

2026-27 Annual Plan



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Introduction

The 2026/27 Annual Plan outlines the key priorities, initiatives and areas of focus that Kentish Council will progress during the financial year. It provides a clear snapshot of the work Council proposes to undertake to support the delivery of its strategic objectives as it continues working towards its long-term vision for the Kentish community.

Council's vision is:

“Kentish is known as a distinctive place where people want to live; for its caring community that celebrates the arts, diversity, the awesome natural environment and its vibrant local economy.”

The Annual Plan is supported by the 2026/27 budget estimates and has been developed in the context of ongoing economic pressures, including inflation, rising service delivery costs, and cost-of-living impacts on households and businesses. Council has sought to balance these pressures by maintaining essential services, progressing priority projects, and limiting increases in rates and charges wherever possible.

A key focus in preparing this year's Annual Plan and Budget has been ensuring Council remains financially sustainable into the future. This means carefully prioritising expenditure, maintaining existing service commitments, investing responsibly in infrastructure and assets, and ensuring that new initiatives are considered within available budget capacity.

The budget includes a General Rate increase of 6.8 per cent, based on the December 2025 CPI increase of 3.8 per cent, together with an additional 3 per cent consistent with Council's Long-Term Financial Plan. A Waste Management Charge increase of 19.6 per cent has also been included to support full cost recovery and respond to the significant increase in the State Government Waste Levy from 1 July 2026. While individual rate notices will vary depending on property circumstances, most ratepayers are expected to see an overall increase of around 12 per cent.

During 2026/27, Council will continue to monitor economic conditions and cost pressures. Where required, Council will prioritise the delivery of core services and existing commitments before allocating resources to additional initiatives identified in this Annual Plan.

This Annual Plan therefore reflects a responsible and practical program of work for the year ahead, with a focus on supporting the community, strengthening the organisation, managing assets responsibly, and continuing to position Kentish as a distinctive, liveable and vibrant place.

Approach for 2026/27 Annual Plan and Budget Estimates

What is the Annual Plan?

The Plan outlines our key initiatives and focus areas for the financial year 2026/27 period to deliver towards our vision:

"Kentish is known as a distinctive place where people want to live; for its caring community that celebrates the arts, diversity, the awesome natural environment and its vibrant local economy."

How was it developed?

The Plan incorporates analysis of our internal and external environment, review of our current performance and responses to community and stakeholder feedback. This Plan aims to align with our Strategic Plan, Councillor Term Plan and other sub strategies, and is supported from funding in our annual budget.

What has changed?

The Plan reflects the updated initiatives focused on achieving our vision. These initiatives are in addition to performing our day-to-day roles, functions, and the provision of services by us to the community.

While the overall strategic direction does not differ from our previous Annual Plan, we have taken the opportunity to leverage experience from our past year and update our strategies and strategic initiatives where appropriate.

Measuring our Progress

To ensure transparency and visible tracking of progress, we work towards a set of key performance indicators (KPIs) and targets that align to our strategic objectives and strong intention to be a high performing organisation.



Key Initiatives in terms of Strategic Objectives

In this section we highlight the key initiatives that we will progress during the 2026/27 financial year. The 2026/27 budget importantly provides the resources to progress these key initiatives.

Strategic Objective 1 – Governance and Organisational Development

Developing a people centric culture within Council

We have committed to emphasising the human aspects of managing our council, namely staff development and culture initiatives. We will continue to build on this in the 2026/27 financial year.

We will finalise our People Strategy that will reflect on the many challenges we are currently facing and those emerging, which will ensure that we remain an organisation that continues to build capacity in the areas that deliver the greatest benefit for our community.

Creating a safe and caring environment for our staff, contractors, and the community

We will continue to uphold the importance of safety by focusing on improving how we go about our work in a safe and healthy way for the benefit of our staff, contractors, and the public.

Trees are central to the character and beauty of Kentish's idyllic landscape, providing shade, habitat, and a strong sense of place. However, to keep people and property safe, it is important to monitor tree health and, where necessary, carefully remove those that pose a high risk. This year, Council will be removing high-risk trees adjacent to our roads.

