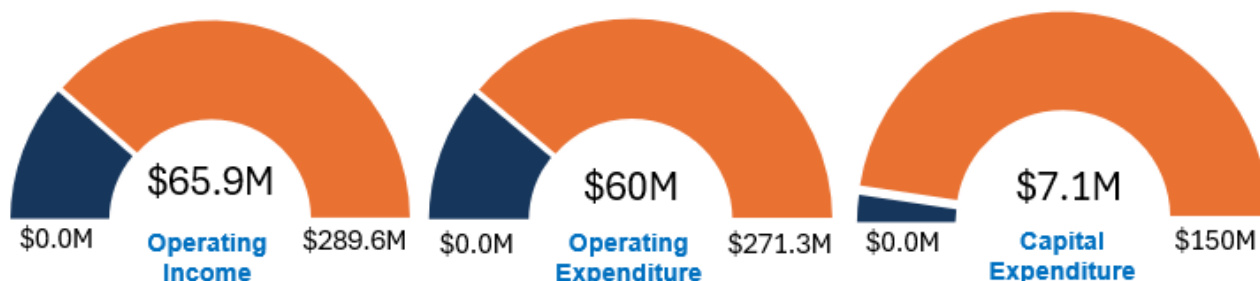
1 July 2025 to
30 September 2025

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KEY FINANCIAL HIGHLIGHTS

Quarter ending 30 September 2025



	30 Sep 2025 Year-to-Date					Full Year	
	Actual	Amended Budget	Variance	Var. Status		Original Budget	Amended Budget
	\$'000	\$'000	\$'000	%	Var.	\$'000	\$'000
Operating Income	65,869	65,356	513	1%	✓	288,267	289,596
Operating Expenses	60,043	62,576	2,533	4%	✓	262,465	271,278
Operating Surplus	5,826	2,780	3,046	110%	✓	25,802	18,318
Capital Expenditure	7,116	11,612	4,496	39%	✓	119,871	149,997
Cash / Investment Holdings ¹	240,376	Not applicable				152,942	174,052

Status legend:

- ✓ Above budgeted revenue or under budgeted expenditure
- Below budgeted revenue or over budgeted expenditure by less than 10%
- ✗ Below budgeted revenue or over budgeted expenditure by 10% or greater

Notes

- Total cash/investments at 30 September 2025 includes cash on hand and financial assets (term deposits invested for a period greater than 90 days) and have been allocated for specific future purposes by Council.

Budget information

The Original Budget information contained in the report is the budget approved by Council on 23 June 2025. The year-to-date budget in this report reflects the Amended Budget as adopted by Council on 22 September 2025. The Amended Budget represents the adopted budget incorporating net carry forward capital and operating amounts from 2024-25.

EXECUTIVE SUMMARY

Operating Result

For the year ended 30 September 2025, Council achieved a surplus operating result of \$5.83 million which is \$3 million better than year-to-date budget. The main factors contributing to this result comprise favourable variances in:

Operating income (\$513,000 favourable) – Mainly due to higher income in:

- Statutory fees and fines, mainly from parking infringement recoveries (\$415,000).
- Other income from interest returns on investments, rental/venue hire income (\$140,000).
- Monetary contributions for Mayoral Task Force and Road Resurfacing Program (\$117,000).
- User fees, primarily parking ticket machine fee income (\$104,000).

Partly offset by lower grant income for Family Day Care which is wholly offset by lower educator costs (\$285,000).

Operating expenditure (\$2.53 million favourable) – As a result of lower expenditure in Employee costs (\$1.45 million) and Materials and services (\$1.14 million), partly offset by two non-budgeted, non-cash fixed asset accounting adjustments (Asset write offs (\$116,000) and Prior year capital expenditure unable to be capitalised (\$54,000)).

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

Measures of financial sustainability

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

2025-26	Net result	Adjusted underlying result	Internal financing	Liquidity	Indebtedness	Capital replacement	Renewal gap
Sep YTD Actuals	8.84% 	6.69% 	291.92% 	1.63 	85.29% 	1.38 	0.52 
Amended Budget	6.33% 	(7.49%) 	55.74% 	1.61 	35.86% 	3.09 	2.57 
Original Budget	8.95% 	4.50% 	73.46% 	1.48 	36.06% 	2.68 	2.19 
2024-25 Full Year Actuals	10.67% 	3.76% 	132.24% 	2.29 	22.64% 	1.21 	0.67 

As at 30 September, Council's year-to-date results suggest performance within the low to medium risk range across six of the seven indicators. However, it is important to note that these ratios are designed to reflect annual performance, and early-year results may not accurately represent full-year outcomes.

The Indebtedness ratio currently exceeds the 60% threshold, placing it in the high-risk category. This ratio compares non-current liabilities to own-source revenue, which primarily consists of rate income accrued evenly over the financial year. As a result, early-year figures may

temporarily inflate the ratio. It is expected to align more closely with the low-risk threshold (below 40%) as full-year revenue is recognised.

The Capital Replacement and Renewal Gap ratios are currently in the medium risk range, largely due to lower capital expenditure in the first quarter. These results are expected to improve as planned capital works progress throughout the year.

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

Capital Result

Capital expenditure for the year ended 30 September 2025 totalled \$7 million, which is \$4.5 million below the year-to-date budget.

Lower capital expenditure occurred in the following programs:

- Road Resurfacing Programs (\$1.26 million)
- Dandenong Community Hub (\$303,000)

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

As at 30 September, there were \$71 million in commitments (open purchase orders), reflecting ongoing and planned capital works.

Cash Position

Cash and investments total \$240.38 million at 30 September 2025, comprising \$53.8 million of cash and cash equivalents and \$186.57 million of 'financial assets' (term deposits invested for a period of greater than 90 days).

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

The working capital ratio result remains sound at 1.63.

Total cash/investments at 30 September 2025 that have been allocated for specific future purposes (restricted cash) amounts to \$195.6 million. Restricted cash includes employee entitlements, trust fund and deposits, Development Contribution Plans (DCP) unearned income and reserves.

INCOME STATEMENT

For the period 1 July 2025 - 30 September 2025

	Note	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income	B1					
Rates and charges		47,251	47,259	(8)	184,000	184,000
Statutory fees and fines		3,558	3,143	415	12,805	12,805
User fees		2,174	2,070	104	9,420	9,420
Grants - operating		7,687	7,972	(285)	30,602	36,800
Grants - capital		700	677	23	24,011	20,870
Contributions - monetary		941	824	117	7,390	3,162
Contributions - non-monetary		-	-	-	7,500	7,500
Net gain (loss) on disposal of property, infrastructure, plant and equipment		94	87	7	787	787
Other income		3,464	3,324	140	13,081	12,923
Total income		65,869	65,356	513	289,596	288,267
Expenses	B2					
Employee costs		22,509	23,956	1,447	111,399	105,929
Materials and services		22,377	23,515	1,138	99,826	96,820
Prior year capital expenditure unable to be capitalised (non-cash)		54	-	(54)	-	-
Bad and doubtful debts		-	-	-	1,614	1,614
Depreciation		12,115	12,115	-	48,481	48,481
Amortisation - right of use assets		179	179	-	715	715
Borrowing costs		707	707	-	3,936	3,936
Finance costs - leases		-	-	-	57	57
Asset write offs		116	-	(116)	-	-
Other expenses		1,986	2,104	118	5,250	4,913
Total expenses		60,043	62,576	2,533	271,278	262,465
Net surplus (deficit)		5,826	2,780	3,046	18,318	25,802

Notes

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

BALANCE SHEET

As at 30 September 2025

		2025-26 ACTUAL 30 Sep 2025 \$'000	2024-25 ACTUAL 30 Jun 2025 \$'000	2025-26 AMENDED BUDGET \$'000	2025-26 ORIGINAL BUDGET \$'000
	Note				
ASSETS					
Current assets	C1				
Cash and cash equivalents		53,804	32,822	46,052	24,942
Financial assets		186,572	179,708	128,000	128,000
Trade and other receivables *		149,540	32,253	32,519	32,100
Other assets		2,402	5,895	6,021	6,021
Total current assets		392,318	250,678	212,592	191,063
Non-current assets	C2				
Property, infrastructure, plant and equipment		3,021,668	3,026,836	3,135,792	2,781,993
Investment property		6,865	6,865	6,865	6,690
Right-of-use assets		501	680	664	1,257
Trade and other receivables		183	183	183	266
Total non-current assets		3,029,217	3,034,564	3,143,504	2,790,206
Total assets		3,421,535	3,285,242	3,356,096	2,981,269
LIABILITIES					
Current liabilities	C3				
Trade and other payables		2,563	25,669	45,218	39,221
Prepaid rates *		135,467	-	-	-
Trust funds and deposits **		24,330	3,201	4,354	4,354
Unearned income		53,088	54,054	54,354	56,668
Provisions		21,640	21,504	21,804	21,804
Interest-bearing liabilities		3,296	4,379	6,068	6,068
Lease liabilities		345	494	507	599
Total current liabilities		240,729	109,301	132,305	128,714
Non-current liabilities	C4				
Provisions		1,796	1,957	1,305	1,305
Trust funds and deposits		2,149	2,910	3,052	3,052
Interest-bearing liabilities		43,992	43,992	74,027	74,027
Lease liabilities		205	244	251	647
Total non-current liabilities		48,142	49,103	78,635	79,031
Total liabilities		288,871	158,404	210,940	207,745
NET ASSETS	C5	3,132,664	3,126,838	3,145,156	2,773,524
EQUITY					
Accumulated surplus		999,610	993,868	1,034,315	1,054,410
Asset revaluation reserve		2,027,966	2,027,966	2,027,966	1,655,211
Reserves		105,088	105,004	82,875	63,903
TOTAL EQUITY		3,132,664	3,126,838	3,145,156	2,773,524

