



BAW BAW SHIRE COUNCIL **Annual Report** of Operations.

For the year ended 30 June 2025.



Baw Baw Shire Council’s Statement of Commitment to Child Safety

Baw Baw Shire Council is committed to providing and actively promoting a safe environment for children. Council has zero tolerance towards child abuse, and is committed to protecting the physical, emotional, cultural, and social wellbeing of all children. Council has policies and systems to protect children, and all allegations and safety concerns will be treated seriously. Council acknowledges that children’s safety is a whole of community responsibility and is everyone’s business.

Preventing Violence Against Women

Council promotes the prevention of violence against women, through leading gender equity and building respectful and safe relationships and breaking down gender stereotypes.

Customer Service Centres

DROUIN	WARRAGUL
33 Young Street	West Gippsland Arts Centre
Drouin Vic 3818	Corner of Smith & Albert Streets
	Warragul Vic 3820

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Acknowledgement of **Traditional** Custodians.

**Council acknowledges the Traditional Custodians
and their ongoing connection to the land and
waters that make up Baw Baw Shire.**

We pay our respects to their Elders: past, present,
and emerging. We thank the Traditional Custodians
for caring for Country and continuing the customs that
maintain the longest practised culture in the world.



Welcome to the **Annual Report** of Operations. **2024/25**

**Council is committed to transparent reporting
and accountability to our community.**

The Annual Report of Operations 2024/25 is the primary means of advising the Baw Baw Shire community about Council's operations and performance during the past financial year.



Our Community and Region.

Baw Baw Shire is one of Victoria's fastest growing municipalities.

Located 100 kilometres to the east of the Melbourne CBD, the Shire offers a mix of rural and urban living with affordable housing, scenic views and relaxed lifestyle making it an attractive option for new residents and leading to unprecedented growth.

Baw Baw Shire covers approximately 4,027 square kilometres of high-quality farmland, national parks and residential areas. The northern half of the Shire is heavily forested and lies in the Great Dividing Range, while the south is bound by the Strzelecki Ranges.

The Shire's population is estimated to be approximately 62,000 (forecast.id.com.au), most of whom live in the towns along the rail and road corridor of Warragul, Drouin, Longwarry, Yarragon and Trafalgar which provide direct and easy access into the suburbs of Melbourne.

There is a high commuter workforce, and our community relies heavily on regional rail and road networks to travel to and from work, and for day-to-day community activities and access to services outside of the municipality. Major industries in the Shire are manufacturing, construction and agriculture, with the largest employers being healthcare, agriculture and education.

Baw Baw Shire is bordered by South Gippsland, Cardinia, Yarra Ranges, Mansfield and Wellington Shires and the City of Latrobe.

Population Growth

47.1%
by 2046.

Baw Baw Shire covers
4,027 square kilometres.

62,000
forecast
population
for 2025.



With a forecast population of 62,000 for 2025, the municipality is experiencing rapid residential growth.

Modelling predicts that the population for Baw Baw Shire will grow to 93,737 by 2046, growth of 47.10%.

Population forecast prepared by .id population experts.



forecast.id.com.au/baw-baw



Our Vision.

COUNCIL'S VISION, MISSION AND CULTURAL COMMITMENTS

A HEALTHY COMMUNITY.

Healthy people, living in connected communities and healthy environments.

A THRIVING COMMUNITY.

Thriving, diverse and resilient communities.

A SUSTAINABLE SHIRE.

Sustainable towns and villages that continue to benefit from our beautiful rural and natural environment.

Our Mission

Baw Baw Shire Council's mission is to be leaders in delivering quality, innovative and community focused services today that make a difference for tomorrow.

To learn more about Baw Baw Shire Council's strategic direction, visit
www.bawbawshire.vic.gov.au/CouncilPlan.



Our Cultural Commitments

In delivering our vision and mission, Baw Baw Shire Council is:

- **Optimistic** about our organisation's ability to deliver quality services and projects to benefit the community.
- **Pragmatic** by resolving issues and making the best possible use of our time, effort, and resources.
- **Respectful** of our organisation and of the diverse views and perspectives of our community.
- **Supportive** by valuing our team members, empowering them to be successful in their roles and investing in their growth and development.
- **Authentic** by undertaking our work in an open, honest, and transparent manner.
- **Resilient** in adapting with courage and agility to challenges and change within the Organisation, and our community.

Baw Baw Shire Council Plan 2021/25.

Council mission:

Leaders in delivering quality, innovative and community focused services today that make a difference for tomorrow.

Strategic direction:

Readying the Shire for the future, and supporting community quality of life as we continue to grow.

Strategic objectives:

A Sustainable Shire.

A Healthy Community.

A Thriving Community.

Community vision and goals:

Sustainable towns and villages that continue to benefit from our beautiful rural and natural environment.

Healthy and well people, living in safe, connected communities and healthy environments.

Thriving, diverse and resilient communities.

Sustainable built environments that protect nature and meet the needs of a growing community.

Protected, sustainable and productive natural environments.

Healthy and well people and communities.
Connected and inclusive communities, creating a strong sense of safety and belonging.

Healthy environments, resilient communities.

A strong economy, creating and sustaining local jobs.
Education, tourism, and cultural offerings that help our region to flourish.

Future ready infrastructure and transport options that help our community better access services, work and education throughout Baw Baw Shire.

Council focus areas for 2021/25.

1.

Planning for growth.

2.

Protecting natural environment and agricultural land.

3.

Environments for health.

4.

Community arts and events.

5.

Community infrastructure and services.

6.

Community health, safety and wellbeing.

7.

Climate change, disruption and transition.

8.

Connectivity and local transport networks.

9.

Advocacy.

10.

Diversity, inclusion and reconciliation.

11.

A strong local economy.

The Year in Review.



1,168km
Sealed local roads.

584 Sealed local road requests received.



357
Planning applications received.

29,939
Rateable properties.

27,765
Kerbside garbage bins collected weekly.

26,914
Kerbside recyclable bins collected fortnightly.

200 Supported Playgroup Sessions.

26 Pop Up Playgroups.

58 Baw Baw Family Friendly Businesses.

238
Families in Supported Playgroups with 290 children

448,610
Visits to indoor aquatic facilities.

10,191 visits to seasonal outdoor aquatic facilities.



2,046,165
Number of scheduled garbage and recyclable collection bin lifts.



75,321
Hours of family day care provided.

5,773
MCH key ages and stages consultations.

14
Family day care educators employed.

131
Pre School field officer referrals.

1,337
Children enrolled in kindergarten.



61,905

Estimated Residential population

The median age is **41.**



38% of households have children.

- 25% are youth [0-19]
- 15% are seniors [70+]

2,363

Animal management requests.



11,395

Registered cats and dogs in the Shire.

15,670

Hours worked by Municipal Child Health (MCH) nurses.



709

First MCH home visits.

1,110

Total food premises registered.

373

Class 1 and 2 food premises inspected.

198,183

Physical library loans.



19,466

Registered library members.

Mayor's Message.

Hello everyone and welcome to the 2024/25 Annual Report.

This past year has been a time of meaningful progress, community connection, and careful planning for the future.

As the country's fastest-growing region, Baw Baw continues to experience significant change—and with it, comes both opportunity and responsibility.



Council has worked hard to ensure that we keep pace with this growth by delivering vital infrastructure, investing in essential services, and advocating for the needs of our residents. The Community Grants program continues to be a funding stream that supports the work of the volunteers and organisations in our wonderful Shire and this year, I am pleased we awarded \$297,281 to 71 community projects and works in the Shire.

We had a busy year for major projects. We officially opened the Baxter Park Pavilion and the Bellbird Park, and formally opened the Warragul Leisure Centre stadium expansion project. We started works on the

Drouin Recreation Reserve oval resurfacing, Copelands Road in Warragul upgrade, the redevelopment of Downton Park Sporting Pavilion in Yarragon, major bridge works along Factory Road in Yarragon and stage one of the Rokeby to Noojee Trail.

As Mayor and a councillor on my ninth consecutive year, I am continually inspired by the passion of the people who call Baw Baw home. Whether it's local volunteers, community organisations, or everyday residents working together for the common good, this spirit of Baw Baw defines who we are.

I would like to extend my sincere thanks to my fellow Councillors for their shared commitment, to the Interim CEO, our Executive Leadership Team and Council staff for their professionalism and service, and most importantly, to our community for your ongoing engagement with us.

We look forward to continuing to work in partnership to build a strong and connected community for all who live, work, and visit our beautiful region.

Yours sincerely,



Cr Danny Goss
Mayor of
Baw Baw Shire

Chief Executive Officer's Message.

As the Interim Chief Executive Officer of Baw Baw Shire Council, it is with great pride that I present the Annual Report for the 2024/2025 financial year.



This past year has been one of progress, resilience, and renewal for our Shire. As a growing region with a strong sense of community and a deep connection to our natural surroundings, Baw Baw continues to evolve—and Council remains committed to guiding that growth to achieve a sustainable, healthy and thriving community.

Throughout the year, we delivered a wide range of projects and services that support our community. From upgrading local roads, to investing in new major sporting facilities to strengthening our environmental initiatives—we've focused on what matters most to our community.

Financially, Council remains in a stable and responsible position, balancing the need for ongoing investment in infrastructure and services with careful financial management. Ongoing diligence will be required as Council strives for financial sustainability in a revenue constrained and challenging operating environment.

We continue to advocate strongly on behalf of our community to secure external funding for key projects. Supporting our region in any way we can is always of the utmost priority for Council, and our 2024/25 Annual Budget reinforced this commitment, with a \$46 million Capital Works Program to continue Council's innovative 'plan, design, deliver' approach

to community infrastructure with a focus on improving roads, community facilities and sports and recreation infrastructure.

I would like to thank the Mayor and Councillors for their leadership, our dedicated Council staff for their ongoing efforts, and our community for their collaboration. Together, we are building a Shire that not only meets the needs of today, but is well-prepared for the opportunities and challenges of the future.

I hope you enjoy reflecting on the last 12 months and the many milestones accomplished by Baw Baw Shire Council.

Yours sincerely,



John Bennie
Interim Chief Executive Officer



Description of Operations.

2024/25

Baw Baw Shire Council is responsible for more than 80 services, from family and children’s services, community safety, open space, waste management, environmental sustainability, roads, and community infrastructure; to matters concerning business development, planning for appropriate development, and ensuring accountability for Council’s budget.

This broad range of community services and infrastructure supports the sustainability, health and thriving prosperity of our region, in line with the Community Vision and the strategic objectives included in the Council Plan 2021/2025. Those strategic initiatives, and their associated service costs, are reported upon in this document. Please refer to the section **Our Performance** for more information about Council services.

The delivery of services, facilities, support and advocacy to achieve strategic objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under Victorian and Australian legislations.



Major Changes.

In 2024/25, Council saw the departure of former Chief Executive Officer Mark Dupe who resigned from the role in November 2024. Mr Dupe commenced his role as Chief Executive Officer in March 2020 and during his time, the organisation experienced significant challenges and achievements, from pivoting the business model in the wake of the global COVID-19 pandemic, spear-heading ongoing cultural reform to delivering many major projects for the community.

There was also a major change to the Council group with the 2024 Local Government Elections taking place resulting in two returning Councillors and seven incoming Councillors to represent the three wards in Baw Baw Shire for the next Council term.



Major Achievements.

Featured are a selection of major achievements for the 2024/25 financial year, listed by their relevant Strategic Initiative in the Council Plan 2021/2025.

An additional section, 'Council supporting a Sustainable, Healthy, and Thriving Community and Shire', highlights significant internal organisational achievements which serve Council's delivery of the Council Plan.

A Sustainable Shire

Throughout the 2024/25 financial year, Council recorded major internal organisational achievements which supported and enhanced Council's capacity to deliver on the Council Plan's strategic initiatives.

Council endorses new plan and policy to manage trees in the Shire

The Tree Management Plan and Tree Management Policy were adopted during the financial year. These will guide Council when managing its trees in the future, ensuring it is acting in the best interests of the community, while upholding public safety and maintaining green townships that residents can value and appreciate.

Road maintenance continues to be a focus

Council maintains its increased investment into our roads contract. This increase in investment has seen huge outcomes for roads across Baw Baw Shire. Since the increase in investment, there has been a 25% decrease in the number of customer requests being reported to Council, and the customer requests we do receive are inspected and responded to within 3.4 days. In 2024/25, Council invested over \$15.7 million into road maintenance and capital works. This includes the delivery of key projects such as the Gravel Roads Resheet Program, Cook Road reconstruction, extensive resealing and pavement repairs across the Shire, as well as the commencement of reconstruction works on Copelands Road, Warragul (with completion expected within 2025/26 financial year).

800 new plants put into the ground as part of National Tree Day

National Tree Day saw Baw Baw Shire Council staff and the community join forces to plant 800 trees in Drouin West. The planted shrubs will help to transform the natural habitat in the area and provide future vegetation cover. National Tree Day is something that Council proudly hosts each year and feeds into our Environmental Sustainability Strategy 2022/30, which details Council's environmental management and sustainability goals, aspirations, and commitments. Protecting and enhancing the natural environment is a key goal within this strategy, and it's events such as these that contribute to achieving this.

Adoption of Carbon Emissions Reduction Plan including a target of Net 0 emissions by 2050

In 2024/25, Council took important steps towards reducing its environmental impact and working towards net zero emissions by 2050, in line with state and federal legislation.

Council approved the Carbon Emissions Reduction Plan (CERP) – Guidance Report, which set a baseline for Council's 2022/23 emissions, identified the main sources of emissions, and made recommendations to reduce them.

Progress has already been made. Council now sources 100% renewable electricity for all operations, including street lighting and Council buildings, through the Victorian Energy Collaboration (VECO). An audit of Council buildings using natural gas has also been completed, and Council is exploring opportunities to increase the number of hybrid and electric vehicles in its fleet.

Collections commenced for separate glass recycling service

Residents began placing their glass bottles and jars into the new glass recycling bins ahead of the first collections which commenced in October. Approximately 452 tonnes of glass were collected and processed between October 2024 to June 2025, resulting in a 7.2% reduction in recycling processing costs. The separate glass recycling bin was introduced to help improve recycling quality and keep unnecessary waste out of landfill. All Victorian Councils are required to introduce a separate glass recycling bin as part of the Victorian Government's Recycling Victoria: A new economy policy – a 10-year policy and action plan to improve waste and recycling.

A Healthy Community

Throughout the 2024/25 financial year, Council recorded major internal organisational achievements which support and enhance Council's capacity to deliver on the Council Plan's strategic initiatives.

\$297,281 awarded to 71 community projects and works in the Shire

Baw Baw Shire Council awarded \$297,281 in grants to 71 local community groups and non-profit organisations to fund delivery of new projects, programs and events.

The Community Grants program has two main funding streams – Community Projects and Minor Capital Work. Successful projects align with the Baw Baw Shire Council Plan and Municipal Public Health and Wellbeing Plan. A reception event was held in June to celebrate successful grant recipients and their respective projects.

Playground renewal projects

Each year, Council's Playground Renewal Program sees a series of playgrounds across Baw Baw refreshed with new equipment, safety improvements and minor landscaping to improve the experiences of residents and visitors of all ages.

During the financial year, Council renewed playground equipment at three playgrounds across Baw Baw Shire including Toy Park in Longwarry, Bellbird Park Reserve in Drouin and Noojee Streamside Reserve in Noojee.

Council supports youth with Live4Life

Throughout the financial year, Council continued to support and enhance the lives of Baw Baw Shire's young people through the delivery of the Live4Life program – a dedicated program nurturing the mental wellbeing of young people, specifically in rural and regional communities.

The Live4Life program has seen many achievements this past financial year, including scheduling of weekly lunches for students to help enhance and foster positive conversations, facilitating Teen Mental Health First Aid Training sessions and running socialising and connection building sessions.

Since the inception of Baw Baw Live4Life in 2020, more than 3,500 students and community members have participated in the program, and more than 160 students have volunteered to be Live4Life crew members.

Baw Baw Shire Council joined with Casey and Cardinia to expand shared immunisation

Baw Baw Shire joined the City of Casey and Cardinia Shire Councils to engage with Kernow Environmental Health and Immunisation to successfully deliver immunisation services to residents across the three municipalities. Councils play a crucial role in delivering immunisation services especially to children within our communities.

242 cats and dogs rehomed from Municipal Animal Pound

Our Municipal Animal Pound team has been working hard caring for 601 lost and unowned pets throughout the financial year. The team successfully rehomed 242 cats and dogs through the adoption program and working with rescue groups. The second Pet Expo also took place on 6 April at the Geoff Watt Track and was a huge success with pet competitions, displays, free gifts, market stalls, music and food trucks for our community.

A Thriving Community

Throughout the 2024/25 financial year, Council recorded major internal organisational achievements which support and enhance Council's capacity to deliver on the Council Plan's strategic initiatives.

Stage one upgrades begin on Rokeby to Noojee Trail

A \$4 million upgrade on a 15-kilometre section of the much-loved Rokeby to Noojee Trail commenced during the financial year.

Stage one upgrades from Rokeby to Neerim South aim to create a high-quality shared trail that provides excellent user experience, a safe and accessible trail, better connections between communities and more opportunities to engage with local natural vistas and historic sites.

The \$4 million project includes a \$3 million funding contribution by the Victorian Government's Regional Tourism Investment Fund.

West Gippsland Arts Centre hosts 137 performances during the year

West Gippsland Arts Centre hosted 137 performances during the year with 54 by local community theatre groups and schools. West Gippsland Arts Centre continued to support our community with \$112,650 of theatre fee subsidies given to our community theatre and education community to provide our local creative community with affordable access to a high-quality theatre and service. Just over 49,000 ticket holders saw shows at the theatre.

West Gippsland Arts Centre continues to showcase local artists

Many incredible exhibitions were held at the West Gippsland Arts Centre, showcasing local artists at various stages of their career. The VCE Art Exhibition featured six schools from Phillip Island, Traralgon, Moe and Baw Baw Shire while the Make a Stand exhibition by Drouin artist Keira Sloetjes, showcased individual portraits of victims, survivors, family and friends and support workers of those affected by family violence. The opening event for the Make a Stand exhibition attracted 50 people and gained media coverage during 16 Days of Activism.

New digital tourism kiosks installed in Neerim South and Yarragon

New digital tourism and community information hubs were launched in Neerim South and Yarragon.

The interactive kiosks, which are live 24/7, list information on local places to eat, drink and stay, arts and culture, as well as where to shop, popular attractions and nature trails to visit.

These kiosks are a partnership between Council, the Neerim District Community Bank and a Living Local Grant from the Victorian Government, worth more than \$28,000.

Total visitor spend in Baw Baw Shire during the 2024/25 financial year was \$206.6 million, which was up 2.5% on the previous financial year.

Warragul Leisure Centre stadium expansion officially opened

The Warragul Leisure Centre stadium expansion was one of Council's largest ever recreational projects, valued at more than \$12.8 million.

Baw Baw Shire Council committed \$6.8 million towards the project, in addition to a \$6 million contribution from the Victorian Government's Community Sports Infrastructure Stimulus Program.

The new stadium delivers much needed infrastructure for the growing Baw Baw Shire community, particularly for local basketball clubs, which boast the highest numbers of participation of any sport in Baw Baw.

The project included construction of two new indoor (basketball/netball) courts, spectator seating and a lounge viewing area, a new cafe and kitchen, referee change room, first aid room, storage facilities and public amenities including a Changing Places accessible change room.

Two major projects get underway in Drouin and Warragul

During the financial year, works commenced for two major projects in the Shire – the Drouin Recreation Reserve oval resurfacing as well as for the Copelands Road, Warragul upgrade.

The State Government contributed \$1 million towards the Drouin oval resurfacing, making the total value of the project \$3.3 million. The new playing surface at Drouin will eliminate current issues regarding drainage and water retention and introduce a new type of turf, TifTuf, the most drought tolerant couch grass on the market.

The \$4.9 million Copelands Road upgrade, a highly anticipated road project that will cater to the rapid growth being experienced in the area, also began. As well as the upgrade of the Copelands Road surface, works will be undertaken to drainage, replacing the existing piped stormwater drainage under the road at the Moe River crossing. A footpath and a shared bicycle path between Mills Road and Lillico Road will also be added.

Major works commence in Yarragon

Works for three important projects in Yarragon got underway during this financial year – the redevelopment of Dowton Park Sporting Pavilion, major bridge works along Factory Road and Rollo Street Park.

The existing Dowton Park Sporting Pavilion was demolished to make way for a new, fit-for-purpose facility. Council, as well as both the State and Federal Governments, made contributions towards this project, which is estimated to be completed in March 2026.

Works to replace the existing timber decking and steel girder bridges across the Moe River and Contour Drain north of Yarragon at Factory Road commenced. This project is being partly funded under the Federal Government's Safer Local Roads and Infrastructure Program along with a contribution by Council.

Rollo Street Park is undergoing a \$1.77 million redevelopment, following a strong desire from the local community for this area to be repurposed. The project will see the vacant land of the old Yarragon Primary School transformed into a valuable community open space that accommodates passive recreation and community events. This redevelopment is expected to be completed in November 2025.

Brand new pavilion unveiled at Bellbird Park

The new multi-use pavilion and upgraded soccer pitch at Bellbird Park in Drouin was officially unveiled to the community. The Bellbird Park East pavilion and new carpark project is valued at \$4.97 million, with a Council contribution of \$2.97 million and a \$2 million contribution from the Victorian Government through its Growing Suburbs Fund. The new soccer pitch was also delivered thanks to equal contributions of \$800,000 each from Council and from the Victorian Government's Local Sports Infrastructure Fund- Female Friendly Facilities stream.

Baxter Park Pavilion officially opened following \$3 million upgrade

The newly redeveloped pavilion at Warragul's Baxter Park was officially opened following a \$3 million transformation. The redeveloped pavilion included new female friendly player and official changerooms, a club office area, storage facilities, a first aid room, accessible public and spectator toilets, a pitch lighting upgrade and an improved carpark.

The \$3 million project at Baxter Park was jointly funded by all three levels of Government, including a \$1.9 million contribution from the Federal Government's Local Roads and Community Infrastructure Program towards the entire project, a \$1 million contribution from the State Government's Local Sports Infrastructure Fund towards the pavilion upgrade (Female Friendly Facilities Stream) and a \$42,000 contribution from Baw Baw Shire Council.

Noojee community celebrates a big year for the region

Noojee locals celebrated a successful year for the project dedicated to helping the region continue its transition away from native timber harvesting.

The Noojee Forestry Transition Project runs quarterly community events, with an average attendance of more than 80 community members who receive updates on the progress of the project while building and supporting their social networks.

The Noojee Forestry Transition has received more than \$1 million dollars in grants to help support the community with the transition.

Since the announcement in 2023, Council has been committed to working with the community, as well as with the State Government, to identify other economic opportunities and areas for growth, to ensure economic sustainability.

The Forestry Transition Project includes three working groups that feed into the strategic direction of Noojee.

These working groups are:

- The Noojee Eco Community Working Group
- The Specialised Agricultural Industry Development Working Group
- The Power and Connectivity Reliability Working Group.

The Noojee Forestry Transition Project is supported by the Victorian Government's Local Development Strategy Grants Program and Community Development Fund.

Council to repatriate First Nations artwork to Traditional Custodians

Baw Baw Shire Council made a history making move as it began the process of repatriating 37 cultural items back to the Lardil People of Mornington Island, Queensland. Council officially released the items from its Municipal Civic Art Collection in August 2025 and repatriated the Indigenous Australian Ancestral Remains and Secret Sacred Objects to their true owners. The 37 items originally came to Warragul in 1982 with former local family Colin and Elizabeth Goldberg. Colin was honoured as an Elder of the Lardil people and the items were a mix of gifts and purchased works which they then gifted to the West Gippsland Arts Centre.

Council supporting a sustainable, healthy and thriving Community and Shire

Throughout the 2024/25 financial year, Council recorded major internal organisational achievements which support and enhance Council's capacity to deliver on the Council Plan's strategic initiatives.

139 members of our Baw Baw Shire community became Australian citizens

Baw Baw Shire Council celebrated 139 members of our community becoming Australian citizens, at the Citizenship ceremonies which are delivered quarterly by Council. At each ceremony, we witness our newest citizens take the Citizenship Pledge and thank them for choosing Baw Baw Shire as their home. We encourage all of our newest citizens to become involved in our local community; through sporting clubs, community groups, schools and kindergartens or other local service or social clubs.

Council's Events Team supported 300 events in Baw Baw Shire

Baw Baw Shire Council's Events Team supported 300 events across the Shire. Some of these included monthly markets, Snowfest Gippsland, ANZAC Day Services across the Shire, Vietnam Veteran's Day, Baw Baw Pet Expo, Rokeby Twilight Trail Run, Warragul Show, Trafalgar Holden Museum Route 69, the Hallora Marathon Running Festival, Thorpdale Potato Festival, Barking Mad Ultra Run, Erica Country Expo, Tanjil Valley Community and Environment Festival, various cycling and triathlon club races, Parkrun, community carols as well as the Australia Day Awards and community events.

Community Engagement Shapes Council's Strategic Direction

Council launched Shape Baw Baw For The Next Four, a comprehensive engagement program to inform five key strategic plans. The campaign included a community survey; community conversations at market stalls across Rokeby, Warragul, Longwarry, and Trafalgar; stakeholder workshops in sport, environment, and community services; a business walk engaging local businesses; and the formation of a Baw Baw Community Panel. Insights from these activities shaped the Draft Council Plan 2025/29, Public Health and Wellbeing Plan 2025/29, Asset Plan, Infrastructure Plan, and Financial Plan. These documents will guide Council's work and are scheduled for endorsement in October 2025.

Updated Procurement Policy endorsed

Baw Baw Shire Council adopted its Procurement Policy 2024. Council is committed to fair, open and transparent procurement, and must review its Procurement Policy at least once during each four-year term of the Council. The updated Procurement Policy was revised to align with best practice measures in the sector, as outlined in the Victorian Local Government Best Practice Procurement Guidelines 2024. The policy outlines the principles, processes and procedures that apply to the procurement of goods, services and works carried out by Council.

IT upgrades implemented as part of Future Ready

Future Ready is Baw Baw Shire Council's program of organisational transformative change. Our vision is to ensure we have the people, processes, places, and technology to deliver the right services to our community and provide the best employee experience possible.

This multi-year transformation program aims to respond to growth and improve outcomes for the community by improving organisational systems, process capacity, and capability. Key initiatives include an information technology (IT) core systems renewal project, process mapping and improvement, development of a long-term plan for Council services, and workplace strategy.

Some of the key achievements during the 2024/25 year included completion of Release 1 of the Core Systems upgrade, including Council's Finance, Payroll and Customer Request Management system, approval of the Strategic Service Planning Catalogue and completion of a suite of service profiles for all of Council's services and the commencement of Release 2 of the Core Systems project, which includes a suite of People & Culture functions.

Improved Council facilities for community use

This financial year saw significant improvements to a number of community spaces. Council undertook upgrade works at McGregor Park Hall (formerly known as the Trafalgar Girl Guides Hall and Men's Shed), featuring a new floor, windows and doors, inclusion of accessible facilities, and audio-visual equipment.

Trafalgar Community Centre also received upgrade works with new carpet and window coverings, fresh paint throughout, and the installation of audio-visual equipment on stage in the Main Hall. These venues are now available for the community to enjoy via Council's booking platform – 'Bookable'.

For more information, visit <https://bawbaw.bookable.net.au>

Financial Summary.

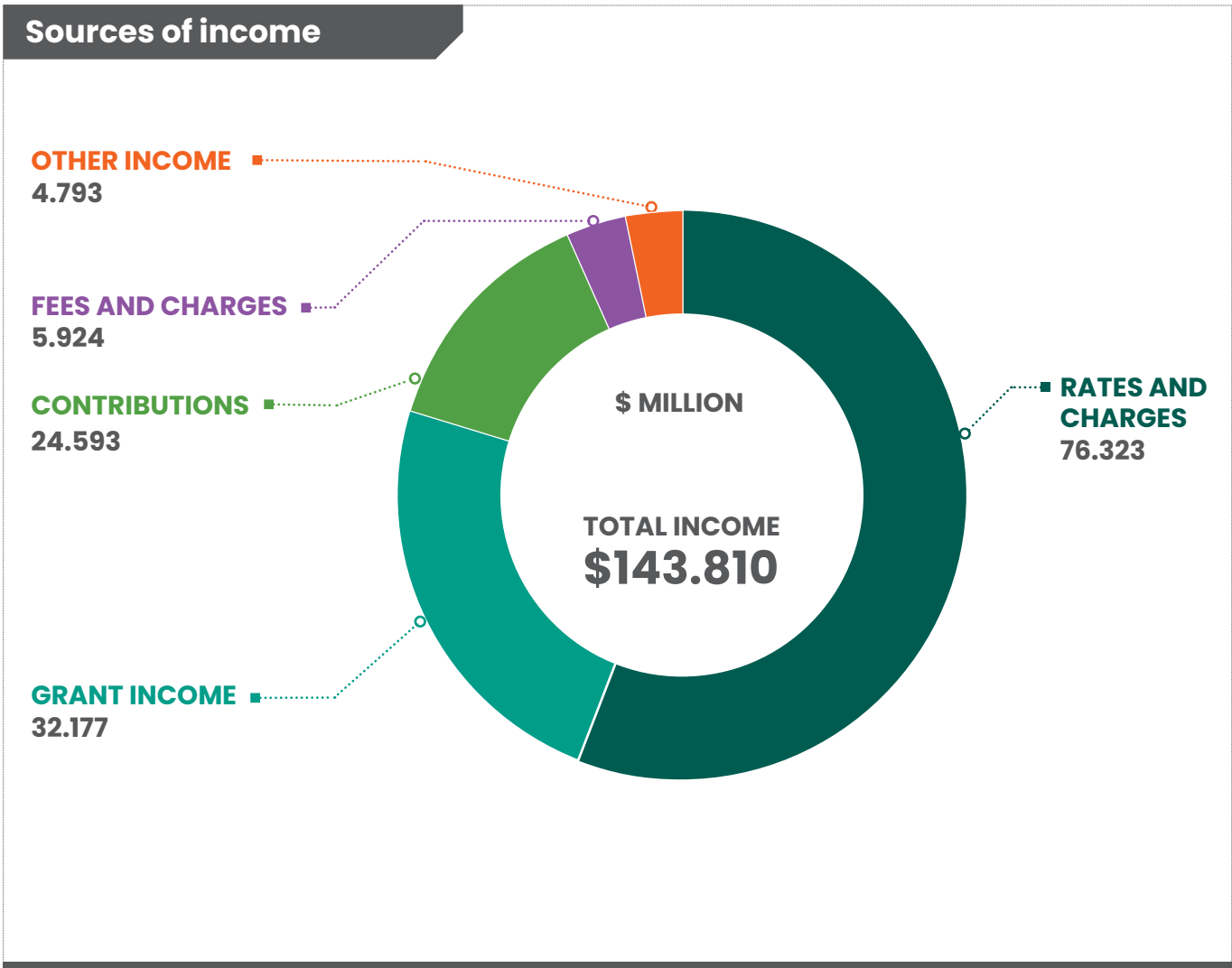
The financial results achieved in 2024/25 are a key component of ensuring the long-term financial sustainability of Council. This financial performance also provides Council with the ability to continue its commitment to service provision for the community. Ongoing investment in renewal of infrastructure assets, such as roads, bridges and footpaths, and the redevelopment of Council buildings and facilities are a key component of Council operations.

