



Brimbank
City Council

Financial Plan

2021-2031

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1 INTRODUCTION

1.1 INTRODUCTION

The Financial Plan 2021-2031 (FP) reflects Council's ongoing priority to make Brimbank a truly diverse community in the heart of the west and a place where people can enjoy living, working and growing. The next ten year's are exciting times for our community but it's not without its challenges as well.

Council will continue to focus on improving and enhancing our city, investing in ongoing capital works projects and upgrading facilities and open spaces to ensure the best possible quality of life for all residents including completing building works and commission of the new St Albans Health and Wellbeing Hub.

Through Transforming Brimbank Future Priorities 2050, Council is also committed to growing Brimbank into powerhouse of Melbourne's west. The Melbourne Airport Rail and Sunshine Super Hub are transformational infrastructure projects which will generate unprecedented business, employment, health, education and social opportunities for the region. Combined with the creation of the Sunshine Priority Precinct and major private investment, Brimbank is being reimagined. Council is committed to working collaboratively to leverage the coming investment to deliver positive social, economic and environmental benefits for Brimbank and the surrounding regions.

The COVID-19 pandemic is one of the most serious issues facing our community and our City today. The safety, health, wellbeing and economic welfare of our residents and staff continues to remain Council's top priority. Council will continue to support the recovery of the community through Stage 2 of our Coronavirus (COVID-19) Response and Recovery Strategy to assist local businesses, residents and visitors to overcome obstacles and build on strengths as we continue to recover, rebuild and adjust to a 'COVID normal'.

In 2020, Council adopted the Brimbank Climate Emergency Plan 2020-2025, which acknowledges the 21st century as a period of climate emergency, and that this urgent crisis presents an opportunity for positive social change. Under this Plan, Brimbank commits to lead the community towards a target of zero net greenhouse gas emissions for Council operations by 2030, and for the Brimbank municipality by 2040 through a number of actions and initiatives.

The FP outlines Council's objective of being financially sustainable in the short, medium and long-term to deliver on future projects and address challenges, while upholding strong financial management principles by ensuring revenue, expenses, assets, liabilities, investments and financial transactions are managed in accordance with a Council's financial policies and strategic plans; financial risks are monitored and managed prudently having regard to economic circumstances; and financial policies and strategic plans are predictable in the financial impact on the municipal community.

1.2 PURPOSE OF THE FINANCIAL PLAN

The purpose of the FP is to guide future strategies and actions to ensure that Council continues to operate in a sustainable manner.

The FP is designed as a 'high-level' summary document that outlines future planning of Council's financial outcomes, particularly in relation to key components such as rate levels, service levels to the community, major infrastructure asset replacement and renewal, loan borrowings and cash reserves.

The FP is driven by the content of a range of strategic documents prepared by Council including:

- Brimbank Community Vision 2040
- Brimbank Council Plan
- Asset Management Plans (AMPs).

The FP and Council Plan is a guide for future action and encourages Council to consider the impact that decisions made today will have on Council's long-term sustainability.

The FP has been developed to provide the following outcomes for Council:

- Establish a prudent and sound financial framework, combining and integrating financial strategies to achieve a planned outcome
- Establish a financial framework against which Council's strategies, policies and financial performance can be measured against
- Ensure that Council complies with sound financial management principles, as required by the Victorian *Local Government Act 2020* (the Act)
- Allow Council to meet the objectives of the Act to promote social, economic and environmental viability and sustainability of the municipal district (Section 9 (2)(c)) and maintaining the ongoing financial viability of Council (Section 9 (2)(g)).

The short to medium term objectives of Council's FP are to:

- Achieve a prudent balance between meeting the service needs of the community and remaining financially sustainable for future generations
- Progressively address the funding gap to increase capital expenditure through the life of the FP and meet the asset renewal requirements as outlined in the AMPs
- Ensure that rates, fees and charges are manageable and sustainable
- Provide a stable level of rates structure in a rate cap environment
- Loan borrowings are able to be serviced and maintained at a prudent level
- Maintain a strong cash position and a positive liquidity ratio, ensuring Council remains financially sustainable in the long term
- Achieve an underlying operational surplus
- Continue to pursue funding for strategic capital projects from the State Government and Federal Government, and
- Ensure decisions are made having regard to their financial effects on future generations.

The FP is a balanced plan that aims at imbedding the growth that has taken place; it is financially responsible whilst maintaining services to the community and ensuring financial sustainability for future generations.

The FP is a dynamic document and it is anticipated that it will be regularly updated as part of Council's annual strategic planning and annual budget process and as major changes occur.

1.3 REGULATORY FRAMEWORK

Council has a legislative requirement to comply with the financial management principles as detailed under Section 101 of the Act.

- 1) The following are the financial management principles:
 - a) revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a Council's financial policies and strategic plans
 - b) financial risks must be monitored and managed prudently having regard to economic circumstances
 - c) financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community
 - d) accounts and records that explain the financial operations and financial position of the Council must be kept.
- 2) For the purposes of the financial management principles, financial risk includes any risk relating to the following:
 - a) the financial viability of the Council
 - b) the management of current and future liabilities of the Council
 - c) the beneficial enterprises of the Council.

2 FINANCIAL PLAN CONTEXT

This section describes the context and external/internal environment and consideration in determining the 10 year financial projections and assumptions.

2.1 STRATEGIC INTEGRATED PLANNING FRAMEWORK

The FP does not operate in isolation from Council's strategic planning framework but rather complements this work and acts as a resourcing tool to enable Council to achieve the objectives outlined in the Community Vision 2040 and the Council Plan.

Council has an integrated planning approach that aligns our strategic, financial and operational policies, plans and strategies with the community's aspirations for Brimbank both now and into the future.

The integrated planning approach is based on the Community Vision 2040 vision and goals and how these will be achieved according to the timeframe: short term (annual); medium term (four years); and long term (10 to 20 years).

The Community Vision 2040 describes the community's vision and priorities for the future and establishes a shared basis for planning, service delivery and advocacy undertaken by Council, service providers, community groups and community members. It provides a framework for the development of the Council Plan and addressing community health and wellbeing priorities in partnership with government and health sector organisations.

The Council Plan describes the outcomes Council aims to achieve during its term, the strategies that will shape its program of work over the next four years and the resources required to achieve the desired outcomes.

The FP and Annual Budget document the financial resources required to achieve the goals and strategic objectives in the Council Plan.

The Municipal Strategic Statement provides a strategic vision for our future by setting out objectives for prospective land use and development in Brimbank.

The Climate Emergency Plan's principal purpose is to outline Council's position statement on the climate emergency, with the aim that this statement orientates social transformation, with Council taking a municipal leadership role, while promoting action from, and collaboration with, all quarters.

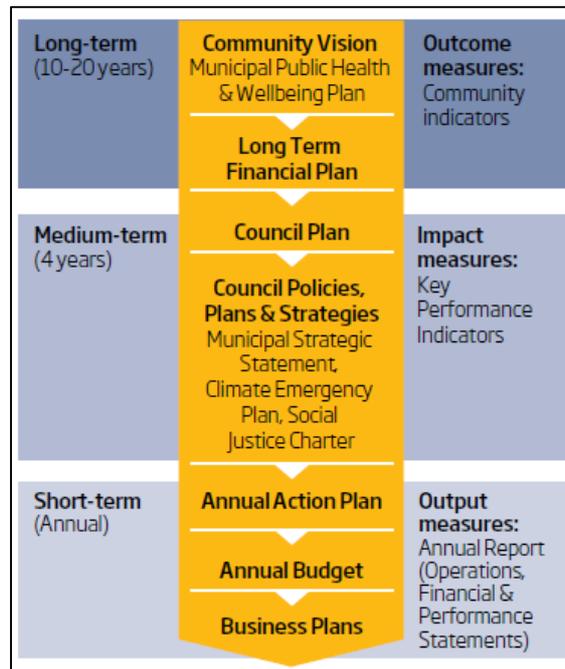
The Social Justice Charter outlines Council's commitment is to social justice and human rights and aims for all Brimbank residents, workers, and visitors to thrive socially and economically regardless of personal circumstances or where they were born.

A range of policies, plans and strategies are developed, implemented and reviewed by Council on a regular basis. These guide Council's roles in planning for services and infrastructure, partnerships and advocacy and are aligned with the goals and strategic objectives in the Council Plan.

Progress is communicated through the Annual Report.

The integrated planning approach provides a basis for reporting and measuring across all Council activity on what has been achieved and progress towards meeting the vision for Brimbank.

The diagram below depicts Council’s strategic planning framework:



2.2 COMMUNITY VISION

The Brimbank Community Vision 2040 describes the community’s vision and priorities for the next 20 years. It establishes a shared framework for the community and partner organisations to work towards, under three themes:

- People
- Place
- Prosperity

The framework is outlined below:

<i>People</i>	Strategic directions	Community aspirations in 2040
	Healthy Lifestyles	The community is healthy and active
	Services and Facilities	Services and facilities are responsive to community need
	Culture and Diversity	Brimbank is a vibrant and recognised cultural capital
<i>Place</i>	Strategic directions	Community aspirations in 2040
	Getting Around	All modes of transport are well connected and accessible
	Public Spaces	Public spaces and streetscapes showcase quality urban design, are accessible to all and are clean and well maintained
	Environment	The community will live sustainably and engage with a healthy and protected natural environment
<i>Prosperity</i>	Strategic directions	Community aspirations in 2040
	Education and Employment	Everyone has access to education, training and life-long learning to support their learning and employment aspirations
	Local Economy	Brimbank is a major hub for employment, innovation and investment
	Housing	Housing meets the needs of different people in the Brimbank community

Council places its community first in everything it does. Under the additional theme of Performance, Council measures the success of the strategic objectives within the three themes of the Community Vision 2040. As an organisation, Council works in ways that demonstrate integrity and transparency to provide a comprehensive picture of Council's performance to the community. This is achieved through quarterly Council Plan Progress Reports, the Brimbank Annual Report and adherence to the 86 indicators in the Local Government Performance Reporting Framework.

The Community Vision 2040 will be reviewed in 2021, ensuring that it remains aligned with the community's aspirations. This provides the opportunity for the four year Council Plan to continue working towards the aspirations voiced by the Brimbank community.

2.3 COUNCIL PLAN

Council and community planning is about envisioning and making choices that will shape the future. The role of local government is not only one of leadership, but also planning, advocacy and facilitating community participation.

The Council Plan describes the outcomes Council aims to achieve during its term, the strategies that will shape its program of work over the next four years and the resources required to achieve the desired outcomes.

Under the Act, a Council Plan must be prepared every four years after a general election, guided by deliberative engagement and adopted by the 31 October in the year following.

The Act stipulates that the Council Plan is required to include:

- The strategic direction of the Council
- Strategic objectives for achieving the strategic direction
- Strategies for achieving the objectives for a period of at least the next four financial years
- Strategic indicators for monitoring the achievement of the objectives
- A description of the Council's initiatives and priorities for services, infrastructure and amenity
- Any other matters prescribed by the regulations.

