2026/27
Annual Plan

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Introduction

Councils are required each financial year, under Section 71 of the *Local Government Act 1993*, to prepare an Annual Plan.

The Act provides general guidelines to produce the Annual Plan in that it should:

- Be consistent with the Strategic Plan
- Include a statement of the way the Council is to meet the goals and objectives of the Strategic Plan
- Include a summary of the estimates adopted under Section 82; and
- Include a summary of the major strategies to be used in relation to the Council's public health goals and objectives

The benefits of the Annual Plan are that it:

- Aids and supports the budget process
- Provides an analysis of financial resource allocation
- Gives a statement of the strategies to be implemented throughout the year to address strategic planning objectives
- Provides a list of operational targets to be achieved

A copy of the Annual Plan is provided to the Director of Local Government and the Director of Public Health. A copy is also available at the Dorset Council office for inspection by the public.

Document Linkages

The Annual Plan is directly linked to the current Dorset Council Strategic Plan and the current Dorset Council Financial Management Strategy and Long-Term Financial Plan.

The focus of the Strategic Plan is on the overall strategic objectives of Council, over a ten-year period, while the Annual Plan lists the actions Council is committed to undertaking this year to meet the commitments in the Strategic Plan. The Strategic Plan is goal based and documents Council's mission, vision, governance structures, principles, strategies and benefits of attaining strategies.

The Dorset Council 2026/27 Annual Plan identifies key actions that will be reported on a quarterly basis throughout the year.

How to Read the Annual Plan

The Annual Plan outlines Council's high-level actions for the year and is directly linked to Department Plans that identify tasks associated with meeting the Actions outlined in the Annual Plan and strategies identified in the Strategic Plan.

One of the measures of a successful project is project alignment, meaning a project that is planned and executed fits with the larger strategic goals of an organisation.

Dorset Council is committed to effective project management for the benefit of the community and to support this has introduced the five stages of the project lifecycle - initiation, concept, planning, delivery and commissioning - to enhance project delivery at Dorset Council.

Project Management Lifecycle

Initiation	Concept	Planning	Delivery	Commissioning
Project need is identified through strategy, plans, budgets, service levels or community need. Options at this stage would be explored internally across a project team and through a Council Workshop when required. **excludes projects in the annual capital program*	Validation of the project concept and confirmation it aligns with Councils strategic direction. At this stage, the work undertaken could be used to support a funding submission or budget allocation.	The project is further developed and all work to be done is identified. Scope is defined, risks identified, stakeholder engagement and budget finalised. This project plan should be approved before delivery commences.	The project plan is actioned, and project deliverables are achieved. Detailed designs are developed, and contractors are engaged. Progress is monitored, and appropriate adjustments are made and recorded as variances. Progress information is reported through regular team meetings.	Finalising contracts, project handover and project closure report are completed at this stage. Enter defects period. Conduct a lessons-learned review. Project signoffs, handovers and approvals are completed.

Annual Budget Process

- Provides the annual blueprint for budget fiscal management of the Council.
- Allows for annual review of allocation priorities and links with the Annual Plan.
- Incorporates both capital and operating expenditure programs.

Financial Management Strategy and Long-Term Financial Plan

- Sets out the broad financial objectives of the Council over a 10-year period.
- Classifies major financial categories and departmental projects and activities in accordance with Strategic Plan.

Reporting Process

- Quarterly Annual and Financial Reports detail the status of the Action Plan items.

2026/27 Action Plan

The following pages of the Annual Plan provide details on additional goals, outcomes and objectives that the Council is seeking to undertake and complete as activities in addition to its annual business.

