

Greater Shepparton City Council
MONTHLY FINANCIAL REPORT
May 2026

Overview

The May 2026 Monthly Financial Report provides commentary on year-to-date (YTD) budget performance and projected forecast variances, with a focus on Council's financial sustainability measures.

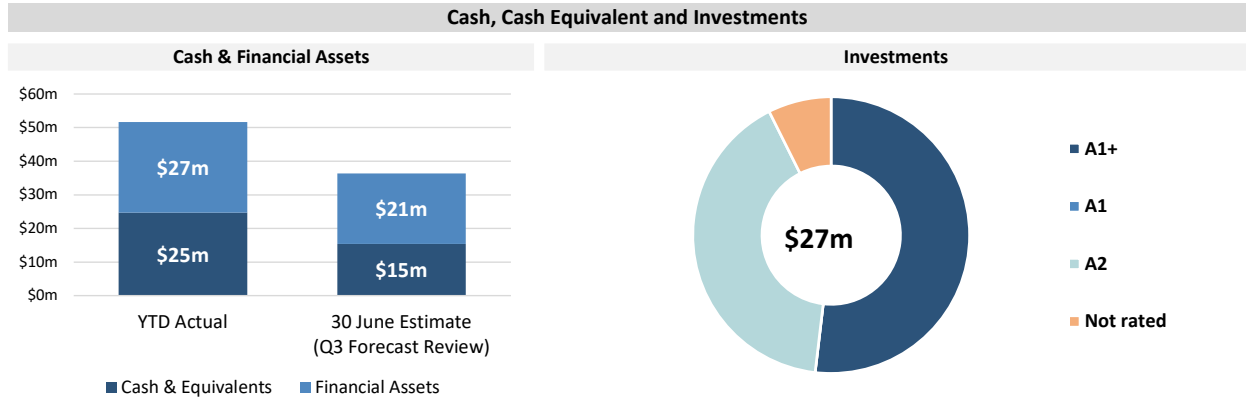
- Council's full year operating result is projected to be a surplus of \$1.9m. The movement compared to the 2025/2026 Adopted Budget is mostly due to increases in materials and services and depreciation. This is partially offset by additional insurance settlements for the 2022 flood.
- The YTD operating budget performance is on track overall, with some temporary differences identified in Capital Grants as well as Materials and Services.
- Council has delivered \$52.1m of the 2025/2026 Capital Works Program as at 31 May 2026. Since the 2025/2026 Adopted Budget, the projected full year capital works has increase by \$5.0m to \$71.4m. This increase is mostly due to projects commenced during the 2024/2025 Financial Year that will now be completed in 2025/2026 and GV Link Stage 1 project.

