Annual Report

Mornington Peninsula Shire

2024 – 2025

Offices and Contact Details

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mornpen.vic.gov.au

Private Bag 1000

Rosebud VIC 3939

Acknowledgement of Country

Mornington Peninsula Shire acknowledges the Bunurong people, who have been the custodians of this land for many thousands of years; and pays respect to their Elders past and present. We acknowledge that the land on which we meet is the place of age-old ceremonies, celebrations, initiation and renewal; and that the Bunurong people's living culture continues to have a unique role in the life of this region.

We received a Bronze Award in the Australasian Reporting Awards for our 2023-24 Annual Report.

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Mayor's Message

I am proud to present Mornington Peninsula Shire Council's Annual Report for 2024–2025, a year marked by significant achievement. By engaging deeply with our community - through a range of online and in-person surveys and meaningful conversations with people from all backgrounds - we've gained a strong and detailed understanding of what our community expects from us. We have worked hard over this year to reflect our community's priorities in everything we do.

One of our community's prime concerns is the condition of local roads. Managing our extensive network of roads is a significant challenge for us and a major priority. Through extensive feedback this year our community has been clear - better roads matter. In response, we boosted our annual investment in road renewal to $5.3 million this year, ensuring we can deliver safer, smoother roads for residents and visitors alike. We have also prioritised road funding in next year's Budget, with a 72 per cent increase in spending.

This year, our 'Shout Out for the Peninsula' campaign stood out as a powerful example of a community-Council partnership in advocacy. Ahead of the federal election in May, we amplified the voices of our residents, highlighting a range of urgent local infrastructure projects, as well as broader priorities such as homelessness services, an upgraded Rosebud Hospital, the Peninsula Trail and a Performing Arts Centre.

The campaign reached over 30,000 people, attracted more than 7,000 visits to our website and secured over $917 million in election pledges. Our Community Federal Election Forum, moderated by me and attended by all candidates for the seat of Flinders, gave thousands of residents the opportunity to hear directly from those seeking to represent them.

This year we delivered more than $51.9 million in projects under our Capital Works Program. Big ticket items include Rosebud's Tounnin Wominjeka Youth Hub ($13M), Mornington's Alexandra Park Pavilion ($10.2M) and the Civic Reserve Sports Pavilion ($9.5M). These projects not only enhance our built environment but support community wellbeing, recreation and inclusion. Across the Peninsula, we delivered drainage upgrades, new netball courts, seniors exercise equipment and safety improvements.

We also continued to provide direct support to our community through targeted grants, subsidies and sponsorships, with more than $3.8 million invested in 2024-25.

This includes support for non-profit community organisations to provide infrastructure that benefits the community, as well as support for our local Community Houses, senior citizens centres, community events and environmental initiatives.

Our volunteers remain the heart of our community. Over 400 Shire volunteers contributed more than 36,000 hours across 15 programs, from Meals on Wheels and the Home Library Service to environmental initiatives and youth engagement. Their dedication is deeply appreciated, and we were proud to celebrate their contributions at our annual Volunteer Recognition Lunch.

This year's achievements reflect our shared commitment to building a flourishing, connected and resilient Mornington Peninsula. I extend my heartfelt thanks to my councillor colleagues, Shire staff, volunteers and community members for their ongoing dedication and support. Together, we continue to shape a great future for the Mornington Peninsula.

Cr Anthony Marsh
Mayor
Mornington Peninsula Shire Council

CEO's Message

I am pleased to present our Annual Report for 2024–2025, my first since becoming CEO of the Shire in April 2025. It has been a year of significant change for our organisation, beginning in October 2024 with the resignation of former CEO John Baker and the election of a new Council, featuring eight first-time councillors in a new configuration of 11 single councillor wards.

Despite these changes, our operating income of $289.7 million for the financial year was in line with the approved forecast and 5 per cent higher than the previous year. Rates and charges remained by far the biggest source of our income at just over 78 per cent of the total. Through sound financial management, we continued to maintain healthy reserves and cash flow. Among other things, this gave us the ability to respond effectively to emergencies, including the January 2025 landslide at McCrae.

This year, we proudly launched Your Local Connection Points, a 12-month trial designed to bring Shire services closer to residents in smaller townships. Located in Somerville, Dromana, Red Hill and Sorrento, these hubs offer in-person support for a wide range of services, from general enquiries to animal registrations and planning consultations. The initiative reflects our commitment to accessibility and responsiveness, ensuring all residents can engage with Council services conveniently and confidently.

Our Community Satisfaction Survey 2025 showed a continued trend of improvement in our overall performance, with a score of 6.3—up from 5.0 in 2023. While we continue to strive for excellence, we were encouraged by strong results in areas such as waste collection, libraries, recreation centres and community centres. These results affirm our focus on delivering high-quality services and enhancing the customer experience. Our continued investment in customer service improvements is clearly having a positive impact.

A major milestone this year was the Victorian Government's announcement of better public transport for the Peninsula. We have spent years advocating for this and it's paid off, with planning underway for a new bus route connecting Hastings and Mornington via Tyabb, along with improvements to routes 784 and 785. These changes will significantly boost connectivity and access for our residents, particularly in areas previously underserved.

In August, we celebrated local enterprise through our Small Business Festival, which attracted over 1,200 participants. With 31 industry development events, the festival empowered small business owners with the tools, insights and connections to thrive in a changing economy. From AI workshops to grant-writing masterclasses, the program reflected our commitment to fostering innovation and resilience in our local economy.

These achievements are the direct result of sustained collaboration between councillors, Shire staff, volunteers and our community. I thank everyone who contributed to this year's success and look forward to continuing our journey toward a more connected, inclusive and sustainable Mornington Peninsula.

Mark Stoermer
Chief Executive Officer
Mornington Peninsula Shire Council

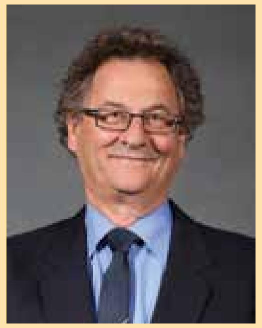
Our Councillors

Cr. Kate Roper
Beek Beek Ward

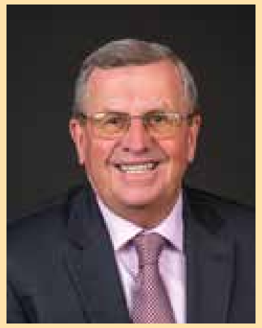
Cr. Max Patton
Benbenjie Ward

Cr. Anthony Marsh
Briars Ward

Cr. Patrick Binyon
Brokil Ward



Cr. David Gill
Coolart Ward

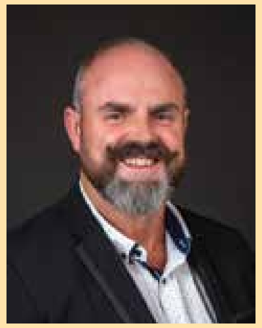


Cr. Stephen Batty
Kackeraboite Ward

Cr. Bruce Ranken
Moorooduc Ward

Cr. Andrea Allen
Nepean Ward

Cr. Paul Pingiaro
Tanti Ward



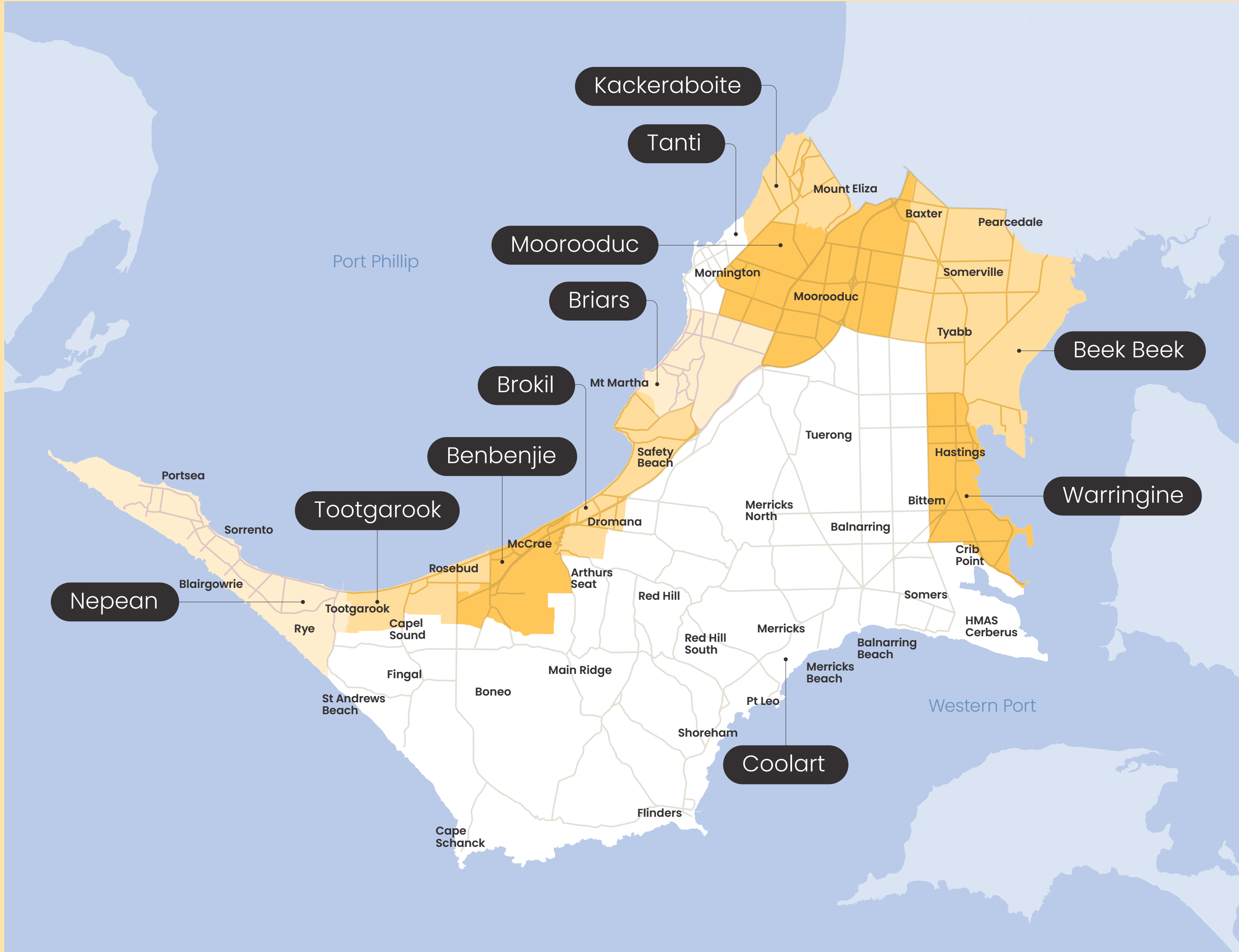
Cr. Cam Williams
Tootgarook Ward

Cr. Michael Stephens
Warringine Ward

For more information visit:

mornpen.vic.gov.au/ourcouncillors

Our Wards



About our Annual Report

Mornington Peninsula Shire Council is proud to present its Annual Report for the 1 July 2024 to 30 June 2025 financial year. We are committed to transparent reporting and accountability to our community. Alongside our Quarterly Community Reports, this Annual Report 2024-25 is the primary means of informing our community about Council's operations and performance during the financial year.

The Annual Report is an overview of Council's performance in the 2024-25 financial year against the three strategic themes set out in our Council and Wellbeing Plan 2021-2025. The report details Council's operations and performance during the financial year, including the State Government's Local Government Performance Reporting Framework, which can also be found at:

knowyourcouncil.vic.gov.au.

This report highlights achievements and challenges in key operational areas. It provides comprehensive corporate governance information, as well as audited financial statements, and includes our financial and sustainability performance.

Mornington Peninsula Shire Council is responsible for more than 100 community services, from Child and Family Health, Open Space, Youth Support, Waste Management and Community Development to matters concerning economic development and recovery, planning for appropriate development and ensuring accountability for Council's budget.

This broad range of community services and infrastructure supports the wellbeing and prosperity of our community. Please refer to the section on Our Performance for more information about Council services. Our shared Community Vision and Council's strategic objectives and strategies enhance services and facilities, which are outlined in our Council and Wellbeing Plan, as well as the annual Budget, are reported in this document.

Economic Factors

Council's revenue-raising capability is limited by the rate cap, which was set at 2.75 per cent in 2024-25 under the Fair Go Rates System.

Please see our section entitled Organisational Overview where we talk about the general operating environment of the Mornington Peninsula Shire Council.

Major Achievements and Capital Works/Major Projects

Please see our Capital Works Highlights section.

About the Mornington Peninsula

The Mornington Peninsula Shire Council was established on 15 December 1994 when the State Government amalgamated the previous Shires of Flinders, Hastings and Mornington. The Mornington Peninsula is a boot-shaped promontory separating Port Phillip Bay and Western Port. 'The Peninsula', as it is affectionately known to local residents, contains a diversity of scenic landscapes and is almost surrounded by the sea, with coastal boundaries of more than 190 kilometres and approximately 10 per cent of Victoria's coastline. It is a mixture of urban areas, townships, villages, natural reserves and rural land.

Approximately 70 per cent of the Shire is retained as rural within the Green Wedge planning zone, while the other 30 per cent is made up of 40 towns and villages. Within the Green Wedge are areas of highly productive agricultural land, as well as highly significant landscapes and ecosystems.

A uniquely biodiverse region, the Peninsula is home to an incredible range of plants and animals, including species and areas of national and international conservation significance. The natural environments on the Peninsula provide a range of habitats for wildlife, with more than 400 species of native animals recorded here, including 293 species of birds, 34 mammals, 31 fish and 25 reptiles.

We have a diverse local economy, including tourism, retail, manufacturing, construction and business services. The Peninsula also has a distinguished agricultural history. Many of our existing food and wine producers are recognised as world class and are industry leaders in their respective fields. The Mornington Peninsula is also home to one of Australia's most vibrant tourism industries, offering an ever-expanding range of attractions and events.

Our Demographics at a Glance

Population of **171,450** (expected to be **192,617** by 2046).

51.7% men
48.3% women

Median age: **48** (11 years older than Australian average)

1% identify as Aboriginal and/ or Torres Strait Islander.

948 people sought assistance for homelessness in 2024-25

5.4% identify as LGBTIQA+.

76.6% born in Australia. **23%** have both parents born overseas.

29.6% couples without children. **26.2** couples with children.

27.4% lone person households. **9.8%** one parent families.

18% households renting. **33%** with a mortgage

Health and Wellbeing Snapshot

2,138 family violence incidents in 2023-24*

6.9% of residents ran out of money to buy food in the last 12 months (was 5% in 2014) †

12 suburbs experience higher urban heat island effect (5–10°C higher than non-urban areas) ‡

$90.3m was lost on Electronic Gaming Machines (Victorian average $53.1m) §

26.2% of people experienced high or very high psychological distress in 2020 (was 14.8 in 2017) †

70% of residents have increased lifetime risk from alcohol consumption †

38.9% of residents are insufficiently physically active †

17.2% of residents were current smokers in 2020 (was 25.8% in 2017) †

62.3% of residents said multiculturalism makes life in their area better – Victorian Population Health Survey 2023 ‡

94.4% say they can get help from friends, family or neighbours when needed – Community Indicators Victoria 2017 ∫

48.9% feel valued by society – Victorian Population Health Survey 2023 †

39.6% did at least 150 minutes of moderate to vigorous physical activity every week – Victorian Population Health Survey 2023 †

41.5% meet daily fruit consumption guidelines ¬– Victorian Population Health Survey 2017 †

79.4% high or very high life satisfaction – Victorian Population Health Survey 2023 †

*Crime Statistics Agency 2004
† Victorian Population Health Survey 2023
‡ Jesuit Social Services and RMIT University 2021
§ Victorian Responsible Gambling Foundation 2024
∫ Community Indicators Victoria 2017

Our Community Vision

Welcome (Wominjeka).

We celebrate, protect and enhance our unique blend of coast, hinterland, Green Wedge and heritage - fostering our diverse culture and connected villages, townships and community.

We are committed to supporting community groups, sustainable and balanced growth, a vibrant local economy, fit-for-purpose infrastructure, and ensuring a prosperous, safe, accessible and inclusive future for all.

Our Community Vision can be themed into the following groupings, forming Council's strategic direction.

Place
Celebrate, protect and enhance our unique blend of coast, hinterland, Green Wedge and connected villages and townships.

People
A safe, accessible, inclusive and engaged community that fosters our diverse culture, supporting health and wellbeing and a connected and compassionate society for all.

Prosperity
Enabling balanced growth through innovation, empowering community groups and volunteers, and fostering a resilient, thriving and vibrant local economy.

Performance
A transparent, accountable council delivering measurable, community-centred services that are cost-effective, fit-for-purpose, future-proofed and responsive to community needs.

Our Values

The Mornington Peninsula Shire is committed to upholding the highest standards of performance, behaviour and service. To guide us in achieving exceptional outcomes for the community, we follow five core organisational values that are integral to everything we do.

Integrity
We take ownership and responsibility for our decisions; keep our promises; and hold each other accountable to the highest standards of performance.

Courage
We give honest advice; make tough calls with conviction; stand by our decisions; admit if we get it wrong; and challenge ourselves to explore new ways of thinking.

Openness
We share knowledge and learning for the benefit of all; actively engage with our community; and are transparent in our decision making.

Respect
We treat everyone with dignity, fairness and empathy; look out for our safety and wellbeing; and nurture positive and inclusive relationships.

Excellence
We provide exceptional customer service; strive for innovative team outcomes for the betterment of our community; and step up to lead where we recognise an opportunity for improvement.

Our Services

Mornington Peninsula Shire is primarily a service-based organisation. We deliver about 150 services (including both services delivered directly to the community and internal support services) in support of achieving our Community Vision. These are grouped into 40 high-level service areas, including the following 22 that directly engage with the community.

We aim to deliver high-quality services that balance community needs with our strategic direction, innovation and long-term financial sustainability.

Liveable Communities

- Economic Development and Business Support
- Land Use Planning
- Open Space
- Transport Connections

Community Health and Safety

- Animal Management
- Building Safety
- Child and Family Health
- Community Safety
- Emergency Management
- Public Health
- Public Works

Community Wellbeing and Connection

- Arts and Cultural Development
- Community Development
- Community Services
- Early Years
- Libraries
- Positive Ageing
- Recreation and Leisure
- Youth Services

Sustainable Environment

- Circular Economy and Waste Management
- Climate Action and Advocacy
- Environment Management

> We aim to deliver high quality services that balance community needs with our strategic direction...

Our Customers

Our Customer Charter is our commitment to you and what you can expect when interacting with Mornington Peninsula Shire.

Our Customer Promises

We make it easy.
We aim to make the complex simple. Whether you're reaching out for information or a service, we've got a range of easy ways for you to connect with us.

We serve consistently.
We listen and are committed to understanding what you need. No matter who you speak to or how you contact us we strive to be helpful, reliable, and friendly.

We respond proactively.
We respect your time and seek to get things right the first time. If it takes a bit longer, we'll keep you informed and make sure you know what to expect along the way.

How you engaged with us

146,317 Calls taken
50% of enquiries resolved at first contact

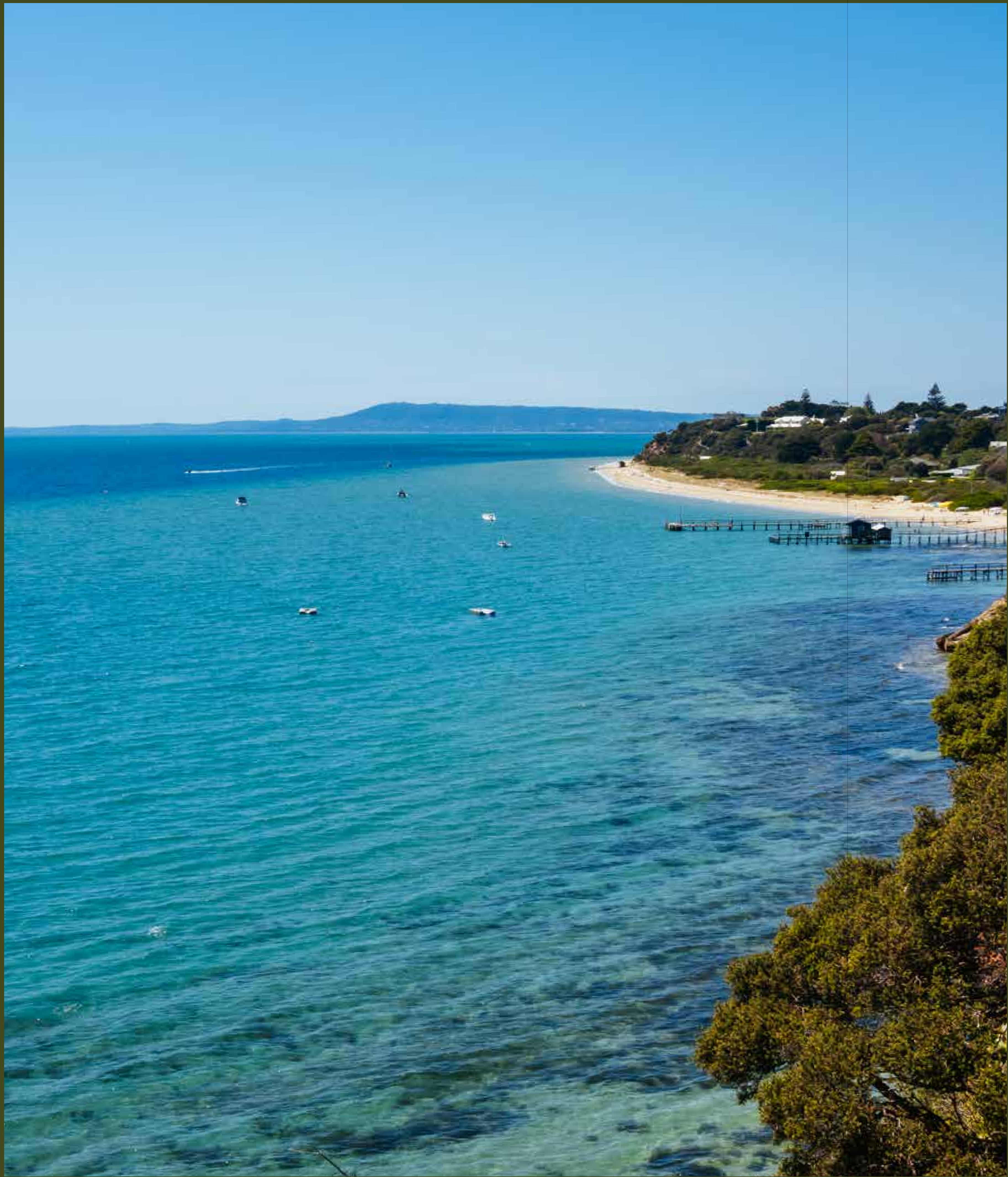
26,327 Correspondence received
72% of enquiries resolved on time
(includes letters and emails)

16,214 Webchats

22,271 Customers visited our Customer Service Centres

113,254 Service Requests received
71% of enquiries resolved on time
(includes Snap Send Solve requests)

5.4M Web pages viewed



The Year in Review

Organisational Overview

Building on the foundational transformation work established in the previous year, our Corporate Strategy and Business Improvement directorate has delivered significant enhancements to how we serve our community, driving operational excellence whilst addressing ongoing financial pressures through strategic innovation and continuous improvement.

Our transformation journey, driven by our transformation unit, has been anchored by a comprehensive Service Management Framework that systematically reviews and improves all 40 Level 1 services, supported by detailed service profiles and targeted to deliver millions in annual recurring savings as part of the Council's efficiency target over 10 years, beginning in FY26.

Central to our enhanced community connection has been the development of our Voice of Customer framework, which systematically collects, analyses, and acts on community feedback across multiple channels. Moving beyond traditional surveys, this comprehensive approach fosters a holistic understanding of resident interactions and expectations, directly informing operational enhancements and strategic decision-making.

The successful launch of our Customer Strategy and Customer Charter in September 2024 marked a pivotal moment in our transformation journey. Developed through extensive consultation with over 4,000 community members, these foundational documents establish clear service standards with our promise to make interactions easy, serve consistently, and act proactively.

A major achievement this year was expanding community access through Your Local Connection Points, bringing face-to-face customer service to smaller townships across the Peninsula. Located in Somerville, Dromana, Red Hill, and Sorrento, these hubs provide convenient access to Council services, hot desk facilities, and meeting spaces, ensuring everyone has easy access to support regardless of their location.

Technology continues to drive our transformation, with our artificial intelligence and data excellence programs positioning Mornington Peninsula Shire as a forward-thinking organisation. We've successfully launched real-world AI applications including our INSIDE AI web chat service and myLot planning permit assistant, providing faster, more accessible services around the clock. With over 350 staff trained in AI technologies and a dedicated AI Pioneer Network, we're building capabilities to deliver more efficient, responsive, and personalised services.

Our most ambitious infrastructure project, the Peninsula Trail, has progressed significantly with Council's commitment of $10 million towards creating 170 kilometres of connected walking and cycling trails. This transformational project, requiring $62.5 million total investment, is estimated to generate $111 million in economic benefits and support 267 jobs during construction, whilst delivering lasting health, tourism, and environmental benefits for our community.

Strategic planning has been revolutionised through our Integrated Strategic Planning and Reporting Framework and the engagement of deliberative panels during our strategic planning process. These panels provided valuable insights on financial sustainability, service priorities, and asset management, helping shape our strategic direction. The successful adoption of our updated Community Vision following extensive engagement with over 3,000 participants demonstrates our commitment to transparent, community-driven planning.

Our comprehensive Continuous Improvement Framework, built on Lean principles and human-centred design, empowers all staff through a progressive capability-building program. Supported by A3 problem-solving methodology, community of practice networks, and innovative hackathons, this framework systematically builds an improvement culture delivering enhanced community services through team-led solutions.

Technology infrastructure reached a significant milestone with TechOne Release 4, completing our Enterprise Resource Planning system with 10 integrated modules covering property, rates, billing, document management, and regulatory applications. This comprehensive solution positions us among Australia's leading local government technology implementations. Simultaneously, our website redevelopment project progresses to deliver a more accessible, user-friendly platform better equipped to serve our diverse community needs.

Workplace transformation has been equally significant with our inaugural Workplace Diversity and Inclusion Plan establishing a three-year roadmap across six diversity pillars—Accessibility, Multigenerational, Culture and Religion, First Nations, Gender Equity and LGBTQIA+. Our draft Managing Performance Framework will foster employee growth and organisational success, whilst our enhanced Recognition Framework will provide structured approaches to celebrate outstanding performance and reinforce core values.

The Future Workplace Project has advanced through a comprehensive site evaluation, with Council assessing consolidated office options to better serve our changing organisation and customer needs whilst reducing environmental impact and operational costs. This project supports improved service delivery, organisational collaboration, and hybrid working models.

Financial sustainability has been strengthened through multiple strategic initiatives, including our comprehensive financial sustainability approach with various levers for addressing financial pressures, a new Benefits Management Framework ensuring structured tracking of return on investment, and improved business planning processes that provide greater strategic clarity and accountability.

Operational improvements have enhanced both internal efficiency and community service by enabling more timely responses, upgraded risk management approaches including enterprise risk management alongside operational risks, and enhanced project management systems with improved prioritisation methodology ensuring optimal use of ratepayer funds.

Recognition of our transformation efforts came through community satisfaction results showing the second-highest overall performance score recorded since 2014, with customer service satisfaction demonstrating positive movement throughout the year. MPS also ranked third in Australia out of 31 participating councils and second in Australia.

The collective impact of these transformation initiatives demonstrates our unwavering commitment to delivering exceptional community-centred services, leveraging innovative technologies responsibly, and ensuring long-term financial sustainability. Through systematic improvement processes, strategic infrastructure investment, genuine community engagement, and comprehensive workforce development, we continue to build an organisation that truly serves the evolving needs and aspirations of our Mornington Peninsula community.

Theme 1 highlights

A healthy natural environment and well-planned townships.

Vibrant and unique townships balanced with a natural environment that is protected now and into the future, accelerating climate action and celebrating cultural heritage.

See the Our Performance section for performance progress against our Council and Wellbeing Plan.

Major Highlights

With the federal election in May 2025, we launched our 'Shout Out for the Peninsula' campaign.

We are committed to ensuring our community is informed, engaged and well-represented throughout this essential democratic process. Council's role is to advocate for the needs of our region and provide opportunities for residents to hear directly from the candidates who seek to represent our community. We contributed to the election process by:

- advocating for our community's priorities
- ensuring transparency and accountability
- hosting a federal election forum.

To help our community stay informed, we implemented our Pledge Tracker, a tool designed to track the promises made by candidates during the campaign. Our campaign also highlighted our Shire-wide advocacy priorities, detailed on our website:

mornpen.vic.gov.au/shoutout

Thousands of people attended or tuned into our Community Federal Election Forum at Rosebud Country Club in March, to hear our local candidates outline their vision for the Mornington Peninsula.

The audience heard from each of the candidates for the federal seat of Flinders. Topics ranged from housing affordability, healthcare and infrastructure funding, to climate change, crime and the cost of living. The forum was organised by Council as part of our federal election campaign. Its aim was to provide an open, respectful and balanced platform for candidates to present their priorities for the Mornington Peninsula, address key community concerns, and respond to questions, moderated by the Mayor, Councillor Anthony Marsh.

All five of the candidates who nominated for the seat of Flinders attended the event. The forum was live streamed across Facebook and YouTube. For those who missed it, a recording is available for viewing on our website via the 'shoutout' short link.

Theme 2 highlights

A robust, innovative and diverse economy.

A community with abundant and varied education and local employment opportunities. We are open to new ideas and work with our partners to grow a strong, diverse and future-focused economy.

See the Our Performance section for more progress against our Council and Wellbeing Plan.

Major Highlights

The Small Business Festival 2024 ignited August with a month-long celebration of entrepreneurship, innovation, and local business. More than 1,200 small business owners and entrepreneurs joined the festival.

The festival featured a selection of low-cost and no-cost events from 1 – 31 August for people to create a schedule of learning opportunities to suit their business needs. With a diverse array of opportunities for professional development, networking and knowledge sharing, this festival inspired new and innovative ways of thinking while empowering and supporting our vibrant small business community.

The program focused on 'Creating Business Excellence' and offered a dynamic line-up of events designed to cater to the diverse needs and interests of small business owners. From inspiring presentations and engaging activities to practical workshops and valuable networking opportunities, attendees gained fresh insights, levelled up their skills, and made valuable connections along the way.

Event highlights included:

- keeping your retail business alive financially
- AI and future proofing your business
- networking breakfasts
- strategies and channels for marketing your business
- learn how to set clear and easy to-measure goals
- discover the social media trends for 2025
- ATO Masterclass Series – all about setting up a small business
- hear about available grants and get skills in grants writing.

We also supported the delivery of the Frankston Mornington Peninsula Local Learning and Employment Network Industry and Jobs Expo, with around 1,800 secondary students and 300 job seekers attending. As part of the Small Business Festival, 31 industry development events were delivered with 1,251 local business attendees.

Theme 3 highlights

A flourishing, healthy and connected community.

An inclusive and creative community that values safety, physical and mental health and wellbeing. A community with accessible services and transport to keep us connected.

See the Our Performance section for more progress against our Council and Wellbeing Plan.

Major Highlights

Following on from years of advocacy by the Shire for better public transport on the Peninsula and our successful Better Buses campaign in 2020, we were pleased to share an announcement by the Victorian Government. They are developing plans to improve public transport in the Mornington, Hastings and Tyabb areas by introducing a new bus route, more direct route paths and better connections. The proposed changes are:

- introducing a new bus route connecting Hastings and Mornington via Tyabb
- routes 784 and 785.

We officially launched our Local Connection Points, activating them throughout the year. Located in smaller townships across the region, these customer service hubs were a part of a 12-month trial to improve accessibility and ensure all residents have convenient access to in-person support.

Our dedicated customer service officers were on site to assist with a wide range of services—including general enquiries, form submissions, animal registrations, and EFTPOS payments. Your Local Connection Points also provided additional spaces to access Shire services, such as Storytime sessions at Red Hill or opportunities to meet with a Mornington Peninsula Planner at Sorrento.

The operational hours of each location varied to reflect the unique needs of the community and were on top of the Shire's three main customer service centres at Rosebud, Hastings and Mornington. The Local Connection Points were on trial until June 2025 and located at Somerville Library, Dromana Visitor Information Centre, Red Hill Village Shopping Centre and Sorrento Community Centre.

Major Capital Works Highlights

Works completed in 2024-25

- **Mornington:** Alexandra Park Pavilion $10.2M
- **Rosebud:** Tounnin Wominjeka Youth Hub $13M
- **Red Hill:** Recreation Reserve Pavilion Extension $3.6M
- **Mornington:** Civic Reserve Sports Pavilion $9.5M
- **Capel Sound:** Broadway Road and Drainage Upgrade $2.175M
- **Mount Martha**: Blackspot Program, Craigie Road and Osborne Drive Compact Roundabout $1.3M
- **Mornington:** Kathleen Crescent Drainage Improvements $300,000
- **Dromana:** Dromana Recreation Reserve – New Netball Court $900,000
- **Crib Point:** Creswell Street Development Contributions Plan – Water Main Extension $300,000
- **Hastings:** Hastings Foreshore Seniors Exercise Equipment $230,000
- **Mount Martha:** Seniors Exercise Equipment $250,000.
- **Mount Eliza:** Landfill Capping Rehabilitation Works $2.5 M
- **Dromana:** Recreation Reserve Portable Changerooms $130,000
- **Rye:** Melbourne Road and Peninsula Avenue – Raised platforms $241,000
- **Bittern:** Bittern Public Toilet Renewal $290,000
- **Dromana:** Marna Reserve Pavilion Upgrade $750,000
- **Rosebud:** Second Avenue Drainage Improvement $130,000
- **Rye and Tootgarook:** Area Wide Safety Upgrade $1.6M
- **Tootgarook:** Alma-Field Street Footpath Stage 2 $928,000
- **Hastings:** Hastings Northern Pontoon Renewal $271,000
- **Shoreham:** May Street/Sydney Road Drainage Upgrade $172,000

Works in progress at the end of 2024-25

- **Mornington:** Blackspot Program – Watt Road and Bruce Street Raised Safety Intersection $164,000
- **Mount Martha:** Briars Sanctuary Expansion $2.3M
- **Mount Martha:** Mount Martha North Foreshore Toilet Renewal $918,165
- **Capel Sound:** Broadway and Truemans Road Roundabout (Stage 2) $1.8M
- **Dromana:** Hillview Reserve – Playground, Carpark and Footpath $3.9M
- **Rye:** Rye Township Plan $6.5M
- **Safety Beach:** Masterplan Implementation $3.4M Stage 1 Complete
- **Hastings:** Revitalisation of Pelican Park Recreation Centre $5.7M
- **Hastings:** Hastings Foreshore Masterplan Implementation $368,712 (footpath completed)
- **Hastings:** Wallaroo Preschool Upgrade $746,000
- **Red Hill:** Arthurs Seat Rd Black Spot / Pedestrian and Parking Project $497,952
- **Somerville to Baxter:** Peninsula Trail - Shared User Path $7.7M
- **Somerville:** Somerville Local Area Traffic Management $1.2M

Our Community Grants, Subsidies and Sponsorships

In 2024-25, Council offered our community more than $3.8 million in grants, subsidies and sponsorships that aligned to the themes in our Council and Wellbeing Plan. Our Community Investment Funding supports community groups, organisations, businesses and sole traders to address climate change, biodiversity conservation, create opportunities for social inclusion, builds the capacity and capabilities of volunteers, contributes to township vibrancy through arts and culture, performing arts development and placemaking to increase social connections, as well as Local Area Community Capital Infrastructure to improve the natural and built environments.

For a complete list of 2024-25 grants, subsidies and sponsorships awarded, please click on:

mornpen.vic.gov.au/grants

Matt Adnate, *The Gathering Tree Mural*, Rosebud 2024

Grant Description

Access and Inclusion
To provide funding to support individuals experiencing financial hardship to participate in community life and improve personal outcomes through sustainable change.
Applications funded: 32
Funding allocated: $736,245

Biolinks Support
To support the community to establish, protect and enhance biolinks on a landscape scale by building upon and ultimately connecting vegetation to improve habitat values and provide pathways that facilitate wildlife movement.
Applications funded: 9
Funding allocated: $76,678

Business Development
To enable business growth and improvements.
Applications funded: 1
Funding allocated: $5,000

Climate Action Grant
Supports projects that reduce emissions for small businesses, schools and community groups.
Applications funded: 20
Funding allocated: $110,991

Community Events
Grants for non-profit community organisations for general grants to assist with projects which benefit the Mornington Peninsula community.
Applications funded: 28
Funding allocated: $193,687

Creative
Community groups and individual artists interested in initiating arts and cultural activities and programs with public outcomes.
Applications funded: 12
Funding allocated: $87,572

Energy Support
Provides rebates to eligible community members for approved energy efficiency upgrades.
Applications funded: 53
Funding allocated: $49,897

Flexi
Provide community groups a small helping hand.
Applications funded: 39
Funding allocated: $66,088

Heritage
Preserve and restore places listed in the Heritage Overlay in the Mornington Peninsula Planning Scheme.
Applications funded: 13
Funding allocated: $50,320

Local Area Community Capital Infrastructure
Grants for non-profit community organisations to assist with projects which benefit the Mornington Peninsula community.
Applications funded: 16
Funding allocated: $453,890

Performing Arts Development
Invests in Mornington Peninsula based creative organisations and individuals that seek to develop and deliver new and innovative artistic works, grow employment opportunities for creative and cultural workers and engage communities with the performing arts.
Applications funded: 22
Funding allocated: $428,920

Placemaking
Enhances place-based built and natural environments; increasing engagement and encouraging relationships to support the vibrancy of townships.
Applications funded: 9
Funding allocated: $67,253

Awarded Subsidies

Theme 1: A healthy, natural environment and well-planned townships
Subsidies funded: 3
Total funding awarded: $112,295

Theme 2: A robust, innovative and diverse economy
Subsidies funded: 3
Total funding awarded: $55,875

Theme 3: A flourishing, healthy and connected community
Subsidies funded: 3
Total funding awarded: $40,365

Community Houses/Centres/Hub
Subsidies funded: 17
Total funding awarded: $1,115,592

Senior Citizens Centres/Clubs
Subsidies funded: 16
Total funding awarded: $80,000

Community Transport and Road Safety Subsidies
Subsidies funded: 2
Total funding awarded: $33,948

Local Essential Safety Services Subsidies
Subsidies funded: 5
Total funding awarded: $158,830

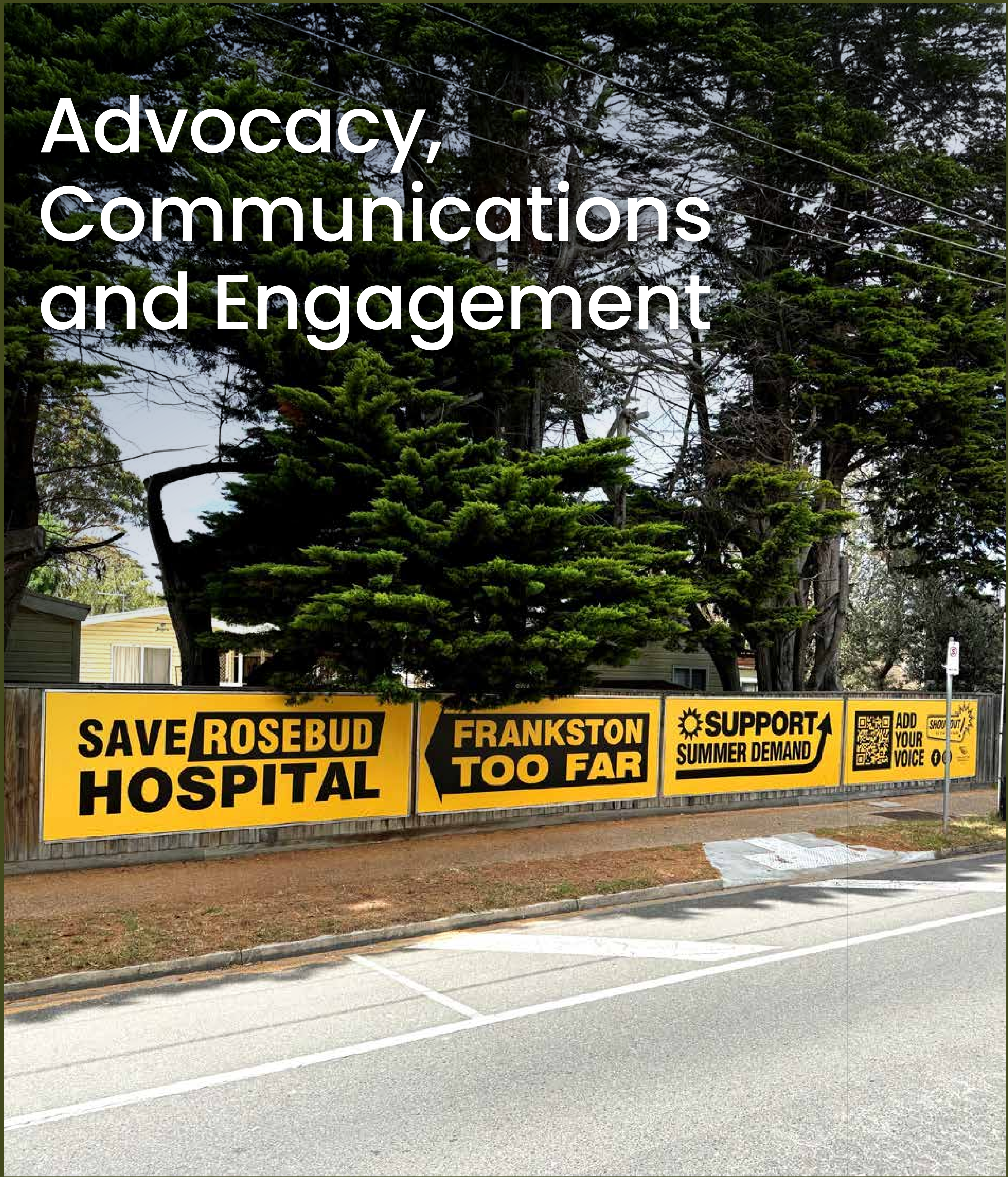
Seniors Festival 2024 Subsidy
Subsidies funded: 19
Total funding awarded: $5,448

Sponsorships

2024-25 sponsorships
Sponsorships funded: 7
Total funding awarded: $220,000

Multi-year sponsorships
Sponsorships funded: 9
Total funding awarded: $250,929

Advocacy, Communications and Engagement



We are committed to open, transparent and clear communication with our community and stakeholders. Our communications reflect the Shire's values and voice and align with strategic goals across our three themes.