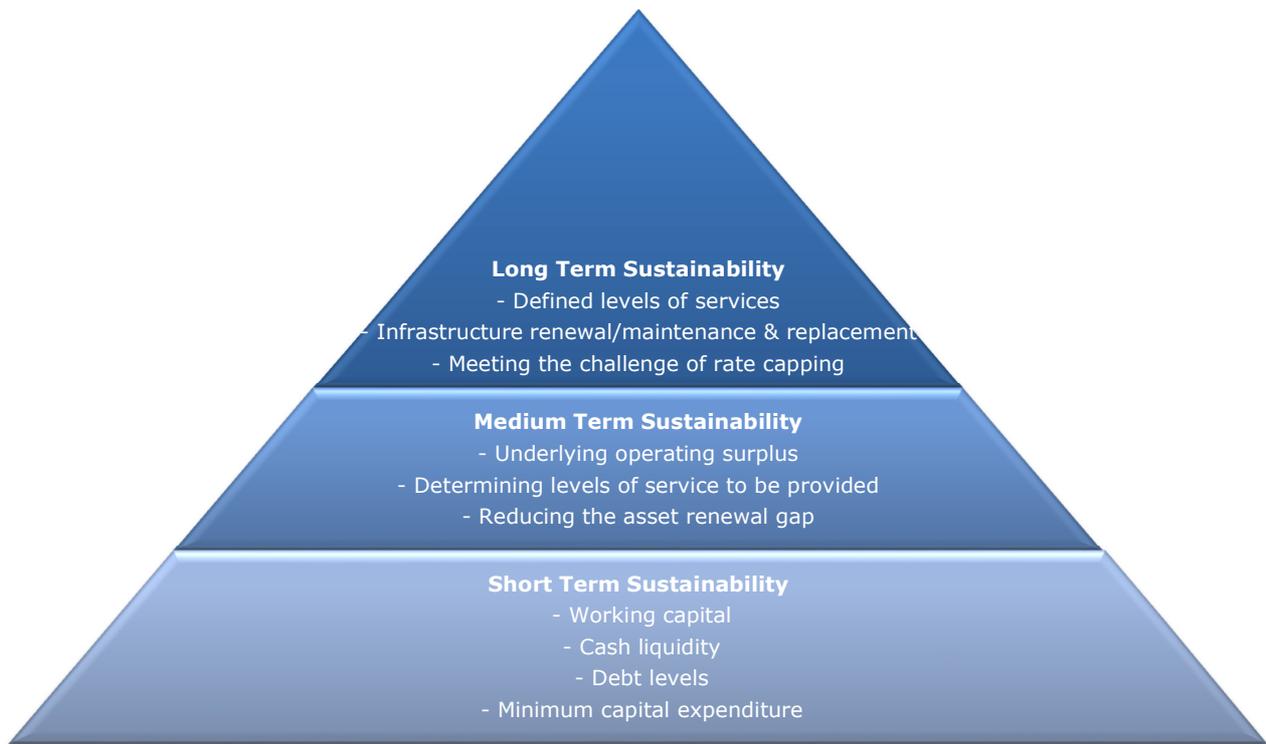
2.4 FINANCIAL PLAN OBJECTIVES

The key objective of the FP is financial sustainability in the medium to long term, while achieving Council's Strategic Objectives as specified in the Community Vision and the Council Plan.

The objectives of this FP are as follows (not prioritised):

- The achievement of meeting the service needs of the community (both now and future) and remaining financially sustainable for future generations;
- Progressively addressing the funding gap and increase capital expenditure through the life of the FP as outlined in the AMPs;
- Ensuring that rates, fees and charges are manageable and sustainable;
- Providing a stable level of rates structure;
- Loan borrowings are able to be serviced and maintained at a prudent level;
- Maintaining a strong cash position, ensuring Council remains financially sustainable in the long term;
- Maintain a positive liquidity ratio;
- Achieving an underlying operational surplus;
- Continuing to pursue funding for strategic capital projects from the State Government and Federal Government; and
- Ensuring decisions are made having regard to their financial effects on future generations.

In addition to the specific objectives outlined, it is also recognised that sound financial management can be demonstrated in the diagram below, based on the hierarchy of needs approach:



2.5 STRATEGIC FINANCIAL DIRECTION

The FP establishes the strategic financial framework for Council to meet the funding and investment challenges that lie ahead. It is prepared to ensure that the affordability of activities included in the Council Plan are considered and budgeted for.

The biggest challenge facing Council will be to maintain services and manage growth at a level to meet community expectations while rates, being Council's main source of income, are capped in line with the Victorian Government's rate capping system.

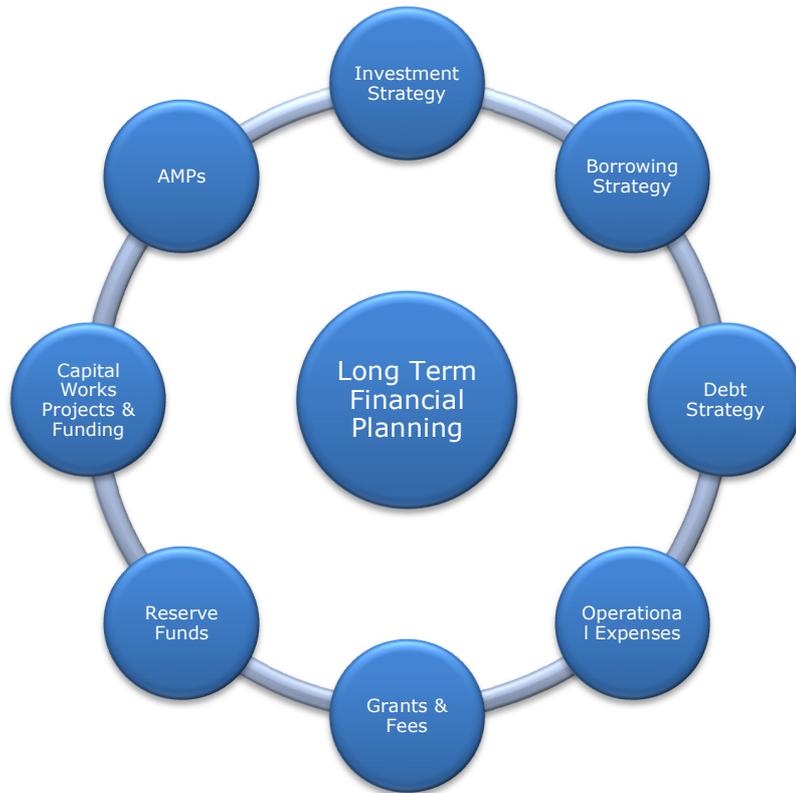
Additionally, Council will annually review its borrowing strategy, AMPs, capital investment, capital works program, the range and level of services provided and the revenue raised relative to user fees and charges and grants.

Brimbank City Council faces a number of diverse and complex strategic challenges including:

- Supporting the community through a COVID-19 recovery
- Renewing and maintaining existing assets
- Continuing to provide an appropriate range of services to a changing community
- Maintaining a sound financial position
- Addressing the need for capital expansion
- Climate emergency.

The FP will assist in addressing these challenges by informing future planning. The other key related issue is the risk and liability that Council and the community face if Council does not invest in asset renewal at an adequate rate (with a minimum desired rate equal to Council's annual depreciation charge).

The FP represents a comprehensive approach to document and integrate the various financial strategies of Council. The development of the long-term financial projections represents the output of several strategic areas that produce the financial direction of Council as shown in the diagram below. Each of these elements is detailed in the FP.



2.6 FINANCIAL POLICY STATEMENTS

This section defines the measures that demonstrates Council’s financial sustainability in order to fund the aspirations of the Community Vision 2040 and the Council Plan.

Policy Statement	Measure	Target	Forecast 20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Council achieves an Underlying Surplus in the Income Statement excluding non-recurrent grants, monetary contributions and non-monetary assets. (\$'000)	Adjusted Underlying Surplus > \$0	>\$0	(5,977)	(1,303)	(5,701)	429	(1,829)	(2,380)	(1,172)	(1,492)	(1,794)	(1,663)	(1,457)
Council's Liquidity Ratio is equal to or greater than 1:1	Current Assets/Current Liabilities > 1	>1	1.75	1.20	1.10	1.07	0.83	0.75	0.72	0.67	0.63	0.63	0.63
Council's Self-financing Ratio is equal to or greater than 10%.	Net Operating Cash Flows /Underlying Revenue => 10%	=>10%	27.53%	30.33%	23.98%	22.17%	22.40%	22.13%	22.11%	22.13%	22.04%	21.95%	21.84%
Council's Debt Servicing Ratio is equal to or below 5%	Borrowing Costs/Cash Revenue =<5%	=<5%	0.85%	0.92%	0.99%	0.93%	0.97%	0.92%	0.66%	0.61%	0.60%	0.46%	0.34%
Council's Debt Commitment Ratio is equal to or below 10%	Principle Repayments and Borrowing Costs/Rates =<10%	=<10%	4.86%	6.89%	7.30%	6.17%	6.87%	18.11%	7.83%	7.87%	8.35%	8.12%	5.93%
Council's indebtedness ratio is equal to or below 40%	Non-current Liabilities /Own-source Revenue =<40%	=<40%	41.50%	39.29%	38.24%	35.16%	26.95%	25.66%	24.67%	21.39%	19.84%	17.98%	15.99%
Council will achieve a Renewal Gap ratio of 1	Renewal Expenditure /Depreciation = 1	=1	0.72	0.62	0.53	0.55	0.54	0.36	0.32	0.32	0.50	0.32	0.49

2.7 STRATEGIC ACTIONS

The following table highlights the outcomes, strategies and key actions of the FP.

Details	Outcome	Strategy	Action
Financial Sustainability	That Council is able to meet current and future expenditure as it falls due and also have the ability to absorb foreseeable changes and materialising risks without significantly changing revenue and expenditure policies.	<p>That Council achieve an underlying surplus in the Income Statement excluding non-recurrent grants, capital contributions and non-monetary assets.</p> <p>Council's liquidity ratio is equal to or greater than 1:1.</p> <p>That the cash position be sufficient to fund daily cash requirements as well as provide opportunities for funding of new acquisitions and short term contingencies.</p> <p>Council's self-financing ratio is equal to or greater than 10%.</p>	<p>That Council continue to undertake service reviews.</p> <p>That Council pursues recurrent grant funding and capital funding aligned with Council Plan objectives.</p> <p>That Council procure goods and services in accordance with Council Procurement Policy and procedures.</p> <p>That Council continue to implement a combination of zero based and incremental budgeting.</p>
Long Term Borrowing Strategies	Loan borrowings are able to be serviced and provide services for current and future generations.	<p>That Council retains its debt servicing ratio at or below 5% over the life of this FP.</p> <p>That Council retains its debt commitment ratio at or below 10% over the life of this FP.</p> <p>That Council retains its indebtedness ratio at or below 40% over the life of this FP.</p> <p>That Council's liquidity ratio is equal to or greater than 1:1.</p>	<p>Any new loan borrowings are to be used to fund capital investments where the community benefits are long term and there is a financial return to meet principle interest.</p> <p>That Council set aside sufficient funds in a reserve to repay any interest only debt in line with the Loan Repayment Reserve for Interest Only Debt – Major Policy.</p>
Rating and Other Revenue Strategies	Provide a reasonable degree of consistency, equity and stability in the level of the rates burden and user fees and charges.	The rating strategy provides adequate funds to achieve an underlying surplus in the Income Statement excluding non-recurrent grants, capital contributions and non-monetary assets.	<p>That Council retains Capital Improvement Value (CIV) as its valuation base.</p> <p>That Council retains the rating structure of seven differential rates and</p>

Details	Outcome	Strategy	Action
		<p>The rating strategy provides adequate funds to ensure Council's liquidity ratio is equal to or greater than 1:1.</p> <p>The rating strategy provides adequate funds to fund capital works and reduce the renewal gap over a period of time in accordance with Council AMPs.</p>	<p>conduct an annual review, subject to compliance with legislative requirements.</p> <p>That Council review its municipal charge annually to ensure an equitable contribution towards the administration and governance costs of Council.</p> <p>That Council benchmark its discretionary user fees and charges with other equivalent Councils biennially to ensure comparability to its benchmark partners.</p>
<p>Asset Management and Capital Works Program</p>	<p>Assets will be fit for purpose to provide the desired level of service to the community.</p>	<p>That Council have a 10 year capital works program in accordance with AMPs and ensure that adequate and affordable provision is made for the creation of new assets and the renewal of existing assets.</p> <p>That Council will achieve a renewal gap ratio of 1:1 by 2030.</p> <p>That Council will endeavour to achieve an asset sustainability index of greater than 1.0.</p>	<p>Council complete/update AMPs for all classes of assets with a focus on ensuring that the assets are fit for purpose and provide the required level of service to the community.</p> <p>Capital works proposals must have a business case which includes a lifecycle costing and meet the objectives of the Council Plan.</p> <p>Council conducts condition audits biennially on all asset classes.</p>
<p>Service Provision and Planning</p>	<p>Council generates sufficient surpluses from operations to continue to provide the existing level of services and meet community demands and expectations.</p>	<p>Council continues to consult with the community to determine that the desired service levels will be achieved including a combination of revenue raising and the rationalisation and review of existing service levels.</p>	<p>That Council annually determines the range and level of services provided through the annual budget process incorporating an analysis of the organisational and financial capability.</p>

2.8 ASSUMPTIONS TO THE FINANCIAL PLAN STATEMENTS

This section presents information in regard to the assumptions to the Comprehensive Income Statement for the 10 years from 2021/22 to 2030/31.