Financial Sustainability Indicators

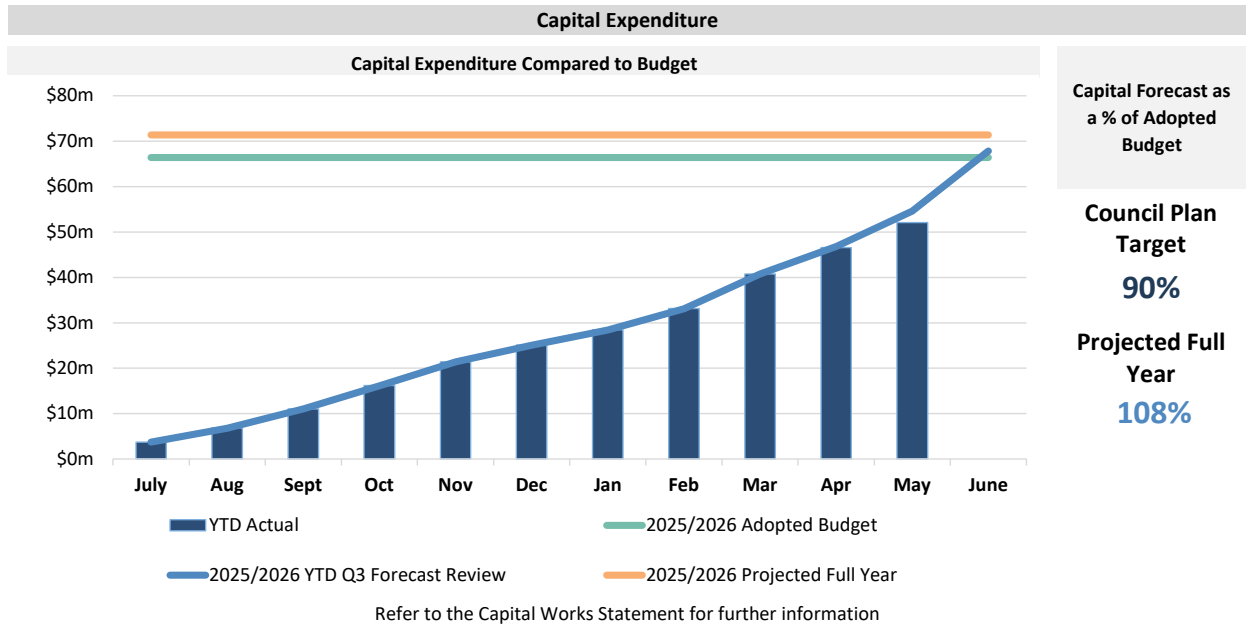
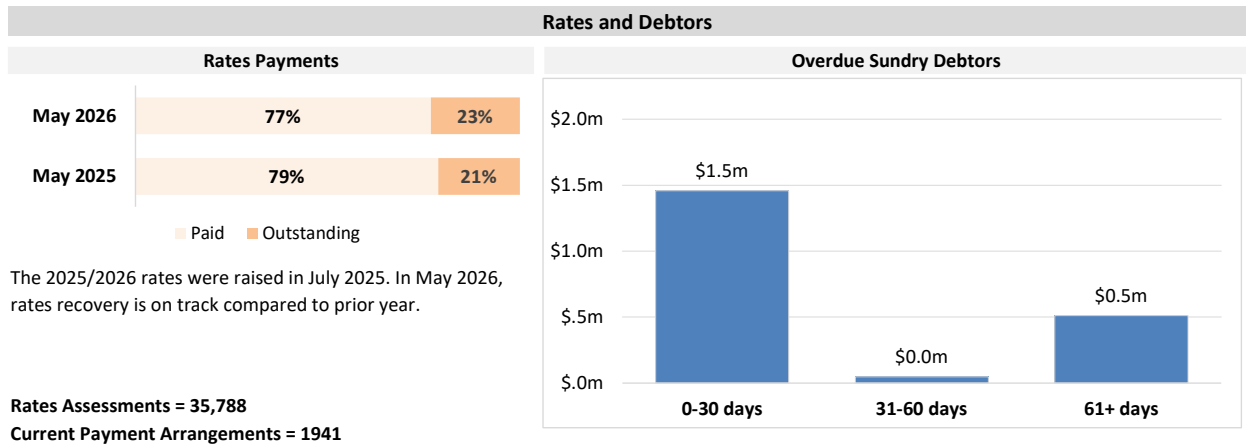
	2025/2026 YTD Adopted Budget	2025/2026 YTD Actuals	2025/2026 Adopted Budget	2025/2026 Q3 Forecast Review	2025/2026 Projected Full Year
Accounting Result	27.1m	21.6m	40.3m	30.2m	29.9m
Less Non-Recurrent Capital Income	(22.0m)	(20.7m)	(27.3m)	(28.0m)	(28.0m)
Adjusted Underlying Operating Result	5.1m	0.9m	12.9m	2.2m	1.9m
Less GV Link Land Sales (net)	0.0m	0.0m	(9.0m)	(9.0m)	(9.0m)
Early receipt of the 2025/2026 Federal Financial Assistance Grants (adjusted to show 100% allocation)	8.9m	8.9m	0.0m	8.9m	8.9m
Operating Result Surplus/(Deficit)	14.0m	9.8m	4.0m	2.1m	1.9m
Depreciation	36.3m	39.1m	41.9m	43.4m	43.4m
Operating Result excl Depreciation	50.3m	48.9m	45.9m	45.6m	45.3m

Financial Indicators

Indicator	Financial Policy Statements	2025/2026 Adopted Budget	2025/2026 Q3 Forecast Review	2025/2026 Projected Full Year
% Adjusted Underlying Result	Aim toward achieving and maintaining a true underlying surplus	7.5%	1.3%	1.2%
Liquidity	Ensure Council maintains sufficient working capital to meet its debt obligations as they fall due.	177%	170%	170%
Capital Renewal & Upgrade / Depreciation	Allocate adequate funds towards renewal capital to replace assets and infrastructure as they reach the end of their service life.	100%	97%	94%
Loans and borrowings compared to Rates	Borrow responsibly to fund generational or income generating assets	19%	19%	19%
Unrestricted Cash	Ensure sufficient availability of cash to ensure Council can respond to emerging risks	62%	46%	46%



At May 2026, Council had \$27m invested, the weighted average interest rate of investments is 4.26% with YTD interest earned of \$1.74m.



