Annual Report
2025–2026



knox

Knox City Council

Acknowledgement of traditional land owners

Yana djerring ba ngarrnga djerring* – Walking together and listening

Knox City Council acknowledges the Wurundjeri Woi-wurrung people and Bunurong people of the Kulin Nation as Traditional Custodians of the land in Knox. The Knox Aboriginal and Torres Strait Islander communities come from a variety of different nations within Australia including the Torres Strait, the Traditional Custodians and Stolen Generation. As such, we pay respect to all Aboriginal and Torres Strait Islander Elders, past and present, who have resided in the area and have been an integral part of the region's histories.

Located at the foot of the Dandenong Ranges, Knox has many places of historic significance to the Kulin Nation. Important cultural and historical sites within Knox hold both the traditional knowledge of First Nations peoples and the traumatic stories of colonisation. Reconciliation and truth telling are inseparable when healing and relationships are the goal. Deep listening to the stories of the Dreaming, cultures, histories and the impact of colonisation on First Peoples and Country is the first step in understanding, respect, relationships and healing.

The journey ahead for Knox involves the land, the Traditional Custodians, the local First Peoples communities, and the wider community. Walking together and listening together to create a culturally safe and culturally rich community for all.

*Woi-wurrung language used with permission of Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation

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Our 10-year community vision

Knox: where we connect with our people and our environment, ensuring they are safe, supported and have every opportunity to thrive.



Who we are

The municipality of Knox is approximately 25 kilometres from the Melbourne central business district. It covers an area of 113.84 square kilometres and consists of the suburbs of Bayswater, Boronia, Ferntree Gully, Knoxfield, Lysterfield, Rowville, Sassafras, Scoresby, The Basin, Upper Ferntree Gully, Wantirna and Wantirna South.

163,820
people call Knox home

29.4%
of working residents are employed in Knox



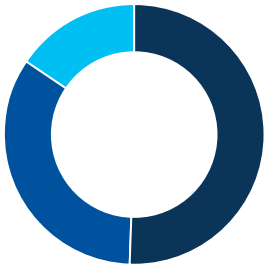
40 is the median age of residents

0–14	17%	40–54	20%
15–24	12%	55–64	13%
25–39	20%	65+	18%



33% of residents were born overseas

China	5.3%	Malaysia	2.5%
United Kingdom	3.8%	Sri Lanka	2.4%
India	3.2%		



We have a mix of family compositions

Couple family with children	37.1%
Couple family without children	25.0%
One-parent family	11.2%

Fast facts about our services in 2025–2026



128,643
online service requests



14,687
visits to Customer Service Centre



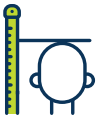
85,450
telephone calls received, with 84% resolved at the first point of contact



36,140
hard waste bookings



4,325
children provided with MCH services



1,352
four-week key age and stage visits



5,093
infants and children immunised



14,745
participants in Youth Services events and programs



38,969
meals delivered



382,115
visits to aquatic facilities



1,028
animal management requests



946,246
physical library items loaned

Fast facts about our services in 2025–2026



694,557
digital library items loaned



903
planning applications received



10,603
community transport trips made



2,372
trees planted



1,251kms
of footpaths maintained



40,189
drainage pits maintained



280
playgrounds and outdoor equipment



732kms
of local roads maintained



64
sportsgrounds and major reserves maintained



351
Council-owned buildings maintained



19,117m²
of graffiti removed from Knox City Council's assets

The year in review

In 2025-26, we began implementing our new Council and Health and Wellbeing Plan 2025-2029, shaped by the voices of more than 1,100 community members.

This plan sets out our shared priorities for the next four years and ensures that everything we do continues to reflect what matters most to our community. This year we have worked to deliver on the priorities identified by our community, while responding to the ongoing challenges facing our sector, including rising costs, increasing service demand and the continuing impact of rate capping. While the operating environment has remained challenging, Council has continued to deliver essential services and invest in the infrastructure our community relies on.

This year's Budget invested more than $115.26 million in services and facilities, alongside a capital works program of nearly $48.65 million. Key investments included upgrades to local roads, footpaths and cycling networks, improvements to sporting and community facilities, and renewal works across parks, playgrounds and drainage infrastructure. Works progressed across the municipality to improve access to community spaces and enhance the quality and reliability of local infrastructure. Through these projects, we are continuing to build a city that supports active living, strengthens community connection and meets the needs of a growing and changing population.

Across the year, Council continued to deliver a broad range of services supporting residents at all stages of life. This included delivery of the biennial Youth Summit, providing an opportunity for young people aged 12 to 18 years to share their views on issues that matter most to them. Participants discussed a range of priority topics, including life skills and education, outdoor and recreational opportunities, and how Council can best communicate and engage with young people. Insights gathered through the Summit will inform the planning and delivery of Youth Services over the next 18 months, ensuring our programs and initiatives continue to respond to the needs and aspirations of local young people.

Throughout the year, Council delivered a range of programs designed to strengthen connections between people of different ages across the community. These initiatives brought together residents to participate in intergenerational playgroups, technology support programs, life skills workshops and sewing sessions that encouraged the sharing of knowledge, skills and experiences. By creating opportunities for meaningful interaction between generations, these programs helped foster social inclusion, build community connections and challenge age-related stereotypes. Through these activities, Council continues to support greater understanding between age groups and contribute to reducing ageism within the community.

Responding to climate change continues to be a key Council priority. This year we delivered efficiency upgrades to lighting and air conditioning at the Knox Civic Centre, lighting replacement at several outdoor car parks including Wally Tew Reserve and Pickett Reserve, the installation of pool blankets to the 50m Pool at Knox Leisureworks, and lighting upgrades to Knoxfield Pickleball and Tennis Club. We are progressively replacing our fleet vehicles with zero/low emission electric and hybrid vehicles.

Council finalised and endorsed the Domestic Animal Management Plan 2026-2029, which outlines Council's approach to managing dogs and cats across the municipality over the next four years and provides a framework for promoting responsible



Cr Paige Kennett
Mayor



Bruce Dobson
Chief Executive Officer

pet ownership and addressing issues associated with domestic animals within the community. The Plan will see Council deliver animal management activities through a combination of education, community engagement, service provision, capacity building, regulation and enforcement, which will help to balance the needs of pet owners, the wider community and the environment.

During the year, we developed and launched a Continuous Improvement Framework to improve customer experience, staff experience and operational efficiency. The framework provides a consistent and structured approach to identifying, prioritising and implementing improvements across the organisation, supporting better outcomes for our community and creating a culture of ongoing learning and innovation.

Increasing the supply of social and affordable housing remains a key priority for Council. During 2025-26, Council officers continued to work with the Department of Families, Fairness and Housing to support older residents in accessing affordable housing options. In response to the growing number of people experiencing visible homelessness across the municipality, Council submitted targeted advocacy to the Minister for Housing, seeking state government funding for homelessness outreach services in Knox following the identification of a local service funding gap. The State government announced additional investment in homelessness and housing support services. While service providers in Knox have not specifically received additional funding, this investment is welcomed news.

Promoting gender equality and fostering an inclusive community remained a priority for Council throughout 2025-26. Council delivered a range of initiatives to celebrate the achievements of women and advance gender equality, including International Women's Day events and activities for the 16 Days of Activism Against Gender-Based Violence campaign. Delivered in partnership with community organisations, regional councils, Your Library and other stakeholders, these initiatives increased community awareness, promoted respectful relationships and strengthened understanding of gender equality and the prevention of gender-based violence.

Engagement with our community remains central to our work. Over the past year, we have continued to listen and respond through consultation and feedback processes, ensuring that community voices inform our planning and decision making. This commitment to transparency and accountability underpins our approach and helps build trust with our community.

Rising service delivery and infrastructure costs, combined with the ongoing impacts of rate capping, continue to place pressure on Council's financial position. During the year, we continued to carefully target our resources to support the areas and services most valued by the community.

Council continued to advocate on issues that matter to Knox, working with other levels of government and key stakeholders to pursue outcomes that benefit our municipality. Effective advocacy remains an important part of our role in ensuring the needs and aspirations of our community are recognised in broader planning and investment decisions.

We are proud of what has been achieved this year. The achievements presented throughout this Annual Report reflect the collective effort of many people. We acknowledge the leadership of councillors, the dedication of Council staff, and the valuable contribution of community organisations, volunteers and residents. Together, these efforts help strengthen our community and contribute to positive outcomes across Knox.

Our 2025-26 infrastructure capital works program delivered:

$1.0m
Bridges

$1.3m
Car Parks

$10.6m
Roads

$2.5m
Plant & Machinery

$4.6m
Drainage & Stormwater and machinery

$1.7m
Playgrounds

$4.8m
Paths

$3.2m
Open Space

$6.5m
Community Buildings

$0.4m
Miscellaneous

$14.0m
Sport & Leisure Facilities

These amounts include $2.4 million in operating expenditure to deliver the projects.

On behalf of councillors and the organisation, we are proud to recognise the achievements of our Council over the past year. While we have collectively faced challenges, we have worked to meet these with resilience and compassion to achieve great outcomes for our community.



Cr Paige Kennett
Mayor



Bruce Dobson
Chief Executive Officer



How to read this report

Knox City Council's 2025-2026 Annual Report is organised under nine main headings:

1	**Report of Operations**	A comprehensive report of Council's operations over the 2025-2026 financial year, including a financial summary, major achievements, details of the capital works program, details of Councillors and Council staff, Council services, and performance against the Council and Health and Wellbeing Plan 2025-2029.
2	**Governance and Management Checklist**	A list of Council's governance and management plans and mechanisms as set out in *Local Government (Planning and Reporting) Regulations 2020* (Vic) sch 1.
3	**Council Operations**	A list of Meetings of Council in 2025-2026, Councillor attendance, committee meetings and attendance, and Councillor expenses for the 2025-2026 financial year.
4	**Audit Operations**	A description of the membership, purpose and activities of Council's Audit and Risk Committee during 2025-2026, as well as details of Council's internal and external auditors.
5	**Public Transparency**	A description of the ways in which Council information is made publicly available in accordance with the *Local Government Act 2020* (Vic) s 57.
6	**Statutory Information**	A list and brief descriptions of the major statutes under which Knox City Council conducts its operations.
7	**Contracts**	A description of contracts with external suppliers entered into by Knox City Council over the 2025-2026 financial year.
8	**Performance Statement**	A statement of Council's performance in 2025-2026 against the service, financial, and sustainable capacity indicators mandated by the *Local Government Act 2020* (Vic) s 98(4).
9	**Financial Report**	Five key financial reports – Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works – with accompanying notes, including budget comparison notes, to show how Council performed financially during the 2025-2026 financial year and the overall position at the end of the financial year on 30 June 2026.

Knox City Council

Report of operations

For the year ended 30 June 2026



Financial summary

Council's financial position continued to remain sound throughout the 2025–26 financial year, while noting that the forward outlook remains challenging.

A summary of our performance is outlined below while detailed information is included within the financial statements and performance statement sections of this report.

Operating Result

Summary of financial performance as at 30 June 2026	Budget $'000	Actual $'000
Total income	222,308	230,990
Total expenses	193,154	200,252
Surplus/(deficit) for the reporting period	**29,154**	**30,738**

The operating surplus reported in the 2025-26 financial statements is $30.7 million, which compares to a budgeted surplus of $29.2 million.

The variance has resulted from greater than budgeted monetary and non-monetary contributions, other income (largely interest income, reimbursements and rebates), and operating grants income. The operating grants income variance is largely due to the timing of the receipt of the Commonwealth Financial Assistance Grants with funding distributed through the Victoria Local Government Grants Commission where 50% of the 2025-2026 funding was received during the 2026 financial year, while 80% of the 2026-2027 funding was received prior to 30 June 2026. This has been partially offset by a timing difference in land sales, with these sales set to primarily proceed during the 2026-2027 financial year. There has also been an increase in depreciation expense due the revaluation of buildings and infrastructure assets at 30 June 2026.

Income

Total income for the 2025-26 financial year was $230.9 million. Overall income increased by $13.9 million compared to the previous year, which represents a 6.4% increase.

The increase was largely due to the receipt of monetary and non-monetary contributions, the recognition of capital grants, and the increase in income derived from rates and charges.



Rates and charges	67%	Contributions - monetary	4%
Grants - operating	10%	Contributions - non-monetary	4%
User fees	6%	Statutory fees and fines	2%
Grants - capital	5%	Other income	2%

The decrease in operating grants compared to 2024-25 is largely due to the majority of Council's kindergartens being transferred to private providers during the 2024-25 financial year.

The rates and charges received, which totalled $155.1 million, represents 67% of the total income generated. Other major sources of income included grants of $33.0 million, contributions of $17.9 million, and user fees of $15.0 million.

User fees were up $1.4 million on budget, while statutory fees were down $0.4 million. Operating grants were up $2.7 million on budget largely due to the timing of the receipt of the Commonwealth Financial Assistance Grants with funding distributed through the Victoria Local Government Grants Commission, while total capital grants recognised were largely as budgeted. Other income was $3.1 million up on budget due to an increase in interest income, rebates and reimbursements received. Monetary contributions were up $4.2 million on budget, while non-monetary contributions, being assets handed over to Council by developers, were up $6.7 million on budget.

A breakdown of Council's income sources is shown in this section, which highlights Council's reliance on rate income to fund community services and the renewal of community assets.

Expenses

Total expenses for 2025-26 were $200.3 million. Overall expenditure decreased by $4.6 million, a 2.2% decrease from the previous financial year. The decrease primarily relates to the decrease in the loss on disposal of property, infrastructure, plant and equipment, together with the decrease in employee costs. The employee costs decrease is largely due to the transfer of the majority of Council's kindergartens to other providers during the 2024-25 financial year. These decreases are partially offset by the increase in depreciation.

Materials and services expenditure was $1.7 million below budget, including $0.9 million attributable to a shift in operating expenditure on capital projects from materials and services to employee costs. A breakdown of Council's expenditure categories is shown in this section. It highlights that the majority of total expenses consisted of employee costs of $76.4 million and materials and services of $75.4 million.



Employee costs	38%	Borrowing/ Finance Costs	2%
Materials and services	37%	Other Expenses	1%
Depreciation/ Amortisation	18%	Net Loss on Disposal	1%
Contributions and donations	3%		

Overall Financial Position

Council ended the 2025-26 financial year with net assets of $2.6 billion, an increase of $342.4 million when compared to the budget.

Summary of financial position as at 30 June 2026	Budget $'000	Actual $'000
Total assets	2,428,687	2,779,173
Total liabilities	124,986	133,046
Net assets	**2,303,701**	**2,646,127**

The variance in total assets is primarily due to the net-asset revaluation increment of $344.6 million through the revaluation of land, buildings and infrastructure over the last two years since the 2025-26 budget was adopted.

The Balance Sheet reflects a satisfactory position with working capital ratio (liquidity) of 1.67:1 or 167%, meaning Council has $1.67 of current assets for each $1.00 of current liabilities.

Total trade and other receivables were $26.3 million (the 2024-25 figure was $24.3 million). Included in this was rates debtors, which increased to $21.5 million in 2025-2026 from $19.8 million in 2024-2025.

Cash Position

Summary of cash flows for the year ended 30 June 2026	Budget $'000	Actual $'000
Cash flows provided by/(used in) operating activities	44,335	58,364
Cash flow provided for/(used in) investing activities	(41,389)	(49,813)
Cash flow provided for/(used in) financing activities	(8,755)	(8,383)
Net increase/(decrease) in cash and cash equivalents	(5,809)	168
Cash at beginning of the financial year	42,932	54,323
Cash at end of the financial year	**37,123**	**54,491**

Council's cash position as at 30 June 2026 was $54.5 million, with there being a further $5.0 million in investment accounts. This result represents an increase in cash holdings, including other financial assets, from the previous year of $2.7 million.

Debt Position

Council borrowed $6.0 million, which was as budgeted. Borrowings were used to fund works within the capital works program. Interest-bearing liabilities totalling $80.2 million was $0.1 million greater than budget.

Infrastructure asset management and capital works

The City of Knox experienced substantial growth during the 1960s, 1970s and 1980s, when much of the municipality's road network, drainage infrastructure, footpaths and community facilities were established.

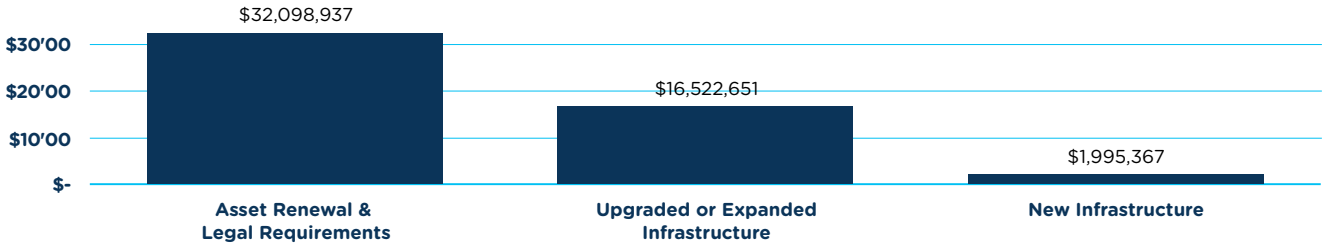
Today, many of these assets are reaching a stage in their lifecycle where renewal is required to maintain service standards, support community expectations and ensure infrastructure remains safe, functional and reliable.

Cyclical condition assessments continue to reinforce the need for sustained investment in asset renewal. Timely renewal of ageing infrastructure helps preserve service levels, maximise asset life and reduce the risk of more costly maintenance and renewal interventions in the future. Effective asset management also plays a critical role in maintaining Council's long-term financial sustainability.

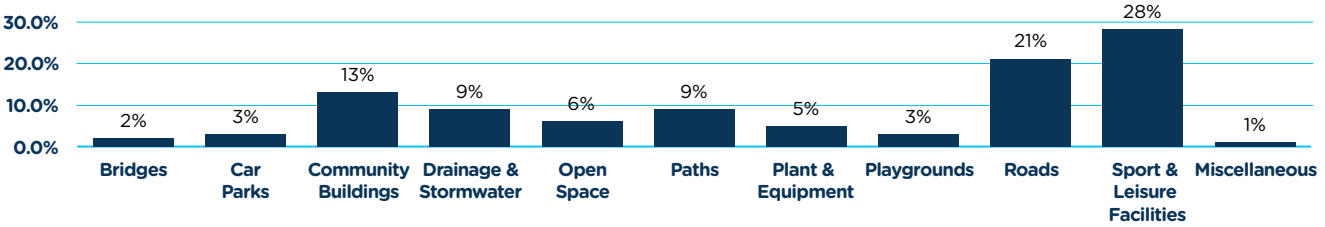
To support these objectives, Council allocates funding each year through its annual budget to renew and maintain community assets with a replacement value exceeding $2.6 billion. Investment is also directed towards new assets, upgrades, expansions and statutory compliance projects that enhance community facilities, public spaces and essential infrastructure across the municipality.

During 2025-2026, Council delivered $48.2 million in infrastructure capital works that met the accounting requirements for capitalisation and a total of $50.6 million when operating expense is also included. The charts below show the distribution of expenditure across Council's Capital Works Program, including the Asset Renewal Program, demonstrating Council's continued commitment to maintaining and improving community infrastructure.

Expenditure by Funding Category



Capital Works Expenditure (%) by Asset Category. 2025-2026



Asset renewal program highlights

During 2025-2026, $32.11 million was invested in renewing existing community infrastructure assets and to comply with legislative requirements and maintain safe, functional and fit-for-purpose facilities for the community.

Highlights included:

Improvements to Local Roads

$10.64 million was invested into local roads, including major road reconstruction works completed on Chandler Road (Boronia), Templeton Road (Wantirna) and Blackwood Park Road (Ferntree Gully). These works help maintain a safe and serviceable road network for all users.

Improvements to Local Footpaths

21,655m^2 of footpath renewal was undertaken across 306 Knox streets. These works improved pedestrian safety, accessibility and connectivity, ensuring footpaths remain fit-for-purpose for the community.

Improvements to Community Buildings

$4.05 million was invested in 69 small to medium-scale improvements across community buildings, including sporting pavilions, community halls and early years facilities. These works enhanced the condition, functionality and accessibility of community assets.

Improvements to Sportsfields, Courts and Recreation Facilities

$4.22 million was invested in the renewal of sportsfields, tennis and netball courts, and cricket nets. These improvements enhanced the quality, safety and functionality of sporting infrastructure, supporting increased participation and recreational opportunities.

Improvements to Playgrounds

$1.29 million was invested in upgrades across 10 playgrounds. These works enhanced safety, accessibility and play value, providing improved recreational opportunities for children and families.



New and upgrade program highlights

$18.50 million was invested in new and upgraded community infrastructure to meet the current and future needs of our growing community.

Highlights included:

Completion of Sports Pavilion Upgrades at Wally Tew Reserve and Tormore Reserve

Upgrades at these sites have improved change facilities for all players, making them more inclusive and better suited to female users as participation in female football continues to grow. Improvements to social spaces, kitchens and storage areas have also enhanced the functionality of the venues and supported broader community use. The upgrade at Wally Tew Reserve was supported by grant funding from the Victorian State Government ($2.0 million), and the upgrade at Tormore Reserve was made possible by grant funding from the Australian Government ($5.0 million) and Victorian State Government ($1.2 million).

A New Dog Park and Playspace Upgrade at Wantirna Reserve

The new off-leash dog park and upgraded playspace at Wantirna Reserve have enhanced recreational opportunities for residents of all ages. The improvements, as part of Council's implementation of the Wantirna Reserve Masterplan, support active lifestyles, social connection and community wellbeing while providing a more accessible and enjoyable open space for the community.

A New Naturalised Floodway at Liberty Avenue Reserve

The new naturalised floodway at Liberty Avenue Reserve has enhanced local biodiversity, improved stormwater management and contributed to healthier waterways. The naturalised floodway provides valuable habitat for native flora and fauna, improves water quality through natural filtration and is designed to adapt to varying rainfall conditions, while creating an attractive natural space for the community to enjoy and learn about the local environment.

New Exercise Equipment at Marie Wallace Bayswater Park, Wally Tew Reserve and Carrington Park

The installation of new outdoor exercise equipment at Marie Wallace Bayswater Park, Wally Tew Reserve and Carrington Park has expanded opportunities for outdoor recreation and physical activity. The equipment supports health and wellbeing by providing accessible, free-to-use facilities for residents of all ages and abilities. The equipment at both Marie Wallace Bayswater Park and Wally Tew Reserve has been specifically designed to support older residents by promoting strength, balance and mobility.

Major achievements



Council and Health and Wellbeing Plan 2025-2029 launched

Council launched the Council and Health and Wellbeing Plan 2025-2029, setting the strategic direction for the Knox community over the next four years. The plan sets out what we will do to respond to the changing needs and priorities of the Knox community. It is shaped by the community's aspirations, needs, values and priorities, and informs long term financial planning. Developed from feedback from over 1,100 community members, the plan focuses on six key themes: enhancing community connection to vital services, embracing inclusion and diversity, caring for our environment, responsible governance, community safety, and planning our future city.



Asset Plan 2025-2035

Council developed and endorsed the Asset Plan 2025-2035 to provide strategic direction on how Council cost-effectively manages our community's assets to meet evolving needs. Council manages $2.68 billion worth of community assets, including buildings, roads and footpaths, sporting facilities, drainage systems, bushland and playgrounds. The Plan guides how Council priorities and manages these assets over a 10-year period.



Domestic Animal Management Plan 2026-2029

Council developed the Domestic Animal Management Plan 2026-2029, to further support responsible dog and cat ownership in Knox and guide Council's animal management focus areas over the next four years. The plan was developed with feedback from more than 473 submissions from community members, including dog and cat owners, non-pet owners, park and reserve users and domestic animal businesses. The Plan addresses responsible pet ownership, animal registration, management of dangerous dogs and initiatives to reduce nuisance behaviour, ensuring the safety and wellbeing of both animals and the Knox community.



Youth Summit

Council delivered the biennial Youth Summit, providing an important platform to hear directly from the voices of young people on issues that are important to them. The Summit engaged Knox young people in meaningful conversations about their aspirations, challenges and priorities, informing Council's youth programs and services. Throughout the year, Council delivered programs of activities for young people during school holidays and term time, providing options for participation and skills development.



Bringing the community together through festivals and events

Council fostered community connection through a vibrant program of festivals, arts and cultural events across Knox. Highlights included Knox Fest, Knox Carols, the Knox Seniors Festival, StageScape and Radiant, providing opportunities for residents of all ages to celebrate, connect and participate in community life while promoting inclusion, wellbeing and local pride.



Strengthening emergency preparedness and community resilience

Council worked in partnership with neighbouring municipalities through the Eastern Metropolitan Councils Emergency Management Partnership to strengthen emergency preparedness and response capabilities. Through coordinated planning, resource sharing and collaboration, the partnership supports community resilience and helps ensure the region is better prepared to respond to and recover from emergencies.

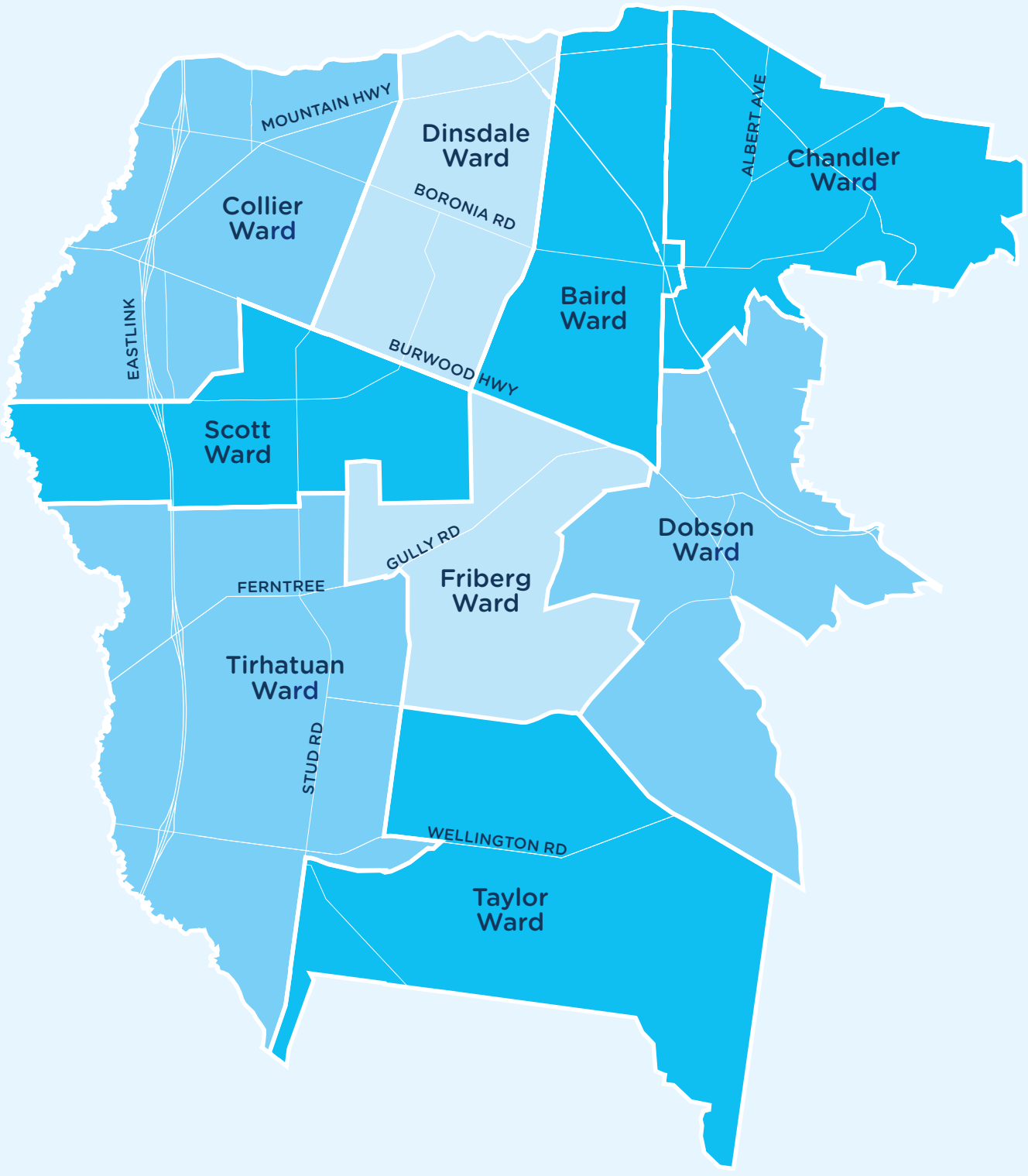


Strengthening connections through intergenerational programs

Council delivered a range of intergenerational initiatives that connected older residents with children, young people and tertiary students, strengthening community connections and reducing social isolation. Highlights included the Youngster.co technology support program, which helped older residents build digital skills while fostering meaningful connections with younger participants. Other programs included intergenerational playgroups, school holiday activities and life skills workshops delivered in partnership with community organisations. Across the year these initiatives reached more than 4,700 community members through 168 activities designed to promote inclusion, wellbeing and connection across generations.



Council wards



Our councillors

Knox City Council comprises nine councillors elected by residents across the municipality's wards. The Mayor and Deputy Mayor are elected annually by the councillors.

Councillors work together to set and guide strategic direction and decisions for the Knox community. They work closely with the Chief Executive Officer and Council administration to do this.

The Councillors for the 2024 to 2028 Council term are listed below.