We strive to:

- convey information in a clear, accessible and inclusive way
- promote our many projects, services and events
- advocate on behalf of our community
- engage genuinely with our community
- raise awareness of issues that affect our community.

Our stakeholders include:

- residents and ratepayers
- businesses
- community groups and volunteers
- partners
- visitors
- governments
- Shire staff.

Advocacy

Every day Council makes decisions that affect our community. We represent our residents and ratepayers and work to deliver on the things they tell us are important.

To achieve community goals, we actively work with all levels of government and a broad range of external organisations. One of the ways we do this is by seeking financial support, policy or legislative change to deliver local projects. We deliver many services to our community but, when it comes to tackling bigger issues and projects, we need the support of the Victorian and Federal Governments.

In 2024-25 we focused on the following advocacy priorities:

- responding to our local housing and homelessness crisis
- a strategic vision and planning for surplus land around the Port of Hastings to accommodate housing, new industry, agriculture, environmental protection and a recycled water scheme
- a redeveloped Rosebud Hospital
- completion of the Peninsula Trail
- roads and maintenance
- coastal infrastructure
- public transport.

Our **Shout Out** branding was revived for the 2025 federal election campaign to highlight projects that addressed urgent community need or delivered significant economic benefits. Working with local stakeholders and community groups, we produced four campaign videos supporting advocacy for homelessness services, an upgraded Rosebud Hospital, the Peninsula Trail and a Performing Arts Centre. The campaign achieved more than $917 million worth of election pledges for much-needed infrastructure projects in our region.

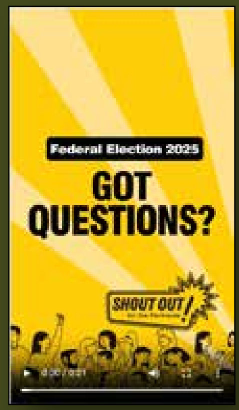
In March 2025 we held a Federal Election Forum. Moderated by the Mayor and viewed by over 7,000 residents (online or in person), the event gave residents the opportunity to engage with election candidates and hear their vision for the Peninsula, as well as their stance on a broad range of federal issues.

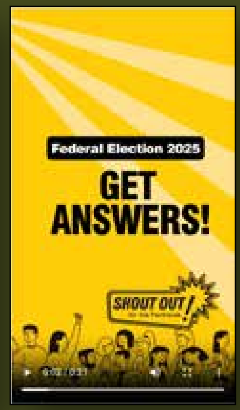
Other Shout Out campaign highlights include:

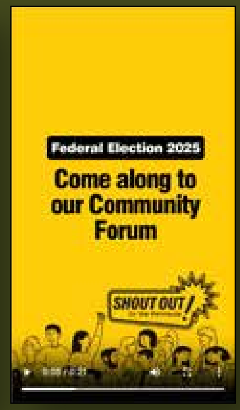
- a social media campaign that reached 30,000 people
- more than 7,000 visits to the Shout Out webpage and campaign videos
- more than 2,300 views of our four campaign videos.

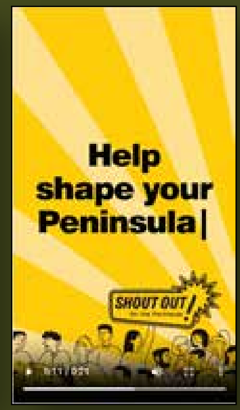
A re-elected Federal Labor Government committed millions in funding for the Peninsula, including a Medicare Urgent Care Clinic for Somerville, crisis accommodation for women at Rosebud, upgrades to Hastings Recreation Reserve, new cricket nets for Rye and new netball change rooms for Somerville Football Netball Club.

We made detailed submissions to the Victorian inquiry into Local Government Funding and Services and the Federal inquiry into Local Government Sustainability. We were subsequently invited to appear at the inquiry hearings in September 2024.







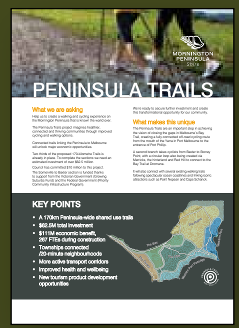


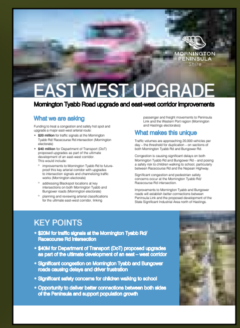
Our submissions to these federal and state inquiries were important opportunities to make direct and impactful points to both inquiry hearings and inform inquiry recommendations, including on the topics of rate capping and cost shifting.

The Shire submitted five successful motions (funding for roads, homelessness, social and affordable housing, financial sustainability, climate change and renewable energy) that were included in the Australian Local Government Association (ALGA) 2024 annual National General Assembly (NGA).

We submitted a further three motions to the 2025 ALGA NGA (homelessness, financial sustainability, emergency management/improving natural disaster management systems), all of which were successfully included within the 2025 business papers. This annual event helps us raise important community issues with Federal Ministers. ALGA also refers to our motions and recommendations in letters to relevant Federal Ministers.

This more focused approach to advocacy priorities and visibility in Canberra over 2023 and 2024 has enabled a strong narrative to be built, while also delivering new federal and state government relations.





Communications

Tailor-made communication campaigns supported more than 130 projects across all areas of the Shire throughout 2024–25.

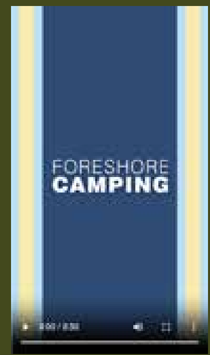
Using a range of tools and channels we produced:

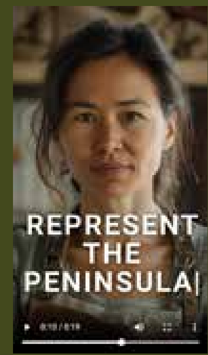
- 168 media releases
- 50 Peninsula Tales videos and articles
- 1,620 social media posts
- Around 150 paid social media campaigns
- 130 videos distributed across our online channels
- 4,000 graphic design layouts, ranging from strategy and policy documents, social tiles, email signatures, advertisements, signage and other branding
- advertisements in the local paper and magazines
- four double-page advertorials in the local newspaper
- 55 speeches for our Councillors.

Additionally, 233 media responses were drafted to strengthen our reputation, promote our narrative and deliver key messages.

Major projects included:

- Budget 2024-25
- Council Plan and Health and Wellbeing Plan
- Peninsula Tales series
- Small Business Festival
- Our Library Van
- Dogs Off Leash Areas
- Summer Golf Series
- Shout Out campaign
- Homelessness on Peninsula awareness
- Integrated Transport Strategy
- Balcombe Creek Boardwalk
- Shire's Trainee Program
- Summer Guide competition.





External Publications

Peninsula Buzz has consolidated its place as one of our top communication channels. We know from our community satisfaction surveys that the community rates enews highly, and it is one of their preferred means of receiving Shire news and information.

With more than 65,000 subscribers, Peninsula Buzz is a valuable and effective communications channel, delivering the news our community both want and need to hear.

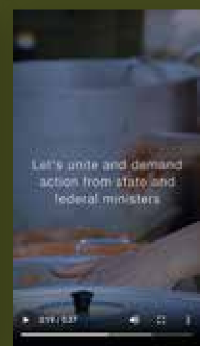
mornpen.vic.gov.au/peninsulabuzz

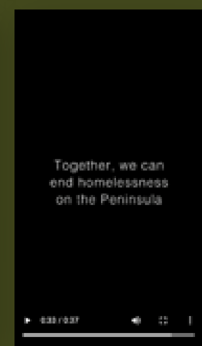
Peninsula Wide magazine continues as our flagship publication and is delivered to all residents and ratepayers across the Peninsula and abroad. More than 120,000 copies are distributed three times a year.

mornpen.vic.gov.au/peninsulawide

Our Summer Guide – 'Summer is for Everyone' – is an annual guide that provides holiday news and information for visitors and locals. It is distributed with Peninsula Wide magazine to shops and retail outlets across the Peninsula and is popular with tourism operators and accommodation services.

mornpen.vic.gov.au/summerguide





Case study: Peninsula Tales: heartfelt stories from across the Peninsula

Our Peninsula Tales series shines a spotlight on the unsung heroes, grassroots projects and heartwarming moments that make the Peninsula a great place to live. These short videos, supported by online articles, help build community pride by sharing the real, positive things happening around us – from environmental wins to everyday human connection.

This year, we met Mechelle Cheers, a passionate local transforming Rye into a more inclusive and sustainable town. We stepped behind the scenes at The Briars Nursery, where thousands of plants are grown each year by a small but mighty team. We watched local riders test out the Somers dirt jumps they helped design. And we marked milestones – such as the more than 2,000 new trees planted through our Urban Forest Strategy, and the return of native bandicoots to The Briars.

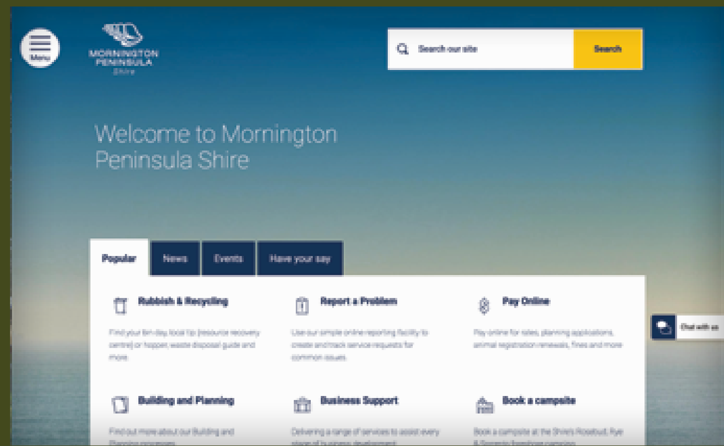
Other highlights included a story time session with an unexpectedly popular librarian, a Mother's Day celebration of our Maternal and Child Health team, and a Valentine's Day nod to the furry residents at our animal shelter.

Together, these stories achieved more than 240,000 organic views across social media – proving there's a real appetite for local stories that make people smile, feel proud and see what's happening in their community.

Digital

We continue to connect with thousands of residents, communities, businesses and stakeholders through our digital channels. Our primary platform is the Shire website, which offers access to essential information, services and online transactions. We also maintain several specialised websites that support specific areas of community interest, including arts and culture, libraries, youth services and community houses.

The Shire website hosts thousands of pages and attracted more than 1.8 million visitors over the past year, generating more than 5.6 million page views. Email remains a vital communication tool, with more than 470 e-newsletters distributed to keep our community informed and engaged.



Social Media

Facebook
The Shire increased its social media presence in 2024–25, with an 11.65 per cent increase in Facebook followers from 34,126 to 38,000.

- Total paid campaigns – 142
- Total posts organic – 728
- Engagement – 370,230

Instagram
Followers – grew from 7,708 to 9,487, an increase of 22.96 per cent

- Total posts – 514

LinkedIn
Followers – grew from 11,510 to 12,827, an increase of 11.44 per cent

- Total posts – 225

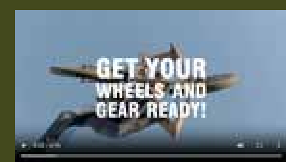
Community Engagement

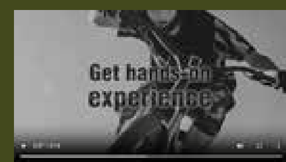
We are committed to engaging with our community to ensure everyone has the opportunity to give their feedback and opinion on issues, projects and services that affect them. Inclusivity is at the core of our conversations so that our decision making truly reflects the needs of the Peninsula.

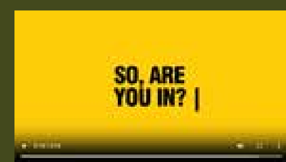
In 2024–25, we undertook 29 community engagement projects that included both online and face-to-face interactions across the Peninsula (noting this is lower than usual due to the council election caretaker period from Sept – Nov).

We received more than 50,000 visits to our online Shape engagement platform and more than 14,000 contributions to our surveys. Through our outreach program at weekend markets, main streets and other community locations, we interacted with our community to seek diverse views and feedback to help shape Council decision-making.

We strive to engage genuinely with our community and stakeholders, knowing that collaboration and consultation lead to better outcomes for all. We are always working to improve how we engage.







Our Service Community Satisfaction Survey 2025

Since July 2023, Metropolis Research has conducted Mornington Peninsula Shire Council's independent Community Satisfaction Survey. Face to face and phone Interviews were conducted quarterly across all parts of the municipality, resulting in a combined annual survey of 1,602 residents. This approach has achieved a significantly larger sample size than previous years and a richer data set that reflects the broader Peninsula community.

2025 results

Satisfaction with the Mornington Peninsula Shire Council has remained relatively steady with an overall performance score of 6.3, compared to 6.5 recorded in June 2024. This overall score is lower than the Victorian Metropolitan average of 7.1 but significantly higher than the regional Councils' average of 5.0. It also marks a considerable improvement compared to our unusually low score of 5.0 recorded in 2023, highlighting a clear upward trend in our results over the past two years.

Our top performing service areas were:

- Weekly garbage collection
- Fortnightly recycling
- Local library services
- Green waste collection
- Recreation centres
- Community centres/neighbourhood houses
- Hard rubbish collection
- Outdoor recreation facilities.

Of note are our improving customer service results. We continue to invest strongly in our customer experience processes and these results show our community is responding positively to our efforts.

Service areas for further improvement:

- Roads
- Footpaths
- Street trees
- Drains and public toilets.

Road maintenance was once again the top priority for improvement. This has been reflected in a 72 per cent increase in funding for our 2025-26 road renewal program.

In summary:

- Governance and leadership (6 core measures) scored 6.3, 8% below the interface (7.1) and metropolitan (7.1) averages. However, it was 15% higher than the regional (4.8) average.
- Customer service (6 measures) scored 6.7, 8% lower than interface (7.9) and 10% below the metropolitan (7.7) averages. However, it was 8% higher than the regional (5.9) average.
- Services and facilities (39 measures) scored 7.4, 3% lower than interface (7.7) and 4% below the metropolitan (7.8) averages. However, it was 11% higher than the regional (6.3) average.
- Planning for population growth by all levels of government scored 6.5, 4% lower than interface (6.9) and 6% below the metropolitan (7.1) averages.
- Service for children from birth to 5 years of age scored 8.1, 5% above the interface (7.6) and 3% above the metropolitan (7.8) averages.
- Sports ovals and other local facilities scored 7.8, 2% lower than interface (8.0) and 4% below the metropolitan (8.2) averages.
- Community centres/Neighbourhood houses scored 8.0, 1% lower than the interface (8.1) average but 2% above the metropolitan (7.8) average.
- Regular weekly garbage collection scored 8.8, 4% higher than interface (8.4) and 3% higher than the metropolitan (8.5) averages.

The full report can be found here:

mornpen.vic.gov.au/satisfaction

2025 Average Satisfaction of Council Services

	Service/facility	2024-25 Mornington Peninsula Shire Mean score	2025 Metropolitan* Melbourne Score	2025 Interface* Score
Higher than average	Regular weekly garbage collection	8.8	8.5	8.4
	Regular fortnightly recycling	8.7	8.5	8.2
	Local library services	8.6	8.4	8.3
	Fortnightly food / green waste collection service	8.6	8.5	8.6
	Services for children from birth to 5 years of age	8.1	7.8	7.6
	Recreation Centres and / or Aquatic Centres	8.0	7.9	7.9
	Community Centres / Neighbourhood Houses	8.0	7.8	8.1
	Bookable hard rubbish service	8.0	8.4	8.4
	Community and cultural activities'	7.9	7.9	7.9
	Outdoor recreation facilities	7.9	n.a.	n.a.
Average satisfaction	Support services for seniors	7.9	7.8	7.3
	Provision of public art	7.8	7.8	7.4
	Sports ovals and other local sporting facilities	7.8	8.2	8.0
	Support services for youth	7.8	8.0	7.9
	Provision and maintenance of parks / gardens	7.6	8.1	7.6
	Council communications ^	7.5	7.6	7.7
	Street sweeping	7.4	7.6	7.5
	Street lighting	7.4	7.5	7.6
	Foreshore and beaches	7.4	n.a.	n.a
	Animal Management	7.4	7.8	7.4
	Bike and shared paths	7.4	7.8	8.2
	Enforcement of local laws	7.3	7.9	7.6
	Council's activities promoting eco. Develop.	7.2	7.6	7.5
	Litter collection in public areas	7.2	7.6	7.4
	Support services for people with disability	7.2	7.7	6.9
	Environmental events, programs, and activities	7.2	7.7	7.5
	Local traffic management	7.1	7.4	7.1
	Council regular printed newsletter Peninsula Wide	7.1	7.5	7.5
	Council community engagement	7.1	n.a.	n.a.
Lower than average	Maintenance and cleaning of public areas	7	7.6	7.4
	Parking enforcement	6.9	7.5	7.5
	Council management of illegally dumped rubbish	6.8	7.5	7
	Drains maintenance and repairs	6.7	7.6	7.7
	Provision and maintenance of street trees	6.6	7.6	7.4
	Public toilets	6.6	6.8	6.9
	Footpath maintenance and repairs	6.5	7.5	7.5
	Maintenance and repair of unsealed local roads	6.1	n.a.	n.a.
	Maintenance and repair of major arterial roads	5.5	7	6.7
	Maintenance and repair of sealed local roads	5.3	7.3	7.1
Average satisfaction of Council services		7.4	7.8	7.7

(*) 2025 metropolitan Melbourne and interface councils' averages from Governing Melbourne
(^) combined of Council's regular printed newsletter, Council's website, Council's online consultation portal
(') included in Governing Melbourne as "Council's festivals and events"

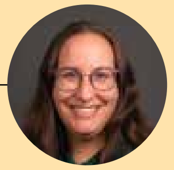
Our People

Organisational Chart

Chief Executive Officer
Mark Stoermer

Community Strengthening

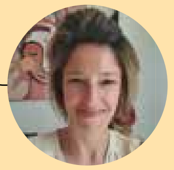
Acting Director
Cheryl Casey



Acting Manager Community Services
Kate Hills

Manager Community Partnerships
Chris Munro

Manager Community Safety, Health and Compliance
Dale Gilliatte



Manager Destinations, Recreation and Community Connections
Rebecca Levy

Corporate Strategy and Business Improvement

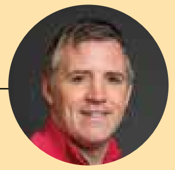
Director
Samantha Stanton

Manager Advocacy, Communications and Engagement
Randal Mathieson

Manager Information Technology
Jarod Burridge

Manager People and Culture
Kelly Gillies

Manager Governance and Risk
Pamela Vercoe



Manager Transformation and ePMO
Patrick Dillon

Manager Customer Experience
Kylie Peterson

Office of the CFO

Chief Financial Officer
Bulent Oz

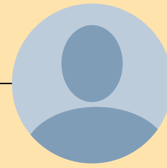
Manager Finance
Mark Schubert

Manager Commercial, Legal and Procurement Services
Gail Mifsud

Planning and Environment

Acting Director
David Simon

Manager Climate Change and Sustainability
Melissa Burrage



Acting Manager Development Services
Rory MacDonald

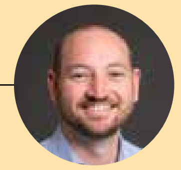
Manager Economic Development
Jayde Hayes

Manager Strategic and Infrastructure Planning
Katanya Barlow

Assets and Infrastructure

Director
Davey Smith

Manager Assets, Property and Buildings
Nigel Brown



Manager Infrastructure Services
Tom Haines-Sutherland

Acting Manager Infrastructure Projects
Ed Pocock

Senior Officers Reporting Directly To The CEO

Chief Executive Officer
Mark Stoermer

Community Strengthening

Community Services
- Arts and Cultural Development
- Child and Family Health
- Community Operations
- Community Services Planning
- Cultural Heritage
- Early Years
- Libraries
- Mornington Peninsula Regional Gallery
- Youth Services

Community Partnerships
- Community Development and Grants
- Community Inclusion
- Community Wellbeing and Social Planning
- Positive Ageing
- Recovery and Resilience
- Volunteer Management

Community Safety, Health and Compliance
- Animal Management & Shelter
- Emergency Management
- Environmental Health
- Local Laws and Parking
- Planning and Asset Compliance
- School Crossings

Destinations, Recreation and Community Connections
- Community Placemaking
- Community Relationships (including Men's Sheds, U3A and Seniors)
- Community Sport
- Facilities, Halls and Community Houses
- Festivals and Events
- Precinct Conservation and Operations
- Precinct Experience (The Briars and Police Point)

Corporate Strategy and Business Improvement

Advocacy, Communications and Engagement
- Advocacy
- Publications
- Media
- Communications
- Digital - Online/Social Media
- Graphic design
- Video and photography
- Community Engagement

Information Technology
- IT Infrastructure and Security
- Business Intelligence
- IT Operations and Projects
- Business Process and Technology Implementation
- GIS Geographic Information System - mapping
- IT Service Desk

People and Culture
- Payroll
- Safety and Wellbeing
- Workforce Planning
- Recruitment and People Support
- Learning and Development

Governance and Risk
- Statutory Governance
- Executive, Mayor and Councillor Support
- Risk Management
- Council Meetings and Briefings
- Democratic Support
- Information and Records Management

Transformation and ePMO
- Corporate Performance
- Service Improvement
- Major Project Coordination

Customer Experience
- Customer Experience
- Customer Support
- Customer Relations

Office of the CFO

Finance
- Revenue Management
- Finance
- Community Grants

Commercial, Legal and Procurement Services
- Commercial Services
- Foreshore Camping
- Procurement
- Contract Auditing
- Legal

Planning and Environment

Climate Change and Sustainability
- Water and Coasts
  - Integrated Water Mgmt and Stormwater Strategy Mgmt
  - Coastal Planning
- Circular Economy and Waste
  - Landfill compliance
  - Kerbside collection
  - Circular Economy & Education
  - Litter prevention
- Climate Change
  - Climate Emergency and Community Carbon
  - Climate Change Partnerships and Community

Development Services
- Building Surveying (Report and consents, Pool and Spa Registrations and Flood Prone Land Assessments)
- Statutory Planning (Planning Permits)

Economic Development
- Agribusiness and Agroecology
- Business and Industry Support
- Investment Attraction
- Tourism Services

Strategic and Infrastructure Planning
- Strategic Planning
- Recreation and Open Space Planning
- Community Infrastructure Planning
- Traffic and Transport

Assets and Infrastructure

Assets, Property and Buildings
- Asset Management
- Buildings Management
- Capital Portfolio Management
- Property Strategy and Operations

Infrastructure Services
- Roads and Drainage
- Natural Systems
- Open Space

Infrastructure Projects
- Development Engineering
- Project Delivery

Our Workforce

Council staff

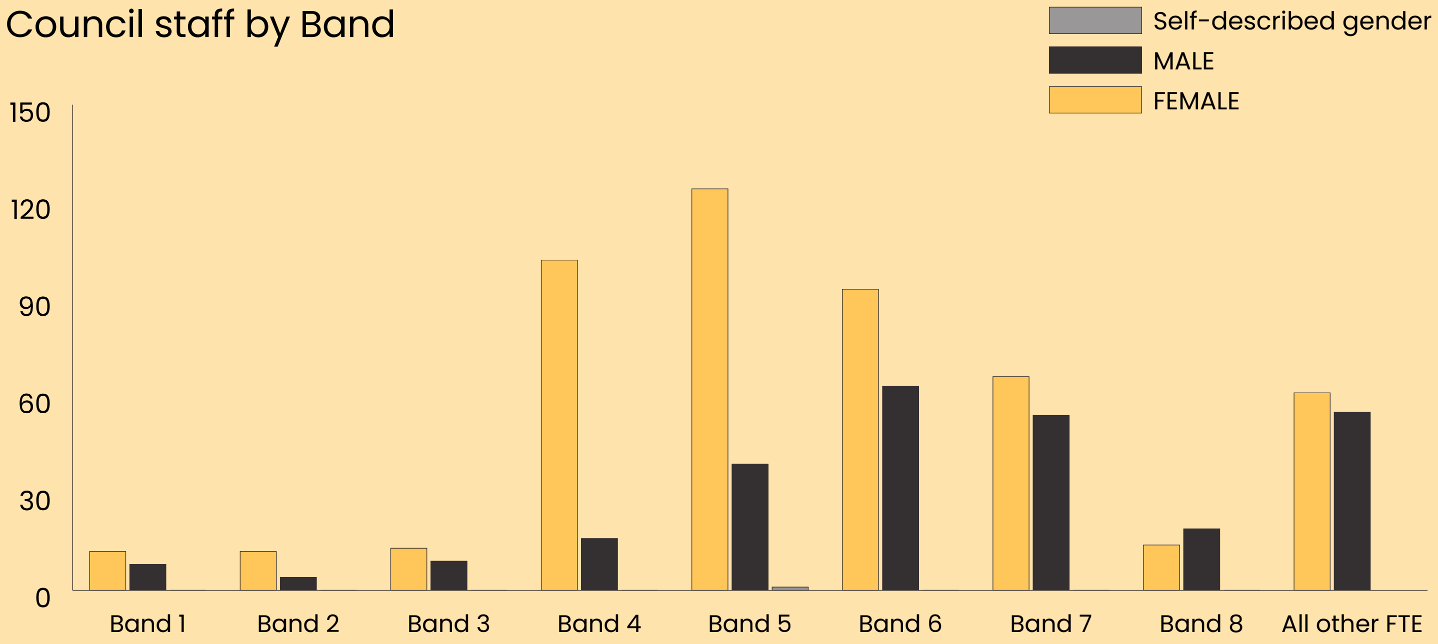
Our current staff headcount break down is:

Permanent full-time staff who are:
- Women = 340
- Men = 239
- Persons of self-described gender = 0

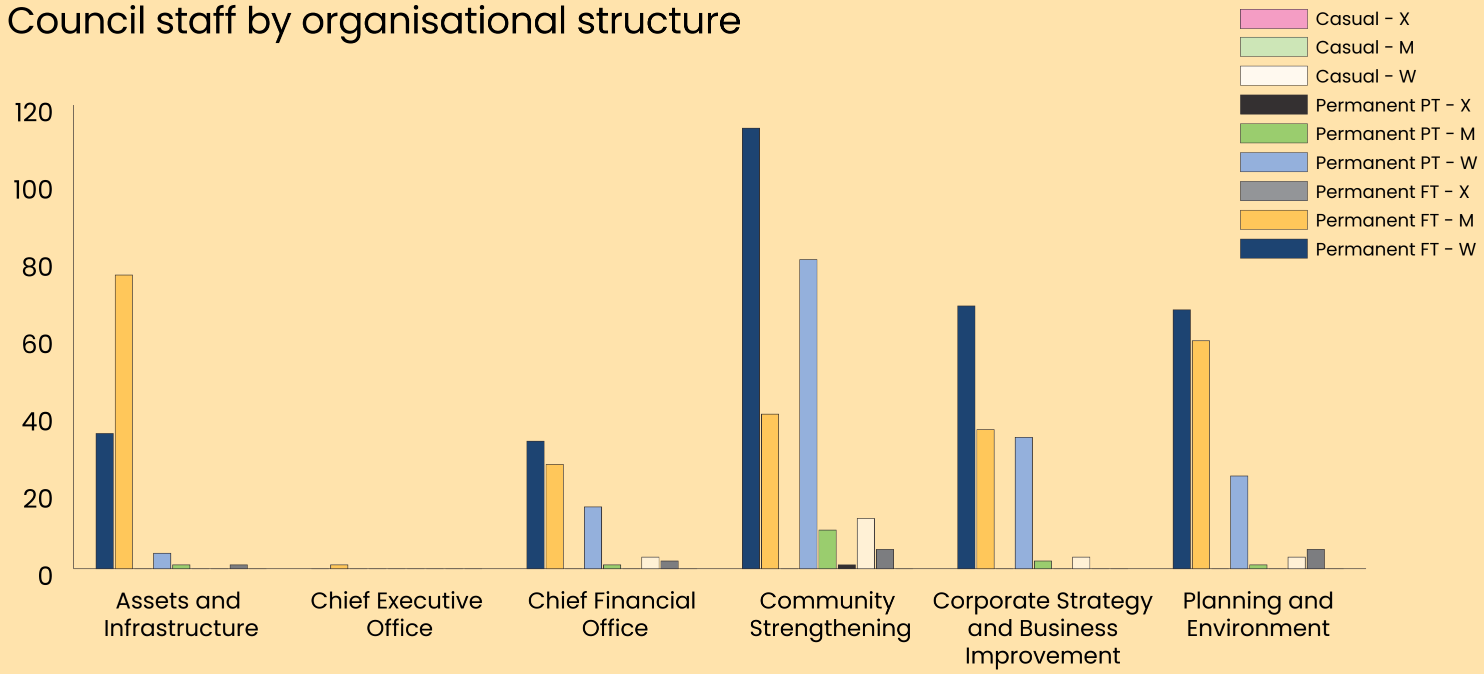
Permanent Part time staff who are:
- Women = 264
- Men = 38
- Persons of self-described gender = 1

Casual staff who are:
- Women = 136
- Men = 49
- Persons of self-described gender = 0

Council staff by Band



Council staff by organisational structure



Other staff matters

Our diverse and inclusive workplace

Our vision for our diverse and inclusive workplace is "creating a workplace where diversity is embraced and celebrated, where everyone feels valued for their unique contributions and together, we thrive". We have proudly completed Stage One of our Together We Thrive: Workplace Diversity and Inclusion Plan (The Plan). The Plan applies an intersectional lens across six diversity pillars. The Pillars being Accessibility, Culture and Religion, First Nations, Gender Equity, LGBTQIA+ and Multigenerational. To support lasting and meaningful change The Plan outlines a three-stage approach to progressing our cultural maturity as an organisation and incorporates our workplace actions from our Workplace Gender Equality Action Plan (GEAP) and our workplace Reconciliation Action Plan (RAP) to continue to promote and progress equality, inclusion and fairness for all of our staff.

Highlights from Stage One include:

- Diversity and inclusion eLearning training piloted, 109 staff completed.
- Revised internal diversity and inclusion calendar or events to include 2 immersion events and increase staff participation.
- 4 staff Ally Groups commenced.
- 4 Equity Impact Assessments (EIAs) completed on our People and Culture policies.
- Introduction of a voluntary Diversity Profile to improve workforce data collection and reporting.
- Consultation commenced on our next Gender Equality Action Plan.

Our Diversity and Inclusion Working Group support our continuous improvement in creating an inclusive workplace environment that promotes and celebrates our diversity.

Gender Equality Strategy 2020-2030

The Shire has a long-standing commitment to promoting and improving gender equality and acknowledging and responding to the link between gender inequities and family violence. Our Gender Equality Strategy 2020-30 highlights include:

- Launching a Gender Equity Ally group for staff.
- Successfully completing Year One of the Free from Violence Local Government Program, developing a family violence staff support hub, policy and processes.
- Holding gender equity training for our leaders and staff delivered by GenderWorks Australia. The training supports our leaders in building their knowledge, skills and confidence to lead a gender-equitable and inclusive workplace.
- Participating in activities and awareness raising for International Women's Day and 16 Days of Activism.
- Continuing to roll out our Equity Impact Assessments across the organisation.

Employment pathways

The Employment Pathways portfolio supports the development of a capable and inclusive local workforce through a range of initiatives, including student placements, traineeships and volunteering. We continue to strengthen partnerships with schools, TAFEs and universities by coordinating meaningful placements for over 75 students annually. Our Traineeship Program, now in its second year, has seen strong retention and post-program employment outcomes, with trainees gaining real-world experience while completing a Certificate IV in Business. The Volunteer Program also continues to grow, with more than 400 volunteers supporting 15 Shire programs across the organisation.

Developing our people

At the Shire we recognise that our people are our greatest asset. Central to building a high-performing and community-focused workforce is our strong commitment to developing the capability, confidence, and expertise of our staff. Development of our team members is rated in the top 3 reasons why our staff enjoy working at the Shire with the investment in our people being highly valued.

Our year-round Learning Curve program offers a broad suite of professional development opportunities designed to strengthen core capabilities and emerging skills across our diverse workforce. These workshops support staff to deliver innovative, collaborative, and community-centred outcomes. Over 75 workshops were held over the year with 1,249 attendances from staff.

Leadership development remains a key priority. Our Leadership Essentials program is the cornerstone of our leadership capability offering, providing practical tools and knowledge to support both current and aspiring leaders. This year, we expanded our internal leadership development programs to deepen leadership capability across all levels. In addition to growing skills and confidence, these programs have fostered strong peer networks—creating communities of leaders who continue to support and learn from each other beyond the classroom.

In a continued focus on maintaining a safe, respectful and inclusive workplace, we also went to market to source new compliance eLearning. This ensures our entire workforce has access to contemporary, best-practice training that reinforces their rights, responsibilities, and workplace expectations as members of the Shire team.

Celebrating our people

We are proud to celebrate the wonderful contributions that our Shire team members make in serving our community. This year, 51 team members were celebrated across the organisation with three staff achieving 25 years of service, two staff achieving 30 years and one staff member achieving 35 years of service. The dedication and commitment these staff have in serving our community is to be commended. We also celebrated our Living our Values Awards, with the exceptional efforts of our staff recognised across various categories through peer nominations. The celebration is an opportunity to acknowledge and express gratitude for the work and outcomes all staff achieve throughout the year, along with particular acknowledgement of behaviours and actions that align with our values of Integrity, Courage, Openness, Respect and Excellence, along with other key attributes we strive for.

This year we implemented a process for endorsing and participating in nominations for external industry awards. This ensures our staff who are industry experts in their fields have opportunity to participate in such external recognition programs. It further showcases the great work of our team and demonstrates appreciation for their expertise.

Building an engaging and high-performing culture

The Shire's third 'Love Where you Work' staff engagement survey received a 76 per cent response rate (745 staff) and provided valuable quantitative and qualitative feedback including:

- A 55 per cent staff engagement score, which highlighted the optimism to make a positive difference to our customers and community.
- 8.5 out of 10 people rated the Shire as a 'Truly Great Place to Work.'
- 7 out of 10 agreed we want to improve the way things work at the Shire.
- Feedback was shared in appreciation for teamwork, positive leadership, flexibility and development opportunities.

Significant progress was reported on the optimisation of our systems and processes to support greater efficiencies across our organisation and a positive impact of our customer focus. Our staff shared some challenges such as the impact of workloads and the need for accountability for living our values and collaboration to solve problems. This has informed our actions in our annual Shire Wide Action Plan to continue to be a place where people love to work.

Safety, health, and wellbeing

Council is committed to ensuring that operations undertaken by Council do not place staff, contractors and the community at undue risk of injury or illness. With a focus on continuous improvement with respect to all areas of Occupational Health and Safety (OHS), Council sees employee health and wellbeing as a key driver in having an engaged, resilient and productive workforce that is capable of performing their roles safely, and effectively in order to achieve organisational outcomes.

Safety management system

Over the last two years Council has implemented a new safety and wellbeing management framework against a prioritised, risk-based plan that is inclusive of policies and procedures aimed at preventing and managing identified safety risks. This framework adopts industry best practices and aligns with ISO 45001:2018 outcomes which include:

- continual improvement of OH&S performance
- fulfilment of legal requirements and other requirements
- achievement of OH&S objectives.

In addition, Council implemented a new incident reporting system in 2024. This new system has led to improved incident reporting and investigation and ultimately, resulting in reducing and preventing the likelihood of incidents and injuries.

Incident and injury reporting

During 2024-25:

- There were 280 incidents, 35 near misses and 52 hazards recorded.
- Occupational violence was the most frequently reported safety incident impacting staff.
- There were two notifiable incidents reported to WorkSafe.
- One internal audit of OHS processes and practices was undertaken.

Safety training

Safety training modules offered to staff in 2024-25 included:

- Wardens
- First Aid and CPR
- Health and Safety Representatives
- Conflict Resolution and Aggression Management
- Managing for Team Wellbeing and Navigating Conversations
- Safety Leadership
- Safety for managers and supervisors.

Enterprise Bargaining

In July 2024 the staff voted on the Mornington Peninsula Shire Council Enterprise Agreement 2024 which covers the Employment terms and conditions across Shire staff for the 2024–2026 period. The latest agreement combines some improved staff benefits alongside a financially responsible wages position.

Our Volunteers

Over 400 Shire volunteers are directly involved in supporting 15 Shire programs and services contributing over 36,000 hours annually which equates to $1.69 million (The Centre for Volunteering, Australia). Our volunteers give their time and talent within the following areas: Meals on Wheels, Home Library Service, TAC L2P Program, Mornington Peninsula Regional Gallery, Mornington Peninsula Visitor Information Centre, Rosebud Library, The Eco Living Design Centre, Gardens for Wildlife program, the Briars, Shire Committees (Peninsula Advisory Committee for Elders, Disability Advisory Committee and the Arts and Culture Advisory Panel), Dirt Jumps and both the Mornington and Mount Martha Community Houses. In addition, Shire volunteers are also supporting new initiatives including the Intergenerational Gardening Project at Tounnin Wominjeka Youth Hub and the Hastings Shed 11 Intergenerational Mural.

There are many reasons why over half the Shire Volunteers have been volunteering for five years or more. The Shire provides a positive volunteering environment where they are well supported by Shire Officers. Volunteering with the Shire gives people an opportunity to develop new friendships, provides a sense of purpose and being part of their community. Shire Volunteers feel that they continually valued for their contribution throughout the year. They gain an understanding of the breadth of volunteering at the Shire at activities as part of the retention and recognition program and Shire volunteer training sessions.

Shire Volunteer Program Highlights this year include:

- Mornington Peninsula Visitor Information Centre rolled out the Better Impact/My Impact App, giving volunteers an easy way to view their schedules, make updates, and stay informed.
- The Eco Living Design Centre has 21 trained and active volunteer Energy Heroes who can offer free energy saving advice to residents.
- The L2P program is celebrating 15 years on the Peninsula this year and has recently received a fifth car as a result on a five year sponsorship with the Community Bank, Mount Martha, Bendigo Bank.
- The Home Library Service has had a 50% increase of new volunteers and a 75 per cent increase of new borrowers since the start of 2025. Interest is growing due to promotion through the library and volunteer network utilising social media, direct marketing, library displays and positive word of mouth.
- The Peninsula Advisory Committee for Elders and Disability Advisory Committee has continued to meet monthly throughout the year, providing critical advice and feedback on key Council related documents, strategies and programs, ensuring key issues for people with disabilities and older residents are focused on. Key advocacy work has included elder abuse prevention, universal design, development of the We All Belong Strategy and employment opportunities for those aged over 55 years and people with disabilities.
- Two Meals on Wheels supported volunteers were presented with their five-year long service certificates by the Mayor at this year's Shire Volunteer Recognition Lunch. Ben and Lisa along with their driver and support person Jodie. Meals on Wheels has seven volunteers who have a "driver" assist them in the meals delivery rounds they are on each week. This effort is truly inclusive and inspiring.
- The Mount Martha House Community Centre and Mornington Community House have begun officially onboarding volunteers who have been leading and facilitating Neighbourhood House Coordination Programs for several years. With 14 volunteers engaged, the focus will now shift to proactively recruiting new facilitators and program leads to expand the range of activities offered.
- The Environment and Operation Volunteers have undertaken the significant task of re-establishing the farm water system onsite. After digging through both old management documents and mountains of dirt, their hard work has paid off! The new water system provides isolated areas in The Briars with accessible water for future endeavours.
- The Heritage Seed Garden volunteers have put in a mammoth effort over the past year re-vitalising the space to be both a place for getting your hands dirty and connection! Alongside the Indigenous Rangers team we have extended our HSG with a bush tucker garden. By combining the two gardens we hope to establish a place of connection, culture and sharing.
- The Briars Vineyard Volunteers were in full force for their annual harvest day. The task was arduous and taxing, but the team got it done with the many crates of fresh grapes being a testament to their diligence, persistence and consistency throughout the year.
- Gardens for Wildlife Volunteer Garden Guides reached a special milestone of delivering a HUGE 200 Garden Visits to residents of the Mornington Peninsula. This is a big achievement and wouldn't be possible without the enthusiasm, contributed time and expertise of our volunteer Garden Guides.
- Chatty Café celebrated three years at Rosebud library and has a regular group of friends who definitely love to chat and laugh! Our volunteers organise and facilitate this lovely group of library patrons and have formed great friendships. We love to see this positive interaction between the community and fostering a relationship with the whole library team and community.