In our buildings, we will be updating evacuation diagrams. These measures help protect the wellbeing of staff, visitors and community members, reduce risk, and support compliance with legislative and insurance requirements. Proactive maintenance of safety systems demonstrates our commitment to responsible asset management and community safety.

Kentish Council is committed to being a Child Safe organisation. We care about children and young people's safety and wellbeing, and this year will continue our journey in strengthening our alignment with the [Child and Youth Safe Organisations Act 2023](#).

Finally, our Contractor Portal will be further implemented in 2026/27.

Digital Transformation Plan

Cyber Security and data breaches remain significant concerns for local government. The swift advancement of technology, coupled with the constantly changing tactics employed by hackers, poses challenges for many organisations in staying ahead. We are enhancing our knowledge and understanding of these risks to mitigate potential events that could affect Council and our community.

This year, we will continue to monitor our IT systems to ensure, as much as possible, our systems and equipment not only meet our operational needs but also protect the precious data we hold. We will further progress work on digitising paper records enabling our team to work more productively.

We will improve our online payments system, creating a customer-centric payment experience with improved flexibility and simplified rates collection arrangements.

We will also be improving our financial reporting software, ensuring we improve our financial reporting to Council.

Governance and Risk Management

Council is committed to maintaining risk management and governance frameworks to ensure the safety, sustainability, and well-being of our community. Effective risk management is critical for identifying, assessing, and mitigating potential risks that could impact our operations, assets, and reputation.

Governance within the council is founded on transparency, accountability, and strategic planning. Our governance framework ensures that decision-making processes are clear, equitable, and aligned with the community's long-term interests.

This year, there will be a new councillor cohort elected at the October local government elections. As a result, we will plan a comprehensive induction program which ensures councillors have the skills and knowledge to undertake their duties as elected representatives. As part of our strategic planning framework, councillors will also work together to develop a Term Plan.

After the local government election, Council will review the appointment of Audit Panel members including the option of appointing an additional independent member to complement the independent viewpoint of the Audit Panel Chair.

Strategic Objective 2 – Community and Economic Development

Youth

Council is committed to providing young people from a diverse range of backgrounds and experiences with opportunities to thrive, be heard, and reach their aspirations.

This year, we will continue to engage with our youth to ensure their voices are seen, heard, and valued.

It is planned to develop a clear engagement program during the year which focuses on delivery of youth services in the future.

Communicating

Using plain language reduces confusion, improves transparency, and helps residents quickly understand their rights, responsibilities and availability of services. Improving how we communicate will be a focus this year as we continue to build the community's trust in Council.

Sub-Regional Tourism Strategy

Following the recent successful collaboration with Central Coast, Devonport and Latrobe Councils in developing the Mersey Leven Industrial Land Use Study, Council will collaborate with these councils on a sub-regional Mersey Leven Tourism Strategy.

This strategy will continue to build the Mersey Leven brand and guide promotions and marketing to attract visitors to the sub-region.

Strategic Objective 3 – Infrastructure and Assets

Asset Management

This year, we will continue to improve the quality, completeness and structure of Council's asset data, with an emphasis on buildings, through progressive improvements to the componentisation of assets and implementation of systematic asset condition assessments.

Enhanced asset data will support the development and continuous improvement of asset management plans and strategies, enabling more informed decision-making, improved lifecycle management, and more accurate planning for future asset renewals and investment.

Waste Reduction and Minimisation Strategy

This year we will commence implementation of a comprehensive waste reduction and minimisation management plan and initiate priority objectives identified in the waste strategy. With the State Government mandate requiring monthly reports on all waste entering transfer stations, it has become evident that significant changes in community behaviour and expectations regarding waste management are necessary. This year, the state government increased its waste levy to \$70.56 per tonne (a 53.8% increase from last year), which will need to be absorbed by the community, but preferably mitigated through education and incentives to reduce household waste within the municipality.

Railton Recreation Ground Redevelopment

The former grandstand and changeroom facilities at the Railton Recreation Ground had reached the end of their useful life and for public safety reasons, were demolished during the 2025/26 financial year. During 2026/27, Council, with community consultation, will develop concept designs, and detailed plans to construct a modern multi-use community facility at Railton Recreation Ground that incorporates a cricket club room and supports wider sport, social and recreation uses.