A summary of Council's financial performance is outlined below. Detailed information relating to Council's financial performance is included in the section titled 'Financial Statements'.

Income

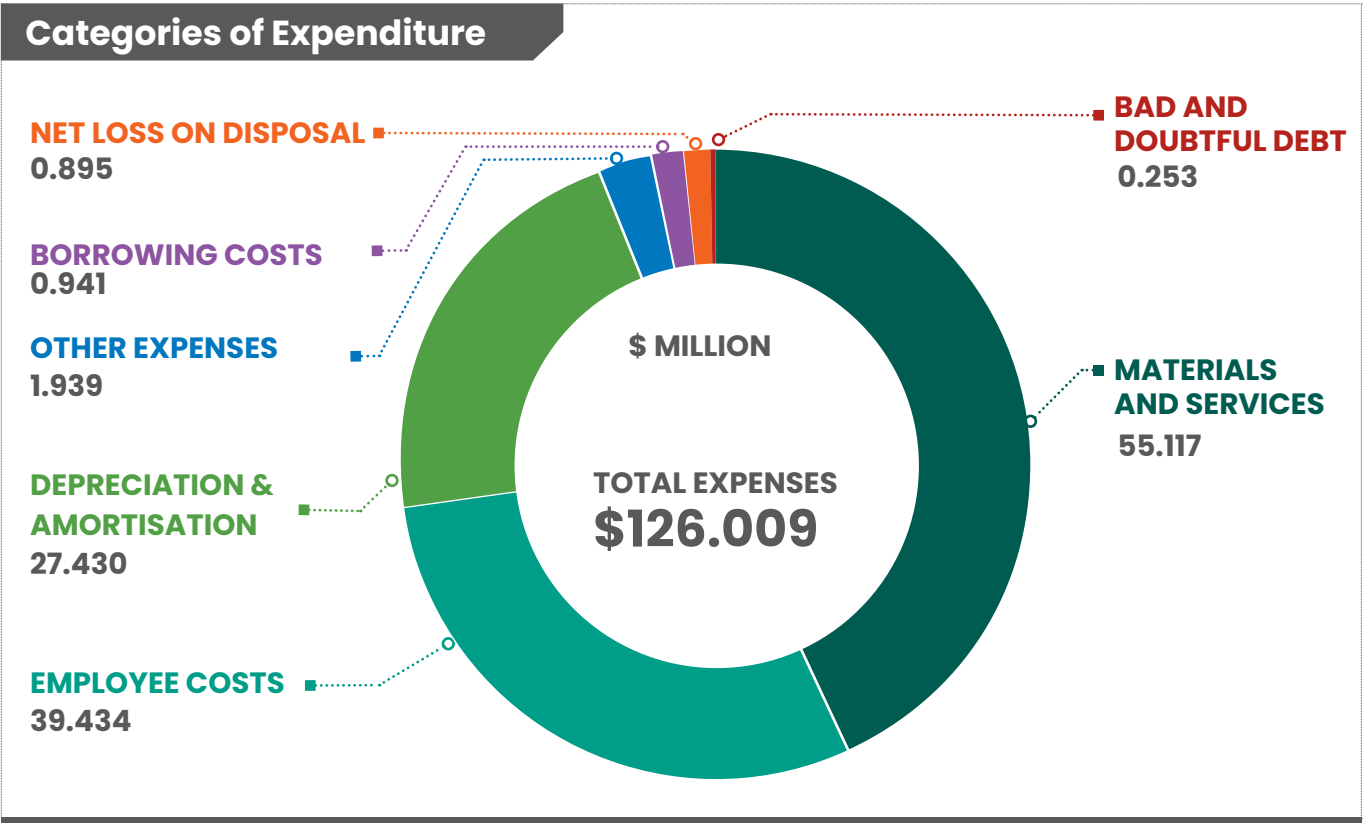
Council's income for 2024/25 was \$143.810 million (\$128.905 million in 2023/24) including rates and charges income of \$76.323 million, capital and operating grant income of \$32.177 million, fees and charges income of \$5.924 million, contributions of monetary assets of \$5.271 million, contributions of non-monetary assets of \$19.322 million and other income of \$4.793 million.

The breakdown of operating income by major category is provided below:



Expenditure

Council's total expenditure for 2024/25 including depreciation was \$126.009 million (\$118.591 million in 2023/24).



Commentary on the major categories of expenditure are as follows:

Employee costs (\$39.434 million) include salaries expenditure and oncosts, such as WorkCover premiums, annual leave, long service leave and superannuation contributions.

Materials and services (\$55.117 million) comprise the major costs associated with major areas of expenditure including:

- Waste contracts (\$9.711 million)
- Roads and infrastructure contracts (\$8.805 million)
- Recreation Services contracts (\$1.831 million)
- Other contract payments (\$2.259 million)
- Natural Disaster damage rectification (\$8.629 million)
- Information technology (\$4.150 million)
- General maintenance (\$3.706 million)
- Repairs and maintenance (\$3.985 million)
- Contribution
 - West Gippsland Regional Library Corporation (\$2.122 million)
- Insurance costs (\$1.227 million)

Depreciation and amortisation (\$27.430 million) represent the reducing value of an asset due to wear and tear and obsolescence. The major contributor to depreciation expenses within Council are infrastructure assets, which includes roads, bridges, footpaths, drainage and car parking. (\$0.695 million) relates to the accounting standard AASB 16 Leases – Amortisation – Right of use assets.

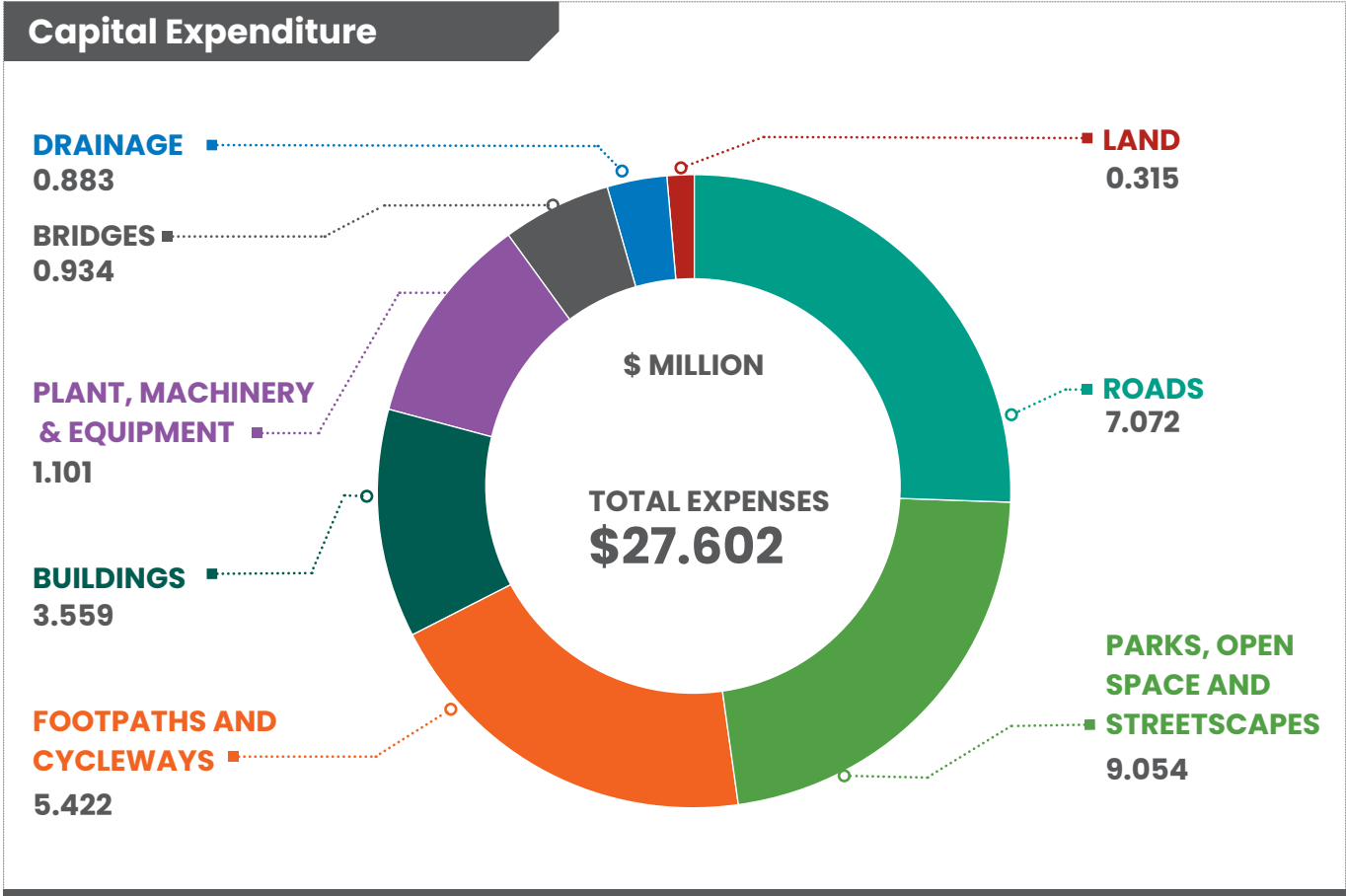
Other expenses (\$1.939 million) include Council allocations to the community (\$0.622 million).

Net loss on disposal of property, infrastructure, plant and equipment (\$0.895 million) represents sale proceeds of \$0.740 million compared with a written down value of \$1.635 million.

Capital Expenditure

Council spent \$27.602 million on Capital Works, the most significant areas were roads, recreation facilities, open space and streetscapes.

The graph below highlights all the categories of capital expenditure, and the proportionate expenditure on each.



Cash Flow

Council’s cash position at 30 June 2025 was \$10.069 million with a further \$42.136 million in term deposits, for a total of \$52.805 million. This represents an overall increase in cash holdings of \$1.168 million during the 2024/25 financial year (in 2023/24 Council’s total was \$51.637 million, comprising \$3.008 million cash plus \$48.629 million in term deposits).

One of the major areas of cash spending for Council during the year was payments for property, infrastructure, plant and equipment of \$26.817 million. This large cash outflow has been offset by the net cash flow from operations of \$28.764 million.

Note: The above financial report does not form part of Council’s statutory reporting and has been written to assist the community in better understanding the financial statements.

Community Satisfaction Survey.

The Community Satisfaction Survey is carried out annually, coordinated by Local Government Victoria on behalf of Victorian Councils.

The survey is conducted via telephone to a random survey of 400 residents, aged 18 years and older.

Minimum quotas are applied to gender and age groups, and post-survey weighting is applied to ensure accurate age and gender representation.

The results in the table below represent the perception of Councils performance as an index score out of 100, sampled four times between June 2024 and March 2025:

Performance Measure	2022	2023	2024	2025
Core performance measures				
Community consultation and engagement	51	48	47	42
Condition of sealed local roads in your area	43	38	35	36
Contact with customer service (rating)	70	63	65	65
Decisions made in the interest of the community	51	47	44	41
Contact in the last 12 months	60	62	62	68
Overall Council direction	45	42	39	38
Overall performance	56	53	51	48
Value for money	47	45	43	39
Waste management	71	68	70	68

Results in the table below show measures included for the 2021/25 Council Plan.

Performance Measure	2022	2023	2024	2025
Arts centres & libraries	73	71	73	x
Appearance public areas	71	68	69	x
Recreational facilities	69	66	65	x
Emergency & disaster management	65	64	62	x
Environmental sustainability	58	59	52	x
Business and community development and tourism	56	54	52	x
Lobbying and advocacy	51	49	46	x
Unsealed local roads*	N/A	N/A	N/A	35
Planning and building permits*	N/A	N/A	N/A	39
Town Planning policy*	N/A	N/A	N/A	38

* These questions were added in the 2024/25 financial year and as such, do not have data from the previous years.

Community Development Grants.

The annual Community Grants Program was undertaken during 2024/25, with \$297,281 granted in total to 71 different community projects and works.

Successful grant recipients were recognised at a presentation event on 12 June 2025 and these projects are either currently being delivered or have been delivered to benefit the Baw Baw Shire community.

Community Projects

Organisation	Project	Grant
Aberfeldy & District Association Inc.	Equipment purchase	\$2,976.40
Aus Hair of the Dog Rescue	Project support	\$5,000.00
Aus Hair of the Dog Rescue	Equipment purchase	\$4,774.00
Avicultural Society of Australia Inc	Event support	\$1,628.30
Baw Baw Sustainability Network Inc.	Event support	\$5,000.00
Baw Baw Veterans Cricket Club	Equipment purchase	\$2,401.87
Baw Baw Radio Modellers Association Gippsland Inc.	Equipment purchase	\$2,040.00
Buln Buln Football Netball Club Inc	Equipment purchase	\$1,971.57
Chalkies Basketball Club	Equipment purchase	\$2,500.00
Community Church Warragul – King’s Cafe	Equipment purchase	\$4,537.12
Crossover School Hall Committee	Equipment purchase	\$1,766.00
Drouin Cricket Club Inc	Equipment purchase	\$4,090.00
Drouin Dragons Soccer Club	Equipment purchase	\$3,845.85
Drouin Men’s Shed	Health & wellbeing	\$3,200.00
Drouin Presbyterian Church	Equipment purchase	\$5,000.00
Drouin Uniting Church for Drouin Combine Churches Committee	Event support	\$1,678.23
Ellinbank Badminton Club Incorporated	Equipment purchase	\$3,180.00
Erica and District Historical Society Inc.	Equipment purchase	\$5,000.00
Gippsland Associated Theatre	Event support	\$2,250.00
Gippsland Ranges Roller Derby	Event support	\$5,000.00
Gippsland Symphony Orchestra	Event support and equipment purchase	\$4,000.00
Gippsland Umpires Association	Equipment purchase	\$4,958.35
Gladiators Basketball Club	Equipment purchase	\$3,701.73
Hill End Community Incorporated	Equipment purchase	\$3,574.00
Hill End & Grove Rovers Football Netball Club	Equipment purchase	\$5,000.00
Latrobe Catchment Landcare Network	Environmental project support	\$4,756.00
Lions Club of Warragul	Event support	\$3,973.00
Longwarry and District Lions Club	Equipment purchase	\$3,299.89

Organisation	Project	Grant
Mid Gippsland Junior Badminton Association	Equipment purchase	\$2,900.00
Scouts Victoria for Warragul Scouts Group	Equipment purchase	\$5,000.00
Seaview Mechanics Institute	Equipment purchase	\$4,161.23
Shady Creek Hall Committee Inc.	Equipment purchase	\$4,929.90
Tetoora Road Community Centre – Community Asset Committee	Equipment purchase	\$1,947.20
The Country Women’s Association of Victoria	Equipment purchase	\$4,997.00
The Hallora Marathon Incorporated	Health & wellbeing	\$5,000.00
The Noojee & District Historical Society	Equipment purchase	\$4,848.16
Thorpdale Mechanics Institute Reserve	Other – Repair of community asset	\$4,993.00
Trafalgar and District Probus Club Inc.	Equipment purchase	\$1,800.00
Trafalgar Bowls Club Inc.	Equipment purchase	\$2,090.00
Trafalgar Holden Museum	Event support	\$5,000.00
Trafalgar Men’s Shed	Equipment purchase	\$5,000.00
Trafalgar Park Bowls Club	Equipment purchase	\$2,980.80
Walhalla Heritage and Development League	Equipment purchase	\$5,000.00
Warragul Amateur Swimming Club Inc.	Equipment purchase	\$5,000.00
Warragul Amateur Swimming Club Inc.	Equipment purchase	\$5,000.00
Warragul & District Churches Badminton Association Inc.	Equipment purchase	\$1,000.00
Warragul Anglican Church	Equipment purchase	\$3,499.00
Warragul Camera Club	Event support	\$4,000.00
Warragul District Amateur Basketball Association	Health & wellbeing	\$3,750.00
Warragul Farmers Market	Event support	\$4,737.00
Warragul Little Athletics Club	Equipment purchase	\$3,791.50
Warragul Municipal Band	Project support	\$4,999.00
Warragul Municipal Band	Project support	\$5,000.00
Warragul RSL Sub–branch Inc	Equipment purchase	\$4,840.00
Warragul Toastmasters Club Inc	Equipment purchase	\$2,646.94
Warragul Youth Theatre Inc.	Event support	\$5,000.00
Warranor Basketball Club	Equipment purchase	\$4,046.78
West Gippsland Bush Walkers Inc	Equipment purchase	\$2,279.00
West Gippsland Chorale	Equipment purchase	\$2,525.00
West Gippsland Riding Club	Equipment purchase	\$4,974.20
West Gippsland Touch Rugby Club Inc.	Equipment purchase	\$3,051.89
Western Park Cricket Club	Equipment purchase	\$2,200.00
Western Park Cricket Club	Equipment purchase	\$4,340.00
Wild Dog Triathlon Club	Equipment purchase	\$2,399.75
Yarragon Football Netball Club	Equipment purchase	\$4,801.46
Yarragon Studio Festival	Event support	\$4,900.00

Minor Capital Works

Organisation	Project	Grant
Ellinbank Junior Football Club	Net installation behind the east end goals of the Ellinbank football oval.	\$10,000.00
Gippsland United FC	Kitchen upgrades at Baxter Park Pavilion	\$10,000.00
Hill End Mechanics Institute Reserve Committee	Upgrade of ladies' bathroom.	\$6,750.00
Thorpdale Recreation Reserve	Repair of the Thorpdale Recreation Reserve entry gateway.	\$10,000.00
Victorian Railways Institute	Kitchen upgrades at the VRI Artspace Warragul.	\$10,000.00

Educational Sponsorship.

Baw Baw Shire Council’s Education Sponsorship aims to encourage students in Year 9 and over (or aged between 15 – 21 years) in their preferred education pathway. Council does this by supporting local education providers with an opportunity to recognise and acknowledge a student’s attributes and effort which aligns with the Baw Baw Shire Council Cultural Values being Authentic, Respectful, Resilient, Optimistic, Supportive, and Pragmatic.

This application gives the educational provider the option to nominate one or two students. If they complete nominations for two students, one of those must be for a student of Aboriginal and/or Torres Strait Islander descentance.

Eight of the 11 educational providers nominated 13 students to received funds totalling \$3,250.

Educational Provider

Educational Provider	Student total	Grant
Chairo Christian College (Drouin campus)	0	\$0
Community College Gippsland	1	\$250
Drouin Secondary College	1	\$250
Lowanna Secondary College	2	\$500
Marist-Sion College	2	\$500
Neerim District Secondary College	2	\$500
St Pauls Anglican Grammar School	1	\$250
TAFE Gippsland	0	\$0
Trafalgar High School	0	\$0
Warragul and District Specialist School	2	\$500
Warragul Regional College	2	\$500



Major Capital Works.

The 2024/25 financial year saw Council undertake \$30.35 million of works on 156 projects and renewal programs, which included \$6.65 million in external income.

These projects aim to address the diverse needs of the communities within the municipality.

The following is a summary highlighting some of the major projects and renewal programs undertaken during the 2024/25 financial year.

Drainage

- Roadside drains and flanking works to improve road pavements and roadside drainage on local sealed roads network (\$350,000)
- Reconstruction and rehabilitation of stormwater pits and pipes at various locations across the municipality (\$140,039)

Footpaths

- Ongoing construction of new priority concrete footpaths through Council's Accelerated Footpath Program (\$75,436)
- Renewal works on over 925 linear metres of gravel paths across the municipality (\$100,000)
- Footpath bay replacement and trip hazard rectification works across the municipality (\$275,000)

Culverts

- Replacement of major culverts at Hazeldean Road, Yarragon (\$336,460)
- Replacement of minor cross road and drainage culverts at various locations (\$50,000)

Buildings

- Refurbishment and general works at various Council-owned buildings and facilities across the municipality (\$1,048,187)

Recreation Facilities and Open Space

- Completion of the upgrade and improvements to dog parks across the Shire (\$75,425)
- Completion of the new pavilion, and the removal of the old Soccer and Rumble Pavilions at Bellbird Park, Drouin. This project was delivered in partnership with the Victorian Government (\$126,506)
- Completion of the Baxter Park Pavilion upgrade, including female friendly change rooms and amenities, upgraded sports field lighting, car park improvement works, and spectator shelter. This project was delivered in partnership with the Victorian Government (\$34,853)
- Completion of the main construction for Angela Malacarne Park, on Rollo Street, Yarragon, jointly funded by the Victorian Government's Growing Suburbs Fund (\$1,905,120)
- Renewal of the senior soccer pitch at Bellbird Park East, Drouin (\$1,577,850)
- Completion of the renovation works at Western Park Oval 2 (\$182,011)
- Completion of the renewal of four hard surface tennis and netball courts, including compliant run offs and sports lighting at Willow Grove, jointly funded by the Federal Government's Local Roads and Community Infrastructure Program (\$1,200,298)
- Completion of the renewal of cricket practice nets and synthetic game day pitch at Buln Buln Recreation Reserve, and the renewal of the centre synthetic game day pitch at Athlone Reserve, Athlone. The Buln Buln project was supplemented by funding through the Victorian Government's Community Cricket Program, Community Facilities Stream (\$12,019)

Roads

- Localised pavement and surface repairs on 33 roads across the municipality, assisted by funding through the Federal Government's Roads to Recovery Program (\$3,700,000)
- Localised road pavement repairs at 12 locations in Warragul and road resurfacing and pavement repairs at Contingent Street and McCrory Street, Trafalgar, assisted by funding from the Federal Government's Local Roads and Community Infrastructure Program (\$1,070,000)
- Extensive gravel re-sheeting works, including spot re-sheeting and proactive re-sheeting with additional crushed rock, on roads across the municipality (\$1,560,000)
- Over 200,000 square metres of reseal works to address surface condition on over 15 roads across the municipality, plus preparation for the 2024/25 financial year reseal program including flanking, regulating, patching and kerb repairs (\$1,000,000)

Bridges

- Completion of the reconstruction of the Contour Drain and Moe River bridges at Factory Road, Yarragon. This project was partially funded by the Australian Government's Safer Local Roads and Infrastructure Program (\$1,709,000)

Major Projects

The following major projects are multi-year projects delivered across several financial years. The updates below provide a summary of the activity and expenditure for each project during the 2024/25 financial year:

- The Baw Baw Culture & Connection Precinct project team has carried out planning, design, community consultation, tender preparation, and advocacy during 2024/25 to support funding efforts for the Baw Baw Culture & Connection Precinct – Stage 1 Library & Learning Centre. This work has been assisted by funding from the Federal Government's Growing Regions Fund and the Victorian Government's Living Libraries Infrastructure Program and Growing Suburbs Fund (\$997,142)
- Commencement of construction for the Downton Park Pavilion Upgrade, assisted by funding through the Federal Government's Local Roads and Community Infrastructure Program (\$1,102,471)
- Completion of the main construction for Angela Malacarne Park, on Rollo Street, Yarragon, jointly funded by the Victorian Government's Growing Suburbs Fund (\$1,905,120)
- The vast majority of the construction for Stage 1 of the intertown trail between Rokeby and Noojee as per the Baw Baw Cycling Feasibility Study, assisted by funding through the Victorian Government's Regional Tourism Infrastructure Fund (\$3,729,041)
- The completion of Phase 1 of Stage 9 of the Warragul CBD Streetscape project, including the renewal of footpath, roundabouts, intersections, landscaping, carp park line marking, and a new toilet block at Queen Street Park (\$623,691)
- Commencement of construction for the upgrade to Copelands Road, Warragul. This project is partially funded by the Development Contributions Plan (DCP) as part of the overall Warragul Precinct Structure Plan (\$1,889,494)



Baw Baw's Advocacy Priorities.

Baw Baw Shire Council's advocacy priorities provide a framework for Council to plan and deliver targeted campaigns to the State and Federal Governments seeking investment in projects that enhance our Shire's liveability and secure our future as a thriving, innovative region.

Baw Baw Shire Council advocates on the community's behalf on a range of issues. We advocate for action and investment directly related to Council's operations and facilities as well as on matters that are beyond Council's responsibility, but that are significant to the health and prosperity of the community, such as the delivery of the new West Gippsland Hospital.

By 2046, Baw Baw Shire's population is forecast to change by more than 47%, growing to more than 93,000 people. Our flourishing population presents many opportunities to shape a sustainable, healthy and thriving region now and into the future, but rapid growth also places complex planning and financial demands on Council.

To secure our community vision for the future, Baw Baw Shire Council must be ambitious, coordinated and clear in communicating the investment we need to provide the infrastructure and services our community deserves.

Investment in major sport and recreation projects, road planning and catalyst infrastructure to unlock housing, were among Baw Baw Shire Council's key advocacy priorities for the 2024/25 financial year.

Approaching the May 2025 federal election, Baw Baw Shire Council undertook sustained government relations efforts, seeking federal investment and support to deliver priorities including but not limited to:

- Warragul and Drouin arterial road network planning
- Weebar Road Roundabout in Drouin
- Western Park Pavilion 1 and 2 projects in Warragul
- Geoff Watt synthetic track upgrade in Warragul
- Early Years infrastructure and workforce attraction
- Delivery of the new West Gippsland Hospital
- Longwarry Logistics and Employment Precinct

Following is a summary of some of the advocacy activities Baw Baw Shire Council undertook throughout 2024/25 on behalf our community:

Council made a number of key parliamentary submissions outlining Council's Advocacy priorities including:

- 2025/26 State Pre-Budget submission
- 2025/26 Federal Pre-Budget submission
- Infrastructure Victoria Draft 30-year infrastructure strategy 2025/55
- Mayor and CEO represented the Baw Baw Shire community in meetings with relevant State and Federal ministers, shadow ministers and members of parliament throughout the year.

- Council initiated meetings with Narracan Electorate candidates ahead of the Federal election to discuss unlocking affordable housing, promote key local road and community infrastructure projects, and to seek federal support to accelerate the delivery of the new West Gippsland Hospital.
- Council successfully advocated for funding for the Drouin and Warragul Arterial Network Planning – securing a \$3 million election commitment from both the Labor and Liberal parties.
- Council presented to Emergency Management Victoria and to the Victorian Emergency Management Commissioner leading to more timely payment of Disaster Recovery Funding Arrangements' (DRFA) claims.
- Council petitioned the Victorian Government to repeal the new Emergency Services and Volunteers Levy.
- Made advocacy representations in writing and in person to state and federal departments, including the Victorian Planning Authority, Regional Development Victoria, Department of Transport and Planning, Department of Education, Department of Energy, Environment and Climate Action and the Federal Department of Infrastructure, Transport, Regional Development, Communications Sport and Arts.

Baw Baw Shire Council is represented in key regional and sector advocacy forums including:

- Municipal Association of Victoria
- Peri-Urban Council Victoria
- One Gippsland
- South Eastern Australian Transport Strategy
- Destination Gippsland

Council's advocacy priorities will be reviewed in 2025/26 in line with the new Council Plan and a new Advocacy Strategy.

Grants

- Council successfully secured \$4.8 million in competitive grant funding throughout the 2024/25 financial year for 16 projects and programs. Some of these included:
- \$1.0 million towards the \$4.1 million Drouin Recreation Oval Redevelopment from Sports and Recreation Victoria's Regional Community Sports Infrastructure Fund – Community Facilities Stream Stream.
- \$1.38 million towards the \$1.7 million replacement of bridges crossing Moe River and Contour Drain – Factory Road, Yarragon from the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' Bridge Renewal Program.
- \$300,000 towards Youth Events in Baw Baw from the Department of Families, Fairness and Housing's FReeZA and Engage! programs.
- \$75,000 towards Emergency Management upgrades of five remote public halls so that generators can be used to power them during extended power outage events from the AusNet energy resilience grant – Major Projects stream.

It should be noted that applications totalling \$12.7 million were submitted in Q3 and Q4 of 2024/25 that are still pending outcomes. Some of these pending outcomes were delayed by the Federal election held on 3 May 2025. Caretaker period was entered into on 28 March 2025, where no decisions can be made that would bind potential future governments to expenditure. No funding agreements can be entered into during caretaker period. A delay is always experienced with funding announcement following the election results. Outcomes of these applications will be reported in the 2025/26 Financial Year report.



For more information about Baw Baw Shire Council's Advocacy Priorities, please
www.bawbawshire.vic.gov.au/Advocacy



Our Councillors.

Baw Baw Shire has nine Councillors elected to govern the municipality, with three Councillors elected from each of the three wards. Councillors have the responsibility for setting Council's strategic direction, policy development, identifying service standards and monitoring performance across the organisation.