Cr Peter Lockwood
Baird Ward
M. 0499 111 639
E. Cr.Peter.Lockwood@knox.vic.gov.au



Cr Paige Kennett, Mayor
Chandler Ward
Mayoral term: Nov 2025–current
M. 0498 880 807
E. Cr.Paige.Kennett@knox.vic.gov.au



Cr Chris Duncan, Deputy Mayor
Collier Ward
Deputy Mayoral term: Nov 2025–current
M. 0492 032 772
E. Cr.Chris.Duncan@knox.vic.gov.au



Cr Robert Williams
Dinsdale Ward
M. 0488 333 975
E. Cr.Robert.Williams@knox.vic.gov.au



Cr Meagan Baker
Dobson Ward
M. 0437 808 011
E. Cr.Meagan.Baker@knox.vic.gov.au



Cr Parisa Considine
Friberg Ward
M. 0499 444 850
E. Cr.Parisa.Considine@knox.vic.gov.au



Cr Lisa Cooper
Scott Ward
Mayoral term: Nov 2024–Nov 2025
M. 0407 240 275
E. Cr.Lisa.Cooper@knox.vic.gov.au



Cr Susan Pearce
Taylor Ward
M. 0499 660 084
E. Cr.Susan.Pearce@knox.vic.gov.au



Cr Glen Atwell
Tirhatuan Ward
Deputy Mayoral term: Nov 2024–Nov 2025
M. 0499 884 585
E. Cr.Glen.Atwell@knox.vic.gov.au

Our people

Executive Leadership Team

The following information is representative of the Executive Leadership Team in place at Knox as at 30 June 2026.



Bruce Dobson
Chief Executive Officer

Bruce Dobson joined Knox City Council as Chief Executive Officer on 8 September 2021. As Chief Executive Officer, Bruce was appointed by Council and is responsible for leading the organisation in delivering on Council's objectives.



Matt Kelleher
Director Customer and Performance

Matt's directorate consists of:

- Chief Information Office
- Customer and Communications
- Governance and Risk
- People, Culture and Development
- Strategy and Transformation



Navec Lorkin
Chief Financial Officer

Navec's portfolio consists of:

- Finance Operations
- Rates and Valuations
- Strategic Procurement and Property



Judy Chalkley
Director Connected Communities

Judy's directorate consists of:

- Active and Creative Communities
- Community Access and Support
- Community Strengthening
- Early Years



Jonathan McNally
Director City Liveability

Jonathan's directorate consists of:

- City Futures
- City Planning and Building
- City Safety and Health
- City Projects



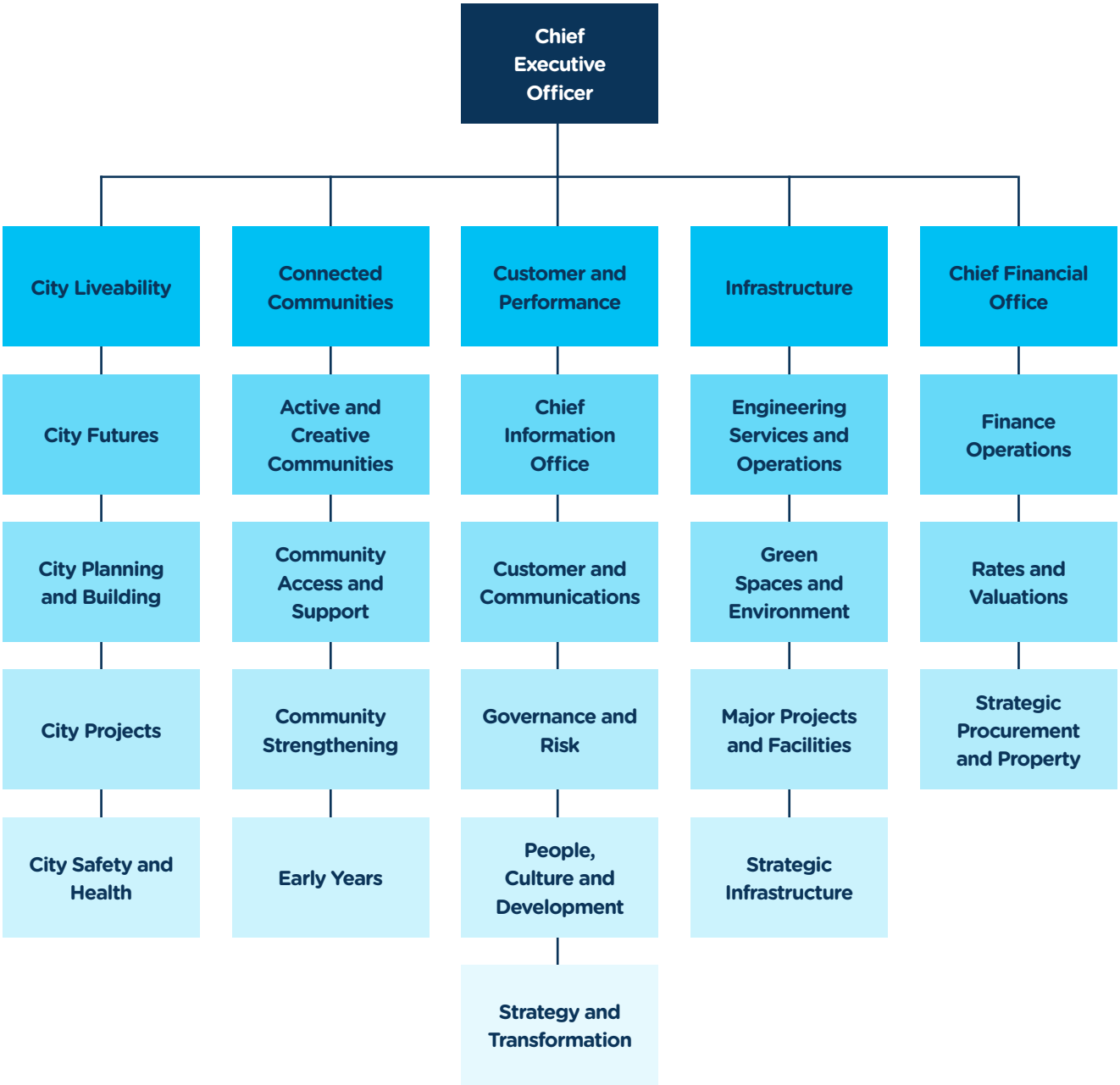
Grant Thorne
Director Infrastructure

Grant's directorate consists of:

- Engineering Services and Operations
- Green Spaces and Environment
- Major Projects and Facilities
- Strategic Infrastructure

Organisation chart

The following chart sets out the organisational structure of Knox City Council as at 30 June 2026.



There were no major changes that took place during the financial year.

Workplace report

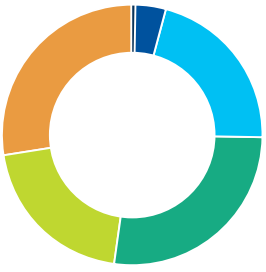
As at 30 June 2026, Council employed 839 employees, consisting of full-time, part-time, temporary and casual positions, equivalent to 619.59 full-time employees. Overall, 157 permanent, temporary and casual staff joined Council during the year to fill vacant positions and to meet legislative, project and operational requirements.

Staff by Functional Area in 2025-2026

Full-time Equivalent (FTE) as at 30 June 2026

	Full-time			Part-time			Casual			Gender Total			Grand Total
Directorate	Female	Male	Persons of Self-described Gender	Female	Male	Persons of Self-described Gender	Female	Male	Persons of Self-described Gender	Female	Male	Persons of Self-described Gender	
Chief Executive Office	1.00	1.00	-	-	-	-	-	-	-	1.00	1.00	-	**2.00**
Chief Financial Office	13.00	7.00	-	5.35	-		-		-	18.35	7.00	-	**25.35**
City Liveability	42.00	48.00	-	30.80	7.37	0.20	1.02	0.39	0.03	73.82	55.76	0.23	**129.81**
Connected Communities	84.00	13.00	-	64.37	4.24		0.72	0.21	-	149.09	17.45	-	**166.54**
Customer and Performance	65.00	37.00	-	20.54	3.92	-	0.12	0.12	-	85.66	41.04	-	**126.70**
Infrastructure	42.00	119.00	-	7.43	0.67	-	0.06	0.03	-	49.49	119.7	-	**169.19**
Grand Total	**247.00**	**225.00**	**0.00**	**128.49**	**16.20**	**0.20**	**1.92**	**0.75**	**0.03**	**377.41**	**241.95**	**0.23**	**619.59**

Full time equivalent (FTE) council staff by organisational structure



Chief Executive Office	2.00	Connected Communities	166.54
Chief Financial Office	25.35	Customer and Performance	126.70
City Liveability	129.81	Infrastructure	169.19

Council Staff

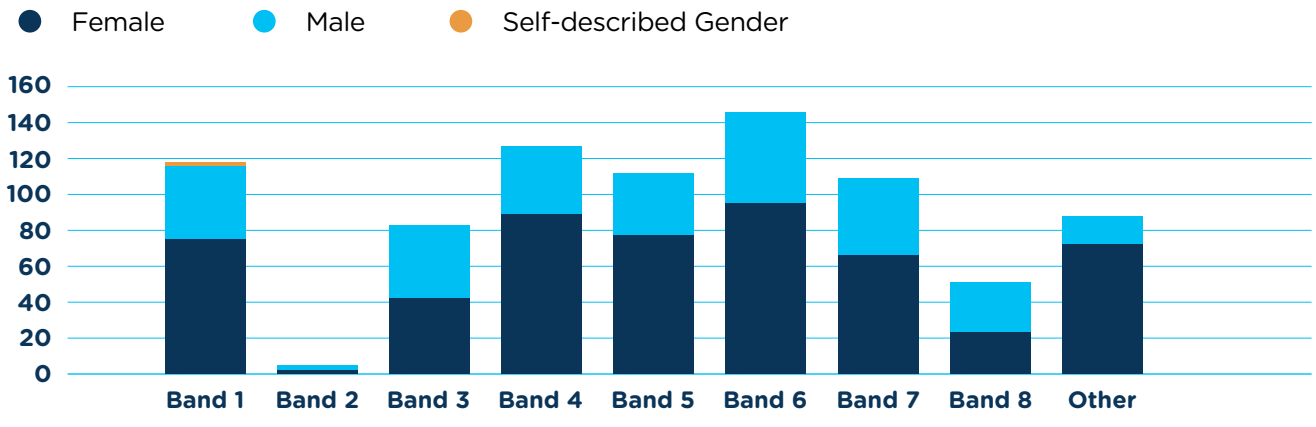
A summary of the number of full-time equivalent (FTE) staff categorised by employment classification and gender are detailed in the following table and graph.

Employee Classification	Female	Male	Persons of Self-described Gender	Total
Band 1	10.87	5.93	0.23	17.03
Band 2	0.63	2.03		2.66
Band 3	28.56	36.85		65.41
Band 4	60.13	26.86		86.99
Band 5	64.00	33.48		97.48
Band 6	85.67	49.80		135.47
Band 7	62.04	43.00		105.04
Band 8	21.94	28.00		49.94
Other*	43.57	16.00		59.57
Total	**377.41**	**241.95**	**0.23**	**619.59**

*'Other' includes non-banded workforce members, including health professionals and nurses, teachers, assistants and senior executive officers.

In this report, the terms man/male and woman/female are used interchangeably, consistent with the data currently available. Council recognises that sex and gender are distinct concepts and that current binary data collection limits the representation of diverse identities within our workforce and community. Council is working to improve our data collection and reporting processes to support the accurate use of sex and gender terminology.

Employee Classification by Gender



Our performance

Council and Health and Wellbeing Plan 2025-2029

Our Council and Health and Wellbeing Plan 2025-2029, adopted on 23 June 2025, is our commitment to the Knox community. It sets out our Knox community vision and explains how we will respond to the community's changing needs and priorities. The plan reflects our shared aspirations, values and goals. It also guides our long-term financial planning and decision-making.

To develop the Council and Health and Wellbeing Plan 2025-2029 we engaged over 1,100 community members to make sure the plan reflects the vision, values and aspirations of the people of Knox.

Integrated Strategic Planning and Reporting Framework

Council takes an integrated approach to planning and reporting, with the 10-year Community Vision directly informing short, medium and long-term planning.



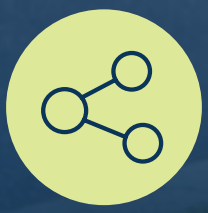
Enabled and governed through
Annual community engagement, planning, monitoring, audits and review.
Annual and quarterly reporting.

The key themes, strategic objectives and health and wellbeing priorities of the Council and Health and Wellbeing Plan are also integrated across our other key strategies and plans. This approach provides a line of sight through every service in Council to achieve and report back on our community's vision and our wellbeing commitment.



Our themes

Our six key themes are our broad focus areas that reflect community priorities and aspirations.



Enhancing community connection to vital services and resources

Our community can access important local services and resources through Council's delivery, advocacy, and partnerships.

Read more on page 35



Embracing connection, inclusion and diversity

Our diverse and connected community is strengthened by creating opportunities to actively participate, connect and learn.

Read more on page 45



Caring for and enhancing our environment

Our environment is greener, healthier and sustainable through Council's environmental protection and enhancement, working in collaboration with our community.

Read more on page 56



Leading, listening and governing responsibly

Our community feels empowered, heard, and has trust in Council through responsible governance, proactive communication and engagement, and transparent decision making.

Read more on page 64

Being a strong voice for safety

Our community feels safe, respected and supported in public spaces and at home through Council's delivery, advocacy and partnerships.

Read more on page 72

Planning our future city

Our neighborhoods, housing and infrastructure meet the needs of our changing community through effective planning, delivery and advocacy.

Read more on page 82

Council services

Council delivers 34 services to support our community at all stages of life, aligned to the six Council and Health and Wellbeing themes. We are committed to continuously improving our services to best meet the needs of our diverse community now and into the future.

Enhancing community connection to vital services and resources	Embracing connection inclusion and diversity	Caring for and enhancing our environment	Leading, listening and governing responsibly	Being a strong voice for safety	Planning our future city
Cemetery	Arts & Culture	Fleet, Plant & Machinery	Customer Service	Community Laws	Capital Works Planning
Economic Development	Early years	Open Space & Biodiversity	Data, Information & Technology	Community Safety	Property & Facilities
Health	Festivals & Events	Sustainability & Climate Response	Finance	Emergency Management	Statutory Planning
Libraries	Seniors	Waste	Governance	Food Safety	Strategic Land Use Planning
Roads & Transport	Social Research, Policy & Planning	Water & Drainage	People	Statutory Building	
	Sport & Leisure		Procurement		
	Youth		Risk Management		
			Strategy & Performance		



Health and wellbeing priorities

Knox City Council understands that the health and wellbeing of our community is essential for our collective prosperity and quality of life. By measuring and addressing wellbeing, we can identify areas of need, track progress, and implement targeted interventions to create a healthier, more resilient community.

The following symbols are reflected throughout this report to identify alignment with the health and wellbeing priorities.

These symbols are reflected throughout this report to identify alignment with the health and wellbeing priorities	
Reduce harm from alcohol, smoking, vaping and gambling	**Advocate for equity across our community**
Promote equal participation opportunities and celebrate our diverse community	**Support prevention of all forms of violence by promoting safety and respect**
Support access to affordable and nutritious food	**Build resilience to emergencies and threats, including climate change**
Create opportunities for active living	**Improve social connection and mental wellbeing**

Health and wellbeing impact

Enhancing community connection to vital services and resources

Our Knox community will feel better supported and more informed. They will be able to access the jobs, services, and the nutrition they need to sustain a healthy, and satisfying lifestyle.

Embracing connection, inclusion and diversity

Our Knox community will feel valued, connected and included.

Caring for and enhancing our environment

Our Knox community will be able to enjoy the benefits of a well maintained and sustainable environment to support their mental health and vitality.

Leading, listening and governing responsibly

Our Knox community will feel heard and considered which will enhance community cohesion and a sense of belonging.

Being a strong voice for safety

Our Knox community will feel safer and more resilient, knowing that the Council is working together with community and agencies to create safe places and spaces and promote respect.

Planning our future city

Our Knox community will be able to fully enjoy their local area, knowing that what they need now and into the future has been considered and planned. They will feel proud of where they live.

Our Detailed Performance

This section of the Annual Report 2025-2026 provides an overview of the achievements of the first year of the Council and Health and Wellbeing Plan 2025-2029.

Our Actions

There are 45 Council and Health and Wellbeing Plan 2025-2029 actions that were funded in the 2025-2026 financial year. These are the major initiatives for the 2025-2026 financial year. Progress against these actions is reported in the following pages under each Theme.

Progress status is reported based on the following colour coding:

Complete	Behind schedule
✓	●

The assessment of progress relates to Year 1 (2025-2026) of the four year Council and Health and Wellbeing Plan 2025-2029. Items that are behind schedule are identified with accompanying commentary.

How We'll Know We're Making a Difference

The Council and Health and Wellbeing Plan 2025-2029 includes a range of performance measures that track progress towards achieving the outcomes identified under each Theme. While Council has direct control over some measures, others are influenced through partnerships with other organisations, including other levels of government and service providers. Data for these measures is collected at varying intervals, and as such, some indicators may not be updated annually. Where updated data is available, results are reported in this Annual Report.

Our Ongoing Work

Council delivers a wide range of services to support the community. These services are aligned to the Themes and contribute to achieving the outcomes outlined in the Council and Health and Wellbeing Plan 2025-2029. While services may contribute to multiple Themes, they are presented under the Theme to which they contribute most strongly.

Local Government Performance Reporting Framework

The Local Government Performance Reporting Framework (LGPRF) was established by the Victorian Government in 2014 and is a mandated reporting requirement for all councils. The LGPRF is a comparative reporting framework that ensures performance is measured and reported consistently across local government in Victoria.

The framework includes four indicator sets covering service performance, financial performance, sustainability and governance, providing a comprehensive picture of Council's performance. These indicators and measures are reported on throughout the following sections of this report. Comments are provided to assist in understanding the results where there may be a material variation between this year's results and the previous year. Knox

Theme 1
Enhancing community connection to vital services and resources

Highlights

- Improved walking and cycling connections through shared path upgrades.
- Supported local businesses through networking and business upskilling opportunities.
- Promoted library programs, events and technology support services.

Strategic objective

Our community can access important local services and resources through Council's delivery, advocacy, and partnerships.

Delivering on health and wellbeing commitment

Our Knox community will feel better supported and more informed. They will be able to access the jobs, services, and the nutrition they need to sustain a healthy, and satisfying lifestyle.

Strategies

Strategies	Health & wellbeing priority
Strategy 1.1 A variety of transport options is available through the effective planning, advocacy and management of efficient, active, sustainable and accessible transport modes, particularly in growth locations.	
Strategy 1.2 Our community can access diverse training and life-long learning opportunities through delivery, promotion and partnerships with relevant organisations.	
Strategy 1.3 Local businesses and our economy are strong and resilient and there are increased employment opportunities through development, attracting investment, embracing technology and innovation, and advocacy.	
Strategy 1.4 Access to affordable and nutritious food is enhanced through advocacy and working in partnership with relevant organisations to raise awareness and promote available community programs.	
Strategy 1.5 Our community's health and wellbeing is improved through proactive planning, delivery, partnerships and advocacy that enable access to services, education and programs.	

Our community can **access important local services and resources** through Council's delivery, advocacy, and partnerships.



What we achieved in 2025-2026

Progress of our actions identified in Year 1 of the Council and Health and Wellbeing Plan 2025-2029

Actions	Comments	Progress Status
Implement Economic Development's 2025-26 events program to strengthen capacity building for local businesses.	The 2025-2026 Economic Development Events Program has been delivered, providing a range of networking and business capability building opportunities for local businesses. Sessions included Human + AI: Creating Strategic Content That Converts, Numbers & Networking: EOFY Tips and Local Connections, and Marketing When Customers Are Spending Less. The program supported local businesses to build capability, strengthen skills, expand professional networks, and respond to evolving market conditions.	✓
Promote Your Library activities, programs and events that focus on lifelong learning, increase social connection and improve access to technology.	Council and Your Library continue to work collaboratively through regular programming meetings to align library activities with Council's strategic objectives. Council actively promotes Your Library programming and many activities are delivered in partnership between Council and Your Library. In response to community demand, Your Library has expanded programming at Rowville library to increase access to technology support services.	✓
Lead and deliver the Knox Food Relief Taskforce and actively participate and contribute to the Knox Emergency Relief Network.	The Knox Food Relief Taskforce continues to progress actions from its workplan, including engaging with local businesses and planning a winter tin food donation drive. The Taskforce also continues to inform Councils advocacy efforts with State and Federal government on food relief and related community needs. Council remains an active participant in the Knox Emergency Relief Network and continues to support collaboration across the sector. Council promoted the winter tinned food drive and the recent Outer East Homelessness Round Table.	✓
Improve our shared path network through new and renewed upgrades including the Liverpool Road shared path.	The Knox Cycling Action Plan continued to guide shared path priorities. Council completed the Green Spine shared path on Chandler Road in Boronia and delivered the first stage of the Liverpool Road shared path. Further stages of the Liverpool Road shared path are planned to commence in 2026-2027, subject to final delivery requirements. Council progressed design, scoping and investigation work for future shared path improvements, including Brenock Park Drive, Railway Trail connections in Upper Ferntree Gully, Railway Parade and the Stud Road service road in Scoresby.	✓

Legend

✓ Complete ● Behind schedule

Enhancing community connection to vital services and resources (continued)

Actions	Comments	Progress Status
Advocate for enhanced bus service frequency and coverage across the Knox network and for release of the business case for transport options in the Caulfield-Rowville corridor. 	Council continued to advocate for more frequent and better connected bus services across Knox through ongoing engagement with the Department of Transport and Planning and participation in the Eastern Transport Coalition. Council supported regional advocacy priorities, including improved bus connections between Vermont South, Mountain Highway and Bayswater, investigation of a Bayswater to Stud Park bus link via Henderson Road, and identification of safer arterial road crossings to improve access to frequent bus services. Council also continued to advocate to seek the release of the business case for transport options in the Caulfield to Rowville corridor. Ongoing coordination with State Government project teams, including the Boronia Station Precinct Upgrade, supported integrated transport, and improved access, safety and community connections across Knox.	✓
Finalise and commence implementation of a Cemetery Landscape Masterplan to guide development of new ashes interment areas that meet community needs while complementing the existing amenity of the cemetery. 	Procurement for concept design services for new niche walls and memorial elements has been completed, supporting the next stage of implementation of the Cemetery Landscape Masterplan. The engagement of design services will assist in progressing detailed concepts, exploring design options and ensuring proposed memorial elements align with the Masterplan objectives, operational requirements and the future needs of the cemetery.	✓
Collaborate with Yarra Ranges Shire and Maroondah City Council to develop the Bayswater Business Precinct Spatial Plan.	Council officers continue to collaborate with Yarra Ranges Shire and Maroondah City Council in the development of the spatial plan for Bayswater Business Precinct. The draft spatial plan is expected to be presented for Council endorsement by December 2026 for the purpose of community and stakeholder engagement.	✓

The difference we're making

Progress against the performance measures identified in the Council and Health and Wellbeing Plan 2025-2029

Performance measure	2025–26 Target range	2025–26 Result	Comment
Kilometres of new active transport network in Knox aligned with the Knox Cycling Action Plan and other active transport plans. 	**2 kms**	**2.8 Kms**	Council delivered 2.8 kilometres of new active transport infrastructure in line with the Knox Cycling Action Plan and other active transport priorities. Key projects completed included new footpaths, shared path connections, mobility improvements and road safety upgrades.
Community satisfaction with bike and shared paths (both on road and off-road and including shared paths). 	79-80	**79**	Community satisfaction with bike and shared paths was 79 which is an "excellent" level of satisfaction.
Community satisfaction with the maintenance and repair of sealed and local roads.	68-70	**75**	Community satisfaction with sealed local roads was 75 which is a "very good" level of satisfaction.
Number of visits to libraries in the Knox municipality. 	625,000-640,000	**778,592**	The 2025-2026 result was significantly higher than the annual target. This increase is largely due to the continued success of Knox Library Ngarrgoo.
Community satisfaction with local library services. 	8.5-8.6	**8.7**	Community satisfaction with library services was 8.7 which is an "excellent" level of satisfaction.
Number of planning permits issued for commercial, office or retail use and development.	130-150	**85**	There has been a steady decline in planning applications (commercial) over the past four years. This trend is likely influenced by broader macroeconomic factors, including increased construction and material costs, as well as ongoing cost-of-living pressures that are affecting business investment and expansion decisions.

Enhancing community connection to vital services and resources (continued)

Performance measure	2025–26 Target range	2025–26 Result	Comment
Value of grants provided to emergency relief organisations. 	$100,000	**$100,000**	The Emergency Relief Grant was established with an annual allocation of $100,000. This grant stream was exhausted in 2025-26 with all grant money going to Emergency Relief organisations with the City of Knox.
Self-reported health status of Knox residents. 	36%-38%	**37%**	This figure is obtained from the Victorian Population Health Survey which is undertaken every 4-6 years. The latest figures are from 2023 and state that the 'self-reported health status of Knox residents is excellent/very good 37.2%'. The next survey is expected to be undertaken in 2026 with data released in 2027.
Amount of gross regional product (GRP) ($) generated by businesses in Knox.	$9.4B-$9.7B	**$10.31B**	Knox City Council's Local Industry Gross Regional Product was $10.31 billion for the year ending June 2025. This is the most recent data available, with Economy ID expected to receive the first Local Government Area estimates for 2025-2026 GRP in April 2027.
Community satisfaction with Council services and facilities. 	7.7-7.9	**8.0**	Community satisfaction with Council services and facilities was 8.0 which is an "excellent" level of satisfaction.

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF aligned to this key direction

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Libraries					
Resource Currency **Recently purchased library collection** [Number of library collection items purchased in the last 5 years/Number of library collection items] x 100	77.00%	78.60%	74.64%	**70.00%**	The number of library items purchased has decreased due to rising acquisition costs and the need to replace ageing digital resources. A significant number of eBooks and eAudiobooks purchased during the COVID-19 period have now reached five years of age and require replacement or renewal. At the same time, increases in the retail price of library materials and supplier processing costs mean that the available budget purchases fewer items. Consequently, the average age of the library collection is increasing.
Service Cost **Cost of library service per population** [Direct cost of library service/Municipal population]	$23.68	$22.25	$22.85	**$23.01**	The cost of the library service has increased slightly from the previous year.
Utilisation **Library loans per population** [Number of collection item loans/Municipal population]	N/A	8.84	9.41	**10.02**	Digital loans have been increasing steadily over the years but for the first time physical loans have also increased for Knox by 1.4%. This is largely due to the continued success of Knox Library Ngarrgoo.
Participation **Library membership** [Number of registered library members/ Municipal population] x 100	N/A	28.92%	36.99%	**45.20%**	This increase in library membership is largely due to the continued success of Knox Library Ngarrgoo. Over 10,000 new Members have joined at the branch in 2025-26.

Enhancing community connection to vital services and resources (continued)

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Participation **Library visits per head of population** [Number of library visits/Municipal population] x 100	N/A	**3.58**	**4.69**	**4.75**	The increase in the number of library visits is largely due to the continued success of Knox Library Ngarrgoo which opened in March 2024. Your Library continues to deliver a high-quality library service.
Roads					
Satisfaction of use **Sealed local road requests** [Number of sealed local road requests/ Kilometres of sealed local roads] x 100	58.30	46.41	36.73	**37.51**	Council includes all requests received from external customers (via customer service requests or after-hours requests) that relate to the quality of the sealed road surface and kerb and channel. Requests are counted regardless of whether a maintenance activity is required to be undertaken in accordance with Council's service levels.
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] x 100	95.28%	91.18%	90.92%	**90.83%**	The condition of Council's road network has remained steady, as confirmed by the 2023-24 full road condition audit. These audits are conducted every four years, with the next scheduled for 2026-27. Council maintains high road service standards and is progressively addressing renewal backlogs.
Service Cost **Cost of sealed local road reconstruction** [Direct cost of sealed local road reconstruction/Square metres of sealed local roads reconstructed]	$183.11	$152.30	$150.27	**$182.73**	Total costs are based on the relatively small number of road reconstructions undertaken and vary according to the extent of reconstruction specified for each project. The increase in cost of sealed local road reconstruction for 2025-26 is due to the rise in materials cost due to the conflict in the middle east.

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Cost of sealed local road resealing [Direct cost of sealed local road resealing/ Square metres of sealed local roads resealed]	$26.50	$31.41	$32.38	**$32.98**	The cost of sealed local roads has slightly increased in 2025-26.
Roads Satisfaction **Satisfaction with sealed local roads** [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	55	67	68	**75**	Satisfaction with sealed local roads increased by 7 points from 2025.

Services

The services funded in the 2025-2026 Budget.

Service/Description	Net cost Budget Actual Variance $'000	
Cemetery This service is responsible for the management and operation of the Ferntree Gully Cemetery, including grounds maintenance and care, administration, interment and memorialisation services, safety and security.	Budget Actual **Variance**	94 78 **16**
Economic Development This service provides advice and support to help businesses grow and succeed. In addition, this service supports the development of the local economy by attracting businesses and investment in key areas. It includes but is not limited to providing an initial point of contact for business permit support, providing advice and information, managing and promoting business networking events.	Budget Actual **Variance**	837 714 **123**

Enhancing community connection to vital services and resources (continued)

Service/Description	Net cost Budget Actual Variance $'000	
Health This service is responsible for health planning, promotion and education, as well as the prevention of adverse health outcomes through initiatives and enforcement. It includes, but is not limited to immunisation services, investigation of complaints, education and development of health facilities.	Budget Actual **Variance**	502 444 **58**
Libraries This service includes 5 libraries that provide a range of services and programs, including access to books and resources, internet, photocopiers, school holiday activities, and book club events.	Budget Actual **Variance**	5,227 5,657 **(430)**
Roads & Transport This service supports the safe movement of people and vehicles throughout Knox, by planning for the renewal and maintenance of roads, footpaths, bike paths and street lighting. Other services include traffic control and parking management, behavioural change programs, and advocacy for improved state roads and transport infrastructure.	Budget Actual **Variance**	7,269 7,092 **177**



Theme 2
Embracing connection, inclusion and diversity



Highlights

- Strengthened partnerships supporting kindergarten children and families.
- Delivered programs that strengthened community connection across generations.
- Continued work towards reconciliation and stronger engagement with our multicultural community.

Strategic objective

Our diverse and connected community is strengthened by creating opportunities to actively participate, connect and learn.