The table below outlines the annual escalations for the 10 year period for each income and expenditure line item contained in the Comprehensive Income Statement.

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
CPI	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Growth in properties	-	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Rates	1.5%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Supplementary Rates	\$600K	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Service Charges	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Statutory Fees & Fines	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
User Fees & Charges	4%	4%	4%	4%	4%	4%	4%	4%	4%	4%
Grants - Operating (recurrent)	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Grants - Operating (non-recurrent)	Once off payment or payments. Forecast with no increase.									
Grants - Capital (recurrent)	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Grants - Capital (non-recurrent)	Once off payment or payments. Forecast with no increase.									
Contributions - monetary	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Contributions - non-monetary (\$'000)	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other Income	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Interest on Investments	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%	0.49%
Employee Costs	1.5%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
FBT	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Material & Services	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%
Utilities	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Bad & Doubtful Debts	Forecast with no increase.									
Depreciation & Amortisation	Rates are reviewed annually and are based on straight line method.									
Borrowing Costs	2%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Other Expenses	1.75%	1.75%	2%	2%	2%	2%	2%	2%	2%	2%

3 FINANCIAL PLAN STATEMENTS

3.1 COMPREHENSIVE INCOME STATEMENT

COMPREHENSIVE INCOME STATEMENT year ending 30 June	Forecast 20/21 \$'000	Budget 21/22 \$'000	Budget 22/23 \$'000	Budget 23/24 \$'000	Budget 24/25 \$'000	Budget 25/26 \$'000	Budget 26/27 \$'000	Budget 27/28 \$'000	Budget 28/29 \$'000	Budget 29/30 \$'000	Budget 30/31 \$'000
Revenue											
Rates and charges	163,913	166,743	170,595	181,136	184,856	189,559	194,386	199,340	204,426	209,645	215,002
Statutory fees and fines	4,487	8,291	8,436	8,605	8,777	8,952	9,131	9,314	9,500	9,690	9,884
User fees	4,216	7,921	12,320	13,702	14,956	15,554	16,176	16,824	17,496	18,196	18,924
Grants - Operating (Recurrent)	24,905	24,350	24,776	25,271	25,777	26,292	26,818	27,354	27,901	28,459	29,029
Grants - Operating (Non-recurrent)	8,248	1,406	4,205	136	139	142	145	148	150	153	157
Grants - Capital (Recurrent)	1,160	1,160	1,181	1,202	31	32	33	33	34	34	35
Grants - Capital (Non-recurrent)	13,839	14,350	1,018	0	632	642	0	0	0	0	0
Contributions - Monetary	4,268	3,533	3,655	3,728	3,803	3,879	3,956	4,035	4,115	4,197	4,211
Contributions - Non monetary assets	3,000	1,000	1,033	1,069	1,106	1,145	1,185	1,227	1,270	1,314	1,360
Net gain on sale of non-current assets	(4,335)	204	207	211	215	219	224	228	233	238	242
Other income	5,497	6,592	6,866	7,026	7,175	7,338	7,393	7,543	7,697	7,850	8,011
	229,197	235,550	234,291	242,086	247,465	253,755	259,447	266,046	272,823	279,777	286,855
Expenses											
Employee costs	94,598	94,094	99,933	103,793	107,599	111,415	114,749	118,182	121,719	125,361	129,112
Materials and services	68,907	72,540	81,537	78,955	80,566	82,117	82,949	84,798	86,693	88,636	90,629
Bad and doubtful debts	950	950	950	950	950	950	950	950	950	950	950
Depreciation and amortisation	42,394	42,905	44,584	45,860	47,108	48,438	49,805	51,311	52,720	54,074	55,353
Amortisation - right of use assets	1,395	1,358	1,188	1,204	1,220	1,236	1,253	1,270	1,287	1,304	1,322
Borrowing costs	1,933	2,148	2,313	2,240	2,401	2,324	1,705	1,618	1,684	1,290	976
Finance costs - leases	241	183	125	127	128	130	132	134	135	137	139
Other expenses	3,649	3,793	3,656	3,729	3,782	3,858	3,935	4,014	4,094	4,176	4,260
	214,067	217,969	234,286	236,859	243,754	250,469	255,478	262,277	269,232	275,929	282,740
Surplus /(deficit) for the year	15,130	17,580	5	5,227	3,712	3,286	3,969	3,769	3,591	3,848	4,114

3.2 BALANCE SHEET

BALANCE SHEET as at 30 June	Forecast 20/21 \$'000	Budget 21/22 \$'000	Budget 22/23 \$'000	Budget 23/24 \$'000	Budget 24/25 \$'000	Budget 25/26 \$'000	Budget 26/27 \$'000	Budget 27/28 \$'000	Budget 28/29 \$'000	Budget 29/30 \$'000	Budget 30/31 \$'000
Current assets											
Cash and cash equivalents	70,211	49,549	46,160	40,170	42,780	22,799	21,393	19,990	17,527	16,101	13,663
Trade and other receivables	36,984	26,597	26,963	32,964	33,318	33,764	34,223	34,694	35,177	35,673	36,181
Inventories	60	60	60	60	60	60	60	60	60	60	60
Other assets	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513	3,513
	110,768	79,720	76,697	76,708	79,671	60,137	59,190	58,257	56,277	55,347	53,418
Non Current Assets											
Property, infrastructure, plant and equipment	2,414,981	2,466,971	2,470,109	2,473,416	2,480,132	2,485,230	2,491,722	2,493,266	2,498,854	2,498,391	2,497,694
Right-of-use assets	4,660	3,303	3,115	3,157	3,199	3,242	3,285	3,329	3,374	3,419	3,465
Trade and other receivables	227	227	227	227	227	227	227	227	227	227	227
	2,419,868	2,470,501	2,473,451	2,476,800	2,483,559	2,488,699	2,495,235	2,496,823	2,502,456	2,502,037	2,501,386
Total Assets	2,530,636	2,550,221	2,550,148	2,553,508	2,563,230	2,548,836	2,554,424	2,555,079	2,558,733	2,557,385	2,554,804
Current Liabilities											
Trade and other payables	20,337	21,551	24,316	23,718	24,346	24,952	25,308	25,953	26,612	27,262	27,906
Trust funds and deposits	9,015	10,015	11,015	12,015	13,015	14,015	15,015	16,015	17,015	18,015	19,015
Provisions	23,272	23,939	24,589	25,316	26,066	26,838	27,633	28,452	29,295	30,164	31,059
Lease liabilities	1,109	759	456	462	468	474	481	487	493	500	507
Interest bearing loans and borrowings	9,497	10,303	9,088	10,462	32,155	13,631	14,180	15,544	15,823	11,843	6,939
	63,230	66,567	69,464	71,973	96,050	79,910	82,617	86,451	89,239	87,785	85,427
Non Current Liabilities											
Trust funds and deposits	6,077	6,077	6,077	6,077	6,077	6,077	6,077	6,077	6,077	6,077	6,077
Provisions	2,109	2,170	2,230	2,297	2,366	2,437	2,510	2,585	2,663	2,743	2,825
Lease liabilities	3,457	2,366	1,421	1,440	1,459	1,479	1,498	1,518	1,539	1,559	1,580
Interest bearing loans and borrowings	80,465	80,162	78,074	73,612	55,457	53,826	52,646	45,602	42,779	38,936	34,996
	92,108	90,776	87,802	83,426	65,359	63,819	62,732	55,783	53,058	49,315	44,979
Total Liabilities	155,338	157,343	157,266	155,399	161,409	143,729	145,349	142,234	142,297	137,101	130,406
Net Assets	2,375,297	2,392,878	2,392,883	2,398,109	2,401,821	2,405,107	2,409,076	2,412,845	2,416,436	2,420,284	2,424,398
Equity											
Accumulated Surplus /(Deficit)	1,057,179	1,078,553	1,081,984	1,085,854	1,088,209	1,105,137	1,109,046	1,112,755	1,116,284	1,120,069	1,124,119
Reserves	1,318,118	1,314,324	1,310,899	1,312,255	1,313,612	1,299,970	1,300,030	1,300,152	1,300,152	1,300,215	1,300,279
Total Equity	2,375,297	2,392,878	2,392,883	2,398,109	2,401,821	2,405,107	2,409,076	2,412,845	2,416,436	2,420,284	2,424,398

3.3 STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN EQUITY as at 30 June	Forecast 20/21 \$'000	Budget 21/22 \$'000	Budget 22/23 \$'000	Budget 23/24 \$'000	Budget 24/25 \$'000	Budget 25/26 \$'000	Budget 26/27 \$'000	Budget 27/28 \$'000	Budget 28/29 \$'000	Budget 29/30 \$'000	Budget 30/31 \$'000
Accumulated Surplus /(Deficit)											
Balance at the beginning of the year	1,046,330	1,057,179	1,078,553	1,081,984	1,085,854	1,088,209	1,105,137	1,109,046	1,112,755	1,116,284	1,120,069
Surplus /(deficit) for the year	15,130	17,580	5	5,227	3,712	3,286	3,969	3,769	3,591	3,848	4,114
Net asset revaluation increment /(decrement)	0	0	0	0	0	0	0	0	0	0	0
Transfers to reserves	(6,970)	(4,050)	(4,098)	(4,154)	(4,211)	(4,269)	(3,029)	(3,089)	(3,151)	(3,214)	(3,278)
Transfers from reserves	2,690	7,844	7,524	2,798	2,854	17,911	2,969	3,029	3,089	3,151	3,214
Balance at the end of the year	1,057,179	1,078,553	1,081,984	1,085,854	1,088,209	1,105,137	1,109,046	1,112,755	1,116,284	1,120,069	1,124,119
Asset Revaluation Reserve											
Balance at the beginning of the year	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908
Surplus /(deficit) for the year	0	0	0	0	0	0	0	0	0	0	0
Net asset revaluation increment /(decrement)	0	0	0	0	0	0	0	0	0	0	0
Transfers to reserves	0	0	0	0	0	0	0	0	0	0	0
Transfers from reserves	0	0	0	0	0	0	0	0	0	0	0
Balance at the end of the year	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908
Other Reserves											
Balance at the beginning of the year	17,930	22,210	18,416	14,991	16,347	17,704	4,062	4,122	4,182	4,244	4,307
Surplus /(deficit) for the year	0	0	0	0	0	0	0	0	0	0	0
Net asset revaluation increment /(decrement)	0	0	0	0	0	0	0	0	0	0	0
Transfers to reserves	6,970	4,050	4,098	4,154	4,211	4,269	3,029	3,089	3,151	3,214	3,278
Transfers from reserves	(2,690)	(7,844)	(7,524)	(2,798)	(2,854)	(17,911)	(2,969)	(3,029)	(3,089)	(3,151)	(3,214)
Balance at the end of the year	22,210	18,416	14,991	16,347	17,704	4,062	4,122	4,182	4,244	4,307	4,371