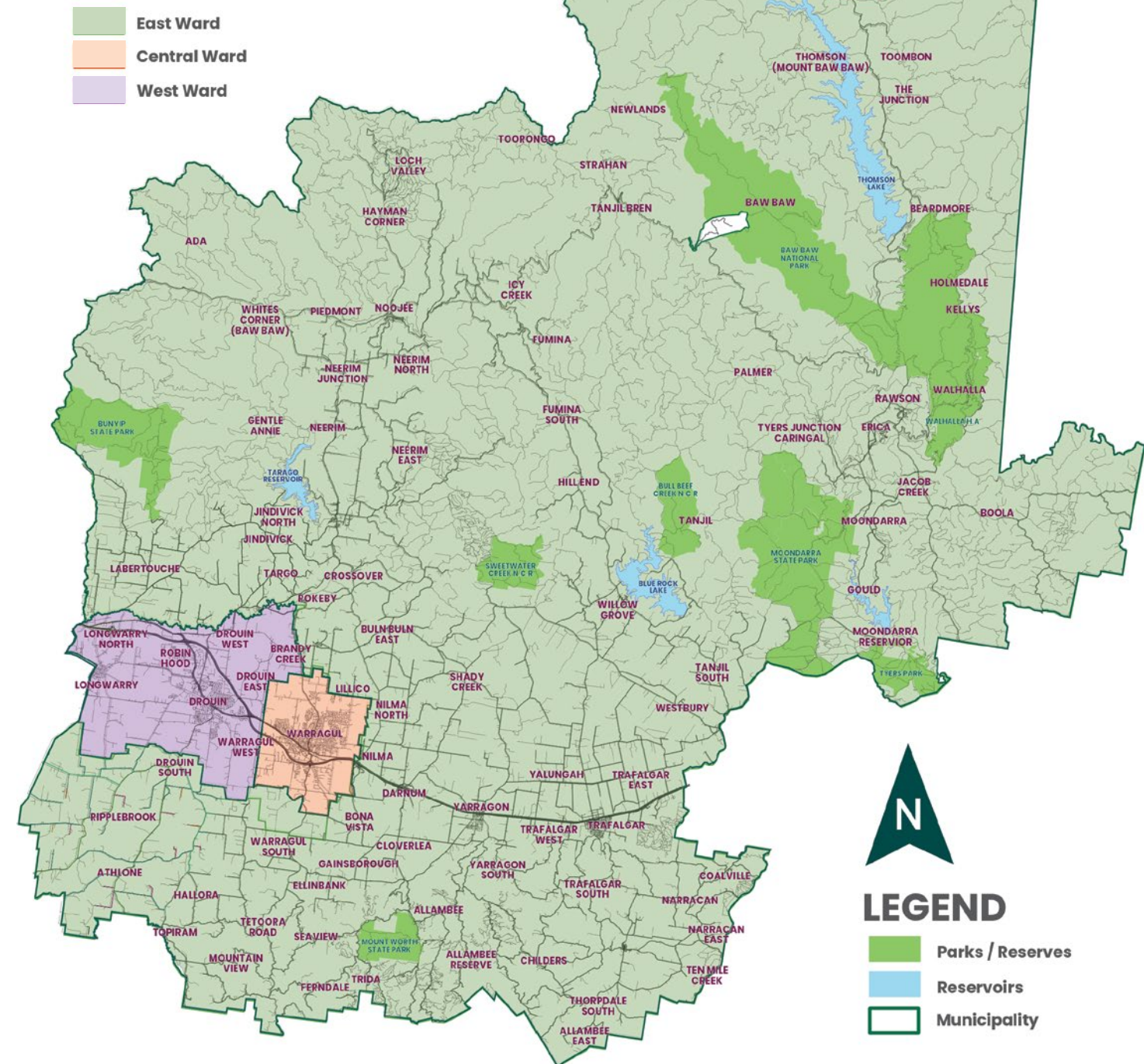
The Mayor is elected by Council in November each year and serves for a 12-month period. Council elections are held every four years, with the most recent being October 2024. The next Council election will be held in October 2028.



Left to right: Cr Suzanne Allen, Cr Paul Pratt, Cr Brendan Kingwill, Cr Tricia Jones (Deputy Mayor), Cr Ben Lucas, Cr Danny Goss (Mayor), Cr Kate Wilson, Cr Jess Hamilton and Cr Adam Sheehan.

Electoral structure of Baw Baw Shire Council.

3 Councillors in each Ward.



Baw Baw Shire Council's Ward Boundaries have been adjusted following a Victorian Electoral Commission (VEC) review conducted in accordance with section 15(2) of the *Local Government Act 2020* and this comes into effect for and from the 2024 Election.

The review was requested as the number of voters per Councillor in one or more Wards forecast to vary from the average number of voters per Councillor for all of the wards by more than 10%.

The purpose of the VEC review was to correct this forecast imbalance for the October 2024 Local Council Election.

The VEC's recommended Ward boundary model was approved by the Minister for Local Government and published in the Government Gazette on 28 May 2024.



Our Councillors.

Central Ward Includes: Warragul.



Cr Danny Goss (Mayor)

Date elected: 2016 – Current

- CEO Performance Review Committee
- Peri Urban Councils Victoria
- One Gippsland



Cr Paul Pratt

Date elected: 20 Nov 2024 – Current

- Early Years Advisory Committee
- Audit and Risk Committee



Cr Suzanne Allen

Date elected: 20 Nov 2024 – Current

- Arts and Culture Advisory Committee
- Early Years Advisory Committee
- Municipal Emergency Management Planning Committee (MEMPC)

West Ward Includes: Drouin, Drouin West and Longwarry.



Cr Tricia Jones (Deputy Mayor)

Date elected: 2008 – Current

- Audit and Risk Committee
- CEO Performance Review Committee
- Environmental Voice Advisory Committee
- My Community Library Ltd (Myli) Board



Cr Jess Hamilton

Date elected: 20 Nov 2024 – Current

- CEO Performance Review Committee
- Road Safe Gippsland Community Road Safety Council



Cr Ben Lucas

Date elected: 20 Nov 2024 – Current

- Baw Baw Latrobe Local Learning Employment Network (LLEN)
- South East Australian Transport Strategy Inc. (SEATS)

East Ward Includes: Noojee, Tanjil Bren, Rawson, Walhalla, Erica, Neerim South, Willow Grove, Yarragon, Thorpdale, Trafalgar, Darnum, Drouin South and Jindivick.



Cr Kate Wilson

Date elected: 20 Nov 2024 – Current

- Environmental Voice Advisory Committee
- Place Names Advisory Committee
- CEO Performance Review Committee
- Municipal Association of Victoria



Cr Adam Sheehan

Date elected: 20 Nov 2024 – Current

- Arts and Culture Advisory Committee
- Timber Towns Victoria



Cr Brendon Kingwill

Date elected: 20 Nov 2024 – Current

- Place Names Advisory Committee
- South East Australian Transport Strategy Inc.



Our Organisation.

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day-to-day management of operations in accordance with the strategic directions of the Council Plan. Senior Officers report directly to the CEO and form the Executive team.

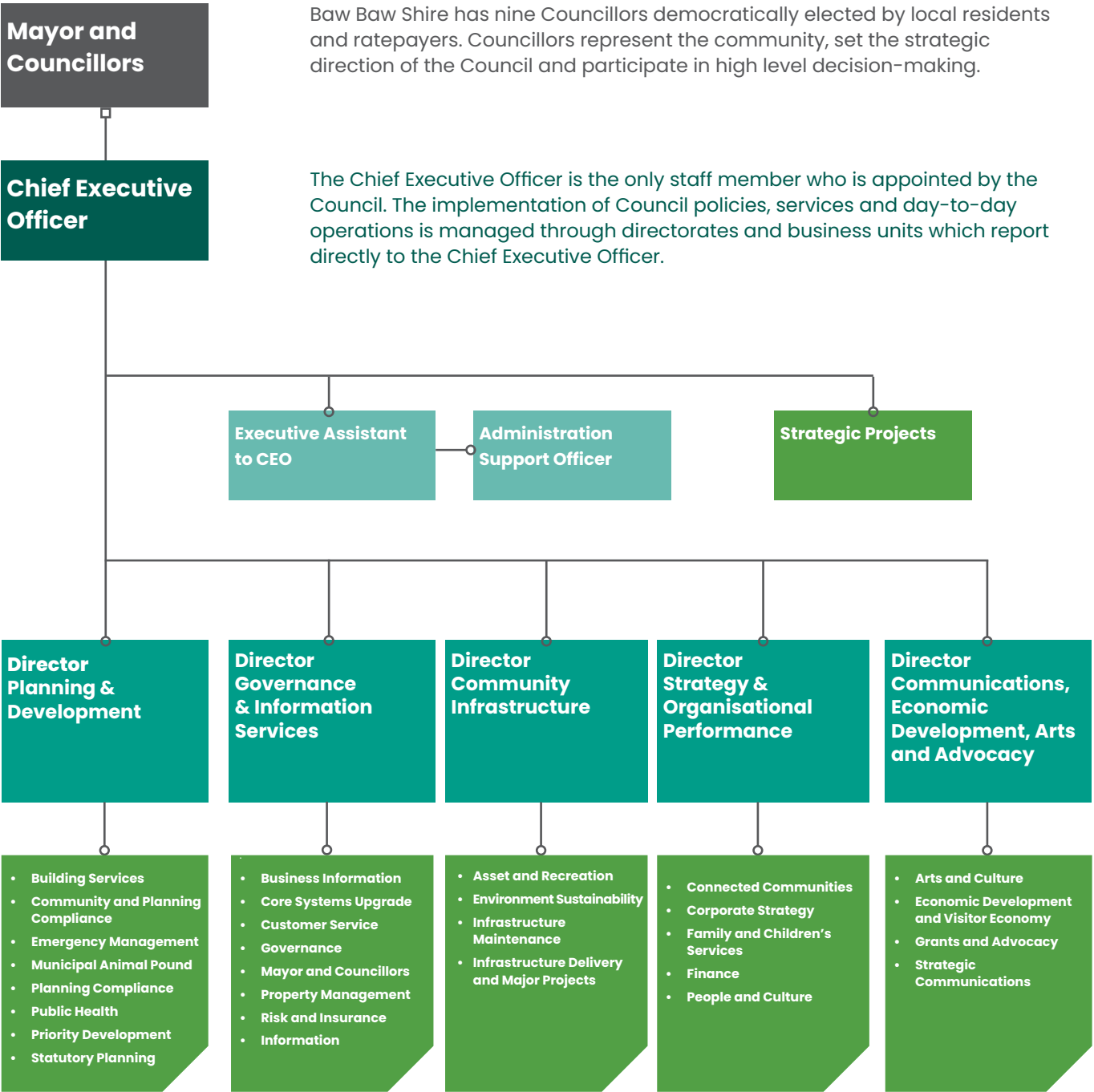
The Executive team provides high level strategic direction and is responsible for the operational delivery of decisions made by Council as outlined in the Council Plan.

Members of the Executive team work closely with Council, attend all Council meetings, and present reports and recommendations to Council.

Council's aim is to attract, retain and develop talented and committed employees through the continuous improvement of its people and culture, organisational development and occupational health and safety programs and initiatives.

Council is committed to providing a safe and harmonious work environment free from discrimination, bullying and harassment.

Organisation Structure.



Council Staff.

Employee Positions (by Gender and Directorate)

A summary of the number of full time equivalent (FTE) staff by organisation structure, employment type and gender.

Employee type / Gender	Chief Executive Office	Community Infrastructure	Economic Development, Arts & Advocacy	Governance & Information Services	Planning and Development	Strategy and Organisational Performance	Grand Total
Full Time Female	3.00	23.00	12.00	18.00	34.00	32.00	122.00
Full Time Intersex or Indeterminate	0.00	0.00	0.00	0.00	1.00	0.00	1.00
Full Time Male	2.00	84.00	8.00	11.00	31.00	10.00	146.00
Part Time Female	0.58	2.61	5.96	8.03	11.14	18.59	46.89
Part Time Male	0.90	1.83	0.60	0.84	5.49	2.32	11.98
Grand Total	6.48	111.44	26.56	37.87	82.63	62.91	327.88

Full time equivalent (FTE) by gender and band (excluding casual employees).

Bands	Full Time Female	Full Time Male	Full Time Intersex or Indeterminate	Part Time Female	Part Time Male	Grand Total
Band 1	0.00	0.00	0.00	4.76	3.46	8.22
Band 2	0.00	0.00	0.00	0.00	0.00	0.00
Band 3	2.00	34.00	0.00	0.84	1.59	38.43
Band 4	20.00	15.00	0.00	8.12	1.47	44.59
Band 5	36.00	17.00	1.00	9.95	0.84	64.79
Band 6	24.00	22.00	0.00	12.09	0.69	59.78
Band 7	17.00	28.00	0.00	4.20	2.19	51.39
Band 8	17.00	30.00	0.00	2.38	1.74	51.12
Band (not applicable)	6.00	0.00	0.00	4.55	0.00	10.55
Grand Total	122.00	146.00	1.00	46.89	11.98	327.88

Workforce Plan

Council’s Workforce Plan describes Council’s vision for our employee experience through three key pillars:

- A Workplace of Equal Opportunity
- A Future Ready Workforce
- A Mature and Capable Organisation.

Each pillar creates understanding of the contribution we each make to achieving our vision and mission through identified strategies and performance indicators. The Workforce Plan ensures Council has the workforce needs at the forefront of decision making to create a healthy, sustainable and thriving organisation and community.

Over the past 12 months, we have taken significant steps to ensure our workforce remains future ready. The primary focus has been on building our data story to leverage trends for strategic decision-making.

This includes enhancing our service planning maturity to create a clear view of Council services and service levels which play a crucial role informing the delivery of a strategic workforce plan. Equally, we have continued to mature our capability framework aligning our skills with organisational needs and targeting meaningful development opportunities.

The alignment of these two documents will enable Baw Baw to deliver to the community now and into the future.

Gender Equality Action Plan

Council’s Gender Equality Action Plan (GEAP) identifies opportunities and initiatives that ensure our people practices are inclusive and equitable.

It is important to note that whilst the Gender Equality Act is geared to improving equality for women and gender diverse people, there is also a requirement to consider intersectionality – the ways in which different aspects of a person’s identity can expose them to overlapping forms of discrimination and marginalisation.

Council is approaching all of our work with this strongly in mind, committed to equality measures not just for women and gender diverse people but for all people, no matter their unique identity.

Over the past 12 months, Council has continued to progress its commitment to gender equality, in alignment with the Gender Equality Action Plan (GEAP). A key focus has been on enhancing staff training and increasing awareness across the organisation to ensure our policies, practices, and workplace culture remain inclusive, respectful, and equitable.

Through our involvement in the *Our Equal Local Government* (OELG) initiative, and guided by the GEAP, Council has delivered a range of initiatives designed to support and sustain progress in this space. These activities have strengthened our understanding of gender equality issues and improved data collection and visibility—critical foundations for informing the development of Council’s next Gender Equality Action Plan in 2025.

Notable achievements include the launch of the *Speak Up* campaign to raise awareness of gender-based violence, as well as the introduction of an anonymous reporting platform to enable staff to safely and confidentially raise concerns. Additionally, the Council’s Candlelight Vigil featured a guest speaker from GippSport, who addressed gender equity in sports and its vital role in preventing violence against women and people of diverse genders.

Our participation in the OELG initiative has also deepened collaboration with fellow councils across the Gippsland region, enabling the development of shared outcomes that benefit both the local government sector and the wider community.

In addition, Council has undertaken several Gender Impact Assessments, supported by targeted training. These assessments apply an intersectional lens to community projects and services, helping to ensure they are inclusive, accessible, and responsive to the diverse needs of our community.

Preventing Violence Against Women

Council continues to promote the Prevention of Violence against Women, primarily through leading gender equity and building respectful and safe relationships and breaking down stereotypes of women. This is a prevention strategy consistent with Council’s health and wellbeing planning approach.

In May, Council hosted a Candlelight Vigil featuring three guest speakers, bringing together service providers and agencies from across Gippsland to highlight the importance of collaborative efforts in preventing violence against women and children.

WorkCover Insurance Premium and Benchmark

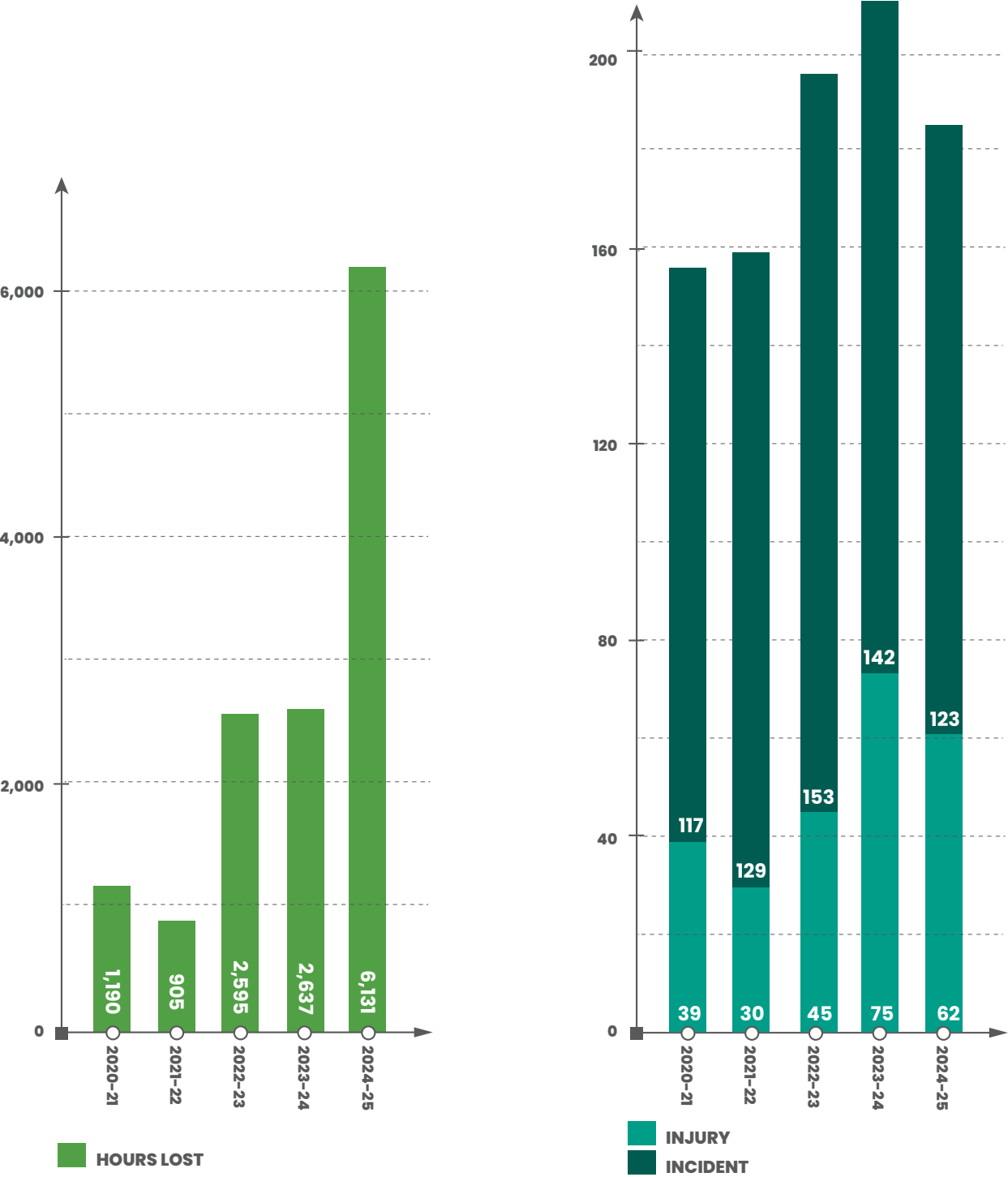
Baw Baw Shire Council’s premium costs for 2024/25 were \$983,175.00.

The Employer Performance Rating (EPR) compares premiums across an industry sector. An EPR of 1 is the benchmark. An EPR greater than 1 is below par performance and an EPR less than 1 is above par performance.

Council’s EPR for 2024/25 was 0.98, indicating a positive 2.61% in comparison to industry average.

In 2024/25 the number of injury and incident reports has reduced. Council continues to proactively invest in uplifting our occupational health and safety capability and awareness.

Injury and Incident Reports



A small number of injuries required extended recovery periods following surgeries or other medical procedures. This resulted in a significant increase in hours lost through 2024/25, and work continues to support our employees returning to work in alignment with advice from treating practitioners.

Enterprise Bargaining Agreement

During Council’s previous negotiations, there was a strong focus on implementing an improved Enterprise Bargaining Agreement (EBA). Council’s objective throughout the process was to develop an Agreement that promotes workplace flexibility and enhances employee entitlements, in alignment with our commitments under the Gender Equality Action Plan and Workforce Plan.

The current Agreement came into operation on 10 May 2023 and is set to nominally expire on 31 December 2025. Negotiations for a new Agreement are intended to commence in quarter one 2025/26, ahead of the expiry date.

Occupational Health and Safety

Baw Baw Shire Council’s health and safety vision is to provide the safest and most rewarding place to work for the benefit of all our team and the community in which we live and work. We believe a team that is supported leads to an effective, safe and skilled workplace. This is a core value to underpin the Council Plan objectives.

We are committed to improving our safety performance by focusing on safe leaders and planning, safe behaviours and environments, and safe people.

Key improvements and projects undertaken during 2024/25 include:

- Revamp of Council’s Health & Safety Representatives (HSR), including appointment and training of new HSRs.
- Review of Council’s emergency planning procedures, including evacuation plans for Council office locations;
- Continued development and streamlining of Council’s safety management platform,
- Active post-incident reviews and the implementation of safe work practices to prevent recurrence; and
- Providing a range of supports through the Employee Assistance Program.

Other staff matters

Equal Opportunity

Baw Baw Shire Council is an equal opportunity employer, committed to ensuring our workplace is free of discrimination and harassment, where all employees can work in a positive, supportive environment. All employees, volunteers and contractors have the right to be treated with dignity and respect while working for Council.

Council embraces workforce diversity and endeavours to ensure the application of Council policies, practices, and procedures that no discrimination takes place, diversity is encouraged, and all employees are afforded equal access to opportunities.

Council’s ongoing equal opportunity initiatives focus on prevention and include:

- Equal opportunity induction for new employees
- Cyclic training for all staff on aspects of equal opportunity
- Applying merit and equity principles in recruitment and succession practices
- Provision for flexible working arrangements
- Supporting an organisational culture that does not condone or tolerate acts of discrimination, harassment, bullying or violence.

Council regularly reviews our existing policies and processes related to anti-discrimination, bullying and harassment to ensure all employees are aware of their obligations, and have clear processes to follow if they wish to make a complaint or seek support.

The principles of Council’s equal opportunity program are set out in the employee Code of Conduct and Equal Opportunity Policy.

Ensuring Child Safety – Statement of Commitment

Council is committed to providing and actively promoting a safe environment for children.

Council has zero tolerance towards child abuse, and is committed to protecting the physical, emotional, cultural, and social wellbeing of all children. Council has policies and systems to protect children, and all allegations and safety concerns will be treated seriously.

Baw Baw Shire Council acknowledges that children’s safety is a whole of community responsibility and is everyone’s business.

Over the past 12 months, Council has provided face to face Child Safety training to 155 staff members including the executive team covering the 11 Victorian Child Safe Standards. Council also continues to review and update all child safe information, and has used the Victorian Department of Health’s Self-Assessment Tool to assist with identifying continuous improvement opportunities.

Our Performance.

Council’s Planning and Reporting Framework

Council’s planning framework seeks to align Council’s daily activities and projects with the longer-term planning for the Shire.

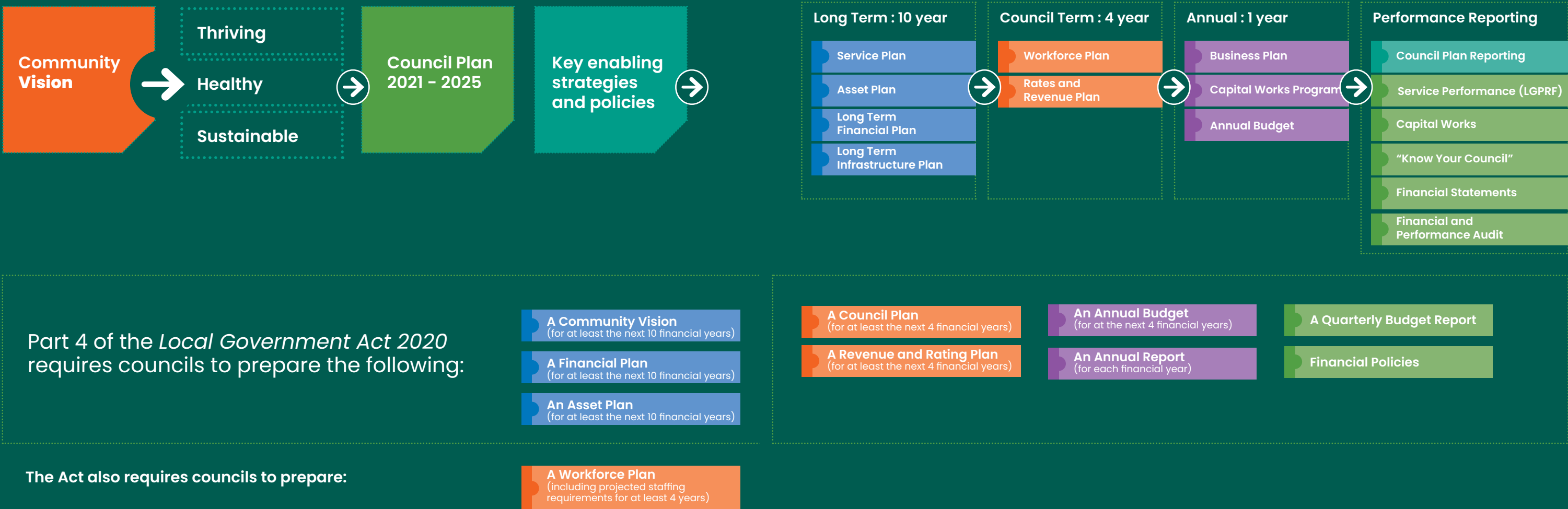
Drawing on the longer-term vision for the community, the Council Plan responds by establishing objectives and outcomes that Council wishes to achieve during

its four-year term. This is resourced by the Budget and reported in this Annual Report of Operations and the audited statements.

The following diagram shows the relationship between the key planning and reporting documents that make up Council’s planning framework.

Planning and Reporting Framework

Baw Baw Shire.



Community Vision.

Developing a vision for our future helps us to prioritise our actions for today and for tomorrow.

Baw Baw's first Community Vision **Baw Baw 2050** was developed in 2011. A new Community Vision was developed in 2021, informed by more than 360 members of our community and developed through a deliberative process with a panel of more than 40 community representatives.

Together, they established community aspirations for the future of Baw Baw Shire for the next 20 years and beyond.

This is our new shared aspiration for the long-term future of the Shire: to be Sustainable, Healthy and Thriving:

- Sustainable towns and villages that continue to benefit from our beautiful rural and natural environment.
- Healthy people, living in connected communities and healthy environments, and
- Thriving, diverse and resilient communities.

Council Plan 2021/25.

The Council Plan 2021/25 represents a four-year road map for the Council and describes the key services and priorities upon which Council will direct its focus.

To read the
Council Plan in
full, visit



bawbawshire.vic.gov.
au/CouncilPlan

In developing the Council Plan, Council has considered:

- The aspirations of the community as set out in the new Community Vision.
- The key goals Council aims to achieve over the four years 2021 to 2025.
- The critical challenges we face.
- How we need to respond to succeed.

The Community Vision informs and guides the planning and priorities of Baw Baw Shire Council. The Council Plan 2021/25 defines how Council will respond to the Community Vision over the next four years.

The Plan identifies those priorities for action and investment, both in the community and in the organisation, that we believe will make the biggest difference for us all in achieving our longer-term aspirations.

The strategic direction

One of the biggest challenges immediately facing our community is the rapid growth in population and how we will continue to deliver services and infrastructure for existing and new residents, while also facing other critical challenges identified on page 11 of the Council Plan.

Our strategic direction for the duration of the Council Plan 2021/25 is: Readyng the Shire for the future, and supporting community quality of life as we continue to grow.

Objectives and strategies

Our Strategic Objectives are aligned with the Community Vision, and will help guide Council in its planning, action, investment, and advocacy as we support and work towards a sustainable, healthy and thriving Shire and community.

These objectives align to the Community Vision and ensures that Council's activities over the term of this Council Plan respond to the Vision:

- A Sustainable Shire responds to the Community Vision and goals related to sustainable built and protected natural environments.
- A Healthy Community responds to the Community Vision and goals for healthy people and environments and connected and inclusive communities.
- A Thriving Community responds to the Community Vision and goals for strong economy: education, tourism and culture, and future ready infrastructure and transport.

Key focus areas

The Council Plan identifies several key focus areas and new initiatives that Council has identified to implement aspects of the Community Vision from 2021 through 2025.

The strategies have been developed as a coherent set, in response to the strategic direction of the Council and the Community Vision for the four years 2021/25. The strategies recognise the integrated and related nature of the challenges we face and what we are trying to achieve.

Seeing them together also helps us understand the interrelated nature of the strategies in achieving our goals, with the opportunity to operate as much as possible at the intersection of the objectives.

Over the period 2021/25, we will focus on 11 key areas in the delivery of Council services, infrastructure, and advocacy:

1. Planning for a sustainable, healthy and thriving Baw Baw Shire.
2. Providing community infrastructure, services and facilities which support sustainable communities and are responsive to changing needs.
3. Advocating for strategic priorities and those services and facilities needed by the community.
4. Sustainably protecting and managing the natural environment and agricultural land.
5. Supporting community health, safety and wellbeing, including mental health.
6. Supporting community connectivity, diversity, inclusion and reconciliation.
7. Creating environments that support a diversity of sports and recreation opportunities and walkable communities across the Shire.
8. Responding to and readying for climate change, emergency events, disruption and transition.
9. Enabling a strong local economy, through support for business and innovation and local access to skills development and jobs.
10. Supporting community arts and events to create vibrancy and attract people to live work and play in Baw Baw.
11. Improving local transport networks and advocating for improvements for roads and public transport for residents across the Shire.

Performance

Council's performance for the 2024/25 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the Council Plan.

Performance against each of the Council Plan objectives is reported on the following pages and includes:

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the major initiatives identified in the budget.
- Services funded in the budget and the persons or sections of the community who are providing those services.
- Results against the prescribed service performance indicators and measures.

Indicators

Council's performance is regularly monitored using the indicators contained in the Council Plan and Budget. This includes those developed by the State Government for all Victorian Councils as a consistent measure of service performance (the Local Government Performance Reporting Framework).