Delivering on health and wellbeing commitment

Our Knox community will feel valued, connected and included

Strategies

Strategies	Health & wellbeing priority
Strategy 2.1 Our community's diverse needs are addressed by ensuring equity and inclusion are considered in decision making and strategic planning.	
Strategy 2.2 Cultural diversity is celebrated through assisting, participating in, facilitating and delivering accessible programs, initiatives and events in partnership with our community, community groups and service providers.	
Strategy 2.3 Our community is supported to thrive during all stages of life through the promotion and provision of services, advocacy and partnerships with local service providers.	
Strategy 2.4 There are opportunities for social connection and active living through planning, provision of facilities, program delivery and support for local groups.	

Our diverse and connected community is strengthened by creating **opportunities to actively participate, connect and learn**.



What we achieved in 2025-2026

Progress of our actions identified in Year 1 of the Council and Health and Wellbeing Plan 2025-2029

Actions	Comments	Progress Status
Consider the child perspective in service delivery, decision making and design through a Child Friendly Cities Education Campaign to build capability of our staff.	Stage 2 of the Child Friendly Cities initiative has commenced, focusing on learning and capacity building for Council staff. An internal working group representing a range of service areas has been established, and a workplan developed to support ongoing staff education, awareness and information sharing across the organisation. Remaining activities will continue through 2026-2027 early years actions.	✓
Deliver the 2025-26 actions of the Alcohol Statement of Commitment implementation plan.	The Knox Local Drug Action Team met with representatives from community health, women's health services, and prevention and response organisations. The group progressed planning for community engagement to better understand alcohol-related harm experienced by mothers and women who are carers in Knox. A Community Action Plan grant application was submitted, and Council is awaiting the outcome.	✓
Partner with our diverse and multicultural community, key services and networks to support and celebrate our diversity, including the coordination of the Knox Community Safety, Health and Wellbeing and Multicultural Advisory Committees.	The Knox Community Safety, Health and Wellbeing Advisory Committee continued to provide advice and input throughout the year. To streamline engagement and encourage participation, the June committee meeting was rescheduled and replaced by a joint Advisory Committee meeting in July 2026. The Knox Multicultural Advisory Committee met regularly. Members provided feedback on Cultural Services planning, gender equality and family violence prevention initiatives, the development of Committee priorities for 2026, and the proposed Knox Multicultural Advisory Committee eNewsletter. Members were also invited to participate in Community Day at Westfield Knox to strengthen connections with community organisations and stakeholders. These activities provided valuable insights that will help shape Council's future programs, communications and engagement with multicultural communities.	✓
Review the Reconciliation Action Plan 2023-2025 and develop the next iteration of the plan.	Actions under the Knox Reconciliation Action Plan 2023-2025 were implemented and reviewed at the conclusion of the Plan. A review report was presented to Council in September 2025. The new Reconciliation Action Plan 2026-2030 has been presented to Council and is expected to be endorsed in 2026-2027.	✓

Legend

✓ Complete ● Behind schedule

Embracing connection, inclusion and diversity (continued)

Actions	Comments	Progress Status
Deliver volunteer training sessions and promote opportunities to strengthen social and community networks and reduce loneliness. 	The Community Training Program delivered 17 community training sessions, supporting local community groups, volunteers and organisations to build their knowledge and capacity across a broad range of topics. Training topics included: • Running a Successful Community Group/Sporting Club • Safe Food Handling • Child Safe Training (two sessions) • Managing Challenging Member and Volunteer-Related Situations • Building Aboriginal Cultural Competency (two sessions) • Cultural Awareness • 3Rs of Family Violence • Volunteering – Recruitment and Retention • Fundraising for Community Groups • Grant Writing • Social Media • Social Media Consultancy • Three Knox City Council Grant Information Sessions 299 participants attended, with strong participation in the Council Grant Information Sessions (63 attendees across three sessions) and continued demand for governance, grants, child safety and cultural competency training. In addition, 15 Community Strengthening e-bulletins were distributed, including three special editions, to nearly 800 subscribers. These e-bulletins provided information on funding opportunities, training, networking events and other resources relevant to community organisations.	✓
Undertake the Knox Aquatics Feasibility Study. 	The Feasibility Study has been split into two stages. Stage 1 involved an extensive technical assessment of the site, which included information relating to underground services. These details required review by an external consultant and are informing the strategic review (Stage 2), which is progressing well. The review is expected to be completed in the first half of 2026-2027.	●

Actions	Comments	Progress Status
Deliver targeted programs for priority population groups, including intergenerational initiatives, for example an annual fishing program, to strengthen community connections.	Planning for the intergenerational program between Swinburne TAFE Certificate II in Community Service studies with secondary school students has been completed, with sessions commencing in July 2026. The program was developed through collaboration between Swinburne staff, a retirement village lifestyle coordinator and an intergenerational specialist, creating a new approach to engaging students from across Knox secondary schools. Residents experiencing loneliness and social isolation have been invited to participate, with program outcomes helping to inform future work with tertiary education providers. 168 programs were delivered, reaching more than 4,700 community members and strengthening community connections.	✓
Deliver the bi-annual Youth Summit to hear from the voices of young people on issues which are important to them.	Youth Services delivered the Youth Summit in August 2025 for young people aged 12 to 18 years. Every secondary school in Knox was invited, with six schools represented on the day. 68 students registered and 50 attended. The event was supported by 16 Youth Advisory Committee members. Key topics discussed included life skills and education, outdoor and recreation activities and how Council communicates with young people. Youth Services will use these insights to guide service delivery for the next 18 months. In September, two young people presented the Summit outcomes to Councillors, and their contribution was well received. Youth Services is also working with Council's Communications and Engagement team to develop a plan to engage the 16-to-25-year age group in further consultation opportunities.	✓
Strengthen the ongoing partnership with sessional kindergarten providers operating from Council facilities through enhancement of processes and partnership meetings.	Partnership activities continued throughout the year. Attendance and participation from key kindergarten stakeholders and supporting sector regulators remained a key strength of the partnership model. This sharing of practice provided a strong foundation for ongoing work to support the provision of kindergarten into the future	✓

Actions	Comments	Progress Status
Deliver sporting club capacity-building sessions in partnership with key stakeholders.	Stage 2 of the Child Friendly Cities initiative commenced, focusing on learning and capacity building for Council staff. An internal working group representing a range of service areas has been established, and a workplan developed to support ongoing staff education, awareness and information sharing. Remaining activities will continue through 2026-2027 early years actions.	✓

The difference we're making

Progress against the performance measures identified in the Council and Health and Wellbeing Plan 2025-2029

Performance measure	2025–26 Target range	2025–26 Result	Comment
Participation of young people in Youth Services programs.	7,500-8,000	**14,745**	Program participation was strong, with larger than predicted engagement by young people in Pop-Up Youth Hives. Participation was particularly strong in the second half of the year, with May being the busiest month for the period, contributing to a result that significantly exceeded the annual target.
Participation in social inclusion programs and intergenerational initiatives.	4,000-4,200	**4,701**	Participation rates have exceeded the target for this performance measure.
Community satisfaction with community and cultural activities, festivals, and events.	8.0-8.2	**8.4**	Community satisfaction with community and cultural activities, festivals, and events was 8.4 which is an "excellent" level of satisfaction.
Number of health promotion initiatives targeted at reducing alcohol-related harm.	8-9	**8**	There were 8 health promotion initiatives targeted at reducing alcohol-related harm delivered.

Performance measure	2025–26 Target range	2025–26 Result	Comment
Number of volunteers that attend volunteer training and education. 	275-325	**320**	The total number of attendees was 320, an increase of 54 from 2024-2025. Attendees per session averaged 19, on par with 2024-2025. We held 17 sessions in, an increase from 15 in the previous year.
Participation of people living with disability and their carers in targeted events, programs and professional development opportunities. 	1,800-2,000	**2,797**	Participation significantly exceeded the target range, with 2,797 attendances recorded. This demonstrates the continued demand for inclusive events, programs and support groups delivered for people living with disability, their carers, and educators who access Council's professional development programs.
Number of residents accessing the Knox community transport bus outings. 	5,000-5,500	**6,075**	Community transport use increased this year, with a higher number of clients enjoying outings and community organisations hiring the buses for excursions.
Community Satisfaction with services for youth. 	8.0-8.1	**8.1**	Community satisfaction with services for youth was 8.1 which is an "excellent" level of satisfaction.
Community Satisfaction with sports ovals and other outdoor sporting facilities. 	8.2-8.3	**8.2**	Community satisfaction with sports ovals and other outdoor sporting facilities was 8.2 which is an "excellent" level of satisfaction.
Number of upgrades that provide for gender inclusion in Council owned pavilions. 	1-2	**4**	Seebeck Reserve, Park Ridge Modular Pavilion, Wally Tew Pavilion and Tormore Reserve Pavilion were upgraded.

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF aligned to this key direction

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Maternal and Child Health (MCH)					
Service Standard **Infant enrolments in the MCH service** [Number of infants enrolled in the MCH service (from birth notifications received)/Number of birth notifications received] x 100	100.98%	100.73%	100.57%	**100.98%**	Engagement in the Maternal and Child Health (MCH) Service is strong. Community members continue to be responsive to the MCH service in its entirety with infant enrolments remaining stable throughout 2025-26. (Note that a result of over 100% occurs when we have additional infants transfer into our municipality before a first home visit, and/or the birth notice was initially sent to the incorrect LGA.)
Service Cost **Cost of the MCH service** [Cost of the MCH service/Hours worked by MCH nurses]	$90.25	$86.44	$104.23	**$110.11**	The cost of the MCH service increased in 2025-26 due to staff shortages resulting in fewer hours worked by MCH nurses.
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] x 100	75.84%	77.21%	75.36%	**73.47%**	Team members are focusing on completing missed visit reports and ensuring those clients that have missed visits are invited to reschedule and attend their appointments.

Service/indicator/ measure	Results				Comment
	2023	2024	2025	2026	
Participation **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.	85.71%	81.63%	78.08%	**71.24%**	Participation in the MCH service by Aboriginal children decreased slightly in 2025-26. Proactive engagement has supported First Nations participation in the MCH service. We are constantly exploring engagement strategies to build collaboration and encourage participation.
Participation **Participation in 4-week Key Age and Stage visit** [Number of 4-week Key Age and Stage visits/ Number of birth notifications received] x 100	98.70%	98.33%	102.37%	**101.50%**	Council has a very high level of engagement with families with young infants. (Note that a result of over 100% occurs when we have additional infants transfer into our municipality before a first home visit, and/or the birth notice was initially sent to the incorrect LGA.)
Aquatic Facilities					
Service Standard **Health inspections of aquatic facilities** [Number of authorised officer inspections of Council aquatic facilities/Number of Council aquatic facilities]	2	2	2	**1**	The aquatic facility received one inspection during 2025-26. Inspection frequency is determined by a risk-based approach that considers compliance history, operational factors, and available regulatory resources. Based on these considerations, one inspection was needed and undertaken during the year.
Utilisation **Utilisation of aquatic facilities** [Number of visits to aquatic facilities/ Municipal population]	2.03	2.09	2.22	**2.33**	Knox Leisureworks recorded 382,115 visits 2025-26.

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Service Cost **Cost of aquatic facilities** [Direct cost of aquatic facilities less income received/Number of visits to aquatic facilities]	$1.55	$0.07	$0.71	**$0.70**	The cost of providing aquatic services remains consistent with the previous year.

Services

The services funded in the 2025-2026 Budget.

Service/Description	Net cost	
Arts & Culture This service focuses on arts and cultural programs to build community connections, contribute to community identity, and promote cultural diversity. It includes but is not limited to development and management of arts and cultural venues, identifying and managing community resources, and delivering public art projects and community functions.	Budget Actual **Variance**	1,616 1,603 **13**
Early Years These services are designed to support children's development and family needs, including Maternal and Child Health (MCH), Early Childhood Education and Care, playgroups, and inclusion support services.	Budget Actual **Variance**	2,897 2,827 **70**
Festivals & Events This service provides free community events that are family friendly, promotes connectivity, and celebrates community life. It includes but is not limited to supporting community run events, delivering major festivals and pop-up programs, and coordinating citizenship events.	Budget Actual **Variance**	719 755 **(36)**

Service/Description	Net cost Budget Actual Variance $'000	
Seniors This service provides a range of programs to assist residents aged 65 years and over, to live independently and safely in their homes. Support includes food services, occupational therapy, home modifications and maintenance, and housing support. In addition, this service supports seniors' clubs, social connections, active ageing programs, carers, people with disability, community transport, short term support, and planning for an ageing community.	Budget Actual **Variance**	2,790 2,569 **221**
Social Research, Policy & Planning This service conducts a range of in-depth research and planning for social policy, strategic and local area plans to enable Council and community partners to make informed decisions to improve community health and wellbeing. Areas include gender equity, community access and inclusion, reconciliation, social and affordable housing, community development and mental health.	Budget Actual **Variance**	3,503 3,202 **301**
Sports & Leisure This service supports community sporting and leisure clubs through planning, advocacy and consultation on facility and venue development. It provides training opportunities and funding support for minor projects. This service also manages sport and leisure facilities, either directly or through partnerships with other organisations.	Budget Actual **Variance**	4,756 4,421 **335**
Youth This service seeks to support physical, social and mental wellbeing of young people through programs and advocacy. It includes but is not limited to providing individual and group support programs, school focused youth care, and family support.	Budget Actual **Variance**	768 591 **177**

Theme 3
Caring for and enhancing our environment

Highlights

- Delivered a range of environmental events to help sustain biodiversity resilience.
- Progressed sustainability initiatives supporting Council's net zero commitment.
- Advanced planning for the future of Knox's open spaces.

Strategic objective

Our environment is greener, healthier and sustainable through Council's environmental protection and enhancement, working in collaboration with our community.

Delivering on health and wellbeing commitment

Our Knox community will be able to enjoy the benefits of a well maintained and sustainable environment to support their mental health and vitality.

Strategies

Strategies	Health & wellbeing priority
Strategy 3.1 Our environment is healthy and sustainable by considering environmental factors when planning for and making decisions.	
Strategy 3.2 Green spaces and waterways are protected, enhanced and enjoyed through planning, promotion and maintenance of our built and natural environment.	
Strategy 3.3 Minimise waste to landfill through access to a suite of waste services and education.	
Strategy 3.4 Energy consumption and the use of renewable energy resources are positively impacted through investment in assets, education, planning and advocacy.	

Our environment is **greener, healthier and sustainable** through Council's environmental protection and enhancement, working in collaboration with our community.



What we achieved in 2025-2026

Progress of our actions identified in Year 1 of the Council and Health and Wellbeing Plan 2025-2029

Actions	Comments	Progress Status
Finalise the first draft of the 10-year Open Space Strategy.	An initial draft of the Open Space Strategy was developed. A Councillor briefing held on 13 April 2026 outlined the draft community values, strategic principles and key community feedback received. Further community consultation will occur to help refine the draft, the Strategy will be updated and is then expected to be presented to Council for endorsement in 2026-27.	✓
Deliver the year two funded actions of the Biodiversity and Resilience Strategy 2024-2034 Action Plan.	Various year two actions were delivered. The Gardens for Wildlife program celebrated its 20th anniversary, while work continued on the Biodiversity Sensitive Urban Design Framework in partnership with the University of Melbourne. A Nature Conversations community co-design workshop was delivered, and the Nature Stewards Program received positive feedback from participants. Community planting events were held for World Environment Day and at Koolunga Native Reserve, supporting community participation in biodiversity and environmental stewardship.	✓
Deliver the annual Sustainability Initiatives of Council's Capital Works Program to reach net zero emissions by 2030.	Sustainability Initiatives were completed and included projects such as: • efficiency upgrades to lighting and air conditioning at Knox Civic Centre • lighting replacement at several outdoor car parks including Wally Tew Reserve and Pickets Reserve • the installation of pool blankets to the 50m Pool at Knox Leisureworks • lighting upgrades to Knoxfield Tennis Club	✓
Conduct the mid-term review of Council's Climate Response Plan 2021-2031.	The mid-term review of Council's Climate Response Plan was completed with the draft to be presented to Council for consideration in July 2026.	✓

Legend

✓ Complete ● Behind schedule

Actions	Comments	Progress Status
Advocate to Federal and State Governments to reconsider the kerbside glass only service reform, in favour of an expanded Container Deposit Scheme (CDS) to enhance glass recycling and reduce cost to the Knox community.	Knox is among 39 Victorian councils calling on the State Government to delay the mandatory rollout of a costly fourth glass bin. Community feedback from our 2025 Waste Service Review showed that homes in Knox have less than 10 glass items to recycle per week. This suggests a fourth household bin dedicated solely to glass recycling would not be well utilised. Knox residents responded to the "Let's be clear on glass" community survey and the results will be provided to the State Government for review. The 39 Councils are recommending expansion of the CDS to include wine and spirit bottles and an extension of the July 2027 deadline for the glass-only kerbside service. This would allow sufficient time to fully explore alternative options.	✓
Progressively replace fleet vehicles with zero/low emission vehicles.	New fleet assets are being purchased to reduce council's environmental footprint. Electric Vehicles (EV's) and hybrid vehicles are being considered for dedicated pool and passenger fleet.	✓
Participate in the South East Metropolitan Advanced Waste Processes Project Oversight Group, to oversee facility construction and report back to Council.	Knox City Council is involved in ongoing discussions following the Victorian Civil and Administrative Tribunal (VCAT) decision in April that will impact the South East Metropolitan Advanced Waste Processes Project. Knox is a part of the South East Council landfill user group and there is a working group tasked with preparing a report investigating the impacts of the landfill and transfer station capacity after the closure of Veolia Hallam.	✓

The difference we're making

Progress against the performance measures identified in the Council and Health and Wellbeing Plan 2025-2029

Performance measure	2025-26 Target range	2025-26 Result	Comment
Community satisfaction with the provision and maintenance of parks and gardens.	7.8-8.0	**8.1**	Community satisfaction with the provision and maintenance of parks and gardens was 8.1 which is an "excellent" level of satisfaction.

Performance measure	2025–26 Target range	2025–26 Result	Comment
Net change in Council trees (planted vs removed). 	1,250-1,350	**1,298**	Council planted 2,372 trees and 1,074 trees were removed. This is a net gain of 1,298 trees.
Waste diverted from landfill.	72-74	**71%**	The diversion rate is relatively consistent with the previous year. The diversion rate has been impacted by the successful uptake of the Container Deposit Scheme (CDS), which has shifted recyclable materials away from Council's collection system, and lower green waste tonnages due to reduced rainfall. As a result, these materials are no longer included in our reported recycling figures, impacting the calculated diversion percentage. The diversion rate of 71% continues to place Knox as a leading Council in reducing waste to landfill and in a strong position to achieve state and Council goals on this key environmental indicator.
Council's greenhouse emissions (CO2 equivalent). 	1,800-1,850	**2,610**	Council's greenhouse emissions (Scope 1 and 2) have reduced by 60% over the past five years. This is largely due to all Council electricity now being supplied by renewable energy from a Victorian wind farm, which has almost eliminated Scope 2 emissions. While emissions from electricity have reduced significantly, emissions from fuel and gas use have increased by approximately 7% compared to the previous 12 months. The 2025-26 result remains above the target range of 1,800 to 1,850, as the pace of fleet electrification and the transition away from gas continue to present challenges. Scope 1 and 2 emissions included in this measure are the focus of Council's Net Zero by 2030 target as they are within Council's direct control and influence.
Electrification of Council Buildings (removal of gas connection and/or solar installation and/or battery connection). 	3-5 buildings per financial year	**3**	HV Jones Pavilion, Wally Tew Pavilion and Tormore Reserve Pavilion were fully electrified.

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF aligned to this key direction

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Waste Management					
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] x 10,000	1.80	0.38	0.26	**0.51**	Confirmed missed bin incidents remain low. The increase in missed collections can be attributed to general fluctuations in resident behaviour, as well as adjustments to the way these requests are administered and managed following the introduction of Council's 'Close the Loop' project. Council will continue to manage this through strong contract management and continuous improvement in partnership with the contractor and community.
Service Cost **Cost of kerbside garbage bin collection service** [Direct cost of the kerbside garbage bin collection service/ Number of kerbside garbage collection bins]	$124.06	$80.09	$91.32	**$103.89**	The volume of garbage collected has remained relatively stable. However, costs have increased compared to the previous reporting period, primarily due to a significant increase in the landfill levy applied to landfill disposal (collected by the State Government)
Service Cost **Cost of kerbside recyclables bin collection service** [Direct cost of the kerbside recyclables bin collection service/ Number of kerbside recyclables collection bins]	$66.41	$65.13	$64.40	**$56.56**	The cost of the kerbside recyclables collection service declined in 2025-26 due to lower processing fees under the new processing contract which commenced in December 2025.

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
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] x 100	53.12%	72.87%	71.21%	**70.79%**	The diversion rate is relatively consistent with the previous reporting period. The diversion rate has been impacted by the successful uptake of the Container Deposit Scheme (CDS), which has shifted recyclable materials away from Council's collection system, and lower green waste tonnages due to reduced rainfall. As a result, these materials are no longer included in our reported recycling figures, impacting the calculated diversion percentage. The diversion rate of 71% continues to place Knox as a leading Council in reducing waste to landfill and in a strong position to achieve state and Council goals on this key environmental indicator.

Services

The services funded in the 2025-2026 Budget.

Service/Description	Net cost Budget Actual Variance $'000	
Fleet, Plant & Machinery This service is designed to ensure that the Council's Fleet, Plant, and Machinery are effectively managed in a sustainable manner. It encompasses activities such as timely servicing, repair, and capital renewal for each resource, thereby promoting their longevity and operational efficiency.	Budget Actual **Variance**	(381) (734) **353**
Open Space & Biodiversity This service focuses on improving and managing an integrated network of public open spaces, including the protection and enhancement of a network of habitat corridors across Knox. The service utilises research and best practice to support the local flora, fauna and ecosystems that contribute to a healthy natural environment. In addition, it manages and preserves trees and vegetation in public areas.	Budget Actual **Variance**	15,256 13,664 **1,592**

Service/Description	Net cost Budget Actual Variance $'000	
Sustainability & Climate Response This service is responsible for guiding Council and the community's response to climate change, including energy efficiency and renewable energy initiatives, community education, and engagement programs on environmental sustainability and climate mitigation.	Budget Actual **Variance**	1,004 911 **93**
Waste This service is responsible for the collection and disposal of kerbside waste, recyclables, green organics and hard waste. Other services include clearing and maintenance of public litter and recycle bins, waste collection from Council venues, landfill rehabilitation, waste management planning, waste education, and compliance with legislated waste reforms.	Budget Actual **Variance**	25,623 24,348 **1,275**
Waste & Drainage This service develops strategies to plan and manage stormwater drains and protect water quality in urban areas, including promotion of Water Sensitive Urban Design, flood mapping, supporting stormwater and wastewater management.	Budget Actual **Variance**	2,948 2,707 **241**



Theme 4
Leading, listening and governing responsibly

Highlights

- Adopted the 2026-2027 Annual Budget to support community services and infrastructure.
- Developed Council's Asset Plan 2025-2035 to guide long-term infrastructure investment.
- Improved access to Council information through a review of communication channels.

Strategic objective

Our community feels empowered, heard, and has trust in Council through responsible governance, proactive communication and engagement, and transparent decision making.

Delivering on health and wellbeing commitment

Our Knox community will feel heard and considered which will enhance community cohesion and a sense of belonging.

Strategies

Strategies	Health & wellbeing priority
Strategy 4.1 Council demonstrates its accountability through transparent and responsible decision-making and working together productively.	
Strategy 4.2 Our diverse community is informed and has opportunities to participate and provide feedback through clear and meaningful communication and engagement.	
Strategy 4.3 Council services are efficient and optimised through ongoing improvement, and focused investment in innovation, technology and capability.	
Strategy 4.4 The changing needs of our community are met through informed policy and strategy that maximises value, collaboration and partnerships with other councils and local organisations.	
Strategy 4.5 Council is financially sustainable through long-term strategic, financial and asset planning, and the responsible prioritisation, allocation and use of resources.	



Our community feels **empowered, heard, and has trust in Council** through responsible governance, proactive communication and engagement, and transparent decision making.

What we achieved in 2025-2026

Progress of our actions identified in Year 1 of the Council and Health and Wellbeing Plan 2025-2029

Actions	Comments	Progress Status
Optimise Council's key communication channels to ensure our customers have easy access to relevant and timely information.	The review of Council owned communication channels has been completed for Knox News print magazine, eNewsletter, roadside banners, the Have Your Say website and on hold messages. The review process included completing Equity Impact Assessments to ensure the needs of different audiences were considered. Reviews were also completed for external communication channels that Council regularly utilises including digital screens, Electric Vehicle (EV) charging station screens, community newspapers, and the Mayor's radio segment. Findings from the reviews will inform the development of guides, documenting processes, monitoring and evaluation measures and actions for improvement. This work aligns with the Digital Roadmap and Social Media Framework.	✓
Deliver the year one actions of Council's Organisation Strategy 2025-29.	Our Organisation Strategy focuses on five key themes. It encourages our people to be customer centric, people focused, financially sustainable, change ready and outcomes driven. Nine of the ten actions within the Organisation Strategy were completed, and the remaining action will be carried forward to 2026-27.	●
Complete a community engagement program to inform Council's Annual Budget 2026-27.	Community engagement for the Annual Budget and Action Plan was undertaken between 28 July and 24 August 2025 with 594 responses from community members and eight formal submissions. The engagement activities were focused on understanding how we can best meet community needs under each theme of the Council and Health and Wellbeing Plan, community ideas for actions or projects in a specific location in Knox and the services our community think deliver most value. Engagement activities included an online survey, five pop-up events across the municipality and targeted events at the hubs and with the multi-advisory committee. The community engagement report was presented to Council at the Council Meeting on 29 September 2025 with formal submissions heard on 1 October 2025. The feedback received informed the development of the Annual Budget 2026-27.	✓
Develop and endorse Council's Asset Plan 2025-2035.	Council adopted the Asset Plan 2025-2035 on Monday 27 October 2025.	✓

Legend

✓ Complete ● Behind schedule

Actions	Comments	Progress Status
Develop and endorse Council's Annual Budget 2026-27.	The 2026-2027 Annual Budget was adopted by Council on 22 June 2026.	✓
Finalise the platform tender process for Core Business Systems to integrate technology systems into a single source of truth, optimising efficiency, cybersecurity and productivity.	The tender was finalised and the contract was awarded to the preferred tenderer on 24 December 2025.	✓
Develop and launch a Continuous Improvement Framework and Year 1 program of initiatives to improve customer experience, staff experience, and operational efficiency.	The Continuous Improvement Framework and associated roadmap were endorsed by the Executive Leadership Team in May 2026. The program has now been launched, with the prioritisation of improvement projects underway to support the delivery of ongoing improvements across Council.	✓
Actively pursue and participate in collaborative procurement opportunities to maximise contract outcomes.	Council continued to pursue collaborative procurement opportunities to achieve improved contract outcomes and value for money. This included participation in collaborative procurement activities for Traffic Management and IT Operations Management services. Council will continue to review procurement opportunities and where appropriate, align contracts with broader Eastern Region collaborative arrangements to support efficiency, consistency and value for money outcomes.	✓

The difference we're making

Progress against the performance measures identified in the Council and Health and Wellbeing Plan 2025-2029

Performance measure	2025–26 Target range	2025–26 Result	Comment
Community satisfaction with Council's community consultation and engagement.	6.9-7.1	**7.2**	Community satisfaction with community consultation and engagement was 7.2 which is a "good" level of satisfaction.

Performance measure	2025–26 Target range	2025–26 Result	Comment
Adjusted underlying Surplus.	9.15%	**4.69%**	The adjusted underlying surplus for the 2026 financial year was 4.69%. The major variance to budget in the adjusted underlying result was the $11.7 million variance for the net gain (loss) on disposal of property, infrastructure, plant and equipment, including a timing difference in land and building sales totalling $10.0 million which are now set to proceed during the 2027 financial year. Partially offsetting this was an increase of $8.3 million for depreciation due to the impact of *AASB 13 Fair Value Measurement* which contributed to an increase of $253.0 million in the value of Council assets as at 30 June 2025 (after the adoption of the budget for the 2026 financial year).
Community satisfaction with Council having a sound direction for the future.	6.7-6.9	**7.1**	Community satisfaction with Council having a sound direction for the future was 7.1 which is a “good” level of satisfaction.
Community satisfaction with Council’s representation, lobbying, and advocacy on behalf of the community.	6.7-6.9	**7.1**	Community satisfaction with Council’s representation, lobbying, and advocacy on behalf of the community was 7.1 which is a “good” level of satisfaction.
Community satisfaction with Customer Service.	7.7-7.9	**7.7**	Community satisfaction with Customer Service was 7.7 which is a “very good” level of satisfaction.
Community satisfaction with Council’s overall performance.	6.9-7.1	**7.2**	Community satisfaction with Council’s overall performance was 7.2 which is a “good” level of satisfaction.
Council decisions made at meetings closed to the public.	4%-6%	**4%**	Council continues to strive to limit the number of decisions made in meetings closed to the public as much as possible. Seven resolutions were made in closed meetings of Council during 2025-26.

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF aligned to this key direction

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Governance					
Transparency **Council decisions made at meetings closed to the public** [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public/Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x 100	4.20%	4.44%	2.25%	**3.98%**	Council continues to strive to limit the number of decisions made in meetings closed to the public as much as possible. Seven resolutions were made in closed meetings of Council during 2025-26.
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]	53	69	69	**72**	Satisfaction with community consultation and engagement increased by 3 points from 2025.

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Attendance **Councillor attendance at Council meetings** [The sum of the number of Councillors who attended each ordinary and special Council meeting/ (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x 100	91.27%	88.44%	92.42%	**94.67%**	Attendance increased slightly from the previous year.
Service Cost **Cost of elected representation** [Direct cost of the governance service/ Number of Councillors elected at the last Council general election]	$61,954.22	$67,233.73	$66,598.26	**$73,651.68**	The cost of elected representation has increased due to an increase in councillor training and education, as expected in the first full year of the council term.
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]	54	69	66	**71**	Satisfaction with Council decisions increased by 5 points from 2025.