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

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

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

CASH FLOW STATEMENT

		2025-26 ACTUAL as at 30 Sep 2025 Inflows/ (Outflows) \$'000	2025-26 ANNUAL AMENDED BUDGET Inflows/ (Outflows) \$'000	2025-26 ANNUAL ORIGINAL BUDGET Inflows/ (Outflows) \$'000
	Notes			
Cash flows from operating activities				
Rates and charges		67,120	184,233	183,417
Statutory fees and fines		2,446	10,649	10,809
User fees		8,099	9,878	10,292
Grants - operating		664	31,855	38,574
Grants - capital		2,289	23,091	20,870
Contributions - monetary		941	8,190	3,962
Interest received		2,786	6,079	6,000
Trust funds and deposits taken		21,462	33,249	32,100
Other receipts		1,013	7,480	7,700
Net GST refund		3,960	22,088	18,235
Employee costs		(26,698)	(111,027)	(105,201)
Materials and services		(31,487)	(103,699)	(112,460)
Short-term, low value and variable lease payments		(172)	(720)	(720)
Trust funds and deposits repaid		(1,324)	(31,954)	(31,954)
Other payments		(2,129)	(5,779)	(4,823)
Net cash provided by operating activities	D1	48,970	83,613	76,801
Cash flows from investing activities				
Payments for property, infrastructure, plant and equipment		(16,775)	(149,997)	(119,871)
Proceeds/(payments) of investments		(9,334)	51,708	14,000
Proceeds from sale of property, infrastructure, plant and equipment		94	847	847
Net cash used in investing activities	D2	(26,015)	(97,442)	(105,024)
Cash flows from financing activities				
Finance costs		(701)	(3,936)	(3,936)
Proceeds from borrowings		-	36,502	36,502
Repayment of borrowings		(1,083)	(4,770)	(4,770)
Interest paid - lease liability		(1)	(57)	(57)
Repayment of lease liabilities		(188)	(680)	(680)
Net cash used in financing activities	D3	(1,973)	27,059	27,059
Net increase (decrease) in cash and cash equivalents		20,982	13,230	(1,164)
Cash and cash equivalents at the beginning of the year		32,822	32,822	26,106
Cash and cash equivalents at the end of the period		53,804	46,052	24,942
Represented by:				
Operating cash		(141,761)	(108,816)	(114,494)
Restricted cash	D4	195,565	154,868	139,436
Total		53,804	46,052	24,942

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

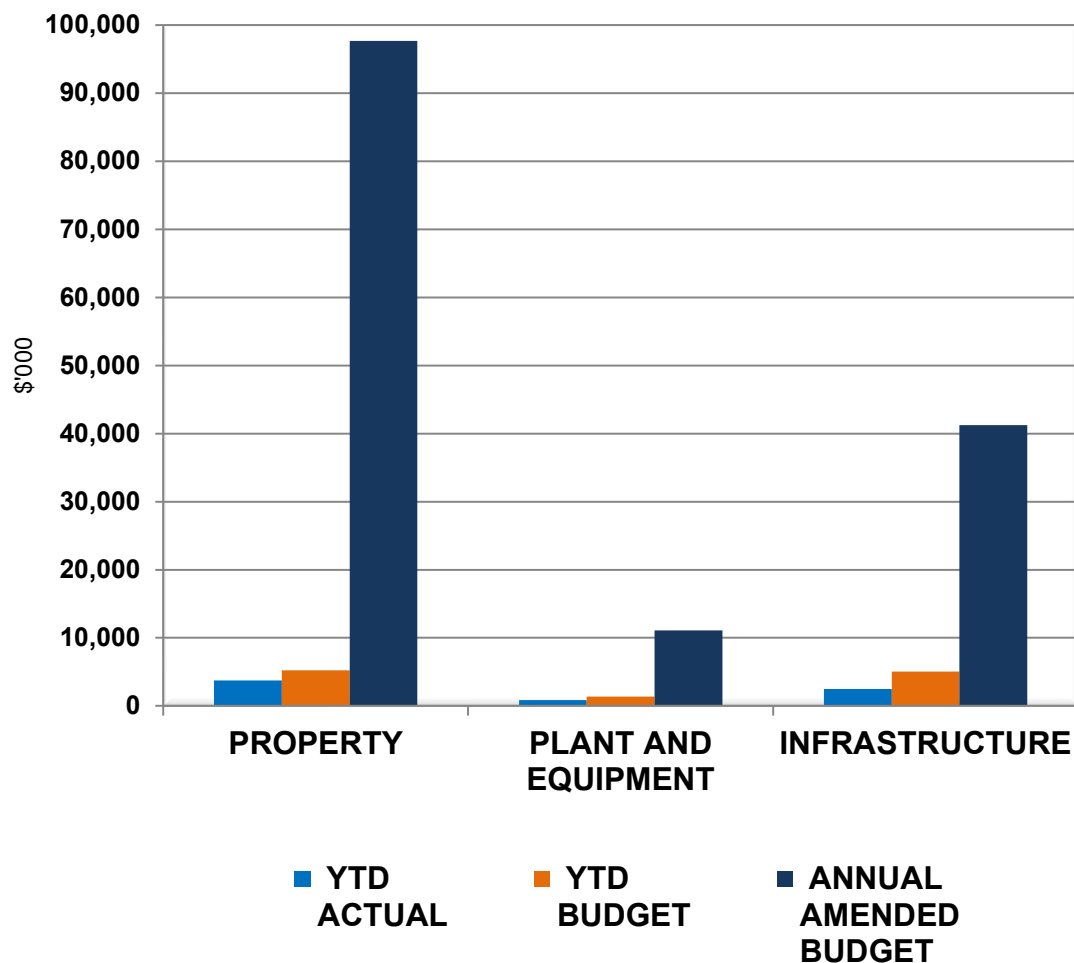
The dissemination of Council's restricted and operating cash is provided in the table in section D4 and the graph "Restricted and Unrestricted Cash" in **Appendix 2 Investment Analysis** of this report. Note - cash inflows and outflows are inclusive of GST where applicable.

CAPITAL EXPENDITURE STATEMENT

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

	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	COMMIT \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
PROPERTY	3,751	5,222	1,471	62,013	97,666	77,123
PLANT AND EQUIPMENT	864	1,355	491	2,681	11,100	7,983
INFRASTRUCTURE	2,501	5,035	2,534	6,684	41,231	34,765
TOTAL EXPENDITURE	7,116	11,612	4,496	71,378	149,997	119,871

**Capital Expenditure by Asset Group
1 July 2025 to 30 September 2025**



MANAGEMENT ACCOUNTING RESULT

For the period 1 July 2025 - 30 September 2025

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

The following table provides a management accounting summary of the financial performance for the period 1 July 2025 to 30 September 2025 which removes non-cash items and adds back cash items that are excluded from the financial statements.

Description	YEAR-TO-DATE			FULL YEAR		
	ACTUAL	AMENDED BUDGET	VARIANCE Fav(unfav)	AMENDED BUDGET	ORIGINAL BUDGET	VARIANCE Fav(unfav)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income Statement						
Income	65,869	65,356	513	289,596	288,267	1,329
Expenditure	60,043	62,576	2,533	271,278	262,465	(8,813)
Net surplus - ongoing operations	5,826	2,780	3,046	18,318	25,802	(7,484)
Management Accounting reconciliation						
<i>Add (less) non cash items included in op result</i>						
Depreciation	12,115	12,115	-	48,481	48,481	-
Amortisation - right of use assets	179	179	-	715	715	-
Contributions non-monetary assets	-	-	-	(7,500)	(7,500)	-
Assets written off	116	-	(116)	-	-	-
Prior year cap expenditure unable to be capitalised	54	-	(54)	-	-	-
Written down value of assets sold / disposed	1	-	(1)	60	60	-
Sub total	12,465	12,294	(171)	41,756	41,756	-
Net operating surplus	18,291	15,074	3,217	60,074	67,558	(7,484)
<i>Add (less) cash items not included in op result</i>						
Capital expenditure	(7,116)	(11,612)	4,496	(149,997)	(119,871)	(30,126)
Net transfers from (to) reserves	(84)	(100)	16	22,129	21,261	868
Repayment of borrowings	(1,083)	(1,083)	-	(4,770)	(4,770)	-
Proceeds from borrowings	-	-	-	36,502	36,502	-
Repayment of lease liabilities	(188)	(178)	(10)	(680)	(680)	-
Sub total	(8,471)	(12,973)	4,502	(96,816)	(67,558)	(29,258)
Cash surplus (deficit)	9,820	2,101	7,719	(36,742)	-	(36,742)
Accumulated surplus brought forward	-	-	-	37,838	-	37,838
Surplus position	9,820	2,101	7,719	1,096	-	1,096

The management accounting result at 30 September 2025 (after removing non-cash items and adjusting for items not in the operating result) shows a favourable variance between budget and actual of \$7.72 million, due mainly to lower capital expenditure (\$4.5 million) and a net operational surplus (\$3.05 million).

NOTES TO THE FINANCIAL STATEMENTS

A. Accounting Policy Notes

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

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

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

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

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

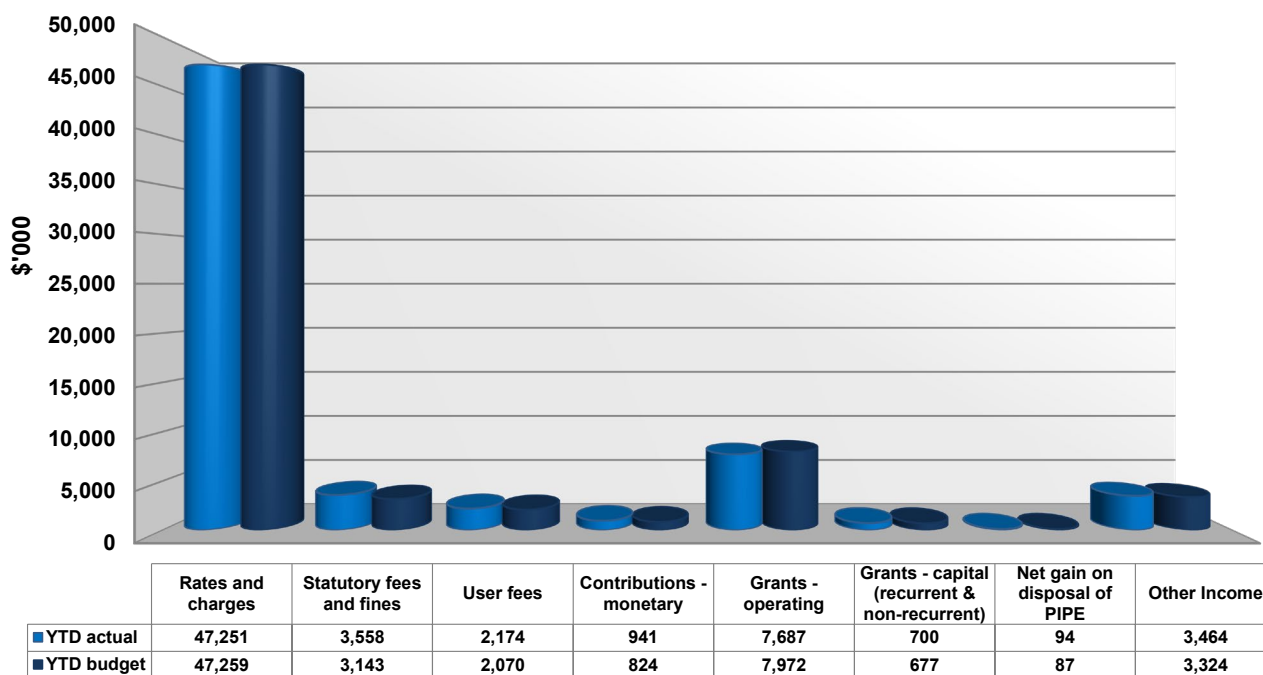
7. **Budget information:** The Original Budget information contained in the report is the budget approved by Council on 23 June 2025. The year-to-date budget in this report reflects the Amended Budget as adopted by Council on 22 September 2025. The Amended Budget represents the adopted budget incorporating net carry forward capital and operating amounts from 2024-25.
8. **Cash Flow Statement:** Reflects the actual cash movements during the year.
9. **Restricted cash:** These are monies set aside for specific purposes and are not readily available for day-to-day operations or general capital works. They include funds set aside towards meeting long service leave commitments (required by government regulations), statutory reserves (e.g. open space contributions) and other funds that are committed towards specific purposes.