3.4 STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS year ending 30 June	Forecast 20/21 \$'000	Budget 21/22 \$'000	Budget 22/23 \$'000	Budget 23/24 \$'000	Budget 24/25 \$'000	Budget 25/26 \$'000	Budget 26/27 \$'000	Budget 27/28 \$'000	Budget 28/29 \$'000	Budget 29/30 \$'000	Budget 30/31 \$'000
Cash flows from operating activities											
Rates and charges	166,335	172,130	175,229	180,135	184,502	189,112	193,927	198,870	203,943	209,149	214,493
Statutory fees & fines	4,487	8,291	8,436	8,605	8,777	8,952	9,131	9,314	9,500	9,690	9,884
User charges	4,216	7,921	12,320	13,702	14,956	15,554	16,176	16,824	17,496	18,196	18,924
Grants	48,151	41,266	31,179	26,609	26,578	27,107	26,995	27,535	28,086	28,647	29,220
Contributions - monetary	4,268	3,533	3,655	3,728	3,803	3,879	3,956	4,035	4,115	4,197	4,211
Other receipts	5,497	6,592	6,866	7,026	7,175	7,338	7,393	7,543	7,697	7,850	8,011
Employee costs	(94,598)	(93,365)	(99,225)	(102,999)	(106,780)	(110,572)	(113,881)	(117,288)	(120,798)	(124,412)	(128,135)
Materials and services	(72,489)	(71,486)	(78,528)	(79,704)	(80,099)	(81,667)	(82,708)	(84,262)	(86,143)	(88,073)	(90,051)
Trust funds and deposits	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Other payments	(4,599)	(4,743)	(4,606)	(4,679)	(4,732)	(4,808)	(4,885)	(4,964)	(5,044)	(5,126)	(5,210)
	62,267	71,139	55,927	53,423	55,179	55,896	57,106	58,607	59,852	61,118	62,348
Cash flows from investing activities											
Payments for property, infrastructure, plant & equipment	(91,429)	(89,656)	(53,162)	(53,537)	(53,166)	(52,848)	(55,580)	(52,108)	(57,529)	(52,797)	(53,809)
Proceeds from sale of property, infrastructure, plant & equipment	700	1,147	805	821	837	854	871	888	906	924	943
	(90,729)	(88,509)	(52,357)	(52,716)	(52,329)	(51,995)	(54,709)	(51,219)	(56,623)	(51,873)	(52,866)
Cash flows from financing activities											
Finance costs	(1,803)	(1,988)	(2,158)	(2,090)	(2,239)	(2,168)	(1,591)	(1,509)	(1,524)	(1,204)	(910)
Proceeds from interest bearing loans and deposits	33,350	10,000	7,000	6,000	14,000	12,000	13,000	8,500	13,000	8,000	2,500
Repayment of interest bearing loans and deposits	(6,168)	(9,497)	(10,303)	(9,088)	(10,462)	(32,155)	(13,631)	(14,180)	(15,544)	(15,823)	(11,843)
Interest paid - lease liability	(241)	(183)	(125)	(127)	(128)	(130)	(132)	(134)	(135)	(137)	(139)
Repayment of lease liabilities	(1,708)	(1,623)	(1,373)	(1,392)	(1,410)	(1,429)	(1,449)	(1,468)	(1,488)	(1,508)	(1,528)
	23,431	(3,291)	(6,959)	(6,697)	(240)	(23,883)	(3,802)	(8,791)	(5,691)	(10,671)	(11,920)
Net (decrease)/increase in cash held	(5,032)	(20,661)	(3,389)	(5,990)	2,610	(19,981)	(1,405)	(1,404)	(2,463)	(1,426)	(2,439)
Cash at beginning of the year	75,243	70,211	49,549	46,160	40,170	42,780	22,799	21,393	19,990	17,527	16,101
Cash at the end of the year	70,211	49,549	46,160	40,170	42,780	22,799	21,393	19,990	17,527	16,101	13,663

3.5 STATEMENT OF CAPITAL WORKS

STATEMENT OF CAPITAL WORKS year ending 30 June	Forecast 20/21 \$'000	Budget 21/22 \$'000	Budget 22/23 \$'000	Budget 23/24 \$'000	Budget 24/25 \$'000	Budget 25/26 \$'000	Budget 26/27 \$'000	Budget 27/28 \$'000	Budget 28/29 \$'000	Budget 29/30 \$'000	Budget 30/31 \$'000
Property											
-Land	1,200	0	1,018	1,035	1,053	1,070	1,088	1,105	1,123	1,140	1,158
Buildings	37,563	46,368	6,153	7,442	7,417	10,243	15,907	13,539	9,937	15,769	7,269
	38,763	46,368	7,171	8,477	8,470	11,313	16,995	14,644	11,059	16,909	8,427
Plant and Equipment											
Plant, machinery and equipment	3,731	3,140	2,691	2,528	4,365	3,043	5,847	5,275	3,259	3,429	3,544
Computers and telecommunications	796	197	509	518	526	535	544	553	561	570	579
Library books	847	800	814	828	842	856	870	884	898	912	926
	5,374	4,137	4,014	3,873	5,733	4,434	7,260	6,711	4,719	4,911	5,049
Infrastructure											
Roads	26,514	20,864	27,300	28,209	28,328	19,339	19,471	19,923	30,403	20,877	31,351
Footpaths and cycleways	1,866	4,301	1,038	1,418	2,042	3,745	2,490	1,149	1,448	1,471	683
Drainage	1,446	730	967	983	1,000	1,017	1,033	1,050	1,066	1,083	1,100
Recreational, leisure and community facilities	6,335	2,372	7,855	4,533	2,210	4,120	2,501	4,597	4,164	2,690	2,847
Parks, open space and streetscapes	11,132	10,884	4,818	6,043	5,384	8,881	5,829	4,033	4,670	4,856	4,352
	47,292	39,150	41,977	41,187	38,964	37,101	31,325	30,752	41,751	30,977	40,333
	91,429	89,656	53,162	53,537	53,166	52,848	55,580	52,108	57,529	52,797	53,809
Renewal	30,653	26,592	23,808	25,369	25,422	17,203	15,932	16,269	26,576	17,352	27,309
New/expansion/upgrade	60,776	63,064	29,354	28,168	27,744	35,646	39,648	35,838	30,954	35,445	26,500
	91,429	89,656	53,162	53,537	53,166	52,848	55,580	52,108	57,529	52,797	53,809

3.6 STATEMENT OF HUMAN RESOURCES

STATEMENT OF HUMAN RESOURCES year ending 30 June	Forecast 2021 \$'000	Budget 21/22 \$'000	Budget 22/23 \$'000	Budget 23/24 \$'000	Budget 24/25 \$'000	Budget 25/26 \$'000	Budget 26/27 \$'000	Budget 27/28 \$'000	Budget 28/29 \$'000	Budget 29/30 \$'000	Budget 30/31 \$'000
Staff Expenditure											
Employee costs - operating	94,598	94,094	99,933	103,793	107,599	111,415	114,749	118,182	121,719	125,361	129,112
Employee costs - capital	0	0	0	0	0	0	0	0	0	0	0
Total staff expenditure	94,598	94,094	99,933	103,793	107,599	111,415	114,749	118,182	121,719	125,361	129,112
Staff numbers											
Employees	843.30	918.96	988.26	980.71	980.71	979.71	979.71	979.71	979.71	979.71	979.71
Total staff numbers	843.30	918.96	988.26	980.71	980.71	979.71	979.71	979.71	979.71	979.71	979.71

3.7 SUMMARY OF PLANNED HUMAN RESOURCES EXPENDITURE

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Employee Expenses										
Consolidated										
Permanent - Full time	54,909	57,275	59,910	61,968	64,096	66,019	67,999	70,039	72,141	74,305
Female	20,214	22,956	24,235	25,070	25,928	26,706	27,508	28,333	29,183	30,059
Male	30,894	33,977	35,675	36,898	38,167	39,312	40,492	41,707	42,958	44,247
Vacant	3,801	342	0	0	0	0	0	0	0	0
Permanent - Part time	17,869	18,496	19,135	19,795	20,471	21,085	21,718	22,369	23,041	23,732
Female	14,566	15,806	16,352	16,916	17,494	18,018	18,559	19,116	19,689	20,280
Male	1,917	2,690	2,783	2,879	2,978	3,067	3,159	3,254	3,351	3,452
Vacant	1,386	0	0	0	0	0	0	0	0	0
Casuals, temporary and other expenditure	21,316	24,163	24,748	25,835	26,848	27,645	28,465	29,310	30,180	31,076
Total Brimbank City Council	94,094	99,933	103,793	107,599	111,415	114,749	118,182	121,719	125,361	129,112
Office of the Chief Executive Officer										
Permanent - Full time	112	116	120	124	128	132	136	140	144	149
Female	112	116	120	124	128	132	136	140	144	149
Male	0	0	0	0	0	0	0	0	0	0
Vacant	0	0	0	0	0	0	0	0	0	0
Permanent - Part time	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0
Male	0	0	0	0	0	0	0	0	0	0
Vacant	0	0	0	0	0	0	0	0	0	0
Casuals, temporary and other expenditure	391	404	418	433	448	461	475	489	504	519
Total Office of the Chief Executive Officer	503	520	538	557	576	593	611	629	648	668
Organisational Excellence										
Permanent - Full time	5,195	5,343	5,519	5,710	5,909	6,086	6,269	6,457	6,651	6,850
Female	3,059	3,201	3,306	3,421	3,540	3,646	3,756	3,868	3,984	4,104
Male	2,030	2,142	2,212	2,289	2,369	2,440	2,513	2,589	2,666	2,746
Vacant	105	0	0	0	0	0	0	0	0	0
Permanent - Part time	380	391	404	418	433	446	459	473	487	502
Female	296	305	315	326	337	347	357	368	379	391
Male	84	87	90	93	96	99	102	105	108	111
Vacant	0	0	0	0	0	0	0	0	0	0
Casuals, temporary and other expenditure	2,740	2,346	2,255	2,326	2,400	2,463	2,528	2,595	2,663	2,733
Total Organisational Excellence	8,316	8,081	8,178	8,455	8,741	8,995	9,256	9,524	9,801	10,085
City Development Division										
Permanent - Full time	7,213	7,538	7,797	8,064	8,340	8,590	8,848	9,113	9,387	9,668
Female	3,350	3,757	3,885	4,018	4,156	4,281	4,409	4,541	4,677	4,818
Male	3,374	3,782	3,912	4,046	4,184	4,309	4,439	4,572	4,709	4,850
Vacant	489	0	0	0	0	0	0	0	0	0
Permanent - Part time	2,656	2,743	2,837	2,934	3,034	3,125	3,219	3,316	3,415	3,518
Female	2,460	2,541	2,628	2,718	2,811	2,895	2,982	3,071	3,164	3,258
Male	196	202	209	216	224	230	237	244	252	259
Vacant	0	0	0	0	0	0	0	0	0	0
Casuals, temporary and other expenditure	3,866	3,890	4,025	4,165	4,310	4,439	4,572	4,709	4,851	4,996
Total City Development Division	13,735	14,171	14,659	15,163	15,684	16,154	16,639	17,138	17,652	18,182
Community Wellbeing Division										
Permanent - Full time	12,457	12,923	13,370	13,832	14,304	14,733	15,175	15,630	16,099	16,582
Female	8,387	9,141	9,457	9,784	10,117	10,421	10,733	11,055	11,387	11,729
Male	3,231	3,782	3,913	4,048	4,186	4,312	4,441	4,575	4,712	4,853
Vacant	838	0	0	0	0	0	0	0	0	0
Permanent - Part time	12,369	12,818	13,261	13,720	14,188	14,613	15,052	15,503	15,968	16,447
Female	9,511	10,551	10,915	11,293	11,678	12,028	12,389	12,761	13,143	13,538
Male	1,541	2,268	2,346	2,427	2,510	2,585	2,663	2,743	2,825	2,910
Vacant	1,318	0	0	0	0	0	0	0	0	0
Casuals, temporary and other expenditure	7,993	11,095	11,307	11,932	12,347	12,718	13,099	13,492	13,897	14,314
Total Community Wellbeing Division	32,820	36,836	37,938	39,484	40,839	42,064	43,326	44,626	45,965	47,343
Advocacy, Partnerships & Community										
Permanent - Full time	4,955	5,237	5,416	5,602	5,794	5,967	6,147	6,331	6,521	6,716
Female	3,472	3,981	4,117	4,258	4,404	4,536	4,672	4,812	4,957	5,105
Male	834	1,256	1,299	1,344	1,390	1,431	1,474	1,519	1,564	1,611
Vacant	649	0	0	0	0	0	0	0	0	0
Permanent - Part time	1,567	1,617	1,673	1,730	1,789	1,843	1,898	1,955	2,014	2,074
Female	1,499	1,583	1,637	1,693	1,751	1,804	1,858	1,914	1,971	2,030
Male	0	34	35	36	38	39	40	41	42	44
Vacant	68	0	0	0	0	0	0	0	0	0
Casuals, temporary and other expenditure	2,114	2,064	2,136	2,210	2,287	2,356	2,427	2,500	2,575	2,652
Total Advocacy, Partnerships & Community	8,637	8,918	9,225	9,542	9,870	10,166	10,471	10,785	11,109	11,442
Infrastructure and City Services										
Permanent - Full time	24,977	26,118	27,688	28,635	29,622	30,510	31,426	32,368	33,339	34,340
Female	1,834	2,761	3,349	3,464	3,583	3,691	3,801	3,915	4,033	4,154
Male	21,424	23,015	24,339	25,171	26,039	26,820	27,624	28,453	29,307	30,186
Vacant	1,719	342	0	0	0	0	0	0	0	0
Permanent - Part time	896	926	960	993	1,027	1,058	1,090	1,122	1,156	1,191
Female	800	827	857	886	917	944	973	1,002	1,032	1,063
Male	96	100	103	107	110	114	117	121	124	128
Vacant	0	0	0	0	0	0	0	0	0	0
Casuals, temporary and other expenditure	4,211	4,363	4,607	4,770	5,056	5,208	5,364	5,525	5,691	5,861
Total Infrastructure and City Services	30,083	31,407	33,255	34,398	35,705	36,776	37,879	39,016	40,186	41,392
Total employee expenses	94,094	99,933	103,793	107,599	111,415	114,749	118,182	121,719	125,361	129,112