Services

The services funded in the 2025-2026 Budget.

Service/Description	Net cost Budget Actual Variance $'000	
Customer Service The service supports the organisation in providing personalised, responsive customer service via all Council's contact channels. The team provides support for all customer interactions and exists to support information and connection between Council and the community.	Budget Actual **Variance**	5,445 4,757 **688**
Data, Information & Technology The Information Technology service provides computer hardware, software, telecommunications, business information and systems analytics, project and business improvement services to support the organisation to deliver Council services in accordance with City and Council Plan.	Budget Actual **Variance**	11,632 10,580 **1,052**
Finance The Finance Department provides the strategic thinking, leadership, service delivery and management of all matters relating to financial management, involving budgeting and forecasting, regular financial reporting, Annual Financial Accounts preparation, rating services and management of the creditors and debtors.	Budget Actual **Variance**	2,565 2,466 **99**
Governance The Governance service works across the organisation to advise, educate and build the capacity of Councillors and staff to promote and achieve good governance in Council's operations and more broadly, engage with the community to encourage greater participation in local democracy.	Budget Actual **Variance**	1,882 1,682 **200**
People This Service provides a range of strategic and operational functions that are aimed at ensuring that Council's human resource (HR) activities, programs, and strategies enhance staff performance and realise Council's Vision.	Budget Actual **Variance**	5,820 4,441 **1,379**
Procurement To ensure procurement activity is conducted in a honest, competitive, fair and transparent manner, delivering best value for money outcomes with consideration of Council's social, environmental, economic and governance objectives and legislations.	Budget Actual **Variance**	813 932 **(119)**
Risk Management This service is responsible of the identification, assessment and management of potential risks that may impact the Council's operations, providing a systematic and proactive approach to managing risks, with the ultimate goal of protecting the Council's interests.	Budget Actual **Variance**	2,796 2,494 **302**
Strategy & Performance Provides leadership, guidance and direction for the planned and measurable delivery of Council's Vision. This is achieved through: strategic planning, corporate planning, service planning & review, portfolio and change management, performance monitoring, evaluation and reporting, and business improvement projects.	Budget Actual **Variance**	2,465 2,517 **(52)**

Theme 5
Being a strong voice for safety



Highlights

- Delivered community safety initiatives in partnership with local agencies and Victoria Police.
- Raised awareness of family violence prevention and support services.
- Developed a draft Public Lighting Policy to improve safety in public spaces.

Strategic objective

Our community feels safe, respected and supported in public spaces and at home through Council's delivery, advocacy and partnerships.

Delivering on health and wellbeing commitment

Our Knox community will feel safer and more resilient, knowing that the Council is working together with community and agencies to create safe places and spaces and promote respect

Strategies

Strategies	Health & wellbeing priority
Strategy 5.1 Our community feels safer in public spaces and facilities through planning, maintenance, education, design and proactive program delivery for Council owned and managed spaces and via advocacy for others.	
Strategy 5.2 Safety and liveability are prioritised through the planning, delivery and enforcement of local laws and regulatory services.	
Strategy 5.3 Our community is more secure, connected and feel less isolated through planning, partnerships, advocacy and targeted support for our most vulnerable.	
Strategy 5.4 People feel safe in their homes and in the community through the development of partnerships, planning and promotion of programs, services and education that focus on connection, safety and respect.	
Strategy 5.5 Our community is resilient in the face of emergencies through planning, education, emergency response and support.	



Our community feels **safe, respected and supported** in public spaces and at home through Council's delivery, advocacy and partnerships.

What we achieved in 2025-2026

Progress of our actions identified in Year 1 of the Council and Health and Wellbeing Plan 2025-2029

Actions	Comments	Progress Status
Partner with key stakeholders to deliver community safety programs and initiatives that improve perceptions of safety and neighbourhood connection. 	Three Knox eNews articles were published between April and June 2026, with a cumulative 380 click throughs. Council delivered an internal and external session titled *'Understanding the Youth Crime Narrative'* in June 2026, attended by 27 participants. The *'Keeping Knox Safer'* round table was held in May 2026, bringing together 44 participants from a range of services across Knox and State Government. Three *Cuppa with a Cop* sessions were also attended by Council officers in collaboration with Victoria Police.	✓
Deliver year two of the Free From Violence project. 	Year two of the project was completed in March 2026 and year three of the Free From Violence project commenced in April 2026 following approval by Department of Families, Fairness and Housing of the Project Plan. The Free From Violence project saw the activation of a major family violence awareness and help seeking campaign across a number of settings within Knox, including sporting clubs and stadiums, early years settings, neighbourhood houses, opportunity shops, licenced venues as well as through billboards and roadside banners. An event to mark World Elder Abuse Awareness Day was delivered on 24 June 2026 to promote gambling harm awareness and the link to elder abuse. Planning is underway for education sessions to be rolled out in Quarter 1 to meals on wheels volunteers, library staff, sporting clubs and Council staff.	✓
Celebrate the achievements of women and progress towards gender equality through the delivery of International Women's Day event and 16 days of Activism Against Gender-Based Violence in partnership with our community. 	Council delivered a range of initiatives to celebrate the achievements of women and promote gender equality, including International Women's Day events and activities delivered through the 16 Days of Activism campaign. Delivered in partnership with community organisations, regional councils, Knox Libraries and other stakeholders, these initiatives supported community awareness, encouraged respectful relationships and strengthened understanding of gender equality and the prevention of gender-based violence. Planning commenced for 2026-27 activities, including the 16 Days of Activism Against Gender-Based Violence campaign, and Councils participation in the *Put Her Name On It* program to support recognition of women's contributions and promote gender equality within the community.	✓

Legend

✓ Complete ● Behind schedule

Actions	Comments	Progress Status
Complete the Domestic Animal Management Plan 2025-29.	The development of the Domestic Animal Management Plan (DAMP) 2025-2029 was finalised and endorsed by Council on 23 February 2026.	✓
Develop a first draft of a Public Lighting Policy for Knox to extend usable hours and improve perceptions of safety in public spaces. 	A first draft of the Public Lighting Policy for Knox was developed following a review of public lighting policies from other municipalities and input from the project working group. Officers are reviewing the draft to consider policy scope, public safety outcomes, asset and maintenance implications, implementation requirements and alignment with the Council and Health and Wellbeing Plan 2025-2029. Feedback from the internal review will inform further refinement of the draft before presentation to Council for consideration.	✓
Participate in the Eastern Metropolitan Council's Emergency Management Partnership in order to deliver a collaborative approach to regional emergency preparation and preparedness. 	Knox City Council signed a new partnership agreement with the EMCEMP Councils, including ongoing funding for the next four years to enable a collaborative approach to regional emergency preparation and preparedness. Under this new partnership, officers will continue to participate in the collaboration.	✓

The difference we're making

Progress against the performance measures identified in the Council and Health and Wellbeing Plan 2025-2029

Performance measure	2025–26 Target range	2025–26 Result	Comment
Perception of community safety in public areas of Knox. 	7.9-8.1	**8.2**	The perception of community safety in public areas of Knox exceed the target.
Perception of community safety at home. 	8.2-8.3	**8.3**	The perception of community safety at home met the target.

Being a strong voice for safety (continued)

Performance measure	2025–26 Target range	2025–26 Result	Comment
Number of days taken to follow up a major or critical food notification or outbreak.	1-2	**1**	Follow ups on major or critical food notification or outbreak continue to be conducted within one day of notification.
Percentage of high-risk buildings (large public buildings such as shopping centres, aged care facilities, hospitals or entertainment venues) audited annually, for compliance with safety requirements. 	30%-35%	**30%**	The audits undertaken are a mix of proactive and reactive reviews of high-risk buildings. The bulk of the audits relate to high-risk combustible cladding buildings located within Knox that have been referred to the Knox Building team by Cladding Safety Victoria.
Animal Management Prosecutions.	95%-100%	**100%**	Council prosecutes serious offences under the Domestic Animals Act, as well as matters involving repeat offenders who consistently show irresponsible pet ownership. The Council has maintained a 100% success rate in its prosecutions.

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF aligned to this key direction

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Animal Management					
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]	3.06	4.35	3.89	**3.30**	All animal management requests are assessed based on risk and addressed in a timely manner. Council prioritises all dogs at large, animal collections, attacks, rushes and animal cruelty requests, acting on them immediately. The figure for this period is consistent with the previous year.
Service Standard **Animals reclaimed** [Number of animals reclaimed/Number of animals collected] x 100	47.48%	41.22%	49.19%	**36.40%**	Council endeavours to reunite dogs and cats with their owners. Registered animals can generally be reunited quickly where owner details are available, while unregistered animals require further efforts to identify owners. The number of animals reclaimed fluctuates from year to year, depending on the number of requests received from residents who have found an animal and the circumstances resulting in an animal being impounded. In 2025–26, Council experienced an exceptionally high number of surrenders relating to semi-owned cat populations (stray cats being fed and accommodated), which reduced the overall percentage of animals reclaimed.

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Service Standard **Animals rehomed** [Number of unclaimed collected animals rehomed/Number of unclaimed collected animals] x 100	36.43%	64.04%	61.78%	**59.38%**	The number of animals rehomed has remained steady in comparison with the previous reporting period. Where animals have not been reclaimed by their owner, all efforts have been made to find a suitable new home in accordance with the requirements of the Domestic Animals Act and the Code of Practice for the Management of Dogs and Cats. The proportion of unclaimed animals rehomed has remained relatively stable.
Service Cost **Cost of animal management service per population** [Direct cost of animal management service/ Municipal population]	$8.08	$8.10	$9.22	**$9.33**	The cost of the animal management service has remained relatively stable. This reflects Council's ongoing commitment to delivering statutory animal management responsibilities, including animal registrations, community education, compliance activities, and animal welfare services. The result reflects the resources required to maintain service levels while responding to operational demands and meeting legislative obligations.
Service Standard **Animal management prosecutions** [Number of successful animal management prosecutions/Number of animal management prosecutions] x 100	91.67%	100.00%	100.00%	**100.00%**	Council prosecutes serious offences under the Domestic Animals Act, as well as matters involving repeat offenders who consistently show irresponsible pet ownership. The Council has maintained a 100% success rate in its prosecutions.
Food Safety					
Timeliness **Time taken to action food complaints** [Number of days between receipt and first response action for all food complaints/ Number of food complaints]	1.97	2.48	1.48	**1.73**	Food complaints continue to be actioned as a priority. Maintaining timely action on food-safety concerns is essential for protecting public health, so this trend highlights an opportunity to review workflows and ensure responsiveness remains strong.

Service/indicator/ measure	Results				Comment
	2023	2024	2025	2026	
Service Standard **Food safety assessments** [Number of class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 (Vic)/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 (Vic)*] x 100	101.11%	97.91%	95.39%	**100.12%**	Inspections were completed for class 1 and class 2 premises this year.
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 (Vic)*]	$1,128.87	$1,058.61	$367.93	**$331.29**	The decrease in the cost of food safety service is attributable to an increase in the number of registered food premises during the reporting period, resulting in a lower direct food safety service cost per premises.

Service/indicator/ measure	Results				Comment
	2023	2024	2025	2026	
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 outcome notifications about food premises] x 100	99.40%	100.00%	100.00%	**98.02%**	All critical non-compliance notifications and major non-compliance notifications about a food premises were followed up, except for the five premises that closed before the follow up.
Health and Safety **Food safety samples** [Number of food samples obtained/ Required number of food samples] x 100	N/A	111.96%	106.10%	**100.00%**	All required food sampling was completed.

Services

The services funded in the 2025-2026 Budget.

Service/Description	Net cost Budget Actual Variance $'000	
Community Laws The service contributes to our community's safety and liveability by managing local laws, including nuisance complaints, parking compliance and animal management.	Budget Actual **Variance**	409 182 **227**
Community Safety This service contributes to the safety and well-being of the community. These services include, but are not limited to funding community safety initiatives, promoting safe driving, coordinating safety, resourcing of school crossings, initiatives to reduce alcohol and gambling related harm, and support services for people experiencing or at risk of experiencing homelessness.	Budget Actual **Variance**	1,632 1,645 **(13)**
Emergency Management This service is responsible for emergency preparedness, response and recovery in Knox, by working closely with emergency state agencies. In addition, this service inspects properties at risk of bushfires and helps property owners mitigate bushfire risk.	Budget Actual **Variance**	352 276 **76**
Food Safety This service manages food safety standards in the business industry, ensuring businesses are compliant to food safety regulations and tobacco compliance program. It also includes, but is not limited to, inspections and enforcement.	Budget Actual **Variance**	460 312 **146**
Statutory Building This service is responsible for managing building assessment and building compliance for property development. It includes, but is not limited to providing advice, assessing applications, issuing permits, enforcement, and protection of adjoining properties.	Budget Actual **Variance**	755 1,276 **(521)**

Theme 6
Planning our future city



Highlights

- Advocated for safe and affordable housing in Knox.
- Progressed plans to support Bayswater's future growth and development.
- Improved accessibility through inclusive design of Council facilities.

Strategic objective

Our neighbourhoods, housing and infrastructure meet the needs of our changing community through effective planning, delivery and advocacy.

Delivering on health and wellbeing commitment

Our Knox community will be able to fully enjoy their local area, knowing that what they need now and into the future has been considered and planned. They will feel proud of where they live.

Strategies

Strategies	Health & wellbeing priority
Strategy 6.1 There is improved access to a diverse range of housing options through effective planning, advocacy, and identifying opportunities for social and affordable housing supply.	
Strategy 6.2 High quality, integrated community services and facilities are available through the planning, design and maintenance of multifunctional places that promote connection and utilisation.	
Strategy 6.3 Our evolving neighbourhoods are liveable and sustainable through planning and design that responds to population growth and our community's changing needs.	
Strategy 6.4 Our community's expectations and aspirations for housing development and land use are considered through planning, advocacy, partnerships and decision-making.	

Our neighbourhoods, housing and infrastructure meet the needs of our changing community through **effective planning, delivery and advocacy**.



What we achieved in 2025-2026

Progress of our actions identified in Year 1 of the Council and Health and Wellbeing Plan 2025-2029

Actions	Comments	Progress Status
Deliver the year three actions of the Social and Affordable Housing Strategy 2023-2027.	The mid-term review of the Social and Affordable Housing Strategy 2023-2027 was presented to Council in November and received positive feedback. The actions identified during the associated Equity Impact Assessment (EIA) commenced. The implementation group meet quarterly to monitor progress and support delivery of the identified actions.	✓
Commence preparation of the Knox Housing Strategy review following release of the new Plan for Victoria and State housing targets to ensure that Knox is well placed to respond to legislative change and market demands.	This project continues to be rescoped in response to planning reform being progressed by the State Government. Delivery was significantly delayed awaiting the release of the housing modelling tool required to determine the distribution of State Government-allocated housing targets. The tool was released in February 2026, enabling the next phase of the project to proceed.	✓
Prepare the Bayswater Renewal Strategy Planning Scheme Amendment for implementation into the Knox Planning Scheme.	Preparation of documentation associated with the planning scheme amendment was completed, including a response to a request for further information from the Department of Transport and Planning (DTP) regarding the amendment. Council is awaiting final authorisation from DTP before presenting a report to Council to note the planning scheme amendment documentation prior to public exhibition of the amendment in 2026-2027.	✓

Legend

✓ Complete ● Behind schedule

Actions	Comments	Progress Status
Advocate and provide support for eligible community members over 55 to access safe and affordable housing. 	Council officers continue to work with the Department of Families, Fairness and Housing (DFFH) to support older residents to access affordable housing. In response to increasing numbers of visible homelessness, Council sent a targeted advocacy letter to the Minister for Housing advocating for State Government funding to support homelessness outreach services in Knox, following the identification of a gap in funding for these services within the municipality. The State Government advised that the 2026-2027 Budget includes funding for homelessness and housing support services in areas where services are currently unfunded or where additional investment is required due to increasing levels of homelessness. Advocacy for safe and affordable housing will continue.	✓
Assess building condition audit data and create renewal programs to align with building hierarchy and the long-term financial plan.	A prioritised renewal program has been prepared utilising the 2024 building condition audit data. This renewal program aligns with building hierarchy and the long-term financial plan.	✓
Review the Public Toilet Policy and develop the next iteration of the Policy and Implementation Plan. 	The Draft Public Toilet Management Policy and Draft Public Toilet Management Plan were completed and will be presented to Council in 2026-2027.	✓
New or upgraded Council facilities are designed to be Disability Discrimination Act compliant. 	All building works undertaken in the Capital Works Program requiring a building permit were compliant with the Disability Discrimination Act (DDA), as required under the Building Regulations, ensuring inclusive and accessible design.	✓

The difference we're making

Progress against the performance measures identified in the Council and Health and Wellbeing Plan 2025-2029

Performance measure	2025–26 Target range	2025–26 Result	Comment
Community satisfaction with planning for population growth. 	6.0-6.5	**6.8**	Community satisfaction with planning for population growth was 6.8 which is a "good" level of satisfaction.
The number of one- and two-bedroom dwellings approved in planning permits. 	50-60	**72**	The result exceeded the annual target.
Extent of housing development that is consistent with housing strategy expectations. 	66%-76% alignment	**77%**	In 2025, 77% of new dwelling approvals were consistent with their designated Housing Strategy Area, representing a 9% increase from 68% in 2024. This is the third-highest level of alignment recorded since 2016 and is above the 10-year average of 74%.
Percentage and proportion housing defined as affordable for very low- and low-income earners – sales. 	3.2%-3.5%	**4%**	3.5% of housing sales in Knox in the 12 months to December 2025 were affordable for low-income households and 0.4% of sales were affordable for very low-income households. There is a 6-month lag for this data as this comes from a non-Council dataset.
Percentage and proportion housing defined as affordable for very low- and low-income earners – rentals. 	44%-47%	**24%**	23.7% of rentals in Knox in the 12 months to December 2025 were affordable for low-income households and 0.3% were affordable for very low-income households.

Performance measure	2025–26 Target range	2025–26 Result	Comment
Percentage of Asset Renewal Program completed.	85%-95%	**100%**	The Capital Works Renewal Program expended $31.83m out of the $31.96m amended budget which equates to a 99.6% completion delivery rate. This is across renewal programs for Bridge, Road Sub Structures, Road Surface, Drainage, Water Sensitive Systems, Footpath, Shared Path, Building, Active Reserves, Road Furniture, Carpark, Plant, Playground, Passive Open Space and Artwork.

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF aligned to this key direction

Service/indicator/ measure	Results				Comment
	2023	2024	2025	2026	
Statutory Planning					
Timeliness **Time taken to decide planning applications** [The median number of days between receipt of a planning application and a decision on the application]	49	49	47	**55**	The median number of days to process a planning application saw an increase in 2025-26. This was due to significant changes to the planning system which resulted in temporary delays in processing, and a significant increase in tree removal applications.
Service Standard **Planning applications decided within required timeframes** [Number of planning applications decisions made within 60 days for regular permits and 10 days for VicSmart permits/Number of planning applications decisions made] x 100	71.12%	77.55%	76.73%	**72.22%**	The percentage of planning applications decided within the legislated timeframe decreased slightly in 2025-26.

Service/indicator/ measure	Results 2023	2024	2025	2026	Comment
Service Cost **Cost of statutory planning service** [Direct cost of statutory planning service/Number of planning applications received]	$1,844.44	$2,772.89	$2,698.32	**$2,353.24**	The direct cost of the statutory planning service per planning application received was $2,353.24, which was a slight reduction from the cost in 2024-25.
Decision-making **Council planning decisions upheld at VCAT** [Number of VCAT decisions that did not set aside Council's decisions in relation to statutory planning/ Number of VCAT decisions in relation to planning applications] x 100	16.67%	50.00%	33.33%	**50.00%**	There were 4 appeals with decisions made by VCAT between 1 July 2025 and 30 June 2026, not including 4 appeals that were withdrawn/struck out or settled by consent. Of the 4 appeals, 2 were not set aside. 2 of the 4 applications with appeals were reported to Council.

Services

The services funded in the 2025-2026 Budget.

Service/Description	Net cost Budget Actual Variance $'000	
Capital Works Planning This Service aims to manage the Council's capital works and support the delivery of services to the community.	Budget Actual **Variance**	1,304 1,061 **244**
Property & Facilities This service manages Council's properties, including usage, renewal and maintenance, land management, and removal of graffiti vandalism	Budget Actual **Variance**	5,159 5,784 **(625)**
Statutory Planning This service is responsible for providing planning advice and assessment of planning permit applications, including community engagement and planning enforcement.	Budget Actual **Variance**	1,818 2,778 **(960)**
Strategic Land Use Planning This service provides strategic and land use planning services, including development of planning controls within the Knox Planning Scheme, to guide land use and development that responds to Knox's housing, economic and environmental needs.	Budget Actual **Variance**	1,913 1,224 **689**

Governance and management checklist

No	Governance and management items	Assessment
1	**Community Engagement Policy** (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act **Date of adoption:** 22 July 2024
2	**Community Engagement Guidelines** (guidelines to assist staff to determine when and how to engage with the community)	No guidelines **Reason for no guidelines:** The guidelines were reviewed as part of the updated policy in 2024 and it was identified that the policy was adequate and therefore these guidelines were retired.
3	**Financial Plan** (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act **Date of adoption:** 23 June 2025 Council and Health and Wellbeing Plan 2025-2029 and Financial Plan 2025-2035: 23 June 2025
4	**Asset Plan (2025-2035)** (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:** 27 October 2025 Adopted in accordance with section 92 of the Local Government Act 2020 Date of adoption: 27 October 2025
5	**Revenue and Rating Plan** (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act **Date of adoption:** 23 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:** 23 June 2025

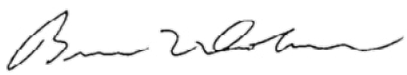
No	Governance and management items	Assessment
7	**Risk Policy** (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation **Date of commencement:** 24 June 2024
8	**Fraud Policy** (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation **Date of commencement:** 26 May 2025
9	**Municipal Emergency Management Planning** (participation in meetings of the Municipal Emergency Management Planning Committee)	Municipal Emergency Management Planning Committee (MEMPC) meetings attended by one or more representatives of Council (other than the chairperson of the MEMPC) during the financial year **Dates of MEMPC meetings attended:** 15 September 2025 24 November 2025 16 March 2026 15 June 2026
10	**Procurement Policy** (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act **Date of adoption:** 27 June 2022
11	**Business Continuity Plan** (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation **Date of commencement:** 30 March 2020
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 commencement of IT Disaster Recovery Plan:** 21 May 2026
13	**Complaint 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:** 28 August 2023
14	**Workforce Plan** (plan outlining Council's commitment and approach to planning the current and future workforce requirements of the organisation)	Developed in accordance with section 46 of the Act **Date of commencement:** 31 December 2021
15	**Payment of rates and charges hardship policy** (policy outlining Council's commitment and approach to assisting ratepayers experiencing financial hardship or difficulty paying their rates)	Current policy in operation **Date of commencement:** 23 August 2021

Governance and management checklist (continued)

No	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:** 24 June 2024
17	**Audit and Risk Committee** (advisory committee of Council under sections 53 and 54 of the Act)	Established in accordance with section 53 of the Act. **Date of establishment of Audit and Risk Committee:** 24 August 2020 **The revised Audit and Risk Committee Charter was adopted by Council on:** 26 May 2025
18	**Internal Audit** (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	**Date of engagement:** 6 February 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 adoption:** 23 June 2025 Council and Health and Wellbeing Plan 2025-2029 and Financial Plan 2025-2035: 23 June 2025
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 6 months of the financial year)	Current report **Date of report:** 23 February 2026
21	**Quarterly Budget Reports** (quarterly reports to the Council under section 97 of the Act, comparing actual and budgeted results and an explanation of any material variations)	No reports presented to Council.
22	**Risk Reports** (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented **Dates of reports:** 27 August 2025 10 December 2025 5 March 2026 11 June 2026

No	Governance and management items	Assessment
23	**Performance Reporting** (six-monthly reports of indicators measuring the results against financial and non-financial performance, including the performance indicators referred to in section 98 of the Act)	Performance reports prepared **Dates of reports:** 25 August 2025 23 February 2026
24	**Annual Report** (annual report under sections 98 and 99 of the Act containing a report of operations and audited financial and performance statements)	Annual Report presented at a meeting of Council in accordance with section 100 of the Act **Date of presentation:** 27 October 2025
25	**Councillor Code of Conduct** (code setting out the standards of conduct to be followed by Councillors and other matters)	Observed in accordance with section 139 of the Act IN FORCE - Model Councillor Code of Conduct 2024-10-26.pdf
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)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act **Dates of reviews:** • Council to CEO:15 October 2025 • CEO to Staff – VicSmart – 29 October 2025 • Council to Staff - Planning: 27 January 2026 • Council to Staff - Cemeteries and Crematoria: 23 February 2026 • CEO to Staff – CEO Powers: 3 May 2026 • CEO to Staff – Sub Delegation: 3 May 2026
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 rules adopted:** 26 March 2024

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



Bruce Dobson
Chief Executive Officer

14 September 2026

Council operations

Governance

Knox City Council is a municipal council for the purposes of the *Local Government Act 2020* (Vic), which prescribes its role as providing good governance in its municipal district for the benefit and wellbeing of the municipal community.

Council is committed to effective and sustainable forms of leadership as the key to ensuring the community's priorities are met. The community has many opportunities to provide input into Council's decision-making processes, which include community consultation, public forums and the ability to make submissions to Council on a range of matters.

Council delegates the majority of its decision-making to Council's CEO and other staff. These delegations are exercised in accordance with the Local Government Act 2020 (Vic), adopted Council policies, instruments of delegation and Council's Budget. Knox's formal decision-making processes are conducted through Council meetings.

This Annual Report has been prepared according to the requirements of the *Local Government Act 2020* (Vic).

Council meetings

Council meetings are typically held on the second and fourth Mondays of each month. Additional Council meetings can be called for specific purposes if required.

Meetings are held at the Knox Civic Centre located at 511 Burwood Highway, Wantirna South, and are open to the public except in specific circumstances (for example, where the meeting is closed to consider confidential information).

The *Local Government Act 2020* (Vic) was amended in 2022 to enable Council meetings to be conducted virtually through electronic attendance, and/or in the absence of a public gallery, provided they are livestreamed or recorded, which is Council's practice and is reflected in Council's Governance Rules. Council meetings throughout 2025-2026 were conducted in person in a hybrid format, with some Councillors and staff attending in person and some attending virtually. Monthly meetings also provide an opportunity for community members to submit a question to Council and to speak to their question.

The following tables provide a summary of Councillor attendance at Council meetings for the 2025-2026 financial year.

Meetings of Council in 2025-2026

Committee	Cr Lockwood	Cr Kennett	Cr Duncan	Cr Williams	Cr Baker	Cr Considine	Cr Cooper	Cr Pearce	Cr Atwell
Meetings held in 2025-2026	23	25	25	25	25	25	25	25	25
Attendance in 2025-2026	21	25	25	25	24	23	23	24	23

Delegated Committee Meetings

Knox City Council has no delegated committees.

Other Committee Meetings

In addition to the regular meetings of Council, Councillors are appointed to various internal and external committees.

The following tables provide a summary of Councillor attendance at committee meetings for the 2025-2026 financial year.

Committee	Cr Lockwood	Cr Kennett	Cr Duncan	Cr Williams	Cr Baker	Cr Considine*	Cr Cooper	Cr Pearce	Cr Atwell
Audit and Risk Committee		3/3					3/4	1/1	
Knox Community Awards Committee				1/1					1/1
CEO Employment and Remuneration Committee	4/4	4/4	3/4	3/4	4/4	2/4*	3/4	2/4	3/4
Transformation Governance Committee		4/4	4/4						
Early Years Advisory Committee		2/5				4/5			
Youth Advisory Committee			7/11	8/11					
Active Ageing Advisory Committee					4/5	2/3		2/2	
Environment Advisory Committee	5/6	4/6							
Community Safety, Health and Wellbeing Committee							1/2		0/1
Knox Disability Advisory Committee					5/6			1/2	1/4
Knox Multicultural Advisory Committee	3/5					5/6			
Arts and Culture Committee	3/3								1/1
Recreation and Leisure Committee		3/4	4/4					2/3	1/1

* Attended as an observer.

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 annual rate of allowances paid to Mayors, Deputy Mayors and Councillors are fixed by the Victorian Independent Remuneration Tribunal. The allowances in effect pursuant to the Tribunal's Allowance payable to Mayors, Deputy Mayors and Councillors (Victoria) Determination are detailed in the following table:

Effective date	Allowance for mayors	Allowance for deputy mayors	Allowance for councillors
1 July 2025	$142,661	$71,329.00	$41,992.00
18 December 2025	$146,319	$73,159	$41,992

The following table contains details of the allowances paid to the Mayor, Deputy Mayor and Councillors during the year.

Councillors	Allowance Paid
Cr Paige Kennett, Chandler Ward Mayor: November 2025 - June 2026 Councillor: July 2025 - November 2025	$114,100.56
Cr Chris Duncan, Collier Ward Deputy Mayor: November 2025 - June 2026 Councillor: July 2025 - November 2025	$63,542.53
Cr Peter Lockwood, Baird Ward	$35,095.26
Cr Robert Williams, Dinsdale Ward	$42,161.15
Cr Meagan Baker, Dobson Ward	$42,161.15
Cr Parisa Considine, Friberg Ward	$42,161.15
Cr Lisa Cooper, Scott Ward Mayor: July 2025 - November 2025 Councillor: November 2025 – June 2026	$73,048.19
Cr Susan Pearce, Taylor Ward*	$42,551.85
Cr Glen Atwell, Tirhatuan Ward Deputy Mayor: July 2025 - November 2025 Councillor: November 2025 – June 2026	$51,079.00

* Note that an overpayment of $390.70 was made to Cr Pearce. An adjustment will be made to Cr Pearce's allowance to correct the overpayment in the 2026/2027 financial year.

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 publishes in its Annual Report the details of the expenses, including the reimbursement of expenses for each Councillor and member of a Council committee paid by Council. Council is also required to make available a 'minimum toolkit' of resources for Councillors, including computers, phones and a vehicle for the Mayor.