Activity	Focus Area	Strategic Reference	Actions / Initiatives / Deliverables	Phase	Responsible Team	Indicative Quarter	Progress and Status[1]
1	Dorset Strategic Plan 2023-2032	13.1	Review 10-Year Strategic Plan and initiate four-year Term Plan development	Initiation	Governance	March 2027	
			Strategic Plan progress report and status update	Delivery			
2	Dorset: Future Ready	8.2	Scottsdale Future Ready: Scottsdale Masterplan including Scottsdale Recreation Ground	Initiation	Community & Development Services (C&DS)	December 2026	
			City to Sea ▪ Concept plans for the Railway Station and Precinct ▪ Initiate discussion with the Northern Tasmania Development Corporation to undertake concept master planning	Concept		December 2026	
			Austins Road Residential and Light Industrial Scheme Amendment	Delivery		June 2027	
			Feasibility study for Indoor Pool at the Scottsdale Aquatic Centre	Concept		December 2026	
			Rail Trail progress report to Council	Delivery		Quarterly	
			Bridport Future Ready: Bridport Structure Plan	Initiation		June 2027	
			Derby Future Ready: Derby Masterplan	Delivery		June 2027	
			Community Action Plan for Pioneer: prepare scope for Request for Quote	Delivery		June 2027	
3	Municipal Tourism Marketing Strategy	8.1	Finalisation of Strategy and Action Plan	Delivery	Governance	September 2026	

[1] ● the project is on target for delivery by the end of the financial year
● the project likely to be partially delivered (75% or more delivered) by the end of the financial year, or is forecast to be 10% over budget, or both
● less than 75% of the project will be delivered, or the project is forecast to be 20% over budget, or both

Activity	Focus Area	Strategic Reference	Actions / Initiatives / Deliverables	Phase	Responsible Team	Indicative Quarter	Progress and Status[1]
4	Project Update	9.3	Quarterly project update	Delivery	C&DS	Quarterly	
			Half-Yearly Priority Projects Plan review and update	Delivery		June 2027	
5	Local Government Elections & Reform	12.2	2026 Local Government election	Delivery	Governance	December 2026	
			Councillor induction / learning and development (due within 12 months of election)	Delivery	Governance	June 2027	
			Program of works for Local Government Reform: Local Government Charter (due by end of 2026)	Delivery	Governance	December 2026	
			Health & Wellbeing in Council Strategic Plans (due within 12 months of election / align with Activity 1)	Planning	C&DS	March 2027	
			Internal Audit Planning phase (activates Nov 2027)	Planning	Corporate Services	June 2027	
6	Food Organics and Garden Organics (FOGO) Project	14.2	FOGO northern Tasmanian councils feasibility review lead by Circular North	Concept	Infrastructure	June 2027	
7	Council Owned Asset Review	4.1, 4.2	Comprehensive review of service levels, future demand, lifecycle management plan and risk management plan for Council's assets	Planning	Corporate Services and Infrastructure	June 2027	
8	Financial Management Strategy	10.1, 10.4	Review and update Council's Financial Management Strategy	Delivery	Corporate Services	March 2027	
9	Asset Management Strategy	10.3	Review and update Council's Asset Management Strategy	Delivery	Corporate Services	June 2027	
10	Human Resources (HR)	11	Develop an organisational HR Strategy & Roadmap	Planning	Corporate Services	June 2027	
11	Information Technology (IT)	13.1	Develop an organisational IT Strategy & Roadmap	Planning	Corporate Services	June 2027	
12	Work Health and Safety (WHS)	11.1	Implement an improved organisation-wide WHS management system	Planning	Corporate Services	June 2027	