Greater Shepparton City Council
Income Statement
For period ended May 2026

	Notes	YEAR TO DATE			FULL YEAR				
		2025/2026 YTD Adopted Budget	2025/2026 YTD Actuals	YTD Adopted Budget Variance (Fav)/Unfav	2025/2026 Adopted Budget	2025/2026 Q3 Forecast Review	2025/2026 Projected Full Year	Adopted Budget Variance (Fav)/Unfav	Q3 Forecast Review Variance (Fav)/Unfav
		\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000
Revenues from Operating Activities									
Rates and Charges		100,345	100,699	(355) ▬	100,370	101,412	100,823	(453) ▬	588 ▬
Statutory Fees and Fines		4,902	5,164	(262) ▬	5,282	5,539	5,476	(193) ▬	63 ▬
User Fees	1	17,268	12,403	4,866 ▼	19,333	14,047	13,752	5,581 ▼	295 ▼
Grants - Operating	2	21,189	21,194	(5) ▬	28,986	22,112	21,923	7,064 ▼	189 ▬
Grants - Capital Recurrent	3	2,002	0	2,002 ▼	4,002	3,633	4,002	0 ▬	(369) ▬
Contributions - Monetary	4	2,488	3,119	(631) ▲	3,724	6,323	6,356	(2,632) ▲	(33) ▬
Net Gain on Disposal of Assets		0	0	0 ▬	8,287	8,287	8,287	0 ▬	0 ▬
Other Income	5	2,809	3,318	(509) ▲	3,287	3,755	3,791	(504) ▲	(36) ▬
Total Operating Revenue		151,003	145,897	5,106	173,272	165,108	164,410	8,862	699
Expenses from Operating Activities									
Employee Costs		57,795	54,948	(2,847) ▬	61,375	60,403	59,965	(1,410) ▬	(438) ▬
Materials and Services	6	49,579	48,339	(1,240) ▬	54,726	56,879	56,852	2,127 ▬	(26) ▬
Depreciation	7	36,314	39,071	2,757 ▬	41,922	43,428	43,428	1,507 ▬	0 ▬
Amortisation - Leases and Intangibles		320	316	(4) ▬	430	430	430	0 ▬	0 ▬
Bad & Doubtful Debts		0	0	0 ▬	522	522	522	0 ▬	0 ▬
Borrowing Costs		569	385	(184) ▼	620	459	459	(162) ▼	0 ▬
Net Loss on Disposal of Assets		653	1,206	553 ▬	0	0	0	0 ▬	0 ▬
Other Expenses		677	683	6 ▬	734	780	830	95 ▬	50 ▬
Total Operating Expenses		145,907	144,948	(959)	160,329	162,900	162,485	2,157	(415)
ADJUSTED UNDERLYING RESULT		5,096	948	4,147	12,943	2,208	1,924	11,019	(284)
Non-operating Income and Expenditure									
Grants - Capital Non Recurrent	8	14,120	8,854	5,265 ▼	16,084	15,678	15,678	406 ▬	0 ▬
Contributions - Monetary (Capital)	9	240	800	(560) ▲	624	1,708	1,291	(667) ▲	417 ▼
Contributions - Non Monetary	10	7,643	10,991	(3,348) ▲	10,631	10,631	10,991	(360) ▬	(360) ▬
Other Income (Capital)		0	36	(36) ▬	0	0	0	0 ▬	0 ▬
Total Non Operating Items		22,003	20,681	1,322	27,339	28,017	27,960	(621)	57
ACCOUNTING SURPLUS/(DEFICIT)		27,099	21,629	5,469	40,282	30,225	29,884	10,398	(341)