These indicators are used by Council to measure progress toward its strategic objectives and effectiveness of its services.



A Sustainable Shire.

A Sustainable Shire responds to the Community Vision and goals related to sustainable built and protected natural environments.

Strategic Indicators

The following statement reviews the performance of Council, including results achieved against the strategic indicators outlined in the Council Plan.

Performance Measure	Result	Comment
Council CO ₂ emissions.	637 Tonnes	Council has reduced its CO ₂ emissions arising from its buildings, public street lighting and vehicle fleet in the 2024/25 financial year. This was due to Council now sourcing 100% renewable energy for all of its electricity consumption through the Victorian Energy Collaboration (VECO). The VECO now comprises 62 of the 79 Councils in Victoria and represents the largest joint-energy purchase in Australia, resulting in lower prices than what is offered in the retail market. Council's remaining emissions are from the consumption of natural gas and fleet fuel. Council used 24% less fuel and 22% less natural gas in the 2024/25 year compared to the previous financial year, also contributing to the lower recorded emissions.
Council potable water consumption.	90,653 Megalitres	Water consumption increased by 22% compared to 2023/24. This increase is due to a new water play park handed over to Council In October 2024. This park was very popular and is expected to continue to be a high use park. This increase in water consumption is expected to remain high.
Number of trees planted.	364	Council planted 364 trees as part of its annual street tree planting capital works program. Planting sites were identified through customer requests, vacant nature strip sites, permits where trees were removed for the new constructed crossovers, bond money from developers to replace trees and replanting trees in sites where existing trees had been removed.
Number of new residential lots created.	436	There were 436 new residential lots created in the 2024/25 financial year created across PSP and non-PSP areas, compared with 581 in 2023/24.
Percentage of Precinct Structure Plan (PSP) land supply released for residential development (Hectares).	11.34%	As of 30 June 2025, 11.34% of the land identified in the Precinct Structure Plans for Warragul and Drouin was released for residential lot development. This represents 210.18 hectares of land. The land supply satisfies the State Government requirement of 15+ years of land supply.
Total number of building permits issued by building surveyors in Baw Baw Shire.	1,344	The number of building permits issued in 2024/25 increased by 21% compared to 2023/24. Building activity continues to slowly increase, likely due to confidence in lowering interest rates.

Services

The following table provides information in relation to the services funded in the 2024/25 budget.

Service	Description	Net Cost (\$'000)	Actual Budget (\$'000)	Variance (\$'000)
Property Management	Managing the legal and financial aspects of Council's portfolio of property for the most efficient and effective use of properties including the rationalisation of non-essential property and maximising the use of Council property.	484	81	(393)
Statutory Planning	Statutory Planning undertakes Council's statutory functions and obligations under the <i>Planning and Environment Act 1987</i> , the <i>Subdivision Act 1988</i> and associated legislation.	929	948	19
Priority Development	Priority Development undertakes Council's statutory functions and obligations under the <i>Planning and Environment Act 1987</i> , the <i>Subdivision Act 1988</i> and associated legislation. It is tasked with supervising construction, ensuring that all requirements within subdivision planning permits have been satisfied, including engineering works and Development Contribution requirements.	1,437	1,413	(24)
Building Services	Building Services is responsible for the provision of statutory services pursuant to the <i>Building Act 1993</i> .	665	865	200
Environment	Environment carries out functions in relation to management of the built and natural environment, including implementation of Council's Environmental Sustainability Strategy and Action Plan, environmental community education programs, waste education and advocacy, Council energy efficiency and sustainability, operation of Council's Native Vegetation Offset Scheme and provision of environmental planning and compliance advice.	1,416	1,547	131
Emergency Management	The Emergency Management service provides the support to Council to comply with statutory provisions under the <i>Country Fire Authority Act 1958</i> and <i>Emergency Management Act 1986</i> . The objective of the service is to improve Council's preparation and planning in the three functional areas of emergency management, prevention, response and recovery.	3,701	463	(3,238)
Arboriculture Service	The Arboriculture Service is responsible for the maintenance of Council's street and park trees within the urban area, through proactive and reactive inspections and follow up works if required, to enhance public safety. This includes compliance with Council's Electrical Line Clearance Management Plan.	1,265	1,423	158

Initiatives

The following statement reviews the progress of Council in relation to initiatives identified in the 2024/25 Annual Budget for the year.

Initiative	Progress
Implement the Environmental Sustainability Strategy and corresponding two-year Action Plan.	Ongoing. Several actions were completed or progressed in the 2024/25 year as part of Council's Environmental Sustainability Strategy (2022-2030) Two-year Action Plan (2024/25 - 2025/26). Highlights for the year include: • Approval of Council's Carbon Emissions Reduction Plan - Guidance Report (CERP), • Endorsement of an internal operational Circular Economy Policy, • Approval for the draft Significant Tree Register (prepared through a community nominations process for trees on township zones), to be released for community feedback. Through its membership with the Gippsland Alliance for Climate Action, Council has submitted a collaborative grant application to the Commonwealth Government Disaster Ready Fund with 16 other Victorian regional councils and Alpine Resorts Victoria to undertake a review on Council's capacity and processes to manage the outcomes of extreme weather events (e.g. storms, flooding, landslips, bushfire). Council released to the community its Environmental Sustainability Strategy (2022-2030) Biennial Report (see Council's website), detailing environmental sustainability actions and projects delivered by Council over the 2022-2024 period. The Report presents the action and projects that have been completed in line with the goals of the strategy.
Identification and assessment of significant trees for the development of a Significant Tree Register. The Register will be considered for future protection amendments in the Baw Baw Planning Scheme.	Ongoing. Assessments of the nominated tress in Baw Baw Shire townships continued to be undertaken by the consultant. In January, the draft Significant Tree Report and Draft Registry was delivered. This proposed 240 individual trees and 28 groups and avenues of trees for protection. Council supported the register in May 2025. Community consultation began in June and will continue into the 2025/26 year and outcomes will be presented to Council, with approval to be sought for a planning scheme amendment. This project is nearing completion and is expected to be finished in the 2025/26 financial year.
Introduce Council's separate glass collection service in 2024 and continue to prepare for the introduction of Council's Food Organics and Green Organics (FOGO) service in 2026	Ongoing. Council's separate glass collection service commenced in October 2024, with kerbside glass recycling bins being collected on a four-weekly basis. Approximately 452 tonnes of glass were collected and processed since collection started in October 2024. This has resulted in an approximate 7.2% reduction to Council's recycling processing costs, in addition to improving recycling quality and keeping recyclable material out of landfill. Planning is underway for the introduction of Council's Food Organics and Green Organics (FOGO) service which will commence in 2026/27.
Commence implementation of Council's Carbon Emissions Reduction Plan.	Ongoing. Council completed the preparation of its draft Carbon Emissions Reduction Plan - Guidance Report (CERP), including establishment of Council's base-line emissions for the year 2022/23, identification of Council's key emission sources, and recommendations to mitigate emissions in line with Net Zero 2050 legislation. In May, Council approved the CERP, made a commitment to Net Zero 2050 (as legislated), and directed <i>Officers</i> to prepare a Five-year Carbon Emissions Reduction Action Plan for Council consideration. Council has continued to reduce its carbon emissions in the 2024/25 year, now sourcing 100% renewable energy for all of its electricity consumption (public street lighting, 'large' sites and 'small' sites) through the Victorian Energy Collaboration (VECO). Council has also completed audits on its sites that consume natural gas and is investigating the feasibility of increasing the number hybrid and electric vehicles within its fleet.
Finalise Council's Circular Economy Policy and commence implementation.	Complete. Council's Circular Economy Policy was endorsed as an internal operational policy in March 2025. The Policy outlines Council's commitment and steps to become more 'circular' in the delivery of its operations and services, including prioritising opportunities to avoid material use, considering reuse and recycled content solutions as well as full life-cycle costs, and to maximise recycle solutions in the disposal of used goods and materials.

Service Performance Indicators

Certain service performance indicators are prescribed under the *Local Government (Planning and Reporting) Regulations 2020*. The following statement provides the results of the prescribed service performance indicators and measures relating to this Council Plan objective.

Service	Results				Comments
Indicator : measure : [calculation]	2022	2023	2024	2025	
Statutory Planning					
Timelines <i>SP1 Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	114.00	132.00	117.00	111.00	The time taken to decide planning applications decreased to 111 days in 2024/25. This is a positive result, decreasing from 132 days two years ago. Council's sustained focus on reducing the backlog of historical applications with long processing times has led to this improvement.
Service standard <i>SP2 Planning applications decided within required time frames</i> [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x 100	47.92%	41.75%	58.97%	58.42%	The strong gains achieved in the previous year for the percentage of planning applications decided within required timeframes continued this year. These positive results are attributed to process improvements, a focus on reducing the backlog of historic applications, and workforce stability.
Service cost <i>SP3 Cost of statutory planning service</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$2,679.75	\$4,049.40	\$4,438.20	\$4,015.31	The total cost of service reduced by approximately 18% (\$300k) for 2024/25. Maintaining a fully staffed team over the year, eliminating the need to engage consultants contributed to the cost reduction.
Decision making <i>SP4 Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x 100	64.71%	64.00%	41.67%	84.21%	16 of the 19 decisions were upheld at VCAT for 2024/25, resulting in a success rate of 84%. Improved decision-making processes have contributed to this result and fewer matters being appealed at VCAT. This is Council's best result in VCAT outcomes since the 2017/18 year.
Waste Collection					
Service standard <i>WC2 Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000	1.95	1.36	0.91	2.34	This result translates to two bins being missed every 10,000 scheduled pickups. During the year, Council picked up and emptied over two million bins, missing only 479. The slightly higher number of missed bins this year is attributed to the change in schedule associated with the introduction of the glass collection service. In addition, large storm events in August 2024 delayed emptying of some bins. Although these were emptied as soon as safely possible, they are still counted as missed bins.
Service cost <i>WC3 Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$146.73	\$156.99	\$154.18	\$156.52	The cost of kerbside garbage collection remains consistent with the last two years at \$156 per bin. Service cost remained steady after increasing three years ago due to the landfill levy, labour, fuel, population growth, and transportation costs.
Service cost <i>WC4 Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$67.40	\$64.03	\$66.34	\$74.24	The cost of the recycling bin service increased to \$74 per bin in 2024/25. Council entered into two new contracts in 2024/25 which included increased gate fees and collection rates.
Waste diversion <i>WC5 Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100	53.58%	53.52%	53.83%	51.02%	51% of waste was recycled and diverted from landfill in 2024/25. This is slightly lower than previous years. The introduction of the Container Deposit Scheme has impacted this result as community members are recycling eligible containers through this scheme, and as such, those containers are not being recycled through Council bins. For the first time in ten years, the total weight of collected garbage, recyclables, and green organics decreased on the previous year.



A Healthy Community.

A Healthy Community responds to the Community Vision and goals for healthy people and environments and connected and inclusive communities.

Strategic Indicators

The following statement reviews the performance of Council, including results achieved against the strategic indicators outlined in the Council Plan.

Performance Measure	Result	Comment
Community mental health and wellbeing – self reported health status	77%	The Victorian Population Health Survey 2022 indicates that 38.6% of residents across Gippsland self-report their health as excellent or very good, and a further 38% report their health as good. This data was the most recent at the time of reporting. This survey has not been updated.
Community activity levels – sufficiently active for health	24%	According to the National Health Survey 2022 almost one in four (23.9%) people aged 15 years and over met the physical activity guidelines. This survey has not been updated.
Number of users on designated pathways and trails per head of municipal population	8.62	The total number of utilisations for Council’s designated pathways for the 2024/25 financial year was 533,683. This figure represents a 26% increase of walking track utilisation on the previous financial year.
Hectares of public open space	680 ha	There is 680 hectares (6,797,500 square meters) of Council-owned land, or land managed by Council, maintained as public open space. These areas are comprised of parks, gardens, sports fields, natural environment, bushland, and open space access reserves. This is an increase of almost 23ha from last year.
Number of sports fields within recreation reserves	33	Council maintains 19 sports fields, including ovals, pitches, and synthetic surfaces within recreation reserves across the Shire; with a further six fields being managed by Committees of Management, six managed by Community Asset Committees and two that are managed by sports clubs.
Length of footpaths, paths and trails constructed (km)	15.86 km	Just under 16 kilometres of paths, trails, and footpaths, were constructed during the year. The largest trail constructed for the year was the Rokeby to Noojee trail at approximately 14km.
Total length of paths and trails (km)	573 km	Council’s Asset Register includes 573 km of paths and trails owned by Council.
Number of children unable to be placed in a suitable 4 year old kindergarten program	0	All children were able to be placed in a suitable 4-year-old kindergarten program during the 2024/25 financial year.
Number of children unable to be placed in a suitable 3 year old kindergarten program	0	All children were able to be placed in a suitable 3-year-old kindergarten program during the 2024/25 financial year.



Initiatives

The following statement reviews the progress of Council in relation to initiatives identified in the 2024/25 Annual Budget.

Initiative	Progress
Ongoing implementation of the Municipal Public Health and Wellbeing Plan and Annual Action Plan.	Ongoing. Partner organisations and Council continue to implement actions of the plan, overseen by the Healthy in Baw Baw Strategic Steering Committee. Key highlights for the 2024/25 year included: Baw Baw Services Network The Baw Baw Services Network has continued to play a vital role in fostering collaboration and coordination among local community service providers throughout the year. Meeting quarterly, the network provides a valuable platform for community service professionals across the region to connect, share knowledge, and strengthen partnerships that enhance service delivery across the Baw Baw Shire. The gatherings offer more than just networking opportunities—they serve as a forum for learning about new and existing services, identifying gaps, and exploring collaborative solutions to emerging challenges. By bringing together such a broad cross-section of the sector, the Baw Baw Services Network ensures that services are better aligned and more responsive to the needs of the community. NAIDOC Week – Deadly Hoops Basketball Match The Deadly Hoops Community Basketball Match is a standout event held during NAIDOC Week, designed to strengthen relationships between the Baw Baw Shire Council, Victoria Police, and the local First Nations community. Through the shared experience of sport, the event fosters connection, trust, and mutual respect in an inclusive environment. More than just a game, Deadly Hoops is about building relationships and celebrating the rich heritage of First Nations peoples. It continues to be a powerful example of how sport and creativity can bring communities together and promote reconciliation in meaningful ways. Seniors Month Celebrations Each year, the Seniors Month Booklet is produced to celebrate and promote Seniors Month in October. In 2024, the booklet showcased more than 25 diverse activities available, including social events, fitness classes, educational workshops, and the ever-popular Civic Park guided tour. These offerings were designed to encourage engagement, reduce isolation, and support healthy ageing. The Seniors Month Booklet continues to be a valued resource, reflecting the Shire’s commitment to celebrating older residents and supporting their wellbeing through inclusive and accessible initiatives. Youth Council was successful in applying for the 2025/28 Engage and Amplify (formerly known as FReeZA) grants. This vital funding directly supports the implementation of key actions from our Youth Strategy 2024/28. Key activities during the year include: • Youth Advocates for Baw Baw (known as the ‘YABBIes’) – empowering young leaders to shape local decision-making and champion youth perspectives. • ‘Expressions’ Youth Arts Festival – a celebration of young talent held at the West Gippsland Arts Centre • ‘Sounds of Summer’ Live Music Event – bringing the community together for an unforgettable evening of local live music, featuring young bands and artists. Live4Life Baw Baw Shire Council is the lead agency for the Live4Life Program in Baw Baw. Over the past year, Live4Life Baw Baw has partnered with schools, community organisations and community to implement the model across the Baw Baw community, which has included: • Equipping young people to recognise mental health issues, confidently share their experiences, reduce stigma, and seek help early. • Creating opportunities for young people to become mental health ambassadors through the Crew component. • Raising community awareness of youth mental health concerns and offering subsidised public education courses.
Undertake a final review of the Waste Management Plan 2021/25 and commence development of a new plan	Deferred. The review of the Waste Management Plan has been deferred until 2026/27. Council is in the process of transitioning waste services to align with the State Government’s Circular Economy Policy, specifically the introduction of a separate glass service (which commenced in October 2024), the introduction of FOGO in July 2026, and the release of new waste service standards from State Government. Review of the Waste Management Plan will be more accurate and beneficial following the completion of these actions.
Continued advocacy for Council endorsed priorities.	Ongoing. \$4.8 million was awarded by the State and Federal Governments in the 2024/25 Financial Year for 16 projects and programs. It should be noted that applications totalling \$12.7 million were submitted in Q3 and Q4 of 2024/25 that are still pending outcomes. Some of these pending outcomes were delayed by the Federal election. Caretaker period was entered into on 28 March 2025, where no funding agreements can be entered into. A delay is always experienced with funding announcement following the election results. Outcomes of these applications will be reported in the 2025/26 Financial Year.
Assess the existing network of paths, trails, and reserves in Precinct Structure Plans (PSPs) to identify opportunities for connections to growth areas. This project also includes the targeted assessment of street cross-sections in the PSPs and in some cases the potential impact on surrounding vegetation.	Ongoing. Council Officers have received a final draft of the project report. It is anticipated that Council will be briefed on the project in the 2025/26 financial year. The outcomes of this project will impact the Developer Contribution Plans (DCPs) and as such this project will form part of the DCP Review Project.
Deliver strategic capital projects 2021/25: • Rokeby to Noojee Trail – Stage 1 • Rollo Street, Yarragon Masterplan Project • Drouin Recreation Reserve – Oval Redevelopment	Details of Council’s Capital Works Program is provided in the ‘Major Capital Works’ section of this report.
Undertake review of Council’s Open Space Strategy and begin the development of the Open Space Landscape Guidelines.	Ongoing. Progress continued throughout the year on the draft Open Space Strategy with the collection of data to inform the strategy. The strategy will be presented to Council in early 2025/26 for approval to go out to community consultation prior to a planned endorsement later in 2025/26.

Services

The following table provides information in relation to the services funded in the 2024/25 Annual Budget.

Service	Description	Net Cost (\$'000)	Actual Budget (\$'000)	Variance (\$'000)
Connected Communities	Providing, partnering in, and promoting programs and services which support unity, diverse community needs, and build resilience, through the delivery of community grants, public health and wellbeing planning, youth programs, days of significance, and the strengthening of relationships with Traditional Custodians.	994	1,083	89
Community Cultural Development	Community Cultural Development supports and encourages community- based groups and individuals by providing networks, assisting with skills development initiatives and ensuring a high level of communication about arts and cultural initiatives and opportunities.	93	10	(83)
Family and Children's Services	Family and Children's Services supports families and their children (from birth to 12 years) through services including Maternal and Child Health, Family Day Care, and kindergarten enrolments.	1,325	1,824	499
Recreation	The Recreation team is responsible for the management of Council's leisure and pool facilities contracts, support for committees of management of public halls and recreation reserves, and the planning and delivery of recreation services and facilities to the community.	3,058	3,110	52
Strategic Planning	The Strategic Planning unit provides strategic direction and planning for future land use for the municipality.	1,671	2,416	745
Community Compliance	Community Compliance aims to protect the community and Council amenity. Key service areas include local laws, parking enforcement, animal management, planning enforcement, asset protection, permit administration and school crossing program.	2,111	1,960	(151)
Public Health	Public Health is responsible for the delivery of public health services that includes: - Food safety inspections and sampling. - Investigation of infectious/ communicable illness in the community. - Conducting tobacco education and education and enforcement inspections. - Monitoring and registration of prescribed accommodation and caravan park. - Investigation of nuisance complaints. - Management of onsite waste disposal.	203	229	26
Waste	The Waste management team carries out the following functions: - Overseeing the contracts for the kerbside waste collection and disposal, and transfer station operations. - Street litter collection, illegal dumping and the responding to related customer queries on waste management. - Managing customer queries on waste management including waste education facilitation. - Managing all the Environment Protection Authority (EPA) compliance requirements for the Trafalgar Landfill.	(1,542)	673	2,215
Infrastructure Maintenance	Infrastructure Maintenance is responsible for the maintenance of Council's urban infrastructure and cleansing in town areas, including public toilets, signage, drainage, street sweeping and street tree maintenance.	5,780	2,617	(3,163)

Service Performance Indicators

Certain service performance indicators are prescribed under the *Local Government (Planning and Reporting) Regulations 2020*. The following statement provides the results of the prescribed service performance indicators and measures relating to this Council Plan objective.

Service	Results				Comments
indicator : measure : [calculation]	2022	2023	2024	2025	
AQUATIC FACILITIES					
Service standard <i>AF2 Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1.00	1.00	1.00	1.00	Council Officers completed inspections of all Council owned aquatic facilities.
Utilisation <i>AF6 Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.59	7.05	6.45	7.25	Total attendance at Council's aquatic facilities for the 2024/25 financial year was 448,610. This figure represents a 14% increase in total patronage compared to 2023/24 (391,401 visits) and is attributed to the expanded facility being in operation for a full 12 months.
Service cost <i>AF7 Cost of aquatic facilities</i> [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	\$6.78	\$3.80	\$4.39	\$3.80	The increase in visits, combined with a small reduction in the cost of service resulted in a total cost of \$3.80 per visit.
ANIMAL MANAGEMENT					
Timeliness <i>AM1 Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	4.34	1.84	1.34	1.89	In 2024/25, Council responded to 2,363 animal management requests, with an average response time of 1.9 days from receipt to action. While the average response time increased slightly this year, all requests were actioned within two days. Council remains committed to prioritising higher-risk matters, including dog attacks and dogs wandering at large.
Service standard <i>AM2 Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x 100	44.79%	60.17%	65.69%	41.87%	The number of collected animals increased by 27%, from 478 last year to 609 this year, whilst the number of animals reclaimed reduced by 17% from 314 to 255. While Council continues to reunite pets with their owners, the increased number of collected animals may be a symptom of cost of living pressures on pet owners.
<i>AM5 Animals rehomed</i> [Number of animals rehomed / Number of animals collected] x 100	40.69%	34.05%	67.07%	31.64%	Council continues to actively work on the rehoming of unclaimed animals. Despite Council's efforts, animals rehomed or reclaimed throughout the year was 60% of surrendered animals, which is significantly lower than previous years. It should be noted that there are many reasons out of Council's control that impact people's willingness or ability to reclaim or rehome animals.
Service cost <i>AM6 Cost of animal management service per population</i> [Direct cost of the animal management service / Population]	\$10.76	\$17.08	\$15.29	\$28.23	The total cost of the service increased by approximately \$800,000 in 2024/25. This increase is primarily attributed to the rise in animals collected, triggering: higher staffing levels and associated overtime costs (including training of new staff and equipment), and increased veterinary expenses, including animal food and medication.
Health and safety <i>AM7 Cost of animal management service per population</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100.00%	100.00%	100.00%	100.00%	There were seven animal management prosecutions this year (decreasing from 16 last year). All were successfully pursued by Council. Prosecutions are conducted under the <i>Domestic Animals Act 1994</i> when appropriate and necessary. Council's primary strategy remains focused on community safety, communication, education, and promotion of responsible pet ownership.
FOOD SAFETY					
Timeliness <i>FS1 Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.21	1.24	1.12	1.30	Council responded to 33 food safety complaints in 2024/25. Some complaints received related to businesses that only operated on the weekend, and this caused Council's response times to increase. Despite the increase, Council still responded to complaints in under 1.5 business days.
Service standard <i>FS2 Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x 100	89.12%	99.75%	94.15%	97.64%	Council aims to complete all required annual food safety assessments for registered Class 1 and 2 food premises. Council completed 373 assessments this year, representing almost 98% of the required assessments. Assessments not completed were largely due to some premises only opening for short periods during the year due to seasonality of their trade.
Table continued over next page					

Service	Results				Comments
indicator : measure : [calculation]	2022	2023	2024	2025	
FOOD SAFETY CONT.					
Service cost <i>FS3 Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$267.12	\$305.84	\$255.30	\$297.69	The cost of service per premises increased to \$298. Data cleansing to remove inactive food businesses resulted in a lower number (1,110) of registered businesses in 2024/25, compared to the 1,170 last year.
Health and safety <i>FS4 Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100	98.75%	100.00%	100.00%	100.00%	During the year, there were a total of 21 critical and major non-compliance notifications, all of which were followed up by Council.
<i>FS5 Food Safety Samples *</i> [Number of food safety samples obtained / Number of required food samples] x 100	N/A*	N/A*	101.19%	105.81%	Council collected 91 samples throughout the year, five more than the required 86. *As this is a new measure from 2023/24 there is only one comparative result available.
MATERNAL AND CHILD HEALTH (MCH)					
Service standard <i>MC2 Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x 100	100.53%	100.92%	101.36%	100.82%	All birth notifications were actioned, and all newborns were enrolled in Council's Maternal and Child Health Service. In 2024/25, Council received 731 birth notifications and recorded 737 infant enrolments. Enrolment exceeds 100% due to infants being born out of the municipality, moving into the shire and receiving the service.
Service cost <i>MC3 Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	\$77.25	\$90.87	\$86.65	\$93.63	The total cost of service did not increase significantly, however the number of hours delivered decreased. Resulting in a higher cost per hour of service. More than 15,500 hours of Maternal and Child Health Services were provided during the year.
Participation <i>MC4 Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	70.55%	69.41%	67.30%	67.65%	The overall participation rate for the Maternal and Child Health Service was almost 68%, which is consistent with the previous financial year's result.
Participation <i>MC5 Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100	70.25%	70.67%	72.19%	71.83%	Participation in the Maternal and Child Health service by Aboriginal children was almost 72%, which is consistent with the previous financial year's result.
Satisfaction <i>MC6 Participation in four-week Key Age and Stage visit</i> [Number of four-week key age and stage visits / Number of birth notifications received] x 100	94.32%	97.07%	93.87%	92.75%	The service received 731 birth notices during the year and conducted 678 four-week Key Age and Stage assessments.



A Thriving Community.

A Thriving Community responds to the Community Vision and goals for strong economy, education, tourism and culture and future ready infrastructure and transport.

Strategic Indicators

The following statement reviews the performance of Council, including results achieved against the strategic indicators outlined in the Council Plan.

Performance Measure	Result	Comment
Grant funding attracted by Council advocacy.	\$4.8 million	\$4.8 million was awarded by the State and Federal Governments in the 2024/25 Financial Year for 16 projects and programs. It should be noted that applications totalling \$12.7 million were submitted in Q3 and Q4 of 2024/25 that are still pending outcomes. Some of these pending outcomes were delayed by the Federal election held on 3 May 2025. Caretaker period was entered into on 28 March 2025, where no funding agreements can be entered into. A delay is always experienced with funding announcement following the election results. Outcomes of these applications will be reported in the 25/26 Financial Year report.
Number of visitors to the Shire.	964,000	Source: National Visitor Survey, International Visitor Survey & Regional Expenditure Model, Year Ending Dec 2024, Tourism Research Australia.
Dollar value of visitor spend in Baw Baw Shire.	\$206.6 million	Total visitors spend in Baw Baw Shire during the 2024/25 financial year was \$206.6 million. Source: CBA iQ Council iQ Visitor Spend in Baw Baw Shire.
Attendance at the West Gippsland Arts Centre as a percentage of seat capacity.	70%	Attendance at the West Gippsland Arts Centre continues to grow with more events and a variety of quality acts. Council continues to support community theatre-based activity. Throughout the 2024/25 year, over 47,000 seats were booked.
Number of new community event enquiries received.	155	During the 2024/25 financial year, Council's Events Team received over 155 new event enquiries. These included a Christmas concert in the park, flea market, billy cart race, Chinese Mid-Autumn festival, Warragul Mosque Open Day, car shows, skateboarding events and filming enquiries.
Number of recurring or significant community events supported.	145	During the 2024/25 financial year, Council's Events Team supported 145 recurring or significant community events including monthly markets, Snowfest Gippsland, ANZAC Day Services across the Shire, Baw Baw Pet Expo, Rokeby Twilight Trail Run, Warragul Show, Trafalgar Holden Museum Route 69, the Hallora Marathon Running Festival, Thorpdale Potato Festival, Barking Mad Ultra Run, Erica Country Expo, Tanjil Valley Community and Environment Festival, various cycling and triathlon club races, community carols as well as the Australia Day Awards and community events.
Number of businesses in the Shire.	6,425	Source: Australian Business Register, 2025.
Gross Regional Product (GRP).	\$3.82 billion	GRP measures the goods and services produced within Baw Baw. Source: Remplan
Business support enquiries received.	703	Council received 703 business support enquiries. This is a 41.7% increase on the 496 enquiries received last year.
Number of jobs.	26,595	This includes those working full time and part time. Source: Remplan
Asset renewal and upgrade compared to depreciation.	78.29%	The 24.2% decline in the ratio is primarily due to increased depreciation due to Buildings revaluation in 2023/24 and Infrastructure revaluation increase in 2024/25. Capital expenditure for 2024/25 was lower than target due to the strategic rephasing and re-planning of key projects including the Baw Baw Civic Precinct, the Rollo Street Yarragon Masterplan, the Black Spot Program and Sealing Gravel Roads Program. The ratio is expected to increase and surpass 2023/24 levels in 2025/26 supported by the planned completion of these multi-year projects. The forecast for 2026/27 and beyond is a decrease in line with the Long-Term Infrastructure Plan.
Percentage of adopted capital works projects completed by end of financial year.	73.04%	84 of the 115 projects were completed in 2024/25, representing 73%. The final capital works performance report will contain a total of 156 projects/programs. This report considers that a number of projects were multi-year, deferred, or projects that were added to the program after the budget was adopted.
Sealed local roads resealed.	227,808 m²	Details of Council's Capital Works Program is provided in the 'Major Capital Works' section of this report.
Length of unsealed local roads re-sheeted.	4.5 km	
Sealed local roads reconstructed.	18,007 m²	

Initiatives

The following statement reviews the progress of Council in relation to initiatives identified in the 2024/25 Annual Budget for the year.