Local Australia Day Award Winners

This Australia Day, Mornington Peninsula Shire supported a range of events to bring our community together in the spirit of respect and connection.

Family-friendly celebrations took place across the Peninsula, featuring live music, kids' activities, tasty food, BBQs and more, with events at the Dromana Foreshore, Rosebud Village Green and Sorrento (which was hosted by the Sorrento Portsea RSL and Rotary Club of Sorrento). There was even a Rosebud Aus Day Fun Run.

We also celebrated our 2025 Local Australia Day Awards, which put the spotlight on extraordinary individuals embodying the true spirit of community service and dedication. This year's winners were:

- Citizen of the Year: Denise Palmer
- Young Citizen of the Year: Phoebe Lambden
- Lifetime Achievement Award: Nina and Colin Blythe
- Community Event of the Year: Tyabb Air Show 2024
- Community Inspiration Award: Barry Randell

Youth Recognition Award Winners

Our young people were recognised for their achievements at the 2025 Youth Awards. The 2025 Mornington Peninsula Youth Recognition Awards were held on 30 May at the Peninsula Community Theatre, celebrating the inspiring contributions of young people across the region.

The annual event, hosted by the Shire's Youth Services team and the Mornington Peninsula Youth Advisory Committee (YAC), drew a crowd of almost 200 guests, including family, friends, local leaders and community members.

Deputy Mayor Paul Pingiaro presented awards to each winner across seven categories, recognising Unsung Heroes, Kind Hearts, Inclusivity Agents, and contributions in leadership, the environment, community service and the arts.

This year's winners were:

- Community Contributor: Bella Potter
- Environmental Warrior: Loqlan Hartwig
- Inclusivity Agent: Julia Sides
- Kind Heart: Rhiannon Zanker
- The Arts: Flynn Jones
- Unsung Hero: Emmerson Annable
- Unsung Hero: Willow Fletcher
- Young Leader: Thomas McInnes

The call for nominations went across the community two months ahead of the event, with friends, teachers, peers and organisations nominating 70 young people for recognition.

Our Performance

Strategic Overview

Under the Local Government Act 2020, Councils are required to:

- Align all strategic planning with the Community Vision
- Use an integrated approach to planning, monitoring and performance reporting.

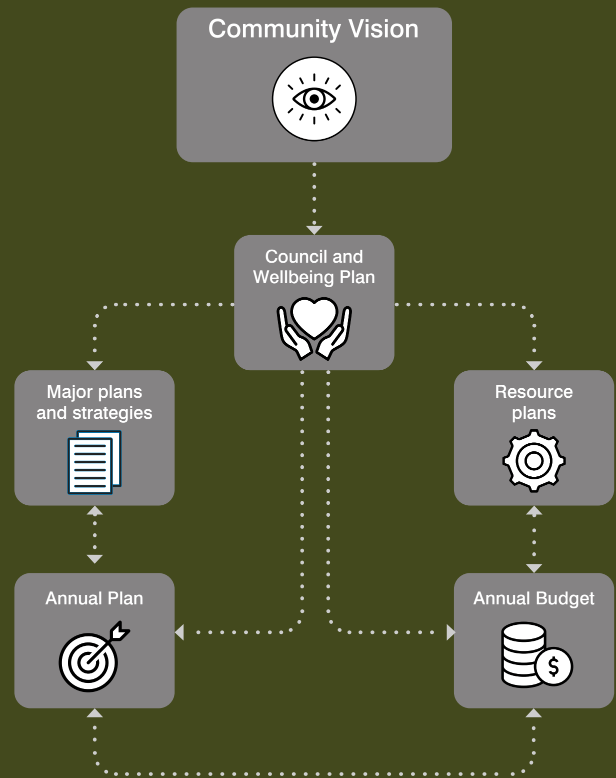
To meet this requirement, we use the Integrated Strategic Planning and Reporting Framework. This helps us to stay focused on achieving our shared Community Vision and ensures we regularly monitor our progress and report back to the community.

Our Council and Wellbeing Plan outlines the strategic objectives and strategies we will put in place to achieve our Community Vision. It's supported by other strategies and plans that focus on particular areas.

We then prepare an Organisational Action Plan (alongside the budget), which sets out the key actions we'll deliver under the Council and Wellbeing Plan.

The Integrated Strategic Planning and Reporting Framework provides an overview of the relationship between Council's key planning and reporting documents. These documents are needed to support strategic decision making and ensure accountability to local communities in the performance of functions and exercise of powers under the Local Government Act 2020.

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government.



Council and Wellbeing Plan Performance

This is the final year for reporting on the Council and Wellbeing Plan 2021-2025. The new Council Plan 2025-2029 will outline the strategic direction of council for the next four years.

Council's performance for the 2024-25 financial year has been reported against each theme of the Council and Wellbeing Plan 2021-2025 to demonstrate how Council is performing in delivering on the Plan.

Council and Wellbeing Plan

Strategic Indicators

Achieved: 45
Not achieved: 15
Ceased: 3

Strategic Objective: Strategies

Achieved: 79
Not achieved: 4
Ceased: 1

Theme 1

A healthy natural environment and well-planned townships

Service highlights

- 3,081 planning applications determined
- 1,415 drainage pits cleaned and 12,344 inspected
- 39,155 tonnes of kerbside waste diverted from landfill
- 4,785 kilometres of beaches were cleaned

Strategic Objective 1.1

An accessible and unique natural environment that helps our community to be healthy and well.

Strategic Indicators

Initiatives are delivered to protect, maintain and enhance natural and cultural heritage.

Some of the initiatives delivered over the year include:

- working alongside Friends Groups in over 570 working bees to protect and enhance biodiversity values
- planting of more than 9,000 plants, including the new street tree planting program
- delivery of Biodiversity Blitz month and Nature Stewards program
- development of our draft site-specific open space plans
- development of our new draft Open Space Strategy
- Shire's Cultural Advisor working across the organisation to engage with the Bunurong Land Council Aboriginal Corporation to protect natural
- sites and promote Bunurong heritage.

Increased levels of community satisfaction with our environmental sustainability activities

Research conducted by an independent company that measures the opinions of local people in the community showed satisfaction levels decreased by one index point to 65.

Maintain Carbon Neutral accreditation for the Shire's operations.

Council voted to discontinue the Climate Emergency Declaration and the associated Climate Emergency Plan at its 22 April 2025 Ordinary Meeting.

Continue to reduce carbon emissions for Shire facilities and activities and develop local carbon offset opportunities.

The Shire continued to develop local carbon offset opportunities and reduce carbon emissions across our facilities and activities including:

- Diverting food waste from landfill: 56.5 per cent of our kerbside waste was diverted from landfill in the past year.
- Completed our 12-month Virtual Energy Network pilot which will investigate opportunities to explore innovative electricity retail arrangements as a way of optimising the value of renewable energy.
- Completed our Major Roads Streetlight Upgrade.

Work towards the Climate Emergency Plan 2040 target of net zero emissions right across the Peninsula.

Council voted to discontinue the Climate Emergency Declaration and the associated Climate Emergency Plan at its 22 April 2025 Ordinary Meeting.

Strong community participation in the Climate Emergency Plan actions.

Council voted to discontinue the Climate Emergency Declaration and the associated Climate Emergency Plan at its 22 April 2025 Ordinary Meeting.

Legend for commentary

Achieved | Not Achieved | Ceased | Health and wellbeing priorities

Strategy 1.1.1 (Achieved)
Protect natural sites of cultural and Aboriginal and Torres Strait Islander significance.

The Shire continues to follow the Aboriginal Heritage Act. Officers continue to liaise with relevant Bunurong Land Council representatives to support external and internal groups to protect natural sites.

Strategy 1.1.2 (Achieved)
Work with our community to raise awareness about the value of our natural environment.

Volunteers in our Friends Group were busy over the year with planting, weeding and contributing their time to protecting and enhancing the biodiversity of our local bushland and foreshore reserves. With over 570 working bees delivered throughout the year, our Friends Groups played a key role in the stewardship of the Peninsula's natural environment.

To thank our Friends Groups for their ongoing collaboration with the Shire, we hosted the annual Friends Group Network Event to celebrate their achievements. This year, three outstanding groups were awarded for their exceptional contributions: Friends of Hearn Creek, Rosebud Foreshore and Shoreham Bushland Reserves.

Additional highlights celebrated over the year include participating in the September 2024 Biodiversity Blitz, the 2025 Nature Stewards Program and planting over 9,000 plants in autumn.

Strategy 1.1.3 (Achieved)
Look after our public spaces through our Open Space Strategy and site-specific plans.

A new Open Space Strategy to replace the existing strategy adopted by Council in 2003 is in development. This new Strategy will guide the future planning, provision, design, and management of both existing and future open spaces over 15 years. The Strategy is planned to be placed on public exhibition in August 2025 for six weeks before going back to Council. The Strategy is expected to be completed by December 2025.

Work on other site-specific plans over the year include:

- The updated draft Civic Reserve Master Plan. This will be finalised in 2025-26 once the Sport Capacity Plan Volumes 2 and 3 are adopted in the new year to ensure the plans align.
- The development of the draft Somerville Recreation Reserve Master Plan. The draft is expected to go to Council in the first quarter of 2025-26 for release to our community for consultation.
- The Dromana and Arthurs Seat Management Plan. Council was briefed on options for the development of the Plan and is expected to decide in 2025-26.
- The Hillview Reserve and Parkdale Estate Master Plan. Community feedback on the Plan was collated and uploaded onto a Council webpage for public review in May 2025. A Council decision on the direction of the Plan is expected in 2025-26.

Strategy 1.1.4 (Health and wellbeing priority; Achieved)
Improve our trail network to achieve connection and advocate for funding.

In the lead-up to the 6 May 2025 federal election, we released our 'Shout Out for the Peninsula' campaign, which included advocacy for the Peninsula Trails.

We prioritised the Cameron's Bight section as a low risk, 200m trail gap with strong community support and no identified delivery constraints. Delivering this segment would visibly advance the Peninsula Trail project and demonstrate real progress toward our broader vision of a connected, accessible trail network for the Peninsula.

The Peninsula Trail Masterplan, informed by extensive community feedback, was endorsed by Council on 20 May 2025. This enables Council to actively advocate for trail sections in the lead up to the 2026 State Government election as they become investment-ready, which will highlight the Cameron's Bight section.

We also started work on the Somerville to Baxter Trail, the first of the priority missing links of the Peninsula Trails project to be fully funded, which is expected to be open for enjoyment by late 2025.

Strategy 1.1.5 (Health and wellbeing priority; Ceased)
Continue putting the Climate Emergency Plan into action and build community resilience to mitigate the effects of the climate emergency.

Council voted to discontinue the Climate Emergency Declaration and the associated Climate Emergency Plan at its 22 April 2025 Ordinary Meeting. Council remains firmly committed to building climate resilience through tangible, local, outcomes-based actions and will continue to meet its statutory obligations under the Local Government Act 2020, Climate Change Act 2017 and Public Health and Wellbeing Act 2008.

Our Urban Forest Strategy was adopted by Council on 3 September 2024. The Strategy sets an ambitious goal of increasing tree canopy so that 45 per cent of all streets and parks are shaded by 2034.

Strategy 1.1.6 (Health and wellbeing priority; Ceased)
Run programs to reduce the impact of the climate emergency on the health and wellbeing of our community.

Before the Climate Emergency Declaration and the associated Climate Emergency Plan was discontinued, several programs were offered to the community throughout the year. These included support grants, community environmental education programs and free energy consultations.

A summary of our 2024-25 grants is available on page 28 of our Annual Report.

Strategic Objective 1.2

A healthy ecosystem, in which our coastline, bushland, wildlife and green wedge is resilient to the climate emergency and development.

Strategic Indicators

Increased levels of community participation and satisfaction with environmental sustainability.

Research conducted by an independent company that measures the opinions of local people in the community showed satisfaction levels decreased one index points to 65.

Increased levels of community participation and satisfaction with waste management.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels increased from last year:

- weekly garbage collection rated at 88
- fortnightly recycling rated at 87
- food/green waste collection rated 86.

Our community is highly engaged in the Shire's conservation and education programs.

Community engagement and participation in the Shire's conservation and education programs is up 7 per cent, from 7,053 to 7,535, compared to 2023-24.

Programs to protect and maintain our biodiversity and wildlife are delivered.

Programs to protect and maintain our biodiversity and wildlife delivered over the year include:

- Friends Group working bees
- Biodiversity Blitz
- Tree planting program
- Nature Stewards program
- Energy Heroes Program
- Environmental workshops
- Repower community group.

Increase in kerbside collection waste diverted from landfill.

Our total kerbside collection waste diverted from landfill for the 2024-25 year was 56.55%, which is down slightly from last year's 58.04%.

Strategy 1.2.1
Work with our community to protect native flora and fauna and coastal foreshores.

Achieved

In response to growing interest in fauna conservation, the Shire collaborated with representatives from several community groups concerned about wildlife across the region. We hosted a meeting with Shire officers and volunteers to discuss key concerns, explore practical solutions, and identify opportunities for advocacy with other public land managers.

For information on how we worked with our community to protect native flora and fauna and coastal foreshores through our Friends Groups, please see Strategy 1.1.2.

On 20 May 2025, Council resolved to return mechanical raking to all accessible Port Phillip Bay beaches. We are now working with our beach cleaning service provider to reintroduce mechanical raking to all accessible Port Phillip beaches as quickly and efficiently as possible.

Strategy 1.2.2
Implement Coastal and Marine Management Plans, including the Mornington Peninsula Coastal Strategy, to look after our coastal heritage and marine wildlife.

Achieved

Over the year, we completed Stages 1-4 of Our Coast Our Future, our Coastal Strategy, produced hazard maps and identified most at risk areas. We also completed a public tender process for the upcoming Stages 5-7 of the project, which will involve collaboration with the community to determine adaptation pathways for our most at risk areas.

For Stages 5-7 of Part B of Our Coast Our Future, our Coastal Strategy, we began collaborating with the community to determine adaptation pathways for our most at risk areas. The Coastal Strategy will include important long-term plans to manage current and future coastal hazard risks and drive efficient and sustainable outcomes in the face of climate change.

We also delivered grants for Coastal and Marine Management plans, which include the watercraft removal program at Portsea that will improve access, amenity and resilience of our coast.

A summary of our 2024-25 grants is available on page 28 of our Annual Report.

Strategy 1.2.3
Protect the green wedge using the Green Wedge Management Plan and advocate for maintaining its special role and character.

Achieved

On 9 July 2024, we sent an advocacy letter to the Minister for Planning providing general support for the recently released 'Planning for Melbourne's Green Wedges and Agricultural Land Action Plan (March 2024)'. However, we requested that a range of matters (either lacking sufficient detail in the Action Plan or excluded altogether) be addressed by the State Government, as Green Wedge reforms are progressively introduced over the next three years.

The Department of Transport and Planning (DTP) responded in March 2025, advising that it will not be undertaking any further consultation. The DTP advised that the Legislative Assembly Environment and Planning Committee released its final Inquiry report regarding 'Securing the Victorian food supply' in November 2024.

The DTP advised that no further consultation or working groups are planned as part of the current work program and that it is progressing the Action Plan alongside the Victorian Government's response to the Inquiry.

Strategy 1.2.4
Protect our biodiversity and wildlife in both urban and bush settings in the face of the climate emergency by implementing the Biodiversity Conservation Plan with the community and partners.

Achieved

Highlighted actions progressed from our Biodiversity Conservation Plan throughout the year include:

- Reviewing the final report for the Koala Research Project. We are currently planning an online forum in 2025-26 to share key findings with stakeholders.
- Reviewing the draft documentation prepared by Trust for Nature to protect four Shire-owned bushland reserves with Conservation Covenants, which is being updated before submission to Council for formal consideration in 2025-26.
- Working with Melbourne Water to support weed control and biodiversity protection across 22 bushland sites. We secured $1.2 million from Melbourne Water to enhance weed management outcomes across the Peninsula for the next three years.
- Collaborating with Parks Victoria and the Bunurong Land Council, through the Department of Energy, Environment and Climate Action (DEECA) under the Peri-urban Weed Management Partnerships, to support biodiversity works across the Peninsula over the next two years.
- Targeting high-value bushland and foreshore reserves within the Western Port RAMSAR Wetland in the Somerville–Hasting region as part of our Pest Animal Control program.
- Controlling high-threat environmental weeds in key bushland and foreshore reserves across the Peninsula.
- Conducting inspections and implementing hazard reduction measures across key Fire Management Zones, including Rosebud, Crib Point, Somerville and Mount Martha. A total of 247 fuel management zones were inspected, with works programmed for 103 zones.

Strategy 1.2.5
Implement the Domestic Animal Management Plan to promote responsible animal management.

Achieved

Highlighted actions progressed from our Domestic Animal Management Plan throughout the year include:

- Ensuring the Community Animal Shelter has a social media presence on Facebook, Instagram and TikTok.
- Updating our Dogs in Public Places webpage on our website.
- Rolling out signage strategy for dog controls at Council beaches, parks and reserves.
- Conducting 633 proactive beach patrols and 126 proactive park patrols.
- Participating in the RSPCA's Million Paws Walk at Hastings. We offered free and discounted animal registration at our marquee.
- Starting work on our Community Animal Shelter and Pound redevelopment. Phase One of the project began in July 2024.
- Continuing to partner with local vet clinics and numerous rescue groups across the municipality.
- Reviewing newly registered microchips and Pet Exchange data every month against Council registration records to ensure all animals are registered.
- Offering discounted pet desexing for residents on an aged pension.
- Conducting dangerous dog inspections in May 2025 – all were compliant.

Strategy 1.2.6
Continue towards our goal of zero waste to landfill by 2030, by strengthening our circular economy as part of our Beyond Zero Waste Strategy.

Achieved

To continue towards our goal of zero waste by 2030, we started a mid-term review of the Beyond Zero Waste strategy to develop an effective work plan for the next five years and to incorporate a more modern understanding of the Circular Economy.

Our upgrade for the Resource Recovery Centre progressed with audits awarded to confirm the types of materials, visitor behaviour and volumes of material available. This information will be used to support the development of concept plans in 2025-26. The plans will outline key strategic drivers and opportunities for upgrading the Rye Resource Recovery Centre and focus on environmental, health and safety compliance requirements, as well as the customer experience to improve material capture and source separation.

We also began re-profiling the Rye landfill cap. Audits have been completed and the development of concept plans is planned in the first half of 2025-26. Leachate management system upgrades have also been confirmed in the 2025-26 budget, with capping to commence in the following financial year.

Other highlights include:

- assisting businesses to reduce costs and improve outcomes through the Trim Your Bin initiative. With over 27 businesses involved, the initiative has reduced general waste by 421 tonnes, avoided 315 tonnes of waste, increased recycling by 105 tonnes and saved the businesses $155,000.
- Progressing the Wash Against Waste trailer initiative. The trailer is designed to tackle waste by replacing single-use items with reusable alternatives at events. It was trialled at markets and an Expression of Interest was conducted to find a partner to run the trailer as a service across the Peninsula and surrounding areas. A contract has been finalised and a partner has been selected. Insurance discussions are being finalised to allow the trailer to be utilised in the 2025-26 summer events season.

Strategic Objective 1.3

A sustainable built environment that respects the natural environment and protects the community from the impacts of the climate emergency.

Strategic Indicators

Increase adaptation to the impacts of the climate emergency.

Ninety per cent of Climate Emergency Plan actions were in progress or completed before Council voted to discontinue the Climate Emergency Declaration and the associated Climate Emergency Plan at its 22 April 2025 Ordinary Meeting.

Our building and assets are constructed with environmentally sustainable design principles.

The Shire incorporates Environmentally Sustainable Design (ESD) into the design and construction of Council buildings and civil works.

Our resilience to flood is strengthened and we have more responsible use of water on the Peninsula.

We adopted our Integrated Water Management Plan and Flood and Stormwater Strategy in 2021-22 and partnered with Melbourne Water to update flood mapping. Please see Strategy 1.3.6 for more information.

Strategy 1.3.1
Invest in renewable energy and energy efficiency programs.

Achieved

The Shire undertook one of our largest energy efficiency projects to date, upgrading all standard major road streetlights in our network to energy efficient LEDs. Completed by June 2025, the project upgraded 4,100 streetlights, which will save the Shire over $500,000 in annual savings and avoid 575 tonnes of greenhouse gas emissions every year.

The 12-month Virtual Energy Network (VEN) trial has now been completed. The trial was designed to investigate innovative electricity retail arrangements as a way of optimising the value of renewable energy through trading excess solar energy between sites. The project successfully demonstrated energy trades between Shire sites to enhance the value of excess solar generation. A report, including a value proposition for expansion, will be available in 2025-26.

The Shire is continuing to electrify its facilities to reduce reliance on fossil fuels and to promote the use of clean and cheap renewable energy in line with local, state and federal government targets. A concept design for the electrification of Yawa Aquatic Centre has been completed and a 'Community Energy Upgrade Fund' grant application has been submitted for funding to electrify Pelican Park Aquatic Centre.

Solar capacity on Shire-owned buildings now totals 2.1 Megawatts (1.5MW on Council-operated buildings and 0.6MW on tenanted buildings), offsetting 2,398 tonnes of greenhouse gases annually and approximately $436,000 in Shire operating costs. In June, a new 15 kilowatt system was installed at Mount Martha Community House, following a heritage assessment.

Strategy 1.3.2
Encourage responsible use of water sources on the Peninsula by implementing the Smart Water Plan.

Achieved

The South East Water (Department of Energy, Environment and Climate Action-funded) WaterSmart Program has launched, with active collaboration underway between the Shire and South East Water. Monitoring and investigations to identify and address leaks and high water use at priority Shire sites have begun, intending to reduce costs from unsustainable usage and previously undetectable long-term leaks.

Following the successful Recycled Water round table with Minister Shing in May 2024, the Shire is now developing a business plan to progress the recycled water concept as part of a broader Westernport strategic precinct plan. We continue to advocate for the progression of the Tyabb–Somerville recycled water scheme.

Council adopted the Wastewater Management Plan on 6 May 2025. It was sent to South East Water to fulfil Council's Obligations of Managers of Land or Infrastructure requirement on 3 June 2025.

Strategy 1.3.3 Incorporate Indigenous culture in all project planning and design.

Achieved

The Mornington Peninsula Shire Heritage and Public Art Lead continues to be included in all relevant working groups. They provide advice to internal stakeholders on projects and design, identifying opportunities to incorporate indigenous culture into Shire projects.

Strategy 1.3.4 Implement the Environmentally Sustainable Design Policy for Shire buildings and civil works.

Achieved

The Environmentally Sustainable Design Policy for Council Buildings and Civil Works continues to guide and inform capital projects delivered by Council. These include building specifications, energy efficiency, recycled and low-carbon materials, and more. We updated our guidance for Shire buildings on installing Solar PV and batteries, EV charging and hot water heating to align with current best practices and energy efficiency standards in April 2025. Highlights from our Major Projects and Capital Works program can be found on page 27 of our Annual Report.

Strategy 1.3.5
Advocate for environmentally sustainable design principles to be integrated into the Mornington Peninsula Planning Scheme.

Achieved

The Victorian Government released draft changes to the residential development provisions, otherwise known as ResCode, in 2024 that include potential changes to the Environmentally Sustainable Design (ESD) requirements. We reviewed the draft changes and made a series of recommendations in our submission back to the State Government.

Through the Council Alliance for Sustainability in the Built Environment (CASBE), the Shire continues to advocate for incorporating Environmentally Sustainable Design (ESD) requirements into the Mornington Peninsula Planning Scheme via a specific provision, rather than through ResCode.

This approach is proposed in Amendment C246morn, which is still under review by the Minister for Planning. We also submitted feedback to the Victorian Government on a draft Ministerial Direction for Climate Change, which Councils must consider in strategic planning decisions. The submission aimed to enhance the effectiveness of the Ministerial Direction and recommended incorporating ESD principles into planning scheme amendments where appropriate.

Strategy 1.3.6
Manage stormwater and build resilience to flood as it affects our community, our environment and infrastructure.

Achieved

A variety of projects aimed at managing stormwater and enhancing resilience to flooding have been completed or are currently in progress. This includes capital works projects that were finished this year. For more information, please refer to our Major Projects and Capital Works highlights on page 27.

An outfall survey has been completed, providing valuable data to assess risks to our outfalls and the upstream community. Additionally, a floor level survey was conducted, which will enable us to evaluate property flood risk more accurately and prioritise actions accordingly.

The review of the wetland design recommendations for the Civic Reserve wetlands, with Melbourne Water providing guidance and direction for managing water quality at the Civic Reserve, is now complete. Melbourne Water has endorsed a scope of works and a Request for Proposal has been sent out. At the end of the financial year, we had received two responses for review, and we are currently negotiating the details of the scope of work within the 2025-26 budget.

The majority of the flood mapping has been completed across the Peninsula with the final deliverables expected to be completed in late 2025.

Strategy 1.3.7

Achieved

Revise the planning scheme with consideration to our vulnerability to flooding and bushfires and the protection of native vegetation.

The Shire worked with Melbourne Water to update flood models for Port Phillip and Western Port catchments. The updated modelling is to be implemented into the Mornington Peninsula Planning Scheme via a planning scheme amendment carried out in partnership between Melbourne Water and Council.

Melbourne Water has advised that the details of the amendment process are still being worked through with the State Government and will likely start in late 2025-26 or the following financial year. The next Mornington Peninsula Planning Scheme Review is scheduled to be undertaken in 2025-26, which will include the assessment of all policies and provisions, such as those relating to flooding, bushfires and vegetation.

Strategy 1.3.8

Achieved

Deliver strategies to minimise the impact of the climate emergency on our built assets.

We started Stage 1 of the Financing Flood Resilience Infrastructure project, which will create investment and implementation strategies to address priority flood-related risks in the south-east region.
Stage 1 focuses on updating and improving asset databases and modelling. This $4.2 million project is a collaboration between eight local governments, led by the South East Councils Climate Change Alliance (SECCCA) and has been funded by the Federal Disaster Ready fund. The Mornington Peninsula Shire will be the focus of one of the case studies.

The project will include:

- Risk mapping — identification of critical infrastructure at heightened risk from extreme flood-related events.
- Community benefits — evaluation of proposed adaptation options showing significant reduction in climate risk, improving local liveability and equity.
- Cost-benefit analysis — recommendations for innovative funding models for investment in local infrastructure upgrades that provide long-term savings.

The Municipal Emergency Management Planning Committee unanimously endorsed the new Municipal Emergency Management Plan (MEMP) 2025-2028 on 15 November 2024. The finalised plan is now active and governs how the MEMP supports the community before, during and after an emergency event.

For more information around the status of Our Coast Our Future, our Coastal Strategy, which aims to manage current and future coastal hazard risks, please see Strategy 1.2.2.

Strategic Objective 1.4

An accessible built environment that supports diverse, current and future community needs.

Strategic Indicators

80 per cent of annual capital works budget delivered.

The 2024-25 Capital Works Program comprised of a total budget of $101.6 million worth of works. This consisted of $35.1 million in new projects, with the remainder being projects carried forward from previous financial years. With an aim to reduce carry forwards, Council had scheduled $55 million worth of projects to be delivered in 2024-25. In total, $51.9 million was delivered, representing 94% of the annual planned works being delivered.

Shire asset renewal targets are met.

Actual renewal expenditure in 2024-25 equated to $27.6 million, which was above our target of $21.2 million.

Increased levels of satisfaction with appearance of public areas.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction fell 1 index point from last year to 70.

Increased levels of satisfaction with recreation facilities.

Research conducted by an independent company that measures the opinions of local people in the community showed satisfaction levels fell 1 index point from last year to 80.

Increase in number of Shire assets that incorporate universal design principles.

Council adopted out Universal Design (UD) policy in early 2021-22. We continue to incorporate Universal Design principles into our programs, planning and service delivery. Please see strategy 1.4.1 for more information on actions incorporating UD through several actions.

Initiatives delivered to decrease financial stress and homelessness in the community.

Initiatives delivered to decrease financial stress and homelessness in the community include:

- Continuing to implement our Triple A Housing Plan.
- Supporting Women's Community Shelters.
- Supporting 2024 Homelessness Week.
- Completing community consultation for the proposed Rosebud Community Housing project.

Increased use of community facilities

In the community hall space, we had 8,316 bookings throughout 2024-25, which saw a total of 280,909 attendees.

Strategy 1.4.1
Apply universal design principles in the construction, refurbishment and use of Shire owned facilities, public spaces and open spaces.

Achieved

Following the adoption of the Universal Design Policy in 2022, our Universal Design (UD) guidelines have been embedded in our draft Master Design Construction Standards, which are expected to be completed in late 2025.

Strategy 1.4.2
Build and maintain Shire infrastructure and facilities based on community needs and facility condition.

Achieved

We transitioned to our new maintenance services contractors in July of 2024. Our Plumbing, HVAC, Electrical and Solar, Security, Cleaning, Lifts and Vertical Transport contracts were completed in July and August of 2024, with our Pest Control, Roof Access and Fall Arrest, and Gutter Cleaning contracts completed in September 2024.

The draft Asset Plan was endorsed at the Council briefing on 17 April 2025, and is expected be presented to Council in August 2025 for approval to proceed to public exhibition. Following community feedback, the Plan will go back to Council in October 2025 for adoption.

We started reviewing our Road Management Plan (RMP) with key stakeholders on 17 September 2024. We assessed response times, inspection frequencies and intervention levels against regional councils. An updated draft of the RMP was approved during the Council meeting on 03 June 2025 and was released for public exhibition on 16 June 2025. After the 28-day exhibition period, a public feedback report along with an updated version of the RMP, informed by community input, will be presented to a briefing of the Executive and Council before being submitted for adoption.

Highlights from our Major Projects and Capital Works program can be found on page 27 of our Annual Report.

Strategy 1.4.3
Develop a Community Facilities Infrastructure Strategy, to plan for shared community facilities that meet the current and future needs of our communities.

Achieved

The Community Facilities Infrastructure Strategy 2024-2034 was adopted by Council on 9 September 2024. The Strategy provides a framework for developing and maintaining community facilities to meet current and future needs. It focuses on creating a network of safe, accessible and affordable facilities that enhance community well-being and social connection.

Strategy 1.4.4
Continue to implement the Triple A Housing Plan.

Achieved

Highlighted actions implemented from our Triple A Housing Plan include supporting Women's Community Shelters (WCS) in their endeavours to establish women's crisis accommodation in the Shire. Both WPI (Women's Property Initiatives) and YWCA Australia, two community housing providers, are awaiting news on whether they have been successful in their application for State Government funding. This funding is intended to develop social housing on five parcels of leased land in Hastings and Mornington.

Other highlighted actions include:

- Working with the Department of Families, Fairness and Housing to address safety concerns at 335 Main St, Mornington, and to resolve community and tenancy concerns by establishing an interagency committee.
- Completing community consultation for the proposed Rosebud Community Housing project. This project proposes to develop housing for low-income women and children and women over the age of 55 at risk of homelessness.
- Supporting the 2024 Homelessness Week advocacy campaign in August. It involved various activities such as screening the 'Ranch Documentary', a podcast series with radio station 3MP, distributing advocacy postcards across the community and holding a community event at Mornington Park to raise awareness about homelessness.

Strategy 1.4.5
Develop an Affordable Housing Policy to facilitate contributions in private developments.

At its meeting on 18 December 2024, Council resolved to abandon the Affordable Housing Development Contributions Strategy. All work on this strategy was ceased.

Strategy 1.4.6
Advocate to state government for additional social and affordable housing and better housing support services.

Achieved

Our housing crisis motion was tabled at the July 2024 Australian Local Government Association's National General Assembly event in Canberra. Shire representatives met with the federal Member for Dunkley, Jodie Belyea, to discuss various issues, including housing. In August 2024, we wrote to Victorian and Federal Ministers regarding housing and homelessness issues.

In partnership with Southern Women's Action Network, the Shire jointly hosted a roundtable with the Hon Harriet Shing, Minister for Housing. The Minister heard from Council and community stakeholders across the Peninsula on opportunities to address the housing crisis on the Mornington Peninsula.

With a big part of our 2025 federal election campaign focusing on homelessness, we produced a dedicated video featuring relevant stakeholders advocating for increased federal funding for the three Community Support Centres on the Mornington Peninsula. We also delivered socials and media ads as part of the election campaign to support the work of the Triple A Housing Committee. Housing and homelessness will continue to be a priority ahead of the Victorian state election in November 2026.

To increase its national profile, the Shire submitted a motion focused on homelessness on 31 March 2025 to the Australian Local Government Association for consideration, which was successfully included within the annual National General Assembly business papers in June 2025.

Strategy 1.4.7
Improve our unique townships and villages by developing and maintaining accessible public spaces.

Achieved

Following public exhibition of Amendment C286morn, Council considered all submissions at the 25 February 2025 meeting and referred the amendment to a planning panel for independent review and recommendations. The Panel's report was delivered to Council on 17 June 2025. Council will evaluate the report and decide on adopting Amendment C286morn, with or without the changes suggested by the Panel, in the first quarter of 2025-26.

All master plans and concept designs adhere to universal design principles, including compliance with the Disability Discrimination Act for all infrastructure projects, to improve accessibility to the Shire's public spaces.

Strategy 1.4.8
Advocate for stronger universal design guidance in the State Planning Scheme and encourage best practise for privately owned buildings.

Achieved

Universal Design is addressed under the Victoria Planning Provisions at a State level and within the Building Regulations. The Shire will continue to monitor for future advocacy positions as appropriate.

Strategy 1.4.9
Deliver actions in the Housing and Settlement Strategy and Neighbourhood character Study to manage demand for housing and population growth.

Achieved

Amendment C219morn was adopted by Council on 6 August 2024 and submitted to the Minister for Planning for approval. The amendment, which implements Council's adopted Housing and Settlement Strategy and Neighbourhood Character Study, is sitting with the Department of Transport and Planning. The department is assessing Amendment C219morn before the Minister for Planning decides whether to approve the amendment as is.

Work on the Residential Height Controls Review is ongoing, with a revised version of the background report and the draft Landscape Character Assessments completed. The project aims to ensure that future residential built forms protect the distinctive and significant landscapes of the Mornington Peninsula, while appropriately managing reasonable view-sharing to valued landscapes and waterbodies.

Strategy 1.4.10
Protect built sites and features of cultural significance and history.

Achieved

Council adopted the Heritage Review for Area 4 (Westernport and Hinterland) and Stage 5 (watchlist properties) on 11 June 2024. We then resolved to seek Ministerial authorisation to commence Planning Scheme Amendment C302morn to apply the Heritage Overlay to properties identified in the review, which have heritage significance.

Due to resourcing constraints, Amendment C302morn is still being assessed by the Department of Transport and Planning. According to advice from the Department, Ministerial authorisation is expected in 2025-26.

Budget funded services

The following services and its description provide information in relation to the services funded in the 2024-25 budget.

Service area	Description of services provided	2024-25 Actual $'000	2024-25 Budget $'000	2024-25 Variance $'000
Animal Management	Our Animal Management service is responsible for developing and managing the registration, enforcement and compliance of domestic animals, animal related business and livestock including the animal shelter.	1,457	1,561	(104)
Building Safety	Our Building Safety service maintains a repository of all permits issued on the Peninsula and ensures compliant building activities so that the Peninsula's built environment remains safe.	2,063	2,607	(545)
Climate Action and Advocacy	Our Climate Emergency Action service is in response to the global state of emergency. Our Council is dedicated to respond and take action to achieve net zero-emissions for the region and beyond.	2,094	1,879	215
Circular Economy and Waste Management	Our Waste Management service ensures residents have access to sustainable and environmentally aligned waste collection services and resource recovery facilities.	42,405	35,174	7,231
Emergency Management	Our Fire and Emergency Management service provide mitigation, preparedness and execution of emergency responses to ensure a safe and resilient community.	656	3,587	(2,931)
Environment Management	Our Environment Management service ensures our natural environment is healthy and protected, balancing our diverse range of natural plants and animals.	8,670	9,118	(448)
Land Use Planning	Our Land Use Planning develops policy and guides planning decisions to help build well-designed and sustainable communities that meet community needs and regulatory requirements. The service keeps our planning scheme up to date and responsive to local issues and provides specialised expertise in the design and assessment of private and council developments.	11,452	10,950	502

Service area	Description of services provided	2024-25 Actual $'000	2024-25 Budget $'000	2024-25 Variance $'000
Open Space	Our Open Space service designs, plans and manages our diverse range of open spaces throughout the Shire so that our natural areas are protected while allowing individuals and groups of all ages to access and enjoy them.	25,633	25,265	368
Public Works Safety	Our Public Works service ensures management, enforcement and community education for activities that take place on public space and assets or private developments that may impact public safety so the community can use these assets and the surrounds safely.	431	501	(71)

Service Performance indicators and measures:

The following statement provides the results of the prescribed service performance indicators and measures in the Local Government Performance Reporting Framework, including explanation of material variations.

	Service/indicator/measure	2022	2023	2024	2025	Material variations & comments
Animal Management						
AM1	Timeliness Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	3.29	2.38	2.98	2.98	Council continues to prioritise animal management issues that pose a high risk to protect the safety of our community and to act promptly on animal management requests. Our time taken to action requests was consistent with 2024. The increase from 2023 can be attributed to a 73% rise in requests.
AM2	Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	68.88%	63.51%	41.39%	46.25%	Of the 839 animals collected, 388 were reclaimed by their owners, representing an increase of over 100% compared to the previous year. When pets cannot be reunited with their owners, Council makes every effort to rehome them through adoption programs and partnerships with animal welfare organisations.
AM5	Animals rehomed [Number of unclaimed collected animals rehomed / Number of unclaimed collected animals]	13.39%	21.13%	52.79%	58.31%	The increase in the number of animals rehomed from 2022 is primarily due to a change in the calculation, which now excludes reclaimed animals from the number of animals collected. With more pets unclaimed, we had more opportunities to rehome pets via our Pets Available for Adoption webpage, PetRescue and social media. Of the unclaimed pets collected, we were able to rehome over half.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
AM6	Service cost Cost of animal management service per population [Direct cost of the animal management service / Population]	$12.86	$12.75	$14.47	$18.83	The increase against last year is primarily due to the addition of superannuation, increased contractor costs to cover staff who went on annual leave and an increase in salaries and wages as we filled permanent positions. With our new system, superannuation can now be split out from payroll costs and allocated to a service where previously it was lumped together in a general ledger.
AM7	Health and safety Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100.00%	100.00%	100.00%	97.96%	The Mornington Peninsula Shire Council is dedicated to safeguarding community safety and the health and wellbeing of animals on the Peninsula by pursuing prosecution only when it is justified and necessary. There was one instance where we chose to withdraw legal action against a defendant due to exceptional circumstances presented by the defendant's barrister in court.
Statutory Planning						
SP1	Timeliness Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	105	72	62	56	While we received 8 per cent fewer applications than last year, additional labour resources and process improvements have contributed to shorter processing times of applications.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
SP2	Service standard Planning applications decided within required time frames [Number of regular planning application decisions made within 60 days for regular permits and 10 days for VicSmart permits / Number of planning application decisions made] x100	44.56%	42.22%	47.38%	56.74%	Although we received 8 per cent fewer applications, we have made steady progress by increasing the number of planning applications decided within the required timeframes, bringing us closer to our target.
SP3	Service cost Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	$1,815.93	$2,522.15	$2,800.98	$3,237.66	The increase against last year is primarily due to the addition of superannuation and increased agency labour costs to cover staff who went on annual leave and long service leave. With our new system, superannuation can now be split out from payroll costs and allocated to a service where previously it was lumped together in a general ledger.
SP4	Decision making Council planning decisions upheld at VCAT [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] x100	68.85%	72.92%	72.13%	69.01%	The decrease from 2023 is mainly due to a change in 2024 in how the measure is calculated - it now includes Consent Orders, which is a decision or direction by VCAT that gives effect to an agreement that has been reached between parties.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
Waste Collection						
WC2	Service standard Kerbside collection bins missed Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	5.99	3.01	3.52	5.44	Over the past year, we completed more than 7.9 million bin lifts, but we unfortunately missed 4,304 bins as part of our collection service. This increase from last year can be partly attributed to having fewer bins in our system, due to the transition to a newer database, which meant that there were fewer bins collected. We will continue to work with our provider to ensure that all bins scheduled for collection are picked up.
WC3	Service cost Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	$77.60	$87.57	$89.52	$89.01	Although the result remains consistent with previous years, the direct cost of the service has decreased from last year. However, bin maintenance is now included in the contract bin lift rates, which experienced a 3.8% increase, resulting in a similar kerbside garbage bin collection cost.
WC4	Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	$34.30	$42.78	$41.76	$55.28	The increase in the cost of the service since 2024 is due to an adjustment in the old contract and the commencement of a new contract in May 2024, which introduced new rates with bin maintenance now included in the contract bin lift rates. Additionally, there has been a 3.6% increase in the number of kerbside recyclable bins collected.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
WC5	Waste diversion Kerbside collection waste diverted from landfill Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	57.21%	58.19%	58.04%	56.55%	We experienced a small decrease compared to 2023. A 7.6 per cent reduction in recyclables received, compared to 2023, may be due to the introduction of the Container Deposit Scheme that was introduced on 1 November 2023.

Theme 2

A robust, innovative and diverse economy

Service highlights

188 businesses mentored/visited

262 business associations/groups worked with

1,782 food safety inspections

$3.8 million in grants, sponsorships and subsidies paid in support of the community

Legend for commentary

Achieved · Not Achieved · Ceased · Health and wellbeing priorities

Strategic Objective 2.1

An accessible and unique natural environment that helps our community to be healthy and well.