Notes to the Income Statement for period ended May 2026	
1	User Fees YTD actual is \$4.87m less than the YTD Adopted Budget mostly due to Cosgrove Landfill, with adjustments to the accounting treatment of internal waste charges continuing to drive the variance. This adjustment also impacts the full year, with a forecast reduction of \$3.94m, which is fully offset by reductions in Materials and Services due to the revised accounting treatment. The Adopted Budget forecast variance is also impacted by Early Years due to the reallocation between User Fees income and Operating Grant income \$1.02m, reflecting the demographic of families using long day care services. Additionally, a further impact of \$260k on the Adopted Budget is due to delays in receiving Subdivisions for Supervision of Works and Plan Checking.
2	Operating Grants The 2025/2026 projected full year forecast has reduced by \$7.06m since Adopted Budget. This unfavourable variance is mostly due to the early receipt of 50% (\$8.88m) of the 2025/2026 Federal Financial Assistance Grants in June 2025. The Adopted Budget variance is also impacted by a reallocation between User Fees income and Operating Grant income (\$1.19m) for Early Years, reflecting the demographic of families using long day care services and levels of government subsidisation. As well as Queensland Fruit Fly funding from the State Government \$469k.
3	Capital Recurrent Grants YTD actual is \$2.02m less than the YTD Adopted Budget due to the Roads 2 Recovery funding not yet received.
4	Monetary Contributions 2025/2026 Projected full year forecast is \$2.63m greater than Adopted Budget, primarily due to the property settlement expected for the WB Hunter Pavilion of \$2.6m which has been allocated towards the 2025/2026 capital project. Additional favourable movements include, Recreational Land of \$350k, Cash in Lieu of carparking contributions of \$107k and other insurance events of \$102k. These additional revenue streams will be transferred to reserve accounts in alignment with Council's Reserve Accounting Policy. Offset by a reduction in Aquamoves insurance proceeds relating to business interruptions income that have not eventuated due to original estimates based on pre-covid recovery \$728k.
5	Other Income YTD actual is \$509k greater the YTD adopted budget due to interest rates remaining higher than initially budgeted, Saleyards profit share of \$96k and Designated Area Migrant Agreement (DAMA) fees of \$105k. The favourable interest rates has also contributed to the 2025/2026 projected full year forecast increase of \$504k higher than Adopted Budget.
6	Materials and Services 2025/2026 projected full year forecast is \$2.13m greater than Adopted Budget. The forecast is favourably impacted by changes to accounting for internal waste transactions of \$3.02m and unfavourably impacted by a range of factors including those already identified: including Kidstown Adventure Playground Rehabilitation and Master Planning \$650k, non-recurrent remediation works on non-Council assets at Cosgrove Landfill \$360k, and expenditure associated with grant funding receipted in prior financial years, including the October 2022 Flood Event \$499k. In addition, the projected forecast reflects the introduction of the Engineering and Associated Services Contract \$1.52m, which is partially offset by reductions in employee costs, alongside multiple legal matters \$740k, expenditure relating to the funded Queensland Fruit Fly program \$269k, additional consultancy costs including the Renewable Energy Zone proposal \$88k, Cosgrove Landfill leachate pond repairs and clean-out totalling \$426k, and unplanned leachate monitoring costs of \$85k. The YTD adopted budget variance is favourable \$1.24m, however this is mostly expected to be a timing difference.
7	Depreciation 2025/2026 projected full year forecast has increased by \$1.5m since Adopted Budget. The increase is due to the revaluation and condition assessment of assets, mostly footpaths accounting for \$1.0m of the movement.
8	Capital Non Recurrent Grants YTD actual is \$5.27m less than YTD Adopted Budget due to the timing of recognition of grant funding associated with projects, including the Shepparton Sports City Enhancement Package, GV Link milestone 1, Yanha Gurtji Shared Path, Lenne Street Drainage Upgrade Stage 2 and the Shepparton Inner North Local Area Traffic Management.
9	Capital Monetary Contributions 2025/2026 projected full year forecast is \$667k greater than Adopted Budget. These favourable variances are mostly attributable to additional developer contributions for Mooroopna West Growth Corridor \$556k, contributions relating to the Carroll Road drainage project \$90k and Wanganui Oval Lighting and Irrigation Upgrade \$200k which were budgeted for in 2024/2025, but was completed in 2025/2026. The variance is also impacted by \$434k increase relating to the GV water contribution for the GV Link Enterprise Park Stage 1 project offset by developer contributions for Silkwater Plains Shared Path \$240k and user group contributions for the Princess Park multi-use events pavilion \$384k carried over to 2026/2027.
10	Non-Monetary Contributions YTD actual is \$3.35m greater than YTD Adopted Forecast, due to the timing of handover of gifted assets from developers.