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
	FTE									
Staff FTE Numbers										
Consolidated										
Permanent - Full time	526.2	542.2								
Female	187.2	210.6	215.6	215.6	215.6	215.6	215.6	215.6	215.6	215.6
Male	298.3	321.6	326.6	326.6	326.6	326.6	326.6	326.6	326.6	326.6
Vacant	40.8	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	220.3	227.2								
Female	153.9	174.6	174.6	174.6	174.6	174.6	174.6	174.6	174.6	174.6
Male	32.0	52.6	52.6	52.6	52.6	52.6	52.6	52.6	52.6	52.6
Vacant	34.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals, temporary and other expenditure	172.4	218.8	211.2	211.2	210.2	210.2	210.2	210.2	210.2	210.2
Total Consolidated	919.0	988.3	980.7	980.7	979.7	979.7	979.7	979.7	979.7	979.7
Office of the Chief Executive Officer										
Permanent - Full time	1.0									
Female	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Male	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	0.0									
Female	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Male	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals, temporary and other expenditure	1.0									
Total Office of the Chief Executive Officer	2.0									
Organisational Excellence										
Permanent - Full time	44.2									
Female	27.2	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7	27.7
Male	16.0	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5	16.5
Vacant	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	3.8									
Female	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Male	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals, temporary and other expenditure	26.4	22.6	21.4							
Total Organisational Excellence	74.4	70.6	69.4							
City Development Division										
Permanent - Full time	66.0									
Female	32.0	34.5	34.5	34.5	34.5	34.5	34.5	34.5	34.5	34.5
Male	29.0	31.5	31.5	31.5	31.5	31.5	31.5	31.5	31.5	31.5
Vacant	5.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	34.0									
Female	32.1	32.1	32.1	32.1	32.1	32.1	32.1	32.1	32.1	32.1
Male	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8	1.8
Vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals, temporary and other expenditure	26.5									
Total City Development Division	126.4									
Community Wellbeing Division										
Permanent - Full time	118.4	124.4								
Female	78.0	86.1	86.1	86.1	86.1	86.1	86.1	86.1	86.1	86.1
Male	30.3	38.3	38.3	38.3	38.3	38.3	38.3	38.3	38.3	38.3
Vacant	10.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	158.9	165.8								
Female	96.8	117.1	117.1	117.1	117.1	117.1	117.1	117.1	117.1	117.1
Male	28.3	48.7	48.7	48.7	48.7	48.7	48.7	48.7	48.7	48.7
Vacant	33.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals, temporary and other expenditure	75.1	121.7	117.9							
Total Community Wellbeing Division	352.4	412.0	408.2							
Advocacy, Partnerships & Community										
Permanent - Full time	45.6									
Female	31.0	34.3	34.3	34.3	34.3	34.3	34.3	34.3	34.3	34.3
Male	8.0	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3	11.3
Vacant	6.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	15.5									
Female	14.9	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2	15.2
Male	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Vacant	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals, temporary and other expenditure	15.0									
Total Advocacy, Partnerships & Community	76.1									
Infrastructure and City Services										
Permanent - Full time	251.0	261.0								
Female	18.0	27.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0	32.0
Male	215.0	224.0	229.0	229.0	229.0	229.0	229.0	229.0	229.0	229.0
Vacant	18.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Permanent - Part time	8.2									
Female	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2	7.2
Male	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Vacant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Casuals, temporary and other expenditure	28.5	32.0	29.5	29.5	28.5	28.5	28.5	28.5	28.5	28.5
Total Infrastructure and City Services	287.7	301.2	298.7	298.7	297.7	297.7	297.7	297.7	297.7	297.7
Total staff FTE numbers	919.0	988.3	980.7	980.7	979.7	979.7	979.7	979.7	979.7	979.7

4 FINANCIAL PERFORMANCE INDICATORS

4.1 KEY FINANCIAL INDICATORS

The following table highlights Council's projected performance across a range of key performance indicators. These indicators provide an analysis of Councils' 10 year financial projections and should be interpreted in the context of the organisations objectives and financial management principles.

Key Financial Indicators	Forecast 20/21	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31
Expenditure level	2,731	2,757	2,941	2,951	3,015	3,075	3,113	3,172	3,232	3,287	3,344
Revenue level	1,153	1,180	1,192	1,207	1,222	1,237	1,252	1,268	1,284	1,300	1,316
Adjusted underlying Surplus/Deficit excluding non-recurrent grants, monetary and non-monetary contributions (\$'000)	(5,977)	(1,303)	(5,701)	429	(1,829)	(2,380)	(1,172)	(1,492)	(1,794)	(1,663)	(1,457)
Underlying Result (\$'000)	15,130	17,580	5	5,227	3,712	3,286	3,969	3,769	3,591	3,848	4,114
Cash Balances (\$'000)	70,211	49,549	46,160	40,170	42,780	22,799	21,393	19,990	17,527	16,101	13,663
Cash Flow From Operations (\$'000)	62,267	71,139	55,927	53,423	55,179	55,896	57,106	58,607	59,852	61,118	62,348
Total Borrowings (\$'000)	89,962	90,465	87,162	84,074	87,612	67,457	66,826	61,146	58,602	50,779	41,436
Capital Expenditure (\$'000)	91,429	89,656	53,162	53,537	53,166	52,848	55,580	52,108	57,529	52,797	53,809
Debt servicing ratio	0.85%	0.92%	0.99%	0.93%	0.97%	0.92%	0.66%	0.61%	0.60%	0.46%	0.34%
Debt commitment ratio	4.86%	6.89%	7.30%	6.17%	6.87%	18.11%	7.83%	7.87%	8.35%	8.12%	5.93%
Debt exposure	5.70%	5.58%	5.29%	5.02%	5.15%	3.90%	3.81%	3.43%	3.23%	2.76%	2.22%
Adjusted working capital ratio	235.98%	160.05%	146.78%	141.39%	102.40%	98.39%	93.55%	87.56%	81.88%	83.02%	83.88%
Adjusted underlying result	-2.87%	-0.60%	-2.49%	0.18%	-0.76%	-0.96%	-0.46%	-0.57%	-0.67%	-0.61%	-0.52%
Unrestricted cash	41.00%	22.59%	20.26%	7.96%	6.23%	-1.70%	-4.63%	-7.27%	-10.99%	-14.01%	-18.50%
Loans and borrowings(Debt compared to Rates)	54.88%	54.25%	51.09%	46.41%	47.39%	35.59%	34.38%	30.67%	28.67%	24.22%	19.27%
Rates concentration	78.77%	76.96%	74.63%	76.34%	76.41%	76.41%	76.44%	76.44%	76.44%	76.44%	76.44%
Rates effort	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Workforce turnover	16.65%	15.59%	15.13%	15.13%	15.13%	15.13%	15.13%	15.13%	15.13%	15.13%	15.13%

4.2 VAGO INDICATORS

Analysis within the FP will be based on the financial indicators that the Victorian Auditor General's Office (VAGO) uses to ensure Local Government remains financially sustainable. These indicators are as follows:

Underlying result

Council generates enough revenue to cover operating costs and depreciation

Liquidity

Council has sufficient working capital to meet short-term commitments

Self-financing

Council generates sufficient operating cash flows to invest in asset renewal and repay debt it may have incurred in the past

Indebtedness

Council is not overly reliant on debt to fund capital programs

Capital replacement

Council has been replacing assets at a rate consistent with their consumption

Renewal gap

Council has been maintaining existing assets at a consistent rate

Risk	Underlying Result	Liquidity	Self-financing	Indebtedness	Capital Replacement	Renewal Gap
Formula	Adjusted net surplus /total underlying revenue	Current assets /current liabilities	Net operating cash flows /underlying revenue	Non-current liabilities /own-source revenue	Capital expenditure /depreciation	Renewal expenditure /depreciation
High	Negative 10% or less	Equal to or less than 1.0	Less than 10%	More than 60%	Equal to or less than 1.0	Equal to or less than 0.5
Medium	Negative 10% to 0%	1.0 to 1.5	10% to 20%	40% to 60%	1.0 to 1.5	0.5 to 1.0

Risk	Underlying Result	Liquidity	Self-financing	Indebtedness	Capital Replacement	Renewal Gap
Low	More than 0%	More than 1.5	20% or more	40% or less	More than 1.5	More than 1.0

VAGO Financial Indicators	Forecast 20/21	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31
Underlying Result	-2.64%	-0.56%	-2.44%	0.18%	-0.74%	-0.94%	-0.45%	-0.56%	-0.66%	-0.60%	-0.51%
Liquidity Ratio	1.75	1.20	1.10	1.07	0.83	0.75	0.72	0.67	0.63	0.63	0.63
Self financing	27.53%	30.33%	23.98%	22.17%	22.40%	22.13%	22.11%	22.13%	22.04%	21.95%	21.84%
Indebtedness	41.50%	39.29%	38.24%	35.16%	26.95%	25.66%	24.67%	21.39%	19.84%	17.98%	15.99%
Capital Replacement	2.16	2.09	1.19	1.17	1.13	1.09	1.12	1.02	1.09	0.98	0.97
Renewal Gap	0.72	0.62	0.53	0.55	0.54	0.36	0.32	0.32	0.50	0.32	0.49

4.3 ANALYSIS OF FINANCIAL INDICATORS

For the financial year 2020/21, the Victorian State Government announced a rate increase of 2%. At the August 2020 Ordinary Council Meeting, Council adopted a 0% rate increase. The below table outlines the incremental annual income foregone and the cumulative income foregone over the term of the FP.

Year ending 30 June	Forecast 2021	Budget 21/22	Budget 22/23	Budget 23/24	Budget 24/25	Budget 25/26	Budget 26/27	Budget 27/28	Budget 28/29	Budget 29/30	Budget 30/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue											
Rates (as per 2021/22 Financial Plan)	130,956	133,642	136,983	140,750	144,621	148,598	152,685	156,883	161,198	165,631	170,186
Rates adjusted for 2% rate increase in 2020/21	133,575	136,246	139,652	143,493	147,439	151,494	155,660	159,940	164,339	168,858	173,501
Incremental Variance (representing rates foregone each year)	(2,619)	(2,604)	(2,669)	(2,742)	(2,818)	(2,895)	(2,975)	(3,057)	(3,141)	(3,227)	(3,316)
Cumulative Variance (representing accumulative rates foregone since FY2021)	(2,619)	(5,223)	(7,892)	(10,634)	(13,452)	(16,348)	(19,323)	(22,379)	(25,520)	(28,747)	(32,063)
<i>Budget 2021/22: General Rate's % Growth Assumption</i>		2.00%	2.50%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%	2.75%

- The accumulated income forgone due to a 0% increase in 2020/21 over the term of the FP is \$32M
- From the financial year 2024/25 the Liquidity Ratio is under 1 (0.83) due to the impact of 10 years of rate capping, the compounded impact of a zero rate increase for 2020/21, and the recognition of State Government Funding Vehicle principle loan repayment in 2025/26. Future Councils will need to review and assess the Liquidity Ratio and make decisions to address the risk level including, reducing services, revising capital expenditure or taking up additional borrowings considering Council's Indebtedness Risk Ratio trending low over the term of this Financial Plan.
- From 2024/25 the Liquidity Ratio enters the High Risk category, where current liquid assets do not cover current liabilities. From this point the liquidity risk increases each year from 0.83 in 2024/25 to 0.63 in 2030/31
- Our Loan Indebtedness Ratio is in the Low Risk category over the period of the 10 year financial plan
- Capital Expenditure is maintained at a reasonable level, greater than \$50 million over the period of the 10 year financial plan.