Initiative	Progress
Implement the Economic Development and Visitor Economy Strategy.	Ongoing. The Economic Development and Visitor Economy Strategy 2022/25 is on track for completion, and the 2026 – 2030 Strategy is currently being developed. Key initiatives delivered in 2024/25 include: - Strengthening Council's regional tourism brand in partnership with Visit Gippsland to support the promotion of unique visitor experiences with a focus on increasing visitor stays and spend. - Engaging with the economic southeast growth corridor to develop a peri-urban growth zone to attract new businesses to the region. - Growing the support services offered to businesses including business development workshops, Better Approvals meetings, and the annual Baw Baw Jobs Expo. - Supporting the Victorian Goldfields World Heritage Bid. - Supporting the region of Noojee and District to diversify their economy post native timber harvesting with a focus on local job creation in sustainable industries.
Supporting the local community economy and vibrancy with the allocation of major events funding.	Completed. A number of events were held that supported the local economy, promoted tourism, and improved liveability in the region. Events included Baw Baw Shire Jobs Expo, Remembrance Day services, Hallora Marathon Festival, Trafalgar Holden Museum Route 69, Australia Day community events, Australia Day Awards, Rokeby Twilight Trail Run, Warragul Show, Snowfest, ANZAC Day services and a Melbourne Food and Wine Festival satellite event.
Implement Creative Communities Strategy for Baw Baw Shire, supporting community vibrancy and engagement.	Completed. Delivery of the 2024/25 Creative Communities Strategy actions have been completed. Key highlights from this year's activities included: - West Gippsland Arts Centre (WGAC) hosted 136 performances, with 54 of these by local community theatre groups and schools. \$112,650 of theatre fee subsidies were given to our community theatre and education community to support our local creative community with affordable access to a high-quality theatre and service. 49,000 ticket holders saw shows at our theatre. - An audit of Council's public art collection was completed to assess a total of 228 public art works with a combined value of \$1.78 million. - WGAC hosted 287 functions and conferences over the year, hosting 12,300 guests. - The Expressions Youth Art Festival was a partnership with Regional Arts Victoria and Council. Led by six young producers, this festival had 54 young creatives participate in the mediums of performing, visual arts and literature and culminated with close to 300 people attending the final event.
Continued focus on Shire roads and delivery of Capital programs across Council's gravel and sealed roads, and Road Safety projects.	Details of Council's Capital Works Program is provided in the 'Major Capital Works' section of this report.
Advocate for State Government support towards the implementation of the Best Start, Best Life reforms, including increased access to funding for infrastructure and ongoing maintenance obligations for Early Year's services.	Ongoing. Throughout the year Council Officers met with representatives from the State Government Kindergartens on School Sites team to discuss future pipeline projects and the Department of Education Building Blocks team to work on a partnership agreement that will articulate project timing and funding sources for each kindergarten build. Council Officers have been working with representatives from the Department of Education regarding siting options for the recently announced Early Learning and Child Care Centre in Drouin. In April, Council received advice from the State Government that a new kindergarten will be built at Willow Grove Primary School. This Kindergarten on School Site build was part of Council's advocacy priorities for early years infrastructure and will be delivered for the 2027 calendar year.

Services

The following table provides information in relation to the services funded in the 2024/25 Annual Budget.

Service	Description	Net Cost (\$'000)	Actual Budget (\$'000)	Variance (\$'000)
Arts	The Arts service manages, administers and programs Baw Baw Shire's iconic West Gippsland Arts Centre as a major regional arts facility.	1,010	974	(36)
Events	Council's Events aims to increase participation in events by working with community groups and individuals who wish to run an event in a public space, to ensure that events are safe and compliant with all controls and permits.	(7)	0	7
Libraries	The library service is delivered through a service agreement with Myli, Baw Baw, Bass Coast and South Gippsland CouncilsThe library service is delivered through agreement between the My Community Library (Myli), Baw Baw, Bass Coast and South Gippsland Councils.	2,122	2,274	152
Economic Development and Tourism, including Grants and Advocacy	The Economic Development and Tourism unit is primarily responsible for facilitating business growth, investment and visitation. The unit also promotes the key attributes of the municipality by positioning Baw Baw Shire as a great place to live, work and play. The Grants and Advocacy unit works to identify priority projects, and advocates to seek funding from other government authorities on behalf of the community. The Economic Development service facilitate business growth, investment and visitation. The unit also promotes the key attributes of the municipality by positioning Baw Baw Shire as a great place to live, work and play.	1,400	1,196	(204)
Civil Asset Planning	Coordinates Council's functions in relation to planning, delivery and prioritisation of drainage, roads, traffic, parking and footpath infrastructure works across the shire. It also manages Council's long-term capital works program.	1,563	1,730	167
Infrastructure Delivery	Coordinates Council's functions in relation to planning and delivery of Council's annual and long-term capital works program. Coordinates Council's functions in relation to planning and delivery of Council's annual and long-term capital works program.	(111)	582	693
Major Projects	The Major Projects team coordinates Council's functions in relation to major projects including buildings, roads and bridges, structures, upgrading or extending existing builds, major road works that upgraded existing roads.	493	71	(422)
Road Maintenance	The Road Maintenance team is responsible for roads including road maintenance, contract management and delivery of the allocated road capital works program, Road Management Plan compliance and customer enquiries for Council's road network.	13,811	10,525	(3,286)
Open Space Maintenance	Open Space Maintenance are responsible for the management of Council's urban parks and gardens, including planting, oval and sports field maintenance. Management of the natural environment, including community education programs, pest plant and animal programs and management of the Shire's wetland and bushland reserves.	4,035	4,236	201
Facilities Maintenance	The Facilities Maintenance team is responsible for the overall management of Council's property portfolio, including building and facility management and compliance with regulations and statutory requirements.	994	705	(289)

Service Performance Indicators

Certain service performance indicators are prescribed under the *Local Government (Planning and Reporting) Regulations 2020*. The following statement provides the results of the prescribed service performance indicators and measures relating to this Council Plan objective.

Service	Results				Comments
Indicator : measure : [calculation]	2022	2023	2024	2025	
LIBRARIES					
Resource standard <i>LB2 Recently purchased library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x 100	68.44%	67.06%	67.97%	70.12%	There are 55,175 items in the library collection (including e-resources) with 38,687 of those items being purchased in the last five years. The proportion of the library collection that is less than five years old is consistent with previous years.
Service cost <i>LB5 Cost of library service per population</i> [Direct cost of the library service / Population]	\$30.79	\$28.18	\$30.57	\$28.34	The cost of delivering the library service (\$28.34 per head of the population) is consistent with previous years.
Utilisation <i>LB6 Library loans per population</i> [Number of collection item loans / Population]	N/A*	N/A*	3.27	3.20	There were over 198,000 loans made during the year, which equates to 3.20 loans per item. The total number of loans is consistent with last year's result. As this is a new measure from 2023/24 there is only one comparative result available.
Participation <i>LB7 Library membership</i> [Number of registered library members / Population] x 100	N/A*	N/A*	31.02%	31.44%	There were 19,466 registered library members at the end of the 2024/25 year. This number equates to 31% of the municipal population and is consistent with last year's result. *As this is a new measure from 2023/24 there is only one previous result available.
Participation <i>LB8 Library visits per population</i> [Number of library / Population]	N/A*	N/A*	2.29	2.36	There were just over 146,000 visits to Council libraries during the 2024/25 year, equating to over two visits per resident. This is consistent with last year's result. *As this is a new measure from 2023/24 there is only one previous result available.
ROADS					
Satisfaction of use <i>R1 Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x 100	60.98	107.78	96.86	50.00	Council received 584 requests for sealed local roads in the 2024/25 year. This equates to 50 requests per 100km of sealed local road. This is a significant decrease from 2023/24 (97 requests) and is attributed to less inclement weather conditions throughout the year resulting in less potholes and damage. Council's proactive inspection program is also detecting and fixing more defects before they get reported.
Condition <i>R2 Sealed local roads maintained to condition standards</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x 100	97.31%	97.55%	94.56%	94.66%	Council continued to maintain a high proportion of its road network to the condition standards. Due to the large extent of the road network, condition standards are assessed every four years. Therefore, the length of roads above the intervention level is relatively consistent over a four-year period. The next assessment is scheduled for 2025/26 for consideration and use by Council in 2026/27 onwards.
Service cost <i>R3 Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$92.65	\$53.58	\$76.13	\$106.15	In 2024/25, Council completed a reconstruction project in Longwarry in addition to other pavement renewal works. To achieve a better outcome for the community, Council increased the scope of reconstruction, which in turn led to a higher per metre cost for the year.
Service cost <i>R4 Cost of sealed local road resealing</i> [Direct cost of the animal management service / Population]	\$5.92	\$6.84	\$10.29	\$8.69	Council entered into a new contract in 2024/25 and was able to secure a lower contract rate, resulting in a 16% reduction in cost for the year.
Satisfaction <i>R5 Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	43.00	38.00	35.00	36.00	Satisfaction with sealed local roads increased by one point to 36 compared to the previous year. The average result for similar sized Councils was 39.

Council Supporting

a Thriving, Healthy,
Sustainable Community
and Shire.

Council supporting a Sustainable, Healthy, Thriving community and Shire, which responds to the Community Vision and goals of the internal organisational services and initiatives, which help Council's delivery of the Council Plan.



Strategic Indicators

The following statement reviews the performance of Council, including results achieved against the strategic indicators outlined in the Council Plan.

Performance Measure	Result	Comment
Total number of community consultation opportunities advertised via Council's website ('Have Your Say' section).	27	Council's 'Have your Say' webpage, Baw Baw Connect, is one of the many ways the community can have input into a Council decision, policy or strategy including the draft Budget, Council Plan, and Long Term Infrastructure Plan.
Customer requests received which have been resolved.	88.4%	26,470 customer requests were resolved this financial year.
Customer inquiries resolved at first point of contact.	80.0%	Over 52,000 enquiries were resolved at first point of contact.
Number of media releases.	119	Council issues a variety of media releases to keep the community and media informed. The subjects may vary from the completion of major projects, announcements of new initiatives and consultation opportunities, updates on Council's ongoing advocacy efforts or any other matters of significant public interest.
Number of people reached via social media.	3.8 million	This year, Council continued to focus on social media engagement levels. While Council posted less posts across our social media platforms when compared to the previous year, our engagement rate (per impression) increased by 24.2%. Our top performing paid post had 110,742 views and a total reach of 24,910, while our top performing organic post had 55,292 views and a total reach of 25,589. Overall, Council had a total audience growth of 5.4%.

Initiatives

The following statement reviews the progress of Council in relation to initiatives identified in the 2024/25 Annual Budget for the year.

Initiative	Progress
Development and delivery of an internal Future Ready Baw Baw program, to meet the future needs of the community. Focused on Information Technology (IT), Services, Workplaces, and People.	Ongoing. Council is implementing a multi-year transformation program to respond to growth and improve outcomes for the community by improving organisational systems, process capacity, and capability. Key initiatives include an information technology (IT) core systems renewal project, process mapping and improvement, development of a long-term plan for Council services, and workplace strategy. All projects are currently in progress and proceeding according to schedule. Key achievements during the 2024/25 year included: - Completion of Release 1 of the Core Systems upgrade, including Finance, Payroll, Procurement and Council's Customer Request Management system. - Approval and release of the Strategic Service Planning Catalogue and completion of a suite of Service Profiles for all of Council's services. - Process mapping training delivered, resulting in 36 process mapping champions across the organisation. - Commencement of Release 2 of the Core Systems project, which includes a suite of People & Culture functions. - Commencement of the Project Management Framework implementation. - Workplace Strategy has completed analysis of the office accommodation and associated usage.
Develop a Depot Strategy to ensure Council can continue to conduct works and deliver services that meet the needs of the community into the future.	Ongoing. Council commenced the investigation of land locations that provide for multiple purposes including sporting infrastructure and effective service delivery in the long term, including depot operations. The 2024/25 year saw the collection of baseline data into Councils operations and service delivery as well as reviews in service standards across the operational teams. This will progress and continue into 2025/26 and will be critical in determining the long-term Depot Strategy.

Services

The following table provides information in relation to the services funded in the 2024/25 Annual Budget.

Service	Description	Net Cost (\$'000)	Actual Budget (\$'000)	Variance (\$'000)
Accounting Services	The Accounting Services function is to manage Council's financial activities to ensure statutory compliance and financial sustainability. This includes development of the annual budget, long term financial plan and annual statutory financial statements.	(855)	(90)	765
Business Information	The Business Information team provides mail, courier, document management, and information management compliance services to support Council and Council customers. This includes Freedom of Information, privacy, public records and evidence protection legislation.	462	422	(40)
Chief Executive's Office	The Chief Executive's Office represents the management of Council, including the core governance functions of the Chief Executive Officer and expenses relating to: - Maintaining an appropriate organisational structure. - Ensuring the decisions of the Council are implemented without undue delay. - Day-to-day management of the operations of the organisation in accordance with the Council Plan. - Providing timely advice to the Council. - Proactively advocating to other levels of government and stakeholders on behalf of the Council and community.	914	1,202	288
Communications	Strategic Communications is responsible for informing the community about Council issues via traditional and new media and managing media liaison services.	1,391	1,317	(74)
Customer Services	Customer Service is responsible for providing a support service for all staff across the organisation through first point of external customer contact.	1,406	1,232	(174)
Corporate Strategy	Corporate Strategy provides support to Council with meeting its statutory obligation to prepare and administer the Council Plan, to facilitate service and business planning, and monitoring the implementation of Council's strategy via performance monitoring and reporting.	1,102	1,264	162
Governance	Governance provides the support to Councillors, Executive and the organisation in meeting its statutory governance provisions and specifically includes Local Government Act compliance.	1,919	2,192	273
Occupational Health and Safety and Risk Management	Occupational Health and Safety coordinates the development, review and delivery of workplace OHS frameworks, systems and initiatives. This service provides risk management services, internal audit coordination and insurance management to the organisation.	1,452	1,419	(33)
Human Resources and Payroll	Supports the Council in the management of its human resources and payroll.	1,282	1,415	133
Information Technology	Information Technology provides technological systems, infrastructure, services and support for the delivery of all Council services.	5,174	4,448	(726)
Procurement	The Procurement function provides the framework, oversight and advice to support Council in complying with statutory procurement provisions.	477	515	38
Revenue Services	Revenue services are the custodian and manager of Council's property and rating system to optimise revenue and maintain data integrity. The unit is responsible for the management of Council's legislative compliance (Voters' Roll) and the biennial revaluation.	1,202	1,090	(112)
Asset Systems	Asset Management provides Council the framework for the development, implementation and review of the asset management program.	1,001	955	(46)
Fleet	The Fleet unit delivers the management and maintenance of Council's fleet of passenger vehicles, light and heavy commercial vehicles and all plant and equipment. The unit also manages on a day to day basis the Depot infrastructure.	511	501	(10)

Service Performance Indicators

Certain service performance indicators are prescribed under the *Local Government (Planning and Reporting) Regulations 2020*. The following statement provides the results of the prescribed service performance indicators and measures relating to this Council Plan objective.

Service	Results				Comments
Indicator : measure : [calculation]	2022	2023	2024	2025	
GOVERNANCE					
Transparency <i>G1 Council decisions made at meetings closed to the public</i> [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x 100	1.89%	7.53%	1.86%	5.95%	Council decisions made during meetings closed to the public were from tender recommendations, acquisitions and other decisions defined as confidential under the <i>Local Government Act 2020</i> . Ten decisions were made in these circumstances, while 168 decisions were made during open Council Meetings.
Consultation and engagement <i>G2 Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]	51.00	48.00	47.00	42.00	Satisfaction with consultation and engagement decreased by five points to 42 compared to the previous year. The average result for similar sized Councils was 48.
Attendance <i>G3 Councillor attendance at Council meetings</i> [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x 100	91.67%	92.27%	87.22%	90.12%	Councillor attendance at Council Meetings across the financial year is consistent with previous years. Absences were due to required travel on Council's behalf or illness.
Service cost <i>G4 Cost of elected representation</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]				\$50,628.34	The cost of elected representation includes Councillor allowances, the cost of travel to meetings to advocate to State and Federal Governments, the cost of mandatory Councillor induction, the cost of training, professional development, catering, and IT expenses. After the election period, the cost has now returned to be consistent with previous years.
Satisfaction <i>G5 Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	51.00	47.00	44.00	41.00	Satisfaction with Council making decisions in the interest of the community decreased by three points to 41 compared to the previous year. The average result for similar sized Councils was 46.



Governance, Management, and other information.

Baw Baw Shire Council is constituted under the *Local Government Act 2020* to provide democratic leadership for the good governance of the Baw Baw community.

Council has a number of roles, including:

- Considering the diverse needs of the local community in decision-making.
- Providing leadership by establishing strategic objectives and monitoring achievements.
- Ensuring that resources are managed in a responsible and accountable manner.
- Advocating the interests of the local community to other communities and governments.
- Fostering community cohesion and encouraging active participation in civic life.

Council's formal decision-making processes are conducted through Council Meetings. The community has many opportunities to provide input into Council's decision-making processes, including community consultation and the ability to make submissions.

Audit and Risk Committee

The role of the Audit and Risk Committee is to oversee and monitor the effectiveness of Council in carrying out its responsibilities in financial and performance reporting, corporate governance, risk management and fraud controls.

The Audit and Risk Committee is governed by a charter that outlines its functions and responsibilities.

The Audit Committee consists of three independent members: Mr Jonathan Kyvelidis (Chair), Ms Carmen Ridley, Ms Angela Jacob and two Councillors; Cr Tricia Jones and Cr Paul Pratt.

The chair is elected annually by the independent members. Council's Executive Leadership Team and administrative staff also attend each meeting, with other management representatives attending as required to present reports.

The Audit and Risk Committee Chair reports to Council twice-yearly to describe the activities of the Audit and Risk Committee and include the committee's findings, recommendations and actions. Due to the October 2024 Elections, the first Chair report was presented to Council on 9 July 2025, with the second report for 2025 scheduled for December.

In alignment with the Governance Rules, Public Transparency Policy and Governance principles in the Act, summary minutes from each Committee meeting are presented at the next practicable Council Meeting.



Model Councillor Code of Conduct and Conflict of Interest

The Model Councillor Code of Conduct was introduced following the Local Government (*Governance and Integrity*) Amendment Act (June 2024) and subsequent Local Government (Governance and Integrity) Amendment Regulations (October 2024).

The Model Councillor Code of Conduct applies to all Victorian Councils and details the conduct expected of Councillors. Councillors pledge to abide by the Model Councillor Code of Conduct when taking the Oath or Affirmation of Office and formally become Councillors.

This model code replaced the previous statutory requirement for Councils to develop their own individual Councillor Code of Conduct, and the previous Standards of Conduct.

Through the code, all Victorian Councillors commit to:

- Representing the interests of the municipal community by considering and being responsive to the diversity of interests and needs of the municipal community;
- Treating others, including other Councillors, members of Council staff and members of the public, with dignity, fairness, objectivity, courtesy and respect,
- Not engaging in demeaning, abusive, obscene or threatening behaviour, including where the behaviour is of a sexual nature;
- Not engaging in discrimination or vilification;
- Complying with the following Council policies and procedures required for delivering good governance for the benefit and wellbeing of the municipal community;
- Act with integrity, exercise reasonable care and diligence and take reasonable steps to avoid any action which may diminish the public’s trust and confidence in the integrity of local government;
- Ensuring that their behaviour does not bring discredit upon the Council;
- Not deliberately misleading the Council or the public about any matter related to the performance of their public duties;
- Not making Council information publicly available where public availability of the information would be contrary to the public interest.

The Model Councillor Code of Conduct can be read in full by searching on the Baw Baw Shire website.

The Act also requires Council to appoint a Council Conduct Officer (CCO). The CCO at Baw Baw Shire Council, as appointed by the CEO, is Council’s Manager Governance.

Mandatory Councillor Induction and Training for Mayors and Deputy Mayors

Section 32 of the *Local Government Act 2020* requires Councillors to complete Councillor induction training within six months of the day the Councillor takes the Oath or Affirmation of Office.

The Local Government (Governance and Integrity) Regulations 2024 prescribe that the following topics must be included in the mandatory Councillor induction training:

- a. Working together in a Council
- b. Decision-making, integrity and accountability
- c. Community representation
- d. Strategic planning and financial management
- e. Conduct
- f. Land use planning
- g. Any other matter relating to the role of a Councillor which the Chief Executive Officer has determined should be addressed.

In addition to the prescribed mandatory induction training topics, the Local Government (Governance and Integrity) Regulations introduced mandatory training requirements for Mayors and Deputy Mayors within one months of their appointments.

The prescribed training includes the following:

- a. Roles and responsibilities
- b. Chairing meetings
- c. Engagement and advocacy
- d. Leadership
- e. Any other matter relating to the role of the Mayor which the Chief Executive Officer has determined should be addressed.

All Baw Baw Shire Councillors participated in and completed all mandatory topics, and topics determined should be addressed by the Chief Executive Officer, within the specified time frames. Signed declarations from Councillors were submitted at the 12 February 2025 Council Meeting.

Councillor Allowances

In accordance with Section 39 of the Act, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor and Deputy Mayor are also entitled to receive a higher allowance.

The Victorian Government sets the upper and lower limits for allowances paid to Mayors, Deputy Mayors and Councillors. Councils are divided into three categories based on the income and population of each council. In this instance, Baw Baw Shire Council is recognised as a category two council.

For the period 1 July 2024 to 17 December 2024, the Councillor annual allowance for a category two Council was fixed at \$34,028.00; the allowance for the Deputy Mayor at \$54,588; and the allowance for the Mayor at \$109,114.

For the period 18 December 2024 to 30 June 2025, the Councillor annual allowance was fixed at \$34,028.00; the allowance for the Deputy Mayor at \$55,994.00; and the allowance for the Mayor at \$111,987.00.

The following table contains a summary of the allowances paid to each Councillor during the 2024/25 year.

Councillors	Allowance (inc. Superannuation)	Former Councillors	Allowance (inc. Superannuation)
Cr Danny Goss (Mayor)	\$73,497.05	Cr Annemarie McCabe (Mayor)	\$34,904.76
Cr Tricia Jones (Deputy Mayor)	\$52,378.97	Cr Michael Leaney	\$11,160.72
Cr Suzanne Allen	\$21,551.09	Cr Keith Cook	\$10,885.32
Cr Jess Hamilton	\$21,551.09	Cr Farhat Firdous	\$10,885.32
Cr Brendan Kingwill	\$21,551.09	Cr Peter Kostos	\$10,885.32
Cr Ben Lucas	\$21,551.09	Cr Jazmin Tauru	\$10,885.32
Cr Paul Pratt	\$21,551.09	Cr Darren Wallace	\$10,885.32
Cr Adam Sheehan	\$21,551.09		
Cr Kate Wilson	\$21,551.09		

The Mayoral term does not correspond with the Financial Year. The Mayor and Deputy Mayor were elected on 20 November 2024. Prior to that date, Cr McCabe was the Mayor and Cr Jones the Deputy Mayor.

Councillor Expense and Entitlements Policy

In accordance with Section 41 of the *Local Government Act 2020*, Council is required to reimburse Councillors for expenses incurred whilst performing their duties as a Councillor.

There are substantial time commitments required of Councillors for them to properly represent their constituents and perform their significant responsibilities, which often require travel and late hours.

To assist Councillors to carry out their duties, Victorian Councils provide Councillors with communication equipment, reimburse their official travel and phone expenses and, where applicable, childcare expenses.

Expenditure is regulated by the Councillor Support and Expense Policy adopted by Council at its 12 March 2025 Council Meeting.

The details of the expenses, including reimbursement of expenses for each Councillor, are set out in the table below:

Councillors	Conferences, Travel and Accommodation	IT Expenses	Car Mileage and Parking	Training	Printing, Stationery and misc.	Total
Cr Danny Goss (Mayor)	\$0	\$720	\$0	\$0	\$3,175.88	\$3,895.88
Cr Tricia Jones (Deputy Mayor)	\$1,315.51	\$720	\$0	\$684.55	\$6,975.10	\$9,695.06
Cr Suzanne Allen	\$0	\$480	\$0	\$1,187.50	\$3,730.60	\$5,398.10
Cr Jess Hamilton	\$0	\$480	\$0	\$2,000.00	\$290.53	\$2,770.53
Cr Brendan Kingwill	\$78.20	\$480	\$3,667.37	\$0	\$763.06	\$4,988.63
Cr Ben Lucas	\$1,030.37	\$480	\$0	\$0	\$7,270.03	\$4,797.30
Cr Paul Pratt	\$0	\$480	\$0	\$0	\$67.01	\$547.01
Cr Adam Sheehan	\$0	\$480	\$0	\$1,187.50	\$1,131.01	\$2,798.51
Cr Kate Wilson	\$0	\$480	\$0	\$55.00	\$170.61	\$705.61
Former Cr Annemarie McCabe	\$2,422.49	\$240	\$0	\$600.00	\$1,909.06	\$5,171.55
Former Cr Michael Leaney	\$0	\$240	\$7,317.95	\$0	\$1,352.38	\$8,910.33
Former Cr Keith Cook	\$0	\$240	\$1,747.38	\$0	\$0	\$1,987.38
Former Cr Farhat Firdous	\$0	\$240	\$0	\$2,985.00	\$43.64	\$3,225.00
Former Cr Peter Kostos	\$0	\$240	\$0	\$0	\$0	\$240.00
Former Cr Jazmin Tauru	\$0	\$240	\$0	\$0	\$78.18	\$240.00
Former Cr Darren Wallace	\$0	\$240	\$818.55	\$0	\$0	\$1,058.55

Council Meetings

Council held a total of 21 Council Meetings in 2024/25, with 18 open to the public and three closed to the public to consider matters confidential under the *Local Government Act 2020*.

A total of 115 *Officer* reports, 13 general business motions and three notices of motion considered.

From July to October 2024, Council held its Council Meetings on a monthly basis.

Following Council Elections in October 2024, Council adopted a fortnightly Council Meeting cycle, with start times alternating between 1pm and 5:30pm on the second and fourth Wednesdays of each month.

At Council Meetings over the past 12 months Council has also:

- Answered 78 questions on notice.
- Received 129 written and verbal submissions.
- Made five decisions in Confidential Council Meetings which were then released to the public.
- Tabled three petitions.

Councillor Attendance at Council Meetings for the 2024/25 financial year.

• Cr Danny Goss	14 of 17 meetings*	• Cr Ben Lucas	13 of 13 meetings
• Cr Tricia Jones	18 of 18 meetings	• Cr Paul Pratt	11 of 13 meetings
• Cr Suzanne Allen	12 of 13 meetings	• Cr Adam Sheehan	12 of 13 meetings
• Cr Jess Hamilton	13 of 13 meetings	• Cr Kate Wilson	12 of 13 meetings
• Cr Brendan Kingwill	12 of 13 meetings		

Note: * Cr Danny Goss was suspended at the time of the 28 May 2025 Council Meeting and not considered to be absent due to his ineligibility to attend.

Former Councillors – Attendance between 1 July 2024 and the end of the Council Term.

• Cr Annemarie McCabe	5 of 5 meetings	• Cr Peter Kostos	5 of 5 meetings
• Cr Michael Leaney	4 of 5 meetings	• Cr Jazmin Tauru	3 of 5 meetings
• Cr Keith Cook	4 of 5 meetings	• Cr Darren Wallace	4 of 5 meetings
• Cr Farhat Firdous	5 of 5 meetings		

Committees

Community Asset Committees

Committees, made up of dedicated community members, manage recreation facilities and public halls on behalf of Baw Baw Shire Council. These groups are called Community Asset Committees, which are formal entities under the *Local Government Act 2020*.

There are 15 of these committees in Baw Baw Shire who are supported by committed and hardworking volunteers which keep community facilities running. They are:

- Athlone Hall and Recreation Reserve
- Bellbird Park Recreation Reserve
- Bellbird Park Synthetic Sports and Hockey Facility
- Buln Buln Recreation Reserve
- Crossover School Site
- Darnum Memorial Hall
- Downton Park Recreation Reserve
- Ellinbank Public Hall
- Ellinbank Recreation Reserve
- Erica Community Facilities
- Lardner Hall
- Narracan Public Hall
- Neerim South Recreation Reserve
- Nilma North and Lillico Memorial Hall
- Tetoora Road Community Centre

Advisory Committees

Council operates Advisory Committees across various areas of its business. Advisory Committees are formally established through Council resolution in accordance with the Advisory Committee Policy and operate under a standardised Terms of Reference. Members are formally appointed to committees by Council resolution. They provide input and advice, but do not make decisions in relation to expenditure or enact any Council powers. In addition to the Audit and Risk Committee, Council operates four Advisory Committees:

- Arts and Culture Advisory Committee
- Early Years Advisory Committee
- Environment Voice Advisory Committee
- Place Names Advisory Committee

The committee objectives are set in the terms of reference of each committee. Council endeavours to appoint,where possible, a diverse and representative group of community members to each committee.

Citizenship

During 2024/25, Baw Baw Shire celebrated the Australian Citizenship of 139 residents who received their citizenship across four Citizenship Ceremonies.

Baw Baw Shire Council hosted four in-person Citizenship Ceremonies; one held as part of the Australia Day celebrations at the West Gippsland Arts Centre on 26 January 2025, which welcomed 34 new citizens, and events held on 17 September 2024, which welcomed 30 new citizens, 19 March 2025, which welcomed 33 new citizens and 18 June 2025 which welcomed 39 new citizens.

The ceremonies were conducted by the Mayor, who formally conferred citizenship on the new citizens. Baw Baw Shire Councillors and local members of Federal and State Government were also in attendance. New citizens were invited to bring family and friends to join the celebration.

Citizenship Ceremonies are coordinated by Baw Baw Shire Council on behalf of the Department of Home Affairs. As part of the Citizenship Ceremony process, electoral enrolment forms are distributed on behalf of the Australian Electoral Commission.



Citizenship Ceremony: Maria Petrova

Delegation of Powers

In the context of Local Government, delegation is the giving of decision-making power by Council or the Chief Executive Officer to members of staff or to a committee.

Council has committed to reviewing delegations twice yearly to ensure that delegated powers are appropriately and sufficiently conferred to the right positions. Council last reviewed its delegations at the Council Meeting held on 28 May 2025.

It is not practical for Council and the Chief Executive Officer alone to exercise the many statutory powers bestowed on Baw Baw Shire Council. Delegation facilitates the achievement of good governance for the community by empowering appropriate members of staff to make decisions on behalf of the Council and the Chief Executive Officer.

Governance and management checklist

The following are the results of Council’s assessment against the governance and management checklist prescribed under the *Local Government (Planning and Reporting) Regulations 2020*.