Strategic Objective 4 – Development and Regulatory

Public Health

Council is committed to high levels of public health protection in accordance with its obligations outlined in the *Local Government Act 1993*, *Food Act 2003*, *Environmental Management and Pollution Control Act 1994* and the *Burial and Cremation Act 2019*.

Council will during the 2026/27 financial year:

- aim to undertake licencing and inspections of all relevant public health and food businesses,
- promote the education of food handlers and the requirement for Food Safety Supervisors,
- monitor the quality of water used for recreational purposes,
- offer a sharps container exchange service for its residents,
- conduct the School Based Immunisation Program at the local secondary school in accordance with the National Immunisation Program; and

- investigate complaints in relation to issues such as smoke, waste and noise to identify and resolve any breaches of legislation.

Railton Structure Plan

This year, we will continue planning strategy work, to provide guidance on how to manage Railton's development over the next 15 – 30 years. This project will assist Council in ensuring there is an adequate supply of appropriately zoned land in the future to meet market demands.

Measuring our Progress

The following tables summarise the specific actions included in our Annual Plan together with the performance measure to be applied. We will report progress quarterly at Council meetings and in Council's Annual Report using the following status key:

Status Key

Completed ✓

In Progress >

Delayed X

1. Governance and Organisational Development

No.	Action	Performance Measure	Status
1.1	Finalise People Strategy	Strategy finalised	
1.2	Strengthen alignment with the Child and Youth Safe Organisations Act 2023	Alignment strengthened	
1.3	Progress work on digitising paper records	Paper records digitised	
1.4	Implement improved online payment system	New online payment system implemented	
1.5	Improve Financial Reporting Software	Additional module implemented	
1.6	Conduct councillor induction program	All councillors completed induction	
1.7	Develop a Councillor Term Plan	Term Plan Developed	

2. Community and Economic Development

No.	Action	Performance Measure	Status
2.1	Develop Youth Engagement Program	Program developed	
2.2	Improve (plain English) communication	Communication improved	
2.3	Collaborate on a sub-regional Mersey Leven Tourism Strategy	Strategy completed	

3. Infrastructure and Assets

No.	Action	Performance Measure	Status
3.1	Improve buildings asset data, componentisation and condition assessments	Data improved	
3.2	Commence implementation of a comprehensive waste reduction and minimisation management plan	Implementation commenced	
3.3	Develop concept plans and designs, and detailed plans for approval to begin construction of a modern multi-use community facility at Railton Recreation Ground	Building Approval granted and construction commenced	
3.4	Deliver the council's capital works program	Meet the target KPI of 80%	
3.5	Progress implementation of the Field Force 4 report recommendations within the Operations area	Recommendations implemented	
3.6	Remove high risk roadside trees	High risk trees identified and removed	
3.7	Update fire evacuation diagrams	Diagrams updated	

4. Development and Regulatory

No.	Action	Performance Measure	Status
4.1	Undertake licencing and inspections of all relevant public health and food businesses	Licences issued and inspections conducted	
4.2	Promote the education of food handlers and training requirement for Food Safety Supervisors	Promotion delivered	
4.3	Monitor the quality of water used for recreational purposes	Regular monitoring performed	
4.4	Maintain sharps container exchange service for the community	Service maintained	
4.5	Conduct the School Based Immunisation Program at the local secondary school in accordance with the National Immunisation Program	Program delivered	
4.6	Complete the Railton Structure Plan	Plan Completed	

We have identified the following measures of success that will help tell us how we are tracking towards the achieving our strategic objectives.

Strategic Objective	Key Performance Indicator	2024/25 Actual	2025/26 Forecast	2026/27 Target
Development and Regulatory	Total value of building approvals	Actual	\$10.1 million	\$15.0 million
	% of Development Applications determined within statutory timeframes	\$17.4 million	94%	100%
Infrastructure and Assets	% of Capital works program completed	88%	80%	80%
	Diversion from Landfill*	70%	34%	55%*
Governance and Organisational Development	Underlying Surplus / (Deficit) Ratio	36%	-0.7%	-0.5%

* These figures are derived from kerbside collections. In previous years this figure only reported Fogo diversion from landfill. The 2026/27 year will include Fogo and co-mingled recycling.