Greater Shepparton City Council

Balance Sheet

As at 31 May 2026

Notes	FULL YEAR			YEAR TO DATE	MOVEMENT
	Total Actual June 2025	Adopted Budget June 2026	Q3 Forecast Review June 2025	YTD Actual May 2026	June 2025 vs. YTD Actual (Fav)/Unfav
	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000	\$ ' 000
Current Assets					
Cash and Cash Equivalent	17,460	15,308	14,771	24,687	(7,227)
Trade and other receivables	22,627	20,549	29,391	29,567	(6,941)
Other Financial Assets	41,000	24,200	21,000	27,000	14,000
Inventories	117	121	117	176	(58)
Assets Held for Resale	1,818	0	22	1,796	22
Other Assets	6,568	4,465	6,568	2,208	4,360
Total Current Assets	89,590	64,643	71,869	85,434	4,156
Non Current Assets					
Trade and other receivables	0	4,550	4,550	0	0
Investment in Associates	1,948	1,883	1,948	1,948	0
Infrastructure	1,379,467	1,443,932	1,449,799	1,400,802	(21,336)
Intangible Assets	37,774	35,040	37,343	37,457	316
Total Non Current Assets	1,419,188	1,485,405	1,493,640	1,440,208	(21,019)
Total Assets	1,508,778	1,550,048	1,565,509	1,525,642	(16,863)
Current Liabilities					
Trade & Other Payables	18,743	9,595	9,696	10,145	(8,598)
Contract and other liabilities	4,159	0	0	1,677	(2,482)
Trust Funds	6,067	5,847	6,067	8,695	2,628
Provisions	11,843	13,453	18,787	12,119	276
Interest Bearing Liabilities	3,076	7,646	7,646	790	(2,285)
Total Current Liabilities	43,888	36,541	42,196	33,427	(10,462)
Non Current Liabilities					
Trade & Other Payables	0	0	0	0	0
Provisions	23,317	16,442	16,905	23,317	0
Interest Bearing Liabilities	9,510	11,309	11,428	15,035	5,525
Total Non Current Liabilities	32,827	27,751	28,333	38,351	5,525
Total Liabilities	76,715	64,292	70,529	71,778	(4,937)
Net Assets	1,432,063	1,485,756	1,494,979	1,453,863	(21,800)
Represented By					
Accumulated Surplus	559,347	587,565	592,235	580,977	(21,630)
Reserves	872,716	898,191	902,744	872,886	(171)
Total Equity	1,432,063	1,485,756	1,494,979	1,453,864	(21,800)

Notes to the Balance Sheet as at May 2026

1	Infrastructure The Q3 forecast has increased by \$5.9m since adopted budget mostly due to the higher projected capital works, offset by additional depreciation.
2	Provisions In preparation for the capping of Cosgrove 3 Cell 1 and 2 in 2026/2027 financial year, Q3 forecast includes movement in Landfill Provision from Non-Current to Current.

Greater Shepparton City Council
Cash Flow Statement
For period ended May 2026

	Notes	FULL YEAR			YEAR TO DATE
		Total Actual June 2025 \$ ' 000	Adopted Budget June 2026 \$ ' 000	Q3 Forecast Review June 2026 \$ ' 000	YTD Actual May 2026 \$ ' 000
Cash flows from operating activities					
Receipts from customers		118,177	129,949	121,830	117,703
Payments to suppliers		(112,829)	(117,804)	(126,584)	(109,308)
Net cash inflow(outflow) from customers(suppliers)		5,348	12,145	(4,754)	8,395
Interest received		2,484	1,562	1,994	1,955
Government receipts		49,969	47,055	37,108	27,566
Contributions		3,566	1,232	8,031	2,780
Net cash inflow(outflow) from operating activities	1	61,367	61,994	42,379	40,696
Cash flows from investing activities					
Net movement in other financial assets		(20,000)	(2,200)	20,000	14,000
Infrastructure, property, plant & equipment - proceeds		923	1,625	1,624	1,639
Infrastructure, property, plant & equipment - payments		(44,710)	(66,419)	(72,729)	(52,071)
Net cash inflow(outflow) from investing activities	2	(63,787)	(66,994)	(51,105)	(36,432)
Cash flows from financing activities					
Finance Cost		(533)	(780)	(452)	(278)
Proceeds from interest bearing loans and borrowings		0	9,675	9,675	5,525
Repayment of interest-bearing loans and borrowings		(2,967)	(3,186)	(3,187)	(2,285)
Interest Paid - Lease Liability		(1)	0	0	0
Repayment of Lease Liability		(78)	0	0	0
Net cash inflow(outflow) from financing activities		(3,579)	5,709	6,037	2,961
Net increase(decrease) in cash and equivalents		(5,999)	709	(2,689)	7,225
Cash and equivalents at the beginning of the year		23,459	14,599	17,460	17,460
Cash and equivalents at the end of the year		17,460	15,308	14,771	24,685