Strategic Indicators

Initiatives to increase education and employment pathways supported.

Seven initiatives, which included partnering with Chisholm TAFE and Frankston Mornington Peninsula Local Learning and Employment Network in preparation for the Industry and Jobs Expo, were delivered across the year.

Level of community participation in Shire delivered life-long learning opportunities.

There was strong community participation in Shire delivered learning opportunities, including:

- 521 language other than English (LOTE) stories watched on LOTE4Kids (online stories resource).
- 1,932 STEM (Science, Technology, Engineering and Math) and Digital Inclusion program participants.
- 682 student sessions through Studiosity (on-demand tutoring).
- 237 LinkedIn Learning participants.
- 338 viewers for Creativebug (online craft resource).

Strategy 2.1.1 — Achieved

Connect schools, education providers and businesses to improve social and economic outcomes.

We supported the delivery of the Frankston Mornington Peninsula Local Learning and Employment Network (FMPLLEN) Industry and Jobs Expo, with around 1,800 secondary students and 300 job seekers attending. As part of the Small Business Festival, 31 industry development events were delivered with 1,251 local business attendees. A farmer's discussion group with 25 attendees in partnership with Landcare was also delivered.

In partnership with FMPLLEN, we also hosted a 'Live Local, Work Local' Schools-Industry Round Table, bringing together employers and young people to identify issues and opportunities for local employment pathways.

We also contributed to the Frankston-Mornington Peninsula Community Investment Committee to develop a Youth Compass Tool and framework for addressing youth workforce issues and started planning with FMPLLEN for a Jobs and Industry Expo in August of 2025.

Strategy 2.1.2 — Achieved

Advocate for additional training and education services and centres of excellence.

We attended a Mornington Peninsula Education Round Table meeting with Frankston Mornington Peninsula Local Learning and Employment Network, Chisholm TAFE and the federal Member for Flinders, Zoe McKenzie MP, where we contributed to the development of the Chisholm Strategic Plan.

We continue to attend regular meetings with Chisholm Institute, FMPLLEN, and Advance Community College to strengthen collaboration and explore opportunities for improved training and education outcomes across the region.

Strategy 2.1.3
Work in partnership with a wide range of education providers to promote lifelong and inclusive learning opportunities.

Achieved

The Shire's Youth Services relocated to Tounnin Wominjeka Youth Hub and worked with a range of education providers to promote programs for young people. Youth services partnered with Primary and Secondary Schools to deliver wellbeing and personal development programs, outreach and events.

We partnered with School Focused Youth Service across schools to implement programs for students at risk of disengaging from school and continued to support disengaged students via the Oakwood School initiative located in Council's three Youth Hubs.

We strengthened partnerships across the education sector by providing tailored, hands-on learning experiences that support students at various stages of their educational journey. This included facilitating meaningful workplace exposure for 30 secondary school students (Years 10–12, VCE/VM), supporting 14 tertiary students with course-aligned placements, and delivering a structured Certificate IV traineeship program with Chisholm as the RTO for six emerging professionals.

Our libraries provided digital advice across cyber security and scams, delivered literature and writing workshops, health and wellness, LifeSkills and hobbies and cultural learning initiatives. We also delivered a Ready Set Read Program in local kindergartens and community settings.

Strategic Objective 2.2

A strong food economy, promoting growth to enhance community access.

Strategic Indicators

Participation of food businesses engaged in a diverse variety of programs and initiatives.

Five initiatives, which included our Small Business Festival, the Mornington Peninsula Agroecology Forum and the Mornington Peninsula Business Excellence Awards, were delivered across the Council Term.

Percentage of facilities and events that meet Healthy Choices Guidelines.

The Shire continues to ensure that healthy eating options are available at Shire owned and managed facilities and events as per our Healthy Food and Drink Policy which was updated in 2024.

Reduction in residents that require food relief services.

Community Support Centres across the Mornington Peninsula experienced a significant increase in demand for food relief services. This surge reflects broader national challenges, including escalating living costs, a deepening housing crisis, and a marked rise in homelessness.

Local service providers report that many residents are prioritising housing-related expenses—such as rent and utilities—where possible, often leaving insufficient income for essential needs like food. As a result, more individuals and families are turning to emergency food programs.

The rise in homelessness has further intensified the pressure on local support systems. Increasing numbers of people are experiencing housing instability or sleeping rough, highlighting the urgent need for sustainable support pathways and housing pathways.

Increase our food economy contribution to our Gross Regional Product.

Our food economy continues to worth around $1.3 billion of our Gross Regional Product.

Number of initiatives delivered encouraging productive and sustainable use of the Green Wedge.

Four initiatives, which included launching the Farming Our Way project at the Mornington Peninsula Agroecology Forum and working with industry partners, including Landcare, Melbourne Water, Agriculture Victoria and others, on landholder education and upskilling initiatives were delivered across the year.

Strategy 2.2.1
Foster access to affordable local healthy food options by working with our key partners implementing our Agroecology Strategy.

Achieved

The Sustainable Food Economy and Agroecology Taskforce met quarterly to work together on strengthening the local food system. The Shire is a partner on The Community Plate and a representative from Peninsula Health sits on the Taskforce.

Throughout the year, the Shire supported:

- The Community Plate's submission to the Victorian Inquiry into Food Security.
- The Community Plate's successful grant application to Victoria Health. The grant will go towards strengthening and enhancing community food projects.
- Sustains' successful grant application. The grant will go towards building a 'network of networks' for food system groups across the state, with the Shire a founding partner on this project.

Strategy 2.2.2
Support and foster the growth of our farmers through a variety of food business such as farm gates, sea gates, food trucks, local stalls and local farmers markets.

Achieved

We hosted over 100 farmers, artisans, food businesses and industry for the biannual MP Agroecology Forum. The Forum brought together thought leaders and local businesses to discuss key opportunities and challenges for transforming our food economy to be more agroecological. We also ran a three-part Carbon Farming training program for graziers wanting to reduce their emissions.

To support and foster growth, we delivered a farmer discussion group in partnership with the Landcare Australia network and Trust for Nature. We collaborated with our Sustainable Food Economy and Agroecology Taskforce partners to:

- Showcase agricultural careers at the Frankston Mornington Peninsula Local Learning and Employment Network careers expo.
- Showcase agricultural careers at Port Philip Estate and three industry immersion tours for schools at local farms.

Strategy 2.2.3
A strong food economy that supports food relief, rescue and re-distribution programs.

Achieved

The Shire and Taskforce worked with The Community Plate to conduct a Surplus Food survey of producers and food manufacturers to understand what surplus produce might exist on the Peninsula and what alternative pathways there are for it to reach consumers and relief groups.

Strategy 2.2.4
Continue to implement the Green Wedge Management Plan prioritising and encouraging productive use of the green wedge.

Achieved

The Shire continues to advocate to state government for measures which prioritise agriculture and conservation uses in the Green Wedge. We also:

- Continue to implement the Food Economy and Agroecology Strategy, which aims to facilitate a thriving, diverse and regenerative agricultural sector.
- Continue to work with industry partners, including Landcare, Melbourne Water, Agriculture Victoria and others, on landholder education and upskilling initiatives.

We launched the Farming Our Way project at the Mornington Peninsula Agroecology Forum. The project plan has commenced and we held our first focus group late in the year.

Strategy 2.2.5
Help our food businesses by delivering programs to grow a circular food economy.

Achieved

We continued to progress recycled water access for farming across the Peninsula and via the Mornington Peninsula Agroecology Forum, ran a 'Disrupting the supply chain' event that was the key theme of the day.

We also highlighted the Somerville to Tyabb Recycled Water Scheme as an investment-ready project in our 'Shout Out for the Peninsula' campaign for the 2025 federal election.

Strategy 2.2.6
Promote the Mornington Peninsula food economy including promoting the (MPP) brand.

Achieved

Work on our draft Mornington Peninsula Produce Plan was finalised within the year. We undertook stakeholder engagement and collected feedback, which informed the final draft.

In July 2024, we showcased MPP at The Little Food Market at the Royal Exhibition Building. As a proud event partner, MPP showcased our region's finest, providing a unique opportunity for visitors to explore and enjoy the best of the Mornington Peninsula.

We promoted our MPP brand at the Mornington Peninsula Agroecology Forum and through our MPP Spring newsletter, which is distributed to more than 1,500 subscribers. We also:

- developed and distributed a promotional MPP video via our social media
- developed a 6-page spread for Eat Drink Magazine
- launched the MPP 'Behind the Farm Gate' podcasts.

Strategic Objective 2.3

A thriving entrepreneurial economy, with a vibrant tourism sector, that provides accessible employment to our diverse community.

Strategic Indicators

Benchmark industry employment and identify barriers to employment.

Our Economic Development and Tourism Strategy, adopted by Council on 14 May 2024, benchmarks industry employment and identifies barriers.

Number of initiatives delivered to support Council's commitment to the Small Business Friendly Charter.

Five initiatives, which included the Small Business Festival in August 2024 and the Business Excellence Summit in June 2025, were delivered across the year.

Strong level of business participation in Shire delivered initiatives.

Three initiatives, which included the Business Excellence Summit and the Best Bites Awards, were delivered across the year.

Increase in visitor yield, off-peak visitation and dispersal of visitors.

Total visitors to the Mornington Peninsula region in the year ending December 2024 reached 7.9 million. This is a 1.3 per cent decrease from December 2023.

Initiatives delivered that grow the creative economy.

Five initiatives, which included the Artists in Residency program and the Music Plan Summit, were delivered across the year.

Increase levels of satisfaction with lobbying and advocacy on behalf of the community.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels decreased 2 index points to 63.

Increased levels of satisfaction with our business and tourism services.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels remain the same at 72.

Strategy 2.3.1
Work closely with all sectors including hospitality, manufacturing, tourism, retail, education, health and agriculture so they are strong and grow through COVID recovery and beyond.

Achieved

Our Small Business Festival in August 2024 offered plenty of opportunities to hear from industry experts, increase skills, gain fresh knowledge about all things business and make valuable new connections. More than 1,200 small business owners and entrepreneurs joined the festival. The festival featured a selection of low-cost and no-cost events from 1 – 31 August for people to create a schedule of learning opportunities to suit their business needs.

We also launched our new Business Excellence program, designed to build the capacity of and celebrate local businesses. Applications for the 2025 Mornington Peninsula Business Excellence Awards opened on 16 June 2025. These awards celebrate exceptional local businesses that go above and beyond industry standards and make a significant contribution to excellence, innovation, professionalism, and collaboration within our region.

Strategy 2.3.2
Deliver a new Economic Development and Tourism Strategy.

Achieved

The Economic Development and Tourism Strategy, which was adopted in May 2024, continues to guide the work of the Shire's Economic Development Unit. Actions are being implemented across four key pillars: Industry Development, Small Business, Local Workforce and Prosperous Places. These pillars ensure a coordinated, long-term approach to supporting local business growth, workforce development, and sustainable economic outcomes across the Mornington Peninsula. The strategy was also used to support the induction of the new Council late last year.

We undertook work on a dedicated business permit support process throughout the year and submitted a funding application. While we were unsuccessful in our application to the Business Acceleration Fund, work is progressing with existing resources to accelerate permit delivery for businesses.

Strategy 2.3.3
Work with the Regional Tourism Board and other key stakeholders to deliver a new Tourism Destination Management Plan.

Achieved

Council has endorsed a new Visitor Economy Partnership (VEP) for our thriving tourism industry and the thousands of jobs and businesses it supports.

Since 2023, the Victorian Government has been working with regional tourism boards, councils and industry to transition into a formalised network of Visitor Economy Partnerships. These independent organisations act as an official voice for tourism in their regions and play a key role in setting strategic direction and securing state funding.

The Department of Jobs, Skills, Industry and Regions has worked with stakeholders to develop the Mornington Peninsula VEP. The Shire will have formal representation on the board, helping ensure that community insights and priorities continue to guide decision-making.

Council also welcomes the release of the Destination Management Plan, which provides a long-term framework for sustainable tourism growth by improving the visitor experience, supporting local operators and managing the impacts of tourism across the region.

In 2024, the Mornington Peninsula attracted 7.9 million visitors, contributing $1.8 billion to the local economy (Tourism Research Australia). Tourism directly supports over 5,000 local jobs and contributes almost $1 billion in direct economic output from tourism-related industries (REMPLAN).

The Mornington Peninsula Visitor Economy Partnership will strengthen our local tourism sector through a $200,000 annual investment from Council. This funding will support a collaborative effort to build a sustainable, thriving visitor economy.

Strategy 2.3.4
Work with tourism stakeholders to promote the Mornington Peninsula as a premier tourism destination focusing on encouraging visitation throughout the Peninsula, off-peak visitation, and business and corporate events.

Achieved

We are pleased to report that the Mornington Peninsula has done it again at the Victorian Top Tourism Awards, proving it's one of Victoria's hottest spots. Arthurs Seat and Sorrento both snagged silver at the 2024 Awards.

Our Flinders submission for the 2025 Victorian Top Tourism Awards reached the finalist stage. Winners will be announced in July. These Awards aim to celebrate and promote the experiences available to encourage visitation to regional towns.

To encourage exploration, extended stays and repeat visitation to attendees of the Agroecology Food Forum (held in Flinders), an itinerary was created promoting 18 businesses. This was shared with attendees before the event. Over 185 tourism businesses and events were promoted to the Mornington Peninsula Visitor Centre's 7.2k Facebook followers. Three blog posts were published, promoting over 30 tourism businesses and experiences. Live the Local Experience Tourism Podcast series features 20 local business podcasts. The series aims to promote the stories of local tourism operators and their favourite spots to visit on the Mornington Peninsula.

Seventy-three local tourism businesses participated in the Taste, Play Stay Campaign to encourage visitors from the Harry Potter event to stay longer and see more while in the region.

Strategy 2.3.5
Support our creative economy by delivering on the Our Arts and Culture Plan.

Achieved

In support of our creative economy, the Shire delivered a Music Plan Summit (Make Music Matter) that brought together musicians, industry professionals and community members through interactive activities, networking opportunities and performances across multiple venues. A total of 200 people attended. We also collaborated with Capel Sound Studios to mentor eight young people to develop their skills in sound engineering.

We held our second annual Our Stories heritage event at Mount Martha House Community Centre on 18 May 2025. Over 600 people attended the day, which involved 33 volunteers, 14 community organisations and 11 local cultural professionals.

We delivered workshops, including floor talks and programs such as 'Young at Art', children's/school holiday workshops, and programs for people living with dementia. There was also mixed metal jewellery, sewing and floristry workshops delivered as part of CREATE, an exciting and accessible arts program for our Peninsula community.

Mornington Peninsula Regional Gallery exhibition highlights included:

- The winter/spring exhibition program attracted more than 4,230 visitors.
- The biannual National Works on Paper Acquisitive Award, which attracted a total of 3,925 visitors.
- The Ecologies Project: How Climate Changes Culture, which ran until 16 March and attracted 3,210 visitors.
- The Autumn Exhibition, which featured two new exhibitions – James Tylor, A UNSW Galleries touring exhibition curated by Leigh Robb, and New Wave 25, showcasing the works of students within the Mornington Peninsula Shire.

Strategy 2.3.6
Deliver on the Reconciliation Action Plan, supporting Aboriginal and Torres Strait Islander businesses and employment opportunities.

Achieved

The Shire adopted a new Reconciliation Action Plan (RAP) on 3 September 2024 and submitted it to Reconciliation Australia. A First Nations artist was engaged to develop the artwork included in the finalised Reconciliation Action Plan.

We promoted Reconciliation Week, raising cultural awareness across the Peninsula. Reconciliation Week began on 27 May at the Mornington office with a Welcome to Country, Smoking Ceremony, Flag Raising and Cultural Awareness Session led by proud Bunurong and Palawa Traditional Owners, Jillian and Josh West, attended by over 100 Shire staff. On 30 May, Jillian and Josh delivered a similar session at the Briars for 35 community members, deepening understanding of Aboriginal and Torres Strait Islander histories, challenges and resilience.

Strategy 2.3.7 Achieved

Work in partnership with other levels of government and service providers to promote grants, programs and services to encourage inclusive employment and volunteering opportunities.

Council's Community Investment Funding Program opened on 13 July 2024, with more than $3.8 million in funding to support community initiatives via grants, sponsorships and subsidies. This includes the Business Development Grant – Accessibility stream, which funds projects to make businesses more accessible.

We continue to partner with government and service providers to promote grants, programs and resources that support inclusive employment and volunteering. Following our involvement in the South East Melbourne and Peninsula Jobs Taskforce, we've promoted the Funding Finder tool on the Shire website and shared grant opportunities through our business newsletter to over 4,000 subscribers.

Inclusivity was also a key theme at the recent Business Excellence Summit, where a keynote highlighted how embracing access and inclusion drives business growth by attracting diverse customers and talent. Practical strategies were shared to help businesses improve accessibility, foster belonging and strengthen community impact.

Strategy 2.3.8 Achieved

Advocate for planning system changes to support affordable housing initiatives in our townships and access to local employment for our businesses.

On 25 February 2025, the state government released its Plan for Victoria, which includes a specific action to 'increase the number of social and affordable homes'. The Plan includes short-term milestones to 'consider setting policy targets for percentage of new homes that are social or affordable' and will 'review the legislative framework that supports the delivery of social and affordable homes.' The Plan includes a revised target of 24,000 new homes on the Peninsula by 2051, which aligns with the Shire's existing Housing and Settlement Strategy and planning scheme amendment C219morn.

Amendment C219morn was adopted by Council in August 2024 and will provide for about 1,200 new homes per year to house our growing population. The Amendment will not change the Urban Growth Boundary, leaving the Green Wedge as is. The amendment is currently sitting with the Minister for Planning for approval.

Strategic Objective 2.4

A diverse economy, with green and renewable opportunities, encouraging entrepreneurship, investment and innovation.

Strategic Indicators

Increased levels of satisfaction with our business and tourism services.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels remained the same at 72.

Model and site identified for a Performing Arts and Cultural Precinct.

A model site for a Performing Arts Centre in Hastings was identified in 2023-24. The second stage of the concept design process is on hold, awaiting direction from Council on the preferred use of the Hastings site. Please see Strategy 2.4.2 for more information.

Number of initiatives implemented within the Industrial Land Assessment and Rezoning Strategy and Activity Centre Strategy.

We continue to work through Amendment C243morn, which is sitting with an independent planning panel for review. We also await a privately led amendment, C295morn.

Increased levels of satisfaction with lobbying and advocacy on behalf of the community.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels decreased 2 index points to 63.

Strategy 2.4.1 Achieved

Provide an environment where new and existing businesses are supported to grow and transition to a green economy.

Our Business Excellence Summit brought together over 115 local businesses, with a strong focus on building sustainable, future-ready enterprises. A key feature of the event was the breakout session Sustainable Success: Simple Steps for a Greener Business, where industry experts, local business leaders and Shire staff shared practical advice to help businesses adopt environmentally sustainable practices and strengthen their operations.

In addition, we developed and updated a range of online resources, now available on the MP Business website, to guide businesses through practical steps for reducing their environmental impact and building long-term resilience.

Strategy 2.4.2 Achieved

Investigate and develop a Performing Arts and Cultural Precinct with a specific focus on a performing arts centre, advocating for funding opportunities.

Following the completion of the business case and concept development, the concept design stage for the Performing Arts Centre and Future Arts Precinct project is underway.

The project is finalising the site investigations and technical studies, including geotechnical, soil testing, flood modelling and traffic impact assessments. The final reports for the flood modelling and parking will be released shortly. These studies will provide critical insights into site suitability and support the future design of the project, in preparation for the second stage of the concept design process.

The second stage of the concept design process is on hold, awaiting direction from Council on the preferred use of the Hastings site.

As part of our 'Shout Out for the Peninsula' campaign, the Performing Arts Centre was highlighted as one of our key projects that require federal funding and support in the lead up to the 2025 federal election.

Strategy 2.4.3
Use our industrial and commercial land to aid business growth and attract new and emerging industries to help diversify our economy.

Achieved

Amendment C243morn is sitting with an independent Planning Panel for review and recommendations. Council anticipates receiving the report in 2025-26 and will determine whether to adopt Amendment C243morn, with or without any changes suggested by the Panel. The amendment is a privately led proposal that aims to create a new technology, industry and business park at 79 and 83 Bungower Road, Somerville.

Amendment C294morn is a privately led proposal to create a new industrial precinct in Hastings. The proponents of the amendment continue to undertake detailed technical assessments to prepare a formal planning scheme amendment request. We expect to see the planning scheme amendment request in 2025-26.

Strategy 2.4.4
Collaborate with the community about the future role of the Port of Hastings and the surrounding port-related land.

Achieved

Shire officers continue to liaise with the Department of Transport and Planning (DTP) about opportunities for collaborative future planning of surplus Port-related land currently zoned Special Use Zone 1 (SUZ1). Funding for the 'Westernport Futures Project' to advance this advocacy initiative was included in the 2025-26 Budget.

The recent state government's Economic Growth Statement specifically states that they will review the zoning of the SUZ1 surplus land for industrial use. Council has flagged other potential uses such as housing, conservation and agriculture, and has written to the Victorian Government to highlight this. We are working collaboratively with the DTP, Port of Hastings, Committee for Frankston and Mornington Peninsula, and the Western Port Biosphere to develop a potential piece of work through the internal Westernport Futures group, to lead precinct planning for the area.

Following the release of Amendment C304morn by the Minister for Planning for public comment in late 2024, we prepared and submitted a submission on the development of the hydrogen production facility. This is a Ministerial-led amendment that permits the additional use and development of a hydrogen production facility. This facility will operate alongside the existing hydrogen liquefaction and loading terminal located at the northeast corner of Bayview Road and Long Island Drive in Hastings.

Budget funded services

The following services and its description provide information in relation to the services funded in the 2024-25 budget.

Service area	Description of services provided	2024-25 Actual $'000	2024-25 Budget $'000	2024-25 Variance $'000
Arts Cultural Development	Our Arts and Cultural Development service invests in and supports spaces, events and experiences to cultivate a vibrant and sustainable arts and cultural sector.	5,950	4,873	1,077
Economic Development and Business Support	Our Economic Development & Business Support service develops policy and guides planning decisions to help build well-designed and sustainable communities that meet community needs and regulatory requirements. The service keeps our planning scheme up to date and responsive to local issues and provides specialised expertise in the design and assessment of private and council developments.	2,810	2,363	447

Service Performance indicators and measures:

The following statement provides the results of the prescribed service performance indicators and measures in the Local Government Performance Reporting Framework, including explanation of material variations.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
Food Safety						
FS1	Timeliness Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	2.56	2.3	2.56	2.55	Council is committed to prioritising food complaints and taking action as quickly as possible. This year's result is consistent with previous years.
FS2	Service standard Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	96.04%	95.72%	96.71%	99.71%	To ensure the safety of residents and visitors to the Peninsula, Council aims to inspect and approve every food premise before they start operating. This year's result is up from previous years as only a very small number of newly established premises that began operating in late 2024 were not assessed by the end of the year.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
FS3	Service cost Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	$822.69	$474.52	$376.02	$531.16	The increase over last year is primarily due to the addition of superannuation in the cost of the service and increased contractor costs to cover annual leave and long service leave. With our new system, superannuation can now be split out from other payroll costs and allocated to a service where previously it was lumped together in a General Ledger. The overall decrease in the cost of the food safety service from 2022 is due to the realignment of internal costs, which now reflect the resources allocated to our food safety service.
FS4	Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	92.86%	92.25%	96.94%	92.53%	To ensure the safety of our community, we continue to prioritise food safety compliance programs across the Peninsula. Our follow-up on critical and major notifications result remains high and is consistent with previous years.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
FS5	Food safety samples [Number of food samples obtained / Required number of food samples]	New	New	86.82%	115.59%	Council is dedicated to ensuring food safety across the Peninsula. In our ongoing efforts we obtained 304 food samples for analysis, over the 263 food samples required. This proactive approach underscores our commitment to maintaining high standards and protecting public health.
Libraries						
LB2	Resource currency Recently purchased library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	74.32%	50.67%	64.48%	59.94%	The decrease against last year is primarily due to a 10 per cent reduction in the number of items purchased in the last 5 years, as we sought to constrain costs across the organisation. We also had a minor decrease in the number of items in our overall collection as we weeded out titles that were not used or had reached their end of life.
LB5	Service cost Cost of library service [Direct cost of the library service / Municipal population]	$22.20	$21.88	$22.68	$25.42	The increase over last year is primarily due to the addition of superannuation and increased casual costs to cover staff who went on annual leave and long service leave. With our new system, superannuation can now be split out from payroll costs and allocated to a service where previously it was lumped together in a general ledger.
LB6	Utilisation Library loans per population [Number of collection item loans per population / Municipal population	New in 2024	New in 2024	6.03	6.96	This year's results are primarily due to a 10 per cent increase in the number of items loaned, which can be linked to a slight rise in library membership relative to the overall growth of our municipal population.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
LB7	Participation Library membership [The number of registered library members / Municipal population	New in 2024	New in 2024	33.21%	33.23%	This year's result reflects a slight increase in library membership compared to the overall growth of our municipal population.
LB8	Library visits per population [Number of library visits / Municipal population	New in 2024	New in 2024	2.26	2.01	This year's result is due to a 10 per cent decrease in library visits compared to last year, after accounting for the growth in our municipal population.

Theme 3

A healthy and self-determined community where everyone feels valued, supported and safe.

Service highlights

- 55,303 rounds of golf played
- 968,368 aquatic centre visitations
- 85,706 foreshore camping nights booked
- 26,425 young people attending Shire delivered youth programs and activities
- 8,573 vaccines administered to 3,826 infants
- 36 Supported Playgroups delivered
- 1,193,557 Community library loans
- 20,763 kms of streets swept
- 1,141 kilometres of unsealed roads graded
- 9,782 potholes filled from 1,370 requests
- 14,312 Maternal Child Health consultations
- 481 Parent Groups facilitated

Legend for commentary

Achieved | Not Achieved | Ceased | Health and wellbeing priorities

Strategic Objective 3.1

A healthy and self-determined community where everyone feels valued, supported and safe.

Strategic Indicators

Increased levels of community satisfaction in services we provide to older people.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels increased 4 index points to 79.

Increased levels of community satisfaction for family support services we provide.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels increased 3 index points to 81.

Increase in initiatives implemented that support active living and mental health and wellbeing.

Seven initiatives, which included delivering a community forum to mark World Elder Abuse Awareness Day and launching the Active Paths program at St Mary's, Hastings on 21 February 2025, were delivered across the year. In addition, Council supported numerous groups aiming to improve mental wellbeing.

Increase in initiatives delivered that support our diverse community.

Six initiatives, which included supporting the Frankston Mornington Peninsula LGBTIQA+ Collaborative, launching the Women's Sport Leadership Network at the Sports Development Breakfast and participating in the 16 Days of Activism campaigns, were delivered across the year.

Implement initiatives that support our Reconciliation Action Plan.

Most actions from our 2020-2022 Reconciliation Action Plan were completed in 2023. Council adopted the 2023-2026 Innovate Reconciliation Action Plan on 3 September 2024.

Legend for commentary

Achieved | Not Achieved | Ceased | Health and wellbeing priorities

Strategy 3.1.1 — Achieved

Deliver the Gender Equality Strategy in partnership with community organisations.

The Shire has a long-standing commitment to promoting and improving gender equality and acknowledging and responding to the link between gender inequities and family violence. In February 2020, the Shire launched its first Gender Equality Strategy 2020-30 (adopted by Council in November 2019).

Year 5 Action Plan highlights that were delivered as part of the Gender Equality Strategy include:

- Supporting the Frankston and Mornington Peninsula Family Violence Collaborative.
- Participating in the 16 Days of Activism campaign. The campaign runs every year from 25 November (the International Day for the Elimination of Violence Against Women) to 10 December (Human Rights Day).
- Launching the Women's Sport Leadership Network at the Sports Development Breakfast, which was held at Alexandra Park Pavilion on 28 February 2025.
- Held Gender Equity training for Sports Clubs on 19 March with 17 clubs in attendance.
- Delivered events in partnership with Frankston and Mornington Peninsula Men's Health and Wellbeing Network for men's Health Week.
- Delivered two keynote sessions with internationally recognised anti-violence advocate Matt Brown, founder of She Is Not Your Rehab. Matt spoke to 180 Year 9 and Year 10 boys from secondary schools across the Mornington Peninsula.

In celebration of International Women's Day, we created a podcast series titled 'HERstory: Women on the Mornington Peninsula'. Award-winning broadcaster and journalist Tracee Hutchison interviewed eight remarkable women who have significantly influenced the identity of the Peninsula, sharing their unique experiences. The series consists of five episodes, which was released from 8 March through to June 2025.

Strategy 3.1.2 — Achieved

Deliver the Reconciliation Action Plan, guided by the traditional owners, respecting Aboriginal and Torres Strait Islander peoples.

The Bunurong Land Council approved the Reconciliation Action Plan (RAP) prior to Council's adoption on 3 September 2024. The RAP is a two-year commitment requiring Council to develop and strengthen relationships with Aboriginal and Torres Strait Islander peoples and engage staff and external stakeholders in Reconciliation. The RAP is now in the process of gaining sign off from Reconciliation Australia and the Bunurong Land Council.

Strategy 3.1.3 — Ceased

Deliver the Communities That Care Action Plan increasing connection for young people.

In 2023, Council ceased its involvement with the Communities That Care (CTC) program. We redirected resources from Our CTC Action Plan to develop a broader Inclusion Strategy. The Inclusion Strategy (We All Belong) will help us realise our ambition to create equal opportunities for all our community, regardless of culture, age, gender, ability, sexuality, gender or religion.

Strategy 3.1.4 — Achieved

Deliver on a new lifespan strategy that will enhance the health and wellbeing of all generations.

The We All Belong (inclusion strategy) was adopted by Council on 3 September 2024. The strategy outlines the Shire's approach to working in partnership across key life stages (children, young people, older adults) and population groups (people with disability, LGBTIQA+ and multicultural communities) over the next five years.

An annual action plan has been developed and will be implemented throughout the year. Some actions will be stand-alone for specific population groups, while others will of benefit to more than one population group.

Strategy 3.1.5 — Achieved

Support and participate in local and regional programs to improve sexual and reproductive health.

The Shire continues to participate in the Good Health Down South Collaborative in partnership with Women's Health in the South East (WHISE) and delivered values-based messaging to support women on the Peninsula.

We worked in partnership with the Victorian Government to support the rollout of pads and tampons vending machines at Mornington, Hastings and Rosebud Libraries and the Southern Peninsula Community Support Centre. A communications plan has been created for the project to ensure community members facing period poverty know where to access free pads and tampons within the municipality.

In collaboration with WHISE we delivered a menopause and post-menopause event, which took place alongside Senior's Month in October 2024. The event discussed topics such as:

- An understanding of menopause and post-menopause, including physical and mental health symptoms.
- Strategies for managing mental health during menopause and post-menopause.
- Routine screening for cervical, bowel and breast cancer as well as screening for heart disease, including blood pressure and cholesterol.

Strategy 3.1.6 — Achieved

Provide a harm minimisation approach to alcohol through our Alcohol Management Policy.

Council adopted the Alcohol Harm Prevention Policy in March 2025. The assessment of 'harm' under the Liquor Control Reform Act is included in our Social Planning assessments on applications for liquor licenses, as well as the existing assessment under the Mornington Peninsula Planning Scheme for premises selling or distributing alcohol.

Strategy 3.1.7 — Achieved

Deliver the Positive Ageing Strategy promoting the respectful inclusion of older people.

With the Positive Ageing Strategy now incorporated into the new Inclusion Strategy (We All Belong), we delivered actions from the Year 4 Action Plan Report for the final reporting year of the Positive Ageing Strategy.

A key action from the Positive Ageing Action Plan was the delivery of the 2024 Seniors Festival. The festival attracted more than 2,800 community members to 68 different events. A highlight of the festival was a performance by The Piano Men. They entertained more than 400 community members with songs by Elton John and Billy Joel, allowing everyone to sing and dance the afternoon away.

We also delivered a community forum to mark World Elder Abuse Awareness Day, with over 100 community members in attendance. The event focused on legal and practical planning for later life, featuring expert speakers from Seniors Rights Victoria, Peninsula Community Legal Centre and Critical Info, all of whom were highly regarded by attendees.

During the year, we opened the Peninsula's first dedicated Seniors Exercise Parks at Dunns Road Reserve, Mount Martha and Hastings Foreshore Reserve, Hastings. Designed specifically for older adults, the new parks provide a safe and accessible space for seniors to stay active, build strength and balance, and connect with others in the community.

Strategy 3.1.8

Not Achieved

Carry out an Active Living Census to better understand people's activity levels and preferences.

The Active Living Census did not go ahead. Resources were redirected to a Health and Wellbeing Survey that was undertaken with local sports clubs. The Shire's Health and Social Data Profile has been updated with a range of data sources to support the development of the Shire's new Municipal Public Health and Wellbeing Plan. This includes Victorian Population Health Survey data recently released by the Victorian Government. Key health, social research and engagement data have been collated to be uploaded for our new central data system for community presentation, with work on our website ongoing.

Strategy 3.1.9

Achieved

Healthy eating options are available at Shire owned and managed facilities and events.

The Shire continues to ensure that healthy eating options are available at Shire owned and managed facilities and events as per our Healthy Food and Drink Policy.

Strategic Objective 3.2

A healthy and self-determined community where everyone feels valued, supported and safe.

Strategic Indicators

Improve level of uptake of community support programs. ✓

We continue to see good community uptake in our community support programs like our Sleep and Settling program and our Parent Groups.

Community support initiatives delivered in partnership with key stakeholders. ✓

Nine initiatives were implemented during the year. These included promoting social connections through Yack N Yarn, a Mental Health Awareness Program and working with DanceWiz and Red Frog volunteers to ensure that schoolies could celebrate safely.

Mental health and wellbeing programs delivered in partnership with key stakeholders. ✓

Four initiatives, which included partnering with the Regional Suicide Prevention Network for the annual Suicide Prevention Walk, continued support for the Chasing Change community group and the installation of help-seeking signage at known hotspots on the Peninsula were delivered across the year.

Reduction of telecommunications and internet black spots on the Peninsula. ✓

Optus continues to rollout base stations to improve and extend mobile phone coverage as a part of their Mobile Black Spot Program.

Strategy 3.2.1

Achieved

Develop a range of community, creative and business support grants.

Council released its 2024-25 grants and subsidies program with $3.8 million available to support community initiatives. In support of the program, grant information sessions and grant writing workshops were held in September to support the community. A summary of our 2024-25 grants, subsidies and sponsorships is available on page 28 of our Annual Report.

We continue to provide mentoring support via our Small Business Mentoring Service and our Business Development Grant program, which opened in July 2024. A summary of our 2024-25 grants is available on page 28 of our Annual Report.

Strategy 3.2.2

Achieved

Collaborate with our community to prepare for the climate emergency.

To build community capacity, we installed and commissioned the Flinders Community Battery – a multi-partner collaboration led by Council and guided by the Flinders Zero Carbon Community.

We unveiled the official Flinders Community Battery on 29 October 2024. Located in front of the new Flinders Community Hub, this community battery allows us to share benefits across all properties, storing and redistributing excess solar energy as needed. This battery is the first community battery not owned by a network, delivered under the Australian Government's Community Batteries for Household Solar program.

Council decided to discontinue the Climate Emergency Declaration and the associated Climate Emergency Plan at its 22 April 2025 Ordinary Meeting. A summary of our 2024-25 grants is available on page 28 of our Annual Report.

Strategy 3.2.3

Achieved

Deliver the Shire's COVID-19 recovery program, including grants and key projects.

The COVID-19 recovery program is complete. However, the Shire continues to support small businesses and strategic industries on the Peninsula through our 10-year Economic Development and Tourism Strategy.

Strategy 3.2.4

Achieved

Increase social connection and reduce social isolation in our community.

The Shire's Youth Services facilitated a broad range of programs and events for young people between 10-25 years to reduce social isolation and increase social connection. More than 590 programs, activities and events were delivered where our youth could hang out in a safe space, meet friends, and get support. This included music and arts events facilitated by FReeZA and community events that were supported with pop up youth spaces and activities.

Our Community Transport program maintains high participation rates among members over 65 who use the dial-a-bus and outing programs. Both programs offer community members social interaction, social connection and for some, are the only opportunity to leave the house to participate in daily lifestyle activities.

Strategy 3.2.5

Achieved

Deliver programs to prevent, recognise and respond to mental health and wellbeing concerns.

The Shire promotes a holistic approach to mental health and wellbeing with the Council and Wellbeing Plan 2021-2025 identifying key priorities for having the greatest impact on mental health. These include healthy eating, staying active, the connection between climate and health, preventing violence and reducing harmful alcohol and drug use.

We worked in partnership with Sorrento Rotary and Mount Martha Golf Course to plan the delivery of the Blue Tree Project, which aims to encourage people to speak up when experiencing mental health concerns. We also planned for the delivery of free Black Dog Institute Recognise and Respond online training for local hairdressers and barbers.

We launched the Active Paths program at St Mary's, Hastings on 21 February 2025. This initiative, aimed at children and the school community, encourages social connection and physical activity, enhancing both mental and physical wellbeing.

Strategy 3.2.6 Achieved
Develop a Community Strengthening Strategy to improve social inclusion, boost volunteering and build resilience.

Council adopted the new We All Belong Inclusion Strategy and is developing a new Community Emergency Management and Resilience Strategy. Each of these is focused on building and strengthening community inclusion, connection and resilience.

In March 2025, we started developing a Community Volunteer Action Plan. A draft Community Volunteering Strengthening Plan was finalised by the end of the year with our Executive expected to approve the draft Plan in 2025-26.

Strategy 3.2.7 Achieved
Support and participate in local and regional initiatives that focus on suicide prevention and positive mental health and wellbeing.

The Shire continues to provide support for the Chasing Change community group to deliver the annual Suicide Prevention Walk in Mornington, as well as regular Chasing Change meetings and initiatives.

This includes supporting the local Suicide Prevention Network Chasing Change to host a table at the Peninsula Voice forum on grief and loss in April 2025. Peninsula Voice is a volunteer organisation based on the Mornington Peninsula that works with the local community to provide a safe space to give voice to issues impacting health and wellbeing.

We also assisted Chasing Change with planning for the World Suicide Prevention Day Walk in September, National Grief Week and coordinating the submission for Hope Week 2025.

The Shire continues to support the Southeast Melbourne Primary Health Network Suicide Prevention Collaborative and the installation of help-seeking signage at known hotspots on the Peninsula, where people have tragically taken their lives (based on data from Victoria Police), is ongoing.

Strategy 3.2.8 Not Achieved
Advocate for improved telecommunication networks to ensure a strong digital connection and increase social inclusion.

No further advocacy for improved telecommunications has been taken since we released a 'Shout out for the Peninsula' advocacy campaign that focused on 10 priorities, including mobile coverage, in the lead-up to the last state and federal elections.

However, improving telecommunication networks across the Peninsula remains on our advocacy radar and is represented within our connectivity advocacy one-pager on our website.

Strategic Objective 3.3

A community in which people from all generations, backgrounds and abilities can access local services.

Strategic Indicators

Implement initiatives that enhance community inclusion and wellbeing outcomes.

Council adopted We All Belong Strategy in 2023-24 and continued to support priority populations that include LGBTIQA+, people with disability, children and young people, older people and women. These included including an Intergenerational High Tea event and in partnership with Belgravia Leisure, a Pride Gym and Swim event.

Increase levels of satisfaction with family, older and disadvantaged support services.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels increased 5 index points to 72.

Level of community participation in programs that support our community's diverse needs.

Over 2024-25, we reached over 30,904 participants across 1,334 in-person library events.

Community participation in our programs, including the LGBTIQA+ Collaborative, the Disability Advisory Committee, PACE and the Youth Advisory Committee remains high.

Implement initiatives to increase awareness and access to social and support services.

Four initiatives, which included delivery of a youth voice with the Youth Advisory Committee, ongoing delivery of an intergenerational playgroup at The Briars and supporting priority groups were delivered across the year.

Improved services for Aboriginal and Torres Strait Islander community.

The Mornington Peninsula Shire consistently aims to improve services to our Aboriginal or Torres Strait Islander Community. In our Maternal and Child Health Service this year's participation result was 84%, which is one percentage point higher than last year.

Shire owned assets with all-abilities entrances and facilities.

We adopted our Universal Design Policy in 2021-22 to ensure inclusive and equitable access to buildings, services, employment, information, events and public spaces.

Strategy 3.3.1
Remove barriers so people of all abilities can participate and access services.

Achieved

The Shire continues to consult with relevant Council Advisory Committees, such as the Peninsula Advisory Committee for Elders, the Disability Advisory Committee and the Arts and Culture Advisory Panel to inform priority activities.

The Shire's Your Services continues to support Peninsula youth who identify as LGBTQIA+, Culturally and Linguistically Diverse, Aboriginal or Torres Strait Islander or have a disability.

At The Briars, grandparents and grandchildren came together each week for a playgroup filled with nature-inspired fun. From wandering bush trails to bird watching, scavenger hunts and even making mud cakes, each session is designed to spark creativity, foster connection and strengthen bonds between generations.

Strategy 3.3.2
Explore partnership opportunities for programs that address tobacco-related and gambling harm.

Achieved

In partnership with Peninsula Health, we have completed phase two of our Smoke Free Environments signage roll out at key settings across the municipality. Phase two focused on installing signage at sporting reserves and beaches. A total of 178 signs have been installed as part of the project to date.