We may also, at times, survey our staff and community to understand their perceptions and attitudes and satisfaction levels with services, facilities, or programs.

Financial Forecasts

Our financial forecast for the financial year 2026/27 is provided below.

Financial Summary	2025/26 Forecast (\$'000)	2025/26 Budget (\$'000)	2026/27 Budget (\$'000)
Underlying Surplus/(Deficit)	(\$186)	\$3	(\$67)
Underlying Result Ratio	-1.34%	0.02%	-0.45%
Capital Expenditure Total			
- Roads	\$1,866	\$1,382	\$3,210
- Stormwater		-	\$161
- Buildings	\$1,341	\$1,365	\$2,038
- Land improvements	\$345	\$596	\$413
- Plant and equipment	\$1,059	\$643	\$699

Appendices

Appendix 1: Income Statement

Budgeted Statement of Comprehensive Income for the Year Ending 30 June 2027

	Actual	Budget	Budget
	2025-A	2026-B (Revised)	2027-B
Income			
Recurrent Income			
Rates and charges	7,615,557	8,396,771	9,265,022
Statutory fees and fines	296,849	329,334	292,450
User fees	279,268	216,758	206,833
Grants	2,542,699	3,838,409	3,954,472
Interest	375,419	385,000	533,500
Other income	544,328	451,917	414,801
Investment revenue from Water Corporation	105,600	114,400	100,000
Share of net profits/(losses) of associates accounted for by the equity method	246,194	141,081	212,565
	12,005,914	13,873,669	14,979,643
Capital Income			
Capital grants received specifically for new or upgraded assets	2,661,210	1,022,707	936,631
Capital grants received specifically for renewal of assets	414,002	-	-
Contributions - cash	9,596	-	-
Contributions - non-monetary assets	227,660	170,500	-
	3,312,468	1,193,207	936,631
Total Income	15,318,382	15,066,876	15,916,274
Expenses			
Employee costs	(3,985,461)	(4,523,603)	(4,846,927)
Materials and services	(3,971,160)	(3,593,182)	(3,791,410)
Depreciation and amortisation	(4,040,754)	(4,544,489)	(4,775,890)
Finance costs	(79,886)	(66,272)	(49,040)
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(590,558)	(50,000)	(113,833)
Other expenses	(1,208,143)	(1,227,632)	(1,469,430)
Total Expenses	(13,875,962)	(14,005,178)	(15,046,530)
Net Operating Result for the year	1,442,420	1,061,698	869,744
Adjustments			
Net Operating Result for the year	1,442,420	1,061,698	869,744
Contributions non-monetary assets	(227,660)	(170,500)	-
Grants - non-recurrent (including disaster recovery funding)	(2,661,210)	(1,022,707)	(936,631)
Grants for renewal of assets	(414,002)	-	-
Grants received in advance - current year	(1,876,160)	(1,930,968)	(3,119,567)
Grants received in advance - prior year	3,036,203	1,876,160	3,119,567
Disposal/write-off of assets for abnormal reasons	99,214	-	-
Other Adjustment - disaster recovery costs	373,240	-	-
Underlying Result	(237,551)	(186,317)	(66,887)