Notes to the Cash Flow Statement as at May 2026	
1	The net inflow from operating activities decreased from \$62.0m to \$42.4m from adopted budget. This movement is mostly due to adjustments to expected receivable balances at June 2026 based on prior year results, increase in payment to suppliers due to changes to operating forecasts and the high trade and other payables balance at 30 June 2025 and reduction in Government receipts, caused by early receipt of 50% of the 2025/2026 Federal Financial Assistance Grants in June 2025.
2	The net outflow from investing activities decreased from \$67.0m to \$51.1m from Adopted Budget. This movement is influenced by the 30 June 2025 financial assets (investments) balance which was higher than 2025/2026 Budget forecasts expected and will be drawn down through the year as expenditure is incurred. Additionally, the projected decrease in capital works due to projects rebudgeted into 2026/2027 financial year. See Capital Works Statement notes for further comments.

Greater Shepparton City Council
Capital Works Statement
For period ended May 2026

Capital Works Area	Note	YEAR TO DATE			FULL YEAR				
		2025/2026 YTD Adopted Budget	2025/2026 YTD Actuals	YTD Adopted Budget Variance (Fav)/Unfav	2025/2026 Adopted Budget	2025/2026 Q3 Forecast Review	2025/2026 Projected Full Year	Adopted Budget Variance (Fav)/Unfav	Q3 Forecast Review Variance (Fav)/Unfav
		\$ ' 000	\$ ' 000	\$'000	\$ ' 000	\$ ' 000	\$ ' 000	\$'000	\$'000
Bridges		58	57	(1) ▬	58	58	58	0 ▬	0 ▬
Buildings	1	3,056	2,970	(86) ▬	3,171	3,708	3,739	568 ▲	31 ▬
Computer & Telecommunications	2	837	352	(485) ▼	857	745	698	(159) ▼	(48) ▬
Drainage	3	5,979	5,255	(724) ▼	5,979	5,865	5,544	(435) ▬	(321) ▬
Fixture Fittings and Furniture		313	250	(63) ▬	313	305	308	(5) ▬	3 ▬
Footpaths & Cycleways	4	2,414	2,757	343 ▲	2,414	2,801	2,784	370 ▲	(17) ▬
Land	5	30	0	(30) ▬	555	30	30	(525) ▼	0 ▬
Land Improvements		0	33	33 ▬	0	80	83	83 ▬	3 ▬
Parks, Open Space & Streetscape	6	2,956	1,013	(1,943) ▼	3,158	3,590	3,583	425 ▲	(8) ▬
Plant Machinery & Equipment	7	4,201	2,960	(1,241) ▼	4,313	3,629	3,629	(684) ▼	0 ▬
Recreational Leisure and Community Facilities	8	5,608	3,196	(2,411) ▼	7,157	5,360	5,376	(1,781) ▼	16 ▬
Roads	9	31,724	27,429	(4,296) ▼	32,864	39,582	38,612	5,748 ▲	(970) ▼
Waste Management	10	3,172	3,680	508 ▬	3,172	4,510	4,508	1,336 ▲	(2) ▬
Other Infrastructure		582	494	(88) ▬	619	608	609	(10) ▬	1 ▬
Project Management Office		1,626	1,627	1 ▬	1,789	1,856	1,856	67 ▬	0 ▬
Total Capital Works		62,556	52,073	(10,483)	66,419	72,729	71,417	4,998	(1,312)