B. Income Statement

B1. Operating Income

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

**Income from operating activities
for 1 July 2025 - 30 September 2025**

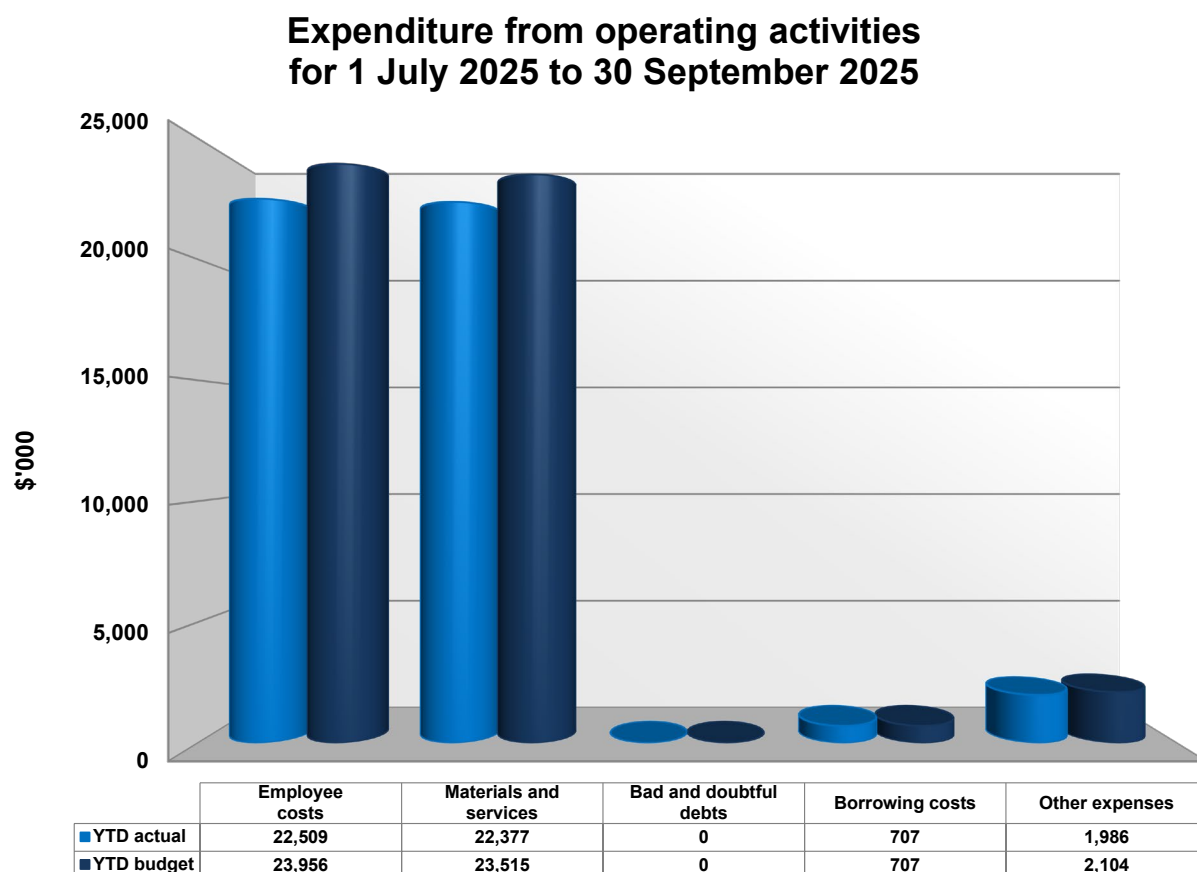


Operating income for the quarter ended 30 September 2025 is \$513,000 favourable against budget. This is primarily due to the following:

- **Statutory fees (\$415,000 favourable)** – Mainly higher income from Infringement Court parking recoveries, Magistrate Court fine recoveries, and parking fines (Community Strengthening \$314,000).
- **Grants - operating (\$285,000 unfavourable)** – Lower than anticipated grant funding for Family Day Care (Community Strengthening \$287,000) which is wholly offset by lower educator costs.
- **Other income (\$140,000 favourable)** - Better than anticipated interest returns on investments, as projections had assumed some decline in interest rates, combined with greater cash and investment funds resulting from capital expenditure delays in the prior year (Non-Directorate \$87,000). Additional contributing factors include community facility rental/venue hire and Emergency Management recovery income (Community Strengthening \$84,000).
- **Contributions – monetary (\$117,000 favourable)** – Due to contributions received for the Mayoral Task Force associated with Status Resolution Services (CEO Directorate \$61,000) and unbudgeted contributions received from Road Resurfacing Program (Capital Works Program \$56,000). Both items will be offset by associated expenditure and adjusted in the Mid-Year Budget.

B2. Operating Expenditure

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



Operating expenditure for the year ended 30 September 2025 is favourable by \$2.53 million. This is due to favourable variances in materials and services and employee costs partly offset by two fixed asset accounting entries (prior year capital expenditure unable to be capitalised and asset write offs). The fixed asset accounting entries do not impact Council's cash position and are discussed in more detail in Notes 18 and 19 of this report.

- **Materials and services (\$1.14 million favourable)** – due to the following variances:
 - Lower tonnages across the three main waste streams including domestic garbage, Food Organics Garden Organics (FOGO) and comingled recycling (Waste Management \$284,000).
 - Lower Family Day Care educator payments matched by lower income (\$243,000).
 - Due to the recent service review and restructure, there has been a delay in progressing some work (Parks Services \$305,000).
 - Delayed start of maintenance programs following the July/August implementation of the new Works Management System (WMS) (Roads and Drains \$106,000).
 - Lower building maintenance services which are reactive by nature (\$123,000).

- **Employee costs (\$1.45 million)**

As depicted in the table below, the favourable variance is made up of:

Directorate	2025-26 Variance Fav/(unfav) \$	Grant Funded Programs \$	Offset by Lower Income \$	2025-26 Potential Underspend/ (overspend) \$
CEO SERVICES	(26,600)	-	-	(26,600)
CITY FUTURES	333,566	8,829	-	324,737
COMMUNITY STRENGTHENING	1,044,946	358,371	101,797	584,779
CORPORATE DEVELOPMENT	95,341	-	-	95,341
Total Council	1,447,253	367,200	101,797	978,256

- \$367,200 (25%) in grant funded programs which represent a future obligation and require an acquittal, caused mainly by a delay in recruitment (mostly in Community Strengthening).
- \$101,797 represents favourable employee costs that are wholly offset by lower income in Community Care.
- The remaining \$978,256 represents a potential underspend in employee costs due to the delay in recruitment of vacant positions as well as the timing gap between recruitment of vacant positions commencing and onboarding across the organisation:
 - *Community Strengthening (\$585,000)* – Library Services (\$106,000), General Law Enforcement (\$90,000), Maternal and Child Health (\$86,000), Children’s Support Services (\$70,000), HACC – Home Maintenance (\$70,000) Family Day Care (\$66,000), and Community Amenity (\$56,000).
 - *City Futures (\$333,000)* - Statutory Planning (\$112,000), Park Services (\$92,000), Strategic Design and Sustainable Planning (\$69,000), Waste Management (\$66,000) and Roads and Drains (\$40,000). These favourable variances are partly offset by higher salaries in Building and Compliance (\$76,000) and CIP Implementation (\$57,000).
 - *Corporate Development (\$95,000)* - Procurement (\$109,000), People and Change Executive (\$71,000) and Call and Service Centres (\$46,000). This favourable variance is partially offset by higher salaries in Communications and Customer Experience Executive (\$121,000).

C. Balance Sheet

Council's net assets are valued at \$3.13 billion on 30 September 2025.

C1. Current assets

Cash and cash equivalents (\$53.80 million) – Represents the net amount held by Council in cash or term deposits with a term of less than 90 days.

When combined with 'Financial assets' of \$186.57 million (below), Council holds a total of \$240.38 million in cash and investment funds. Of this amount, \$195.57 million (81%) is restricted for specific purposes, including employee entitlements, trust funds and deposits, and internal reserves.

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

Graphical details of Council's investments are provided in **Appendix 2**. In selecting investment products, Council has carefully considered risk by ensuring the investment portfolio remains within the limits set by policy. These limits are based on the Standard and Poor's long-term credit ratings of Authorised Deposit-Taking Institutions (ADIs), in conjunction with the investment term.

Financial assets (\$186.57 million) – Increase in financial assets from 30 June 2025 is due to the make-up of Council's cash and investments holdings at 30 September 2025 with more investments placed with a term of over 90 days and less investments with a term of under 90 days.

Trade and other receivables (\$149.54 million) – This balance includes:

- Rate debtors \$132.04 million
- Infringement debtors of \$10.83 million (net of provision for doubtful debts).
- General debtors \$6.67 million (net of provision for doubtful debts).

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

Other assets (\$2.40 million) – This balance includes:

- Accrued income (\$2.00 million) – Income earned but cash not yet received as at 30 September 2025.
- Other deposits (\$342,000) – Comprises Metropolitan Resource Recovery Landfill Services Gate Fee deposit (\$250,000), Metropolitan Resource Recovery Organic Waste Processing Contract deposit (\$75,000), a works warranty bond for Soccer Pitch and Community Centre - 9 Memorial Drive, Noble Park (\$8,700) and South East Water deposit for 5 Mason Street, Dandenong works (\$8,600).
- Prepayments (\$68,000) - Expenses prepaid at 30 September 2025.

C2. Non-current assets

Property, infrastructure, plant and equipment (\$3.02 billion) – Includes Council roads, drains, buildings, plant and other fixed assets. These values are reflected after recognising the depreciation allowed against each asset.

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

Right-of-use assets (\$501,000) – Represents leased (right-of-use) assets and includes property, fleet, IT and office equipment that has been leased under ordinary lease arrangements.

Trade and other receivables (\$183,000) – Comprises Council's share of funds in the former Narre Warren landfill site (\$179,000 held by Whitehorse City Council) and in South East Metropolitan Advanced Waste Processing Pty Ltd (\$3,000).

C3. Current liabilities

Debts due to be repaid within 12 months.

Trade and other payables (\$2.56 million) – This balance includes trade creditors arising from operations and capital works.

Trust funds and deposits (\$24.33 million) – Trust funds and deposits includes other refundable monies in respect of:

- Fire services property levy funds collected by Council on behalf of the State Government but not yet paid on to the State Revenue Office (\$20.24 million). These monies are remitted to the State Revenue Office in accordance with legislative timeframes (28 days after each quarterly rate instalment date).
- Other deposits (\$2.51 million).
- Landscape deposits (\$911,000).
- Open space contributions (\$392,000).
- Road deposits (\$270,000).