We also undertook planning for the Mornington Peninsula Gambling policy, which is scheduled for review in 2025-26.

Strategy 3.3.3
Deliver programs, services and events that engage and empower children, young people and their families.

Achieved

We officially welcomed the community into Tounnin Wominjeka, meaning 'Warm Welcome', the new youth hub on 16 September 2024. The new Youth Hub, which was fully operational by November 2024, will help close the health, support and services gap for the youth of the Southern Peninsula.

On 28 February, we held the Tounnin Wominjeka Youth Hub Community Open Day. The event welcomed around 200 community members and featured:

- 23 community service stakeholders hosting information stands
- live entertainment, with young people from the FReeZA program performing music
- food, activities, and interactive experiences to engage attendees.

Other highlights delivered over the year include a Youth Leadership camp for 19 young people, working with 15 schools across the Mornington Peninsula and supporting FReeZA to run two all-ages events.

The Annual Youth Recognition Awards event was delivered on 30 May 2025 to recognise the achievements of local young people. Please see page 55 for more information on the event and our winners.

We also increased the number of Maternal Child Health appointments available through our Saturday Maternal Child Health consultations. Saturday sessions moved from Dromana to Yawa Aquatic Centre in February 2025 to increase community accessibility.

Strategy 3.3.4
Engage with LGBTQIA+ community members and deliver programs to support them.

Achieved

We continue to participate in the Frankston Mornington Peninsula LGBTIQA+ Collaborative meetings, which are held monthly in support of our LGBTQIA+ community members. Highlights include an Intergenerational High Tea event and in partnership with Belgravia Leisure, a Pride Gym and Swim event. Additionally, we held a flag raising event and morning tea in partnership with Victoria Police and a Rainbow Storytime at Mornington Library.

Strategy 3.3.5
Support Aboriginal and Torres Strait Islander community members to self-determine community services and programs as required.

Achieved

The Shire works with the Bunurong Land Council and community leaders in support of self-determining community services and programs.

Shire officers also met to discuss potential partnership initiatives for implementing the Shire's new Reconciliation Action Plan.

Strategy 3.3.6
Advocate for more local services to meet current and future community needs.

Achieved

The Mornington Peninsula Shire Council continues to take every opportunity to advocate on behalf of our community. In September 2024, the Shire's Chief Executive Officer and Chief Financial Officer both spoke at both the Victorian and federal inquiries into local government funding and financial sustainability, following our written submissions earlier this year. The hearings were crucial opportunities for us to directly outline to government committees the challenges and issues we are facing as we plan for the needs of our community.

With the federal election in May 2025, we launched our 'Shout Out for the Peninsula' campaign to advocate for the needs of our region. In March 2025, we provided an opportunity for residents to hear directly from the candidates who sought to represent our community through our community federal election forum. Thousands of people attended or tuned into our Community Federal Election Forum at Rosebud Country Club, to hear our local candidates outline their vision for the Mornington Peninsula. The audience heard from each of the candidates for the federal seat of Flinders. Topics ranged from housing affordability, healthcare and infrastructure funding to climate change, crime and the cost of living.

Strategic Objective 3.4

A community with vibrant arts, culture, sport and recreational opportunities that foster connections and participation across generations, backgrounds and abilities.

Strategic Indicators

Increase level of satisfaction with community and cultural activities and services.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels increased 5 index points to 79.

Increase participation in arts, cultural, sport and recreational initiatives delivered.

The Shire continued see good participation across our arts, culture, sport and recreational initiatives over 2024-25.

Increase participation in our diverse services and programs.

The level of community participation in our 2024-25 library programs that supported our community's diverse needs was strong. We reached 30,904 people across 1,334 in–person events.

Increase signature events on the Peninsula that utilise local talent.

Please see strategy 3.4.5 for information on the Harry Potter: A Forbidden Forest Experience at The Briars, which finished on the 14 July.

Strategy 3.4.1

Achieved

In partnership with our community, using Universal Design Principles, improve access to and promote cultural, sport and recreational opportunities.

To improve accessibility to cultural, sport and recreational opportunities, we completed an audit of all community facilities. These audits will identify equipment and materials that can improve inclusivity and access for all in our community. They will also identify infrastructure changes that could increase safety and accessibility.

The draft Sport Capacity Plan has been completed. Community feedback informed the final Plan. The draft Strategy will go to a briefing of Council on 8 July and is expected to be adopted by the end of August 2025.

Following a competitive tender process, Belgravia Leisure has been awarded a new four-year contract and will continue its role in operating the Shire's five aquatic and recreation facilities. Under the new contract, Belgravia Leisure will continue to run the day-to-day operations of the facilities and deliver health and wellness programs. The Shire remains responsible for maintaining the buildings to a high standard.

Strategy 3.4.2

Achieved

Implement the Shire's Our Arts and Culture Plan, creating an environment in which the arts thrive.

We finalised our Public Art Policy Framework, which implements our Public Art Policy that was adopted in June 2024. The Framework was informed by stakeholder consultation and is now on Council's Arts and Culture website. The Public Art Policy requires one per cent of relevant capital works project budgets to be allocated to permanent public art.

The development of an integrated Arts, Culture, and Events Strategy is scheduled to begin in 2025-26. Please see Strategy 2.3.5 for more information on the activities delivered as part of Our Arts and Culture Plan.

Strategy 3.4.3

Achieved

Engage with culturally and linguistically diverse communities to share and protect cultural heritage, beliefs, traditions and stories.

As part of NAIDOC (National Aborigines and Islanders Day Observance Committee) Week, we commissioned Baluk Arts to deliver a public art project. Baluk Arts is an Aboriginal owned and led community arts centre and gallery based in Mount Eliza on Bunurong country. This hub for Aboriginal artists provides a space to come together, to create and to share their culture with the wider community.

To mark Harmony Week, we launched Culture Fest 2025, a week of community events with local celebrations and activities from 17 - 23 March. Main Street, Mornington came alive with the Rhythm and Flavours festival, which saw local talents with heritage from all corners of the world taking to the stage. There were dancers, bands, multilingual songs and more. The community also enjoyed spicy, sweet and delicious bites from food trucks, as well as local cafes and restaurants. With buskers stationed at different points in the street, there were vibrant tunes all day long. Rhythm and Flavours was an event not to be missed.

A live Q&A event on racism and discrimination brought together community members and leaders from diverse cultural backgrounds, including local Bunurong Elder Jillian West, Anita L'Enfant (Victorian Equal Opportunity and Human Rights Commission), Rana Ebrahimi (Multicultural Youth Advocacy Network), Benbenjie Ward Councillor Max Patton and MC Rosemarie Draper.

There was also a cultural walk and Yidaki led meditation, where the community could connect with nature and learn about ancient culture and history on a guided walk of McCrae foreshore. After the walk, Uncle Lionel led a healing Yidaki meditation.

Strategy 3.4.4

Achieved

Implement a Library Strategy to provide accessible services and programs for our diverse community.

Council adopted the Our Library Strategy 2024-2029 on 16 April 2024. Highlighted Year 1 actions implemented from our Library Strategy include:

- Developing Risk Assessments, timetable, advertising, procedures for Our Library Van.
- Commencing a Branch Operations Review of resource usage, including eResources.

We launched Our Library Van in early 2025. As demand increased throughout the year, we increased the number of stops to make it easier for more people to stay connected, keep learning and enjoy a great book.

Our libraries hosted workshops in support of positive aging initiatives, ran a well-attended School Holiday program, hosted author visits, and proudly celebrated the Australia-wide Simultaneous Storytime within every branch, a local school and community playgroup.

Strategy 3.4.5

Achieved

Support and deliver inclusive events and festivals.

The Harry Potter: A Forbidden Forest Experience at The Briars finished on the 14 July. Not without its controversy and learnings on our part, which were published on 15 September 2024 as part of the independent Probity Review, this event had significant economic flow-on benefits to the local economy and delivered infrastructure improvements to The Briars.

We supported the organisation and delivery of Schoolies 2024, the Business Excellence Awards, the Business Excellence Summit, Small Business Festival and Culture Fest 2025.

We also started collaborating with Frankston City Council to partner and attract the Ironman series to our region in the future.

Strategic Objective 3.5

A community that is well connected through sustainable, accessible and integrated transport options.

Strategic Indicators

Improve condition of local roads and footpaths and increase community satisfaction.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels decreased:

- footpath maintenance and repairs down to 65
- unsealed local roads to down to 61
- sealed local roads to down to 52.

Improve parking facilities and increase levels of community satisfaction.

Research conducted by an independent company that measures the opinions of local people in the community, showed satisfaction levels decreased 3 index points to 67.

Number of initiatives delivered to support a connected community.

We held discussions with the Department of Transport on the implementation of more frequent and direct public transport, leading to the introduction of two new bus routes and adopted our Pedestrian Access Strategy to better link our existing footpath network.

An increase in new and upgraded footpaths, bike lanes and trails so they are accessible and encourage active transport.

Over the 2024-25 year, the Shire continued to work on our Peninsula Trail Project and:

- renewed 1,557 metres of footpaths
- renewed 370 linear metres of boardwalks.

Progress on peninsula bike safe trial for Victoria on the Mornington Peninsula.

Our RideSafe Strategy has been included in the upcoming Integrated Transport Strategy as an action.

Strategy 3.5.1 Achieved
Advocate for more accessible and frequent public transport services, including connected pathways, trails, buses and trains for the Mornington Peninsula.

Following on from years of advocacy by the Shire for better public transport on the Peninsula and our successful Better Buses campaign in 2020, we were pleased to share in 2024 that the Victorian Government are developing plans to improve public transport in the Mornington, Hastings and Tyabb areas by introducing a new bus route, more direct route paths and better connections.

The proposed changes are:
- introducing a new bus route connecting Hastings and Mornington via Tyabb
- routes 784 and 785 path changes in Mornington.

We continue to advocate for better public transport across the Peninsula with future advocacy priorities to be identified through the Integrated Transport Strategy. The Strategy is expected to be finalised and adopted by the end of 2025.

Strategy 3.5.2 Achieved
Improve accessibility to Shire-managed car parking and footpaths.

The Mount Eliza Parking Precinct Plan was adopted by Council on 3 September 2024. The Strategy report was updated as per Council's recommendation and is now available on our website.

The Visitor Paid Parking Pilot finished in early 2025. As part of the close-out phase, all pilot infrastructure, including camera poles, has been removed and surfaces at each location have been reinstated to their original condition. Additionally, the cameras and solar panels have been sold back to the supplier.

Development of the Shire's Parking Management Policy, to establish a consistent, Shire-wide approach to parking, has begun. This includes benchmarking against other Councils to define a robust and informed policy framework.

Strategy 3.5.3 Achieved
Deliver on the Pedestrian Access Strategy, creating safe, accessible and connected pedestrian networks.

Council adopted our Pedestrian Access Strategy on 27 February 2024. The strategy includes an updated footpath construction priority list based on revised criteria that addresses safety and vulnerable residents.

Highlighted work delivered over the year includes:
- Stage 2 of the Alma-Field Street footpath in Tootgarook. Stage 2 works, extending from Marshall Street to Truemans Road, were completed in October 2024.
- Detailed design of the Nepean Highway, Mornington to Mount Eliza footpath. Construction is subject to future funding.
- Raised safety platforms along Dunns Road. Works were progressing and expected to be completed by July 2025.
- Raised safety platforms along Melbourne Road and Peninsula Avenue, Rye. The project was completed by June 2025.
- The Area Wide Safety upgrade at Rye and Tootgarook. The project was completed by September 2024.

Strategy 3.5.4 Advocate for an expansion of the electric vehicle charging network and promote the use of electric vehicles. Achieved

The Shire advocated directly to State and Federal MPs and through the Victorian Greenhouse Alliance and submissions to consultations such as the National Electric Vehicle Strategy, Inquiry into the Transition to Electric Vehicles and New Vehicle Efficiency Standards.

We facilitated the installation of five additional electric vehicle chargers to support the local adoption of electric vehicles. Three 7kW chargers have been set up for users of the Tounnin Wominjeka Youth Hub, and two 75kW DC fast chargers have been installed at the Dromana shopping hub.

We expressed interest in the CitiPower, Powercor and United Energy proposed EV Chargers on Power Poles Trial. Under the Australian-first trial, the Energy Distributors would install, own and maintain 100 chargers, providing motorists with better access to convenient, reliable and affordable charging infrastructure. The chargers would be leased to third parties to operate. The trial is currently pending a trial waiver from the Australian Energy Regulator to install this infrastructure on a regulated asset, such as a power pole.

Council also endorsed the Shire's EV Charging Infrastructure Technical Standard, which outlines the design requirements regarding inclusion of EV infrastructure when constructing Shire facilities.

Strategy 3.5.5 Not Achieved
Implement the Towards Zero Road Safety Strategy in our continued commitment to zero road deaths and serious injuries towards 2050.

Work on the Speed Limit Action Plan is progressing well. We are developing an action plan for speed limits to proactively identify where existing speed limits are inappropriate and potentially warrant changing the speed limit. We are also reviewing the speed limits of Shire roads, including some rural unsealed roads.

A speed limit change on Cape Schanck Road to 60 kph has been approved by the Victorian Department of Transport and Planning (DTP). Preparation for implementing the speed limit change is currently in progress, awaiting DTP approval of the contractor's Traffic Management Plan. We also discussed the proposed speed limit changes on Disney St, Dundas St, Byrnes Road, Golf Links Road and High St with the DTP.

Koala warning signs are now in place in 31 locations within the Mornington Peninsula during the koala breeding season to warn motorists to be alert for koalas crossing the road.

Federal funded Blackspot Projects update:
- The key scope of the Peninsula Avenue and Melbourne Road (Rye) Black Spot project is complete.
- Somerville Local Area: Construction due to commence on 30 June 2025.
- Watt Road and Bruce Street, Mornington: Detailed design nearly complete.

We submitted several applications for funding consideration for the 2025-26 Blackspot Program, with seven projects successful. Funding, totalling around $3.8 million, has been received.

Strategy 3.5.6 Not Achieved
Deliver on the new Integrated Transport Strategy to create a connected, accessible and sustainable transport network.

The Shire began working on the draft Integrated Transport Strategy in September 2024.

We held a cycling workshop with key stakeholders across the Peninsula to start planning and mapping the key cycling network. We also went out to the community for feedback, which informed the draft Strategy. Community consultation was open for four weeks in late 2024 and finished on 17 December 2024.

Further stakeholder workshops are planned for the final quarter of 2025-26, before the draft Integrated Transport Strategy is released for public exhibition between July and September of 2025. The Strategy is expected to be finalised for adoption by December 2025.

Strategy 3.5.7
Deliver on the new RideSafe Strategy to create a safe and accessible cycling network that accommodates the needs of all users.

The RideSafe Strategy will be included in the overarching Integrated Transport Strategy as an action plan.

Budget funded services

The following services and its description provide information in relation to the services funded in the 2024-25 budget.

Service area	Description of services provided	2024-25 Actual $'000	2024-25 Budget $'000	2024-25 Variance $'000
Community Development	Our Community Development service provides the opportunities and connections for people to engage and connect within their community for social and capacity building activities.	6,206	6,242	(36)
Community Safety	Our Public Safety service ensures the public amenity for community members by education and local law enforcement so that the community remains protected and safe.	1,032	(1,532)	2,564
Community Services	Our Community Care service provides equitable access to support people to live safely, actively and independently within the community.	984	1,551	(567)
Child and Family Health	Our Child and Family Health service supports children's health and development from birth until school age through specialist advice, targeted assistance for at risk families and vaccinations to ensure positive health outcomes for children.	3,329	3,270	59
Early Years	Our Early Years' service provides learning and development opportunities for vulnerable families with young children so that all the children have the best possible start in life.	370	151	219
Libraries	Our Library service provides free access to resources and spaces to support community literacy, lifelong learning, education, and social inclusion.	5,122	5,352	(230)
Positive Ageing	Our Positive Ageing service provides a range of programs and information for older people to support an engaged, healthy and active lifestyle.	1,253	971	282

Service area	Description of services provided	2024-25 Actual $'000	2024-25 Budget $'000	2024-25 Variance $'000
Public Health	Our Public Health Service performs permitting, compliance and enforcement of the Public Health Act and Food Act to protect the health of our community.	2,509	2,319	191
Recreation and Leisure	Our Recreation and Leisure service provides access to a broad range of facilities to support community participation in recreation and leisure activities.	4,065	3,652	413
Transport Connections	Our Transport Connections service supports integrated transport planning as well as managing the design, delivery and maintenance of local roads, footpaths and parking, so that our residents and visitors can travel safely throughout the Peninsula.	28,833	29,731	(899)
Youth Services	Our Youth Support provides a range of programs and information for young people and their families to support an engaged, healthy and safe journey into adult life.	2,958	2,801	157

Service Performance indicators and measures:

The following statement provides the results of the prescribed service performance indicators and measures in the Local Government Performance Reporting Framework, including explanation of material variations.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
Aquatic Facilities						
AF2	Service standard Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0	4	4	5.33	Authorised officers conducted sixteen inspections to ensure a clean, healthy and safe environment across Council's three aquatic facilities.
AF6	Utilisation Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	3.5	5.72	5.7	5.66	Utilisation of our aquatic centres has remained consistent with previous years post COVID signalling strong and consistent attendance numbers at our centres.
AF7	Service cost Cost of aquatic facilities [Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]	$3.06	$1.84	$0.89	$2.31	The higher cost-per-visit ratio is mainly due to increased expenses associated with essential upgrades and renewal work at the Pelican Park Aquatic Centre. Additionally, we faced higher operating costs for pop-up gym facilities that were opened in Hastings while Pelican Park was closed. We also experienced increased management fees to cover Belgravia for any loss of earnings during the closure, as well as higher utility costs at Yawa Aquatic Centre.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
Maternal and Child Health						
MC2	Service standard Infant enrolments in the MCH service [Number of infants enrolled in the MCH service / Number of birth notifications received] x100	100.78%	100.86%	100.71%	100.97%	Although we continue to experience high engagement results with our service within the community, which underscores the importance of maternal and child health services for families with children aged 0 to 6 years, we have seen a decrease in the number of infants enrolled. This decline is attributed to receiving fewer birth notifications than in previous years.
MC3	Service cost Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	$67.22	$83.07	$66.04	$72.21	The increase against last year is primarily due to the addition of superannuation and an increase in normal salary and wages to cover staff who went on annual leave and long service leave. With our new system, superannuation can now be split out from payroll costs and allocated to a service where previously it was lumped together in a general ledger. The decrease from 2023 is mainly due to a reduction in casual Maternal Child Health salaries and wages to cover permanent staff on leave and less venue and equipment hire.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
MC4	Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	72.58%	73.78%	73.98%	76.98%	We are pleased to see participation increasing, surpassing previous years. This rise is largely due to more children attending the Maternal Child Health (MCH) service at least once during the year, even though fewer children were enrolled in the year compared to previous years, and the introduction of Saturday appointments for working parents. This increase in attendance can also be attributed to the Shire's MCH service proactively monitoring attendance for Key Age and Stage appointments and reaching out to clients to book overdue appointments.
MC5	Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	82.32%	90.00%	82.99%	84.19%	This year's rise in participation is primarily due to a twelve per cent increase in enrolments against last year, although we did see higher attendance rates as well. We also saw a six per cent rise in enrolments compared to 2023, with fewer attendances, which explains the decrease from 2023. This increase in attendance can be attributed to the Shire's MCH service proactively monitoring attendance for Key Age and Stage appointments and reaching out to clients to book overdue appointments.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
MC6	Satisfaction Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100	98.31%	98.21%	95.08%	97.33%	Community participation in the Shire's Maternal Child Health 4-week Key Age and Stage visits remains high and is comparable to results in previous years. We continue to monitor client attendance and actively contact clients who are overdue on their Key Age and Stages appointments. Additionally, for ongoing visits, we now ensure continuity of care by having the same nurse who visits the client's home also see them at the centre, as far as reasonably possible.
Roads						
R1	Satisfaction Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	115	249.56	110.49	141.16	This year we received a total of 1,948 requests, which represents a 44% decrease from the 3,475 requests we received in 2023. However, this year's requests represent a 27% increase compared to last year. The rise in requests corresponds with the insights gathered during our community engagement for the 'Integrated Transport Strategy', and the results from our 2025 Community Satisfaction Survey. The community expressed concerns around road quality and maintenance response times. We hope to address these concerns with a 72 per cent increase in funding for our 2025-26 road renewal program.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
R2	Condition Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100 Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	96.76%	96.79%	100.00%	98.91%	Of the 1,380 kilometres of sealed local roads across the Shire we maintained 1,365 kilometres within condition standards, beating our target for the year.
R3	Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	$128.41	$79.88	$0.00	$55.61	Road rehabilitation works started in January and were finished by April 2025. There were no road rehabilitation works in the previous year as resources were redirected to our Road Resealing Program for 2023-24.

Service/indicator/measure		2022	2023	2024	2025	Material variations & comments
R4	Service Cost Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	$0.00	$11.34	$14.49	$14.93	This year's cost is consistent with that of the previous year. Road resealing works started in January and were finished by April 2025. There were no works undertaken in 2022 as resources were focused on the Shire's Road Rehabilitation program (sealed local road reconstruction).
R5	Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	49	38	56	53	Satisfaction with sealed local roads has remained steady at 53, compared to a score of 56 recorded in June 2024. The upward trend in our results over the past two years marks a significant improvement from our unusually low score of 38 in 2023. While this progress is encouraging, it also highlights the potential for further improvements, which we hope to see as a result of our 72 per cent increase in funding for our 2025-26 road renewal program.

Our Governance

Governance

Mornington Peninsula Shire Council is constituted under the Local Government Act 2020 (the Act) to provide leadership for the good governance of the municipal district and the local community. Council has several 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 is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision-making processes including community consultation, public forums such as ward meetings and the ability to make submissions to Special Committees of Council.

Council's formal decision-making processes are conducted through council meetings and Special Committees of Council. Council delegates most of its decision-making to Council staff. These delegations are exercised in accordance with adopted Council policies.

Meetings of Council

Council conducts open public meetings every third Tuesday and are streamed online. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to the Council, make a submission or speak to an item. For 2024-25, Council held 25 meetings (18 Council meetings and 7 unscheduled Council meetings).

The following table provides a summary of councillor attendance at Council meetings for the 2024-25 financial year.

Councillors	Council Meeting	Unscheduled Council Meeting	Total
Cr Andrea Allen (elected: 26 October)	11	3	14
Cr Anthony Marsh (re-elected: 26 October)	17	6	23
Cr Antonella Celi (end of term: 26 October)	6	4	10
Cr Bruce Ranken (elected: 26 October)	10	1	11
Cr Cam Williams (elected: 26 October)	12	3	15
Cr David Gill (re-elected: 26 October)	18	6	24
Cr Debra Mar (end of term: 26 October)	6	4	10
Cr Despi O'Connor (end of term: 26 October)	6	3	9
Cr Kate Roper (re-elected: 26 October)	18	7	25
Cr Lisa Dixon (end of term: 26 October)	6	4	10
Cr Max Patton (elected: 26 October)	12	3	15
Cr Michael Stephens (elected: 26 October)	12	3	15
Cr Patrick Binyon (elected: 26 October)	12	3	15
Cr Paul Pingiaro (elected: 26 October)	12	3	15
Cr Sarah Race (end of term: 26 October)	6	4	10
Cr Simon Brooks (end of term: 26 October)	6	4	10
Cr Stephen Batty (elected: 26 October)	12	3	15
Cr Steve Holland (end of term: 26 October)	3	1	4
Cr Susan Bissinger (end of term: 26 October)	6	4	10

Delegated Committees

The Act allows councils to establish one or more special committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above
- Model Councillor Code of Conduct

On 4 October 2024, the Victorian Government introduced a mandatory Model Councillor Code of Conduct through amendments to the Local Government Act 2020 and supporting regulations. All councillors are now required to comply with the Model Code, ensuring consistent standards of conduct across all Victorian Councils. The Model Code serves to:

- Promote high standards of integrity, accountability and respectful behaviour among councillors.
- Foster a culture of good governance and public trust in local government.
- Provide clear expectations for councillor conduct, decision-making and interactions with the community, staff and each other.
- Support effective and collaborative working relationships within Council.
- Ensure consistency in how councillor conduct is guided and managed.
- Establish a standardised framework for resolving disputes and addressing misconduct.
- In addition to setting out the standards of conduct, the Model Code also details:
- Conflict of Interest obligations and guidance on avoiding personal or financial bias.
- Councillor relationships, including expectations for interactions with fellow councillors, staff and the community.
- Prohibited conduct, such as bullying, harassment or misuse of position.
- Internal dispute resolution processes for managing interpersonal issues and breaches of the code.
- Commitment to good governance, transparency and accountability in decision-making.

Conflict of Interest

Councillors are elected by residents and ratepayers to act in the best interests of the community — a role that carries a significant responsibility to uphold public trust and act with integrity. This obligation also applies to Council officers and delegated committees when exercising powers on behalf of Council.

A conflict of interest arises when a personal or private interest could influence, or be perceived to influence, the impartial performance of public duties. Importantly, a conflict can exist even if no improper conduct occurs.

Council has comprehensive procedures in place to manage the disclosure and handling of conflicts of interest. The declaration of conflicts is a standing item on all Council and Committee meeting agendas, ensuring transparency in decision-making.

While procedures vary depending on the role and context, they generally require individuals to formally declare their interests and remove themselves from the relevant decision-making process. A public register is maintained to record all declared conflicts of interest.

During 2024–25, 17 conflicts of interest were declared at Council and Special Committee meetings.

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 is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. In this instance the Mornington Peninsula Shire Council is recognised as a category three Council.

The following table contains details of current allowances fixed for the mayor and councillors during the 2024-25 year.

Councillor	Allowance $	Superannuation $	Total $
Cr Andrea Allen (elected: 26 October)	$25,010.64	$2,876.20	$27,886.84
Cr Anthony Marsh (re-elected: 26 October)	$97,713.35	$11,237.04	$108,950.39
Cr Antonella Celi (end of term: 26 October)	$21,490.99	$2,471.46	$23,962.45
Cr Bruce Ranken (elected: 26 October)	$25,010.64	$2,876.20	$27,886.84
Cr Cam Williams (elected: 26 October)	$25,010.64	$2,876.20	$27,886.84
Cr David Gill (re-elected: 26 October)	$37,995.40	$4,369.45	$42,364.85
Cr Debra Mar (end of term: 26 October)	$12,984.76	$1,493.25	$14,478.01
Cr Despi O'Connor (end of term: 26 October)	$12,984.76	$1,493.25	$14,478.01
Cr Kate Roper (re-elected: 26 October)	$37,995.40	$4,369.45	$42,364.85
Cr Lisa Dixon (end of term: 26 October)	$12,984.76	$1,493.25	$14,478.01
Cr Max Patton (elected: 26 October)	$25,010.64	$2,876.20	$27,886.84
Cr Michael Stephens (elected: 26 October)	$25,010.64	$2,876.20	$27,886.84
Cr Patrick Binyon (elected: 26 October)	$25,010.64	$2,876.20	$27,886.84
Cr Paul Pingiaro (elected: 26 October)	$42,363.72	$4,871.86	$47,235.58
Cr Sarah Race (end of term: 26 October)	$12,984.76	$1,493.25	$14,478.01
Cr Simon Brooks (end of term: 26 October)	$42,982.01	$4,942.93	$47,924.94
Cr Stephen Batty (elected: 26 October)	$25,010.64	$2,876.20	$27,886.84
Cr Steve Holland (end of term: 26 October)	$12,984.76	$1,493.25	$14,478.01
Cr Susan Bissinger (end of term: 26 October)	$12,984.76	$1,493.25	$14,478.01

Councillor Expenses

In accordance with Section 40 of the Act, Council is required to reimburse a councillor for expenses incurred whilst performing their duties as a councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the mayor and councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each councillor and member of a council committee paid by the Council.

Details of the expenses including reimbursement of expenses for each councillor and member of a council committee paid by the Council for the 2024-25 year are set out in the following table.

Councillor	CM	IC	PT	CT	OT	CC	Total $
Cr Andrea Allen (elected: 26 Oct)	$1,930.79	$300.00	$-	$-	$-	$-	$2,230.79
Cr Anthony Marsh (re-elected: 26 Oct)	$4,825.16	$523.05	$227.28	$400.00	$268.85	$1,470.00	$7,714.34
Cr Antonella Celi (end of term: 26 Oct)	$2,759.29	$250.00	$95.46	$1,177.89	$-	$-	$4,282.64
Cr Bruce Ranken (elected: 26 Oct)	$-	$33.33	$-	$-	$-	$-	$33.33
Cr Cam Williams (elected: 26 Oct)	$1,825.08	$300.00	$-	$-	$-	$-	$2,125.08
Cr David Gill (re-elected: 26 Oct)	$3,792.46	$540.81	$-	$-	$-	$-	$4,333.27
Cr Debra Mar (end of term: 26 Oct)	$1,726.52	$250.00	$-	$788.49	$-	$-	$2,765.01
Cr Despi O'Connor (end of term: 26 Oct)	$-	$186.33	$-	$140.23	$-	$-	$326.56
Cr Kate Roper (re-elected: 26 Oct)	$6,236.70	$440.82	$-	$267.05	$-	$-	$6,944.57
Cr Lisa Dixon (end of term: 26 Oct)	$2,471.69	$250.00	$-	$-	$-	$-	$2,721.69
Cr Max Patton (elected: 26 Oct)	$1,491.56	$300.00	$-	$442.14	$-	$-	$2,233.70
Cr Michael Stephens (elected: 26 Oct)	$4,524.21	$241.25	$-	$126.82	$137.44	$-	$5,029.72
Cr Patrick Binyon (elected: 26 Oct)	$159.79	$300.00	$-	$-	$-	$-	$459.79
Cr Paul Pingiaro (elected: 26 Oct)	$1,871.29	$300.00	$-	$175.91	$-	$-	$2,347.20
Cr Sarah Race (end of term: 26 Oct)	$-	$295.45	$-	$441.06	$-	$-	$736.51
Cr Simon Brooks (end of term: 26 Oct)	$-	$269.35	$-	$3,726.48	$-	$-	$3,995.83
Cr Stephen Batty (elected: 26 Oct)	$3,170.31	$33.33	$-	$-	$99.60	$-	$3,303.24
Cr Steve Holland (end of term: 26 Oct)	$546.28	$223.72	$-	$2,549.06	$-	$-	$3,319.06
Cr Susan Bissinger (end of term: 26 Oct)	$-	$250.00	$-	$-	$-	$-	$250.00

Legend: CM–Car Mileage IC–Information and Communication PT– Parking and Travel CT–Conference and Training OT–Others (including memberships, meals, uniforms and stationery) CC–Child Care

Management

Council has implemented several statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads to better decision making by Council. The Act requires council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework.

Audit and Risk Committee

The Audit Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit and Risk Committee consists of three independent members and two Councillors. The independent members for the 2024-25 financial year were:

- Ms Lisa Tripodi (Chair) – Appointed October 2017 for a three-year term and re-appointed for a further three-year term until October 2023. This was extended a further year by Council until October 2024. Re-appointed for an additional term from November 2024 ending October 2026.
- Mr Jonathon Kyvelidis – Appointed 2 February 2022 for a three-year-term until February 2025.
- Mr David Fraser – Appointed 25 August 2022 for a three-year term until August 2025.

The Councillor members for 2024-25 financial year were:

- Cr Batty Appointed 03 December 2024 ending 31 November 2025
- Cr Ranken Appointed 03 December 2024 ending 31 November 2025.

The Audit and Risk Committee meets five times a year. The Chief Executive Officer, Director Corporate Strategy and Business Improvement, Chief Financial Officer and Manager Governance attend all Audit and Risk Committee meetings. Other management representatives attend as required to present reports. The external auditors and outsourced internal auditors also attend each meeting. Recommendations from each Audit and Risk Committee meeting are subsequently reported to and considered by Council. Independent members are appointed for a three-year term, with a maximum of two terms.

Internal Audit

Council's internal audit function provides independent and objective external assurance that the appropriate processes and controls are in place across Council. The internal audit function is resourced by an external provider, which was Pitcher Partners for the 2024-25 financial year.

Council's Finance team coordinates the process as well as following up the closure of internal audit recommendations. An Internal Audit Plan is endorsed by the Audit and Risk Committee annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, prior audit coverage and management input. A report is prepared for each Audit and Risk Committee meeting outlining the status of the Internal Audit Plan and an update on the implementation of audit recommendations based on discussions with the responsible managers. The Internal Auditor also presents findings of completed reviews with all audit issues identified being risk rated. The manager for each area reviewed is required to attend the Audit and Risk Committee meeting to respond to questions in relation to the review. Quality assurance is measured through a client satisfaction survey, the annual Audit and Risk Committee self-assessment and completion of the internal audit plan.

The Internal Audit Plan for 2024-25 was completed with the following reviews finalised:

- Community Funding and Grants (November 2024)
- Long Term Financial Plan (LTFP) assumption and sustainability health check (February 2025)
- User Fees and Charges. (February 2025)
- Operational Health and Safety (OHS) Framework (May 2025)
- Events and Festivals (May 2025)
- Resource Recovery (May 2025).

External Audit

Council is externally audited by the Victorian Auditor-General. For the 2024-25 year the annual external audit of council's Financial Statements and Performance Statement was conducted by RSD Audit. The external auditors attend all Audit and Risk Committee meetings and 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.

Risk Management

In line with best practice, Council adopted a revised Risk Management Framework on 5 April 2022.

The Framework is based upon standards within Australian Standard (AS) / New Zealand Standard (NZS) ISO 31000: 2018 - Guidelines. Council's Risk Management Framework includes a Risk Management Policy, Risk Management principles, processes, guidelines and a Risk Management Plan.

Key enterprise risk management activities undertaken during 2024-25 include:

- Completing all actions in the Risk Management Improvement Plan early 2025.
- Rolling out our risk management software.
- Completing a full review of the operational risks.
- Updating our Risk Appetite Statement and Strategic Risk register in line with the adoption of the new Council Plan 2025-2029.

Council continues to progress its Enterprise Risk Management Improvement Plan, enabling officers to effectively identify and accurately rate potential threats and effectively mitigate these risks in pursuit of the Shire's strategy.

Council Memberships

- Australian Local Government Women's Association
- Local Government Professionals
- Municipal Association of Victoria
- South East Councils Climate Change Alliance
- Victorian Local Governance Association.

Governance Service Performance Indicators

	Service/indicator/measure	2022	2023	2024	2025	Material variations & comments
Governance						
G1	Transparency Council decisions made at meetings closed to the public [Number of Council resolutions made at meetings of Council, or at meetings of a delegated committee consisting only of Councillors, closed to the public / Number of Council resolutions made at meetings of Council or at meetings of a delegated committee	9.27%	6.79%	4.26%	7.28%	Council aims to support transparency and openness in the community by minimising closed-door decision-making. During the period, nineteen decisions were made in meetings closed to the public. Ten of these decisions related to personal information, seven to private commercial information, one to Council business information, and one to legally privileged information.
G2	Consultation and engagement Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	50	50	67	66	Satisfaction with consultation and engagement remains steady at 66, compared to 67 recorded in June 2024. The upward trend in our results over the past two years marks a significant improvement from our unusually low score of 50 in 2023. We have raised next year's target to reflect the new trend.
G3	Attendance Councillor attendance at council meetings [The sum of the number of Councillors who attended each Council meeting / (Number of Council meetings) × (Number of councillors elected at the last Council general election)] x100	93.36%	86.78%	85.66%	86.55%	Councillor attendance at council meetings remains high, as Councillors are dedicated to representing their wards and constituents. However, attendance has declined since 2022 due to our transition back to in-person meetings and an increase in unplanned meetings.
G4	Service cost Cost of elected representation [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	$55,205.18	$65,475.91	$73,503.56	$72,297.56	The total cost of elected representation decreased from last year, mainly due to lower consultant fees. The increase in costs since 2022 is primarily due to higher Councillor allowances, which are established by the Victorian Independent Remuneration Tribunal.
G5	Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	49	46	64	62	Satisfaction with council decisions remains steady at 62, compared to 64 recorded in June 2024. The upward trend in our results over the past two years marks a significant improvement from our unusually low score of 46 in 2023.

Governance and Management Checklist

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 March 2021
2.	**Community engagement guidelines** (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation Date of adoption: 8 December 2020
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	Adopted in accordance with section 91 of the Act Date of adoption: 28 October 2021
4.	**Asset Plan** (plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act Date of adoption: 14 June 2022
5.	**Revenue and Rating Plan** (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act Date of adoption: 17 June 2025
6.	**Annual Budget** (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 94 of the Act Date of adoption: 17 June 2025
7.	**Risk Management policy** (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation Date of commencement: 5 April 2022
8.	**Fraud and Corruption policy** (policy outlining Council's commitment and approach to minimising the risk of fraud and corruption)	Current policy in operation Date of adoption: 17 August 2022

Governance and Management Items		Assessment
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) during the financial year Date of MEMPC meetings attended: 16 August 2024, 15 November 2024, 21 February 2025, 16 May 2025
10.	**Procurement policy** (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act Date of adoption: 14 December 2021
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)	Current plan in operation Date of adoption: 27 March 2023
12.	**Disaster Recovery Plan** (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation Date of review: April 2024
13.	**Complaints Handling policy** (Policy under section 107 of the Act outlining Council's commitment and approach to managing complaints)	Developed in accordance with section 107 of the Act Date of commencement of policy: 6 September 2023
14.	**Workforce Plan** (Plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation)	Established in accordance with section 46 of the Act Date of commencement of current plan: 22 December 2021
15.	**Payment of rate and charges Financial Hardship policy** (Policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates)	Current policy in operation Date of adoption: 7 September 2021

Governance and Management Items	Assessment
16. **Risk management framework** (Framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation Date of commencement: 5 April 2022
17. **Audit and Risk Committee** (Advisory committee of Council under section 53 and section 54 of the Act whose role is to monitor the compliance of Council policies and procedures, monitor Council's financial reporting, monitor and provide oversight on internal and external audit functions)	Established in accordance with section 53 of the Act Date of establishment: 11 June 1996
18. **Internal Audit** (Independent accounting professionals engaged by Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Current auditor engaged: Aster Advisory Date commenced: 1 July 2024
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)	Current framework in operation Date of framework: 1 July 2015
20. **Council Plan report** (Report reviewing the performance of the Council against the Council Plan including the results in relation to the strategic indicators for the first six months of the financial year)	A report on the Council Plan is included in the Quarterly Community Report to Council Date of reports: 3 December 2024 (Qtr. 1), 25 February 2025 (Qtr. 2), 20 May 2025 (Qtr. 3), 2 September 2025 (Qtr. 4)
21. **Quarterly budget reports** (Quarterly reports to Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	A quarterly budget report is included in the Quarterly Community Report to Council Dates presented: 3 December 2024 (Qtr. 1), 25 February 2025 (Qtr. 2), 20 May 2025 (Qtr. 3), 2 September 2025 (Qtr. 4)
22. **Risk reporting** (Six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Date of Risk reports prepared and presented to Audit and Risk Committee: 5 September 2024, 28 November 2024, 27 February 2025 and 28 May 2025

Governance and Management Items	Assessment
23. **Performance reporting** (Six-monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Performance reports to the Audit and Risk Committee Date of reports: 28 November 2024 and 29 May 2025
24. **Annual Report** (Annual report under sections 98 and 99 of the Act 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 of presentation: 28 October 2025
25. **Councillor Code of Conduct** (Code setting out the standards of conduct to be followed by Councillors and other matters)	Reviewed and adopted in accordance with section 139 of the Act Date reviewed: February 2022 Date of adoption: 4 October 2022
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)	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: 25 February 2025 Council to Officers 8 April 2025 S5 Instrument Council to CEO
27. **Meeting procedures** (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act Date Governance Rules adopted: 24 August 2021

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

Mark Stoermer
Chief Executive Officer
Dated: 05/09/25

Cr Anthony Marsh
Mayor
Dated: 05/09/25

Statutory Information

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

Documents available for public inspection

Council makes information available through a range of options. Publishing this information reflects Council's commitment to transparency and openness. It also meets the commitments outlined in Council's Public Transparency Policy, the Local Government Act 2020 and the Freedom of Information Act 1982.

What information do we make available and where?

Information is available through:

- Council websites, social media and printed publications.
- Documents at our customer service centres (both on display and available by request).
- Release under the Freedom of Information Act 1982.
- Key Council budget briefings open to the public.
- Any other appropriate means as determined by Council, the Chief Executive Officer or the Manager – Legal and Governance.
- All information is publicly available unless it is confidential or its release would not be in the public interest.

Publicly available information includes:

- Agendas and minutes of Council meetings
- Adopted plans, policies and strategies
- Financial and non-financial performance reports
- Information on complaint handling processes:
  a. Customer Service
  b. Environmental nuisance complaints
  c. Noise complaints
  d. Barking dog complaints
- Community engagement processes
- Statutory registers.

Information Privacy and Data Security

Council's privacy practices comply with the Privacy and Data Protection Act 2014, the Health Records Act 2001, the associated Privacy Principles under both those Acts and Council's own Privacy Policy. Council follows best practice guidance from the Office of the Victorian Information Commissioner (OVIC) to respond to breaches and conduct Privacy Impact Assessments. Council has a dedicated privacy officer to help staff and members of the public with privacy-related queries or issues.

In February 2025, OVIC notified Council that a complaint had been made to their agency alleging Council had breached the privacy of a customer. Council responded to the enquiries made by OVIC and subsequently, the complaint was withdrawn.