Activity	Focus Area	Strategic Reference	Actions / Initiatives / Deliverables	Phase	Responsible Team	Indicative Quarter	Progress and Status[1]
13	Bridge Asset Management Plan	10.3	Review and update Council's Bridge Asset Management Plan	Delivery	Corporate Services / Infrastructure	December 2026	
14	Stormwater Asset Management Plan	10.3	Review and update Council's Stormwater Asset Management Plan	Planning	Corporate Services / Infrastructure	June 2027	
15	Port Hills Scheme Amendment	8.2	Scheme Amendment to update the Port Hill Specific Area Plan	Initiation	C&DS	June 2027	
16	Policy Reviews[2]	10.1	Policy No. 37 – Dog Management	Delivery	C&DS	September 2026	
		10.1	Policy No. 59 – Stock Underpasses – Council Roads	Planning	Infrastructure		
		10.1	Policy No. 53 – Emergency Relief	Delivery	Governance		
		10.1	NEW Policy - Project Framework	Delivery	C&DS	December 2026	
		5.1, 10.1, 13.4	Policy No. 18 – Customer Service Charter	Delivery	Corporate Services	March 2027	
		10.1	Policy No. 69 – Managing Conflicts of Interests – Council Related Planning Applications	Delivery	C&DS		
		10.1	Policy No. 40 – Road	Planning	Infrastructure	June 2027	
		10.1	Policy No. 47 – Community Grants	Delivery	C&DS		
		10.1	Policy No. 62 – CCTV and Remote Cameras	Planning	Infrastructure		
		10.1	Policy. No 9 – Risk Management	Delivery	Corporate Services		
17	LGAT Coastal Hazards Resilience Planning Project[3]	16.4	Participation in project	Initiation	Governance	June 2027	

[2] Note: Policy No. 70 – Local Government Election Caretaker Period will likely be from 1 September to 30 October 2026, with no major policy decisions able to be made.

[3] New activity included at the 20 July 2026 Council Meeting – Item 144/2026

Underlying Surplus Calculation

	Note	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	2025/26 Revised Budget $'000
Total Operating Income		**20,407**	**18,807**	**18,477**
Expenses (excl depreciation)		16,132	13,219	13,672
Depreciation		6,400	6,215	6,183
Total Expenses		**22,532**	**19,434**	**19,855**
Underlying Surplus/(Deficit)		**(2,125)**	**(627)**	**(1,378)**
Underlying Surplus as a % of Underlying Income		(10.4%)	(3.3%)	(7.5%)

Council's operating budget for the 2026/27 financial year estimates an underlying deficit of $2.1 million. This represents an increase of approximately $1.5 million compared with the underlying deficit forecast for the 2025/26 financial year and an increase of $0.7 million on revised budget estimates for the 2025/26.

When adjusted for one-off items, the underlying deficit is reduced to $1.3 million. This represents a 7.1% improvement on the revised 2025/26 budgeted deficit and reflects continued progress in strengthening Council underlying operating position while maintaining current service levels. One-off items for the 2026/27 financial year include:

Income

- Additional Heavy Vehicle Motor Tax Grant - $301,000
- Derby Master Plan Funding - $250,000
- Insurance reimbursement (Springfield Recreation Ground)- $57,000

Expenses

- Master planning activities for Scottsdale and Derby - $408,000
- Rail Trail maintenance - $300,000
- Priority maintenance of assets and other incidentals - $216,500
- Potential Board of Inquiry costs - $178,000
- Fixed-term employment positions - $141,000
- Consultancy - Council owned asset review - $80,000
- 2026 Local Government Elections and new Councillor incidentals - $64,000
- Scottsdale Aquatic Centre feasibility study - $40,000
- Scottsdale Railway Station concept plan - $40,000