Expenses for July 2025 - June 2026

Ward	Performance of the role	Professional development	Travel	Grand total
Baird	$1,196.05	$0.00	$286.21	$1,482.26
Chandler	$4,292.50	$14,965.91	$12,046.43	$31,304.84
Collier	$3,742.11	$4,034.09	$634.28	$8,410.48
Dinsdale	$1,139.95	$0.00	$0.00	$1,139.95
Dobson	$2,050.30	$800.00	$37.83	$2,888.13
Friberg	$1,099.16	$0.00	$0.00	$1,099.16
Scott	$1,100.68	$2,446.36	$6,566.91	$10,113.95
Taylor	$1,428.05	$0.00	$318.71	$1,746.76
Tirhatuan	$1,116.92	$0.00	$302.21	$1,419.13
Total	**$17,165.72**	**$22,246.36**	**$20,192.58**	**$59,604.66**

Vehicle Expenses

Cr Lisa Cooper (Scott Ward) **Mayor: 1 July 2025– 20 November 2025**	Monthly Vehicle Expense	$6,418.63
	Fuel Expenses	$340.21
	Maintenance Expenses	$407.50
	Toll Expenses	$205.99
	Total	**$7,372.33**
Cr Paige Kennett (Chandler Ward) **Mayor: 21 November 2025–30 June 2026**	Monthly Vehicle Expense	$10,086.41
	Fuel Expenses	$841.94
	Maintenance Expenses	$329.32
	Toll Expenses	$46.88
	Total	**$11,304.55**

Councillor travel expenses include expenses for a fully maintained vehicle provided for the Mayor.

Depreciation, maintenance, registration and insurance costs are apportioned to the Mayor of the day on an annualised, pro-rata basis. Fuel, maintenance and toll expenses are allocated to the Mayor of the day as incurred.

Audit operations

Audit and Risk Committee

The Audit and Risk Committee (ARC) has been established to strengthen Council's governance, risk management and financial management as well as driving continuous improvement.

The ARC is an independent advisory committee, established under section 53 of the Local Government Act 2020 (Vic). The ARC consists of three independent members and two Councillors. Independent members are appointed for a maximum term of six years. The chair is elected from amongst the independent members.

Council's Audit and Risk Committee oversees and monitors 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 functions and responsibilities of the ARC are set out in a Charter approved by Council which establishes the committee's role to support Council in discharging its oversight and accountability responsibilities related to:

- Compliance with Council's policies, procedures and governance principles,
- Overarching governance principles,
- The effectiveness of Council's system of internal controls, including fraud and corruption prevention,
- Council's risk management framework,
- Financial and performance reporting,
- Internal and external audit functions,
- Statutory and legislative compliance.

ARC meetings are held quarterly, or more frequently as determined and the committee reports on its operations to Council biannually.

Council members of the Audit and Risk Committee during 2025-2026 were:

- Cr Lisa Cooper (From July 2025 to June 2026,
- Cr Susan Pearce (From July 2025 to November 2025).
- Cr Paige Kennett (From November 2025 to June 2026)

Independent external members were:

- Mr Geoff Harry (Chair July 2025 to September 2025), (Member July 2025 to September 2025)
- Mr Mick Jaensch (Interim Chair August 2025 to December 2025), (Member July 2025 to May 2026),
- Mrs Suzie Thoraval (Chair December 2025 to July 2026), (Member August 2025 to June 2026),
- Mr Jonathan Kyvelidis (November 2025 to June 2026)

The ARC met on four occasions during 2025-2026 and received reports on a range of matters relevant to the achievement of its annual work plans. These included oversight of the internal audit program delivered by contractors HLB Mann Judd, who presented internal audit reports into:

- Waste Management.
- Review of Leases and Licenses,
- Assurance Mapping,
- Payroll (incl. data analytics),
- Privacy & Artificial Intelligence.

Internal and External Audits

The audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. Council uses the services of an external provider who has extensive local government experience to carry out the internal audit function.

The risk-based three-year Strategic Internal Audit Plan is revised annually to ensure that the audit resources remain focused on the appropriate areas. The review process considers:

- Council's risk framework,
- The Council Plan,
- The impact of any change on operations, systems or the business environment,
- Prior audit coverage,
- Outcomes and management input.

The audit plan is reviewed and approved by the Audit and Risk Committee (the Committee) annually.

The internal auditor attends Committee meetings as required to report on the status of the audit plan, provide an update on the implementation of audit recommendations, and present the findings of completed reviews. All audit issues identified are risk rated. Recommendations are assigned to the responsible officers and tracked through Council's internal compliance framework. Each year, external auditors from the Victorian Auditor-General's Office prepare an external audit plan and an independent audit report on Council's financial and performance statements.

Public transparency

In accordance with the *Local Government Act 2020* (Vic) s 57, members of the public are provided with access to a range of Council documents via Knox City Council's website: Access to Council documents | Knox.

Our Public Transparency Policy can be accessed from the same page.

Statutory information

Knox City Council conducts its operations in accordance with the laws of the state of Victoria. The major statutes are listed below (the list is not exhaustive).

Local Government Act 1989 and Local Government Act 2020

Together, these Acts provide the overarching legislative framework for the establishment, governance, and operations of Victorian councils. Under these Acts, Knox City Council is empowered to deliver services, govern effectively, and act in the best interests of its community. Council's compliance with the requirements of these Acts underpins all aspects of its strategic planning, service delivery and decision-making.

Aboriginal Heritage Act 2006

According to the provisions of this Act, Knox City Council, throughout the municipality:

- Provides for the protection of Aboriginal cultural heritage and Aboriginal intangible heritage,
- Empowers traditional owners as protectors of their cultural heritage on behalf of Aboriginal people and all other peoples,
- Strengthens the ongoing right to maintain the distinctive spiritual, cultural, material and economic relationship of traditional owners with the land and waters and other resources with which they have a connection under traditional laws and customs, and
- Promotes respect for Aboriginal cultural heritage, contributing to its protection as part of the common heritage of all peoples and to the sustainable development and management of the land and of the environment.

Aged Care Act 2024

As the provisions of this Act indicate, Knox City Council is committed to:

- Providing services, programs, activities and events that promote active ageing, social connection, and participation in the community,
- Supporting older residents to maintain their independence and continue to live at home,
- Facilitating both formal and informal opportunities for older people to contribute to the design, review and improvement of programs and services for seniors,
- Delivering of the Commonwealth Home Support Program (CHSP) that recognises the rights of older people to make informed decisions about the care and services they receive,
- Encouraging and supporting older people to provide feedback, raise concerns and make complaints about the services we deliver, and
- Using the feedback, we receive to continuously improve the quality and accessibility of the activities, services and events we offer.

Key initiatives include the following

- **Active Ageing Advisory Committee:** A committee comprising community representatives, Council officers and Councillors that provides advice and recommendations to inform Council's decision-making regarding positive ageing services, programs and emerging issues affecting residents aged 55 years and over.
- **Commonwealth Home Support Program:** Delivering of the federal government funded support to eligible residents. Services provided include occupational therapy, delivered meals, home adjustments and home maintenance.

- **Legislative Compliance:** Review and alignment of Community Access and Support policies, procedures and work instructions to meet the requirements of the new Act and associated reforms.
- **Community Education and Communication:** Provision of information to Knox residents accessing aged care services regarding the new Aged Care Act 2024, Strengthened Aged Care Standards, Statement of Rights and whistle-blower protections to Knox residents accessing aged care services.
- **Sector Collaboration:** Membership of the Sector Support Development Communities of practice, and
- **Community Awareness:** Delivery of education sessions on the aged care reforms and aged care services to regional volunteer networks and seniors groups.

Through these initiatives, Knox City Council supports older people to exercise choice and control, maintain independence, and remain active and connected members of the community. This reflects Council's commitment to delivering inclusive, person-centered services that promote dignity, participation and quality of life for older people.

Building Act 1993

Under the provisions of this Act, Knox City Council is responsible for administering and enforcing building control functions within the municipality, including compliance with building standards and safety requirements.

Carers Recognition Act 2012

As the provisions of this Act indicate, Knox City Council, in relation both to its staff and its customers:

- Recognises, promotes and values the role of people in care relationships,
- Recognises the different needs of persons in care relationships,
- Supports and recognises that care relationships bring benefits to the persons in the care relationship and to the community, and
- Enacts care relationship principles to promote understanding of the significance of care relationships.

Charter of Human Rights and Responsibilities Act 2006

Under the provisions of this Act, Knox City Council operates on the principles that:

- Human rights are essential in a democratic and inclusive society that respects the rule of law, human dignity, equality and freedom,
- Human rights belong to all people without discrimination, and the diversity of the people of Knox enhances our community,
- Human rights come with responsibilities and must be exercised in a way that respects the human rights of others, and that
- Human rights have a special importance for the Aboriginal people of Knox, as descendants of Australia's first people, with their diverse spiritual, social, cultural and economic relationship with their traditional lands and waters.

While the Charter protects a range of human rights, those rights may be subject to reasonable and justified limitations under law, taking into account the nature of the right, the purpose of the limitation, and whether the limitation is proportionate to achieving its purpose.

Child Wellbeing and Safety Act 2005

Under the provisions of this Act, Knox City Council:

- Protects the rights of children and families and, to the greatest extent possible, encourages their participation in any decision-making that affects their lives,
- Acknowledges and is respectful of the child's individual identity, circumstances and cultural identity and is responsive to the particular needs of the child,
- Makes decisions about intervention by the providers of services into a child's or family's life and about access by a child or family to those services in a timely manner being mindful of any harmful effects that may be caused to the child by a delay in making decisions or providing services,
- Ensures that families are made aware of the services available to them and of the benefits these services can provide, especially to those families in most need of assistance, and

- Co-operates with other services or professionals to work in the interests of the child and family.
- Council's activities and performance in the management of Maternal and Child Health (MCH) are measured and reported on annually under the Local Government Performance Reporting Framework (see page 52 of this report).

Disability Act 2006

As the provisions of this Act indicate, Knox City Council is committed to:

- Advancing the inclusion and participation in the community of persons with a disability with the aim of achieving their individual aspirations,
- Being flexible and responsive to the individual needs of persons with a disability,
- Maximising the choice and independence of persons with a disability, and
- Enabling persons with a disability to access services as part of the Knox community and foster collaboration, coordination and integration with other local services.

Knox City Council is committed to creating an accessible, inclusive, and welcoming community for all. To support the rights and needs of people with disabilities, their families, and carers, Council developed the Knox Connection, Access, Respect, Equality and Safety Strategy 2022-2027, which outlines actions to build a safer, healthier, and more inclusive Knox for everyone.

Council offers a wide range of inclusive and accessible services to support the entire community, including targeted programs for people with disabilities, their families and carers.

Key initiatives include the following.

- **Early Years Support:** Professional development for Knox Early Years Services to promote the inclusion of children with disabilities or developmental delays.
- **Family and Carer Support:** Information sessions, carer groups, and exercise programs to build capacity, health, and social connection.
- **Wheelie Bin Assistance:** Help for people with disabilities and frail aged who cannot manage bin collection.
- **Building Accessibility:** Allocation of dedicated capital works funding to retrofit Council facilities for improved access.
- **Disability Advisory Committee:** Bi-monthly meetings with people with disabilities, carers, and industry representatives to inform Council decision-making.
- **Disability Information:** Provision of resources including the People First Guide and Accessing Knox email newsletter.
- **Disability Partnerships:** Collaboration with local service providers and councils to enhance regional inclusion.
- **Community Celebrations:** Recognition and celebration of Carers Week and of the International Day of People with Disability.
- **Inclusive Events:** Accessibility features at Knox festivals, such as access guides and Changing Places facilities.
- **Forums, Webinars and Information sessions:** On topics such as carer supports, mental health first aid, relationships, sexuality and pornography, supporting autistic young people, planning for the future, and inclusive recreation expo.
- **Library Services:** Accessible offerings such as home delivery, tactile/audio/large-print books, captioned DVDs, and assistive technology.
- **Access Guides:** Access Key guides for local venues and events to support individuals with mobility, sensory, or cognitive impairments.

Domestic Animals Act 1994

Under the provisions of this Act, Knox City Council is responsible for the promotion of animal welfare, the responsible ownership of dogs and cats and the protection of the environment throughout the municipality. In addition, Council is required to prepare a Domestic Animal Management Plan (DAMP) every four years, the plan to be reviewed and, if appropriate, amended annually.

During 2025-2026, Council delivered the final-year actions of the Domestic Animal Management Plan 2021-2025. Council also undertook community consultation and developed the Domestic Animal Management Plan 2026-2029, which was adopted by Council in February 2026 to guide animal management priorities over the next four years.

The DAMP focuses on the management of cats and dogs and provides the strategic framework, advocacy program, and action plan that guides Council's animal management services. The plan promotes responsible pet ownership and animal welfare, while protecting the community and environment from nuisance caused by dogs and cats.

The plan focuses on the following areas:

- Promoting and encouraging responsible ownership of dogs and cats,
- Encouraging the registration and identification of dogs and cats,
- Minimising the risk of attacks by dogs on people and other animals,
- Minimising the potential for dogs and cats to create a nuisance,
- Addressing the issue of over-population and the high euthanasia rates of cats and dogs,
- Managing dangerous, menacing, and restricted breed dogs in the municipality,
- Inspecting and ensuring domestic animal businesses comply with legislated requirements,
- Providing training for Council's authorised officers, and
- Other domestic animal matters.

Key achievements included:

- Successful prosecution of nine dog attack matters in the Magistrates' Court.
- Development and adoption of the Domestic Animal Management Plan 2026-2029.
- Partnership with The Vet Project, a mobile desexing service, which attended the Knox area and provided discounted desexing services for 20 cats.
- The conduct of proactive patrols in Council parks and reserves to address dogs off lead, unregistered pets, and dog litter issues.
- A review of Council animal registration data of non-residential areas to identify non-declared guard dogs.
- The promotion of responsible pet ownership at the annual 'Pets in the Park' community event held in March 2026.
- Investigation of all reported animal management issues, ensuring responsive and consistent enforcement.
- Provision of cat traps to residents experiencing cat nuisance issues.
- Delivery of staff training, covering animal management practices, conflict management, situational awareness, and harm reduction strategies.

These actions have contributed to improved community safety, increased awareness of responsible pet ownership, and continued progress towards achieving the objectives of the DAMP.

The planned activity to reconcile data contained in national microchip registries with Council's registration database was not undertaken during the reporting period due. This activity remains a priority and is scheduled to be progressed in the following reporting period.

Emergency Management Act 2013

Under the provisions of this Act, Knox City Council has responsibilities for planning, responding to, and recovering from emergencies within the municipality. Council maintains a Municipal Emergency Management Plan (MEMP) and works in partnership with emergency services, government agencies, and community organisations to promote community resilience and ensure readiness in the event of natural disasters or other emergencies.

Environment Protection Amendment Act 2018

Under the provisions of this Act, Knox City Council shares responsibility with the state government for the protection of human health and the environment from pollution and waste throughout the municipality.

Equal Opportunity Act 2010

As the provisions of this Act indicate, Knox City Council, in relation both to its staff and its customers, is committed to:

- Eliminating discrimination, sexual harassment and victimisation, to the greatest possible extent,

- Promoting and protecting the right to equality set out in the Charter of Human Rights and Responsibilities, and
- Encouraging the identification and elimination of systemic causes of discrimination, sexual harassment and victimisation.

Food Act 1984

Under the provisions of this Act, Knox City Council must ensure that food for sale throughout the municipality is both safe and suitable for human consumption and prevent misleading conduct in connection with the sale of food. Council's activities and performance in this area are measured and reported on annually under the Local Government Performance Reporting Framework (see pages 78 to 80 of this report).

Freedom of Information Act 1982

Under the provisions of this Act, members of the public have a right to access documents in Council's control, subject to certain limitations. Council is committed to facilitating access to documents in accordance with the Act, while balancing transparency and accountability with the need to protect confidential or otherwise exempt information. Details of our public access channels are provided in the 'Public Transparency' section of this report (page 101).

Gender Equality Act 2020

Under the provisions of this Act, Knox City Council is taking positive action towards achieving workplace gender equality and is promoting gender equality in its policies, programs and services. Knox City Council conducts a biennial workplace gender audit, submitted to the Public Sector Gender Equality Commissioner, and its Gender Equality Action Plan is available on the Council website: Gender Equality Action Plan | Knox.

Health Records Act 2001

Under the provisions of this Act, Knox City Council promotes fair and responsible handling of health information by:

- Protecting the privacy of an individual's health information held by Council,
- Providing individuals with a right of access to their health information, and
- Providing an accessible framework for the resolution of complaints regarding the handling of health information.

Occupational Health and Safety Act 2004

Under the provisions of this Act, Knox City Council is committed to:

- Securing the health, safety and welfare of Council staff and other persons at work,
- Eliminating, at the source, risks to the health, safety or welfare of Council staff and other persons at work, and
- Ensuring that the health and safety of members of the public is not placed at risk by the conduct of undertakings by Council, and
- Providing for the involvement of Council staff in the formulation and implementation of health, safety and welfare standards.

Planning and Environment Act 1987

Under the provisions of this Act, Knox City Council is responsible for planning the use, development and protection of land throughout the municipality. Council's activities and performance in this area are measured and reported on annually under the Local Government Performance Reporting Framework (see pages 87 and 88 of this report).

Privacy and Data Protection Act 2014

This Act regulates how Victorian public sector agencies, including local councils, collect, manage, and protect personal information.

Knox City Council is committed to ensuring personal information is handled in accordance with the Information Privacy Principles, and that appropriate measures are in place to safeguard data security. This includes managing privacy risks in service delivery, maintaining secure information systems, and preventing or responding appropriately to privacy breaches if they occur.

Public Health and Wellbeing Act 2008

Under this Act, Knox City Council plays a key role in protecting and promoting public health at the local level. Council develops and implements a Municipal Public Health and Wellbeing Plan and undertakes regulatory responsibilities such as inspections and enforcement related to public health risks.

Public Interest Disclosures Act 2012

In accordance with the provisions of this Act, Knox City Council:

- Encourages and facilitates disclosures of both improper conduct by Council staff and detrimental action taken in reprisal for a person making such a disclosure,
- Provides protection for persons who make those disclosures and persons who may suffer detrimental action in reprisal for those disclosures,
- Ensures that those disclosures are properly assessed and, where necessary, investigated, and
- Provides for the confidentiality of the content of those disclosures and the identity of persons who make those disclosures.

Road Management Act 2004

A key part of this Act is the system of classification for roads and the principles about the division of responsibilities between state and local road authorities. Generally speaking, freeways and arterial roads are the responsibility of VicRoads, while service roads and pathways throughout the municipality are the responsibility of Knox City Council (there are exceptions to these general rules). Council's activities and performance in local road management are measured and reported on annually under the Local Government Performance Reporting Framework (see pages 42 and 43 of this report).

Complaint Resolution

Council's Complaints Policy and Procedure align with the *Local Government Act 2020* and the better practice guide issued by the Victorian Ombudsman, ensuring complaints are managed fairly, transparently and in a timely manner. Council values customer feedback and uses complaints as an important source of insight to continuously improve services and enhance the customer experience. Knox City Council's definition of a complaint includes an expression of dissatisfaction with:

- the quality of an action taken, decision made or service provided by a member of Council staff, contractor or volunteer engaged by the Council
- the delay by a member of Council staff, contractor or volunteer engaged by the Council in taking an action, making a decision or providing a service
- a policy or decision made by a Council or a member of Council staff or a contractor.

In 2025-26, Council received 7,166 complaints. Council is committed to resolving complaints as quickly as possible through a four-tiered complaints process. If we cannot resolve the complaint at first contact, the complaint is escalated through the process to ensure it is reviewed and resolved appropriately.

1. Resolution at First Contact

Council received 5,646 complaints that were resolved at first contact (79%). Council classifies kerbside waste missed bin collections as complaints, as they represent dissatisfaction with Council's service delivery, and they account for the majority of complaints resolved at first contact. While these reports make up a significant proportion of overall complaint volumes, missed bin occurrences remain low relative to the scale of Council's waste collection services. During 2025-26, Knox City Council undertook 5,278,426 bin collections with missed bin collections representing 0.1% of total collections. Reported figures include all missed bin reports received from customers, regardless of cause or subsequent investigation outcomes. These complaints were resolved in an average of 2.3 business days.

2. Complaints Requiring Investigation

Council received 1,413 complaints that required further investigation (20%) and were referred to the appropriate Council officer, who is a subject matter expert. These complaints were resolved in an average of 10.9 business days, which is within Council's complaints resolution timeframe of 20 business days.

3. Internal Reviews

Council received 103 requests for internal review (1%). For customers who remained dissatisfied with the outcome or handling of their complaint, Council's internal review process provided an opportunity for complaints to be independently reconsidered to ensure concerns were fairly and thoroughly assessed. These complaints were resolved in an average of 12.6 business days, which is within Council's complaints resolution timeframe of 20 business days.

4. External Review

Council recognises the right of all customers to seek an external review if they remain dissatisfied following Council's internal review process. 4 complaints were referred by customers to external authorities (0.05%), including the Victorian Ombudsman, for an external independent review. The very small number of complaints progressing to external review reflects the effectiveness of Council's internal processes in addressing complaints fairly and appropriately at earlier stages. These complaints were resolved in an average of 9.3 days, which is within Council's complaints resolution timeframe of 20 business days. In all instances, the Ombudsman's office accepted Council's actions and responses as sufficient to close the complaints without further action or enquiry.

2025-26 Complaints Summary

Complaint Tier	Complaint Volume	Average Resolution Time
Resolution at First Contact	5,646 (79%)	2.3 days
Complaints Requiring Investigation	1,413 (20%)	10.9 days
Internal Reviews	103 (1%)	12.6 days
External Reviews	4 (0.05%)	9.3 days

Council is not obligated to report complaint data, this is a voluntary disclosure.

Contracts

In accordance with the provisions under the Local Government Act 2020 (Vic), and the Knox City Council Procurement Policy, the following contracts were awarded following a public tender process for the period 1 July 2025 to 30 June 2026.

Contract number	Contract name
3429	Marie Wallace Bayswater Oval Sports field Renewal
3535	Victorian Women's Public Art Program
3444	Provision of Kerbside Recyclables Processing Services
3369	Core Business Systems Program - Seeking Enterprise Resource Planning
3540	Bushland Maintenance Services and Indigenous Tube Stock Provision
3533	Supply, Clearance & Maintenance of Bulk Bins - Operations Centre
3620	Facilities Booking Solution/s
3612	Knox Skate & BMX Park Extension
3617	Carpark Upgrade Works Knox City Tennis Club and Wantirna Reserve
3595	Provision of Roofing and Associated Services for all Council Buildings
3613	Playspace Renewals 25/26, Carrington Park Basketball Key & Outdoor Exercise Area
3602	Lighting Upgrade Design & Construct - Elidon Park (Oval 1), Rowville Rec Res (Oval 1), Bayswater Bowls Club
3632	Wantirna South Early Years Hub Landscape - Construction
3626	Bayswater Senior Citizens' Roof Replacement
3655	Consulting Service for Investigations and Design - Footpath - Mountain Highway The Basin
3659	Macauley Place, Bayswater - Shared Zone Construction
3619	Carrington Park Pavilion Redevelopment (Construction)
3666	Provision of Fire Services Maintenance

Contracts (continued)

Contract number	Contract name
3634	Supply and Deliver a Drainage CCTV Camera System
3724	Managed Security - Operations Centre
3752	Marie Wallace Bayswater Oval Cricket Nets - Drainage Upgrade
3664	Boronia Station Public Art
3674	Sportsfield Maintenance Services
3725	Knox Gardens Reserve Pavilion
3763	Under Excess Claims Management Services
3662	Carrington Park Sportsfield Renewal
3759	Knox Events Operations Manager
3751	Acacia Road and Kings Park, Upper Ferntree Gully - Road & Carpark Renewal and Shared Path Construction
3758	Knox Carols Staging and AV Services
3774	Road Renewal of Borg Crescent, Hakea Place and Sasses Avenue
3788	Road Renewal of Lewis Road, Cathies Lane and Shannon Avenue
3688	Walker Reserve, Wantirna South " Sportsfield Lighting Renewal and Eildon Park Reserve (Oval 2), Rowville Sportsfield Lighting Renewal
3773	Demolition of Knox Gymnastics Centre and Talaskia Children and Family Centre
3720	Gilbert Park flyball netting on diamonds 1,2 and 3
3740	Research and Geospatial Analytics Consultancy - Panel

Knox City Council

Performance statement

For the year ended 30 June 2026



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*.



Navec Lorkin FCPA
Principal Accounting Officer

14 September 2026

In our opinion, the accompanying performance statement of Knox City Council for the year ended 30 June 2026 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 Paige Kennett
Mayor

14 September 2026



Cr Lisa Cooper
Councillor

14 September 2026



Bruce Dobson
Chief Executive Officer

14 September 2026

Victorian Auditor-General's Office audit report

Independent Auditor's Report

Victorian Auditor-General's Office

To the Councillors of Knox City Council

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

l / 35 Collins Street, Melbourne Vic 3000
601 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
18 September 2026

Travis Derricott
as delegate for the Auditor-General of Victoria

Section 1.
Description of municipality

Located approximately 25 kilometres from Melbourne's central business district, the Knox municipality is a major hub of cultural, commercial, business and innovative activity in the eastern suburbs of Melbourne. It is a diverse municipality, with residents from over 160 different countries who speak over 139 languages.

The City of Knox has an estimated resident population of 163,820 (as at 30 June 2026) and covers an area of 113.84 square kilometres. The area boasts a green, leafy image extending to the foothills of the picturesque Dandenong Ranges. Knox consists of the following suburbs: Bayswater, Boronia, Ferntree Gully, Knoxfield, Lysterfield, Rowville, Scoresby, The Basin, Upper Ferntree Gully, Wantirna and Wantirna South.



Section 2.
Service performance indicators

Service/indicator/ measure	Results					Comment
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Aquatic Facilities						
Utilisation **Utilisation of aquatic facilities** [Number of visits to aquatic facilities/ Municipal population]	2.03	2.09	2.22	**N/A**	**2.33**	Knox Leisureworks recorded 382,115 visits in 2025-26. This continues the upward-trend in visitation after 362,973 visits in 2024-25 and 337,582 visits in 2023-24.
Animal Management						
Health and safety **Animal management prosecutions** [Number of successful animal management prosecutions/Number of animal management prosecutions] x 100	91.67%	100.00%	100.00%	**N/A**	**100.00%**	Council prosecutes serious offences under the Domestic Animals Act, as well as matters involving repeat offenders who consistently show irresponsible pet ownership. The Council has maintained a 100% success rate in its prosecutions.

Service/indicator/ measure	Results					Comment
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Food Safety						
Health and safety **Critical and major non-compliance outcome notifications** [Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up/ Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises] x 100	**99.40%**	**100.00%**	**100.00%**	**N/A**	**98.02%**	All critical non-compliance notifications and major non-compliance notifications about a food premises were followed up, except for the five premises that closed before the follow up.

For the year ended 30 June 2026

Service/indicator/ measure	Results					Comment
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Governance						
Satisfaction **Satisfaction with community consultation and engagement** [Community satisfaction rating out of 100 with the consultation and engagement efforts of Council]	53	69	69	**70**	**72**	Satisfaction with community consultation and engagement increased by 3 points from 2025.
Libraries						
Participation **Library membership** [Percentage of the population that are registered library members/Population] x 100	New	28.92%	36.99%	**N/A**	**45.20%**	This increase in library membership is largely due to the continued success of Knox Library Ngarrgoo. Over 10,000 new Members have joined at the branch in 2025-26.

Service/indicator/ measure	Results					Comment
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Maternal and Child Health (MCH)						
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] x 100	75.84%	77.21%	75.36%	**N/A**	**73.47%**	Team members are focusing on completing missed visit reports and ensuring those clients that have missed visits are invited to reschedule and attend their appointments.
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] x 100	85.71%	81.63%	78.08%	**N/A**	**71.24%**	Participation in the MCH service by Aboriginal children decreased slightly in 2025-26. Proactive engagement has supported First Nations participation in the MCH service. We are constantly exploring engagement strategies to build collaboration and encourage participation.
Roads						
Condition **Sealed local roads below the intervention level** [Number of kilometres of sealed local roads below the renewal intervention level set by Council/Kilometres of sealed local roads] x 100	95.28%	91.18%	90.92%	**91.00%**	**90.83%**	The condition of Council's road network has remained steady, as confirmed by the 2023-24 full road condition audit. These audits are conducted every four years, with the next scheduled for 2026-27. Council maintains high road service standards and is progressively addressing renewal backlogs.

Section 2. Service performance indicators (continued)

Service/indicator/ measure	Results					Comment
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Statutory Planning						
Service standard **Planning applications decided within the relevant required time** [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days)/ Number of planning application decisions made] x 100	71.12%	77.55%	76.73%	**70.00%**	**72.22%**	The percentage of planning applications decided within the legislated timeframe decreased slightly in 2025-26.

Service/indicator/ measure	Results					Comment
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
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] x 100	53.12%	72.87%	71.21%	**72.00%**	**70.79%**	The diversion rate is relatively consistent with the previous reporting period. The diversion rate has been impacted by the successful uptake of the Container Deposit Scheme (CDS), which has shifted recyclable materials away from Council's collection system, and lower green waste tonnages due to reduced rainfall. As a result, these materials are no longer included in our reported recycling figures, impacting the calculated diversion percentage. The diversion rate of 71% continues to place Knox as a leading Council in reducing waste to landfill and in a strong position to achieve state and Council goals on this key environmental indicator.

Note: Measures where no target was required for 2026 are noted as 'N/A'.