Council complies with OVIC's Information Security Incident Notification Scheme requiring notification to OVIC of any data or privacy breaches that could compromise the confidentiality, integrity or availability of personal or public sector information. During the 2024–25 reporting year, no data breaches occurred that met the threshold requiring notification.

Council complies with the Victorian Protective Data Security Framework (VPDSF), which sets out mandatory standards for managing and protecting public sector information. Council continues to maintain appropriate measures to safeguard the privacy and security of Council held personal information and data.

Council's payment card data handling complies fully with the Payment Card Industry Data Security Standards (PCI DSS), ensuring the secure processing, storage, and transmission of cardholder information. Robust security measures, including encryption, access controls and regular security assessments, are implemented to protect against data breaches and maintain the integrity of all payment transactions.

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 or separately such as on its website, concerning its functions and information it makes available. Council has chosen to publish the statements separately, however, provides the following summary of the application and operation of the Freedom of Information Act 1982.

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

- it should be in writing
- it should identify as clearly as possible which document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.

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

Further information regarding FOI can be found at ovic.vic.gov.au and on the Mornington Peninsula Shire website.

Public Interest Disclosures

In accordance with section 69 of the Public Interest Disclosures Act 2012, councils must include in their annual report information on how to access the procedures established under Part 9 of the Act. Councils are also required to report on the number and types of public interest disclosure complaints assessed or investigated during the financial year.

The Public Interest Disclosures Act 2012 promotes integrity and accountability in the Victorian public sector by encouraging the disclosure of improper conduct and protecting people who make disclosures. Council's procedures for making a public interest disclosure are publicly available on its website.

During the 2024-25 year, there were no disclosures notified to the Independent Broad-based Anticorruption Commission (IBAC).

Charter of Human Rights

The Victorian Charter of Human Rights and Responsibilities Act 2006 protects the human rights of all people in Victoria. All public authorities and their employees are obliged to act in accordance with the Charter.

The Charter seeks to increase transparency in decision making affecting people's rights and assure the public that their rights are being considered. It protects civil and political rights and some cultural rights into Victorian law while promoting and protecting principles of freedom, respect, equality and dignity.

As reflected in Council's We All Belong Strategy 2024-2029, Council is committed to creating a place on the Peninsula where people of all ages, abilities, cultures, genders and sexualities are welcomed, celebrated, and provided opportunities to thrive and reach their full potential. We All Belong aligns with International guiding frameworks such as the UN Convention Rights of the Child, the Commonwealth's Australian Human Rights Commission Act 1986 and the Victorian government's Charts of Human Rights and Responsibilities Act 2006.

The Strategy seeks to create a fair, equitable and inclusive community where human rights are respected, participation is facilitated, barriers are addressed and diversity is celebrated.

Contracts and Procurement

Council has an adopted Procurement Policy in accordance with section 108 of the Local Government Act 2020.

The Act defines procurement policy to mean the principles, processes and procedures that apply to the purchases of goods, services and works by Council.

Council reviewed and adopted its Procurement Policy and associated guidelines on 14th December 2021. The policy seeks to promote open and fair competition and provide value for money. The policy applies to all procurement and contracting activities of Council and is binding for all Council officers, outsourced contractors and consultants while engaged by, and / or representing Council.

Council contracts greater than $300,000 including GST will undergo strategic review 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
- the best procurement methodology and delivery.

Council issued 22 public tenders in 2024–25, covering the following service categories:

- facilities maintenance
- community services
- consultancy and other work
- capital and infrastructure projects
- operational services.

This year, Mornington Peninsula Shire Council engaged six contractors where the accumulative value over 12 months was over $300,000 (inc. GST) for services without engaging in a competitive process.

Supplier	Engagement Description	Accumulative Value ex. GST	Rationale
VENTIA AUSTRALIA PTY LTD	Carpentry and After Hours Support	$ 1,022,324.98	Multiple quotations bringing accumulative value above tender threshold
THE TRUSTEE FOR ROEJEN SERVICES UNIT TRUST	Swimming Pool Plant and Equipment Maintenance	$ 500,274.45	Multiple quotations bringing accumulative value above tender threshold
THE TRUSTEE FOR DCL ELECTRICS TRUST (DCL ELECTRICS)	Mornington Sports Pavilion - Electrical System Works	$ 379,589.15	Multiple quotations bringing accumulative value above tender threshold
QUADRACON BUILDING PTY LTD	Baxter Mens Shed Construction	$ 471,751.24	Extended engagement taking the total spend over the public tender threshold
GALAXY 42 PTY. LTD. (ATTURA BUSINESS APPLICATIONS)	Software design and technical services.	$ 433,750.00	Multiple quotations bringing accumulative value above tender threshold
LAWYERS ON DEMAND PTY LTD	Provision of skilled temporary in-house lawyers	$ 431,030.00	Extended engagement taking the total spend over the public tender threshold

Disability Action Plan

Under section 38 of the Disability Act 2006, public sector bodies (including Councils) are required to prepare a Disability Action Plan (DAP) and report on implementation through their Annual Report. Under the Act, a DAP is prepared for the purpose of:

- reducing barriers to persons with a disability accessing goods, services and facilities
- reducing barriers to persons with a disability obtaining and maintaining employment
- promoting inclusion and participation in the community of persons with a disability
- achieving tangible changes in attitudes and practices that discriminate against persons with a disability.

Council's We All Belong Strategy 2024-2029 outlines the Mornington Peninsula Shire's approach to working in partnership across key life stages (children, young people, older adults) and population groups (people with disability, LGBTIQA+ and multicultural communities) over the next five years.

We All Belong replaces multiple existing and planned strategies delivered by the Shire (including the Disability Inclusion Plan) and brings all actions for key life stages and population groups under one document, embracing a whole of Council and whole of community approach.

This Strategy adopts the social model of disability. The United Nations convention on the Rights of Persons with Disabilities definition of disability, which describes people with disability as people who have long-term physical, mental, intellectual or sensory differences that, when interacting with inaccessible communities and environments, prevent full and equal community participation.

Over the year we implemented the following actions:

- Provide accessible online versions of key shire documents for example the Easy Read version of the We All Belong Strategy 2024-2029.
- Delivered a safe and inclusive community art program partnering with OurSonglines.
- Support multiple recreation opportunities for people with disability including providing accessible beach matting at 5 locations across the Peninsula, provide equipment for the safe and dignified transfer of sailors with disabilities for recreational boating and supported the all abilities golf program at Mount Martha Public Golf Course.
- Creation of key accessible resources such as communication boards, social stories and access guides across key shire sites like the Mornington Peninsula Visitor Information Centre, all library sites, Mornington Community House and Mount Martha House Community Centre and Mornington Peninsula Regional Gallery.

Domestic Animal Management Plan

The Domestic Animal Management Plan (DAMP) 2021-2025 was adopted by Council on 1 November 2021 and remains in force until December 2025. Actions implemented over the year against the DAMPs objectives are below.

Objective 1 – Support Shire Officers to continue to develop their skills:

- all Authorised Officers undertook the following training in 2024
  a. livestock handing
  b. dangerous dog training
  c. conflict resolution training.

Objective 2 – Provide a planned and focused communication approach:

- ensured the Community Animal Shelter has a social media presence on Facebook, Instagram and TikTok
- updated our Council's dogs in public places website.

Objective 4 – Provide a greater presence in the community to improve compliance and enhance education:

- continued to implement signage strategy for dog controls at Council beaches, parks and reserves
- undertook 633 proactive beach patrols and 126 proactive park patrols in 2024
- participated in the RSPCA's Million Paws Walk at Hastings. We offered free and discounted animal registration at our Marquee
- undertook fifteen presentations and tours to school and community groups in 2024.

Objective 5 – Continue to improve animal welfare outcomes:

- started Phase one of the Community Animal Shelter and Pound redevelopment in July 2024
- continued ongoing partnerships with local vet clinics and numerous rescue groups across the municipality
- undertook monthly reviews of newly registered microchips and Pet Exchange data against Council registration records to ensure all animals are registered.

Objective 6 – Continue to seek opportunities for affordable pet desexing:

- offered discounted desexing for residents on an aged pension.

Objective 7 – Increase registration compliance and opportunities for lost pets to be more easily reunited with their owners:

- undertook doorknock of approximately 3,700 registrations in August 2024.

Objective 13 – Ensure compliance by owners of declared dogs:

- conducted dangerous dog inspections between June and July of 2024 and in May 2025. All properties were compliant.

Objective 15 – Ensure compliance by Domestic Animal Businesses (DABs):

- undertook 31 inspections of individual DABs between April and May of 2024.

Objective 16 – Annual review of Plan and reporting:

- published our implementation and evaluation in our 2023-24 Annual Report on 27 October 2024.

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

Council is responsible for the management of approximately 1,713 kilometres of roads, with 1,380 km sealed and 331 km unsealed (formed) and 9 km unsealed (earth/natural surface).

Our Road Management Plan provides a transparent and a network wide approach to managing the Peninsula's roads. In accordance with the Road Management Act 2004, the Road Management Plan was adopted on 6 September 2022 and came into effect on 30 September 2022.

Under 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 2024-25 financial year.

Infrastructure and development contributions

In accordance with section 46GM and 46QD of the Planning and Environment Act 1987, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's annual report.

For the 2024-25 year the following information about infrastructure and development contributions is disclosed.

Development contributions	
Total DCP levies received in 2024-25	
DCP name (Year approved)	Levies received in 2023-24 financial year
$	1,448
Creswell Street Crib Point East DCP (2019)	**187,165**
Total	**187,165**

DCP land, works, services or facilities accepted in-kind in 2024-25				
DCP name (Year approved)	Project ID	Project description	Item purpose	Project value
$				N/A
Creswell Street Crib Point East DCP (2019)				**N/A**
Total				N/A

Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)				
DCP name (Year approved)	Total levies received $	Total levies expended $	Total works–in–kind accepted $	Total DCP contributions received (levies and works–in–kind) $
Creswell Street Crib Point East DCP (2019)	285,783	-	-	285,783
Total	**285,783**	**-**	**-**	**285,783**

Land, works, services or facilities delivered in 2024-25 from DCP levies collected							
Project description	DCP name (Year approved)	DCP fund expended $	Works–in–kind accepted $	Council's contribution $	Other contributions $	Total project expenditure $	Percentage of item delivered
The Creswell Street Crib Point East Development Contributions Plan requires new development and/or subdivision to pay a levy towards the cost of upgrading road and drainage infrastructure.	Creswell Street Crib Point East DCP (2019)	–	–	–	–	–	0%
Total		**–**	**–**	**–**	**–**	**–**	

Local laws

The Mornington Peninsula Shire Council has several Local Laws which apply across the municipality. These include:

Community Amenity Local Law 2022

This Local Law was made by resolution of Council on 23 August 2022 and commenced on 5 October 2022. This Local Law was amended by Community Amenity (Amendment) Local Law 2023 and adopted by resolution of Council on 14 November 2023.

- The objectives of the Mornington Peninsula Shire's Community Amenity Local Law 2022 are to prohibit, regulate and control uses and activities to:
  a. provide for the peace, order and good government of the municipal district of the Mornington Peninsula Shire
  b. promote a physical and social environment in which residents and visitors to the municipal district can enjoy a quality of life that meets the general expectations of the community
  c. prevent and suppress nuisances which may adversely affect the enjoyment of life within the municipal district or the health, safety and welfare of persons within the Municipal District
  d. prohibit, regulate and control activities which may be dangerous or unsafe or detrimental to a person's health, amenity or the environment
  e. provide for fair access and use of Council and community assets and prescribe measures to protect these assets
  f. prescribe requirements for the administration and enforcement of the Local Law.

Consumption of Liquor Local Law 2022

This Local Law was made by resolution of Council on 23 August 2022, and commenced on 5 October 2022.

- The objectives of the Mornington Peninsula Shire's Consumption of Liquor Local Law 2022 are to:
  a. regulate and control the consumption, possession or control of liquor in designated areas and prohibit the possession of liquor in other areas of the municipal district
  b. protect against behaviour which causes detriment to the amenity and environment of the municipal district
  c. protect the community interest
  d. provide for the enforcement of this Local Law, including the issuing of infringement notices
  e. provide for the administration of Council powers and functions in relation to the consumption, possession or control of liquor on roads and Council land
  f. lead and educate the public as to what is, and what is not, appropriate behaviour
  g. provide generally for the peace, order and good government of the municipal district.

Governance Rules

The Mornington Peninsula Shire Council's Governance Rules were adopted on 24 August 2021 in accordance with section 60 of the Local Government Act 2020

These rules govern:

- the conduct of Council and delegated committee meeting
- the election of the Mayor and Deputy Mayor
- procedures during the election period
- disclosure and management of conflicts of interest

The Governance Rules also ensure that Council makes decisions fairly and, on their merits, and that individuals whose rights may be directly affected by a decision can communicate their views and have their interests considered.

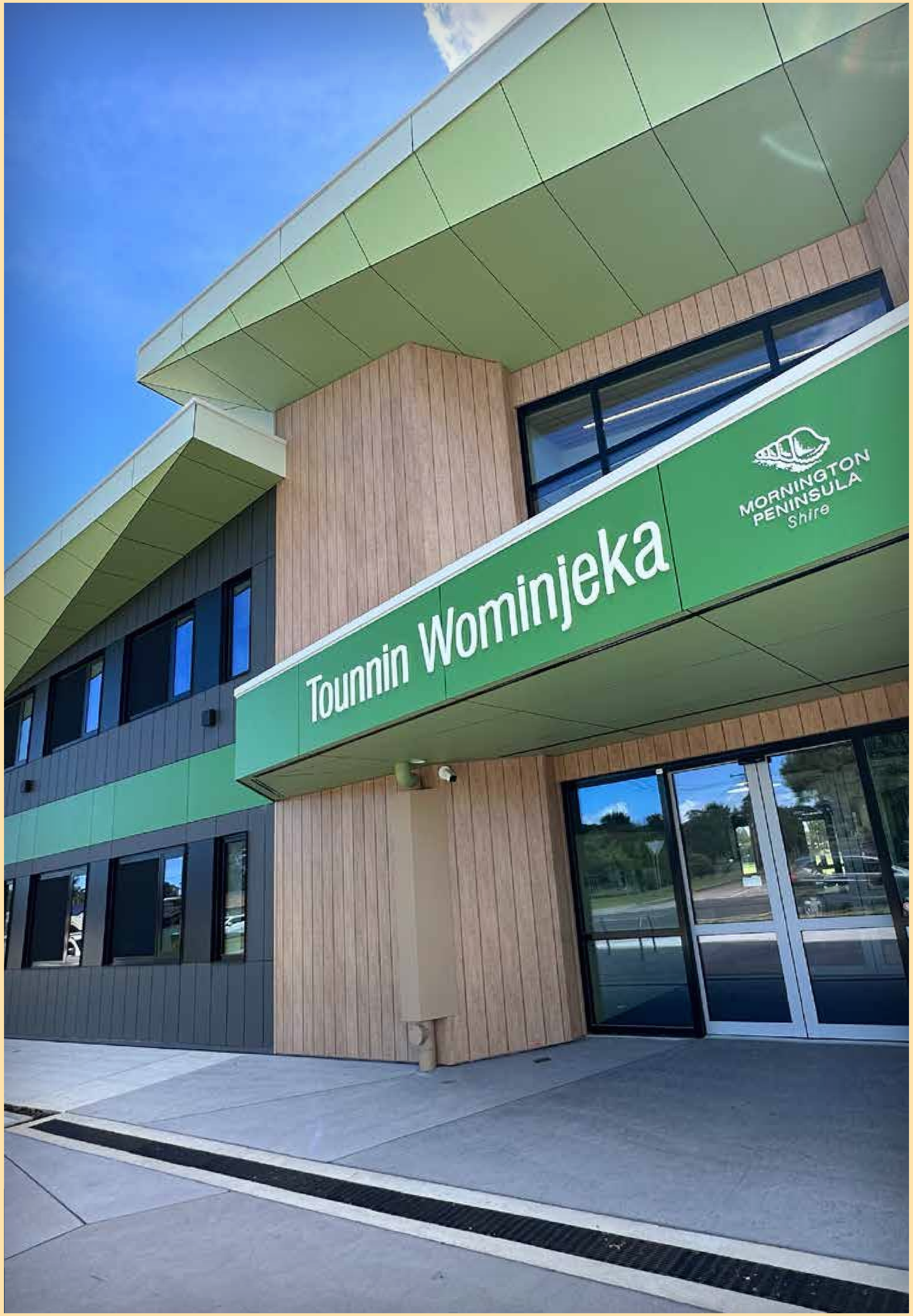
Legislation Impacting Council

Councils provide a wide range of services and operate within strict rules.

In Victoria, councils must follow over 120 different state laws, as well as laws set by the federal government.

Many of these laws and regulations directly affect Councils. They require Councils to comply with specific requirements, contain provisions relevant to the Council, have some indirect influence or require staff to have specialised knowledge to perform their duties.

- Australian Citizenship Act 2007 (Commonwealth of Australia –Cth)
- Building Act 1993
- Charter of Human Rights and Responsibilities
- Act 2006
- Child Wellbeing and Safety Act 2005
- Competition and Consumer Act 2010 (Cth)
- Country Fire Authority Act 1958
- Disability Discrimination Act 1992 (Cth)
- Disability Act 2006
- Domestic Animals Act 1994
- Emergency Management Act 2013
- Environment Protection Act 2017
- Equal Opportunity Act 2010
- Fire Rescue Victoria Act 1958
- Fire Services Property Levy Act 2012
- Food Act 1984
- Freedom of Information Act 1982
- Gender Equality Act 2020
- Geographic Place Names Act 1998
- Graffiti Prevention Act 2007
- Housing Act 1983
- Impounding of Livestock Act 1994
- Land Act 1958
- Local Government Act 1989
- Local Government Act 2020
- Occupational Health and Safety Act 2004
- Planning and Environment Act 1987
- Privacy and Data Protection Act 2014
- Public Health and Wellbeing Act 2008
- Public Interest Disclosures Act 2012
- Public Records Act 1973
- Residential Tenancies Act 1997
- Road Management Act 2004
- Road Safety Act 1986
- Sex Work Act 1994
- Subdivision Act 1988
- Summary Offences Act 1966
- Tobacco Act 1987
- Valuation of Land Act 1960



Performance Statement

For the year ending 30 June 2025
Mornington Peninsula Shire Council

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Certification of the Performance Statement

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

Mark Schubert, CPA
Manager Finance
Dated: 23/09/25

In our opinion, the accompanying performance statement of the Mornington Peninsula 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.

Cr Anthony Marsh Mayor Dated: 23/09/25	Cr Paul Pingiaro Deputy Mayor Dated: 23/09/25	Mark Stoermer Chief Executive Officer Dated: 23/09/25

VAGO
Victorian Auditor-General's Office

Independent Auditor's Report

To the Councillors of Mornington Peninsula Shire Council

Opinion

I have audited the accompanying performance statement of Mornington Peninsula Shire Council (the council) which comprises the:

- description of municipality 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
- sustainable capacity indicators for the year ended 30 June 2025
- notes to the accounts
- certification of the performance statement.

In my opinion, the performance statement of Mornington Peninsula 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 *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Councillors' responsibilities for the performance statement

The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the performance statement

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

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

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

MELBOURNE
25 September 2025

Travis Derricott
as delegate for the Auditor-General of Victoria

Performance Statement

For the year ended 30 June 2025

Description of Municipality

Mornington Peninsula Shire covers 723 square kilometres of land with a coastline that extends for 192 kilometres (approximately 10 per cent of Victoria's total). The region is one of Victoria's premier holiday and retirement destinations and has magnificent landscapes, coasts and beaches that are of state significance and attract 7 million visitors every year.

Our Community

The Shire has 40 towns and villages spread across the peninsula, with most of the residential population living along the coastline. The Shire has an estimated permanent resident population of 171,450, as well as a non-resident population who spend part of the week, or their holidays, on the Peninsula. Many beach holiday houses are based along the Port Phillip coastline, with the population swelling by up to 30 per cent in the summer months.

Our Environment

Approximately 70 per cent of the Shire is retained as rural land within the Green Wedge planning zone, whilst towns and villages take up the other 30 per cent. Within the Green Wedge, there are areas of highly productive farmland as well as highly significant landscapes and ecosystems. The Mornington Peninsula and Western Port have become part of the worldwide network of biosphere reserves recognised by the United Nations. The region has been recognised for its: high biological diversity; many significant, rare native plants and vegetation; wetlands; sites of geomorphological significance; remnant indigenous vegetation; highly scenic landscape values; and sites of historic importance.

Our Economy

The Shire has a strong local economy, with $11.4 billion in Gross Regional Product. There are over 17,000 businesses from a diverse range of industries, including retail, manufacturing, construction and business services. The region also has a distinguished agricultural history, including beef, viticulture (grapes) and horticulture (fruit, vegetables, and flowers), with the existing food and wine producers being recognised as world class and industry leaders in their respective fields. Tourism is another sector that plays a significant role in our local economy.

Service Performance Indicators

For the year ended 30 June 2025

Service/indicator/measure	2022 Actual	2023 Actual	2024 Actual	2025 Target	2025 Actual	Material Variations and Comments
Aquatic facilities						
Utilisation Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	3.50	5.72	5.70	N/A	5.66	Utilisation of our aquatic centres has remained consistent with previous years post COVID, signalling strong and consistent attendance numbers at our centres.
Animal Management						
Health and safety Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	100%	100%	100%	N/A	97.96%	The Mornington Peninsula Shire Council is dedicated to safeguarding community safety and the health and wellbeing of animals on the Peninsula by pursuing prosecution only when it is justified and necessary. There was one instance where we chose to withdraw legal action against a defendant due to exceptional circumstances presented by the defendant's barrister in court.
Food Safety						
Health and safety Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	92.86%	92.25%	92.53%	N/A	92.93%	To ensure the safety of our community, we continue to prioritise food safety compliance programs across the Peninsula. Our follow-up on critical and major notifications result remains high and is consistent with previous years.

Service/indicator/measure	2022 Actual	2023 Actual	2024 Actual	2025 Target	2025 Actual	Material Variations and Comments
Governance						
Satisfaction Satisfaction with community consultation and engagement (Community satisfaction rating out of 100 with the consultation and engagement efforts of Council)	50	50	67	53	66	Satisfaction with consultation and engagement remains steady at 66, compared to 67 recorded in June 2024. The upward trend in our results over the past two years marks a significant improvement from our unusually low score of 50 in 2023. We have raised next year's target to reflect the new trend.
Libraries						
Participation Library membership [Percentage of the population that are registered library members] x100	New in 2024	New in 2024	33.21%	N/A	33.23%	This year's result reflects a slight increase in library membership compared to the overall growth of our municipal population.
Maternal Child Health						
Participation Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	72.58%	73.78%	73.98%	N/A	76.98%	We are pleased to see participation increasing, surpassing previous years. This rise is largely due to more children attending the Maternal Child Health (MCH) service at least once during the year, even though fewer children were enrolled in the year compared to previous years, and the introduction of Saturday appointments for working parents. This increase in attendance can also be attributed to the Shire's MCH service proactively monitoring attendance for Key Age and Stage appointments and reaching out to clients to book overdue appointments.

Service/indicator/measure	2022 Actual	2023 Actual	2024 Actual	2025 Target	2025 Actual	Material Variations and Comments
Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	82.32%	90.00%	82.99%	N/A	84.19%	This year's rise in participation is primarily due to a twelve per cent increase in enrolments against last year, although we did see higher attendance rates as well. This increase in attendance can be attributed to the Shire's MCH service proactively monitoring attendance for Key Age and Stage appointments and reaching out to clients to book overdue appointments. Compared to 2023, we have experienced a six per cent rise in enrolments with fewer attendances, which explains the decrease from 2023.
Roads						
Condition Sealed local roads maintained to condition standards (Percentage of sealed local roads that are below the renewal intervention level set by Council and not requiring renewal	96.76%	96.79%	100.00%	98.10%	98.91%	Of the 1,380 kilometres of sealed local roads across the Shire we maintained 1,365 kilometres within condition standards, beating our target for the year.

Service/indicator/measure	2022 Actual	2023 Actual	2024 Actual	2025 Target	2025 Actual	Material Variations and Comments
Statutory Planning						
Service standard Planning applications decided within the relevant required time (Percentage of planning application decisions made within the relevant required time)	44.56%	42.22%	47.38%	65.00%	56.81%	Although we received 8 per cent fewer applications, we have made steady progress by increasing the number of planning applications decided within the required time frames, bringing us closer to our target.
Waste Management						
Waste diversion Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	57.21%	58.19%	59.24%	59.74%	56.33%	We experienced a small decrease compared to 2024. A 5.4 per cent reduction in recyclables received, compared to 2024, may be due to the introduction of the Container Deposit Scheme that was introduced on 1 November 2023.

Financial Performance Indicators

For the year ended 30 June 2025

	Results					Forecasts				
Service/indicator/measure	2022 Actual	2023 Actual	2024 Actual	2025 Target	2025 Actual	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Material Variations and Comments
Efficiency										
Expenditure level										
Expenses per property assessment [Total expenses / Number of property assessments]	$2,521.89	$2,645.18	$2,692.73	$2,827.00	$2,925.33	$2,941.91	$3,007.82	$3,072.60	$3,138.81	Council always seeks to deliver the highest quality services in the most efficient way and has contained expenditure per property assessment through its goal of ongoing savings. The increase in 2025 is largely attributable to CPI, indexation of the Shire's contracts and depreciation.
Revenue level										
Average rate per property assessment [Sum of all general rates and municipal charges / Number of property assessments]	$1,510.44	$1,526.53	$1,591.65	N/A	$1,659.45	$1,718.17	$1,755.60	$1,793.83	$1,832.93	Council's rates, our primary source of income that delivers essential services to our community, is limited by the rate cap under the Fair Go Rates System, which was set at 2.75% for 2024-25. Supplementary income is 0.9% of the total rates revenue in 2025, which is the growth of our rates income in 2025.
Liquidity										
Working capital										
Current assets compared to current liabilities [Current assets / Current liabilities] x100	193.01%	232.72%	257.64%	148.06%	249.45%	213.99%	220.29%	230.58%	243.06%	Our current assets have increased by $10 million from 2024 due to cash and cash equivalents, with delayed expenditure for capital works. There has been a decrease in working capital due to Current Liabilities increasing $6 million, due to trade and other payables increasing along with unearned income.
Unrestricted cash										
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	70.52%	-40.60%	-44.45%	N/A	-42.94%	37.19%	38.16%	39.79%	41.75%	To maximise the return of funds to Council, we allocated cash to term deposits. The term deposits are classified as Other Financial Assets, with a total of $100.6 million recorded as of June 30, 2025. It's important to note that if these term deposits were considered Cash and Cash Equivalents, the Unrestricted Cash Ratio would have been 99%, resulting in a positive outcome.

Service/indicator/measure	2022 Actual	2023 Actual	2024 Actual	2025 Target	2025 Actual	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Material Variations and Comments
	Results					Forecasts				
Obligations										
Loans and borrowings										
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	20.08%	17.33%	14.77%	N/A	13.36%	13.85%	12.12%	10.47%	8.88%	No new loans were drawn during the year. With $2.7 million in loan repayments and a rate revenue increase, we have managed to reduce our loans and borrowings compared to our rates.
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	2.85%	2.43%	1.71%	N/A	1.59%	1.43%	1.76%	1.68%	1.61%	This year's result is reflective of our reduced loans and borrowings and an increase in rate revenue. Borrowings originally planned for 2025 have been deferred to 2026, resulting in a future increase from 2026.
Indebtedness										
Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	21.30%	20.06%	20.44%	N/A	20.76%	16.58%	14.85%	13.44%	12.09%	Council's long-term liabilities remain stable, indicating an appropriate level of debt. We experienced a slight increase in non-current liabilities, which was offset by a 2% rise in own source revenue. This increase in revenue is attributed to a higher rate income, increased usage of waste collection services and an increase in infringement income, despite a 9% decrease in the waste service charge.

	Results					Forecasts				
Service/indicator/measure	2022 Actual	2023 Actual	2024 Actual	2025 Target	2025 Actual	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	Material Variations and Comments
Asset renewal and upgrade										
Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100	80.58%	64.91%	115.69%	72.38%	77.22%	62.90%	48.35%	62.96%	62.61%	Council continues to invest in community infrastructure and focus on our renewal gap, ensuring that we are spending enough to maintain or replace assets to the desired standard. Asset renewal and upgrade are driven by the condition assessment of assets and varies year on year.
Operating position										
Adjusted underlying result										
Adjusted underlying result (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	0.27%	-0.78%	1.00%	N/A	0.09%	-3.85%	-2.57%	-2.54%	-2.52%	While the decline from 2024 is due to an 8 per cent increase in expenditure that was only partially offset by a 3.3 per cent increase in income, the outcome does reflect the long-term challenges of Local Government. With rate capping, cost shifting from the State Government and the rising costs of materials and service delivery, we face a challenging economic environment. These issues are expected to have a significant impact on us in the coming years.
Stability										
Rates concentration										
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	75.86%	74.88%	77.74%	80.37%	73.61%	79.59%	78.55%	78.54%	78.54%	Rate revenue continues to be Council's main source of income for funding community services and capital works projects. Own source revenue is inflated in 2025, due to receiving the full year allocation of financial assistance in 2025 along with 50% of the 2026 allocation.
Rates effort										
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.19%	0.15%	0.17%	N/A	0.17%	0.18%	0.19%	0.19%	0.20%	Property values increased this year on the Mornington Peninsula, however were below the rate cap.

Sustainable Capacity Indicators

For the year ended 30 June 2025

	Results				
Indicator/measure/ formula	2022 Actual	2023 Actual	2024 Actual	2025 Actual	Material Variations and Comments
Population					
Expenses per head of municipal population [Total expenses / Municipal population	$1,550.19	$1,643.69	$1,671.71	$1,795.21	Council always aims to provide high-quality efficient services while controlling expenditure through ongoing cost savings. The 2025 increase is primarily due to the Consumer Price Index (CPI), contract indexation, depreciation and increased staff costs.
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	$8,972.15	$10,131.82	$11,491.72	$11,815.65	Although our municipal population has seen a slight increase, our investment in infrastructure has been primarily affected by the delivery of our Capital Works Program ($52 million) and the revaluation of infrastructure assets.
Population density per length of road [Municipal population / Kilometres of local roads]	98.52	99.01	99.38	99.74	A small rise in the municipal population has resulted in a slight increase against last year.
Own-source revenue					
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	$1,411.32	$1,485.29	$1,613.23	$1,635.87	Our growth in own-source revenue aligns with our budget expectations and has been driven by the rate cap and supplementaries throughout the year. Our own-source revenue is higher than usual due to Council receiving the full allocation of financial assistance in 2025, in addition to 50% of the allocation for 2026.

	Results				
Indicator/measure/ formula	2022 Actual	2023 Actual	2024 Actual	2025 Actual	Material Variations and Comments
Recurrent Grants					
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	$127.39	$125.20	$63.63	$143.31	Recurrent grants saw a significant increase in 2025 due to the receipt of the full year allocation of financial assistance grant in 2025, along with 50% of the allocation for 2026.
Disadvantage					
Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	8.00	8.00	8.00	8.00	Mornington Peninsula's Index of Relative Socio-Economic Disadvantage from the 2021 Census was in the eighth decile. The first decile indicates the most disadvantaged and the tenth decile indicates the least disadvantaged.
Workforce Turnover					
Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	32.5%	16.5%	14.2%	15.6%	Our turnover rate is slightly higher than last year but remains steady and consistent with trends observed over the past three years. This figure encompasses all types of turnover, including the conclusion of temporary contracts, involuntary terminations, and redundancies. Notably, this year we saw an increase in retirements as well as staff relocations, both within the state and to other regional areas of Victoria.

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, service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district, an explanation of material variations in the results and notes to the accounts. This statement has been prepared to meet the requirements of the Local Government Act 2020 and Local Government (Planning and Reporting) Regulations 2020.

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

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by the Local Government (Planning and Reporting) Regulations 2020. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2025-26 to 2028-29 by the council's financial plan.

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 Aboriginal Heritage Act 2006
adjusted underlying revenue	means total income other than: non-recurrent grants used to fund capital expenditure; and non-monetary asset contributions; and contributions to fund capital expenditure from sources other than those referred to above
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under section 98 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
asset upgrade expenditure	means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the Food Act 1984 , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
current assets	has the same meaning as in the Australian Accounting Standards
current liabilities	has the same meaning as in the Australian Accounting Standards
food premises	has the same meaning as in the Food Act 1984
intervention level	means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene
local road	means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

Key term	Definition
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

Overview of 2025

The local government sector is currently facing several challenges, including rate capping, cost shifting from the State Government and increasing maintenance and operational costs. We worked with all levels of government and a broad range of external organisations seeking financial support, policy or legislative change to deliver local projects. We also made detailed submissions to the Victorian inquiry into Local Government Funding and Services and the Federal inquiry into Local Government Sustainability, addressing rate capping and cost shifting.

Financial Statements

For the year ending 30 June 2025

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Finance message

The Mornington Peninsula Shire Council's financial position remains sound, supported by robust cash flows, substantial reserves and a solid balance sheet.

For the 2024-25 financial year, the Council reported a financial performance of $14.6 million, a decrease of $12.6 million from the previous fiscal year. Council posted an adjusted underlying deficit of $1 million for the 2024-25 financial year, which is a decrease of $6.5 million compared to the previous year. This underscores the importance of councils to secure sufficient funds, without relying on capital receipts, to ensure service standards meet community expectations.

As detailed in the Comprehensive Income Statement, total income for the year increased by 3.3% to $322.4 million and expenses increased by 8% to $307.8 million, which was driven by the first year of our new maintenance contracts and increased depreciation of $5.4 million.

The table below provides a brief snapshot of the 2024-25 Financial Year:

Financial Results	2024-25 (Actual) ($'000)	2023-24 (Actual) ($'000)
Comprehensive Income Statement Surplus	14,616	27,177
Underlying Result	(1,070)	5,475
Capital Works	51,883	58,744
Cash and Cash Equivalents	40,996	31,689
Loans	30,303	33,018
Net Assets	3,817,759	3,741,925
Liquidity Ratio	249%	258%

Net assets increased by $75.8 million, reaching a total of $3.8 billion. This elevation can be largely attributed to the asset valuation, amounting to $60 million, predominantly associated with infrastructure elements like roads and drainage (for details, see Note 6.2, AFS). This year, a substantial $51.9 million was allocated to capital works. Cash assets increased by $9.3 million, settling at $41 million at the end of the financial year, whilst term deposits remained consistent with the prior year and totalled $100.6 million.

Current liabilities increased by $6.2 million, resulting in $129.1 million in overall total liabilities at year's end. Despite this increase, our total liabilities represent only 3% of our overall assets. Additionally, our borrowings decreased by $2.7 million, finishing at $30.3 million.

The Shire's liquidity ratio, an indicator of fiscal resilience, is 249%, indicating our ability to meet short-term liabilities as they become due.

From a financial perspective, the Council is on solid ground, which ensures we can navigate upcoming challenges and maintain our financial equilibrium, in line with our long-term strategic financial roadmap.

> ...the Council is on solid ground, which ensures we can navigate upcoming challenges...

Financial summary

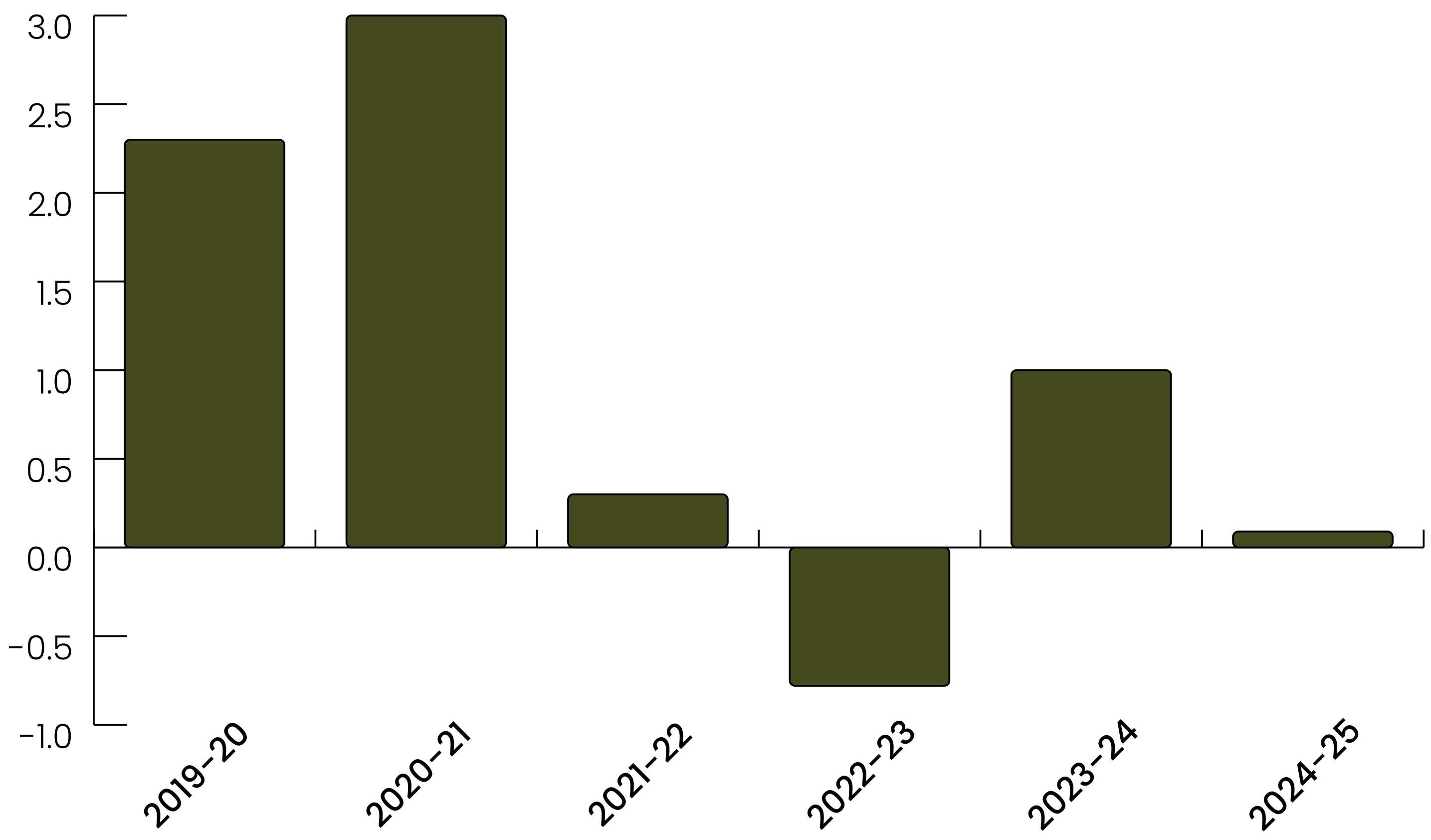
Council's financial position remains sound with positive cash flows, reserves and a solid balance sheet. A summary of our performance is outlined below. Detailed information relating to council's financial performance is included within the financial statements and performance statement sections of this report.

Operating position

Council achieved a surplus of $14.6 million in 2024/25, a decrease from the prior year's surplus of $27.1 million. The adjusted underlying result of council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a deficit of $1 million. This compares unfavourably to the prior year's surplus of $5.4 million and is primarily due to the rise in cost of services.

It's crucial for councils to generate adequate funds, excluding capital receipts, to maintain service levels in line with community demands and provides the capacity to renew the $3.8 billion of community assets under council's control.

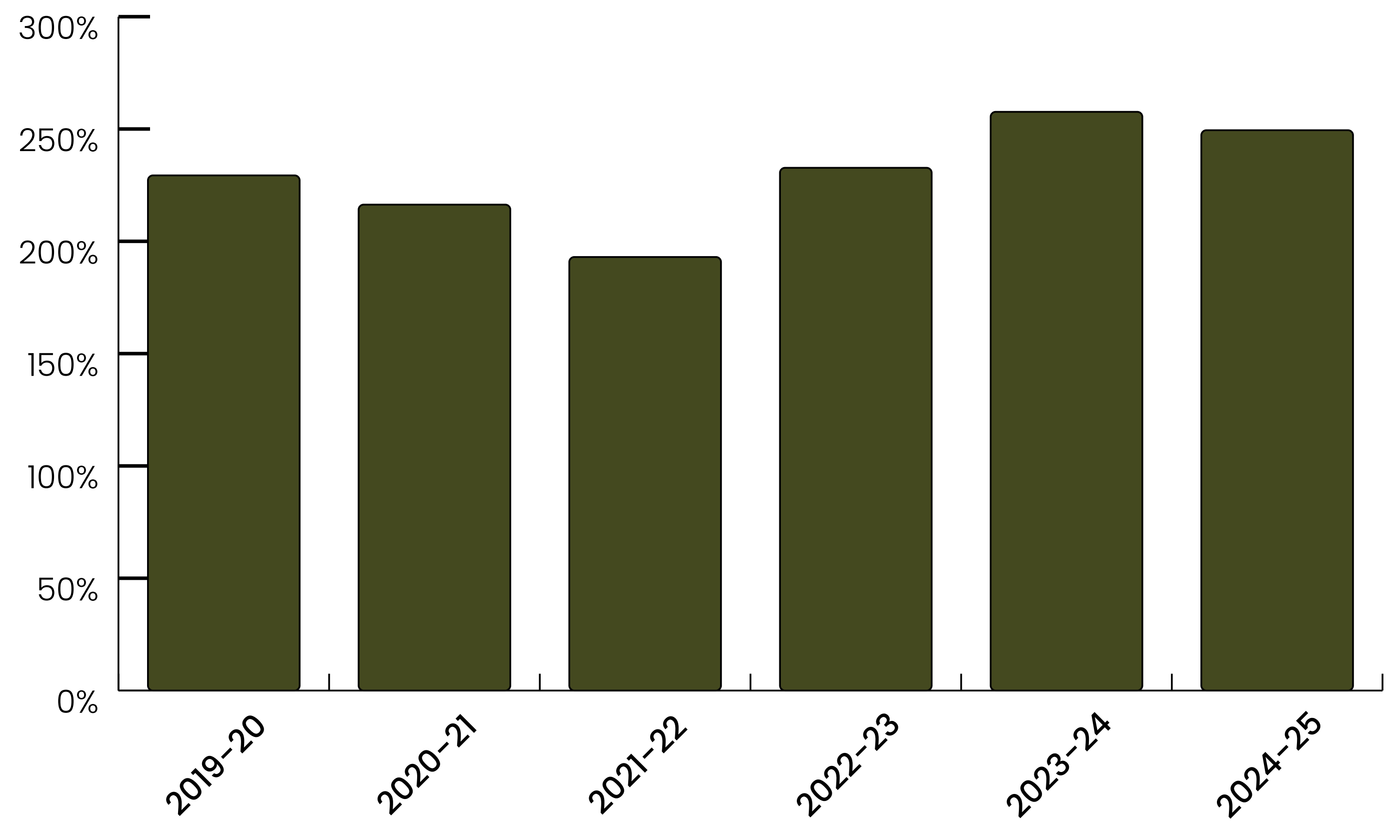
Adjusted Underlying Result %



Liquidity

Net movement in cash and cash equivalents and other financial assets has increased by $9.3 million compared to prior year. The working capital ratio (which assesses council's ability to meet current commitments), is calculated by measuring council's current assets as a percentage of current liabilities. Council's result of 249% is an indicator of a very good financial position, with regards to meeting our liabilities as they fall due and within the Target range of 100% to 400%.

