

# COUNCIL BUDGET 2026-27

## DISCUSSION PAPER

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FEBRUARY 2026

# Contents

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<b>Why are we engaging earlier on the budget?.....</b>	<b>3</b>
<b>How the budget is developed.....</b>	<b>4</b>
<b>Our financial challenges.....</b>	<b>5</b>
<b>Growth, assets and long-term sustainability .....</b>	<b>6</b>
<b>How Council develops a responsible budget.....</b>	<b>8</b>
<b>Responding to the challenge .....</b>	<b>9</b>
<b>How the community can be involved.....</b>	<b>11</b>
<b>Next steps and key dates .....</b>	<b>12</b>
<b>Prior submissions.....</b>	<b>13</b>

# Why are we engaging earlier on the budget?

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The City of Greater Geelong is changing how we develop the budget for the 2026–27 financial year, with a stronger focus on involving the community earlier and more meaningfully.

This new approach invites the community to help shape the direction of Council spending much earlier in the budget cycle.

Under this new process, the community will have the opportunity to leave comments and submissions until April 2026. A Community Panel will also be set up to provide more deeply informed recommendations on how projects and priorities should be balanced.

By engaging the community earlier in the budget process, Council can better understand what matters most and help shape the budget from the beginning, rather than seeking feedback on a process that is almost complete.

Submissions will then be carefully reviewed as the budget is developed, followed by targeted engagement with relevant community stakeholders from mid-April until the final budget is presented for endorsement by Council before 30 June.

Councillors will continue to engage in the usual listening posts, providing another way for the community to share feedback.

This model for earlier engagement has already been successfully implemented by other councils across Victoria and reflects reforms introduced by the Local Government Act 2020.

# How the budget is developed

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Each year, Council prepares an annual budget and plan that outlines priorities for the next financial year and beyond. This forms part of Council's four-year budget cycle.

The budget outlines the financial and non-financial resources available to deliver services, maintain assets and work towards Council's strategic objectives.

The budget is developed in line with Council's ongoing commitment to financial sustainability, flexibility, and responsible financial management. It must balance community needs and priority investments for the future.

Council remains committed to a continuous cycle of planning and review to ensure it delivers the best possible outcomes for the community.

The budget must be adopted by 30 June each year and align with the Council Plan to ensure spending supports long-term goals. It also outlines Council's financial position, the services and projects to be funded, major projects planned for the year, how performance will be measured, how money will be raised through rates and charges and how rates will be calculated.

This year, Council will change the community engagement process so community input is provided before the budget is formulated, ensuring ideas and feedback are considered from the beginning. This replaces the previous process, where the community provided feedback on a draft budget, at the end of the process.

A Community Panel will also be created, allowing a representative group of community members to provide detailed recommendations to Council on the priorities of the broader community.

A draft budget will not be published. Instead, Council is seeking community feedback before the budget is formulated, so ideas and feedback can be considered for inclusion.

Community consultation will be considered with other Budget factors, including existing commitments and on-going multi-year projects. Several consultation opportunities will be provided seeking your input feedback.

Budget planning is ongoing and shaped by community input, including everyday interactions with the community and Council.

# Our financial challenges

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Like councils across Victoria, the City of Greater Geelong has experienced costs increasing faster than income over the past decade. This has been driven in part by limits set by the Victorian Government on how much councils can increase rates each year.

Every year, Council faces the challenge of balancing rising costs with community needs and expectations. This has become more difficult in recent years as the cost of delivering services and maintaining assets continues to increase, while revenue has not kept pace.

Local government revenue mainly comes from rates, fees and charges, as well as grants from the State and Commonwealth governments. For the City of Greater Geelong, grants make up around 14 per cent of total revenue. Rates account for approximately 51.2 per cent of revenue.

Rate increases are capped by the State government. The cost of delivering services and maintaining assets continues to rise. This means councils must find ways to deliver the same services, or meet growing demand, with relatively less funding each year.