Capital Works Area	2025/2026 YTD Adopted Budget	2025/2026 YTD Actuals	YTD Adopted Budget Variance (Fav)/Unfav	2025/2026 Adopted Budget	2025/2026 Q3 Forecast Review	2025/2026 Projected Full Year	Adopted Budget Variance (Fav)/Unfav	Q3 Forecast Review Variance (Fav)/Unfav
	\$ ' 000	\$ ' 000	\$'000	\$ ' 000	\$ ' 000	\$ ' 000	\$'000	\$'000
Renewal	27,360	23,225	(4,136) ▼	29,545	29,468	28,549	(996) ▼	(919) ▬
Upgrade	10,498	9,236	(1,262) ▼	12,542	12,807	12,426	(116) ▼	(381) ▬
New	21,814	18,375	(3,439) ▼	20,865	29,015	29,001	8,136 ▲	(15) ▬
Expansion	2,884	1,238	(1,646) ▼	3,467	1,439	1,441	(2,026) ▼	3 ▬
Total Capital Works	62,556	52,073	(10,483)	66,419	72,729	71,417	4,998	(1,312)

Notes to the Capital Works Statement for period ended May 2026	
1	Buildings The 2025/2026 projected full year forecast is higher than Adopted Budget mostly due to expenses relating to the 2022 October Flood Events \$314k and Congupna Recreation Reserve Change Room Upgrades \$209k.
2	Computer & Telecommunications 2025/2026 projected full year forecast is \$159k less than Adopted Budget, to reflect the use of cheaper devices than originally planned, along with extending the life of some existing devices and reusing them. This also contributes to the YTD adopted budget variance, further contributing to the adopted budget variance is delays due to part availability and tender timing.
3	Drainage YTD actual is \$724k less than the YTD adopted budget, due to the completion of the Margaret Street Pump Upgrade, with budget savings of \$383k, Marungi Street Urban Drainage project, where commencement was delayed due to investigations into service locations but is now nearing completion, \$162k and savings of the Lenne Street Upgrade project which is near completion, \$107k.
4	Footpaths & Cycleways YTD actual is \$343k more than YTD Adopted Budget mostly due to the Yanha Gurtji Shared Path Route 2 project \$460k and Silkwater Plains Shared Path Project \$29k. These project also contributed to the 2025/2026 projected full year forecast increase of \$370k, along with favourable movements such as the completion of the Shared Path program with savings of \$70k, minor delays in the Accessible Parking and Pedestrian Facilities Program \$20k and other savings in the Ganges Shared Path project, \$31k.
5	Land 2025/2026 projected full year forecast is \$525k less than Adopted Budget, primarily due to the purchase of Victoria Park Holiday Park land carried forward to 2026/2027.
6	Parks, Open Space & Streetscape 2025/2026 projected full year actual is \$425k more than Adopted Budget mostly due to Cormorant Park facilities, \$400k. YTD Actual is \$1.94m less than YTD adopted budget due to timing delays for the Cormorant Park project.
7	Plant Machinery & Equipment YTD actual is \$1.24m less than YTD Adopted Budget mostly due to the timing of delivery of budgeted plant items. The 2025/2026 projected full year forecast has reduced \$684k since Adopted Budget mostly due to purchases not proceeding in 2025/2026, offset partially by new plant and vehicle purchases.
8	Recreation, Leisure and Community Facilities YTD actual is \$2.41m less than the YTD Adopted Budget, mostly due to the Princess Park Facilities Project delays as a result of planning conditions requiring redesign. The project has been partially rebudgeted by \$1.6m into the 2026/2027 financial year. The Toolamba Tennis/Netball Courts project forecast decrease of \$186k as the final tender was lower than budget, which will also reduce the total funding Council will receive for the project. The 2025/2026 full year forecast is also impacted by the abandonment of the Dookie Rail Trail Detailed Design Project \$200k, as Council was unable to secure funding.
9	Roads YTD actual is \$4.3m less than YTD Adopted budget mostly due to the GV Link Enterprise Park Stage 1 and delays in receiving issued for construction drawings and authority approvals \$922k, the Kerb and Channel Renewal project and Gravel Resheeting project have also experienced delays, with impacts of \$529k and \$607k respectively. Additionally the Road Sealing program which has been subject to delays related to the stabilisation arm of the program \$517k and the Shepparton Inner North Local Area Traffic Management projects \$661k which were commenced on receipt of approved designs by TAC.
10	Waste Management 2025/2026 projected full year forecast is \$1.33m greater than the Adopted budget, mostly due to the timing of delivery of GITA and Auditor approvals for Cosgrove 3 Cell 1, resulting in a \$1.26m variance.