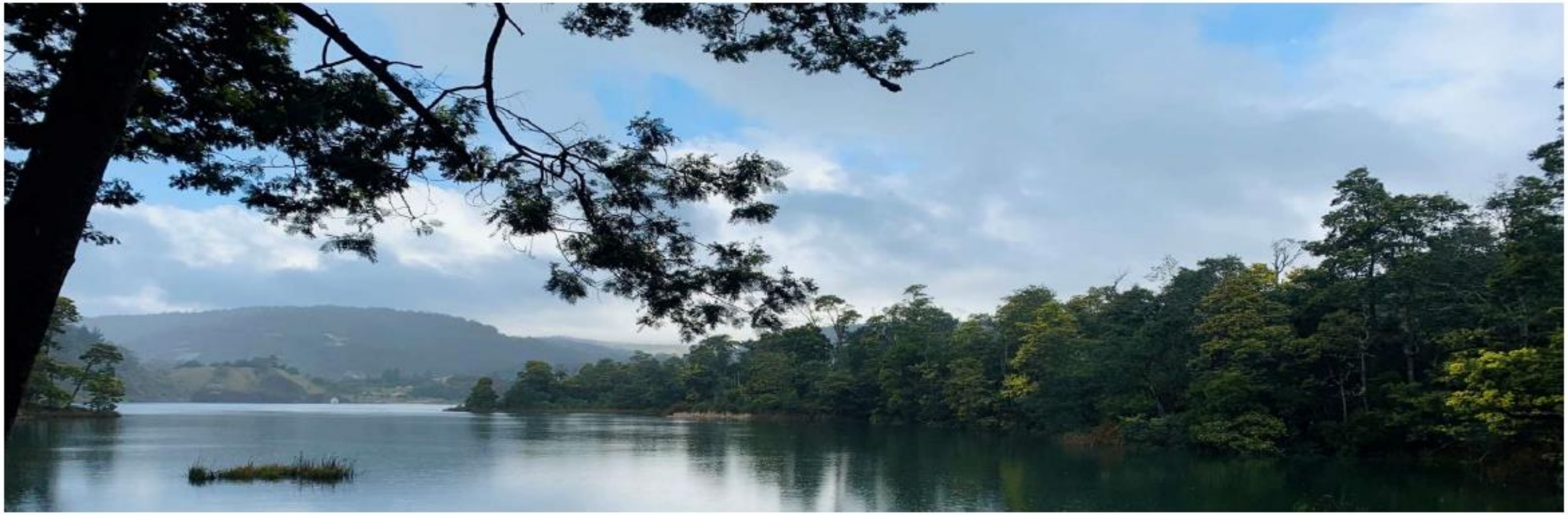
Underlying Surplus Calculation (cont.)

The expected cash to be generated from the 2026/27 operational budget is $4.3 million, compared with $5.6 million forecast for the 2025/26 financial year.

Cash generated from operating activities is a key indicator for Council, as it represents the cash available from day-to-day operations to fund future capital and infrastructure works within the municipality.

The estimated $4.3 million to be generated in the 2026/27 financial year is less than the $7.0 million (net of external funding) required for Council's proposed capital renewal program, however, this has been accounted for in Council's Long-Term Financial plan and it is expected that operating cash flows will sufficiently cover the required capital renewal spend in future years.

An additional $2.3 million in capital grant funding will further assist Council to complete the proposed $13.1 million Capital Works Program in 2026/27.



Analysis of Budget Estimates

The key drivers for 2026/27 budget estimates are:

Income

Rates and charges have increased by $1.1 million compared with forecast actuals for 2025/26. This increase is primarily attributable to a 6.5% increase to Council's general rate revenue base, together with additional income expected from organic growth. Further increases arise from changes to the minimium general rate, the introduction of a varied minimum general rate charge for vacant land properties and higher rates revenue from properties used for wind farm and forestry purposes.

Operating grants and contributions have increased by $0.4 million on forecast actuals for 2025/26 as a result of the receipt of one-off funding for the Derby Master Plan and the Heavy Vehicle Motor Tax grant.

Statutory fees have increased by $0.1 million on forecast actuals for 2025/26 following a detailed review of the 2026/27 fee structure. These changes are intended to ensure the costs of service delivery are recovered and services remain accessible and affordable.

Income from Water Corporation has decreased by $0.1 million on forecast actuals for the 2025/26 financial year, following advice received from TasWater that dividend distributions are anticipated to be lower in 2026/27.

Council's fees and charges are set in accordance with section 205 of the Local Government Act 1993 and have increased, on average, by 5.1%.