Unearned income (\$53.09 million) – Represents income not yet earned based on specific performance obligations that were not complete at 30 September 2025 in respect of:

- Developer Contribution Plan liabilities (DCP) – (\$42.02 million).
- Operating grants (\$7.65 million).
- Capital grants (\$2.82 million).
- Other (\$592,000).

Provisions (\$21.64 million) – This balance represents the provision for employee entitlements and landfill restoration works.

- Employee entitlements:
 - Long service leave entitlements - \$12.05 million.
 - Annual leave entitlements - \$8.75 million.
 - Rostered days off (RDO) - \$735,000.
- Landfill provision (\$101,000) - Provision for the restoration and aftercare management of the former Spring Valley landfill site (closed). The former landfill is owned by the Council and is used as recreational open space. Council's share is 19.88% of the total future estimated costs.

Interest-bearing liabilities (\$3.30 million) – Represents the repayment of long-term borrowings expected during 2025-26.

Lease liabilities (\$345,000) - Represents the lease repayments in respect of the right-of-use assets that are payable during 2025-26.

C4. Non-current liabilities

Debts due to be repaid in future years.

Provisions (\$1.80 million) – Represents the provisions estimated to be paid beyond the 2025-26 financial year and comprises of long service leave entitlements for employees (\$437,000) and landfill provision for restoration of Spring Valley landfill site (\$1.36 million) (Council's share is 19.88% of the total future estimated costs).

Trust funds and deposits (\$2.15 million) – Represents deposits that are payable beyond the 2025-26 financial year and comprises asset protection bonds of \$1.87 million, landscape deposits of \$166,000 and contractor deposits of \$115,000.

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

Lease liabilities (\$205,000) – Represents the amount of lease payments in respect of the right-of-use assets to be repaid beyond the next 12 months.

C5. Net assets and equity

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

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

The **discretionary** reserves are:

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

The **statutory** reserves are:

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

D. Cash Flow Statement

Cash and investment holdings total \$53.80 million as at 30 September 2025, an increase of \$20.98 million since 30 June 2025.

When considered together with 'Financial assets' of \$186.57 million, Council's total cash and investment holdings comprise \$240.38 million. 'Financial assets' are term deposits with a maturity greater than 90 days.

81% or \$195.56 million of Council's total cash and investment holdings are restricted for specific purposes. Please refer to the following page for a detailed listing of Restricted Cash items.

Cash flows from operating activities – net inflow of \$48.97 million.

The major inflows are rates (\$67.12 million), trust funds and deposits taken (\$21.46 million), user fees (\$8.10 million) and statutory fees and fines (\$2.45 million).

The major outflows are materials and services (\$31.49 million) and employee costs (\$26.70 million).

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

Cash flows from investing activities – net outflow of \$26.01 million, including:

- \$16.78 million for capital works expenditure. The detailed capital works schedule is included in this report as Appendix 1. Please note the difference between the two capital expenditure amounts is due to the movement in capital trade creditors at the start and end of the reporting period. Appendix 1 is on an accrual basis.
- \$9.33 million relates to cash outflow for term deposits with a maturity of more than three months.
- \$94,000 proceeds on asset sales mainly relating to the fleet replacement program.

Cash flows from financing activities – outflow of \$1.97 million.

Council incurred \$701,000 in finance costs on its borrowings and repaid \$1.08 million of existing borrowings. In addition, Council repaid \$189,000 of its lease liabilities as at 30 September 2025.

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

Type	30-Sep-25	Notes
Reserve funds	\$'000	
Council funded Development Contribution Plans (DCP) reserve	17,412	Reserved for specific expenditure in accordance with the published DCP.
Open space – planning, development and improvements	7,531	Reserved for enhancing the City's open space by planning, development and improvements.
Open space – acquisitions	5,998	To fund acquisitions of new open space land.
Major projects reserve	47,242	Funds realised from the sale of Council's property assets or surplus Council funds that will be utilised for investing in other properties or funding future major projects.
Keysborough South Maintenance Levy	5,221	Reserved for specific maintenance expenditure relating to this area.
Spring Valley landfill rehabilitation	5,448	Rehabilitation of the Spring Valley landfill site.
Re-vegetation reserves	162	To meet native re-vegetation requirements on Council's reserves.
Insurance fund reserve	662	To meet large and unexpected policy excesses on multiple insurance claims.
Springvale Activity Precinct Parking and Development reserve	236	To fund development in the Springvale Activity Centre.
Dandenong Activity Precinct Parking and Development reserve	3,908	To fund development in the Dandenong Activity Centre.
General reserve (Aged Care)	6,436	Funds set aside for the aged care reforms.
Future maintenance reserve	3,744	Contribution funds for future works to address level crossing removal authority defects.
Digital Technology	1,088	To fund digital technology uplift.
Total reserve funds	105,088	

Employee provisions	\$'000	
Long service leave	12,492	Funds to meet long service leave commitments.
Annual leave and other	9,484	Funds set aside to meet annual leave and rostered days off (RDO) commitments.
Total employee provisions	21,976	

Type	30-Sep-25	Notes
Trust funds and deposits	\$'000	
Fire services property levy (FSPL) collected and due	20,241	Payable to State Revenue Office – legislative requirement.
Open space contributions	392	Pending completion of works.
Landscape deposits	1,077	Pending completion of works.
Road deposits	270	Pending completion of works.
Other trust funds and deposits	4,499	Refundable upon finalisation of programs.
Total trust funds and deposits	26,479	

Other restricted funds	\$'000	
DCP unearned income	42,023	Pending completion of works by developers.
Total other restricted funds	42,023	

Total restricted cash	195,566
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Other metrics – Rating and hardship

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

E. Statement of Capital Works

Total capital expenditure as at 30 September 2025 was \$7.12 million, with a further \$71 million in commitments. The following CIP Expenditure Report contains the expenditure status of each of the approved capital projects.

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

Property

- **1869 Dandenong Community Hub (\$303,000 favourable)** - A Council meeting is scheduled for December 2025 to provide an update on the project and determine the next steps. Major expenditure remains on hold pending the outcome of this meeting.

Infrastructure

- **3753 Road Resurfacing Program (\$1.26 million favourable)** - Preparation works for the upcoming road resurfacing program are currently underway, and procurement activities are in progress. Once the procurement phase is finalised, construction works are scheduled for completion between Quarters 2, 3 and 4, with corresponding expenditure expected to occur during this period.

APPENDIX 1 – CIP EXPENDITURE REPORT

	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL AMENDED BUDGET \$	ANNUAL ORIGINAL BUDGET \$
PROPERTY						
Buildings						
1631. Art Gallery PEP Bldg	42,714	140,515	97,801	225,011	562,061	-
1869. Dandenong Community Hub	50,410	353,886	303,476	1,425,479	1,415,544	-
3004. Bldg Renewal Aq/Leis D'nong Oasis	123,980	47,800	(76,180)	-	132,791	19,470
3024. Heritage Kindergarten	-	1,500	1,500	-	32,062	32,062
3041. Dandenong Civic Ctr Rectification	13,159	168,013	154,854	151,231	930,126	500,000
3083. Bldg Renewal Walker St Gallery	-	-	-	16,855	79,845	79,845
3093. Dandenong Nth Senior Citizen	-	6,124	6,124	8,500	61,242	-
3207. Bldg Renewal Aq/Leis D'nong Stadium	75,807	74,573	(1,234)	121,313	298,290	-
3224. Ross Res Athletics Pav. Amenities	-	-	-	3,545	64,800	64,800
3267. Lois Twohig Gerry Sweet Pavilion	-	-	-	35,192	137,600	137,600
3303. NP Comm Ctr Building 2	-	6,899	6,899	18,090	27,597	-
3324. Bldg Renewal Aq/Leis Springers	-	33,884	33,884	22,930	135,536	-
3455. Burden Park Masterplan Implem.	-	4,706	4,706	9,294	47,059	-
3479. Darren Reserve Kindergarten	3,300	78,605	75,305	-	78,605	-
3548. Keysborough Community Hub (KCH)	483,574	557,129	73,555	442,843	2,228,516	-
3717. Springvale Reserve	-	81,230	81,230	-	324,920	-
3793. Dandenong Market Square	-	-	-	6,625	-	-
3820. Bldg Renewal Aq/Leis NPAC	-	21,050	21,050	92,883	137,671	53,471
3873. Bldg Renewal DDA	-	-	-	-	223,112	223,112
3876. Bldg Renewal Fixt/Fitt Bathroom	-	3,782	3,782	13,541	15,127	-
3878. Bldg Renewal Lift	125,179	2,650	(122,529)	5,716	26,500	-
3879. Building Renewal Minor Works	-	-	-	1,016	-	-
3883. Bldg Renewal Fixt/Fitt Kitch & Mech	-	-	-	37,617	-	-
3904. Bldg Renewal Theatre	15,680	42,896	27,216	24,417	188,690	188,690
3906. Dandenong New Art	102,121	103,600	1,479	79,569	9,191,603	4,255,599
3946. Bldg Renewal Aquat/Leis	-	1,343	1,343	3,174	5,371	-
3955. Chandler MCH/Kinder Windows	31,777	85,455	53,678	-	85,455	-
3974. D'nong Wellbeing Centre	2,475,776	2,491,048	15,272	58,585,445	71,886,733	66,156,000
4001. Dandenong Market Bazaar Bird Net	3,354	46,250	42,896	-	185,000	-
4003. Springvale Res Masterplan Implem.	-	12,643	12,643	-	88,500	-
4067. Lyndale Sec. College Kitchen	3,111	163,589	160,478	11,620	163,589	-
4069. PEP Redevelopment	-	273,508	273,508	371,741	1,094,032	-
4104. Security Program	-	22,000	22,000	-	220,000	-
4105. Police Paddocks Water Main	-	12,273	12,273	47,356	122,727	-
4106. 2330-22/23 D'nong Civic Hot Water	-	9,328	9,328	-	93,280	-
4126. Dandenong Day Nursery Cafe Blinds	-	35,000	35,000	-	35,000	-
4132. Heritage Hill (Laurel)	3,078	5,503	2,425	1,050	55,028	-
4146. 39 Clow Ground Floor HVAC	480	-	(480)	7,500	664,480	664,480
4147. Dandenong West Prim Sch	-	-	-	-	25,080	25,080
4148. Noble Park Mobile Library Service	394	1,736	1,342	16,962	17,356	-
4184. Dandenong Market - Lift	3,354	17,457	14,103	1,091	174,565	-
4185. D'nong Market Fire & Compliance	159,991	70,398	(89,593)	71,617	803,976	100,000
4186. D'nong Market Struct Rectification	13,486	113,532	100,046	-	510,318	500,000
4202. Gas Transition Program	9,206	12,024	2,818	36,044	120,237	-
4219. Bldg Renewal Fixt/Fitt Paddy O'Don	320	-	(320)	15,910	-	-
4220. Bldg Renewal Fixt/Fitt General	10,019	22,143	12,124	10,640	88,570	-
4222. NPAC Pump & Pipework	-	5,000	5,000	-	5,000	-
4238. Bldg Renewal Fixt/Fitt Fifth Ave	-	27,500	27,500	-	110,000	-
4264. Dandenong Stadium Court Resurfacing	-	-	-	-	1,024,467	1,024,467
4265. Water Main Renewal Program	-	-	-	-	1,119,680	1,119,680
4293. Dandenong Library Inclusive Spaces	-	-	-	60,475	471,839	471,839
4294. Dandenong Stadium Flooring	-	65,000	65,000	-	650,000	-
4296. Springers Floor & Futsal Goal	-	-	-	-	950,525	950,525
4298. Bldg Renewal D'nong Civic Centre	-	-	-	-	93,280	93,280
4299. Springvale Res Sport Pav Amenities	-	-	-	25,150	452,868	452,868