Section 3.
Financial performance indicators

For the year ended 30 June 2026

Dimension/indicator/ measure	Results 2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Efficiency						
Expenditure level **Expenses per property assessment** [Total expenses/Number of property assessments]	$3,034.26	$2,781.51	$2,918.69	**$2,752.00**	**$2,830.50**	
Revenue level **Average rate per property assessment** [Sum of all general rates and municipal charges/Number of property assessments]	$1,623.38	$1,683.69	$1,732.46	**N/A**	**$1,787.33**	

	Forecasts				
	2027	2028	2029	2030	Comment
	Forecasts	Forecasts	Forecasts	Forecasts	
	$2,950.33	$2,965.96	$2,922.70	$2,972.45	The 2024-25 expenditure includes a net loss on disposal of property, infrastructure, plant and equipment totalling $8.8 million, leading to an increase in the 2024-25 expenses per property assessment. Depreciation increased by $8.0 million in 2025-26 due to the $253 million revaluation increase for property and infrastructure at 30 June 2025. This was partially offset by the $5.3 million decrease in employee costs and materials and services, with this decrease largely due to the majority of kindergarten services from January 2025 being delivered by external providers.
	$1,837.74	$1,880.11	$1,923.53	$1,968.01	General rate income was increased by the approved rate cap percentage.

Section 3. Financial performance indicators (continued)

Dimension/indicator/ measure	Results					
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Liquidity						
Working capital						
Current assets compared to current liabilities	163.35%	167.33%	151.45%	**134.10%**	**166.67%**	
[Current assets/Current liabilities] x 100						

	Forecasts				
	2027	2028	2029	2030	Comment
	Forecasts	Forecasts	Forecasts	Forecasts	
	132.79%	133.21%	143.20%	125.58%	Cash and cash equivalents, together with other financial assets, are $2.7 million greater than last year, while trade and other receivables are up $2.0 million (including an increase in rates debtors of $1.7 million). Prepayments and contract assets increased by $1.1 million. The increase in trade and other payables of $1.2 million has been offset by the $4.2 million decrease in contract liabilities. Contract liabilities related to unearned grant income which decreased from $5.0 million to $0.8 million due to the completion of large capital projects, leading to the recognition of the grant income. The cash balance at 30 June 2026 is higher than the forecast years largely due to the 80% prepayment of the 2026-27 Financial Assistance Grants. The forecast years also include higher repayment of borrowings, and therefore higher current interest-bearing liabilities. Together these items lead to a reduction in the working capital ratio in the forecast years.

Section 3. Financial performance indicators (continued)

Dimension/indicator/ measure	Results					
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Unrestricted cash						
Unrestricted cash compared to current liabilities [Unrestricted cash/Current liabilities] x 100	41.95%	45.73%	76.32%	**N/A**	**90.83%**	
Obligations						
Loans and borrowings						
Loans and borrowings compared to rates [Interest bearing loans and borrowings/Rate revenue] x 100	54.95%	56.42%	55.49%	**N/A**	**51.74%**	

	Forecasts				
	2027	2028	2029	2030	Comment
	Forecasts	Forecasts	Forecasts	Forecasts	
	71.33%	73.68%	87.92%	72.14%	This measure has seen an increase in 2025-26 as a result of unrestricted cash increasing by $7.1 million, largely due to unspent conditional grant income decreasing by $4.2 million, together with statutory reserves decreasing by $3.5 million. Trust funds and deposits increased by $0.8 million. Current liabilities have decreased by $1.1 million, with the $4.2 million decrease in contract liabilities offset by an increase in trade and other payables ($1.2 million), interest-bearing liabilities ($0.9 million), and trust funds and deposits ($0.8 million). Contract liabilities related to unearned grant income which decreased from $5.0 million to $0.8 million due to the completion of large capital projects, leading to the recognition of the grant income. In the forecast years, the unrestricted cash ratio is forecast to decline because of a reduction in the year-end cash balances, while current liabilities will be higher due to the increased loan repayments. There is an exception in 2028-29 where there is a forecast reduction in the capital works program leading to an increase in the unrestricted cash balance in that year.
	50.15%	48.47%	46.44%	36.62%	Borrowings totalling $6.0 million were taken out in the 2026 financial year, with further borrowings forecast in future years to fund projects within the capital works program. Borrowings totalling $9.6 million were repaid during the 2026 financial year. Rates and charges revenue increased by $4.1 million. The forecast years are decreasing in line with the increased repayment of debt, together with rates revenue being budgeted to increase in line with the forecast CPI.

Section 3. Financial performance indicators (continued)

Dimension/indicator/ measure	Results				
	2023	2024	2025	2026	
	Actual	Actual	Actual	Target as per budget	Actual
Loans and borrowings **Loans and borrowings repayments compared to rates** [Interest and principal repayments on interest bearing loans and borrowings/Rate revenue] x 100	4.45%	6.61%	8.35%	**N/A**	**8.45%**
Indebtedness **Non-current liabilities compared to own-source revenue** [Non-current liabilities/Own-source revenue] x 100	45.56%	49.91%	47.05%	**N/A**	**43.69%**

	Forecasts				
	2027	2028	2029	2030	Comment
	Forecasts	Forecasts	Forecasts	Forecasts	
	8.94%	9.46%	10.38%	10.44%	Borrowings totalling $6.0 million were taken out in the 2026 financial year, with further borrowings forecast in future years to fund projects within the capital works program. Borrowings totalling $9.6 million were repaid during the 2026 financial year, an increase of $0.7 million on the prior year. Rates and charges revenue increased by $4.1 million. We will continue to see an increase in the repayment of debt over the short-term, leading to an increase in this percentage over the four forecast years.
	40.61%	38.86%	36.38%	27.32%	Although borrowings totalling $6.0 million were taken out in the 2026 financial year, repayments of interest-bearing liabilities led to a decrease in non-current liabilities of $3.3 million. Own-source income increased by $5.9 million, including a $4.1 million increase in rates and charges revenue. Although further borrowings are forecast to be required up to 2028-29, loan repayments will be greater than the amounts borrowed leading to a decrease in non-current liabilities year-on-year. Own source revenue is forecast to increase each year, in particular rates and revenue income which is budgeted to increase in line with the forecast CPI. The impact of the forecast decrease in non-current liabilities and forecast increase in own-source revenue is driving the reduction overall in the ratio over the forecast period.

Section 3. Financial performance indicators (continued)

Dimension/indicator/ measure	Results					
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Asset renewal and upgrade						
Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense/Asset depreciation] x 100	186.26%	165.68%	183.78%	**223.41%**	**140.90%**	

	Forecasts				
	2027	2028	2029	2030	Comment
	Forecasts	Forecasts	Forecasts	Forecasts	
	162.72%	131.54%	117.33%	122.06%	The 2025-26 actual ratio was lower than the target ratio due to the increase in depreciation of $8.0 million, with this being higher proportionally than the increase in asset renewal and upgrade expenditure, which increase by $0.2 million on the 2025 financial year. The 2026 target figure was higher than the 2025 actuals due to the carry forward from 2024-25 of works for pavilion upgrades that were largely funded by grant income. The increased depreciation was due to the amendments to *AASB 13 Fair Value Measurement* that led to a $253 million revaluation increase for property and infrastructure at 30 June 2025. The forecast years will continue to be impacted by the higher depreciation levels, impacting the ratio results.

Dimension/indicator/ measure	Results					
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Operating Position						
Adjusted underlying result **Adjusted underlying surplus (or deficit)** [Adjusted underlying surplus (deficit)/Adjusted underlying revenue] x 100	-9.13%	0.28%	2.39%	**N/A**	**4.69%**	

	Forecasts				
	2027	2028	2029	2030	Comment
	Forecasts	Forecasts	Forecasts	Forecasts	
	2.45%	5.31%	5.87%	6.10%	The adjusted underlying result year-on-year is impacted by the timing of the Financial Assistance Grants. The Financial Assistance Grants are recognised when received. The 2025-26 result included 50% of the 2025-26 grant and an 80% prepayment of the 2026-27 grant. For the prior years, 2024-25 included 100% of the 2024-25 grant and 50% of the 2025-26 grant, while the 2023-24 grant was prepaid in the 2022-23 financial year. The 2026-27 forecast adjusted underlying result is impacted by the 80% prepayment of the 2026-27 Financial Assistance Grants, while at this stage we are forecasting for the consistent timing of the receipt of funding from 2027-28. In 2025-26, recurrent operating grant income decreased by $5.3 million, largely due to the decrease in kindergarten funding with the majority of kindergarten services from January 2025 being delivered by external providers. This also contributed to the $4.3 million decrease in employee costs. There was a $7.6 million decrease in the net loss on disposal of property, infrastructure, plant and equipment, with this offset by the $8.0 million increase in depreciation. The increased depreciation was due to the amendments to *AASB 13 Fair Value Measurement* that led to a $253 million revaluation increase for property and infrastructure at 30 June 2025.

Section 3. Financial performance indicators (continued)

Dimension/indicator/ measure	Results					
	2023	2024	2025	2026		
	Actual	Actual	Actual	Target as per budget	Actual	
Stability						
Rates concentration **Rates compared to adjusted underlying revenue** [Rate revenue/Adjusted underlying revenue] x 100	70.15%	75.47%	71.97%	**72.35%**	**73.81%**	
Rates effort **Rates compared to property values** [Rate revenue/Capital improved value of rateable properties in the municipality] x 100	0.22%	0.23%	0.22%	**N/A**	**0.23%**	

	Forecasts				
	2027	2028	2029	2030	Comment
	Forecasts	Forecasts	Forecasts	Forecasts	
	74.83%	75.22%	75.03%	75.21%	Recurrent operating grant income decreased by $5.3 million, largely due to the decrease in kindergarten funding with the majority of kindergarten services from January 2025 being delivered by external providers. Rates and charges revenue increased by $4.1 million. Overall this measure remains relatively stable with no expected significant changes impacting the forecast ratio results.
	0.23%	0.22%	0.21%	0.20%	Rates and charges revenue increased by $4.1 million, while the capital improved value of rateable properties has increased by $172 million compared to the 2025 financial year. Overall this measure remains relatively stable with no expected significant changes impacting the forecast ratio results.

Section 4.
Sustainable capacity indicators

For the year ended 30 June 2026

Indicator/ measure	Results				Comment
	2023	2024	2025	2026	
	Actual	Actual	Actual	Actual	
Population **Expenses per head of municipal population** [Total expenses/ Municipal population]	$1,313.42	$1,196.75	$1,254.25	**$1,222.39**	The 2024-25 expenditure includes a net loss on disposal of property, infrastructure, plant and equipment totalling $8.8 million, leading to an increase in the 2024-25 expenses per property assessment. Depreciation increased by $8.0 million in 2025-26 due to the $253 million revaluation increase for property and infrastructure at 30 June 2025. This was partially offset by the $5.3 million decrease in employee costs and materials and services, with this decrease largely due to the majority of kindergarten services from January 2025 being delivered by external providers.
Infrastructure per head of municipal population [Value of infrastructure/ Municipal population]	$6,872.31	$7,331.59	$8,893.83	**$9,758.23**	Infrastructure per head of municipal population increased in 2026 compared to 2025 as a result of the infrastructure value increasing by $146.2 million, with additions of $48.4 million and a revaluation increase of $128.0 million being partially offset by a decrease in infrastructure value due to depreciation and disposals. The municipal population increase was proportionately lower, with an actual increase of 518.

Indicator/ measure	Results				Comment
	2023	2024	2025	2026	
	Actual	Actual	Actual	Actual	
Population density per length of road [Municipal population/ Kilometres of local roads]	219.87	221.84	223.82	**224.53**	The municipal population has increased by 518, with no change in kilometres of local road, leading to the overall slight increase in this measure.
Own-source revenue **Own-source revenue per head of municipal population** [Own-source revenue/ Municipal population]	$975.96	$1,021.63	$1,066.72	**$1,099.40**	Own-source revenue has increased by $5.9 million, including a $4.1 million increase in rates and charges revenue. The municipal population has increased by 518. Relatively, this has caused minor increases year-on-year in the own-source revenue measure overall.
Recurrent grants **Recurrent grants per head of municipal population** [Recurrent grants/ Municipal population]	$162.75	$104.49	$186.54	**$153.94**	Recurrent operating grant income decreased by $5.3 million, largely due to the decrease in kindergarten funding with the majority of kindergarten services from January 2025 being delivered by external providers.
Disadvantage **Relative socio-economic disadvantage** [Index of relative socio-economic disadvantage by decile]	9.00	9.00	9.00	**9.00**	
Workforce turnover **Percentage of staff turnover** [Number of permanent staff resignations and terminations/Average number of permanent staff for the financial year] x 100	17.7%	15.5%	21.7%	**15.7%**	Council ceased direct delivery of kindergarten services in 2024–25, with external providers now assuming this responsibility. This change involved a business transfer and several redundancies. The staff turnover in the 2026 financial year is comparable to the 2024 financial year figure.

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* (Vic) and the *Local Government (Planning and Reporting) Regulations 2020* (Vic).

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 such as the Australian Bureau of Statistics or Council's community satisfaction survey provider.

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

The *Local Government (Planning and Reporting) Regulations 2020* (Vic) require 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	a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the *Aboriginal Heritage Act 2006* (Vic)
Adjusted underlying revenue	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)	adjusted underlying revenue less total expenditure
Annual report	an annual report prepared by a council under section 98 of the *Local Government Act 2020* (Vic)
Asset renewal expenditure	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	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	a notification received by Council under section 19N(3) or (4) of the *Food Act 1984* (Vic), or advice given to Council by an authorised 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* (Vic)
Intervention level	the level set for the condition of a road beyond which Council will not allow the road to deteriorate and will need to intervene
Local road	a sealed or unsealed road for which Council is the responsible road authority under the *Road Management Act 2004* (Vic)
Major non-compliance Outcome notification	a notification received by a council under section 19N(3) or (4) of the *Food Act 1984* (Vic), or advice given to council by an au-thorised 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
Maternal and child health (MCH)	stands for the Maternal and Child Health Service provided by Council to support the health and development of children with-in the municipality from birth until school age

Key term	Definition
Non-current liabilities	all liabilities other than current liabilities
Own-source revenue	adjusted underlying revenue other than revenue that is not under the control of Council (including government grants)
Population	the resident population estimated by Council
Rate revenue	revenue from general rates, municipal charges, service rates and service charges
Relative socio-economic disadvantage	in relation to a municipal district, 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 in Socio-Economic Indexes for Areas (SEIFA), Australian Bureau of Statistics
Restricted cash	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	stands for the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its website
Unrestricted cash	means all cash and cash equivalents other than restricted cash

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Certification of the financial statements

Statement by Principal Accounting Officer

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.



Navec Lorkin FCPA
Principal Accounting Officer

14 September 2026
Wantirna South

Statement by Councillors and Chief Executive Officer

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

As 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 Paige Kennett
Mayor

14 September 2026
Wantirna South



Cr Lisa Cooper
Councillor

14 September 2026
Wantirna South



Bruce Dobson
Chief Executive Officer

14 September 2026
Wantirna South

Victorian Auditor-General's Office audit report

Independent Auditor's Report

Victorian Auditor-General's Office

To the Councillors of Knox City Council

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

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Auditor's responsibilities for the audit of the financial report

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

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

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

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



Travis Derricott
as delegate for the Auditor-General of Victoria

MELBOURNE
18 September 2026

Comprehensive income statement

For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Income/revenue			
Rates and charges	3.1	155,084	151,015
Statutory fees and fines	3.2	5,026	4,796
User fees	3.3	15,034	13,587
Grants - operating	3.4	22,357	27,325
Grants - capital	3.4	10,598	7,040
Contributions - monetary	3.5	9,195	6,600
Contributions - non-monetary	3.5	8,736	1,899
Share of net profits of associates and joint ventures	6.2	92	239
Other income	3.7	4,868	4,560
Total income/revenue		**230,990**	**217,061**
Expenses			
Employee costs	4.1	(76,397)	(80,664)
Materials and services	4.2	(75,358)	(76,414)
Depreciation	4.3	(33,619)	(25,659)
Amortisation - intangible assets		(915)	(878)
Depreciation - right-of-use assets	4.4	(1,104)	(1,205)
Allowance for impairment losses	4.5	(591)	(508)
Borrowing costs		(3,567)	(3,767)
Finance costs - leases		(332)	(288)
Contributions and donations	4.6	(6,218)	(5,973)
Net loss on disposal of property, infrastructure, plant and equipment	3.6	(1,241)	(8,820)
Other expenses	4.7	(910)	(646)
Total expenses		**(200,252)**	**(204,822)**
Surplus/(deficit) for the year		**30,738**	**12,239**
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation gain/(loss)	9.1	91,612	252,994
Total other comprehensive income		**91,612**	**252,994**
Total comprehensive result		**122,350**	**265,233**

The above Comprehensive Income Statement should be read in conjunction with the accompanying notes.

Balance sheet

As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	5.1	54,491	54,323
Other financial assets	5.1	5,000	2,500
Trade and other receivables	5.1	26,324	24,292
Inventories		23	12
Prepayments	5.2	1,888	1,167
Non-current assets classified as held for sale		1,440	582
Contract assets	5.1	1,427	1,090
Total current assets		**90,593**	**83,966**
Non-current assets			
Property, infrastructure, plant and equipment	6.1	2,677,633	2,567,045
Right-of-use assets	5.8	6,488	5,305
Intangible assets	5.2	1,381	1,879
Investment in Your Library Limited	6.2	3,078	2,986
Total non-current assets		**2,688,580**	**2,577,215**
Total assets		**2,779,173**	**2,661,181**
Liabilities			
Current liabilities			
Trade and other payables	5.3	21,027	19,874
Trust funds and deposits	5.3	3,797	2,949
Contract and other liabilities	5.3	815	5,039
Provisions	5.5	17,581	17,336
Interest-bearing liabilities	5.4	10,325	9,445
Lease liabilities	5.8	810	799
Total current liabilities		**54,355**	**55,442**
Non-current liabilities			
Provisions	5.5	2,830	2,962
Interest-bearing liabilities	5.4	69,917	74,360
Lease liabilities	5.8	5,944	4,640
Total non-current liabilities		**78,691**	**81,962**
Total liabilities		**133,046**	**137,404**
Net assets		**2,646,127**	**2,523,777**

	Note	2026 $'000	2025 $'000
Equity			
Accumulated surplus		769,604	736,556
Reserves	9.1	1,876,523	1,787,221
Total equity		**2,646,127**	**2,523,777**

The above Balance Sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the year ended 30 June 2026

2026	Note	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
Balance at beginning of the financial year		2,523,777	736,556	1,769,295	17,926
Surplus for the year		30,738	30,738	-	-
Net asset revaluation gain/ (loss)	6.1	91,612	-	91,612	-
Transfers to other reserves	9.1	-	(15,200)	-	15,200
Transfers from other reserves	9.1	-	17,510	-	(17,510)
Balance at end of the financial year		**2,646,127**	**769,604**	**1,860,907**	**15,616**

2025	Note	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
Balance at beginning of the financial year		2,258,544	723,126	1,516,301	19,117
Surplus for the year		12,239	12,239	-	-
Net asset revaluation gain/ (loss)	6.1	252,994	-	252,994	-
Transfers to other reserves	9.1	-	(11,485)	-	11,485
Transfers from other reserves	9.1	-	12,676	-	(12,676)
Balance at end of the financial year		**2,523,777**	**736,556**	**1,769,295**	**17,926**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 30 June 2026

	Note	2026 Inflows/ (Outflows) $'000	2025 Inflows/ (Outflows) $'000
Cash flows from operating activities			
Rates and charges		153,579	148,279
Statutory fees and fines		4,188	4,064
User fees		15,384	13,957
Grants - operating		21,993	27,822
Grants - capital		6,820	11,029
Contributions - monetary		9,669	6,735
Interest received		2,018	2,651
Trust funds and deposits taken		34,259	23,046
Other receipts		2,874	2,132
Net GST refund		11,383	11,329
Employee costs		(76,257)	(82,016)
Materials and services		(86,354)	(85,498)
Contributions and donations		(6,819)	(6,551)
Short-term, low value and variable lease payments		(107)	(13)
Trust funds and deposits repaid		(33,411)	(22,657)
Other payments		(855)	(640)
Net cash provided by/(used in) operating activities	9.2	**58,364**	**53,669**
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(48,199)	(44,651)
Proceeds from sales of property, infrastructure, plant and equipment		886	5,170
Payments for investments		(5,000)	(2,500)
Proceeds from sale of investments		2,500	10,000
Net cash provided by/(used in) investing activities		**(49,813)**	**(31,981)**
Cash flows from financing activities			
Finance costs		(3,548)	(3,738)
Proceeds from borrowings		6,000	10,000
Repayment of borrowings		(9,563)	(8,865)
Interest paid - lease liability		(325)	(290)
Repayment of lease liabilities		(947)	(1,088)
Net cash provided by/(used in) financing activities		**(8,383)**	**(3,981)**

Statement of cash flows (continued)

	Note	2026 Inflows/ (Outflows) $'000	2025 Inflows/ (Outflows) $'000
Net increase/(decrease) in cash and cash equivalents		168	17,707
Cash and cash equivalents at the beginning of the financial year		54,323	36,616
Cash and cash equivalents at the end of the financial year	5.1	**54,491**	**54,323**
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 2026

	Note	2026 Inflows/ (Outflows) $'000	2025 Inflows/ (Outflows) $'000
Property			
Buildings		15,208	10,613
Total buildings		**15,208**	**10,613**
Total property		**15,208**	**10,613**
Plant and equipment			
Artworks		25	57
Plant, machinery and equipment		2,303	2,466
Fixtures, fittings and furniture		36	36
Computers and telecommunications		386	672
Total plant and equipment		**2,750**	**3,231**
Infrastructure			
Roads		10,485	7,854
Bridges		963	833
Footpaths and cycleways		4,862	5,127
Drainage		4,203	6,454
Recreational, leisure and community facilities		8,853	12,714
Off street car parks		1,324	2,967
Total infrastructure		**30,690**	**35,949**
Total capital works expenditure		**48,648**	**49,793**
Represented by:			
New asset expenditure		1,183	2,378
Asset renewal expenditure		30,645	35,102
Asset expansion expenditure		95	258
Asset upgrade expenditure		16,725	12,055
Total capital works expenditure		**48,648**	**49,793**

The above Statement of Capital Works should be read in conjunction with the accompanying notes.

Notes to the Financial Report

For the Year Ended 30 June 2026

Note 1 Overview

Introduction

Knox City Council was established by an Order of the Governor in Council in 1994 and is a body corporate. The Council's main office is located at 511 Burwood Highway, Wantirna South, Victoria.

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

(a) Basis of accounting

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

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

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

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- 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 3.4)
- 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.

(b) Impacts of other external events

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

Note 2 Analysis of our results

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of greater than ten percent and $1,000,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 23 June 2025. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

2.1.1 Income/revenue and expenditure

	Budget 2026 $'000	Actual 2026 $'000	Variance $'000	Variance %	Ref
Income/revenue					
Rates and charges	153,826	155,084	**1,258**	**1%**	
Statutory fees and fines	5,458	5,026	**(432)**	**-8%**	
User fees	13,677	15,034	**1,357**	**10%**	**1**
Grants - operating	19,651	22,357	**2,706**	**14%**	**2**
Grants - capital	10,383	10,598	**215**	**2%**	
Contributions - monetary	5,000	9,195	**4,195**	**84%**	**3**
Contributions - non-monetary	2,000	8,736	**6,736**	**337%**	**4**
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	10,506	(1,241)	**(11,747)**	**-112%**	**5**
Share of net profits (or loss) of associates and joint ventures	4	92	**88**	**2200%**	
Other income	1,803	4,868	**3,065**	**170%**	**6**
Total income/revenue	**222,308**	**229,749**	**7,441**	**3%**	
Expenses					
Employee costs	77,377	76,397	**980**	**1%**	
Materials and services	77,100	75,358	**1,742**	**2%**	
Depreciation	25,329	33,619	**(8,290)**	**-33%**	**7**
Amortisation - intangible assets	903	915	**(12)**	**-1%**	
Depreciation - right of use assets	1,176	1,104	**72**	**6%**	
Allowance for impairment losses	317	591	**(274)**	**-86%**	
Borrowing costs	3,599	3,567	**32**	**1%**	
Finance costs - leases	419	332	**87**	**21%**	
Contributions and donations	6,138	6,218	**(80)**	**-1%**	
Other expenses	796	910	**(114)**	**-14%**	
Total expenses	**193,154**	**199,011**	**(5,857)**	**-3%**	
Surplus/(deficit) for the year	**29,154**	**30,738**	**1,584**	**5%**	

2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	User fees	Unbudgeted income totalling $0.514 million was received from the container deposit scheme. Fees related to the Active and Creative Communities department were $0.413 million greater than budget. This was partially offset by fees related to Building Services being $0.321 million lower than budget.
2	Grants - operating	50% of the 2025-26 General Purpose Grant was received during the 2026 financial year, while 80% of the 2026-27 General Purpose Grant was brought forward and paid prior to 30 June 2026. Therefore the total General Purpose Grant received during the 2025-26 financial year was $2.710 million greater than budget. Grants received for Early Years services were $0.818 million lower than budget. This was offset by the receipt of $0.519 million in unbudgeted operating grants, and the decrease of $0.339 million in unearned operating grants throughout the organisation.
3	Contributions - monetary	Unbudgeted contributions totalling $4.733 million were received related to a land transaction, including $2.780 million which was transferred to the social housing reserve. This was partially offset by public open space contributions being $0.615 million lower than budget.
4	Contributions - non-monetary	Non-monetary contributions were $6.736 million greater than budget due to assets handed over to Council from developers, with the timing of these contributions varying year-to year depending on the level of development.
5	Net loss (gain) on disposal of property, infrastructure, plant and equipment	A timing difference in land sales totalling $10.025 million budgeted to proceed in the 2025-26 financial year, are instead set to proceed during the 2026-27 financial year. Sale of plant was $0.352 million down on budget. Unbudgeted building disposals during the year totalled $0.308 million, while unbudgeted infrastructure disposals during the year totalled $1.175 million.
6	Other income	Interest on investments was $1.274 million greater than budget due to higher than budgeted interest rates and cash holdings related to the timing of delivery of the capital works program. Reimbursements were $0.784 million greater than budget, while unbudgeted rebates totalling $0.771 million were received.
7	Depreciation	Depreciation is $8.290 million greater than budget due to the impact of *AASB 13 Fair Value Measurement* which contributed to an increase of $252.994 million in the value of Council assets as at 30 June 2025, after the adoption of the budget for the 2025-26 financial year.

2.1 Performance against budget (continued)

2.1.2 Capital works

	Budget 2026 $'000	Actual 2026 $'000	Variance $'000	Variance %	Ref
Property					
Buildings	16,322	15,208	**(1,114)**	**-7%**	
Total buildings	**16,322**	**15,208**	**(1,114)**	**-7%**	
Total property	**16,322**	**15,208**	**(1,114)**	**-7%**	
Plant and equipment					
Artworks	210	25	**(185)**	**-88%**	
Plant, machinery and equipment	1,949	2,303	**354**	**18%**	
Fixtures, fittings and furniture	-	36	**36**		
Computers and telecommunications	5,341	386	**(4,955)**	**-93%**	**1**
Total plant and equipment	**7,500**	**2,750**	**(4,750)**	**-63%**	
Infrastructure					
Roads	9,307	10,485	**1,178**	**13%**	**2**
Bridges	973	963	**(10)**	**-1%**	
Footpaths and cycleways	5,735	4,862	**(873)**	**-15%**	
Drainage	4,868	4,203	**(665)**	**-14%**	
Recreational, leisure and community facilities	10,721	8,853	**(1,868)**	**-17%**	**3**
Off street car parks	1,616	1,324	**(292)**	**-18%**	
Other infrastructure	803	-	**(803)**	**-100%**	
Total infrastructure	**34,023**	**30,690**	**(3,333)**	**-10%**	
Total capital works expenditure	**57,845**	**48,648**	**(9,197)**	**-16%**	
Represented by:					
New asset expenditure	1,227	1,183	**(44)**	**-4%**	
Asset renewal expenditure	39,318	30,645	**(8,673)**	**-22%**	
Asset expansion expenditure	30	95	**65**	**217%**	
Asset upgrade expenditure	17,270	16,725	**(545)**	**-3%**	
Total capital works expenditure	**57,845**	**48,648**	**(9,197)**	**-16%**	

2.1 Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Computers and telecommunications	Capital expenditure is lower than budget partially due to $3.422 million in expenditure being deemed to be operational in nature and therefore was not capitalised. A number of projects were identified in March 2026 as requiring carry forward into 2026-27 due to changes in project delivery timeframes.
2	Roads	Capital expenditure totalling $0.179 million was carried forward from the 2024-25 financial year. $0.308 million in capital expenditure budgeted in different asset classes has been capitalised under roads. The overspend against budget of $0.516 million in two road projects utilised savings from projects from different asset classes.
3	Recreational, leisure and community facilities	Capital expenditure was below budget primarily due to landscaping and planting works being recognised as operating expenditure rather than capital expenditure ($0.926 million), together with project reclassifications between capital asset categories ($0.265 million). These variances were partially offset by the recognition of projects within the recreational, leisure and community facilities category from other asset categories ($0.451 million). The budgeted carry forward for the Playground Renewal Program of $1.096 million was not needed to complete project delivery.

2.2 Analysis of Council results by program

Knox City Council delivers its functions and activities through the following programs.

2.2.1 CEO

The office of the CEO incorporates the Chief Executive Office and the Chief Financial Office.

The Chief Executive Office responsibilities include establishing and maintaining an appropriate organisational structure for the council, managing interactions between council staff and councillors, ensuring that Council decisions are implemented promptly, providing timely advice to Council, providing timely and reliable advice to the Council about its legal obligations, and overseeing the daily management of council operations following the Council and Health and Wellbeing Plan.

The Chief Financial Office provides financial direction and support across Council. It partners with staff on budgets, purchasing, tenders and contracts. It also provides support for the day-to-day operations of council-owned property and buildings, and manages property rates and valuation services.

City Liveability

The City Liveability Directorate incorporates City Futures, City Planning and Building, City Projects, and City Safety and Health. The Directorate deliver important services for the health, safety and future development of Knox.

The City Futures department uses research and mapping to understand growth and change in Knox, and to inform planning. It works with community members, business owners and internal departments to respond to changing needs.

The City Planning and Building department works with the community to assess land use and development in Knox.