The City of Greater Geelong is the fastest-growing regional council in Victoria, bringing both significant opportunities and challenges. More people mean more homes, businesses and jobs, contributing to a more vibrant community. This population growth also places increased pressure on infrastructure, services and the budget that funds them.

The City faces the highest housing target in Victoria, with 128,600 new homes to be built in the Greater Geelong region under State Government direction. This level of growth will significantly increase demand for infrastructure and services over the coming years.

A key financial challenge is ensuring Council has the capacity to meet community needs by delivering infrastructure, services and facilities in line with population growth.

To manage this, Council must carefully plan a 10-year capital program that delivers infrastructure in growth areas while renewing and upgrading existing assets, within a rate-capped environment and while maintaining financial sustainability and appropriate cash levels.

# Growth, assets and long-term sustainability

Greater Geelong is a large and diverse municipality, with 289,565 residents, 133 km of coastline, more than 2,400 km of roads and 1,466 hectares of natural habitat.

The budget funds 31 services that support everyday life in the community. This includes road maintenance, bin collections, parks and the Botanic Gardens, planning and environmental health services, events, environmental protections, sports and recreation facilities and initiatives that support healthy lifestyles.

Council must also plan for significant population growth. By 2046, the population is forecast to grow to around 440,000 people. Supporting this growth means providing services to new communities while also maintaining and renewing existing infrastructure.

Over the next ten years, Greater Geelong is expected to receive around \$1.3 billion worth of new assets, such as roads and parks, from developers, while also spending around \$1.9 billion on building new infrastructure.

At the same time, Council already owns a large portfolio of assets, including buildings, roads and equipment, valued at approximately \$6.85 billion in 2025. Maintaining, renewing and replacing these assets demands ongoing investment.

Council also has a four-year plan to spend \$765 million in new projects. By 2035, the total value of Council-owned assets could reach around \$9.6 billion, further increasing the need for careful long-term financial planning.

## **Below is a breakdown of how the City applies its budget in 2025-26:**

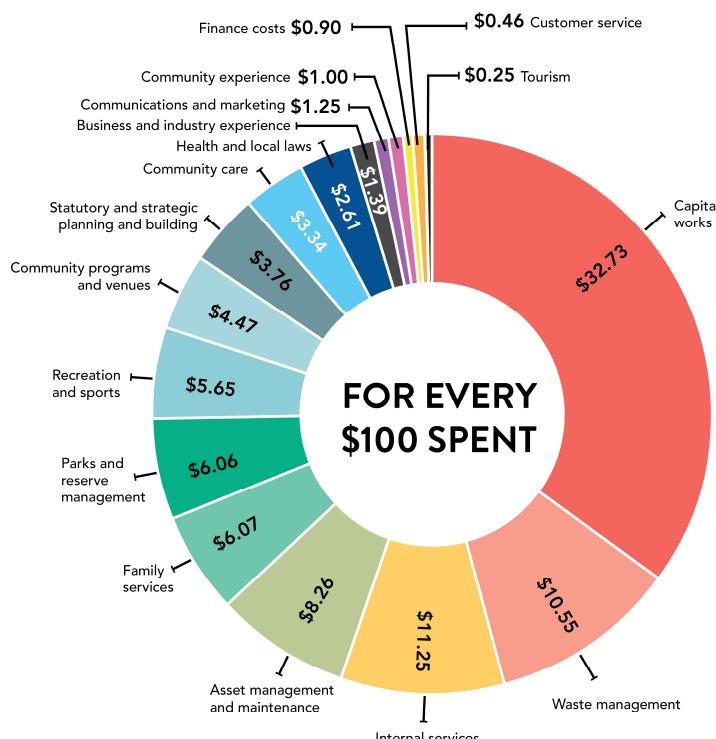


Figure 1. Dollar amount per \$100 Budget spend by service



Figure 2. Budgeted capital expenditure (money spent on building or improving things like roads, playgrounds and buildings) by category - 2025-26

# How Council develops a responsible budget

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Local councils across Victoria are under growing financial pressure. Councils can't increase rates as much as costs are rising, because rate increases are capped. At the same time, everyday costs are going up, things like wages, construction, insurance, and energy.