Working Capital Ratio

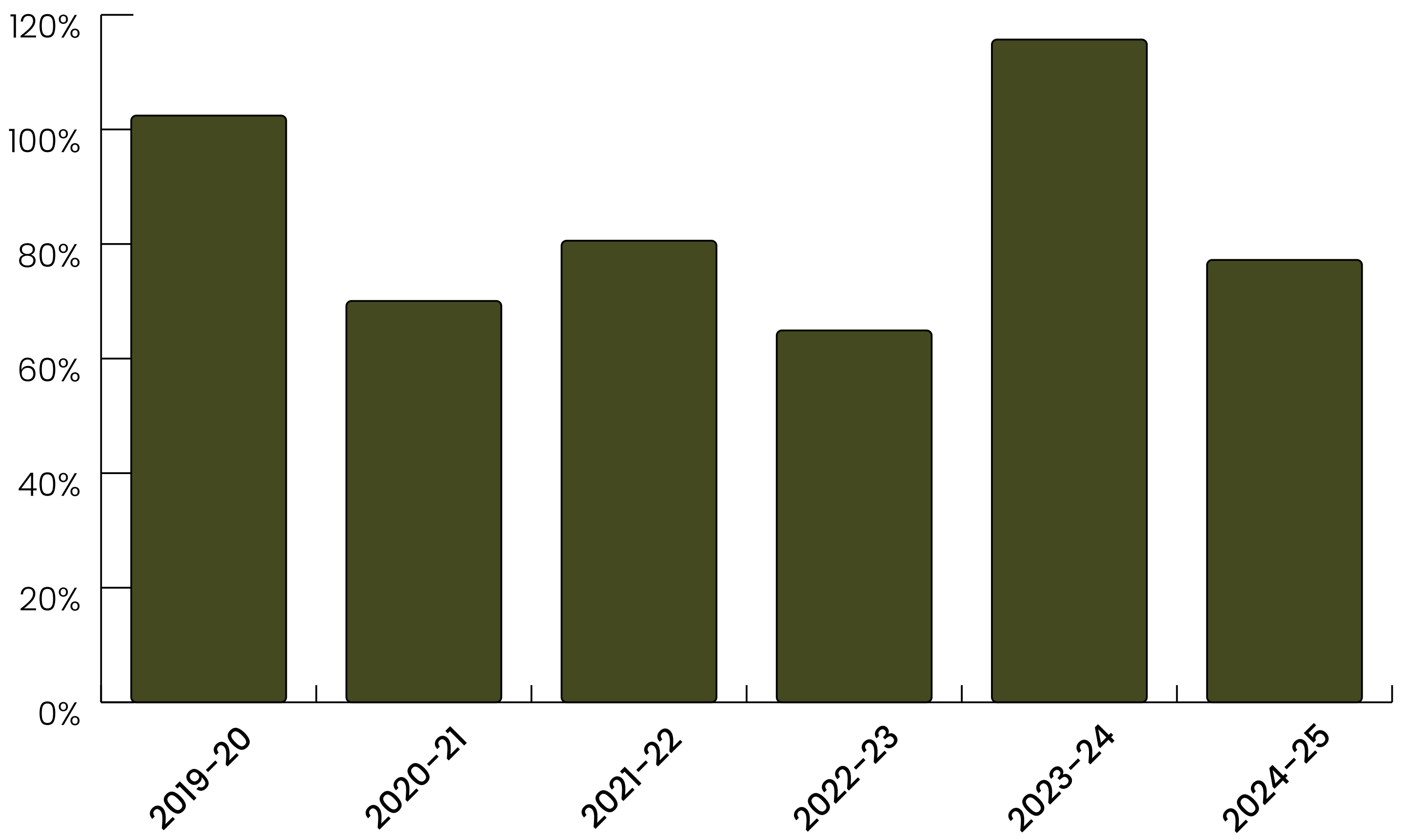


Obligations

Council aims to ensure that it can maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community.

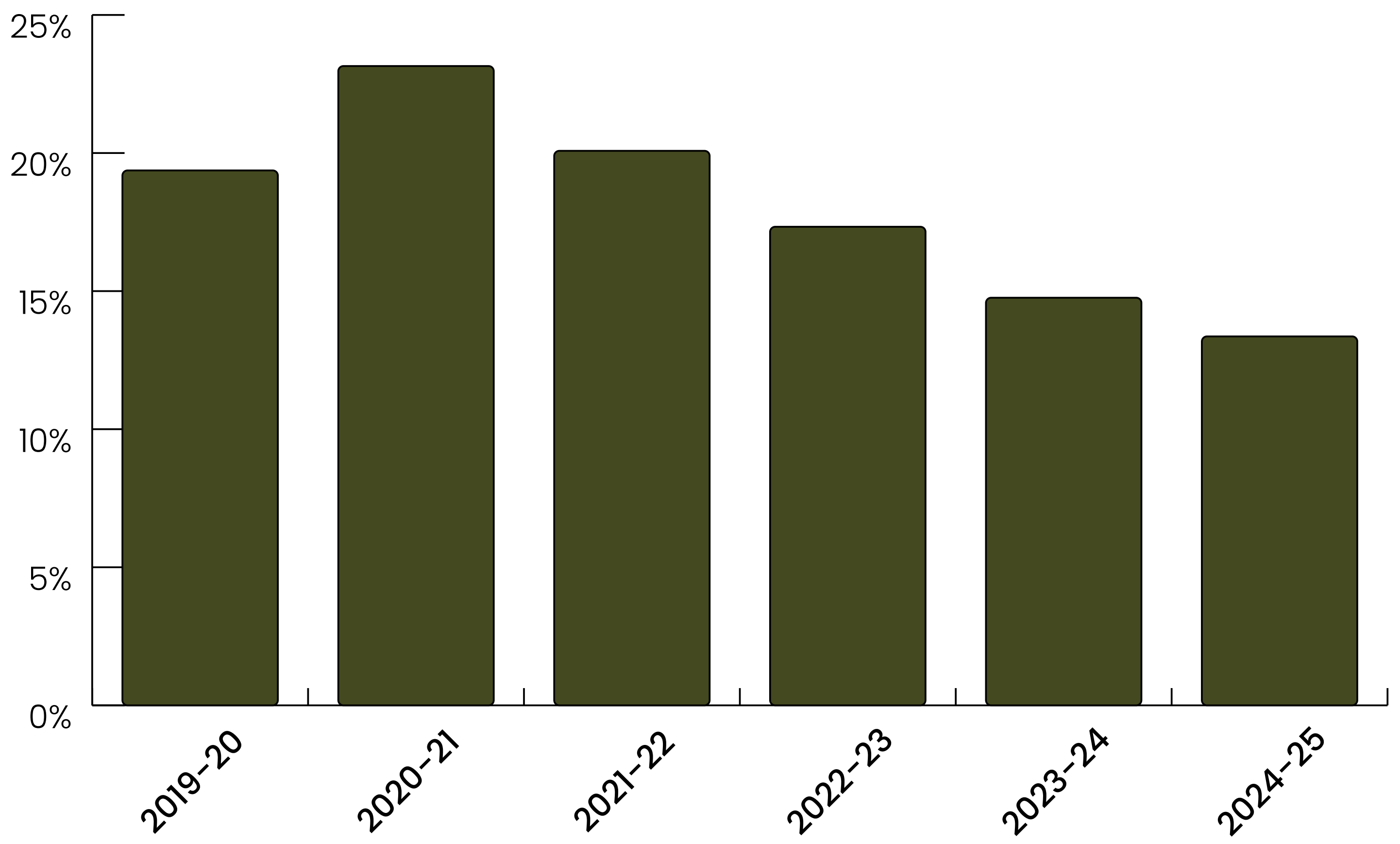
Council's asset renewal ratio, which is measured by comparing asset renewal and upgrade expenditure to depreciation, was 77.2% which was within the Target range of 40%-130%.

Asset Renewal Ratio %



At the end of the 2024-25 year council's debt ratio (which is measured by comparing interest bearing loans and borrowings to rate revenue) was 13.4% which was within the Target range of 0%-70%.

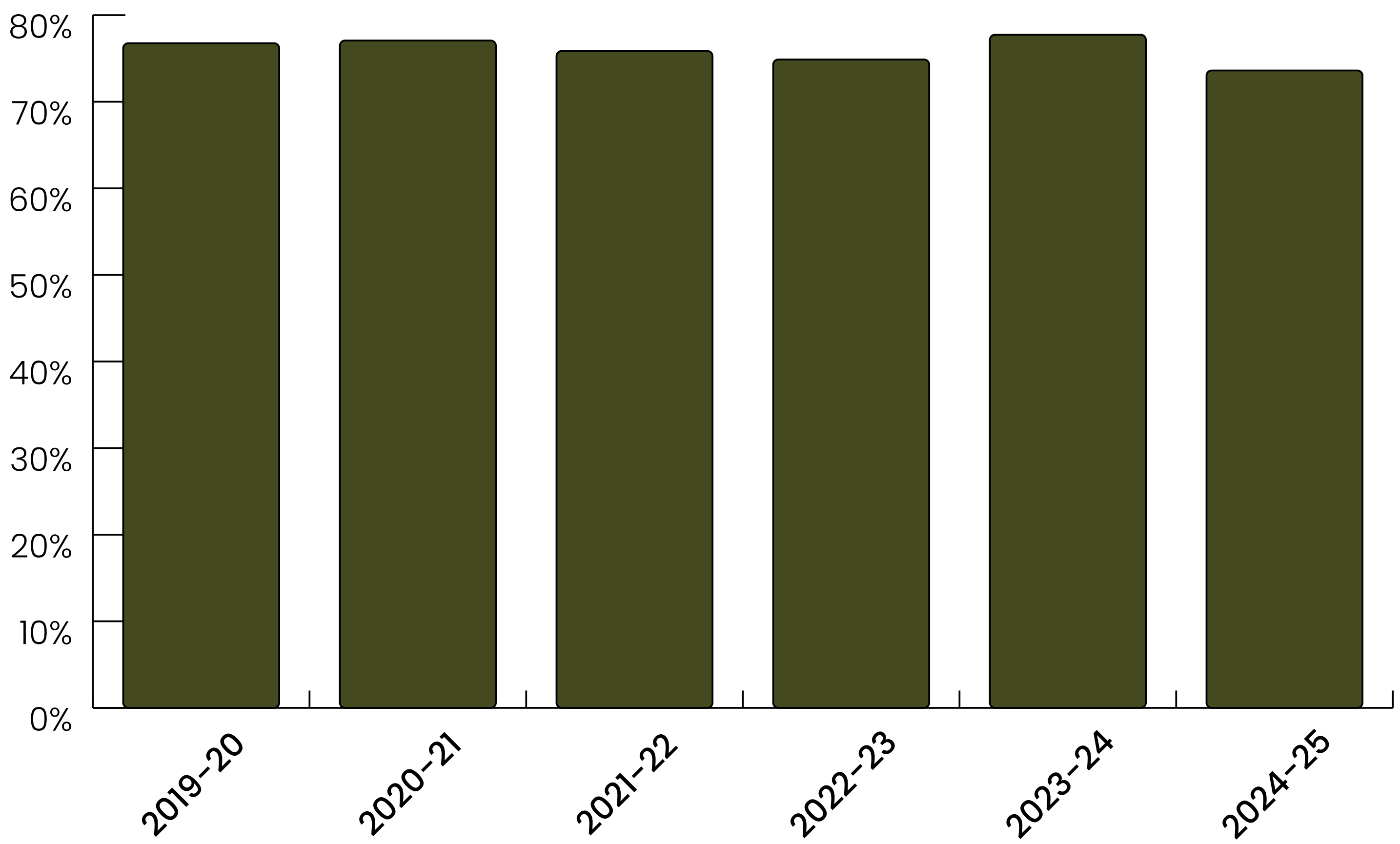
Loans and Borrowings Balance and Ratio %



Stability and Efficiency

Council raises revenue from a range of sources including rates, user fees, fines, grants and contributions. Despite this, council's rates concentration (which compares rate revenue to adjusted underlying revenue), was 73.9% for the 2024/25 year which is toward the top end of the Target range of 30%-80%. Although we continue to grow other revenue (own-source revenue) Council revenue is still largely dependent on rate revenue to fund services and capital works.

Rates Concentration Ratio %



Certification of the Financial Statements

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

Mark Schubert, CPA
Principal Accounting Officer
Dated: 23/09/25
Rosebud Council Chambers

In our opinion, the accompanying financial statements present fairly the financial transactions of the Mornington Peninsula Shire 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 Anthony Marsh	Cr Paul Pingiaro	Mark Stoermer
Mayor	Deputy Mayor	Chief Executive Officer
Dated: 23/09/25	Dated: 23/09/25	Dated: 23/09/25

VAGO
Victorian Auditor-General's Office

Independent Auditor's Report

To the Councillors of Mornington Peninsula Shire Council

Opinion

I have audited the financial report of Mornington 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 *Local Government Act 2020*, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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 of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

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
25 September 2025

Travis Derricott
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement

For the year ended 30 June 2025

	Notes	2025 $'000	2024 $'000
Income / Revenue			
Rates and charges	3.1	226,750	223,662
Statutory fees and fines	3.2	10,709	8,937
User fees	3.3	24,705	24,548
Grants - operating	3.4	20,014	11,213
Grants - capital	3.4	16,458	19,873
Contributions - monetary	3.5	2,516	3,147
Contributions - non monetary	3.5	2,947	2,900
Found Assets		4,027	2,995
Net gain on disposal of property, infrastructure, plant and equipment	3.6	515	14
Other income	3.7	13,764	14,739
Total income / revenue		**322,405**	**312,028**
Expenses			
Employee costs	4.1	99,524	89,281
Materials and services	4.2	148,219	142,471
Depreciation	4.3	46,118	40,726
Amortisation - intangible assets	4.4	449	857
Depreciation - right of use assets	4.5	1,184	488
Allowance for impairment losses	4.6	47	2
Fair value adjustments for investment property		319	240
Net loss on disposal of property, infrastructure, plant and equipment	3.6	429	537
Borrowing costs	4.7	892	882
Finance costs - leases	4.8	72	23
Other expenses	4.9	10,536	9,344
Total expenses		**307,789**	**284,851**
Surplus/(deficit) for the year		**14,616**	**27,177**

	Notes	2025 $'000	2024 $'000
Other comprehensive income Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	6.2	60,246	271,207
Total other comprehensive income		**60,246**	**271,207**
Total comprehensive result		**74,862**	**298,384**

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

Balance Sheet

For the year ended 30 June 2025

	Notes	2025 $'000	2024 $'000
Assets			
Current assets			
Cash and cash equivalents	5.1	40,996	31,689
Trade and other receivables	5.1	31,424	26,086
Other financial assets	5.1	100,600	100,594
Inventories	5.2	272	192
Prepayments	5.2	1,244	3,493
Non-current assets classified as held for sale	6.1	444	868
Other assets	5.2	1,772	3,684
Total current assets		**176,752**	**166,606**
Non-current assets			
Other financial assets	5.1	46	45
Property, infrastructure, plant and equipment	6.2	3,754,444	3,682,700
Right-of-use assets	5.8	5,308	2,310
Investment property	6.3	9,721	10,041
Intangible assets	5.2	581	1,030
Total non-current assets		**3,770,100**	**3,696,126**
Total assets		**3,946,852**	**3,862,732**
Liabilities			
Current liabilities			
Trade and other payables	5.3	23,823	20,561
Trust funds and deposits	5.3	9,973	9,179
Contract and other liabilities	5.3	19,075	17,699
Provisions	5.5	13,302	13,282
Interest-bearing liabilities	5.4	3,067	3,115
Lease liabilities	5.8	1,618	829
Total current liabilities		**70,858**	**64,665**

	Notes	2025 $'000	2024 $'000
Non-current liabilities			
Trust funds and deposits		175	159
Contract and other liabilities	5.3	11,713	9,052
Provisions	5.5	15,302	15,243
Interest-bearing liabilities	5.4	27,236	29,903
Lease liabilities	5.8	3,809	1,785
Total non-current liabilities		**58,235**	**56,142**
Total liabilities		**129,093**	**120,807**
Net assets		**3,817,759**	**3,741,925**
Equity			
Accumulated surplus		1,135,451	1,121,835
Reserves	9.1	2,682,308	2,620,090
Total Equity		**3,817,759**	**3,741,925**

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

Statement of Changes in Equity

For the year ended 30 June 2025

	Note	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
2025					
Balance at beginning of the financial year		3,741,930	1,121,835	2,618,666	1,429
Surplus/(deficit) for the year		14,616	14,616	-	-
Net asset revaluation gain/(loss)	6.2	60,246	-	60,246	-
Transfers to other reserves	9.1	967	(1,000)	-	1,967
Transfers from other reserves	9.1	-	-	-	-
		3,817,759	1,135,451	2,678,912	3,396
Balance at end of the financial year		**3,817,759**	**1,135,451**	**2,678,912**	**3,396**
2024					
Balance at beginning of the financial year		3,443,478	1,094,941	2,347,454	1,083
Surplus/(deficit) for the year		27,177	27,177	-	-
Net asset revaluation gain/(loss)	6.2	271,207	-	271,207	-
Transfers to other reserves	9.1	346	-	-	346
Transfers from other reserves	9.1	(283)	(283)	-	-
		3,741,925	1,121,835	2,618,661	1,429
Balance at end of the financial year		**3,741,925**	**1,121,835**	**2,618,661**	**1,429**

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		221,741	219,029
Statutory fees and fines		9,789	8,352
User fees		24,117	25,758
Grants - operating		21,607	10,213
Grants - capital		17,498	14,451
Contributions - monetary		6,608	4,922
Interest received		7,793	6,969
Dividends received		5	4
Trust funds and deposits taken/(refunds made)		112	(336)
Other receipts		6,918	7,007
Net GST refund/(payment)		(154)	379
Employee costs		(99,635)	(85,890)
Materials and services		(141,207)	(141,921)
Short-term, low value and variable lease payments		(1,449)	(973)
Other payments		(8,965)	(9,203)
Net cash provided by/(used in) operating activities		**64,778**	**58,761**
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(51,335)	(58,744)
Proceeds from sale of property, infrastructure, plant and equipment		515	14
Payments for investments		(195,006)	(170,006)
Proceeds from sale of investments		195,000	170,000
Net cash provided by/(used in) investing activities		**(50,826)**	**(58,736)**

	Note	2025 Inflows/ (Outflows) $'000	2024 Inflows/ (Outflows) $'000
Cash flows from financing activities			
Finance costs		(892)	(909)
Bank overdraft movement		(5)	50
Repayment of borrowings		(2,707)	(2,916)
Interest paid - lease liability		(72)	(23)
Repayment of lease liabilities		(968)	-
Net cash provided by/(used in) financing activities		**(4,644)**	**(3,798)**
Net increase (decrease) in cash and cash equivalents		9,307	(3,773)
Cash and cash equivalents at the beginning of the financial year		31,689	35,462
Cash and cash equivalents at the end of the financial year		**40,996**	**31,689**
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

	Notes	2025 $'000	2024 $'000
Property			
Land		1,611	493
Buildings		21,128	25,076
Total property		**22,739**	**25,569**
Plant and equipment			
Plant, machinery and equipment		298	1,266
Fixtures, fittings and furniture		311	79
Artworks		31	106
Library books		793	1,175
Total plant and equipment		**1,433**	**2,626**
Infrastructure			
Roads		10,487	12,497
Bridges		98	282
Footpaths and cycleways		5,190	4,413
Drainage		2,673	3,714
Recreational, leisure and community facilities		3,428	6,754
Parks, open space and streetscapes		5,703	2,291
Marine structures		132	598
Total infrastructure		**27,711**	**30,549**
Total capital works expenditure		**51,883**	**58,744**
Represented by:			
New asset expenditure		14,679	9,134
Asset renewal expenditure		27,580	27,861
Asset expansion expenditure		1,591	2,493
Asset upgrade expenditure		8,033	19,256
Total capital works expenditure		**51,883**	**58,744**

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

Notes to the Financial Statements

Notes to the Financial Report

For the year ended 30 June 2025

Note 1 OVERVIEW

Introduction

The Mornington Peninsula Shire was established by an Order of the Governor in Council on 15 December 1994 and is a body corporate. The Council's main office is located at 90 Besgrove Street, Rosebud.

Statement of compliance

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

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

Accounting policy information

1.1 Basis of accounting

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

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

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

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- 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

A landslide occurred in McCrae on Tuesday, 14 January 2025. The landslide affected multiple properties, leading to evacuations and road closures. An exclusion zone was set up with temporary fencing around the affected area. During the financial year, the Council incurred expenditure of $3 million, which was funded through savings.

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 $1 million or 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	225,826	226,750	924	0%	
Statutory fees and fines	8,509	10,709	2,200	26%	1
User fees	20,816	24,705	3,889	19%	2
Grants - operating	16,696	20,014	3,318	20%	3
Grants - capital	5,473	16,458	10,985	201%	4
Contributions - monetary	3,172	2,516	(656)	(21%)	
Contributions - non monetary	4,474	2,947	(1,527)	(34%)	5
Found Assets	-	4,027	4,027	-	6
Net gain on disposal of property, infrastructure, plant and equipment	-	515	515	-	
Other income	10,611	13,764	3,153	30%	7
Total income/revenue	**295,577**	**322,405**	**26,828**	**9%**	
Expenses					
Employee costs	95,756	99,524	(3,768)	(4%)	8
Materials and services	154,347	148,219	6,128	4%	9
Depreciation	41,362	46,118	(4,756)	(11%)	10
Amortisation - intangible assets	149	449	(300)	(201%)	
Depreciation - right of use assets	295	1,184	(889)	(301%)	
Fair value adjustments for investment property	-	47	(47)	-	
Allowance for impairment losses	-	319	(319)	100%	
Net loss on disposal of property, infrastructure, plant and equipment	-	429	(429)	-	6
Borrowing costs	884	892	(8)	(1%)	
Finance costs - leases	-	72	(72)	-	
Other expenses	7,595	10,536	(2,941)	(39%)	11
Total expenses	**300,388**	**307,789**	**(7,401)**	**(2%)**	
Surplus/(deficit) for the year	**(4,811)**	**14,616**	**19,427**	**(404%)**	

(i) Explanation of material variations

Variance Ref	Item	Variance Fav/Unfav	Explanation
1	Statutory fees and fines	Fav	Statutory fees and fines were 26% above budget, mainly due to higher-than-expected parking infringement income following the mid-year transition to an external enforcement provider. The revised income level has been reflected in the 2025–26 budget.
2	User Fees	Fav	User fees were 19% above budget, driven by increased volumes at transfer stations, waste collection, and disposals ($2.7 million). Leisure and commercial services performed 63% above budget due to a number of initiatives implemented at the facilities during the year. Bathing box transfer fees exceeded budget by $0.4 million, reflecting higher-than-expected sales. Fines and prosecutions were $0.6 million above budget, primarily from enforcement of local laws and animal management.
3	Grants - Operating	Fav	In June 2025, Council received 50% of the 2025–26 Financial Assistance Grant in advance, in addition to the full 2024–25 allocation recognised in that year. This resulted in income above budget. In accordance with AASB 1058 requirements, the income must be recognised in the year it is received; therefore, the 2025–26 allocation could not be deferred.

Variance Ref	Item	Variance Fav/Unfav	Explanation
4	Grants - Capital	Fav	Due to delays in the delivery of capital works in the prior year, the associated grant income was recognised in the current year upon delivery, in accordance with AASB 1058. This included $2.9 million for the Alexander Park Redevelopment, $2.3 million for the Hillview Reserve Pathway, and $5.2 million in Black Spot grant funding.
5	Contributions - non-monetary	Unfav	Non-monetary contributions can vary significantly year to year, driven by development activity.
6	Found assets	Fav	During the year, Council continued capturing all assets in the asset register using geospatial techniques, identifying and recognising an additional $4.0 million in found assets.
7	Other Income	Fav	Other income exceeded budget, driven by higher interest earnings from additional funds due to carry-forward projects, plus over $0.5 million above budget from the container deposit scheme.
8	Employee Costs	Unfav	The unfavourable variance in employee costs reflects the $7.2 million savings target in the FY25 budget, of which $4.9 million related to employee costs. While the overall savings target was achieved, it was met through reductions in materials and increased income rather than employee cost savings.
9	Materials and Services	Fav	The 4% underspend in materials and services is mainly due to a number of operating projects not completed during the year and carried forward to 2025–26 ($4 million). The remainder relates to lower costs across items such as bank charges, IT expenses, and infrastructure maintenance contracts.
10	Depreciation	Unfav	FY24 year revaluation of buildings increased asset values by approximately 50%, resulting in a corresponding 50% increase in building depreciation expense in the current year compared to budget which are completed before revaluations.
11	Other Expenses	Unfav	Unfavourable variance to budget is driven by write-off's from Work In Progress which is historic expenditure no longer linked to a completed asset ($1.2 million) and increased statutory fees paid relating to vehicle searches and lodgements for unpaid infringements, which was driven by the higher than budgeted infringement income.

2.1.2 Capital works	Budget 2025 $'000	Actual 2025 $'000	Variance $'000	Variance %	Ref
Property					
Land	1,172	1,611	(439)	(37%)	
Buildings	13,651	21,128	(7,477)	(55%)	1
Total property	**14,823**	**22,739**	**(7,916)**	**(53%)**	
Plant and equipment					
Plant, machinery and equipment	300	298	2	1%	
Fixtures, fittings and furniture	115	311	(196)	(170%)	
Computers and telecommunications	-	-	-	-	
Artworks	25	31	(6)	(24%)	
Library books	800	793	7	1%	
Total plant and equipment	**1,240**	**1,433**	**(193)**	**(16%)**	
Infrastructure					
Roads	7,655	10,487	(2,832)	(37%)	2
Bridges	50	98	(48)	(96%)	
Footpaths and cycleways	2,650	5,190	(2,540)	(96%)	3
Drainage	3,725	2,673	1,052	28%	4
Recreational, leisure and community facilities	3,892	3,428	464	12%	
Parks, open space and streetscapes	920	5,703	(4,783)	(520%)	5
Marine structures	150	132	18	12%	
Total infrastructure	**19,042**	**27,711**	**(8,669)**	**(46%)**	
Total capital works expenditure	**35,105**	**51,883**	**(16,778)**	**(48%)**	
Represented by:					
New asset expenditure	5,168	14,679	(9,511)	(184%)	
Asset renewal expenditure	22,077	27,580	(5,503)	(25%)	
Asset expansion expenditure	-	1,591	(1,591)	-	
Asset upgrade expenditure	7,860	8,033	(173)	(2%)	
Total capital works expenditure	**35,105**	**51,883**	**(16,778)**	**(48%)**	

(i) Explanation of material variations

Variance Ref	Item	Variance Fav / Unfav	Explanation
	Variances less than $1 million		Capital works budget overspends typically relate to expenditure against prior year carry forwards ($60.8 million) and the 2024–25 budget. Conversely, budget underspends will result in carry forwards of approximately $49.8 million to the next financial year.
1	Buildings	Unfav	Buildings expenditure exceeded budget due to several large multi-year projects with carry-forward budgets from the prior year, including Alexandra Park Redevelopment ($2.3M), Community Animal Shelter ($1.8M), Civic Reserve Mornington Athletics/Soccer Pavilion ($4.3M) and Red Hill Recreation Reserve Pavilion Upgrade ($1.7M). Underspends to be carried forward into the FY26 include Building Compliance and Risk Management Works ($1M) and Emil Madsen Reserve Sewer Connection and Services Upgrade ($1.8M).
2	Roads	Unfav	Roads expenditure is 37% over budget due to 2023–24 carry forwards, including Blackspot ($1.5M) and Safer Local Roads ($0.7M). The other driver of the increase was additional Roads to Recovery (R2R) funding of $0.8M, confirmed after the adoption of the 2024–25 budget.
3	Footpaths and cycleways	Unfav	The trails projects are over budget for expenditure by $1.5 million as they are multi-year projects and funded through carry forwards. A number of footpath renewal programs are overspent due to carry forwards by $1.1 million.
4	Drainage	Fav	The 28% underspend in drainage is mainly due to $2M for Tyabb Landfill Stormwater and Leachate Management works not completed in 2024–25 as a result of redesign, to be carried forward to 2025–26. This was offset by an additional $0.7M spent on emergency drainage works, funded through carry forwards and in-year allocations.
5	Parks, open space and streetscapes	Unfav	Key projects carried forward from the prior year, contributing to the $4.8M overspend in parks, open space and streetscapes, include Hillview Reserve Pathway ($2.5M), Rye Township Plan – Growing Suburbs ($1.1M), Briars Sanctuary Expansion ($0.4M), Safety Beach Master Plan Implementation ($0.3M) and Hastings Foreshore Masterplan Implementation ($0.2M).

2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2.2.1 Office of the CEO

The Chief Executive Office sits over the following four Directorates in an executive function.

The Executive Team comprises of the Chief Executive Officer, four Directors, Chief Financial Officer and other nominated staff as required, which provides decision-making, leadership and collaboration.

Office of the CFO

The Office of the CFO provides a range of service including regulatory, statutory functions and provides key enabling functions for the Council:

- Commercial, Legal and Procurement Services
- Finance.

To ensure the financial sustainability of the Shire by providing data and analysis to support effective decision-making and resource allocation. This is to be underpinned by an effective control environment and external and internal compliance.

Corporate Strategy and Business Improvement

The CS&BI directorate encompasses the core strategic enabling functions of Council, including:

- People and Culture
- Transformation and ePMO
- Information Technology
- Advocacy, Communication and Engagement
- Customer Experience
- Governance and Risk.

These units enable the timely and effective production of strategic policies, delivery of quality service and effective information management and resource allocation, and support the adherence to regulation and legislative requirements.

Community Strengthening Directorate

The Directorate consists of the following:

- Destinations, Recreation and Community Connections
- Community Partnerships
- Community Safety, Health and Compliance
- Community Services.

Enhancing the community's liveability is at the heart of this directorate; it strives to build capacity and improve wellbeing through an in depth understanding of the community's changing needs and a breadth of services.

Planning and Environment

The Directorate provides a range of services, including a regulatory, sustainability and strategic planning service.

- Development Services
- Strategic and Infrastructure Planning
- Economic Development
- Climate Change and Sustainability.

This Directorate sets the strategic direction for land use, traffic, transport and community infrastructure planning, economic development and tourism across the Shire, delivers statutory planning and building services to our community and leads the Shire's approach to climate change, waste management and coastal planning.

Assets and Infrastructure

The Directorate consists of the following:

- Infrastructure Services
- Infrastructure Projects
- Assets, Property and Buildings Management.

The aim of the Directorate is to deliver high quality, innovative, cost-effective infrastructure services and projects for the Community within a supportive and collaborative environment that values everyone's contribution. The units take pride in improving our sense of place.

This Directorate sets the strategic direction for land use, transport and community infrastructure planning, economic development and tourism across the Shire, delivers statutory planning and building services to our community and leads the Shire's approach to climate change, waste management and coastal planning.

2.2.2 Summary of income/revenue, expenses, assets and capital expenses by program	Income/ Revenue $'000	Expenses $'000	Surplus/ (Deficit) $'000	Grants included in income /revenue $'000	Total assets $'000
2025					
Office of the CEO	57	9,133	(9,076)	-	-
Office of the CFO	248,656	26,124	222,532	11,790	180,418
Community Strengthening	20,786	43,319	(22,533)	7,611	5,203
Corporate Strategy and Business Improvement	2,039	36,550	(34,511)	1,797	1,331
Planning and Environment	40,260	67,296	(27,036)	14,218	-
Assets and Infrastructure	10,607	125,367	(114,760)	1,056	3,759,900
	322,405	**307,789**	**14,616**	**36,472**	**3,946,852**
2024					
Office of the CEO	237,417	27,856	209,561	1,472	173,805
Community Strengthening	18,098	49,401	(31,303)	7,839	7,724
Corporate Strategy and Business Improvement	1,278	24,406	(23,128)	66	1,880,924
Planning and Environment	24,246	73,554	(49,309)	227	1,840
Assets and Infrastructure	30,749	109,393	(78,644)	21,482	1,798,439
	311,788	**284,611**	**27,177**	**31,086**	**3,862,732**

Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES

3.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all its improvements.

The valuation base used to calculate general rates for 2024-25 was $133.397 billion (2023-24 $132.507 billion).

	2025 $'000	2024 $'000
General rates	172,978	166,868
Waste service charge	42,562	46,421
Service rates and charges (opt-in green waste)	8,571	7,821
Supplementary rates and rate adjustments	1,621	1,359
Culture and recreational	178	173
Special Charge scheme	-	180
Revenue in lieu of rates	840	840
Total rates and charges	**226,750**	**223,662**

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

3.2 Statutory fees and fines

	2025 $'000	2024 $'000
Infringements and costs	4,588	2,688
Land information certificates	284	289
Permits	2,774	2,737
Town planning fees	2,687	2,866
Other fees and charges	376	357
Total statutory fees and fines	**10,709**	**8,937**

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

3.3 User fees

	2025 $'000	2024 $'000
Aged and health services	918	1,141
Animal shelter fees	63	70
Building services	956	811
Child, youth and family care services	82	76
Events and festivals fees	245	990
Fines and Prosecution	1,075	673
Foreshore camping fees	3,415	3,309
Leisure centre and recreation	2,126	1,976
Parking and boat ramp	176	507
Planning fees	667	810
Property services	695	493
Registration and other permits	4,160	4,064
Waste Management	9,923	9,576
Other fees and charges	204	52
Total user fees	**24,705**	**24,548**
User fees by timing of revenue recognition		
User fees recognised over time	-	-
User fees recognised at a point in time	24,705	24,548
Total user fees	**24,705**	**24,548**

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

	2025 $'000	2024 $'000
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	17,762	10,401
State funded grants	18,711	20,685
Total grants received	**36,473**	**31,086**
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	11,574	1,309
General home care	1,139	1,095
Recurrent - State Government		
Community safety	126	243
Events - Regional Gallery	106	-
Family and children	1,109	1,040
General home care	386	1,415
Libraries	1,095	1,095
Maternal and child health	1,923	2,014
School crossing supervisors	588	571
Vegetation	-	30
Other	290	413
Total recurrent operating grants	**18,336**	**9,225**
Non-recurrent - State Government		
Community safety	975	-
Environmental planning	25	76
Family and children	329	135
Libraries	17	1,104
Vegetation	251	633

	2025 $'000	2024 $'000
Waste management services	34	-
Other	48	40
Total non-recurrent operating grants	**1,679**	**1,988**
Total operating grants	**20,014**	**11,213**
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	1,082	1,609
Recurrent - State Government		
Black Spot	5,153	2,609
Total recurrent capital grants	**6,235**	**4,218**
Non-recurrent - Commonwealth Government		
Buildings	3,491	1,760
Footpaths and cycleways	3	371
Local roads and community infrastructure program	-	2,954
Recreation	423	904
Other	50	400
Non-recurrent - State Government		
Buildings	1,045	263
Drainage	199	32
Footpaths and cycleways	1,791	117
Libraries	20	20
Marine	140	1,138
Parks, Open Space and Streetscapes	2,715	-
Recreation	125	7,696
Roads and Intersections	221	-
Total non-recurrent capital grants	**10,223**	**15,655**
Total capital grants	**16,458**	**19,873**

(c) Recognition of grant income

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

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

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

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

Income recognised under AASB 1058 Income of Not-for-Profit Entities	2025 $'000	2024 $'000
General purpose	-	-
Specific purpose grants to acquire non-financial assets	16,408	17,451
Other specific purpose grants	17,802	10,709
Revenue recognised under AASB 15 Revenue from Contracts with Customers		
Specific purpose grants	2,262	2,926
	36,472	**31,086**
(d) Unspent grants received on condition that they be spent in a specific manner		
Operating		
Balance at start of year	1,621	915
Received during the financial year and remained unspent at balance date	384	973
Received in prior years and spent during the financial year	(1,608)	(267)
Balance at year end	**397**	**1,621**
Capital		
Balance at start of year	10,209	15,630
Received during the financial year and remained unspent at balance date	7,304	3,140
Received in prior years and spent during the financial year	(6,264)	(8,561)
Balance at year end	**11,249**	**10,209**

Unspent grants are determined and disclosed on a cash basis.

3.5 Contributions

	2025 $'000	2024 $'000
Monetary	2,516	3,147
Non-monetary	2,947	2,900
Total contributions	**5,463**	**6,047**
Contributions of non monetary assets were received in relation to the following asset classes.		
Roads	153	334
Drainage	1,589	1,795
Footpaths and cycleways	296	154
Parks and open spaces	648	339
Land	6	278
Bridges	53	-
Recreational leisure	202	-
Total non-monetary contributions	**2,947**	**2,900**

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

3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2025 $'000	2024 $'000
Proceeds of sale	515	14
Written down value of assets disposed	(429)	(537)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	**86**	**(523)**

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

3.7 Other income

	2025 $'000	2024 $'000
Interest	6,589	7,728
Dividends	5	4
Investment property rental	2,421	2,118
Recreation and Aquatic	2,123	2,120
Merchant sales	590	838
Volunteer services	252	244
Other	1,784	1,687
Total other income	**13,764**	**14,739**

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

	2025 $'000	2024 $'000
4.1 (a) Employee costs		
Wages and salaries	74,860	68,332
WorkCover	2,733	2,968
Casual staff	2,630	2,484
Superannuation	10,775	8,321
Fringe benefits tax	30	89
Annual leave and long service leave	8,027	6,324
Redundancies	469	763
Total employee costs	**99,524**	**89,281**
(b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	68	60
	68	**60**
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,959	3,309
Employer contributions - other funds		
Australian Super	1,109	906
Hostplus	1,000	823
Australian Retirement Trust	85	567
Hesta Super	398	363
Aware Super (previously First State Super)	293	575
Rest Super	583	471
Other	3,280	1,247
	10,707	**8,261**
Employer contributions payable at reporting date.	389	358

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

	2025 $'000	2024 $'000
4.2 Materials and services		
Contract payments		
Waste management services	37,178	39,741
Sport and recreational	2,040	2,093
Building maintenance	12,136	11,085
Landfill rehabilitation*	48	(1,722)
General maintenance		
Furniture and signs	-	5,006
Roads, drainage and cleansing	24,726	27,413
Parks and roadsides	-	12,679
Natural systems	5,735	4,608
Tree management	10,804	-
Open space	12,209	-
Other	471	267
Utilities	5,381	5,165
Parking and travel	193	210
Operating leases	402	125
Information technology	6,536	6,574
Insurance	3,089	2,370
Legal	1,387	1,408
Consultants	14,865	15,914
Other	11,019	9,535
Total materials and services	**148,219**	**142,471**

Expenses are recognised as they are incurred and reported in the financial year to which they relate.
* See note 5.5(b) for provision balance.

	2025 $'000	2024 $'000
4.3 Depreciation		
Property	12,461	8,188
Plant and equipment	1,486	1,473
Infrastructure	32,171	31,065
Total depreciation	**46,118**	**40,726**

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

	2025 $'000	2024 $'000
4.4 Amortisation - Intangible assets		
Software	90	140
Landfill air space	359	717
Total Amortisation - Intangible assets	**449**	**857**

	2025 $'000	2024 $'000
4.5 Depreciation - Right of use assets		
Information technology	-	14
Vehicles	1,184	474
Total Depreciation - Right of use assets	**1,184**	**488**

	2025 $'000	2024 $'000
4.6 Allowance for impairment losses		
Other debtors	47	2
Total allowance for impairment losses	**47**	**2**
Movement in allowance for impairment losses in respect of debtors		
Balance at the beginning of the year	2	19
New allowances recognised during the year	45	2
Amounts already allowed for and written off as uncollectible	-	(19)
Balance at end of year	**47**	**2**

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.