	Governance and Management Items	Assessment
1	Community engagement policy (Policy under section 55 of the Act outlining Council’s commitment to engaging with the community on matters of public interest).	Adopted in accordance with section 55 of the Act. Date of adoption: 23/03/2023
2	Community Engagement Guidelines (Guidelines to assist staff to determine when and how to engage with the community).	Date of operation of current guidelines: 23/03/2023
3	Financial Plan (Plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years).	Adopted in accordance with section 91 of the Act. Date of adoption: 19/06/2024
4	Asset Plan (Plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years).	Adopted accordance with section 92 of the Act. Date of adoption: 22/06/2024
5	Revenue and Rating Plan (Plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges).	Adopted in accordance with section 93 of the Act. Date of operation of current strategy: 19/06/2024
6	Annual Budget (Plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required).	Adopted in accordance with section 94 of the Act. Date of adoption: 19/06/2024
7	Risk Policy (Policy outlining Council’s commitment and approach to minimising the risks to Council’s operations).	Date of operation of current policy: 25/11/2024
8	Fraud Policy (Policy outlining Council’s commitment and approach to minimising the risk of fraud).	Date of operation of current policy: Fraud and Corruption Control Framework adopted 21/02/2023
9	Municipal Emergency Management Planning (Participation in meetings of the Municipal Emergency Management Planning Committee (MEMPC)).	(MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year. Date of operation of current plan: 19/05/2020
10	Procurement Policy (Policy outlining the principles, processes and procedures that will apply to the purchase of goods and services by the Council).	Adopted in accordance with section 108 of the Act. Date of adoption: 04/09/2024
11	Business Continuity Plan (Plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster).	Date of operation of current plan: 15/10/2024
12	Disaster Recovery Plan (Plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster).	Date of operation of current plan: 12/11/2020
13	Complaint Policy (Policy under section 107 of the Act outlining Council’s commitment and approach to managing complaints).	Policy developed in accordance with section 107 of the Act. Date of operation of current policy: 12/07/2023
14	Workforce Plan (Plan outlining Council’s commitment and approach to planning the current and future workforce requirements of the organisation).	Policy developed in accordance with section 46 of the Act. Date of operation of current plan: 25/05/2021
15	Payment of Rates and Changes Hardship Policy (Policy outlining Council’s commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates).	Date of operation of current plan: 1/07/2020
16	Risk Management Framework (Framework outlining Council’s approach to managing risks to the council’s operations).	Date of operation of current framework: 25/11/2024
17	Audit and Risk Committee (See sections 53 and 54 of the Act).	Date of establishment: 26/08/2020
18	Internal Audit (Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council’s governance, risk and management controls).	Date of engagement of current provider: 01/07/2025

	Governance and Management Items	Assessment
19	Performance Reporting Framework (A set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Act).	Date of operation of current framework: 22/06/2022
20	Council Plan Reporting (Report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year).	Date of reports: Annual Report 23/10/2024 Quarter 1 Report 04/12/2024 Quarter 2 Report 26/02/2025 Quarter 3 Report 25/06/2025
21	Quarterly Budget Reporting (Quarterly statements to the Council under section 97 of the <i>Local Government Act 1989</i> , comparing actual and budgeted results and an explanation of any material variations).	Date statements presented: Annual Report 23/10/2024 Quarter 1 Report 04/12/2024 Quarter 2 Report 26/02/2025 Quarter 3 Report 25/06/2025
22	Risk Reporting (Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies).	Risk Management Report 31/03/2025 Risk Management Report 25/11/2024 Risk Management Report 02/09/2024 Risk Management Report 08/07/2024 Presented to Audit and Risk Committee
23	Performance Reporting (Six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 98 of the <i>Local Government Act 1989</i>).	Date of reports: Annual Report 23/10/2024 Quarter 1 Report 04/12/2024 Quarter 2 Report 26/02/2024 Quarter 3 Report 25/06/2024
24	Annual Report (Annual report under sections 98 and 99 of the Act to the community containing a report of operations and audited financial and performance statements).	Presented at a meeting of the Council in accordance with section 100 of the Act. Date statements presented: 23/10/2024
25	Councillor Code of Conduct (Code under section 139 of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors).	Date adopted: 26/10/2024
26	Delegations (Documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act).	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act. Date of review: 28/05/2025
27	Meeting Procedures (Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees).	Date adopted: 13/09/2023

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



John Bennie
Interim Chief Executive Officer
Dated: 8 October 2025



Cr Danny Goss
Mayor
Dated: 8 October 2025

Statutory Information.

The following information is provided in accordance with legislative and other requirements applying to Council.

Documents available for public inspection

Council is committed to operating in an open and transparent manner. In accordance with Section 222 of the *Local Government Act 2020* and Regulation 12 of the Local Government (General) Regulations 2015, the following documents are available for public inspection at Drouin Civic Centre, 33 Young Street, Drouin:

- Details of overseas or interstate travel undertaken in an official capacity by a Councillor or member of Council staff in the previous 12 months.
- Agendas and minutes of Council Meetings.
- Minutes of Special Committee Meetings.
- Register of delegations.
- Details of property leases.
- A register of authorised officers.
- A list of donations and grants made by Council in the previous 12 months.

In accordance with Council's Public Transparency Policy, Council makes publicly available all information required by the Local Government Act 2020, and information prescribed by all other Acts.

In addition to this, Council makes available its Council Meeting reports, agendas and minutes, Advisory Committee Terms of Reference, Audit and Risk Committee reports and minutes via Council Meeting agendas.

Council also makes a number of records available by request under this policy, including but not limited to registers of gifts and hospitality, instruments of delegation and authorisation and election campaign donations.

Public Interest Disclosure Procedures

Baw Baw Shire Council is committed to the aims and objectives of the *Public Interest Disclosures Act 2012* (the Act). It does not tolerate improper conduct by its employees, officers, or members, nor the taking of reprisals against those who come forward to disclose such conduct.

Council recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Disclosures of improper conduct or detrimental action by Council, its employees or a person acting on behalf of Council may be made to the Protected Disclosure Coordinator. The procedures that relate to Public Interest Disclosures may be found on Council's website under the Contact Us tab: www.bawbawshire.vic.gov.au/Customer-Service/Contact-Us

No disclosures relating to the *Public Interest Disclosure Act* (formerly the Protected Disclosure Act and Whistleblowers Act) were received or required notification by Council during the 2024/25 financial year. No protected disclosure complaints were referred to Council by IBAC.

Freedom of Information

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



Access to documents may be obtained through request to the Freedom of Information Officer, as detailed in section 17 of the *Freedom of Information Act 1982* and in summary as follows:

- The request should be in writing (including lodgement online or by email).
- The request should identify as clearly as possible which document is being requested.
- The request should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Access charges may apply once documents have been processed and a decision on access is made (e.g. search, retrieval and photocopying charges).

Although Council endeavours to release information proactively and via the *Freedom of Information Act 1982*, there are some exemptions under the Act that apply to certain types of information that may prevent their release.

For further information please visit www.foi.vic.gov.au or Council's website at www.bawbawshire.vic.gov.au/FOI.

External Audit

Council is externally audited by the Victorian Auditor-General's Office (VAGO).

For the 2024/25 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by VAGO's representative.

The external auditors attend Audit Committee meetings to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit and Risk Committee.

Audit and Risk Committee

Baw Baw Shire Council is committed to building a strong Risk Management culture. In July 2019 Council adopted the Risk Management Framework and Policy in line with current best practice in the management of business enterprise risks and current AS/NZS 31000 guidelines. The Risk Management Framework and Policy addresses items such as:

- risk management culture and branding
- communication and training
- best practice in risk management
- responsibilities of and to internal and external stakeholders
- risk registers and risk management software development
- the council planning cycle, budget cycle and annual audit cycle
- a performance measurement system to determine the effectiveness of the framework.

In February 2023 Council adopted a Fraud and Corruption Control Framework to support the Risk Management Framework and Policy.

Further, a review of the Framework and Policy is currently underway. Both are set to be updated in the 2025/26 financial year.

Procurement and Contracts

Under Council's Procurement Policy 2024, any purchase over \$200,000 ex GST for goods and services and over \$300,000 ex GST for works, are required to proceed to a public tender to form a contract. Before approaching the market, Council conducts strategic reviews to determine:

- whether the service is still required
- the strategic approach for delivering and providing the service
- how the service aligns to Council's strategic objectives
- analysis of the supplier market, and
- the best procurement methodology and delivery.

Council issued five tenders in 2024/25, covering the following service categories:

- Civil Construction
- Waste and Environment services
- Building Construction
- Road and Civil Services
- Auditing services



Council issued two Expression of Interests, covering the following service categories:

- Construction
- Public Art

Council issued two publicly listed Requests for Quotation, covering the following service categories:

- Consultancy Services
- Land Clearing

Council is also participating in collaborative procurement processes for waste services.

Disability Act 2006 – Disability Action Plan Creation and Implementation

Council is currently drafting an updated Disability Action Plan (the Plan), a strategic framework that, once adopted, will be implemented over the four-year period between 2025 and 2029.

Aligned to the *Disability Act 2006*, it will aim to address the structural, attitudinal and cultural barriers people with a disability experience when participating in community life. It will aim to eliminate discrimination for people with a disability who use services, facilities and infrastructure provided by Council, or are current or prospective employees of Council.

To achieve this, Council and its partners will be committing to a number of actions through the 2025–2029 Council Plan and the 2025–2029 Municipal Public Health and Wellbeing Plan focused on or relating to Disability.

While Council's 2023–2027 Disability Action Plan progresses through to adoption Council continues to operate under its 2018–2022 Disability Action Plan, while also delivering on the Municipal Public Health and Wellbeing Plan.

The full 2018–2022 Disability Action Plan can be accessed in both print and audio formats on Council's website at www.bawbawshire.vic.gov.au/DisabilityActionPlan.

Domestic Animal Management plan

In accordance with Section 68A of the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan (DAM Plan) at four-yearly intervals and evaluate its implementation in the Annual Report.

Council adopted the Domestic Animal Management Plan 2021–2025 in November 2021. The plan was developed following broad community consultation as well as targeted consultation with Council's Animal Management Team and key stakeholders including veterinary clinics, domestic animal businesses and rescue groups.

At the time of this report, numerous objectives within the DAM Plan have been achieved, including:

- Officer training – *Officers* are completing the Certificate IV in Animal Control and Regulation, and all officers have completed dog handling training provided by an accredited trainer.
- Proactive patrols of parks to ensure compliance with dog controls.
- Increased education around responsible pet ownership.
- Introduction of additional payment methods for animal registration.
- Increased number of 84Y agreements.
- Implementation of new barking dog procedures and educational material.
- Completion of a cat adoption room at Council's pound facility.
- Increase in the number of animals adopted and rehomed.
- Increase in the number of animals reclaimed by their owners.
- Increase in animal registrations.
- Annual Registration Check door knock campaign has commenced.
- Reduction in the time it takes to respond to animal management requests.
- Successful completion of the Biannual Pet Expo 2023, with the Pet Expo 2025 in the planning phase.
- Improved procedures for collection of animals wandering at large.

The process to develop a new DAM Plan 2026–29 has commenced. A first round of community consultation was completed with the outcomes of the consultation informing the new draft DAM Plan. Community consultation on the draft was completed in June 2025 and feedback received is now being considered. The new DAM Plan was presented to Council and adopted in September 2025.



Food Act Ministerial directions

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report. No such Ministerial Directions were received by Council during the 2024/25 financial year.

Road Management Act Ministerial direction

In accordance with section 22 of the *Road Management Act 2004*, a council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by Council during the financial year.

Development Contributions Plan (DCP) Report

Table 1 : Total DCP Levies Received in 2024/25

DCP Name (Year Approved)	Levies received in 2023/24 Financial Year
DCPO1 (2007)	\$1,005,329
DCPO2 (2014)	\$2,870,053
DCPO3 (2014)	\$502,694
Total	\$4,378,076

Table 2 : Land, works, services or facilities accepted in kind in 2024/25

DCP Name (Year Approved)	Project ID	Project	Purpose	Project Value
DCPO2 (2014)	RD-SW-03	Butlers Track upgrade between Warragul-Lardner Road and East West Road (28.69m)	Road	\$54,625
DCPO2 (2014)	INL-SW-01	Construction of standard roundabout at Warragul-Lardner Road / Butlers Track	Intersection	\$1,076,377
DCPO2 (2014)	DR-01	Channel Works – Reach LR2 (185m)	Drainage	\$93,071
DCPO2 (2014)	DR-01	Channel Works – Reach PR1 (326m)	Drainage	\$164,006
DCPO3 (2014)	RD-GH-04	Construction of East West connector street between Gardner & Holman Road and hilltop neighbourhood park (444.92m)	Road	\$1,189,667

Table 3 : Land, works, services or facilities delivered in 2024/25 from DCP levies collected

DCP Name (Year Approved)	Project ID	Project	DCP Funds Expended	Works in Kind Accepted	Council Contribution	Other Contribution	Total Project Expenditure	% of Item Delivered
DCPO1 (2007)	CIOS002	Bellbird Park Multiuse Pavilion upgrade	\$38,669	\$ -	\$171,331	\$ -	\$249,910	4.86%
DCPO2 (2014)	INL-NW-03	Design of intersection at Pharaohs Road / Sutton Street	\$205,849	\$ -	\$ -	\$ -	\$205,849	5.45%
DCPO3 (2014)	INA-SE-01	Design of four-way roundabout at Main South Road / Weebar Road	\$69,824	\$ -	\$114,176	\$ -	\$184,000	8.30%





Financial Statements.

For the year ended 30 June 2025.

Financial Statements.

Understanding the Financial Statements

The Financial Statements compare the current 2024/25 financial year to the previous 2023/24 financial year.

They comprise two main sections: the financial statements and the notes to the financial statements.

There are six main statements:

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

1. Comprehensive Income Statement

The Comprehensive Income Statement is designed to show if Council's operations were in surplus or deficit during the financial year.

The surplus/(deficit) amount is calculated as total income less total expenses. A surplus means that income was greater than expenses.

The Comprehensive Income Statement contains:

- **Income** – the sources of Council's income under various income headings.
- **Expenses** – the expenditure incurred in running the Council during the year. This expenditure relates to the 'operations' and does not include the capital costs associated with the purchase or the creation of fixed assets. While asset purchase costs are not included in the expenses they are included within 'Depreciation and amortisation'. This amount is the value of the assets 'used up' during the year.
- **Other comprehensive income** – this section includes items such as net asset revaluation increments and impairment of expenses. Impairment occurs when the value of Council's assets is reduced or impaired usually due to damage or obsolescence. The comprehensive result is arrived at by adjusting the net surplus/(deficit) by the other comprehensive income items. The comprehensive result is also equal to the movement in Council's net assets (total equity) from the prior year.

2. Balance Sheet

The Balance Sheet shows what Council owns as assets and what it owes as liabilities. It presents a one-page summary which is a snapshot of the financial position as at 30 June.

The bottom line of this statement is called 'net assets' which is the net worth of Council which has been built up over many years.

Net assets = Total assets – total liabilities = Total equity.

Assets and liabilities are separated into current and non-current. Generally, 'current' means those assets or liabilities which will fall due in the next 12 months.

3. Statement of Changes in Equity

During the course of the year the value of total equity as set out in the Balance Sheet changes. The Statement of Changes in Equity shows the values of these changes that may include:

- The 'profit or loss' from operations, described in the statement as 'surplus/(deficit) for the year'.
- The use of monies from Council's reserves and transfers to Council's reserves.
- The revaluation of fixed assets.
- The share of revaluations of investments in joint venture assets.
- The recognition of an asset for the first time.

4. Statement of Cash Flows

The Statement of Cash Flows provides a summary of Council's cash receipts and cash payments during the year. The bottom line is the cash balance at the end of the financial year.

This statement shows the movements in the bank balance during the course of the year and is dissected into the following three sections:

- **Cash flows from operating activities** – All receipts to and payments from Council's bank account for normal operations. Receipts include monies from rates, grants and from amounts owing to Council. Payments mainly include monies paid to suppliers and employees.
- **Cash flow from investing activities** – This section mainly comprises payments for the creation or purchase of fixed assets (capital items) as well as the proceeds from asset sales.
- **Cash flow from financing activities** – This section includes the proceeds from loan borrowing as well as loan interest and the repayment of outstanding loans.

5. Statement of Capital Works

Statement of capital works shows all capital expenditure of Baw Baw Shire Council in relation to non-current assets and asset expenditure type prepared in accordance with the model statement of capital works in the Local Government Financial Report.

6. Performance Statement

The Performance Statement provides the results of the sustainable capacity, service performance and financial performance indicators and measures required under the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2014*.

Comprehensive Income Statement

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Income / Revenue			
Rates and charges	3.1	76,323	74,006
Statutory fees and fines	3.2	3,035	3,017
User fees	3.3	2,889	2,780
Grants – operating	3.4	26,326	9,352
Grants – capital	3.4	5,851	16,306
Contributions – monetary	3.5	5,271	3,812
Contributions – non monetary	3.5	19,322	14,303
Other income	3.7	4,793	5,329
Total income / revenue		143,810	128,905
Expenses			
Employee costs	4.1	(39,434)	(35,423)
Materials and services	4.2	(55,117)	(52,498)
Depreciation	4.3	(26,689)	(22,379)
Amortisation – intangible assets	4.4	(46)	(74)
Depreciation – right of use assets	4.5	(695)	(755)
Net loss on disposal of property, infrastructure, plant and equipment	3.6	(895)	(2,010)
Allowance for impairment losses – receivables	4.6	(253)	(446)
Borrowing costs		(903)	(684)
Finance costs – leases		(38)	(68)
Other expenses	4.7	(1,939)	(2,067)
Total expenses		(126,009)	(116,464)
Surplus for the year		17,801	12,441
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain	6.2	123,865	36,999
Total other comprehensive income		123,865	36,999
Total comprehensive result		141,666	49,439

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

Balance Sheet

As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	10,669	3,008
Trade and other receivables	5.1	9,457	7,889
Other financial assets	5.1	35,636	32,129
Prepayments		1,970	2,058
Non-current assets classified as held for sale	6.1	1,000	4,278
Contract assets	5.1	6,041	13,004
Other assets		35	30
Total current assets		64,808	62,396
Non-current assets			
Other financial assets	5.1	6,500	16,500
Property, infrastructure, plant and equipment	6.2	1,084,970	941,224
Right-of-use assets	5.8	3,172	3,878
Intangible assets	5.2	2,585	1,682
Total non-current assets		1,097,227	963,284
Total assets		1,162,035	1,025,680
Liabilities			
Current liabilities			
Trade and other payables	5.3	10,699	12,886
Trust funds and deposits	5.3	7,844	8,666
Contract and other liabilities	5.3	5,926	7,445
Provisions	5.5	8,313	8,028
Interest-bearing liabilities	5.4	3,279	4,000
Lease liabilities	5.8	484	563
Total current liabilities		36,545	41,588
Non-current liabilities			
Provisions	5.5	11,075	11,565
Interest-bearing liabilities	5.4	16,964	5,753
Lease liabilities	5.8	491	990
Total non-current liabilities		28,530	28,798
Total liabilities		65,075	70,386
Net assets		1,096,960	955,294
Equity			
Accumulated surplus		472,999	460,422
Reserves	9.1	623,961	494,872
Total Equity		1,096,960	955,294

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

Statement of Changes in Equity

For the year ended 30 June 2025

2025	Note	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Balance at beginning of the financial year		955,294	460,422	479,793	15,079
Surplus for the year		17,801	17,801	-	-
Net asset revaluation loss	6.2	123,865	-	123,865	-
Transfers to other reserves	9.1	-	(5,851)	-	5,851
Transfers from other reserves	9.1	-	627	-	(627)
Balance at end of the financial year		1,096,960	472,999	603,658	20,303

2024	Note	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Balance at beginning of the financial year		905,854	450,133	422,794	12,927
Surplus for the year		12,441	12,441	-	-
Net asset revaluation gain	6.2	36,999	-	36,999	-
Transfers to other reserves	9.1	-	(3,990)	-	3,990
Transfers from other reserves	9.1	-	1,838	-	(1,838)
Balance at end of the financial year		955,294	460,422	479,793	15,079

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

Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 Inflows/ (Outflows) \$'000	2024 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		74,886	72,569
Statutory fees and fines		2,765	2,170
User fees		2,793	3,042
Grants – operating		31,191	5,518
Grants – capital		5,864	6,574
Contributions – monetary		5,271	3,723
Interest received		2,916	3,124
Trust funds and deposits taken		28,833	19,754
Other receipts		1,861	2,350
Net GST refund/payment		2,086	4,818
Employee costs		(38,700)	(33,367)
Materials and services		(60,105)	(58,259)
Short-term, low value and variable lease payments		(4)	(8)
Trust funds and deposits repaid		(29,535)	(18,701)
Other payments		(1,358)	(2,572)
Net cash provided by operating activities	9.2	28,764	10,735
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(26,817)	(37,541)
Proceeds from sale of property, infrastructure, plant and equipment		740	132
Redemption of investments	5.1 (b)	6,493	7,495
Net cash used in investing activities		(19,584)	(29,914)
Cash flows from financing activities			
Finance costs		(903)	(684)
Proceeds from borrowings		-	14,490
Repayment of borrowings		-	(8,155)
Interest paid – lease liability		(28)	(55)
Repayment of lease liabilities		(588)	(382)
Net cash provide by/(used in) financing activities		(1,519)	5,214
Net increase/(decrease) in cash and cash equivalents		7,661	(13,965)
Cash and cash equivalents at the beginning of the financial year		3,008	16,973
Cash and cash equivalents at the end of the financial year		10,669	3,008
Financing arrangements.....	5.6		

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

Statement of Capital Works

For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Property			
Land		315	216
Total land		315	216
Buildings		3,208	13,353
Total buildings		3,208	13,353
Total property	6.2	3,523	13,569
Plant and equipment			
Plant, machinery and equipment	6.2	1,263	1,935
Computers and telecommunications		1,723	1,624
Total plant and equipment		2,986	3,559
Infrastructure			
Roads		7,072	9,054
Bridges		1,513	934
Footpaths and cycleways		5,422	883
Drainage		902	1,101
Parks, open space and streetscapes		6,184	8,124
Total infrastructure	6.2	21,093	20,096
Total capital works expenditure		27,602	37,224
Represented by:			
Asset renewal expenditure		19,289	18,789
Asset expansion expenditure		6,706	14,060
Asset upgrade expenditure		1,607	4,375
Total capital works expenditure		27,602	37,224

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

Notes to the Financial Statements

For the year ended 30 June 2025

Note 1 : Overview

Introduction

The Baw Baw Shire Council was established by an Order of the Governor in Council on 2 December 1994 and is a body corporate. The Council's main office is located at 33 Young Street, Drouin, Victoria 3818.

Statement of compliance

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

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

Significant accounting policies

1.1 Basis of accounting

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

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

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

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- the determination of landfill provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable
- other areas requiring judgements

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

Goods and Services Tax (GST)

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

1.2 Impact of emergencies and natural disasters

During 2024–25 natural disasters impacted Council’s operations. Council has noted the following significant impacts on its financial operations:

- Additional revenue – Grant income received \$4.26 million.
- Additional costs – relating to restoration amounted to \$8.63 million.

Note 2 : Analysis of our Results

2.1 Performance against budget

The performance against budget notes compare Council’s financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10% or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

2.1.1 Income / Revenue and expenditure

	Budget 2025 \$’000	Actual 2025 \$’000	Variance \$’000	Variance %	REF
Income / Revenue					
Rates and charges	76,256	76,323	67	0%	
Statutory fees and fines	2,819	3,035	216	8%	
User fees	2,432	2,889	457	19%	1
Grants – operating	15,553	26,326	10,773	69%	2
Grants – capital	16,400	5,851	(10,549)	(64%)	3
Contributions – monetary	4,811	5,271	460	10%	4
Contributions – non monetary	7,163	19,322	12,159	170%	5
Other income	2,772	4,793	2,021	73%	6
Total income / revenue	128,206	143,810	15,604	12%	
Expenses					
Employee costs	37,764	39,434	(1,670)	(4%)	7
Materials and services	41,173	55,117	(13,944)	(34%)	8
Depreciation	21,546	26,689	(5,143)	(24%)	9
Amortisation – intangible assets	250	46	204	82%	10
Depreciation – right of use assets	675	695	(20)	(3%)	
Allowance for impairment losses – Receivables	–	253	(253)	(100%)	11
Net loss on disposal of property, infrastructure, plant and equipment	–	895	(895)	(100%)	12
Borrowing costs	900	903	(3)	(0%)	
Finance costs – leases	36	38	(2)	(6%)	
Other expenses	4,681	1,939	2,742	59%	13
Total expenses	107,025	126,009	(18,984)	(18%)	
Surplus/(deficit) for the year	21,181	17,801	(3,380)	(16%)	

(i) Explanation of material variations

1	User fees	The favourable variance in User fees is primarily due to the increase in West Gippsland Art Centre (WGAC) events resulting in \$390k additional income.
2	Grants – operating	The favourable variance in operating grants is primarily due to the early receipt of Financial Assistance Grants for the 2025/26 year, which were paid in advance by the Victorian Grants Commission during the 2024/25 financial year. Additionally, the variance reflects \$4.0 million (\$3.3 million accrued) in Natural Disaster Funding relating to the Council’s claim for storm and flood recovery.
3	Grants – capital	Capital grants are \$10.5 million unfavourable to budget due to delays in the completion of several capital projects, including the Baw Baw Civic Precinct, Sealing Gravel Roads Program, Rollo Street Open Space, Yarragon Masterplan Project, and Queen Street Streetscaping Project. These delays have resulted in the carryover of capital grant funding to the next financial year. Grant income will be recognised when Council satisfies the performance obligations specified in the respective funding agreements.
4	Contributions – monetary	Monetary contributions are favourable to budget by \$460k, primarily due to higher than anticipated contributions received for Development Contribution Plans DCPO1 and DCPO2.
5	Contributions – non monetary	Non-monetary contributions are \$12.16 million favourable to budget, primarily due to the receipt of donated assets by Council. These contributions are not budgeted, as they arise from assets handed over by developers upon completion of infrastructure works.
6	Other income	Other income is \$2.0 million favourable to budget, primarily due to higher than anticipated interest income. The budget assumed earlier interest rate cuts, which did not occur, resulting in actual interest earnings exceeding budget expectations.
7	Employee costs	Employee costs exceeded budget primarily due to expenses associated with temporarily backfilling vacant positions and employing additional staff for grantfunded roles. In addition, casual salary costs increased by \$135k to support a greater number of Arts and Culture events, which also contributed to higher user fee revenue.
8	Materials and services	Materials and services costs are unfavourable to the annual budget mainly due to the operational costs expensed in the financial year from the Capital Works Program of \$5.3 million. These costs form part of the Capital Works Program; however, they do not meet the criteria to be capitalised. In addition, \$8.5 million was spent on natural disaster events due to multiple storms and flood events. Most of this expenditure will be recovered as part of council claims. \$2.7 million of Myli contribution was budgeted as Other expenses and correctly classified as material and services which also added to the unfavourable variance.
9	Depreciation	Depreciation expense is higher than budgeted due to the componentisation and revaluation of buildings undertaken in 2023/24 resulting in an increase of the fair value of assets. Additionally, the fair value of roads and footpaths increased following the inclusion of disruption costs, as required under AASB 13 effective from 1 July 2024.
10	Amortisation – intangible assets	Amortisation – intangible assets is favourable to budget by \$204k due to delays in the completion of Phase 1 of the Core Systems Project. As a result, amortisation has not commenced as originally anticipated.
11	Allowance for impairment losses – receivables	This is an unbudgeted expenditure, which is reviewed as part of the end of financial year process.
12	Net loss on disposal of property, infrastructure, plant and equipment	The unfavourable variance is primarily due to the write-off of infrastructure assets identified as part of the asset renewal cycle within the Capital Works Program, where existing assets are replaced or upgraded.
13	Other expenses	Favourable variance of \$2.7 million is mainly due to \$2.1 million of Myli contribution classified as other expenses in the budget, however this is correctly classified as material and services in the financial statements.

2.1.2 Capital works

	Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000	Variance %	REF
Property					
Land	-	315	315	100%	1
Total land	-	315	315	100%	
Total buildings	7,934	3,208	(4,726)	(60%)	2
Total buildings	7,934	3,208	(4,726)	(60%)	
Total property	7,934	3,523	(4,411)	(56%)	
Plant and equipment					
Plant, machinery and equipment	1,957	1,263	(694)	(35%)	3
Computers and telecommunications	1,674	1,723	49	3%	
Total plant and equipment	3,631	2,986	(645)	(18%)	
Infrastructure					
Roads	12,500	7,072	(5,428)	(43%)	4
Bridges	3,289	1,513	(1,776)	(54%)	5
Footpaths and cycleways	5,315	5,422	107	2%	
Drainage	870	902	32	4%	
Recreational, leisure and community facilities	6,133	6,184	51	1%	
Off street car parks	25	-	(25)	(100%)	6
Other infrastructure	1,505	-	(1,505)	(100%)	7
Total infrastructure	29,637	21,093	(8,544)	(29%)	
Total capital works expenditure	41,202	27,602	(13,600)	(33%)	
Represented by:					
Asset renewal expenditure	25,584	19,289	(6,295)	(25%)	8
Asset expansion expenditure	9,290	6,706	(2,584)	(28%)	9
Asset upgrade expenditure	6,328	1,607	(4,721)	(75%)	10
Total capital works expenditure	41,202	27,602	(13,600)	(33%)	

2.1.2 Capital works (continued)

(i) Explanation of material variations

Variance REF	Item	Explanation
1	Land	\$313k of the unfavourable variance represents the strategic land acquisition, supported by the Open Space Precinct Structure Plan. This acquisition reflects councils' proactive investment in future growth areas.
2	Buildings	The \$4.7m underspend in building capital expenditure is primarily due to the rescheduling of key projects, including the Baw Baw Civic Precinct, and a combination of other design initiatives. All projects are expected to be completed in the 2025/26 financial year.
3	Plant, fleet & machinery	Reduced spending due to strategic deferral of asset replacements to optimise timing and resource allocation resulted in the \$694k variance. These re-assessed renewals are planned for delivery in the upcoming financial year.
4	Roads	The \$5.4m underspend in road projects is due to planned delays in extending the gravel road sealing and Black Spot programs, now scheduled for FY 2025/26, allowing for greater coordination between key and related projects.
5	Bridges	The \$1.78m underspend in vehicle bridge renewal programs reflects an unsuccessful grant application for the replacement of a timber bridge along with the scheduling of renewal works into the next financial year, ensuring thorough planning and delivery readiness.
6	Off street car parks	Lower expenditure on off-street car parking relates to timing adjustments on major projects, allowing for more detailed planning and integration into future capital works programs.
7	Other infrastructure	Asset categories previously grouped under 'other infrastructure' have been reclassified to better align with asset management principles, improving clarity and consistency across financial reporting. Consequently, no actual expenditures are reported.
8	Asset renewal expenditure	The \$6.3m underspend in several key projects, such as the Copelands Road Upgrade, and Vehicle Bridge Renewal, reflects intentional resphasing of these projects to ensure quality outcomes in the next program cycle.
9	Asset expansion expenditure	Multi-year projects such as the Baw Baw Civic Precinct and the Rollo Street, Yarragon Masterplan have been rephased, leading to lower expansion expenditure this year and positioning them for stronger delivery in the upcoming financial year.
10	Asset upgrade expenditure	Timing adjustments to key upgrade initiatives, including the Black Spot Program at Sand Road/Princes Way, Townscape improvements in Warragul, and the Sealing Gravel Roads Program have resulted in a temporary reduction in expenditure, with delivery scheduled to continue in the next financial year.