5 STRATEGIES AND PLANS

5.1 RATES AND CHARGES

5.1.1 Rate Capping

In 2015, the Victorian Government established the Fair Go Rates System resulting in the introduction in 2016/2017 of a rate cap, which limits the amount Councils can increase rates in a financial year.

The Minister for Local Government sets the average rate cap (ARC) based on the forecast change in the consumer price index (CPI) over the related financial year as published by the Department of Treasury and Finance (DTF) in December, plus or minus any adjustments. Councils can seek approval to raise an increase above this figure through a variation with the Essential Services Commission.

The *Local Government Act 1989* outlines that the rating system provides a "Reasonable degree of stability in the level of the rates burden", and that it is developed in a context of a public finance methodology, which includes principles of equity, benefit, efficiency and community resource allocation.

The Act requires Council to develop a Revenue and Rating Plan every four financial years that meets the above objectives.

On 21 December 2020, the Minister for Local Government, the Hon Shaun Leane MP, advised an annual rate for the 2021/22 financial year of 1.5 per cent. Councils can seek approval to raise an increase above this figure through a variation with the Essential Services Commission. Brimbank City Council has decided not to apply for a variation to the 2021/22 rate cap.

The forecast rate movements in total rate revenue over the next 10 years will be capped at the percentage increase consistent with CPI and the rate cap as announced by the Minister in December 2020.

Any unforeseen situations that may arise will be dealt with via the Annual Budget review.

5.1.2 Rating Structure

Council has developed a Revenue and Rating Plan to be formally adopted as part of the budget process. The Act provides a Council must adopt a Revenue and Rating Plan for a period of at least four financial years by the 30 June after a general election.

The Revenue and Rating Plan is a new requirement. It is for a 4-year 'block' period starting on 30 June in the year after each general election. It provides a medium-term plan for how Council will generate income to deliver on the Council Plan, program and services and capital works commitments over a 4-year period. It defines the revenue and rating 'envelope' within which Council propose to operate.

It incorporates the consideration of:

- How revenue will be generated through rates on properties (including differential rates on different property classes)
- Fixed service charges that apply on services such as waste or recycling
- Fees and charges for services and programs – including pricing policies
- Developer contributions and other revenue
- Revenue generated from use or allocation of Council assets (including the application of discounts and waivers)
- Recurrent and non-recurrent operational and capital grants from other levels of government.

Type of differentials and the rate multiplier:

Type of Property	Rate Multiplier
Residential	x1.17
Commercial/Industrial	x2.47
Farm Land	Lowest Rate
Residential Flats/Units	x1.17
Vacant Land	x2.44
Commercial/Industrial Vacant Land	x4.00
Retirement Village	x1.09
Culture Recreation Land	x1.25

When determining what valuation to use when calculating rates Council uses the Capital Improved Value. Council is provided property valuations by the Valuer-General annually as required by the *Valuation of Land Act 1960*. These ensure the value we place on each property is up-to-date and reflects its current market value.

5.1.3 Rates and Charges

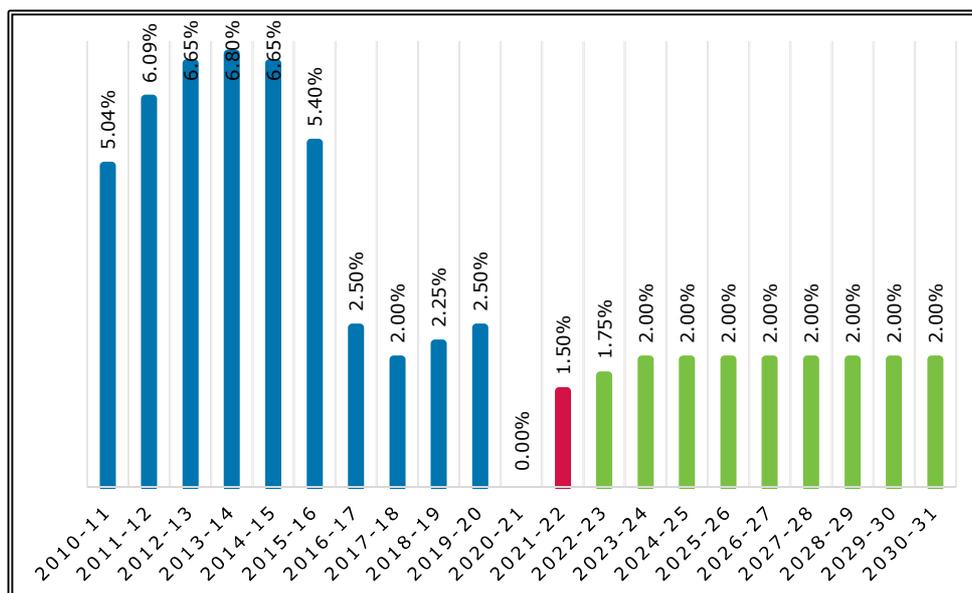
Rates and Charges revenue is an integral part of the Council’s revenue base, the value of which is determined through Council’s desire to achieve the strategies articulated in its various adopted Plans.

General Rates and Charges currently comprise approximately 75% of total operating revenue, and this is projected to remain constant throughout the plan period; however it would be desirable to reduce this strong dependence on rate income.

Rate increases in the FP are projected at the percentage increase consistent with CPI and the rate cap as announced by the Minister in December 2020 which currently is 1.5 per cent.

There are no projections that Council will apply for a variation to the rate cap at this stage, however, if Council decides to proceed with projects that are outside the FP then a variation to the rate cap will need to be considered as a potential funding source.

The graph below provides details of rates revenue increases from 2010/11 to 2021/22 and proposed rates and charges revenue increases for the next 10 years.



5.1.4 Municipal Charge

The Municipal Charge, raised in accordance with Section 159 of the *Local Government Act 1989*, is applied to each rateable property to allow Council to recover part of its administrative cost.

Legislation requires that this amount cannot exceed 20% of the total rates raised (including rates and municipal charge).

In 2021/22 the Council municipal charge is anticipated to be at 4.58% of total rates revenue.

Administrative costs including finance, asset management, information systems, corporate records, human resources and governance will be supported by this income.

5.1.5 Public Amenities Cleansing Levy

The Waste Management Levy applies to all rateable occupancies to ensure that all rateable occupancies fairly contribute to the cost of street sweeping, waste and rubbish collection and disposal from public places.

5.1.6 Environmental Service Charge

Environmental Service Charges directly funds the collection and disposal of household waste and recyclables. All residential, residential flats/units and retirement village units will incur a 140 litre Environmental Charge for the provision of a domestic garbage bin and recycling service, including non-rateable occupancies. Residents may request an 80 litre domestic garbage bin to replace this service with Environmental Charges to be adjusted from the date that the bins are replaced.

5.1.7 Green Waste Service Charge

The Green Waste Service Charges are available to all residential, residential flat/unit and retirement village units and directly funds the collection and disposal of green waste. Residents may request a 140 litre or 240 litre Green Waste bins.

5.1.8 Budgeted Service Charges

The budgeted charges for 2021/22 are as follows:

*No Longer available/existing clients only

Service Charge Type	Rate (\$)
Public Amenities Cleansing Levy	87.60
80 Litre Environmental Charge	188.07
140 Litre Environmental Charge	304.30
240 Litre Environmental Charge *	546.30
140 Litre Green Waste Charge	95.24
240 Litre Green Waste Charge	104.64

5.1.9 Pensioner Rebate

Brimbank's rating structure also provides a pensioner rebate of \$25.00. Details of the current number of estimated growth and the forecast pensioner rebate are detailed in the following table.

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Residential Properties	70,326	70,624	71,021	71,420	71,822	72,226	72,632	73,041	73,451	73,864
Properties Rebated (%)	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%

	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
Concessions	16,175	16,244	16,335	16,427	16,519	16,612	16,705	16,799	16,894	16,989
Cost to Council (\$)	404,375	406,088	408,371	410,665	412,977	415,300	417,634	419,986	422,343	424,718

5.2 BORROWING STRATEGY

In developing the FP, borrowings were identified as an important source for the capital works program, and the cost of infrastructure should not be borne entirely by present ratepayers but be contributed to by future generations that will also derive a benefit.

The FP has made provision for new borrowings over the next 10 years and a provision has been made to refinance part of our existing borrowings as they come due.

5.2.1 Borrowing Assessment

The use of loan borrowings as a funding source for the budget and FP warrants careful consideration and is best applied within a financial strategy framework where the use of loan borrowings is governed by a set of principles which are further reinforced by a set of financial ratios which ensure that debt levels are retained within manageable levels.

Prior to undertaking any borrowings, Council needs to assess its repayment capacity so that the community is not burdened with unnecessary risk.

The basis for determining the utilisation of loan borrowings is as follows:

- Renewal, replacement or new infrastructure to meet specific needs agreed to by the Council
- Meet the Brimbank Council Plan strategic objectives
- All loan borrowings are able to be adequately serviced over the life of the loan
- The term of any loan will not exceed the expected life of the asset being funded
- All loan borrowings will be in accordance with Section 101 of the Act;
- Growth rate in the municipality or changing demographics;
- In determining the amount of loan borrowings, Council will also consider any financial effects placed upon future generations
- Generate financial return to meet repayments.

5.2.2 Current Debt Position

The total amount borrowed as at 30 June 2021 is \$89.96 million.

5.2.3 Future Borrowing Requirements

The following table provides details of debt over the life of the FP.

Year	Refinancing / New \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
21/22	10,000	9,497	2,384	90,464
22/23	7,000	10,303	2,313	87,162
23/24	6,000	9,088	2,240	84,074
24/25	14,000	10,462	2,401	87,612

Year	Refinancing / New \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
25/26	12,000	32,155	2,324	67,457
26/27	13,000	13,631	1,705	66,826
27/28	8,500	14,180	1,618	61,146
28/29	13,000	15,544	1,634	58,602
29/30	8,000	15,823	1,290	50,779
30/31	2,500	11,843	976	41,436

Future borrowings can be considered to fund the increasing capital works program of which the cost would be borne across current and future generations.

The following ratios are to be used in determining the amount of borrowings.

Ratio	Indicator	Threshold
Debt servicing ratio	Debt servicing cost to total revenue	5%
Debt commitment ratio	Debt servicing cost and redemption cost to rate revenue	10%
Debt exposure ratio	Total indebtedness to total realisable assets	40%
Indebtedness ratio	Net operating cash flows to underlying revenue (Council is not overly reliant on debt to fund capital programs)	40%

Debt servicing ratio

Debt servicing cost/total revenue

This ratio expresses the amount of interest paid as a percentage of Council's total revenue.

Debt commitment ratio

Debt servicing cost and redemption cost/rate revenue

This ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

Debt exposure ratio

Total indebtedness/total realisable assets

This ratio enables assessment of Council's solvency and exposure to debt. The total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the percentage of total liabilities for each dollar of realisable assets.

Indebtedness ratio

Non-current liabilities/underlying revenue

This ratio provides comparison of non-current liabilities (mainly loans) to own source revenue. The higher the percentage, the less able to cover non-current liabilities from the revenues Council generates itself.

Refer to Section 4 for details of the loan borrowing financial indicators.

5.3 RESERVES STRATEGY

5.3.1 Current Reserves

5.3.1.1 Public Open Space Fund Reserve

This reserve services funds from developer contributions collected through Council's planning scheme. The funds held in the reserve will be utilised through infrastructure works for the identified purpose.

5.3.1.2 Developer Contributions Plan – Brimbank and Sunshine Reserve

This reserve is set up to cater for contributions from developers within the municipality.

5.3.1.3 Asset Revaluation

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards, AASB 13 Fair Value Measurement. Where assets are revalued, the revaluation increments are credited directly to the Asset Revaluation Reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense.

5.3.1.4 Loan Repayment

At the Ordinary Council Meeting on 27 May 2014, Council resolved to participate in the Municipal Association of Victoria Debt Procurement Project for interest only debt. In order to repay the principal at maturity date Council has established a loan repayment reserve for interest only debt. There will be allocations of set amounts of funds each year to this reserve.

5.3.1.5 Major Capital Works Projects

This reserve has been opened to provide a source of funding for major capital works projects.

5.3.2 Reserve Usage Projections

The following table outlines the 10 year projection of each reserve fund.