	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL AMENDED BUDGET \$	ANNUAL ORIGINAL BUDGET \$
PROPERTY						
Leasehold Improvements						
3553. Parkmore Customer Service Re-Furbis	-	-	-	-	10,000	10,000
Land						
4201. 9A Blissington Street, Springvale	560	-	(560)	5,947	-	-
Total property	3,750,829	5,221,572	1,470,743	62,013,389	97,666,253	77,122,868
PLANT AND EQUIPMENT						
Plant, machinery and equipment						
1445. Fleet Renewal Program	578,063	579,000	937	1,884,401	5,759,395	3,949,201
Library books						
3104. Library Strategy Books & Resources	59,708	216,398	156,690	440,521	865,592	865,592
Computers and telecommunications						
3147. Parking Machines	27,509	-	(27,509)	4,202	-	-
4104. Security Program	-	4,000	4,000	-	40,000	-
4154. Various Locations People Counters	-	5,181	5,181	-	31,088	-
4162. CCTV Renewal Program	12,096	81,934	69,838	6,631	2,651,627	1,832,290
4223. Dandenong Library Book Sorter	-	125,000	125,000	231,173	250,000	-
4224. Dandenong Civic Ctr UPS Server	80,871	137,832	56,961	26,957	137,832	-
4262. AI-powered Chat Bot	35,535	-	(35,535)	791	-	-
Fixtures, fittings and furniture						
3314. Furn Renewal Community Hubs	11,986	40,742	28,756	23,970	162,970	162,970
3959. Emergency Relief Centre Equipment	20,804	2,901	(17,903)	1,091	29,010	-
4151. Public Art Renewal Program	11,805	-	(11,805)	4	-	-
4269. Library RFID Infrastructure Renewal	-	-	-	-	268,487	268,487
4270. Creative Studio Hub	-	6,000	6,000	-	26,352	26,352
4271. Community Hub Waste Wash Stations	-	-	-	-	12,497	12,497
4297. D'nong Civic Ctr Chamber Screen	-	-	-	-	43,065	43,065
4300. Furn Renewal Kitchen & Mechanical	25,761	156,250	130,489	60,936	625,000	625,000
4301. MCH Office Furniture	-	-	-	-	197,316	197,316
Total plant and equipment	864,138	1,355,238	491,100	2,680,677	11,100,231	7,982,770
INFRASTRUCTURE						
Parks, open space and streetscapes						
3027. Fencing Program (Active & Passive)	16,289	-	(16,289)	101,614	249,075	249,075
3147. Parking Machines	-	114,540	114,540	-	682,448	224,290
3173. Springvale Activity Ctr Wayfinding	-	-	-	-	117,000	117,000
3293. Heritage Archive Fencing & Gate	-	-	-	-	62,150	62,150
3442. NPR Noble Park Revitalisation	7,385	61,948	54,563	157,981	247,793	-
3835. Passive OS Signage	-	-	-	-	186,560	186,560
3847. Public Lighting Renewal Program	-	-	-	42,850	305,250	305,250
3849. Frederick Wachter Playground	-	8,618	8,618	-	34,471	-
3973. Signage Renewal Program	3,480	-	(3,480)	-	-	-
4012. Alex Wilkie Wetlands	68,014	33,142	(34,872)	71,172	331,425	-
4062. NPR Muderra Artwork	-	34,365	34,365	10,945	137,459	-
4066. George Andrews Field 2 Lighting	84,890	42,797	(42,093)	47,080	171,186	-
4119. Frederick Wachter Tennis Lighting	-	-	-	9,870	26,378	26,378
4124. Thomas Carroll West Oval Lighting	-	-	-	23,607	-	-
4151. Public Art Renewal Program	-	-	-	-	58,300	58,300

	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL AMENDED BUDGET \$	ANNUAL ORIGINAL BUDGET \$
INFRASTRUCTURE						
Parks, open space and streetscapes						
4164. Dandy CBD LED Upgrade	-	30,614	30,614	-	122,456	-
4175. Springvale Revit ActPLAN	-	62,500	62,500	-	250,000	-
4191. Railway Parade Shopping Centre	-	759	759	575	7,595	-
4207. Noble Park Reserve Carpark & Picnic	5,600	39,250	33,650	4,750	39,250	-
4208. Warner Reserve Masterplan Implem.	-	20,071	20,071	57,128	60,212	-
4213. View Road Furn & Landscape	-	-	-	66,689	110,110	110,110
4217. LRCI 4 Dand CBD Rd & Ped. Lighting	-	-	-	113,210	-	-
4234. Rosswood Tennis Lighting	138,157	368,338	230,181	24,311	368,338	-
4235. Greaves Res Oval 4 Lighting	13,054	141,107	128,053	103,417	141,107	-
4274. Doris Res - Local Pk Furn & LndScp	5,725	1,200	(4,525)	27,008	86,130	86,130
4277. JC Mills Reserve Hockey Lighting	-	-	-	-	24,420	24,420
4278. Fotheringham Reserve Lighting	1,800	-	(1,800)	-	23,320	23,320
4281. WJ Turner Reserve Floodlighting	-	-	-	179,709	327,904	327,904
4304. Passive OS Furniture & BBQs	12,268	53,907	41,639	159,544	215,710	215,710
4305. Ian Tatterson Wayfinding	-	-	-	-	183,150	183,150
Recreational, leisure and community facilities						
1679. Parkfield Reserve Master Plan	60,479	44,989	(15,490)	103,360	314,921	-
1859. Rowley Allan Res Masterplan Implem.	-	4,286	4,286	-	30,000	-
3209. Active Reserve Prog Facilities	25,740	-	(25,740)	73,635	126,308	126,308
3211. Passive OS Softfall & Rubber	67,991	-	(67,991)	377,114	513,040	513,040
3406. Fotheringham Cricket Wicket	-	-	-	-	146,080	146,080
3506. Greaves Reserve Cricket Wicket	-	-	-	67,223	71,940	71,940
3586. Booth Reserve(Clou St)	2,000	-	(2,000)	8,800	36,080	36,080
3631. Dandenong Park Masterplan Implem	-	14,727	14,727	44,180	44,180	-
3684. Warner Reserve Cricket Wicket	-	-	-	-	146,080	146,080
4120. Ross Reserve Athletics Track	-	-	-	8	-	-
4125. Greaves Reserve Masterplan	-	3,648	3,648	-	14,593	-
4233. Greaves Res Fit Playgrd Rec'n Zone	-	-	-	16,393	-	-
4275. JC Mills Res Hockey Field & Fence	4,970	-	(4,970)	41,430	95,436	95,436
4276. Rowley Allan Coaches Box	24,494	-	(24,494)	-	46,600	46,600
4280. Greaves Reserve Recreation Infra.	-	-	-	-	964,917	964,917
4282. Warner Reserve Sth Soccer Field	4,300	-	(4,300)	-	212,227	212,227
4285. Greaves Reserve Coaches Boxes x 6	-	-	-	64,900	-	-
4292. Ross Res. Athletics Shade Struct's	-	-	-	11,063	-	-
4303. Passive OS Playground Risk	64,693	-	(64,693)	60,404	123,200	123,200
Roads						
3099. Road Signs, Linemark & Improvemts	170	-	(170)	-	154,050	154,050
3231. Road Reconstruction Program	1,161,093	1,290,246	129,153	2,759,917	5,309,761	2,757,300
3373. Kerb & Channel Renewal	11,052	49,883	38,832	5,785	239,300	239,300
3404. Black Spot - Brady Rd, Dandenong	42,643	91,449	48,807	8,040	365,797	-
3752. Roads to Recovery Prg	148,362	5,990	(142,372)	274,410	1,891,400	1,831,496
3753. Road Resurfacing Program	277,859	1,536,960	1,259,101	339,014	6,147,840	6,147,840
3754. Road Rehabilitation Program	-	-	-	54,872	-	-
3931. Guardrail Renewal Program	-	-	-	-	211,250	211,250
3992. DCP Perry Rd Stage 3 (KR01c)	419	-	(419)	755,351	6,715,596	6,715,596
4064. NPR Laneway Activation P	-	-	-	173	-	-
4138. LATM Renewal Program	-	-	-	-	200,000	200,000
4187. Black Spot Prog.- Hammond Rd Logis	-	20,614	20,614	56,450	82,454	-
4189. Black Spot Prog.-View Rd, S/Vale	840	13,103	12,263	4,403	52,414	-
4225. Dandenong Market Road Safety	13,945	21,597	7,652	61,995	86,386	-
4257. Safer Local Roads & Street Program	-	143,000	143,000	24,713	2,252,500	2,252,500
4258. Blackspot Dandenong	-	-	-	-	3,876,000	3,876,000
4261. IP43 Road Safety Infrastructure	490	280,000	279,510	8,029	1,388,585	1,388,585
4273. Minor Civil Engineering Design Prog	-	1,000	1,000	-	87,450	87,450
4302. Road Renewal (Complex) Program	-	-	-	-	606,320	606,320