Appendix 2: Balance Sheet

Budgeted Balance Sheet as at 30 June 2027

	Actual 2025-A	Original Budget 2026-B (Revised)	Budget 2027-B
Assets			
Current assets			
Cash and cash equivalents	4,862,616	5,342,255	4,123,183
Trade and other receivables	354,845	354,845	354,845
Investments	5,000,000	5,000,000	5,000,000
Inventories	43,163	43,163	43,163
Other assets	1,152,820	1,152,820	1,152,820
Total current assets	11,413,444	11,893,083	10,674,011
Non-current assets			
Investment in associates accounted for using the equity method	4,188,098	4,329,179	4,541,744
Investment in water corporation	7,461,949	7,461,949	7,461,949
Property, infrastructure, plant and equipment	311,977,994	312,164,707	313,795,695
Total non-current assets	323,628,041	323,955,835	325,799,388
Total assets	335,041,485	335,848,919	336,473,398
Liabilities			
Current liabilities			
Trade and other payables	1,869,188	1,869,188	1,869,188
Trust funds and deposits	104,422	104,422	104,422
Provisions	468,304	468,304	468,304
Contract Liabilities	216,812	216,812	216,812
Interest - bearing loans and borrowings	246,264	237,264	237,264
Total current liabilities	2,904,990	2,895,990	2,895,990
Non-current liabilities			
Provisions	37,546	37,546	37,546
Interest - bearing loans and borrowings	1,012,141	766,877	521,612
Total non-current liabilities	1,049,687	804,423	559,158
Total liabilities	3,954,677	3,700,413	3,455,149
Net Assets	331,086,808	332,148,506	333,018,249
Equity			
Accumulated Surplus	48,957,706	50,019,404	50,889,147
Asset Revaluation Reserves	282,129,102	282,129,102	282,129,102
Total Equity	331,086,808	332,148,506	333,018,249

Appendix 3: Cash Flow Statement

Budgeted Cash Flow Statement for the year ended as at 30 June 2027

	Actual 2025-A	Original Budget 2026-B (Revised)	Budget 2027-B
Cash flows from operating activities			
Rates	7,659,912	8,396,771	9,265,022
Statutory fees and fines	193,733	329,334	292,450
User charges and other fines	534,014	216,758	206,833
Grants	2,542,199	3,838,409	3,954,472
Developer contributions	-	-	-
Interest	331,108	385,000	533,500
Investment revenue from water corporation	105,600	114,400	100,000
Dividend from Associates (Dulverton Waste Management)	61,669		-
Other receipts	659,250	451,917	414,801
Net GST refund/payment	831,000	(1)	-
Payments to suppliers	(4,723,802)	(3,593,182)	(3,791,410)
Payments to employees (including redundancies)	(4,017,450)	(4,523,603)	(4,846,927)
Finance costs	(79,886)	(66,272)	(49,040)
Other payments	(1,165,547)	(1,227,632)	(1,469,430)
Net cash provided by (or used in) operating activities	2,931,800	4,321,897	4,610,271
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	(4,317,080)	(4,610,702)	(6,520,710)
Cash outflows for investments lodged	(5,000,000)	-	-
Proceeds from sale of property, infrastructure, plant and equipment	-	-	-
Capital grants	3,027,207	1,022,707	936,631
Dividends received from associate			
Contributions	9,596	-	-
Proceeds from Community loan repayments	3,900		
Net proceeds from/(payments for) investments	500,000	-	-
Net Cash provided by (or used in) Investing Activities	(5,776,377)	(3,587,995)	(5,584,079)
	Actual	Budget	Budget
	2025-A	2026-B (Revised)	2027-B
Cash flows from financing activities			
Trust funds and deposits	23,533	-	-
Repayment of interest bearing loans and borrowings	(230,368)	(254,264)	(245,264)
Net cash provided by (or used in) financing activities	(206,835)	(254,264)	(245,264)
Net increase/(decrease) in cash and cash equivalents	(3,051,412)	479,638	(1,219,073)
financial year	7,914,028	4,862,616	5,342,255
Cash and cash equivalents at the end of the financial year	4,862,616	5,342,254	4,123,183

Appendix 4: Top 5 Capital Projects and Programs

A: Top 5 Capital Projects

Projects	Renewal	Upgrade / New	Total Project Budget
Railton Recreation Ground Redevelopment	\$1,496,000		\$1,496,000
Lorinna Rd - Olivers Creek Bridge Renewal	\$504,000		\$504,000
Lorinna Rd Lorinna Creek Bridge Renewal	\$480,000		\$480,000
Main Street / Claude Road junction – pavement rehabilitation	\$351,000		\$351,000
Tarleton Rd pavement reconstruction near Jowetts Lane	\$264,000		\$264,000

B: Top 5 Capital Programs

Capital Programs	2026/27 Budget
Sealed Road Reseals	\$780,000
Fleet, Plant and Equipment	\$550,000
Unsealed Road Re-sheeting	\$350,000
Intersection treatments (sites to be confirmed)	\$72,000
Information & Communication Technology	\$68,000

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