1 May 2026

Basin Plan Review Submissions
Murray-Darling Basin Authority
GPO Box 1801
CANBERRA CITY ACT 2601

By email Only: BPRsubmissions@mdba.gov.au

To Whom It May Concern

2026 BASIN PLAN REVIEW - SUBMISSION

1. Introduction and Council Position

Greater Shepparton City Council welcomes the opportunity to make a submission to the Murray Darling Basin Authority on the 2026 Basin Plan Review Discussion Paper. Council submits from the position that Greater Shepparton is of national strategic importance, central to Australia's irrigated food production, food manufacturing supply chains, regional employment and environmental stewardship within the Murray-Darling Basin. Decisions arising from this Review have significance regarding the future of Greater Shepparton and broader region.

This submission reflects the lived experience of Greater Shepparton and the Goulburn Valley over more than a decade of Basin Plan implementation. It is also informed by an independent economic analysis prepared by Frontier Economics, jointly commissioned by Greater Shepparton City Council in partnership with the Murray River Group of Councils. The submission also draws on data from established and authoritative sources, including the Goulburn Broken Catchment Management Authority (GBCMA), Victorian Farmers Federation (VFF), Goulburn-Murray Water (GMW), Australian Bureau of Statistics, NIEIR (National Economics) and ABARES.

The Frontier Economics analysis examines the economic and employment impacts of water recovery, water availability and ongoing policy uncertainty in irrigation dependent regions of northern Victoria. This submission should not be read in isolation, and we request that the attached Frontier Economics analysis be given serious consideration as part of Council's entire submission.

Greater Shepparton is a major regional centre at the heart of one of Australia's most productive food producing areas. The local economy is closely tied to irrigated agriculture, food manufacturing, transport and export supply chains. Reliable access to water under the Basin Plan is therefore central to employment, business viability and long-term investment in the municipality. Decisions made through the Basin Plan Review have direct consequences

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greaterhepparton.com.au

for Greater Shepparton and broader implications for national food production and regional economic resilience.

Council strongly supports the objective of healthy river systems, recognising that river health underpins the environmental integrity of the Basin and the wellbeing of current and future generations. In the context of accelerating climate variability and long-term declines in water availability, Council emphasises the need for water management settings that safeguard ecological function, support species and habitats, and build resilience in river systems over the long term. However, environmental objectives must be pursued alongside a clear understanding of economic limits in regions that support nationally significant food production and manufacturing. Regions such as Greater Shepparton have already experienced substantial adjustment under the Basin Plan and now have limited capacity to absorb further change without permanent consequences. This should not be underestimated and should be considered with the utmost due diligence and prudence.

Council supports the Discussion Paper's acknowledgment that addressing future uncertainty and increasing system complexity requires more targeted, place-based approaches at local and regional scales, consistent with the original intent of the Murray-Darling Basin Plan to deliver practical, durable outcomes across diverse catchments and communities. Council agrees with the Paper's recognition that Basin communities are now seeking stability and consolidation of existing reforms and emphasises that this period of consolidation is essential to allow the Plan's objectives to be realised in practice while maintaining community confidence and system resilience.

Council considers that the Discussion Paper fails to adequately address fundamental issues relating to limits, safeguards and alignment with broader government policy objectives, particularly in relation to food security, manufacturing capability and regional development. This omission is significant. The absence of clear policy boundaries and safeguards has entrenched uncertainty, which is now actively undermining investment confidence, workforce retention and regional stability in nationally significant food-producing regions such as Greater Shepparton.

This submission sets out why Greater Shepparton matters to Australia's food system, what the region has already experienced under the Basin Plan, and the risks associated with continued uncertainty regarding further reductions in productive water. It draws on quantitative evidence and regional experience to explain why the next phase of the Basin Plan should focus on consolidation, stability and better use of existing environmental water, rather than allowing further change without clear boundaries.

Council's position is that a successful Basin Plan Review must deliver environmental outcomes while also sustaining the productive foundations of regions that feed Australians and support regional employment. Achieving this balance requires clear policy direction, realistic assessment of impacts on communities, and closer alignment between water policy and national economic objectives.

2. Greater Shepparton and the Goulburn Valley

Greater Shepparton is a nationally significant agribusiness and food manufacturing centre, central to Australia's irrigated food production system and critical to the resilience, efficiency and security of domestic food supply chains. The scale, diversity and concentration of agricultural production, food processing and agribusiness employment in the municipality place it well above most local government areas nationally. We are not a narrow or single commodity economy. Greater Shepparton is a highly specialised, multi commodity food producing and processing centre that plays a critical role in Australia's food system.