Expenditure

Materials and services have increased by $1.4 million on forecast actuals for 2025/26 as a result of one-off expenditure required to commence initiatives under the Dorset Future Ready program,and additional maintenance works required on the North East Rail Trail and other Council assets during the 2026/27 financial year.

Employee Costs have increased by $1.2 million on forecast actuals for 2025/26 due to the addition of new positions to address increased service expectations and legislative requirements, the expected increase to wages as per Council's Enterprise Bargaining Agreement, an increase in workers compensation insurance and annualising any new or reclassified roles that were recruited during the 2025/26 financial year.

Other expenses have increased by $0.3 million on forecast actuals for 2025/26 predominently as a result of the inclusion of potential Board of Inquiry costs and increased expenditure required for the 2026 Local Government elections.

Statement of Profit and Loss

	Notes	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Actual Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Operating Income						
Rates and Charges	1	12,351	11,265	9.6%	11,157	10.7%
Statutory Fees	2	418	333	25.5%	304	37.5%
User Charges	3	1,584	1,477	7.2%	1,457	8.7%
Grants and Contributions	4	5,155	4,804	7.3%	4,791	7.6%
Interest	5	400	388	3.1%	280	42.9%
Other Income	6	305	288	5.9%	236	29.2%
Income from Water Corporation	7	194	252	(23.0%)	252	(23.0%)
Total Operating Income		**20,407**	**18,807**	**8.5%**	**18,477**	**10.4%**
Capital Income						
Capital Grants	4	2,283	2,053	11.2%	3,816	(40.2%)
Total Capital Income		**2,283**	**2,053**	**11.2%**	**3,816**	**(40.2%)**
Total income from continuing operations		**22,690**	**20,860**	**8.8%**	**22,293**	**1.8%**
Expenses						
Employee costs	8	7,579	6,382	18.8%	6,747	12.3%
Materials and services	9	5,842	4,451	31.3%	4,539	28.7%
Finance costs	10	89	74	20.3%	98	(9.2%)
Other expenses	11	2,622	2,312	13.4%	2,288	14.6%
Depreciation	12	6,400	6,215	3.0%	6,183	3.5%
Total Expenses		**22,532**	**19,434**	**15.9%**	**19,855**	**13.5%**
Surplus/(Deficit)		**158**	**1,426**	**(88.9%)**	**2,438**	**(93.5%)**
less: Capital Grants	4	(2,283)	(2,053)	(11.2%)	(3,816)	(40.2%)
Underlying Surplus/(Deficit)		**(2,125)**	**(627)**	**238.8%**	**(1,378)**	**54.2%**

2026/27 Capital Expenditure Budget | Summary

A Capital Works Program totalling $13.1 million is recommended. The 2025/26 capital budget was $13.0 million (including budget variations); however, $4.3 million of this budget is expected to be carried forward into the 2026/27 financial year.

Total Capital Expenditure Budget

	Renewal $'000	New & Upgrade $'000	Overhead Wages Allocation $'000	Total Budget $'000
Bridges	20	325	52	397
Roads	3,614	-	543	4,157
Stormwater	42	255	45	342
Buildings	394	195	88	677
Land Improvements	549	368	143	1,060
Plant and Equipment	1,640	13	249	1,902
IT and Communications	134	56	29	219
Carry Forward Projects	1,820	1,952	565	4,337
Total	**8,213**	**3,164**	**1,714**	**13,091**

Funding the Budget

	Total Budget $'000	External Funding $'000	Council Funding $'000
Bridges	397	-	397
Roads	4,157	15	4,142
Stormwater	342	-	342
Buildings	677	-	677
Land Improvements	1,060	100	960
Plant and Equipment	1,902	347	1,555
IT and Communications	219	-	219
Carry Forward Projects	4,337	1,499	2,838
Total	**13,091**	**1,961**	**11,130**

Further capital projects approved subject to the receipt of external funding total $1.3 million. Of this amount, $1.1 million is expected to be received via external grant funding, with $0.2 million funded by Council.