2.2 Analysis of Council results by program (continued)

The City Projects department helps shape key projects for Knox's growth into the future. It makes informed decisions based on regular customer feedback and input.

The City Safety and Health department helps protect the safety and health of the Knox community. It does this through dedicated programs, education and local laws.

Connected Communities

The Connected Communities Directorate incorporates Active and Creative Communities, Community Access and Support, Community Strengthening, and Early Years. The Directorate deliver services to support health, wellbeing and culture for an inclusive and safe community.

The Active and Creative Communities department contributes to health and culture in the Knox community through leisure, events, arts and sports.

The Community Access and Support department makes a difference in the social and emotional wellbeing of people in the Knox community.

The Community Strengthening department develops strategies and delivers programs and education to support vulnerable community. It works to create a more inclusive, connected and safe community.

The Early Years department delivers key health and education programs for the youngest members of the Knox community and their families.

Customer and Performance

The Customer and Performance Directorate incorporates the Chief Information Office, Customer and Communications, Governance and Risk, People, Culture and Development, and Strategy and Transformation. The directorate works with all Council staff to improve the lives of internal and external stakeholders and the broader Knox community.

The Chief Information Office delivers organisation-wide technical solutions that enable customers to interact with Council services.

The Customer and Communications department bridges the gap between internal and external operations. It communicates Council's services, facilities and programs to meet and support the evolving needs of the community, helping internal and external stakeholders to thrive through customer trust and confidence.

The Governance and Risk department provides advice and support on compliance, governance, policy and risk. The People, Culture and Development department works with staff to create a safe, fair and enjoyable workplace where everyone thrives.

The Strategy and Transformation department uses data and analytics to plan, manage change and move our organisation forward. It helps Council create and achieve our vision for the future, ensuring our services meet customer needs and remain relevant over time.

Infrastructure

The Infrastructure Directorate incorporates Engineering Services and Operations, Green Spaces and Environment, Major Projects and Facilities, and Strategic Infrastructure. The directorate manages and maintains Council infrastructure such as roads, footpaths, buildings, playgrounds, open space and other assets that our customers use.

The Engineering Services and Operations department maintains and ensures safety of assets that our customers and staff use. This includes fleet cars, footpaths and drains. It also provides expert advice in engineering.

The Green Spaces and Environment department manages waste collection, open spaces, sportsfields, reserves, parks, gardens and trees. It also delivers biodiversity programs and waste education.

The Major Projects and Facilities department delivers major projects that supplement the capital projects Council delivers. It is also responsible for maintaining and upgrading Council-owned buildings.

The Strategic Infrastructure department delivers buildings and open spaces for customers to enjoy. It manages stormwater and provides expert advice on building construction, design and public transport.

2.2 Analysis of Council results by program (continued)

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

2026	Income/ revenue $'000	Expenses $'000	Surplus/ (Deficit) $'000	Grants included in income/ revenue $'000	Total assets $'000
CEO	141,718	10,031	131,687	10,510	84,269
City Liveability	14,729	20,503	(5,774)	1,012	53,226
Connected Communities	23,210	47,412	(24,202)	16,468	690,294
Customer and Performance	761	28,820	(28,059)	252	67,628
Infrastructure	50,572	93,486	(42,914)	4,713	1,883,756
	230,990	**200,252**	**30,738**	**32,955**	**2,779,173**

2025	Income/ revenue $'000	Expenses $'000	Surplus/ (Deficit) $'000	Grants included in income/ revenue $'000	Total assets $'000
CEO	138,001	9,953	128,048	11,605	79,591
City Liveability	14,313	19,681	(5,368)	974	51,946
Connected Communities	22,867	51,497	(28,630)	16,406	662,046
Customer and Performance	259	28,749	(28,490)	-	59,749
Infrastructure	41,621	94,942	(53,321)	5,380	1,807,849
	217,061	**204,822**	**12,239**	**34,365**	**2,661,181**

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 takes into account the total value of a property including all land, buildings and other improvements but excluding fixtures and fittings.

The valuation base used to calculate general rates for 2025-26 was $66,857 million (2024-25: $66,753 million). The 2025-26 rate in the CIV dollar was $0.0015140 (2024-25: $0.0014650) for the residential rate.

	2026 $'000	2025 $'000
General rates	125,484	120,868
Residential garbage charge	25,386	26,090
Service rates and charges	1,858	2,008
Supplementary rates and rate adjustments	966	709
Cultural and recreational	58	54
Interest on rates and charges	1,332	1,286
Total rates and charges	**155,084**	**151,015**

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

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

3.2 Statutory fees and fines

	2026 $'000	2025 $'000
Permits	1,809	1,629
Infringements and costs	1,469	1,183
Court recoveries	1,386	1,031
Town planning fees	207	809
Land information certificates	153	143
Other statutory fees and fines	2	1
Total statutory fees and fines	**5,026**	**4,796**

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

	2026 $'000	2025 $'000
Waste management services	3,580	3,417
Registration and other permits	2,856	2,641
Leisure centre and recreation	2,696	2,532
Child care/children's programs	2,687	2,239
Infrastructure services	1,022	793
Aged and health services	590	512
Building services	555	586
Other fees and charges	1,048	867
Total user fees	**15,034**	**13,587**

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. All of Knox City Council's user fees are recognised at a point in time.

3.4 Funding from other levels of government

	2026 $'000	2025 $'000
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	23,823	22,102
State funded grants	9,132	12,263
Total grants received	**32,955**	**34,365**

(a) Operating grants

	2026 $'000	2025 $'000
Recurrent - Commonwealth Government		
Financial Assistance Grants	10,510	11,605
Family and children - child care	4,595	4,293
General home care	1,262	1,213
Recurrent - State Government		
Family and children - maternal and child health	1,722	1,732
Family and children - kindergarten	1,150	6,287
Family and children - child care	1,066	760
School crossing supervisors	831	815
Family and children - youth services	314	263
Recreational, leisure and community facilities	258	23
Community health	200	174
Other	52	50
Community safety	-	20
Total recurrent operating grants	**21,960**	**27,235**
Non-recurrent - Commonwealth Government		
Community health	10	-
Non-recurrent - State Government		
Environmental planning	68	-
Recreational, leisure and community facilities	40	54
Community health	5	20
Other	274	15
Family and children - kindergarten	-	1
Total non-recurrent operating grants	**397**	**90**
Total operating grants	**22,357**	**27,325**

3.4 Funding from other levels of government (continued)

(b) Capital grants

	2026 $'000	2025 $'000
Recurrent - Commonwealth Government		
Financial Assistance Grants - local roads	2,085	2,274
Roads to recovery	1,173	953
Total recurrent capital grants	**3,258**	**3,227**
Non-recurrent - Commonwealth Government		
Recreational, leisure and community facilities	3,965	1,764
Footpaths and cycleways	116	-
Drainage	94	-
Roads	13	-
Non-recurrent - State Government		
Recreational, leisure and community facilities	3,117	1,317
Drainage	22	417
Footpaths and cycleways	13	315
Total non-recurrent capital grants	**7,340**	**3,813**
Total capital grants	**10,598**	**7,040**

(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 for Not-for-Profit Entities*.

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

The following table provides a summary of unspent grants.

3.4 Funding from other levels of government (continued)

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

	2026 $'000	2025 $'000
Operating		
Balance at start of year	788	674
Received during the financial year and remained unspent at balance date	379	656
Received in prior years and spent during the financial year	(718)	(542)
Balance at year end	**449**	**788**
Capital		
Balance at start of year	4,251	1,374
Received during the financial year and remained unspent at balance date	364	4,229
Received in prior years and spent during the financial year	(4,249)	(1,352)
Balance at year end	**366**	**4,251**

Unspent grants are determined and disclosed on a cash basis.

3.5 Contributions

	2026 $'000	2025 $'000
Monetary	9,195	6,600
Non-monetary	8,736	1,899
Total contributions	**17,931**	**8,499**

Contributions of non-monetary assets were received in relation to the following asset classes:

	2026 $'000	2025 $'000
Roads	3,796	78
Drainage	2,597	237
Land	1,635	1,555
Footpaths and cycleways	664	21
Recreational, leisure and community facilities	24	-
Bridges	20	-
Off street car parks	-	8
Total non-monetary contributions	**8,736**	**1,899**

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

	2026 $'000	2025 $'000
Proceeds of sale	886	5,102
Written down value of assets disposed	(2,127)	(13,922)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	**(1,241)**	**(8,820)**

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

	2026 $'000	2025 $'000
Interest	2,225	2,533
Reimbursements	911	1,064
Rent	757	748
Rebates	771	1
Other	204	214
Total other income	**4,868**	**4,560**

Interest is recognised as it is earned.

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

Note 4 The cost of delivering services

4.1 (a) Employee costs

	2026 $'000	2025 $'000
Wages and salaries	55,959	59,558
Annual leave and long service leave	7,200	7,518
Superannuation	8,014	7,831
Agency staff	2,493	2,920
WorkCover	2,419	2,509
Fringe benefits tax	312	328
Total employee costs	**76,397**	**80,664**

(b) Superannuation

Council made contributions to the following funds:

	2026 $'000	2025 $'000
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	164	235
	164	**235**
Employer contributions payable at reporting date	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,267	3,340
Employer contributions - other funds	3,943	3,650
	7,210	**6,990**
Employer contributions payable at reporting date	610	559

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

4.2 Materials and services

	2026 $'000	2025 $'000
Contract payments		
Waste Management	26,890	26,405
Operations - Maintenance	10,050	9,075
Operating Projects Expenditure	4,295	8,389
Corporate Services	2,031	1,301
Active Ageing & Disability	1,270	1,307
Arts & Cultural Services	759	589
Community Laws	479	483
People & Culture	360	372
Planning & Development	337	478
Other	1,436	1,386
Total Contract Payments	**47,907**	**49,785**
Administration costs	7,138	7,004
Utilities	3,961	4,332
Consumable materials and equipment	3,497	3,422
Information technology	3,789	3,362
Building maintenance	2,531	2,591
Insurance	2,505	2,476
Consultants	1,609	1,708
General maintenance	1,497	900
Finance and legal costs	924	834
Total materials and services	**75,358**	**76,414**

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

4.3 Depreciation

	2026 $'000	2025 $'000
Infrastructure	25,413	18,441
Property	6,696	5,746
Plant and equipment	1,510	1,472
Total depreciation	**33,619**	**25,659**

Refer to note 5.2(b), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Depreciation - right of use assets

	2026 $'000	2025 $'000
Property	579	617
Computers and telecommunications	491	555
Plant and equipment	34	33
Total depreciation - right of use assets	**1,104**	**1,205**

4.5 Allowance for impairment losses

	2026 $'000	2025 $'000
Parking and animal infringement debtors	562	485
Other debtors	29	23
Total Allowance for impairment losses	**591**	**508**
Movement in allowance for impairment losses in respect of debtors		
Balance at the beginning of the year	21	15
New allowances recognised during the year	29	22
Amounts already allowed for and written off as uncollectible	(21)	(16)
Amounts allowed for but recovered during the year	-	-
Balance at the end of the year	**29**	**21**

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

4.6 Contributions and donations

	2026 $'000	2025 $'000
Contribution to Your Library Limited	4,747	4,510
Community support payments	1,471	1,463
Total contributions and donations	**6,218**	**5,973**

4.7 Other expenses

	2026 $'000	2025 $'000
Councillors allowances	506	470
Auditor's remuneration - internal audit	210	69
Auditor's remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	97	96
Operating lease rentals	97	11
Total other expenses	**910**	**646**

Note 5 Investing in and financing our operations

5.1 Financial assets

(a) Cash and cash equivalents

	2026 $'000	2025 $'000
Cash on hand	4	4
Cash at bank	24,487	34,319
Term deposits	30,000	20,000
Total cash and cash equivalents	**54,491**	**54,323**

(b) Other financial assets

	2026 $'000	2025 $'000
Current		
Term deposits	5,000	2,500
Total current other financial assets	**5,000**	**2,500**
Total other financial assets	**5,000**	**2,500**
Total cash and cash equivalents and other financial assets	**59,491**	**56,823**

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Term deposits are held to maturity and measured at original cost.

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

(c) Trade and other receivables

	2026 $'000	2025 $'000
Current		
Statutory receivables		
Rates debtors	21,535	19,848
Special rate assessment	52	52
Parking and animal infringement debtors	4,883	4,010
Allowance for expected credit loss - infringements	(3,522)	(2,960)
Net GST receivable	1,921	1,858
Non statutory receivables		
Other debtors	1,484	1,505
Allowance for expected credit loss - other debtors	(29)	(21)
Total trade and other receivables	**26,324**	**24,292**

5.1 Financial assets (continued)

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

(d) Ageing of receivables

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

	2026 $'000	2025 $'000
Current (not yet due)	681	566
Past due by up to 30 days	197	278
Past due between 31 and 180 days	181	179
Past due between 181 and 365 days	13	170
Past due by more than 1 year	412	312
Total trade and other receivables	**1,484**	**1,505**

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of $nil (2025: $nil) were impaired. The amount of the allowance raised against these debtors was $nil (2025: $nil). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with the Council's debt collectors or are on payment arrangements.

(f) Contract assets

	2026 $'000	2025 $'000
Accrued income	1,427	1,090
Total contract assets	**1,427**	**1,090**

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

5.2 Non-financial assets

(a) Other assets

	2026 $'000	2025 $'000
Prepayments	1,888	1,167
Total other assets	**1,888**	**1,167**

(b) Intangible assets

	2026 $'000	2025 $'000
Software	1,381	1,879
Total intangible assets	**1,381**	**1,879**
Gross carrying amount		
Balance at 1 July 2025	8,395	8,357
Additions	417	404
Disposals	(513)	(366)
Balance at 30 June 2026	**8,299**	**8,395**
Accumulated amortisation and impairment		
Balance at 1 July 2025	6,516	5,938
Amortisation expense	915	878
Amortisation expense for disposals	(513)	(300)
Balance at 30 June 2026	**6,918**	**6,516**
Net book value at 30 June 2025	**1,879**	**2,419**
Net book value at 30 June 2026	**1,381**	**1,879**

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

5.3 Payables, trust funds and deposits and contract liabilities

(a) Trade and other payables

	2026 $'000	2025 $'000
Current		
Non-statutory payables		
Trade payables	13,143	13,068
Accrued expenses	5,709	4,846
Prepaid income	2,175	1,960
Total current trade and other payables	**21,027**	**19,874**

Prepaid income includes $2.098 million for rates income that has been paid in advance.

(b) Trust funds and deposits

	2026 $'000	2025 $'000
Current		
Refundable deposits	2,097	1,831
Emergency Services and Volunteers Fund	1,572	971
Retention amounts	93	105
Other refundable deposits	35	42
Total current trust funds and deposits	**3,797**	**2,949**

(c) Contract liabilities

	2026 $'000	2025 $'000
Contract liabilities		
Current		
Grants received in advance - operating	449	788
Grants received in advance - capital	366	4,251
Total contract liabilities	**815**	**5,039**

Trust funds and deposits

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

Contract liabilities

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

5.3 Payables, trust funds and deposits and contract liabilities (continued)

Purpose and nature of items

Refundable deposits - Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Emergency Services and Volunteers Fund - Council is the collection agent for the Emergency Services and Volunteers Fund on behalf of the State Government. Council remits amounts received on a four-instalment 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.

5.4 Interest-bearing liabilities

	2026 $'000	2025 $'000
Current		
Treasury Corporation of Victoria borrowings - secured	7,833	7,022
Other borrowings - secured	2,492	2,423
Total current interest-bearing liabilities	**10,325**	**9,445**
Non-current		
Treasury Corporation of Victoria borrowings - secured	57,802	59,752
Other borrowings - secured	12,115	14,608
Total non-current interest-bearing liabilities	**69,917**	**74,360**
Total	**80,242**	**83,805**

Borrowings are secured by the general rates revenue of Council.

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

	2026 $'000	2025 $'000
Not later than one year	10,325	9,445
Later than one year and not later than five years	45,968	41,996
Later than five years	23,949	32,364
Total	**80,242**	**83,805**

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.

5.4 Interest-bearing liabilities (continued)

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

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

5.5 Provisions

	Employee $'000	Landfill rehabilitation $'000	Total $'000
2026			
Balance at beginning of the financial year	18,017	2,281	20,298
Additional provisions	6,596	270	6,866
Amounts used	(6,399)	(236)	(6,635)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(41)	(77)	(118)
Balance at the end of the financial year	**18,173**	**2,238**	**20,411**
Provisions - current	17,051	530	17,581
Provisions - non-current	1,122	1,708	2,830
2025			
Balance at beginning of the financial year	19,174	2,216	21,390
Additional provisions	6,559	355	6,914
Amounts used	(7,996)	(340)	(8,336)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	280	50	330
Balance at the end of the financial year	**18,017**	**2,281**	**20,298**
Provisions - current	16,971	365	17,336
Provisions - non-current	1,046	1,916	2,962

5.5 Provisions (continued)

(a) Employee provisions

	2026 $'000	2025 $'000
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,047	2,921
Long service leave	1,248	1,099
Gratuities	53	58
	4,348	**4,078**
Current provisions expected to be wholly settled after 12 months		
Annual leave	3,555	3,665
Long service leave	8,920	8,858
Gratuities	228	370
	12,703	**12,893**
Total current employee provisions	**17,051**	**16,971**
Non-current		
Long service leave	1,122	1,046
Total non-current employee provisions	**1,122**	**1,046**
Aggregate carrying amount of employee provisions:		
Current	17,051	16,971
Non-current	1,122	1,046
Total aggregate carrying amount of employee provisions	**18,173**	**18,017**

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.

5.5 Provisions (continued)

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.

Gratuity retirement allowance

A gratuity retirement allowance exists for employees who commenced prior to 3 May 1996, with new employees who commenced after that date not being eligible, and is recognised in the provision for employee benefits as a current liability. Liabilities expected to be wholly settled within 12 months of the reporting date are measured at their nominal values. Liabilities that are not expected to be wholly settled within 12 months of the reporting date are 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.

	2026	2025
Key Assumptions - AL:		
Weighted average discount rate	2.44%	1.82%
Weighted average index rate	3.45%	2.50%
Average settlement period (years)	2	2
Key Assumptions - LSL:		
Weighted average discount rate - current	4.20%	3.43%
Weighted average discount rate - non-current	4.39%	3.33%
Weighted average index rate - current	3.10%	2.50%
Weighted average index rate - non-current	3.00%	2.50%
Average settlement period (years)	18	16
Key Assumptions - Gratuity:		
Weighted average discount rate	3.62%	2.83%
Weighted average index rate	3.18%	2.50%
Average settlement period (years)	30	29

5.5 Provisions (continued)

(b) Landfill rehabilitation provisions

	2026 $'000	2025 $'000
Current		
Cathies Lane landfill site	321	225
Llewellyn Reserve landfill site	209	140
Total current landfill rehabilitation provisions	**530**	**365**
Non-current		
Cathies Lane landfill site	1,166	1,344
Llewellyn Reserve landfill site	542	572
Total non-current landfill rehabilitation provisions	**1,708**	**1,916**
Total aggregate carrying amount of landfill rehabilitation provisions	**2,238**	**2,281**

Council owns two former landfill sites - Cathies Lane and Llewellyn Reserve. Under the terms of Post Closure Pollution Abatement Notices issued by the Environment Protection Authority (EPA), Council is required to monitor, progressively rehabilitate and conduct rectification works. The provision for landfill rehabilitation has been calculated based on the present value of the expected cost of works to be undertaken including site aftercare and monitoring costs. The expected cost of works has been estimated based on the current understanding of the work required to progressively rehabilitate the sites 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.

	2026	2025
Key assumptions - Cathies Lane landfill site:		
Weighted average discount rate	5.46%	4.55%
Inflation rate	2.53%	2.56%
Settlement period (years)	8	9
Estimated cost to rehabilitate	**$1.673m**	**$1.736m**
Key assumptions - Llewellyn Reserve landfill site:		
Weighted average discount rate	5.47%	4.54%
Inflation rate	2.53%	2.56%
Settlement period (years)	8	9
Estimated cost to rehabilitate	**$0.839m**	**$0.722m**

5.5 Provisions (continued)

Cathies Lane landfill site

Council operated the Cathies Lane landfill site, Wantirna South from 1986 to 2004, under a licence issued by the Environment Protection Authority (EPA). The site is closed as a landfill but a portion of the site is still being used as a resource recovery centre (transfer station) to receive, process and transport waste to other sites for refuse and/or disposal. In 2015-16 the EPA issued a Post Closure Pollution Abatement notice and Council has surrendered the landfill licence.

In the financial report for June 2026, Council has an amount of $1.486 million as a provision for the restoration of the Cathies Lane landfill site and includes an ongoing commitment of approximately $0.192 million per annum for site aftercare to meet EPA obligations where restoration works have been completed. This is based on the assessment undertaken in 2015 and a reassessment of the provision at balance date in which the provision was measured at the net present value of the future rehabilitation costs including aftercare and site monitoring costs. Included in the aftercare is the cost to provide a bank guarantee to meet the Financial Assurance requirements imposed by the EPA on Council for thirty years post closure of this site.

Llewellyn Reserve landfill site

Council's landfill site at Llewellyn Reserve was closed in 1985. In 2015-16 the EPA issued a Post Closure Pollution Abatement notice.

In the financial report for June 2026, Council has an amount of $0.751 million as a provision for the restoration of the Llewellyn Reserve landfill site and includes an ongoing commitment of approximately $0.089 million per annum to cover sampling, testing and reporting requirements as required by the EPA. This is based on an assessment undertaken in 2015 and a reassessment of the provision at balance date in which the provision was measured at the net present value of the future rehabilitation costs including aftercare and site monitoring costs.

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2026.

	2026 $'000	2025 $'000
Bank overdraft	1,500	1,500
Credit card facilities	200	200
Treasury Corporation of Victoria facilities	65,635	66,774
Other facilities	14,607	17,031
Total facilities	**81,942**	**85,505**
Used facilities	80,274	83,840
Unused facilities	**1,668**	**1,665**

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

2026	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
Operating					
Garbage collection and recycling	256	-	-	-	256
Library services	4,809	4,930	10,232	-	19,971
Infrastructure management	6,990	3,669	5,028	-	15,687
Consultancies	901	231	388	-	1,520
Total	**12,956**	**8,830**	**15,648**	**-**	**37,434**
Capital					
Buildings	3,359	-	-	-	3,359
Plant and equipment	-	-	-	-	-
Other infrastructure	682	-	-	-	682
Total	**4,041**	**-**	**-**	**-**	**4,041**

2025	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
Operating					
Garbage collection and recycling	1,219	-	-	-	1,219
Library services	4,564	4,678	9,708	-	18,950
Infrastructure management	5,715	2,502	1,260	-	9,477
Consultancies	1,165	438	154	-	1,757
Total	**12,663**	**7,618**	**11,122**	**-**	**31,403**
Capital					
Buildings	7,384	54	-	-	7,438
Plant and equipment	959	-	-	-	959
Other infrastructure	2,105	-	-	-	2,105
Total	**10,448**	**54**	**-**	**-**	**10,502**

5.7 Commitments (continued)

(b) Operating lease receivables

Council has a number of leases with external entities where they pay for the use of Council land and buildings. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 30 years. A number of these leases include a CPI based revision of the rental charge annually.

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

	2026 $'000	2025 $'000
Not later than one year	588	632
Later than one year and not later than five years	1,690	1,627
Later than five years	6,315	6,422
Total	**8,593**	**8,681**

5.8 Leases

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

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

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

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

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

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

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

5.8 Leases (continued)

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

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

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

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

Right-of-use assets	Property $'000	Computers and Telecommunications $'000	Plant and Equipment	Total
Balance at 1 July 2025	4,651	654	-	5,305
Additions	1,880	305	102	2,287
Depreciation charge	(579)	(491)	(34)	(1,104)
Balance at 30 June 2026	**5,952**	**468**	**68**	**6,488**
Balance at 1 July 2024	5,173	1,017	33	6,223
Additions	95	192	-	287
Depreciation charge	(617)	(555)	(33)	(1,205)
Balance at 30 June 2025	**4,651**	**654**	**-**	**5,305**

	2026 $'000	2025 $'000
Lease liabilities		
Maturity analysis - contractual undiscounted cash flows		
Less than one year	1,132	1,053
One to five years	3,477	2,520
More than five years	3,845	3,317
Total undiscounted lease liabilities as at 30 June	**8,454**	**6,890**
Lease liabilities included in Balance Sheet at 30 June:		
Current	810	799
Non-current	5,944	4,640
Total lease liabilities	**6,754**	**5,439**

5.8 Leases (continued)

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 existing capitalisation thresholds for a like asset up to a maximum of AUD$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

	2026 $'000	2025 $'000
Expenses relating to:		
Leases of low value assets	5	11
Short-term leases	92	-
Total	**97**	**11**
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	3	3
Later than one year but not later than five years	4	-
Total lease commitments	**7**	**3**

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	Carrying amount at fair value 30 June 2025 $'000	Carrying amount at cost 30 June 2025 $'000	Additions $'000	Contributions $'000	Revaluation $'000	
Land	1,105,893	8,771	-	1,635	(36,401)	
Buildings	229,680	4,910	4,914	-	46,304	
Plant and equipment	-	9,128	2,364	-	-	
Infrastructure	1,065,086	111,306	21,232	7,101	81,709	
Work in progress	-	32,271	19,870	-	-	
Total	**2,400,659**	**166,386**	**48,380**	**8,736**	**91,612**	

Summary of work in progress

	Opening work in progress $'000	Additions $'000	Transfers $'000	Write offs $'000	Closing work in progress $'000
Property	8,373	10,294	(4,337)	(425)	**13,905**
Plant and equipment	660	117	(250)	(401)	**126**
Infrastructure	23,238	9,459	(21,026)	(710)	**10,961**
Total	**32,271**	**19,870**	**(25,613)**	**(1,536)**	**24,992**

The transfer from property work in progress includes $0.310 million that is included in the opening work in progress for property, but was capitalised as plant and equipment or infrastructure.

The transfer from plant and equipment work in progress includes $0.012 million that is included in the opening work in progress for property, but was capitalised as plant and equipment.

The transfer from infrastructure work in progress includes $0.298 million that is included in the opening work in progress for property, but was capitalised as infrastructure.

The write offs from plant and equipment work in progress includes $0.149 million that is included in the opening work in progress for infrastructure, but has been capitalised as an intangible asset.