Restricted Reserves	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Public Open Space											
Opening balance	2,093	2,093	2,093	2,126	2,165	2,204	2,244	2,285	2,326	2,369	2,412
Transfer to reserve	1,890	1,890	1,923	1,962	2,001	2,041	2,082	2,123	2,166	2,209	2,253
Transfer from reserve	(1,890)	(1,890)	(1,890)	(1,923)	(1,962)	(2,001)	(2,041)	(2,082)	(2,123)	(2,166)	(2,209)
Closing balance	2,093	2,093	2,126	2,165	2,204	2,244	2,285	2,326	2,369	2,412	2,456
Development Contributions											
Opening balance	1,690	2,070	1,750	1,765	1,782	1,800	1,818	1,837	1,856	1,875	1,895
Transfer to reserve	1,180	860	875	893	910	929	947	966	985	1,005	1,025
Transfer from reserve	(800)	(1,180)	(860)	(875)	(893)	(910)	(929)	(947)	(966)	(985)	(1,005)
Closing balance	2,070	1,750	1,765	1,782	1,800	1,818	1,837	1,856	1,875	1,895	1,915
Restricted Reserves Summary											
Opening balance	3,783	4,163	3,843	3,891	3,947	4,004	4,062	4,122	4,182	4,244	4,307
Transfer to reserve	3,070	2,750	2,798	2,854	2,911	2,969	3,029	3,089	3,151	3,214	3,278
Transfer from reserve	(2,690)	(3,070)	(2,750)	(2,798)	(2,854)	(2,911)	(2,969)	(3,029)	(3,089)	(3,151)	(3,214)
Closing balance restricted	4,163	3,843	3,891	3,947	4,004	4,062	4,122	4,182	4,244	4,307	4,371
Discretionary Reserves											
	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
	\$000's										
Asset Revaluation											
Opening balance	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908
Transfer to reserve	0	0	0	0	0	0	0	0	0	0	0
Transfer from reserve	0	0	0	0	0	0	0	0	0	0	0
Closing balance	1,295,908										
Loan Repayment											
Opening balance	5,600	8,500	9,800	11,100	12,400	13,700	0	0	0	0	0
Transfer to reserve	2,900	1,300	1,300	1,300	1,300	1,300	0	0	0	0	0
Transfer from reserve	0	0	0	0	0	(15,000)	0	0	0	0	0
Closing balance	8,500	9,800	11,100	12,400	13,700	0	0	0	0	0	0
Major Capital Works Project											
Opening balance	8,547	9,547	4,774	0	0	0	0	0	0	0	0
Transfer to reserve	1,000	0	0	0	0	0	0	0	0	0	0
Transfer from reserve	0	(4,774)	(4,774)	0	0	0	0	0	0	0	0
Closing balance	9,547	4,774	0								
Discretionary Reserves Summary											
Opening balance	1,310,055	1,313,955	1,310,482	1,307,008	1,308,308	1,309,608	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908
Transfer to reserve	3,900	1,300	1,300	1,300	1,300	1,300	0	0	0	0	0
Transfer from reserve	0	(4,774)	(4,774)	0	0	(15,000)	0	0	0	0	0
Closing balance discretionary	1,313,955	1,310,482	1,307,008	1,308,308	1,309,608	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908	1,295,908
Reserves Summary											
Opening balance	1,313,838	1,318,118	1,314,324	1,310,899	1,312,255	1,313,612	1,299,970	1,300,030	1,300,090	1,300,152	1,300,215
Transfer to reserve	6,970	4,050	4,098	4,154	4,211	4,269	3,029	3,089	3,151	3,214	3,278
Transfer from reserve	(2,690)	(7,844)	(7,524)	(2,798)	(2,854)	(17,911)	(2,969)	(3,029)	(3,089)	(3,151)	(3,214)
Closing balance reserves	1,318,118	1,314,324	1,310,899	1,312,255	1,313,612	1,299,970	1,300,030	1,300,090	1,300,152	1,300,215	1,300,279

5.4 ASSET MANAGEMENT

Management of Council's infrastructure assets is an essential component of Council's FP as it provides an indicator of the necessary financial commitment required to adequately sustain Council's asset base to an agreed standard over the long term.

This level of investment goes towards the day to day maintenance and operations of the assets as well as large scale capital investments such as building new assets and replacing old ones.

5.4.1 Infrastructure Assets

Council has an estimated net book value of \$2.3 billion of infrastructure assets which have built up progressively over the last 50-60 years. Some of these assets are approaching the end of their useful life and will need considerable capital investment to ensure their continued service.

The following table provides details of Council's infrastructure assets and their net book values as at 30 June 2020.

Asset Category	Current Net Book Value \$'000	Percentage of Total Value %
Buildings	181,667	7.66%
Land	731,844	30.87%
Bridges and culverts	22,437	0.95%
Drains	257,515	10.86%
Footpaths & Cycle ways	123,023	5.19%
Roads	926,138	39.06%
Sport facilities	51,070	2.15%
Park Open Space/Playground equipment	51,320	2.16%
Computers and Telecoms	647	0.03%
Plant, machinery and equipment	14,804	0.62%
Artworks	1001	0.04%
Furniture & fittings	2,042	0.09%
Heritage assets	242	0.01%
Library	3,222	0.14%
Leased assets	4,111	0.17%
Total	2,371,083	100.00%

The specific details of these major asset categories are:

Description	Details	Inventory
Buildings	Complete inventory listing of Council owned buildings, including community centres, childcare centres, municipal offices, libraries, leisure centres, pavilions, public toilets, sheds, gazebos and animal pounds.	414 units
Council owned land	Complete inventory listing in hectares of council owned land including access ways, vacant land, parks and reserves.	2,411 ha
Bridges and culverts	Complete inventory listing of Council owned bridges and major culverts. Some of these assets may have a shared responsibility with other relevant authorities.	54 units
Drainage pipes	Complete inventory listing in kilometers of Council owned drainage pipes.	1,229 km
Drainage pits	Complete inventory listing in units of Council owned drainage pits including all GPT's and litter baskets.	43,430 units
Footpaths	Complete inventory listing in kilometres of Council owned footpath assets.	1,551 km

Description	Details	Inventory
Roads	Complete inventory listing in kilometers of Council owned road pavement including all surface pavement types, sealed and unsealed roads.	907 km

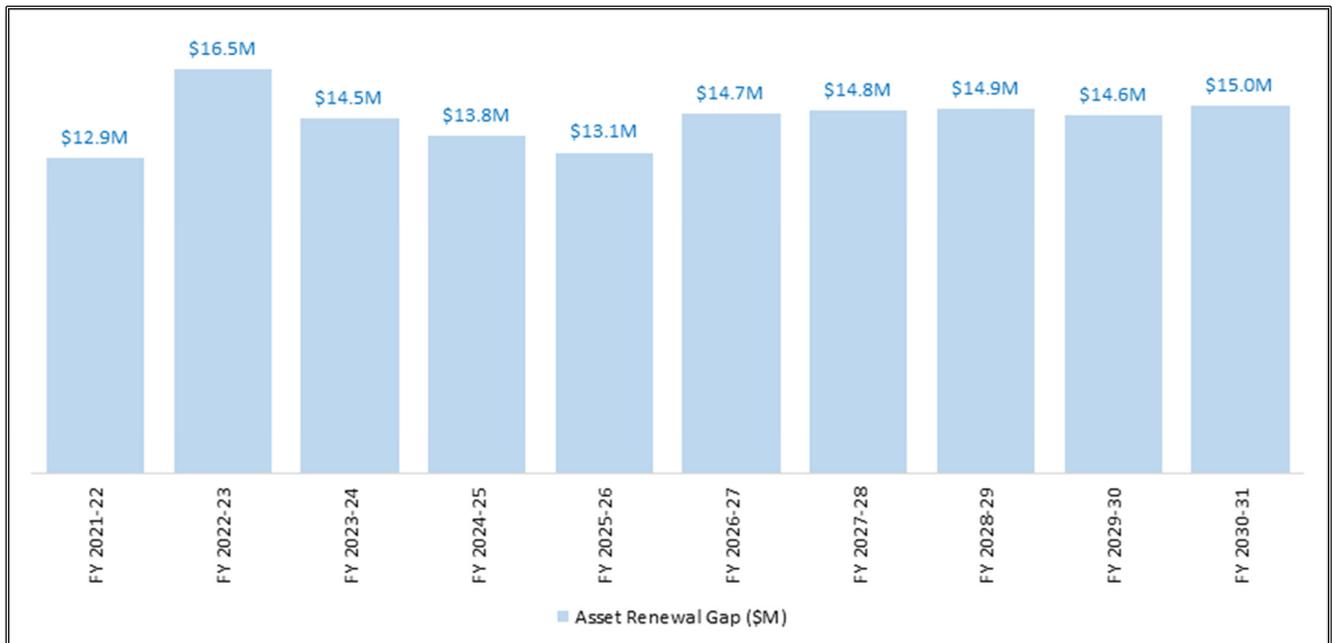
5.4.2 Renewal Gap

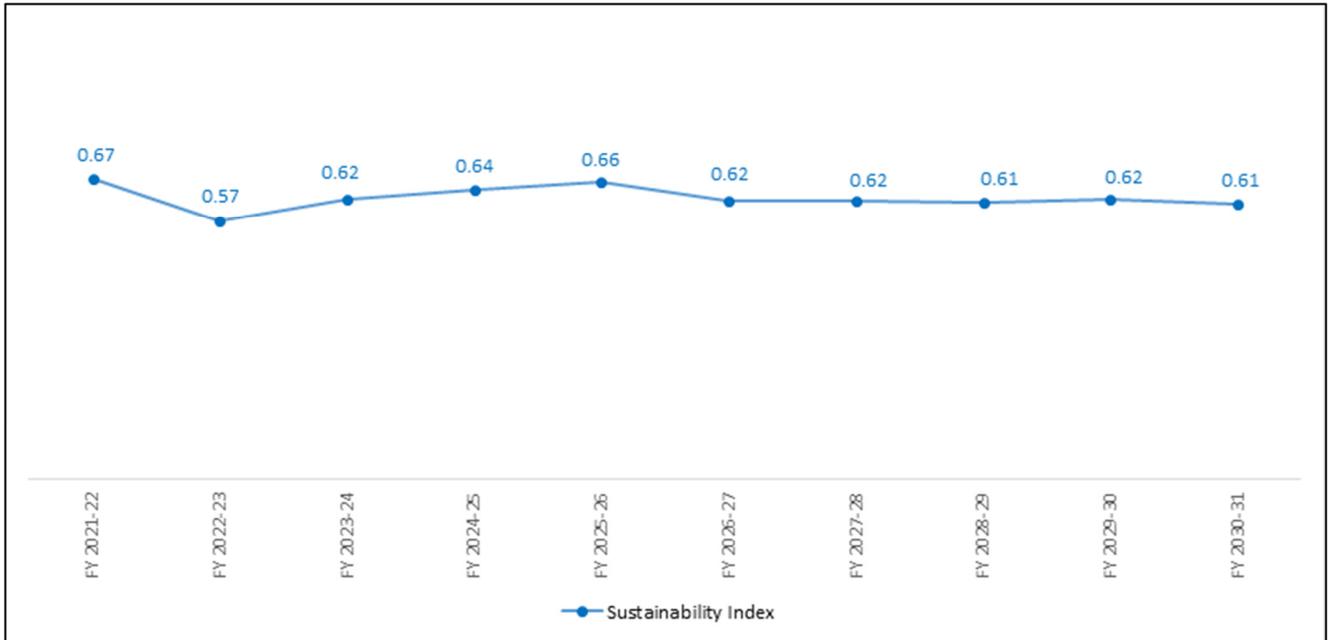
Over the life of the FP, Council is responsible for community infrastructure replacement which is valued at approximately \$2 billion. Funding to adequately maintain and renew ageing infrastructure is estimated to have an annual shortfall of \$8.5 million. Details are as follows:

Asset Group	Infrastructure Gap (estimated average) \$'000
Roads, Kerb & Channel and Footpaths	\$185
Facilities	\$2,000
Open Space	\$2,050
Drainage	\$4,300

Asset renewal gap (renewal gap) is the estimated funding shortfall in meeting the need to renew assets over time. This gap exists due to Council's inability to fund asset replacement when assets reach the end of their service life.