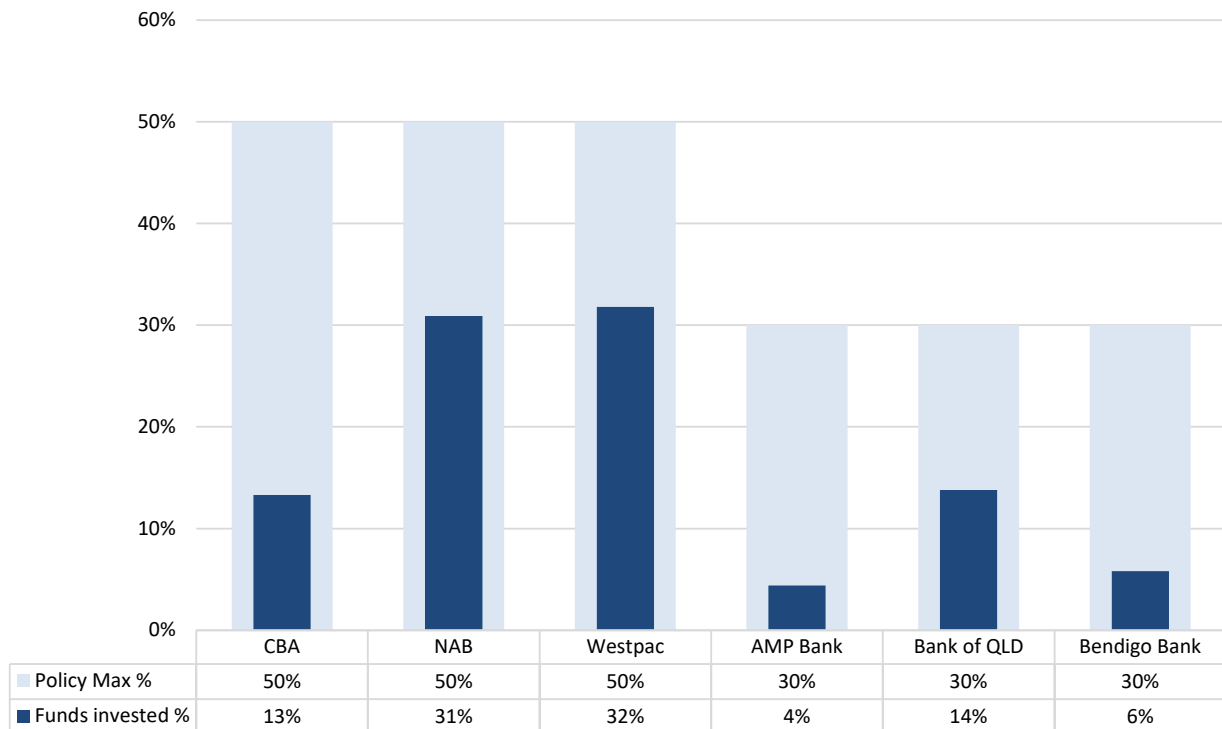
	YTD ACTUAL \$	YTD BUDGET \$	YTD VARIANCE \$	COMMIT \$	ANNUAL AMENDED BUDGET \$	ANNUAL ORIGINAL BUDGET \$
INFRASTRUCTURE						
Bridges						
3185. Bridge & Boardwalk Program	-	-	-	-	261,850	261,850
Footpath and cycleways						
3134. Palm Plaza	-	-	-	364	239,800	239,800
3355. Footpath Renewal Program	1,314	1,000	(314)	-	537,325	537,325
4250. Fowler Road Level X Removal Proj	16,850	-	(16,850)	10,379	-	-
Off street car parks						
4003. Springvale Res Masterplan Implem.	-	1,747	1,747	-	12,230	-
4186. D'nong Market Struct Rectification	28,191	20,386	(7,805)	69,564	203,855	-
4272. Off Street Car Park Renewal	7,051	-	(7,051)	-	119,405	119,405
4306. Burden Park Southern Carpark	-	-	-	4,140	179,190	179,190
4307. Noble Park Reserve Carpark Aenone	-	-	-	6,395	179,190	179,190
Drainage						
3269. Rowley Allen Pav. Oval Interface	5,114	-	(5,114)	8,250	301,968	301,968
4010. LRCI2 Callander Road	-	27,644	27,644	2,750	276,444	-
4226. Drainage Renewal Works Program	31,494	274,450	242,956	39,704	1,097,800	1,097,800
4227. Drainage Reactive Works Program	142,968	174,900	31,932	119,547	699,600	699,600
Total infrastructure	2,501,180	5,034,775	2,533,595	6,684,216	41,230,559	34,765,470
GRAND TOTAL	7,116,147	11,611,585	4,495,438	71,378,282	149,997,043	119,871,108

CIP Glossary

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

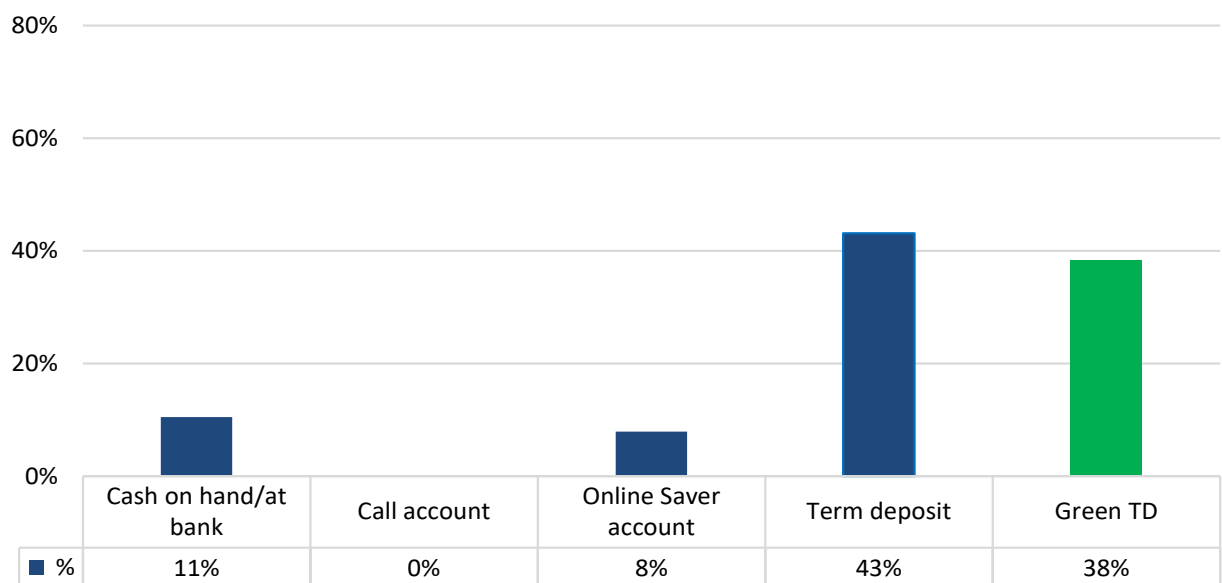
APPENDIX 2 – INVESTMENT ANALYSIS

Individual Institution (ADI) limits



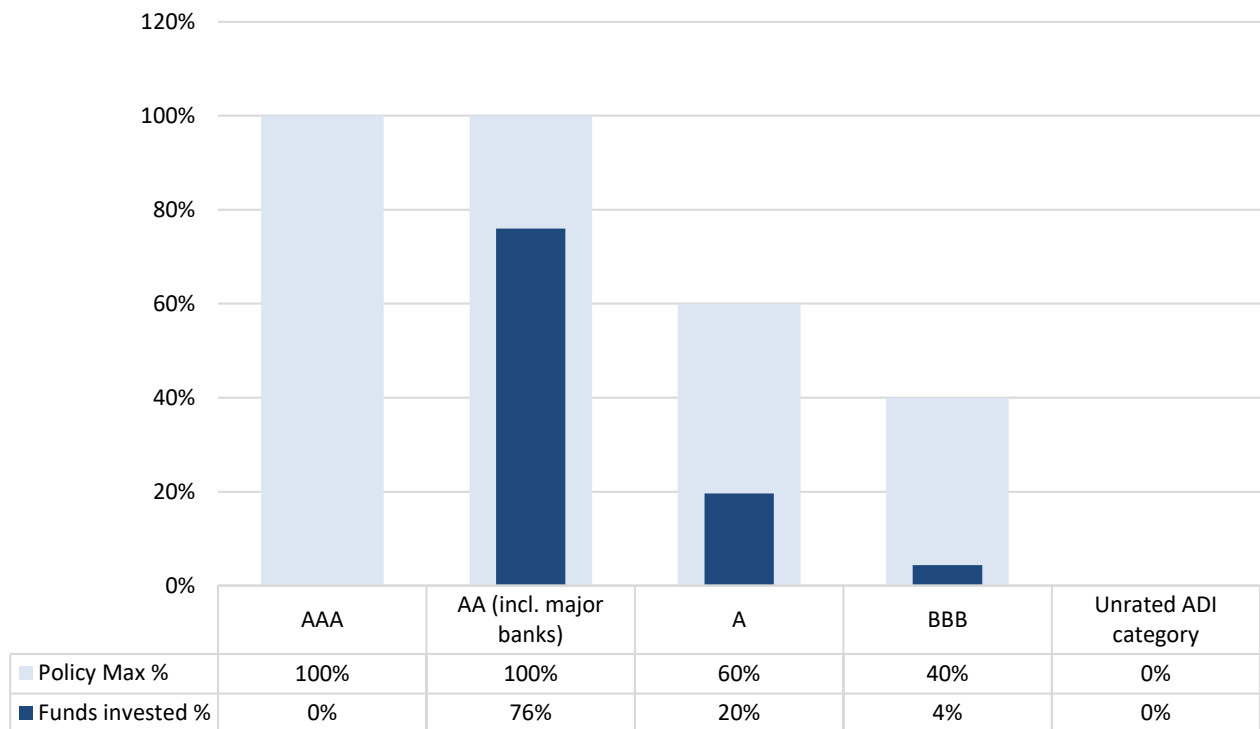
Policy limit – AAA category bank max. 60%, AA category or major bank 50%, A category bank max. 40%, BBB category bank max. 30%, Unrated ADI category bank 0%.

Portfolio Products

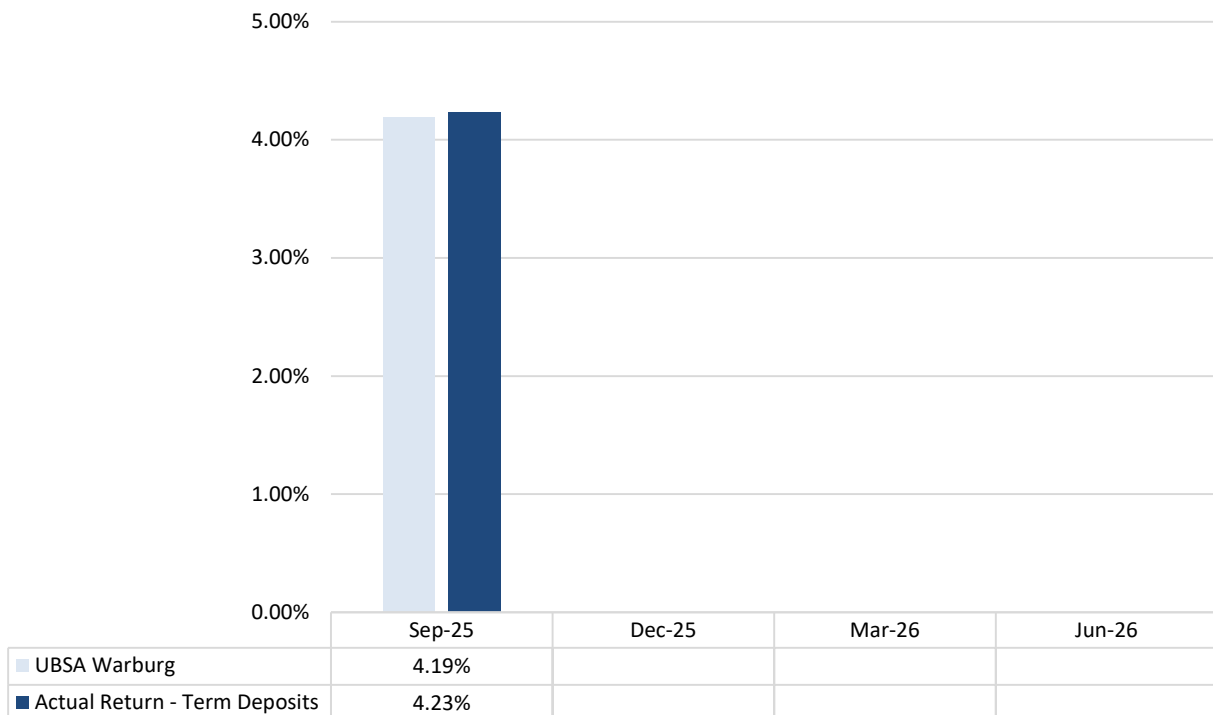


Note re Green deposits: 38% (or \$92.4 million) was invested at 30 September 2025. These investments are certified against Climate Bonds Initiative – Climate Bonds Standard, the same certification as green bonds. Investments held with Bendigo Bank fall under this category as this institution does not invest in fossil fuels.