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Community Infrastructure

Community Infrastructure is responsible for both the planning and delivery of Council’s annual and long-term capital works program, and the maintenance of Council’s assets. This includes Infrastructure Maintenance, Infrastructure Delivery, Civil asset planning, Road maintenance, Fleet and depot support, open space maintenance and environmental sustainability.

Recreational facilities are managed by Council, and include leisure and pool facilities contracts, support for committees of management of public halls and recreation reserves.

2.2.2 Strategy and Organisational Performance

Strategy and Organisational Performance provide a range of services for individuals and families within the community, including Connected Communities and Community Planning Services and Family and Children’s Services.

Safety, procurement, human resources, finance, community planning, payroll and revenue services are performed within the organisation to ensure that Council meet all statutory compliance requirements and is financially sustainable.

Performance of these functions enable Council to operate strategically to support future growth and development.

2.2.3 Chief Executive Office

The Chief Executive Office (CEO) represents the management of Council, including day to day operations of the organisation in accordance with the Council Plan, implementation of Council decisions, and advocating to government on behalf of Council and the community.

The CEO directorate includes communication to inform the community of Council issues.

2.2.4 Planning and Development

Planning and development is responsible for the planning services to meet day to day, and strategic planning requirements in a major growth region. This includes statutory planning, priority development, strategic planning and building services.

Other services that support the community and Council are community compliance, public health, emergency management and environment services.

2.2.5 Economic Development, Arts and Advocacy

Economic Development, Arts and Advocacy has responsibility for the management of the redeveloped iconic West Gippsland Arts Centre, which hosts a variety of performance and events each year. Additionally, Community Cultural Development promotes initiatives and opportunity for arts and cultural activities within the community.

Other services that support the community and Council are economic development, tourism, business support and grants and advocacy which brings the community together.

2.2.6 Governance and Information Services

Governance and Information services is responsible for Risk and Insurance management, Governance and Property to ensure all statutory compliance requirements are met.

Information Technology and Business information support the information requirement of Council, and the associated technical infrastructure, and Customer service is the first point of external customer contact.

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

	Income / Revenue	Expenses	Surplus / (Deficit)	Grants included in income / revenue	Total assets
2025	\$'000	\$'000	\$'000	\$'000	\$'000
Community Infrastructure	23,867	(72,253)	(48,386)	3,422	1,055,635
Chief Executive Office	-	(1,282)	(1,282)	-	-
Strategy and Organisational Performance	100,937	(12,514)	88,423	21,069	100,760
Economic Development, Arts and Advocacy	1,971	(5,079)	(3,108)	543	-
Planning and Development	16,845	(21,998)	(5,153)	7,143	-
Governance and Information Services	190	(12,883)	(12,693)	-	5,640
	143,810	(126,009)	17,801	32,177	1,162,035

2024

Community Infrastructure	32,403	(70,260)	(37,857)	17,748	931,765
Chief Executive Office	41	(1,422)	(1,381)	-	-
Strategy and Organisational Performance	81,234	(11,800)	69,434	2,265	88,937
Economic Development, Arts and Advocacy	1,944	(5,009)	(3,065)	540	-
Planning and Development	12,876	(18,163)	(5,287)	5,105	-
Governance and Information Services	407	(9,810)	(9,403)	-	4,978
	128,905	(116,464)	12,441	25,658	1,025,680

Note 3 : Funding for the Delivery of our Services

3.1 Rates and charges

	2025 \$'000	2024 \$'000
Council uses Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value (CIV) of aproperty is its market value of land and improvements.		
The valuation base used to calculate general rates for 2024/25 was \$24,846 million (2023/24 \$24,125 million).		
General rates	63,071	60,442
Waste management charge	11,977	12,261
Supplementary rates and rate adjustments	950	1,019
Interest on rates and charges	325	284
Total rates and charges	76,323	74,006

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2024 and the valuation was first applied in the rating year commencing 1 July 2024.

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

3.2 Statutory fees and fines

Infringements and costs	776	842
Town planning fees	711	810
Land information certificates	163	140
Permits	1,031	931
Court recoveries	354	294
Total statutory fees and fines	3,035	3,017

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

3.3 User fees

Leisure centre and recreation	1,456	1,376
Registration and other permits	980	928
Waste management services	10	11
Other fees and charges	443	465
Total user fees	2,889	2,780
User fees by timing of revenue recognition		
User fees recognised over time	2,889	2,780
Total user fees	2,889	2,780

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

3.4 Funding from other levels of government

Grants were received in respect of the following :

	2025 \$'000	2024 \$'000
Summary of grants		
Commonwealth funded grants	20,613	7,134
State funded grants	11,564	18,524
Total grants received	32,177	25,658
(a) Operating Grants		
Recurrent – Commonwealth Government		
Financial assistance grants *	19,380	529
Other	10	10
Recurrent – State Government		
School crossing supervisors	259	251
Maternal and child health	1,214	1,157
Recreation	130	130
Family children services	247	130
Other	167	344
Total recurrent operating grants	21,407	2,551
Non-recurrent – State Government		
Community health	27	25
Community safety	60	147
Economic development	430	677
Recreation	11	133
Waste	172	692
Natural disaster funding	4,012	4,770
Other	207	357
Total non-recurrent operating grants	4,919	6,801
Total operating grants	26,326	9,352
* Financial Assistance Grants from the Victorian Local Government Grants Commission (VLGGC) for the 2025/26 financial year were received in advance during 2024/25, resulting in increased grant income for 2024/25. Similarly, the 2023/24 allocation was received early in the 2022/23 financial year, leading to a significant reduction in grant income reported for 2023/24.		
(b) Capital Grants		
Recurrent – Commonwealth Government		
Roads to recovery	-	2,949
Total recurrent capital grants	-	2,949
Non-recurrent – Commonwealth Government		
Local Roads and Community Infrastructure (LRCI)	669	3,329
Bridges	554	317
Non-recurrent – State Government		
Local and collector roads	597	321
Recreation	2,561	2,340
Buildings	401	6,425
Drainage	-	400
Parks, open space and streetscapes	1,069	225
Total non-recurrent capital grants	5,851	13,357
Total capital grants	5,851	16,306

(c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the time or over time when services are rendered.

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

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

	2025 \$'000	2024 \$'000
Income recognised under <i>AASB 1058 Income of Not-for-Profit Entities</i>		
General purpose	19,380	529
Specific purpose grants to acquire non-financial assets	5,851	16,306
Revenue recognised under <i>AASB 15 Revenue from Contracts with Customers</i>		
Specific purpose grants	6,946	8,823
	32,177	25,658

	2025 \$'000	2024 \$'000
(d) Unspent grants received on condition that they be spent in a specific manner		
Operating		
Balance at start of year	1,075	2,097
Received during the financial year and remained unspent at balance date	273	86
Received in prior years and spent during the financial year	(498)	(1,108)
Balance at year end	850	1,075
Capital		
Balance at start of year	6,175	15,982
Received during the financial year and remained unspent at balance date	1,370	718
Received in prior years and spent during the financial year	(2,748)	(10,525)
Balance at year end	4,797	6,175

3.5 Contributions

	2025 \$'000	2024 \$'000
Monetary	5,271	3,812
Non-monetary	19,322	14,303
Total contributions	24,593	18,115
Contributions of non monetary assets were received in relation to the following asset classes.		
Land	3,309	2,484
Roads	6,785	5,745
Drainage	5,103	3,318
Other infrastructure	4,125	2,756
Total non-monetary contributions	19,322	14,303

Monetary and non monetary contributions are recognised as revenue at their fair value when Council obtains control over the contributed asset.

3.6 Net loss on disposal of property, infrastructure, plant and equipment

	2025 \$'000	2024 \$'000
Proceeds of sale	740	133
Written down value of assets disposed/written off *	(1,485)	(2,143)
Cost of non-current assets classified as held for sale disposal	(150)	-
Total net loss on disposal of property, infrastructure, plant and equipment	(895)	(2,010)

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

* Net loss on disposal of assets predominantly relates to the write off of property and infrastructure assets as part of the asset renewal process.

3.7 Other income

Interest	2,978	3,061
Rent	190	260
Other	1,625	2,008
Total other income	4,793	5,329

Interest is recognised as it is earned.

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

Note 4 : The Cost of Delivering Services

4.1 (a) Employee costs

	2025 \$'000	2024 \$'000
Wages and salaries	34,013	31,280
WorkCover	883	628
Superannuation	3,818	3,400
Fringe benefits tax	116	112
Other	604	713
Total employee costs	39,434	36,133

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	15	31
	15	31
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,803	3,369
	3,803	3,369
Employer contributions payable at reporting date.	172	140

Refer to note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

	2025 \$'000	2024 \$'000
Contract		
Waste	9,711	10,610
Roads and infrastructure	8,805	8,801
Recreation services	1,831	1,836
Other	2,259	2,585
Contribution – My Community Library Ltd (Myli)	2,122	2,066
Repairs and maintenance	3,385	4,129
Building maintenance	996	1,127
General maintenance	3,706	4,459
Utilities	965	687
Office administration	1,813	1,582
Information technology	4,150	1,644
Insurance	1,227	961
Consultants	1,922	2,006
Art and culture	502	444
Fleet vehicles and plant costs	1,003	1,055
Legal	693	692
Marketing costs	571	574
Natural Disaster damage rectification	8,629	5,650
Other	827	940
Total materials and services	55,117	51,848

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

4.3 Depreciation

Property	5,100	2,761
Plant and equipment	626	646
Infrastructure	20,963	18,972
Total depreciation	26,689	22,379

Refer to note 5.2(c), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation – Intangible assets

Software	46	74
Total Amortisation – Intangible assets	46	74

4.5 Depreciation – Right of use assets

Property	388	386
Vehicles	74	145
IT equipment	233	219
Arts centre	–	5
Total Depreciation – Right of use assets	695	755

4.6 Allowance for impairment losses – Receivables

Infringement debtors	260	425
Other debtors	(7)	21
Total bad and doubtful debts – allowance for impairment losses	253	446

Movement in allowance for impairment losses in respect of debtors

Balance at the beginning of the year	592	80
New allowances recognised during the year	326	537
Amounts already provided for and written off as uncollectible	–	(18)
Amounts provided for but recovered during the year	(73)	(7)
Balance at end of year	845	592

An allowance for impairment losses in respect of debtors is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

4.7 Other expenses

	2025 \$'000	2024 \$'000
Auditors’ remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals	68	62
Auditors’ remuneration – Internal Audit	51	52
Councillors’ allowances	466	495
Bank charges	169	153
Council grants & sponsorships	622	662
Others	563	643
Total other expenses	1,939	2,067

Note 5 : Investing in and Financing our Operations

5.1 Financial assets

(a) Cash and cash equivalents

Cash on hand	2	2
Cash at bank	6,667	3,006
Term deposits	4,000	–
Total cash and cash equivalents	10,669	3,008

(b) Other financial assets

Current

Term deposits	35,636	32,129
Total current other financial assets	35,636	32,129

Non-current

Term deposits	6,500	16,500
Total non-current other financial assets	6,500	16,500
Total other financial assets	42,136	48,629
Total cash and cash equivalents and other financial assets	52,805	51,637

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

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

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

(c) Trade and other receivables		2025	2024
Current		\$'000	\$'000
<i>Statutory receivables</i>			
Rates debtors		6,663	5,547
Infringement debtors		1,117	931
Provision for doubtful debts – infringements		(815)	(555)
Net GST receivable		1,117	1,459
<i>Non statutory receivables</i>			
Other debtors		1,406	544
Allowance for expected credit loss – other debtors		(31)	(37)
Total trade and other receivables		9,457	7,889

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

(d) Ageing of Receivables

At balance date, other debtors representing financial assets with a nominal value of \$31k (2024: \$37k) were impaired. The amount of the allowance raised against these debtors was \$31k (2024: \$37k). They individually have been impaired as a result of their doubtful collection.

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

Current (not yet due)	1,016	402
Past due by up to 30 days	50	20
Past due between 31 and 180 days	78	49
Past due between 181 and 365 days	5	61
Past due by more than 1 year	257	12
Total trade and other receivables	1,406	544

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$846k (2024: \$592k) were impaired. The amount of the provision raised against these debtors was \$846k (2024: \$592k). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council’s debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Past due by more than 1 year	846	592
Total trade & other receivables	846	592

(f) Contract assets

Contract assets	6,041	13,004
Total contract assets	6,041	13,004

Contract assets are recognised when Council has transferred goods or services to the customer but where Council is yet to establish an unconditional right to consideration.

5.2 Non-financial assets

(a) Other assets

Intangible assets

Software	2,585	1,682
Total intangible assets	2,585	1,682

Software

Gross carrying amount	\$'000
Balance at 1 July 2024	6,394
Additions	2,492
Balance at 30 June 2025	8,886
Accumulated amortisation and impairment	
Balance at 1 July 2024	6,336
Amortisation expense	46
Balance at 30 June 2025	6,382
Work in progress at 30 June 2024	1,624
Work in progress at 30 June 2025	81
	1,682
Net book value at 30 June 2025	2,585

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset’s useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

5.3 Payables, trust funds and deposits and contract and other liabilities

(a) Trade and other payables	2025	2024
	\$'000	\$'000
<i>Non-statutory payables</i>		
Trade payables	7,038	9,455
Accrued expenses	3,661	3,431
Total current trade and other payables	10,699	12,886

(b) Trust funds and deposits

Current		
Refundable deposits	7,354	7,952
Retention amounts	420	644
Other refundable deposits	70	70
Total current trust funds and deposits	7,844	8,666

(c) Contract and other liabilities

Current		
Grants received in advance – operating	850	1,075
Grants received in advance – capital	4,797	6,175
Other	279	195
Total contract liabilities	5,926	7,445

Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of grants for specific projects. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Purpose and nature of items

Retention Amounts – Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council’s contractual obligations.

5.4 Interest-bearing liabilities

	2025 \$'000	2024 \$'000
Current		
Treasury Corporation of Victoria borrowings - secured **	-	4,000
Borrowings - secured *	3,279	-
Total current interest-bearing liabilities	3,279	4,000
Non-current		
Treasury Corporation of Victoria borrowings - secured **	16,964	12,964
Borrowings - secured	-	3,279
Total non-current interest-bearing liabilities	16,964	16,243
Total	20,243	20,243

* This is secured by registered charge over General Rates Revenue of Council.
** This is secured by General Rates of the Council and all proceeds from the sale or any other dealings with those assets or income.

(a) The maturity profile for Council's borrowings is:

Not later than one year	3,279	4,000
Later than one year and not later than five years	-	3,279
Later than five years	16,964	12,964
	20,243	20,243

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities based on contractual repayment terms at every balance date.

In classifying borrowings as current or non-current Council considers whether at balance date it has the right to defer settlement of the liability for at least twelve months after the reporting period. Council's loan arrangements include covenants based on Council's financial performance and position at the end of the reporting period. These covenants are assessed for compliance after the reporting period based on specified financial ratios.

5.5 Provisions

	Employee \$'000	Landfill restoration \$'000	Total \$'000
2025			
Balance at beginning of the financial year	7,888	11,705	19,593
Additional provisions	5,362	-	5,362
Amounts used	(4,554)	(380)	(4,934)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	95	(728)	(633)
Balance at the end of the financial year	8,791	10,597	19,388
<i>Provisions - current</i>	7,773	540	8,313
<i>Provisions - non-current</i>	1,018	10,057	11,075
2024			
Balance at beginning of the financial year	7,363	11,572	18,935
Additional provisions	4,399	1,535	5,934
Amounts used	(3,795)	-	(3,795)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(79)	(1,402)	(1,481)
Balance at the end of the financial year	7,888	11,705	19,593
<i>Provisions - current</i>	7,108	920	8,028
<i>Provisions - non-current</i>	780	10,785	11,565

	2025 \$'000	2024 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	2,311	2,114
Long service leave	657	709
Other	381	359
	3,349	3,182
Current provisions expected to be wholly settled after 12 months		
Annual leave	933	934
Long service leave	3,491	2,992
	4,424	3,926
Total current employee provisions	7,773	7,108
Non-current		
Long service leave	1,018	780
Total non-current employee provisions	1,018	780
Aggregate carrying amount of employee provisions:		
Current	7,773	7,108
Non-current	1,018	780
Total aggregate carrying amount of employee provisions	8,791	7,888
The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.		

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

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

Long service leave

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

Key assumptions:

Discount rate	4.21%	4.35%
Index rate	4.25%	4.45%

	2025 \$'000	2024 \$'000
(b) Landfill restoration		
Current	540	920
Non-current	10,057	10,785
	10,597	11,705

Council is obligated to restore the Trafalgar landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken.

The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

Discount rate	4.21%	4.35%
Index rate	3.70%	4.30%

5.6 Financing arrangements

	2025 \$'000	2024 \$'000
The Council has the following funding arrangements in place as at 30 June 2025.		
Bank overdraft *	1,500	1,500
Credit card facilities *	250	250
Treasury Corporation of Victoria facilities	16,964	16,964
Other facilities	2,279	3,279
Total facilities	21,993	21,993
Used facilities	20,286	20,280
Unused facilities	1,707	1,713

* Unused facilities include Bank overdraft and part of the credit card facilities

5.7 Commitments

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

(a) Commitments for expenditure

2025	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Operating	\$'000	\$'000	\$'000	\$'000	\$'000
Garbage collection and recycling	10,369	9,081	31,090	55,698	106,238
Roads	12,209	11,633	11,861	-	35,703
Consultancies	1,738	-	-	-	1,738
Open space management	468	493	-	-	961
Cleaning contracts for council buildings	164	-	-	-	164
Recreation	1,951	-	-	-	1,951
Information Technology	971	1,212	1,240	-	3,423
Other	305	129	-	-	434
Total	28,175	22,548	44,191	55,698	150,612
Capital					
Buildings	3,397	-	-	-	3,397
Roads	2,984	-	-	-	2,984
Other	1,197	-	-	-	1,197
Total	7,578	-	-	-	7,578

2024	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
Operating	\$'000	\$'000	\$'000	\$'000	\$'000
Garbage collection and recycling	12,186	10,426	24,235	-	46,846
Roads	10,194	10,630	22,880	-	43,704
Consultancies	1,564	266	-	-	1,830
Open space management	629	490	539	-	1,658
Cleaning contracts for council buildings	300	312	-	-	612
Buildings	193	-	-	-	193
Drainage	7	-	-	-	7
Recreation	1,845	1,835	-	-	3,680
Information Technology	1,728	1,256	2,568	-	5,552
Other	1,125	135	285	-	1,545
Total	29,771	25,350	50,506	-	105,627
Capital					
Buildings	752	-	-	-	752
Other	171	-	-	-	171
Total	923	-	-	-	923

5.8 Leases

At inception of a contract, Council assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

5.8 (Cont.)

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Under *AASB 16 Leases*, Council as a not-for-profit entity has elected not to measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Right-of-Use Assets	IT \$'000	Fleet \$'000	Property \$'000	Total \$'000
Balance at 1 July 2024	496	91	3,291	3,878
Additions / (Disposals)	19	(3)	(27)	(11)
Amortisation charge	(233)	(74)	(388)	(695)
Balance at 30 June 2025	282	14	2,876	3,172

Lease Liabilities	2025 \$'000	2024 \$'000
Maturity analysis – contractual undiscounted cash flows		
Less than one year	513	607
One to five years	432	954
More than five years	64	109
Total undiscounted lease liabilities as at 30 June:	1,009	1,670

Lease liabilities included in the Balance Sheet at 30 June:

Current	484	563
Non-current	491	990
Total lease liabilities	975	1,553

Short-term and leases of low value assets

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD \$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Expenses relating to:	2025 \$'000	2024 \$'000
Short-term leases	4	8
Total	4	8

Note 6 : Assets Manage by Council

6.1 Non current assets classified as held for sale

	2025 \$'000	2024 \$'000
Value of assets – Property	1,000	4,278
Total non current assets classified as held for sale	1,000	4,278

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset’s sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

6.2 Property, Infrastructure and Equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount		Additions		Contributions		Revaluations		Depreciation		Disposal		Write-off		Assets held for resale		Transfers		Carrying amount	
	30 June 2024		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000		\$'000		30 June 2025	
	Note		SOCW		3.6		9.1(a)		4.3		3.6									
Property		328,964	315	3,309		21,616	(5,100)		(347)		3,127		-		370,179		18,295			
Plant and equipment		5,790	1,263	-		-	(626)		(60)		-		-		6,403		36			
Infrastructure		546,261	-	16,014		102,249	(20,963)		(1,078)		-		-		658,473		15,991			
Work in progress		60,209	24,301	-		-	-		-		-		(273)		49,915		(34,322)			
		941,224	25,879	19,323		123,865	(26,689)		(1,485)		3,127		(273)		1,084,970		-			

Summary of Work in Progress

	Opening WIP		Additions		Write-off		Transfers		Closing WIP	
	\$'000		\$'000		\$'000		\$'000		\$'000	
Property	15,407	3,208	-		(10,334)		8,281			
Infrastructure	44,802	21,093	(273)		(23,988)		41,634			
Total	60,209	24,301	(273)		(34,322)		49,915			

(a) Property

	Land – specialised \$'000	Land – non specialised \$'000	Total Land & Land Improvements \$'000	Buildings – specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2024	94,365	124,245	218,610	175,405	175,405	15,407	409,422
Accumulated depreciation at 1 July 2024	-	-	-	(65,051)	(65,051)	-	(65,051)
	94,365	124,245	218,610	110,354	110,354	15,407	344,371
Movements in fair value							
Additions	2	313	315	-	-	3,208	3,523
Contributions	114	3,195	3,309	-	-	-	3,309
Revaluation	54	(1,342)	(1,288)	15,160	15,160	-	13,872
Disposal	-	-	-	(1,425)	(1,425)	-	(1,425)
Asset held for resale	-	3,127	3,127	-	-	-	3,127
Transfers	-	3,129	3,129	18,293	18,293	(10,334)	11,088
	170	5,295	5,465	32,028	32,028	(7,126)	30,367
Movements in accumulated depreciation							
Depreciation and amortisation	-	-	-	(5,100)	(5,100)	-	(5,100)
Accumulated depreciation of disposals	-	-	-	1,078	1,078	-	1,078
Revaluation depreciation movements	-	-	-	7,744	7,744	-	7,744
	-	-	-	3,722	3,722	-	3,722
At fair value 30 June 2025	94,535	129,540	224,075	207,433	207,433	8,281	439,789
Accumulated depreciation at 30 June 2025	-	-	-	(61,329)	(61,329)	-	(61,329)
Carrying amount	94,535	129,540	224,075	146,104	146,104	8,281	378,460

(b) Plant and Equipment

	Plant machinery and equipment \$'000	Fixtures, fittings and furniture \$'000	Total plant and equipment \$'000
At fair value 1 Junly 2024	9,024	4,864	13,888
Accumulated depreciation at 1 July 2024	(3,684)	(4,414)	(8,098)
	5,340	450	5,790
Movements in fair value			
Additions	1,252	11	1,263
Disposal	(836)	-	(836)
Transfers	-	36	36
	416	47	463
Movements in accumulated depreciation			
Depreciation and amortisation	(562)	(64)	(626)
Accumulated depreciation of disposals	776	-	776
	214	(64)	150
At fair value 30 June 2025	9,440	4,911	14,351
Accumulated depreciation at 30 June 2025	(3,470)	(4,478)	(7,948)
Carrying amount	5,970	433	6,403

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Parks, open spaces & streetscapes	Off street car parks	Work in Progress	Infrastructure	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2024	525,081	62,689	60,805	127,456	84,125	14,500	44,802	919,458	
Accumulated depreciation at 1 July 2024	(213,409)	(29,661)	(15,798)	(25,627)	(38,446)	(5,454)	-	(328,395)	
	311,672	33,028	45,007	101,829	45,679	9,046	44,802	591,063	
Movements in fair value									
Contributions	6,695	-	2,679	5,360	807	473	-	16,014	
Revaluation	101,010	8,952	290	15,991	5,461	(839)	-	130,865	
Disposal	(1,630)	(26)	(78)	(24)	(1,006)	(188)	-	(2,952)	
Write-off	-	-	-	-	-	-	(273)	(273)	
Transfers	8,168	430	1,228	1,199	3,086	1,974	(23,988)	(7,903)	
	114,243	9,356	4,119	22,526	8,348	1,420	(3,168)	156,844	
Movements in accumulated depreciation									
Depreciation and amortisation	(12,465)	(912)	(937)	(1,595)	(4,714)	(340)	-	(20,963)	
Accumulated depreciation of disposals	910	27	48	4	825	60	-	1,874	
Revaluation	(26,059)	4,114	(175)	(3,699)	(2,719)	(78)	-	(28,616)	
Transfers	(32)	(53)	(8)	-	(1)	-	(94)		
	(37,646)	3,176	(1,072)	(5,290)	(6,608)	(359)	-	(47,799)	
At fair value 30 June 2025	639,324	72,045	64,924	149,982	92,473	15,920	41,634	1,076,302	
Accumulated depreciation at 30 June 2025	(251,055)	(26,485)	(16,870)	(30,917)	(45,054)	(5,814)	-	(376,195)	
Carrying amount	388,269	45,560	48,054	119,065	47,419	10,106	41,634	700,107	

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

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

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

Asset recognition thresholds and depreciation periods	Depreciation Period	Threshold Limit \$’000
Land & land improvements		
Land	-	-
Buildings		
Buildings	4 -100 years	25
Plant and Equipment		
Plant, machinery and equipment	1 - 20 years	-
Fixture fittings and furniture	3 - 27 years	10
Computer and telecommunications	1 - 20 years	10
Infrastructure		
Roads - pavements, and seals	1 - 85 years	10
Roads - formation and earthworks	-	10
Bridges - kerbs, channel and minor culverts	15 - 80 years	5
Road bridges	1 - 100 years	20
Pedestrian bridges	1 - 100 years	10
Major culverts	1 - 80 years	20
Footpaths and cycleways	1 - 80 years	10
Drainage	25 - 100 years	10
Open space and recreational facilities	10-80 years	5
Off street car parks	1 - 85 years	10
Intangible assets		
Intangible assets	2 - 10 years	100

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Gippsland Property Valuations (Jonathan Barnett AAPI registration number 63207). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions, the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

The date and type of the current valuation is detailed in the following table. An indexed based revaluation was conducted in the current year for land assets, this valuation was based on, market value as per the movement provided by the independant valuer, a full revaluation of land assets was conducted in the year 2021/22 and next full revaluation for land and building assets will occur in 4 year cycle from valuation date or earlier if any material change is observed in regular desktop review.

Details of the Council’s land and buildings and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Non-Specialised land	-	129,540	-	May 2025	Index
Specialised land	-	-	94,535	May 2025	Index
Specialised buildings	-	-	146,104	May 2025	Index
Total	-	129,540	240,639		

Valuation of infrastructure

Valuation of infrastructure assets was undertaken by the qualified engineers within the Assets Systems Team lead by Manager Infrastructure Assets and Recreation (Bachelor of Engineering – Civil – Registered Professional Engineer PE0006720), A conditional assessment for Bridges & Major Culverts asset class were undertaken by qualified independent consultants from Bridge Inspection Engineers (Thenuwarage Jayarathna CPE, BSC – Civil Engineering).

The date and type of the current valuation is detailed in the following table. An indexation on unit rates for Roads, Footpaths and Cycleways and Off Street Car Park asset classes (based on PPI), Parks, Open Space and Streetscape (based on a combination of Producer Price Index –PPI and Rawlinsons Construction Cost Guide) and Drainage (based on a combination of PPI and internal subdivision costings) assets was applied in the current year. A full unit rate revaluation was conducted on Bridges and Major Culverts asset classes utilising the Asset Information Management System (Conquest) to process the information for financial reporting.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council’s infrastructure and information about the fair value hierarchy as at 30 June 2025 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation	Type of Valuation
Roads	-	-	388,269	May 2025	Index
Bridges	-	-	45,560	May 2025	Full
Footpaths and cycleways	-	-	48,054	May 2025	Index
Off street car parks	-	-	10,106	May 2025	Index
Drainage	-	-	119,065	May 2025	Index
Parks, open space and streetscapes	-	-	47,419	May 2025	Index
Total	-	-	658,473		

	Last Full Valuation	Next Full Valuation
Roads	May 2023	May 2027
Bridges	May 2025	May 2029
Footpaths and cycleways	May 2023	May 2027
Off street car parks	May 2023	May 2026
Drainage	May 2024	May 2028
Parks, open space and streetscapes	May 2022	May 2026

Description of significant unobservable inputs into level three valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies andresults in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1.72 and \$1,353 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$1,300 to \$15,545 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 4 years to 25 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

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

	2025 \$'000	2024 \$'000
Land under roads	26,299	26,128
Parks and reserves	27,292	27,784
Other	40,944	40,453
Total specialised land	94,535	94,365

6.3 Investments in associates, joint arrangements and subsidiaries

Community Asset Committee

All entities controlled by Council that have material income, expenses, assets or liabilities, such as community asset committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

Note 7 : People and Relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Baw Baw Shire Council has no subsidiaries.