Preliminary details of the renewal gap are as follows, including upgrades but excluding carried forward works from previous periods:





5.5 SERVICE PROVISION AND PLANNING

Council’s budgets over the last few years reflected a strong focus on improving the amenity, liveability, social connectedness and governance of the municipality, both practical and strategic. Past budgets have invested significantly in accelerating these outcomes and have successfully established all services on the ground.

Council has also made significant advances in the planning and delivery of district based community facilities, creating a network of public infrastructure, community facilities and services that deliver on the district based approach.

5.5.1 Operating Expenditure/Revenue

The 2021/22 budgeted operating expenses and revenue budget are \$217.7 million and \$235.6 million respectively. Council’s provision of services includes:

- Children, youth and family services;
- Leisure, cultural and community strengthening;
- Library services;
- Roads, footpaths, drains and building maintenance;
- Parks and open space;
- Waste and recycling;
- Environmental health and immunisation;
- Planning and building services;
- Community regulations; and
- Ageing and inclusion.

5.6 GROWTH OF COUNCIL

5.6.1 Population

The population forecasts indicate that the population will increase over the next 10 years. The salient statistics are:

- The population of Brimbank will be 211,938 in 2021;
- It will increase by 7,040 to 218,978 by 2026; and
- It will increase by a further 4,613 to 223,591 by 2031.

The total population increase for the period 2021 to 2031 is expected to be 11,653.

Figures 1 and 2 below show the changes in the service age groups every five years. The major changes are:

- An increase in the number of residents in the 5 to 14 years age group between 2016 to 2026 of 2,332.
- An increase in the number of residents in the 35 to 49 years age group between 2016 to 2026 of 1,980 and in 2026 to 2041 of 2,046.
- An increase in the number of residents in the 70 to 84 years age group between 2016 to 2026 of 6,291 and in 2026 to 2041 of 2,944.

Figure 1. Number of residents in each age group at 2016, 2026 and 2041.

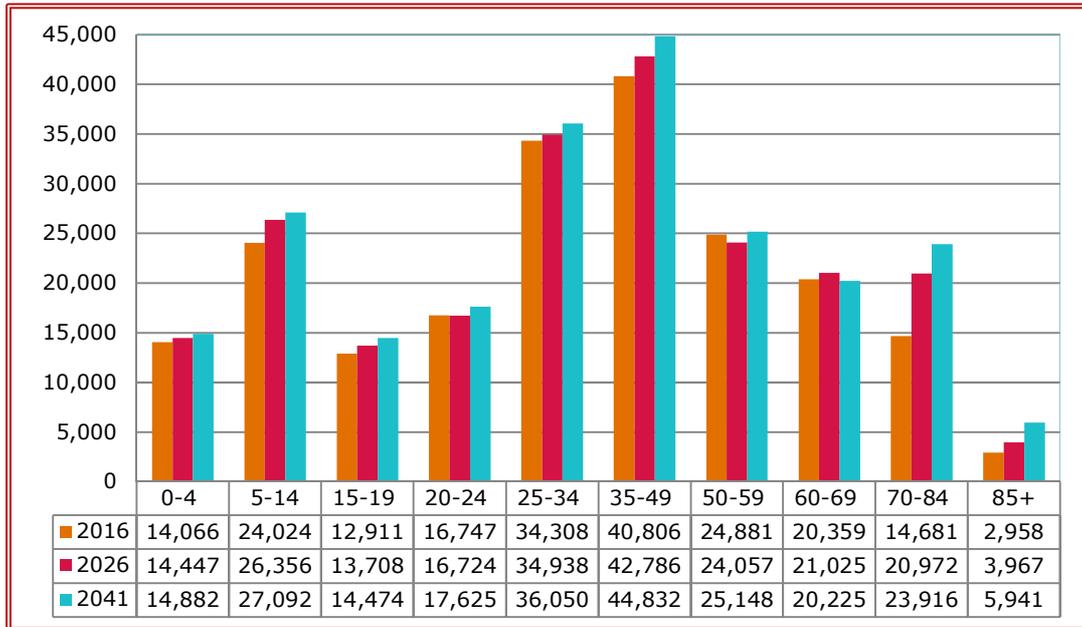
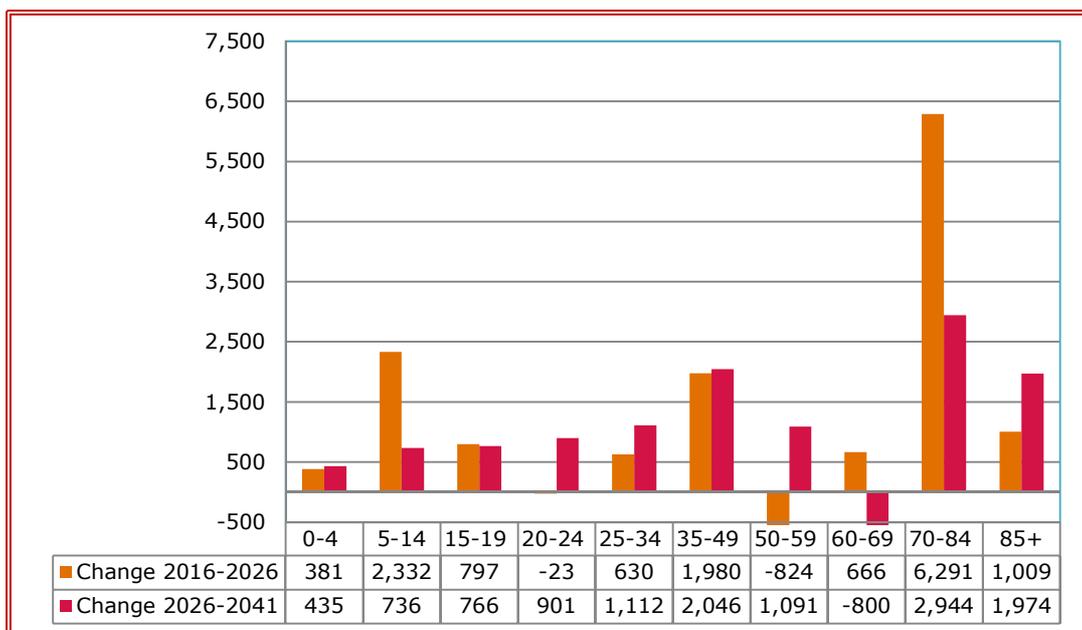


Figure 2. Change on number of residents in each service age group every five years.



(Data exported from the .id Consulting website <http://forecast.id.com.au/brimbank> on 4 March 2021).

5.6.2 Private Dwellings

The below outlines the forecasted increase in private dwellings from 2021 to 2031.

Year	Structural private dwellings at end of year
2021	73,519
2026	77,056
2031	79,692

(Data exported from the .id Consulting website <http://forecast.id.com.au/brimbank> on 4 March 2021).

Based on the forecast population growth being relatively stable and changing demographics, it is assumed that the range of service delivery will change over the life of the FP and will operate within Council's current operating expenditure. Overall, the growth will be serviced in line with Council's continuous improvement, innovation and efficiency. The service level will be reviewed annually through the annual budget process.

Population changes and household formation rates in Brimbank may change, particularly due to external factors including migration rates and economic conditions. The take-up of new forms of higher density housing may also increase over the period of the FP. The population forecasts applied as part of the FP will be regularly reviewed, along with building construction data and other measures of population change.

The process of urban renewal in Brimbank will see a progressive changeover of some former industrial land to residential, commercial or mixed-uses. Following environmental investigations and the rezoning process, the redevelopment of these 'brownfield' sites will result in a change of land uses and the subdivision of land. Areas in Deer Park, St Albans and Sunshine are likely to be the focus for this change.

5.6.3 COVID-19

The COVID-19 pandemic is the most serious and pressing public health, social and economic issue facing the local community.

The following Brimbank COVID-19 population growth impact assessment from Forecast.id (<https://forecast.id.com.au/brimbank/forecast-covid19-impact> 5/3/21) is based on analysing a range of variables at a local level that include:

- Migration – who will move into an area as well as who is leaving the area
- Natural increase – impacts on the forecast numbers of deaths or births
- Economic resilience – availability of jobs
- Resident vulnerability – unmet social and economic needs
- Local amenity – factors that make an area a more enjoyable place to live.

Brimbank already experiences a number of social-economic issues across the community and is particularly vulnerable to both the health and economic effects of an ongoing and prolonged COVID-19 crises.

5.6.3.1 Migration

Net migration explains who will move into an area as well as who is leaving the area. It is therefore an excellent way of understanding housing markets and how the role and function of an area may be affected by COVID-19. Changes to migration may disproportionately affect industries such as the education sector due to their reliance on overseas migration.

Description	City of Brimbank	Greater Melbourne	Potential impact
Overseas migration			
Share of residents born overseas	47.8%	33.8%	Negative impact
Overseas migration share of total net migration (2011 to 2016)	957.0%	95.7%	Negative impact
Interstate migration			
Interstate migration share of total net migration (2011 to 2016)	3.8%	9.7%	Negligible impact
Intrastate migration			
Intrastate migration share of total net migration (2011 to 2016)	-860.8%	-5.4%	Negative impact
International student impacts			
Residents attending university	5.3%	6.4%	Some negative impact
Residents attending TAFE	1.9%	1.8%	Negligible impact

5.6.3.2 Natural Increase

The size of the population increases through births and decline through deaths. The number of forecast births is an indication of the exposure the community has to changes to the fertility rate. The share of residents aged 70+ years provides an indication of the exposure the community has to changes to the mortality rate due to COVID-19.

Description	City of Brimbank	Greater Melbourne	Potential impact
Natural increase			
Natural increase share of forecast population growth (2020 to 2024)	145.0%	65.6%	Negligible impact
Mortality			
Share of residents aged 70+ years (2020)	9.7%	9.8%	Some exposure

5.6.3.3 Economic Vulnerability

Economic vulnerability is an indicator of the degree to which COVID-19 may negatively impact the employment prospects of local residents. Communities with high gross regional product decline and/or high levels of local jobs declining are more likely to experience lower levels of population growth. Additionally, economies with scale and diversification may be more likely to retain, and/or attract residents relative to other areas.

Description	City of Brimbank	Greater Melbourne	Potential impact
Economic output			
Gross regional product change	-14.0%	-13.3%	Some negative impact
Local job impacts			
Local job change	-4.1%	-8.9%	Some negative impact
Local job change (including JobKeeper recipients)	-12.8%	-14.7%	Some negative impact
Employed resident impacts			
Employed resident change	-10.3%	-8.9%	Negative impact
Employed resident change (including JobKeeper recipients)	-17.4%	-14.8%	Negative impact
Share of residents who work in LGA	27.2%	-	-

Note: Impacts refer to September Quarter 2020 compared to September Quarter 2019

5.6.3.4 Resident Vulnerability

This indicator identifies communities with a high proportion of residents who have unmet social and economic needs (housing, income, education etc.) Due to COVID-19, these communities, particularly those with a younger, more mobile population, are expected to experience a greater change in how or where residents live (i.e. younger residents moving back home with their parents, formation of group households to share costs or leaving the area in search of employment opportunities elsewhere).

Description	City of Brimbank	Greater Melbourne	Potential impact
Socioeconomic vulnerability			
SEIFA Rank (Disadvantage)	921	1,021	Negative impact
Disengaged youth of 15-24 year olds	10.3%	7.5%	Some negative impact
Share of low income households	19.8%	16.7%	Some negative impact
Housing vulnerability			

Description	City of Brimbank	Greater Melbourne	Potential impact
Share of households under housing stress	13.6%	11.7%	Some negative impact
Mortgage vulnerability			
Share of households owned with mortgage	32.6%	34.3%	Some exposure
Share of households under mortgage stress	17.5%	11.2%	Negative impact
Rental vulnerability			
Share of households privately rented	22.1%	25.8%	Some exposure
Share of households under rental stress	31.6%	27.4%	Some negative impact
Residential mobility			
Share population of 18-39 year olds	33.5%	33.6%	Some exposure

5.6.3.5 Local Amenity

Local amenity considers the amenity a region provides its residents, with a particular focus on access to affordable housing and access to lifestyle opportunities. It is an indicator of the livability of an area, in the context of COVID-19.

Description	City of Brimbank	Greater Melbourne	Potential impact
Housing Affordability			
Housing Median Value	\$660,000	\$812,000	Some positive impact
Unit Median Value	\$439,000	\$552,000	Positive impact

Brimbank City Council

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