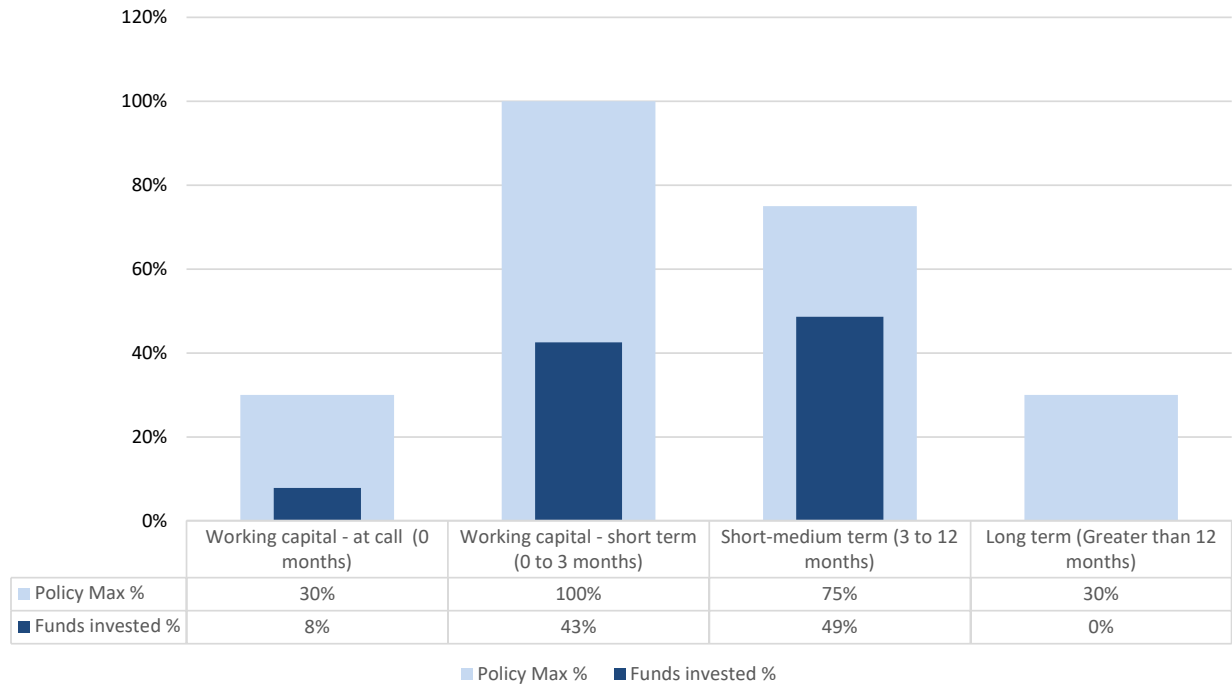
Investment portfolio by credit rating



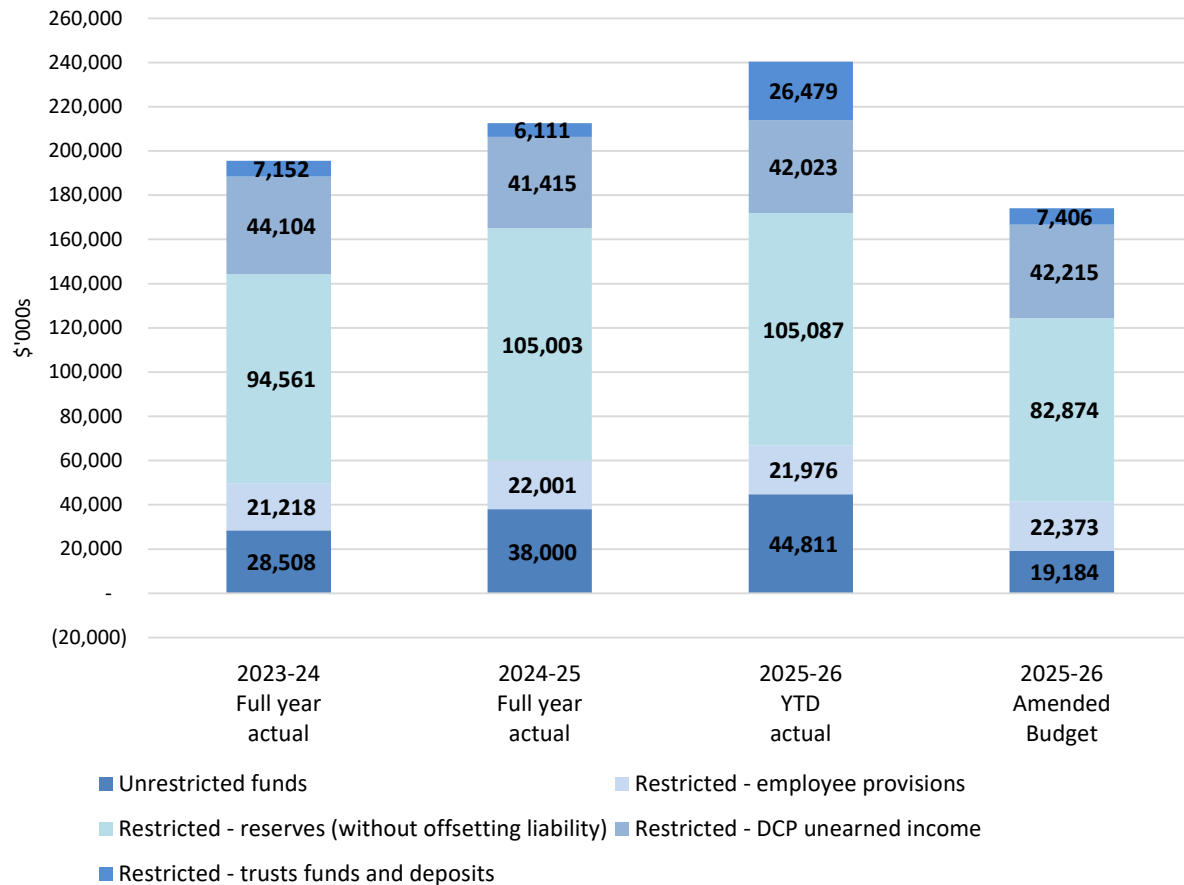
Benchmark Indicator - Term/Green Deposits



Maturity Targets



Restricted and unrestricted cash balances



Note – the unrestricted cash balance at 30 September 2025 does not reconcile to the Statement of Cash Flows for the purposes of the above graph as the term deposits over 90 days classified as ‘financial assets’ have also been included as cash here.

APPENDIX 3 – DIRECTORATE ANALYSIS

Total Operating Results by Directorate

	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income					
Chief Executive Office	83	20	63	170	150
Corporate Development	543	487	56	2,438	2,438
City Futures	10,530	10,289	241	42,029	41,870
Community Strengthening	9,643	9,689	(46)	39,436	38,415
Non-Directorate ^(a)	44,301	44,187	114	176,183	183,421
Capital Works Program	769	690	79	29,401	22,032
Total income	65,869	65,362	507	289,657	288,326
Expenses					
Chief Executive Office	4,926	4,824	(102)	13,858	13,695
Corporate Development	5,969	5,987	18	20,357	20,200
City Futures	18,136	19,536	1,400	102,436	100,062
Community Strengthening	17,344	18,688	1,344	78,332	72,211
Non-Directorate ^(a)	13,668	13,547	(121)	56,356	56,356
Total expenses	60,043	62,582	2,539	271,339	262,524
Net surplus (deficit)	5,826	2,780	3,046	18,318	25,802

Notes

(a) Non-Directorate includes non-attributable items such as rates income, Emergency Services Volunteer Fund (ESVF) developer's contributions, interest income, non-monetary assets, finance costs and depreciation. The \$121,000 unfavourable variance in Non-Directorate is due to two fixed asset accounting entries that do not impact on Council's cash result:

- 'Asset write offs' (\$116,000) which represent asset renewal and replacement as part of capital work projects and renewal programs. Refer to Note 19 of this report for further details.
- 'Prior year capital expenditure unable to be capitalised (non-cash)' of \$54,000 which represents works in progress (prior year capital expenditure) that is not able to be capitalised to the asset register because it is not capital in nature, does not meet the capitalisation threshold or relates to non-Council owned assets. Refer to Note 18 of this report for further details.

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

CEO Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Grants - operating		22	20	2	170	150
Contributions - monetary	1	61	-	61	-	-
Contributions - non-monetary		-	-	-	-	-
Total income		83	20	63	170	150
Expenses						
Employee costs		1,566	1,539	(27)	6,801	6,801
Materials and services	2	3,211	3,090	(121)	6,387	6,266
Other expenses		149	195	46	670	628
Total expenses		4,926	4,824	(102)	13,858	13,695
Net surplus (deficit)		(4,843)	(4,804)	(39)	(13,688)	(13,545)

Income

Note 1 Contributions - monetary (\$61,000 favourable) - Due to contributions received for the Mayoral Task Force associated with Status Resolution Support Services (Community Development \$61,000). These contributions will be offset by associated expenditure and adjusted in the Mid-Year Budget

Expenditure

Note 2 Materials and services (\$121,000 unfavourable) – Due mainly to:

- Unbudgeted Enterprise Resource Planning (ERP) business case expenditure (\$71,000) which will be adjusted in the Mid-Year Budget and funded from the Digital Technology reserve.
- Higher than budgeted Empowering Communities grant funded expenditure (\$58,000). This permanent unfavourable variance is being addressed through a review of existing budgets to identify offsetting surplus funds.
- Earlier than anticipated Alliance for Gambling Reform contribution (\$25,000).