(b) Key Management Personnel

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

Details of KMP at any time during the year are:

Councillors	Date from	Date to
Cr Danny Goss (Mayor from 13 November 2024)	1/07/2024	16/05/2025
Cr Danny Goss (Mayor)	6/06/2025	30/06/2025
Cr Tricia Jones (Deputy Mayor)	1/07/2024	30/06/2025
Cr Brendan Kingwill	13/11/2024	30/06/2025
Cr Adam Sheehan	13/11/2024	30/06/2025
Cr Kate Wilson	13/11/2024	30/06/2025
Cr Ben Lucas	13/11/2024	30/06/2025
Cr Jess Hamilton	13/11/2024	30/06/2025
Cr Paul Pratt	13/11/2024	30/06/2025
Cr Suzanne Allen	13/11/2024	30/06/2025
Cr Annemarie McCabe (Mayor until 26 October 2024)	1/07/2024	26/10/2024
Cr Darren Wallace	1/07/2024	26/10/2024
Cr Michael Leaney	1/07/2024	26/10/2024
Cr Farhat Firdous	1/07/2024	26/10/2024
Cr Jazmin Tauru	1/07/2024	26/10/2024
Cr Keith Cook	1/07/2024	26/10/2024
Cr Peter Kostos	1/07/2024	26/10/2024
Key management personnel		
Chief Executive Officer – Mark Dupe	1/07/2024	4/12/2024
Interim Chief Executive Officer – Martin Hopley	5/12/2024	11/02/2025
Interim Chief Executive Officer – Cohen Van der Velde	12/02/2025	30/03/2025
Interim Chief Executive Officer – John Bennie	31/03/2025	30/06/2025
Director – Community Infrastructure – Ben Wood	1/07/2024	30/06/2025
Director – Economic Development, Arts and Advocacy – Mark Kestigian	1/07/2024	30/06/2025
Director – Governance and Information Services – Martin Hopley	1/07/2024	3/12/2024
	12/02/2025	30/06/2025
Director – Governance and Information Services – Christian Thomas	4/12/2024	11/02/2025
Director – Planning and Development – Luke Connell	1/07/2024	30/06/2025
Director – Strategy and Organisation Performance – Cohen Van der Velde	1/07/2024	11/02/2025
Director – Strategy and Organisation Performance – Elise Harrison	12/02/2025	30/06/2025
	2025	2024
	No.	No.
Total Number of Councillors	16	9
Total of Chief Executive Officer and other Key Management Personnel	9	8
Total Number of Key Management Personnel	25	17

(c) Remuneration of Key Management Personnel

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

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

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

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

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

Total remuneration of key management personnel was as follows:

	2025 \$	2024 \$
Short-term employee benefits	1,819	1,763
Other long-term employee benefits	32	29
Post-employment benefits	201	179
Total	2,052	1,971

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2025 No.	2024 No.
\$10,000 – \$19,999	6	-
\$20,000 – \$29,999	7	-
\$30,000 – \$39,999	1	6
\$40,000 – \$49,999	1	2
\$50,000 – \$59,999	1	2
\$70,000 – \$79,999	2	-
\$80,000 – \$89,999	1	-
\$100,000 – \$109,999	-	1
\$210,000 – \$219,999	1	2
\$220,000 – \$229,999	2	1
\$250,000 – \$259,999	1	2
\$260,000 – \$269,999	2	-
\$320,000 – \$329,999	-	1
	25	17

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP. *

	2025 \$	2024 \$
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	1,717	2,026
Other long-term employee benefits	31	43
Post-employment benefits	178	212
Termination benefits	26	-
Total	1,952	2,281

The number of other senior staff are shown below in their relevant income bands:

Income Range:	2025 No.	2024 No.
\$170,000 – \$179,999	4	6
\$180,000 – \$189,999	2	3
\$190,000 – \$199,999	1	1
\$210,000 – \$219,999	2	1
\$230,000 – \$239,999	–	1
\$250,000 – \$259,999	1	–
Total	10	12
Total remuneration for the reporting year for other senior staff included above, amounted to:	1,952	2,281

7.2 Related party disclosure

(a) Transactions with related parties

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

	2025 \$’000	2024 \$’000
During the year the following key management personnel, were board members of Myli – My Community Library to which the Council made the following contributions as per the Regional Library Agreement.		
Cr Tricia Jones	2,122	2,066

(b) Outstanding balances with related parties

No outstanding balances with related parties are in existence as at balance date.

(c) Loans to/from related parties

No loans have been made, guaranteed or secured by the Council to a related party.

(d) Commitments to/from related parties

No other commitment has been made, guaranteed or secured by Council to Key Management personnel or related parties during the reporting year.

Note 8 : Managing Uncertainties

8.1 Contingent assets and liabilities

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

(a) Contingent assets

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

Council has three Development Contributions Plans (DCPO1 – whole of municipal district, DCPO2 Warragul and DCPO3 Drouin) which have been designed to fund the construction of designated infrastructure assets. As at 30 June 2025, the estimated income for the balance of the projects in each DCP are:

- a) DCPO1 – \$15.4 million
- b) DCPO2 – \$236.7 million
- c) DCPO3 – \$114.3 million.

(b) Contingent liabilities

Contingent liabilities are:

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

Development Contributions Plans (DCPs)

Council is committed to meet the shortfall between the DCP levy income collected and the cost to deliver the designated infrastructure assets.

There is a significant shortfall in funds for DCPO1 while DCPO2 has been designed to collect 99.45% of all projects on average and DCPO3 is expected to collect 99.99% of all projects.

As at 30 June 2025 the estimated value of infrastructure works to be funded by council is as follows:

- a) DCPO1 – \$26.3 million
- b) DCPO2 – \$1.4 million
- c) DCPO3 – \$0.01 million.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme. Matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. Details of the circumstances which may result in the need to make additional contributions are explained in Note 9.3.

Liability Mutual Insurance

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

MAV Workcare

Council was a participant of the MAV WorkCare Scheme. The MAV WorkCare Scheme provided workers compensation insurance. MAV WorkCare commenced business on 1 November 2017 and the last day the Scheme operated as a self-insurer was 30 June 2021. In accordance with the *Workplace Injury Rehabilitation and Compensation Act 2013* , there is a six year liability period following the cessation of the Scheme (to 30 June 2027).

During the liability period, adjustment payments may be required (or received). The determination of any adjustment payments is dependent upon revised actuarial assessments of the Scheme’s tail claims liabilities as undertaken by Work Safe Victoria.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council assesses the impact of these new standards. As at 30 June 2025 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2025 that are expected to impact Council.

In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia’s sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

The AASB 13 amendments has resulted in an increase in the current replacement cost of Council assets, such as infrastructure assets. Please refer to Note 8.4 for additional information.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council’s interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

(c) Credit risk

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

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

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

Council’s maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 0.5% and –0.5% in market interest rates (AUD) from year-end rates of 3.85%.

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

8.4 Fair value measurement

Fair value hierarchy

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

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

Council has considered the amendments to AASB 13 Fair Value Measurement that apply for the 2024/25 financial year as a result of AASB 2022–10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities. For assets, where the Council adopts a current replacement cost approach to determine fair value, the Council now considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

The AASB 13 amendments apply prospectively, comparative figures have not been restated.

The amendments to AASB 13 have led to an increase of \$68 million in the current replacement cost of Council's infrastructure assets, attributable to the recognition of disruption costs.

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

Level 1	Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2	Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
Level 3	Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

Revaluation

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

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

Asset class	Revaluation frequency
Land	1 to 4 years
Buildings	1 to 4 years
Roads	1 to 4 years
Bridges	1 to 4 years
Footpaths and cycleways	1 to 4 years
Drainage	1 to 4 years
Off Street car parks	1 to 4 years
Parks, open space and streetscapes	1 to 4 years
Other infrastructure	1 to 4 years

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

Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

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

Note 9 : Other Matters

9.1 Reserves

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increment (Decrement) \$'000	Balance at end of reporting period \$'000
2025			
Property			
Land and land improvements	143,454	(1,288)	142,166
Buildings	71,354	22,904	94,258
	214,808	21,616	236,424
Infrastructure			
Roads	184,577	74,950	259,527
Bridges & Major Culverts	16,050	13,065	29,115
Footpaths and Cycleways	4,643	115	4,758
Drainage	49,413	12,294	61,707
Parks open space and streetscapes	5,345	2,742	8,087
Off street car parks	4,957	(917)	4,040
	264,985	102,249	367,234
Total asset revaluation reserves	479,793	123,865	603,658

2024

Property			
Land and land improvements	148,286	(4,832)	143,454
Buildings	47,626	23,728	71,354
	195,912	18,896	214,808
Infrastructure			
Roads	177,419	7,158	184,577
Bridges and major culverts	15,336	714	16,050
Footpaths and cycleways	4,459	184	4,643
Drainage	39,638	9,775	49,413
Parks, open space and streetscapes	5,223	122	5,345
Off street car parks	4,807	150	4,957
	246,882	18,103	264,985
Total asset revaluation reserves	442,794	36,999	479,793

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

(b) Other reserves

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
2025				
Open Space	3,231	708	-	3,939
Development Contribution levy DCPO1	1,918	1,005	(39)	2,884
Development Contribution levy DCPO2	5,565	3,155	(205)	8,515
Development Contribution levy DCPO3	1,693	582	(70)	2,205
Land Sales 151	309	-	460	
Native vegetation offset scheme	549	-	-	549
Open space PSP	1,972	92	(313)	1,751
Total other reserves	15,079	5,851	(627)	20,303

2024				
Open space	3,614	600	(983)	3,231
Development contribution levy DCPO1	1,367	889	(338)	1,918
Development contribution levy DCPO2	4,367	1,694	(496)	5,565
Development contribution levy DCPO3	1,627	87	(21)	1,693
Land sales	151	-	-	151
Native vegetation offset scheme	546	3	-	549
Open space PSP	1,255	717	-	1,972
Total other reserves	12,927	3,990	(1,838)	15,079

			2025	2024
			\$'000	\$'000
Total reserves			623,961	494,872

Public Open Space Reserve 1 (non PSP)

The reserve retains funds contributed by property developers outside the Precinct Structure Plan areas of Warragul and Drouin for work associated with developing and improving open space and recreational facilities within the Shire. Funds are contributed in accordance with Section 18 of the *Subdivision Act 1988* and transfers are restricted to the purpose of creating open space such as parks, playgrounds, pavilions and other such items where it is deemed that these works should occur at a later point than the initial development.

DCPO1 – Baw Baw Shire Development Contribution Plan (Overlay 1)

The DCP reserve retains funds received from developers for infrastructure provision related to the Baw Baw Shire Council Development Contribution Plan introduced in March 2007. Transfers from this reserve will be nominated capital works for development infrastructure projects and community infrastructure projects as listed out in DCP. Funds held in this reserve are tied directly to the income received from property developers within the Shire.

DCPO2 – Warragul Development Contribution Plan (Overlay 2)

The DCP reserve retains funds received from developers for infrastructure provision related to the Warragul Development Contribution Plan introduced in September 2014. Transfers from this reserve will be nominated capital works for development infrastructure projects and community infrastructure projects as listed out in the Warragul DCP. Funds held in this reserve are tied directly to the income received from property developers within the areas defined in the Warragul DCP. Payments to developers for excess Works in Kind will be as detailed out in the Baw Baw Shire DCP Implementation Policy.

DCPO3 – Drouin Development Contribution Plan (Overlay 3)

The DCP reserve retains funds received from developers for infrastructure provision related to the Drouin Development Contribution Plan introduced in September 2014. Transfers from this reserve will be nominated capital works for development infrastructure projects and community infrastructure projects as listed out in the Drouin DCP. Funds held in this reserve are tied directly to the income received from property developers within the areas defined in the Drouin DCP. Payments to developers for excess Works in Kind will be as detailed out in the Baw Baw Shire DCP Implementation Policy.

Land sales

This reserve comprises sale proceeds from land previously identified as open space land that, at the time of acquisition, would qualify for funding from the open space reserve.

Native Vegetation Offset Scheme Reserve

The Native Vegetation Offset Scheme Reserve retains funds received from holders of approved planning permits received under the *Planning and Environment Act 1987* for the removal of native vegetation. The Reserve is also used to implement land management actions listed in Council's 10-year Offset Management Plans for each of its offset sites located at Lardner and Trafalgar Transfer Stations and at Nangara Reserve. These Offset Management Plans are enforced through an on-title Landowner Agreement (section 69) with the Department of Environment, Water and Planning (DELWP) under the *Conservation, Forests and Lands Act 1987*. The Reserve also pays for the processing of DELWP Trade Agreements (Native Vegetation Offset Register) between Council and the permit holder to facilitate the transfer of native vegetation credits (offsets). Council's Native Vegetation Offset Scheme policy outlines objectives and principles for operation and governance of the Scheme.

Public Open Space Reserve 2 (PSP)

The reserve retains funds contributed by property developers within the Precinct Structure Plan areas of Warragul and Drouin. The funds are held to pay land developers who are obligated to provide land in excess 4.5% for neighbourhood parks as defined in the PSPs. Funds are contributed in accordance with Section 18 of the *Subdivision Act 1988*. Payments to developers from this reserve will be as detailed out in the Baw Baw Shire DCP Implementation Policy.

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)

	2025 \$'000	2024 \$'000
Surplus for the year	17,801	12,441
Non-cash adjustments:		
Loss on disposal of property, infrastructure, plant and equipment	895	2,010
Depreciation/amortisation	27,430	23,208
Finance costs	941	752
Contributions – Non-monetary assets	(19,322)	(14,303)
Bad and doubtful debts – allowance for impairment losses	253	446
Work in Progress – write off	273	1,489
Change in assets and liabilities:		
Increase in trade and other receivables	(1,825)	(1,988)
(Increase)/decrease in prepayments	88	(1,121)
Increase in contract assets	6,963	(3,835)
Increase/(decrease) in trade and other payables	(2,187)	1,300
Increase/(decrease) in contract and other liabilities	(1,519)	(11,373)
Increase in trust funds and deposits	(822)	1,051
Increase in provisions	(205)	658
Net cash provided by operating activities	28,764	10,735

9.3 Superannuation

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

Accumulation

The Fund’s accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2025, this was 11.5% as required under Superannuation Guarantee (SG) legislation (2024: 11.0%)).

Defined Benefit

Council is a participant of a pooled multi-employer sponsored plan for defined benefit plan with one employee covered in the fund.

As at 30 June 2025, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2025. The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2024 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category’s funding arrangements from prior years.

Vision Super has advised that the VBI at 30 June 2025 was 110.5%. was notified of the 30 June 2025 VBI during August 2025 (2024: August 2024)

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2024 are detailed below:

Scheme	Types of Scheme	Rate	2025 \$’000	2024 \$’000
Vision super	Defined benefits	11.5%		
		(2024: 11.0%)	15	31
Vision super	Accumulation	11.5%		
		(2024: 11.0%)	3,803	3,369

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is \$15k.

Note 10 : Change in Accounting Policy

There have been no changes to accounting policies in the 2024/25 year.

Certification to the Financial Statements

For the year ended 30 June 2025

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



Isabelle Cancino

Chief Financial Officer

Dated: 8 October 2025
Warragul

In our opinion, the accompanying financial statements present fairly the financial transactions of the Baw Baw Shire Council for the year ended 30 June 2025 and the financial position of the Council as at that date.

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

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



Cr Danny Goss

Councillor

Dated: 8 October 2025
Warragul



Cr Tricia Jones

Councillor

Dated: 8 October 2025
Warragul



John Bennie

Interim Chief Executive Officer

Dated: 8 October 2025
Warragul



Independent Auditor's Report

To the Councillors of Baw Baw Shire Council

Opinion	I have audited the financial report of Baw Baw Shire Council (the council) which comprises the: - balance sheet as at 30 June 2025 - comprehensive income statement for the year then ended - statement of changes in equity for the year then ended - statement of cash flows for the year then ended - statement of capital works for the year then ended - notes to the financial statements, including material accounting policy information - certification of the financial statements. In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the <i>Local Government (Planning and Reporting) Regulations 2020</i> and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the financial report	The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the <i>Local Government (Planning and Reporting) Regulations 2020</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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Auditor's responsibilities for the audit of the financial report

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

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

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

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



MELBOURNE
14 October 2025

Travis Derricott
as delegate for the Auditor-General of Victoria





Performance Statement

For the year ended 30 June 2025.

Description of Municipality

Baw Baw Shire Council is approximately 100 kilometres east of Melbourne in West Gippsland. The council covers an area of 4,027 square kilometres and has an estimated resident population of 61,905 people (as at 30 June 2025)¹.

The shire was formed in 1994 from the amalgamation of the former Buln Buln and Narracan Shires, the Rural City of Warragul and some parts of the Shire of Upper Yarra.

The northern half of the shire is heavily forested and lies in the Great Dividing Range and its foothills, including parts of the Mt Baw Baw National Park, while the shire is bounded by the Strzelecki Range and its foothills to the south. The middle part of the shire is more densely populated, particularly in areas close to the Princes Highway and the Gippsland railway line but still retains its rural environment.

Baw Baw's main industries (in terms of the economic value of output) include health care and social assistance; construction; education and training; retail trade; agriculture, forestry & fishing, and manufacturing.

¹ Australian Bureau of Statistics, regional population estimates by Local Government Area, 2025.

Section 2: Service Performance Indicators

	Service	Results					Comments
	Service : indicator : [measure]	2022	2023	2024	2025		
		Target as per Budget	Actual				
Aquatic Facilities							
AF6	Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	4.6	7.1	6.5	N/A	7.3	Total attendance at Council's aquatic facilities for the 2024/25 financial year was 448,610. This figure represents a 14% increase in total patronage compared to 2023/24 (391,401 visits) and is attributed to the expanded facility being in operation for a full 12 months.
Animal Management							
AM7	Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100%	100%	100%	N/A	100%	There were seven animal management prosecutions this year (decreasing from 16 last year). All were successfully pursued by Council. Prosecutions are conducted on an as needs basis or when required under the <i>Domestic Animals Act 1994</i> . Council's primary strategy remains focused on community safety, communication, education, and promotion of responsible pet ownership.
Food Safety							
FS4	Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100	98.8%	100%	100%	N/A	100%	During the year, there were a total of 21 critical and major non-compliance notifications, all of which were followed up by Council.
Governance							
G2	Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	51	48	47	49	42	Satisfaction with consultation and engagement decreased by five points to 42 compared to the previous year. The average result for similar sized Councils was 48.
Libraries							
LB7	Participation <i>Library Membership</i> [Number of registered library members / Municipal population] x100	N/A	N/A	31.0%	N/A	31.4%	There were 19,466 registered library members at the end of the 2024/25 year. This number equates to 31% of the municipal population and is consistent with last year's result.
Maternal and Child Health (MCH)							
MC4	Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x 100	70.6%	69.4%	67.3%	N/A	67.7%	The overall participation rate for the Maternal and Child Health Service was almost 68%, which is consistent with the previous financial year's result.
MC5	Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x 100	70.3%	70.7%	72.2%	N/A	71.8%	Participation in the Maternal and Child Health Service by Aboriginal children was almost 72%, which is consistent with the previous financial year's result.
Roads							
R2	Condition <i>The percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal.</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads]	97.3%*	97.6%*	94.6%	95.0%	94.7%	Council continued to maintain a high proportion of its road network to the condition standards. Due to the large extent of the road network, condition standards are assessed every four years. Therefore, the length of roads above the intervention level is relatively consistent over a four-year period. The next assessment is scheduled for 2025/26 for consideration and use by Council in 2026/27 onwards.
Statutory Planning							
SP2	Service Standard <i>Planning applications decided within the relevant required time</i> [Number of planning application decisions made within 60 days for regular permits and 10 days for VicSmart Permits / Number of planning application decisions made] x100	47.9%	41.8%	59.0%	51.0%	58.4%	The strong gains achieved in the previous year for the percentage of planning applications decided within required timeframes continued this year. These positive results are attributed to process improvements, a focus on reducing the backlog of historic applications, and workforce stability.
Waste Collection							
WC5	Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x 100	53.6%	53.5%	53.8%	56.0%	51.0%	51% of waste was recycled and diverted from landfill in 2024/25. This is slightly lower than previous years. The introduction of the Container Deposit Scheme has impacted this result as community members are recycling eligible containers through this scheme, and as such, those containers are not being recycled through Council bins. For the first time in ten years, the total weight of collected garbage, recyclables, and green organics decreased on the previous year.

Section 3: Financial Performance Indicators

Service		Results				Forecasts				Comments	
Indicator : measure : [formula]		2022	2023	2024	2025		2026	2027	2028		2029
					Target as per budget	Actual					
Efficiency											
E2	Expenditure level Expenses per property assessment [Total expenses / Number of property assessments]	\$3,867	\$3,734	\$3,958	\$3,637	\$4,209	\$3,935	\$4,027	\$4,091	\$4,097	Current year actuals consist of \$8.5 million natural disaster rectification cost (most of which was funded from the state government grants) which was not factored in the council targets. Excluding the material costs pertaining to emergency events rectification expenses for property assessment is \$3,921. Additionally, \$3.4 million in asset write-offs were incurred as part of Council's asset renewal program. Depreciation expenditure, a non-cash item, increased significantly due to revaluation increases in Buildings in 2023/24 and Infrastructure assets in 2024/25, which included the addition of disruption costs in accordance with AASB 13 amendments.
Revenue level											
E4	Average rate per property assessment [Total rate revenue (general rates and municipal charges) / Number of property assessments]	\$1,976	\$2,055	\$2,089	N/A	\$2,138	\$2,185	\$2,231	\$2,326	\$2,374	Slight increase in line with the expected rate increase within the rate cap and the forecast growth within the Shire.
Liquidity											
L1	Working capital Current assets compared to current liabilities [Current assets / Current liabilities] x 100	178.5%	177.4%	119.8%	224.6%	177.3%	129.7%	162.58%	154.89%	157.02%	Term deposits were all classified as current in the target however \$6 million is classified as non-current in the 2024/25 actual result due to contractual terms. A ratio greater than 1 indicates Council is able to meet its current obligations as and when they become due.
Unrestricted cash											
L2	Unrestricted cash Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x 100	42.3%	(36.5%)	(76.3%)	N/A	(47.8%)	(41.4%)	(29.4%)	(9.8%)	(4.5%)	The reclassification of interest-bearing loans to Non-Current Liabilities led to an \$11.2 million reduction in Current Liabilities compared to target. This ratio excludes \$35.6 million in short term investments that are sufficient to cover reserves and other restricted items.
Obligations											
O2	Loans and borrowings Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x 100	21.1%	19.9%	27.4%	N/A	26.5%	28.1%	36.5%	43.6%	38.4%	This indicator measures total interest-bearing liabilities compared to rate revenue and reflects borrowings undertaken in 2023/24 of \$6.49 million.
O3	Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x 100	12.4%	6.5%	11.9%	N/A	1.2%	5.1%	3.1%	4.4%	9.0%	During 2024/25, existing loans were refinanced and not physically paid out. In 2025/26, \$3.3 million in the Local Government Funding Vehicle loan is expected to be repaid.

Service	Results					Forecasts				Comments
Indicator : <i>measure</i> : [formula]	2022	2023	2024	2025		2026	2027	2028	2029	
				Target as per budget	Actual					
O4 Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x 100	22.0%	29.0%	21.5%	N/A	32.8%	32.0%	45.4%	46.1%	40.7%	Increase in non-current liabilities in 2024/25 reflects the reclassification of existing loans from current to non-current. The ratio is forecast to remain within the 32 – 46% range in future years and well below the 60% prudential limit.
O5 Asset renewal and upgrade <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and asset upgrade expense / Asset depreciation] x 100	103.2%	74.4%	103.3%	148.1%	78.3%	129.9%	71.6%	70.49%	68.8%	The 24.2% decline in the ratio is primarily due to increased depreciation due to Buildings revaluation in 2023/24 and Infrastructure revaluation increase in 2024/25. Capital expenditure for 2024/25 was lower than target due to the strategic rephasing and re-planning of key projects including the Baw Baw Civic Precinct, the Rollo Street Yarragon Masterplan, the Black Spot Program and Sealing Gravel Roads Program. The ratio is expected to increase and surpass 2023/24 levels in 2025/26 and 2026/27, supported by the planned completion of these multi-year projects. The forecast for 2026/27 and beyond is a decrease in line with the Long-Term Infrastructure Plan.
Operating position										
OPI Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x 100	13.2%	(2.8%)	(19.5%)	N/A	(11.1%)	(2.7%)	(8.7%)	(8.6%)	(7.0%)	Adjusted underlying surplus (or deficit) decreased by 43.3% to -11.06%. This result was impacted by the early receipt of the 2026 Financial Assistance Grant in the 2024/25 financial year, contributing to a favourable variance of \$6.7 million compared to the prior year. However, the negative outcome is largely driven by increased depreciation following asset revaluations, higher materials and services costs related to the August 2024 storm event, asset write-offs under the asset renewal program, and rising software licensing expenses as Council transitions its core systems to a cloud-based SaaS model.
Stability										
S1 Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x 100	51.9%	67.3%	76.0%	74.0%	67.3%	71.1%	75.0%	75.2%	75.4%	The early receipt of the Financial Assistance Grant temporarily increased underlying revenue, resulting in a lower ratio. This is expected to normalise in future years, assuming the timing of recurrent grants remains consistent.
S2 Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x 100	0.38%	0.32%	0.31%	N/A	0.30%	0.32%	0.33%	0.34%	0.34%	This result is consistent with last year.

Section 4: Sustainable Capacity Indicators

Service	Results				Comments
Indicator : measure : [formula]	2022	2023	2024	2025	
C1 Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,945	\$1,796	\$1,920	\$2,036	This indicator measures Council’s total expenditure over the municipal population and is within the expected range despite Council having significant natural disaster expenditure and higher depreciation from asset revaluations.
C2 Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$15,010	\$11,160	\$11,916	\$13,901	Council’s infrastructure asset base increased due to a combination of higher unit rates and changes to accounting standards (AASB 13), which impacted how assets are valued.
C3 Population density per length of road Municipal population / Kilometres of local roads]	31	32	33	33.5	Council manages a local road network of 1,850 km resulting in a ratio of 33 people for each kilometre of local road. This is consistent with previous years.
C4 Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,873	\$1,311	\$1,404	\$1,406	This measures Council’s own sourced revenue and is consistent with the previous year. Slight increase is mainly related to higher interest revenue.
C5 Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$346	\$311	\$91	\$346	This year, 50% of the Financial Assistance Grant (a main component of recurrent grants) for 2025/26 was received in advance. Additionally, the advance payment of 75% for 2024/25 was received in July 2025 (historically this has been paid in Q4 of the prior year). This led to an increase of funds per head of municipal population.
C6 Disadvantage <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	6	6	6	6	The Australian Bureau of Statistics (ABS) prepares an index of relative socio-economic disadvantage. The result for the municipality is six, where one is the most, and ten is the least disadvantaged.
C7 Workforce turnover <i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100	41.9%	18.0%	15.4%	13.5%	Council’s turnover has continued to decline from a high of 41.9% three years ago (due to an exit of service) to 13.5% this year. This is the third consecutive year that turnover has decreased.

Section 5: Notes to the Accounts

5.1 Basis of preparation

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

Where applicable the results in the performance statement have been prepared on an accounting basis consistent with those reported in the Financial Statements. The other results are based on information drawn from Council information systems or from third parties (e.g. Australian Bureau of Statistics or the Community Satisfaction Survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year’s target, if mandated by the *Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2024/25 to 2028/29 by the Council’s Financial Plan.

The forecast figures included in the performance statement are those adopted by Council in its Annual Budget on 11 June 2025 and which informs the Council Plan. The Annual Budget includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements (Annual Budget). The Council Plan, Strategic Resource Plan, and Annual Budget can be obtained from Council’s website.

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

5.2 Definitions

Key term	Definition
Aboriginal children	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the <i>Aboriginal Heritage Act 2006</i>
Adjusted underlying revenue	means total income other than: • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above
Adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
Annual report	means an annual report prepared by a Council under section 98 of the Act
Asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
Asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
Critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
Current assets	has the same meaning as in the Australian Accounting Standards
Current liabilities	has the same meaning as in the Australian Accounting Standards
Food premises	has the same meaning as in the <i>Food Act 1984</i>
Intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
Local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
Major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to Council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a Council to support the health and development of children within the municipality from birth until school age
Non-current liabilities	means all liabilities other than current liabilities
Own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of Council (including government grants)
Population	means the resident population estimated by Council
Rate revenue	means revenue from general rates, municipal charges, service rates and service charges
Relative socio-economic disadvantage	in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA
Restricted cash	means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site
Unrestricted cash	means all cash and cash equivalents other than restricted cash

5.3 Other Matters

During the financial year Council experienced growth in residents and demand for services. Extensive capital works were undertaken to improve infrastructure.

Certification to the Performance Statements

For the year ended 30 June 2025

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



Isabelle Cancino, CA ANZ, CFO
Chief Financial Officer

Dated: 8 October 2025

In our opinion, the accompanying performance statement of the Baw Baw Shire Council for the year ended 30 June 2025 presents fairly the results of Council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

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

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

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



Danny Goss
Councillor

Dated: 8 October 2025



Tricia Jones
Councillor

Dated: 8 October 2025



John Bennie
Interim Chief Executive Officer
Dated: 8 October 2025



Independent Auditor's Report

To the Councillors of Baw Baw Shire Council

Opinion	I have audited the accompanying performance statement of Baw Baw Shire Council (the council) which comprises the: - description of municipality for the year ended 30 June 2025 - sustainable capacity indicators for the year ended 30 June 2025 - service performance indicators for the year ended 30 June 2025 - financial performance indicators for the year ended 30 June 2025 - notes to the accounts - certification of the performance statement. In my opinion, the performance statement of Baw Baw Shire Council in respect of the year ended 30 June 2025 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i>.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 2020</i> and <i>Local Government (Planning and Reporting) Regulations 2020</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

Auditor’s responsibilities for the audit of the performance statement	As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also: • identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. • obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council’s internal control • evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation. I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.
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MELBOURNE
14 October 2025



Travis Derricott
as delegate for the Auditor-General of Victoria