	2025 $'000	2024 $'000
4.7 Borrowing costs		
Interest - Borrowings	892	882
Total borrowing costs	**892**	**882**

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

	2025 $'000	2024 $'000
4.8 Finance Costs - Leases		
Interest - Lease liabilities	72	23
Total finance costs	**72**	**23**

	2025 $'000	2024 $'000
4.9 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	81	147
Auditors' remuneration - Internal Audit	172	268
Councillors' allowances	707	667
Community grants, contributions and subsidies paid	4,276	4,567
Indirect recruitment costs (recruitment, staff training and uniforms)	1,821	1,565
Insurance excess and small claims	264	394
Operating lease rentals	83	141
Training, conferences and seminars	119	185
Volunteer services	267	244
Others	2,746	1,166
Total other expenses	**10,536**	**9,344**

Note 5 INVESTING IN AND FINANCING OUR OPERATIONS

	2025 $'000	2024 $'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	6	7
Cash at bank	40,990	31,682
Total cash and cash equivalents	**40,996**	**31,689**
(b) Other financial assets		
Current		
Term deposits	100,600	100,594
Total current other financial assets	**100,600**	**100,594**
Non-current		
Shares	46	45
Total non-current other financial assets	46	45
Total other financial assets	**100,646**	**100,639**
Total cash and cash equivalents and other financial assets	**141,642**	**132,328**

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.

	2025 $'000	2024 $'000
(c) Trade and other receivables		
Current		
Statutory receivables		
Rates debtors	19,719	14,070
Rates pensioner	1,028	981
Special rate assessment	399	405
Infringement debtors	5,750	4,829
Allowance for expected credit loss - infringements	(4,216)	(4,102)
Grants - Government and statutory bodies	-	2,817
Net GST receivable	2,163	2,008
Non statutory receivables		
Other debtors	6,581	5,078
Total current trade and other receivables	**31,424**	**26,086**
Total trade and other receivables	**31,424**	**26,086**

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.

	2025 $'000	2024 $'000
(d) Ageing of receivables		
The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:		
Current (not yet due)	1,187	3,016
Past due by up to 30 days	2,760	-
Past due between 31 and 180 days	1,669	1,752
Past due between 181 and 365 days	215	119
Past due by more than 1 year	750	191
Total trade and other receivables	**6,581**	**5,078**
(e) Ageing of individually impaired receivables		
At balance date, other debtors representing financial assets with a nominal value of $5,749,678 (2024: $4,829,380) were impaired. The amount of the allowance raised against these debtors was $4,216,000 (2024: $4,102,000). 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:		
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	579	716
Past due by more than 1 year	3,637	3,386
Total trade and other receivables	**4,216**	**4,102**

	2025 $'000	2024 $'000
5.2 Non-financial assets		
(a) Inventories		
Inventories held for distribution	272	192
Total inventories	**272**	**192**

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

	2025 $'000	2024 $'000
(b) Prepayments		
IT Software Costs	1,244	3,484
Other	–	9
Total prepayments	**1,244**	**3,493**
(c) Other assets		
Accrued income	1,772	3,684
Total other assets	**1,772**	**3,684**
(d) Intangible assets		
Software	223	313
Landfill air space	359	717
Total intangible assets	**581**	**1,030**

	Software $'000	Landfill $'000	Total $'000
Gross carrying amount			
Balance at 1 July 2024	2,760	9,968	12,728
Additions from internal developments	–	–	–
Other additions	–	–	–
Balance at 30 June 2025	**2,760**	**9,968**	**12,728**
Accumulated amortisation and impairment			
Balance at 1 July 2024	(2,447)	(9,251)	(11,698)
Amortisation expense	(90)	(359)	(449)
Balance at 30 June 2025	**(2,537)**	**(9,610)**	**(12,147)**
Net book value at 30 June 2024	313	717	1,030
Net book value at 30 June 2025	**223**	**358**	**581**

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.

	2025 $'000	2024 $'000
5.3 Payables, trust funds and deposits and contract and other liabilities		
(a) Trade and other payables		
Current		
Non-statutory payables		
Trade payables	2,166	415
Accrued expenses	21,657	20,146
Total current trade and other payables	**23,823**	**20,561**
(b) Trust funds and deposits		
Current		
Refundable deposits	5,787	5,411
Fire services levy	1,559	903
Retention amounts	191	174
Bank guarantees	261	261
General	254	246
Hillview Quarries restoration fund	477	477
Rate recoveries	341	341
Subdivision maintenance deposits	1,103	1,366
Total current trust funds and deposits	**9,973**	**9,179**

	2025 $'000	2024 $'000
(c) Contract and other liabilities		
Contract liabilities		
Current		
Grants received in advance - operating	397	1,621
Grants received in advance - capital	11,249	10,209
Developer contributions	7,037	5,606
Other income	392	263
Total contract and other liabilities - Current	**19,075**	**17,699**
Other liabilities - Non-Current		
Developer contributions	11,713	9,052
Total contract and other liabilities - Non-Current	**11,713**	**9,052**
Total contract and other liabilities	**30,788**	**26,751**

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.

Other liabilities

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

Purpose and nature of items

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

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.

Developer Contributions - Relate to public open space contributions made through subdivision applications for Open space that is owned or managed by public authorities and is available for community use.

	2025 $'000	2024 $'000
5.4 Interest-bearing liabilities		
Current		
Bank overdraft	399	405
Treasury Corporation of Victoria borrowings - secured*	748	739
Other borrowings - secured*	1,919	1,971
Total current interest-bearing liabilities	**3,067**	**3,115**
Non-current		
Treasury Corporation of Victoria borrowings - secured*	6,036	6,784
Other borrowings - secured*	21,200	23,119
Total non-current interest-bearing liabilities	**27,236**	**29,903**
Total interest-bearing liabilities	**30,303**	**33,018**
* - Borrowings are secured by general rates.		
(a) The maturity profile for Council's borrowings is:		
Not later than one year	3,067	3,115
Later than one year and not later than five years	11,938	25,875
Later than five years	15,298	4,028
	30,303	**33,018**

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.

	Employee $'000	Landfill restoration $'000	Native vegetation management $'000	Total $'000
5.5 Provisions				
2025				
Balance at beginning of the financial year	15,760	12,339	426	28,525
Additional provisions	8,969	-	-	8,969
Amounts used	(8,701)	-	(92)	(8,793)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(145)	48	-	(97)
Balance at the end of the financial year	**15,883**	**12,387**	**334**	**28,604**
Provisions - current	13,218	-	84	13,302
Provisions - non-current	2,665	12,387	250	15,302
2024				
Balance at beginning of the financial year	16,419	14,062	457	30,938
Additional provisions	6,588	-	(31)	6,557
Amounts used	(7,363)	-	-	(7,363)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	116	(1,723)	-	(1,607)
Balance at the end of the financial year	**15,760**	**12,339**	**426**	**28,525**
Provisions - current	13,227	-	55	13,282
Provisions - non-current	2,533	12,339	371	15,243

	2025 $'000	2024 $'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,267	3,470
Long service leave	1,913	1,288
Redundancies	117	-
	5,298	**4,758**
Current provisions expected to be wholly settled after 12 months		
Annual leave	3,218	1,788
Long service leave	4,703	6,681
	7,921	**8,469**
Total current employee provisions	**13,218**	**13,227**
Non-current		
Long service leave	2,665	2,533
Annual leave	-	-
Total non-current employee provisions	**2,665**	**2,533**
Aggregate carrying amount of employee provisions:		
Current	13,218	13,227
Non-current	2,665	2,533
Total aggregate carrying amount of employee provisions	**15,883**	**15,760**

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.

	2025	2024
Key assumptions:		
- discount rate	4.20%	4.35%
- index rate	4.25%	4.45%

	2025 $'000	2024 $'000
(b) Landfill restoration		
Non-current		
Rye Landfill	10,361	10,275
Tyabb Landfill	2,026	2,064
	12,387	**12,339**

Council is obligated to restore the Rye and Tyabb landfill sites 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.

	2025	2024
Key assumptions:		
- discount rate	3.85%-6.08%	5.04%-5.83%
- index rate	2.40%	3.60%

	2025 $'000	2024 $'000
(c) Native vegetation management		
Current	84	55
Non-current	251	371
	334	**426**

	2025 $'000	2024 $'000
5.6 Financing arrangements		
The Council has the following funding arrangements in place as at 30 June 2025		
Bank overdraft	5,000	5,000
Bank loans	39,590	39,590
Credit card facilities	200	200
Asset Finance - Leasing	-	3,000
Other facilities	100	100
Total facilities	**44,890**	**47,890**
Used facilities	30,314	36,319
Unused facilities	**14,576**	**11,571**

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

	Not later than 1 year $'000	Later than 1 year and not later than 2 years $'000	Later than 2 years and not later than 5 years $'000	Later than 5 years $'000	Total $'000
2025					
Operating					
Open Space	15,820	16,215	10,995	-	43,030
Bushland Management	6,174	6,329	5,872	-	18,375
Tree Management	10,799	11,069	5,538	-	27,407
Buildings Maintenance	13,975	11,400	33,816	25,683	84,873
Road Corridors	33,758	34,602	87,176	-	155,537
Garbage Collection	18,404	18,864	59,469	185,448	282,185
Recycling	8,854	2,645	8,337	30,819	50,655
Green Waste	1,092	-	-	-	1,092
Telecommunications and IT	2,409	1,469	-	-	3,878
Recreation and Leisure	967	991	2,087	-	4,046
Utilities	543	185	-	-	728
Landfill and Transfer Station Management	12,238	-	-	-	12,238
Operating Projects	1,109	-	-	-	1,109
Total	**126,144**	**103,770**	**213,291**	**241,949**	**685,153**

	Not later than 1 year $'000	Later than 1 year and not later than 2 years $'000	Later than 2 years and not later than 5 years $'000	Later than 5 years $'000	Total $'000
Capital					
Buildings	10,231	-	-	-	10,231
Drainage	3,261	-	-	-	3,261
Fixtures, fittings and furniture	7	-	-	-	7
Footpaths and cycleways	6,392	-	-	-	6,392
Land	1,911	-	-	-	1,911
Library Books	11	-	-	-	11
Marine structures	70	-	-	-	70
Parks, open space and streetscapes	3,935	-	-	-	3,935
Plant, machinery and equipment	91	-	-	-	91
Recreational, leisure and community facilities	861	-	-	-	861
Roads	2,535	-	-	-	2,535
Total	**29,308**	**-**	**-**	**-**	**29,308**

	Not later than 1 year $'000	Later than 1 year and not later than 2 years $'000	Later than 2 years and not later than 5 years $'000	Later than 5 years $'000	Total $'000
2024					
Operating					
Open Space	16,545	17,058	35,483	-	69,086
Bushland Management	5,118	5,125	10,638	-	20,881
Tree Management	10,653	11,025	22,936	-	44,614
Buildings Maintenance	11,620	11,767	18,220	-	41,607
Road Corridors	35,567	36,844	116,599	40,927	229,938
Garbage Collection	16,248	16,654	52,503	89,674	175,078
Recycling	7,961	2,651	8,357	14,273	33,241
Green Waste	3,755	197	633	-	4,585
Telecommunications and IT	2,137	1,396	1,317	-	4,850
Consulting	1,006	-	-	-	1,006
Internal Audit	232	-	-	-	232
Recreation and Leisure	124	-	-	-	124
Utilities	481	-	-	-	481
Landfill and Transfer Station Management	13,286	-	-	-	13,286
Total	**124,735**	**102,717**	**266,685**	**144,874**	**639,011**

	Not later than 1 year $'000	Later than 1 year and not later than 2 years $'000	Later than 2 years and not later than 5 years $'000	Later than 5 years $'000	Total $'000
Capital					
Buildings	5,335	-	-	-	5,335
Recreation Facilities	2,054	-	-	-	2,054
Roads and Drainage	2,149	-	-	-	2,149
Footpaths and Street Scapes	452	-	-	-	452
Total	**9,990**	**-**	**-**	**-**	**9,990**

(b) Operating lease receivables

The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually. Future undiscounted minimum rentals receivable under non-cancellable operating leases are as follows:

	2025 $'000	2024 $'000
Not later than one year	863	904
Later than one year and not later than five years	1,823	2,271
Later than five years	2,592	2,870
	5,278	**6,045**

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.

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.

Councils reliance of peppercorn leases are insignificant in terms of materiality due to the nature (restricted use) and quantity of the leases.

Currently our peppercorn leases relate to:

CCTV and Transmitter Facility Leases - Relating installation of CCTV equipment on site. Lease terms ranging from 10 to 20 years.

Recreation Leases - Relating to open spaces for reserves. Lease terms ranging between 5 and 40 years.

Remaining leases relating to leases for mens shed/community group/pre-school and school ground and carpark. Lease terms ranging from 5 to 40 years.

	Vehicles $'000	Total $'000
Right-of-Use Assets		
Balance at 1 July 2024	2,310	2,310
Additions	4,182	4,182
Depreciation charge	(1,184)	(1,184)
Balance at 30 June 2025	**5,308**	**5,308**

	2025 $'000	2024 $'000
Lease Liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than one year	1,677	892
One to five years	4,322	1,803
Total undiscounted lease liabilities as at 30 June:	**5,999**	**2,695**
Lease liabilities included in the Balance Sheet at 30 June:		
Current	1,618	829
Non-current	3,809	1,785
Total lease liabilities	**5,427**	**2,614**

Short-term and low value leases

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 exisiting 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.

	2025 $'000	2024 $'000
Expenses relating to:		
Short-term leases	486	267
Leases of low value assets	963	706
Total	**1,449**	**973**

	2025 $'000	2024 $'000
Non-cancellable lease commitments - Short-term and low-value leases		
Commitments for minimum lease payments for short-term and low-value leases are payable as follows:		
Payable:		
Within one year	547	506
Later than one year but not later than five years	839	1,178
Total lease commitments	**1,386**	**1,684**

Note 6 ASSETS WE MANAGE

	2025 $'000	2024 $'000
6.1 Non current assets classified as held for sale		
Property held for sale	444	868
Total non current assets classified as held for sale	**444**	**868**

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.

	Carrying amount 30 June 2024 $'000	Found Assets $'000	Additions $'000	Contributions $'000	Revaluation $'000	Depreciation $'000	Write-off $'000	Transfers $'000	Adjustments $'000	Carrying amount 30 June 2025 $'000
6.2 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT										
Summary of property, infrastructure, plant and equipment										
Property	2,053,626	-	-	6	(1,543)	(12,461)	-	41,773	7	2,081,408
Plant and equipment	7,073	-	-	-	-	(1,484)	-	1,492	-	7,081
Infrastructure	1,500,628	4,027	-	2,941	61,789	(32,173)	-	37,523	3	1,574,738
Work in progress	121,410	-	51,883	-	-	-	(1,235)	(80,788)	(53)	91,217
	3,682,737	**4,027**	**51,883**	**2,947**	**60,246**	**(46,118)**	**(1,235)**	**-**	**(43)**	**3,754,444**

	Opening WIP $'000	Additions $'000	Write-off $'000	Transfers $'000	Adjustments $'000	Closing WIP $'000
Summary of Work in Progress						
Property	39,995	22,708	(386)	(41,773)	273	20,817
Plant and equipment	1,358	1,557	(9)	(1,492)	(1,004)	410
Infrastructure	80,057	27,618	(840)	(37,523)	678	69,990
Total	**121,410**	**51,883**	**(1,235)**	**(80,788)**	**(53)**	**91,217**

	Land - specialised $'000	Land - non specialised $'000	Land Under Roads $'000	Total Land and Land Improvements $'000	Buildings - specialised $'000	Buildings - non specialised $'000	Total Buildings $'000	Work In Progress $'000	Total Property $'000
(a) Property									
At fair value 1 July 2024	1,721,544	3,892	3,207	**1,728,643**	698,887	409	**699,296**	39,995	**2,467,934**
Accumulated depreciation at 1 July 2024	-	-	-	**-**	(374,066)	(247)	**(374,313)**	-	**(374,313)**
	1,721,544	**3,892**	**3,207**	**1,728,643**	**324,821**	**162**	**324,983**	**39,995**	**2,093,621**
Movements in fair value									
Additions	-	-	-	**-**	-	-	**-**	22,708	**22,708**
Contributions	-	-	6	**6**	-	-	**-**	-	**6**
Write-off	-	-	-	**-**	-	-	**-**	(386)	**(386)**
Transfers	(6)	-	-	**(6)**	41,779	-	**41,779**	(41,773)	**-**
Adjustments	(1)	-	8	**7**	-	-	**-**	273	**280**
	(7)	**-**	**14**	**7**	**41,779**	**-**	**41,779**	**(19,178)**	**22,608**
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	-	**-**	(12,331)	(130)	**(12,461)**	-	**(12,461)**
Revaluation	-	-	-	**-**	(1,543)	-	**(1,543)**	-	**(1,543)**
	-	**-**	**-**	**-**	**(13,874)**	**(130)**	**(14,004)**	**-**	**(14,004)**
At fair value 30 June 2025	1,721,537	3,892	3,221	**1,728,650**	740,666	409	**741,075**	20,817	**2,490,542**
Accumulated depreciation at 30 June 2025	-	-	-	**-**	(387,941)	(376)	**(388,317)**	-	**(388,317)**
Carrying amount	**1,721,537**	**3,892**	**3,221**	**1,728,650**	**352,725**	**33**	**352,758**	**20,817**	**2,102,225**

	Plant machinery and equipment $'000	Fixtures fittings and furniture $'000	Computers and telecomms $'000	Artworks $'000	Library books $'000	Work In Progress $'000	Total plant and equipment $'000
(b) Plant and Equipment							
At fair value 1 July 2024	1,617	5,378	295	2,722	5,286	1,358	**16,656**
Accumulated depreciation at 1 July 2024	(1,196)	(4,309)	(172)	-	(2,548)	-	**(8,225)**
	421	**1,069**	**123**	**2,722**	**2,738**	**1,358**	**8,431**
Movements in fair value							
Additions	-	-	-	-	-	1,557	**1,557**
Disposal	(12)	-	-	-	(985)	-	**(997)**
Write-off	-	-	-	-	-	(9)	**(9)**
Transfers	591	124	-	31	746	(1,492)	**-**
Adjustments	1	-	(2)	-	1	(1,004)	**(1,004)**
	580	**124**	**(2)**	**31**	**(238)**	**(948)**	**(453)**
Movements in accumulated depreciation							
Depreciation and amortisation	(86)	(329)	(36)	-	(1,033)	-	**(1,484)**
Accumulated depreciation of disposals	12	-	-	-	985	-	**997**
Adjustments	-	(1)	1	-	(1)	-	**(1)**
	(74)	**(330)**	**(35)**	**-**	**(49)**	**-**	**(488)**
At fair value 30 June 2025	2,197	5,502	293	2,753	5,048	410	**16,203**
Accumulated depreciation at 30 June 2025	(1,270)	(4,639)	(207)	-	(2,597)	-	**(8,713)**
Carrying amount	**927**	**863**	**86**	**2,753**	**2,451**	**410**	**7,490**

	Roads $'000	Bridges $'000	Footpaths and cycleways $'000	Drainage $'000	Recreational, leisure and community facilities $'000	Parks, open space and streetscapes $'000	Marine Structures $'000	Work In Progress $'000	Total Infrastructure $'000
(c) Infrastructure									
At fair value 1 July 2024	1,246,204	2,612	191,933	862,619	43,741	113,346	9,961	80,057	**2,550,473**
Accumulated depreciation at 1 July 2024	(450,236)	(1,005)	(103,856)	(314,539)	(25,755)	(70,210)	(4,187)	-	**(969,788)**
	795,968	**1,607**	**88,077**	**548,080**	**17,986**	**43,136**	**5,774**	**80,057**	**1,580,685**
Movements in fair value									
Additions	-	-	-	-	-	-	-	27,618	**27,618**
Found Assets	1,003	114	907	1,347	101	555	-	-	**4,027**
Contributions	153	53	296	1,589	202	648	-	-	**2,941**
Revaluation	40,733	103	5,654	48,871	2,201	7,842	367	-	**105,771**
Write-off	-	-	-	-	-	-	-	(840)	**(840)**
Transfers	13,586	205	7,990	4,598	1,726	9,052	366	(37,523)	**-**
Adjustments	(2)	-	2	(1)	(1)	3	(2)	678	**677**
	55,473	**475**	**14,849**	**56,404**	**4,229**	**18,100**	**731**	**(10,067)**	**140,194**
Movements in accumulated depreciation									
Depreciation and amortisation	(16,158)	(37)	(3,477)	(8,892)	(1,364)	(2,058)	(187)	-	**(32,173)**
Revaluation	(13,435)	(36)	(2,427)	(19,946)	(1,537)	(6,452)	(149)	-	**(43,982)**
Adjustments	-	1	4	(1)	2	-	(2)	-	**4**
	(29,593)	**(72)**	**(5,900)**	**(28,839)**	**(2,899)**	**(8,510)**	**(338)**	**-**	**(76,151)**
At fair value 30 June 2025	1,301,677	3,087	206,782	919,023	47,970	131,446	10,692	69,990	**2,690,667**
Accumulated depreciation at 30 June 2025	(479,829)	(1,077)	(109,756)	(343,378)	(28,654)	(78,720)	(4,525)	-	**(1,045,939)**
Carrying amount	**821,848**	**2,010**	**97,026**	**575,645**	**19,316**	**52,726**	**6,167**	**69,990**	**1,644,728**

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.

	Depreciation Period	Threshold Limit $'000
Asset recognition thresholds and depreciation periods		$'000
Land and land improvements		
Land	-	1
Land improvements	-	1
Buildings		
Buildings	10 - 200 years	5
Plant and Equipment		
Plant, machinery and equipment	5 - 15 years	2
Furniture and fittings	3 - 10 years	2
Information technology	4 - 5 years	1
Library books	3 - 5 years	1
Infrastructure		
Roads - pavements, substructure and formation	3 - 400 years	15
Roads - kerb, channel and minor culverts and other	3 - 400 years	15
Drainage	9 - 160 years	15
Bridges - deck and substructure	20 - 100 years	15
Bridges - others	100 years	15
Footpaths and cycleways	2 - 100 years	15
Recreational, leisure and community facilities	2 - 70 years	15
Parks, open space and streetscapes	2 - 100 years	15
Marine structures	20 - 100 years	15

	Depreciation Period	Threshold Limit $'000
Intangible assets		
Software	3 - 15 years	1
Airspace	1 - 10 years	1
Right of use assets	1 - 5 years	10

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 3 to 10 year period.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Valtec Property Pty Ltd. 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. Council undertakes a formal revaluation of land and buildings every 2 (two) years.

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 $'000	Level 2 $'000	Level 3 $'000	Date of Valuation	Type of Valuation
Land-Specialised	-	-	1,721,537	Jun-24	Full*
Land-Non Specialised	-	3,892	-	Jun-24	Full*
Land Under Roads	-	-	3,221	Jun-24	Full*
Buildings-Specialised	-	-	352,725	Jun-24	Full*
Buildings-Non Specialised	-	33	-	Jun-24	Full*
Total	**-**	**3,925**	**2,077,483**		

* A desktop review was performed at 30 June 2025 to ensure no material movement.

Valuation of infrastructure

Valuation of infrastructure assets has been undertaken by Council's Asset Management Team in accordance with the valuation methodology. Council undertakes a formal revaluation of infrastructure assets every 4 (four) years with an annual interim review in the year they are not due for full revaluation. The valuation is performed by experienced council officers.

The date and type of the current valuation is detailed in the following table. A full valuation was conducted on Parks, open space and streetscapes in the current year with all other infrastructure assets having an index based valuation (this is a method of valuation whereby indices are applied to the cost value of a class of assets to arrive at the fair value of the class of assets).

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 $'000	Level 2 $'000	Level 3 $'000	Date of Valuation	Type of Valuation
Roads	-	-	821,848	Jun-25	Index
Bridges	-	-	2,010	Jun-25	Index
Footpaths and cycleways	-	-	97,026	Jun-25	Index
Drainage	-	-	575,645	Jun-25	Index
Recreational, leisure and community facilities	-	-	19,316	Jun-25	Index
Parks, open space and streetscapes	-	-	52,726	Jun-25	Full
Marine Structures	-	-	6,167	Jun-25	Index
Total	**-**	**-**	**1,574,738**		

Asset Class	Comprehensive Revaluation Last	Comprehensive Revaluation Next (latest)	Source of Index
Bridges, Footpaths and cycleways, and Roads	2022-23	2026-27	**Australian Bureau of Statistics** 6427.0 Producer Price Indices, Australia, Table 12 6427.0 Producer Price Indexes, Australia, Table 17 6345.0 Wage Price Indexes, Australia, Table 8b
Drainage	2023-24	2027-28	**Australian Bureau of Statistics** 6427.0 Producer Price Indices, Australia, Table 12 6427.0 Producer Price Indexes, Australia, Table 17 6345.0 Wage Price Indexes, Australia, Table 8b
Marine structures, Parks, open space and streetscapes, and Recreation and leisure	2024-25	2028-29	**Australian Bureau of Statistics** 6427.0 Producer Price Indices, Australia, Table 12 6427.0 Producer Price Indexes, Australia, Table 17 6345.0 Wage Price Indexes, Australia, Table 8b

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 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 $2 and $6,208 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 $260 to $8,531 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 200 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 1 years to 400 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
Reconciliation of specialised land		
Land under roads	3,221	3,207
Parks and reserves	1,721,537	1,721,544
Total specialised land	**1,724,758**	**1,724,751**

	2025 $'000	2024 $'000
6.3 Investment property		
Balance at beginning of financial year	10,041	10,280
Fair value adjustments	(320)	(239)
Balance at end of financial year	**9,721**	**10,041**

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

Valuation of investment property

Valuation of investment property has been determined in accordance with an independent valuation by Valtec Property Pty Ltd who has recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.

Note 7 PEOPLE AND RELATIONSHIPS

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Mornington Peninsula Shire is the parent entity.

Subsidiaries and Associates

Mornington Peninsula Cemetery Trust

By virtue of the fact that some councillors of Mornington Peninsula Shire form the whole of the Board of Trustees of the Mornington Peninsula Cemetery Trust, this entity is considered to be a controlled entity under AASB 10: Consolidated Financial Statements. Its operating results, assets and liabilities have not been included in the accounts on the basis that they are not material individually or in aggregate.

(b) Key Management Personnel

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

Details of KMP at any time during the year are:

		2025 No.	2024 No.
Councillors			
Councillor Anthony Marsh	(1 July 2023 to 26 October 2024 & 19 November 2024 to 30 June 2025)	1	1
Councillor Paul Pingiaro	(19 November 2024 to 30 June 2025)	1	-
Councillor Kate Roper	(1 July 2023 to 26 October 2024 & 19 November 2024 to 30 June 2025)	1	1
Councillor David Gill	(1 July 2023 to 26 October 2024 & 19 November 2024 to 30 June 2025)	1	1
Councillor Andrea Allen	(19 November 2024 to 30 June 2025)	1	-
Councillor Max Patton	(19 November 2024 to 30 June 2025)	1	-
Councillor Cam Williams	(19 November 2024 to 30 June 2025)	1	-
Councillor Bruce Ranken	(19 November 2024 to 30 June 2025)	1	-
Councillor Michael Stephens	(19 November 2024 to 30 June 2025)	1	-
Councillor Stephen Batty	(19 November 2024 to 30 June 2025)	1	-
Councillor Patrick Binyon	(19 November 2024 to 30 June 2025)	1	-
Councillor Despi O'Connor	(1 July 2023 to 26 October 2024)	1	1
Councillor Steve Holland	(1 July 2023 to 26 October 2024)	1	1
Councillor Lisa Dixon	(1 July 2023 to 26 October 2024)	1	1
Councillor Susan Bissinger	(1 July 2023 to 26 October 2024)	1	1
Councillor Sarah Race	(1 July 2023 to 26 October 2024)	1	1
Councillor Antonella Celi	(1 July 2023 to 26 October 2024)	1	1
Councillor Debra Mar	(1 July 2023 to 26 October 2024)	1	1
Councillor Simon Brooks	(1 July 2023 to 26 October 2024)	1	1
Chief Executive Officer		3	1
Chief Financial Officer		1	1
Director - Community Strengthening		2	1
Director - Corporate Strategy and Business Improvement		1	1
Director - Planning and Environment		4	1
Director - Assets and Infrastructure		1	1
Director - McCrae Landslide Incident		1	-

	2025 No.	2024 No.
Total Number of Councillors	19	11
Total of Chief Executive Officer and other Key Management Personnel*	13	6
Total Number of Key Management Personnel	**32**	**17**

*Total of Chief Executive Officer and other Key Management Personnel figure includes acting and interim roles.

(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.

	2025 $'000	2024 $'000
Total remuneration of key management personnel was as follows:		
Short-term employee benefits	2,060	2,265
Other long-term employee benefits	91	233
Post-employment benefits	207	205
Termination benefits	11	-
Total	**2,369**	**2,703**

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

	2025 No.	2024 No.
$0 - $39,999	14	1
$40,000-$49,999	5	6
$50,000-$59,999	-	2
$60,000-$69,999	2	1
$80,000-$89,999	2	1
$90,000-$99,999	1	-
$100,000-$109,999	-	1
$110,000-$119,999	1	-
$180,000-$189,999	1	-
$210,000-$219,999	1	-
$220,000-$229,999	1	-
$230,000-$239,999	1	-
$330,000-$339,999	1	-
$340,000-$349,999	1	-
$360,000-$369,999	1	1
$390,000-$399,999	-	2
$410,000-$419,999	-	1
$470,000-$479,999	-	1
	32	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	4,701	4,151
Other long-term employee benefits	62	364
Post-employment benefits	533	453
Termination benefits	1	228
Total	**5,297**	**5,196**

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

	2025 No.	2024 No.
Income Range:		
$0 - $99,999	8	-
$100,000 - $109,999	1	1
$120,000 - $129,999	1	-
$130,000 - $139,999	1	-
$140,000 - $149,999	1	-
$170,000 - $179,999	3	-
$180,000 - $189,999	1	1
$190,000 - $199,999	1	3
$200,000 - $209,999	3	2
$210,000 - $219,999	4	4
$220,000 - $229,999	3	2
$230,000 - $239,999	1	1
$240,000 - $249,999	1	5
$250,000 - $259,999	1	2
$260,000 - $269,999	2	-
$300,000 - $319,999	-	1
	32	**22**

7.2 Related party disclosure

(a) Transactions with related parties

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

Responsible Officer	Position Held	Supplier/Entity	Nature of Transactions (on normal commercial terms)	Transaction Amount $'000
Councillor Kate Roper Councillor Stephen Batty Councillor Paul Pingiaro	Trustees	Mornington Peninsula Cemetery Trust	Administration Costs	81
Councillor Cam Williams	President	Boneo Baseball Club	Maintenance	2
Councillor Stephen Batty	Family Member of Proprietier	Event Logistic Group Pty Ltd T/A Bay Events	Commercial	4
Councillor Paul Pingiaro	Director of Related Party	Mornington Boat Hire and Bait and Tackle	Commercial	17

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties.

Mornington Peninsula Cemetery Trust

Amount receivable from the Mornington Peninsula Cemetery Trust at 30 June 2025 is $25,276 (30 June 2024 - $5,052).

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

Nil

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

Nil

Note 8 MANAGING UNCERTAINTIES

8.1 Contingent assets and liabilities

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

(a) Contingent assets

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

(b) Contingent liabilities

Contingent liabilities are:

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

McCrae Landslide

In January 2025, a landslide in McCrae resulted in damage to private property and the collapse of a dwelling, during which a Council officer (Municipal Building Surveyor) sustained injury. Seven surrounding properties remain within an exclusion zone as a result of the landslide. A Board of Inquiry (BOI) is currently investigating the event, with its final report expected in September 2025. In addition, WorkSafe has commenced an investigation into the incident. At the date of this report, no litigation has been initiated and Council is unable to reliably estimate any potential financial impact, including penalties or damages, that may arise. Any legal costs associated with this matter are expected to be met by Council's insurers. Accordingly, no provision has been recognised. However, given the uncertainty, the matter has been disclosed as a contingent liability.

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.

Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Liability Mutual Insurance

Council 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.

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

	2025 $'000	2024 $'000
The Mornington Peninsula Shire has guaranteed loans of: *	Loan Balance	Loan Balance
Mornington Bowling Club Inc	500	-
Total	**500**	**-**

*Note: Terms of guarantee do not allow redraw of loan.

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.

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) and bank and TCV borrowings. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

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

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

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

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

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

(c) Credit risk

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

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

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

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

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. 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 4.05%.

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 AASB 13 amendments have not resulted in any material impacts to Council's financial statements.

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

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

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

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 4 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

	Revaluation frequency
Asset class	
Land	1 to 2 years
Buildings	1 to 2 years
Roads	1 to 4 years
Bridges	1 to 4 years
Footpaths and cycleways	1 to 4 years
Drainage	1 to 4 years
Recreational, leisure and community facilities	1 to 4 years
Parks, open space and streetscapes	1 to 4 years
Marine structures	1 to 4 years

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

Impairment of assets

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

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

	Balance at beginning of reporting period $'000	Increase (decrease) $'000	Balance at end of reporting period $'000
9.1 Reserves			
(a) Asset revaluation reserves			
2025			
Property			
Land and land improvements	1,487,123	-	1,487,123
Land under road	1,679	-	1,679
Buildings	186,912	(1,543)	185,369
	1,675,714	(1,543)	1,674,171
Infrastructure			
Roads	416,467	27,298	443,765
Bridges	842	67	909
Footpaths and cycleways	58,147	3,227	61,374
Drainage	438,597	28,925	467,522
Recreational, leisure and community facilities	10,882	664	11,546
Parks, open space and streetscapes	16,319	1,390	17,709
Marine structures	802	218	1,020
	942,056	61,789	1,003,845
Intangible asset			
Landfill air space	896	-	896
Total asset revaluation reserves	**2,618,666**	**60,246**	**2,678,912**

	Balance at beginning of reporting period $'000	Increase (decrease) $'000	Balance at end of reporting period $'000
2024			
Property			
Land and land improvements	1,430,559	56,564	1,487,123
Land under road	1,922	(243)	1,679
Buildings	73,469	113,443	186,912
	1,505,950	**169,764**	**1,675,714**
Infrastructure			
Roads	378,366	38,100	416,466
Bridges	766	76	842
Footpaths and cycleways	53,953	4,194	58,147
Drainage	380,223	58,374	438,597
Recreational, leisure and community facilities	10,638	243	10,881
Parks, open space and streetscapes	15,945	374	16,319
Marine structures	720	82	802
	840,611	**101,443**	**942,054**
Intangible asset			
Landfill air space	896	-	896
Total asset revaluation reserves	**2,347,457**	**271,207**	**2,618,664**

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

	Balance at beginning of reporting period $'000	Transfer from accumulated surplus $'000	Transfer to accumulated surplus $'000	Balance at end of reporting period
(b) Other reserves				
2025				
Sustainability Energy Fund	585	-	-	585
Recreation Land Reserve	39	-	-	39
Municipal Emergency Reserve	400	-	-	400
Developer Contribution Plan Reserve	101	185	-	286
Storm Water in-lieu Contribution Reserve	304	782	-	1,086
Emergency Response Reserve	-	1,000	-	1,000
Total Other reserves	**1,429**	**1,967**	**-**	**3,396**
2024				
Sustainability Energy Fund	585	-	-	585
Recreation Land Reserve	39	-	-	39
Municipal Emergency Reserve	400	-	-	400
Developer Contribution Plan Reserve	45	56	-	101
Storm Water in-lieu Contribution Reserve	14	290	-	304
Total Other reserves	**1,083**	**346**	**-**	**1,429**

Sustainable Energy (Fund) Reserve

The purpose of this reserve is to provide funds to sustainably reduce the impact of energy use on the Global Warming effect through the implementation of:

a. program of Shire wide energy reduction measures;
b. energy production initiatives; and educational programs.

Recreation Land Reserve

The purpose of this reserve is to provide for the purchase of land and/or improvements to places of recreation.

Municipal Emergency Reserve

The purpose of this reserve is to have an ability to finance the recovery response from unplanned emergency management events.

Developer Contribution Plan Reserve

Developer Contribution Plan Reserve (DCP) accumulates developers funds paid to Council in respect of developments within particular plan areas and is used to contribute towards payment of a multi year capital works program.

Storm Water in-lieu Contribution Reserve

The purpose of the Storm Water in-lieu reserve is to hold voluntary contributions received from developments/subdivisions for future investment in the municipality in the form of stormwater management works to protect the environment and meet obligations under the Victorian Planning Policy.

Emergency Response Reserve

The purpose of this reserve is the allocation of dedicated funding that can be drawn upon to respond to emergency events impacting the Peninsula.

	2025 $'000	2024 $'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	14,616	27,177
Non-cash adjustments:		
Depreciation/amortisation	47,751	42,071
Loss on disposal of property, infrastructure, plant and equipment	86	523
Found assets	(4,027)	(2,995)
Fair value adjustments	319	240
Contributions - Non-monetary assets	(2,947)	(2,900)
Other	2,638	(864)
Change in assets and liabilities:		
(Increase) in trade and other receivables	(5,338)	(5,832)
Decrease in Other assets	4,161	1,202
Increase in trade and other payables	3,262	4,508
Increase/(decrease) in unearned income	4,037	(2,677)
(Increase)/decrease in inventories	(80)	26
(Decrease)/increase in provisions		
Increase/(decrease) in Landfill rehabilitation provision	48	(1,723)
Increase/(decrease) in Employee provisions	123	(659)
(Decrease) in Native vegetation management	(92)	(31)
Increase/(decrease) in GST on capital purchases	(686)	1,663
Increase/(decrease) in Trust funds and deposits	810	793
Increase/(decrease) in Other	98	(1,761)
Net cash provided by/(used in) operating activities	**64,778**	**58,761**

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

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

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. As at 30 June 2024, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2024 (of which Council is a contributing employer) was 105.4%. The financial assumptions used to calculate the VBI were:

Net investment returns 5.6% pa
Salary information 3.5% pa
Price inflation (CPI) 2.7% pa.

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.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2024 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2025, this rate was 11.5% of members' salaries (11.0% in 2023-24). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

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

(b) Funding calls

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

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

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

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

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

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

The 2024 interim actuarial investigation surplus amounts

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

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

	2024 (Interim) $m	2023 (Triennial) $m
- A VBI Surplus	108.4	84.7
- A total service liability surplus	141.4	123.6
- A discounted accrued benefits surplus	156.7	141.9

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2024.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2024.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2024.

The 2025 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2025 as the Fund provides lifetime pensions in the Defined Benefit category. Vision Super has advised that the VBI at 30 June 2025 was 110.5%. [Employer name] was notified of the 30 June 2025 VBI during August 2025 (2024: August 2024). The financial assumptions used to calculate this VBI were:

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

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years. It is anticipated that this actuarial investigation will be completed by 31 October 2025.

The 2023 triennial investigation

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

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

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:

			2025 $'000	2024 $'000
Scheme	Type of Scheme	Rate		
Vision super	Defined benefits	11.5% (2024:11.0%)	68	60
Vision super	Accumulation	11.5% (2024:11.0%)	3,959	3,309

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2025.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is $68,000.

Note 10 CHANGE IN ACCOUNTING POLICY

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

Glossary of terms, abbreviations and acronyms

Advocacy – the act of speaking on the behalf of or in support of another person, place, or thing.

Annual report – means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement.

ARC – Audit and Risk Committee

Budget – means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the council plan.

Business continuity – the process of planning and preparing an organisation to effectively respond to serious incidents or disasters, ensuring it can resume normal operations within a reasonably short timeframe.

Capital works – the undertaking of a project constructing, extending, altering, or improving physical assets.

CEO – Chief Executive Officer

Council and Wellbeing Plan – means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four years.

Community engagement –A means of ensuring that community members can access valued social settings and activities, feel empowered to contribute meaningfully and develop the skills and capabilities needed for full participation.

DAMP – Domestic Animal Management Plan

DTP – Department of Transport and Planning (of the Victorian Government).

Financial performance indicators – means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency.

Financial Plan – means a plan of the financial and non-financial resources for at least the next ten years required to achieve the strategic objectives in the council plan. It is also referred to as a long term financial plan.

Financial statements – means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general-purpose financial reports and a statement of capital works and included in the annual report.

Financial year – means the period of 12 months ending on 30 June each year.

FOI – Freedom of Information.

FTE – Full Time Equivalent.

Governance and management checklist – means a prescribed checklist of policies, plans and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting and decision making.

Green Wedge – is all land on the Peninsula outside the metropolitan Urban Growth Boundary that was introduced by State Government more than 40 years ago.

Indicator – means what will be measured to assess performance.

Measure – means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator.

Minister – means the Minister for Local Government.

Performance statement – means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report.

Integrated strategic planning and reporting framework – means the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act.

Regulations – means the Local Government (Planning and Reporting) Regulations 2020.

Report of operations – means a report containing a description of the operations of the council during the financial year and included in the annual report.

Risk management – A process in which organisations identify, assess and treat risks that could affect their operations.

Services – means assistance, support, advice and other actions undertaken by a council for the benefit of the local community.

Service outcome indicators - means the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved.

Service performance indicator – means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes.

Strategic objectives – means the outcomes a council is seeking to achieve over the next four years and included in the Council and Wellbeing Plan.

Sustainable capacity indicators – means a prescribed set of indicators in the Local Government Reporting Framework that measure whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future.

Strategies – means high level actions directed at achieving the strategic objectives in the Council and wellbeing Plan.

Sustainable capacity indicators – means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management.

Ward – A specific geographical area that is represented by a single Councillor.

Mornington
Peninsula Shire