Councils are also dealing with ageing roads, buildings and facilities that need expensive repairs or replacement, and higher community expectations for good quality services. Together, these challenges make it harder for councils to balance their budgets and pay for future infrastructure without either changing services or finding more efficient ways of working.

In developing the annual budget, Council follows a set of best-practice principles designed to balance transparency, accountability and long-term sustainability.

These principles include providing clear and accessible budget information, aligning spending with long-term plans and objectives, managing finances responsibly, measuring performance, allocating funds based on community priorities, ensuring good governance and compliance, and maintaining efficient and well-communicated budgeting processes.

Together, these principles guide how Council makes decisions about where limited resources are best used.

# Responding to the challenge

To ensure Council has the financial capacity to deliver on the Community Vision and Council Plan, financial resources must be managed responsibly and efficiently over the long term. Council's strategic levers for achieving financial sustainability include:

## Making Council More Efficient

Council can become more efficient through deliberate organisation-level changes that improve efficiency, reduce duplication, simplify work processes, and ensure resources are aligned to the highest priorities. Unlike ad hoc cost cutting, these reforms strengthen capability, reduce waste and improve service delivery over the long term.

This typically involves structural, process and technology improvements, or decisions on where money and staff time should go to maximise impact with the same or fewer resources.

### **Examples:**

- Upgrade systems to facilitate online requests instead of paper forms
- Handling customer requests online
- Removing manual processes to improve data-enabled decision-making
- Leveraging emerging technology to augment service delivery
- Refining payment methods to online channels

## Optimise Current and Explore New Revenue Opportunities

Council is strengthening its income base in two ways:

1. Optimising the revenue Council already receives
2. Exploring and developing new revenue streams to increase financial capacity

This means:

- Making better use of the money Council already receives
- Reviewing and updating fees and charges
- Maximising grants and developer contributions for roads, parks and drainage in new suburbs
- Ensuring fees cover the cost of delivering services
- Creating new, fair, and innovative ways to generate income
- Using assets smarter to produce additional revenue.
- Reducing the City's reliance on rates and debt

### **Examples and potential trade-offs:**

- Increasing fees people pay for services so they better cover the cost of providing them
- Reduce service hours or service levels
- Stop or reduce some programs

## Review and Rationalise Property and Assets

This lever ensures the City's large and growing asset base remains affordable to operate, maintain, renew and upgrade.

This means:

- Checking what we own and whether it is still needed
- Fixing or renewing assets that matter most
- Repurposing or selling assets that no longer deliver value
- Consolidating sites to reduce duplication
- Ensuring the asset base is financially sustainable within rate-capping limits

## Review Service Offerings

The City uses a regular planning cycle that includes service plans, business plans, and service reviews.

This means:

- Service plans: Outline what each service wants to achieve over four years, including improvements and new initiatives.
- Business plans: Focus on the next 12 months, listing key tasks, people and resources.
- Service reviews: Examine how services are working, using data and evidence to identify changes or improvements.

Examples:

- Continuing using outsourced services for community benefits and cost efficiencies, such as waste collection
- Reviewing service levels and community expectations
- Consider outsourcing opportunities where there are community benefits and cost efficiencies

## Strategic and Sustainable Design of Capital Program

This is a disciplined, long-term approach to planning, prioritising, funding and delivering Council's major works, infrastructure, buildings, upgrades and asset replacements.