	Depreciation $'000	Disposal $'000	Impairment $'000	Transfers $'000	Write offs $'000	Carrying amount at fair value 30 June 2026 $'000	Carrying amount at cost 30 June 2026 $'000	Total carrying amount 30 June 2026 $'000
	-	(858)	-	-	-	**1,070,773**	**8,267**	**1,079,040**
	(6,696)	(308)	-	4,027	-	**274,128**	**8,703**	**282,831**
	(1,510)	(644)	-	262	-	**-**	**9,600**	**9,600**
	(25,413)	(1,175)	-	21,324	-	**1,148,327**	**132,843**	**1,281,170**
	-	-	-	(25,613)	(1,536)	**-**	**24,992**	**24,992**
	(33,619)	**(2,985)**	**-**	**-**	**(1,536)**	**2,493,228**	**184,405**	**2,677,633**

6.1 Property, infrastructure, plant and equipment (continued)

(a) Property

	Land - specialised $'000	Land - non specialised $'000	Land improvements $'000	
At fair value 1 July 2025	928,793	177,100	-	
At cost 1 July 2025	4,102	1,515	3,154	
Accumulated depreciation at 1 July 2025	-	-	-	
	932,895	**178,615**	**3,154**	
Movements				
Additions at cost	-	-	-	
Contributions	1,010	625	-	
Revaluation	(35,397)	(1,004)	-	
Disposal at fair value	-	(858)	-	
Disposal at cost	-	-	-	
Impairment losses recognised in operating result	-	-	-	
Transfers	-	-	-	
Write offs	-	-	-	
	(34,387)	**(1,237)**	**-**	
Movements in accumulated depreciation				
Depreciation and amortisation	-	-	-	
Accumulated depreciation of disposals	-	-	-	
Revaluation	-	-	-	
	-	**-**	**-**	
At fair value 30 June 2026	893,396	177,378	-	
At cost 30 June 2026	5,112	-	3,154	
Accumulated depreciation at 30 June 2026	-	-	-	
Carrying amount	**898,508**	**177,378**	**3,154**	

	Total land $'000	Buildings - specialised $'000	Total buildings $'000	Work in progress $'000	Total property $'000
	1,105,893	420,188	**420,188**	-	**1,526,081**
	8,771	5,042	**5,042**	8,373	**22,186**
	-	(190,640)	**(190,640)**	-	**(190,640)**
	1,114,664	**234,590**	**234,590**	**8,373**	**1,357,627**
	-	4,914	**4,914**	10,294	**15,208**
	1,635	-	**-**	-	**1,635**
	(36,401)	78,002	**78,002**	-	**41,601**
	(858)	(864)	**(864)**	-	**(1,722)**
	-	-	**-**	-	**-**
	-	-	**-**	-	**-**
	-	4,027	**4,027**	(4,337)	**(310)**
	-	-	**-**	(425)	**(425)**
	(35,624)	**86,079**	**86,079**	**5,532**	**55,987**
	-	(6,696)	**(6,696)**	-	**(6,696)**
	-	556	**556**	-	**556**
	-	(31,698)	**(31,698)**	-	**(31,698)**
	-	**(37,838)**	**(37,838)**	**-**	**(37,838)**
	1,070,774	502,368	**502,368**	-	**1,573,142**
	8,266	8,941	**8,941**	13,905	**31,112**
	-	(228,478)	**(228,478)**	-	**(228,478)**
	1,079,040	**282,831**	**282,831**	**13,905**	**1,375,776**

6.1 Property, infrastructure, plant and equipment (continued)

(b) Plant and equipment

	Plant, machinery and equipment $'000	Fixtures, fittings and furniture $'000	
At cost 1 July 2025	15,155	2,035	
Accumulated depreciation at 1 July 2025	(7,793)	(1,937)	
	7,362	**98**	
Movements			
Additions	2,303	36	
Disposal	(2,336)	-	
Transfers	241	21	
Write offs	-	-	
	208	**57**	
Movements in accumulated depreciation			
Depreciation and amortisation	(1,366)	(34)	
Accumulated depreciation of disposals	1,692	-	
	326	**(34)**	
At cost 30 June 2026	15,363	2,092	
Accumulated depreciation at 30 June 2026	(7,467)	(1,971)	
Carrying amount	**7,896**	**121**	

	Computers and telecommunications $'000	Artworks $'000	Work in progress $'000	Total plant and equipment $'000
	1,817	1,369	660	**21,036**
	(1,518)	-	-	**(11,248)**
	299	**1,369**	**660**	**9,788**
	-	25	117	**2,481**
	-	-	-	**(2,336)**
	-	-	(250)	**12**
	-	-	(401)	**(401)**
	-	**25**	**(534)**	**(244)**
	(110)	-	-	**(1,510)**
	-	-	-	**1,692**
	(110)	**-**	**-**	**182**
	1,817	1,394	126	**20,792**
	(1,628)	-	-	**(11,066)**
	189	**1,394**	**126**	**9,726**

6.1 Property, infrastructure, plant and equipment (continued)

(c) Infrastructure

	Roads $'000	Bridges $'000	Footpaths and cycleways $'000	Drainage $'000	
At fair value 1 July 2025	1,114,704	18,040	278,489	386,756	
At cost 1 July 2025	7,704	2,639	-	8,859	
Accumulated depreciation at 1 July 2025	(404,689)	(4,934)	(148,579)	(213,808)	
	717,719	**15,745**	**129,910**	**181,807**	
Movements					
Additions at cost	8,136	571	3,983	3,826	
Contributions	3,796	20	664	2,597	
Revaluation	(1,280)	(1,267)	-	167,355	
Disposal at fair value	(6,276)	(48)	(2,827)	-	
Disposal at cost	-	-	-	-	
Transfers	3,842	2,651	3,569	3,428	
Write offs	-	-	-	-	
	8,218	**1,927**	**5,389**	**177,206**	
Movements in accumulated depreciation					
Depreciation and amortisation	(12,122)	(235)	(4,479)	(4,991)	
Accumulated depreciation of disposals	5,843	20	2,297	-	
Revaluation	1,021	(948)	-	(81,924)	
	(5,258)	**(1,163)**	**(2,182)**	**(86,915)**	
At fair value 30 June 2026	1,107,148	22,606	275,662	572,821	
At cost 30 June 2026	23,478	-	8,216	-	
Accumulated depreciation at 30 June 2026	(409,948)	(6,097)	(150,761)	(300,723)	
Carrying amount	**720,678**	**16,509**	**133,117**	**272,098**	

	Recreational, leisure and community facilities $'000	Off street car parks $'000	Other infrastructure $'000	Work in progress $'000	Total infrastructure $'000
	-	51,593	-	-	**1,849,582**
	112,735	2,547	6	23,238	**157,728**
	(22,876)	(12,788)	(6)	-	**(807,680)**
	89,859	**41,352**	**-**	**23,238**	**1,199,630**
	3,936	780	-	9,459	**30,691**
	24	-	-	-	**7,101**
	-	(2,495)	-	-	**162,313**
	-	-	-	-	**(9,151)**
	(541)	-	-	-	**(541)**
	6,758	1,076	-	(21,026)	**298**
	-	-	-	(710)	**(710)**
	10,177	**(639)**	**-**	**(12,277)**	**190,001**
	(2,916)	(670)	-	-	**(25,413)**
	357	-	-	-	**8,517**
	-	1,247	-	-	**(80,604)**
	(2,559)	**577**	**-**	**-**	**(97,500)**
	-	49,098	-	-	**2,027,335**
	122,912	4,403	6	10,961	**169,976**
	(25,434)	(12,211)	(6)	-	**(905,180)**
	97,478	**41,290**	**-**	**10,961**	**1,292,131**

6.1 Property, infrastructure, plant and equipment (continued)

Acquisition

Initial measurement

Council initially measures its property, infrastructure, plant and equipment assets at cost. The cost of an acquired asset is the fair value of the consideration that Council has provided at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer to Note 8.4 for more information on how Council measures fair value.

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

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

Asset recognition thresholds and depreciation periods	Depreciation Period Years	Threshold Limit $'000
Land and land improvements		
Land	n/a	10
Land improvements	n/a	10
Land under roads	n/a	10
Buildings		
Buildings	20-200	10
Plant and equipment		
Plant, machinery and equipment	3-10	10
Fixtures, fittings and furniture	3-10	10
Computers and telecommunications	3-10	10
Artworks	n/a	10
Infrastructure		
Roads – surfacing	5-50	5
Roads – kerb and channel	70	5
Roads – substructure	30-185	20
Roads – earthworks	n/a	20
Bridges	30-100	5
Footpaths and cycleways	5-50	5
Drainage	80-100	5
Recreational, leisure and community facilities	15-60	10
Off street car parks	2-185	10
Other infrastructure	7-30	2
Intangible assets		
Software	5	10

Land under roads

Land under roads acquired after 30 June 2008 is brought to account at cost. Council does not recognise land under roads that it controlled prior to that date.

6.1 Property, infrastructure, plant and equipment (continued)

Depreciation and amortisation

Buildings, plant and equipment, infrastructure and intangible 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.

Land, land improvements, land under roads, roads - earthworks and artworks 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 consistent with the prior year unless otherwise stated.

Repairs and maintenance

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

Valuation of land and buildings

Valuation of land and buildings were undertaken by Patrick Cantelo AAPI 108928 from Westlink Consulting, a qualified independent valuer. 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. Where land use is not restricted, highest and best use is assumed to be current use, except where the land is held for sale, or highly likely to be used for an alternative purpose within 12 months of the reporting date.

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

Any significant movements in the unobservable inputs for land 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.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2026 are as follows:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Date of valuation	Type of valuation
Land	-	177,378	-	June 2026	Full
Specialised land	-	-	893,396	June 2026	Full
Specialised buildings	-	-	274,128	June 2026	Full
Total	**-**	**177,378**	**1,167,524**		

6.1 Property, infrastructure, plant and equipment (continued)

Valuation of infrastructure

The valuation of bridges and drainage has been determined in accordance with a valuation undertaken by Mr Suthan Srimanoharan, B.Sc (Civil Eng), Asset Engineer, Knox City Council.

The date and type of the current valuation is detailed in the following table. The full valuations are at fair value based on current replacement cost less accumulated depreciation as at the date of valuation. The index based valuations were based on unit costs calculated as at the date of valuation after considering both Rawlinsons unit rates and supplier contract rates, together with the requirements of *AASB 13 Fair Value Measurement* which now considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

A full revaluation of roads and off street car parks will be conducted in 2026-27 (last full revaluation in 2023-24, last index revaluation in 2024-25), and a full revaluation of footpaths and cycleways will be conducted in 2027-28 (last full revaluation in 2024-25).

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 2026 are as follows:

	Level 1 $'000	Level 2 $'000	Level 3 $'000	Date of valuation	Type of valuation
Roads	-	-	697,757	June 2025	Index
Bridges	-	-	16,509	June 2026	Full
Footpaths and cycleways	-	-	124,971	June 2025	Full
Drainage	-	-	272,098	June 2026	Full
Off street car parks	-	-	36,992	June 2025	Index
Total	**-**	**-**	**1,148,327**		

Description of significant unobservable inputs into level 3 valuations

Specialised land 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 0% and 50%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between $8 and $1,383 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 $298 to $6,799 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary up to 89 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.

6.1 Property, infrastructure, plant and equipment (continued)

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 up to 185 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2026 $'000	2025 $'000
Reconciliation of specialised land at fair value		
Parks and reserves	803,323	837,228
Community facilities	32,974	34,476
Civic precinct	45,370	45,043
Transfer station	11,729	12,046
Total specialised land at fair value	**893,396**	**928,793**

6.2 Investments in associates, joint arrangements and subsidiaries

(a) Investment in associates

	2026 $'000	2025 $'000
Investment in associate accounted for by the equity method is:		
Your Library Limited (formerly Eastern Regional Libraries Corporation)	3,078	2,986

Your Library Limited

Background

The principal activity of Your Library Limited is the operation of libraries. Council's ownership interest of Your Library Limited as at 30 June 2026 was 36.39% (2025: 36.39%) based on Council's contribution of the net assets to the entity on its commencement on 1 July 2023. Council's proportion of voting power as at 30 June 2026 was 33.33% (2025: 33.33%).

On 27 June 2022, Knox City Council, Maroondah City Council and Yarra Ranges Council resolved, pursuant to Section 110(1) of the *Local Government Act 2020*, to participate in the formation of, and become a founding member of, Your Library Limited (a public company limited by guarantee). The Your Library Agreement reflects the Regional Library Agreement previously in place.

On 30 June 2023, in accordance with Section 330 of the *Local Government Act 2020*, Eastern Regional Libraries Corporation was wound up following the transfer of operations, staff, assets and liabilities from the Corporation to Your Library Limited. Your Library Limited commenced operations on 1 July 2023.

The three member Councils contributed in accordance with the libraries outlined in the Your Library Agreement and have continued as before with the objective of servicing the local community with library services.

	2026 $'000	2025 $'000
Fair value of Council's investment in Your Library Limited	**3,078**	**2,986**
Council's share of accumulated surplus		
Council's share of accumulated surplus at start of year	2,986	2,747
Reported surplus/(deficit) for year	92	239
Council's share of accumulated surplus at end of year	**3,078**	**2,986**
Movement in carrying value of specific investment		
Carrying value of investment at start of year	2,986	2,747
Share of surplus/(deficit) for year	92	239
Carrying value of investment at end of year	**3,078**	**2,986**
Council's share of expenditure commitments		
Operating commitments	192	257
Council's share of expenditure commitments	**192**	**257**

Council directly provides a number of additional resources free of charge to Your Library Limited in relation to the library branches in the Knox municipality. The annual operating cost to Council for providing these facilities are as follows:

	2026 $'000	2025 $'000
Knox City, Rowville, Ferntree Gully, Boronia and Bayswater Library Branches	1,555	1,354

An associate is an entity over which Council has significant influence but not control or joint control. Investment in an associate is accounted for using the equity method of accounting, after initially being recognised at cost.

Changes in the net assets of Your Library Limited are brought to account as an adjustment to the carrying value of the investment.

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent Entity

Knox City Council is the parent entity.

Associates

Your Library Limited. Interests in associates are detailed in Note 6.2.

(b) Key management personnel

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

Details of KMP at any time during the year are:

Councillors	
Councillor Lisa Cooper (Mayor)	Mayor from 1 July 2025 to 20 November 2025 Councillor from 20 November 2025 to current
Councillor Paige Kennett (Mayor)	Councillor from 1 July 2025 to 20 November 2025 Mayor from 20 November 2025 to current
Councillor Glen Atwell (Deputy Mayor)	Deputy Mayor from 1 July 2025 to 20 November 2025 Councillor from 20 November 2025 to current
Councillor Chris Duncan (Deputy Mayor)	Councillor from 1 July 2025 to 20 November 2025 Deputy Mayor from 20 November 2025 to current
Councillor Meagan Baker	Councillor from 1 July 2025 to current
Councillor Parisa Considine	Councillor from 1 July 2025 to current
Councillor Peter Lockwood	Councillor from 1 July 2025 to current
Councillor Susan Pearce	Councillor from 1 July 2025 to current
Councillor Robert Williams	Councillor from 1 July 2025 to current

7.1 Council and key management remuneration (continued)

Chief Executive Officer and other key management personnel	
Bruce Dobson – Chief Executive Officer	
Judy Chalkley - Director Connected Communities	
Greg Curcio - Director Customer and Performance	1 July 2025 to 22 September 2025
Matt Kelleher – Director City Liveability	1 July 2025 to 28 September 2025 21 November 2025 to 19 April 2026
Matt Kelleher – Interim Director Customer and Performance	29 September 2025 to 20 November 2025
Matt Kelleher – Director Customer and Performance	20 April 2026 to current
Navec Lorkin - Chief Financial Officer	
Jonathan McNally - Interim Director City Liveability	29 September 2025 to 20 November 2025 20 April 2026 to current
Grant Thorne - Director Infrastructure	
Liesl Westberry - Interim Director Customer and Performance	21 November 2025 to 17 April 2026

	2026 No.	2025 No.
Total number of Councillors	9	16
Chief Executive Officer and other key management personnel	8	6
Total key management personnel	**17**	**22**

(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.

All calculations of remuneration are on an accrual basis and include movements in employee leave provisions.

The remuneration of Key Management Personnel includes the remuneration for Jonathan McNally in his role both as Interim Director City Liveability and as Manager City Safety and Health, and for Liesl Westberry in her role both as Interim Director Customer and Performance and as Manager Strategy and Transformation.

7.1 Council and key management remuneration (continued)

	2026 $'000	2025 $'000
Total remuneration of Key Management Personnel was as follows:		
Short-term employee benefits	2,532	2,275
Other long-term employee benefits	27	73
Post-employment benefits	225	187
Termination benefits	72	-
Total	**2,856**	**2,535**

The numbers of Key Management Personnel whose total remuneration from Council and any related entities fall within the following bands:

	2026 No.	2025 No.
$1 - $9,999	-	5
$10,000 - $19,999	-	1
$20,000 - $29,999	-	6
$30,000 - $39,999	1	2
$40,000 - $49,999	4	1
$50,000 - $59,999	1	-
$60,000 - $69,999	1	-
$70,000 - $79,999	1	-
$80,000 - $89,999	1	-
$100,000 - $109,999	-	1
$110,000 - $119,999	1	-
$250,000 - $259,999	2	1
$270,000 - $279,999	1	-
$320,000 - $329,999	1	1
$330,000 - $339,999	-	2
$340,000 - $349,999	1	1
$360,000 - $369,999	1	-
$440,000 - $449,999	1	-
$480,000 - $489,999	-	1
Total	**17**	**22**

7.1 Council and key management remuneration (continued)

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds $170,000 (2024-25: $170,000) and who report directly to a member of the KMP.

	2026 $'000	2025 $'000
Total remuneration of other senior staff was as follows:		
Short-term employee benefits	2,997	3,142
Other long-term employee benefits	119	114
Post-employment benefits	372	379
Total	**3,488**	**3,635**

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

	2026 No.	2025 No.
Income range		
$170,000 - $179,999	1	1
$180,000 - $189,999	2	-
$190,000 - $199,999	-	3
$200,000 - $209,999	1	3
$210,000 - $219,999	1	3
$220,000 - $229,999	7	4
$230,000 - $239,999	3	3
$240,000 - $249,999	1	-
Total	**16**	**17**

7.2 Related party disclosure

(a) Transactions with related parties

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

	2026 $'000	2025 $'000
Contributions to Your Library Limited	4,747	4,510
Total transactions with related parties	**4,747**	**4,510**

Council directly provides a number of additional resources free of charge to Your Library Limited in relation to library branches in the Knox municipality. The annual operating cost to Council for providing these facilities is as follows:

	2026 $'000	2025 $'000
Knox City, Rowville, Ferntree Gully, Boronia and Bayswater Library Branches	1,555	1,354

(b) Outstanding balances with related parties

There were no balances outstanding at the end of the reporting period in relation to transactions with related parties.

(c) Loans to / from related parties

There were no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

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.

Developer contributions

As a result of development activity within the Knox municipality, Council has identified as a contingent asset the developer contributions of infrastructure assets and open space contributions to be received in respect of subdivisions that are currently under development totalling $34.149 million (2024-25: $44.967 million).

(b) Contingent liabilities

Contingent liabilities are:

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

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.

Future superannuation contributions

In addition to the disclosed contributions, Knox City Council has paid unfunded liability payments to Vision Super totalling $Nil during 2025-26 (2024-25: $Nil). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2026. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2027 are $0.134 million.

Landfill

Council manages a former landfill at Wantirna Reserve. An Environment Protection Authority (EPA) appointed auditor has verified an Aftercare Management Plan for the site, with no further investigation works required at the site.

Council continues to manage its two former landfill sites at Cathies Lane and Llewellyn Reserve as required by the Duty to Manage letter issued by the EPA. Council has been advised that financial assurances are no longer required for these sites, but will continue to put aside appropriate funds for ongoing management at the sites. Council has calculated its ongoing management costs for a period up to 30 June 2034.

8.1 Contingent assets and liabilities (continued)

Insurance Claims

As a large local authority with ownership of numerous parks, reserves, roads and other land holdings, the Council is regularly met with claims and demands allegedly arising from an incident that occurs on land belonging to the Council, or allegedly arising from incidents relating to Council business, services or activities. There are ten outstanding insurance claims against the Council in this regard. The Council carries $600 million of public liability and professional indemnity insurance and has an excess of $0.050 million per claim on this policy. Therefore, the maximum liability of the Council in any single claim is the extent of its excess. The primary insurer is Liability Mutual Insurance (MAV Insurance). There are no claims that Council is aware of which would fall outside the terms of the Council's policy.

Liability Mutual Insurance

Council is 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.

8.2 Australian Accounting Standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2026 reporting period. Council assesses the impact of these new standards.

The Australian Accounting Standards Board (AASB) has issued *AASB 18 Presentation and Disclosure in Financial Statements*. When applicable AASB 18 supersedes *AASB 101 Presentation of Financial Statements*. AASB 18 aims to improve how entities communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. It is expected to result in presentation and disclosure changes, primarily to Council's Comprehensive Income Statement. AASB 18 is expected to first apply to Council for the 2028-29 financial year.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), 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. 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.

Other than the borrowings taken out by Council in February 2026, 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:

- has an investment policy which specifies the need to meet Council's cash flow requirements;
- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- 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 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.

8.3 Financial instruments (continued)

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 twelve months:

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 4.939%.

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, primarily due to all loans taken out by Council to date being on a fixed interest rate.

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than land under roads, recreational, leisure and community facilities, plant and equipment, bus shelters, artworks and intangibles 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.

8.4 Fair value measurement (continued)

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 on 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 2 to 3 years. The valuations are performed either by experienced Council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

Asset Class	Revaluation frequency
Land	2 years
Buildings	2 years
Roads	3 years
Bridges	3 years
Footpaths and cycleways	3 years
Drainage	3 years
Off street car parks	3 years
Other infrastructure	3 years

Where the assets are revalued, the revaluation increments are credited directly to the relevant asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation 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 asset, revaluation increments and decrements within the year are offset. Refer to Note 9.1(a) for further information.

Impairment of assets

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

8.5 Events occurring after balance date

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

Note 9 Other matters

9.1 Reserves

(a) Asset revaluation reserve

	Balance at beginning of reporting period $'000	Increase (decrease) $'000	Balance at end of reporting period $'000
2026			
Property			
Land	919,802	(36,401)	883,401
Buildings	110,798	46,304	157,102
	1,030,600	**9,903**	**1,040,503**
Plant and equipment			
Artworks	31	-	31
	31	**-**	**31**
Infrastructure			
Roads	517,409	(259)	517,150
Bridges	2,662	(2,215)	447
Footpaths and cycleways	75,039	-	75,039
Drainage	122,893	85,431	208,324
Off street car parks	20,661	(1,248)	19,413
Other infrastructure	-	-	-
	738,664	**81,709**	**820,373**
Total asset revaluation reserve	**1,769,295**	**91,612**	**1,860,907**

9.1 Reserves (continued)

	Balance at beginning of reporting period $'000	Increase (decrease) $'000	Balance at end of reporting period $'000
2025			
Property			
Land	919,802	-	919,802
Buildings	83,979	26,819	110,798
	1,003,781	**26,819**	**1,030,600**
Plant and equipment			
Artworks	31	-	31
	31	**-**	**31**
Infrastructure			
Roads	396,146	121,263	517,409
Bridges	2,662	-	2,662
Footpaths and cycleways	31,418	43,621	75,039
Drainage	78,863	44,030	122,893
Off street car parks	3,400	17,261	20,661
Other infrastructure	-	-	-
	512,489	**226,175**	**738,664**
Total asset revaluation reserve	**1,516,301**	**252,994**	**1,769,295**

Nature and purpose of asset revaluation reserve

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

9.1 Reserves (continued)

(b) Other reserves

	Balance at beginning of reporting period $'000	Transfer from accumulated surplus $'000	Transfer to accumulated surplus $'000	Balance at end of reporting period $'000
2026				
Restricted reserves				
Basketball stadium infrastructure reserve	-	-	-	-
Open space reserve	3,509	4,385	(7,385)	509
Total restricted reserves	**3,509**	**4,385**	**(7,385)**	**509**
Unrestricted reserves				
Aged care reserve	2,562	-	(2,562)	-
Defined benefits reserve	750	-	(750)	-
HACC capital reserve	512	-	(512)	-
Library reserve	1,505	-	(1,505)	-
Revegetation net gain	218	66	-	284
Scoresby Recreation Reserve	267	35	(96)	206
Social housing reserve	3,903	2,780	-	6,683
Unexpended grant reserve (Financial Assistance Grants)	4,700	7,934	(4,700)	7,934
Total unrestricted reserves	**14,417**	**10,815**	**(10,125)**	**15,107**
Total other reserves	**17,926**	**15,200**	**(17,510)**	**15,616**

9.1 Reserves (continued)

	Balance at beginning of reporting period $'000	Transfer from accumulated surplus $'000	Transfer to accumulated surplus $'000	Balance at end of reporting period $'000
2025				
Restricted reserves				
Basketball stadium infrastructure reserve	72	-	(72)	-
Open space reserve	10,792	5,093	(12,376)	3,509
Total restricted reserves	**10,864**	**5,093**	**(12,448)**	**3,509**
Unrestricted reserves				
Aged care reserve	2,790	-	(228)	2,562
Defined benefits reserve	500	250	-	750
HACC capital reserve	512	-	-	512
Library reserve	1,505	-	-	1,505
Revegetation net gain	153	65	-	218
Scoresby Recreation Reserve	234	33	-	267
Social housing reserve	2,559	1,344	-	3,903
Unexpended grant reserve (Financial Assistance Grants)	-	4,700	-	4,700
Total unrestricted reserves	**8,253**	**6,392**	**(228)**	**14,417**
Total other reserves	**19,117**	**11,485**	**(12,676)**	**17,926**

Nature and purpose of other reserves

Basketball stadium infrastructure reserve (retired in 2024-25)

The purpose of this reserve is to improve basketball stadium facilities within the Knox municipality.

Open space reserve

The Open Space Reserve is used to provide funding for future purchases and improvements of open space. Funding is provided from developer's contributions for open space which is initially recognised in the Comprehensive Income Statement and then transferred to the reserve from accumulated surplus to facilitate separate tracking of the total funds received but not yet spent.

Aged care reserve (retired in 2025-26)

The purpose of this reserve is to set aside the proceeds from the divestment of the Amaroo Gardens Aged Care Facility by Council on 2 November 2011 for aged services and infrastructure within the Knox municipality.

Defined benefits reserve (retired in 2025-26)

The purpose of this reserve is to fund a defined benefits call should it be made.

9.1 Reserves (continued)

HACC capital reserve (retired in 2025-26)

The purpose of this reserve is to refurbish, upgrade and maintain minor capital within the Home and Community Care funded programs.

Library reserve (retired in 2025-26)

The purpose of this reserve is for major capital expenditure for acquiring, refurbishing or redeveloping library premises as standalone premises or as part of community hubs for Knox Library branches."

Revegetation net gain

The purpose of this reserve is to ensure any loss of vegetation through development is re-established in a sustainable location.

Scoresby Recreation reserve

The purpose of this reserve is to invest the income derived from the lease of this site into the Scoresby Recreation Reserve.

Social housing reserve

The purpose of this reserve is to provide funding for the planning, development, construction and/or purchase of social housing for the Knox Community.

Unexpended grant reserve (Financial Assistance Grants)

The purpose of this reserve is to quarantine early payment of Victoria Grants Commission General Purpose and Local Roads Federal Grant funding for use in the following year.

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

	2026 $'000	2025 $'000
Surplus/(deficit) for the year	30,738	12,239
Non-cash adjustments		
Depreciation	33,619	25,659
Amortisation - intangible assets	915	878
Depreciation - right of use assets	1,104	1,205
Allowance for impairment losses	591	508
Borrowing costs	3,567	3,767
Finance costs - leases	332	288
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	1,241	8,820
Contributions - non-monetary assets	(8,736)	(1,899)
Increment in investment in associate	(92)	(239)
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(1,441)	(3,006)
(Increase)/decrease in prepayments	(721)	104
(Increase)/decrease in contract assets	(337)	1,252
Increase/(decrease) in trade and other payables	858	1,804
Increase/(decrease) in contract and other liabilities	(4,224)	2,991
Increase/(decrease) in provisions	113	(1,092)
Increase/(decrease) in other liabilities	848	389
(Increase)/decrease in inventories	(11)	1
Net cash provided by/(used in) operating activities	**58,364**	**53,669**

9.3 Superannuation

Knox City 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 categories receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2026, this was 12.0% as required under Superannuation Guarantee (SG) legislation (2025: 11.5%)).

Defined Benefit

Knox City 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 Knox City Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of *AASB 119 Employee Benefits*.

Funding arrangements

Knox City 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 2025, 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 2025 (of which Knox City Council is a contributing employer) was 110.5%. The financial assumptions used to calculate the VBI were:

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

As at 30 June 2026, a triennial actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2026.

Vision Super has advised that the VBI at 30 June 2026 was 116.9%. Knox City Council was notified of the 30 June 2026 VBI during August 2026 (2025: August 2025). The financial assumptions used to calculate this VBI were:

Net investment returns	6.2% pa
Salary information	3.5% pa
Price inflation (CPI)	3.0% pa to 30 June 2029 and 2.6% pa thereafter

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2025 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2025 interim actuarial investigation conducted by the Fund Actuary, Knox City Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2026, this rate was 12.0% of members' salaries (11.5% in 2024-25). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

9.3 Superannuation (continued)

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

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 Knox City Council) are required to make an employer contribution to cover the shortfall.

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

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

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

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

The 2025 interim actuarial investigation surplus amounts

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

	2025 Interim investigation	2024 Interim investigation	2023 Triennial investigation
A VBI surplus	$200.1 million	$108.4 million	$85.7 million
A total service liability surplus	$229.4 million	$141.4 million	$123.6 million
A discounted accrued benefits surplus	$242.8 million	$156.7 million	$141.9 million

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

9.3 Superannuation (continued)

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

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

The 2026 triennial actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2026 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2026.

The last interim actuarial investigation conducted prior to 30 June 2026 was at 30 June 2025. The VBI of the Defined Benefit category at that date was 110.5%. The financial assumptions used to calculate the 30 June 2025 VBI were:

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

Council was notified of the 30 June 2025 VBI during August 2025.

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

Superannuation contributions

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

Scheme	Type of scheme	Rate	2026 $'000	2025 $'000
Vision super	Defined Benefit	12.0% (2025: 11.5%)	164	235
Other funds	Defined Benefit	12.0% (2025: 11.5%)	-	-
Vision super	Accumulation Fund	12.0% (2025: 11.5%)	3,267	3,340
Other funds	Accumulation Fund	12.0% (2025: 11.5%)	3,943	3,650

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

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2027 is $0.134 million.

Note 10 Change in accounting policy

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

Glossary

Act	means the *Local Government Act 2020*
Assets	means resources controlled by Council as a result of past events and from which future economic benefits or service potential are expected to flow to Council
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
Capital works	means works that create, renew, upgrade or expand Council assets
Council	means Knox City Council
Council and Health and Wellbeing Plan	means Council's four-year strategic plan setting out its objectives, strategies, initiatives and measures, incorporating the Municipal Public Health and Wellbeing Plan
Council 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
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
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 starting with 1 July and ending on 30 June each year
Governance	means policies and protocols associated with both the functions of Council and of Council officers to ensure Council is open, transparent, inclusive and accountable to the community

Glossary (continued)

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
Grants – non-recurrent income	means grant income received for a 'one off' specific purpose, generally for a particular project
Grants – recurrent income	means grant income received on a regular basis (i.e. quarterly, annually) and granted to Council by another entity for specific or general purposes
Indicator	means what will be measured to assess performance
Infrastructure	means physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services
Initiatives	means actions that are one-off in nature and/or lead to improvements in service
Integrated Strategic Planning and Reporting Framework	means the integrated approach to planning and reporting set out in the Act and Regulations. The framework includes documents that are required to be prepared by Councils to ensure transparency and accountability to local communities in the performance of functions and exercise of powers under the Act. Community engagement is a key aspect of the ISPRF
Local Government Performance Reporting Framework	means the performance reporting framework established under the *Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020*
Measure	means how an indicator will be measured and takes the form of a calculation, typically including a numerator and denominator
Minister	means the Minister for Local Government
Municipality	means the municipal district of Knox
Operating result	means the difference between income and expenses for the financial year
Performance statement	means a statement including the results of the prescribed service indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report
Principal accounting officer	means the person designated by the Chief Executive Officer of a Council as the officer responsible for managing the Council's finances
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

Services	means assistance, support, advice and other actions undertaken by a council for the benefit of the local community
Service performance indicators	means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes
Strategies	means high level actions directed at achieving the strategic objectives in the council plan
Strategic indicators	means measures used to assess progress towards achieving the strategic objectives in the Council Plan
Strategic objectives	means the outcomes Council seeks to achieve through the Council 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

Acronyms and Abbreviations

ARC	Audit and risk committee
CAS	Community access and support
CEO	Chief executive officer
CO_2	Carbon dioxide
Cr	Councillor
CSS	Community satisfaction survey
DTP	Department of Transport and Planning
EFT	Electronic funds transfer
EV	Electric vehicle
FTE	Full-time equivalent
KCC	Knox City Council
LED	Light-emitting diode
LGBTQIA+	Lesbian, Gay, Bisexual, Transgender, Intersex, Queer or Questioning and Asexual
LGAs	Local government areas
LGPRF	Local Government Performance Reporting Framework
MCH	Maternal and Child Health
MEMP	Municipal Emergency Management Plan
MEMPC	Municipal Emergency Management Planning Committee
PCD	People, Culture and Development
VCAT	Victorian Civil and Administrative Tribunal
VAGO	Victorian Auditor-General's Office



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