This unfavourable variance is partly offset by the timing of software maintenance and IT repairs (Technical Services \$43,000).

Corporate Development Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Statutory fees and fines		43	28	15	112	112
User fees		6	3	3	11	11
Grants - operating	3	61	-	61	-	-
Other income		433	456	(23)	2,315	2,315
Total income		543	487	56	2,438	2,438
Expenses						
Employee costs	4	2,972	3,067	95	13,597	13,596
Materials and services	5	2,799	2,733	(66)	5,843	5,687
Other expenses		198	187	(11)	917	917
Total expenses		5,969	5,987	18	20,357	20,200
Net surplus (deficit)		(5,426)	(5,500)	74	(17,919)	(17,762)

Income

Note 3 Grants - operating (\$61,000 favourable) – Due to unbudgeted grant income for Digitisation of Building permit records (Records Management \$61,000). This will be adjusted in the Mid-Year Budget and offset by associated expenditure.

Expenses

Note 4 Employee costs (\$95,000 favourable) – Due mainly to delay in recruitment of vacant positions (Procurement \$109,000, People and Change Executive \$71,000 and Call and Service Centres \$45,000).

This favourable variance is partly offset by unbudgeted temporary agency costs to backfill vacant positions and support project work (Communications and Customer Experience Executive \$121,000). This variance will be monitored closely and includes a new Internal Senior Communications Adviser position that will be adjusted in the Mid-Year Budget.

Note 5 Materials and services (\$66,000 unfavourable) – Due to higher than anticipated legal fees and professional services to date (People & Change Executive \$108,000). Most of this is expected to balance over the next quarter.

This unfavourable variance is partially offset by lower than anticipated storage and postage costs to date (Records Management \$43,000).

City Futures Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Rates and charges		7,014	7,021	(7)	28,424	28,424
Statutory fees and fines	6	903	843	60	2,676	2,676
User fees	7	1,454	1,257	197	5,494	5,494
Contributions - monetary		811	812	(1)	2,000	2,000
Asset sales		94	93	1	847	847
Other income		254	263	(9)	2,569	2,410
Total income		10,530	10,289	241	42,029	41,870
Expenses						
Employee costs	8	7,347	7,680	333	34,007	33,912
Materials and services	9	10,714	11,771	1,057	68,071	65,792
Bad and doubtful debts		-	-	-	11	11
Carrying amount of assets sold		-	6	6	60	60
Other expenses		75	79	4	287	287
Total expenses		18,136	19,536	1,400	102,436	100,062
Net surplus (deficit)		(7,606)	(9,247)	1,641	(60,407)	(58,192)

Income

Note 6 Statutory fees and fines (\$60,000 favourable) - Due to higher than anticipated hoarding permit fees and Magistrates Court fine income (Building and Compliance \$38,000) and plan checking fee income to date (Civil Development and Design \$37,000).

Note 7 User fees (\$197,000 favourable) – Mainly due to better than anticipated ticket machine income to date due to reduced availability in some non-council car parks, because of ongoing works which is expected to continue to October 2025 (Parking Infrastructure Management \$179,000).

Expenses

Note 8 Employee costs (\$333,000 favourable) – Due mainly to the delay in recruitment of vacant positions as well as the timing gap between recruitment of vacant positions commencing and onboarding occurring (Statutory Planning \$112,000, Parks Services \$92,000, Strategic Design and Sustainability Planning \$69,000, Waste Management \$66,000, and Roads and Drains \$40,000).

This favourable variance is partially offset by higher salaries and temporary agency costs to date due to an incorrect allocation that will be resolved in October (CIP Implementation \$57,000).

Note 9 **Materials and services (\$1.06 million favourable)** – Lower expenditure to date across several areas including:

- Parks Services (\$305,000) - Due to the recent restructure, there has been a delay in progressing some work.
- Waste Management (\$284,000) - Lower tonnages across the three main waste streams including domestic garbage, Food Organics Garden Organics (FOGO) and comingled recycling.
- Cleansing (\$134,000) - Lower expenditure for graffiti removal, stained footpath cleaning and collection of e-waste and mattresses.
- Building Maintenance (\$123,000) – Variance due to the largely reactive nature of building maintenance services.
- Roads and Drains (\$106,000) - Delayed start of maintenance programs following the July/August implementation of the new Works Management System (WMS).
- Keysborough Community Hub (\$61,000) – The new facility is now open to the public, with costs to date coming in below budget estimates.

Community Strengthening Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Statutory fees and fines	10	2,515	2,201	314	9,948	9,948
User fees	11	714	810	(96)	3,915	3,915
Grants - operating	12	5,825	6,173	(348)	23,595	22,574
Other income	13	589	505	84	1,978	1,978
Total income		9,643	9,689	(46)	39,436	38,415
Expenses						
Employee costs	14	10,626	11,670	1,044	54,839	49,463
Materials and services	15	5,549	5,792	243	19,006	18,555
Bad and doubtful debts		-	-	-	1,604	1,604
Other expenses	16	1,169	1,226	57	2,883	2,589
Total expenses		17,344	18,688	1,344	78,332	72,211
Net surplus (deficit)		(7,701)	(8,999)	1,298	(38,896)	(33,796)

Income

Note 10 Statutory fees and fines (\$314,000 favourable) – Higher income from Infringement Court parking recoveries, Magistrate Court fine recoveries, and parking fines. (Parking Management \$308,000).

Note 11 User fees (\$96,000 unfavourable) – Mainly due to timing of animal registrations income that will even out over the financial year (Animal Management \$66,000).

Note 12 Grants - operating (\$348,000 unfavourable) – comprising:

Lower than anticipated grant funding recognised to date based on satisfied performance obligations for:

- HACC – Home Maintenance \$49,000
- Home and Community Care \$41,000

Lower than anticipated grant funding received for:

- Family Day Care \$287,000 (offset by lower educator costs)
- School crossings \$93,000 (timing)

Partly offset by earlier than anticipated Maternal and Child Health funding (\$60,000).

Note 13 Other income (\$84,000 favourable) - Due to higher rental, venue hire and recovery income (Civic Facilities \$38,000 and Emergency Management \$30,000).

Expenses

Note 14 Employee costs (\$1.04 million favourable)

Community Strengthening Directorate	2025-26 Variance Fav/(unfav) \$	Grant Funded Programs \$	Offset by Lower Income \$	2025-26 Potential Underspend/ (overspend) \$
COMMUNITY AMENITY	204,593	0	0	204,593
COMMUNITY CARE	196,150	0	101,797	94,353
COMMUNITY STRENGTHENING EXECUTIVE	(12,089)	0	0	(12,089)
COMMUNITY WELLBEING	653,813	358,371	0	295,442
SAFE, ACTIVE & CONNECTED COMMUNITIES	26,406	0	0	26,406
SPECIAL PROJECTS	(13,338)	0	0	(13,338)
CREATIVE AND ENGAGED CITY	(10,589)	0	0	(10,589)
Grand Total	1,044,946	358,371	101,797	584,779

The \$1.04 million favourable variance at the end of the first quarter comprises:

- \$358,000 (34%) relates to grant funded programs which represent a future obligation and require an acquittal, caused mainly by a delay in recruitment (Children's Services Grants \$82,000, Playgroups Initiative \$71,000, Child First \$64,000, Pre-School Field Officer \$58,000, Drug Strategy \$28,000, and Enhanced Maternal and Child Health Program \$21,000).
- \$102,000 in Community Care is offset by lower income due to actual target achievement and service levels. This is due to ongoing resourcing challenges combined with an ageing workforce on limited duties or Workcover.
- The remaining \$585,000 favourable variance is due to delays in recruitment of vacant positions as well as the timing gap between recruitment of vacant positions commencing and onboarding occurring, in the following areas:
 - Library and Information Services (\$106,000)
 - General Law Enforcement (90,000)
 - Maternal and Child Health (\$86,000)
 - Children Support Services (\$70,000)
 - HACC – Home Maintenance (\$70,000)
 - Family Day Care (\$66,000)
 - Community Amenity Administration (\$56,000)

Note 15 Materials and services (\$243,000 favourable) – Due to lower Family Day Care educator payments offset by higher income (Family Day Care \$245,000).

Note 16 Other expenses (\$57,000 favourable) – Some community grants and partnership payments have been delayed due to a few organisations not completing the required reporting by the deadline (Community Funding \$49,000).

Non-Directorate

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Rates and charges		40,237	40,237	-	155,575	155,575
Statutory fees and fines		97	70	27	70	70
Grants - operating		1,780	1,780	-	6,818	14,056
Contributions - non-monetary		-	-	-	7,500	7,500
Other income	17	2,187	2,100	87	6,220	6,220
Total income		44,301	44,187	114	176,183	183,421
Expenses						
Employee costs		-	-	-	2,156	2,156
Materials and services		103	130	27	519	519
Prior year capital expenditure unable to be capitalised (non- cash)	18	54	-	(54)	-	-
Depreciation		12,114	12,114	-	48,480	48,480
Amortisation - right of use assets		179	179	-	715	715
Borrowing costs		707	707	-	3,936	3,936
Finance costs - leases		-	-	-	57	57
Asset write offs	19	116	-	(116)	-	-
Other expenses		395	417	22	493	493
Total expenses		13,668	13,547	(121)	56,356	56,356
Net surplus (deficit)		30,633	30,640	(7)	119,827	127,065

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

Income

Note 17 Other income (\$87,000 favourable) - Mainly due to better than anticipated interest returns on investments, as projections had assumed some decline in interest rates (Corporate Accounting \$87,000). This variance will be monitored and any permanent variance will be reflected in the Mid-Year Budget.

Expenses

Note 18 Prior year capital expenditure unable to be capitalised (non-cash) (\$54,000 unfavourable) – Mainly due to prior year capital expenditure included in works-in-progress that has not met the relevant capitalisation threshold (Corporate Accounting \$54,000). Examples include furniture at Drum Theatre and AV equipment at Dandenong Civic Centre.

Note 19 Asset write offs (\$116,000 unfavourable) – Arising mainly from disposals, asset renewal, and replacement works undertaken as part of capital projects. This item is not budgeted due to its unpredictable nature and is recorded as a non-cash accounting entry.

Capital Works Program

	Notes	YTD ACTUAL \$'000	YTD BUDGET \$'000	YTD VARIANCE \$'000	ANNUAL AMENDED BUDGET \$'000	ANNUAL ORIGINAL BUDGET \$'000
Income						
Grants - capital		700	677	23	24,011	20,870
Contributions - monetary	20	69	13	56	5,390	1,162
Total income		769	690	79	29,401	22,032
Net surplus (deficit)		769	690	79	29,401	22,032

Income

Note 20 Contributions (\$56,000 favourable) - Due to unbudgeted contributions received for Road Resurfacing program. This will be offset by associated expenditure and adjusted in the Mid-Year Budget.