This means:

- Prioritising the right capital projects
- Managing the capital budget responsibly over decades
- Ensuring rate-capping limits don't create unsustainable commitments
- Balancing renewal of old assets with new builds
- Applying strong governance, data and environmental considerations
- Delivering Developer Contribution Plan projects as required
- Delivering projects efficiently and transparently

### Examples and potential trade-offs:

- Building brand new facilities over upgrading and expanding current facilities in established suburbs
- Building brand new facilities in new suburbs and upgrading and expanding existing facilities in established suburbs
- Seek Government partners (State and Commonwealth) to reduce how much building projects cost Council
- Co-locating Council services on single sites

# How the community can be involved

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For the 2026–27 Budget, Council is providing a range of opportunities for the community to have input earlier in the process.

Community submissions will be invited through the Have Your Say platform, allowing residents to share ideas and feedback before the budget is finalised. A Community Panel will also be established to provide a detailed perspective on community priorities.

All feedback will be considered alongside projected revenue, existing commitments, strategic priorities and community needs when developing recommendations for the 2026–27 Budget.

# Next steps and key dates

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All feedback and submissions will be considered, along with projected revenue, existing commitments, strategic priorities, and community needs, when preparing recommendations to inform the 2026–27 Budget.

Community submissions will open in February via the Have Your Say platform.

The Community Panel will take place in March, with applications to join also managed through Have Your Say.

If you require assistance in relation to the Budget community consultation process, you can contact our customer services team on 03 5272 5272.

The final 2026-27 Budget will be considered for adoption at the June 2026 Council meeting.

# Prior submissions

The following submission were received during the 2025-26 budget process. These submissions will be considered again as part of the 2026-27 Budget, alongside new submissions, and do not need to be resubmitted.

<b>2025-26 to 2028-29 Budget and Revenue and Rating Plan Submissions</b>
Advocacy for increased capital investment in road sealing
Feedback and support for Community Grants and Partnerships and Waste Management projects in the FY26 budget
Feedback on proposed increases to Commercial Rates
Feedback on valuation of land and Farm Rating
Funding for facility lighting at tennis courts in Geelong
General feedback on the proposed budget publication; cost of living pressures, cuts to community services and roads infrastructure
Request for additional funding to complete roads maintenance and upgrades
Request for allocation of infrastructure funding for footpaths in Reigate Road Highton
Request for funding a Business Case for Additional basketball courts at Bellarine Aquatic and Sports Centre (BASC)
Request for funding for 2nd Netball Court Osborne Park Nth Geelong
Request for funding for a Business Growth Program
Request for funding for Breakwater Oval upgrades
Request for funding for Leopold Cricket Club Facility Upgrades
Request for funding for Moolap Tennis Club Facility Upgrades
Request for funding for outdoor recreation spaces in Lara
Request for funding for the Drysdale Railway Station Public Toilets Upgrade
Request for funding for the Norlane Community Centre Redevelopment
Request for funding for tree management and tree canopy protection
Request for funding public realm upgrades in Highton and Geelong West
Request for funding to build the Curlewis Community Health Hub
Request for funding to complete Lara Sporting Club Facility Upgrades
Request for funding to complete the Kyema-Lipson Drainage Project
Request for funding to complete the Moorpanyal Park redevelopment
Request for funding to completed active and safe transport networks in Barwon Heads / Ocean Grove
Request for funding to develop a Business Case for a Regional Football Facility
Request for increased funding allocation for Footpath Infrastructure in St Albans Park
Request for increased Funding for Neighbourhood Houses
Request for increased funding investment for Drainage Infrastructure upgrades in Geelong West
Request for increased Grant and Partnership Funding for Environment & Climate Action Initiatives
Request for increased investment into Performing Arts & Community Theatre in Geelong

Request for investment in infrastructure projects in Geelong's Northern Suburbs

Request for recurrent funding of \$250k per annum for Hope Bereavement Care

Request for reinstatement of Committee for Geelong membership funding

Request to reinstate funding to complete the Portarlington Recreation Reserve Masterplan

## **2025-26 to 2028-29 Budget Initiative Submissions**

Addition of Bike Lanes in High Street Belmont and Barrabool Road Highton

Arts & Culture - Additional Grant Funds for UNESCO Design Week events for community groups

Belmont Cycling Track Lighting & 24/7 Safe Access Initiative

Construction of a Primary School Drop off zone - Barwon Heads Primary School

Construction of Goal Safety Netting at East Geelong Football and Netball Club (Western End)

Develop a Central Transport Hub for Corio to improve connectivity and reduce travel times.