Capital Expenditure approved subject to funding

	Total Budget $'000	External Funding $'000	Council Funding $'000
Plant and Equipment	18	9	9
Bridges	620	496	124
Buildings	536	518	18
Land Improvements	165	120	45
Total	**1,339**	**1,143**	**196**

If all external funding is received the Capital Works Program will total $14.4 million for the 2026/27 financial year, of which Council will fund a total of $11.3 million.

2026/27 Capital Expenditure Budget | Highlights

Roads

Council's total capital expenditure for roads amounts to $4,157,000. Key projects include:

- annual resheeting and reseal program;
- Golconda Road pavement renewal (segments 2 & 3); and
- Main Street, Bridport pavement & kerb renewal .

Plant and Equipment

Council's total capital expenditure for plant and equipment amounts to $1,902,000. Major purchases include:

- garbage truck replacement;
- backhoe replacement (construction); and
- two 6.5 Tonne Tipper Truck replacements.

Land Improvements

Council's total capital expenditure for land improvements amounts to $1,060,000. Key projects include:

- Bridport Hall - hotmix car park;
- Tomahawk Reserve - playground replacement;
- Scottsdale Stadium/Aquatic Centre - hotmix car park; and
- Scottsdale Waste Transfer Station - new weighbridge.

Buildings

Council's total capital expenditure for buildings amounts to $677,000. Key projects include:

- Council Chambers - roof repairs/replacement (upper and lower levels);
- Council Chambers - upper-level office redesign and renovations;
- CCTV camera upgrades; and
- Branxholm Hall - planning & design for male toilet renewal.

Bridges and Stormwater

Council's total capital expenditure for bridges and stormwater amounts to $739,000. Key projects include:

- upgrade of Bridge 1550 Barnbougle Rd (Tuckers Creek), North Scottsdale;
- upgrade of Bridge 1570 Burrow's Road (Tuckers Creek), North Scottsdale; and
- Union St, Scottsdale - stormwater and kerb upgrade.

IT and Communications

Council's total capital expenditure for IT and communications amounts to $219,000. Key projects and purchases include:

- annual hardware and software renewal program;
- WHS software; and
- Starlink installation at Scottsdale Waste Transfer Station.

Carry forward projects:

Council's total carry forward amounts to $4,337,000. Key projects to be completed include:

- Purchase Flocon Truck (road maintenance);
- Upgrade to Bridge 1569 Jensens Rd, North Scottsdale;
- Upgrade to Bridge 1572 Haas Rd, Legerwood; and
- Completion of playground upgrades at the Lions Adventure Playground, Bridport and the Scottsdale Children's Reserve.

Public Health Goals and Objectives

Enhancing the quality of life of the Dorset Community is one of the Council's key roles. The facilitation and provision of quality services promotes health and well-being, education and learning.

The Community and Development Services team is responsible for ensuring Council meets its health and environmental obligations under the *Public Health Act 1997*, the *Food Act 2003*, the *Environmental Management and Pollution Control Act 1994*, the *Local Government Act 1993* and the *Building Act 2016*.

The key objectives of the department are:

- Regulate a range of activities in accordance with the legislative requirements, including Food Businesses, Public Health Risk Activities (e.g. body piercing), Places of Assembly, Regulated Systems (e.g. cooling towers), Private Drinking Water Suppliers and Commercial Water Carriers.
- Provide educational material and training on health-related topics
- Monitor recreational water quality in swimming pools, spas and popular beaches
- Investigate incidents of notifiable disease
- Provide Immunisation Services and deliver an approved program in high schools
- Provide Waste Management Services including sharps disposal
- Assess on-site wastewater management system designs and regulate the installation of those systems
- Undertake nuisance abatement and incident investigation
- Investigate various public and environmental health incidents and nuisances

Council acknowledges the contribution the community makes in ensuring quality public health services are provided for Dorset residents.