

**LATE ITEM: MID-YEAR BUDGET REVIEW**

ATTACHMENT(S)	2025/26 Mid-Year Budget Review
FILE NO	ADM0163
AUTHOR	Michelle Martin, LG Best Practices
DATE	13 March 2026
DISCLOSURE OF INTEREST	

STRATEGIC IMPLICATIONS	
Strategic Community Plan 2023-2033	Corporate Business Plan 2024-2028
Community Outcomes	Corporate Actions
<b>Key Pillar: BT Shire Support</b>	
<b>11. Delivered Shire Trust and Performance</b> 11.2 SoBT financials Sharing This is the Shire workforce releasing financial trends and results quarterly, transparently indicating where funds come from for each piece of work. The Shire is working well with the community to develop new revenue options to achieve community driven pieces of work.	No specific corporate plan initiative

**SUMMARY**

The purpose of this report is to consider the review of the 2025/26 Annual Budget, for the period 1 July 2025 to 31 January 2026.

**BACKGROUND**

The budget review has been prepared to include information required by the *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. Regulation 33A requires local governments to conduct a review of their annual budget between 1 January and the last day in February in each financial year.

Regardless of statutory requirements, conducting a budget review at least once each year is sound financial management practice. It enables the Council to analyse the financial performance of the year to date and make amendments to the authorisations that the budget puts in place for the delivery of the local government’s functions.

The Council adopted a 10% or \$10,000 minimum for the reporting of material variances to be used in the statement of financial activity and the annual budget review.

**COMMENT**

Staff have reviewed operating and capital income and expenditure against the annual budget for the period ending 31 January 2026. During this process, accounts exceeding the adopted material variance threshold were analysed to determine the cause of the variance, the projected impact on the end of year position, and any actions required.

A full listing of the budget amendments required are included in Note 5 of the attached Budget Review document for Council’s consideration.

## CONSULTATION

Chief Executive Officer  
Manager of Works  
Finance Coordinator  
Strategic Support and Projects Officer

## STATUTORY ENVIRONMENT

*Local Government Act 1995*

*Local Government (Financial Management) Regulations 1996 - regulation 33A -*

- (1) *Between 1 January and the last day in February in each financial year a local government is to carry out a review of its annual budget for that year;*
- (2) *The review of an annual budget for a financial year must –*
  - (a) *consider the local governments financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and*
  - (b) *consider the local governments financial position as at the date of the review; and*
  - (c) *review the outcomes for the end of that financial year that are forecast in the budget; and*
  - (d) *include the following –*
    - (i) *the annual budget adopted by the local government;*
    - (ii) *an update of each of the estimates included in the annual budget;*
    - (iii) *the actual amount of expenditure, revenue and income as at the date of the review;*
    - (iv) *adjacent to each item in the annual budget adopted by the local government that states an amount, the estimated end-of-year amount for the item.*
- (2) *The review of an annual budget for a financial year must be submitted to the council on or before 31 March in that financial year.*
- (3) *A council is to consider a review submitted to it and is to determine\* whether or not to adopt the review, any parts of the review or any recommendations made in the review.*

*\* Absolute majority required.*
- (4) *Within 14 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.*

## FINANCIAL IMPLICATIONS

The Budget Review document examines the Shire’s financial operations for the financial year to date and recommends amendments to the adopted budget and previously approved Council projects, resulting in no net impact on the budgeted surplus.

## POLICY IMPLICATIONS

Nil.

## RISK MANAGEMENT IMPLICATIONS

This item has been evaluated against the Shire’s Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be “Low” risk and can be managed by routine procedures and with current resources.

## ASSET MANAGEMENT IMPLICATIONS

Nil.

## **VOTING REQUIREMENTS**

Absolute Majority

## **OFFICER RECOMMENDATION**

**That:**

1. the 2025/26 Annual Budget be amended with the changes outlined in the Mid-Year Budget Review document; and
2. the 2025/26 Mid-Year Budget Review for the period 1 July 2025 to 31 January 2026 be adopted.