Disability Access - Geelong All-Abilities Sports Club - Breakwater Oval

Drainage improvements - Montgomery Ave Hamlyn Heights

Ervin Reserve - Facility & Lighting Upgrades

Footpaths - Foreshore Clifton Springs (The Dell)

Friends of Buckley Falls - reinstatement of recurrent funding

Funding for 2nd Netball Court - North Geelong Football Netball Club

Funding for a Spectator/Player Shelter at Grinter Reserve - Oval 2

Funding for a Community Place Based Needs Study - Ocean Grove

Funding for a Masterplan at St Albans Football Netball Club facilities to upgrade netball courts, seating and facilities

Funding for additional public streetlighting

Funding for community Sustainability Initiatives

Funding for Footpath - Golf Links Rd to Stephens Parade Barwon Heads

Funding for Footpath - Melaluka Rd Leopold - Highway to bus stop

Funding for LGBTQIA+ Action Plan Implementation

Funding for Ryrie Street - Streetscape Upgrades - tree lighting

Funding for the upgrade of Eastern Park Bowls Club - Clubhouse upgrade including toilets

Funding to build and All Abilities Toilet at Harvey Park St Leonards

Funding to complete the DeMotts Road upgrade

Funding to complete upgrade of nets, pitches and clubroom at Newcombe Cricket Club

Funding to develop a Tree Register for Greater Geelong

Funding to implement a program of Youth activities at night in Geelong

Geelong BMX - Pavillion Development Grinter Reserve

Geelong Gallery expansion to City Hall

Geelong West-Hamlyn Heights Secure Dog Play Space Initiative

Howard Glover Reserve - Infrastructure Upgrades
Increased availability for community use of Civic Space - Wurriki Nyal
Investment in a Bellarine link to improve traffic flow
Investment in Cunningham Pier Revitalisation to increase tourism
Kyema-Lipson Drainage Upgrade Phase 2
Laneway (Bituminise) upgrade - Drumcondra
Moolap Reserve - Funding to resurface Tennis Courts
Moolap Reserve - Funding to upgrade and repurpose Netball Courts for Pickleball
Moolap Reserve - Pavillion Design Stage 2
Moolap Reserve - Upgrade to lighting infrastructure - courts 3,4,5 & 6
Mt Braddon Masterplan Implementation
Mt Duneed - Tennis court infrastructure and High School for residents
Nature strip makeover competition
NDIS support for travel to Geelong
Norlane West Scout Group - Funding for a new Scout Hall
North Bellarine Aquatic - Opex funding for Winter Season
Northern Bay College - Funding for Fit Club initiative - Sport & Nutrition Coaching
Ocean Grove - Bellarine Rail Trail - Safe Cycling Link
Portarlington Football and Netball Club - Reinstatement of funding to complete Master Plan
Rating - Delete Commercial Differential from rating system for CBD properties
Rating - Rate ceiling
Recurrent funding for Reconciliation in the Park event
Refurbishment of Superintendents Residence - Eastern Park
Replacement Rotunda in Central Drysdale
Road Infrastructure - funding for upgrade between Drysdale and Portarlington
Royal Geelong Yacht Club - Funding for Social Impact Program
Shorts Place South Upgrade - Paving
St Albans Reserve - Netball Facilities Upgrade
St Augustine's Park South Valley Road Highton - Revitalisation
St Leonards - Closure of Ibbotson St to create Greenway
Tanner St Reserve - Cricket pitch replacement & upgrade
Thomson Football Netball Club - Sports Lighting Upgrade
Topgolf-Style Driving Range Proposal for Balliang Par 3
Urban Forest & Climate Resilience Initiative

